

SAG
المجموعة السعودية

BUILDING A FUTURE TOGETHER

2024 ESG REPORT





CONTENTS

About this report	3
Message from CEO	4
About SIIG	5
Sustainability at SIIG	8
ENVIRONMENT: SAFEGUARDING THE ENVIRONMENT	10
Our Approach: Safeguarding the environment	11
Climate Change and Energy Management	13
Waste Management	14
Water Management	15
Air Quality & Emissions	16
Biodiversity & Ecosystem Protection	16

SOCIAL: INVESTING IN PEOPLE	17
Our approach: Investing in people	18
Diversity, Equity, and Inclusion	20
Talent Attraction and Retention	21
Human Capital Development	22
Occupational Health & Safety	23
Community Engagement	24
GOVERNANCE: INTEGRATING EXCELLENCE	25
Governance & Business Ethics	26
Governance Framework	27
Board Committees	28
Risk Management	30
Economic Performance	31

Supply Chain Management	32
Data Privacy & Security	33
Customer Experience	34
GOVERNANCE: GUIDING TRANSFORMATION	35
Technological Innovation and Sustainable Product Development	36

ABOUT THIS REPORT

This is the first annual sustainability report for Saudi Industrial Investment Group (SIIG). The report focuses on SIIG’s commitment to responsible investment practices and sustainable growth.

The content of this report is presented in accordance with the priorities and interests of SIIG and its stakeholders. As part this report, SIIG conducted a materiality assessment based upon Global Reporting Initiative (GRI) methodology. The assessment highlighted the environmental, social, and governance (ESG) topics most significant to our business and our stakeholders. These priorities informed the subsequent development of SIIG’s sustainability framework. More details about SIIG’s materiality assessment and sustainability framework are provided in the body of this report. The content of this report is organised around the sustainability framework.

Additional information on SIIG’s financial performance, financial statements, and other relevant topics directly or indirectly related to this sustainability report can be found in **SIIG’s 2024 Annual Report**.

BOUNDARY

This report covers SIIG’s ESG performance for the period between 1 January and 31 December 2024.

SCOPE

This report focuses primarily on the ESG performance of SIIG and its subsidiaries. As SIIG is a holding company with no operational activities, source of income, or assets of its own other than shares in its jointly managed companies, the ESG impacts disclosed in this report reflect those of SIIG’s subsidiaries, namely: S-Chem, Saudi Polymer Company (SPCo), Aromatics Distribution Company (ADCo), and Gulf Polymers Distribution Company (GPDC). The scope of Group-level ESG performance data disclosure is specified individually.

ASSURANCE

All data disclosed in this report has been internally assured by the SIIG team and all attempts have been made to accurately capture all the information to ensure we present a complete and correct representation of SIIG’s sustainability performance.

REPORTING GUIDELINES

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards and the ESG Reporting Guidelines of the Saudi Exchange. Other sustainability related standards and ambitions have also been broadly considered, including the Saudi Vision 2030 and the United Nations Sustainable Development Goals (UN SDGs), along with the expectations of ESG rating agencies.

GLOBAL & NATIONAL PRIORITIES

In our inaugural sustainability report, SIIG aims to highlight the ways we are working to support the ambitions of the Saudi Vision 2030 and the United Nations Sustainable Development Goals (UN SDGs). SDG icons are used throughout the report to indicate the ways we are working to support these goals.



CONTACT US

SIIG welcomes enquiries, feedback, or suggestions regarding the content of this report.

PLEASE CONTACT US AT:

ir@siig.com.sa

<http://www.siig.com.sa/>

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements and information about SIIG and its subsidiaries. These statements may include plans, objectives and aims regarding the plans, intentions, ambitions, and aims of SIIG and its subsidiaries, as well as forward-looking statements about future products, services, operations and performance. While SIIG believes that these statements are reasonable, all forward-looking statements and information are based on current assumptions with respect to the cost and resources for implementing future targets. As such, these statements remain subject to risks and uncertainties which may be beyond the control of SIIG and/or difficult to predict. Forward-looking statements may be identified by the inclusion of terms such as “plan,” “expect,” “aim,” “will,” “strategy,” “target,” “ambition,” and other similar words and phrases.

MESSAGE FROM CEO

On behalf of the Saudi Industrial Investment Group (SIIG), I am proud to present the first annual sustainability report for the company. This inaugural report demonstrates our commitment to creating a positive impact on our environment, our society, and our region while generating long-term value for our stakeholders.

The report highlights the progress SIIG has made throughout 2024 to address some of our most critical ESG priorities. It also communicates the steps we are taking to align with Saudi Vision 2030 and to drive sustainable advancement and growth for our company and the region. We are proud to share in Saudi Arabia's commitment to leveraging sustainability principles as a driving force for economic, environmental, and social advancement throughout the Kingdom.

In 2024, we also began developing a sustainability framework for our company, with consideration for the needs, interests, and priorities of our stakeholders and our business, the framework organizes our most critical ESG priorities into four pillars: Safeguarding the environment, Investing in people, Integrating excellence and Guiding transformation. The pillars provide us with a structure for focusing and managing sustainability across our business activities and for tracking performance based upon our ESG priorities.

As a holding company with subsidiaries in the petrochemical industry, SIIG places a strong emphasis on managing environmental impacts. We encourage all our subsidiaries to implement clear measures for managing their environmental impacts, including climate, energy, resources, and air quality. As our largest subsidiary, S-Chem is implementing effective measures to reduce resource use and waste.

With sustainability as one of our key business imperatives, recently SIIG also initiated a diversification strategy designed to expand the company's holdings into new sectors that seek to address new and emerging global challenges such as energy and food supply with the aim of advancing sustainable growth, new investment, and innovation opportunities within Saudi Arabia. In 2024, we were pleased to advance this effort by announcing our investment in Unibio International, a global leader in bioprotein technology, and we are actively exploring other opportunities to support sustainable innovation.

Knowing our people are the key to SIIG's business success and the driving force behind our broader sustainability ambitions, we are continually looking for opportunities to foster human capital development and build open, transparent and trusting relationships with all our stakeholders, ensuring exceptional customer experiences. In 2024, our Saudization rate remained strong, as did our focus on growing the number of female employees across SIIG and

its subsidiaries. We also continued to uphold our industry-leading our safety culture, with SIIG subsidiaries maintaining excellent safety records.

We recognise that achieving our sustainable growth objectives, and effectively addressing our key ESG priorities, requires deeper integration of ESG principles and practices across the jointly managed companies within SIIG's portfolio. We aim to accomplish this through a robust governance structure, a strong sustainability framework, and integration of ESG into our corporate strategy.

Part of this process includes regular ESG reporting, which plays a critical role in tracking our progress, measuring performance, and identifying areas for improvement across SIIG and its subsidiaries. It also enhances transparency by enabling SIIG to communicate its initiatives, achievements, and milestones to stakeholders, building trust and demonstrating the company's commitment to long-term sustainability.

To support this process in 2024, we continue to maintain robust governance and supply chain management standards, and we work diligently to ensure our subsidiaries uphold the same. Our shared focus on best-in-class standards encompasses our social impact activities, including how we serve and support the communities in which we operate. Last year we were proud to extend our support to a range of charitable, educational and community-focused organizations who share our commitment to creating positive change and improving the well-being of our communities and the world at large.

Looking ahead, ESG will continue to play a central role in SIIG's strategy. Leveraging our agility to seize new opportunities that align with SIIG's values and strengths will also be key to generating sustainable value for our company and our stakeholders. In addition, setting realistic goals, identifying opportunities for improvement, and actively and meaningfully engaging our stakeholders through regular and transparent communication remain vital aspects of our journey.

We are proud of our people, our partnerships with government institutions, customers and suppliers, and the progress we have made towards our objectives to date. We acknowledge that there is more work to be done and remain committed to progressing with the same results-focused approach that has been the foundation of our success so far.

We look forward to sharing our progress with you in future reports. Thank you for your continued support for Saudi Industrial Investment Group.

Abdulrahman S. Alismail
Chief Executive Officer



ABOUT SIIG

The first privately owned petrochemical company in the Kingdom of Saudi Arabia, SIIG was established as a Saudi public joint stock company, headquartered in Riyadh, Kingdom of Saudi Arabia, registered in Commercial Registry No. 1010139946 dated 1 January 1996.

SIIG was formed with the goal of investing in the petrochemical industry for a better future for its shareholders, customers, and the Kingdom as a whole. SIIG works to achieve this aim by leveraging strategic partnerships around the world, optimising use of the Kingdom's natural resources, and available competitive advantages.

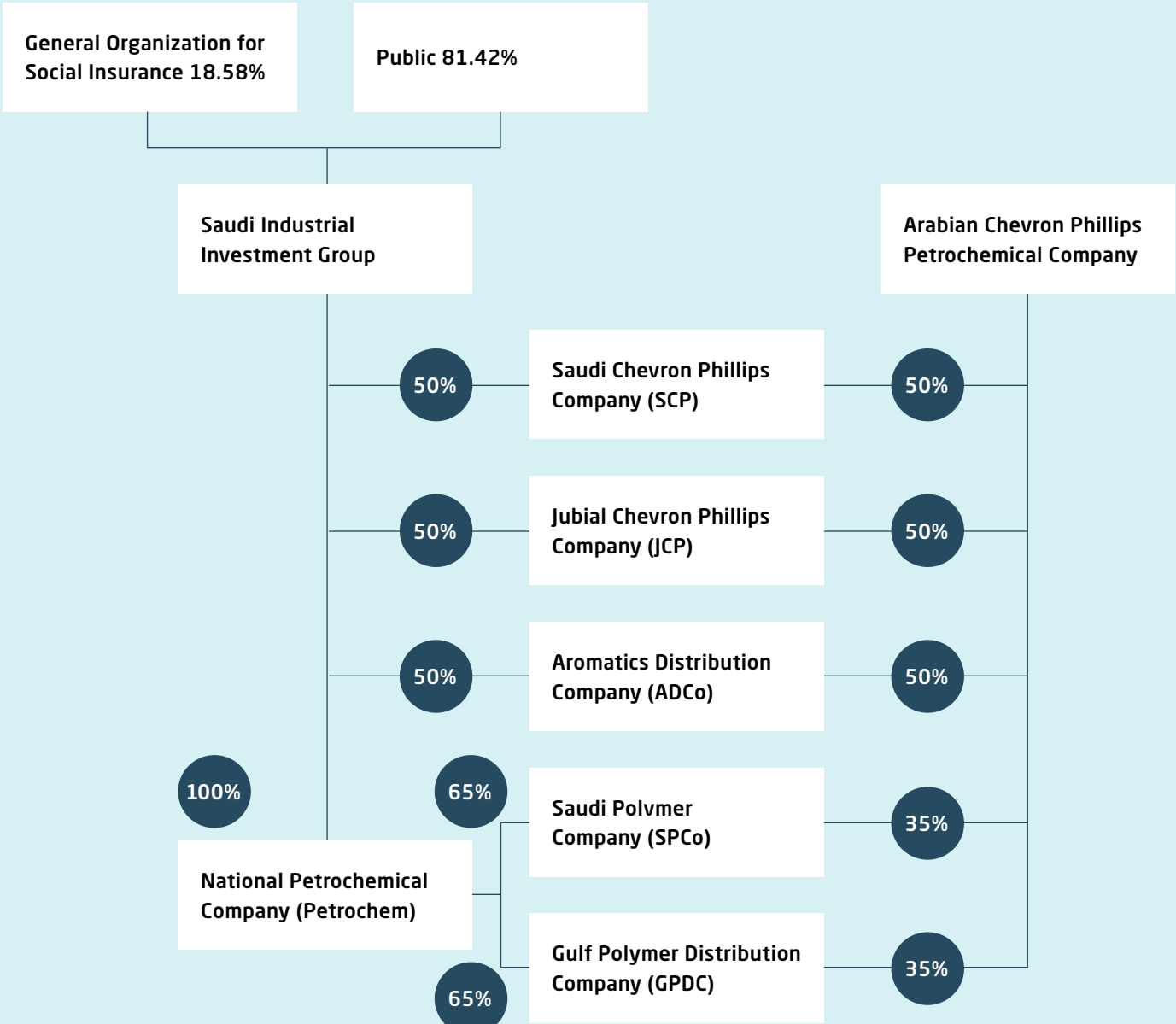
Listed on the Saudi Stock Exchange (Tadawul) in 2004, SIIG is now a leader in developing the Kingdom's industrial base, particularly its petrochemical industries. SIIG is also one of the Kingdom's largest petrochemical companies and one of the largest in the Middle East and North Africa (MENA) region in terms of its hypothetical market value of SR 12.6 billion as of December 31, 2024, and a total hypothetical combined production capacity of 6.3 million tons annually as of December 31, 2024.

SIIG's capital has grown through capitalisation of profits, priority rights subscriptions, and capital raising amounting to SR 7,548 million. SIIG is currently limited to investing in its jointly managed companies to produce the following petrochemical products that comprise part of our daily lives: cyclohexane, styrene, aromatic compounds, propylene, polyethylene, polypropylene, and hexane-1. Through our investment, we are committed to ensuring the highest quality standards of production, environmental responsibility, and the safety of our employees and communities.



OUR SUBSIDIARIES

The chart below shows the percentage of ownership of the SIIG's jointly managed and affiliated projects by the end of 2024, as well as the percentages of SIIG's major shareholders.



ACTIVITIES

Subsidiaries	Saudi Chevron Phillips	Jubail Chevron Phillips Company	Aromatics Distribu- tion Company	Saudi Polymers Company	Gulf Polymers Distribution Company
Ownership Percentage	<ul style="list-style-type: none">• 50% Saudi Group• 50% Arabian Chevron Phillips	<ul style="list-style-type: none">• 50% SIIG• 50% Arabian Chevron Phillips	<ul style="list-style-type: none">• 50% SIIG• 50% Arabian Chevron Phillips	<ul style="list-style-type: none">• 65% SIIG through Petrochem• 35% Arabian Chevron Phillips	<ul style="list-style-type: none">• 65% SIIG through Petrochem• 35% Arabian Chevron Phillips
Foundation Year	1996	2003	2020	2007	2011
Company Entity	A limited liability company	A limited liability company	A limited liability company	A limited liability company	A limited liability company
Company Headquarters	Jubail	Jubail	Dubai	Jubail	Dubai
Capital	244 million SR.	484million SR.	100 thousand AED	1,406 million SR.	2 million AED
Company activity	Production of liquid fuels, manufacture of organic chemicals, production of primary gases, production of gaseous fuels, production of benzene, cyclohexane, and aromatic compounds.	Production of liquid fuels, organic chemicals industry, propylene industry, production of styrene and propylene	Petrochemical trade (selling, distributing and marketing Saudi Chevron Phillips products and Jubail Chevron Phillips outside the Kingdom)	Chemical elements industry Plastics industry in its primary forms Manufacturing industry Production of lighting oils Propylene industry Manufacture of polyethylene, polypropylene and hexane-1	Petrochemical trading (selling, distributing, and marketing the products of the Saudi Polymer Company outside the Kingdom)
Start of Production	2000	2008	Distribution began in 2020	2012	Distribution began in 2012
Production Capacit (thousand tons per year)	Benzene 835 Cyclohexane 290 Aromatic compounds 780	Styrene 730 Propylene 150	Distribution of cyclohexane and styrene products	Polyethylene 1,100 Polypropylene 400 Hexane 100 Propylene 40	Distribution of polyethylene, polypropylene, hexane -1 and propylene products

RESULTS FOR THE YEAR 2024

Operating Rate	79%	85%	--	101%	--
Annual Sales (SAR Thousand)	4,729	5,544	--	5,958	5,100
Geographic Distribution of Sales	<ul style="list-style-type: none">▶ Inside the Kingdom 21%▶ Asia 21%▶ Middle East 26%▶ Europe and Africa 33%			<ul style="list-style-type: none">▶ Inside the Kingdom 16%▶ Asia 42%▶ Middle East 11%▶ Europe and Africa 31%	
Net Income(SAR Thousand)	385	(215)	60	30	102
The Group’s share of net profits	215	(122)	30	17	66



SUSTAINABILITY AT SIIG

SIIG’s commitment to ESG best practices are embedded in our company culture and across each of our subsidiary companies. As a holding company with no operational activities, our direct ESG impacts come primarily from the operational activities of our subsidiaries. As a result, SIIG is deeply committed to providing Group-level strategic sustainability performance management, guidance, support and direction for all SIIG subsidiaries.

OUR APPROACH TO SUSTAINABILITY

In 2023, SIIG began development of a comprehensive Group-level sustainability strategy designed to provide an operational roadmap, establish performance targets, and provide guidance for future investment opportunities in more sustainable projects. .



SUBSIDIARY HIGHLIGHT

S-Chem, SIIG’s largest jointly managed company, is deeply committed to protecting the environment and working to reduce the use of energy, water, and raw materials as well as reduce emissions and waste. S-Chem has an established sustainability strategy. In alignment with SIIG’s commitment to transparency, S-Chem is publishing its own sustainability report annually.

MATERIALITY ASSESSMENT

To identify, understand, and prioritize the ESG impacts most significant to our company and our stakeholders, in 2024 SIIG conducted a materiality assessment based on the Global Reporting Initiative (GRI) methodology. The assessment included a comprehensive review of SIIG’s priorities, strengths, and opportunities as well as a review of SIIG’s growth strategy, sustainability data, annual reports, and existing materiality topics. This analysis of SIIG’s ESG stance also included a review of its alignment with global and regional standards including GRI, IFRS (and SASB), UN SDGs, the Tadawul ESG Guidelines, and national priorities such as the Kingdom of Saudi Arabia’s Vision 2030 and the Saudi Net Zero 2060 commitment.

The assessment highlighted a preliminary list of material topics and associated impacts most relevant to SIIG and its stakeholders. We then engaged our internal stakeholders in the validation and prioritization of these topics. SIIG plans to expand engagement to include external stakeholders in future materiality assessments. The final list of material topics has been prioritized by the scope, scale and likelihood of actual and potential impacts.

	Governance & Business Ethics
	Occupational Health & Safety
	Economic Performance
	Climate Change & Energy Management
	Human Capital Development
	Diversity, Equity & Inclusion
	Resource Handling & Efficiency
	Supply Chain Management
	Air Quality & Emissions
	Data Privacy & Security
	Talent Attraction & Retention
	Digitalization & Technological Advancement
	Customer Experience
	Waste Management
	Water Management
	Community Engagement
	Sustainable Product Development
	Biodiversity & Ecosystem Protection

STAKEHOLDER ENGAGEMENT

SIIG recognizes that communication and engagement is crucial to building trust and partnership with our stakeholders, and to ensuring their perspectives, concerns and priorities are considered and reflected in our decision-making processes and strategies. SIIG defines our primary stakeholders as our subsidiary companies, our shareholders, employees, customers, suppliers, investors, regulatory/government bodies, industry associations, and the communities in which we operate. We encourage all our stakeholders to share their feedback and proactively engage with SIIG, and we provide periodic reports and regular communication to encourage continuous engagement with SIIG.



SUSTAINABILITY FRAMEWORK

We used insights and information from our materiality assessment to develop our sustainability framework. The framework sets forth SIIG’s overall approach to sustainability and is structured around four key pillars:



The content of this report is organized around these four pillars to provide context and insight into the material topics encompassed by each pillar, and the ways SIIG is working to drive continuous improvement in each area.

SAFEGUARDING THE ENVIRONMENT

SIIG’s primary environmental impacts take place via our subsidiaries. Therefore, we aim to manage and minimize our collective environmental footprint by integrating sustainable practices across our subsidiaries. Our efforts are focused on the material environmental issues for which we have the most direct impact and the highest capacity to drive positive change, ensuring we are actively building a more sustainable future for all our stakeholders.

IN THIS REPORT

Our Approach: Safeguarding the environment	11
Climate Change and Energy Management	13
Waste Management	14
Water Management	15
Air Quality & Emissions	16
Biodiversity & Ecosystem Protection	16



SAFEGUARDING THE ENVIRONMENT

Knowing the continuous improvement of environmental performance across our Group is one of the primary ways we can future-proof our business and support the ambitions of Saudi Vision 2030, the Saudi Net Zero 2060 initiative and the UN SDGs, the next step on SIIG's sustainability journey is to complete the development of an environmental strategy built on our sustainability framework.

We are currently in the process of refining this strategy, which will set forth a roadmap and objectives for continuously improving the environmental performance across SIIG, along with detailed action plans and environmental targets.

As the largest company in the SIIG portfolio, jointly managed company S-Chem is responsible for the majority of SIIG's environmental impacts. To manage these impacts in alignment with SIIG's sustainability strategy and objectives, S-Chem has established its own clearly defined environmental strategy. The strategy sets forth objectives and a roadmap for S-Chem along with detailed action plans for achieving key environmental performance targets.

S-Chem focuses its efforts on the environmental topics most material to the company and its stakeholders, including climate change and energy management, waste management, water management, air quality and emissions. Full details of S-Chem's sustainability strategy, initiatives, investments and progress towards key environmental performance targets for each of these areas is disclosed in the company's annual sustainability report.

SUBSIDIARY HIGHLIGHT

Individual SIIG subsidiaries have set or are in the process of setting their own environmental performance objectives and defining their own environmental priorities in alignment with the environmental issues most material to their operations.

S-CHEM

- ▶ Implementing energy saving initiatives to reduce site energy intensity
- ▶ Reducing greenhouse gas (GHG) production
- ▶ Reducing the volume of site-wide routine waste generated

GPDC AND ADCO (DISTRIBUTION CENTERS)

- ▶ Enhancing communication with internal and external customers, ensuring improved customer satisfaction and prompt resolution of customer complaints
- ▶ Monitoring and tracking of sea and truck shipments ensuring timely deliveries, minimizing delays and maintaining supply chain efficiency
- ▶ Selecting and working with third-party service providers such as warehouse service providers, tank service providers and major ocean carriers that prioritize sustainability



ENVIRONMENTAL POLICY

SIIG has a well-defined Environmental Policy that applies to all SIIG subsidiaries, and to our sub-contractors and suppliers. The policy includes several initiatives for green manufacturing practices, energy management procedures, and environmental protection measures.

SUBSIDIARY HIGHLIGHT

S-Chem has an ISO 14001 certified Environmental Management System (EMS), which provides a robust framework for managing the company's environmental, operational, and maintenance procedures to ensure compliance with both regional and global standards.

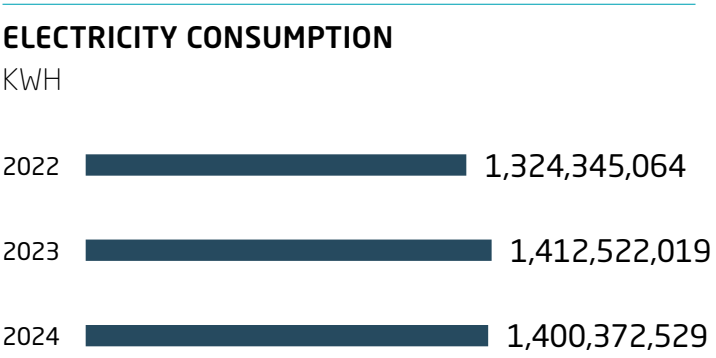
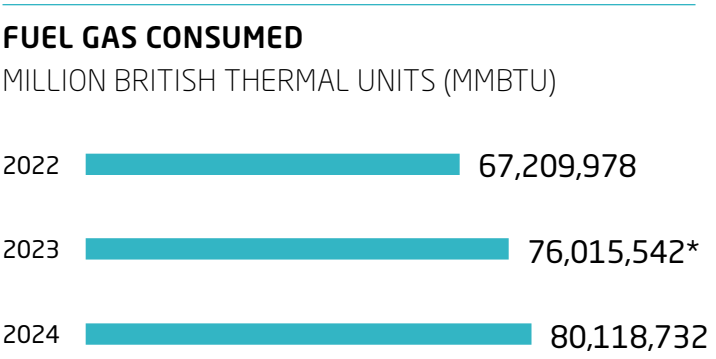
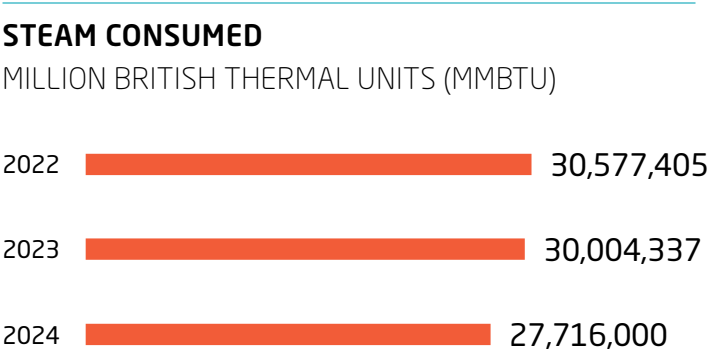


CLIMATE CHANGE AND ENERGY MANAGEMENT

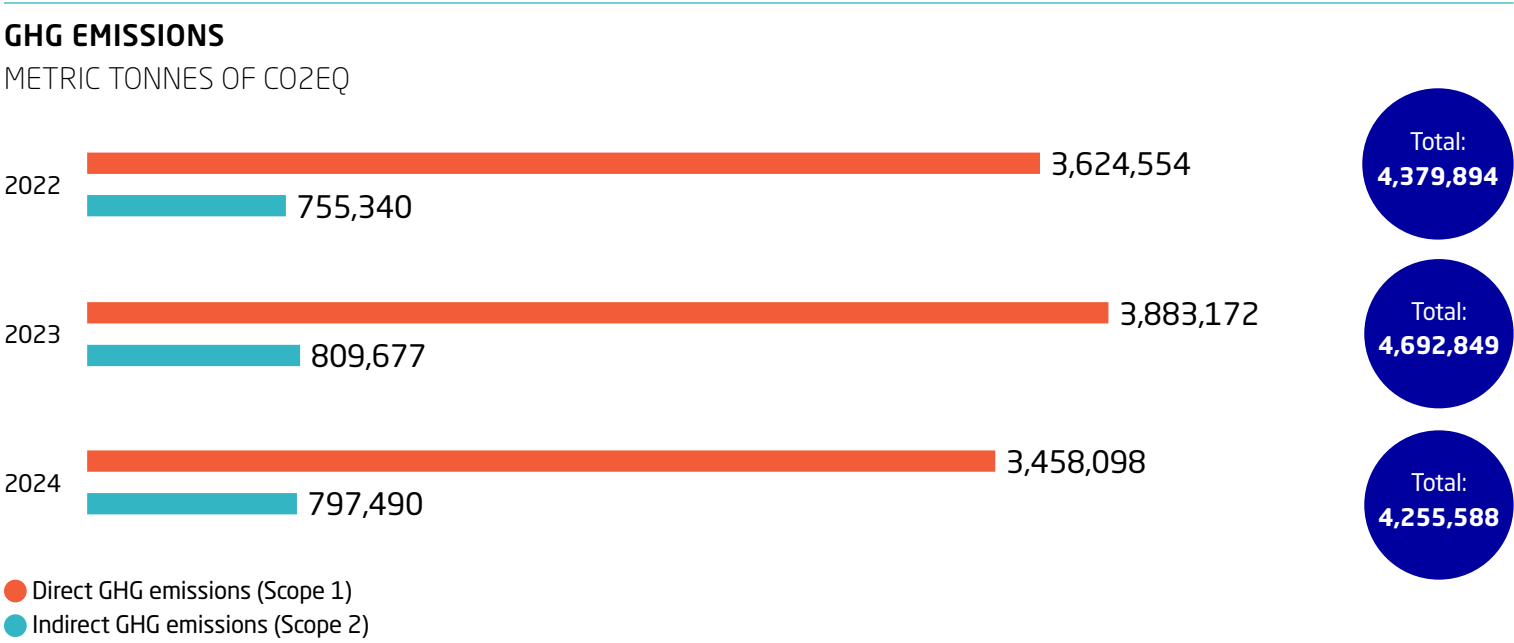
Recognising that S-Chem’s approach to energy management has a direct impact on GHG emissions, the company is heavily focused on reducing emissions through the integration of renewable energy solutions and energy efficiency improvements.


In 2023, S-Chem worked with the Saudi Energy Efficiency Centre (SEEC) to drive reductions in the company’s energy consumption and improve overall production efficiency. This resulted in S-Chem’s steam energy consumption decreasing by 1.9% in 2023. The company has an energy team that meets monthly to discuss new initiatives and evaluate site energy intensity performance.

The company also conducted a comprehensive, site-wide Sustainability and Energy Management System campaign to engage employees on ways to improve S-Chem’s energy performance, including identifying opportunities to reduce GHG emissions and energy intensity, and optimize the performance of S-Chem’s manufacturing operations.



* Figure has been restated based on S-Chem’s SAP input.



7.63% 
reduction in steam energy
consumption in 2024



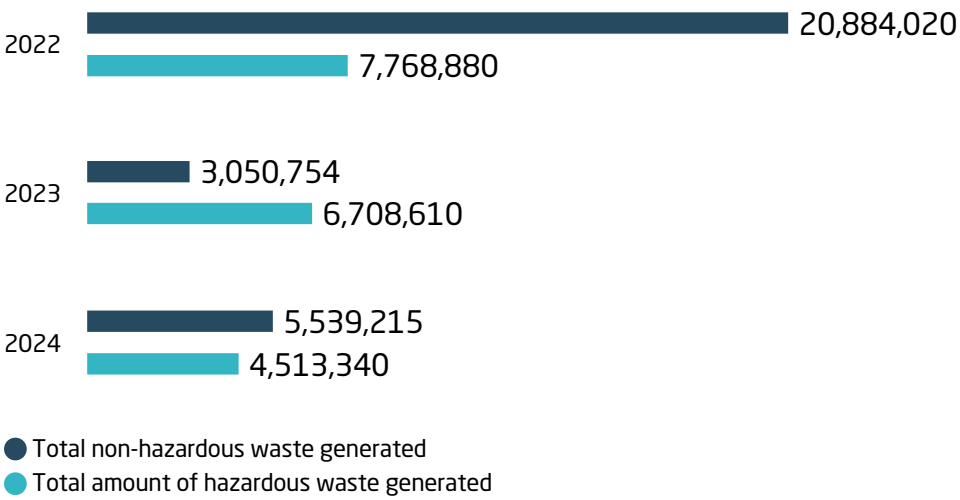
WASTE MANAGEMENT

The continuous reduction of on-site routine waste generation is an ongoing priority for S-Chem.

In addition to finding ways to reduce material consumption from the outset, S-Chem also prioritizes waste recycling as a critical aspect of the company’s operations. This includes the recycling of lubricating oils, oily waste containing more than or equal to 5% hydrocarbons, consumed caustic metal scrap, plastic scrap, and electronic waste through recycling facilities approved by the Royal Commission for Jubail and Yanbu. In 2024, a total of 332.74 MT went for offsite recycling, with 322.74 MT allocated for hydrocarbon recovery and 10 MT for e-waste recycling.

WASTE MANAGEMENT

KILOGRAMS



WATER MANAGEMENT

Balancing water usage for operational needs with conservation efforts is a constant focus for S-Chem, whose primary water impacts are generated because of the company’s cooling processes, particularly the discharge of heated seawater back into the environment.

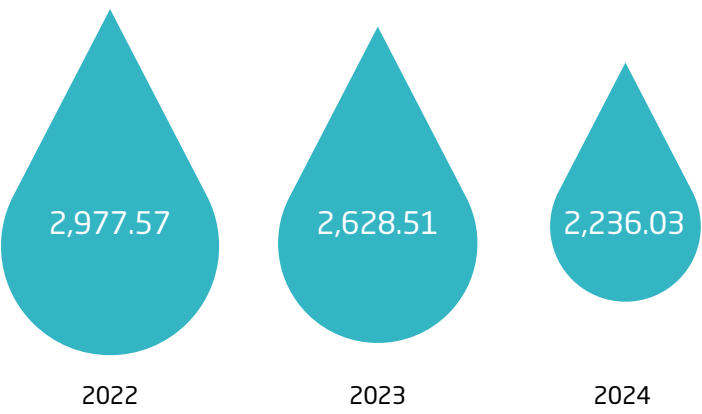
This process requires careful monitoring and the use of innovative strategies and technology for mitigating potential ecological impact, including a Seawater Cooling system and a Raw Water system. S-Chem also adheres to the Marafiq Policy for Portable Water and Cooling Sea Water, and the company’s management of industrial wastewater is managed in accordance with regulations set forth by the Royal Commission.

To drive continuous improvement in the company’s water management performance, for the past several years S-Chem has worked continuously with key users to reduce both marine and desalinated water used for cooling and steam production in addition to manage the disposal of liquid waste. These efforts have resulted in a 14.93% reduction in potable water consumption and 3.16% in the sea water consumption between 2023 and 2024.

S-CHEM’S WATER MANAGEMENT PROFILE				
WATER MANAGEMENT	UNIT	2022	2023	2024
Seawater	Megalitres	382,493.49	408,630.91	395,738.33
Potable water	Megalitres	2,977.57	2,628.51	2,236.03
Total water withdrawal	Megalitres	385,471.06	411,259.43	397,974.36
WATER DISCHARGE				
Hydrocarbon content in water discharged to the environment	tonnes	73	76	68

In 2024, S-Chem’s total water withdrawal decreased by approximately 3.3%, attributable to enhanced water management practices and efficiency improvements in operational processes. The increase in water withdrawal noted in 2023 was reversed as the company successfully implemented strategies to reduce its dependency on both seawater and potable water sources. Additionally, the hydrocarbon content in water discharge to the environment saw a decrease to 68 tonnes, reflecting the effectiveness of S-Chem’s measures to mitigate environmental impact.

POTABLE WATER



AIR QUALITY & EMISSIONS

In addition to reducing GHG emissions through its energy efficiency initiatives, S-Chem also conducts regular environmental testing campaigns to identify and prevent potential air quality and emissions concerns related to manufacturing and production.

This includes annual stack testing and Lead Detection and Repair (LDAR), which are performed by approved third-party providers in line with environmental permit conditions and compliance with all local environmental regulations. As part of its environmental permit applications, S-Chem also assesses all environmental aspects related to air, water, waste, noise, and hazardous materials and ensure compliance with local regulatory and environmental requirements.



BIODIVERSITY & ECOSYSTEM PROTECTION

S-Chem protects biodiversity by adhering to the stringent environmental regulations of the Royal Commission for Jubail and Yanbu (RCJY), aligned with international standards and the Saudi Vision 2030.

Some of the key measures S-Chem takes include compliance with environmental laws, strategic site planning, comprehensive Environmental Impact Assessments (EIA), and strict monitoring of air, water, waste, and wildlife using advanced technologies. Through these efforts, S-Chem seeks to ensure its ecological impacts are minimised, and its overall operations are sustainable.



SOCIAL

INVESTING IN PEOPLE

SIIG is dedicated to empowering people, fostering diversity, and strengthening the communities in which we operate. Our focus on talent development, employee well-being, and inclusivity throughout SIIG and its subsidiaries is central to building a future-proof and resilient company. It is also one of the ways we are working to support key UN SDGs and the Saudi Vision 2030 ambitions.

IN THIS REPORT

Our approach:	
Investing in people	18
Diversity, Equity, and Inclusion	20
Talent Attraction and Retention	21
Human Capital Development	22
Occupational Health & Safety	23
Community Engagement	24



OUR APPROACH

INVESTING IN PEOPLE

Our approach to investing in people and communities is built upon our deep commitment to ethical business practices and human rights.

SIIG is dedicated to conducting business in ways that demonstrate our respect for the human rights of all our employees, and we are committed to identifying, preventing, and mitigating any potential violations of human rights arising out of, or caused by, our business activities.

SIIG has several policies in place to ensure our commitment to ethical business practices and human rights is consistently upheld, including our corporate Code of Conduct and our Anti-Slavery policies. While these and other policies at SIIG may differ from those of SIIG subsidiaries, we ask all subsidiaries to ensure their policies align with the intentions, objectives and commitments of SIIG. SIIG's internal audit manager is tasked with ensuring subsidiary policies align with those of SIIG.



CORPORATE CODE OF CONDUCT

All SIIG employees, senior management and members of the Board of Directors must uphold to our corporate Code of Conduct and follow any other guidelines or policies applicable to the company. The Code outlines SIIG's Standards of Conduct and requires all individuals associated with SIIG to adhere to these standards and always conduct themselves with integrity, particularly in the workplace, business practices, and stakeholder relations. The policy also outlines the duties of SIIG's independent directors.



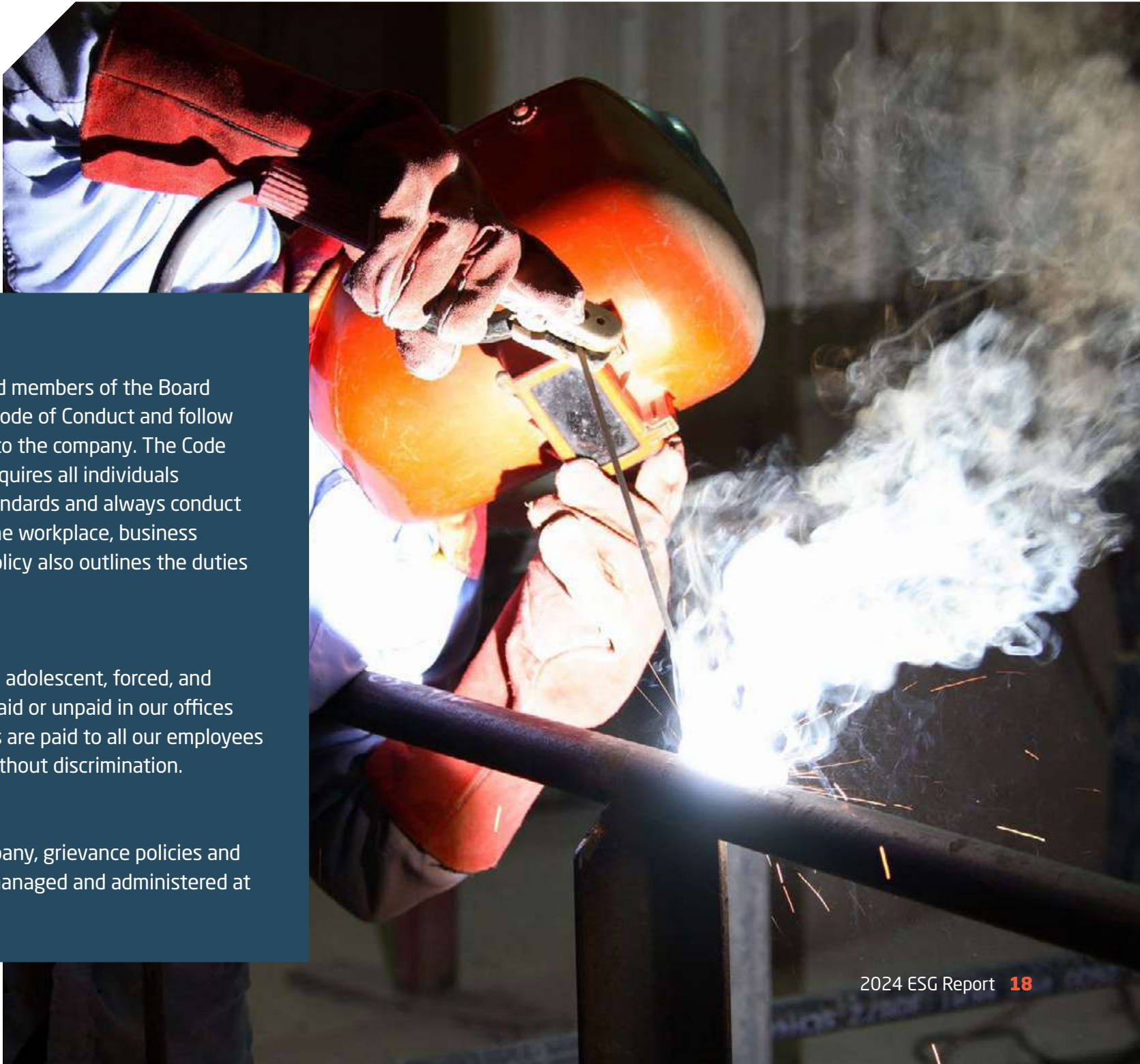
ANTI-SLAVERY POLICY

SIIG adheres to a policy that prohibits child, adolescent, forced, and other forms of involuntary labor whether paid or unpaid in our offices and plants, and we ensure statutory wages are paid to all our employees in a fair, timely, and transparent manner without discrimination.



GRIEVANCE MECHANISMS

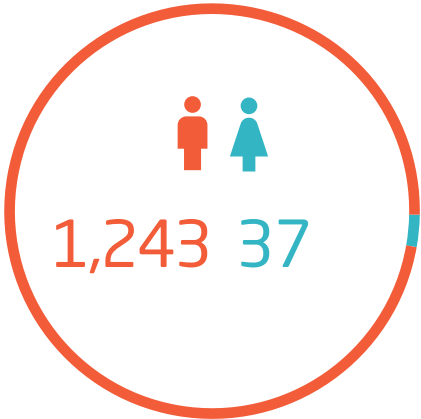
Due to the nature of SIIG as a holding company, grievance policies and mechanisms for reporting grievances are managed and administered at the subsidiary level.



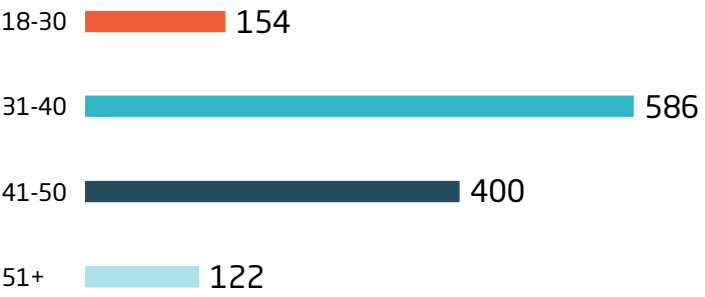
WORKFORCE COMPOSITION

EMPLOYEES	SIIG		S-CHEM		ADCO		GPDC	
	2023	2024	2023	2024	2023	2024	2023	2024
Full-time employees	28	28	1,265	1,229	3	3	20	20
WORKFORCE BY GENDER	SIIG		S-CHEM		ADCO		GPDC	
	2023	2024	2023	2024	2023	2024	2023	2024
Female full-time employees	3	3	20	25	1	1	8	8
Male full-time employees	25	25	1,245	1,204	2	2	12	12
WORKERS WHO ARE NOT EMPLOYEES	SIIG		S-CHEM		ADCO		GPDC	
	2023	2024	2023	2024	2023	2024	2023	2024
Contractors	0	0	339	222	0	0	1	1
WORKFORCE BY AGE GROUP	SIIG		S-CHEM		ADCO		GPDC	
	2023	2024	2023	2024	2023	2024	2023	2024
18-30	5	5	145	149	0	0	0	0
31-40	7	7	636	566	3	3	10	10
41-50	12	12	370	379	0	0	9	9
51+	4	4	114	116	0	0	2	2
SAUDIZATION	SIIG		S-CHEM		ADCO		GPDC	
	2023	2024	2023	2024	2023	2024	2023	2024
Percentage of full-time national employees	64%	64%	100%	85%	33%	33%	5%	5%

SIIG AND SUBSIDIARIES BY GENDER
2024



SIIG AND SUBSIDIARIES WORKFORCE BY AGE GROUP
2024



DIVERSITY, EQUITY, AND INCLUSION



We believe a diverse workplace is a successful workplace, and that engaging the talents, skills, and expertise of individuals from a broad range of backgrounds only makes our company stronger. As part of SIIG's recruitment plan, we are committed to improving the age and gender diversity of our company, and we do not discriminate because of age or gender.

As part of our commitment to equal opportunity, SIIG has also established a policy to ensure all qualified individuals receive equal opportunity regardless of their ethnic background, religion, sex, age, nationality, veteran status, disability, or any other protected status. The policy also covers the administration of all personnel actions, including compensation, benefits, transfers, layoffs, recalls after layoffs, training, education, tuition assistance, and recreation programs in accordance with all applicable laws.

SIIG employees periodically receive diversity and inclusion training. As appropriate, SIIG subsidiaries also provide direct training to their employees on topics including diversity and inclusion.

Zero 
reported incidents of
discrimination in 2024

TALENT ATTRACTION AND RETENTION

We are committed to attracting and retaining a diverse and growing group of top talent for SIIG and our subsidiary companies from across Saudi Arabia and beyond. We are proud of our dedication to cultivating an equitable, inclusive and safe workplace for everyone who is part of SIIG and its subsidiaries.

To support our recruitment and retention efforts, in January 2023 SIIG adjusted our salary scale, which had a significant and positive impact on our employees.

We also began developing an employee retention project in 2023. Scheduled to launch in 2025, the project is designed to further stabilize and strengthen our employee base.



REMUNERATION BENCHMARKING

To support talent acquisition and retention, SIIG conducts remuneration benchmarking every three to five years to ensure that we are providing competitive compensation and benefits for our employees. This process enables us to continue hiring qualified talent, set salary structures in line with competitive industry norms, and ensure appropriate salary increases, incentives and rewards.



SAUDIZATION

As part of our support for the Saudi Vision 2030 objectives for developing local talent and strengthening the Saudi workforce, SIIG and our subsidiaries prioritise the recruitment of qualified Saudi nationals when it is feasible to do so. As of 2024, SIIG has achieved a 64% Saudization rate.

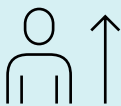


HUMAN CAPITAL DEVELOPMENT

With a very small number of direct employees, SIIG takes an informal approach to employee engagement built around collaborative relationships and partnership with every member of our organization.

In addition, each subsidiary company is responsible for ensuring regular communication and engagement with their employees as part of our Group-wide commitment to cultivating an open, engaging and inclusive workplace for everyone. These programs also ensure the opportunity to recognize and reward employees for their positive contributions to our collective and sustainable growth.

We hold quarterly meetings with all employees to discuss safety and address any concerns, including compensation, and we provide a communications platform for employees to share thoughts and questions throughout the year.



EMPLOYEE DEVELOPMENT

SIIG believes that enabling every employee to build a thriving career at any stage of their life is a crucial part of our responsibility to those who contribute our success. We provide competitive benefits, annual performance reviews, and access to the support and resources employees need.



LEADERSHIP AND DEVELOPMENT TRAINING

We are proud to provide access to the education and training opportunities employees need to grow and expand their skills, knowledge and expertise. SIIG aims to upgrade and upskill the expertise and competencies of our employees through a variety of training programs. As part of our commitment to sustainable learning, employees have access to a variety of in-person and online training programs, including on-the-job training, sensitization programs, and skills and competency training.



SIIG provides an e-learning platform to enable employees to complete mandatory training, and each manager has a KPI to ensure their team completes these sessions.

ADDITIONALLY, OUR DEVELOPMENT OFFERINGS INCLUDE:

- ▶ **Leadership Development Programs:** These programs are instrumental in nurturing the next generation of leaders within SIIG, focusing on strategic thinking, decision-making, and team management.
- ▶ **Technical Skills Training:** To keep pace with rapid technological advances, we offer programs that ensure ongoing proficiency in the latest tools and software, such as coding bootcamps and advanced data analysis courses.
- ▶ **Soft Skills Workshops:** Recognizing the importance of interpersonal skills, these workshops aim to enhance communication, teamwork, and problem-solving abilities within a collaborative work environment.
- ▶ **Diversity and Inclusion Sensitization:** Through education on the value of diversity and inclusion, these programs strive to create a more inclusive and respectful workplace.
- ▶ **On-the-Job Training:** This practical, hands-on training is tailored to specific job roles, helping employees integrate new skills directly into their daily tasks, thereby enhancing both productivity and their learning experience.

Each of these training types has significantly contributed to the overall growth and development of the employees, making the organization stronger and more resilient.

OCCUPATIONAL HEALTH & SAFETY

With active manufacturing operations and the largest number of employees within the SIIG portfolio, S-Chem is responsible for a significant portion of SIIG’s safety risks.

To mitigate these risks and ensure the safety of its employees, S-Chem has developed comprehensive safety procedures tailored to the unique demands of our industry, integrating both engineering and administrative controls from the design stage to protect employees, contractors, and the environment.

100% 
of our employees covered by the health and safety management system

S-CHEM’S OH&S PERFORMANCE

HEALTH AND SAFETY	2022	2023	2024
Total employee man hours	3,798,696	3,563,897	3,903,570
Total contractor man hours	8,603,236	3,167,022	6,651,486
RIR - Recordable Incident Rate	0.03	0.06	0.04
PSER - Process Safety Event Rate	0	0.03	0.032
Tier-1 Process Safety Event	0	1	0
Tier-2 Process Safety Event	0	0	0
Tier-3 Process Safety Event	134*	107*	117

* Figures have been restated to represent the total number of Tier 3 Process Safety Events for each year.

The company’s health and safety standards also adhere to local regulations and recognized international guidelines, including those from the High Commission for Industrial Security, the Ministry of Human Resources and Social Development (formerly Ministry of Labor), the Occupational Safety and Health Administration (OSHA), the National Institute for Occupational Safety and Health (NIOSH), the American Petroleum Institute (API), and the American National Standards Institute (ANSI).

To further safeguard employee health and safety, S-Chem has implemented administrative measures within plant operations and is committed to fostering continuous improvement and a positive safety culture through its Operational Excellence (OE) system. S-Chem also applies a rigorous risk management methodology to ensure operational discipline at every level by standardizing the company’s efforts to improve health, safety, security, reliability, quality, and environmental performance.



COMMUNITY ENGAGEMENT

SIIG and its subsidiaries have a direct and indirect impact on the communities in which we conduct business. As a corporate citizen, we are dedicated to strengthening those communities through service to society and support for charitable organizations, agencies and programs dedicated to social advancement and sustainable development in those communities.

In 2024, we were pleased to contribute approximately SR 2 million to a variety of community programs, with a focus on initiatives designed to enable individuals to build the skills and knowledge necessary to gain decent work, build self-reliance and establish or maintain independence. These included educational programs in health and safety, providing education and training support for orphans and under-privileged families, and supporting educational and training institutions.







SR 2m 
contributions a variety
of community programs

As part of our charitable contributions, we also annually assess the programs we support to ensure their effectiveness and capacity to drive positive outcomes.

SUBSIDIARY HIGHLIGHT

Each year, S-Chem sponsors a variety of educational, industry, and community events and programs including programs hosted by the Gulf Petrochemicals and Chemicals Association (GPCA) as well as local events. The company also supports a variety of charities and charity activities, including orphanages, food banks, and organizations that support children with special needs, cancer patients, and diabetes patients.

SIIG'S 2024 COMMUNITY CONTRIBUTIONS

- | | | | |
|---|---|---|---|
|  | ETAAM food bank Association: Supporting the Hajj without food waste program 500K during 1445H Hajj |  | Autism Centre of Excellence, support of SR 200K for the professional rehabilitation program. |
|  | Bunyan Association: supporting individuals with low-income families in English language learning 150K |  | The Tamkeen Hub: supporting the training of IT students with 50K. |
|  | IHSAN Platform: with 1 million SAR we supported the following organizations registered under Ihsan: Children with Disabilities Association, supporting the workshop of continuously creating casts for children as they grow with 500K. The Childhood Association, supporting the Education and Awareness program with 300K. The Food Bank Association (Etaam): supporting the food baskets for families with 200K. |  | GPCA Youth Council: supporting enrolling of 35 students from SQU to the Council with 17,500 USD (65,625 SAR). |

INTEGRATING EXCELLENCE

Driven by our commitment to serving as a responsible industry leader and building transparent, trusting relationships with our stakeholders, SIIG strives to uphold high levels of integrity and ethical business conduct throughout all our endeavours. We are highly focused on maintaining a strong governance framework, responsible supply chain management, and safeguarding the interests of our employees, customers, and partners by delivering on our commitments.

IN THIS REPORT

Governance & Business Ethics	26
Governance Framework	27
Board Committees	28
Risk Management	30
Economic Performance	31
Supply Chain Management	32
Data Privacy & Security	33
Customer Experience	34



GOVERNANCE & BUSINESS ETHICS

Through a principled approach to conducting business characterised by transparent, ethical decision-making, accountability, and responsible operations, SIIG aims to create long-term value for our shareholders and stakeholders.

Robust corporate governance practices and the leadership of an experienced Board of Directors are central to our efforts, enabling us to drive business excellence, continuously strengthen our performance and competitiveness, and contribute to regional and global sustainability agendas including the Saudi Vision 2030 and the UN SDGs.

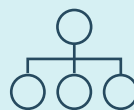
CORPORATE GOVERNANCE AT SIIG IS STRUCTURED AROUND THE FOLLOWING PRINCIPLES:

1



Transparency, trust and communication with all SIIG’s stakeholders, including our shareholders, employees, and communities. Through transparent disclosure and communication of SIIG’s activities and regular engagement with our stakeholders, we are committed to fostering open dialogue and building strong, trusting relationships throughout our value chain.

2



Clear definition of roles and responsibilities, including full separation of Board and management responsibilities to facilitate effective decision-making and accountability. In alignment with the Saudi Capital Market Authority (CMA) standards, SIIG ensures the separation of Board and management activities.

3



Creating a Group workplace that fosters confidence, innovation, and encourages sustainable growth, by promoting open communication, providing opportunities for professional development, promoting diversity, and implementing sustainable business practices.

4



Upholding a zero-tolerance policy for corruption, bribery, and unethical practices, by conducting regular training and audits, enforcing strict accountability measures, and promoting a culture of transparency and ethical behaviour at all levels.

5



Fostering a culture of rigorous compliance that includes proper reporting procedures, and periodic review of SIIG’s management structure and corporate policies to ensure they remain up to date and in full alignment with all laws and regulations set by all applicable legal authorities.

6



Conducting all business activities with full impartiality, equity and ethics, by establishing clear policies, maintaining a culture of accountability, and implementing oversight mechanisms to monitor any deviations from ethical standards, and address them accordingly.

GOVERNANCE FRAMEWORK

SIIG's governance is built upon a set of core operational and management policies designed to ensure ethical business practices and full regulatory compliance across SIIG and its subsidiaries.

In accordance with Saudi Capital Market Authority (CMA) policies, SIIG has: (i) adopted the full separation of responsibilities between the company Board and management, (ii) provided compliance and ethics training for the Board, senior management and other key employees, and (iii) regularly reviews all company policies and procedures to ensure full compliance with all applicable laws and regulations.

In 2023, the CMA worked with the Ministry of Commerce to modernise the Companies Law. In response, SIIG took steps to further improve our corporate governance standards and update our corporate governance documents with input from an external consultant and our Governance Committee. As part of these efforts, we have a total of 23 corporate governance policies. In 2023, 5 of these policies were approved by the General Assembly, and in 2024, 13 policies underwent a comprehensive review and approval process involving SIIG, our consultant, the Governance Committee, and the Board.

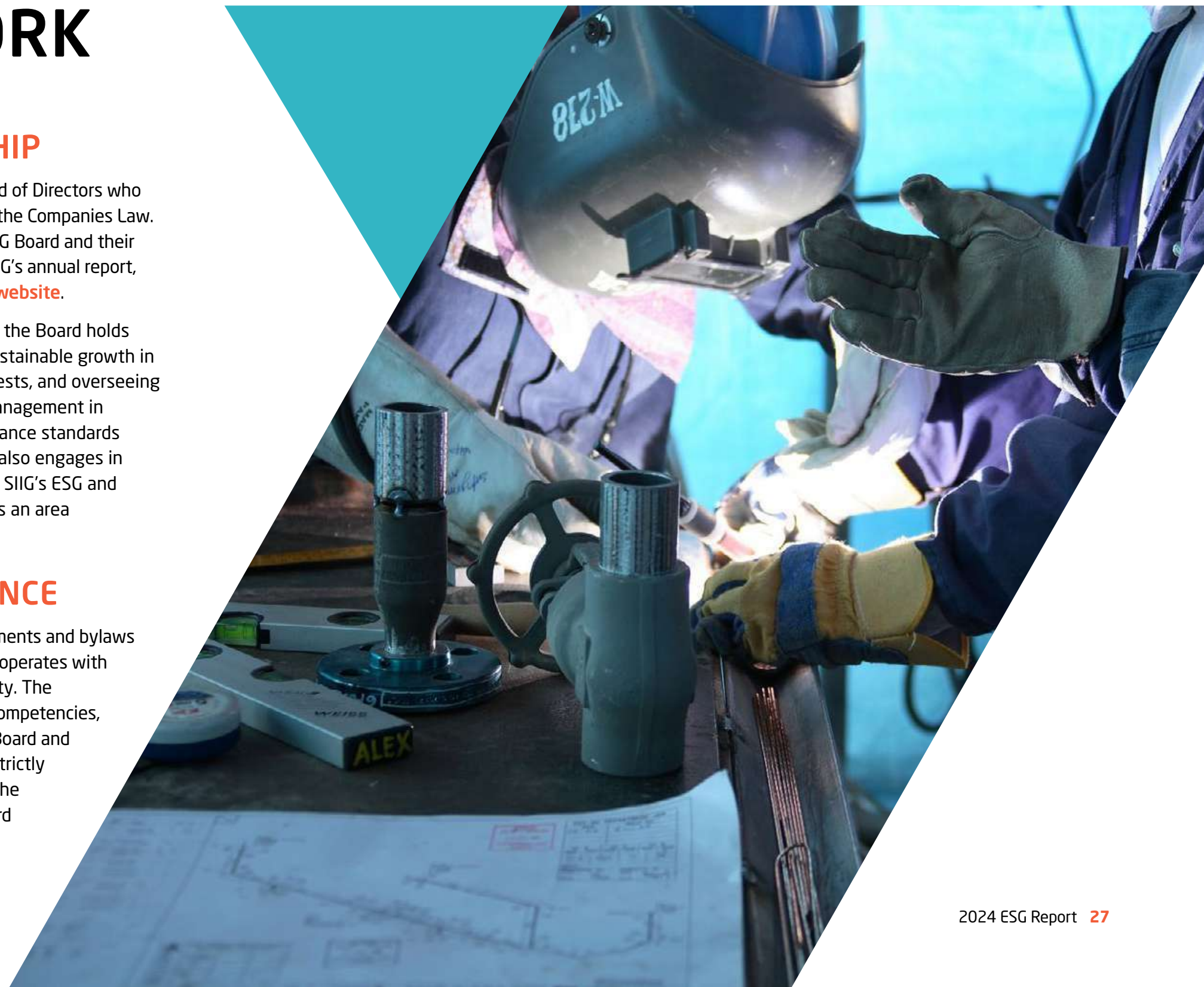
BOARD LEADERSHIP

SIIG is led by an experienced Board of Directors who are appointed in accordance with the Companies Law. Detailed information about the SIIG Board and their responsibilities can be found in SIIG's annual report, which is publicly available on our [website](#).

As SIIG's highest governing body, the Board holds responsibility for driving SIIG's sustainable growth in alignment with stakeholder interests, and overseeing the activities of our executive management in adherence with corporate governance standards and codes of conduct. The Board also engages in decision-making and oversight of SIIG's ESG and climate-related activities, which is an area of increasing priority and focus.

BOARD GOVERNANCE

SIIG's corporate governance documents and bylaws are designed to ensure the Board operates with full transparency and accountability. The bylaws articulate the formation, competencies, responsibilities and rights of the Board and Board committees. This includes strictly defining conflicts of interest and the ethical standards to which all Board members must adhere.



BOARD COMMITTEES

SIIG's Board committees enable the Board to fulfil its responsibilities in alignment with corporate governance regulations. Designed to enhance the Board's effectiveness, the Board oversees the following committees:

EXECUTIVE AND INVESTMENT COMMITTEE

SIIG's Executive and Investment Committee is responsible for managing and directing the company's business and affairs, overseeing the company's strategic vision and objectives, and making recommendations regarding strategic plans, including long, medium, and short-term goals including regularly review and update of these objectives. This committee is also responsible for:

- ▶ Supervising SIIG's financing situation and managing its financial needs, as well as reviewing the estimated budget.
- ▶ Seeking investment opportunities, including merger or acquisition, and expansion of existing projects.
- ▶ Preparing the investment strategy and its guidelines and policies and proposing possible internal and external investment areas.

- ▶ Determining and arranging priorities for proposed investment offers, identifying attractive investment opportunities, and assessing their feasibility before presenting them to the Board.
- ▶ Reviewing the impact of the proposed investments on SIIG's statement of financial position, including: the required financing, and evaluating the impact on liquidity and debt ratios.
- ▶ Following up on the development of new investments and investment activities and setting appropriate standards to measure and evaluate investment performance and the level of risks.

The Executive and Investment Committee may seek the assistance of independent consultants, whenever necessary, to conduct specialised studies that help the Committee perform its tasks and determine their fees.

GOVERNANCE, RISK, AND SUSTAINABILITY COMMITTEE

The SIIG Governance, Risk, and Sustainability committee is tasked with ensuring SIIG delivers on its commitment to applying the rules of the Corporate Governance Regulations, clarifying the powers of the Board of Directors and committees, and developing their efficiency to enhance the company's decision-making mechanisms. This Committee also holds responsibility for:

- ▶ Periodically review and update corporate governance procedures and regulations in line with legislative and regulatory requirements.
- ▶ Develop, verify, review and update a comprehensive risk management strategy and policies commensurate with the nature and size of SIIG's activities based on the Company's internal and external variables.
- ▶ Review sustainability strategy and policies periodically to ensure that they are relevant to changes that may occur in the internal or external environment in which SIIG operates, the legislation regulating its actions, its strategic objectives, etc.
- ▶ Review and recommend programmes and means for the social responsibility initiatives of SIIG.



AUDIT COMMITTEE

SIIG's Audit Committee is responsible for recommending the selection and dismissal of external auditors, evaluating their performance, verifying their independence, and reviewing the scope and terms of their work. The Committee also holds responsibility for:

- ▶ Studying the annual and interim financial statements before approving and announcing them.
- ▶ Evaluating the effectiveness of the company's assessment of important and potential risks, and how to monitor and confront such risks.
- ▶ Verifying the adequacy of the company's control activities and the effectiveness of their design.
- ▶ Verifying the independence of the internal auditor.
- ▶ Approving the company's internal audit work plan, evaluating its performance, studying its reports, and following up on the implementation of corrective measures for observations contained therein.
- ▶ Studying the company's accounting policy, monitoring its business, and verifying the integrity and soundness of reports and financial statements and the company's compliance with the relevant laws, regulations, and policies.

NOMINATIONS AND REMUNERATION COMMITTEE

The SIIG Nominations and Remuneration Committee is tasked with recommending the names of candidates for Board membership to the Board of Directors in accordance with the company's membership policy. The Committee is also tasked with conducting an annual review of the Board structure and the skills requirements for membership on the Board of Directors, including a gap analysis of Board strengths and weaknesses in alignment with company interests, and proposing solutions for strengthening the Board where necessary. In addition, this Committee is responsible for:

- ▶ Annual assurance of the independence of independent Board members.
- ▶ Annual assurance of the absence of conflicts of interest when a Board member also holds membership on the Board of another company.
- ▶ Establishing and periodically reviewing clear remuneration policies for Board members and senior executives using performance-related standards to ensure alignment with all relevant regulations and legislation.
- ▶ Recommending rewards for Board members, Board committees, senior executives, and employees of the company in accordance with approved policy.

On an annual basis, the Committee must also ensure compliance with all provisions of Companies Law, the Financial Market Law, and their executive regulations.

RISK MANAGEMENT

SIIG is committed to continuously monitoring and managing risk and implementing appropriate preventative measures across SIIG and its subsidiaries.

SOME OF THE PRIMARY RISKS THAT MAY AFFECT SIIG, AND ITS SUBSIDIARIES INCLUDE:

- ▶ Human resources risks associated with the instability of Saudi talent and its impact on the development of the company's performance and continuity. To avoid such risk, SIIG and its jointly managed companies prepare appropriate programs that help attract and retain Saudi employees and minimise turnover.
- ▶ Human and environmental safety risks associated with the manufacture and marketing of petrochemical products, which by their nature may be hazardous or flammable. To reduce these risks, SIIG's jointly managed companies are required to undertake continuous training of workers in all areas of safety and protect the environment. They must also commit to applying global best-practice safety standards across their operations.
- ▶ Environmental risks such as pollution that are inherent to petrochemical industry activities, can lead to fines and associated remedial costs. To mitigate environmental risks, SIIG's jointly managed companies adhere to the principles of sustainability by utilising globally approved materials with minimal environment impact and ensuring waste is managed responsibly through specialised partners and appropriate methods to protect both the environment and society.
- ▶ Operational performance risks associated with technologies and equipment, potentially affecting production quantity. To reduce these risks, SIIG's jointly managed companies implement comprehensive reliability programs for all their units and must comply with the highest international standards for maintaining those units on an ongoing basis.



ECONOMIC PERFORMANCE

Saudi Industrial Investment Group is proud to be one of the first privately owned petrochemical companies in the Kingdom of Saudi Arabia. Our main goal is to generate value for our shareholders and to contribute to the Kingdom’s economic growth through investment in the petrochemical industry and through our diversification into new sectors that seek to address new and emerging global challenges such as energy and food supply.

In 2023, we were pleased to advance this effort to advance sustainable growth by announcing our investment in Unibio International, a global leader in bioprotein technology. We are also actively exploring other avenues of investment to support sustainable innovation and economic growth.

Listed on Tadawul, the Saudi Stock Exchange in 2004, SIIG is considered one of the leaders in developing Saudi Arabia’s industrial base. As of December 31st 2024, SIIG is considered one of the largest petrochemical companies in the Kingdom, and one of the largest in the Middle East and North Africa region with a hypothetical market value of 12.6 billion SAR and a total hypothetical combined production capacity of 6.3 million tons annually.

Despite global economic challenges in 2023, the world population increase and an increase in per capita purchasing power in many countries around the world, particularly China and India, led to an increase in demand for consumer products which depend upon petrochemicals for their manufacture. As a result, countries in the gulf region are among the largest exporters to China and continuing increases in demand for petrochemical production is anticipated throughout the next decade, generating opportunities for ongoing investment and growth for SIIG and its subsidiaries, as well as significant opportunities for continued investment in innovation. More information about SIIG’s economic impact, including annual financial performance data for 2024, is disclosed in the company’s [annual report](#).



1.67bn 

SAR hypothetical market value

6.3m 

tons hypothetical combined production capacity

SUPPLY CHAIN MANAGEMENT

SIIG supply chain management and procurement procedures are managed at the subsidiary level. As SIIG’s largest jointly managed company with extensive direct operations, S-Chem has the most robust supply chain management practices.

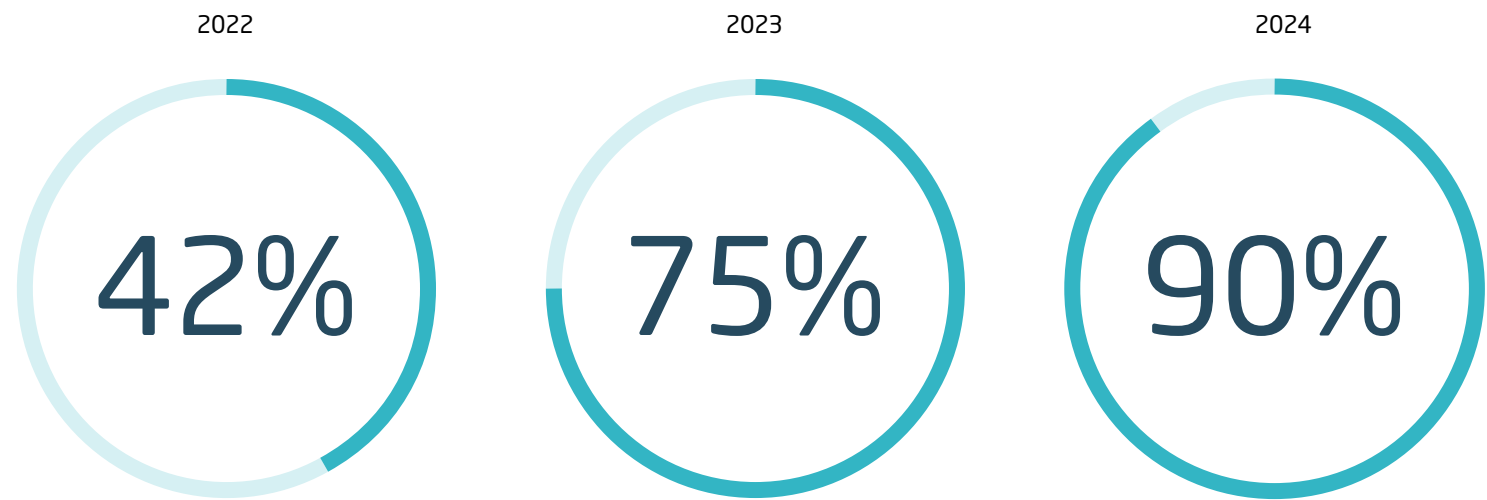
From the logistics of procuring raw materials and resources to the distribution of finished polymer products, S-Chem regularly engages with its network of suppliers and business partners to ensure environmentally and socially responsible practices throughout its value chain. In accordance with the company’s procurement policy, all S-Chem suppliers and contractors are screened via a pre-qualification process that includes safety protocol evaluations and reviews of incident reports, as well as confirmation of General Liability Insurance.

TOTAL NUMBER OF SUPPLIERS



PROCUREMENT	UNITS	2022	2023	2024
Total number of suppliers	Number	761	810	1,015
Total number of local suppliers	Number	534	464	682
Percentage of local suppliers	Percentage	70%	57%	67%
Total spending on suppliers and contractors	SAR '000	5,441,530	2,013,301	1,455,232
Spending on locally based suppliers and contractors	SAR '000	2,273,405	1,518,629	1,305,503
Percentage of spending on local suppliers	SAR '000	42%	75%	90%

PERCENTAGE OF SPENDING ON LOCAL SUPPLIERS



90% 
spending on local suppliers in 2024

67% 
are local suppliers

DATA PRIVACY & SECURITY

Data privacy and cybersecurity is a critical concern across SIIG, and the safeguarding of data is fundamental to our operations and governance practices. As such, SIIG upholds full compliance with General Data Protection Regulation (GDPR) principles, which emphasise lawfulness, fairness, transparency, purpose limitation, data minimisation, accuracy, storage limitations, confidentiality, and accountability.

We also conduct annual internal and external audits to assess the effectiveness of our privacy and security management systems, and we actively engage in public-private partnerships to help address complex security challenges.

■ All employees receive annual training on data privacy and security.

CYBERSECURITY



SIIG's cybersecurity program is based upon the NIST Cybersecurity Framework and policies approved by senior management. The program is managed by a dedicated Cybersecurity Department, which holds responsibility for security management and the implementation of security measures, including regular cybersecurity assessments and stress tests to evaluate the security of our IT infrastructure and detect potential risks or vulnerabilities. Our mature vulnerability and patch management process also ensures all organisational devices are regularly monitored and patched.



CUSTOMER EXPERIENCE

As a Group, SIIG is focused on providing a responsive, high-quality experience to our customers, and on ensuring our subsidiaries deliver the same. Each SIIG subsidiary holds responsibility for actively engaging with their direct customers, seeking feedback and ensuring the continuous improvement of their products, services and customer experience.

SUBSIDIARY HIGHLIGHT

Customer feedback is vital to the continuous improvement of S-Chem's products and services, including packaging, transportation, and product quality. To monitor S-Chem's customer experiences, the company regularly conducts customer satisfaction surveys. All feedback is recorded using S-Chem's Customer Feedback System, ensuring any complaints are promptly handled within a target resolution time of 30 days or less. To protect customer privacy, S-Chem has also established robust privacy policies and procedures. There have been zero incidents or breach or loss of customer privacy over the past three years.



GUIDING TRANSFORMATION

By embracing digitalisation and innovation, SIIG aims to drive efficiency, minimise our negative environmental impacts, and create value by delivering cutting-edge solutions to our customers. As a forward-thinking company, SIIG is focused on aligning all technological advancement and product innovation initiatives with our broader sustainability objectives. Ultimately, we aim to harness the power of technology and innovation to further support the sustainable development ambitions of the Saudi Vision 2030, and to propel our company and our industry towards a more prosperous, sustainable future.

IN THIS REPORT

Technological Innovation
and Sustainable Product
Development

36

TECHNOLOGICAL INNOVATION AND SUSTAINABLE PRODUCT DEVELOPMENT

Given the challenges facing the petrochemical sector, diversifying SIIG's portfolio by exploring new sectors and localising technologies via strategic partnerships with international companies, including the exploration of biotech opportunities, is a key objective of the Board and shareholders.

In a groundbreaking step towards this objective, in March 2023 SIIG announced an agreement to buy shares in Unibio International. Headquartered in the Kingdom of Denmark, Unibio is a global leader in bioprotein production technology. The approximate investment of \$70 million represents 24% of the company's ownership in the current funding round. The investment will take place in two stages: a 9.9% stake in the first phase, with the remaining investment to be acquired following the Danish government's approval for a Foreign Direct Investment (FDI).

SIIG and Unibio are also considering development of a Saudi-based project to produce bioprotein using dry gas. In alignment with SIIG's commitment to promoting the sustainable economic development goals of Vision 2030, the project aims to develop the Kingdom's industrial base. Benefitting from

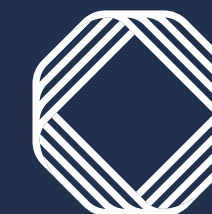
SIIG's experience in establishing other projects, the bioprotein project would support development of the Kingdom's industrial base plus contribute to food security by helping to meet growing local and global demand for vital protein. Developments related to this project will be announced by SIIG at a later date.

\$70m 
approximate investment
in Unibio International



SUSTAINABLE PRODUCT DEVELOPMENT HIGHLIGHT

Unibio's unique U-Loop® fermentation technology offers a sustainable solution to improving global food security by producing industrial protein without relying on arable land or significant water usage. This technology uses methane (e.g., natural gas or biogas) as a feedstock, creating Uniprotein®, a high-quality protein comparable to fishmeal, suitable for animal and aquaculture feed. Uniprotein® is non-GMO, pesticide-free, and fully traceable, with successful tests across various species. Uniprotein® is gaining significant interest from feed companies and farmers. Unibio is also developing protein for human consumption. SIIG's investment in Unibio aligns with its strategy to focus on sustainable, innovative technologies and diversify its portfolio. SIIG's long-term investment aims to support food security, enhance domestic protein production in Saudi Arabia, and contribute to a more sustainable economy.



SIIG
المجموعة السعودية