



شركة الدريس للخدمات البترولية والنقل
ALDREES PETROLEUM & TRANSPORT SERVICES CO

Sustainability Report

2024

*SHAPING TOMORROW
ACTING TODAY*



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OVERVIEW



OPENING STATEMENT

This document aligned with GRI standards, serves as a comprehensive disclosure of the company's Environmental, Social, and Governance (ESG) performance for the period from January 2024 ,1, to December 2024 ,31. Aligning with the company's financial calendar for FY2024, the report offers detailed insights into ALDREES' ESG initiatives while clarifying that full financial data is excluded unless explicitly noted. To ensure relevance and completeness, a materiality scan was employed to identify and prioritize key ESG topics for inclusion in the report.

ALDREES AT A GLANCE

ALDREES is recognized as the foremost enterprise in the Kingdom of Saudi Arabia, excelling in managing and operating fuel stations, service centers, and delivering top-tier logistics and transportation solutions.

The company was established in 1957 as a family business.

The company commenced operations with its first station in Riyadh in 1963.



1,050 Stations

The company operates more than 1050 stations around the Kingdom.

4,547 Trucks

The company manages a robust logistics and transportation sector with a fleet of 4,547 trucks and trailers.

6 Locations

The company operates 6 locations dedicated to delivering efficient and high-quality logistics and transportation services.

The preparation of this report adheres to the GRI Standards (2021), ensuring alignment with globally recognized sustainability reporting guidelines. Additionally, it reflects compliance with Tadawul's ESG disclosure framework, a key initiative by the Saudi Stock Exchange to foster sustainable investment practices and promote ESG awareness in collaboration with market participants such as issuers and investors. The GRI Index, detailing the report's alignment with these standards, is available in the appendix. It is important to note that no external assurance was sought for the data and disclosures presented within this report. This inaugural effort underscores ALDREES' commitment to transparency and accountability in its journey toward sustainability.

-  The company offers cutting-edge technological solutions for refueling at its stations through the innovative electronic fuel management system, "WAIE".
-  The company received a certification for promoting sustainability within the supply chain (SQAS).
-  The company was awarded a facility qualification certificate by the Ministry of Energy.
-  The company achieved compliance with cybersecurity standards and obtained the relevant certification.

A MESSAGE FROM OUR CHAIRMAN

Dear Valued Shareholders and Stakeholders,

Ambition is the foundation of success, and at ALDREES, it is the driving force behind our relentless efforts to excel both locally and regionally. Our story of success is not the achievement of a single individual but the collective result of the trust and collaboration we share with our clients across all sectors. Over the years, with perseverance and determination, we have faced and overcome numerous challenges, always guided by our unwavering commitment to growth and excellence.

It is with this spirit of ambition and unity that we present ALDREES' GRI aligned Sustainability Report-GRI Standards (2021)- and in alignment with Tadawul's ESG guidelines. This report marks a significant milestone in our journey toward greater transparency and accountability, reflecting our dedication to contributing to Saudi Arabia's Vision 2030 and supporting national and global sustainability goals, including the United Nations Sustainable Development Goals (UN SDGs).

Our approach to sustainability is multifaceted, encompassing economic, environmental, and social dimensions. For our shareholders, we remain focused on initiatives that enhance profitability while ensuring long-term stability and resilience. For our customers, we strive to deliver best-in-class services, continually innovating to meet their evolving needs.

Governance remains a cornerstone of our strategy, underpinned by robust due diligence processes that uphold the highest standards of integrity and accountability. At the same time, we are committed to reducing our environmental footprint by adopting energy-efficient practices and protecting natural ecosystems, playing our part in combating climate change.

On the social front, we are equally determined to excel. Our initiatives emphasize fostering a safe, supportive and inclusive workplace, contributing to local community development, and promoting diversity and equal opportunities. These efforts reflect our belief that social performance is integral to achieving sustainable success.

In today's evolving landscape, businesses are increasingly recognizing the importance of ESG performance. At ALDREES, we embrace this awareness, viewing sustainability as a strategic imperative. Through this report, we aim to share our progress, aspirations, and the steps we are taking to build a resilient and sustainable future.

This report is more than a document; it is a testament to our shared journey and a declaration of our commitment to continue pushing boundaries. We thank you—our clients, partners, and stakeholders—for your trust and collaboration, which inspire us to strive for greater heights. Together, we will continue to write a success story fueled by ambition, trust, and shared values.

As I close, I want to express my sincere appreciation to the ALDREES Management Team for their remarkable dedication and teamwork in advancing our sustainability journey. Their individual and collective contributions have been instrumental in positioning us as a responsible corporate leader. The path ahead presents challenges, but with the strength of this team and the knowledge we have gained, I am confident that we are equipped to meet these challenges head-on and continue making a positive impact for our people, community and extended stakeholders.

Hamad Mohammed Aldrees



A MESSAGE FROM OUR CEO

Dear Respected Stakeholders

At ALDREES, ambition is the cornerstone of our journey toward excellence. Our success story is built on trust, collaboration, and the shared efforts of our clients, partners, and stakeholders. With perseverance and a steadfast commitment to progress, we have overcome challenges and continually pushed boundaries to achieve sustainable growth.

Today, I am proud to introduce ALDREES' GRI-aligned Sustainability Report. This milestone underscores our dedication to transparency, accountability, and our role in supporting Saudi Arabia's Vision 2030, the UN Sustainable Development Goals, and national ESG initiatives.

Our approach to sustainability integrates economic, environmental, and social dimensions:

- **Economic:** Enhancing profitability and ensuring resilience for long-term value creation.
- **Environmental:** Reducing our carbon footprint through energy-efficient practices and protecting natural ecosystems.
- **Social:** Promoting diversity, inclusion, and community development while fostering a safe and supportive workplace.

Strong governance remains at the heart of our operations, ensuring integrity and accountability at every step. These principles guide us as we adapt to a rapidly evolving landscape, where ESG performance is a vital measure of corporate leadership.

This report represents more than a summary of our achievements; it is a declaration of our commitment to building a sustainable future. I extend my sincere appreciation to the ALDREES Management Team for their remarkable efforts in advancing our sustainability vision. I am equally grateful to our clients and partners for their trust, which inspires us to aim higher.

Together, we will continue to shape a future defined by shared values, ambition, and sustainable success.

Eng. Abdulelah bin Saad Aldrees



ABOUT THE REPORT

We are delighted to welcome our esteemed stakeholders and shareholders as we present ALDREES Company's sustainability report aligned to the GRI standards. This report marks a significant milestone in our journey towards greater transparency and accountability, prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, including the GRI Oil and Gas Sector Standards. As the demand for responsible corporate action continues to grow, particularly in addressing environmental challenges and contributing to the well-being of local communities, this report underscores our commitment to these vital areas. Our efforts are in full alignment with the Kingdom of Saudi Arabia's Vision 2030, which calls for sustainable development, diversification, and a positive impact on both the economy and society. We also acknowledge the increasing importance of international frameworks, such as the United Nations Sustainable Development Goals (UNSDGs), which guide our strategies and actions on a global scale.

This report reflects a comprehensive and forward-thinking approach to sustainability, focusing on material topics identified through extensive consultations with a wide range of stakeholders. By engaging with employees, suppliers, customers, and local communities, we ensure that we are reporting on the issues that matter most to those we serve, while maintaining a holistic view of what is critical to our operations. These material topics, categorized within the Environmental, Social, and Governance (ESG) framework, have been selected to align with ALDREES Company's strategic objectives, both for the short and long term. Our commitment to due diligence ensures that we focus on the most relevant issues, enabling us to make informed decisions that support sustainable growth and resilience while also adhering to Tadawul ESG guideline.

The report predominantly covers the year 2024, offering a snapshot of our sustainability journey and progress. In line with our commitment to transparency, we have carefully outlined the scope of the disclosures, providing as much details as possible while respecting the confidentiality of sensitive information. While some disclosures include partial financial data, we have ensured that these are presented in a way that balances openness with the necessary protection of proprietary information. Through this report, we aim to not only fulfill regulatory and industry expectations but also encourage other organizations to embrace sustainability reporting as a key aspect of their corporate strategy. By doing so, we hope to contribute to a broader movement towards greater corporate responsibility and positive societal impact.

2024 SUSTAINABILITY HIGHLIGHTS

- 780,000 SAR invested in community development and social responsibility initiatives.
- 19 Partnerships for NGOs across the Kingdom to support the local community.
- 30,000 kWh generated through a Solar Plant on the stations.



WHO WE ARE



WHO WE ARE

ALDREES Petroleum and Transport Services Company (ALDREES) is a prominent Saudi joint stock company with decades of expertise in petroleum, logistics, and transportation services. Established on September 12, 1962, under Commercial Registration No. 1010002475, ALDREES operates through two primary sectors: the petroleum sector and the logistics and transportation sector. Each sector is driven by a distinct passion and an exceptional capacity to serve the needs of the company's clients, valued shareholders, and stakeholders.

The company's activities, as defined by its Commercial Registration, encompass a wide range of services. In the petroleum sector, ALDREES engages in the retail and wholesale trade of fuel, oil, gas, car spare parts, tires, and batteries. In the logistics & transportation sector, the company offers cargo services, bulk hauling across domestic routes in Saudi Arabia and cross-border transportation of goods, including water, chemicals, and other products. It also provides land, maritime, and air passenger transport, as well as customs clearance, packaging, and other logistics services.

ALDREES extends its capabilities further by establishing workshops dedicated to internal logistics operations, including mechanics, electrical repairs, blacksmithing, painting, plumbing, and car washing. These services are currently limited to supporting the company's internal needs and are not available to the public. Additionally, ALDREES invests in land development, manages and leases properties, and engages in the retail and wholesale trade of food products.

In addition, ALDREES specializes in the management and maintenance of fuel stations, including car wash and polishing services. It imports essential equipment for fuel station operations, and undertakes general contracting work. This includes maintenance, cleaning, installation, restoration, demolition, gypsum and decoration works, electrical and plumbing services, road construction, asphalt paving, lighting installation, telephone network extension, water and sanitation projects, carpentry, air conditioning, and landscaping.

All company operations are conducted in compliance with established regulations and under the necessary licenses issued by the competent authorities. This comprehensive scope of services reflects ALDREES' commitment to operational excellence and its role as a key contributor to the Saudi economy.

OUR HISTORY

1957

ALDREES was established as a family business in by selling oil products.

1963

The company established its first Petrol Station at Al-Rail St. in Riyadh.

1965

The company owned its own Petrol Station at Al-Dhahran St. in Riyadh.

2001

ALDREES Petroleum name emerged replacing the old name Petroleum Services, conceptualizing the brand image with a symbolic petrol drop.

2005

The company's retail sales stations reached 119 stations.

2006

The company witnessed a large stride forward transforming into a joint stock company with a capital of 200 Million Saudi Riyal.

2018

ALDREES has introduced and implemented the electronic system for refueling known as "WAIE".

2015

The application of the company's new identity. The company obtained the qualification certificate for the management, operation and maintenance of fuel stations and service centers on regional roads.

2014

ALDREES increased its capital to 400 Million Saudi Riyal.

2012

The company ranked on top of list as a giant in the fields of petroleum and transport services in the Kingdom of Saudi Arabia. (462 fuel stations + 1474 trucks + rich diversity of trailers achieving 1,640,000 trips, total number of employees is 2907). ALDREES started providing new services such as customs services and logistics services, and managed its first warehouse project.

2009

ALDREES obtained Occupational Health and Safety Certificate (OHSAS 18001).

2008

ALDREES became the first company in the Kingdom of Saudi Arabia to obtain the Quality Management System Certificate (ISO 9001).

2019

ALDREES increased its capital to 600 Million Saudi Riyal.

2020

ALDREES has launched the new alternative fueling solutions service (mobile fuel stations and compact fuel stations)

2021

ALDREES increased its capital to 750 Million Saudi Riyal, and the number of trucks and trailers to 3,811.

2022

The number of fuel stations has reached 750 stations, and the number of trucks and trailers reached 4,148.

2023

The number of fuel stations has reached 850 stations, and the number of trucks and trailers reached 4,369.

2024

The number of fuel stations has reached 1050 stations and ALDREES increased its capital to 1Billion Saudi Riyal. Obtained ISO 14001:2015 Environmental Management System Certificate

OUR MAXIMS

At ALDREES Petroleum & Transport Services Company, we proudly operate within the Kingdom’s vibrant and resource-rich economy, where opportunities emerge with every passing moment. Guided by our mission to deliver excellence and innovation, our vision is to position ourselves as a leading partner in shaping the future of the industries we serve.

Our ability to anticipate and adapt to the forces that influence our business environment is a testament to our commitment to sustainable growth and value creation. This forward-thinking approach aligns with our corporate responsibility to not only drive economic progress but also contribute positively to society and the environment.

We strive to be the long-term partner of choice for our stakeholders, including clients, business partners, and shareholders. This is deeply rooted in our core values of integrity, collaboration, and a relentless pursuit of excellence. By embedding these principles into our operations, we ensure that every decision and action reflects our dedication to fostering mutual success and advancing the Kingdom’s dynamic economy.

Looking ahead, ALDREES remains steadfast in its resolve to leverage emerging opportunities, uphold its social responsibilities, and continue building a legacy of trust, innovation, and sustainability for generations to come.



OUR OBJECTIVES

The company aims to achieve the best returns for shareholders, and to provide the best distinguished services to its customers through continuous development and raising the efficiency of human resources, as our business operations are supervised by a trained team of engineers, technicians and manpower, that guarantees the safety of trucks, devices, equipment and stations.



OUR MESSAGE

Achieving a leading position for the company in the field of operating, managing and maintaining petrol stations, service centers, logistics and transportation, raising the level of quality, and achieving customers and shareholders satisfaction and stakeholders in accordance with our social responsibility.



OUR MISSION

Our mission is to take advantage of every possible opportunity to fulfill our actions and decisions:

- Provide the best services to our clients.
- Continue training and developing the skills of our staff.
- Use the latest world class methods in our operational processes.
- Achieve the best returns to our shareholders.
- Community services.



OUR VISION

Our vision is to become the most efficient company in terms of managing and operating fuel stations and logistics services in addition to transporting various goods with the assistance of qualified personnel with the application of latest technologies.



OUR CORPORATE SOCIAL RESPONSIBILITY

Our commitment to our social and environmental responsibilities is reflected through the integrated methodology on which our work scope is based, as we are constantly keen to contribute effectively to achieving real and positive development within the society in which we work to contribute, thus advancing development throughout the Kingdom.



OUR CORE VALUES

It is the innate values that our company prides itself with our partners, customers, employees, and community. These values are consistent with our decisions and actions and are the bases for our relationships and commitments. The qualities that we would like to be known by customers inside and outside the company are:

- **Clarity and Transparency:** We have an open-door policy and discourage barriers in the working environment. We reject methods that hinder communication in achieving the best service to our customers.
- **Commitment:** We can fulfill our commitments toward our customers and our society and do what is required from us on time and in the right way.
- **Community Service:** We believe that we are part of the formation of the society in which we live and that we have a moral responsibility to support it, and that the development of society is the development of family of which we are part of.
- **Honesty:** Your service and goods are in safe hands. We take care your goods and fulfill our obligations.
- **Innovation:** We work to encourage creativity at all levels and take care of its elements and components.
- **Justice and Integrity:** We value honesty and transparency in our business operations. Should negligence be in question in delivering services we disclose facts and always adhere to laws.
- **Professionalism:** We work diligently to develop the skills and professional behavior of all our employees, to maintain the confidentiality and privacy of information, to carry out tasks in the correct manner and on time, and to evaluate what has been achieved.
- **Safety:** Safety comes first, and we take all preventive precautions against risks in our operations. Our goal is to completely avoid operational hazards.
- **Teamwork:** We unite our capabilities to achieve a common vision and together we can collectively succeed in any endeavors.
- **Quality:** We are committed to quality and believe that it is the best way to develop our work and improve our performance and customer satisfaction.

OUR DIVISIONS

ALDREES operates through two distinct sectors: the Petroleum Services Sector and the Transport Service Sector. Each sector is driven by a unique focus and expertise, ensuring exceptional service to the company's clients, delivering value to its esteemed shareholders, and addressing the needs of all stakeholders effectively.

PETROLEUM DIVISION

The Company integrates cutting-edge technology, rigorous quality and safety standards, and a commitment to continuous improvement in employee development. By adopting the best international practices and scientific methods in our operations, we consistently deliver high-quality services. This dedication has earned a certificate that qualifies the Company to obtain the adjusted profit margin for accredited companies.

In response to new requirements introduced by official authorities, including economic and regulatory changes impacting fuel stations, the Company has undertaken extensive rehabilitation and development projects. These efforts focus on enhancing stations both within urban areas and along highways, requiring significant long-term investments. This strategic approach ensures sustainable profitability and has resulted in a robust network of over 1050 service stations, further strengthening our presence and capabilities.

Some of the services offered at our stations are as follow:

BASIC SERVICES

-  Offering all types of fueling services around the clock.
-  Electronic fueling service "WAIE".
-  Electronic station location service.
-  Providing multiple payment methods.

OTHER SERVICES provided at gas stations

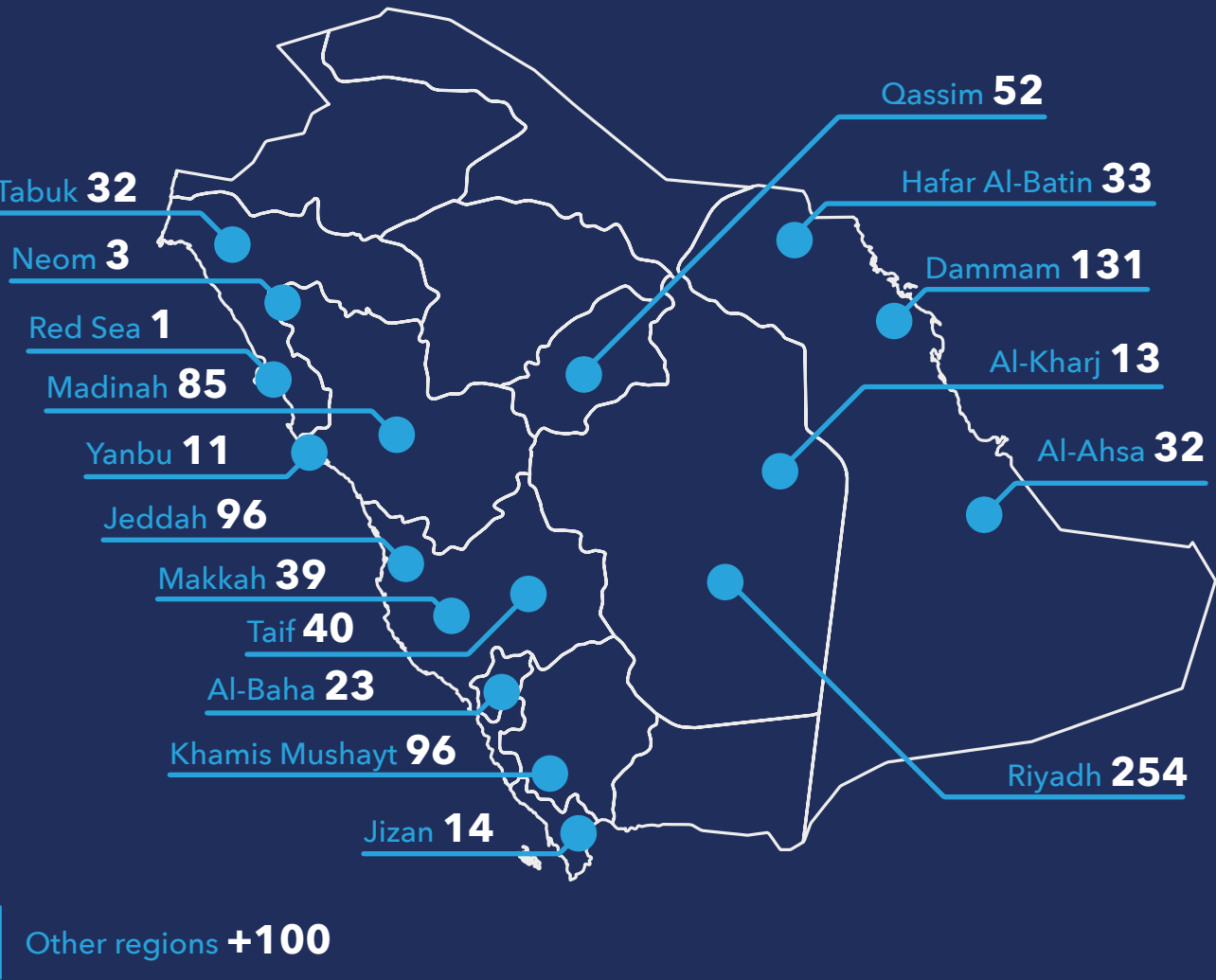
-  ATM
-  Car Services
-  Mosque
-  Restaurants
-  Stores

Company Owned Stations
21 Stations (2%)

Leased Service Stations
1,029 Stations (98%)

Total Number of Stations
Across the Kingdom
1,050 Stations

DISTRIBUTION OF ALDREES STATIONS ACROSS THE KINGDOM



LOGISTICS & TRANSPORTATION DIVISION

Truck Head

1,661 Trucks

Number of Trailers

2,886 Trailers

Total Number of Fleet

4,547 Vehicles

Delivering More Than

280,000 ton of oil
per week

6 centers for Logistics & Transportation Services

OUR CERTIFICATIONS

At ALDREES Petroleum & Transport Services Company, quality is not a matter of chance; it is the outcome of deliberate actions and a steadfast commitment to excellence. It reflects our unwavering dedication, thoughtful planning, and the expertise of our highly skilled teams who implement our maxims and work tirelessly to deliver superior results. Every achievement is driven by our clear intentions, sincere efforts, and strategic direction, ensuring that quality remains at the heart of everything we do. As a testament to our dedication, we have proudly earned several prestigious certifications, highlighting our commitment to excellence and continuous improvement.

 Facility Qualification Certificate

 6-Local Content Certificate

 Cybersecurity compliance Certificate

 GULF SQAS Attestation for promoting sustainability within the supply chain

 ISO 9001:2015 - Quality Management System

 ISO 14001:2015 - Environmental Management System

 ISO 45001:2018 - Occupational Health & Safety Management System

 RC 14001:2015 - Responsible Care Management System

880

Environmental Approvals for the
Stations from NCEC



STRATEGY & BUSINESS APPROACH



CORPORATE LANDSCAPE

DISCLOSURE 2-1
ORGANIZATIONAL DETAILS

- Legal name
ALDREES Petroleum and Transport Services Company (ALDREES).
- Nature of ownership and legal form
- It is a leading Saudi joint stock company with extensive experience spanning decades in petroleum services, logistics, and transportation. The company was founded on September 12, 1962, and is registered under Commercial Registration No. 1010002475.
- Location of the headquarters
Kingdom of Saudi Arabia, Riyadh
- Countries of operation
KSA + GCC and border.

DISCLOSURE 2-2
ENTITIES INCLUDED IN THE ORGANIZATION’S SUSTAINABILITY REPORTING

Not applicable

DISCLOSURE 2-3
REPORTING PERIOD, FREQUENCY AND CONTACT POINT

- Reporting period for, and the frequency of, its sustainability reporting
The report covers the period of one year (2024) and reporting is intended to be annually.
- The reporting period for financial reporting
Annually.
- The publication date of the report
Monday - 24/2/2025
- The contact point for questions about the report
Sustainability Management - info@aldrees.com

DISCLOSURE 2-4
RESTATEMENTS OF INFORMATION

This is our first sustainability report aligned to the GRI standards so there are no restatements of information.

DISCLOSURE 2-5
EXTERNAL ASSURANCE

External Assurance
This report has not undergone external assurance by an independent third party.

EXPLORING ALDREES' OPERATIONAL ACTIVITIES AND EMPLOYEES

DISCLOSURE 2-6
ACTIVITIES, VALUE CHAIN AND OTHER BUSINESS RELATIONSHIPS

- The sector in which we are active
Private Sector.
- Value chain including activities, products services
Refer to section “Who We Are”.
- Applicable Sector Standard
GRI 11- Oil and Gas Sector 2021.
- Markets Served
KSA + GCC and borders.
- Describe significant changes in active applicable sector, value chain and business relationships compared to the previous reporting period
This is our first sustainability report, so no changes can be reported. However, the company has set active plans and future expectations within the 2 divisions of the company, which may have an effect on the value chains and business relationships, as follows:

- ### 1 For Petroleum Division

 - Adopting advanced technologies, including automated fuel dispensing systems and streamlined operational and administrative processes.
 - Developing modern, fully integrated fuel stations equipped with premium services.
 - Enhancing the network of mega service stations along highways, offering comprehensive services to travelers.
 - Establishing strategic partnerships for the management of auxiliary services linked to gasoline sales.
 - Expanding the ownership portfolio of service stations.
 - Increasing non-fuel revenue streams to diversify income and boost overall company profitability.
 - Investing in human resource development, with a focus on empowering local talent to enhance operational efficiency and competitiveness.
 - Leasing station facilities to well-established companies with recognized trademarks.
- ### 2 For Logistics and Transportation Division

 - Capitalize on existing assets to optimize profitability in alignment with business demands.
 - Expand activities across the total supply chain.
 - Expand material management, manpower, and equipment services (MRO and chemicals onsite).
 - Extend local petrol distribution operations.
 - Invest in the warehousing business.
 - Offer container yard storage solutions for shipping lines.
 - Provide container yard port operations services.
 - Pursue engagement in retail logistics services.
 - Strengthen onsite and offsite logistics services through new joint ventures.

EXPLORING ALDREES' OPERATIONAL ACTIVITIES AND EMPLOYEES

DISCLOSURE 2-7
EMPLOYEES

► The table below presents the total number of employees, categorized by gender, for the years 2023 and 2024. The data is further classified based on employment type, including permanent employees, temporary employees, non-guaranteed hours employees, full-time employees, and part-time employees.

YEAR	2023		2024	
GENDER	Female	Male	Female	Male
NUMBER OF EMPLOYEES (HEAD COUNT / FTE)	379	10116	296	10906
PERCENTAGE	3%	97%	3%	97%
TOTAL	10495		11202	

- It is important to note, if available, that data pertaining to joint ventures, contractors, suppliers, and clients has been excluded from this figure unless explicitly included due to material impacts or relevant disclosures.
- The data was compiled on a yearly basis, using full-time equivalent (FTE) figures. Any significant changes, if applicable, in employee numbers across the years are attributed solely to regular HR processes, including retirements, resignations, and new recruitment or other admin process through our HR department.

DISCLOSURE 2-8
WORKERS WHO ARE NOT EMPLOYEES

The total number of workers, who are not employees, as contractors, for the years 2023 and 2024 is currently Not Available.

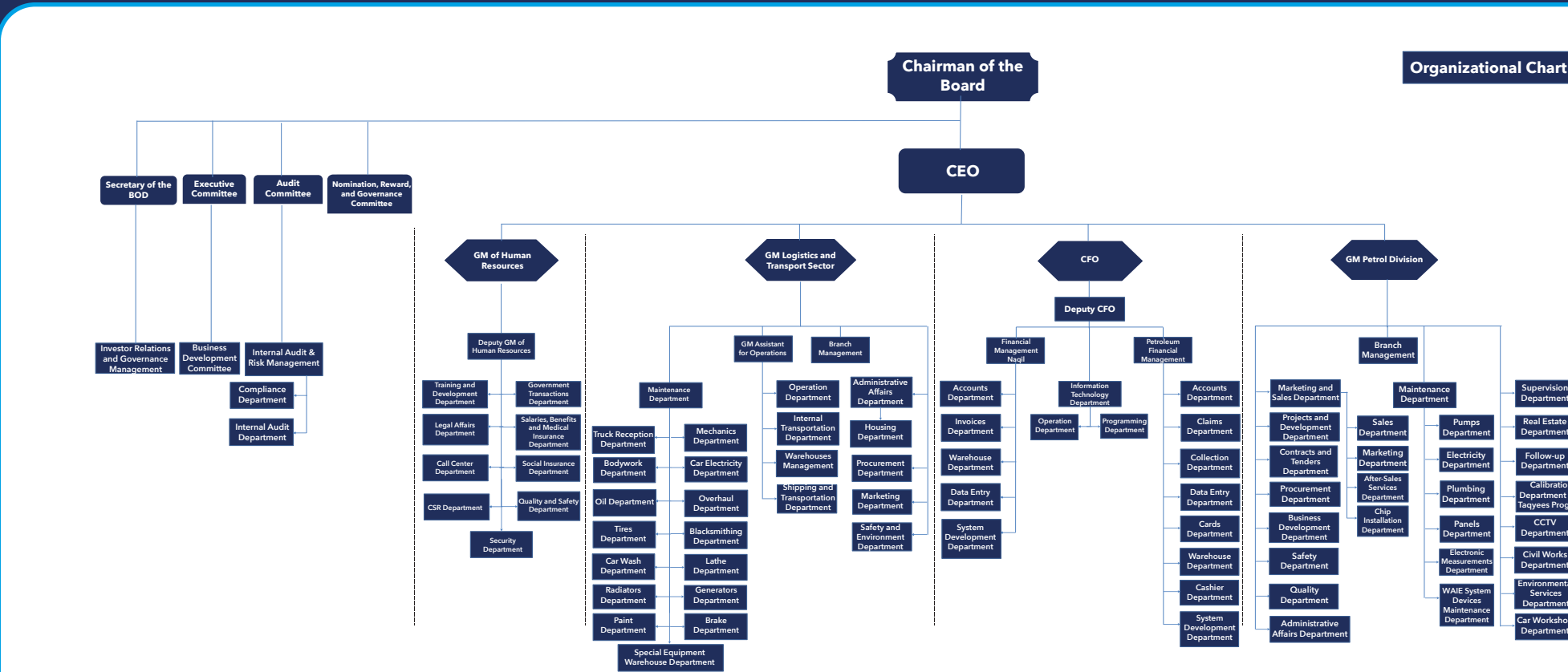
GOVERNANCE, LEADERSHIP, AND ORGANIZATIONAL FRAMEWORK

DISCLOSURE 2-9
GOVERNANCE STRUCTURE AND COMPOSITION

Corporate Governance Regulation
The company's Corporate Governance Regulation and Policies, approved by the General Assembly on 1/11/2023, align with the guiding principles issued by the Capital Market Authority and comply with all applicable regulations. These policies clearly define the company's objectives, the strategies for achieving them, and the mechanisms for monitoring performance.

Corporate governance encompasses a framework of procedures, laws, standards, regulations, and decisions aimed at ensuring transparency, fairness, and accountability. This framework plays a critical role in promoting excellent performance and optimizing the utilization of economic resources. By implementing robust governance practices, the company ensures that management actions are rationalized to maximize benefits for all stakeholders, including employees, suppliers, customers, financial institutions, regulators, and the broader community.

A strong governance structure is vital for maintaining trust and fostering sustainable growth. It establishes clear strategies, plans, policies, and control mechanisms to oversee all company activities effectively. The updated governance regulation approved by the General Assembly includes comprehensive policies on the roles and remuneration of the Board of Directors, the operation of its committees, and the rules governing the Audit Committee. These updates reflect the company's commitment to adhering to the highest standards of corporate governance and achieving long-term success



GOVERNANCE, LEADERSHIP, AND ORGANIZATIONAL FRAMEWORK

DISCLOSURE 2-9
GOVERNANCE STRUCTURE AND COMPOSITION

BOARD OF DIRECTORS

1	Mr. Hamad bin Mohammed Aldrees Chairman 	Non-executive
2	Eng. Abdulmohsen bin Mohammed Aldrees Deputy Chairman 	Non-executive
3	Eng. Abdulelah bin Saad Aldress Managing Director and CEO 	Executive
4	Eng. Mohammed bin Abdel-Latif Alameer Board Member 	Dependent
5	Mr. Eid Alshameri Board Member 	Non-executive
6	Mr. Faraj bin Saed Alkabbani Board Member 	Dependent
7	Mr. Bassil bin Ali Alfares Board Member 	Dependent
8	Mr. Mohammed bin Salem Mousa Board Member 	Dependent

Mr. Khaled bin Abdulmohsen Aldrees
Secretary of the BOD 

The Board of Directors oversees four key committees, each established to fulfill specific responsibilities and ensure effective governance. These committees are:

- 1 Executive Committee
- 2 Audit Committee
- 3 Nomination, Reward, and Governance Committee

Each committee is composed of a carefully selected mix of directors, Board of Directors, and other qualified members who are not part of the Board of Directors, in accordance with the relevant regulatory instructions and procedures. This structure ensures a diverse range of expertise and perspectives, promoting transparency, accountability, and sound decision-making within the organization.

The detailed roles, functions, and responsibilities of these committees are outlined in the subsequent sections, reflecting their alignment with the company's governance framework and their contribution to achieving its strategic objectives. These committees collectively play a vital role in monitoring, advising, and guiding the company's operations to maintain the highest standards of performance and compliance.

GOVERNANCE, LEADERSHIP, AND ORGANIZATIONAL FRAMEWORK

DISCLOSURE 2-9
GOVERNANCE STRUCTURE AND COMPOSITION

1 EXECUTIVE COMMITTEE

The Executive Committee plays a pivotal role in steering the company's operations and ensuring alignment with its strategic goals. Its responsibilities and tasks include:

- 1

Preparing the Company's Balance Sheets

The committee is responsible for the accurate preparation of the company's financial statements, ensuring they reflect the true financial position of the organization. This involves overseeing financial reporting processes, ensuring compliance with accounting standards, and maintaining transparency in financial disclosures.
- 2

Proposing Appointments for Executive Committee Members

The committee submits detailed reports and proposals to the Board of Directors regarding the selection and appointment of key members within the Executive Committee. This process includes assessing candidates' qualifications, leadership capabilities, and alignment with the company's vision and values.
- 3

Supervising the Implementation of the Comprehensive Strategy

The committee ensures the effective execution of the company's overarching strategic plans. This involves monitoring progress, addressing challenges, and making necessary adjustments to ensure the organization achieves its long-term objectives.
- 4

Monitoring Operational and Financial Performance

The committee exercises oversight of the company's operational and financial activities, ensuring that all functions are performing optimally and efficiently. This includes analyzing key performance indicators (KPIs), identifying areas for improvement, and ensuring alignment with the company's goals.
- 5

Reporting on Financial and Strategic Matters

The committee provides the Board of Directors with comprehensive reports on all financial, strategic, and governance-related matters. These reports include insights into financial performance, updates on strategic initiatives, and recommendations to enhance overall company performance.

By fulfilling these responsibilities, the Executive Committee ensures that the company remains financially sound, strategically focused, and operationally efficient, contributing to sustainable growth and success.

The Executive Committee consists of the following members

Sr. No	Name	Position
1	Eng. Abdulmohsen Mohammed Aldrees	Chairman
2	Eng. Mohammed bin Abdel-Latif Alameer	Member
3	Eng. Abdulelah Saad Aldrees	Member
4	Mr. Mohammed bin Salem Mousa	Member

GOVERNANCE, LEADERSHIP, AND ORGANIZATIONAL FRAMEWORK

DISCLOSURE 2-9
GOVERNANCE STRUCTURE AND COMPOSITION

2 AUDIT COMMITTEE

The Audit Committee assists the Board of Directors in fulfilling its supervisory responsibilities by undertaking a range of duties to ensure the company operates effectively, transparently, and in compliance with regulatory requirements. These responsibilities, listed alphabetically, include:

- 1 Auditing Annual Financial Reports**
Reviewing and ensuring the quality of the annual revised financial reports, coordinating with external auditors and management representatives, and verifying the accuracy of press statements issued regarding the fiscal year results.
- 2 Auditing Company Policies and Practices**
Evaluating financial and accounting policies and practices, including any significant changes, and discussing them with the Chief Financial Officer and external auditors.
- 3 Auditing Related-Party Transactions**
Reviewing all transactions involving related parties, as defined by applicable laws and regulations, to ensure compliance and transparency.
- 4 Coordinating Internal and External Audit Tasks**
Ensuring effective collaboration between internal and external auditors to streamline their tasks and avoid duplication of efforts.
- 5 Ensuring Independence of the Internal Audit Department**
Verifying that the Internal Audit Department operates independently and without undue influence from management.
- 6 Evaluating Risk Management Efficiency**
Studying and reporting on the effectiveness of identifying and managing risks significant to the company's operations, and recommending improvements to the Board of Directors.

- 7 Examining Auditor's Remarks**
Reviewing comments made by auditors on the financial statements and ensuring appropriate follow-up actions are implemented.
- 8 Following Up on Chartered Accountants' Work**
Monitoring the work of chartered accountants, approving tasks outside the scope of their usual audit responsibilities, and ensuring compliance with the company's objectives.
- 9 Implementing Board-Entrusted Tasks**
Carrying out additional responsibilities delegated by the Board of Directors and submitting periodic reports on audits and recommendations.
- 10 Maintaining Internal Control System Integrity**
Evaluating the impact of the internal control system on financial reporting and ensuring its efficiency.
- 11 Managing Corrective Actions**
Reviewing management's corrective action plans in response to audit findings and assessing their adequacy and implementation.
- 12 Overseeing External Auditors**
Recommending the appointment, retention, dismissal, and remuneration of external auditors and supervising their work.
- 13 Reviewing Delegated Powers**
Conducting an annual audit of the powers delegated to the Audit Committee and submitting recommendations to the Board to ensure the committee operates effectively.
- 14 Studying Financial Risks**
Analyzing significant risks related to the company's financial operations and proposing strategies to mitigate them.

Through these duties, the Audit Committee ensures the integrity of financial reporting, the efficiency of internal controls, and the company's compliance with applicable laws and regulations, fostering accountability and stakeholder trust.

Sr. No	Name	Position
1	Mr. Eid Falih Alshamri	Chairman
2	Mr. Faraj bin Saed Alkabbani	Member
3	Mr. Khalid Mohammed Alkhwaiter	Member
4	Mr. Saad Hamad Aldrees	Member

GOVERNANCE, LEADERSHIP, AND ORGANIZATIONAL FRAMEWORK

DISCLOSURE 2-9
GOVERNANCE STRUCTURE AND COMPOSITION

3 NOMINATION, REWARD & GOVERNANCE COMMITTEE

The Nomination, Reward & Governance Committee is responsible for fulfilling its role as a governance, reward, and nomination body. Its primary purpose is to assist the Board of Directors in carrying out key governance-related tasks. These responsibilities include:

- 1 Assessing Board Composition and Efficiency**
Recommending the optimal composition of the Board to ensure it effectively meets its obligations to the company and its shareholders.
- 2 Auditing Governance Principles and Policies**
Reviewing the company's governance principles, policies, and procedures at least annually and submitting recommendations for improvements to the Board of Directors.
- 3 Auditing Professional and Ethical Conduct**
Reviewing, approving, and monitoring adherence to the company's Professional and Ethical Code of Conduct.
- 4 Avoiding Conflicts of Interest**
Ensuring that no conflicts of interest arise if a Board director holds membership in the board of directors of another company.
- 5 Developing Reward and Salary Policies**
Designing and implementing company policies and programs for the remuneration of Board directors and senior executives, ensuring alignment with the company's objectives and governance standards.
- 6 Evaluating Board Independence**
Reviewing the classification of each Board director as independent at least annually. This involves requiring directors to complete a questionnaire, which the committee audits to confirm compliance with independence criteria.

- 7 Identifying and Nominating Qualified Board Members**
Searching for and selecting qualified individuals to serve as Board directors. The selection process is based on predefined membership standards outlined in corporate governance principles, ensuring candidates possess the necessary skills and experience. Individuals with prior convictions for crimes involving dishonor are excluded from nomination.
- 8 Monitoring Compliance with Corporate Governance Rules**
Overseeing the evaluation of the Board of Directors and the company's organizational management in line with corporate governance principles.
- 9 Reviewing Independence of Board Nominees**
Evaluating the independence of nominees for Board membership based on company policies and the standards established by the Capital Market Authority's registration and listing rules.

By undertaking these tasks, the Nomination, Reward & Governance Committee ensures the Board's effectiveness, promotes adherence to governance principles, and upholds ethical standards, contributing to the company's sustainable growth and stakeholder confidence.

The Nomination and Reward Committee consists of the following members

Sr. No	Name	Position
1	Mr. Bassil bin Ali Alfares	Chairman
2	Mr. Eid Falih Alshamri	Member
3	Mr. Adil bin Faris Alotaybi	Member

DISCLOSURE 2-10 NOMINATION AND SELECTION OF THE BOARD OF DIRECTORS

SHAREHOLDERS RIGHTS

- 1** Basic Rights of Shareholders
- 2** Protection of Basic Rights
- 3** Rights Regarding Fundamental Company Changes
- 4** Participation in General Assembly Meetings
- 5** Voting Rights
- 6** Engagement with the Board of Directors
- 7** Approval of Equity-Based Remuneration Plans

DISCLOSURE 2-11

CHAIR OF THE BOARD OF DIRECTORS

The chair of the highest governance body is not a senior executive in the organization .



DISCLOSURE 2-12

ROLE OF THE BOARD OF DIRECTORS IN OVERSEEING THE MANAGEMENT OF IMPACTS

Corporate governance refers to the system through which a company is managed and directed. It defines the distribution of rights and responsibilities among various stakeholders in the company, such as the Board of Directors, management, shareholders, and other interested parties. It also outlines the procedures and rules that govern decision-making on company matters. Stakeholders include employees, suppliers, customers, banks, non-bank lenders, regulators, the business environment, and society at large.

Corporate governance establishes a framework for defining the company’s objectives, the means to achieve them, and the methods for monitoring performance.

As a publicly listed company on the Saudi Capital Market Authority (CMA), ALDREES recognizes the importance of adhering to corporate governance regulations. The company demonstrates its commitment through the following measures:

Publishing Corporate Governance Reports Regularly

ALDREES issues annual reports detailing its corporate governance practices, including the composition of the Board of Directors, internal control systems, and disclosure of information.

Compliance with CMA Regulations and Rules

The company keeps pace with developments in CMA regulations and ensures full compliance with applicable rules.

Promoting Transparency and Accountability

ALDREES maintains effective communication channels with investors, responding to their inquiries and clarifications promptly.

Corporate governance aims not only to improve financial performance but also to protect shareholders' rights, enhance transparency in information disclosure, and ensure balanced risk management. Additionally, it seeks to resolve conflicting interests and ensure the company operates in compliance with laws and regulations, contributing to long-term economic and social stability.

DISCLOSURE 2-12

ROLE OF THE BOARD OF DIRECTORS IN OVERSEEING THE MANAGEMENT OF IMPACTS

According to Articles 84 and 85 of the CMA regulations, the Ordinary General Assembly, based on recommendations from the Board of Directors, establishes a policy that balances the company's objectives with the aim of improving the social and economic conditions of the community. The Board of Directors develops programs and identifies methods for implementing the company's social responsibility initiatives, including:

Setting Performance Indicators

Developing metrics that link the company's performance to its social responsibility initiatives and benchmarking against other companies with similar activities.

Disclosing Social Responsibility Goals

Informing and educating employees about the company's adopted social responsibility objectives.

Reporting Social Responsibility Plans

Including social responsibility plans and achievements in periodic reports related to the company's activities.

These measures ensure that ALDREES not only meets its financial and operational goals but also contributes positively to the community and adheres to the highest standards of corporate governance and social responsibility.

DISCLOSURE 2-13

DELEGATION OF RESPONSIBILITY FOR MANAGING IMPACTS

Responsibilities of the Board of Directors at ALDREES Company

- 1

Continuous Dialogue
The most effective way for the Board to fulfill its strategic obligations is through continuous dialogue with the CEO, senior management, and other Board members.
- 2

Core Objectives
The Board aims to create sustainable value for shareholders over the long term, emphasizing the company's vital role in serving its customers, employees, and the individuals and institutions that rely on it.
- 3

Election and Oversight
Shareholders elect the Board of Directors to oversee their interests, ensuring the company's long-term success, strengthening its financial position, and enhancing its overall performance. The Board is responsible for decision-making within the company, except for matters exclusively reserved for shareholders or those requiring joint decision-making with them.
- 4

Monitoring and Guidance
To achieve its objectives, the Board is expected to monitor the overall performance of the company, as well as the CEO and senior executives, providing constructive advice and guidance.
- 5

Reliance on Experts
Board members may rely on senior executives, consultants, and external auditors to execute their duties. Accordingly, the selection of senior executives and advisors is based on skill and integrity. The Board also holds the authority to engage independent financial, legal, or other advisors as needed.
- 6

Strategic Oversight
While the Board approves strategic directions and evaluates their outcomes, management is tasked with identifying, proposing, and executing strategic options.

DISCLOSURE 2-13

DELEGATION OF RESPONSIBILITY FOR MANAGING IMPACTS

Duties of the Board of Directors at ALDREES:

- 1 Addressing Misconduct**
Actively engaging with executive management, including reviewing recommendations on rewards and ensuring proper root cause analysis and dissemination of lessons learned in cases of significant or repeated misconduct. Policies should be adopted as necessary to prevent recurrence.
- 2 Annual Compensation Review**
Ensuring an independent annual review of the company's reward system is conducted.
- 3 Executive Compensation Review**
Reviewing and approving executive management compensation based on recommendations from the Nomination and Remuneration Committee.
- 4 Executive Oversight**
Supervising and holding executive management accountable for implementing the rewards system and participating in its design to effectively address risks related to misconduct or imprudent risk behaviors.
- 5 Governance and Ethical Conduct**
Promoting effective governance, sound reward practices, ethical conduct, and compliance with regulations, internal standards, and codes of conduct. The Board also ensures accountability for misconduct.
- 6 Policy and Compliance Assurance**
Ensuring that executive management establishes policies and procedures to guarantee effective oversight and compliance with the reward rules set by the Board or other relevant regulations, standards, and principles.
- 7 Reward System Oversight**
Designing and supervising a rewards system that promotes prudent business practices and risk behaviors, ensuring this responsibility is not delegated to executive management.

DISCLOSURE 2-14

ROLE OF BOARD OF DIRECTORS IN SUSTAINABILITY REPORTING

The Board of Directors is responsible for reviewing and approving the reported information in the sustainability report.

DISCLOSURE 2-15

CONFLICTS OF INTEREST

- ▶ The ALDREES Code of Conduct highlights the company's dedication to maintaining a culture of integrity, openness, and accountability. This Code acts as a foundational pillar of ALDREES's governance framework, clearly outlining expectations for employees, suppliers, and board members to adhere to the highest ethical principles.
- ▶ A key aspect of the Code is its comprehensive policies on openness and managing conflicts of interest. All employees, whether in entry levels, senior levels or executive management levels, are obligated to report any potential or actual conflicts of interest for evaluation and to annually confirm their adherence to the Code's guidelines. Likewise, suppliers are required to prevent conflicts of interest and promptly disclose any that may emerge.
- ▶ Board members of ALDREES entities carry additional obligations, conforming to rigorous corporate governance norms and regulations. They must annually declare any pertinent conflicts of interest, ensuring these declarations are shared with other board members and, where necessary, effective controls are implemented to address them.
- ▶ This commitment to openness extends to ALDREES's financial disclosures, with related party transactions transparently reported in the company's annual financial statements in compliance with relevant accounting standards. By embedding these values into its operations, ALDREES not only preserves stakeholder confidence but also strengthens its position as a trustworthy and principled organization.

DISCLOSURE 2-16

COMMUNICATION OF CRITICAL CONCERNS

- **Communication of critical concerns to the Board of Directors**
- The CEO ensures that critical concerns are effectively communicated to the Board of Directors through regular or specially appointed board meetings, as well as through emergency meetings when urgent matters arise. These concerns may also be conveyed via detailed written reports or through open communication channels, ensuring that they are addressed promptly and comprehensively. Additionally, the CEO directs such matters to the appropriate board committees or designated committees, as outlined by the company's internal policies, governance framework, and applicable regulatory requirements.
- **Board members themselves are also empowered to raise and discuss critical concerns directly with the Board of Directors.** These discussions can take place during regular or appointed board meetings, emergency sessions, or within board committee meetings, depending on the nature and urgency of the issue. This inclusive and flexible communication structure promotes a collaborative approach to addressing key matters.
- By enabling open dialogue and providing multiple avenues for raising concerns, the organization reinforces its commitment to compliance, due diligence, and transparency. This robust system ensures that all significant operational, financial, strategic, or risk-related issues are reviewed and resolved with accountability and integrity, safeguarding the organization's long-term objectives and stakeholder trust.
- **Total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period:** A total of ten concerns were raised, encompassing a range of financial, operational, and management-related issues.

DISCLOSURE 2-17

COLLECTIVE KNOWLEDGE OF HIGHEST GOVERNANCE BODY

First: Members of Board of Directors

S	Member Name	Current position	Previous position	Qualifications	Experience
1	Mr. Hamad bin Mohammed Aldrees	Businessman Chairman of the Board of Directors	Businessman Chairman of the Board of Directors	----	45 Chairman of Mohamed Saad Aldrees and Sons Company 19 yrs as Chairman of the Board of Directors of Aldrees Petroleum &Transport Services Co. 3 yrs as Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) 31 Hamad M. Aldrees & Partners Co
2	Eng. Abdulmohsen bin Mohammed Aldrees	Businessman Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO)	Businessman Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO)	Master of Mechanical Engineering	45 yrs as Deputy Chairman of the Board of Directors of Mohamed Saad Aldrees and Sons Company 19 yrs as Deputy Chairman of the Board of Directors of Aldrees Petroleum &Transport Services Co. 19 yrs as Chief of Executive Committee of Aldrees Petroleum &Transport Services Co. 15 yrs as Chief of Governance Committee of Aldrees Petroleum &Transport Services Co 13 yrs as Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) 13 yrs as Chief of Governance Committee of Aldrees Industrial & Trading Company (ALITCO)
3	Mr. Eid bin Falih Alshamri	Businessman Chief Executive Officer	Businessman Chief Executive Officer	Bachelor of Science Management of the American Accountants Association CPA	19 yrs as Member of the Board of Directors of Aldrees Petroleum &Transport Services Co. 18 yrs as Chief of Audit (Member) Committee of Aldrees Petroleum &Transport Services Co. 19 yrs as Member of Governance Committee of Aldrees Petroleum &Transport Services Co. 9 yrs as Member of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) 9 yrs as Chief of Audit Committee of Aldrees Industrial & Trading Company (ALITCO) 9 yrs as Member of Governance Committee of Aldrees Industrial & Trading Company (ALITCO)
4	Eng. Abdulelah bin Saad Aldrees	Chief Executive Officer - Aldrees Petroleum &Transport Services Co.	Deputy General Manager of Mohamed Saad Al Drees and Sons Company	Bachelor of Civil Engineering	29 yrs Deputy Managing Director of Mohamed Saad Al Drees and Sons Company 19 yrs as Member of the Board of Directors of Aldrees Petroleum &Transport Services Co. 19 yrs as Member of Executive Committee of Aldrees Petroleum &Transport Services Co. 20 yrs as Chief Executive Officer (CEO) of Aldrees Petroleum &Transport Services Co.
5	Eng. Mohamad Abdullatif Al-Omar	Retired	Retired	Bachelor of Civil Engineering	2001 - 1998 President of Motor Oil Hellas Refinery and Avene Distribution Company in Greece. 2001AD - 2008 AD President and Managing Director of Saudi Aramco Jubail Refinery Company (SASREF). 2 yrs. Audited by the General Organization for Social Insurance. 2012-2008 Vice-President of the Refineries and Gas Liquids Fractionation Sector at Saudi Aramco. 2015 - 2012 Vice President of Distribution and Piping Business at Saudi Aramco.

First: Members of Board of Directors

S	Member Name	Current position	Previous position	Qualifications	Experience
6	Mr. Farraj Saad Al-Qabbani	Acting CEO Saudi Medical Care Group	Head of Strategic Management Affairs Saudi Medical Care Group	Master's Degree - Accounting - Information Technology	2008 - 1999 Accounting Lecturer - College of Technology. 2007 - 2004 Director of Financial and Administrative Affairs - Harf Information Technology Company. 2011 - 2007 Director of Financial and Administrative Affairs - Riyadh Holding. 2016 - 2011 Senior Vice President - Riyad Capital. 2019 - 2016 Head of Operations Management Affairs - Riyad Capital. 2020 - 2019 Head of the Executive Office - Ministry of Human Resources and Social Development. 2021 - 2020 Head of Strategy Management Affairs - Saudi Medical Care Group. 2021AD - now the acting CEO Saudi Medical Care Group.
7	Mr. Basil Ali Al Faris	Director of Alternative Investments Department Hassana Investment Company	Director of International Listed Markets Hassana Investment Company	Bachelor of Finance	2013 Researcher - General Organization for Social Insurance. 2014 - 2016 Analyst - Hassana Investment Company. 2016 - 2019 Senior Analyst - Hassana Investment Company. 2019 - 2021 Director - Hassana Investment Company. 2021 - 2022 Director of International Listed Markets - Hassana Investment Company. 2022 - until now, Director of Alternative Investments Department - Hassana Investment Company.
8	Mr. Mohamad Salem Ali Musa	Portfolio Manager Hassana Investment Company	Senior analyst Hassana Investment Company	Bachelor of Finance	2017 - 2019 Analyst - Hassana Investment Company. 2019 - 2021 Senior Analyst - Hassana Investment Company 2021 - until now, portfolio manager - Hassana Investment Company.

Second: Members Committee

S	Member Name	Current position	Previous position	Qualifications	Experience
1	Eng. Abdulmohsen bin Mohammed Aldrees	Businessman Chairman of the Board of Directors Aldrees Industrial & Trading Company	Businessman Chairman of the Board of Directors Aldrees Industrial & Trading Company	Master of Mechanical Engineering	45 yrs as Deputy Chairman of the Board of Directors of Mohamed Saad Aldrees and Sons Company 19 yrs as Deputy Chairman of the Board of Directors of Aldrees Petroleum &Transport Services Co. 19 yrs as Chief of Executive Committee of Aldrees Petroleum &Transport Services Co. 15 yrs as Chief of Governance Committee of Aldrees Petroleum &Transport Services Co 13 yrs as Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) 13 yrs as Chief of Governance Committee of of Aldrees Industrial & Trading Company (ALITCO)
2	Mr. Eid bin Faiih Alshamri	Businessman Chief Executive Officer	Businessman Chief Executive Officer	Bachelor of Science Management of the American Accountants Association CPA	19 yrs as Chief of Audit (Member) Committee of Aldrees Petroleum &Transport Services Co. 19 yrs as Member of Governance Committee of Aldrees Petroleum &Transport Services Co. 9 yrs as Member of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) 9 yrs as Chief of Audit Committee of Aldrees Industrial & Trading Company (ALITCO) 9 yrs as Member of Governance Committee of Aldrees Industrial & Trading Company (ALITCO)
3	Eng. Abdullelah bin Saad Aldrees	Chief Executive Officer Aldrees Petroleum & Transport Services Co.	Deputy General Manager of Mohamed Saad Aldrees and Sons Company	Bachelor of Civil Engineering	29 yrs Deputy Managing Director of Mohamed Saad Al Drees and Sons Company 19 yrs as Member of the Board of Directors of Aldrees Petroleum &Transport Services Co. 19 yrs as Member of Executive Committee of Aldrees Petroleum &Transport Services Co. 20 yrs as CEO of Aldrees Petroleum &Transport Services Co.
4	Mr. Adil bin Faris Alotaybi (Former Member)	Director of Operations Department General Organization for Social Insurance	Director of Registration Department Organization for Social Insurance GOSI	Master of Science in Finance and Protection Policy	7 yrs Insurance Researcher at the General Organization for Social Insurance 2 yrs Audited by the General Organization for Social Insurance 9 yrs as Member of the Board of Directors of Aldrees Petroleum &Transport Services Co. 9 yrs as Member of Chief of Audit (Member) Committee of Aldrees Petroleum & Transport Services Co. 4 yr as Chief of Governance Committee of Aldrees Petroleum &Transport Services CoTransport Services Co.
5	Khalid Mohammed Alkhwaiter	Chairman of the Professional Monitoring Committee Saudi Organization for Certified Public Accountants	Finance Manager	Bachelor of Accounting CPA	- Chairman of the Executive Committee for Accounting Standards. - Deputy Chairman of the Executive Committee for Accounting Standards. - Member of Audit Committee of STC - Member of the Board of Directors of Saudi Air Navigation Services - Chairman of the Advance Arabian Simulation Co (AASC) 7 yrs Member of Audit Committee of Aldrees Petroleum &Transport Services Co. (currently)
6	Saad Hamad Aldrees	General Manager Directors Hamad Muhammad Aldrees and Partners Company for Industry and Mining	General Manager Directors Hamad Muhammad Aldrees and Partners Company for Industry and Mining	Bachelor of Administrative Sciences - Marketing	- Several administrative and financial positions at Riyad Bank - Assistant Finance Manager of Mohammed Al-Saad Al-Drees & Sons Company 7 yrs Member of Audit Committee of Aldrees Petroleum &Transport Services Co. (currently)

Second: Members Committee

S	Member Name	Current position	Previous position	Qualifications	Experience
7	Eng. Mohamad Abdullatif Al-Omair	Retired	Retired	Bachelor of Civil Engineering	1998 - 2001 President of Motor Oil Hellas Refinery and Avene Distribution Company in Greece. 2001AD – 2008 AD President and Managing Director of Saudi Aramco Jubail Refinery Company (SASREF). 2008-2012 Vice-President of the Refineries and Gas Liquids Fractionation Sector at Saudi Aramco. 2012 - 2015 Vice President of Distribution and Piping Business at Saudi Aramco.
8	Mr. Farraj Saad Al-Qabbani	Acting CEO Saudi Medical Care Group	Head of Strategic Management Affairs Saudi Medical Care Group	Bachelor of Accounting - CPA	1999 - 2008 Accounting Lecturer - College of Technology. 2004 - 2007 Director of Financial and Administrative Affairs - Harf Information Technology Company. 2007 - 2011 Director of Financial and Administrative Affairs - Riyadh Holding. 2011 - 2016 Senior Vice President - Riyadh Capital. 2016 - 2019 Head of Operations Management Affairs - Riyadh Capital. 2019 - 2020 Head of the Executive Office - Ministry of Human Resources and Social Development. 2020 - 2021 Head of Strategy Management Affairs - Saudi Medical Care Group. 2021AD - now the acting CEO Saudi Medical Care Group.
9	Mr. Basil Ali Al Faris	Director of Alternative Investments Department Hassana Investment Company	Director of International Listed Markets Hassana Investment Company	Bachelor of Finance	2013 Researcher - General Organization for Social Insurance. 2014 - 2016 Analyst - Hassana Investment Company. 2016 - 2019 Senior Analyst - Hassana Investment Company. 2019 - 2021 Director - Hassana Investment Company. 2021 - 2022 Director of International Listed Markets - Hassana Investment Company. 2022 - until now, Director of Alternative Investments Department - Hassana Investment Company.
10	Mr. Mohamad Salem Ali Musa	Portfolio Manager Hassana Investment Company	Senior analyst Hassana Investment Company	Bachelor of Finance	2017 - 2019 Analyst - Hassana Investment Company. 2019 - 2021 Senior Analyst - Hassana Investment Company. 2021 - until now, portfolio manager - Hassana Investment Company.

Third: Executive Management

S	Member Name	Current position	Previous position	Qualifications	Experience
1	Eng. Abdulelah bin Saad Aldrees	Chief Executive Officer Aldrees Petroleum & Transport Services Co.	Chief Executive Officer Aldrees Petroleum & Transport Services Co.	Bachelor of Civil Engineering	29 yrs Deputy Managing Director of Mohamed Saad Al Drees and Sons Company 19 yrs as Member of the Board of Directors of Aldrees Petroleum & Transport Services Co. 19 yrs as Member of Executive Committee of Aldrees Petroleum & Transport Services Co. 20 yrs as CEO of Aldrees Petroleum &Transport Services Co.
2	Khalid Abdulmohsen Aldrees	GM- Petroleum Division	Personnel Manager	Bachelor of Business Administration	5 yrs Admin. in Mohammed Saad Aldrees & Sons Company 4 yrs Assistant Human Resources Manager 9 yrs Human Resources Manager and Public relations From 2004 to date Secretary of the Board of Directors of Aldrees Petroleum &Transport Services Co. 15 yrs as Member of Executive Committee of Aldrees Petroleum & Transport Services Co. 6 yrs general manager of a petroleum sector in Al-Drees Petroleum and Transport Services
3	Khalid Abdulrahman Bin Saheim	GM- Transport Division	Manager Global Sourcing and Contracting - SABIC	----	27 yrs experience in SABIC, which includes many positions and sections 7 yrs general manager of a transport sector in Al-Drees Petroleum and Transport Services
4	Amro Mahmoud Abo El Maaty	CFO	GM- Finance Petrol Division	Bachelor of Accounting	3 yrs Auditor of Aldrees Petroleum &Transport Services Co. 3 yrs Accountant – Petrol Division of Aldrees Petroleum & Transport Services Co. 4 yrs Senior Accountant – Petrol Division of Aldrees Petroleum & Transport Services Co. 6 yrs Chief Accountant – Petrol Division of Aldrees Petroleum & Transport Services Co. 4 yrs Member of the Management Committee of United Fuel Company (UNFCO) 12 yrs Finance Manager– Petrol Division of Aldrees Petroleum & Transport Services Co. - From May 05, 2017 to date – Chief Financial Officer (CFO) of Aldrees Petroleum & Transport Services Co.
5	Salamah Bin Mufreh Al-Daghish	GM- Human Resources	Deputy GM- Human Resources	Master of Business Administration	3 yrs, the Administrative Affairs Coordinator at Muhammad Saad Al Drees and Sons Company 3 yrs, Deputy Director of Special Projects for Muhammad Saad Al-Drees and Sons Company 16 yrs, Deputy General Manager for Human Resources at Aldrees Petroleum and Transport Services Company 4 yrs ,General Manager of Investor Relations at Aldrees Petroleum and Transport Services Company 5 yrs ,General Manager of Human Resources at Aldrees Petroleum and Transport Services Company

DISCLOSURE 2-18

EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

The board of directors uses the methodology of self-assessments and evaluations to ensure that all members and committee members are aligned with the organization's objectives. These evaluations, supported by the award and remuneration committee, help identify strengths, areas for improvement, and ensure that each individual is contributing effectively towards the achievement of the set targets. The committee plays a key role in reviewing the results, providing feedback, and implementing necessary adjustments to align everyone with the organization's goals. This process ensures that the board functions efficiently and remains focused on achieving the organization's annual targets.



DISCLOSURE 2-19

REMUNERATION POLICIES

The remuneration policies for the highest governance body, including the Board of Directors and related committees, are governed mainly by the Remuneration and Rewards Committee. This committee ensures that the policies are aligned with internal regulations and adhere to established labor laws. The policies are closely monitored and reviewed by the Audit and other associated committees to ensure transparency and compliance. Additionally, the HR department plays a critical role in ensuring that the remuneration policies are in line with legal requirements and internal standards, guaranteeing fair and equitable compensation practices for the governance body and committees. This comprehensive approach ensures that the remuneration structure supports the company's strategic objectives while maintaining alignment with regulatory frameworks and ethical standards.

DISCLOSURE 2-20

PROCESS TO DETERMINE REMUNERATION

Process for determining Remuneration: The process for determining remuneration is in line with KSA labour law and ALDREES HR and internal policies. Kindly refer to disclosures 2-9, 2-10 and 2-12.

Stakeholders' involvement in Remuneration: Shareholders are involved in setting the remuneration policies and the compensation plans and targets practicing their own rights within the internal regulations and applicable policies. Kindly refer to disclosures 2-10 and 2-12.

DISCLOSURE 2-21

ANNUAL TOTAL COMPENSATION RATIO

Please refer to our annual financial report 2024 for more information on the overall financial schemes.

STRATEGIC DIRECTION, POLICIES, AND OPERATIONAL PRACTICES

DISCLOSURE 2-22 STATEMENT ON SUSTAINABLE DEVELOPMENT STRATEGY

Kindly refer to the section “A Message from our CEO”.

DISCLOSURE 2-23 POLICY COMMITMENTS

At ALDREES, the company is committed to responsible business conduct through a comprehensive set of policies that reflect its dedication to ethical practices, transparency, and accountability across all operations. These policies encompass a wide range of areas, including due diligence, human rights, and the integration of vulnerable groups. The HR Manual, for instance, outlines key policies that promote the protection of human rights, ensuring that the company upholds fair treatment for all employees and stakeholders, including people of determination. These policies aim to foster an inclusive and supportive environment, aligning with the company's commitment to diversity and equal opportunity.

In addition to human rights, ALDREES has implemented a variety of policies across various domains. Governance-related policies, such as internal audit policies, ensure that the company's operations are regularly monitored for compliance and effectiveness. The communication and consultation policies promote transparency and open dialogue between management, employees, and stakeholders, fostering a collaborative and responsible corporate culture. Corporate governance policies further support the company's adherence to legal and regulatory requirements, reinforcing its commitment to ethical leadership and decision-making.

The IT policies ensure the secure and responsible use of technology within the organization, safeguarding sensitive data and ensuring compliance with cybersecurity regulations. The HR Manual also includes a wide range of HR policies, covering critical areas such as social security, the company's code of conduct, and other employee welfare policies that align with labor laws and corporate values.

ALDREES also emphasizes sustainability through its environmental policies, which guide the company's efforts in minimizing its ecological footprint and promoting sustainable business practices. The procurement policy ensures ethical sourcing and supplier relationships, while the risk management policy addresses potential risks across all operations, enabling the company to take proactive measures to mitigate and manage them.

These policies are approved by the Board of Directors and associated committees, ensuring that they are aligned with the company's strategic goals and legal obligations. Once approved, they are circulated internally to be implemented within a structured framework, ensuring proper adherence and application across all levels of the organization. Continuous monitoring and assessment mechanisms are in place to evaluate the effectiveness of these policies, with regular reviews and updates to maintain compliance and support continuous improvement. This structured approach ensures that ALDREES maintains high standards of responsible business conduct while fostering a positive and sustainable impact on its stakeholders and the community.

GOVERNANCE, LEADERSHIP, AND ORGANIZATIONAL FRAMEWORK

DISCLOSURE 2-24 EMBEDDING POLICY COMMITMENTS

At ALDREES, responsible business conduct is deeply embedded throughout the company's activities and business relationships. The organization's commitment to respecting human rights is integral to its operational and governance structures, ensuring that people at all levels of the company act with awareness and respect for human rights. This commitment is embedded across the organization, starting with the highest governance body, which holds ultimate oversight and accountability for the implementation of the company's policy commitments. The Board of Directors, alongside the associated committees, ensures that the policies are aligned with the company's strategic goals, legal obligations, and ethical standards. They are responsible for approving and guiding the implementation of these policies, and they regularly discuss responsible business conduct during their meetings, focusing on key areas such as governance, compliance, and sustainability.

The day-to-day responsibility for implementing the company's policy commitments is allocated to various functional areas, ensuring that each commitment is properly executed. For instance, the Human Resources department is tasked with upholding the commitment to respect the rights of workers, including policies related to diversity, equal opportunities, social security, and the protection of human rights. The HR department works closely with senior management and the Board to ensure these policies are followed, and reports on progress and challenges regularly to ensure transparency and accountability.

Additionally, ALDREES employs systematic means for discussing responsible business conduct across different levels and functions within the organization. This includes regular cross-functional meetings and working groups where employees from various departments, such as HR, internal audit, procurement, and environmental management, collaborate to ensure alignment with responsible business practices. These discussions allow for the integration of human rights and ethical considerations into all aspects of the company's operations, from governance to day-to-day activities.

ALDREES also integrates its policy commitments into its broader risk management systems and management policies. The company conducts comprehensive economic, environmental, social, and human rights impact assessments as part of its due diligence processes, ensuring that all activities, business relationships, and decisions are aligned with responsible business conduct. These assessments help identify potential risks and opportunities for improvement, guiding decision-making processes across the organization. In addition, ALDREES aligns its policies with financial and performance incentives for management and workers, ensuring that responsible business conduct is not only a legal obligation but also a strategic priority for the company.

DISCLOSURE 2-24
EMBEDDING POLICY COMMITMENTS

When making decisions about sourcing, operating locations, or new business ventures, ALDREES applies its policy commitments to ensure that all decisions are made with respect for human rights and ethical standards. The company's procurement and investment policies incorporate pre-qualification processes, bidding criteria, and screening mechanisms that reflect the expectations set forth in its responsible business conduct policies. These policies ensure that suppliers, contractors, and business partners align with ALDREES' ethical standards and contribute to a positive social and environmental impact.

To monitor compliance with these policy commitments, ALDREES utilizes systems such as internal audits and regular performance assessments. These systems help track adherence to policies across functions and geographic locations, ensuring that responsible business conduct is maintained throughout the organization and its business relationships. Through continuous monitoring and evaluation, ALDREES is able to identify areas for improvement, take corrective actions when necessary, and ensure that its policies remain effective in promoting responsible business practices.

DISCLOSURE 2-25
PROCESSES TO REMEDIATE NEGATIVE IMPACTS

At ALDREES, the company is committed to addressing and remediating any negative impacts it may have caused or contributed to through a structured and systematic approach. The organization has established robust processes for identifying and addressing grievances, ensuring that all stakeholders can raise concerns and seek remedy for any adverse effects on their rights. The company's grievance mechanisms are designed to be accessible, transparent, and rights-compatible, offering a platform for stakeholders to express concerns regarding human rights and other operational impacts. These mechanisms are tailored to meet the needs of different stakeholder groups, such as employees, community members, and suppliers, and are built with the principles outlined in the UN Guiding Principles on Business and Human Rights.

ALDREES engages with stakeholders to ensure that grievance mechanisms are designed effectively and are continuously improved. This includes involving stakeholders in the design, review, and operation of the mechanisms, ensuring they are both responsive and inclusive. The company also tracks the effectiveness of these mechanisms through ongoing monitoring and feedback from stakeholders, ensuring that grievances are addressed promptly and that remedial actions are taken when necessary. For example, the company has implemented processes for investigating grievances, maintaining confidentiality, and ensuring that issues are communicated to the highest governance body when required. The organization also tracks the outcomes of grievance resolutions, ensuring that issues are addressed in a timely and fair manner.

DISCLOSURE 2-25
PROCESSES TO REMEDIATE NEGATIVE IMPACTS

In addition to grievance mechanisms, ALDREES cooperates in the remediation of negative impacts through other processes, such as impact assessments and corrective actions based on feedback from civil society organizations or stakeholders. These processes allow the company to identify and mitigate negative impacts before they escalate. Furthermore, ALDREES works with suppliers and business partners to ensure that grievance mechanisms are established at operational levels, providing a back-up process for situations where existing mechanisms are inadequate. Through continuous engagement and a commitment to improving its remediation processes, ALDREES ensures that its approach to responsible business conduct remains effective and responsive to the needs of all stakeholders.

DISCLOSURE 2-26
MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

At ALDREES, the company fosters a culture of openness and accountability by establishing clearly defined corporate governance principles, policies, and procedures that guide the process of raising concerns, communicating, and discussing issues across all levels of the organization. These governance frameworks ensure that employees, stakeholders, and other parties can raise concerns with confidence, knowing that their issues will be addressed responsibly and ethically. The company's internal processes are designed to prioritize due diligence, ensuring that all concerns—whether related to ethical conduct, environmental impact, or stakeholder welfare—are taken seriously and investigated thoroughly. ALDREES actively seeks advice and input from relevant parties to ensure that the best solutions are identified and implemented. The company's commitment to continuous improvement is embedded in its monitoring systems, which assess the effectiveness of solutions and processes over time, making adjustments as needed. This structured approach ensures that ALDREES remains responsive to the needs of its employees, stakeholders, local communities, and the environment, while maintaining high standards of ethical responsibility and transparency in all its operations.

DISCLOSURE 2-27
COMPLIANCE WITH LAWS AND REGULATIONS

- ALDREES company was fully compliant to all applicable laws and policies in all fields so no non-compliance incidences were reported.

DISCLOSURE 2-28

MEMBERSHIP IN ASSOCIATIONS AND COMMITTEES

Membership in associations and committees plays a significant role in Al-Drees’ business strategy, as it allows the company to stay connected with key industry trends, share best practices, and engage in collective efforts that benefit the sector as a whole. Al-Drees actively seeks membership in relevant committees to foster collaboration, enhance its market knowledge, and contribute to the advancement of industry standards. Currently, Al-Drees is a member of the National Committee for Fuel Station Companies, where it participates in discussions and initiatives that support the interests of fuel station operators. This membership allows Al-Drees to stay informed about regulatory changes, technological innovations, and emerging challenges in the sector, while ensuring its operations align with the collective goals and standards of the committee. By being part of these committees, Al-Drees strengthens its commitment to continuous improvement, industry leadership, and responsible business conduct.

STRATEGIC DIRECTION, POLICIES, AND OPERATIONAL PRACTICES

DISCLOSURE 2-29

APPROACH TO STAKEHOLDER ENGAGEMENT

At ALDREES, stakeholder engagement is integral to ensuring the company’s activities align with both business objectives and the needs of its stakeholders. The company defines and categorizes stakeholders based on their potential or actual impact on ALDREES’ operations, such as employees, customers, suppliers, local communities, and government bodies. These stakeholders are identified through regular communication and engagement, ensuring that their needs are integrated with the company’s financial allocations, business strategy, and corporate social responsibility (CSR) initiatives. ALDREES maintains specified channels of communication to facilitate open, transparent, and ethical dialogue with both internal and external stakeholders. These channels include regular meetings, surveys, feedback mechanisms, and public consultations, allowing the company to gather feedback, assess concerns, and address potential negative impacts proactively. Stakeholder engagement is an ongoing process, with the company seeking to ensure meaningful, two-way communication that is responsive to the concerns of all parties involved. Feedback is carefully recorded and integrated into decision-making processes, ensuring that stakeholders' perspectives influence the company's strategic direction. This approach aligns with ALDREES' commitment to due diligence, ensuring that the company remains transparent, accountable, and ethically responsible in all its business relationships.

Stakeholder Group	Example	Communication Channels
Internal Stakeholders	Employees, Board of Directors	Internal meetings, emails, HR surveys, intranet
External Stakeholders	Customers, Suppliers, Local Communities, Regulators	Public consultations, community outreach programs, supplier meetings, customer service channels
Vulnerable Groups	People of determination, Low-income communities	Specialized outreach, inclusive events, accessible communication channels
Government Bodies	Local and national government agencies	Regulatory meetings, reports, public consultations
Civil Society Organizations	NGOs, advocacy groups	Collaboration meetings, partnerships, joint initiatives
Investors/Shareholders	Shareholders, Financial analysts	Annual reports, investor meetings, financial disclosures

DISCLOSURE 2-30

COLLECTIVE BARGAINING AGREEMENTS

At ALDREES, collective bargaining plays a crucial role in fostering a positive and fair working environment. The company's commitment to ensuring fair treatment of employees is reinforced through its "Collective Bargaining Policy," which provides a structured approach to resolving conflicts between the employer and employees. This policy aims to ensure that any disputes or disagreements that may arise are addressed in a transparent, fair, and constructive manner, with the goal of maintaining harmonious labor relations. Under this policy, all employees at ALDREES are covered, ensuring that their rights are protected and that they have a formal mechanism to voice their concerns. By promoting dialogue and mutual understanding between management and employees, the collective bargaining process contributes to the continuous improvement of the working environment, employee satisfaction, and overall organizational success.

DIALOGUE WITH STAKEHOLDERS



MATERIALITY GOVERNANCE WITH STAKEHOLDERS

DISCLOSURE 3-1 PROCESS TO DETERMINE MATERIAL TOPICS

For the materiality assessment, ALDREES partnered with an external independent advisor to ensure a robust and comprehensive process. This assessment involved extensive stakeholder engagement, adhering to the GRI 3 Materiality Standard, and aligned with ALDREES' commitment to sustainability and corporate responsibility. To capture a holistic understanding of material topics, the company engaged a wide spectrum of internal and external stakeholders, ensuring their diverse perspectives were reflected. Internal stakeholders and board members included senior management, employee representatives, and department heads, who provided insights into the strategic and operational priorities of the organization. External stakeholders comprised customers, business partners, regulatory authorities, and local community representatives, reflecting the broader societal and industry expectations.

For instance, top management shared their vision for aligning sustainability with long-term business goals, while employee representatives highlighted workplace concerns and opportunities for improvement. On the external side, customers offered valuable feedback on expectations for transparency and ethical practices, while regulatory authorities provided insights into compliance with evolving environmental and social regulations.

The materiality assessment process was designed to balance these diverse inputs, assessing topics based on their importance to stakeholders and their impact on ALDREES' business and operations. This ensured alignment with the company's existing policies and strategies, such as those addressing employee welfare, community engagement, and environmental stewardship.

The independent ESG consultant conducted targeted interviews and facilitated workshops to gather detailed insights from these stakeholder groups. For example, discussions with senior management helped define ALDREES' strategic sustainability ambitions, while consultations with customers and local community representatives provided a grassroots perspective on the company's impact.

To further refine the materiality assessment, a mapping exercise was conducted using the GRI standards to identify relevant topics for reporting. This was accompanied by a benchmarking analysis of industry peers to identify best practices in qualitative and quantitative disclosures. For example, topics such as carbon emissions reduction, employee well-being, and community investment were identified as material based on both stakeholder input and industry trends.

By incorporating the perspectives of diverse stakeholder categories, Aldrees ensured its materiality assessment reflects a balanced and transparent approach, addressing the needs and expectations of all its stakeholders while advancing its sustainability objectives.

For more information on our approach to stakeholders' engagement please refer back to disclosure 29-2.



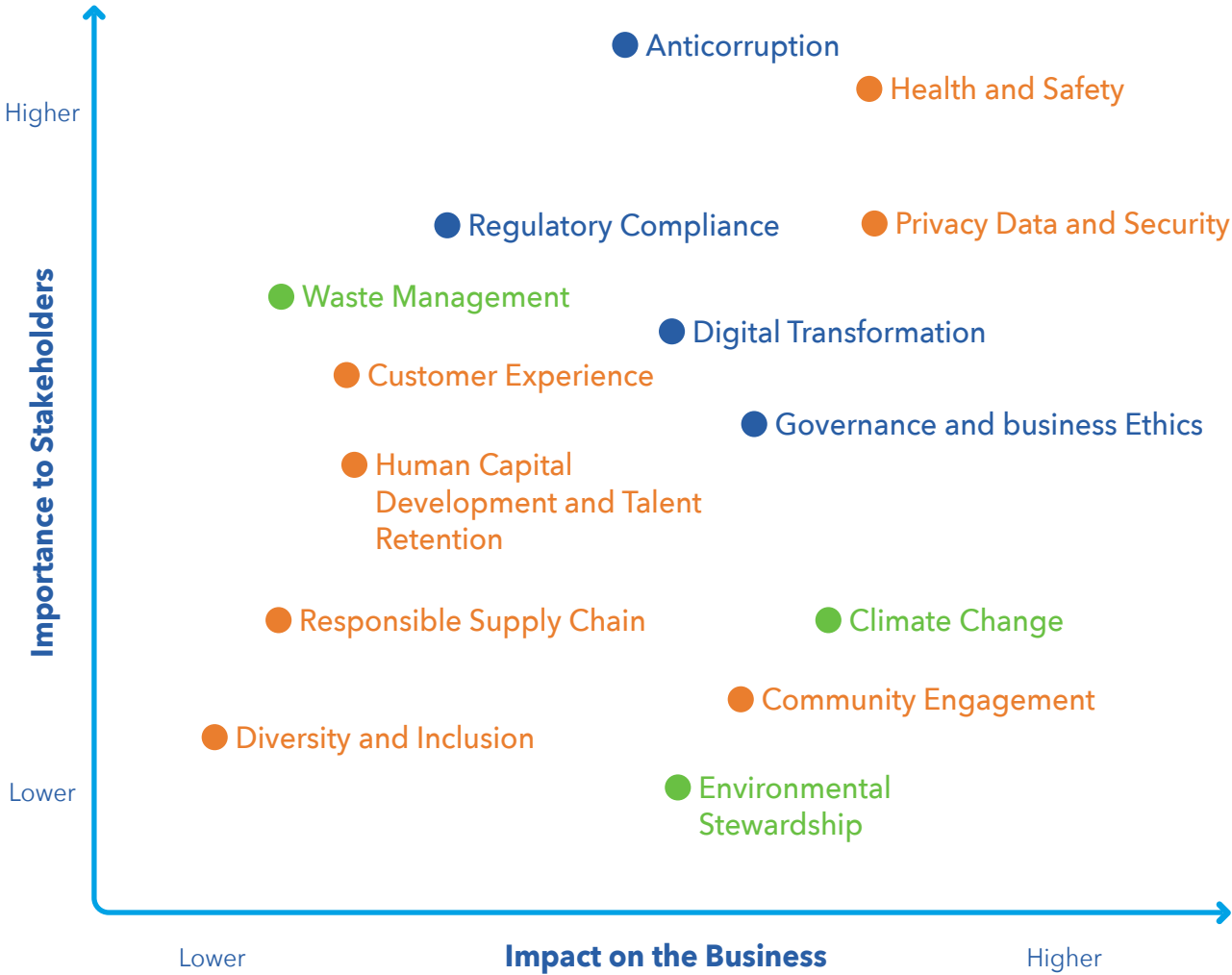
IDENTIFICATION OF SUSTAINABILITY TOPICS

DISCLOSURE 3-2 LIST OF MATERIAL TOPICS

The material topics identified through ALDREES’ comprehensive materiality assessment process were synthesized into the consecutive sections of this Sustainability Report, ensuring a structured and focused approach to addressing stakeholder priorities. These topics were mapped to the GRI Sector Standard 11, which is tailored to the oil and gas sector, and subsequently categorized into key Environmental, Social, and Governance (ESG) themes. Each theme encompasses the related topics, aligning them with the necessary disclosures to ensure compliance with GRI standards, transparency, and ethical responsibility. For example, environmental themes include topics such as carbon emissions, resource efficiency, and biodiversity management, while social themes address employee welfare, community engagement, and customer satisfaction. Governance themes cover topics like ethical business conduct, regulatory compliance, and risk management.

By categorizing material topics into ESG themes, ALDREES ensures that each area is comprehensively addressed, with the appropriate disclosures made to demonstrate accountability and due diligence. This approach not only fulfills reporting requirements but also aligns with ALDREES’ commitment to building trust and fostering sustainable growth through transparent and responsible practices.

Theme	Environmental	Social	Governance
Material Topics	Climate Change and Environmental Risks	Human Capital Development	Governance and Business Ethics
	Air Quality	Occupational Health & Safety	Regulatory Compliance
		Customer Care	
	Waste Management	Privacy and Data security	Anti-corruption
		Community Engagement	
		Promoting Sustainability through Supply Chain & Procurement	



REINFORCE RESILIENCY

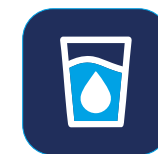
CARING FOR OUR PLANET



رؤية VISION 2030 المملكة العربية السعودية KINGDOM OF SAUDI ARABIA

Saudi Arabia's Vision 2030 reflects the Kingdom's commitment to sustainable development and environmental stewardship, aligning closely with global frameworks such as the Paris Agreement. By ratifying the Paris Agreement, Saudi Arabia has demonstrated its dedication to reducing greenhouse gas emissions and combating climate change through ambitious yet pragmatic strategies. Vision 2030 integrates environmental performance into its broader economic and social reforms, emphasizing renewable energy adoption, enhancing energy efficiency, and promoting sustainable resource management. The Kingdom also aligns with international agendas, such as the United Nations Sustainable Development Goals (SDGs), by fostering initiatives that balance economic growth with environmental preservation. Through these efforts, Saudi Arabia is positioning itself as a global leader in addressing climate challenges while driving innovation and diversification in its economy.

Several Sustainable Development Goals (SDGs) are directly or indirectly related to environmental performance, highlighting the importance of sustainability in global development efforts. Key SDGs include:



Clean Water and Sanitation - SDG6

Focuses on ensuring availability and sustainable management of water and sanitation for all, emphasizing efficient water use, water quality improvement, and ecosystem protection.



Affordable and Clean Energy - SDG7

Promotes access to affordable, reliable, sustainable, and modern energy, with a focus on increasing the share of renewable energy and improving energy efficiency.



Sustainable Cities and Communities - SDG11

Encourages making cities inclusive, safe, resilient, and sustainable, with initiatives like sustainable urban planning, reducing air pollution, and managing resources effectively.



Responsible Consumption and Production - SDG12

Advocates for sustainable consumption and production patterns, including reducing waste, improving resource efficiency, and encouraging sustainable business practices.



Climate Action - SDG13

Calls for urgent action to combat climate change and its impacts through mitigation, adaptation, and building resilience against climate-related hazards.



Life Below Water - SDG14

Aims to conserve and sustainably use oceans, seas, and marine resources, focusing on reducing marine pollution and protecting aquatic ecosystems.



Life on Land - SDG15

Promotes the sustainable use of terrestrial ecosystems, combating deforestation, desertification, and biodiversity loss to maintain healthy ecosystems.

KSA EFFORTS AND STRATEGIC FRAMEWORKS SUPPORTING SDGS & COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

ALIGNMENT WITH NATIONAL AND INTERNATIONAL TRENDS AND REGULATIONS

The National Transformation Program 2020 marked a pivotal step in implementing Vision 2030, uniting public, private, and nonprofit sectors under a cohesive framework. This program adopts an integrated management model to ensure accountability and collaboration across all sectors. Through economic diversification and reduced reliance on conventional income sources, Saudi Arabia aims to generate fiscal surpluses to fund initiatives aligned with Vision 2030 and global sustainability goals.

The Kingdom's strategic partnership with the United Nations Development Programme (UNDP) further underscores its commitment to advancing economic, social, and environmental priorities, reflecting a holistic approach to long-term sustainability.

Saudi Arabia continues to advance sustainable development by prioritizing key objectives such as eradicating poverty and hunger, ensuring health and well-being, promoting quality education, achieving gender equality, ensuring access to clean water and sanitation, and providing affordable and clean energy. Additionally, the Kingdom focuses on fostering decent work opportunities, driving economic growth, advancing industry and infrastructure, reducing inequalities, and building sustainable cities and communities. Efforts also encompass resource-efficient production and consumption, climate action, marine and terrestrial conservation, and promoting peace, justice, and strong institutions through global partnerships.

Companies are increasingly dedicated to implementing sustainable environmental practices to address global and local challenges. This includes efforts to reduce carbon footprints, optimize resource management, and minimize pollution. A key aspect is fostering innovation to develop less polluting products and services while engaging in initiatives that support both local and global environmental goals.



KSA EFFORTS AND STRATEGIC FRAMEWORKS SUPPORTING SDGS & COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

ALDREES' COMMITMENT TO SUSTAINABILITY AND ALIGNMENT WITH SDGS

ALDREES actively integrates key sustainability initiatives into its organizational structure and policies, reflecting a strong alignment with Saudi Arabia's national goals and the United Nations Sustainable Development Goals (SDGs). Through these efforts, ALDREES demonstrates a comprehensive approach to fostering environmental and economic sustainability.

1 Transition to Renewable Energy

(Directly associated to SDG 7: Affordable and Clean Energy)

- › ALDREES is embracing renewable energy by utilizing solar energy, reducing reliance on traditional fossil fuels within its operations.
- › The company supports pioneering projects like NEOM's green hydrogen initiative, contributing to the development of clean energy solutions.

2 Reducing Harmful Emissions

(Directly associated to SDG 13: Climate Action)

- › Strict measures are adopted within ALDREES' operations to limit industrial air pollutants, aligning with regulatory standards.
- › The organization encourages cleaner production technologies to significantly cut greenhouse gas emissions, embedding sustainability in its production framework.

3 Enhancing Resource Efficiency

(Directly associated to SDG 12: Responsible Consumption and Production)

- › Advanced energy-saving technologies are being implemented across ALDREES' industrial processes to optimize resource utilization.
- › Water conservation strategies are embedded in the company's operational practices, addressing the region's critical water scarcity challenges.

4 Waste Management and Recycling

(Directly associated to SDG 12: Responsible Consumption and Production)

- › ALDREES has expanded its recycling programs to minimize landfill dependency and ensure responsible waste management.
- › The company promotes the use of biodegradable materials and invests in waste decomposition technologies to further reduce environmental impact.

By embedding these initiatives into its core policies and practices, Aldrees reinforces its commitment to sustainability, contributing to national and global efforts to achieve long-term environmental and economic well-being.



KSA EFFORTS AND STRATEGIC FRAMEWORKS SUPPORTING SDGS & COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL FRAMEWORK AT ALDREES

ALDREES has established a robust Environmental Management System (EMS) certified under ISO 14001, integrated within its broader Integrated Management System (IMS). This system provides a holistic framework that interconnects environmental performance with other operational domains, ensuring a comprehensive approach to sustainability and excellence. By aligning with applicable local environmental policies and regulations, ALDREES ensures full legal compliance while proactively seeking opportunities to enhance its performance across key areas: renewable energy adoption, resource efficiency, waste management, and emissions reduction. The company is also exploring and implementing innovative solutions to address emerging environmental challenges and opportunities.

ALDREES' EMS operates under the guidance of a strategic environmental policy that reflects the company's commitment to the Kingdom of Saudi Arabia's Vision 2030. This policy integrates national priorities, local regulations, and international agendas, including the United Nations Sustainable Development Goals (SDGs). By embedding environmental considerations into its operational and strategic decision-making processes, ALDREES not only reduces its environmental footprint but also drives positive impacts on related fields such as economic growth, social responsibility, and technological innovation. This integrated approach positions ALDREES as a leader in sustainable practices, fostering resilience and long-term value creation for all stakeholders.

CLIMATE CHANGE AND ENVIRONMENTAL RISK

The world is grappling with the increasingly severe consequences of global warming and climate change, including rising temperatures, extreme weather events, rising sea levels, and disruptions to ecosystems. These changes are putting immense pressure on natural resources, agriculture, and infrastructure, and are threatening the livelihoods of millions. At the most recent COP (Conference of the Parties), global leaders acknowledged the urgency of addressing these challenges and made commitments to strengthen efforts to reduce carbon emissions, transition to renewable energy, and support climate adaptation and resilience, particularly for vulnerable regions. The impacts of climate change are felt worldwide, with countries like Saudi Arabia (KSA) experiencing more frequent heatwaves, water scarcity, and shifts in agricultural patterns. In response, ALDREES Company has recognized the financial implications of these environmental challenges. The company has invested in initiatives aimed at reducing its carbon footprint, such as adopting sustainable practices, improving energy efficiency, and transitioning to greener technologies. These actions are essential not only to mitigate climate change but also to align with global standards and regulations, ensuring long-term financial sustainability while contributing to the global effort to combat climate change.

ALDREES is actively addressing climate change through strategic adaptation, resilience-building measures, and supporting the transition to a low-carbon economy. These efforts aim to mitigate climate change risks while enhancing the company's role in fostering sustainable development for society and the economy.

ALDREES has adopted a forward-thinking approach to climate adaptation, integrating measures that enhance its resilience to current and anticipated climate-related risks. By aligning with global and local frameworks, the company ensures its operations are robust against environmental challenges. These efforts include promoting sustainable fuel alternatives and enhancing infrastructure to support low-carbon mobility solutions.

ALDREES is committed to contributing to the Kingdom of Saudi Arabia's Vision 2030 and global climate goals by actively supporting the transition to a low-carbon economy. The company has implemented the following initiatives:



Promotion of Biodiesel
ALDREES operates a station that sells biodiesel, encouraging its use as a cleaner, more sustainable substitute for fossil fuels. This reduces greenhouse gas (GHG) emissions and supports the global shift toward renewable energy.

Compact and Mobile Fuel Stations
These stations minimize emissions wasted on roads by providing fuel directly to customers in a convenient and efficient manner, reducing unnecessary travel and associated carbon footprints.



Enhancing Electric Vehicle (EV) Fleet Usage
ALDREES supports the transition to electric vehicles by improving infrastructure, including charging stations and facilities, to promote the adoption of EVs among individuals and businesses. This initiative aligns with global efforts to reduce dependency on traditional fossil fuels.

ALDREES ensures that its climate initiatives consider the needs and welfare of workers and local communities. By fostering the adoption of biodiesel and EV infrastructure, the company not only contributes to environmental sustainability but also creates new economic opportunities and reduces the adverse health impacts associated with fossil fuel emissions.

Through these efforts, ALDREES exemplifies its dedication to climate resilience, adaptation, and transition, setting a benchmark for sustainable practices in the petroleum and transport services sector. The company's actions underscore its commitment to mitigating climate change impacts while driving positive social and economic transformation.



THE PROMISE OF BIODIESEL TRANSFORMING WASTE INTO ENERGY

What is Bio Diesel?

Bio Diesel is a renewable and clean fuel used as an alternative to traditional diesel made from fossil fuels.

Bio Diesel in Saudi Arabia

The first biodiesel production plant in Saudi Arabia was inaugurated in the city of Jubail in March 2023. It is a Saudi investment project with %100 national investment to produce eco-friendly fuel by processing waste from used cooking oils and converting it into clean energy. This contributes to reducing global warming, which is the primary goal discussed by His Royal Highness, the Crown Prince, during the Green Middle East Initiative.

Bio Diesel at ALDREES Petroleum Services and Transport:

ALDREES Petroleum Services and Transport is proud to be one of the pioneering companies that started using biofuel as a clean and sustainable alternative to fossil fuels, in line with its commitment to the Sustainable Development Goals under Vision 2030.

AIR EMISSIONS AND QUALITY

In Saudi Arabia, environmental policies are designed to ensure sustainable development and safeguard public health by controlling air emissions. These policies are outlined in several key regulations and standards, particularly those governed by the Saudi National Center for environmental compliance.

One of the primary regulations is the National Environmental Strategy, which includes specific measures to limit air pollution and reduce the harmful impact of emissions on the environment and human health. This strategy is supported by a number of air quality regulations, such as:

- 1 Air Quality Standards (SASO 168)**
This set of standards establishes permissible levels of various pollutants, including particulate matter, sulfur dioxide (SO₂), nitrogen oxides (NO_x), carbon monoxide (CO), and volatile organic compounds (VOCs). These standards apply to industries with high emission potential, including power plants, refineries, and manufacturing facilities.
- 2 The Saudi Air Quality Monitoring Program**
This program mandates continuous monitoring of air quality in industrial zones and urban areas to ensure compliance with the set air quality standards. Facilities are required to submit regular reports showing data on emissions levels and air quality indices.
- 3 Environmental Impact Assessment (EIA) Regulations**
3.The EIA regulations require industries to assess and report the potential environmental impacts of their operations, including air emissions, before commencing large-scale projects. This includes detailed air emission studies and the implementation of mitigation measures.
- 4 Greenhouse Gas Emission Regulations**
Under the Saudi Green Initiative, companies are encouraged to monitor and reduce their greenhouse gas (GHG) emissions, with the aim of achieving carbon neutrality by 2060. Specific rules related to air emissions from industrial operations contribute to this broader effort.
- 5 Penalties and Enforcement**
Non-compliance with air quality standards and emission regulations can lead to severe penalties, including fines, suspension of operations, and legal actions.

These policies reflect Saudi Arabia’s commitment to improving environmental quality, reducing air pollution, and aligning with global sustainability targets. Compliance with these regulations is essential and mandatory for industries operating in the Kingdom to avoid penalties and contribute to the protection of public health and the environment.

AIR QUALITY

ALDREES Company takes a proactive approach in ensuring that its air emissions are consistently monitored and controlled in compliance with local environmental policies and regulations. The company engages a third-party service provider to measure and monitor air emissions across its operations, ensuring all emissions fall within the prescribed limits outlined by Saudi Arabia’s air quality regulations. The monitoring process adheres to the specific requirements for each emitted pollutant, using the methodologies specified in the relevant regulations. These methodologies ensure accurate calculation of emissions, and periodic checks are performed to guarantee ongoing compliance. The emission data is then reported based on the standards set by relevant local guidelines, which include tracking pollutants such as nitrogen oxides (NO_x), sulfur oxides (SO_x), volatile organic compounds (VOC), particulate matter (PM), and other hazardous air pollutants (HAP). ALDREES uses verified emission factors and calculation tools to ensure precise reporting of air emissions, all in alignment with regulatory requirements.



OZONE DEPLETING SUBSTANCES

Additionally, the company ensures that the sources of the emission factors used in the calculations are clearly identified, and the standards, methodologies, assumptions, and calculation tools employed are documented and aligned with the regulatory guidelines. This transparent process ensures that ALDREES' operations not only comply with local air quality standards but also contribute to the overall sustainability goals of the Kingdom.

We are also committed to ensuring that our operations adhere to the strict regulations governing ozone-depleting substances (ODS), such as chlorofluorocarbons (CFCs), halon, carbon tetrachloride (CCl4), methyl chloroform (CH3CCI3), hydrobromofluorocarbons (HBFCs), hydrochlorofluorocarbons (HCFCs), methyl bromide (CH3Br), and bromochloromethane (CH2BrCl). The company works with a third-party service provider to measure and monitor these substances. The monitoring process is based on the specific requirements for each substance, with emission rates calculated using the applicable methodologies outlined in the relevant regulations. ALDRRES ensures periodic checks to maintain compliance and prevent any adverse environmental impacts. The emission data is reported in accordance with national and international guidelines for ozone-depleting substances, using verified emission factors and calculation tools. This approach guarantees that the company is not only meeting regulatory standards but also contributing to global efforts to protect the ozone layer.

GHG EMISSIONS AND CARBON FOOTPRINT

Monitoring greenhouse gas (GHG) emissions and calculating the carbon footprint is essential for ALDREES Company in aligning with Saudi Arabia's Vision 2030 and its ambitious carbon emissions reduction goals. By establishing a base year for GHG emissions, the company can accurately track progress and implement initiatives to reduce its carbon footprint. This approach is in line with the Kingdom's commitment to achieving carbon neutrality by 2060, under the Saudi Green Initiative. ALDREES ensures that its GHG emissions are measured and reported in accordance with international standards, specifically the GHG Protocol and IPCC methodologies. The company's carbon footprint is calculated across all three scopes:

- 1

Direct emissions from owned or controlled sources.
- 2

Indirect emissions from the generation of purchased electricity.
- 3

All other indirect emissions, such as those from the supply chain and business travel.

To ensure the accuracy and credibility of the calculations, the monitoring and assessment of ALDREES' carbon footprint are conducted by a third-party service provider, using the best available data and methodologies. This rigorous process allows ALDREES to not only meet local and global environmental standards but also to set clear, measurable goals for reducing emissions, supporting the Kingdom's broader sustainability objectives.

Criterium	Value
Scope 1	314,420 tonCO2e
Scope 2	1,144 tonCO2e
Total	315,564 tonCO2e



2,441 Trees

Number of trees planted to enhance air quality and absorb CO2

ENERGY DEMANDS

Understanding energy needs is essential for ALDREES Company because energy consumption is directly linked to air quality, greenhouse gas (GHG) emissions, and the overall carbon footprint. The energy sources used in operations significantly impact both the environment and air quality, with fossil fuels being a primary contributor to GHG emissions such as carbon dioxide (CO2), which contribute to global warming and air pollution. By comprehensively assessing energy needs, ALDREES can identify areas where energy efficiency can be improved and renewable energy sources can be incorporated. This is crucial for reducing the company's carbon footprint and mitigating harmful air emissions, aligning with both local and global environmental goals. Taking initiatives to shift toward cleaner, more sustainable energy sources not only reduces carbon emissions but also helps protect air quality, which is essential for the health of employees, customers, and the surrounding community. For ALDREES, prioritizing energy efficiency and clean energy alternatives is a key step in protecting the environment, supporting the Kingdom's sustainability objectives, and fulfilling the company's responsibility to minimize its environmental impact.

Category	Values
Total Electricity consumption	633,622 Kwatt/hr
Total Diesel Consumption	106,484,723 L
Total Petrol Consumption	1,225,766 L
Reduction in energy consumption	31,686 Kwatt/hr
Water consumption	112,004,000 liters
Percentage of fixtures in offices that are certified water efficient	30%

The consumption data disclosed is based on the availability of data of the connected and currently monitored facilities and fleet, which will be more accurately monitored as part of our ongoing process.

LEADING THE WAY WITH SOLAR ENERGY

ALDREES' COMMITMENT TO SUSTAINABILITY

ALDREES is proud to announce the introduction of solar energy poles (solar cell panels) across its stations, marking a significant milestone in its journey toward environmental sustainability. This initiative underscores the company's dedication to reducing reliance on traditional energy sources and minimizing carbon emissions.

This initiative not only enhances the customer experience but also improve operational efficiency. It also aligns with ALDREES' vision for a greener future and demonstrates its proactive approach to adopting modern, sustainable technologies.

At ALDREES, innovation and environmental responsibility go hand in hand, driving solutions that benefit the community while safeguarding the planet for generations to come.

UTILIZING ELECTRIC VEHICLE CHARGING STATIONS

A STEP TOWARD A SUSTAINABLE FUTURE

In alignment with Saudi Vision 2030, ALDREES has taken a significant step toward sustainability by signing agreements to establish a modern infrastructure for electric vehicle (EV) charging stations. This initiative not only supports the expansion of electric vehicle usage across the Kingdom but also plays a vital role in creating a cleaner and more sustainable transportation environment. Currently there are 12 stations that have EV chargers and the plan is to increase the number of these stations.

Encouraging the adoption of electric vehicles is a crucial measure in reducing the consumption of fossil fuels, which are a major source of carbon and greenhouse gas (GHG) emissions. By shifting toward cleaner energy alternatives, ALDREES contributes to mitigating global warming and addressing climate change challenges. This transition also aligns with global efforts to achieve net-zero emissions and protect the planet for future generations. Beyond environmental benefits, promoting the use of EVs offers substantial financial advantages. Reduced dependency on imported fossil fuels can lower energy costs, enhance energy security, and create economic opportunities through the development of local industries related to EV manufacturing and maintenance. For individuals, EVs present lower operating and maintenance costs compared to traditional vehicles, making them a cost-effective choice over time.

Furthermore, the establishment of EV charging stations enhances urban air quality by eliminating tailpipe emissions, leading to healthier living conditions and reduced healthcare costs associated with air pollution. This initiative demonstrates ALDREES' commitment to adopting innovative, sustainable technologies that not only meet the needs of the community but also protect the environment.

By embracing EV infrastructure, ALDREES sets a strong example of corporate responsibility and leadership in sustainable development, driving forward the Kingdom's vision for a greener and more resilient future.

DIGITAL TRANSFORMATION ALTERNATIVE SOLUTIONS FOR REFUELING

1 Service Containers (Compact Station) - 101 containers

› Space-Efficient Design

Compact units designed to provide refueling services in areas with limited space availability.

› Flexibility and Portability

Easily installed and relocated based on demand, offering a practical solution for urban and remote locations.

› Sustainability Focus

Equipped with modern systems to reduce emissions and energy consumption, contributing to environmental goals.

2 Mobile Stations - 65 mobile stations

› Reduced Vehicle Emissions

By bringing fuel directly to consumers, these stations help minimize unnecessary vehicle trips and improve fuel efficiency.

› Enhanced Safety Measures

Advanced monitoring systems reduce the risk of spills, ensuring a safer refueling process.

› Community Benefits

Generating new employment opportunities and improving accessibility for underserved areas.

These innovative refueling solutions reflect a commitment to sustainability, operational efficiency, and meeting the evolving needs of customers and communities.

INTRODUCING WAIE SYSTEM

What is the WAIE System?

The WAIE System is an electronic solution offered by ALDREES to companies, governmental entities and individuals as a smart service for refueling all types of fuel. It ensures high quality that meets customer needs. This electronic system operates through fuel input sensors and automatically identifies the customer, eliminating the need for cash transactions. It is a secure, fast, and efficient system.

How Does the WAIE System Work?

The WAIE System is an electronic refueling solution that enables communication between the nozzle and the electronic chip at the station within a short range. This connection allows authorization for refueling based on the data registered in the system for each customer.

What is the Electronic Chip?

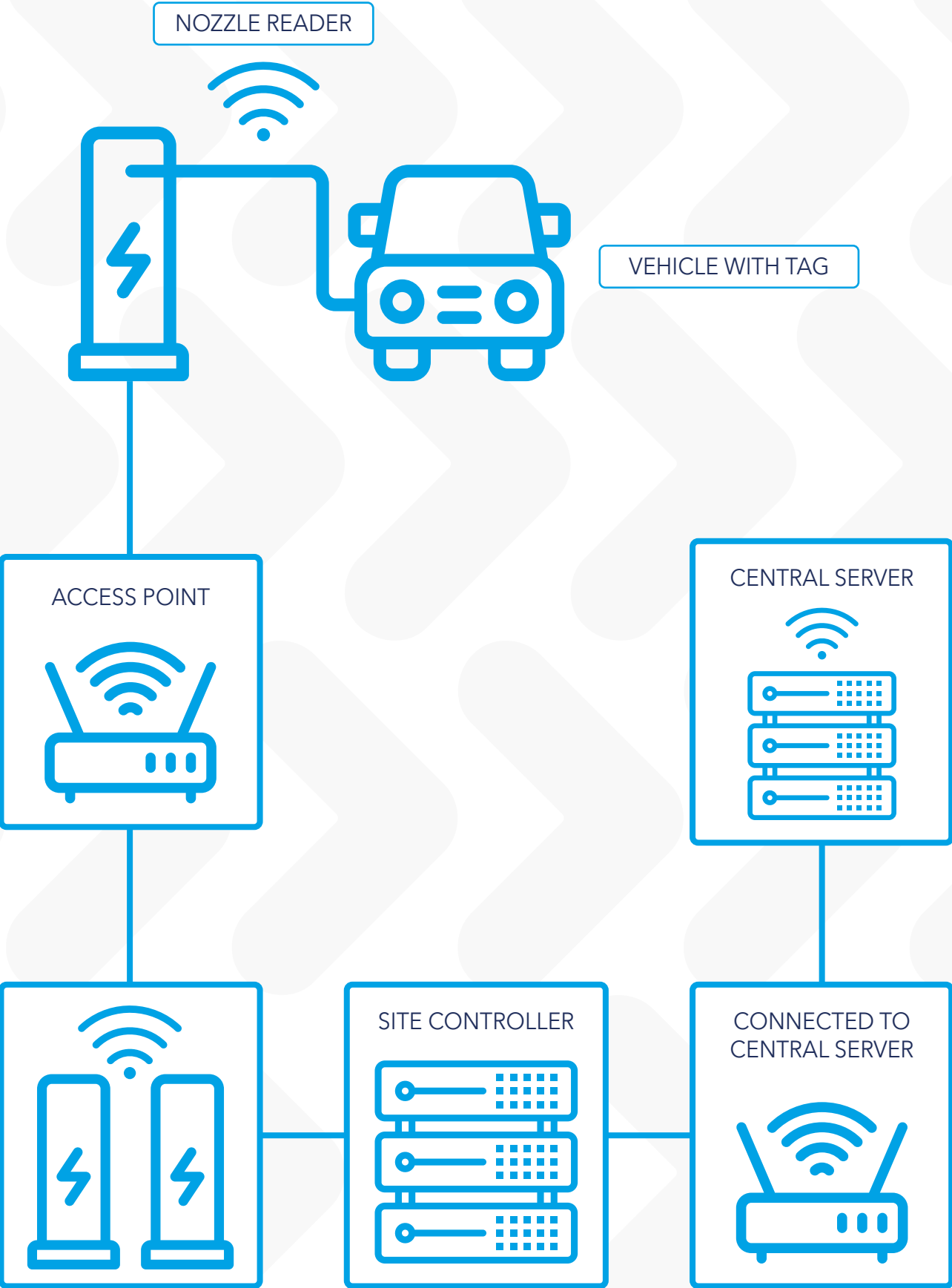
The electronic chip is a chip that is installed at the fuel tank opening. When the fuel nozzle is inserted, the chip is recognized, and the refueling process begins. When the fuel nozzle is removed from the vehicle's fuel tank opening, the refueling process stops immediately. This ensures high safety and enhances the efficiency of fuel management. It provides complete control over consumption, leading to savings and full control. After each refueling process, the amount is deducted from the customer's account, and the chip can only be used for the vehicle it is installed on.

Why choose WAIE Electronic chip?

- › Adds more than one user with specific privileges.
- › Allows the connection of WAIE system with the company's operating system.
- › Assigns passwords for each vehicle.
- › Enables tax invoices in accordance with the conditions of the Zakat ,Tax and Customs Authority.
- › Ensures high safety standards, preventing fuel manipulation and saving time and money.
- › Permits the division of accounts in case there are project management branches to track total consumption on one account.
- › Reduces the accounting/documentation cycle.
- › Resolve companies' problems by monitoring and managing fuel supply through an integrated program that controls fuel consumption.
- › Sends notifications for high fuel consumption.
- › Specifies a bank account (IBAN) for each customer to complete financial transactions.
- › Specifies days and stations for refueling.
- › Specifies the fuel consumption limit for each vehicle, either by liters or currency, on a daily, weekly, or monthly basis, or leaving it undefined.
- › Tracks fuel usage through a set of daily, weekly, or monthly reports.

INTRODUCING WAIE SYSTEM

How Does the WAIE System Work?



WASTE MANAGEMENT

ALDREES COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

WASTE AND POLLUTION CONTROL PRACTICES

Contract for the Disposal of Solid and Liquid Waste

To efficiently manage the solid and liquid waste generated at station sites, ALDREES has established a dedicated department focused on waste processing. This department ensures the effective and sustainable management of waste, while prioritizing environmental protection and adherence to top-tier health and safety standards.

The services offered encompass the collection, transportation, and treatment of both solid and liquid waste using safe and advanced techniques. These methods are designed to minimize environmental impact and conserve natural resources. ALDREES is committed to utilizing state-of-the-art technologies and equipment to ensure safe and compliant waste disposal, in line with strict environmental regulations.

Through this contract, ALDREES demonstrates its ongoing commitment to environmental sustainability by providing innovative solutions that safeguard the environment and support sustainable development in the Kingdom.

ALDREES and SIRC Partnership: Advancing Environmental Sustainability

In a significant move towards environmental sustainability and enhancing the economic benefits of waste management, ALDREES has entered into a strategic partnership with SIRC, a company owned by the Public Investment Fund. This collaboration is focused on the collection, transportation, and management of hazardous waste, with the aim of protecting the environment and supporting the sustainable economic growth of Saudi Arabia.

Phase One - Managing Used Oils

The first phase of this partnership centers on the collection and management of used oils, which are classified as hazardous waste and require specialized handling. This initiative seeks to mitigate the environmental impact of these oils through efficient collection, secure transportation, and effective recycling processes. By doing so, it aims to reduce pollution and conserve valuable natural resources.

Looking Ahead - Tires, Batteries, and Car Washes

The partnership's future plans go beyond used oils and include the management of tires and batteries, both of which also require careful disposal to limit their environmental effects. In addition, there are plans to shift car washing from manual to fully automated systems, utilizing eco-friendly and biodegradable detergents. This transition will not only improve operational efficiency but also help conserve water and reduce the use of harmful chemicals.

ALDREES COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

WASTE AND POLLUTION CONTROL PRACTICES

Waste Compactors for Pollution Reduction

As part of ALDREES dedication to environmental conservation and sustainability, the company has partnered with Cracker Contracting Company to provide waste compactors and specialized containers.

These waste compactors are designed to significantly reduce waste volume, enabling more efficient and eco-friendlier disposal. This technology not only minimizes pollution but also reduces the need for large landfill spaces, thus safeguarding the environment and conserving natural resources.

Through this initiative, ALDREES is committed to increasing public awareness about the importance of environmental sustainability and promoting responsible waste management practices, ensuring a cleaner and more sustainable future for all.

165

Trash Compactors (2 yards)

48

Trash Containers (6 yards)

529 KG

Total consumption of Paper

31,900 Bottles

Total number of used plastic bottles

35,950 Bottles

Toal number of used plastic cups

1,198 TON

Amount of waste sent to landfills

30%

Percentage of recycled oil

10%

Waste Oil Sent for Processing or sale



STRENGTHENING SOCIAL CONNECTIONS TOGETHER





Saudi Arabia is making significant strides in promoting Corporate Social Responsibility (CSR) to enhance corporate practices in key areas such as employee conditions, occupational health and safety (OHS), supplier assessments, customer care, and social responsibility.

› Enhancing Employee Conditions and Safety

The Kingdom has introduced robust labor laws and workplace policies to improve employee well-being, ensure fair treatment, and promote diversity. Efforts to enhance OHS standards are evident in the adoption of global safety protocols, regular workplace inspections, and training programs to foster a culture of safety.

› Supplier Assessment and Ethical Practices

Saudi Arabia emphasizes transparency and accountability in supply chain management. Companies are encouraged to assess and engage suppliers based on ethical standards, sustainability practices, and compliance with regulatory frameworks. This initiative aligns with Vision 2030's focus on fostering trust and integrity in business operations.

› Customer Care and Satisfaction

Corporates are incentivized to prioritize customer satisfaction through quality assurance programs, enhanced service delivery, and complaint resolution mechanisms. These measures aim to build strong, long-term relationships with customers, ensuring their needs and expectations are consistently met.

› Corporate Social Responsibility to Communities

Through Vision 2030, the government promotes active corporate involvement in local community development. Businesses are encouraged to invest in educational programs, social welfare projects, and environmental initiatives, demonstrating a commitment to improving the quality of life for residents.

These targeted actions reflect Saudi Arabia's commitment to embedding CSR principles into the corporate fabric, ensuring businesses contribute positively to their employees, customers, and the broader society.

Employees
**DRIVING SUSTAINABILITY THROUGH
AN EMPOWERED WORKFORCE**



The Ministry of Human Resources and Social Development (HRSD) in Saudi Arabia is pivotal in upholding labor laws and ensuring corporate compliance with policies governing employee processes. As part of its commitment to the Kingdom's Vision 2030, the Ministry oversees organizational performance to ensure alignment with national objectives and adherence to fair labor practices. HRSD actively monitors companies to guarantee transparent and efficient processes in areas such as recruitment, training, performance management, and career development. By encouraging the adoption of advanced systems and technologies, the Ministry promotes enhanced employee engagement and productivity. Through its regulatory oversight and guidance, HRSD plays a key role in fostering a fair, inclusive, and dynamic labor market, driving sustainable growth while ensuring organizations uphold their responsibilities toward their workforce. Below is an overview of some of the associated SDGs:



Good Health and Well-being - SDG3
Promoting physical and mental well-being for employees.



Quality Education - SDG4
Providing opportunities for training and development to enhance employee skills.



Gender Equality - SDG5
Ensuring equal opportunities for all employees, irrespective of gender.



Decent Work and Economic Growth - SDG8
Supporting fair wages, job security, and opportunities for advancement.



Reduced Inequalities - SDG10
Promoting diversity, equity, and inclusion within the workplace.



HUMAN CAPITAL DEVELOPMENT

Employees are the cornerstone of any business, representing its most valuable and dynamic asset. At ALDREES, we recognize that the success of our corporate endeavors is deeply rooted in the dedication, talent, and well-being of our workforce. Employees are not only the driving force behind operational excellence but also ambassadors of the company's values and vision. Addressing the social aspect of sustainability begins with empowering our employees, as their growth and satisfaction directly influence the broader impact we create. By fostering a positive work environment, promoting equal opportunities, and investing in professional development, ALDREES ensures that its employees feel valued and motivated. This commitment strengthens the organizational culture, enhances productivity, and supports long-term business success, while also contributing to the company's role in advancing social responsibility and community development.

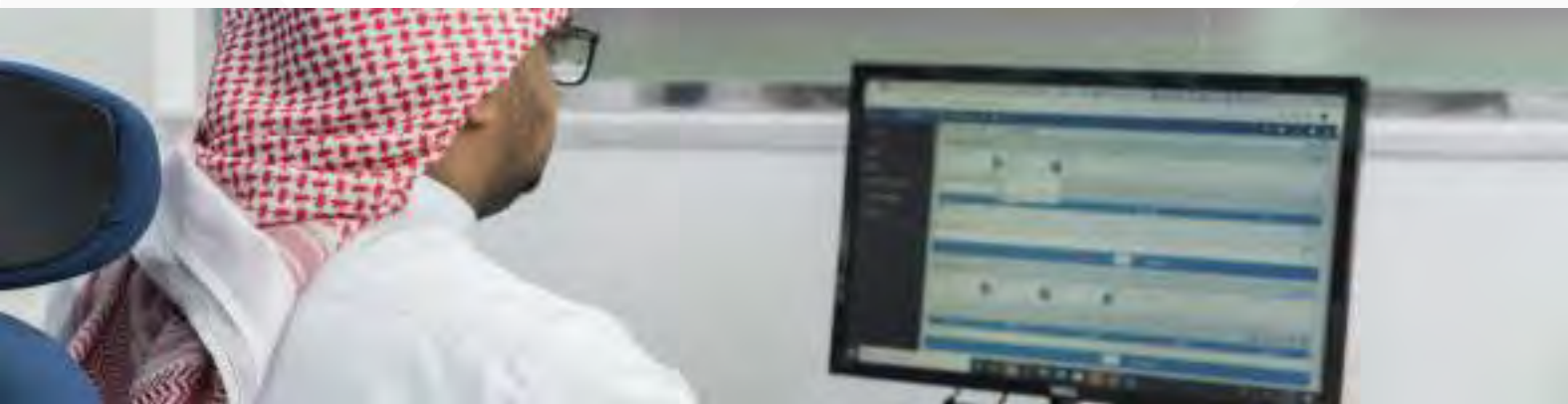
EMPLOYEE MANAGEMENT

At ALDREES, the Human Resources (HR) department serves as the backbone of employee management, ensuring that all processes are executed with consistency, fairness, and transparency. Central to these efforts is the HR Manual, which governs a comprehensive set of policies designed to guide every aspect of the employee lifecycle.

The HR Manual provides clear guidelines for key functions such as recruitment, onboarding, performance evaluation, training, career development, and compensation. These policies are crafted to align with the company's strategic objectives, values, and compliance with applicable labor laws. By standardizing these processes, the manual ensures equitable treatment for all employees while fostering a culture of inclusivity and growth.

In addition to supporting operational excellence, the HR Manual outlines protocols for grievance resolution, workplace ethics, and employee benefits, creating a work environment that is both supportive and motivating. It plays a crucial role in maintaining harmony across teams and empowering employees to contribute effectively to the organization's success.

By adhering to the principles and policies detailed in the HR Manual, ALDREES reinforces its commitment to sustainability, social responsibility, and cultivating a workplace culture that values its employees as a cornerstone of its achievements.



HR MANUAL AND RELATED POLICIES

Employee-related policies form the backbone of effective workforce management, ensuring consistency, transparency, and alignment with organizational values. At ALDREES, these policies are enshrined in a comprehensive HR Manual, which serves as a guiding framework for all employee-related processes and standards. The manual not only defines expectations but also establishes the foundation for a productive, fair, and ethical workplace. Key Sections of the HR Manual include:

- **Code of Conduct:** This section outlines the ethical standards and behavioral expectations for all employees, fostering a culture of integrity and accountability.
- **Public Relations:** Guidelines for employee interactions with external stakeholders, ensuring professionalism and alignment with ALDREES's brand image.
- **Fixed Assets and Leased Facilities:** Policies governing the responsible use and management of company assets and facilities to ensure efficiency and compliance.
- **Employees' Permits and Licenses:** Procedures to ensure that employees meet regulatory requirements for their roles, including necessary permits and certifications.
- **Occupational Health, Safety, and Environment (OHSE):** Comprehensive safety standards and environmental practices designed to protect employees and promote sustainability.
- **Workforce and Hiring Procedures:** Structured guidelines for recruitment, selection, and onboarding to attract and retain top talent while adhering to labor laws.
- **Remuneration and Benefits:** Clear policies on salaries, allowances, and benefits to ensure fairness and competitiveness in the marketplace.
- **Performance and Appraisals:** A systematic approach to evaluating employee performance, providing constructive feedback, and recognizing achievements.
- **Training and Development:** Initiatives aimed at enhancing employee skills and capabilities, supporting career growth and organizational success.
- **Complaints, Violations, and Grievances:** Mechanisms for employees to voice concerns, report violations, and resolve grievances in a transparent and respectful manner.

In addition to the HR Manual, ALDREES implements specialized policies as complementary policies to address specific areas of governance:

- **Board of Directors and Executive Team Policies:** While board members and executives are employees, their roles are governed by distinct policies that reflect their strategic responsibilities and applicable regulations.
- **Non-Discrimination Policy:** Ensures equal opportunities and fair treatment for all employees, regardless of background or identity.
- **Business Ethics Policy:** Reinforces the company's commitment to ethical practices across all operations.
- **Collective Bargaining Policy:** Provides a framework for employee representation and negotiations, promoting mutual understanding.
- **People of Determination Policy:** Focuses on inclusion and support for employees with disabilities, ensuring accessibility and equal opportunities.



A well-structured HR Manual and complementary policies are essential for fostering a cohesive and thriving workforce. They establish clear expectations, promote fairness, and enhance employee engagement, which, in turn, drives organizational success. At ALDREES, these policies reflect the company's dedication to its people, ensuring that every employee feels valued, supported, and empowered to contribute to the company's vision and goals.

BENEFITS AND ALLOWANCES

At ALDREES presents benefits designed to align with both Saudi labor laws and the company's internal policies. Employees are entitled to competitive salaries, annual leave, medical insurance, and end-of-service benefits as mandated by KSA regulations. Additionally, ALDREES enhances these provisions with internal policies that promote a supportive work environment, including professional development opportunities, performance-based rewards, and initiatives aimed at fostering a culture of inclusivity and well-being.



11%

PERCENTAGE OF STAFF COVERED
UNDER RETIREMENT PLAN

16.6%

RATIO OF ENTRY LEVEL WAGE TO
LOCAL MINIMUM WAGE

PARENTAL LEAVE

At ALDREES, parental leave is recognized as a fundamental right for employees, reflecting the company's commitment to supporting work-life balance and family well-being. In compliance with the labor laws set by the Ministry of Human Resources and Social Development (HRSD) in Saudi Arabia, ALDREES ensures that all employees are entitled to parental leave in accordance with applicable regulations. This policy applies equally to eligible mothers and fathers, allowing them the time and flexibility needed to care for their newborns or newly adopted children. By aligning with national labor standards, ALDREES fosters a supportive workplace environment that values family responsibilities while promoting employee satisfaction and productivity. This approach not only reinforces the company's dedication to employee rights but also contributes to a more inclusive and family-friendly corporate culture.



**ALL EMPLOYEES WHO TOOK THEIR
PARENTAL LEAVE RETURNED TO WORK**

EMPLOYEES' HEALTH AND SAFETY

At ALDREES, prioritizing the health, safety, and well-being of our workforce is a fundamental commitment. By adhering to local safety protocols and implementing comprehensive internal policies, we strive to achieve full legal compliance and operational efficiency while minimizing risks, preventing injuries, and safeguarding against potential damages or losses. Safety is deeply ingrained in our organizational culture, championed by leadership and reflected in every aspect of our operations. We firmly believe that true sustainability relies on an unwavering dedication to protecting the safety, health, and welfare of employees. To foster a safe and accountable work environment, our policies empower employees to proactively address unsafe conditions, including the right to withdraw from hazardous work situations without fear of retaliation. This approach ensures a secure, productive, and supportive workplace for all. In the next section, we will discuss in details all the aspects related to OHSE.



**ALL OUR EMPLOYEES ARE INCLUDED
IN ANNUAL CHECK UPS**

TRAINING AND DEVELOPMENT

We take a strategic and detailed approach to training and development, beginning with a comprehensive needs analysis that identifies both technical skills and soft skills requirements. To accommodate varying needs, we provide a mix of in-person sessions and online learning options, ensuring flexibility and accessibility for all.

Our training programs incorporate a wide range of methods, such as e-learning, classroom-based instruction, coaching, mentoring, and more. These diverse formats address a broad spectrum of topics, from leadership and supervisory skills to behavioral strategies and technical expertise. Ultimately, our aim is not just to enhance job-specific technical abilities, but to foster well-rounded individuals capable of excelling as responsible corporate citizens.



2.8
days/year

Average number of training days per employee.

22%

Percentage of staff covered under career development program.

22%

Number of employees supported to upgrade their professional career.

DIVERSITY, EQUAL OPPORTUNITIES AND INCLUSION

At ALDREES, we recognize that diversity, equal opportunities, and inclusion are not only essential to our success but also fundamental to fostering a dynamic and innovative workplace. We believe that embracing a wide range of backgrounds, perspectives, and experiences enriches our organization and drives our long-term growth. Our commitment to these values is woven into the fabric of our operations and reflected in our corporate culture, ensuring that all employees are treated with respect, dignity, and fairness.

We actively promote a work environment that supports the inclusion of individuals from diverse backgrounds, ensuring that every team member, regardless of gender, ethnicity, or experience, has the opportunity to thrive. Equal opportunities for professional development, career progression, and training are at the heart of our policies, providing all employees with the tools they need to succeed and advance.



EMPOWERING WOMEN AND THEIR VITAL ROLE

ALDREES believes in the importance of empowering women and their critical role in achieving organizational success and long-term sustainability. In line with our social responsibility initiatives, we are committed to contributing to the realization of Saudi Vision 2030 by promoting gender equality in the workplace. We strive to create an environment where women are encouraged to participate at all levels and in all roles within the company.

Our efforts are focused on increasing the representation of women across various departments and specialties, ensuring that they have equal access to opportunities for training and professional development. By empowering women, we not only enhance the diversity of perspectives within the company but also foster innovation and creativity, which strengthens our competitive edge in the market. This commitment to gender equality also supports the social and economic pillars of our organization, contributing to a brighter, more sustainable future for everyone.

1:1

RATIO OF TRAININGS PROVIDED TO WOMAN VS MEN ANNUALLY



NON-DISCRIMINATION

At ALDREES, we are steadfast in our commitment to practicing and respecting human rights, adhering to applicable local laws and regulations, while also honoring the rules of host countries for non-local employees. Our policies are built on international standards, as well as local laws such as the Saudi Labour Law, ensuring that our employees' rights are safeguarded with the highest level of dedication.

We maintain strict policies and procedures to combat all forms of discrimination and exploitation, fostering an inclusive environment where every individual, regardless of gender, background, or nationality, is respected and valued. This commitment includes the active inclusion of women in the workplace, ensuring equal opportunities for career advancement, training, and development.

Our policy for people of determination further ensures equal treatment, offering them the same rights and duties as all employees while taking into account their specific needs in accordance with applicable laws and regulations. At ALDREES, we foster a culture of collaboration, mutual respect, and innovation, where employees feel empowered to contribute their ideas without fear of reprisal. We also respect religious freedom, ensuring that employees can practice their faith with dignity while complying with local laws and regulations.

We base decisions solely on merit, ensuring a fair and level playing field for all employees. Our commitment to fairness and equity extends across all aspects of employment, from career development to disciplinary procedures.



PERCENTAGE OF EMPLOYEE COMPLAINTS CLOSED

Safety

**A CULTURE OF OCCUPATIONAL
HEALTH & SAFETY**



Occupational Health and Safety (OHS) is a critical component of sustainable corporate practices, benefiting employees, organizations, and customers alike. In Saudi Arabia, Occupational Health and Safety (OHS) standards are primarily set and monitored by the Ministry of Human Resources and Social Development (HRSD) and the Saudi Standards, Metrology and Quality Organization (SASO), in collaboration with other regulatory bodies. These entities work to establish and enforce workplace safety regulations, ensuring the protection of workers and compliance with the Kingdom's labor laws.

Additionally, the General Organization for Social Insurance (GOSI) plays a role in monitoring workplace safety, particularly by investigating workplace incidents and promoting preventive measures. Specific industries, such as oil and gas, are subject to additional regulations enforced by specialized bodies like the Saudi Aramco Environmental, Health, and Safety Standards or the Royal Commission for Jubail and Yanbu.

Organizations are required to comply with these standards, and regular inspections, audits, and penalties for non-compliance ensure adherence to OHS regulations. Concerned with employees, OHS ensures a safe and healthy working environment, reducing workplace injuries and illnesses. Below is an overview of some of the associated SDGs:



Good Health and Well-being - SDG3
Ensuring safe working environments that promote employee health.



Decent Work and Economic Growth - SDG8
Promoting safe and secure working conditions for all employees.



Reduced Inequalities - SDG10
Ensuring health and safety standards are maintained for all employees, regardless of role or background.



Peace, Justice, and Strong Institutions - SDG16
Ensuring that OHS regulations and standards are upheld.



SAFETY FIRST - A SHARED RESPONSIBILITY **COMMITMENT TO EMPLOYEE HEALTH & SAFETY**

At ALDREES, maintaining a safe and healthy working environment for all employees is a fundamental priority. We are dedicated to adhering to local health and safety regulations in the Kingdom of Saudi Arabia, implementing proactive measures to reduce workplace risks, prevent accidents, and mitigate occupational hazards.

Our health and safety framework ensures employees are well-equipped with the necessary knowledge, training, and resources to maintain a secure workplace. By identifying potential risks, offering occupational health support, and involving employees in shaping and evaluating health and safety programs, we foster a culture of safety and well-being across all levels of the organization.

We uphold strict compliance with Saudi Arabian regulations and policies, complemented by our internal protocols and procedures designed to meet and exceed industry standards. These guidelines serve as a foundation for mitigating risks and embedding a safety-first approach throughout our operations.

Through this commitment, ALDREES demonstrates its unwavering focus on employee welfare and operational excellence, ensuring that safety remains integral to our organizational values and practices.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

At ALDREES, Occupational Health and Safety (OHS) is a fundamental pillar of our operational philosophy, reflecting our unwavering commitment to safeguarding employees and fostering a secure, healthy, and productive working environment. Our OHS framework is built on the internationally recognized ISO 45001 standard, seamlessly integrated within our broader management system to ensure a unified, efficient, and comprehensive approach to safety.

Adhering strictly to local regulations and policies in the Kingdom of Saudi Arabia, ALDREES prioritizes compliance with all legal requirements while applying best practices from within the industry sector. Our practices are governed by a suite of comprehensive policies and procedures, meticulously developed and implemented through the HR department. These include detailed guidelines on workplace safety, emergency preparedness and response, emergency planning, and continuous assessment of response measures to ensure the effectiveness of safety protocols.

As a testament to our commitment to excellence, ALDREES has achieved Safety and Quality Assessment System (SQAS) certification, an industry benchmark for safety, quality, and sustainability in chemical transport and logistics. This certification underscores our dedication to maintaining the highest standards in operational safety and environmental responsibility, particularly in handling hazardous materials.

By leveraging our integrated management system and SQAS certification, we take a proactive approach to identifying, managing, and mitigating risks, emphasizing prevention over reaction. This structured methodology enables us to align our operational goals with our commitment to employee welfare, ensuring that health, safety, and sustainability considerations are embedded in every aspect of our business.

Through the application of industry-leading practices, ongoing training, and a strong safety culture, ALDREES strives not only to meet but to exceed the expectations of employees, regulators, and stakeholders. Our dedication to OHS and our role as a responsible corporate leader in the Kingdom are further enhanced by our continuous pursuit of safety, quality, and sustainability excellence in chemical transport and logistics.



CORE POLICIES AND THEIR IMPLEMENTATION

- 1 Safety in the Workplace:** This policy outlines the fundamental principles and standards for maintaining a safe and hazard-free environment. It includes protocols for identifying and mitigating risks, routine safety inspections, and the promotion of safety awareness among employees.
- 2 Emergency Preparedness and Response:** ALDREES prioritizes readiness for unforeseen events through detailed emergency preparedness and response policies. These include an Emergency Plan that defines procedures for various scenarios, such as fires, chemical spills, and natural disasters, ensuring quick and effective action to protect lives and assets.
- 3 Emergency Response Assessment:** Regular assessments are conducted to evaluate the effectiveness of emergency response measures. This process involves simulations, drills, and reviews to identify areas for improvement and ensure that employees are confident and capable in crisis situations.
- 4 Environmental Policy:** Recognizing the interconnection between workplace safety and environmental stewardship, ALDREES integrates its Environmental Policy into OHS practices. Employees receive specialized training on managing hazardous and flammable substances, focusing on proper storage, handling, and disposal to prevent accidents and environmental harm.

EMPLOYEE TRAINING AND ENGAGEMENT

ALDREES ensures that all employees are thoroughly trained on relevant policies and procedures, equipping them with the knowledge and skills to handle specific workplace challenges. Training programs cover:

- **Chemical Management:** Safe handling of hazardous and flammable substances, with a focus on preventing exposure and accidents.
- **Emergency Scenarios:** Role-specific actions during emergencies, including evacuation protocols and first aid.
- **Ongoing Safety Awareness:** Continuous education to reinforce safety practices and encourage a proactive safety culture.

CONTINUOUS IMPROVEMENT AND MONITORING

The HR department, in collaboration with other relevant teams, regularly reviews and updates OHS policies to align with the latest regulations in the Kingdom of Saudi Arabia and industry best practices. This includes integrating employee feedback, advancements in safety technology, and findings from incident analyses to refine protocols.

By embedding these robust policies and practices, ALDREES ensures that workplace safety is not only a regulatory requirement but also a core value, fostering a culture of responsibility and care that enhances the well-being of employees and the efficiency of operations.

MONITORING AIR EMISSIONS AND QUALITY

Monitoring and managing air quality is a critical aspect of ALDREES' commitment to both environmental stewardship and Occupational Health and Safety (OHS). From an environmental perspective, controlling air emissions aligns with our responsibility to minimize our ecological footprint and adhere to regulatory standards in the Kingdom of Saudi Arabia. However, the implications extend beyond environmental compliance, directly influencing the well-being and safety of our employees and customers. Poor air quality can pose significant health risks, including respiratory issues and long-term exposure hazards, making it a priority within our OHS framework. By regularly assessing air emissions, implementing advanced control technologies, and ensuring compliance with industry best practices, ALDREES creates a safer working environment, reduces health risks, and enhances overall workplace and customer safety. This dual-focus approach underscores our integrated strategy to prioritize health, safety, and environmental sustainability across our operations.

MANAGING FIRE HAZARDS ENSURING SAFETY IN A HIGH-RISK ENVIRONMENT

At ALDREES, we recognize fire as a critical hazard due to the flammable nature of the primary substance we handle—petrol. Given the inherent risks associated with our operations, prioritizing fire safety is not only a regulatory requirement but a fundamental responsibility to protect lives, corporate assets, and the communities we serve.

IMPORTANCE OF FIRE HAZARD AWARENESS

Petrol is highly combustible, and even minor lapses in safety can lead to catastrophic incidents. Fire hazards pose risks to employees, customers, and infrastructure, making it essential to implement stringent measures to mitigate these dangers. Awareness and preparedness are key components of fire safety, ensuring that all individuals in our facilities understand the risks and the protocols necessary to prevent and respond to fire emergencies effectively.

COMPREHENSIVE EMERGENCY PLANS AND SYSTEMS

ALDREES has developed and implemented a comprehensive emergency plan that is regularly tested and updated to reflect the latest safety standards and best practices. This plan includes:

- **Fire Alarm Systems:** State-of-the-art fire alarm systems are installed across all facilities to ensure the early detection of potential fires. These systems are regularly inspected and maintained to guarantee functionality in emergencies.
- **Emergency Response Protocols:** Clear and detailed procedures are in place for evacuations, containment, and communication during a fire incident. These protocols are designed to minimize risks to life and property.

EMPLOYEE TRAINING AND PREPAREDNESS

Employee training is a cornerstone of our fire safety strategy. ALDREES ensures that all station staff are thoroughly trained to handle fire-related emergencies, including:

- **Fire Prevention Measures:** Understanding how to identify and eliminate potential fire hazards in the workplace.
- **Emergency Equipment Usage:** Proper handling of fire extinguishers, fire suppression systems, and personal protective equipment.
- **Evacuation Procedures:** Familiarity with evacuation routes and safe zones to ensure swift and orderly evacuations.
- **Customer Safety:** Employees are trained to assist customers during emergencies, ensuring their safety and minimizing panic.

PROTECTING CORPORATE ASSETS AND LIVES

In addition to safeguarding lives, ALDREES places a strong emphasis on protecting corporate assets and infrastructure. Employees are trained to act swiftly and responsibly, following established protocols to contain fire hazards and mitigate damage to facilities and equipment. By embedding fire safety into our operational culture, we reduce the potential for loss and ensure business continuity.

REGULAR DRILLS AND ASSESSMENTS

To ensure preparedness, ALDREES conducts regular fire drills and emergency response simulations. These activities test the effectiveness of our fire safety systems and the readiness of employees to handle real-life scenarios. Lessons learned from these drills are incorporated into updated emergency plans, reinforcing a cycle of continuous improvement.

By prioritizing fire safety through comprehensive planning, advanced systems, and robust training, ALDREES demonstrates its commitment to the well-being of employees, customers, and stakeholders. This proactive approach not only enhances safety but also reinforces our reputation as a responsible and reliable leader in the industry.

4

Number of environmental spills and incidents

4

Fatal Accident Rate

17

Number of Recorded injuries

317

Hours
Number of Lost Time Injury hours

14,400

Inspections
Number of Safety Inspections

35

Employees
Number of employees trained on HSE System/Manuals

MONITORING AIR EMISSIONS AND QUALITY

As shown previously, at ALDREES, we are deeply committed to prioritizing safety and security, recognizing that these values are central to our social responsibility. Our dedication goes beyond simply meeting standards; it is reflected in our unwavering focus on delivering services with the utmost attention to safety and quality. This commitment ensures the well-being of our employees, customers, and the broader community. We understand that upholding high safety standards is essential for long-term success in the petroleum and transport sectors. As part of our transparency, Occupational Health and Safety (OHS) efforts, and ongoing commitment to best practices, we actively address safety concerns and take proactive measures to safeguard everyone involved. The following examples (as part of our maintenance reporting) highlight some of the key safety and precautionary issues we have addressed under our comprehensive safety framework, which includes the protection of employees, customers, and local communities.

AUTOMATIC AND EMERGENCY DISCONNECT SWITCHES

Emergency disconnect switches must be installed inside fuel stations according to section (33) of the Fire Protection Code (801-SBC). These switches are used to cut off power from fuel distribution systems during emergencies, including pumps, electrical circuits, and control systems within hazardous areas. The switches should be located between 6 meters and 15 meters from the fuel dispensing devices they control. They must be placed in easily accessible spots, free of obstructions, with clear signs directing people to the emergency shut-off switch. The signs should be in approved locations and indicate "Shut off fuel in case of emergency."



DUAL EXTENSIONS

The implementation of dual installations is considered one of the essential requirements for the following reasons:

- 1- To contain any leaks that may occur within the installations during the operation process.
- 2- Equipped to install a sensor to detect any potential leaks in real-time for each line.
- 3- To protect the environment from the risk of petroleum substances leaking into the soil through the installations.



ELECTRICITY

The electrical systems of the station play a vital role in ensuring both safe and efficient operation, aligning with Occupational Health and Safety (OHS) standards. These systems include essential components that supply power to various station equipment, helping to maintain a safe working environment. The electrical installations, such as those for submersible pumps, fuel pumps, price display boards, and entrance and exit signage, are designed with safety in mind to minimize risks and protect both employees and customers.



SENSORS AND MONITORING (TANKS AND DISPENSERS SUMPS)

Sensors are of utmost importance during the monitoring of products and detecting leaks. This is done through the following methods:



- 1- Interstitial monitoring sensor between the tank room wall and the steel tank.
- 2- Interstitial monitoring sensor for dual installations.
- 3- Leak detection sensor for the tank spill containment vessel.
- 4- Leak detection sensor for the pump spill containment vessel.

SPILL BUCKETS

Sampling and Discharge Points (spill buckets) are installed for the following reasons:

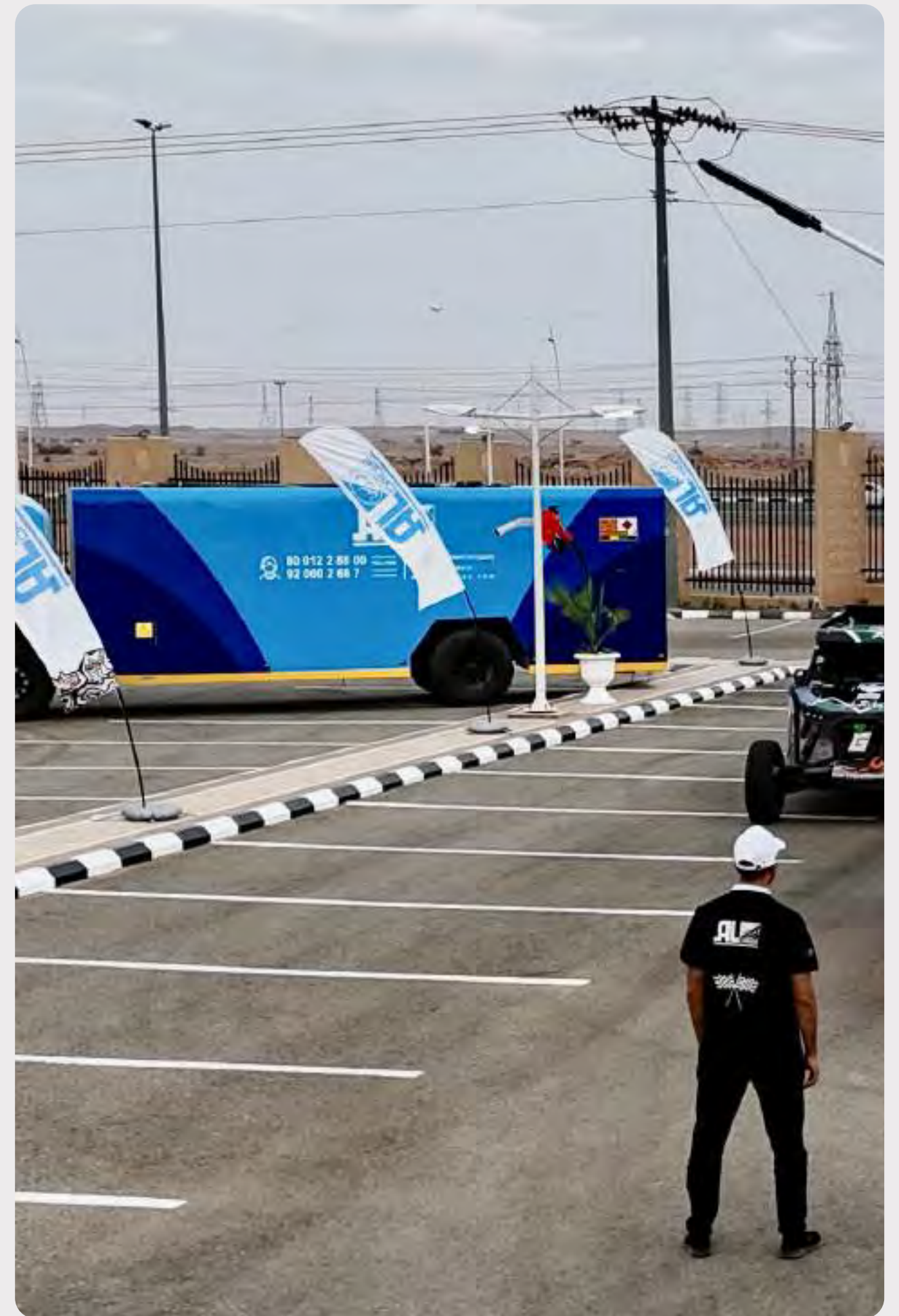
- 1- To contain the discharge at specific points.
- 2- To prevent any spills that may occur during the discharge process.
- 3- In case of a spill, the vessel has a drainage system to return the product to the tank.



VAPOR RECOVERY (VR 1)

Electrical connections are installed inside EMT conduits for the following reasons:

- 1- To protect the connections from any external factors.
- 2- To reduce the likelihood of electrical leaks.
- 3- To prevent the entry of product vapors into the conduits.



Customers

**FOSTERING LOYALTY THROUGH
SUPERIOR CUSTOMER CARE**



Saudi Arabia is advancing customer experience by implementing robust regulatory frameworks and policies that compel corporates to align with the nation’s Vision 2030 objectives. These initiatives aim to enhance customer satisfaction, elevate service quality, and establish the Kingdom as a global benchmark for customer-focused business excellence. Key regulatory measures driving these improvements include a series of mandates and guidelines to ensure corporations prioritize customer satisfaction:

Quality Assurance Standards: Regulatory authorities such as the Saudi Standards, Metrology, and Quality Organization (SASO) enforce compliance with global standards for customer service and product quality.

These measures collectively support a regulatory environment that promotes excellence in customer experience and satisfaction across all sectors. Below is an overview of some of the associated SDGs:



Industry, Innovation, and Infrastructure - SDG9
Developing sustainable and innovative products and services that meet customer needs.



Responsible Consumption and Production - SDG12
Ensuring sustainable practices in product offerings and customer interactions.



Peace, Justice, and Strong Institutions - SDG16
Ensuring transparent and ethical practices in customer relationships.



CUSTOMER CARE

At ALDREES, we are committed to embracing advancements in technology and the supply chain industry to deliver innovative, sustainable, and cost-effective solutions that align with our customers' evolving needs. Our focus extends beyond operational excellence to ensuring the health and safety of our customers through strict adherence to relevant laws and regulations. By prioritizing environmentally friendly practices, we aim to provide solutions that contribute to a more sustainable future.

To maintain a customer-centric approach, we have established internal channels dedicated to gathering and acting on customer feedback. This ensures we continuously improve our services, address customer concerns, and strengthen our relationships. We strive to be a trusted partner by combining compliance, sustainability, and responsiveness to exceed customer expectations.

CUSTOMERS' HEALTH AND SAFETY

At ALDREES, the health and safety of our customers are paramount. We strictly comply with local policies and regulations in the Kingdom of Saudi Arabia (KSA), upholding the highest Occupational Health and Safety (OHS) standards. Our commitment to safety is seamlessly integrated into all aspects of our operations, particularly in managing petrol stations where handling hazardous materials requires the utmost caution and precision.

ALDREES proudly holds the Facility Qualification Certificate, a testament to our adherence to best practices in health, safety, and operational excellence. This certification underscores our dedication to implementing rigorous safety measures that protect both our customers and employees.

From the planning and construction of our petrol stations to their daily operations, safety remains a cornerstone. We deploy advanced risk management systems to identify, assess, and mitigate potential hazards effectively. In addition, robust emergency protocols, such as fire prevention and response strategies, are in place to address incidents swiftly and efficiently.

Our teams undergo comprehensive training to ensure the safe handling of hazardous materials and to be fully prepared for any emergency situations. At every station, clear safety signage and guidance are provided to enhance customer awareness and encourage adherence to safety practices.

State-of-the-art safety infrastructure, including fire suppression systems, spill containment measures, and real-time monitoring equipment, further demonstrates our commitment to exceeding regulatory requirements. These measures are not only critical for maintaining compliance but also essential for fostering a safe and secure environment for all.

By embedding health and safety considerations into every layer of our operations and holding certifications that reflect our dedication to best practices, ALDREES reinforces its position as a trusted leader in the industry. This steadfast commitment ensures the well-being of our customers and employees, aligning with our broader mission to deliver excellence and reliability in all that we do.

CUTTING-EDGE & ENVIRONMENTALLY FRIENDLY SOLUTIONS

At ALDREES, customer care is more than a service—it is a commitment to delivering excellence, convenience, and sustainability through innovative solutions tailored to meet evolving needs. Our focus on providing the best customer service is reflected in the modernized, environmentally friendly offerings that enhance the overall customer experience.

A key component of our customer care strategy is the development of infrastructure for electric vehicles (EVs). By introducing advanced EV charging stations across our network, we aim to support and encourage the adoption of electric cars. This initiative not only caters to the growing demand for sustainable transportation but also aligns with our broader mission to reduce environmental impact.

In addition to EV infrastructure, ALDREES offers mobile fuel stations designed to serve customers in remote areas. These stations operate on cost-effective, digitalized systems equipped with advanced sensors to ensure seamless and efficient service. By reducing the need for customers to travel long distances to refuel, we help decrease greenhouse gas (GHG) emissions, minimize time spent on the road, and lower fuel-related expenses.

Our customer-centric approach extends to leveraging technology to create a smoother, faster, and more reliable service experience. Digital platforms and innovative tools ensure transparency, convenience, and ease of use, enabling us to better serve customers while contributing to sustainability goals.

At ALDREES, we recognize that customer care is a dynamic process. By continuously introducing forward-thinking solutions and prioritizing environmentally friendly practices, we reaffirm our commitment to enhancing the quality of life for our customers while promoting a more sustainable future.

ENHANCING CUSTOMERS' EXPERIENCE

Key Outcomes
Improving User Experience: Identifying challenges, refining the user interface, and ensuring intuitive design.

Enhancing Efficiency: Simplifying and accelerating licensing procedures through digital transformation, reducing processing times.

ALDREES Contributions:
Performance Analysis: Providing insights into user interactions.

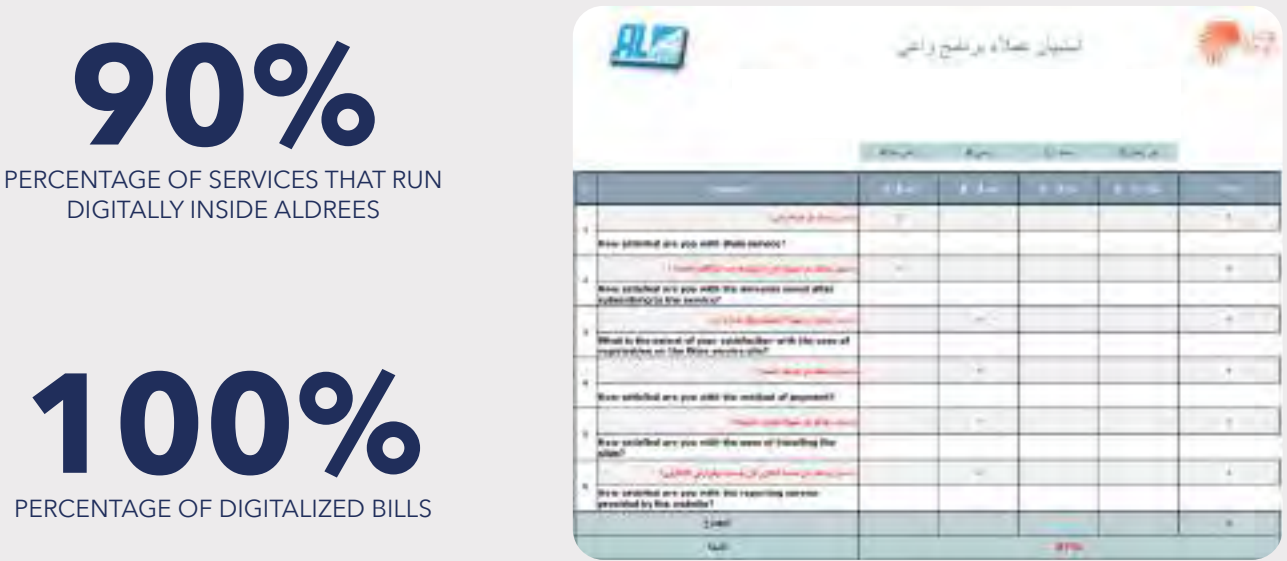
System Testing: Assisting in platform testing to ensure it meets user needs.

Knowledge Sharing: Offering case studies and practical examples from past projects.

ALDREES Contributions:
ALDREES played a vital role in launching an improved e-platform for the Ministry of Energy, ensuring a seamless user experience and developing a roadmap for future updates. This initiative highlights the strong partnership between ALDREES and the Ministry, driving digital transformation in the energy sector and contributing to the goals of Saudi Vision 2030.

Implementation of WAIE System
As highlighted in the "Digitalization" section, WAIE is an example of ALDREES' commitment to enhancing customer experience and satisfaction through innovative technology. This smart, electronic refueling service serves both companies and individuals, ensuring high-quality fuel delivery tailored to customer needs. By using fuel input sensors, the system automatically identifies customers, removing the need for cash transactions, while maintaining security, speed, and efficiency.

WAIE works by enabling communication between the nozzle and an electronic chip at the station. This short-range connection allows for seamless refueling authorization based on the customer's registered data, enhancing the overall experience. Additionally, feedback is collected through specialized surveys, helping to continually improve the service.



PRIVACY AND DATA SECURITY

ALDREES is committed to ensuring the highest standards of data security and compliance with cybersecurity regulations in line with the Kingdom of Saudi Arabia’s laws and regulations. The company has successfully attained the Cybersecurity Compliance Certificate and has established comprehensive internal regulations, including robust IT policies and procedures, to prevent any unauthorized use of data in an inclusive integrated management system. These measures not only ensure legal compliance with applicable rules but also aim to safeguard sensitive information, ensuring confidentiality for both internal stakeholders and external parties. This commitment helps strengthen trust with customers and users while preventing potential risks, penalties, and reputational damage.

ALDREES adopts a multi-layered approach to cybersecurity, focusing on prevention, risk elimination, and mitigation. The company utilizes a combination of advanced technology, trained personnel, and strict processes to manage risks effectively. This approach aligns with best practices in this field couple of with internal audits ensuring continuous improvement in security resilience. Regular internal and external assessments, along with disaster recovery , risk management and business continuity simulations, are conducted to maintain a high level of preparedness.

In addition, ALDREES prioritizes data privacy and protection, particularly regarding the personal data of employees, customers, vendors, and partners. The company’s policies are designed to adhere to strict data protection laws, ensuring the lawful, fair, and transparent use of data. ALDREES follows key principles such as purpose limitation, data minimization, security, and accountability, reinforcing its commitment to maintaining privacy and trust. The company’s data protection activities are coordinated by a dedicated team, with compliance monitored by the IT Department, in line with anti-corruption and code of conduct policies, further enhancing operational performance and safeguarding against any potential risks.



Social Responsibility

**WE ARE LISTENING & ENGAGING WITH
NEIGHBORS AND COMMUNITIES**



The Kingdom of Saudi Arabia (KSA) is actively encouraging corporates to enhance their Corporate Social Responsibility (CSR) through a range of initiatives aimed at fostering positive impacts on both the environment and society. The government is implementing policies that promote sustainability and social engagement, urging companies to contribute to environmental preservation, community development, and social well-being. By incentivizing businesses to adopt responsible practices, KSA aims to strengthen the bonds between internal stakeholders, such as employees, and external stakeholders, including local communities and suppliers. These efforts not only focus on enhancing the community structure but also on developing local communities through educational programs, job creation, and support for small businesses.

Ultimately, these initiatives contribute to the broader goal of creating a more sustainable and inclusive society, benefiting both the environment and the people of KSA. Below is an overview of some of the associated SDGs:



No Poverty - SDG1
Addressing poverty through community development programs.



Zero Hunger - SDG2
Supporting initiatives related to food security and sustainable agriculture.



Reduced Inequalities - SDG10
Ensuring equal access to opportunities and addressing societal inequalities.



Sustainable Cities and Communities - SDG11
Contributing to the development of sustainable, resilient communities.



Climate Action - SDG13
Addressing climate change and promoting environmental sustainability.



Partnerships for the Goals - SDG17
Collaborating with stakeholders to achieve CSR objectives.

COMMUNITY ENGAGEMENT

At ALDREES, we strongly align with the Kingdom of Saudi Arabia's Vision 2030, recognizing that Corporate Social Responsibility (CSR) is not just a duty, but a critical enabler of national growth and sustainability. Under the visionary leadership of His Royal Highness the Crown Prince, CSR has become a cornerstone in the nation's ambitious plans to build a prosperous and dynamic future.

Vision 2030 lays out a framework built on three key pillars: a vibrant society, a thriving economy, and an ambitious nation. These pillars emphasize the importance of social responsibility in fostering long-term, sustainable development. ALDREES is proud to play its part in advancing this vision, focusing on CSR initiatives that not only benefit local communities but also create a positive and lasting impact for both society and the corporation itself.

Implementing CSR is not just about giving back to the community; it's a win-win strategy that brings benefits to both corporations and society. For companies, engaging in CSR helps build stronger relationships with stakeholders, enhances brand reputation, and fosters employee satisfaction and loyalty. For society, it leads to better education, healthcare, and economic opportunities, all of which contribute to the overall well-being and prosperity of the community.

At the heart of our CSR efforts is the ALDREES Social Service Program, which includes the following key initiatives:

- ▶ Providing financial and technical support to social and developmental projects that address community needs.
- ▶ Launching educational and skill development initiatives to empower individuals and equip them for future opportunities.
- ▶ Creating sustainable job opportunities and offering platforms for entrepreneurship, nurturing local talent and driving economic growth.
- ▶ Supporting health and medical programs, ensuring that vital healthcare services reach underserved and vulnerable populations.

Through these initiatives, ALDREES not only contributes to the sustainable development of local communities but also aligns with the broader goals of Vision 2030, driving national progress. By embracing CSR, we help create a more equitable, thriving society, while simultaneously strengthening our corporate position and ensuring long-term success for both our company and the communities we serve.

In 2024, ALDREES took significant steps in advancing its commitment to the Sustainable Development Goals (SDGs) and Corporate Social Responsibility (CSR), aligning with the Kingdom of Saudi Arabia's Vision 2030. Through a diverse range of initiatives, the company focused on empowering individuals and communities across the Kingdom, creating opportunities for growth and development in a positive and supportive environment.

These programs span several key areas, including health and well-being, community advocacy, and personal guidance. ALDREES recognizes the importance of fostering an inclusive society, and as such, it has prioritized initiatives that promote gender equality. Through dedicated women empowerment programs and the creation of equal opportunities across all sectors, the company strives to ensure that every individual, regardless of gender, has access to the same opportunities for success.

The company's efforts go beyond simply meeting the needs of the present; ALDREES is committed to generating long-term, sustainable positive impacts on the community. By fostering inclusive development and supporting various social causes, ALDREES aims to contribute to the overall well-being of all citizens, aligning its objectives with the broader goals of Vision 2030. These initiatives reflect ALDREES's ongoing dedication to social responsibility and its role in shaping a prosperous and equitable future for Saudi Arabia.



The following table showcases the most important contributions made in the realm of corporate social responsibility:

Name of the Association	Contributions
Ehsan Association	A commemorative shield from the platform in recognition of a contribution of one million Riyals, with a special ceremony held for the honor
Association Friends of Cancer Patients	Letter of Appreciation No. [17/24] for contributing an amount of 20,000 Saudi Riyal to support the treatment of cancer patients.
Saudi Charity Society for Liver Patients	Letter of Appreciation No. [241] for contributing an amount of 15,000 Saudi Riyal to support the association's programs.
Charity Committee for Orphans Care	Letter of Appreciation No. [6430/M.H.] for contributing to the purchase of a bus for the association's orphans.
King Saud University	Letter of Appreciation No. [335558/64/4] for contributing an amount of 60,000 Saudi Riyal to provide emergency services for Umrah and Hajj pilgrims.
Br Twaim Charity Association	Letter of Appreciation No. [44/24] for contributing an amount of 500,000 Saudi Riyal to the Wedding Hall Project in Al-Tuwaieem.
Ber Harmah Association	Letter of Appreciation No. [1110] for contributing an amount of 10,000 Saudi Riyal to the Winter Clothing Project for the year 1446 AH.

Name of the Association	Contributions
Saudi Arabian Boy Scouts Association	Letter of Appreciation No. [21/45] for contributing an amount of 50,000 Saudi Riyal to support volunteer work camps for the Hajj season of 1445 AH.
Association for Honoring Travelers	Letter of Appreciation No. [24/S/024] for contributing an amount of 15,000 Saudi Riyal to support the association's programs.
Akhlaquna Association for Enhancing Values	Letter of Appreciation No. [without] for contributing an amount of 6,000 Saudi Riyal for fuel costs to support the association's vehicles.
Raudat Sudair Municipality	Letter of Appreciation No. [4600060621] for contributing an amount of 10,000 Saudi Riyal to participate in the 94th National Day event.
Hawtat Sudair Community Development Association	Letter of Appreciation No. [141] for contributing an amount of 10,000 Saudi Riyal to support the Second Khudari Sudair Festival.
Moafa Health Association	Letter of Appreciation No. [without] for contributing an amount of 10,000 Saudi Riyal to support the treatment of those in need.
Arzaq El-Khair Association for Save Grace	Letter of Appreciation No. [113] for contributing an amount of 6,000 Saudi Riyal for fuel costs to support the association's vehicles.
Charitable Society for the Memorization of Quran in Riyadh (Maknoon)	Letter of Appreciation No. [without] for contributing an amount of 3,000 Saudi Riyal for fuel costs to support the association's vehicles.

Name of the Association	Contributions
Liajlehum Association for Serving People with Disabilities	Letter of Appreciation No. [without] for contributing an amount of 50,000 Saudi Riyal to support the Quran Interpretation App.
Aledkhar Association	Letter of Appreciation No. [04450] for contributing an amount of 15,000 Saudi Riyal for fuel costs to support the association's vehicles.
Tarbyh Namouthajiyah Schools	Letter of Appreciation No. [without] for contributing an amount of 3,000 Saudi Riyal to support the English Language Project.

PROMOTING SUSTAINABILITY THROUGH SUPPLY CHAIN & PROCUREMENT

At ALDREES, procurement plays a vital role in supporting the company's commitment to sustainability and ethical business practices, complementing its broader Corporate Social Responsibility (CSR) objectives. Beyond aligning with local regulations, ALDREES enforces a strict procurement policy that governs every stage of the process. This policy is integrated into the company's ERP system, streamlining procurement activities to ensure efficiency, transparency, and compliance. The system not only facilitates smooth transactions but also ensures that suppliers adhere to ALDREES's high standards of business ethics and code of conduct. This commitment extends throughout the supply chain, with the company actively encouraging its suppliers to adopt sustainable practices that minimize environmental impact and promote social responsibility. By enforcing these practices, ALDREES strives to foster a responsible and sustainable supply chain, driving positive change both within the company and across the broader community.

85%

PROPORTION OF BUDGET SPENT ON LOCAL SUPPLIERS

90%

PERCENTAGE OF SUPPLIERS ASSESSED FOR ENVIRONMENTAL POLICIES & SUSTAINABILITY POLICIES

ACCOUNTABLE AND TRANSPARENT GOVERNANCE



Saudi Arabia is actively enforcing and encouraging effective business ethics and governance as part of its broader transformation agenda under Vision 2030, which prioritizes transparency, accountability, and sustainability as pillars for governance. The Saudi Companies Law mandates transparency, fair treatment of stakeholders, and compliance with governance principles, requiring companies to establish internal audit and compliance systems to uphold these standards. Additionally, the Capital Market Authority (CMA) enforces regulations, such as the Corporate Governance Regulations, ensuring fair disclosure and the protection of shareholder rights. Complementing these efforts, the Saudi Anti-Corruption Commission (Nazaha) plays a critical role in combating bribery and corruption, fostering ethical conduct in both public and private sectors. Together, these initiatives aim to attract foreign investment, drive sustainable economic growth, and position the Kingdom as a leader in ethical and transparent business practices on a global scale.

Governance and business ethics are directly and indirectly associated with several Sustainable Development Goals (SDGs) due to their influence on responsible decision-making, transparency, and equitable practices. Below is an overview of some of the associated SDGs:



Gender Equality - SDG5
Ethical practices uphold gender equity through non-discrimination and equal opportunities.



Decent Work and Economic Growth - SDG8
Ethical governance ensures fair labor practices, equitable wages, and sustainable economic growth.



Industry, Innovation, and Infrastructure - SDG9
Governance frameworks drive innovation and ethical industrial growth while safeguarding infrastructure.



Reduced Inequalities - SDG10
Governance policies ensure equitable treatment and reduce disparities among stakeholders



Sustainable Cities and Communities - SDG11
Responsible governance ensures businesses contribute positively to urban sustainability and community welfare.



Responsible Consumption and Production - SDG12
Business ethics promote sustainable resource use and responsible production processes.



Climate Action - SDG13
Ethical business practices align with climate goals, mitigating environmental impacts through sustainable strategies.



Peace, Justice, and Strong Institutions - SDG16
Transparent governance fosters accountability, combats corruption, and builds trust in institutions.



Partnerships for the Goals - SDG17
Transparent governance strengthens collaborations for sustainable development across sectors.

GOVERNANCE AND BUSINESS ETHICS

Good governance and business ethics are critical to a company's performance, driving sustainable success by fostering transparency, accountability, and trust among stakeholders. Internally, they establish a culture of integrity and responsibility, ensuring that decision-making aligns with the organization's values and strategic goals. This leads to efficient operations, reduced risks, and enhanced employee morale. Externally, adherence to ethical standards builds a positive reputation, strengthens customer and investor confidence, and attracts partnerships. The influence of good governance extends beyond financial performance, positively impacting environmental and social aspects by promoting responsible resource use, reducing environmental footprints, and supporting community development. By addressing internal factors such as compliance and risk management, alongside external factors like stakeholder engagement and regulatory adherence, good governance and business ethics create a holistic framework that integrates economic, social, and environmental priorities, ensuring long-term resilience and value creation.

At ALDREES, good governance and business ethics are integral to the company's operations, with the Board of Directors (BOD) and its related committees playing a pivotal role in setting, monitoring, and reviewing policies and regulations to ensure effective implementation across all departments. The BOD, supported by specialized committees such as the Audit, Remuneration, Executive and Business Development Committees, oversees the alignment of corporate strategies with governance principles. The Audit Committee ensures financial transparency, compliance with regulations, and risk management, while the Remuneration Committee develops fair compensation frameworks that motivate employees and uphold ethical standards. The Executive Committee drives operational excellence by evaluating policies and suggesting improvements to enhance performance. These committees collaborate to address the priorities of both internal and external stakeholders, ensuring compliance with national and international regulations, promoting ethical behavior, and building trust. By continuously strengthening governance frameworks and ethical standards, ALDREES is committed to driving sustainable growth, meeting stakeholder expectations, and upholding corporate responsibility.

As a publicly listed entity under the Saudi Capital Market Authority (CMA), ALDREES places significant emphasis on risk management, transparency, and regulatory compliance as core components of its corporate governance framework. The company upholds its commitment to these principles through several key practices:

- **Enhanced Transparency through Governance Reports:** ALDREES publishes detailed annual reports outlining its corporate governance practices. These reports include critical aspects such as the composition of the Board of Directors, the effectiveness of internal control systems, and comprehensive information disclosure.
- **Rigorous Compliance with CMA Regulations:** The company ensures full adherence to the dynamic regulations and guidelines issued by the CMA, reflecting its alignment with best governance practices and commitment to regulatory excellence.
- **Fostering Accountability and Stakeholder Engagement:** ALDREES prioritizes open communication by maintaining effective channels for investor engagement. This approach facilitates timely responses to inquiries and ensures clarity in the dissemination of information.

By integrating robust risk management practices with a focus on transparency and compliance, ALDREES demonstrates its dedication to maintaining high governance standards, supporting sustainable growth, and reinforcing stakeholder trust.

At ALDREES, business ethics are governed by the company's established policy framework outlined in the "Corporate Governance Principles, Policies, and Procedures." This policy serves as a cornerstone for ensuring that all business activities are conducted with integrity, transparency, and accountability. It provides clear guidelines on ethical conduct, including how employees, management, and stakeholders should approach decision-making, conflicts of interest, and compliance with laws and regulations. The policy emphasizes the importance of fairness, honesty, and respect in all interactions, promoting a corporate culture where ethical behavior is not just encouraged but required. By adhering to these principles, ALDREES fosters trust with its stakeholders, supports sustainable business practices, and ensures that its operations align with both legal and ethical standards, thereby contributing to long-term success and reputation.

At ALDREES, the QMS ISO 9001 certification is a key component of the Integrated Management System (IMS), which is governed by an internal manual that ensures alignment with the company's governance and business ethics. ISO 9001, a globally recognized standard for quality management systems, helps the company maintain efficient, transparent, and accountable processes. This certification reinforces ALDREES' commitment to delivering high-quality products and services while upholding ethical business practices. As part of the IMS, which integrates various management systems across the organization, ISO 9001 fosters a culture of continuous improvement, where processes are regularly reviewed and optimized to meet customer expectations and regulatory requirements. The combination of quality management and governance through the IMS, along with the internal manual that guides its application, ensures that all actions are conducted with integrity and responsibility. The result is enhanced customer satisfaction, more efficient operations, and a stronger market reputation, driving ALDREES' long-term growth and success.

RISK MANAGEMENT

POLICY

The company has established a comprehensive risk management framework to standardize and streamline risk management activities across all business units. This unified framework ensures consistent implementation throughout the organization.

Risk is viewed as an integral component of the company’s strategy, essential for achieving corporate and business unit objectives while delivering superior returns to shareholders. A systematic and common approach has been developed to manage risks effectively across the organization. This approach enhances risk awareness, ensures proper risk handling, and provides transparency in business unit risk profiles. It also enables a comparative and aggregated view of risks, supporting a portfolio-based approach to risk management.

Business units are tasked with proactively anticipating and managing risks by leveraging opportunities and mitigating potential threats within their defined risk tolerance levels. Given the dynamic nature of both internal and external risks, business units are expected to stay vigilant and take proactive measures to address evolving challenges effectively such as:

- Deliver consistent results, even in a dynamic business environment.
- Identify and capitalize on emerging opportunities as they arise.
- Leverage expertise through collaborative knowledge sharing.
- Navigate ambiguity, uncertainty, and growing complexity with confidence.
- Set priorities, make informed decisions, and implement timely solutions.

OBJECTIVES OF RISK MANAGEMENT

- **Embedding an Efficient Risk Management Process:** Streamline the risk management process to optimize the cost of handling business risks.
- **Enhancing Business Performance:** Support management in addressing risks and capitalizing on opportunities to improve the company’s overall performance.
- **Integrating Risk Management into Decision-Making:** Incorporate risk management into the company’s strategic planning and decision-making processes to ensure alignment with business objectives.
- **Maintaining Comprehensive Risk Assessment:** Continuously assess significant business risks and implement appropriate treatment plans to address them.

Promoting a Risk-Aware Culture: Cultivate a mindset where management takes ownership of risks, embraces risk management practices, and accepts accountability for managing those risks.

Providing Assurance: Offer assurance to the Board and senior management on the effectiveness of the risk management process.

Safeguarding the Company: Ensure effective and efficient risk management to minimize the likelihood and impact of potential risk incidents, keeping the company out of trouble.

RISK MANAGEMENT PROCEDURES

Risk is an inherent aspect of business operations, and effective risk management is integral to daily business activities. The company seeks to formalize its risk management approach, enabling business units to implement best practices, share insights, and transparently address key risks that could impact shareholders.

The company strives to be aware of risks without being excessively cautious, actively managing risks across business units to safeguard and foster growth. While pursuing its business objectives, the company acknowledges that certain risks must be undertaken. The goal is to take these risks in a well-informed and proactive manner, ensuring that the level of risk aligns with potential rewards. This approach also ensures that the company can understand, manage, or absorb any impact should the risks materialize.

Management will define appropriate risk responses to achieve business unit objectives while maintaining acceptable risk levels. Risk tolerances for each business unit will be quantified and regularly updated by management at the group, divisional, and business-unit levels. Furthermore, the company will take active measures to avoid risks that could:

- Compromise the safety of employees or other stakeholders, including customers.
- Damage the company’s reputation.
- Lead to violations of laws, regulations, or legislation.
- Threaten the long-term viability of the company.

RISK MANAGEMENT REQUIREMENTS

To establish a formalized approach to risk management across the company and ensure a consistent level of transparency and performance, several key requirements have been set for business units. The company group, divisions, and business units are required to:

- Annually develop and review a statement outlining the risk tolerance for the group, division, or business unit.
- Clearly define responsibilities for managing risk and ensuring the sustainability of the company’s risk management framework within the business unit.
- Conduct a formalized risk assessment at least once a year, which should include identifying, prioritizing, measuring, and categorizing all key risks that could potentially impact the business unit’s objectives.
- Continuously monitor key risks and controls, and implement appropriate risk responses when necessary.
- Provide an annual report on the key risks identified within the business unit, using the company’s risk reporting formats.
- Regularly monitor and review the application of the risk management framework.

RISK MANAGEMENT ROLES AND RESPONSIBILITIES

Line management holds primary responsibility for risk management. This section outlines the specific duties related to implementing, supporting, and auditing the risk management processes.

Business Unit Management

Risk management is an integral part of daily management practices. The specific responsibilities of business unit management in relation to structured risk management include:

- Developing and maintaining an appropriate organizational structure to support the application of the risk management framework.
- Developing and reviewing the business unit’s risk tolerance.
- Identifying, assessing, and reporting material risks annually as part of the budgeting process, and reporting significant new risks on an ad-hoc basis.
- Implementing the risk management framework within the business unit.
- Managing the material risks within the business unit to ensure that the actual risk profile aligns with the established risk tolerance.

Risk Management Committee

The Risk Management Committee, in association with other committees such as the Audit Committee, Board of Directors (BOD), and executive teams, holds a critical role in overseeing the company's risk management activities. Its key responsibilities include:

- Critically reviewing business unit risk reporting and providing feedback as part of the Three-year Planning process.
- Developing the corporate risk tolerance and reviewing and approving business unit risk tolerance statements.
- Determining, communicating, and supporting the company’s risk management approach to business units.
- Ensuring the appropriate structure, processes, and competencies are in place across the company to meet the requirements outlined in this policy.
- Formulating and updating the company’s Risk Management Policy.
- Reporting to the Supervisory Board and the Audit Committee on material risks.

Risk Support Officer

The Risk Support Officer is a part-time, dedicated role at the company level, typically held by the Head of Internal Audit. This position ensures that risk management is consistently and systematically integrated across all company business units. The specific responsibilities of the Risk Support Officer include:

- Assisting business units in utilizing these tools and methodologies effectively.
- Coordinating and delivering training in risk management.
- Ensuring clear and consistent risk management communication across the company.
- Facilitating risk assessments, upon request from business units, as part of the Three-year Plan or to support key decisions.
- Maintaining the company’s risk management framework, including tools and methodologies.
- Providing an annual risk report for the Company Holding, along with a consolidated risk report.

Assurance/Auditing

The company has a dedicated internal audit function that systematically conducts operational and financial audits across its business units. As part of the risk management process, business units are responsible for assessing their own risks, implementing appropriate controls, monitoring both risks and controls, and ensuring that risks are managed effectively.

Corporate-level assurance is formalized through audits that focus on how business units apply the risk management framework. Regular operational and financial audits will be carried out by the corporate audit team. The results of the risk assessment process will serve as input for corporate audit planning.

Audit Committee/Supervisory Board of Directors (BOD)

The Audit Committee and Supervisory Board of Directors are integral to overseeing the company's risk management practices, ensuring they align with corporate objectives and that significant risks are appropriately addressed. The committee's work is closely related to other key committees, such as the Risk Management Committee, Board of Directors, and Executive Committee. Their key responsibilities include:

- Being aware of the most significant risks across the business units and assessing whether management is responding appropriately.
- Monitoring and ensuring the appropriate application of the risk management framework within the business units.
- Reviewing and approving the corporate risk tolerance (risk appetite).
- Reviewing and approving the risk management policy to ensure consistency with the company’s corporate objectives.
- Reviewing the portfolio of risks and evaluating it in the context of the corporate risk tolerance.

Risk Compliance Auditor

The Risk Compliance Auditor is responsible for reviewing and reporting on the effectiveness with which business units adhere to the requirements outlined in the company’s Risk Management Policy. Typically, externally resourced, the Risk Compliance Auditor reports directly to the Audit and Compliance Committee. The specific responsibilities of the Risk Compliance Auditor include:

- Evaluating and reporting on the compliance of the business units with the company’s Risk Management Policy.
- Evaluating compliance with other company policies on an ad-hoc basis.
- Evaluating controls in key risk areas on an ad-hoc basis.
- Reviewing and reporting on the extent to which management has applied the company’s risk management framework.

RISKS RELATED TO COMPANY’S ACTIVITIES

Understanding the outlined risk factors across all domains of the company is essential to ensure that the organization’s performance remains robust and its strategic objectives are achieved. By identifying and managing potential risks in areas such as operations, finance, and market conditions, the company can proactively mitigate negative impacts that may hinder growth or profitability. This proactive approach helps safeguard the company’s financial health, allowing it to maximize opportunities and deliver consistent value. For investors and shareholders, a thorough understanding of these risks ensures that they can make informed decisions, ultimately protecting their interests and enabling them to fully benefit from the company’s success. The following is a list the outlines the possible risks associated to the company’s activities and operations: Risks associated with legislations and regulations

- 1-Reliance on Customers by Governmental Agencies and Companies
- 2-Risks associated with fuels availability and prices
- 3-Risks associated with Insurance Coverage
- 4-Reliance on Important Human Cadres
- 5-Reliance on Certain Important Computer Programs
- 6-Risks associated with Market:
 - I.Competitive Environment
 - II.Excellence of Services
 - III.Mergers and Alliances
- 7-Distribution of Profits
- 8-Financial Risk
 - I.Price Risk:
 - a.Commodity Risk
 - b.Currency Risk
 - c.Equity Risk
 - d.Financial Instrument Risk
 - e.Interest Rate Risk
 - II.Liquidity Risk:
 - a.Cash Flow Risk
 - b.Concentration Risk
 - c.Opportunity Cost Risk
 - III.Credit Risk:
 - a.Collateral Risk
 - b.Concentration Risk
 - c.Default Risk
 - d.Settlement Risk
- 9-Information for Decision-Making Risk
 - I.Operational Risk
 - II.Public Reporting
 - III.Strategic Risk

ALL
OUR OPERATIONS ARE ASSESSED
FOR RISK MANAGEMENT

TRANSPARENCY

DISCLOSURE AND TRANSPARENCY

Transparency is a core principle of corporate governance, essential for building trust between the company, shareholders, and other stakeholders. It ensures that the company is open about its operations and activities, both financial and non-financial, allowing stakeholders to make informed decisions based on accurate and comprehensive data.

In the context of corporate governance, transparency involves the clear and accessible presentation of information, ensuring all relevant parties are fully aware of the company's activities, financial performance, policies, and potential risks. This includes the timely and consistent release of information, fostering trust and confidence among investors and shareholders.

IMPORTANCE OF TRANSPARENCY

- 1. Building Trust:** Transparency fosters trust between the company and its shareholders, giving them confidence in management's decisions, which encourages investment and strengthens stakeholder relationships.
- 2. Ensuring Fairness:** Transparency guarantees that all shareholders have access to the same information at the same time, preventing market manipulation or discrimination and promoting fairness in the treatment of all parties.
- 3. Improving Investment Decisions:** When companies provide accurate and up-to-date information, investors can make well-informed decisions, enhancing market efficiency and stability.
- 4. Increasing Accountability:** Clear visibility of the company's operations allows for easier accountability, ensuring management is held responsible for any errors or misconduct, which encourages more careful decision-making.
- 5. Reducing Corruption:** Transparency reduces the potential for corruption by making it difficult to hide or manipulate information, contributing to a fair and sustainable work environment.

ALDREES COMPANY: A PIONEERING SUCCESS IN IMPLEMENTING THE SECOND PHASE OF THE E-INVOICE SYSTEM

ALDREES company has emerged as a leading example of success in the implementation of the second phase of the e-invoice system, as highlighted in the official video released by the Zakat, Tax, and Customs Authority on their YouTube channel.

The company takes great pride in its exceptional compliance with tax regulations, reflecting its dedication to legal responsibility and financial transparency. This achievement contributes significantly to Saudi Arabia's ongoing efforts to enhance transparency and ensure tax compliance across businesses.

Demonstrating its commitment to adhering to local laws and regulations, ALDREES was among the first companies to roll out the second phase of the e-invoice system. This system ensures accurate recording of business transactions and facilitates the direct transmission of invoices to the Zakat, Tax, and Customs Authority, ultimately promoting financial transparency and reducing the likelihood of tax evasion or manipulation.

GOVERNANCE POLICIES

KEY POLICIES UNDERPINNING CORPORATE GOVERNANCE

Good governance and business ethics are crucial to ALDREES, as they provide the foundation for fostering trust, integrity, and accountability within the organization. By adhering to ethical standards, ALDREES ensures that policies are developed across all departments with a strong focus on transparency and responsibility. The relationship between risk management and transparency is vital, as transparent policies enable the company to identify, assess, and manage risks effectively, reducing uncertainties and enhancing decision-making. Due diligence is an essential component in this process, ensuring that all actions taken are thorough, responsible, and aligned with the company's values. Well-crafted policies help mitigate risks, ensuring that ALDREES remains agile and resilient. Governance bodies, such as committees, play a pivotal role in establishing and implementing these policies. They ensure that policies are consistent with the company's corporate objectives and comply with legal, regulatory, and ethical standards. Through oversight, these committees ensure the policies are executed effectively, safeguarding the company's reputation, improving operational performance, and fostering a culture of accountability that contributes to long-term success.

At ALDREES, a range of existing policies plays a critical role in shaping the company's operations, governance, and ethical standards. These policies, such as the Risk Management Policy, Code of Conduct, and Health and Safety Policy, ensure that the company operates in compliance with legal requirements, industry standards, and best practices. While these policies provide a strong foundation, it is essential to continuously review and refine them in response to both internal and external factors, such as evolving regulations, market conditions, and stakeholder expectations. Additionally, as the company grows and new challenges arise, there is a need to develop new policies or adapt existing ones to maintain alignment with ALDREES' strategic objectives and ensure ongoing compliance and effectiveness.

- Code of Conduct Policy
- Communication, Participation, and Consultation Policy
- Corporate Governance Principles, Policies, and Procedures
- Environmental Policy
- Follow-up Committee Policy
- Health and Safety Policy
- HR Manual/Policies
- Integrated Management System Policy
- IT Policies and Procedures
- Non-Discrimination Policy
- NDA (Non-Disclosure Agreement) Policy
- People of Determination Inclusion Policy
- Procurement Policy
- Remuneration and Nomination Committee Regulations Policy
- Remuneration of Board of Directors and Executive Team Policy
- Risk Management Policy
- Retirement of Old Vehicles and Equipment Policy
- Social Security Policy
- Standards for Nomination and Rewards Policy
- Internal Audit Policy

REGULATORY COMPLIANCE

ALDREES’ commitment to business conduct is centered on upholding ethical standards and ensuring regulatory compliance. ALDREES has consistently adapted to changing conditions, evolving customer needs, and societal expectations. As a company delivering wide-ranging services, ALDREES strives to enhance its capabilities across all operations under its vision, mission, and values to build and maintain trust. Within this framework, the associated quality & performance improvement team oversees all operations, ensuring compliance with regulatory standards and the implementation of best practices.

Regulatory compliance works hand in hand with risk management to identify potential areas of non-compliance and proactively address them to avoid penalties, operational delays, incomplete services, employee or asset losses, financial burdens, and reputational damage. Compliance is not limited to financial aspects but extends across all operations and activities at ALDREES, including adherence to environmental laws, financial market regulations, HR and labor laws, safety protocols, taxation, and much more.

The described risk management framework, the role of governance committees, and the existing policies form the cornerstone of ALDREES' efforts to achieve regulatory compliance. These foundational elements are critical in ensuring that the company operates ethically, transparently, and efficiently. However, regulatory compliance is not merely an option but an absolute necessity for sustaining operations and fostering long-term growth.

ALDREES has established internal systematic procedures as an initiative to strengthen its governance capabilities. Regulatory compliance is the ultimate goal of business ethics and good governance, supported by thorough risk management, transparency, continuous monitoring, and the implementation of strict protocols and best practices in all areas. Compliance with antitrust laws and anti-bribery regulations remains a critical priority, with global policies and regular training ensuring adherence. The risk management framework illustrates the governance mechanisms in place, highlighting how instructions from governance committees are distributed across all departments to maintain alignment and accountability.

Compliance with local regulations and policies in the Kingdom of Saudi Arabia (KSA) is a fundamental aspect of ALDREES' governance and operational strategy. As a Saudi-based company, ALDREES is committed to adhering to all national laws and regulations, including those related to taxation, labor and employment, environmental protection, financial market regulations, and safety standards. By ensuring alignment with the regulatory framework established by Saudi authorities, ALDREES not only mitigates risks of non-compliance but also supports the nation’s broader vision for economic and sustainable development, such as Vision 2030. This commitment reinforces the company’s reputation as a responsible corporate entity, strengthens stakeholder trust, and ensures smooth operations across all facets of its business. Compliance with local regulations is not only a legal obligation but also a reflection of ALDREES’ dedication to ethical practices and contributing to the socioeconomic growth of Saudi Arabia.

90%

PERCENTAGE OF ADMIN PROCESS THAT RUN DIGITALLY

1

NUMBER OF TRAININGS CONDUCTED ON CYBERSECURITY

ANTI-CORRUPTION

At ALDREES, the integration of anti-corruption laws with risk management and regulatory compliance reflects the company's unwavering commitment to ethical practices and robust governance. Core policies, including the code of conduct, anti-corruption policy, and anti-bribery policy, are implemented and closely monitored to foster transparency and integrity throughout the organization. These policies apply to all employees, from entry-level staff to executive leadership and board committees, with regular training provided to ensure awareness and adherence.

Anti-corruption measures complement risk management by proactively identifying and mitigating risks related to unethical behavior, financial mismanagement, and operational inefficiencies. Coupled with regulatory compliance, these measures align ALDREES with local laws and international standards, reinforcing its reputation as a trusted and ethical organization. In Saudi Arabia, the government has established stringent regulations to combat corruption, such as the National Anti-Corruption Commission (Nazaha), which promotes accountability and transparency. Furthermore, the Saudi Vision 2030 initiative encourages corporate transparency, environmental, social, and governance (ESG) reporting, and alignment with Tadawul guidelines, ensuring companies operate with integrity while fostering sustainable growth.

Transparency is no longer optional but a business imperative. Anti-corruption programs at ALDREES, supported by governance policies, help identify risks, enhance operational efficiency, and ensure compliance with local and international legal frameworks. These initiatives strengthen ALDREES' market position by reducing risks, cutting costs, and fostering sustainable growth. Companies with strong anti-corruption measures and transparent reporting not only comply with regulations but also attract customers, investors, and stakeholders who value ethical practices.

ALDREES' anti-corruption program includes a statement of values, risk management protocols, internal controls, oversight mechanisms, and regular monitoring and training. These efforts are embedded within the company's operations and align with its broader commitment to corporate governance and sustainability. By linking anti-corruption initiatives with its ESG strategy, ALDREES aligns with Tadawul guidelines, further strengthening its position as a leader in corporate responsibility.

The Saudi government's emphasis on anti-corruption, corporate transparency, and ESG reporting underscores the critical role of companies like ALDREES in contributing to a sustainable and ethical business environment. By embracing these principles, ALDREES demonstrates its commitment to achieving long-term success while adhering to the highest standards of governance and compliance.

ALL
OUR EMPLOYEES ARE TRAINED ON
ANTI-CORRUPTION

NO
CASES HAVE BEEN REGISTERED AS
ANTI-CORRUPTION OR INTERNAL
SECURITY BREACHES

GRI CONTENT INDEX



For the Content Index – Advanced Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.

Statement of use	ALDREES has reported in accordance with the GRI Standards for the period [2024-1-1 till 2024-12-31]
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 11: Oil and Gas Sector Standard 2021

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
GRI 2: General Disclosures 2021		
1- The organization and its reporting practices		
2-1 Organizational details	Page 29	
2-2 Entities included in the organization's sustainability reporting	Page 29	
2-3 Reporting period, frequency and contact point	Page 29	
2-4 Restatements of information	Page 29	
2-5 External assurance	Page 29	
2- Activities and workers		
2-6 Activities, value chain and other business relationships	Page 30	
2-7 Employees	Page 31	
2-8 Workers who are not employees	Page 31	
3- Governance		
2-9 Governance structure and composition	Page 32-40	
2-10 Nomination and selection of the highest governance body	Page 41-43	
2-11 Chair of the highest governance body	Page 43	
2-12 Role of the highest governance body in overseeing the management of impacts	Page 44-45	
2-13 Delegation of responsibility for managing impacts	Page 46-47	
2-14 Role of the highest governance body in sustainability reporting	Page 48	
2-15 Conflicts of interest	Page 48	
2-16 Communication of critical concerns	Page 48	

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
2-17 Collective knowledge of the highest governance body	Page 50-54	
2-18 Evaluation of the performance of the highest governance body	Page 55-56	
2-19 Remuneration policies	Page 57	
2-20 Process to determine remuneration	Page 58	
2-21 Annual total compensation ratio	Page 58	
4- Strategy, Policies and Practices		
2-22 Statement on sustainable development strategy	Page 59	
2-23 Policy commitments	Page 59	
2-24 Embedding policy commitments	Page 60-61	
2-25 Processes to remediate negative impacts	Page 61-62	
2-26 Mechanisms for seeking advice and raising concerns	Page 62	
2-27 Compliance with laws and regulations	Page 62	
2-28 Membership associations	Page 63	
5- Stakeholder Engagement		
2-29 Approach to stakeholder engagement	Page 63-64	
2-30 Collective bargaining agreements	Page 64	
GRI 3: Material topics 2021		
3-1 Process to determine material topics	Page 67-69	
3-2 List of material topics	Page 67-69	

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
GHG Emissions		11.1
3-3 Management of material topics + ASR	Page 67-69	11.1.1
302-1 Energy consumption within the organization	Page 89	11.1.2
302-2 Energy consumption outside of the organization	Page 89	11.1.3
302-3 Energy intensity	Page 89	11.1.4
305-1 Direct (Scope 1) GHG emissions + ASR	Page 87-88	11.1.5
305-2 Energy indirect (Scope 2) GHG emissions	Page 87-88	11.1.6
305-3 Other indirect (Scope 3) GHG emissions	Page 87-88	11.1.7
305-4 GHG emissions intensity	Page 87-88	11.1.8
Climate Adaptation, Resilience and Transition		11.2
3-3 Management of material topics + ASR	Page 67-69	11.2.1
201-2 Financial implications and other risks and opportunities due to climate change + ASR	Page 81-82	11.2.2
305-5 Reduction of GHG emissions + ASR	Page 81-82	11.2.3
Disclosure - ASR 11.2.4	Page 81-82	11.2.4
Air Emissions		11.3
3-3 Management of material topics	Page 67-69	11.3.1
305-7 Nitrogen oxides (NO), Sulphur oxides (SO), and other significant air emissions	Page 85-87	11.3.2
416-1 Assessment of the health and safety impacts of product and service categories + ASR	Page 85-87	11.3.3
Biodiversity		11.4
3-3 Management of material topics + ASR	Page 67-69	11.4.1

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	(Not Material)	11.4.2
304-2 Significant impacts of activities, products and services on biodiversity + ASR	(Not Material)	11.4.3
304-3 Habitats protected or restored+ ASR	(Not Material)	11.4.4
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	(Not Material)	11.4.5
Waste		11.5
3-3 Management of material topics	Page 67-69	11.5.1
306-1 Waste generation and significant waste-related impacts	Page 94-96	11.5.2
306-2 Management of significant waste-related impacts	Page 94-96	11.5.3
306-3 Waste generated 1 + ASR	Page 94-96	11.5.4
306-4 Waste diverted from disposal + ASR	Page 94-96	11.5.5
306-5 Waste directed to disposal + ASR	Page 94-96	11.5.6
Water and Effluents		11.6
3-3 Management of material topics	Page 67-69	11.6.1
303-1 Interactions with water as a shared resource	Page 78, 89	11.6.2
303-2 Management of water discharge-related impacts	Page 78, 89	11.6.3
303-3 Water withdrawal	Page 78, 89	11.6.4
303-4 Water discharge + ASR	Page 78, 89	11.6.5
303-5 Water consumption	Page 78, 89	11.6.6
Closure and Rehabilitation		11.7
3-3 Management of material topics	Page 67-69	11.7.1

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
402-1 Minimum notice periods regarding operational changes + ASR	Page 67-69	11.7.2
404-2 Programs for upgrading employee skills and transition assistance programs	Page 115-116	11.7.3
Disclosure - ASR	Page 115-116	11.7.4
Disclosure - ASR	Page 115-116	11.7.5
Disclosure - ASR	Page 115-116	11.7.6
Asset Integrity and Critical Incident Management		11.8
3-3 Management of material topics	Page 67-69	11.8.1
306-3 Significant spills + ASR	Page 131-136	11.8.2
Disclosure - ASR 11.8.3	Page 131-136	11.8.3
Disclosure - ASR 11.8.4	Page 131-136	11.8.4
Occupational Health and Safety		11.9
3-3 Management of material topics	Page 67-69	11.9.1
403-1 Occupational health and safety management system	Page 125-136	11.9.2
403-2 Hazard identification, risk assessment, and incident Investigation	Page 125-136	11.9.3
403-3 Occupational health services	Page 125-136	11.9.4
403-4 Worker participation, consultation, and communication on occupational health and safety	Page 125-136	11.9.5
403-5 Worker training on occupational health and safety	Page 125-136	11.9.6
403-6 Promotion of worker health	Page 125-136	11.9.7
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 125-136	11.9.8
403-8 Workers covered by an occupational health and safety management system	Page 125-136	11.9.9

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
403-9 Work-related injuries	Page 125-136	11.9.10
403-10 Work-related ill health	Page 125-136	11.9.11
Employment Practices		11.10
3-3 Management of material topics	Page 67-69	11.10.1
401-1 New employee hires and employee turnover	Page 103-122	11.10.2
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 103-122	11.10.3
401-3 Parental leave	Page 103-122	11.10.4
402-1 Minimum notice periods regarding operational changes	Page 103-122	11.10.5
404-1 Average hours of training per year per employee	Page 103-122	11.10.6
404-2 Programs for upgrading employee skills and transition assistance	Page 103-122	11.10.7
414-1 New suppliers that were screened using social criteria	Page 103-122	11.10.8
414-2 Negative social impacts in the supply chain and actions taken	Page 103-122	11.10.9
Non-discrimination and Equal Opportunity		11.11
3-3 Management of material topics	Page 67-69	11.11.1
202-2 Proportion of senior management hired from the local community	Page 103-122	11.11.2
401-3 Parental leave	Page 103-122	11.11.3
404-1 Average hours of training per year per employee	Page 103-122	11.11.4
405-1 Diversity of governance bodies and employees	Page 103-122	11.11.5
405-2 Ratio of basic salary and remuneration	Page 103-122	11.11.6
406-1 Incidents of discrimination and corrective actions taken	Page 103-122	11.11.7

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
Forced Labor and Modern Slavery		11.12
3-3 Management of material topics	Page 67-69	11.12.1
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	(Not Material)	11.12.2
414-1 New suppliers that were screened using social criteria	(Not Material)	11.12.3
Freedom of Association and Collective Bargaining		11.13
3-3 Management of material topics	Page 67-69	11.13.1
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	(Not Material)	11.13.1
Economic impacts		11.14
3-3 Management of material topics + ASR	Page 67-69	11.14.1
201-1 Direct economic value generated and distributed + ASR	(Not Material)	11.14.2
202-2 Proportion of senior management hired from the local community	(Not Material)	11.14.3
203-1 Infrastructure investments and services supported	(Not Material)	11.14.4
203-2 Significant indirect economic impacts	(Not Material)	11.14.5
204-1 Proportion of spending on local suppliers	(Not Material)	11.14.6
Local communities		11.15
3-3 Management of material topics + ASR	Page 67-69	11.15.1
413-1 Operations with local community engagement, impact assessments, and development programs	Page 138-156	11.15.2
413-2 Operations with significant actual and potential negative impacts on local communities	Page 138-156	11.15.3
Disclosure - ASR	Page 138-156	11.15.4
Land and Resource rights		11.16

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
3-3 Management of material topics + ASR	Page 67-69	11.16.1
Disclosure - ASR	(Not Material)	11.16.2
Rights of Indigenous People		11.17
3-3 Management of material topics + ASR	Page 67-69	11.17.1
411-1 Incidents of violations involving rights of indigenous peoples	(Not Material)	11.17.2
Disclosure - ASR	(Not Material)	11.17.3
Disclosure - ASR	(Not Material)	11.17.4
Conflict and security		11.18
3-3 Management of material topics + ASR	Page 67-69	11.18.1
410-1 Security personnel trained in human rights policies or	(Not Material)	11.18.2
Anti-competitive Behavior		11.19
3-3 Management of material topics	Page 67-69	11.19.1
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	(Not Material)	11.19.2
Anti-corruption		11.20
3-3 Management of material topics + ASR	Page 67-69	11.20.1
205-1 Operations assessed for risks related to corruption	Page 173-174	11.20.2
205-2 Communication and training about anti-corruption policies and procedures	Page 173-174	11.20.3
205-3 Confirmed incidents of corruption and actions taken	Page 173-174	11.20.4
Disclosure - ASR	Page 173-174	11.20.5
Disclosure - ASR	Page 173-174	11.20.6

Disclosures (number and title)	Reference/Direct Answer	GRI Sector Standard
Payments to governments		11.21
3-3 Management of material topics + ASR	Page 67-69	11.21.1
201-1 Direct economic value generated and distributed	(Not Material)	11.21.2
201-4 Financial assistance received from government + ASR	(Not Material)	11.21.3
207-1 Approach to tax	(Not Material)	11.21.4
207-2 Tax governance, control, and risk management	(Not Material)	11.21.5
207-3 Stakeholder engagement and management of concerns related to tax	(Not Material)	11.21.6
207-4 Country-by-country reporting	(Not Material)	11.21.7
Disclosure - ASR	(Not Material)	11.21.8
Public policy		11.22
3-3 Management of material topics + ASR	Page 67-69	11.22.1
415-1 Political contributions	(Not Material)	11.22.2
Topics are considered not material		
Topic	Explanation	
11.8 Asset integrity and critical incident management	11.8 Asset integrity and critical incident management	
11.16 Land and resource rights	11.16 Land and resource rights	

TADAWUL INDICATORS

ESG Themes and key indicators

ESG	Themes	Key Issues
Environmental	Climate Change	GHG Emissions (not only in absolute but also in intensity terms)
		Product Carbon Footprint
		Financing Environmental Impact
		Climate Change Vulnerability
	Natural Resources	Biodiversity and Land Use
		Water Stress
		Raw Material Sourcing
	Pollutions and Waste	Toxic Emissions and Waste
		Packaging Material and Waste
		Electronic Waste
	Environmental Opportunities	Opportunities in Clean Tech
		Opportunities in Green Building
		Opportunities in Renewable Energy
		Opportunities in cleaner hydrocarbon energy (such as CCUS)
Social	Environmental Opportunities	Labor Management
		Health & Safety
		Human Capital Development
		Supply Chain Labor Standard
	Environmental Opportunities	Product Safety & Quality
		Chemical Safety
		Privacy & Data Security
		Responsible Investment
	Environmental Opportunities	Controversial Sourcing
	Environmental Opportunities	Access to Communications
		Access to Finance
		Access to Healthcare
		Opportunities in Nutrition and Health
Governance	Environmental Opportunities	Board
		Tax Transparency
		Pay
		Ownership & Control
		Accounting
	Environmental Opportunities	Business Ethics

CLOSING STATEMENT

As we reflect on this year's sustainability journey, we recognize that each milestone represents not an end, but a new beginning. With the blessing of God and the encouragement of His Highness the Crown Prince of the Kingdom of Saudi Arabia, we are inspired to continue our efforts toward creating a positive and lasting impact. Our commitment to sustainability remains unwavering as we look to the future with renewed focus and determination.

At ALDREES, our vision is to contribute to a sustainable future by embracing innovation and driving responsible practices across all areas of our business. This year, we have made significant strides in advancing our sustainability objectives, and we are proud of the progress we've achieved. But we know that our journey is far from over. Each step forward is a building block for the next phase of our mission.

We extend our deepest gratitude to everyone who has been a part of this journey—our employees, partners, stakeholders, and communities. Your support has been crucial in helping us move closer to our goals.

As we continue to forge ahead, we encourage all stakeholders and readers to share their thoughts and feedback with us. Your insights are essential to our growth and to the refinement of our strategies.

For inquiries, please contact our Sustainability Management at info@aldrees.com. You can also visit our website at www.aldrees.com. Together we will continue to build a sustainable future.



800 122 8800

92 000 2667

@aldreescompany

@aldreesco

www.aldrees.com

TOLL FREE

الرقم المجاني

UNIFIED NUMBER

الرقم الموحد

P.O Box 609 Riyadh 11421 Kingdom of Saudi Arabia

Tel: +966 11 235 5555 Fax: +966 11 236 6666

Saudi Joint Stock Company Capital SAR 1,000,000,000

C.R Number: 1010002475 Membership Number: 128

ص.ب : 609 الرياض 11421 المملكة العربية السعودية

هاتف: +966 11 235 5555 فاكس: +966 11 236 6666

شركة مساهمة سعودية رأس المال 1,000,000,000 ريال

سجل تجاري رقم: 1010002475 رقم العضوية: 128

