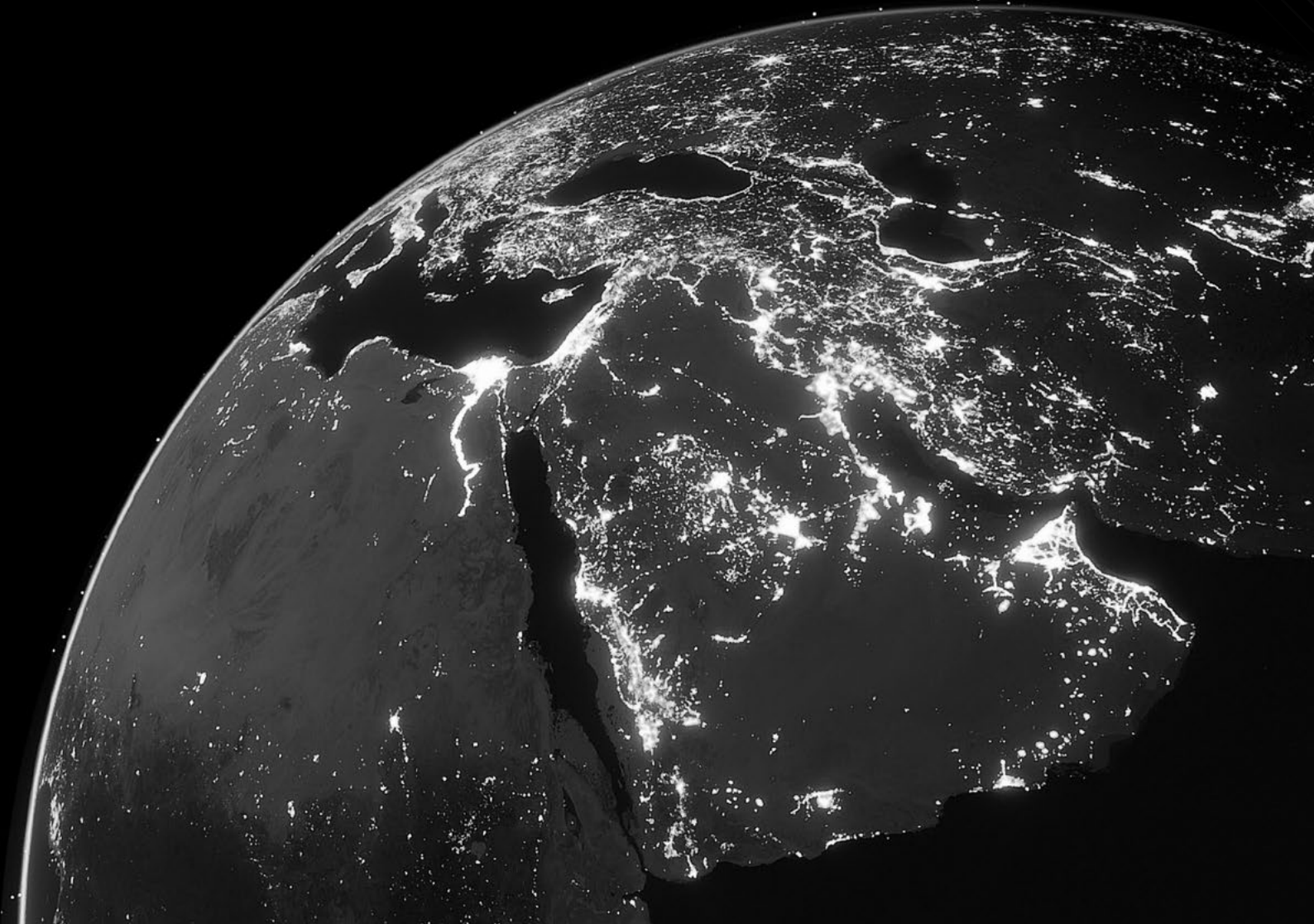




2022

Environmental,
Social and
Governance
(ESG) Report



Introduction

PURPOSE OF THE REPORT

SISCO Group is pleased to present its 2022 ESG Report, which showcases the company's sustainability initiatives, achievements, and advancements. In addition, this report outlines SISCO Group's upcoming goals and aims to integrate the best practices of Environmental, Social, and Governance (ESG) throughout SISCO and its subsidiaries.

This report highlights SISCO Group's ESG achievements covering the 2022 calendar year (ending 31 December). The report is an overview of the company's sustainability approach and performance for all upstream and downstream operations in Saudi Arabia. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. It focuses on the material sustainability issues of relevance to SISCO Group and its stakeholders. As the

Kingdom's leading and first publicly listed full-cycle logistics and infrastructure investment company, SISCO Group has proven expertise in identifying and creating industry leaders and transforming them into national champions. As we look into the future, SISCO Group remains committed to be the ESG change we want to see in the world.



REPORTING BOUNDARIES:

Our ESG Report focuses on SISCO Group at a holding level including our subsidiaries:

Ports & Logistics

شركة البحر الأحمر لتطوير الموانئ
RED SEA PORTS DEVELOPMENT COMPANY



محطة بوابة البحر الأحمر
RED SEA GATEWAY TERMINAL



S.A. TALKE
س.أ.تالكي

LogiPoint



شركة تشغيل الخدمات المساندة
S.N.A.D. Support Services Operation Com

Water Solutions

توزيع
TAWZEA

الشركة الدولية لتوزيع المياه المحدودة
International Water Distribution Co. Ltd

Kindasa
WATER SERVICES



كنداسة
لخدمات المياه

All data presented in this report is for SISCO Group including its subsidiaries unless otherwise stated. All quantitative data for 2020 and 2021 excludes Elite.

**Feedback:**

We welcome your feedback on this report and our performance through:

Email: ir@sisco.com.sa

Cautionary Statement

SISCO's 2022 ESG report contains certain forward-looking statements. All statements, other than statements of historical fact, are or may be deemed forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties that could materially affect expected results of operations, cash flow and business prospects, because they relate to events and depend on circumstances that will or may occur in the future. Readers should not place undue reliance on forward-looking statements, which speak only as of the date of this report.

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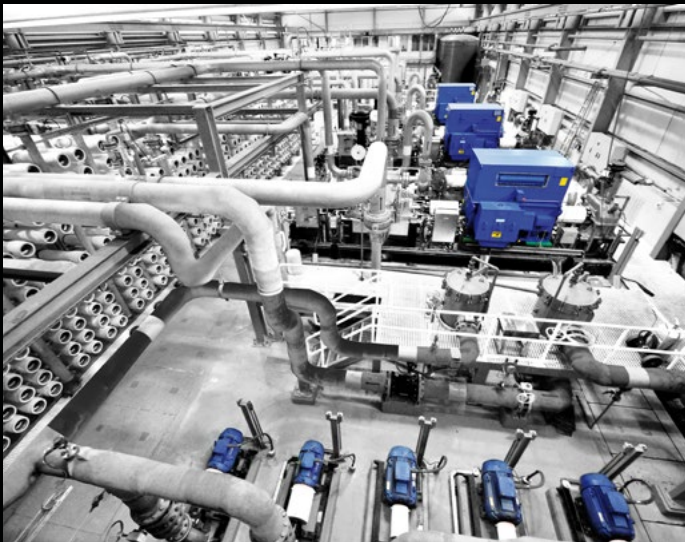
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Our Materiality Assessment

OUR SUSTAINABILITY FRAMEWORK

Aligning with National and
International Goals and Standards



GOOD GOVERNANCE AND STRONG INTUITION

Governance, Ethics and Compliance

Data Privacy and Cybersecurity

Financial Performance



GREEN INFRASTRUCTURE AND ENVIRONMENTAL SUSTAINABILITY

Climate Change and Energy

Environmental Management

Water and Waste Management

Technology and Innovation



SUPPORTING HUMAN CAPITAL DEVELOPMENT

Talent Attraction, Development, and Retention

Health and Safety

Diversity and Equality



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MESSAGE FROM SISCO GROUP'S LEADERSHIP



I am delighted to present to you SISCO's 2022 ESG Report. As we reflect on the past year's accomplishments and challenges, I am immensely proud of the strides we have made in integrating sustainability and responsible business practices across the SISCO Group.

Embracing ESG

Sustainability is at the core of SISCO's strategy and investment. As a responsible investor and a forward-thinking company, we recognize the importance of sustainable business practices to ensure long term sustainable value creation.

As an investment holding company with Assets Under Management of more than SAR 4 billion, the impact of our actions on the environment and society is largely determined by our portfolio companies. As a result, we ensure that we invest in and manage our portfolio companies responsibly through robust processes and strong corporate governance. This enables us to have the right balance between providing 'top down' guidance on ESG while also granting our portfolio companies' boards and executives the autonomy to determine the most impactful strategies for their businesses.

ESG is at the forefront of our strategic and investment decisions and is a priority for the Group's board and management, and are reflected in our corporate and portfolio companies' KPIs.

Fortifying Governance

As the Group expands, we are continuing our efforts to consistently prioritize strong governance, placing it at the forefront of our agenda. Our resilient and effective governance significantly contributes to our comprehensive emphasis on ESG issues.

During the year, the Group's governance structures and processes were further strengthened, ensuring SISCO Group is well-placed to meet any challenges faced. This cohesive approach empowers us to harmonize efforts and implement unified sustainability strategies.

The growth in SISCO Group's workforce also provided an opportunity to enhance diversity and inclusion within the company. This involved recruiting several women into senior management positions. The Group remains committed to developing a highly skilled and motivated workforce, evidenced by a substantial increase in the training offered to all employees during the year 2022.

Sustainability will continue gaining prominence within Board discussions throughout 2023, extending to sub-committees such as the Investment Committee. The SISCO Board members receive regular updates on our sustainability initiatives and have incorporated this aspect into the management's KPIs. Additionally, we recently conducted a specialized learning session focused on becoming a net-zero carbon business.

Innovating for a Greener Future

We recognize the critical importance of simultaneously addressing our environmental impact and embedding it within the Group's culture. We have therefore taken proactive measures to invest in cutting-edge technologies and innovations aimed at reducing our carbon footprint and enhancing operational efficiency.

RSGT has implemented an energy-saving system that effectively shuts down non-operational areas of the terminal. In a similar vein, Tawzea has undertaken a significant environmental initiative by planting 20,000 trees along with the establishment of a specialized watering infrastructure, contributing significantly to carbon offsetting efforts. Moreover, our subsidiary LogiPoint has installed solar panels in the bonded zone as an alternative source of energy for its operations.

We are pleased to report that our energy consumption and emissions intensity levels per employee both witnessed a decrease, along with a significant reduction in our indirect energy consumption. We continue to integrate innovative sustainable technologies and processes into our operations, enhancing our confidence in our objective towards reaching net-zero emissions in the years ahead.

Fostering Local Resilience

Throughout 2022, we demonstrated our commitment to the local communities by significantly increasing support on community projects tailored to meet local needs. We remain committed to making a meaningful impact on society through our CSR initiatives. We regularly

undertake numerous projects to address various community needs ranging from Ramadan food parcels to forming partnerships with local hospitals and providing primary medical checkups to communities that lack easy access to healthcare services.

We strengthened our dedication to fostering economic resilience by expanding our engagement with local suppliers, increasing sourcing efforts and making additional investments for their development. Notably, we celebrated a substantial rise in the number of women-owned suppliers, reflecting our ongoing efforts to promote diversity and inclusivity within our supply chain. As we continue to build a sustainable future, our collaboration with the local community remains at the heart of our mission, driving positive change and shared prosperity.

Looking Ahead

As we move further into 2023, the focus of our Sustainability Strategy will continue to shift from alignment to action and achievement. We are confident that we have established a solid foundation that will lead to impactful ESG journeys, both at the portfolio and corporate levels, in line with our partners, investors, regulators, and all stakeholders involved.

We remain committed to reporting on our sustainability performance in a transparent manner as well as to continuously maintain an open dialogue with our stakeholders. We hope you find our report relevant and insightful, and we welcome your valuable feedback.

Aamer Abdullah Alireza

Chairman of the Board

ABOUT SISCO

Our Vision, Mission and Goal

<p>Our Vision</p> <p>To be a leading infrastructure investment company in Saudi Arabia and beyond.</p>	<p>Our Mission</p> <p>To invest responsibly in infrastructure and logistics and delivering long-term, sustainable returns to our shareholders.</p>	<p>Our Goal</p> <p>To invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders.</p>
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Corporate Profile

As the Kingdom's leading and first publicly listed full-cycle logistics and infrastructure investment company, SISCO has proven expertise in identifying and creating industry leaders and transforming them into national champions.

Outperforming the market

The new SISCO: Investment Strategies to Power Saudi Vision 2030

Established in 1988, SISCO has built an impressive financial and operational track record through its strategic investments. The Company is led by a world-class management team that exercises financial prudence, robust risk management, and transparent governance.

Portfolio

With 7 portfolio companies spanning ports, logistics and water, SISCO's total AUM stands at more than SAR 4 billion. The Company's portfolio encompasses investments across Saudi Arabia and the GCC with plans to grow across the region and beyond. SISCO operates in resilient sectors enabling attractive risk-adjusted earnings. Its portfolio of ports and logistics assets underlined by strong market fundamentals has helped it set a track record of developing assets, generating sustainable returns and healthy cash flows.

Ports & Logistics

Ports: SISCO's port and container terminal business is an industry leader in productivity and efficient operations. Red Sea Gateway Terminal Company is the largest container terminal in Saudi Arabia and among the top performing terminals internationally.

Logistics Infrastructure: SISCO's logistics infrastructure and logistics services business has grown to span a diverse range of logistics services, developing new logistics parks and hubs to cater to the increasing demand for logistics, warehousing, distribution, transportation and value-added services.

Water Solutions

Water Desalination: SISCO's water treatment services produce high-quality desalinated water with projects operational in major industrial hubs, offering desalinated water that ensures a steady and dependable water supply to the industrial sectors.

Water Distribution: Water Distribution: The Company's water management and distribution services specialize in delivering municipal and industrial water solutions and the operation and maintenance of water and wastewater facilities, including the Independent Sewage Treatment Plant (ISTP).

Our Journey

2022

Established Elite, a GCC-based supply chain solutions provider, specializing in overland transportation solutions for its customers within the region.



2007



Established Red Sea Gateway Terminal (RSGT), Saudi Arabia's first private sector Build-Operate-Transfer project in Jeddah. SISCO invests in S.A. TALKE to become a leading chemical logistics solutions provider.



2006

Tawzea is established as a joint venture between SISCO and AmiWater.

2002

SISCO becomes a publicly traded company with the listing of shares on the Saudi Stock Exchange (Tadawul).



2001

Set up Kindasa, the first private sector seawater water desalination plant.

2000

Established LogiPoint, KSA's first private sector developed bonded re-export zone (BRZ).



1988

Founded with a capital of SAR 59 million to develop and invest in industrial estate support services.

BUSINESS SECTORS

SISCO Group has two main business sectors:

Ports & Logistics

In 1999, SISCO Group established the first bonded and re-export zone in the Kingdom. Since then, the business has rapidly expanded to offer a diverse range of logistics services, including logistics parks and hubs to meet the increasing demand for warehousing, distribution, transportation, and value-added services.

SISCO Group's Logistic Parks & Services business has also emerged as a market leader, setting the standard for efficient operations and productivity. RSGT, in particular, has been instrumental in the segment's success, from its inception and construction to its current position as one of the top-performing container terminals worldwide in terms of operational productivity. This sector is a vital contributor to supporting the Saudi Vision 2030 initiative.

SISCO Group's Logistic Parks & Services business has also emerged as a market leader, setting the standard for efficient operations and productivity. RSGT, in particular, has been instrumental in the segment's success, from its inception and construction to its current position as one of the top-performing container terminals worldwide in terms of operational productivity. This sector is a vital contributor to supporting the Saudi Vision 2030 initiative.



Water Solutions

SISCO Group's water companies are at the forefront of water desalination, distribution, and waste water treatment, serving as private suppliers to the industrial sector and beyond. As an active player in the privatization initiatives of Saudi Vision 2030, SISCO Group is ideally placed to participate in further opportunities.

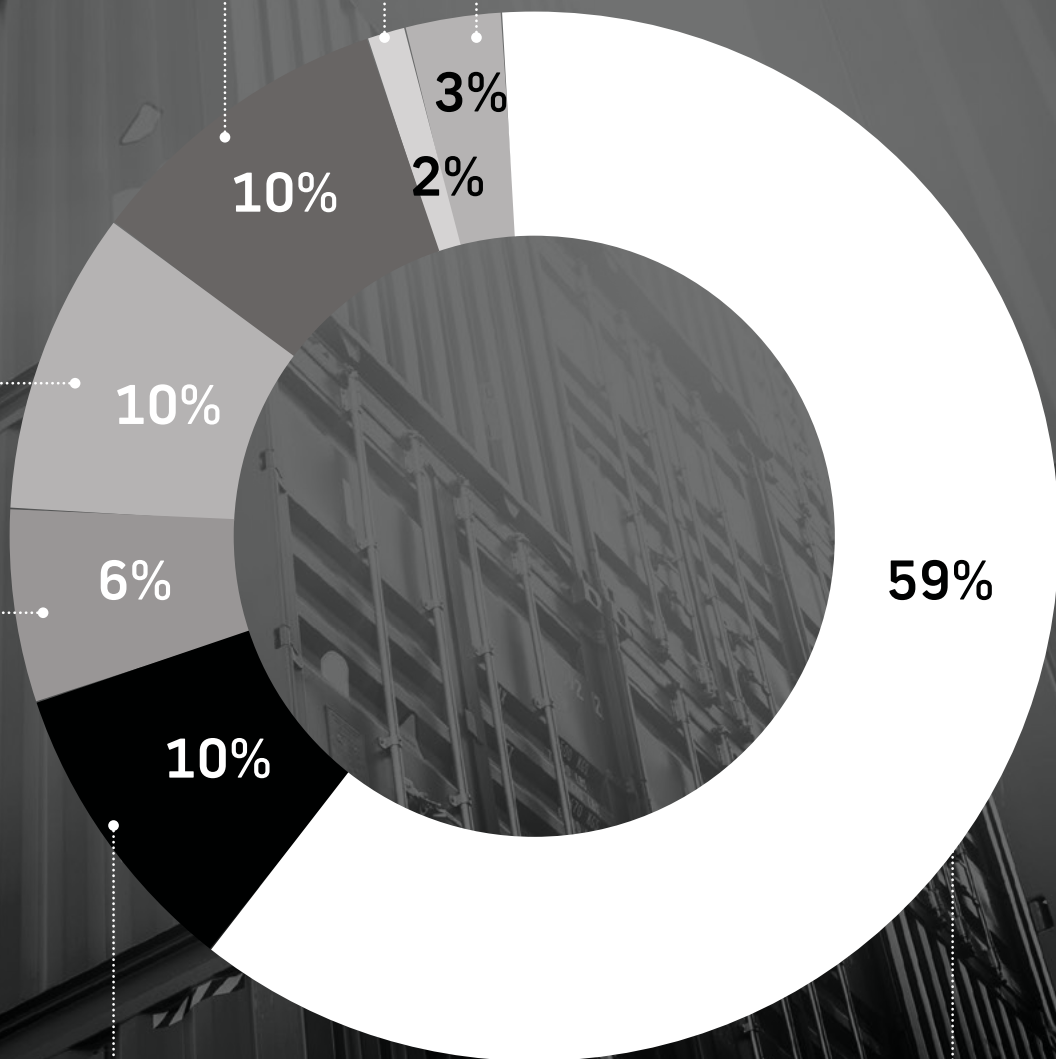




S.A. TALKE
س.أ. تالكي



Total AUMs
SAR 4+ billion



LogiPoint
تمكين الخدمات اللوجستية

محطة بوابة البحر الأحمر
RED SEA GATEWAY TERMINAL

Kindasa
WATER SERVICES
كنداسة
لخدمات المياه

2022 ESG Highlights

Good Governance and Strong Intuition

14%
female representation on the board of directors



Zero
recorded corruption incidents



100%
performance grievances addressed or resolved



855 SAR Million
in revenues in 2022*
*Excludes Elite



Zero
cases of harassment or incidents of discrimination for the third consecutive year

Green Infrastructure and Environmental Sustainability

9.3%
decrease in GHG emissions intensity compared to 2021*
*Excludes Elite



All SISCO Group companies are
ISO 14001
certified



254,118 kg
waste recycled



10.6%
decrease in energy consumption compared to 2021*
*Excludes Elite

Supporting Human Capital Development

79,274

total hours of training for employees



17

average hours of training per employee



55%

percentage of employees who received a performance and career development review*

*Excludes Elite



23%

nationalization rate



51.7%

decrease in employee lost time injury rate compared to 2021*

*Excludes Elite

Empowering our Society

67

total number of local community development programs based on local community needs



2,376

total number of local suppliers engaged



35

total number of women-owned suppliers engaged



88%

spending on local suppliers



CHAPTER 1

Our Approach to Sustainability

SISCO Group's approach to sustainability prioritizes financial benefits while driving a positive environmental impact. The company recognizes that promoting a sustainable green economy is a powerful way to strengthen the Kingdom's economic, environmental, and social development, enhancing its international competitiveness. SISCO Group is confident that its sustainability initiatives will continue to expand its businesses in key markets, ensuring diversified and sustainable outcomes.

Our Stakeholders

SISCO Group has created a stakeholder map that categorizes and incorporates key internal and external stakeholders based on their influence on the company. Various engagement channels have been established to enable SISCO Group to obtain feedback from its stakeholders, who are impacted by the company's business and operations. Their participation guides SISCO Group's sustainability approach and helps the company focus on the material issues that require its attention.

The Group's goal is to actively engage with its stakeholders to obtain feedback and identify their priorities and requirements, as well as to address potential sustainability risks and opportunities. SISCO Group's stakeholder map, which is included in the appendices, categorizes its key stakeholder groups.

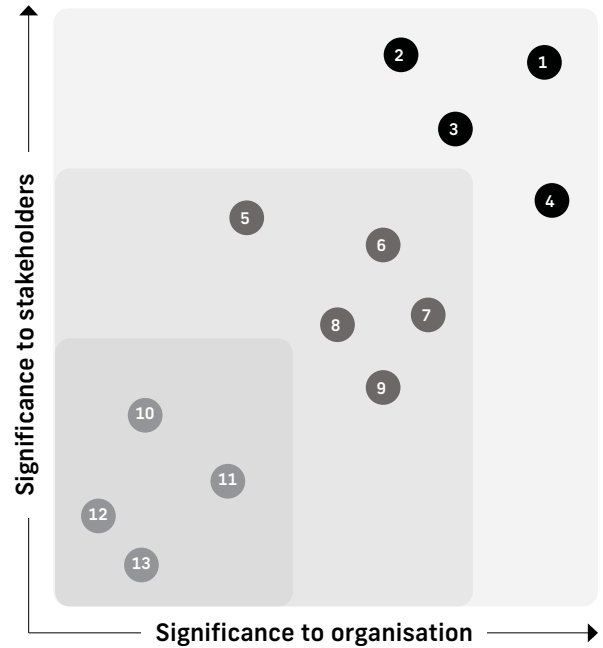


OUR MATERIALITY ASSESSMENT

SISCO Group recognizes its responsibility to identify and manage the key issues that can potentially impact its business and stakeholders. This involves analyzing industry trends, identifying risks, and establishing material issues that need to be managed effectively. Through a materiality assessment process, SISCO Group has identified 13 material issues that are ranked based on their significance to both SISCO Group and its stakeholders. By mapping these key social, environmental, and economic topics, actions can be taken to address them and to determine where resources should be focused.

The Group’s materiality assessment process aligns with the GRI Standards, United Nations Sustainable Development Goals (UN SDGs), Sustainability Accounting Standards Board (SASB) Guidelines, Saudi Vision 2030, and the National Standards of Sustainability set by the Ministry of Commerce and Industry. SISCO Group regularly engages with its stakeholders to understand their priorities and requirements, which direct our sustainability approach and the material issues on which the company focuses. This is an important and ongoing part of sustainability management at SISCO Group.

To ensure that our materiality matrix and topics are updated regularly, SISCO Group aims to engage with its stakeholders and review our materiality assessment process periodically.



Most Important

- 1 Governance, Ethics and Compliance
- 2 Talent Attraction, Development and Retention
- 3 Climate Change and Energy
- 4 Health and Safety

Very Important

- 5 Data Privacy and Cyber Security
- 6 Technology and Innovation
- 7 Community Investment and Engagement
- 8 Environmental Management
- 9 Water and Waste management

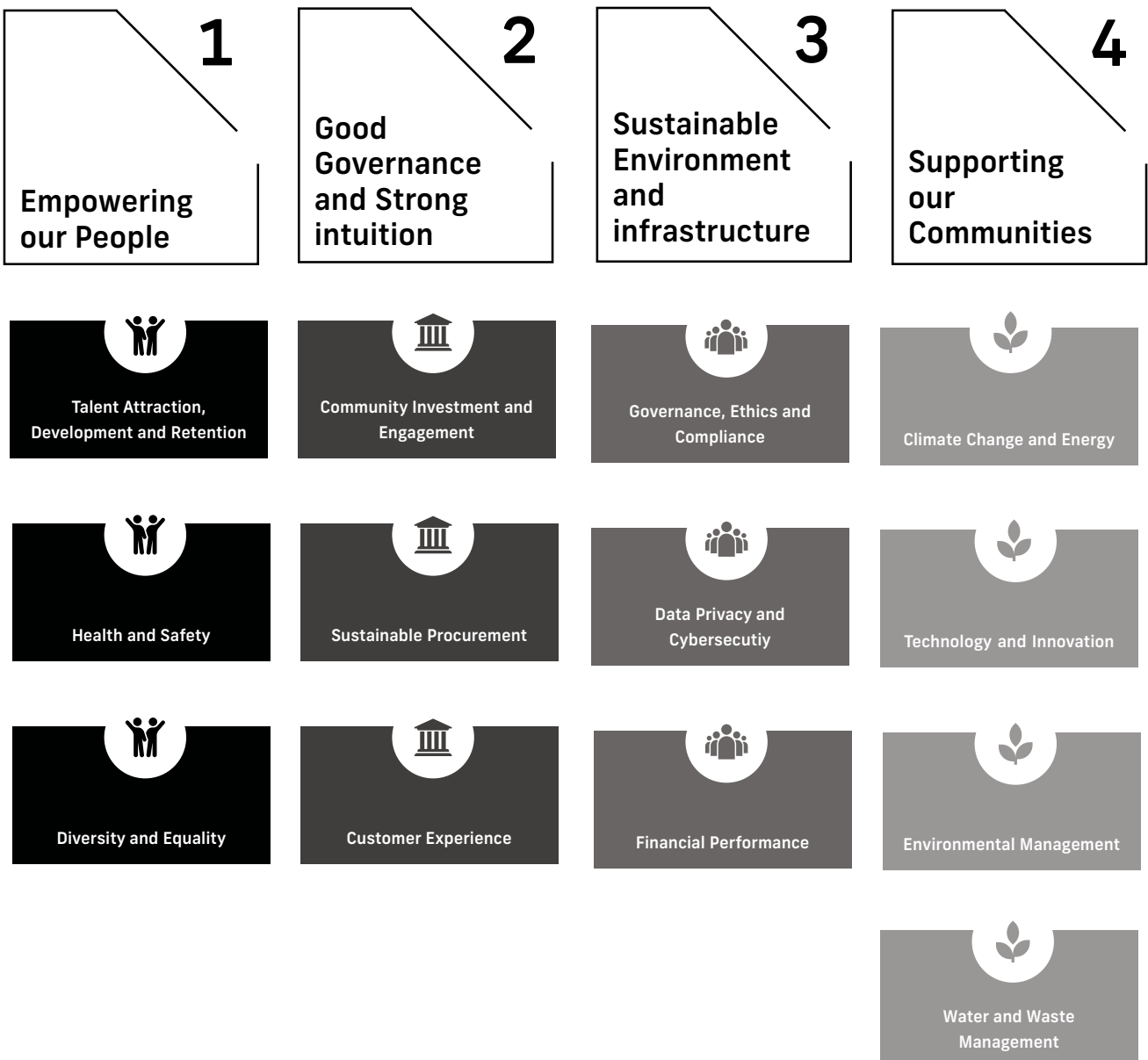
Important

- 10 Sustainable Procurement
- 11 Diversity and Equality
- 12 Financial Performance
- 13 Customer Experience

OUR SUSTAINABILITY FRAMEWORK

SISCO Group considers sustainability as a vital component of its corporate strategy that drives responsible business growth and generates value for all its stakeholders, including customers, employees, investors, business partners, and

society at large. The company's sustainability framework comprises four key pillars that represent its definition of sustainability. This framework aligns with SISCO Group's vision and mission, reflecting our beliefs and guiding our decision-making process.



ALIGNING WITH NATIONAL AND INTERNATIONAL GOALS AND STANDARDS

SISCO Group has ensured that its sustainability framework and material issues are in line with important global and regional sustainability guidelines and initiatives. This helps the company to focus its efforts on priority sustainability issues and monitor its performance effectively by aligning its material topics with the goals and focus areas of these initiatives.

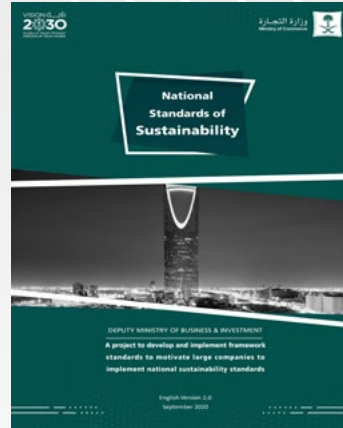


International Goals and Standards

SISCO Group recognizes its responsibility to contribute to a more sustainable future, and as such, has identified ways in which it can support the United Nations Sustainable Development Goals (UN SDGs). By aligning its business practices with these goals and setting relevant targets, the Group is committed to positively contributing to the SDGs – you can find out how at the beginning of each chapter of this report.

SISCO Group has adopted international standards for sustainability reporting and accounting to ensure that it monitors and reports its sustainability impacts effectively.

رؤية
VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



Regional and National Commitments

SISCO Group has incorporated key components of the Saudi Vision 2030 into its ESG management process, as it recognizes the importance of aligning its sustainability efforts with the national vision. Saudi Vision 2030 sets out a sustainable path for the future of Saudi Arabia, highlighting the Kingdom's global significance, unique challenges, culture, and opportunities. By aligning its sustainability efforts with this vision, the Group aims to contribute to the long-term success of both the company and the nation.

The National Standards for Sustainability have also been incorporated into SISCO Group's sustainability management process. These standards prioritize disclosures that are most important to Saudi Arabia's advancement towards Vision 2030. By addressing these disclosures in the report, the Group can provide additional guidance on its sustainability journey.



CHAPTER 2

Good Governance and Strong Intuition

SISCO Group is of the opinion that consistent ethical conduct from its leadership down to its employees working in the field can foster a resilient and enduring culture of confidence, responsibility, and openness. This, in turn, leads to better business performance and the creation of value for all the Group's stakeholders. The company recognizes the importance of data privacy and protection as an essential part of operating its business with the utmost integrity.

Highlights

14%
female representation on the board of directors

Zero
recorded corruption incidents

100%
performance grievances addressed or resolved

855 SAR Million
in revenues in 2022*

Zero
cases of harassment or incidents of discrimination for the third consecutive year

*Excludes Elite

Material Issues

- Governance, Ethics and Compliance
- Data Privacy and Cyber Security
- Financial Performance

Saudi Vision 2030 Pillar



An Ambitious Nation



A Thriving Economy

Wider Contribution

8 DECENT WORK AND ECONOMIC GROWTH

TARGET 8-1

SUSTAINABLE ECONOMIC GROWTH

TARGET 8-2

DIVERSIFY, INNOVATE AND UPGRADE FOR ECONOMIC PRODUCTIVITY

TARGET 8-4

IMPROVE RESOURCE EFFICIENCY IN CONSUMPTION AND PRODUCTION

TARGET 8-5

FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY

TARGET 8-7

END MODERN SLAVERY, TRAFFICKING AND CHILD LABOUR

TARGET 8-8

PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

TARGET 16-5

SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY

TARGET 16-6

DEVELOP EFFECTIVE, ACCOUNTABLE AND TRANSPARENT INSTITUTIONS

TARGET 16-7

ENSURE RESPONSIVE, INCLUSIVE AND REPRESENTATIVE DECISION-MAKING

GOVERNANCE, ETHICS AND COMPLIANCE

SISCO Group has implemented a comprehensive risk management framework to manage both financial and non-financial risks. This framework includes strong governance structures and clear accountability for monitoring and reporting progress. The company is committed to aligning its corporate risk framework with its sustainability framework to ensure that sustainability principles are integrated into all aspects of the business.

SISCO Group's corporate governance practices are grounded in industry best practices and compliance with relevant regulations and standards, with a commitment to transparency and accountability. The Board of Directors and executive management team guide and support responsible business management, set the Group's core objectives, and ensure accountability across the entire business.

Adherence to SISCO Group's Code of Conduct and other company policies is expected of all employees in the Group. The company prioritizes employee awareness and training to work effectively while maintaining respect for others and has a Zero-Tolerance Policy for discriminatory behavior, harassment, or victimization. Whistleblowing training is provided to all employees, enabling them to raise any concerns where the interests of the organization or any person or entity associated with SISCO Group may be impacted.

The Group is implementing a new strategy that focuses on portfolio growth, with a particular emphasis on expanding logistics services and adjacent across the entire logistics value chain. The goal is to establish SISCO Group as a key player in both Saudi Arabia and the wider region. To achieve this, the company is undertaking initiatives to fully



leverage its current portfolio, explore new segments, accelerate digitization to enhance agility and efficiency, and foster innovation to stay ahead of evolving market conditions.

This strategy is closely aligned with the objectives of the Saudi Vision 2030 program and is designed to capitalize on the positive momentum resulting from the government's privatization initiatives and substantial investments in water, transportation, and logistics infrastructure. The growth of e-commerce and the growing emphasis on sustainability also present significant opportunities in these sectors, allowing SISCO Group to become a leading player in its core segments while maintaining its long-term approach as a strategic investor.

Notable initiatives by our portfolio companies are:

RSGT's supervisory and HSE teams undertake ethics and compliance monitoring for all operations on a regular basis. RSGT's Grievance & Employees' Voice Policy provides employees with the means to submit any concerns to the company. During the induction process, new employees are informed about RSGT's position on human rights, employee rights, and other company policies covered by HR policies and the RSGT Code of Conduct.

As part of the HR Induction Program, all S.A TALKE employees receive training on company policies, including the Employee Code of Conduct, disciplinary action, and grievances, as well as the company's anti-harassment and anti-discrimination policies. S.A. TALKE's Whistleblowing Policy applies to any irregularity or suspicion, involving not only employees, but also vendors, outside agencies that the company does business with including employees of such agencies, and unknown parties. This document was prepared by S.A. TALKE and reviewed by the audit committee.

Tawzea has implemented a Whistleblowing Policy designed to identify and mitigate risks stemming



The growth of e-commerce and the growing emphasis on sustainability also present significant opportunities in these sectors, allowing SISCO Group to become a leading player in its core segments while maintaining its long-term approach as a strategic investor.



from financial, managerial, or employee-related issues, including human rights violations, workplace environment concerns, and harassment. The objective is to equip workers with the necessary tools and resources to foster a safe and transparent work environment, where issues can be reported through multiple channels without fear of retaliation.

Elite had one case of non-compliance with Emiratization law in UAE and paid AED 72,000. As part of the company's corrective actions, it recruited local UAE citizens into the company.

Investment decisions by SISCO are made after careful consideration of numerous factors including economic, tax and legal, environmental, and social, and any other significant factors that may impact the Group's future investment decisions and strategy. Shareholders can vote online without attending the meeting through the Securities Depository Center Company (Edaa) system, or by proxy.

Board of Directors

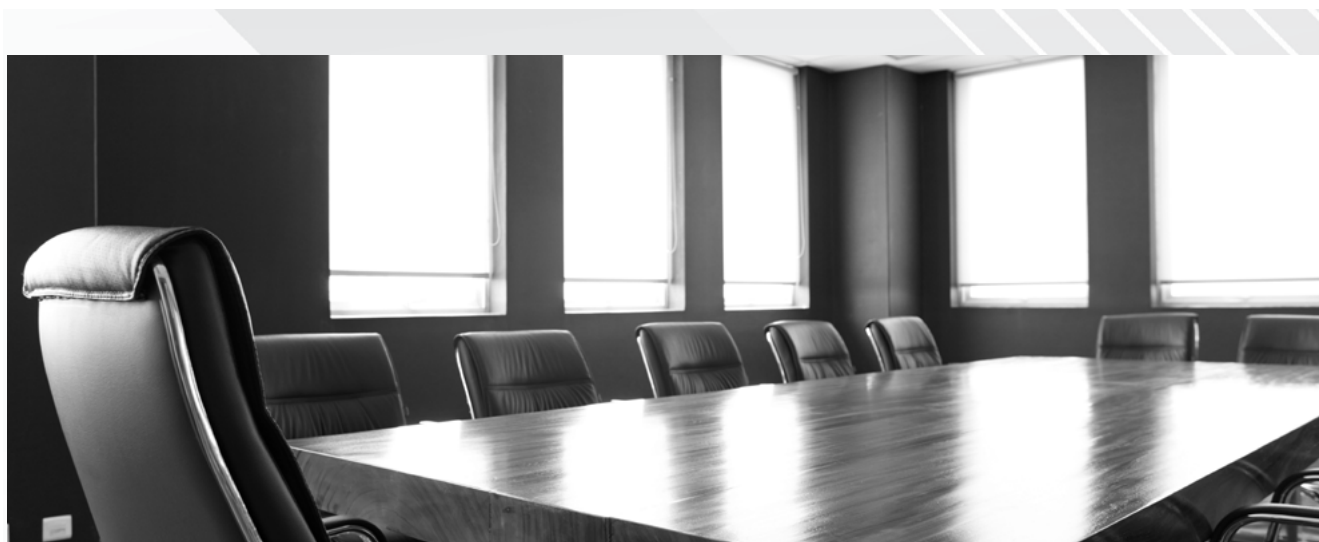
There were no changes to the membership of SISCO's Board of Directors in 2022. The Board is composed of seven members, consisting of one female and six males; four of the directors are independent and three are non-independent members. All SISCO Board members are non-executive.

Each member of the Board is evaluated through a self-evaluation form and evaluated by their peers. The committees on which the Board members sit report their activities to the Board annually. SISCO's Legal Department evaluates environmental and social topics related to potential acquisitions of target companies as part of the legal due diligence process, which includes inquiries about the

operating environment of the target companies as well as labor and employment issues. Investment decisions are made with careful consideration of economic, tax, legal, environmental, social, and other significant factors that may impact SISCO Group's future investment decisions and strategy.

SISCO's management oversees the induction program for new members, which includes providing transparency on the company's policies, governance, and strategy. The company also offers external training opportunities to its Board members. Additionally, SISCO provides presentations and training sessions for its subsidiaries and associated companies on ethical and related issues.

Board of Directors	2020	2021	2022
Total number of the Board of Directors (#)	7	7	7
Independent members of the Board of Directors (#)	4	4	4
Non-independent members of the Board of Directors (#)	3	3	3
Non-executive members of the Board of Directors (#)	7	7	7
Female members of the Board of Directors (#)	1	1	1
Male members of the Board of Directors (#)	6	6	6



SISCO's Board of Directors has established three committees consisting of both Board members and external independent experts. These committees adhere to charters approved by the Board, outlining their specific roles and responsibilities. Annually, committee members provide reports on their activities to the Board. The three committees are as follows:

Audit Committee

The Committee meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities; primarily in reviewing quarterly and annual financial statements, reporting financial and non-financial information, reviewing systems of internal controls, risk management, the audit process, and the related party transactions. The Audit Committee has also been assigned by the Board to oversee the Risk Function of the Company. SISCO has a designated Risk Officer whose main responsibilities are to coordinate with all subsidiaries in relation to risk management matters and gather related information to be reviewed and evaluated by the Audit Committee and presented to the Board.

Investment Committee

The Committee assists the Board in reviewing the Group's major investment transactions and performances, oversees the Group's financial resources and advises on future financial strategy, the Committee meets on an as needed basis.

Nomination & Remuneration Committee

Convened at least twice a year, this committee aids the Board of Directors in reviewing and endorsing the compensation plans for SISCO Group, Board members, Chief Executive Officer, and employees. Moreover, it oversees the identification, screening, and nomination of qualified individuals for Board and committee memberships, ensuring a competent and diverse leadership team.

The calculation of executive remuneration and incentives is based on the annual performance appraisal, which evaluates the executive member's efforts in achieving strategic targets and considers other general achievements throughout the year.

Anti-corruption and anti-bribery

SISCO Group upholds a Zero-Tolerance Policy towards bribery and corruption and strictly complies with industry governance regulations. The Group is committed to ensuring that all individuals associated with SISCO Group, including employees and impacted parties, are treated with fairness, dignity, and respect.

SISCO recorded zero corruption incidents in 2022.

During the induction program, new Board members are provided with information on the company's anti-bribery and anti-corruption policies. Training on these topics is also delivered to subsidiary and associated companies. To prevent fraud, SISCO's Internal Audit Department periodically conducts fraud risk assessments, audits, and investigations.

In RSGT, the Internal Audit Division has established a Fraud Policy to facilitate the development of controls that will aid in the detection and prevention of fraud within the company.

Grievances

SISCO Group reported 29 performance grievances filed in 2022. The majority of grievances filed by employees during the year were addressed or resolved.

RSGT has a grievance mechanism designed to provide a means to raise concerns and other areas which may impact persons and personnel negatively.

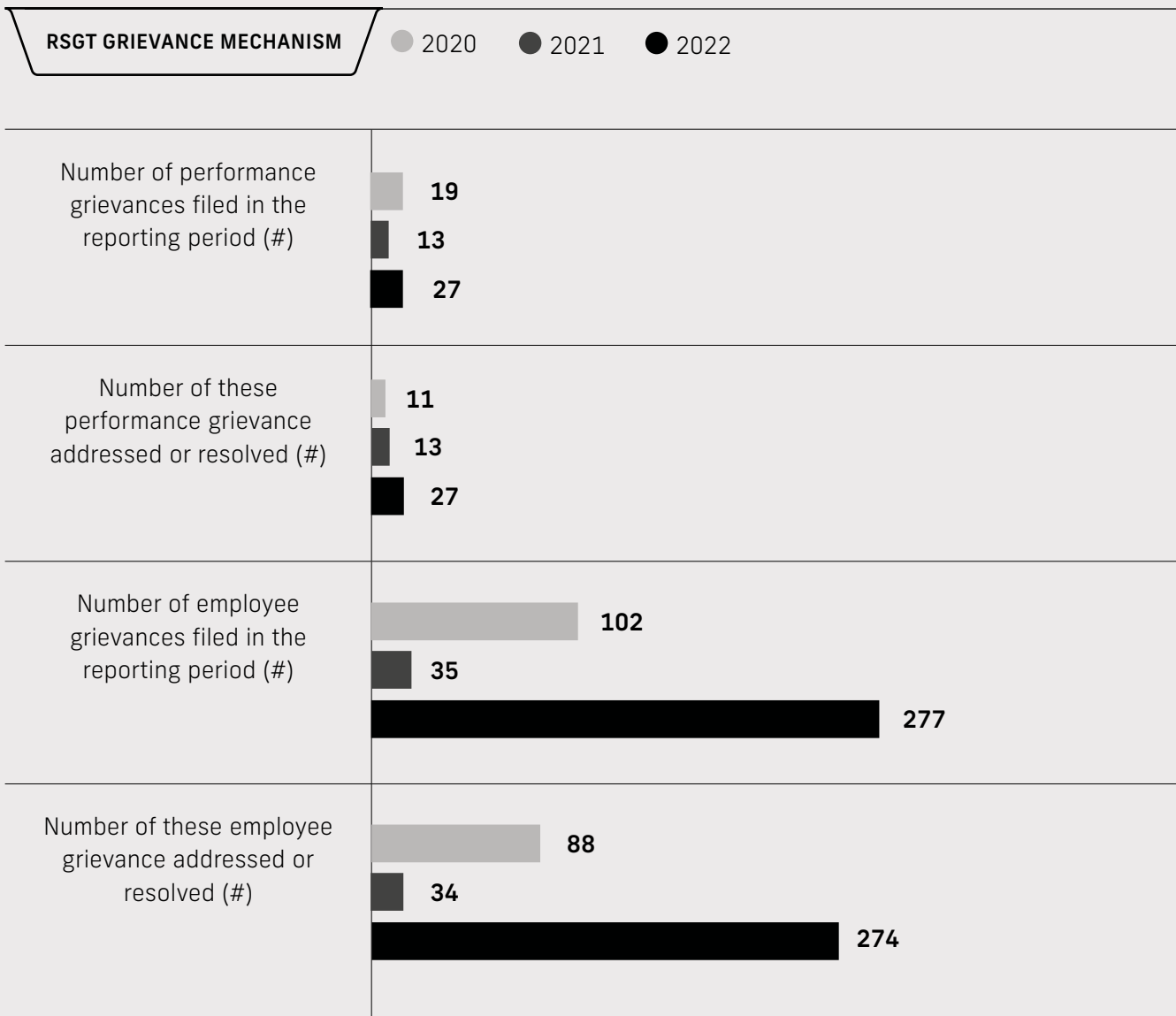
SISCO Group reported zero cases of harassment or incidents of discrimination for the third consecutive year.

S.A. TALKE has an Open-Door Policy enabling employees to approach management with any concerns, and a Whistleblowing Program and Policy in place to encourage employees to report any violations.

At Tawzea, wrongdoers are subject to disciplinary actions. Initially, the employee lodges a formal complaint with their immediate manager, seeking a resolution. If the issue remains unresolved within the specified service level agreement (SLA) period, the employee can escalate the complaint to the director or manager of the department. The department director assumes responsibility for addressing the complaint within the SLA period. If a resolution is still not achieved, the employee has the option to escalate the complaint further to the Director of Human Resources. If the complaint remains unresolved within the SLA period, the employee can escalate it to the CEO. The CEO, within the SLA period, reviews the matter and provides a final resolution that is binding.

Grievance mechanism	2020	2021	2022
Number of performance grievances filed in the reporting period (#)	22	13	29
Number of these performance grievance addressed or resolved (#)	14	13	29
Number of employee grievances filed in the reporting period (#)	107	37	277
Number of these employee grievance addressed or resolved (#)	93	36	274

It is worth noting that the majority of the increase in employee grievances between 2021 and 2022 at SISCO Group was due to RSGT filed grievances. RSGT encountered a rise in grievances as employees expressed concerns and objections regarding the appraisal process.



Compliance

Compliance with Saudi government laws and regulations is crucial to the performance and reputation of SISCO Group. Thus, the company closely monitors compliance across all its business sectors to fulfil its legal obligations. SISCO's Legal Department oversees all compliance-related matters and promptly reports any concerns to the Chief Legal Officer. The Compliance Officer is responsible for reviewing business processes, documentation, and contracts to ensure that they comply with relevant laws and regulations. SISCO Group staff undergo periodic training on applicable compliance requirements and laws. We thoroughly investigate any compliance breaches and take necessary actions to prevent them from recurring.

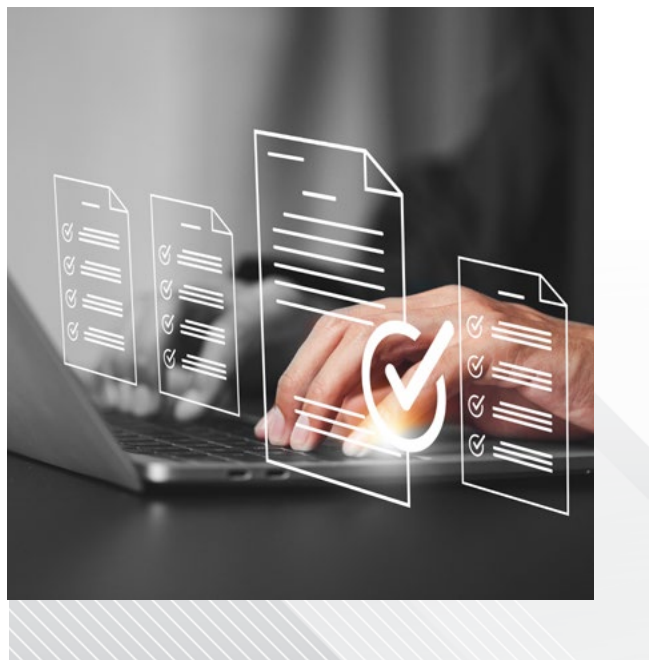
The Compliance function at SISCO is guided by the policy and procedures manual of the Legal Department and overseen by the Chief Legal Officer, who reports to the CEO. The company has established a whistleblowing box to enable anonymous reporting of environmental, health, corruption, fraud, and any illegal activities. Reports received through this channel are referred to the Internal Audit Department, which in turn forwards them to the Legal and Compliance Department for investigation and appropriate action. SISCO's Investor Relations Officer receives any queries related to shares, dividends, and other general information. The company received no complaints from investors or the Capital Market Authority within the reporting period.

SISCO has implemented a Conflict-of-Interest Policy approved by the Board of Directors to safeguard the company against any transactions or arrangements that could serve the private interests of an employee. In addition, SISCO has developed a Disclosure and Transparency Policy to ensure the timely and accurate disclosure of all material

information related to the company, including its financial position, performance, and governance.

S.A. TALKE has developed an Employee Handbook covering the company policy towards compliance and all applicable laws and regulations. This includes compliance-related matters for people working in the company, such as disciplinary action, attendance, leave and vacations, business expenses and travel. The policy also sets out the process for training all new employees in compliance as part of their onboarding.

Kindasa adheres to a comprehensive Code of Conduct Policy that clearly defines the expectations of employee behavior towards colleagues, supervisors, and the whole organization.



DATA PRIVACY AND CYBERSECURITY

SISCO Group understands the importance of protecting personal data and maintaining robust cybersecurity capabilities to ensure compliance with privacy laws and regulations. The Group's commitment to cybersecurity is reflected in the safeguards and protocols it has established to prevent, detect, manage, and respond to digital security risks.

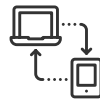
SISCO Group recognizes that any breach in cybersecurity could have significant consequences on its ability to operate effectively, which is why it has implemented a range of tools and procedures to help it identify any vulnerabilities within its networks. The company constantly monitors trends in the cybersecurity landscape to protect and defend its systems from potential threats.

To ensure that its cybersecurity measures meet international standards and best practices, SISCO Group utilizes the latest digital security technology available in the market. The IT infrastructure management team ensures that the company has effective crisis management systems in place to deal with any potential incidents that may arise.

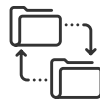
SISCO Group is proud to have maintained a Zero-Tolerance Policy toward cybersecurity breaches and has taken every possible measure to ensure that its customers' data is safe and secure.

The company values its customers' trust and has also implemented policies and procedures to ensure that it complies with all relevant privacy laws and regulations. SISCO Group takes its obligation to protect personal data seriously and has established a culture of transparency and accountability in this regard.

RSGT has a robust set of information and communication technology policies. These include:



A Remote Access Policy, defining acceptable methods of connecting remotely to the RSGT internal network from public networks.



A Data Disposal Policy, covering how to discard and properly dispose of sensitive information, and carrying media within computers, laptops, hard copies and other media.



A Clean Desk Policy, setting out ways to protect sensitive and confidential information held in computers and other devices.



A Back-Up Policy, listing permitted data back-ups and the approved methods to be performed to secure and safeguard company data.



An Information Security Policy, safeguarding the confidentiality, integrity and availability of all physical and electronic information assets.

FINANCIAL PERFORMANCE

SISCO Group's strong and sustainable financial performance is important for creating value for stakeholders and supporting the local economy. The Group has a well-balanced business strategy to deliver stable economic growth through cost minimization and operational efficiency. SISCO Group ensures adequate capital reserves to meet

obligations in adverse operating conditions. In 2022, SISCO Group achieved positive financial growth. For further details on the company's financial performance, please refer to the Financial Statements of the SISCO Group 2022 Annual Report.



REVENUES (MILLION SAR)

● 2020 ● 2021 ● 2022



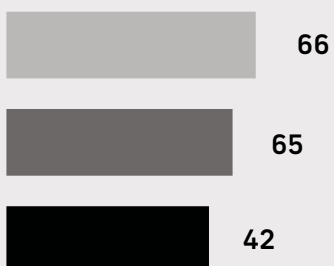
GROSS PROFIT (MILLION SAR)

● 2020 ● 2021 ● 2022



NET INCOME (MILLION SAR)

● 2020 ● 2021 ● 2022





CHAPTER 3

Green Infrastructure and Environmental Sustainability

SISCO Group has endorsed the Kingdom's Green Initiative and is determined to reduce its negative environmental impact. The company is committed to decreasing its carbon footprint by executing efficient energy conservation initiatives and adopting advanced technologies and infrastructure across our operations. SISCO Group endeavors to consistently lower its water usage and waste footprint while identifying and managing risks linked to climate change associated with its activities.

Highlights

9.3%

decrease in GHG emissions intensity compared to 2021*

*Excludes Elite

ISO 14001

All SISCO Group companies are ISO 14001 certified

254,118 kg

waste recycled

10.6%

decrease in energy consumption compared to 2021*

*Excludes Elite

Material Issues

- Climate Change and Energy
- Environmental Management
- Water and Waste Management
- Technology and Innovation

Saudi Vision 2030 Pillar



A Vibrant Society

Wider Contribution

6 CLEAN WATER AND SANITATION



TARGET 6-1

SAFE AND AFFORDABLE DRINKING WATER

TARGET 6-2

END OPEN DEFECATION AND IMPROVE ACCESS TO SANITATION AND HYGIENE

TARGET 6-3

IMPROVE WATER QUALITY AND WATER TREATMENT AND SAFE REUSE

TARGET 6-4

INCREASE WATER USE EFFICIENCY AND ENSURE FRESHWATER SUPPLIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



TARGET 12-2

SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES

TARGET 12-4

RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE

TARGET 12-5

SUBSTANTIALLY REDUCE WASTE GENERATION

TARGET 12-8

ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING

7 AFFORDABLE AND CLEAN ENERGY



TARGET 7-1

UNIVERSAL ACCESS TO MODERN ENERGY

TARGET 7-2

INCREASE GLOBAL PERCENTAGE OF RENEWABLE ENERGY

TARGET 7-3

DOUBLE THE IMPROVEMENT IN ENERGY EFFICIENCY

13 CLIMATE ACTION



TARGET 13-2

INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING

TARGET 13-3

BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



TARGET 9-1

DEVELOP SUSTAINABLE RESILIENT AND INCLUSIVE INFRASTRUCTURES

TARGET 9-2

PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION

TARGET 9-4

UPGRADE ALL INDUSTRIES AND INFRASTRUCTURES FOR SUSTAINABILITY

CLIMATE CHANGE AND ENERGY

Climate change is a critical issue that has significant impacts on the planet, with far-reaching economic, political, and social consequences. As a company with diverse operations, SISCO Group is exposed to various types and levels of local, regulatory, physical, and socio-economic risks associated with climate change. It is therefore essential for SISCO to identify and manage any potential climate-related risks associated with its business activities.

The Group recognizes the importance of taking a leadership role in regional and global efforts to mitigate the adverse effects of climate change. As a company operating in an energy-intensive sector, we acknowledge the impact of its activities on the environment and is committed to reducing its

Energy Consumption

SISCO Group is committed to reducing its energy consumption and carbon footprint as part of its efforts to mitigate the adverse effects of climate change. To achieve this, the company has been implementing various energy efficiency measures across its business sectors. It has also improved its collection and measurement methods to accurately monitor energy consumption throughout its operations. By doing so, the company has been able to identify its more energy-intensive areas and implement energy efficiency measures where greater outcomes can be achieved. Through these efforts, SISCO Group aims to demonstrate leadership in regional and global efforts to mitigate the adverse effects of climate change while ensuring sustainable operations.

SISCO Group's petrol consumption increased in 2022 due to SISCO and S.A. TALKE purchasing additional buses and cars to support on going and future projects. Currently, SISCO Group's energy

carbon footprint by minimizing energy consumption. SISCO Group is exploring alternative energy sources and technologies to reduce its reliance on fossil fuels and is actively seeking ways to increase energy efficiency across all its operations.



SISCO Group is exploring alternative energy sources and technologies to reduce its reliance on fossil fuels and is actively seeking ways to increase energy efficiency across all its operations.



consumption does not come from renewable sources. RSGT is actively implementing a fuel and electricity reduction management program. This will include specific initiatives such as procuring company vehicles with hybrid fuel systems, replacing all existing lighting systems with more efficient LED lighting, and replacing older diesel-driven Terminal Tractor's with newer, more efficient diesel drives.

At S.A. TALKE, there is monthly reporting of environmental performance and a monthly environmental briefing to all employees as well as an annual management review meeting to discuss performance. The need for energy conservation is regularly communicated to employees, for example through awareness posts. GPS has been installed on all company vehicles to improve journey and fuel efficiency, and motion detector sensors have been installed in buildings to reduce unnecessary energy usage from lighting.

Direct energy consumption	2020	2021	2022
Petrol consumption from operations (L)	48,797	31,901	57,892
Petrol consumption from vehicles (L)	98,836	405,409	1,646,311
Diesel consumption from operations (L)	26,408,583	23,944,789	21,735,214
Diesel consumption from vehicles (L)	720,488	847,153	4,631,398

*2022 data for petrol and diesel consumption from operations excludes Elite.

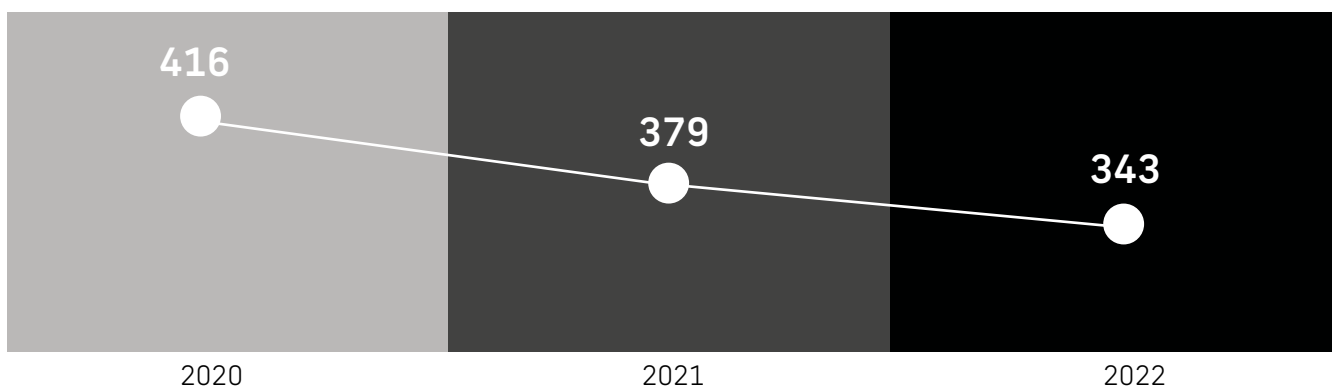
Indirect energy consumption	2020	2021	2022
Electricity consumption (branches, offices, etc.; kWh)	144,220,042	166,767,696	149,089,261

*2022 data for indirect energy consumption excludes Elite.

Energy consumption	2020	2021	2022
Total direct energy consumption (GJ)	1,043,722	963,945	1,066,713
Total indirect energy consumption (GJ)	519,192	600,364	536,721

*2022 data for total indirect energy consumption excludes Elite.

TOTAL ENERGY CONSUMPTION INTENSITY (GJ/EMPLOYEE)



*2022 data for total energy consumption intensity excludes Elite.

Greenhouse Gas Emissions

SISCO Group is committed to reducing its carbon emissions and has implemented several strategies to achieve this goal. The company has focused on understanding its energy consumption patterns and has deployed various methods to monitor direct and indirect energy consumption. By doing so, the company can track its Scope 1 and Scope 2 carbon emissions and take necessary measures to reduce its total carbon footprint. By actively managing its energy consumption and carbon emissions, SISCO

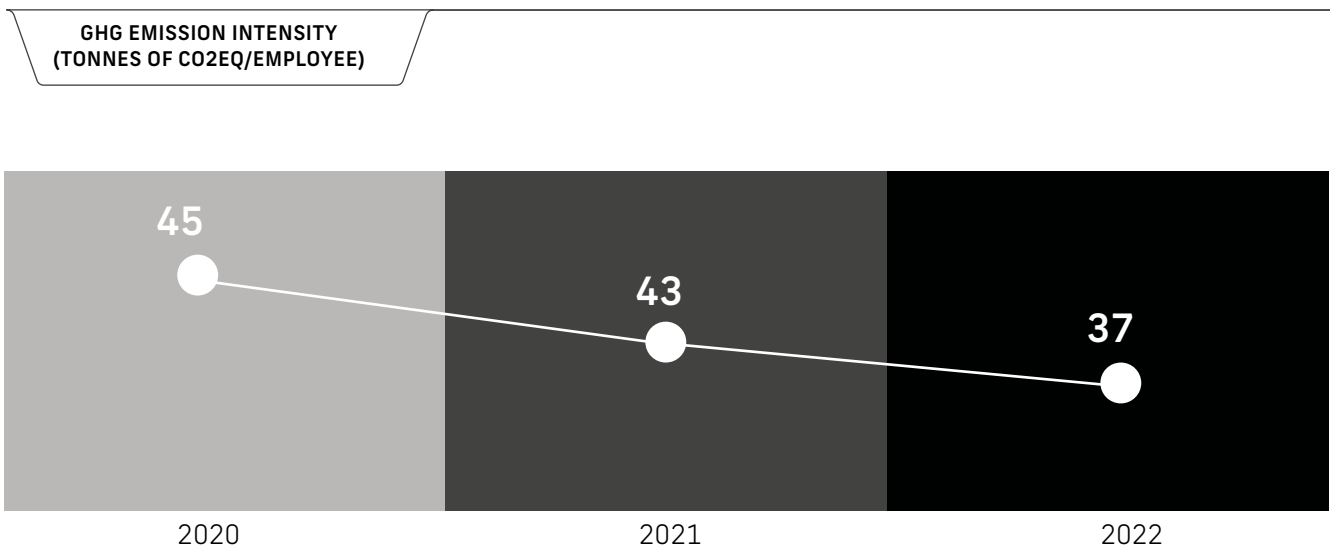
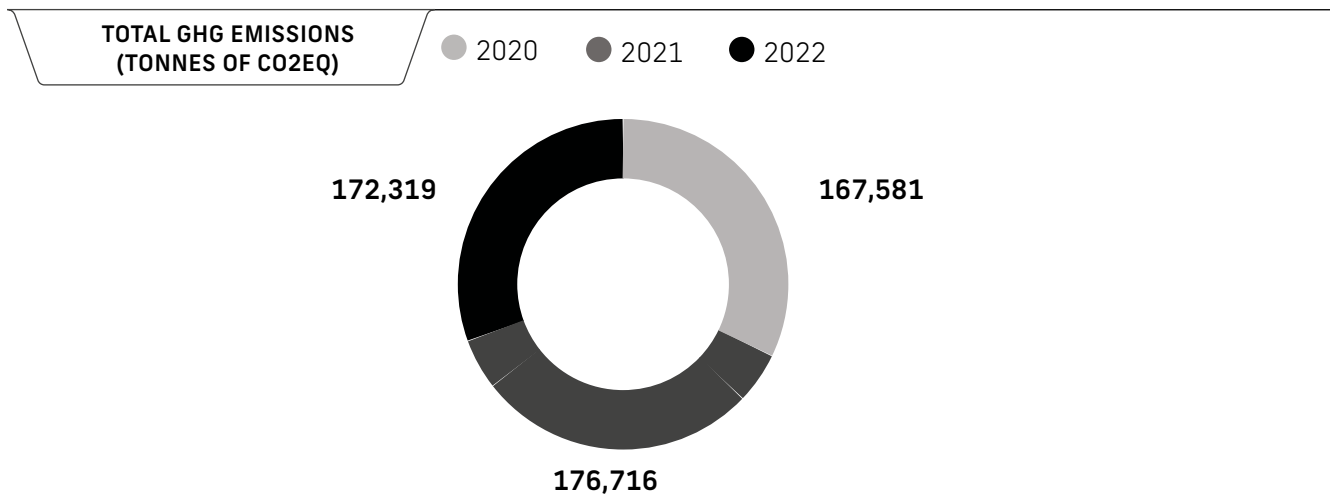
Group is working towards a sustainable future and contributing to global efforts to mitigate the impact of climate change.

SISCO Group is proud that its total GHG emissions and GHG emission intensity decreased due to a constant effort from its subsidiaries.

GHG Emissions	2020	2021	2022
Direct GHG emissions (Scope 1) (tonnes of CO ₂ eq)	73,261	67,650	74,815
Indirect GHG emissions (Scope 2) (tonnes of CO ₂ eq)	94,320	109,066	97,504



Total GHG emissions decreased to 172,270 tonnes of CO₂eq, which is lower than the emissions in 2021 by approximately 2.4%.



In 2022, S.A. TALKE’s Scope 1 GHG emissions increased due to its employees returning to the offices after working remotely due to the COVID-19 Pandemic as well as the addition of buses and cars to support new and existing projects.

S.A. TALKE successfully reduced its Scope 2 GHG emissions through the implementation of energy conservation initiatives. Additionally, by optimizing manpower allocation in Jubail accommodation and closing rental warehouses in Dammam, the company achieved further reductions in emissions. As a result of these efforts, S.A. TALKE experienced a decrease in Scope 2 GHG emissions.

RSGT has joined the Global Ports Hydrogen Coalition. The coalition is part of the Hydrogen Initiative that originated with the Clean Energy Ministerial dedicated to supporting the scale-up of clean hydrogen in the global economy.

Elite has implemented several energy conservation strategies, including training company drivers on fuel-efficient driving, route optimization, using new, energy-efficient vehicles, preventative maintenance of the company’s vehicle fleet to reduce carbon emissions, and using alternative fuels such as biodiesel.

ENVIRONMENTAL MANAGEMENT

SISCO Group's Health, Safety, Environment and Social Policy emphasizes the company's dedication to environmental responsibility and the preservation of natural resources. The company has integrated its environmental processes into its management system, which is certified under ISO 14001 by all SISCO Group companies.

In its offices, SISCO has installed LED lighting, low water-usage taps, toilets and has also purchased hybrid cars for its company car fleet.

LogiPoint's Environmental Policy is integrated into its Health, Safety, Environment, and Quality (HSEQ) management system, which is reviewed annually and signed off by the CEO. The HSEQ includes an environmental management system that is certified

to ISO 14001:2015. The company also maintains an Environmental Aspects/Impact Register to capture all its environmental activities.

At RSGT, an Environmental Management System Manual (EMS) outlines RSGT's commitment to the environment throughout its operations and activities. The EMS reflects the integrated Health, Safety, Environment and Social Policy, through with more emphasis on environmental monitoring, objectives, and targets.

Kindasa has a set of Quality and Environmental Policies that ensure the company is following ISO standards and is working to reduce water usage.

Case Study

The Operation Clean Sweep®

At S.A. TALKE, the Operation Clean Sweep® (OCS) program and manual contain guidelines to help plastics industry operations managers reduce the accidental loss of pellets, flakes and powder from the processing facility into the environment.

Globally, abatement of pellet, flake and powder loss has been included in the Declaration of Solutions for Marine Litter to help industry address marine litter. It encourages companies to join other similar businesses around the world by signing the Declaration and adopting the OCS program.



Case Study

Go Green Initiative

ELITEGo Green Initiative encompasses several sustainable practices aimed at reducing environmental impact. As part of this initiative, printing is done in grey scale instead of color to minimize ink consumption and reduce waste. Additionally, electronic signatures are utilized to eliminate the need for physical paper documents, promoting a paperless workflow.

Moreover, wastepaper is collected and placed in a recycle bin, allowing it to be repurposed as scratch pads, extending its usefulness and reducing the need for new paper. These efforts collectively contribute to a more eco-friendly approach to printing and document management, aligning with the organization's commitment to environmental sustainability.



WATER AND WASTE MANAGEMENT

Responsible water usage and implementing water efficiency measures is a priority across SISCO Group. The company is committed to preserving water resources through both efficiencies and

reuse initiatives, while also reducing its waste footprint and increasing recycling efforts to minimize its impact on the environment.

Water Consumption

In 2022, the SISCO Group experienced a notable surge in operations, leading to an approximate 10.2% rise in its water consumption. Despite this increase, the company made commendable progress in managing its environmental impact by significantly enhancing the recycling of wastewater compared to the previous year, 2021.

In 2022, there was a modest increase in the volume of recycled wastewater, reaching 60,533 m3, representing a growth of approximately 30.7% compared to the volume recorded in 2021.



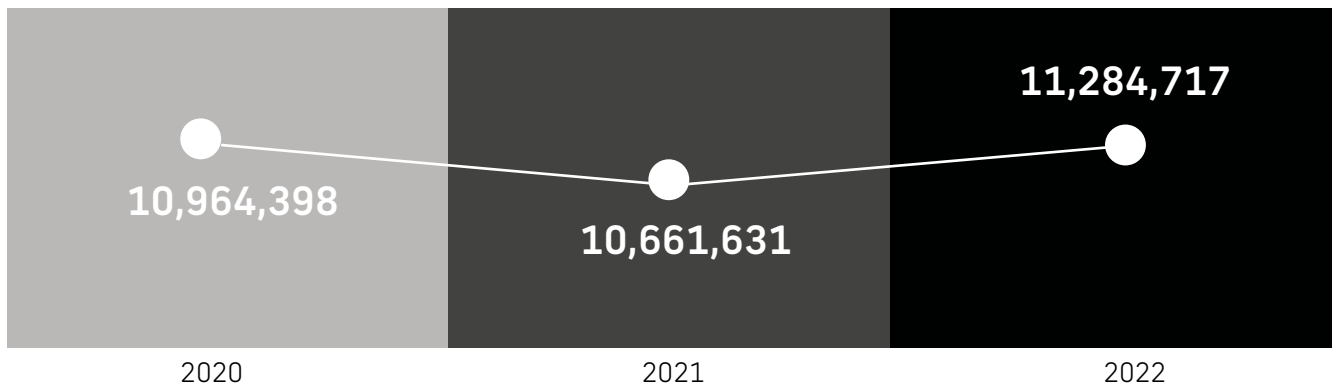
Water Consumption	2020	2021	2022
Total water consumption (m3)	232,722	325,176	358,473
Recycled wastewater (m3)	23,760	46,320	60,533

*2022 data for water consumption excludes Elite.

Tawzea specializes in the provision of water supply and wastewater treatment services, making it the central focus of their business. Their primary expertise lies in delivering dependable and

sustainable water resources while effectively managing wastewater. In 2022, Tawzea witnessed a 5.8% increase in total treated water compared to 2021.

TAWZEA'S TOTAL TREATED WATER (M3)



LogiPoint continuously improves its operations by implementing preventive maintenance programs and water recycling initiatives. This includes collecting condensate water from air conditioning units for irrigation purposes and installing separate water flow meters at facilities to better monitor and manage water usage. LogiPoint has reintroduced the 3R (Reduce, Reuse, Recycle) initiative and revamped its scrap yard to enable better segregation and inventory management of waste materials. The Facility Maintenance team is now able to internally reuse and recycle these materials in the most efficient manner possible.

At S.A. TALKE, every water tap in its buildings now has a water aerator fitted, while Elite has implemented a waste reduction program to reduce and recycle waste.

Kindasa is working closely with environmental consultants to monitor brine water reject to ensure that brine parameters are within the standards of the National Center for Environmental Compliance. Kindasa has also taken over the upgrading of the Jeddah Islamic Port (JIP) water network to connect all JIP facilities and resident companies through branch connections to SISCO's pipeline. This will eliminate the use of water trucks inside

JIP, which in turn will reduce the carbon footprint of water production and distribution. Kindasa is also engaging with customers with proximity to its pipeline to replace water trucks deliveries with T connections.

Tawzea has implemented an advanced sewage system capable of treating both residential-strength and industrial wastewater. The primary objective of this system is to generate treated wastewater, or effluent, which can be effectively utilized for plant irrigation purposes. To ensure efficient distribution of the treated wastewater, Tawzea has also established a subsurface system that enables the delivery of recycled water to its customers, specifically Modon, for industrial city irrigation. This implementation has significantly reduced third parties' irrigation water supply. The utilization of treated sewage effluent (TSE) water offers notable advantages compared to potable water for plantation purposes. TSE water is specifically engineered to meet the irrigation requirements of plants, making it a more suitable and sustainable option. By effectively managing water resources through these innovative approaches, Tawzea is playing a significant role in promoting environmental sustainability and water conservation.

Waste Management

As a socially responsible business, SISCO Group recognizes the environmental impact of waste and is taking proactive steps to address it. SISCO Group is continuously improving its waste monitoring practices, identifying areas of waste generation and minimizing its waste footprint. Through effective waste management, SISCO Group aims to reduce the volume of waste it sends to landfills and contribute to a cleaner, healthier environment.

In 2022, total waste generated from SISCO Group's facilities increased slightly due to an increase in operations. An increase in hazardous waste disposed was recorded due to improved monitoring from subsidiaries.



Waste	2020	2021	2022
Total waste generated (kg)	1,075,910	1,003,607	1,016,076
Hazardous waste disposed (kg)	24,703	99,484	131,079
Non-hazardous waste disposed (kg)	1,051,207	904,123	884,997
Total waste recycled (kg)	0	278,043	254,118
Hazardous waste recycled (kg)	0	99,470	130,932
Non-hazardous waste recycled (kg)	0	178,573	123,186

*2022 data for waste excludes Elite.

*Hazardous waste disposed excludes Tawzea.

*2021 and 2022 data for hazardous and non-hazardous waste recycled excludes Tawzea.

*2020 data for total waste recycled, hazardous waste recycled, and non-hazardous waste recycled excludes RSGT.

*2020 and 2021 data for total waste recycled, hazardous waste recycled, and non-hazardous waste recycled excludes LogiPoint.

Materials	2020	2021	2022
Total paper consumption (kg)	19,214	18,134	26,525
Total paper recycled (kg)	0	30	536

*Data for materials excludes Elite.
 *2021 data for total paper consumption excludes S.A. TALKE.



SISCO Group recorded **15,291 kg** of IT products recycled.

LogiPoint has reintroduced the principles of Reduce, Reuse, and Recycle (3R) as part of its sustainability efforts. The company has taken steps to improve the segregation and organization of the scrap yard, allowing for better inventory management of waste materials. This enables the Facility Maintenance team to internally reuse and recycle these materials in the most efficient and effective ways. By

implementing these practices, the company aims to minimize waste generation, promote resource conservation, and contribute to a more sustainable and environmentally friendly operation.

RSGT eliminated paper waste **(49 paper pack per month)** by digitizing the procurement process.



In 2022, S.A. TALKE began collecting and selling scrap paper through its approved vendor (Saudi Paper Recycling). The company also introduced quarterly paper consumption monitoring and began trialling an electronic checklist to replace a paper version.

Tawzea has implemented an initiative to use automatic meter reading technology, thereby reducing paper consumption for the near-daily meter readings. Other systems adopted include CMMS and TUBill (smart metering and billing systems), which have changed the way we work, enabling a significant reduction in paper consumption.

Internally, Tawzea has introduced measures and initiatives to reduce the consumption of paper and promote the recycling of paper, including moving to electronic documents that are easier to manage and share within the organization than paper versions. In addition, the procurement department has established control measures to reduce the amount of paper being purchased. Tawzea has also launched a paper recycling program with incentives to encourage employees to be more environmentally conscious and to promote and normalize the culture of recycling within the organization.

TECHNOLOGY AND INNOVATION

SISCO Group understands that the fast-paced digital world requires it to constantly innovate to improve its products, services, and processes. The responsible use of modern technologies can help the company achieve its business goals while fulfilling its social and environmental responsibilities.

The Group strives to cultivate a proficient workforce that remains well-versed in the latest technological advancements and digital trends, enabling the company to meet future demands. A focus on developing innovative products and services that cater to customer expectations is driven by the desire to operate more efficiently.

LogiPoint's CEO won the ESG CEO of the Year at the Sustainability Innovation Awards 2022, hosted by BNC Publishing, for making environmental, social, and governance issues a fundamental aspect of LogiPoint's values. All LogiPoint buildings have been designed with green technologies at their heart, including the use of renewable resources for energy, water conservation, and waste reduction, while any new buildings must comply with strict environmental protocols aimed at reducing carbon emissions. The company has also announced that it will plant thousands of trees in LogiPoint projects. The operations teams at LogiPoint prioritize environmental concerns in all their operations, and the company is integrating green commitments into their values, designs, and key performance indicators (KPIs).

RSGT has implemented an innovative process specifically designed for degreaser requests, streamlining the workflow, and enhancing efficiency. In conjunction with this process, the organization has introduced the use of Karcher Pressure Cleaner to accurately measure and regulate the amount of degreaser utilized for each equipment cleaning operation. This strategic implementation has resulted in a significant reduction in water consumption during the equipment washing

process. By carefully controlling the amount of degreaser used and optimizing water usage, RSGT has not only achieved greater sustainability but also improved cost-effectiveness and environmental stewardship in its operations.

RSGT has recently introduced several technological advancements to enhance customer experience and streamline business operations. Firstly, the organization has launched an e-Portal and a mobile application, providing customers with convenient and efficient ways to conduct business with RSGT. This digital platform enables users to access a range of services and functionalities at their fingertips, facilitating ease of transactions and fostering a seamless customer journey.

Secondly, RSGT has successfully implemented Chatbot services and activities, leveraging artificial intelligence to automate customer interactions and provide instant support. This intelligent Chatbot system is designed to efficiently handle customer inquiries, provide relevant information, and assist with common tasks, ensuring prompt and reliable service delivery.

Lastly, RSGT has introduced an Interactive Voice Response (IVR) telephone system, allowing customers to access various services and information through a user-friendly automated phone menu. This system enables efficient call routing, providing customers with prompt assistance and reducing waiting times.

These technological advancements exemplify RSGT's commitment to leveraging innovative solutions to enhance customer satisfaction, streamline processes, and deliver a seamless and user-friendly experience for all stakeholders.

S.A. TALKE adopted a modernized invoicing (E-Invoicing) to meet the government's new requirements.



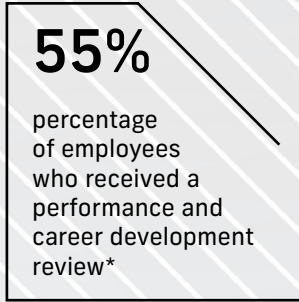
CHAPTER 4

Supporting Human Capital Development

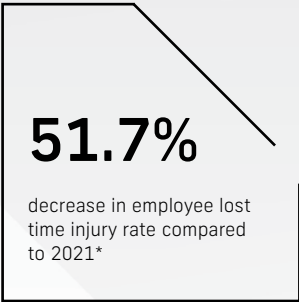
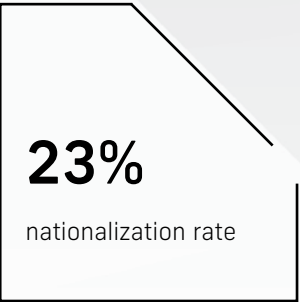
SISCO Group is committed to equity and diversity, through relevant policies and equal employment opportunities, and is striving to increase the representation of women in its workforce to support the Saudi Vision 2030 goals. The Group's employees are the backbone of the organization, and therefore, SISCO Group prioritizes their health, safety, and overall wellbeing.

The company is committed to attracting and retaining the finest talent and providing career advancement opportunities through the development of its employees to increase its capacity.

Highlights




















*Excludes Elite



*Excludes Elite

Material Issues	Saudi Vision 2030 Pillar
<ul style="list-style-type: none"> Talent Attraction, Development and Retention Health and Safety Diversity and Equality 	 <p>An Ambitious Nation A Thriving Economy A Vibrant Society</p>

Wider Contribution

<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>TARGET 3-8</p>  <p>ACHIEVE UNIVERSAL HEALTH COVERAGE</p>	<p>TARGET 3-9</p>  <p>REDUCE ILLNESSES AND DEATH FROM HAZARDOUS CHEMICALS AND POLLUTION</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>TARGET 8-1</p>  <p>SUSTAINABLE ECONOMIC GROWTH</p>	<p>TARGET 8-2</p>  <p>DIVERSIFY, INNOVATE AND UPGRADE FOR ECONOMIC PRODUCTIVITY</p>	<p>TARGET 8-4</p>  <p>IMPROVE RESOURCE EFFICIENCY IN CONSUMPTION AND PRODUCTION</p>	<p>TARGET 8-5</p>  <p>FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY</p>	<p>TARGET 8-7</p>  <p>END MODERN SLAVERY, TRAFFICKING AND CHILD LABOUR</p>	<p>TARGET 8-8</p>  <p>PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS</p>
<p>5 GENDER EQUALITY</p> 	<p>TARGET 5-1</p>  <p>END DISCRIMINATION AGAINST WOMEN AND GIRLS</p>	<p>TARGET 5-5</p>  <p>ENSURE FULL PARTICIPATION IN LEADERSHIP AND DECISION-MAKING</p>	<p>10 REDUCED INEQUALITIES</p> 	<p>TARGET 10-1</p>  <p>REDUCE INCOME INEQUALITIES</p>	<p>TARGET 10-2</p>  <p>PROMOTE UNIVERSAL SOCIAL, ECONOMIC AND POLITICAL INCLUSION</p>	<p>TARGET 10-3</p>  <p>ENSURE EQUAL OPPORTUNITIES AND END DISCRIMINATION</p>	<p>TARGET 10-4</p>  <p>ADOPT FISCAL AND SOCIAL POLICIES THAT PROMOTES EQUALITY</p>		

TALENT ATTRACTION, DEVELOPMENT, AND RETENTION

SISCO Group strives to attract and retain top talent by focusing on nationalization efforts and investing in employee development to enhance capacity and provide opportunities for career advancement.

To achieve business growth and overcome future challenges, it is important to foster a diverse, high-performing, and motivated workforce. The Group is committed to providing a safe and inclusive work environment, offering relevant training and upskilling programs, and providing competitive employment packages to attract and retain the best talent.



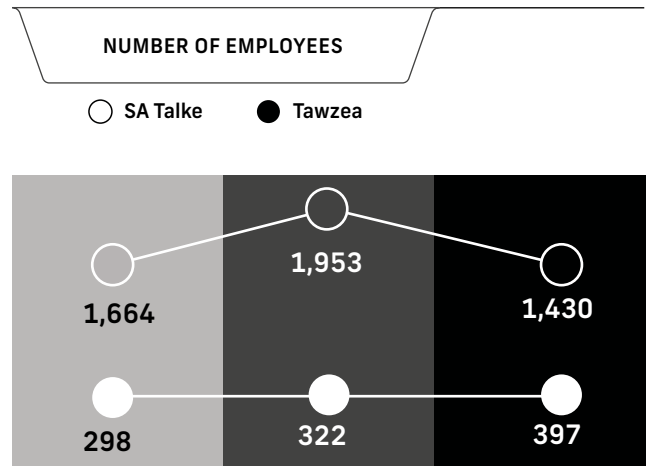
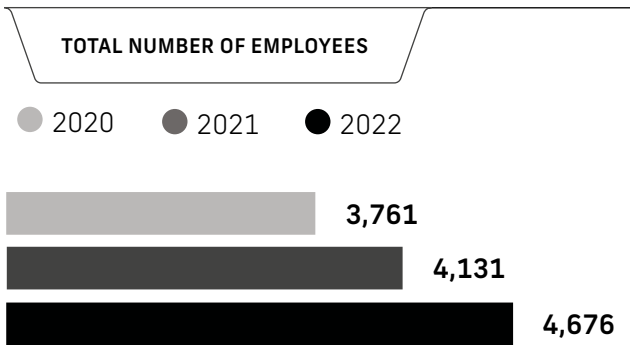
Our Workforce

SISCO Group places great emphasis on ensuring the well-being, rights, and employment conditions of its workforce are always respected. The company's Employment and HR policies, including recruitment practices, are aligned with its corporate strategy and comply with the Saudi Labor Law to ensure fair and ethical employment practices.

SISCO Group strictly prohibits the employment of children under 18 years of age and any form of forced labor. We offer equal opportunities for career advancement and provide employees with

various benefits, including housing, transportation, and phone allowances, annual bonuses based on company performance, health insurance, schooling allowances, and loyalty rewards for employees who complete a five-year tenure.

The company saw an increase in its overall workforce in 2022, driven by robust growth in the logistics sector of our business.



S.A. TALKE recorded a decrease in its workforce, with 1,430 employees under GOSI and 553 employees under JADARA, which is now classified as a supplier. In contrast, Tawzea has experienced a significant increase in employee count due to the hiring demands for new projects, including the second and third phases of Saudi Water Partnership

Company's Independent Sewage Treatment Plan projects, the Operation and Maintenance Management contracts for National Water Company's Northern Cluster and Southern Cluster, and NEOM projects.

By employment level	2020	2021	2022
Full-time employees in senior management (#)	57	56	81
Full-time employees in middle management (#)	155	214	342
Full-time staff (not senior or middle management) (#)	3,549	3,861	4,253

The rise in senior and middle management staff can be attributed to various factors within each subsidiary. For instance, S.A. TALKE implemented a new grading system that classified supervisors, senior supervisors, and managers under middle

management. Additionally, Tawzea required a substantial number of new employees at the senior management level due to the acquisition of new projects.

Workforce age profile	2020	2021	2022
Workforce by age 18–30 (#)	1,118	1,021	829
Workforce by age 31–50 (#)	2,399	2,807	2,457
Workforce by age 51+ (#)	244	303	310

*2022 data for workforce age profile excludes Elite.

Workforce by gender profile	2020	2021	2022
Female full-time employees (#)	51	64	91
Male full-time employees (#)	3,710	4,067	4,585

Elite's Culture Guide (handbook) is an expression of shared beliefs, core values and practices. The business is guided by its core values, which outline how the company intends colleagues to make decisions and take actions. As a result, Elite has built a culture driven by these values. Elite also has a Talent Management and Development Policy, designed to continuously develop people's strengths, maximize their potential, foster a learning culture and build a high-performing workplace that will achieve the company's goals. The aim is to build a meritocratic system that encourages and rewards progression.

Kindasa's HR Policy guides the management of employee relationships and how to handle a range of issues within an organization. Examples of such issues include on- and offboarding, compensation and benefits, organizational developments and disciplinary and grievances.

Hiring and Turnover

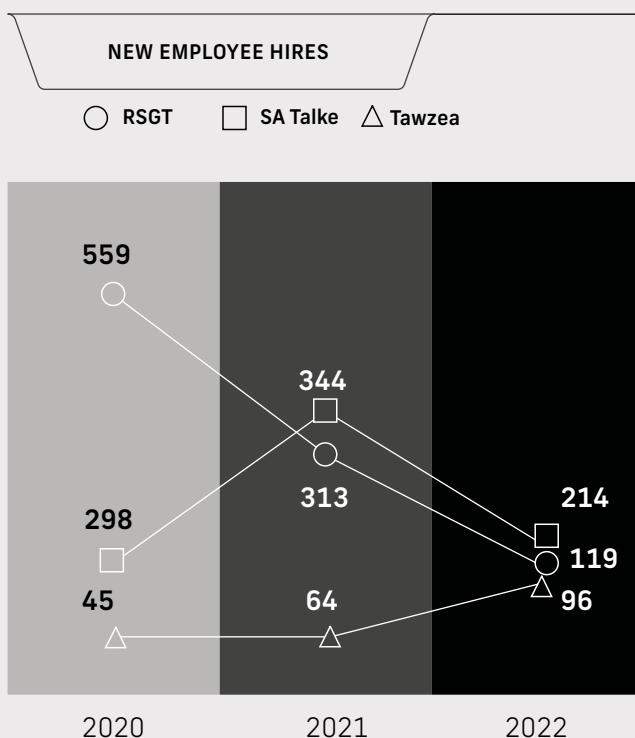
SISCO Group prioritizes a fair, consistent, and compliant recruitment and selection process aligned with company policies and national legislation. The Group's Recruitment Policy aims to document the steps taken by all stakeholders involved in the process to ensure the selection of the most suitable candidate. A comprehensive pre-recruitment cycle, known as the SISCO Group cycle, is designed to shortlist the most appropriate candidates. Once selected, new hires undergo an onboarding process in which they are briefed and supported on company policies, work customs, and regulations. SISCO Group's subsidiaries follow

similar recruitment processes and adopt policies and procedures that are in line with Saudi labor law.

The company strives to offer fair and unbiased employment opportunities to individuals of diverse races, religions, nationalities, and genders. Additionally, it aims to promote the inclusion of people with disabilities within its workforce.

During 2022, SISCO Group hired 19 new employees in senior management, 71 employees in middle management and 540 new staff.

New employee hires by employment level	2020	2021	2022
New employee hires in senior management (#)	7	6	19
New employee hires in middle management (#)	19	34	71
New staff hires (not senior or middle management) (#)	767	731	539



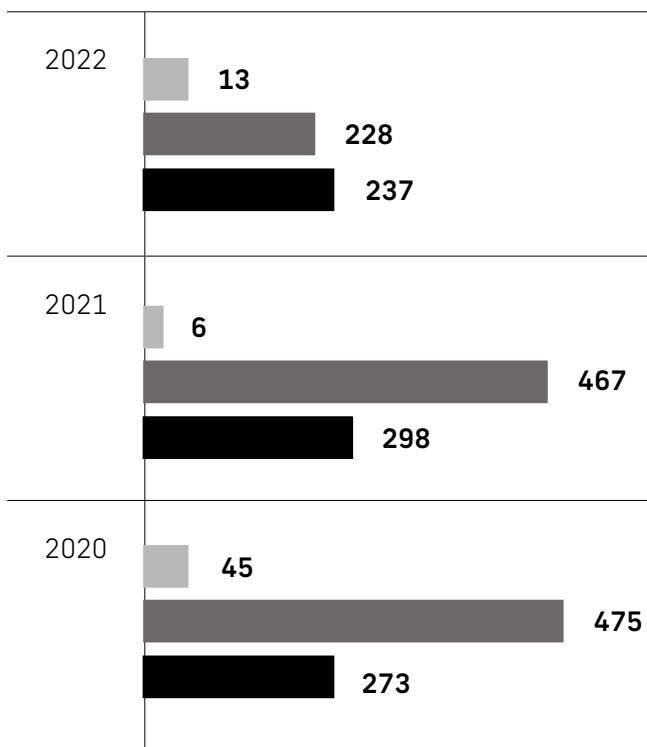
RSGT recorded a **62%** decrease in new employee hires due to headcount and structure requirements.

Towards the end of 2021, S.A. TALKE experienced significant recruitment activities for the Saudi Arabian Fertilizer Company "SAFCO" & SABIC Warehouse projects. This hiring initiative facilitated staff relocation, and subsequent to the

demobilization of the Petro Rabigh Company project, a number of employees were transferred to other sites based on operational requirements. These factors collectively contributed to a decrease in the number of new hires at S.A. TALKE.

New employee hires by gender	2020	2021	2022
Female (#)	9	23	39
Male (#)	784	748	450

NEW EMPLOYEE HIRES BY AGE ● age 51+ ● age 31-50 ● age 18-30



*2022 data for new employee hires by age excludes Elite.

Female employment	2020	2021	2022
Number of female employees (#)	51	64	83
Females in senior management (#)	4	0	5
Female employment rate (%)	1	2	2

Employee turnover	2020	2021	2022
Total number of employees who left the organization (#)	439	485	617
Turnover rate (%)	11.67	11.74	13.20

Turnover by employment level	2020	2021	2022
Senior management (#)	5	6	11
Middle management (#)	26	30	46
Staff (#)	408	449	560

Turnover by gender	2020	2021	2022
Female (#)	7	8	26
Male (#)	432	477	591

Turnover by age	2020	2021	2022
Workforce by age 18–30 (#)	157	148	145
Workforce by age 31–50 (#)	253	296	306
Workforce by age 51+ (#)	29	41	44

*2022 data for turnover by age excludes Elite.

RSGT follows an HR Policy that provides a framework for the recruitment and selection of employees. As well as the recruitment process, the policy encourages the referral of potential candidates by existing staff and covers aspects such as relocation support for new recruits from overseas.

Elite offers internships and apprenticeships to students and recent graduates and has launched a graduate recruitment program. Elite has also implemented a diversity and inclusion program to

promote a more diverse workforce. Centered around the theme of Women in Logistics, the campaign highlights the experiences and successes of Elite's talented female employees. The company also celebrated Women's Month in 2022 with a series of employee features and focus group sessions to hear the challenges women face and seek ideas to improve the workplace for them.

Training and Development

SISCO Group believes that providing training, development, and upskilling opportunities for its employees is crucial, not only for the success of its business but also for the empowerment and satisfaction of its employees. Training and development programs are carefully crafted to equip employees with the necessary knowledge and skills to excel in their roles, while simultaneously enabling and supporting them to pursue their individual career progression and professional development aspirations.

SISCO Group has introduced a competencies framework organized by department, allowing employees to develop a personalized career path. The Career Path program, available online, enables easy tracking and recording of milestones and achievements. The program facilitates constructive discussions between employees and their department heads regarding their goals and aspirations, both short and long term. Additionally, this system aims to ensure that business units have access to a suitable pool of skilled employees at the appropriate time and can readily assess the talent and abilities available within the workforce.

To ensure that employee training remains current and impactful, an evaluation is conducted upon the conclusion of each course. This process permits both employees and their department heads to track progress and make any required modifications to their development plan. SISCO Group assists employees seeking to pursue additional education, including sponsorship and study leave. The company provides support to individuals looking to advance their knowledge and skills in various fields and industries, both domestically and globally. The company recently established a Study Leave Policy that enables employees to take fully compensated leave to complete their examinations.

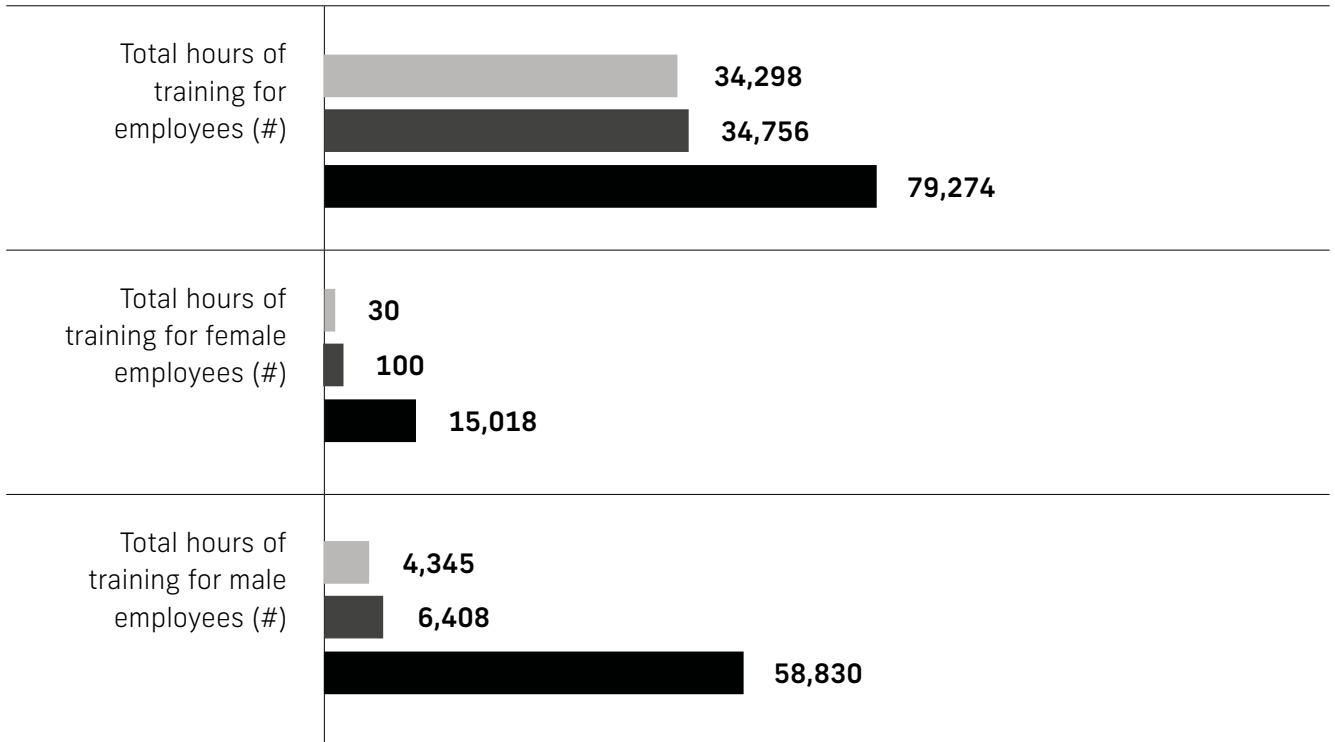
As an aspect of the company's performance and development process, SISCO Group identifies employees for specific training programs based on leadership evaluations or as part of a succession plan. Additionally, a Promotion Policy has been implemented that provides employees with a transparent and structured process. SISCO Group also offers opportunities for internal recruitment, enabling employees to enhance or expand their professional experience by exploring new positions within the organization, either vertically or horizontally.

Within RSGT, it is part of the company's ICT Policy to ensure that employees are trained appropriately on procedures surrounding the safe and legal use of company-owned software. At S.A. TALKE, a new Training and Development program was initiated in 2022, which includes management and site leaders. The company also initiated new training and development programs in 2022 covering areas such as negotiation skills, emotional intelligence, communication skills, and leadership skills.

Elite's Employee Training Policy provides guidelines for all employees to receive training and development opportunities that will enhance their skills and knowledge and support their professional growth. Kindasa provides on-the-job training for all employees under the supervision of managers, as well as technical training based on an employee's performance appraisal and training needs analysis. Training programs delivered in 2022 included the latest desalination technologies, as well as Innovation in Desalination, Cybersecurity User Awareness, and Legal Aspects of Human Resource Management.

TRAINING

● 2020 ● 2021 ● 2022



*2020 and 2021 data for total hours of training for male and female employees excludes SISCO and RSGT.

*2020 and 2021 data for total hours of training for female employees excludes S.A. TALKE.

*2022 data for total hours of training for male and female employees excludes Elite.

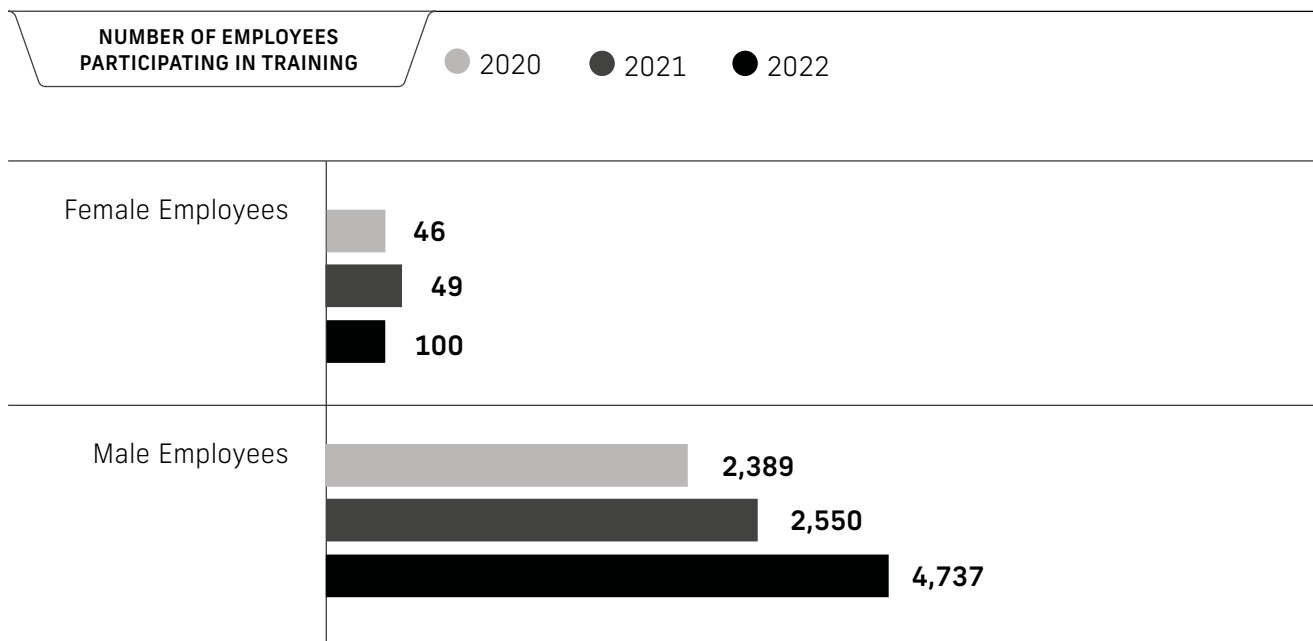


Training	2020	2021	2022
Average hours of training per employee (#)	9	8	17
Average hours of training per female employee (#)	3	6	206
Average hours of training per male employee (#)	2	3	17

*2022 data for average hours of training per male and female employee excludes Elite.
 *2020 and 2021 figures for average hours of training have been restated due to changes in calculation methodology.

Training	2020	2021	2022
Total hours of training on sustainability aspects (#)	170	172	187
Training hours per employee on sustainability aspects (#)	0.1	0.1	0.1

*Data for total hours of training on sustainability aspects excludes SISCO, RSGT, Kindasa and Elite.
 *Data for training hours per employee on sustainability aspects excludes Kindasa, and Elite.
 *2020 and 2021 figures for training on sustainability aspects have been restated due to changes in calculation methodology.



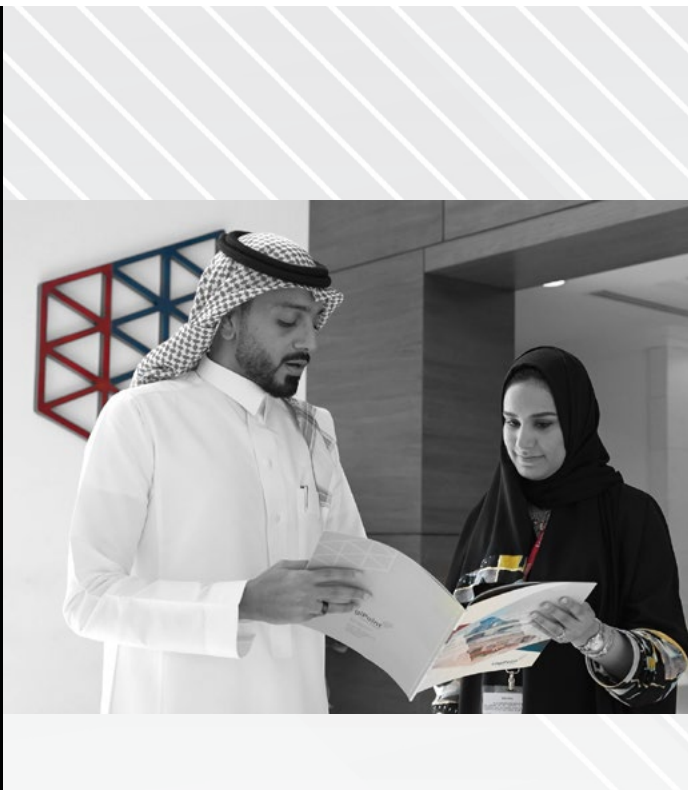
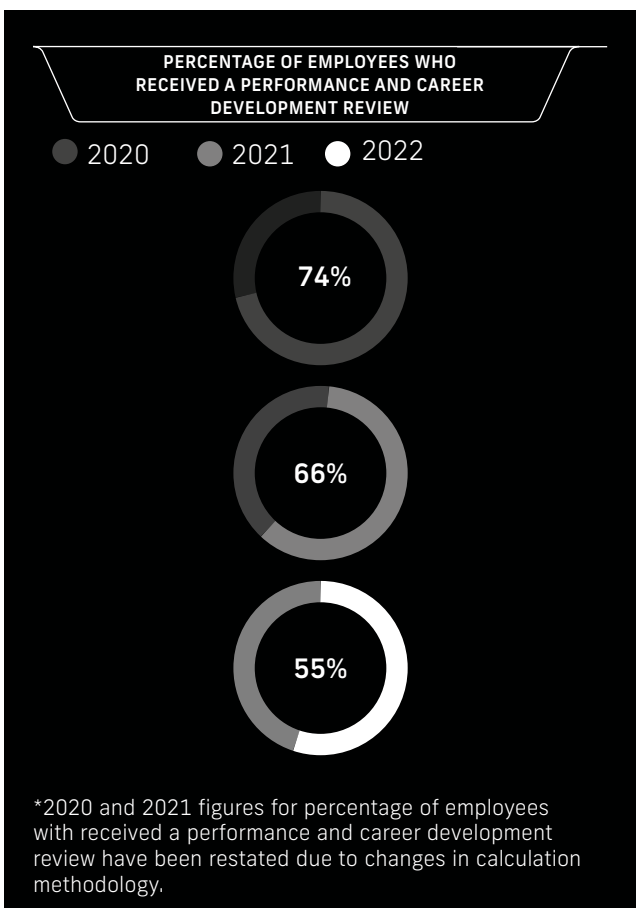
*Data for training sessions excludes Elite.

Employee Engagement & Satisfaction

SISCO Group places a strong emphasis on measuring employee engagement and satisfaction. The company believes that this practice not only offers valuable insight into the morale and motivation of its workforce but also provides employees with a sense of worth, appreciation, and confidence that their voices are being heard and considered.

Both direct and indirect evaluations of employee performance are conducted each year, including both mid-year and annual reviews. This process provides a valuable opportunity for employees to communicate with their department heads, not only on topics related to job performance and career advancement but also other areas associated with their experience at SISCO Group.

The Group conducts a comprehensive employee engagement survey every two years, which includes all its subsidiaries. The survey encompasses various areas such as sustainable engagement, strategy and direction, senior leadership, line management, performance management, training, communication, culture and values, quality and customer focus, development opportunities, work organization, remuneration considerations, safety, and other specific questions pertaining to SISCO Group and its subsidiaries. The primary objective of the survey is to gain insight into the areas where the Group is performing well and where improvements are needed. Upon collecting and analyzing all the feedback from the surveys, we conduct a benchmarking assessment of the results and develop action plans to address crucial issues and enhance employee satisfaction.



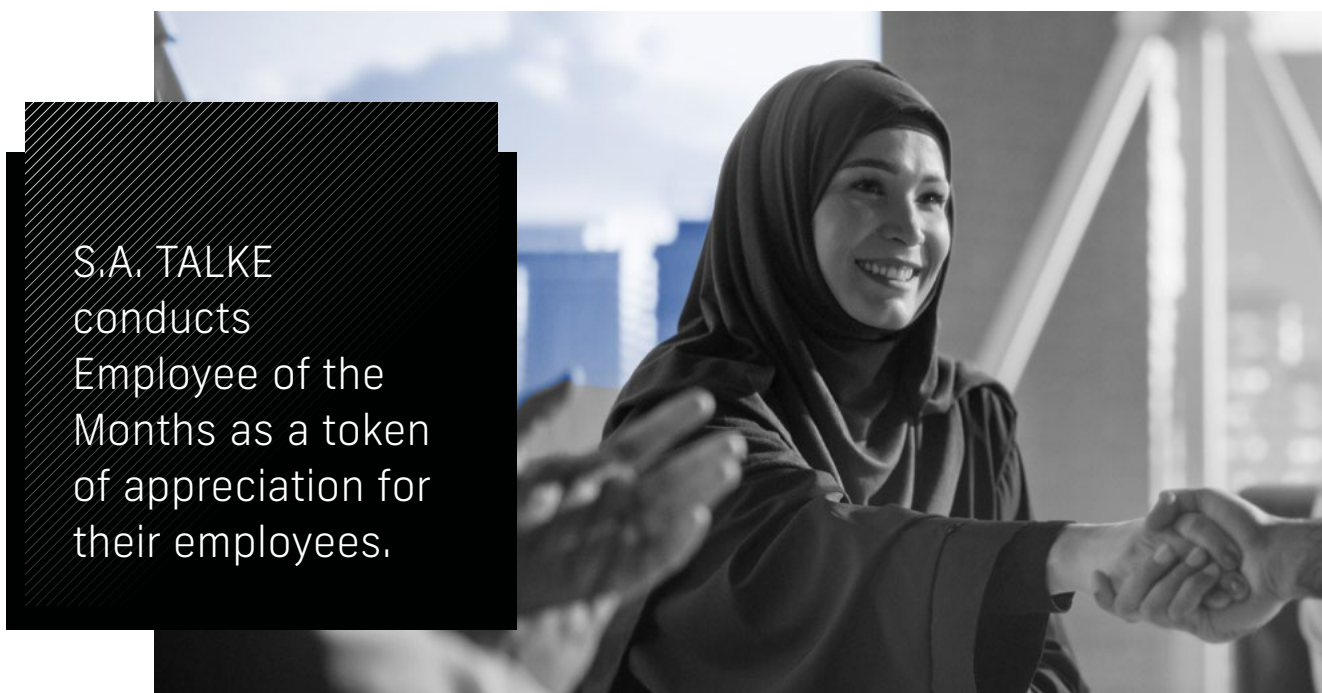
Employee Engagement and Satisfaction	2020	2021	2022
Full-time employees who were engaged/filled out a survey (#)	0	3,451	103

*2020 and 2022 data for full-time employees who were engaged/filled out a survey excludes SISCO, RSGT, Kindasa, Tawzea and S.A. TALKE.

Performance and career development (by employee level)	2020	2021	2022
Senior management employees who received performance and career development review (#)	58	54	70
Middle management employees who received performance and career development review (#)	166	169	204
Non-management employees who received performance and career development review (#)	2,573	2,513	2,281

Performance and career development (by gender)	2020	2021	2022
Male employees who received performance and career development review (#)	2,750	2,687	2,382
Female employees who received performance and career development review (#)	47	49	54

*Data for performance and career development (by gender) excludes Elite.





Maternal Leave

It is a matter of pride for us to state that during the years 2020, 2021 and 2022, every female employee who took maternal leave at SISCO Group returned to work.

Maternity Leave	2020	2021	2022
Number of female employees who took parental leave (#)	2	1	2
Number of female employees who returned to work after parental leave ended (return to work) (#)	2	1	2
Number of female employees returned from parental leave who were still employed twelve months after return to work (retention) (#)	2	2	1

HEALTH AND SAFETY

SISCO Group is dedicated to upholding the highest standards of health and safety, both at its facilities and across its operations. The company's employees receive ongoing training in Health, Safety, and Environmental (HSE) issues, and SISCO Group views the promotion of a safety culture as an essential element of its business practices. SISCO Group takes pride in its outstanding health and safety track record and is dedicated to consistently enhancing its performance in this critical area. To this end, the company has implemented HSE policies and procedures that are specific to the operations and activities of each of its subsidiaries.

The Health and Safety Department oversees the Occupational Safety & Health, Health & Hygiene, and Management Safety Walkthrough audits and inspections. Moreover, the department is responsible for evaluating the health and safety risks associated with work activities and equipping employees with the necessary guidance and tools to recognize potential hazards at the worksite before initiating any tasks. Once the identified risks are either eliminated or managed, work can proceed. In accordance with SISCO Group's Code of Conduct, all employees and third-party personnel are expected to adhere to the health and safety regulations and report any violation of such policies.



Health and Safety – Employees

SISCO Group continues to implement all necessary measures to safeguard the health and wellbeing of its employees. In compliance with Ministry of Health guidelines, a portion of SISCO's workforce continued to operate remotely, while onsite personnel adhere to all applicable protocols, such as maintaining hygiene, and sanitizing workstations. Designated quarantine areas

have been readily accessible to all employees throughout the Group during the COVID-19 pandemic.

In 2022, there were two employee fatalities and only two employee lost time injuries – a significant decrease in comparison to 2020 and 2021.

Health and Safety - Employees	2020	2021	2022
Work hours (employees)	12,583,679	12,367,606	12,664,876
Employee fatalities (#)	0	0	2
Employee lost time injuries (#)	14	4	2
Employee occupational illnesses (#)	26	6	0
Total number of emergency response drills conducted (#)	17	142	98
Safety incident investigations initiated (#)	184	344	553
Safety incident investigations completed (#)	184	211	533

*Data for work hours (employees), employee occupational illnesses, total number of emergency response drills conducted, safety incident investigations initiated, safety incident investigations completed excludes Elite.

SISCO collaborated with a hospital to offer free health checks for all employees, their families and any employees in the building for any company.

At RSGT, the number of drills conducted has doubled, reaching a total of 18 drills compared to the previous year. Notably, six of these drills were specifically carried out in collaboration with onsite construction contractors.

S.A. TALKE has experienced a decrease in the number of emergency drills conducted, primarily due to the cancellation of monthly drills by one of its clients across multiple warehouses. Additionally, the reduction in drills can be attributed to the impact of COVID-19 on drill activities.

Case Study

Act Safety Program (ASP)

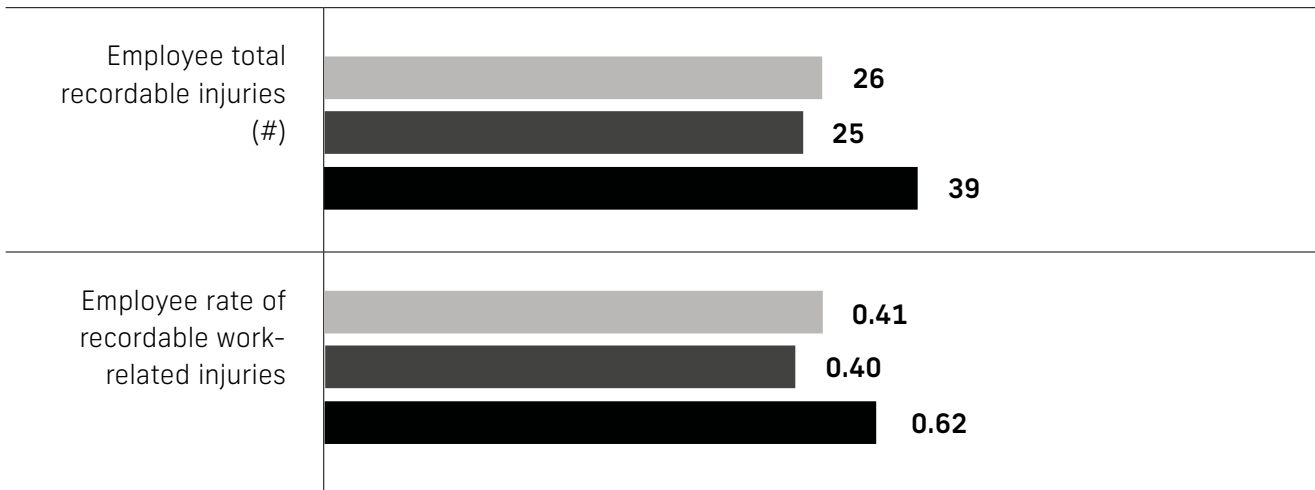
S.A. TALKE launched its Act Safety Program in 2022 with the theme of “Promote a harm-free workplace and operate all Equipment with caution – protect yourself and others”. The main purpose of this theme was to focus on reminding colleagues of the risks and

hazards associated with moving equipment. The ASP program was kicked off successfully in all S.A. TALKE project sites across the Kingdom of Saudi Arabia.



HEALTH AND SAFETY - EMPLOYEES

● 2020 ● 2021 ● 2022



*Data for employee lost-time injuries and employee rate of recordable work-related injuries excludes Elite.
 *2021 figures for employee rate of recordable injuries have been restated due to changes in calculation methodology.

With excellent teamwork and focus on safety, S.A. TALKE has achieved 21,718,123 safe manhours without any lost time injury.





RSGT is committed to the integration of its Health, Safety, Environment & Social (E&S) performance as core elements for the success of its business and employees.

All RSGT employees are enrolled in the company's medical health insurance scheme, which includes dental coverage. In 2022, the insurance service provider, NASCO, offered onsite wellness checkups for RSGT employees, covering a range of health aspects such as heart rate, blood pressure, and eye and sugar-level checks. These twice-yearly checks are supported by the company's onsite clinic, staffed with nurses and paramedics, who also provide on-call support for accidents and incidents. Annual flu vaccinations are provided through the JIP's Ministry of Health facility.

S.A. TALKE took a number of steps in 2022 to raise employees' awareness of safety in the workplace and to reduce accidents and injuries. This included celebrating World Safety Day in April, quarterly ASP (Act Safety Program), and a heat and cold stress campaign. First aid training was also provided to employees.

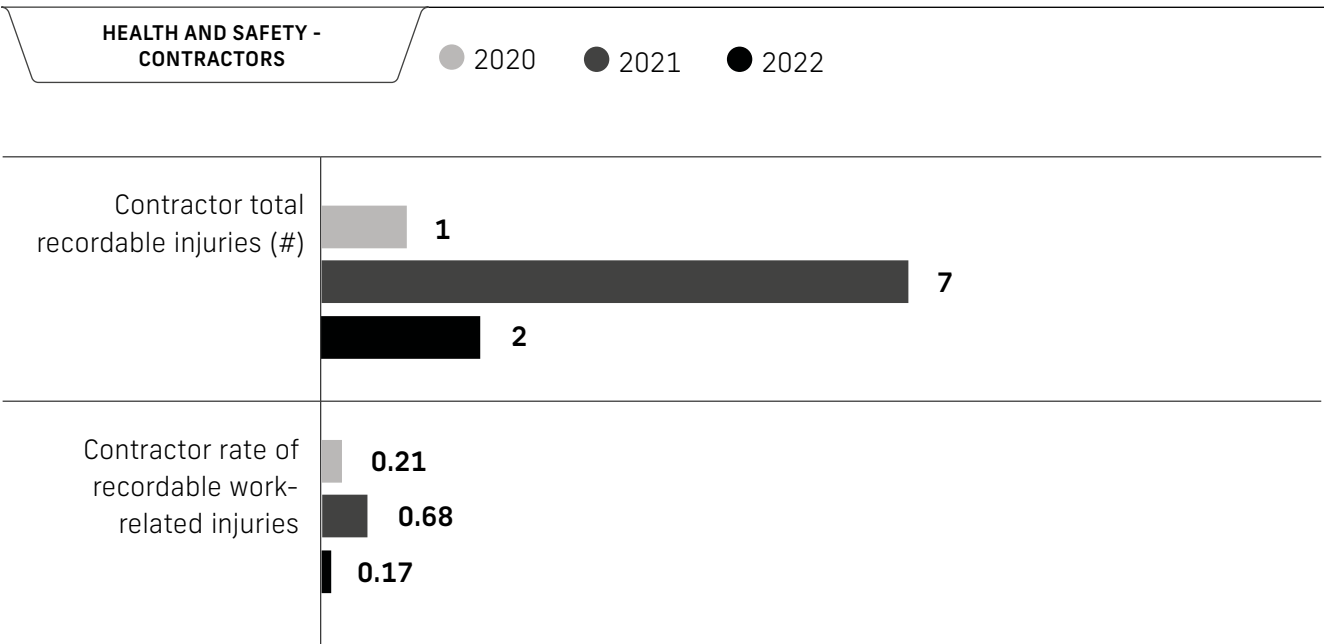
Elite has implemented health and wellness programs for employees, including fitness classes and mental health support. The company also runs an annual Wellness Day, featuring activities such as general check-ups and yoga sessions, and runs monthly webinars in partnership with The LightHouse Arabia, a wellbeing center.

Health and Safety – Contractors

At SISCO Group, the health and safety of all individuals linked to the company's operations is of the utmost importance. This encompasses the health and safety of contractors and subcontractors. SISCO Group is dedicated to implementing appropriate measures and protocols for all its contractors, enabling them to perform their duties in a secure and confident manner.

In 2022, SISCO Group recorded one contractor fatality, and only two contractor lost-time injuries. Two recordable injuries were reported, which were classified as minor, a major improvement from the previous year. All injuries sustained by contractors/sub-contractors have been thoroughly investigated and appropriate actions taken to ensure similar incidents are avoided in the future.

Health and Safety – Contractors	2020	2021	2022
Work hours (contractors)	942,688	2,064,433	2,374,626
Contractor fatalities (#)	1	0	1
Contractor lost time injuries (#)	0	2	2



*Data for contractor health and safety excludes Elite.

*2021 figures for contractor rate of recordable injuries have been restated due to changes in calculation methodology.

S.A. TALKE has been recognized by Petro Rabigh and was awarded with the best contractor safety award for the second year.

S.A. TALKE has been awarded by SABIC best contractor award for local content.

Health and Safety Training

We are committed to increasing health and safety training across SISCO Group, in an effort to provide our employees with the latest knowledge and skills required to undertake their work confidently and safely.

In 2022, RSGT has focused on delivering more targeted and specialized training, particularly in technical and operational areas. As a result, there has been a notable 41% decrease in the total number of health and safety training hours provided. On the other hand, S.A. TALKE has undertaken a comprehensive review of their training programs, merging certain sessions and conducting

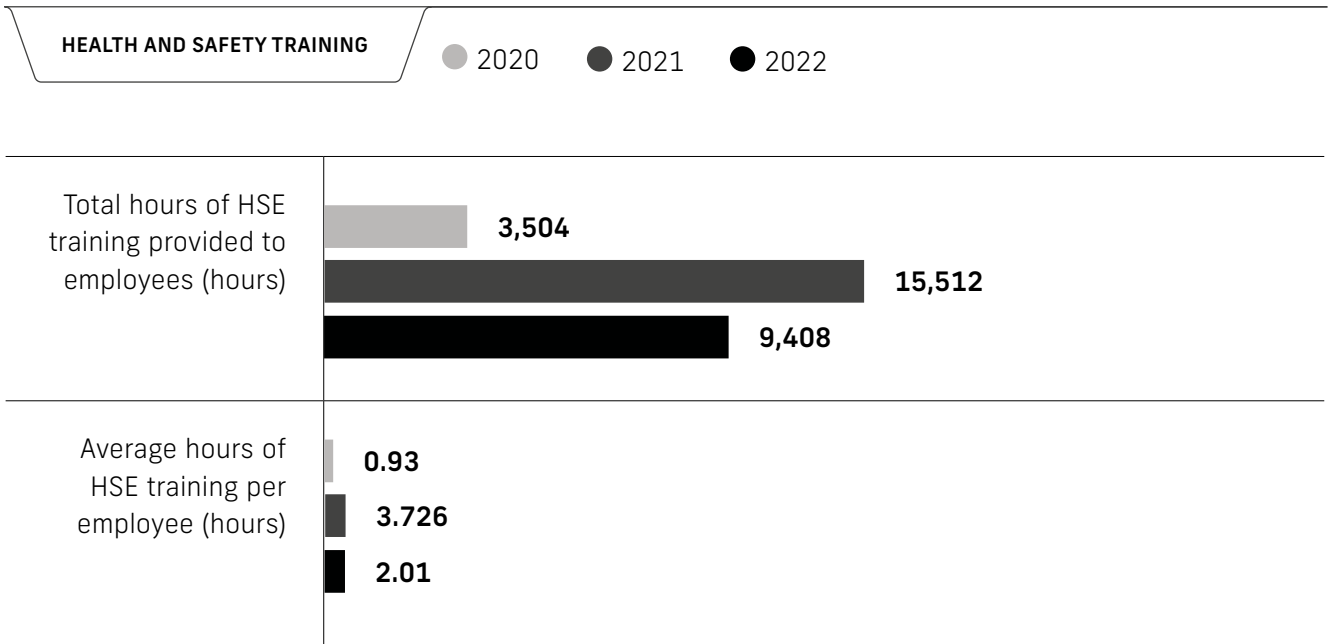
group trainings. Consequently, compared to 2021, there has been a substantial 64% increase in the total number of health and safety training hours, driven by the implementation of new projects and client requirements.

LogiPoint recorded a 49.5% decrease in total health and safety training hours. The decrease was due to unusual projects which required stand-down safety talks which were not recorded. The company aims to record all related health and safety training hours moving forward.



Health and Safety Training	2020	2021	2022
Total cost of training (SAR)	28,458	119,300	18,545

*2022 data for total cost of training excludes RSGT and Elite.



*2020 and 2021 figures for average hour of HSE training per employee have been restated due to changes in calculation methodology.



DIVERSITY AND EQUALITY

SISCO Group firmly believes that having a diverse and inclusive workforce not only fosters productivity and well-being but also reflects the culture and values of an organization. The Group employs and supports individuals from diverse cultural backgrounds and age groups, and the company has a Zero-Tolerance Policy towards any form of discrimination based on gender, age, race, or color. A commitment to equity and diversity is reinforced by HR policies on anti-harassment and

equal employment opportunity. Nationalization is important in the private sector and SISCO Group is striving to increase the representation of Saudi nationals within the company, in alignment with the Saudi Vision 2030 objectives of establishing sustainable talent in the Kingdom. Furthermore, in accordance with Saudi Vision 2030, SISCO Group is placing significant emphasis on augmenting female hires to bridge the gender employment gap in Saudi Arabia.



Female Employment

Women make a significant impact in the workforce. SISCO Group is committed to fostering a gender-inclusive work environment with no tolerance for discrimination or gender inequality. In line with this commitment, mentoring and leadership development programs are provided for all female employees and there is appropriate training for all positions held by women within the company.

The type of work carried out by SISCO Group and its subsidiaries, as well as the industries in which the company operates and cultural factors, have presented challenges in attracting a greater number of female employees. However, there is a gradual shift towards this trend, especially with the increasing number of government initiatives and mandates aimed at promoting and enhancing female representation in all sectors.

SISCO Group is taking the following steps to attract and retain more female employees:



Ensuring all SISCO Group workplaces are suited to accommodate female staff and cater to their needs.



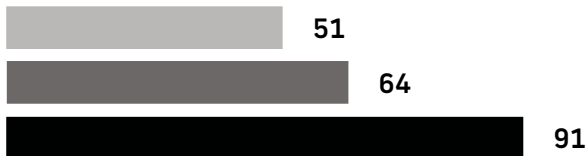
Actively encouraging the nomination of female staff members to participate in the Group's LEAD program for future leaders.



Provision of retention bonuses, nursery support, and transportation allowances by some subsidiaries.

NUMBER OF FEMALE EMPLOYEES

● 2020 ● 2021 ● 2022



Female Employment	2020	2021	2022
Females in senior management (#)	4	0	5
Female employment rate (%)	1	2	2

RSGT encourages female participation in the company by a quarterly retention bonus amounting to 15% of basic monthly salary, together with nursery support worth SAR 700 per month, training and coaching, and both personal and job-specific mentoring.

Elite has made a deliberate effort to recruit female drivers; the first successful female driver recruited was featured in the company's social media posts to encourage more women applicants.

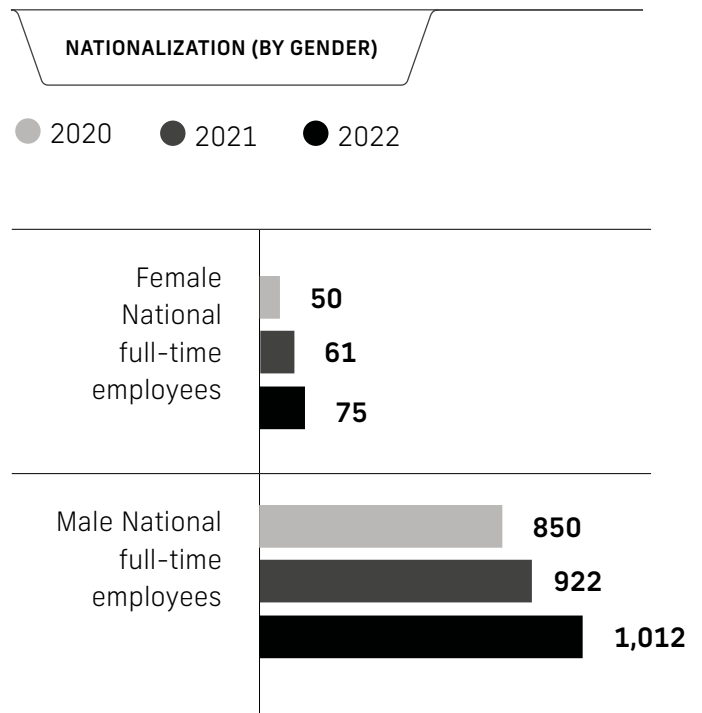
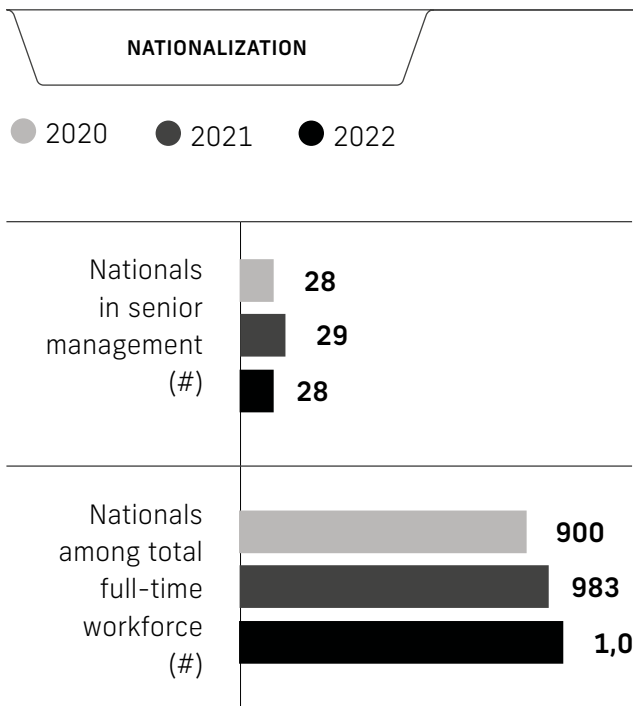
Nationalization

SISCO Group is committed to increasing the representation of Saudi nationals in its workforce. To achieve this, the company has partnered with professional recruitment agencies to fill senior-level positions with Saudi applicants and is leveraging its media platforms to encourage more nationals to apply for roles.

The Group also aims to develop and promote Saudi nationals within its workforce. A Leadership Management Program (LEAD) has

been established, which aims to support Saudi employees in developing the skills necessary to progress to more senior positions. In addition, SISCO’s Graduate Program, which takes place every two years, offers job opportunities and experience across different business units within the Group to Saudi graduates. The company also prioritizes the hiring of Saudi nationals and provides them with various benefits, such as 50% of basic salary in lieu of an annual air ticket during annual leave.

In 2022, there was a steady increase in the number of nationals among SISCO’s full-time workforce, which was commensurate with the increase in the total number of employees at the Group.





SISCO Group has set itself an ambitious target of 50% nationalization within the next five years. The company is committed to achieving this target through the implementation of additional initiatives aimed at attracting a higher number of Saudi nationals to join the workforce.

In 2022, S.A. TALKE participated in a Human Resources Development Fund recruitment campaign for new Saudi graduates. Twelve graduates were recruited as a result of this campaign, designed to ensure the company attracts Saudi's future leaders.

Tawzea initiatives focused on national employees through a range of initiatives, including focusing recruitment efforts on national employees, maintaining all the requirements of governmental Saudization regulations, and providing a range of competitive benefits such as bonuses, schooling allowances and loyal service rewards.



CHAPTER 5

Empowering our Society

As a participant in the Kingdom's economic growth, SISCO Group has a responsibility towards the advancement and prosperity of the communities it caters to. Hence, SISCO Group is utilizing its resources to become a driving force for constructive transformation within its community.

SISCO Group persistently strives to enhance customer experience by offering improved products and services, and by refining customer engagement strategies. The company is dedicated to procuring products, materials, and services in a fair and transparent way, expanding its local sourcing capacity, and enhancing the conditions and livelihoods of suppliers throughout its supply chain.

Highlights

67
total number of local community development programs based on local community needs.



















2,376
total number of local suppliers engaged

35
total number of women-owned suppliers engaged

88%
spending on local suppliers.

Material Issues	Saudi Vision 2030 Pillar
<ul style="list-style-type: none"> Community Investment & Engagement Sustainable Procurement Customer Experience 	 <p>An Ambitious Nation A Vibrant Society</p>

Wider Contribution

<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>TARGET 3-8</p>  <p>ACHIEVE UNIVERSAL HEALTH COVERAGE</p>	<p>TARGET 3-9</p>  <p>REDUCE ILLNESSES AND DEATH FROM HAZARDOUS CHEMICALS AND POLLUTION</p>	<p>13 CLIMATE ACTION</p> 	<p>TARGET 13-2</p>  <p>INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING</p>	<p>TARGET 13-3</p>  <p>BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE</p>	
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>TARGET 11-6</p>  <p>REDUCE THE ENVIRONMENTAL IMPACT OF CITIES</p>			<p>17 PARTNERSHIPS FOR THE GOALS</p> 	<p>TARGET 17-1</p>  <p>MOBILIZE RESOURCES TO IMPROVE DOMESTIC REVENUE COLLECTION</p>	<p>TARGET 17-11</p>  <p>INCREASE THE EXPORTS OF DEVELOPING COUNTRIES</p>
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>TARGET 12-2</p>  <p>SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES</p>	<p>TARGET 12-4</p>  <p>RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE</p>	<p>TARGET 12-5</p>  <p>SUBSTANTIALLY REDUCE WASTE GENERATION</p>	<p>TARGET 12-6</p>  <p>ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING</p>	<p>TARGET 17-14</p>  <p>FINANCE POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT</p>	<p>TARGET 17-17</p>  <p>ENCOURAGE EFFECTIVE PARTNERSHIPS</p>

COMMUNITY INVESTMENT AND ENGAGEMENT

SISCO Group recognizes the importance of investing in the communities it serves. As a company with diverse business operations, SISCO Group has the ability to engage with and impact a wide range of community groups. The company is committed to using its resources and industry influence to generate positive social and economic value for communities through its core business activities, advocacy efforts, and

collaborations with key government and non-government organizations. This includes donations, volunteering activities, and supporting community-related initiatives.

SISCO Group is focused on increasing volunteering activities by partnering with regional organizations to support community initiatives.

Community Investment	2020	2021	2022
Operations with significant actual or potential negative impacts on local communities (#)	1	0	1
Donations and sponsorships (SAR; thousand)	775	645	204
Community investment as a % of pre-tax profit (%)	0.095%	0.082%	0.087%

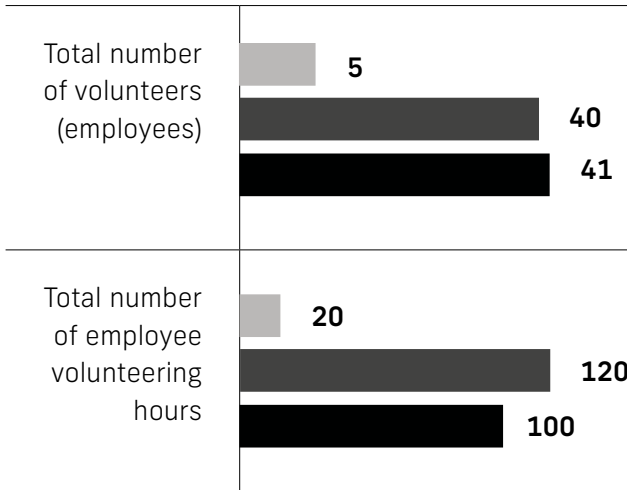
*2022 data for community investment excludes LogiPoint.

*2022 data for community investment as a % of pre-tax profit excludes Tawzea and Elite.



VOLUNTEERING

● 2020 ● 2021 ● 2022



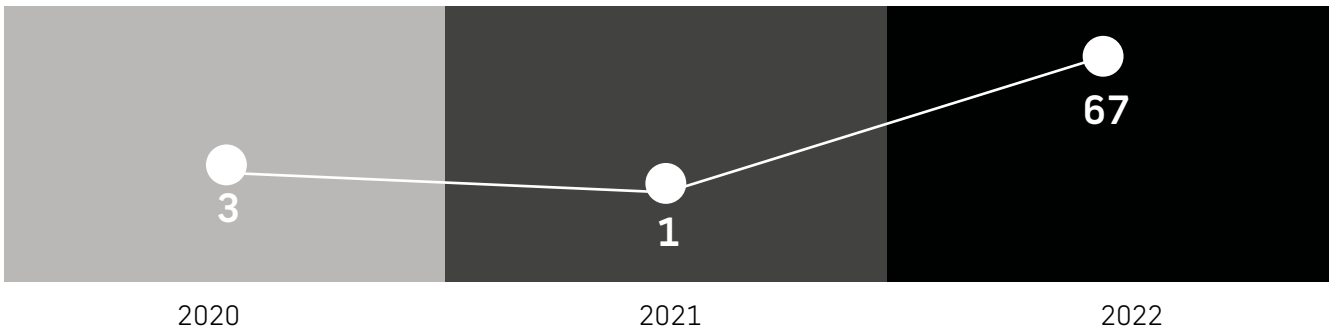
*2022 data for volunteering excludes LogiPoint, Tawzea and Elite.

TOTAL VALUE OF COMMUNITY INVESTMENTS (SAR)

● 2020 ● 2021 ● 2022



TOTAL NUMBER OF LOCAL COMMUNITY DEVELOPMENT PROGRAMS BASED ON LOCAL COMMUNITY NEEDS



*2022 data for total number of local community development programs based on local community needs excludes LogiPoint.

Elite supports local charities and non-profit organizations, through both financial donations and employee volunteering time, with employees granted eight hours a year of volunteering time to do community work at a charity of their choice.

In 2022, Tawzea took the lead in initiating 60 local community development programs, a significant increase compared to the absence of such programs in 2021. These included two donations of 15,000 SAR to Jeddah Industrial Cities for an afforestation initiative and to sponsor a national day for the

Dawah and Guidance charity centre. The company also provided Ramadan gifts for the cleaners and security guards at its Head Office, funded a medical evacuation of a third-party laborer, and donated 15,573 SAR to the Ehsan platform, which encourages charitable work in Saudi Arabia, to help it support individuals in need. The Group (excluding Tawzea and Elite) also donated SAR 100,000 in Ramadan food boxes through Ehsan.

CUSTOMER EXPERIENCE

SISCO Group prioritizes the satisfaction and experience of its customers as one of its primary objectives. The company values effective engagement with and feedback from its customers, as a key stakeholder group, to ensure continued business growth. SISCO Group takes into account their requirements, opinions, and preferences in the development of new products and services, and constantly strives for continuous improvement.

The Group takes customer feedback seriously, using it as a crucial input to product and service development processes. This customer-centric approach involves continuously monitoring and analyzing customer feedback to identify areas for improvement, understand customer needs and preferences, and develop innovative solutions that meet their expectations.

RSGT took a number of initiatives in 2022 to promote and increase customer satisfaction, including:



Launching an e-portal and mobile application.



Conducting a customer survey to get feedback and service evaluation.



Introducing chatbot services and activities.



Carrying out landside projects to add value for customers such as:



Launching an Interactive Voice Response telephone system, enabling callers to access information without a live agent.

Empty Depot: Open yard to receive, and store empty containers from the consignees and make it ready for shipping lines to evacuate.

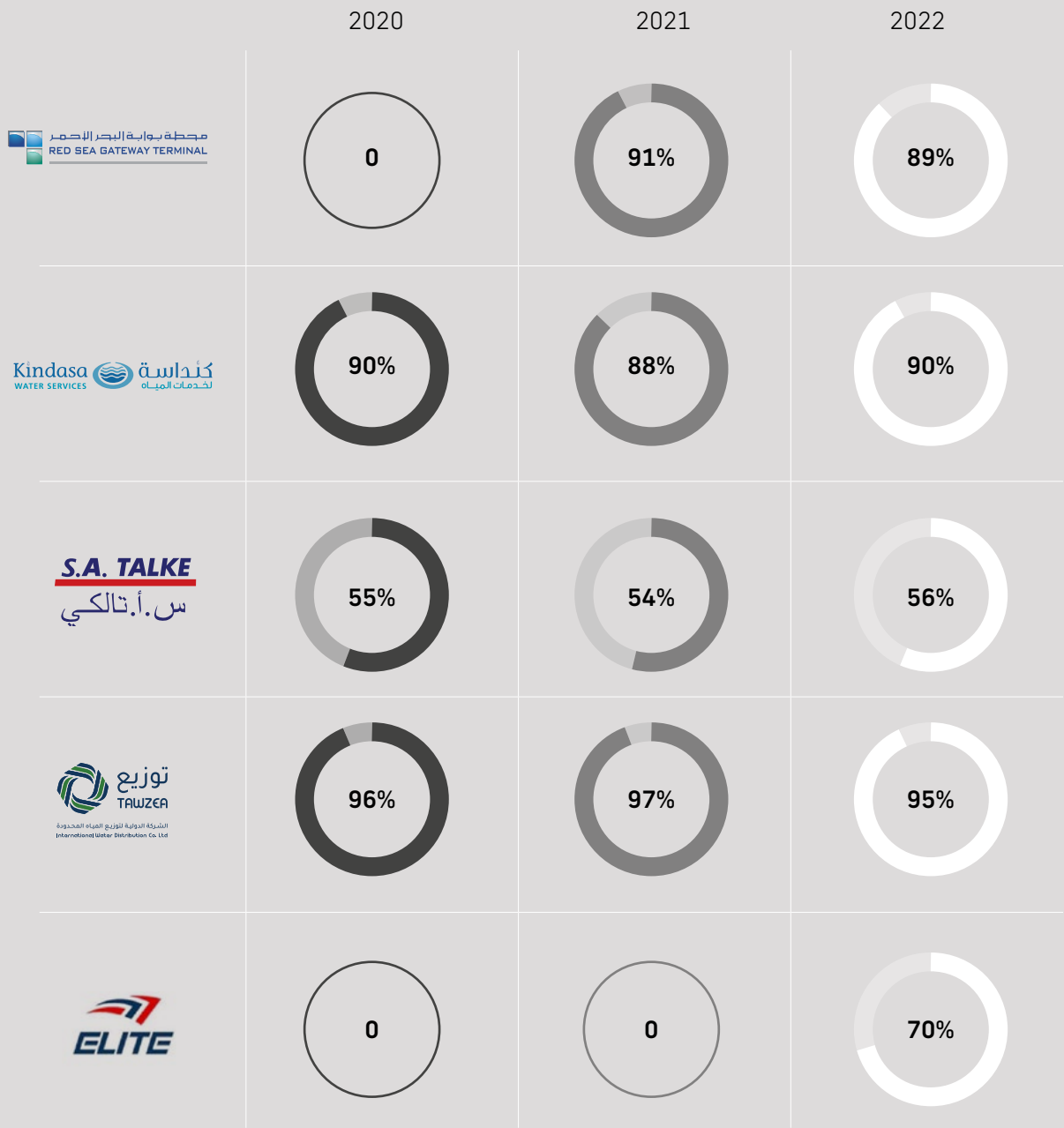
Co-Packing: temperature-controlled warehouse, with detailed specs to provide cargo-related services (i.e. labeling service, promotion packaging, partial delivery) for confectionery items to fulfill local market needs.

At Elite, all customers' requests and concerns are recorded in the company's Customer Relationship Management system for better monitoring and execution. Each member of the Executive team sponsors a key account and attends the quarterly performance review, and customer feedback, reviews and the Net Promoter Score (NPS) are discussed in bi-monthly steering committee meetings.

In 2022, Elite implemented system improvements to better capture the voice of the customers and improve the customer experience. In particular, ease of access for the Customer Service team was significantly improved; the abandoned call rate now stands at below 2%. The NPS stood at more than 80%.

S.A. TALKE diligently records all received complaints, including those that may not be deemed valid, demonstrating their commitment to customer feedback and continuous improvement.

CUSTOMER SATISFACTION



*Data for customer satisfaction excludes LogiPoint and SISCO.

Health and Safety – Customers

The safety and satisfaction of SISCO Group's customers is paramount to the success of its business. As part of the company's commitment to providing exceptional customer experiences, SISCO Group takes responsibility for the safety of its products and services seriously. It has implemented rigorous measures and protocols

to identify and mitigate any potential risks associated with its offerings, aiming to ensure that customers can trust in the safety and quality of its products, giving them peace of mind and a positive experience.

Health and Safety – Customers	2020	2021	2022
Number of incidents of non-compliance with regulations, voluntary codes, or supplier standards, concerning health and safety of products, services, or handling/transport/storage of product	7	5	5

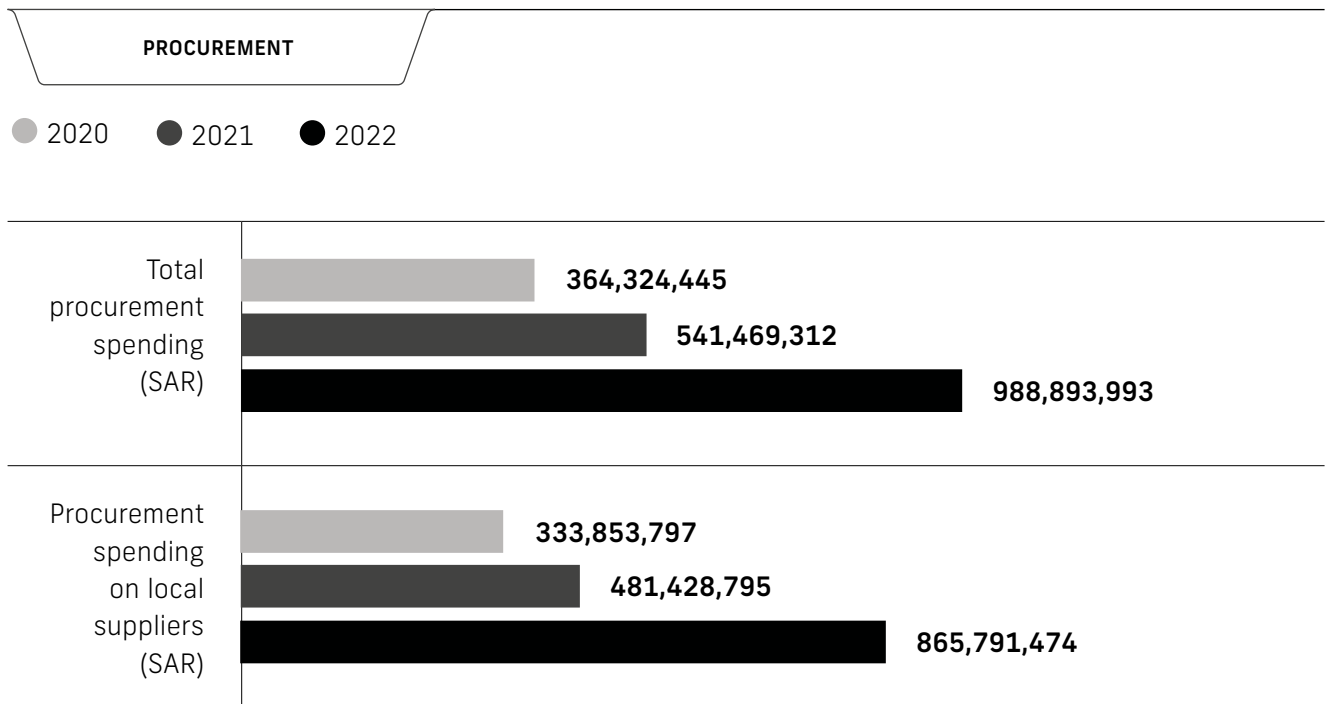
*2022 data for health and safety – customers excludes Elite and Tawzea.



SUSTAINABLE PROCUREMENT

SISCO Group is committed to advancing sustainability practices throughout its supply chain and promotes sustainable management principles and ethical sourcing practices among its suppliers. To ensure that suppliers meet SISCO Group's standards, due diligence checks are carried out on their sustainability practices.

In 2022, SISCO Group's procurement spending increased significantly due to expansions across all its business sectors as well as the addition of Elite, which also led to a steep rise in local procurement spending.



In 2022, the total number of engaged suppliers at RSGT witnessed a notable increase of 16% compared to the previous year, with a significant rise of 67% in the number of SME suppliers. These increases can be attributed to various business requirements, maintenance activities for existing assets, and the implementation of consolidation projects at RSGT.

Furthermore, the engagement of local suppliers at RSGT witnessed a 33% increase as some overseas suppliers established local business entities. However, it is important to note that the number of SME suppliers at RSGT experienced a decline due to the closure of certain SMEs.

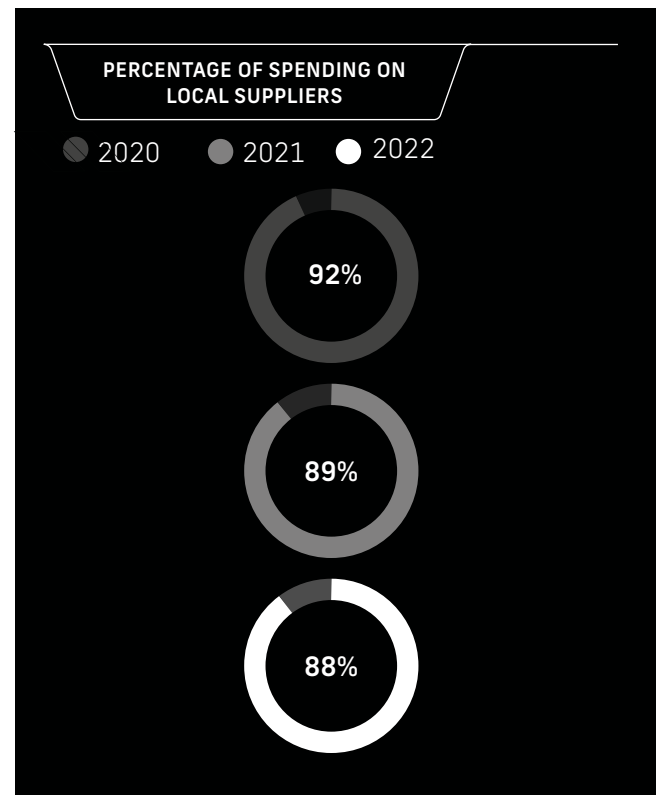
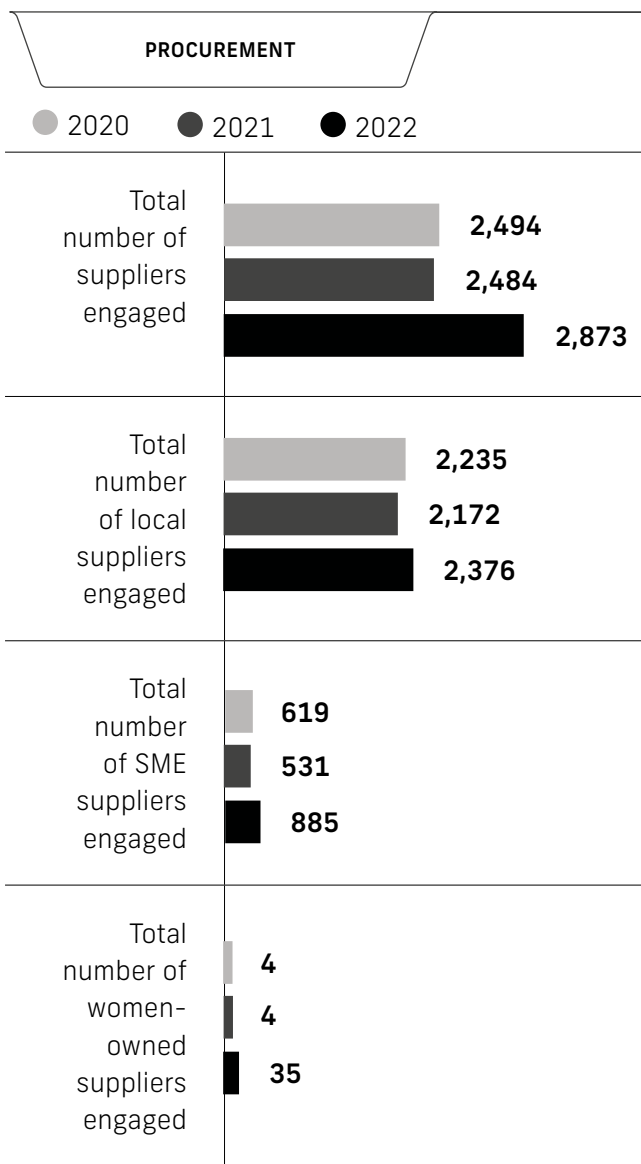
The significant surge in the number of engaged women-owned suppliers can be attributed to the subsidiary acquisition of Elite. Among the 348 suppliers that Elite engages with, 30 of them are women-owned suppliers.

In 2022, LogiPoint witnessed an increase in expenses primarily due to the implementation of substantial warehouse construction projects. While

these projects incurred additional costs, they are expected to yield favorable results for the company in the future. Moreover, LogiPoint prioritized expansion during that year, which led to a marginal increase in expenses. The company remains steadfast in its commitment to continuously pursue the best prices and actively minimize expenses.



Among the 348 suppliers that Elite engages with, 30 of them are women-owned suppliers.



S.A. TALKE conducts contractor screening through vendor registration. Each year, the performance of five primary contractors is evaluated as per set criteria. Non-primary suppliers are screened based on the cost and availability of materials to be purchased in the local market.

Supplier Management

SISCO Group holds itself to high standards of transparency and ethics and expects the same from its suppliers. The Group's supply chain sustainability efforts are focused on encouraging ethical sourcing practices and promoting sustainability management principles among its suppliers.

To ensure compliance with the Group's standards on social and environmental matters, subsidiaries implement a Supplier Code of Conduct. Priority is given to suppliers that demonstrate adherence to these policies and principles, and they are offered guidance and support to help them meet SISCO Group's expectations.

RSGT ensures suppliers comply with national environmental regulations in the proposal/tendering phase. The company conducts the

following environmental efforts in its supply chain for different environmental parameters:



Waste: Reduction of solid and hazardous waste by using third-party contractors for the recycling of used batteries and the reuse of metal and scrapped tires.



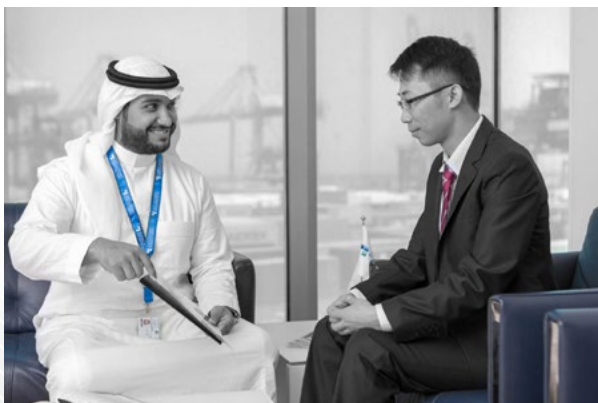
Chemicals: Safe handling of hazardous chemicals and recycling of used oil.



Water: Recording water consumption.



Energy: Recording energy consumption and reduction in energy consumption by acquiring non-fuel dependent equipment such as hybrid rubber-tired gantries and LED illumination.

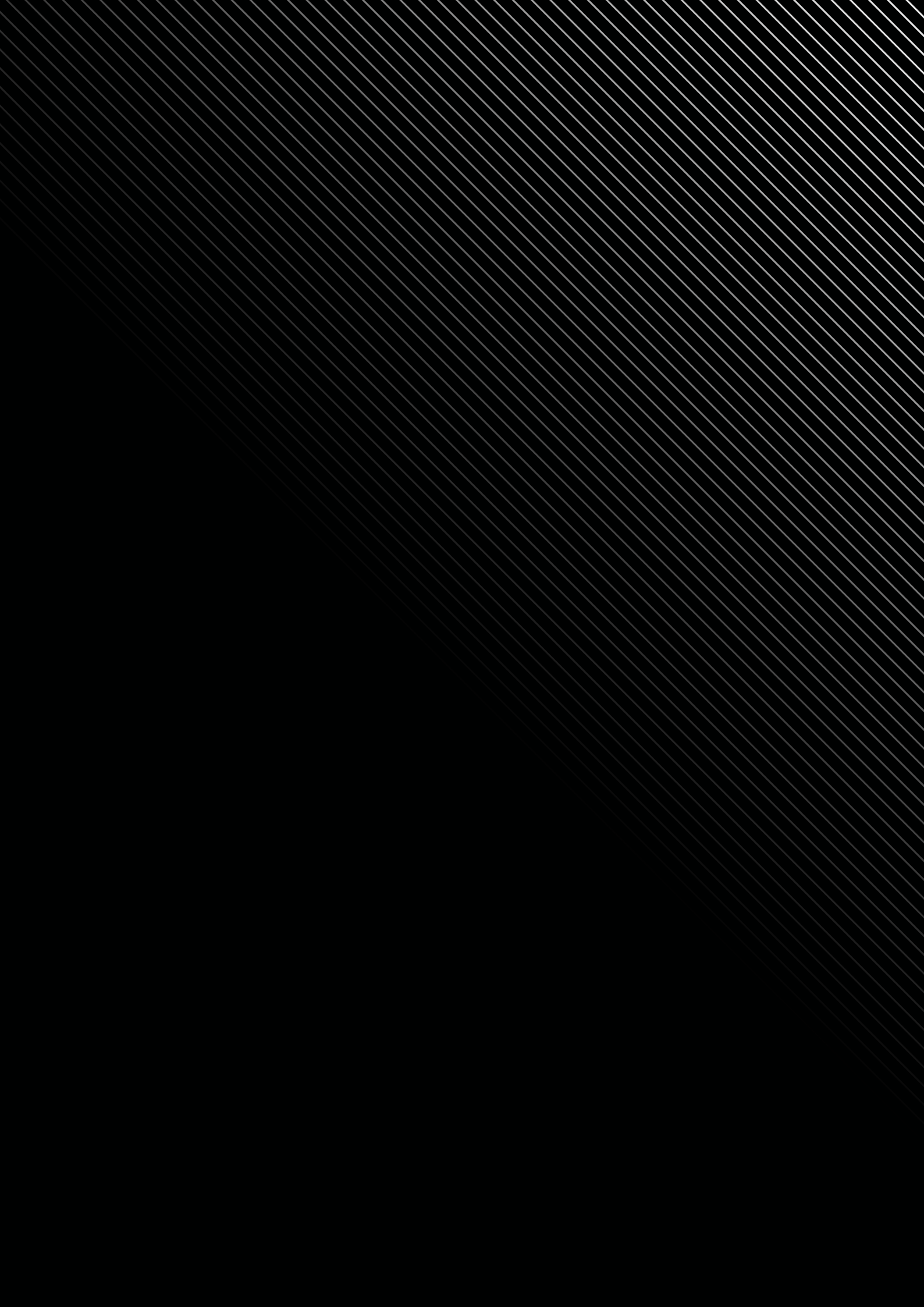


RSGT also aims to promote locally based supplies by sourcing parts for equipment that would normally be purchased from overseas through local suppliers instead; this includes original equipment manufacturer items and approved products.

S.A. TALKE carries out contractor screening through vendor registration, conducting annual primary contractor performance evaluations based on established criteria. Additionally, non-primary suppliers are screened based on factors such as cost and the availability of materials in the local market for procurement.

Appendix

In line with the commitment to SISCO Group's transparency and accountability, the company makes detailed sustainability data available to all stakeholders. SISCO Group also makes technical disclosures against best practice Global Reporting Initiative indicators as part of its journey of continual reflection and improvement.



APPENDIX A.

GRI CONTENT INDEX

Statement of use	SISCO has reported in accordance with the GRI Standards for the period of 1st January to 31st December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location and/or Direct Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	9-12				
	2-2 Entities included in the organization's sustainability reporting	3, 4				
	2-3 Reporting period, frequency and contact point	3				
	2-4 Restatements of information	57, 58, 59, 64, 66, 68, 98, 99, 101, 102				
	2-5 External assurance	None				
	2-6 Activities, value chain and other business relationships	9, 11				
	2-7 Employees	50, 51				
	2-8 Workers who are not employees	96				
	2-9 Governance structure and composition	25, 26				
	2-10 Nomination and selection of the highest governance body	26				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location and/or Direct Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	8, 25				
	2-12 Role of the highest governance body in overseeing the management of impacts	23				
	2-13 Delegation of responsibility for managing impacts	23				
	2-14 Role of the highest governance body in sustainability reporting	SISCO board committees are responsible for setting ESG objectives and KPIs for the company. The board chairman approves the ESG report.				
	2-15 Conflicts of interest	29				
	2-16 Communication of critical concerns	26, 29				
	2-17 Collective knowledge of the highest governance body	25				
	2-18 Evaluation of the performance of the highest governance body	25				
	2-19 Remuneration policies	26				
	2-20 Process to determine remuneration	26				
	2-21 Annual total compensation ratio	-		Information unavailable /incomplete		
	2-22 Statement on sustainable development strategy	8				
	2-23 Policy commitments	23, 24				
	2-24 Embedding policy commitments	23, 24				
	2-25 Processes to remediate negative impacts	27				
	2-26 Mechanisms for seeking advice and raising concerns	27				
	2-27 Compliance with laws and regulations	29				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location and/or Direct Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-28 Membership associations	-		Not applicable		
	2-29 Approach to stakeholder engagement	16, 91				
	2-30 Collective bargaining agreements	Collective bargaining is prohibited in KSA				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	17				
	3-2 List of material topics	17				
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	31				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	32				
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	80-82				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	81				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	27				
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	27				
	205-3 Confirmed incidents of corruption and actions taken	27				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	35				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	36				
	302-3 Energy intensity	36				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location and/or Direct Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	41, 42				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	41, 42				
	303-2 Management of water discharge-related impacts	41, 42				
	303-5 Water consumption	41				
Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	37, 38				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	37				
	305-2 Energy indirect (Scope 2) GHG emissions	37				
	305-4 GHG emissions intensity	38				
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	43				
	306-2 Management of significant waste-related impacts	43				
	306-3 Waste generated	43				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	49 - 51				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	52 - 54				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	50				
	401-3 Parental leave	60				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location and/or Direct Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	61				
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	61-66				
	403-3 Occupational health services	61-66				
	403-5 Worker training on occupational health and safety	67				
	403-6 Promotion of worker health	61-66				
	403-9 Work-related injuries	64				
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	55-59				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	57				
	404-2 Programs for upgrading employee skills and transition assistance programs	55-59				
	404-3 Percentage of employees receiving regular performance and career development reviews	58, 59				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	69				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	25, 70				
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	23, 24, 27, 69				
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	27				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location and/or Direct Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	75, 76				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	75, 76				
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	79				
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non- compliance concerning the health and safety impacts of products and services	79				

We also report on topics that are not covered by the GRI standards.

Technology and innovation						
GRI 3: Material Topics 2021	3-3 Management of material topics	46				

APPENDIX B.

STAKEHOLDER ENGAGEMENT

Stakeholder Group	Importance to SISCO	Needs and Expectations	Methods of Engagement
Customers	<p>The Group's top priority is organic growth, which entails fostering strong relationships with current customers through mutually beneficial practices. Priority is given to providing value-added solutions, top-quality products, and services to expand the company's customer base and generate additional business. By continuously identifying areas for improvement and utilizing the latest technology, SISCO strives to deliver an unparalleled experience to its valued customers.</p>	<ul style="list-style-type: none"> ■ Innovative and sustainable products and services. ■ Efficient and pro-active customer channels. ■ Friendly and responsive customer service. ■ Consistent and reliable delivery of products and services. ■ Transparent and accessible information. 	<ul style="list-style-type: none"> ■ Social media channels such as Twitter, Facebook, Instagram, and LinkedIn. ■ Customer service offices for SISCO entities.
Our People	<p>The success of SISCO hinges on the diligent efforts, dedication, and input of every employee. To ensure that the company is effectively attracting, retaining, and developing highly talented individuals with diverse skills and abilities, it has implemented a cohesive talent management strategy. Across all SISCO entities, a steadfast commitment to upholding the highest health and safety standards at all facilities is maintained. The company is vigilant in monitoring and mitigating potential risks to both its employees and operations, providing a secure and protected work environment for its workforce.</p>	<ul style="list-style-type: none"> ■ Employee engagement and growth, through cultivating a diverse and inclusive workforce. ■ Providing a safe and secure work environment. ■ Fair compensation. ■ Recognition and rewards. ■ Opportunities for career growth and development. 	<ul style="list-style-type: none"> ■ Employee trainings including orientations, professional training, and certifications. ■ Health and safety policies. ■ Social gatherings such as Annual Football tournament
Shareholders & Investors	<p>SISCO's steadfast commitment to maintaining a strong balance sheet, along with a proven track record of both financial and operational success, enables it to consistently generate value for its valued shareholders. With investment projects and subsidiary activities that offer substantial long-term potential, SISCO is an attractive investment opportunity for shareholders, investors, and prospective stakeholders alike. To ensure optimal outcomes and alignment with strategic objectives, the Group remains vigilant in promoting best practices and ensuring that its companies have access to the necessary academic and technical expertise. This ensures that the quality of work is consistently sufficient and aligned with the goals of the Group.</p>	<ul style="list-style-type: none"> ■ Strong balance sheet and continuous cash flows. ■ Transparency and disclosure. ■ Incorporate ESG criteria into business operations and activities. ■ Dynamic risk management. ■ Strong market position. ■ Strategic vision and plan for long-term growth and success. ■ Social initiatives and programmes to promote well-being of the community. ■ Partnerships with other organization to address social concerns. ■ Regular one-off, high participation low-cost activities. ■ Open and transparent communication with the community about business practices and operations. 	<ul style="list-style-type: none"> ■ Annual reports. ■ Corporate Governance reports. ■ Quarterly financial statements. ■ Board Meetings. ■ Donations to charitable causes. ■ Social welfare campaigns.

Stakeholder Group	Importance to SISCO	Needs and Expectations	Methods of Engagement
Communities	<p>SISCO recognizes that as a significant contributor to the economic future of our country, it has a responsibility to give back to the community. As such, corporate social responsibility has been seamlessly integrated into SISCO's business activities and a comprehensive CSR program has been developed that seeks to make a positive impact on the world.</p>	<ul style="list-style-type: none"> ■ Social initiatives and programmes to promote well-being of the community. ■ Partnerships with other organization to address social concerns. ■ Regular one-off, high participation low-cost activities. ■ Open and transparent communication with the community about business practices and operations. 	<ul style="list-style-type: none"> ■ Donations to charitable causes. ■ Social welfare campaigns.
Government Regulators	<p>SISCO places great importance on fostering a culture of compliance, as it is crucial to the Group's overall strategy. Commitment to the Group's diverse stakeholders is demonstrated by the continuous development and improvement of the company's transparency and accountability. An unwavering dedication to complying with all applicable rules and regulations enables SISCO to maintain high standards of corporate governance that align with regional and global best practices.</p>	<ul style="list-style-type: none"> ■ Alignment to national strategies and visions (Saudi Vision 2030). ■ Compliance with legal and regulatory requirements. ■ Protecting customers and shareholders. ■ Transparency and disclosure. ■ Compliance with applicable laws, regulations, and industry standards. ■ A commitment to ethical and socially responsible business practices. 	<ul style="list-style-type: none"> ■ Internal audit. ■ External audit. ■ Internal control and risk management systems. ■ Compliance department. ■ Audit Committee. ■ Annual Reports.
Partners	<p>SISCO proactively forges and sustains strategic alliances and partnerships with various collaborators to facilitate continuous growth and strategic positioning. By enhancing its relationships with the most reputable suppliers, distributors, and trade partners, the company can effectively meet the ever-evolving needs of its customers.</p>	<ul style="list-style-type: none"> ■ New opportunities for engagement and interaction ■ Open communication channels ■ Fair and respectful treatment of suppliers ■ Timely payments. ■ Ethical and responsible business practices that promote fairness and social justice. 	<ul style="list-style-type: none"> ■ Supplier survey to obtain feedback from suppliers. ■ Supplier portal. ■ Procurement department.

APPENDIX C.

DATA COVERAGE TABLES

Good Governance and Strong Intuition

Board of Directors	2020	2021	2022
Total number of the Board of Directors (#)	7	7	7
Independent members of the Board of Directors (#)	4	4	4
Non-independent members of the Board of Directors (#)	3	3	3
Non-executive members of the Board of Directors (#)	7	7	7
Female members of the Board of Directors (#)	1	1	1
Male members of the Board of Directors (#)	6	6	6

Grievance mechanism	2020	2021	2022
Number of performance grievances filed in the reporting period (#)	22	13	29
Number of these performance grievance addressed or resolved (#)	14	13	29
Number of employee grievances filed in the reporting period (#)	107	37	277
Number of these employee grievance addressed or resolved (#)	93	36	274
Harassment cases (#)	0	0	0
Non-discrimination			
Incidents of discrimination (#)	0	0	0

Financials	2020	2021	2022
Revenues (Million SAR)	862	921	855
Gross Profit (Million SAR)	424	446	416
Net Income (Million SAR)	66	65	42

Green Infrastructure and Environmental Sustainability

Direct energy consumption	2020	2021	2022
Petrol consumption from operations (L)	48,797	31,901	57,892
Petrol consumption from vehicles (L)	98,836	405,409	1,646,311
Diesel consumption from operations (L)	26,408,583	23,944,789	21,735,214
Diesel consumption from vehicles (L)	720,488	847,153	4,631,398

*2022 data for petrol and diesel consumption from operations excludes Elite.

*2020 and 2021 data for petrol consumption from operations excludes RSGT.

Indirect energy consumption	2020	2021	2022
Electricity consumption (branches, offices, etc.; kWh)	144,220,042	166,767,696	149,089,261

*2022 data for indirect energy consumption excludes Elite.

Energy consumption	2020	2021	2022
Total direct energy consumption (GJ)	1,043,722	963,945	1,066,713
Total indirect energy consumption (GJ)	519,192	600,364	536,721
Total energy consumption intensity (GJ/employee)	416	379	343
Total energy consumption intensity (GJ/m ³)	0.35	0.32	0.32

*2022 data for total indirect energy consumption and total energy consumption intensity excludes Elite.

GHG Emissions	2020	2021	2022
Direct GHG emissions (Scope 1) (tonnes of CO2eq)	73,261	67,650	74,815
Indirect GHG emissions (Scope 2) (tonnes of CO2eq)	94,320	109,066	97,504
Total GHG emissions (tonnes of CO2eq)	167,581	176,716	172,319
GHG emission intensity (tonnes of CO2eq/employee)	45	43	37

Water Consumption	2020	2021	2022
Total water consumption (m3)	232,722	325,176	358,473
Recycled wastewater (m3)	23,760	46,320	60,533

*2022 data for water consumption excludes Elite.

Waste	2020	2021	2022
Total waste generated (kg)	1,075,910	1,003,607	1,016,076
Hazardous waste disposed (kg)	24,703	99,484	131,079
Non-hazardous waste disposed (kg)	1,051,207	904,123	884,997
Total waste recycled (kg)	0	278,043	254,118
Hazardous waste recycled (kg)	0	99,470	130,932
Non-hazardous waste recycled (kg)	0	178,573	123,186

*2022 data for waste excludes Elite.

*Hazardous waste disposed excludes Tawzea.

*2021 and 2022 data for hazardous and non-hazardous waste recycled excludes Tawzea.

*2020 data for total waste recycled, hazardous waste recycled, and non-hazardous waste recycled excludes RSGT.

*2020 and 2021 data for total waste recycled, hazardous waste recycled, and non-hazardous waste recycled excludes LogiPoint.

Materials	2020	2021	2022
Total paper consumption (kg)	19,214	18,134	26,525
Total paper recycled (kg)	0	30	536
Total IT products recycled (kg) excluding printer cartridges, fluorescent	NA	NA	15,291

*Data for materials excludes Elite.

*2021 data for total paper consumption excludes S.A. TALKE.

*2020 and 2021 data for total IT products recycled excludes RSGT.

*2021 and 2022 data for total IT products recycled excludes Tawzea.

Supporting Human Capital Development

Workforce	2020	2021	2022
Total number of employees (#)	3,761	4,131	4,676
Full-time employees (#)	3,761	4,131	4,676
Part-time employees (#)	0	0	0

*2022 data for part-time employees excludes Elite.

By employment level	2020	2021	2022
Full-time employees in senior management (#)	57	56	81
Full-time employees in middle management (#)	155	214	342
Full-time staff (not senior or middle management) (#)	3,549	3,861	4,253

Workforce age profile	2020	2021	2022
Workforce by age 18–30 (#)	1,118	1,021	829
Workforce by age 31–50 (#)	2,399	2,807	2,457
Workforce by age 51+ (#)	244	303	310

*2022 data for workforce age profile excludes Elite.

Workforce by gender profile	2020	2021	2022
Female full-time employees (#)	51	64	91
Male full-time employees (#)	3,710	4,067	4,585

New employee hires by employment level	2020	2021	2022
New employee hires in senior management (#)	7	6	19
New employee hires in middle management (#)	19	34	71
New staff hires (not senior or middle management) (#)	767	731	539

New employee hires by gender	2020	2021	2022
Female (#)	9	23	39
Male (#)	784	748	450

New employee hires by age	2020	2021	2022
Workforce by age 18–30 (#)	273	298	237
Workforce by age 31–50 (#)	475	467	228
Workforce by age 51+ (#)	45	6	13

*2022 data for new employee hires by age excludes Elite.

Female employment	2020	2021	2022
Number of female employees (#)	51	64	91
Females in senior management (#)	4	0	5
Female employment rate (%)	1	2	2

Employee turnover	2020	2021	2022
Total number of employees who left the organization (#)	439	485	617
Turnover rate (%)	11.67	11.74	13.20

Turnover by employment level	2020	2021	2022
Senior management (#)	5	6	11
Middle management (#)	26	30	46
Staff (#)	408	449	560

Turnover by gender	2020	2021	2022
Female (#)	7	8	26
Male (#)	432	477	591

Turnover by age	2020	2021	2022
Workforce by age 18–30 (#)	157	148	145
Workforce by age 31–50 (#)	253	296	306
Workforce by age 51+ (#)	29	41	44

*2022 data for workforce age profile excludes Elite.

Training	2020	2021	2022
Total hours of training for employees (#)	34,298	34,756	79,274
Total hours of training for female employees (#)	30	100	15,018
Total hours of training for male employees (#)	4,345	6,408	58,830

*2020 and 2021 data for total hours of training for male and female employees excludes SISCO and RSGT.

*2020 and 2021 data for total hours of training for female employees excludes S.A. TALKE.

*2022 data for total hours of training for male and female employees excludes Elite.

Training	2020	2021	2022
Average hours of training per employee (#)	9	8	17
Average hours of training per female employee (#)	3	6	206
Average hours of training per male employee (#)	2	3	17

*2022 data for average hours of training per male and female employee excludes Elite.

*2020 and 2021 figures for average hours of training have been restated due to changes in calculation methodology.

Training	2020	2021	2022
Total hours of training on sustainability aspects	170	172	187
Training hours per employee on sustainability aspects (#)	0.1	0.1	0.1

*Data for total hours of training on sustainability aspects excludes SISCO, RSGT, Kindasa and Elite.

*Data for training hours per employee on sustainability aspects excludes Kindasa, and Elite.

*2020 and 2021 figures for training on sustainability aspects have been restated due to changes in calculation methodology.

Training sessions	2020	2021	2022
Female employees participating in training (#)	46	49	100
Male employees participating in training (#)	2,389	2,550	4,737

*Data for training sessions excludes Elite.

Employee Engagement and Satisfaction	2020	2021	2022
Full time employees who were engaged/filled out a survey	N/A	3,451	100
Employee engagement (%) - SISCO	0	100	95
Employee engagement (%) - RSGT	N/A	91	N/A
Employee engagement (%) - Kindasa	N/A	100	N/A
Employee engagement (%) - LogiPoint	N/A	92	N/A
Employee engagement (%) - S.A. TALKE	NA	82.7	NA
Employee engagement (%) - Tawzea	N/A	93	N/A
Employee engagement (%) - Elite	N/A	N/A	9.5
Full-time employees who received a performance and career development review (#)	2,797	2,736	2,555
Percentage of employees with received a performance and career development review (%)	74	66	55

*2020 and 2022 data for full-time employees who were engaged/filled out a survey excludes SISCO, RSGT, Kindasa and S.A. TALKE and Tawzea.

*2020 and 2021 figures for percentage of employees with received a performance and career development review have been restated due to changes in calculation methodology.

Performance and career development (by employee level)	2020	2021	2022
Senior management employees that received performance and career development review (#)	58	54	70
Middle management employees that received performance and career development review (#)	166	169	204
Non-management employees that received performance and career development review (#)	2,573	2,513	2,281

Performance and career development (by gender)	2020	2021	2022
Male employees that received performance and career development review (#)	2,750	2,687	2,382
Female employees that received performance and career development review (#)	47	49	54

*Data for performance and career development (by gender) excludes Elite.

Maternity Leave	2020	2021	2022
Number of female employees that took parental leave	2	1	2
Number of female employees who returned to work after parental leave ended (return to work)	2	1	2
Number of female employees returned from parental leave who were still employed twelve months after return to work (retention)	2	2	1
Return to work rate (%)	100	100	100
Retention rate (%)	100	100	100

Health and Safety - Employees	2020	2021	2022
Work hours (employees)	12,583,679	12,367,606	12,664,876
Employee fatalities (#)	0	0	2
Employee lost-time injuries (#)	14	4	2
Employee total recordable injuries (#)	26	25	39
Employee occupational illnesses (#)	26	6	0
Total number of emergency response drills conducted (#)	17	142	98
Safety incident investigations initiated (#)	184	344	553
Safety incident investigations completed (#)	184	211	533
Employee rate of recordable work-related injuries	0.41	0.40	0.62

*Data for work hours (employees), employee lost-time injuries, employee occupational illnesses, total number of emergency response drills conducted, safety incident investigations initiated, safety incident investigations completed, and employee rate of recordable work-related injuries exclude Elite.

*2021 figures for employee rate of recordable injuries have been restated due to changes in calculation methodology.

Health and Safety - Contractors	2020	2021	2022
Work hours (contractors)	942,688	2,064,433	2,374,626
Contractor fatalities (#)	1	0	1
Contractor lost-time injuries (#)	0	2	2
Contractor total recordable injuries (#)	1	7	2
Contractor rate of recordable work-related injuries	0.21	0.68	0.17

*Data for health and safety – contractors excludes Elite.

*2021 figures for contractor rate of recordable injuries have been restated due to changes in calculation methodology.

Health and Safety Training	2020	2021	2022
Total hours of HSE training provided to employees (hours)	3,504	15,512	9,408
Average hours of HSE training per employee (hours)	0.93	3.73	2.01
Total cost of training (SAR)	28,458	119,300	18,545

*2022 data for total cost of training excludes RSGT and Elite.

*2020 and 2021 figures for average hour of HSE training per employee have been restated due to changes in calculation methodology.

Nationalization	2020	2021	2022
Nationals in senior management (#)	28	29	28
Nationals among total full-time workforce (#)	900	983	1,087

Nationalization (by gender)	2020	2021	2022
Female National full-time employees (#)	50	61	75
Male National full-time employees (#)	850	922	1,012

Empowering our Society

Community Investment	2020	2021	2022
Total value of community investments (SAR)	1,265,000	1,008,000	1,000,000
Total number of local community development programmes based on local community needs (#)	3	1	67
Operations with significant actual or potential negative impacts on local communities (#)	1	0	1
Donations and sponsorships (SAR; thousand)	775	645	204
Community investment as a % of pre-tax profit (%)	0,095	0,082	0,087
Total number of volunteers (employees)	5	40	41
Total number of employee volunteering hours (#)	20	120	100

*2022 data for community investment excludes LogiPoint.

* Data for Operations with significant actual or potential negative impacts on local communities, donations and sponsorships, community investment as a % of pre-tax profit, total number of volunteers and total number of employee volunteering hours excludes Elite.

*2022 data for community investment as a % of pre-tax profit, total number of volunteers (employees), and total number of employee volunteering hours excludes Tawzea.

Customer Complaints Resolved	2020	2021	2022
Percentage of customer complaints resolved (%) - SISCO	N/A	N/A	100
Percentage of customer complaints resolved (%) - RSGT	59	43	71
Percentage of customer complaints resolved (%) - Kindasa	100	100	100
Percentage of customer complaints resolved (%) - S.A. TALKE	100	100	100
Percentage of customer complaints resolved (%) - Tawzea	100	100	98.5
Percentage of customer complaints resolved (%) - Elite	N/A	N/A	80

Customer Satisfaction	2020	2021	2022
Customer satisfaction score (%) - RSGT	N/A	91	89
Customer satisfaction score (%) - Kindasa	90	88	90
Customer satisfaction score (%) - S.A. TALKE	55	54	56
Customer satisfaction score (%) - Tawzea	96.2	96.8	95.2
Customer satisfaction score (%) - Elite	N/A	N/A	70

Health and Safety - Customers	2020	2021	2022
Number of incidents of non-compliance with regulations, voluntary codes, or supplier standards, concerning health and safety of products, services, or handling/transport/storage of product	7	5	5

*2022 data for health and safety – customers excludes Tawzea and Elite.

Procurement	2020	2021	2022
Total number of suppliers engaged (#)	2,494	2,484	2,873
Total number of local suppliers engaged (#)	2,235	2,172	2,376
Total number of SME suppliers engaged (#)	619	531	885
Total number of women-owned suppliers engaged (#)	4	4	35
Total procurement spending (SAR)	364,324,445	541,469,312	988,893,993
Procurement spending on local suppliers (SAR)	333,853,797	481,428,795	865,791,474
Percentage of spending on local suppliers (%)	92	89	88

APPENDIX D.

ABBREVIATIONS

AMR	Automatic Meter Reading Technology
CEM	Clean Energy Ministerial
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
EMS	Environmental Management System
ESG	Environment, Social, and Governance
GJ	Gigajoule
GPS	Global Positioning System
GRC	Governance, Risk & Compliance
GRI	Global Reporting Initiative
HH	Health & Hygiene
HR	Human Resources
HSE	Health, Safety, and Environment
HSEQ	Health, Safety, Environment, & Quality
IMS	Integrated Management System
IT	Information Technology
IVR	Interactive Voice Response
JIC	Jeddah Industrial Cities
JIP	Jeddah Islamic Port
KSA	Kingdom of Saudi Arabia

LEAD	Leadership Management Program
MOH	Ministry of Health
MSW	Management Safety Walkthrough
NPS	Net Promoter Score
OCS	Operation Clean Sweep
OEM	Original Equipment Manufacturer
OSH	Occupational Safety & Health
PW	Potable Water
RO	Reverse Osmosis
RSGT	Red Sea Gateway Terminal
SAR	Saudi Riyal
SASB	Sustainability Accounting Standards Board
SLA	Service Level Agreement
SME	Small & Medium-Sized Enterprises
TSE	Treated Sewage Effluent
TT	Terminal Tractor
UAE	United Arab Emirates
UN SDGs	United Nations Sustainable Development Goals

