

ESG Report

Journey towards a sustainable future



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Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al-Saud

We are part of this world, and we live the problems and challenges it is facing. We all share this responsibility, and we will contribute, God willing, actively to the development of solutions to many of the world's pressing issues, including the issues of the environment and sustainable development. We will continue in this regard to work with international organizations, institutions and partners.



**His Royal Highness, Crown Prince
Mohammed bin Salman bin Abdulaziz Al-Saud**

Climate action will enhance competitiveness, spark innovation and create millions of high-quality jobs. Young people, both in the kingdom and the world, are demanding a cleaner, greener, and more inclusive future, and we owe it to them to deliver on this.



Section 1

Introduction





Message from CATRION Chairman

As we reflect on the significant events of 2023, a pivotal year for CATRION, it is with great honor that I extend a warm welcome to each of you at the unveiling of our inaugural Sustainability Environmental, Social and Governance (ESG) Report for this year. This milestone marks a crucial step towards sustainable development and is closely aligned with the one-year anniversary of our transformative rebranding - the birth of CATRION. This momentous occasion signifies a remarkable milestone in our journey towards service expansion and diversification.

Recognizing the potential implications of our growth, CATRION intensified its sustainability efforts in 2023, pushing our sustainability journey to new heights. We are pleased to present you with this report as a platform to transparently share the significant sustainability achievements we have made, highlighting our impacts on people, the planet, and our operations. Guided by esteemed international frameworks such as the United Nations Sustainable Development Goals (UN SDGs) and in harmony with the goals of Saudi Vision 2030, this report underscores CATRION's role as a leading driver of sustainable development in the Kingdom.

CATRION's dedication to sustainable development is exemplified through our ongoing initiatives, such as the publication of our inaugural ESG Report and the formulation of our ESG Strategy and roadmap. Furthermore, we have implemented a comprehensive Waste Management Framework and a GHG Management Framework to reinforce our position as a responsible service provider. Our commitment to sustainability extends to actively involving our stakeholders. In 2023, we purposefully sought their input to identify and prioritize key ESG topics through a structured materiality assessment exercise, a fundamental aspect of our Sustainability ESG Report and associated endeavors.

Inspired by the visionary leadership of the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and the Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, CATRION proudly upholds our dedication to advancing our nation's aspirations in alignment with Vision 2030. As we venture into 2024, our steadfast commitment to responsible growth and sustainability remains at the forefront of all our pursuits. We will persist in leading by example, showcasing that significant expansion and growth can coexist with making a positive impact on society and the environment.

As we inaugurate a new and promising chapter, I am confident that, through the collaborative synergy of CATRION with our esteemed partners, stakeholders, and the broader community, we will build upon our achievements and make enduring contributions to the interconnected domains of our services and sustainability.

I wish to express my deepest gratitude to our dedicated and resilient team whose efforts are the cornerstone of our success. Your unwavering commitment and invaluable contributions are greatly appreciated and continue to drive us towards achieving even greater milestones together.

Warm regards,

Mohammed Abdulaziz Al Sarhan
CATRION Chairman of the Board

Message from CATRION CEO



I am pleased to announce the release of CATRION's inaugural ESG Report for 2023. It is with great privilege that I share the significant progress we have achieved in our sustainability endeavors throughout the past year. This report highlights the key milestones we have accomplished in embedding sustainability into our strategic growth and expansion initiatives. It showcases our commitment to effective impact management across environmental, social, and governance domains, which are fundamental to both CATRION and our stakeholders.

The year 2023 has been a pivotal time for CATRION, marked by notable advancements in responsible and sustainable practices. I extend my heartfelt appreciation to our dedicated team whose hard work and commitment have been instrumental in realizing these commendable milestones, upholding our principles of environmental, social, and economic responsibility.

In line with the ambitious target set by the Kingdom of Saudi Arabia to achieve Net Zero emissions by 2060 and to support global climate change efforts, CATRION has taken proactive measures in 2023 to mitigate our climate impacts. This includes the establishment of a comprehensive GHG Management Framework, investments in renewable energy sources like solar PV, and the initiation of transitioning our vehicle fleet to electric and hybrid models.

Furthermore, we remain steadfast in fostering a culture of inclusivity, safety, and support that positively influences the well-being of our employees, customers, and the wider community. Embracing our tradition of care, we are committed to advancing the objectives of Vision 2030, striving towards a healthier, more sustainable, and resilient Saudi Arabia.

I encourage you to delve into our ESG report to gain insights into our commitments and the ambitious targets we have set forth in our sustainability roadmap. Your invaluable contributions are vital to our continued journey towards sustainability.

Warm regards,

Wajdy Mohammed Al Ghabban
CATRION Chief Executive Officer



About this Report

CATRION Catering Holding Company (henceforth referred to as CATRION) is delighted to introduce the first annual ESG Report as we embark on a transformative journey towards a more sustainable future. This report serves as a foundational element in our efforts to minimize our environmental and social impacts, while implementing robust governance practices. The report presents details of our sustainability performance to date in line with our material topics, and showcases our goals and targets aimed at driving sustainable development.

Reporting Period

The sustainability performance data and initiatives outlined in this report cover the period between 1 January 2023 and 31 December 2023. This report presents our non-financial disclosures and activities at the organizational level that we voluntarily disclose to stakeholders.

Reporting Frameworks

This report has been developed in accordance with the GRI Standards 2021. Additionally, the report highlights our contribution to national and global agendas such as Saudi Vision 2030 and United Nations Sustainable Development Goals (UN SDGs).

Scope & Boundary

This report covers CATRION's operations in the Kingdom of Saudi Arabia and Cairo, Egypt. Unless specified, data from subsidiaries, clients, external contractors, and suppliers are not included.

Feedback

We extend this report as an open invitation to join us on our ongoing journey, where transparency and accountability lead the way. We welcome your feedback on the contents of this report: esg@catrion.com.

ESG Key Performance Highlights

ENVIRONMENTAL



- Recorded **zero** non-compliance incidents in the past three years
- Established CATRION's **Waste and GHG Management Framework**
- Established KSA's **first composting trail** for the aviation industry, with plans implemented to compost all organic waste, to support the Saudi Green Initiative (SGI)
- Implemented a **waste sorting and recycling system** in the kitchen and food distribution areas
- Introduced **segregation bins** across CATRION's units
- **Recycled 400+ pieces** of Waste Electrical and Electronic Equipment (WEE) through partnerships
- **Implemented a 'no paper' initiative** to eliminate paper consumption in all units
- Initiated preparations for integrating **Solar Energy System** at King Khalid International Airport
- Introduced **Electric Vehicles (EVs)** into our fleet in our Riyadh and Jeddah units

SOCIAL



- **5,000+ employees** effectively managed and retained throughout the year
- **26,000+ hours of training** and development conducted for our employees
- Renewed our **Mowaamah Certification**
- **16% increase in our female representation** compared to 2022
- **"High Green" rating achieved** in the Nitaqat program
- **34% Saudization rate**
- **Zero** discrimination incidents recorded
- **23,000+ Iftar meals** distributed in Ramadan
- Introduced our **"CORE" training program**
- **100% coverage** of all employees and workers under CATRION's SMS
- Recorded **zero** work-related fatalities for the past three years
- Established an independent **Food Safety Department**

ECONOMIC & GOVERNANCE



- **SAR 2,100+ million revenue**, an increase of 17.4% compared to 2022
- **SAR 283 million net profit** after Zakat and income, with 9.9% increase from that of 2022
- **SAR 3.45 profit** per share, 1.1 times that of 2022
- **1,649,441 lounge guests** welcomed
- **220% increase in community investments** compared to 2022
- **41,600,000 flight meals** served



CATRION, our new identity is deeply rooted in our Saudi Legacy, blending hospitality and heritage seamlessly, as we look forward to our radiant and visionary future.

Wajdy Al-Ghabban
CATRION CEO

About CATRION: **Transforming with Ambition**

CATRION is a public Saudi joint stock company listed on Saudi Stock Exchange, formerly "Tadawul" since July 2012.

The company was established in 1981, as the Saudi Airlines Catering Company (SACC), to provide catering services to the Kingdom's flag carrier, Saudia. In 2023, we transformed into CATRION, a versatile enterprise offering a wide range of diverse services including, food and beverage, menu development, frozen

meal production, lounge management, shopping, commercial, laundry services, accommodation, and security, among others.

Our services span across local and international markets, including units across Saudi and one unit in Cairo. This outreach not only reflects our geographical growth, but also symbolizes our successful strategic evolution and progress.

CATRION now operates across the following key sectors:



Our in-flight catering services prioritize the enjoyment of passengers from the moment they step on board. Our menus are designed to offer intriguing culinary experiences, served with efficiency, adaptability and an emphasis on quality and safety. As Saudi Arabia's aviation industry expands, CATRION is poised to lead in both premium and private aviation catering. Our focus on delivering high-value services sets us apart, ensuring we remain at the forefront of our field.



Our Catering and Facilities Management division merges years of industry experience with innovative approaches to serve various sectors, including healthcare, oil and gas, manufacturing, railways, and remote site operations. Our offerings in this division encompass manpower services, management of coffee shops and cafeterias, comprehensive facilities management, as well as catering and laundry services for remote locations.



In major airports across Saudi Arabia, our retail outlets, under the SkySales brand, offer a range of products meeting high standards of quality and authenticity. The retail team is trained to assist customers effectively. Additionally, we have developed online store and virtual application, providing customers with access to our product range and ensuring consistent quality, thereby enhancing the convenience and reach of our retail services.



Our extensive menus are crafted using state-of-the-art cooking processes and presentation skills. In embracing modern methods and food trends, we remain at the forefront of culinary techniques. CATRION enjoys a reputation for delivering the utmost in safety standards, sustainability, and quality. In our dedication to service, attention to detail, culinary artistry and exquisite taste converge.

With a remarkable journey spanning over more than four decades, CATRION has had the privilege to cater to millions of customers, extending our services across Saudia Airlines, airline partners, lounges, trains, events, restaurants, hotels, camps, and beyond. This rich history reflects our commitment to enhancing various experiences while fostering innovation and growth.

Our Journey at a Glance

CATRION

1980s



1981: Inception of Saudi Airlines Catering Company (SACC) by Saudi Arabian Airlines in King Abdul Aziz International Airport, Jeddah

1983: Launch of SACC's operations in King Khalid International Airport, Riyadh

1984: Launch of SACC's operations in Cairo International Airport

1985: Takeover of SkySales, Saudia Airlines in-flight shopping service

1990s-
2000s



1999: Launch of SACC's operations in King Fahad International Airport, Dammam

2001: Launch of Madinah operations in Prince Mohammad Bin Abdulaziz Airport

2006: Takeover of AlFursan lounges

2007: Royal Decree for privatization

2008:

- Privatization and establishment of SACC as a limited liability company
- Launch of non-airlines support services, later renamed Catering & Facilities

2011:

- Transition to a joint stock company following the decision of the Minister of Commerce and Industry
- Launch of Central Production Unit (CPU) in Riyadh

2012: Initial Public Offering (IPO) of SACC on Tadawul stock exchange

2013: Launch of Saudi Laundry Services (SLS) in Riyadh

2014:

- Launch of SkySales e-commerce via www.skysalesonline.com
- Signing of our first rail contract for catering services onboard trainlines
- Extension of Saudia contract for five additional years

2015:

- Introduction of electronic bidding system for food items
- Opening of SkySales shops in Saudi airports



2010s

2016:

- Strategic partnership with leading European Duty Free group, Lagardere
- Launch of state-of-the-art laundry facility in King Abdullah Economic City (KAEC)
- Introduction of Wellcome Lounge concept in King Khalid International Airport (Riyadh) Terminals 1 and 2

2017: Opening of the first international Saudia AlFursan lounge in Cairo International Airport, Egypt

2018: Initiation of our digital transformation program that digitalizes customer experience in our lounges

2019:

- Expansion of Saudia contract for 10 additional years
- Entrance into the Sports and Entertainment sector through a catering and sponsorship agreement for Rally Dakar Saudi Arabia

2020: Signing a new 10-year contract with Saudia to design, build, and operate the domestic AlFursan Lounge in Jeddah's new Airport

2020s

**2020:**

- Introducing our enhanced corporate strategic direction
- Prioritizing the well-being of our people amidst the challenges of COVID-19
- Being awarded a multi-year catering partner for Dakar Rally
- Winning high-profile Business and Industry (B&I) contracts
- Being selected as the exclusive caterer for Hajj pilgrims

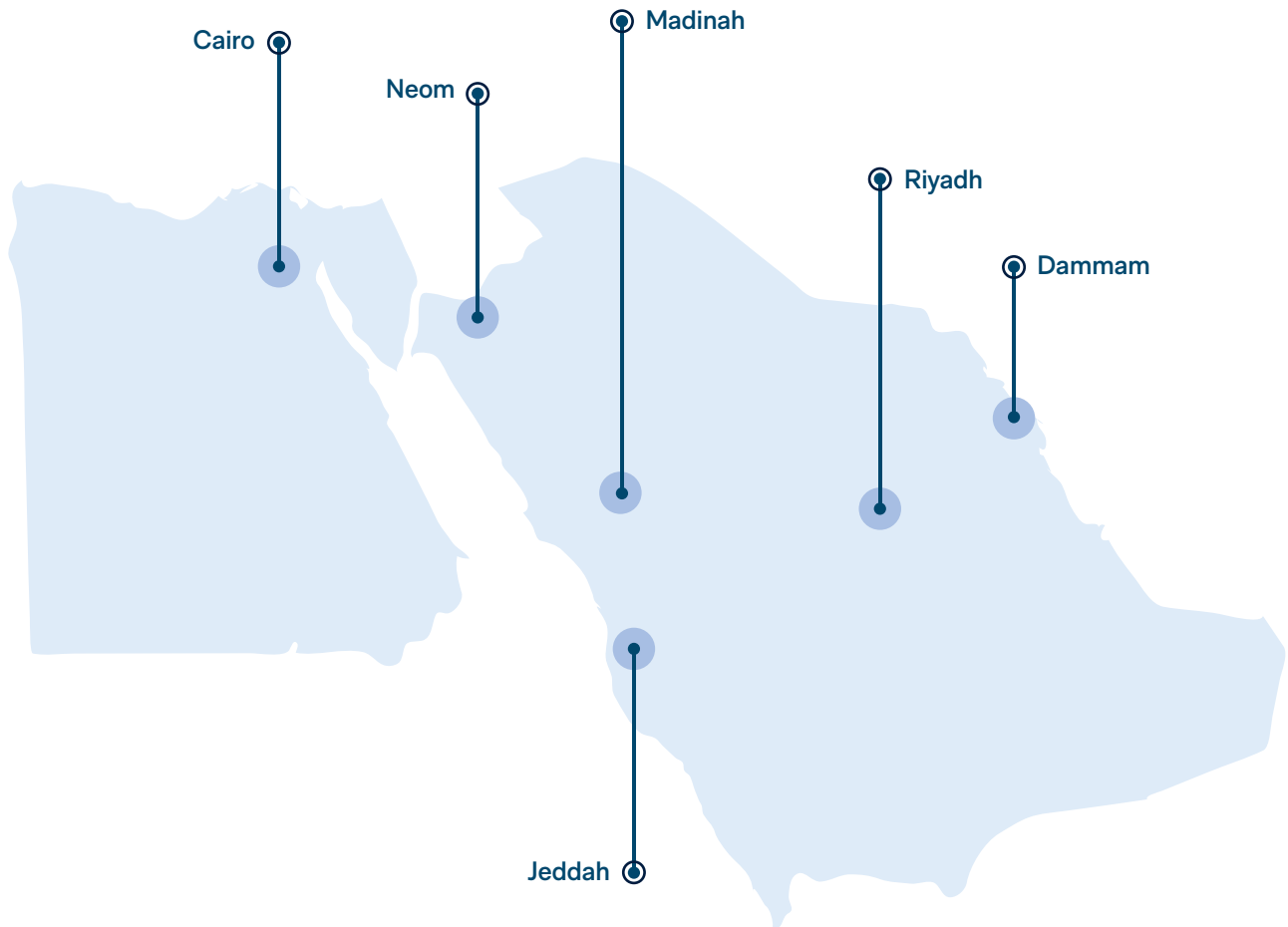
2021:

- Opening of Jeddah Wellcome Lounge
- Catering for Dakar Rally 2021
- 40th anniversary celebrations
- Grand opening of Saudia AlFursan International Lounge at Jeddah's King Abdulaziz International Airport (JED)
- Launching our high-end Catering and Hospitality Line "Crafted"

2023: Transforming from Saudi Airlines Catering Company (SACC) to CATRION

Multifaceted Reach

Anchored at the heart of major transportation nodes, our principal production facilities are strategically situated at five leading airports within the Kingdom, supported by an additional facility in Cairo, Egypt.



Crafting a Sustainable Future Aligned with the Kingdom's Vision 2030

Proud of a 42-year legacy enriched by our profound Saudi history, we at CATRION remain committed to a path of innovation, sustainability, and adaptability. This dedication reflects our deep respect for our roots while embracing the future with dynamic and sustainable solutions.

Building on our recognized history in the airline catering industry, it is essential for us to integrate sustainability as part of our business and everything we do. As we embark on this journey, we are honored to take on the responsibility of embedding sustainability within our

corporate values, and by aligning business proficiency and growth with responsible stewardship.

On this trajectory of progress, our aspirations reflect a vision that reaches beyond CATRION. Our diversification strategy further aligns CATRION's ambitions with the National Tourism Strategy as well as the Saudi Vision 2030. Our operations, milestones, and growth opportunities are tailored to further enhance our company's value and foster a positive impact for our stakeholders and nation.

CATRION'S Contribution

National Tourism Strategy



Strengthen Islamic & National Identity

- Delivered variety of meals during HAJJ, ensuring high-quality service.



Grow & Diversify Economy

- Maintained a balance between our commitment to tourism expansion and ecological stewardship.
- Implemented responsible practices to lessen environmental impact, focusing on waste reduction and energy-efficient operations.



Increase Employment

- Revised our policies and enhanced benefits to attract skilled professionals.
- Increased women's participation in the workforce by 19%.



A Vibrant Society

- Delivered variety of meals during HAJJ, ensuring high-quality service.
- Provided sustainable meal options at the 2023 Dakar Rally.
- Advocated for healthier food selections through strategic menu planning.
- Targeted to meet the 330 million passenger demand set by the Kingdom's National Aviation Strategy.

Vision 2030



A Thriving Economy

- Enhanced talent recruitment through improving existing policies.
- Increased support for local businesses, achieving 81% of our procurement budget to local suppliers.
- Embraced digital transformation to streamline operations.
- Scaled up mass food production, optimizing costs.
- Offered Ready-to-Eat (RTE) food options to support religious pilgrimages.



An Ambitious Nation

- Executed Corporate Social Responsibility (CSR) programs with investments surpassing 500,000 SAR.
- Attained Gold Status in Mowaamah Certification for workplace inclusivity.
- Invested funds in promoting the utilization of solar energy.
- Installed technologies to enhance water efficiency.
- Integrated energy-saving practices across operations.
- Committed funds to sustainability-focused R&D.
- Promoted sustainable supply chain practices.
- Employed eco-friendly packaging and robust recycling protocols.
- Dedicated efforts to CSR that supports environmental protection, community growth, and educational initiatives.



Our Guiding Principles

Since our inception, we have embraced the role of assisting clients by developing and providing high-quality hospitality services. As we have further evolved and diversified our operations, our emphasis on sustainability practices has strengthened our resolve to adhere to leading and responsible business practices. Our notable role across the region's food supply chain places us in a key position, whereby the decisions that we action can carry considerable weight in influencing sustainability practices and patterns. From our sourcing of ingredients, to our waste management and sustainable packaging efforts, to the measures we take to uphold strict environmental compliance, we have embarked on promoting a culture that unlocks opportunities for responsible growth. Just as equally important is our dedication to the health and safety of our employees and customers and ensuring their satisfaction. These strategies, combined with our pursuit of innovation and technology, and applying ethical governance practices, prepare us to adapt dynamically and responsibly, and meet the ever-growing demand both within and beyond the Kingdom.

Our Vision



To be the global caterer and support services provider of choice for public and private organizations, across travel, tourism, sport, and events.

Our Mission



Grounded in our Saudi heritage of hospitality, CATRION is committed to offering the finest in catering, travel, events, and support services. We strive to be a center of excellence in delivering innovative and sustainable services to our clients.

Our Values



- Reliable
- Smart
- Sustainable
- Committed
- Passionate
- Caring

Awards and Certifications



Mowaamah Certification: CATRION's commitment to workplace equity saw the successful renewal of our Gold status Mowaamah certification for providing a healthy work environment for People of Determination (PoD) obtaining the highest score in the Group's history.



Halal Certification: CATRION's catering services adhere to Islamic dietary laws prevalent in the Kingdom, the region, and the diverse dietary preferences stemming from the deep-rooted culture and traditions. We have been awarded the Halal Certification as we guarantee the utmost satisfaction and peace of mind for our clientele that observe a Halal diet.



ISO 45001:2018: This certification, pertaining to occupational health and safety management systems, reflects CATRION's commitment to fostering a safe and secure work environment, mitigating work-related injuries, and ensuring that all risks are subject to analysis, evaluation, and control.



ISO 22000:2018: This certification in food safety management systems is a testament to CATRION's commitment to upholding the best rigorous food safety standards of our food products. It emphasizes our dedication to meet and exceed the expectations and food safety benchmarks set by our clientele.



Hazard Analysis and Critical Control Point (HACCP) Certification: This esteemed certification underscores the strong application of the HACCP system in our operations, guiding our practices in food handling and ensuring the utmost food safety. This system helps us to systematically identify and address any risks related to biological, chemical, and physical hazards in food. Our adherence to HACCP standards demonstrates our dedication to maintaining the highest levels of food safety, ensuring the consistent delivery of safe and high-quality food products.



ISO 9001:2015: This certification, regarding quality management systems, demonstrates our constant commitment to maintaining and enhancing our operational procedures, ensuring consistent product and service quality, and delivering outstanding customer satisfaction.



ISO 17025:2017: Our central laboratory has been accredited by the Saudi Accreditation Center under the ISO 17025:2017 standard, signifying our competence in conducting precise in-house testing and analysis. This accreditation is a validation of our commitment to delivering services that adhere to the highest standards of accuracy and reliability. It encompasses a thorough evaluation of our food preparation processes and procedures, ensuring they align with the stringent criteria of internationally recognized best practices.



ISO 41001:2018: This certification, regarding facility management systems, demonstrates our constant commitment to maintain our facilities by enhancing our services for smooth operations to deliver the consistent product and service in delivering outstanding satisfaction.



ISO 22301:2019: This prestigious certification acknowledges our business continuity management system. It serves as a testament to the effectiveness of our framework designed for incident response and recovery. By obtaining the ISO 22301:2019 certification, we assure our clientele of our capability to manage and swiftly respond to unexpected disruptions, maintaining operational continuity.



Local Content Baseline for 2022 Certificate: In 2022, CATRION has been recognized by the Local Content and Government Procurement Authority with a certificate for achieving the local content baseline. The certification underscores our dedication to the goals of Saudi Vision 2030, emphasizing the enhancement of local content. This achievement highlights our efforts to support the Kingdom's objectives of nurturing national human resources and prioritizing local products, contributing to a stronger, sustainable economy.

Governance: Doing Business the Right Way



Driven by our commitment to Corporate and Sustainability Governance, coupled with a robust approach to risk management, we have fostered a Culture of Best Practices.

This has been embedded as part of our organizational DNA and has set the standards for our operations and initiatives.



At CATRION, we understand that strong governance is the foundation of sustainable business growth.

We consider sound governance key to achieving our operational and sustainable development targets and honoring our commitments to our stakeholders.



We operate our business following the highest ethical guidelines, adhering to accountability, fairness, and transparency principles in our engagements with stakeholders. We have aligned our practices with the guidelines set forth by the Saudi Arabian government and pertinent regulatory bodies, such as the Ministry of Health, Ministry of Labor, Ministry of Interior, National Center for Environmental Compliance (NCEC), and the Saudi Food and Drug Authority (SFDA). Recognizing the societal importance of trust, we prioritize integrity at the forefront of all our actions. Aligned with our

corporate strategy, our ethical practices support key objectives and sustainability commitments. We are committed to creating an environment that emphasizes and embodies a stringent safety culture, upholding stakeholder priorities, and exceeding customer expectations. Through sustaining our competitive stance, investing in our human assets, and partnering with certified suppliers, we fortify our position as a responsible, future-focused organization, actively contributing to a more sustainable future.

Governance Structure

At CATRION, we embrace a governance structure that resonates with our core mission to excel as a market leader in providing catering services. This structure is designed to ensure effective decision-making, promote transparency, and maintain accountability at all levels across our company. The structure provides clear distinctions of roles and responsibilities, which facilitates efficient operations while upholding the highest ethical standards. The CATRION Board plays a vital role in managing our business, overseeing sustainability-related issues, setting strategic direction, supervising executive management, and safeguarding stakeholder's interests. We regularly review and update our governance mechanisms, showcasing our commitment to adopting and aligning with industry best practices and evolving regulatory environments.

CATRION Board of Directors

The Board consists of nine esteemed members, each renowned for their expertise, integrity, and professional aptitude. Collectively, the Board brings diverse insights from various backgrounds, facilitating comprehensive and balanced decision-making. Furthermore, it is the Board's responsibility to set the organizational vision

and strategic direction while embodying our core values. The Board's oversight ensures robust financial and risk management systems are in place, aligning our strategic plans with objectives and stakeholder feedback. Through Board oversight and collective experience, it is steering the company toward growth and guiding our sustainability journey, while upholding the highest standards of business ethics and integrity.

To continually enhance our governance processes, the Board engages in an annual self-evaluation at the close of each year aiming at assessing the effectiveness of both the Board as a whole and the individual committees according to the Key Performance Indicators (KPIs) of our long-term strategic plan. These annual self-evaluations are conducted independently, with the aid of an external consultant to ensure objectivity and thoroughness, and they are overseen by our Nomination and Remuneration Committee. In response to the outcomes of these evaluations, we may adjust the composition of our governance body and organizational practices to better align with our strategic goals and enhance overall governance effectiveness. This process demonstrates our commitment to continuous improvement and adaptability in our leadership and organizational practices.



CATRION Board Members



Mohammed Abdulaziz Al Sarhan

Chairman of the Board
Independent



Sami Abdulmohsen Al Hokair

Board Member
Non-Executive



Raed Ibrahim Almudaiheem

Vice Chairman
Independent



Yousef Hamad Al Yousef

Board Member
Independent



Fahad Abdullah Mousa

Board Member
Non-Executive



Abdulwahab Abdulkarim Albetairi

Board Member
Independent



Fadi Majdalani

Board Member
Independent



Dilip Nijhawan

Board Member
Non-Executive



Olivier Harnisch

Board Member
Independent

Board of Directors Committees

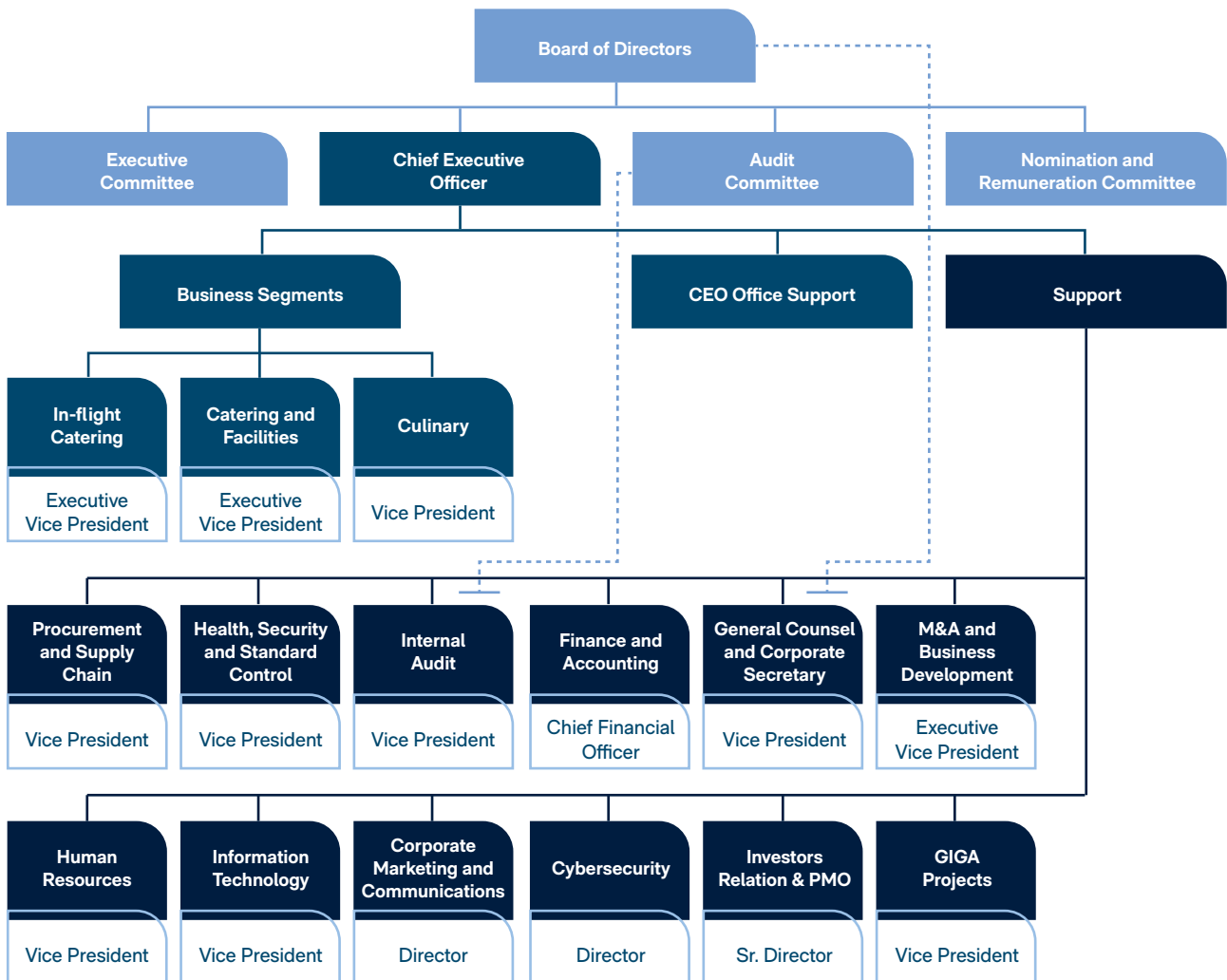


CATRION Executive Management

Our Executive Management plays a pivotal role in steering the organization towards our strategic goals and operational excellence. Comprising a team of nine members, they bring together a wealth of expertise and industry knowledge, ensuring that we remain at the forefront of the catering sector. Entrusted with bringing the Board's decisions to life, the executive management ensures that the company's day-to-day operations are efficient, profitable, and aligned with the company's vision and mission. They facilitate critical communication with the Board, presenting essential data, and making recommendations on impactful matters such as capital decisions and dividends.

Our Executive Management also advises the Board on strategic planning, including revenue growth and profitability strategies, while simultaneously evaluating and ensuring the company's alignment with both short and long-term objectives. The team ensures clarity in communication, compliance, and organizational transparency, fostering an ethical culture across our operations. In this dynamic structure, the CEO holds the discretion to delegate specific powers to members of the Executive Management or a third party for particular tasks, ensuring that operational agility is matched with precise accountability.

Organizational Structure



CATRION Executive Management



**Wajdy M.
Al-Ghabban**

Chief Executive Officer



**Mahmoud
Masoud**

Chief Financial Officer



Rashed Alarfaj

Executive Vice President
Flight Catering



Paul Summers

Executive Vice President
BD and M&A



**Saeed
Al-Mufadali**

Vice President
Human Resources



Tarek Tharwat

Chief Audit Executive



**Obaidah
Al-Saggar**

Vice President
Procurement and
Strategic Sourcing



**Mohammed
Al Awi**

Vice President
Health, Security and
Standards Control



Thomas Gugler

Vice President
Culinary



Ashraf Nadeem

Vice President
Information Technology



Frederic Huet

Vice President
C&F Operations



Mossa Al Fifi

Vice President
Central and Eastern Regions -
IFC



Roberto Mulfari

Vice President
GIGA Projects



**Nikola
Metodijevic**

Vice President
JED Region - IFC



Business with Conscience

Upholding Ethics and Integrity

CATRION is a values-driven company, as such we are committed to upholding the highest standards of ethics. We have fostered a culture of integrity and work to ensure that all employees understand the importance of and adhere to the guidelines of our Code of Conduct and Ethics principles. This code offers clear direction on professional conduct to all our employees, from the members of our Board down to the diligent personnel on the frontline of our operations.

In adherence to this code, we maintain a strong stance against all forms of corruption at CATRION. We recognize that corruption not only has significant legal and financial consequences but also affects our stakeholders and the communities in which we operate. By upholding a zero-tolerance stance against corruption, we align with the guidelines outlined in the Oversight and Anti-Corruption Authority (NAZAHA) Strategy for the Protection of Integrity and Combating Corruption in Saudi Arabia, underscoring our commitment. Notably, in 2023, we reported zero recorded cases of corruption, which demonstrates the effectiveness of our practices while safeguarding our stakeholders and employees.

We understand that the fight against corruption is intrinsically linked to managing conflicts of interest.

Corruption can give rise to situations where personal interests diverge from professional duties, which is why we place a significant focus on identifying and mitigating any such conflicts. We are keen to promote an environment where conflicts of interest are not merely avoided but are proactively reported and managed in alignment with our ethical standards. As such, we have established internal guidelines to help employees identify potential conflicts of interest. Moreover, we have developed protocols for reporting and reviewing potential conflicts to ensure that all business decisions are made in the best interest of CATRION and our stakeholders. To ensure that our stakeholders are informed of situations that might affect the impartiality of CATRION's operations, we remain committed to disclosing any potential conflicts of interest as part of our annual report.

Our commitment to upholding ethics is integral to our pursuit of sustainable development and our environmental, social, and governance (ESG) commitments. Our ethical endeavors reflect our dedication to socio-economic sustainability and responsible operations. By focusing on risk mitigation, stakeholder engagement, and transparent practices, we strengthen our capacity to align strategic success with ethical, social, and environmental stewardship.

Empowering Voices

Our dedication to ethics and integrity has fostered a professional environment where all stakeholders are empowered to voice their concerns or report any unethical conduct. Our whistleblowing channel attests to this commitment, providing a secure avenue for reporting violations, misconduct, acts contrary to the law or immoral behavior, or discrepancies related to our Code of Conduct and Ethics principles. Underpinning this approach is our Whistle Blowing Policy, designed to ensure that every concern is not only heard, but treated with confidentiality and a dedication to thoroughly investigating the reported incident.

Our Compliance and Governance Department manages reports from whistleblowers, providing a comprehensive assessment to the CEO along with strategic recommendations. These recommendations may include directing relevant departments to investigate reported violations, seeking approval to broaden data collection or initiate investigations, proposing appropriate actions against identified violations, notifying authorities when applicable, archiving unsubstantiated reports, and advising the whistleblower or implicated individuals. Through the framework of our open dialogue and commitment to transparency, we consistently work to uphold and strengthen our organizational values, ensuring that every concern is treated with the respect it deserves.

Risk Management

At CATRION, our dedication to thorough risk management is paramount. Our risk management approach is managed through a detailed, yet harmonized risk architecture. This architecture is comprised of our Risk Management Framework, Risk Management Committee (RMC), along with a Risk Policy which sit at the core of our approach. Our Framework ensures risks are identified, analyzed and mitigated in line with global best practices, while our Policy concretely defines our approach and

objectives concerning risk management. The RMC, with leadership at the helm, periodically assesses our risk landscape, ensuring robust, strategic, and actionable responses to potential threats. This systematic approach spans our segments, divisions, and operations, targeting the proactive identification, analysis, and mitigation of risks to ensure a smooth progression toward achieving our strategic and sustainability goals.



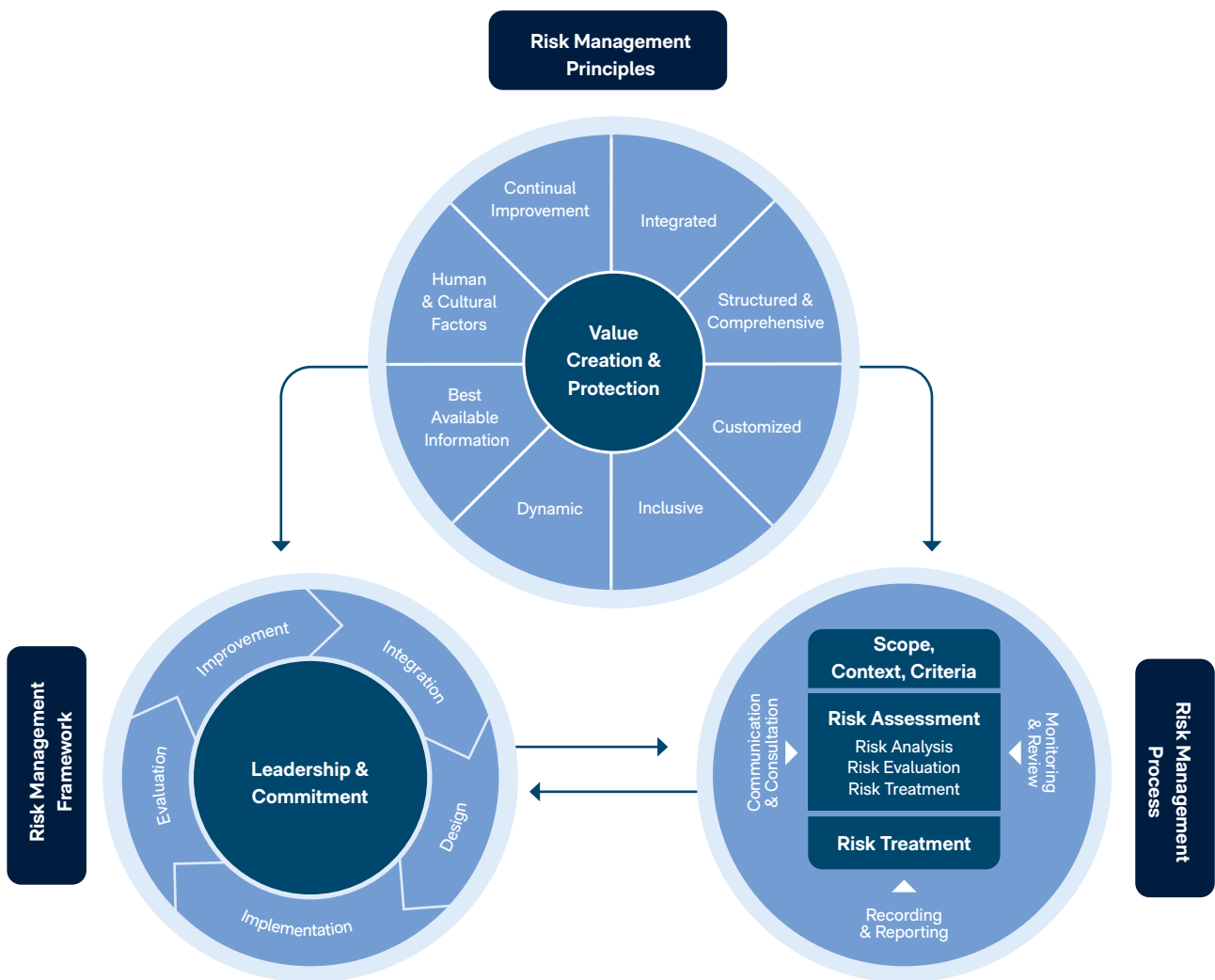
Risk Architecture at CATRION

The foundation of our risk architecture is the Risk Management Framework, methodically designed to identify, report, and mitigate risks through strategic planning, continuous monitoring, and effective control measures. Aligned with global best practices, our Risk Management Framework adheres to the standards set by the Committee of Sponsoring Organizations (COSO), the Organization for Standardization (ISO) 31000 principles, and the guidelines of the Control Objectives for Information and Related Technologies (COBIT). Both our Board and Executive Management uphold this framework when setting strategies and throughout decision-making processes. The Executive Management team is responsible for the precise execution of actions that align with our

foundational objectives while ensuring that risks are maintained within acceptable parameters.

Our Risk Management Framework is anchored by the guiding principles of ISO 31000 standard requirements. To operationalize this Framework and ensure its adaptability to internal and external pressures, we deploy a systematic range of policies and practices. This spans strategic communication and consultation, as well as in-depth risk assessment, continuous monitoring, and adjustments. This approach fosters an environment of collective expertise, diverse risk assessment perspectives, and cultivates a culture of proactive risk management.

Risk Architecture at CATRION Diagram



We acknowledge that understanding and managing our risks is central to our foundation and growth, which is showcased in our Risk Management Policy. The policy sets forth the following objectives:



Guardians of Risk Management at CATRION: Leadership Managing Uncertainty

Defined duties and directed oversights.

Board of Directors	Executive Management
<ul style="list-style-type: none"> Identify the primary risks CATRION might confront. Establish measures to prevent or diminish the potential impact of these risks. Delegate risk-associated decisions across various company divisions, understanding that this doesn't absolve the Board of its overarching accountability. For instance, assign financial risks to the Finance department and legal risks to the Legal department. Refer to the company's Corporate Governance Manual for a comprehensive understanding of the Board's broader roles and responsibilities. 	<ul style="list-style-type: none"> Implement Risk Management and Internal Control Policies as approved by the Board. Ensure that minor risks are efficiently managed and under control. Provide timely updates to the Board and Audit Committee on the status of risks and the extent of control. Report on risks and their management measures as directed by the Board. Update the Board on emerging risks not previously identified.
Audit Committee	
<ul style="list-style-type: none"> Analyze and review the company's risk management systems. 	



Risk Management Committee

We have appointed a structured Risk Management Committee (RMC) to address unforeseen or destabilizing events that could threaten our strategic goals, reputation, or operational continuity. Meeting quarterly, the RMC conducts comprehensive reviews of the current risk landscape, assesses the effectiveness of existing and implemented control measures, and enhances our organizational readiness. These measures aim to empower management with informed and strategic decision-making insights to understand and mitigate potential risks.

Risk Management Committee Members

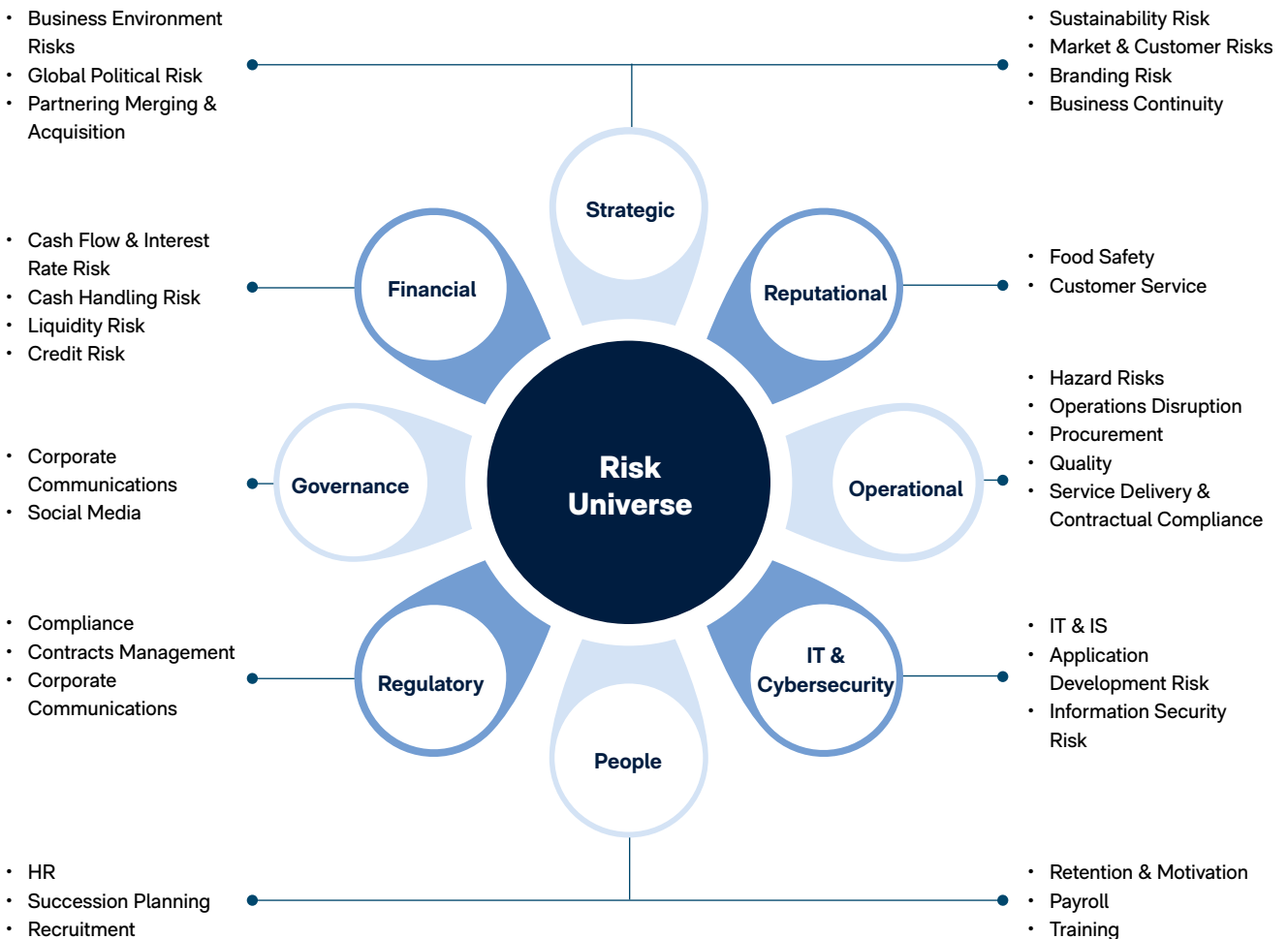
- CEO - Committee Chairman
- VP - HSSC (Co-Chair of Committee)
- EVP - CFO
- EVP - IFC
- VP - Catering and Facility
- VP - Chief Audit Executive
- VP - Procurement
- VP - HR
- RMC Executive Secretary

Risk Universe

At CATRION, our Risk Universe illustrates the specific risk environment in which we operate, outlining key risks to which we may be exposed. The universe consists of eight key risk categories, including strategic, reputational, financial, operational, governance, IT and cybersecurity, regulatory, and people-related risks. We anchor each identified risk in the relevant risk category to enable decision-makers to contextualize and understand the interrelationships between our activities and associated risks. Thereafter, a risk mitigation plan was established and implemented, which places significance on maintaining a continuous review cycle and ensures robust monitoring practices

for related risk mitigation controls. We also regularly review and update the Risk Universe to ensure an accurate representation of our strategic and operating environments.

Furthermore, we uphold a risk register that serves as a centralized tool that captures, categorizes, and prioritizes all identified risks. As a crucial reference for both immediate action and strategic planning, the register outlines the nature and potential impact of each identified risk, whilst simultaneously assigning ownership, and detailing existing key controls.





Section 2

Sustainability at CATRION





Our Sustainability Approach

Embarking on our Sustainability Journey

In 2023, we developed a comprehensive ESG Strategy which constitutes a key element of our sustainability journey, providing a clear roadmap for our strategic direction. It is designed to address our sustainability material topics and manage our impacts across our operations while aligning with national and international sustainability agendas. Through successful implementation, we aim to create long-term value for our diverse group of stakeholders and contribute significantly towards sustainability goals.

The development of our ESG Strategy involved the clear identification of our sustainable development ambitions across environmental, social, governance,

and economic dimensions. As such, our ESG Strategy is built around four core sustainability pillars, namely Environmental Stewardship, Integrity and Safety, Product Quality and Safety, and Ethical Governance. The four core pillars are further enhanced by 11 key sustainability focus areas, which reflect our material topics and sustainable development ambitions.

In order to ensure that our stakeholder expectations are met and aligned with our overall strategic ambitions, we placed significance actively involving our stakeholders throughout this journey. We acknowledge the pivotal role stakeholders play in setting and driving our sustainability efforts.

CATRION ESG Strategy

Core Pillars

 <p>Environmental Stewardship</p>	 <p>Integrity & Safety</p>	 <p>Product Quality & Safety</p>	 <p>Ethical Governance</p>
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Key Focus Areas

<ul style="list-style-type: none"> • Waste • Environmental compliance • Materials 	<ul style="list-style-type: none"> • Employment • Customer health and safety • Occupational health and safety 	<ul style="list-style-type: none"> • Food quality and safety • Procurement 	<ul style="list-style-type: none"> • Innovation and technology • Business ethics • Governance and regulatory compliance 
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Strategic Objectives

<p>Elevate our sustainability performance by implementing comprehensive strategies that minimize waste, optimize resource use, and ensure environmental compliance. Specifically focusing on reducing food waste, enhancing efficiency in resource use, and adopting sustainable packaging practices, we aim to advance our commitment to environmental stewardship, including pollution management and embracing the principles of a circular economy.</p>	<p>Uphold our commitment to integrity and safety by prioritizing the well-being, development, diversity, and inclusion of our employees. Ensure customer health and safety through rigorous measures, and maintain high standards of occupational health and safety. This comprehensive approach reflects our dedication to fostering a safe, inclusive, and healthy environment for both our team members and customers.</p>	<p>Elevate our commitment to product quality and safety within our catering operations by implementing meticulous food quality and safety measures. Strengthen sustainability through improved procurement practices, emphasizing responsible sourcing, and reinforcing our dedication to delivering high-quality, safe food products. This objective underscores our pledge to provide exceptional culinary experiences while prioritizing sustainable and ethical sourcing practices.</p>	<p>Uphold ethical governance as the cornerstone of our sustainability and overall strategic focus. Ensure robust governance structures, steadfast regulatory compliance, and the highest standards of business ethics. Embrace innovation and technology to drive efficiency, transparency, and sustainability in our operations, thereby fostering a culture of responsible business practices. This objective reflects our commitment to integrity, legal adherence, and continual innovation for enduring ethical leadership in the catering industry.</p>
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Strategic Enablers

Communication, Engagement, & Development	Technology & Innovation	Regulatory Compliance
<ul style="list-style-type: none"> • Stakeholder engagement • Sustainability-related communication • Sustainability-related capacity development 	<ul style="list-style-type: none"> • Efficiency and resource optimization • Circular economy • Innovative processes, procedures, and products 	<ul style="list-style-type: none"> • Food safety and environmental regulations • Stakeholder trust • Risk management • Adaptability

<p>International Drivers</p>	      
<p>National Drivers</p>	    

Commencing on this journey paves the way for us to chart a strategic course towards the adoption of more sustainable practices, simultaneously strengthening our commitment to responsible business practices. This journey is underpinned by a robust implementation roadmap, designed to drive our progress, and ensure significant progress toward our sustainability goals. To ensure that we stay on our path of sustainable

development and maintain a positive impact, we are committed to systematically monitoring the advancement and outcomes of our initiatives, tracking progress towards targets, incorporating feedback from our stakeholders, and periodically understanding our material topics to set the direction of our sustainability strategic ambitions.



Implementation of Waste Management System
(Environmental Stewardship)

Water and Energy Efficiency
(Environmental Stewardship)

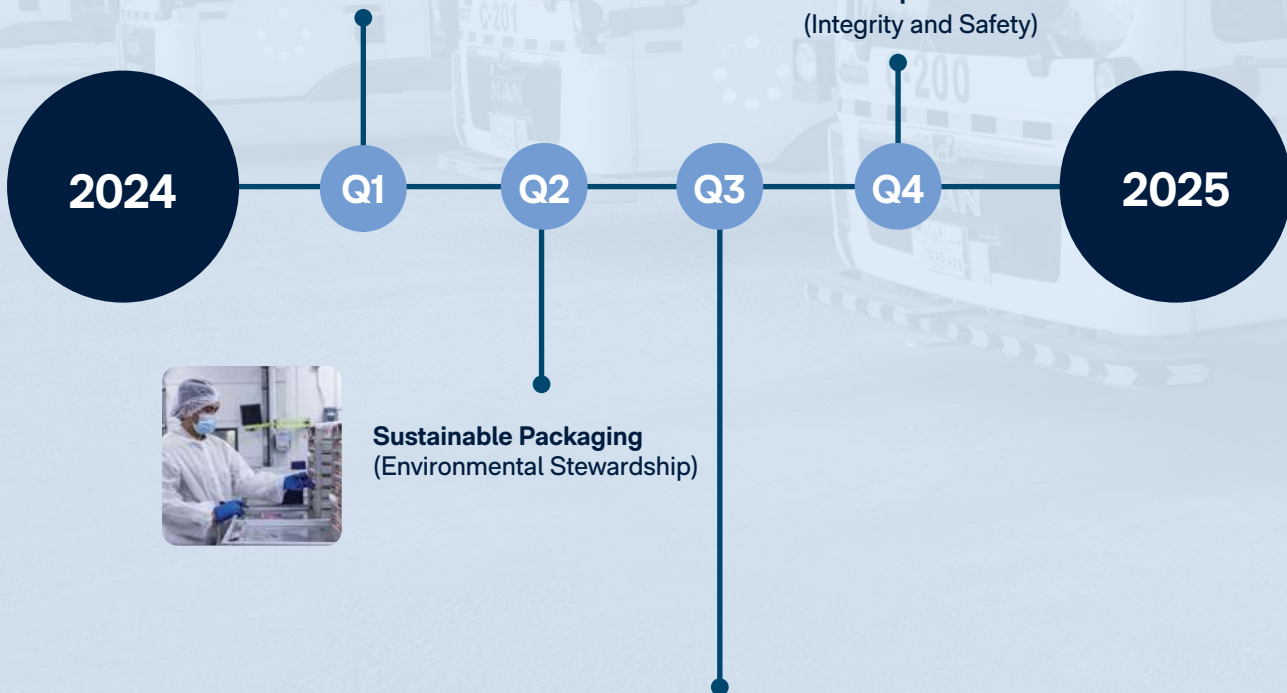
Food Quality and Safety
(Food Quality and Safety)

Regulatory Compliance
(Ethical Governance)

Business Ethics
(Ethical Governance)



Our People
(Integrity and Safety)



Sustainable Packaging
(Environmental Stewardship)



Sustainable Supply Chain
(Food Quality and Safety)

Environmental Impact Assessment
(Environmental Stewardship)

Training and Education
(Integrity and Safety)

Customer and Occupational Health and Safety
(Integrity and Safety)



Circular Economy (Environmental Stewardship)
Innovation and Technology (Ethical Governance)



Diversity and Inclusion (Integrity and Safety)
Health and Wellbeing (Integrity and Safety)



Net Zero Emissions
 (Environmental Stewardship)



Renewable Energy
 (Environmental Stewardship)
Electric Vehicles (EVs)
 (Environmental Stewardship)
Community Engagement



Sustainable Catering
 (Integrity and Safety)



Pollution Mitigation
 (Environmental Stewardship)





Stakeholder Engagement and Materiality Assessment

Engaging with our Stakeholders

At CATRION, we prioritize clear and regular communication with our stakeholders. We are dedicated to aligning with the strategic direction of our business while proactively engaging with and addressing the expectations of those we serve and collaborate with. We recognize that our operations impact diverse groups of stakeholders, ranging from our employees to our customers, shareholders, and the members of the communities in which we operate.

Maintaining an open, two-way dialogue is important for us, inviting our stakeholders to actively participate in our journey, including our sustainability ambitions. This not only enhances our strategic planning and decision-making processes, but also ensures that our sustainability initiatives and commitments are relevant and responsive to the actual needs and expectations of our stakeholders and the communities and environments in which we operate.

We recognize that effective stakeholder engagement is an ongoing process that requires commitment, transparency, and accountability. Therefore, we have implemented a Stakeholders Policy that outlines our dedication to promptly informing our diverse stakeholder groups about key developments that could impact the business or have significant connotations for them. To keep our stakeholders informed about our sustainability journey, we

transparently present comprehensive details on our operational and sustainability progress and developments in our inaugural ESG Report. This report offers stakeholders insights into our annual performance and strategic outlook. This underscores the importance we place on transparency and our commitment to involving key stakeholders, which in turn allows us to address stakeholder expectations in our strategic decision-making.

Our interactions with our stakeholders' ecosystem

Internal Stakeholders



Our People

- Continuous performance appraisals, recognition, and awards programs
- Structured training modules and development opportunities
- Feedback systems
- Materiality assessment workshop
- Periodic departmental and senior management meetings and briefings
- Intranet, emails, website, and social media
- Corporate events

External Stakeholders



Customers

- Customer feedback and satisfaction mechanisms
- Website and social media
- ESG Report



Suppliers

- Yearly supplier performance meetings and evaluations
- Regularized supplier feedback loops
- Comprehensive supplier audits
- E-bidding Portal



Local Communities

- Community liaison events
- Corporate social responsibility endeavors and volunteering
- Website and social media



Regulatory Bodies and Authorities

- Regulatory compliance submissions
- Interaction and regular communication with regulatory agencies
- Annual Report and corporate publications
- Website and social media



Shareholders and Investors

- Annual shareholder meetings
- Investor dialogues
- Quarterly financial disclosures
- Investor relations program
- Annual Report
- Website – 'Investor Center'



Partners, Subsidiaries, and Affiliates

- Periodic partnership reviews
- Collaboration strategy workshops
- Website - 'Partners'

Materiality Assessment

To ensure that our sustainability initiatives resonate with both our corporate objectives and stakeholder expectations, we conducted our first comprehensive materiality assessment in 2023, involving our internal stakeholders. The assessment was in accordance with the GRI's revised materiality assessment process and involved listening to and understanding the perspectives of our internal stakeholders. Coupled with benchmarking against industry peers, this exercise allowed us to identify and prioritize the pertinent sustainability topics to our business. The insights

of this assessment laid the foundation of our ESG Strategy and directed the sustainability disclosures and topics presented in this ESG Report.

As we move forward, we pledge to regularly revisit and refine our materiality assessment, acknowledging the dynamic nature of sustainability and our commitment to it. This will ensure that our sustainability endeavors consistently resonate with the ever-evolving sustainability landscape, emerging trends, and will meet progressive stakeholder expectations.

A clear, structured four-step approach towards identifying CATRION's material topics

STEP
01

Understand the organization context

We have reviewed our operations, strategies, and business relationships and developed:

- Initial summary of our activities and business relationships
- Overview of our key stakeholders

STEP
03

Assess the significance of the impacts

We have leveraged a materiality assessment tool where inputs from key stakeholders and industry benchmarks from peers were taken into consideration to identify the significance of impacts. The significances of the topics were assessed considering the positive and negative, actual, and potential impacts and their respective scales and scopes.

STEP
02

Identify actual and potential impacts

We have identified 32 actual and potential impacts on the environmental, social, and governance aspects, including impacts on human rights, across our activities and business relationships. Impacts were identified based on:

- ESG frameworks and regulations: GRI 2021, SASB, SDGs, Saudi National Sustainability Standards
- Comparative sectoral study across various peers in the catering and airlines industries
- Global megatrends analysis

STEP
04

Prioritize the most significant impacts for reporting

- Two categories have been assigned to prioritize impacts for reporting:
 1. Material to CATRION
 2. Less Material to CATRION
- Identified topics were presented to CATRION's top management for their review and validation
- Material topics have been plotted in a materiality matrix, demonstrating the significance of the impact against the significance to stakeholders

Our Material Topics

Environment



- Waste

- Materials & Sustainable Packaging

- Environmental Compliance

Social



- Employment

- Customer Health & Safety

- Occupational Health & Safety

- Food Quality & Safety

Governance



- Procurement

- Innovation & Technology

- Business Ethics

- Governance & Regulatory Compliance

CATRION Materiality Matrix 2023

● Environment ● Social ● Governance



1	Materials & Sustainable Packaging
2	Food Quality & Safety
3	Waste
4	Employment
5	Customer Health & Safety
6	Sustainable Supply Chain Management
7	Innovation & Technology
8	Business Ethics
9	Regulatory Compliance
10	Governance
11	Environmental Compliance
12	Occupational Health & Safety
13	Training & Education
14	Stakeholder Engagement
15	Customer Experience & Satisfaction
16	Indirect Economic Impact
17	Security Practices
18	Market Presence
19	Economic Performance
20	Customer Privacy
21	Local Communities
22	Diversity & Equal Opportunity
23	Labor Management Relations
24	Water & Effluents
25	Data Privacy & Cybersecurity
26	Diverse & Inclusive Meals
27	Human & Labor Rights
28	Marketing & Labeling
29	Non-discrimination
30	Tax
31	Climate Change
32	Biodiversity



Aligning with the UN Sustainable Development Goals (SDGs)

The SDGs serve as a global blueprint for peace and prosperity for people and the planet. The 17 goals, measured by 169 targets, provide a global framework to end poverty, tackle inequalities, confront climate change, and promote economic growth. We have mapped our prioritized sustainability material topics

and ESG Strategy against the global sustainability agenda outlined in the SDGs. This alignment enhances our corporate responsibility and amplifies our capacity to effectively address the most critical societal and environmental challenges we face.

Material Topics and CATRION's Initiatives

Environment

Waste



CATRION is committed to evaluating our waste management practices in line with the latest standards and requirements. In 2023, CATRION established a Waste Management Framework that demonstrates our commitment to the principles of Saudi Vision 2030 and the national Waste Management Law. We conducted a meticulous waste assessment which led to the identification of 18 waste streams across our operations. This highlighted waste generation hot spots and areas of improvement with regards to monitoring, the resulting insights fed directly into our ESG Strategy and Waste Management Framework to improve our waste management practices. Furthermore, we have implemented the Tadweer Neamah project to efficiently reduce food waste and improve our community engagement. We introduced composting initiatives and replaced traditional waste bins with advanced disposal systems. Our partnerships with third-party providers enhanced our waste collection and recycling capabilities. Furthermore, we initiated a no-paper policy in our offices and have planned the integration of composting units to further our waste processing efficiency.

Environmental Compliance



CATRION maintains an Environmental Management System (EMS) in line with the ISO 14001 standards, which has helped us maintain a record of zero non-compliance incidents over the past three years (2021-2023). Our compliance is regularly validated through external audits by GACA and supplemented by our internal audits. We are committed to measuring and tracking environmental performance indicators diligently, with a goal to achieve certification of environmental compliance across all our units, reflecting our dedication to national and international environmental standards.

Materials



CATRION places significance on responsible resource management. In 2023, we made a strategic decision to introduce biodegradable tableware and sustainable paper lunch boxes, marking a significant step towards reducing our negative environmental footprint through sustainable packaging solutions. We fully understand that our service lines rely heavily on packaging, from product packaging to ingredient sourcing, therefore, our future commitments include developing a comprehensive sustainable packaging program, which will be an integral part of our business strategy and our contribution to the environmental goals of Saudi Vision 2030.

Material Topics and CATRION's Initiatives

Social

Employment



CATRION is committed to providing extended benefits to our employees through our existing programs, including providing life insurance, healthcare benefits, disability and invalidity coverage, and parental leave, among others. We invest in the implementation of succession planning programs and targeted capacity-building initiatives to retain our talent and prepare them for future leadership roles.

Customer Health and Safety



With the ultimate goal of achieving the highest levels of customer satisfaction, we offer a diverse range of healthy dining options, catering to various dietary needs and preferences. Our menu is thoughtfully curated to include fresh, nutritious ingredients, emphasizing quality and taste. We place a strong emphasis on hygiene, ensuring that our kitchens and service areas adhere to the highest sanitary standards. By doing so, we aspire to achieve highest levels of customer satisfaction.

Occupational Health and Safety



CATRION provides our employees with relevant health and safety trainings and awareness sessions, in line with our Safety Management System (SMS). We also conduct regular inspections and take several measures to address work-related hazards and minimize safety-related risks.

Food Quality and Safety

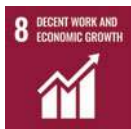


CATRION is dedicated to upholding the highest standards in food quality and safety. We ensure this through rigorous training in food safety protocols, regular audits of our sourcing and handling processes, and strict adherence to local and international food safety regulations.

Material Topics and CATRION's Initiatives

Governance

Procurement



CATRION is keen to adhere to strict standards set by our Procurement Policy Manual, ensuring supplier quality and safety. In 2023, CATRION increased its supplier base by 40%, with a focus on local suppliers, which represented 81% of our procurement spend. Additionally, we implemented Power BI for procurement data analysis and launched an e-bidding portal. Looking ahead, we are preparing to become part of the CDP supply chain by 2025, which will allow us and our supply chain to identify risks and opportunities in time to put in place mitigation measures and seize opportunities.

Innovation and Technology



CATRION is committed to always improving our environmental and social impact through sustainable innovation and technology. As such, we leverage technology wherever possible to improve efficiencies and streamline procurement and supply chain processes. This includes data analytics for smarter decision-making and digital platforms for service, procurement, and food storage and transportation activities. In line with sustainable practices, we're integrating sustainable innovation across our operations such as introducing eco-friendly solutions, predictive analysis in our in-flight services.

Business Ethics



CATRION upholds a zero-tolerance policy against corruption, aligning with NAZAHA's anti-corruption guidelines in Saudi Arabia. We maintain robust ethical practices, which is reflected in zero recorded cases of corruption in 2023. Our Code of Conduct and Ethics is disseminated throughout the company, ensuring all employees, from the Board to frontline staff, understand and adhere to our high ethical standards. We also empower stakeholders to report unethical behavior through a secure whistleblowing channel, which takes every report seriously, ensuring confidentiality and thorough investigation.

Governance and Regulatory Compliance



CATRION continued to enforce strong governance and regulatory compliance in 2023, ensuring that all business practices meet ethical and legal standards, as set by Saudi Arabian regulatory bodies. The Board oversees the company's strategic direction and adherence to sustainability commitments, while the Executive Management ensures daily operations align with these goals. Regular governance updates demonstrate CATRION's dedication to transparency, stakeholder accountability, and sustainable business practices.

Section 3

Chartering our Journey to Environmental Stewardship





Our commitment to reducing our environmental impact and fostering a culture of sustainability permeates throughout our company, supporting the Kingdom's journey towards a more responsible and sustainable future.

The growing emphasis on environmental responsibility in business operations presents an opportunity for CATRION to innovate and offer effective environmental solutions in our operations. Our commitment goes beyond mere compliance; we aim to measure and maximize the effectiveness of these solutions, ensuring a tangible positive impact on the environment. From minimizing food waste and adopting sustainable packaging and material solutions, to optimizing resource efficiency and ensuring environmental compliance. Environmental responsibility reaches far beyond CATRION, the Kingdom is actively committed

to sustainable development, as exemplified by Vision 2030, which aims to ensure environmental sustainability, among other goals. CATRION's commitment to environmental responsibility enables CATRION to contribute to the Kingdom's sustainable development commitments and initiatives, in addition to engaging in global sustainability goals. Through making responsible choices, we aim to consistently evaluate and minimize the environmental impact of our operations, with a specific focus on waste reduction, efficient material use, and adherence to environmental regulations.

Material Topics



Our Environmental Aspirations

Our commitment to environmental stewardship is aligned with our resolve to contribute to broader national agendas such as Saudi Vision 2030, the Saudi Green Initiative (SGI), the National Program for Environmental Awareness and Sustainable Development, and the National Environment Strategy as set forth by the Ministry of Environment, Water, and Agriculture (MEWA). We view this commitment as a journey towards maintaining balance between our operational duties and environmental responsibility.

We recognize that our operations result in substantial waste generation, the extensive use of packaging

materials, and considerable resource consumption, all of which have direct impacts on the environment. In the spirit of environmental stewardship which represents an integral part of our sustainability strategy and roadmap, we are committed to addressing these issues by implementing more sustainable practices and reducing our ecological impact. This commitment is outlined in our Environmental Policy, which establishes core principles for sustainable practices across CATRION. These measures are also reflected in our Environmental Management Plan, which covers nine critical environmental areas.



2023 Highlights

- Established a comprehensive **Environmental Management System (EMS)**
- **Recorded zero non-compliance incidents** in the past three years
- **Integrated sustainability practices** within the Culinary Academy through dedicated training sessions with trainees and future chefs
- **Recycled 400+ pieces** of Waste Electrical and Electronic Equipment (WEE) through partnerships
- **Established a solar energy program** to assess the implementation of solar energy and electric vehicles across all units
- **Implemented a 'no paper' initiative** to eliminate paper consumption in all units
- Established KSA's **first composting trail in the aviation industry**, with plans implemented to compost all organic waste, to support the Saudi Green Initiative (SGI)

Nine Critical Environmental Areas



Waste Management
Developing strategies for reducing waste and improving recycling and composting practices.



Discharge to Water
Managing wastewater from our operations to minimize pollution.



Water Efficiency
Implementing measures to reduce water consumption.



Packaging
Choosing sustainable packaging options to minimize waste and environmental impact.



Emissions
Reducing greenhouse gas emissions from our operations.



Land Contamination
Preventing contamination through responsible disposal of waste and chemicals.



Storage and Handling of Materials
Ensuring efficient and sustainable practices in the storage and handling of food and non-food materials.



Energy Efficiency
Optimizing energy use to reduce carbon footprint.



Noise and Odor
Minimizing noise and odor emissions from our operations to reduce environmental and community impact.

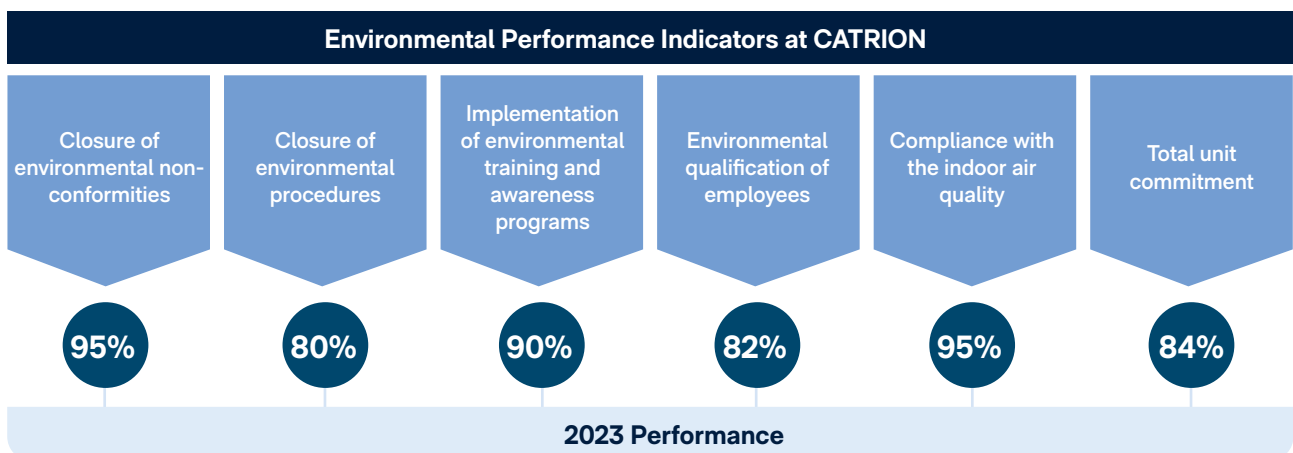
We remain steadfast in our dedication to adhering to strict internal environmental protocols by leveraging our Environmental Management System (EMS), which was developed in 2023. This system facilitates the assessment of our environmental objectives,

the establishment of targets, and the formulation of actions to align with ISO 14001 standard requirements. Our EMS embodies our commitment to environmental stewardship in several key areas.

	<p>Policy Adherence Ensuring compliance with CATRION's Environmental Policy across all levels of our organization and among stakeholders</p>		<p>Operational Excellence Aligning our work practices with the EMS and setting environmental goals for continuous sustainable improvement</p>
	<p>Regulatory Compliance Adhering to applicable environmental standards, laws, and regulations at the national level</p>		<p>Operational Efficiency Optimizing our operations to achieve maximum efficiency with minimal environmental impact</p>
	<p>Risk Mitigation Implementing eco-friendly methods to identify and mitigate environmental hazards effectively</p>		<p>Employee Training Ensuring that all staff are well-trained in environmental management systems and practices</p>
	<p>Resource Management Actively reducing the consumption of natural resources and the generation of emissions and waste to minimize our environmental footprint</p>		<p>Sustainable Development Promoting sustainable environmental management by adopting environmental requirements in the design, manufacture, construction, and operation of our facilities</p>

To support the systematic approach outlined in our EMS, we are committed to regularly measuring and tracking our environmental footprint by establishing various environmental performance indicators that tackle aspects such as environmental non-conformities, procedural compliance, and overall commitment of

our units to environmental objectives, among others. By monitoring these indicators, CATRION can identify areas for environmental improvement, set targets for advancement, and implement strategic actions to achieve our environmental goals.



Ensuring Environmental Compliance

Regulatory compliance represents a fundamental aspect of CATRION's ESG Strategy, underscoring the direct connection between our strict adherence to legal regulations and the attainment of our sustainability objectives. To drive environmental stewardship, we adhere to all relevant environmental laws and regulations, including the Saudi Environmental Law and Saudi Waste Management Law 2021.

Through the successful implementation of our Environmental Policy and EMS, CATRION has achieved an outstanding record of zero environmental non-compliance cases over the past three years. This accomplishment is a direct result of our disciplined

adherence to environmental laws, rigorous monitoring practices, and the effective utilization of our recently established EMS. Additionally, we are proud to report that no complaints related to environmental issues have been received, underscoring our commitment to maintaining the highest standards of environmental compliance. Moreover, to further demonstrate this commitment and ensure full compliance with our EMS, CATRION undergoes external audits by regulatory and legislative bodies, complemented by regular internal audits. These internal and external evaluations represent a critical aspect of our continual improvement, allowing us to continually assess our environmental performance and compliance.

Environmental Assessments Conducted in 2023

4 Storage and material handling

2 Ambient noise

4 Ambient air monitoring

1,811 Water sample analyses

Environmental Audits and Assurances Conducted in 2023

4 Environmental internal audits

2 External assurances

2 Internal auditor trainings for our staff

4 Environmental emergency scenarios to ensure our preparedness and emergency response capabilities

Moving forward, we look to further our journey towards environmental stewardship through implementing a series of strategic initiatives designed to improve our sustainable practices and ensure environmental compliance. We are currently in the process of obtaining several certifications regarding environmental compliance across all of our units, such as ISO 14001:2015 Environmental Management Systems, and an environmental permit for construction and operation.

Moreover, our strategic roadmap includes a series of initiatives focused on various aspects, such as regulatory compliance, environmental impact evaluation, waste management, sustainable packaging, reduction of carbon emissions, improvement of air quality, mitigation of noise pollution, and the conservation of water resources.

Case Study

Aligning with the Saudi Waste Management Law and Adhering to the Kingdom's 2030 Waste Management Targets

In 2021, Saudi Arabia introduced a new Waste Management Law, encompassing regulations on waste activities from transportation to safe disposal. This law also introduces Extended Producer Responsibility, placing legal and financial responsibility for waste management on producers and importers. CATRION aligns with this law by contracting authorized waste management service providers and embracing recycling and resource recovery to achieve better environmental outcomes.

Moreover, our waste management practices are in line with the National Center for Waste Management's (MWAN) Vision 2030 Waste Management Targets, including utilizing recycling and resource efficiency to divert a portion of waste from landfills.



Addressing Waste

We fully recognize the significant role our service lines play in waste generation. This encompasses diverse categories, including food, packaging, plastic, cooking, oil and grease, beverages, as well as other general solid waste items, such as textiles, glass, and metals. Acknowledging the importance of adopting

sustainable waste management practices to minimize our negative environmental impact, we are actively exploring innovative solutions to reduce waste across our services and advance our circular economy practices.



2023 Highlights

- **Conducted waste reduction and sustainability trainings for our chefs and employees** through CATRION's Academy program
- **Raised awareness** among customers about the importance of sustainability and their role in waste reduction
- **Implemented sustainable materials solutions:** sustainable and organic food sourcing options and reduced the use of single-use plastic in packaging
- Established CATRION's **Waste Management Framework**
- Switched to **biodegradable tableware**
- Implemented the use of **sustainable paper lunch boxes**
- Analyzed the CATRION **process of food preparation and distribution** to identify the stages that contribute to waste
- Implemented an **effective waste sorting and recycling system** in the kitchen and food distribution areas
- Collaborated with local organizations and institutions **focused on sustainability and waste management**
- Integrated **segregation bins** across CATRION's units

CATRION's Waste Management Framework



Drawing upon our existing waste management practices and initiatives, and as part of our ongoing commitment to enhance and drive these efforts, we introduced a comprehensive Waste Management Framework in 2023. The framework is a significant milestone in our journey towards environmental sustainability and operational efficiency. It serves as a strategic roadmap for guiding our future waste management endeavors, capitalizing on the lessons learned from our previous initiatives and experiences.

Through the effective implementation of this framework, our goal is to reduce waste at the source and drive responsible and efficient handling of waste generated from our catering, in-flight, facilities management, and retail activities. To achieve this, the framework is driven by a set of key waste management objectives that are directly aligned with the framework's pillars. These objectives vary from ensuring strict compliance with waste management regulations, elevating awareness, and fostering circular economy principles, to implementing a robust waste data collection system to facilitate informed decision-making processes.

At its core, our framework emphasizes implementing robust governance practices and ensuring strict compliance. This is characterized by comprehensive compliance training, robust governance oversight, commitment to quality and safety, and systematic internal reviews complemented by external assurance processes. These elements collectively reinforce our commitment to conform with existing waste management regulations and to uphold compliance with international standards.

In order to drive continuous progress, we place significant emphasis on training and raising awareness. Through these initiatives, we aim to cultivate waste management consciousness among our workforce through strategic trainings, awareness campaigns, incentives, and recognition programs.

Embracing circular economy as a key pillar of our framework, whereby we focus on addressing a spectrum of waste categories, from food waste, and general waste, to the management of hazardous materials. This systematic approach is further complemented by a commitment to environmentally conscious packaging, resource efficiency, and sustainable procurement practices.

Our framework also sets the requirements for dedicated pathways to monitor, report, and verify our waste-related data through the deployment of a structured waste data collection system and regular audits. These mechanisms are designed to foster transparent performance tracking, enabling us to disclose our environmental impact with clarity.

Together, these four pillars that build our framework, alongside our three strategic enablers, embody CATRION's vision for a future where waste is minimized through responsible consumption, leading to a cleaner and more sustainable environment.

CATRION Waste Management Framework

Purpose

To drive responsible and efficient handling of waste generated through operational activities and throughout the business.

Vision

To ensure a future where waste is minimized through responsible consumption, leading to a cleaner and more sustainable environment.

Objectives

- To ensure full compliance with all applicable waste management regulations and standards, fostering a culture of awareness, responsible waste handling, and environmental stewardship.
- To improve the awareness and knowledge of waste management leading practices across CATRION's operational activities and overall business practices.
- To improve the efficiencies of resources and increase conservation efforts to reduce CATRION's consumption and demand, embed circular economy, and to mitigate food and general waste generation.
- To establish a robust data collection system for waste management that enables accurate tracking, analysis, and informed decision-making.

Waste Management Framework



Governance & Compliance

- Compliance training
- Governance
- Quality and safety
- Internal reviews and evaluations
- External assurance



CATRION Awareness

- Workforce leadership
- Training and capacity building
- Awareness campaign
- Awards and recognition



Circular Economy

- Food waste
- General waste
- Hazardous waste
- Composting
- Resource efficiency
- Packaging
- Sustainable procurement



Monitoring, Reporting, & Verification

- Waste audits
- Key Performance Indicators (KPIs)
- Waste data collection system
- Appoint data owners
- Benchmark
- Data reporting

Enablers

- Maximize resources and improve efficiency
- Quality, safety, and sustainability of products

Service

- Customer awareness
- Customer satisfaction

Corporate

- Governance of waste management
- Health and safety compliance

Effective Waste Management in Action



To effectively implement our Waste Management Framework and achieve our objectives, we are committed to identifying and continually assessing the waste-related data generated from our catering units, and in-flight catering services, among others. Our operation departments in Jeddah, Riyadh, Madinah, and Dammam closely track and monitor waste data, specifically concerning solid waste, cartons, and oil.

In 2021, CATRION generated a total of 4,034 tons of waste, marking it the lowest amount of waste generated compared to the preceding two years. This is primarily attributed to the far-reaching effects of the COVID-19 pandemic.

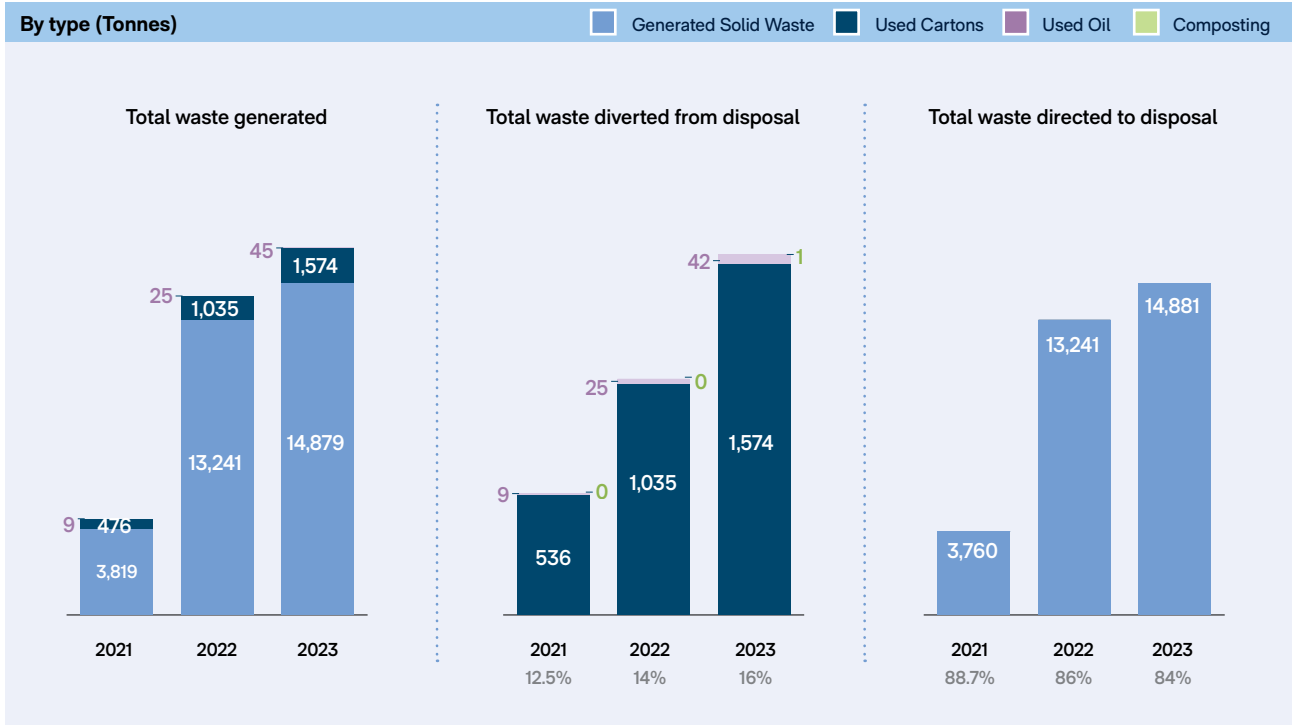
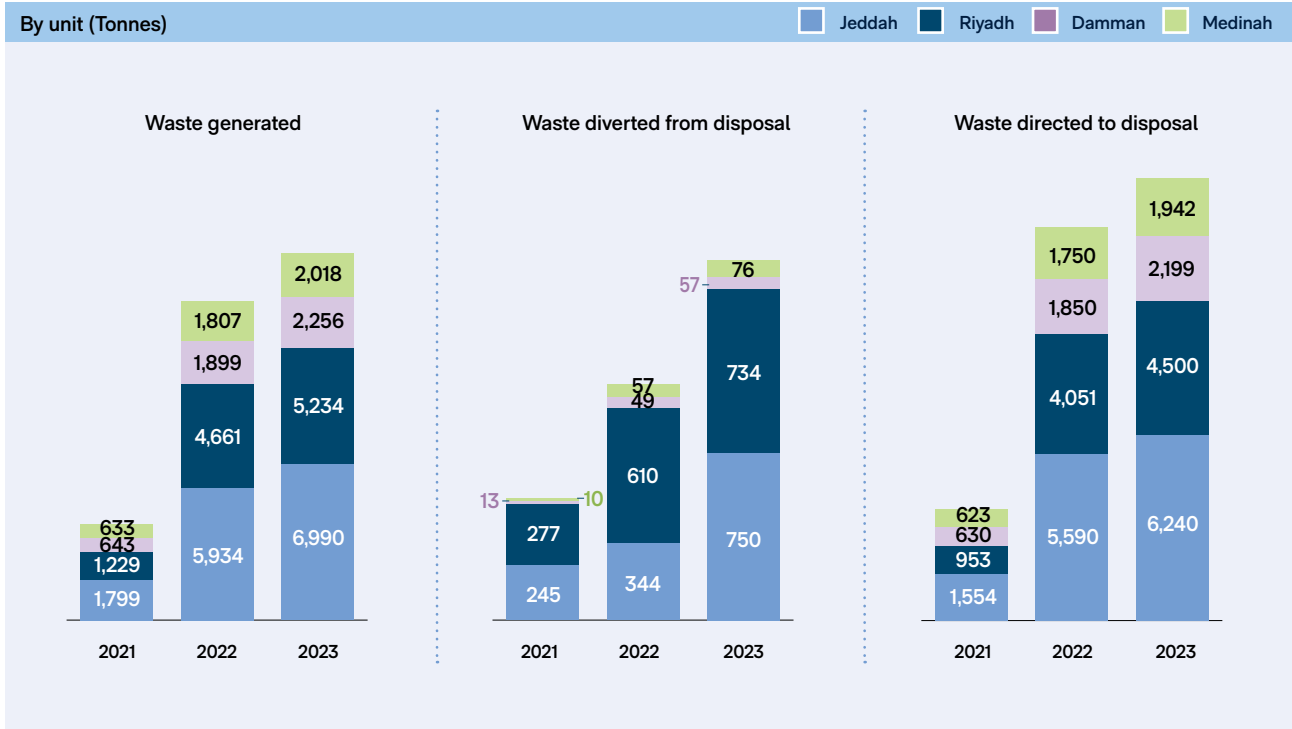
As the world started to recover from the pandemic in 2022, the amount of waste generated increased to 14,301 tons due to the resumption of normal economic activities and the lifting of flight restrictions. However, despite this increase, CATRION demonstrated a consistent effort in waste management. We successfully diverted 1,060 tons of waste from disposal across our operations, with the Riyadh unit playing a pivotal role by redirecting 610 tons of waste away from landfills.

Emphasizing our dedication to recycling, we processed 1,035 tons of used cartons, reinforcing our resource recovery initiatives. Moreover, we further advanced our approach to handling potentially harmful materials by recycling 25 tons of used oil, which is more than a 200% increase from 2021 and a clear indicator of CATRION's commitment to minimizing our environmental footprint and enhancing our waste management protocols. In 2023, as part of our transition to CATRION and the expansion of our service lines, we experienced a proportional increase in waste generation, reaching a total of 16,498 tons. This represents a 15% rise compared to 2022. However, despite this increase, CATRION successfully diverted 1,617 tons of waste from ending up in landfills. Among these, 1,574 tons comprised used cartons, while 42 tons consisted of used cooking oil. These figures reflect a remarkable 53% overall increase from 2022 in waste diversion from landfills, a 52% rise in recycled used cartons, and a substantial 68% surge in recycled used oil. Notably, 2023 marked the first year that CATRION diverted one ton of compost from being disposed of in a landfill, as a result of our food waste recycling and donation initiatives, namely our Composting Pilot Project with the Dammam Catering Unit and the Tadweer Neamah Project.

Acknowledging the significance of effective waste management initiatives and reduction solutions, we aim to bring our Waste Management Framework to life by forging multiple strategic partnerships focused on reducing the amount of waste directed to landfills. These efforts will not only enhance our business efficiency but also contribute to ecological integrity and community well-being.

Moreover, we are actively enhancing our waste management monitoring strategies, with a specific focus on the less-monitored streams, ensuring alignment with Extended Liability products and legislative requirements governing waste management.

CATRION Waste Management Dashboard



Our Composting Pilot Project at Dammam Catering Unit

In collaboration with Tadweer Facility, CATRION has taken a significant step in sustainable waste management by initiating a composting experiment within the Dammam Catering Unit. The primary objective was to transform the generated organic waste into compost, observing environmentally friendly practices.

Over the course of three working days, the Dammam Catering Unit collected a significant amount of organic waste. Utilizing a specialized composting process at the Tadweer Facility, which specializes in waste management and recycling, this waste was transformed into 170 kilograms of organic compost.

Aligned with CATRION's Waste Management Framework and our ESG Strategy, the project supports local farmers by providing them with the produced organic compost. This aids their agricultural activities and promotes sustainable farming practices within the community. Thus, this initiative not only contributes to waste reduction but also fosters a circular economy,

where waste is repurposed to benefit both local businesses and the environment.

The compost produced through this experiment brings various benefits. It enriches the soil, reduces the amount of waste that would otherwise contribute to landfills, conserves resources by returning nutrients to the earth, and significantly aids plant growth. These benefits collectively contribute to the health of the ecosystem and promote sustainable agricultural practices.

By successfully integrating waste transformation into our operations, CATRION demonstrates how businesses in the catering sector can contribute positively to environmental conservation and community welfare, all while continuing to operate as usual. The composting project serves as a model for other units within CATRION and the industry at large, showcasing the tangible benefits of sustainability in the catering industry.





The Tadweer Neamah Project

In 2023, CATRION partnered with Tadweer Neamah launching an impactful food donation initiative aimed at minimizing food waste and enhancing community welfare. Tadweer Neamah, a non-profit organization, is dedicated to recycling surplus food, aligning perfectly with CATRION's sustainability goals. The core of this project focuses on the effective recovery and redistribution of surplus food items at CATRION nearing expiration, such as muffins and bread, ensuring they reach

communities in need rather than being disposed of as waste.

This initiative has been remarkably successful, with CATRION redistributing over 567,800 food items to various charities. This project represents our commitment to sustainability and community engagement, leveraging partnerships with non-profits, government entities, and the private sector to maximize impact.

CATRION's Partnership with Ertiqā Association

As part of our commitment to addressing the pressing environmental challenges associated with electrical waste and electronic equipment, CATRION has strategically partnered with the Ertiqā Recycling Association.

CATRION and Ertiqā worked together to establish e-waste collection points across CATRION's business locations. Whereby the associate repaired, upgraded, and sanitized the collected electronic devices, ensuring they met modern standards. The refurbished devices were then distributed to educational institutions and non-profit organizations, extending the useful life of the technology.

Leveraging Ertiqā's expertise in refurbishing and redistributing used computing equipment, this collaboration not only allows us to effectively tackle managing this waste stream and its environmental implications but also significantly reduces our carbon footprint. By extending the life of existing devices, we reduce the demand for new devices within educational institutions, which in turn diverts our electronic waste from landfills, and decreases the energy consumption and greenhouse gas (GHG) emissions associated with production processes. Consequently, this initiative significantly lowers our overall environmental impact while positively contributing to societal well-being.



Success Story 4

Our Advanced Kitchen Waste Management System

In 2023, CATRION upgraded our waste management approach in our kitchens by replacing conventional waste bins with a segregated waste disposal system. Moreover, in 2024, CATRION is looking to enhance our waste management system through the installation of an advanced waste disposal solution, which will automate waste disposal and storage. This envisioned approach facilitates the on-site management of food waste through a complex network of specialized piping and storage solutions.



Success Story 5

Our 'No-Paper' Initiative for Sustainable Office Practices

In 2023, we have instigated an important step towards reducing our office waste with the launch of a 'no-paper' initiative. This program encourages the adoption of digital alternatives, substantially cutting down on paper demand and usage. By promoting electronic alternatives over traditional paper-based practices, we are not only conserving natural resources but also enhancing efficiency and embracing modern, eco-friendly business practices. This initiative is expected to significantly reduce our environmental footprint and operational costs while fostering a culture of sustainability and innovation throughout CATRION.



Educating our People Towards a more Sustainable Future

As a forward-thinking company that embraces education and raising awareness among our people, CATRION celebrates key programs like Food Waste Day and Environment Day, with over 160 attendees in 2023. We seize this opportunity to engage with our people to enlighten them on the significance of responsible material disposal and the benefits of recycling and reusing materials as fundamental aspects to achieve our circular economy goals by minimizing waste and maximizing resource use. By connecting the dots between our participation in these global efforts and our daily practices, we emphasize the value of sustainable packaging choices that contribute to a healthier planet. In line with our ESG Strategy and Waste Management Framework, this educational focus ensures that our commitment to sustainability extends beyond

operational bounds and becomes an important value upheld by our people.

As we look into the future, CATRION is poised to embark on a series of initiatives aimed at improving our sustainable packaging and waste management practices. Our strategy involves developing metrics and KPIs to measure our progress, maintain accurate waste management records, and integrate additional composting units to turn organic waste into valuable resources, among others. Our commitment to environmental stewardship will be further strengthened through the expansion of recycling and waste management programs and the introduction of sustainable packaging solutions to integrate circular economy practices into various aspects of our service delivery.



Setting Forth on Our Sustainable Packaging Journey

At CATRION, circular economy forms a key pillar of our Waste Management Framework and ESG Strategy. Our goal is to enhance resource efficiency and improve conservation efforts, thereby reducing our overall consumption and demand. By integrating circular economy principles into our business processes, we aim to decrease the reliance on natural resources and effectively manage both food and general waste in our operations. In this context, sustainable packaging emerges as a significant opportunity for CATRION to demonstrate our dedication to the principles of circular economy and our overall environmental ambitions. By implementing sustainable packaging practices, CATRION adopts a proactive approach to close the loop in our product lifecycle, reducing the demand for new materials and lowering the volume of waste generated throughout the products life.

Packaging at CATRION encompasses not only the materials used for wrapping, safeguarding, and transporting our final products but also extends to the packaging associated with produce and ingredient delivery. We acknowledge that proper packaging ensures that food remains fresh for longer periods, reducing the likelihood of spoilage and, consequently, the amount of food waste generated and directed to landfill. Whilst packaging is vital for our daily operations and service goods, it represents a substantial generation of waste which accounts for a large portion of our environmental impact.

CATRION is committed to taking further steps to reduce our resource consumption without compromising food quality and safety. As part of our commitment to minimizing waste, we are dedicated to adopting packaging materials that are recyclable, compostable, and biodegradable. These efforts not only reflect our ambitions but are also in line with the Saudi Waste Management Law 2021 and adhere to the national net zero efforts by 2060 and Vision 2030 environmental ambitions.



In 2023, CATRION demonstrated this commitment by exploring a range of innovative sustainable packaging solutions, whereby certain flights were selected to trial alternative packaging solutions. One notable stride we made was transitioning away from single-use plastic tableware in favor of biodegradable alternatives. Our new tableware is made from recyclable and compostable materials, featuring simpler designs that optimize material efficiency. This initiative directly addresses the global imperative to minimize single-use plastic waste and aligns seamlessly with our ESG Strategy and Waste Management Framework's goals, emphasizing the integration of the circular economy concept into our operations.

This proactive stance towards environmental stewardship is further accelerated by our adoption of disposable paper lunch boxes in our operations. These boxes are manufactured from materials that are easier to recycle and have a significantly lower environmental footprint when compared to traditional packaging options.



Tackling Climate Change

At CATRION, we align with global and national efforts by setting a target to achieve net zero emissions by 2050. This goal is in line with Saudi Arabia's ambition to reach Net Zero by 2060 and supports broader global climate change initiatives, including the United

Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, which aim to limit the global temperature increase to well below 2°C.



2023 Highlights

- Established CATRION's **GHG Management Framework**
- Investments in **Renewable Energy**
- Initiated preparations for integrating **Solar Energy System** at King Khalid International Airport
- Investments in **Electric Vehicles (EVs)**

CATRION's GHG Management Framework

CATRION established a comprehensive GHG Management Framework in 2023 which aligns with our net zero ambitions, ESG Strategy, and overall sustainability goals. This framework aims to provide comprehensive guidelines to our internal stakeholders on establishing and maintaining a GHG management process. Our GHG Management Framework is aligned

with leading methodologies and guidelines for GHG reporting, such as the Intergovernmental Panel on Climate Change (IPCC), Environmental Protection Agency (EPA), UNFCCC, GHG Protocol, ISO, Publicly Available Specification 2050 (PAS 2050), Carbon Disclosure Project (CDP), and the World Business Council for Sustainable Development (WBCSD).

Our GHG Management Framework



Ensuring Energy Efficiency

At CATRION, we are committed to minimizing our environmental impact and maximizing energy efficiency across all facets of our operations. As part of our comprehensive sustainability initiatives, we prioritize the efficient use of electricity, recognizing its significance in reducing GHG emissions and promoting sustainable practices.

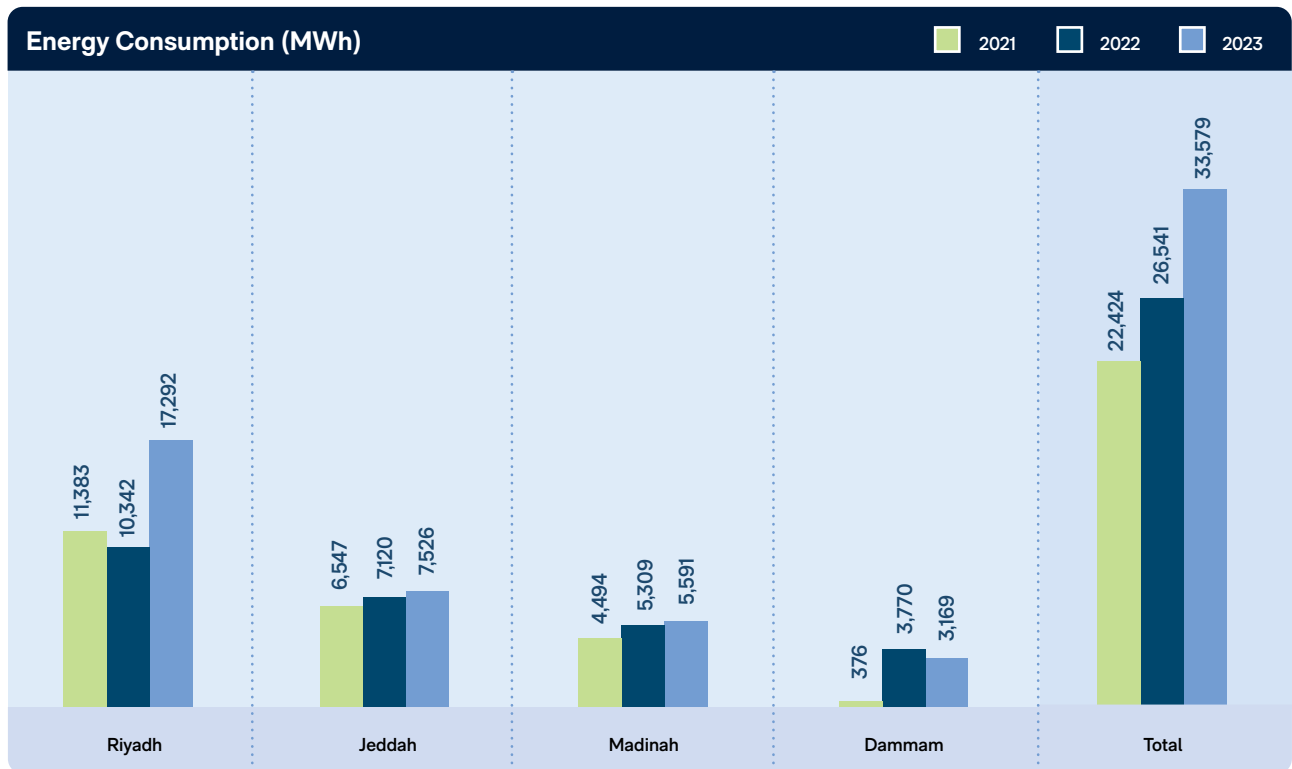
To enhance energy efficiency, we invest in the deployment of energy-efficient technologies and equipment across our units and operational activities. This includes the installation of LED lighting systems, energy-efficient appliances and technologies, energy-efficient HVAC (heating, ventilation, and air conditioning) systems, and smart energy management systems to optimize electricity use.

What's more, our employees play a vital role in our energy efficiency efforts. At CATRION, we recognize the value of awareness campaigns and training sessions, as such we have enhanced our existing awareness campaign to integrate more topics related to energy efficiency. As a result, our employees will gain a holistic understanding of the importance of

energy conservation, and it will encourage them to adopt energy-saving behaviors in their daily activities.

We closely monitor and analyze electricity consumption, which allows us to identify patterns, trends, and areas for improvement. As such, CATRION diligently monitored and managed our electricity consumption across all of our units in 2023, with our overall electricity consumption being 33,579 MWh. This figure represents a 27% increase compared to the previous year, a rise that is directly attributable to the expansion of our services. Looking ahead, we will maintain our focus on energy efficiency initiatives, emphasizing and improving our monitoring practices and exploring innovative solutions to reduce our energy consumption and contribute to a more sustainable future.

Additionally, in line with CATRION's ESG Strategy, we will continuously evaluate areas of energy efficiency improvements, including upgrading the existing energy equipment and appliances to higher-grade, more efficient models.



Minimizing our Carbon Footprint



At CATRION, we recognize the urgent need to minimize our carbon footprint and mitigate our impact on the environment. In alignment with our GHG Management Framework, ESG Strategy, and commitment to tackling climate change, we have implemented comprehensive strategies to minimize our GHG emissions across all aspects of our operations. Our efforts in this regard are aligned with broader sustainability goals and our responsibility to contribute to a more sustainable future for generations to come.

CATRION has actively been investigating and pursuing several initiatives and programs over the past few years, that will directly contribute to reducing our carbon footprint as well as the national net zero 2060 commitment. In 2023, CATRION made fundamental steps towards outlining our plan to achieve net zero by 2060, including developing the GHG Management Framework, investing in renewable energy sources, such as solar photovoltaic (PV) technology, and instigating the transition of our vehicles to an electric/hybrid vehicle fleet.

To bring our GHG Management Framework to life, CATRION is in the process of establishing a baseline for our GHG emissions and assessing our carbon footprint inventory. These efforts are critical in providing us with a precise understanding of our environmental impacts and pinpointing crucial improvement areas. As we progress, we are dedicated to continuously monitoring our KPIs and short- and medium-term targets, regularly updating our strategies in response to our performance data and future assessments. This ongoing evaluation and adaptation process is essential as we strive to meet our sustainability objectives and progress towards achieving our net zero commitment by 2060.

In line with our ESG Strategy, CATRION will also continue to explore expanding our renewable energy resource consumption, further driving the electrification of our vehicle fleet, and optimizing transportation routes and logistics to improve resource efficiency and reduce carbon emissions.

Case Study

Investing in Solar PV

Aligned with our ESG Strategy, and in a significant stride towards sustainable energy integration within our operations, CATRION initiated a project aiming at installing a 919 kWp rooftop solar PV generation plant at King Khalid International Airport. This project is a cornerstone of CATRION's strategic initiative to mitigate environmental impact through innovative energy solutions, underscoring our deep commitment to environmental stewardship.

Aiming at strategically deploying solar panels across multiple rooftops at the airport, the design focuses on optimizing solar energy capture and enhancing overall energy efficiency. The project will boast a robust capacity of 919 Wp, with an expected annual output of approximately 1,714.22 MWh of electricity. This output reflects an impressive energy efficiency rate of 1,865 kWh per kWp, underpinned by a performance ratio of 79.48%

that showcases the system's operational efficacy in local climatic conditions. The project stands out not only for its engineering and technical aspects but also for its expected environmental contributions. Over the projected 30-year lifespan of the solar plant, it is anticipated to reduce CO₂ emissions by approximately 31,494 tons. This significant reduction in carbon emissions is a testament to CATRION's proactive approach in reducing the carbon footprint in our services, contributing to a cleaner and more sustainable future.

The commencement of this project at a major international hub sets a precedent for future renewable energy initiatives within our operations both in the Kingdom and globally. This project exemplifies the effective harnessing of sustainable technologies to meet our operational goals, significantly advancing our sustainability goals.

Electrification of Vehicle Fleet

CATRION is planning to embark on a transformative journey to enhance our environmental stewardship by integrating the concept of Electric Vehicles (EVs) into our fleet at our Riyadh and Jeddah units by 2024. Notably, we aim to achieve a mix that comprises 70% hybrid vehicles and 30% fully Electric Vehicles (EVs). Our decision to incorporate Electric Vehicles (EVs) aligns with the sustainability aspirations of the Kingdom's Vision 2030 and reflects our proactive approach to embrace innovative technologies that contribute to a greener future. These vehicles are crucial for reducing our reliance on fossil fuels, cutting down on air pollution, and reducing our GHG emissions.

Supporting this shift, we are currently installing a robust network of dual Direct Current (DC) and Alternating Current (AC) chargers. This infrastructure is designed to serve a diverse range of CATRION's future EV fleet, from light passenger cars to heavier utility vehicles, ensuring that all segments of our fleet have reliable access to charging facilities. Furthermore, the installation will also include vital infrastructure enhancements such as floor painting and concrete foundations, being crucial for the longevity and effectiveness of our charging stations.

By transitioning to EVs, CATRION is not just updating our fleet; we are leading a shift towards cleaner, more sustainable transportation in the Kingdom.





Section 4

Caring for People





At CATRION, we prioritize social responsibility above all else. We recognize that the core of our business lies in the relationships we cultivate with our dedicated employees, valued customers, and the local communities surrounding us.

We are committed to cultivating a nurturing, inclusive, and dynamic internal culture, while maintaining an unwavering commitment to the highest standards of health, safety, and satisfaction for our employees and customers. Our commitment further extends beyond our organizational boundaries, as we aspire to make a positive impact on the communities in which we operate. In doing so, our aim is to unite our collective

efforts towards a fundamental value that defines CATRION – caring. This value serves as a compass for our actions and decisions, reflecting our dedication to creating a meaningful difference in the lives of our employees, customers, and the wider community. Our dedication to caring is synonymous with fulfilling our social responsibility and fostering a culture of connection and positive change.

Material Topics



A Responsible and Committed Employer

We acknowledge that the driving force behind our success lies in our most valuable asset: our employees. Recognizing that the success of CATRION is closely linked to the well-being and development of our employees, we are dedicated to creating an inclusive environment where our workforce feels recognized, motivated, and safe. We strive to build a workplace culture that fosters leaders and enables each individual to thrive, contribute, and advance. This commitment is evident at every stage of CATRION's employment

lifecycle – encompassing recruitment, working conditions, compensation and remuneration, training, development, succession planning, retirement, and employee relations.

Our workforce's contributions not only enhance our services but also play a crucial role in promoting environmental responsibility, fostering economic growth, and contributing to societal advancement.



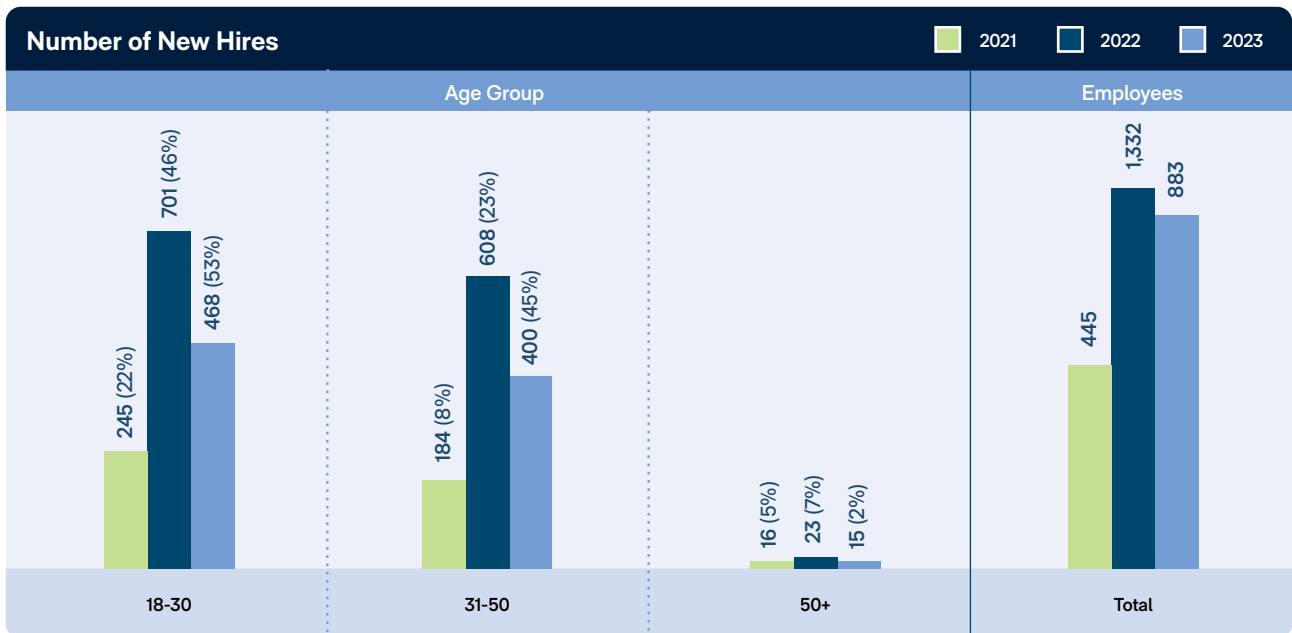
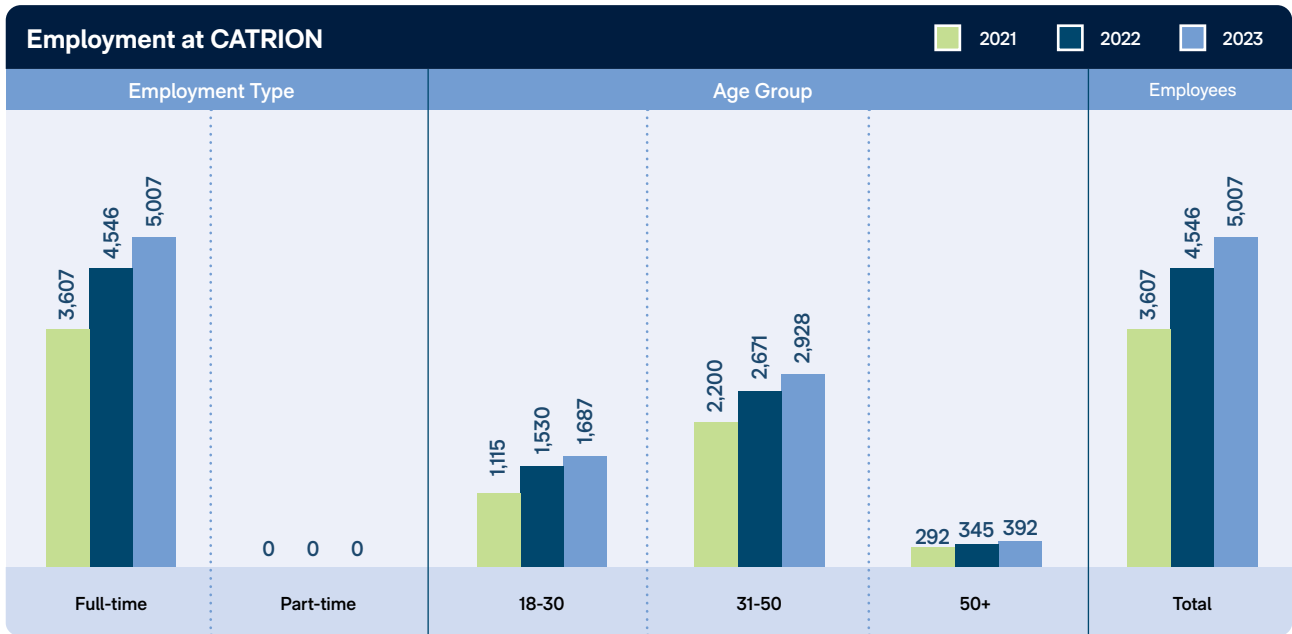
2023 Highlights

- **5,000+ employees** effectively managed and retained throughout the year
- **26,000+ hours** of training and development conducted for our employees
- **Zero discrimination incidents** recorded
- Renewed our **Mowaamah Certification**
- **16% increase** in our female representation compared to 2022
- **“High Green”** rating achieved in the Nitaqat program
- **34% Saudization rate**
- **23,000+ Iftar meals** distributed in Ramadan
- Introduced our **“CORE” training program**

Our People

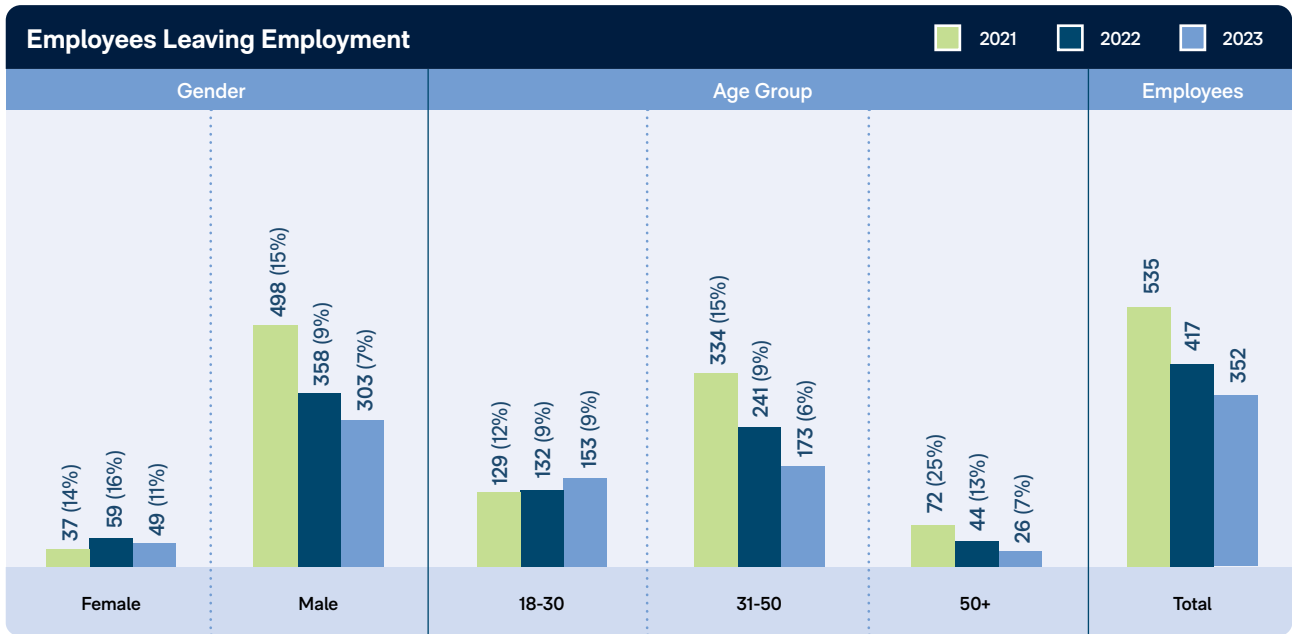
Our commitment to upholding the value of caring is exemplified through our approach to attracting and retaining our employees. We achieve this by offering competitive benefits, providing opportunities for professional growth, strategically implementing succession planning, actively engaging with our staff, prioritizing training and development of our people, and fostering an inclusive and diverse workplace culture. This strategic approach not only nurtures our employees but also ensures the continuity of expertise within our company, actively reinforcing the sustainability of our business model.

Our CATRION family comprises a set of diverse and talented group of individuals. We are proud to have a workforce of over 5,000 employees, spanning across various ages, backgrounds, and nationalities. In 2023, we had the pleasure of welcoming 883 new employees, doubling our new hires when compared to 2021 figures which were impacted by the COVID-19 pandemic. On the other hand, in 2022 we were prompted to adapt our recruitment strategies, necessitating a period of increase and compensation in the number of our new hires. Yet, as the world gradually recovered from the pandemic in 2023, we witnessed a rebound in recruitment rates, leading to a more moderated intake of new employees.



On top of this, the turnover rate in 2023 dropped by 16% from the previous year and by 34% from 2021. This positive trend is largely attributed to CATRION's commitment to upholding a strong employer brand

and fostering a company culture anchored in fairness, equality, and equal and open opportunities. Our dedication to these core principles has been crucial in attracting and maintaining a skilled and diverse team.



Governing Employment

In line with our HR Manual, we have a well-defined and rigorous recruitment process that is based on selecting the best-suited candidates for the roles we offer. Our HR department manages all recruitment processes – engaging with the available talent pool to source the right candidates for CATRION and ensuring they are motivated towards learning and growing with us. We use comprehensive job descriptions and assessment processes to identify the necessary skills and qualifications for each position. Our assessment of candidates is solely based on their qualifications, professional experience, and mindset, ensuring that these factors alone determine their suitability for roles at CATRION.

This process is part of our broader approach to governing employment, which is marked by an unwavering commitment to innovation. We regularly upgrade to our systems and HR processes to ensure that they consistently align with our employment strategic goals, enabling us to remain responsive to the dynamic needs of our workforce and the evolving industry landscape.



Internal Applicant Tracking System



In response to the challenge of managing a high volume of recruitment activities, CATRION faced difficulties in tracking the progress and updates of each position. The traditional methods required notable time and resources, making it cumbersome to obtain essential information promptly.



Approach

To address this challenge, our HR team initiated a project to streamline our recruitment processes. The first step involved gathering all necessary information required by our recruiters and top management to effectively monitor and manage the recruitment pipeline. Subsequently, we collaborated closely with our IT department to develop a tailored solution - an Internal Applicant Tracking System (ATS) and an accompanying dashboard.



Outcomes

The implementation of the Internal ATS brought about transformative results:

- Enhanced Visibility**
Each recruiter gained the ability to effortlessly track the status of their positions, ensuring transparency and efficiency in managing candidates.
- Real-time Updates**
Our top management now has access to live updates on the progress of recruitment activities. This empowers them to make informed decisions and allocate resources more effectively.
- Time Savings**
The system significantly reduced the time spent on administrative tasks, enabling our HR team to focus more on strategic aspects of recruitment.
- Improved Communication**
The ATS facilitated better communication among team members, as everyone had access to the same centralized information.

CATRION's Onboarding Revamp Project



In 2023, CATRION initiated a comprehensive Onboarding Revamp Project to improve procedures for new employees, ensuring a smoother transition into the company.



Approach

CATRION implemented a comprehensive approach to revamp the onboarding process:

- 1. Process Reviews & Updates**
The existing onboarding process was critically reviewed, and necessary updates were identified. This included identifying bottlenecks, redundancies, and areas for improvement.
- 2. Automation of Certain Aspects**
To streamline the process further, certain aspects of onboarding were automated. This reduced manual administrative tasks, allowing HR teams to focus on more value-added activities.
- 3. Group Induction Introduction**
CATRION introduced group induction sessions as part of the onboarding process. These sessions provided new joiners with a comprehensive introduction to the company's culture, values, and expectations.



Outcomes

The outcomes of the Onboarding Revamp Project were highly beneficial:

- 1. Uniform / Systemized Approach for Onboarding**
The project resulted in the establishment of a uniform and systemized approach to onboarding. This ensured consistency and clarity in the onboarding process for all new employees.
- 2. Increased New Joiner Satisfaction**
With the improved onboarding process, new joiners reported higher levels of satisfaction. They felt more supported and informed during their transition into the company, contributing to a positive start to their CATRION journey.

Cultivating a Thriving Workforce

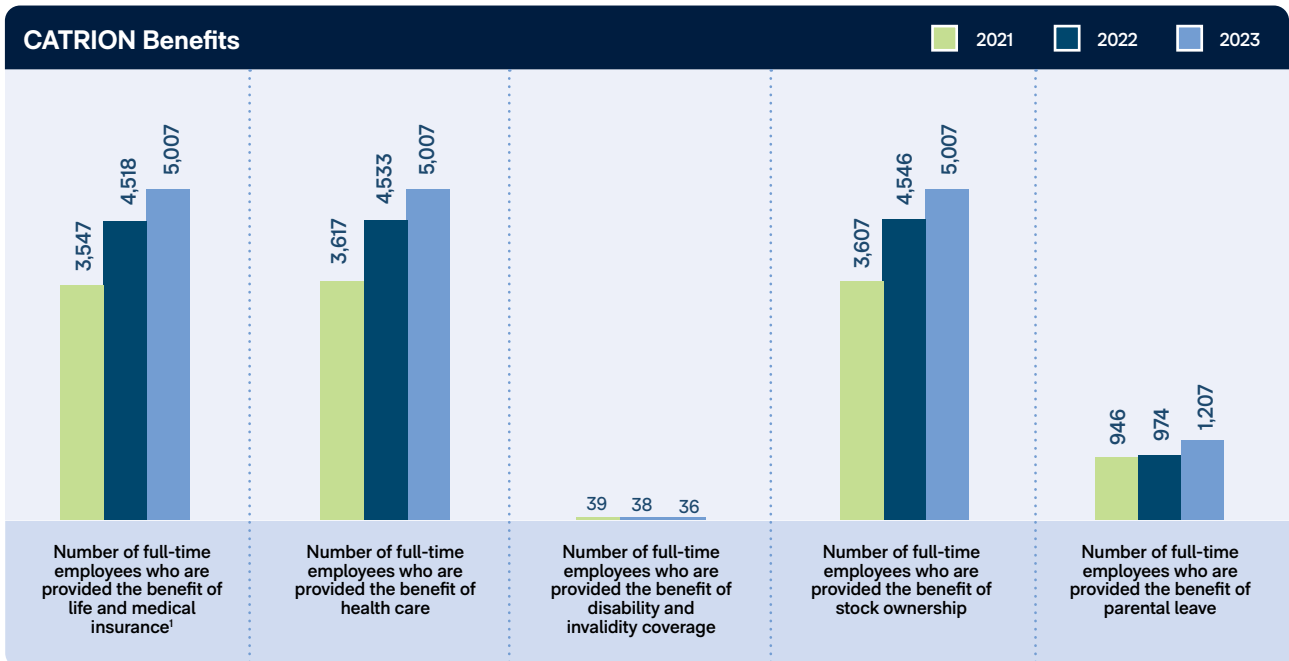
At CATRION, we strive to establish a two-way relationship of trust with our employees, ensuring they are supported and motivated. To support this commitment, we offer a comprehensive benefits package tailored to meet the diverse needs of our workforce.

Employee Benefits

CATRION recognizes the critical importance of offering compelling benefits as a key strategy to attract premier talent and uphold employee satisfaction. To that end, our comprehensive benefits package includes competitive salaries, bonuses, and incentives. We further extend a range of benefits to our permanent staff members, encompassing life insurance, healthcare benefits, disability and invalidity coverage, and various leave options. Additionally, we accommodate requests for financial advances on salaries and provide opportunities for stock ownership. Furthermore, CATRION offers an open buffet with variety of options to all our staff. All these aspects of our holistic employee benefits package emphasize the value we place on our employees' overall job satisfaction, prioritizing their needs and physical well-being.

Equal Pay

Fair compensation is fundamental in shaping employee behavior and fostering performance stability at CATRION. As outlined in our HR Manual, employees receive monthly salaries that commensurate with their job levels, ensuring pay equity across genders for similar roles. Notably, our company adheres to the approved Grades and Salary Policy, ensuring competitive salaries aligned with market standards. To do so, we conduct periodic market analysis as needed to maintain competitiveness. Furthermore, CATRION undertakes annual evaluations to guarantee fairness in determining salary increases for all employees, contributing to a transparent and equitable compensation structure.



¹ All our employees are directly enrolled in our medical and life insurance coverage from the moment they join CATRION.

Leaves

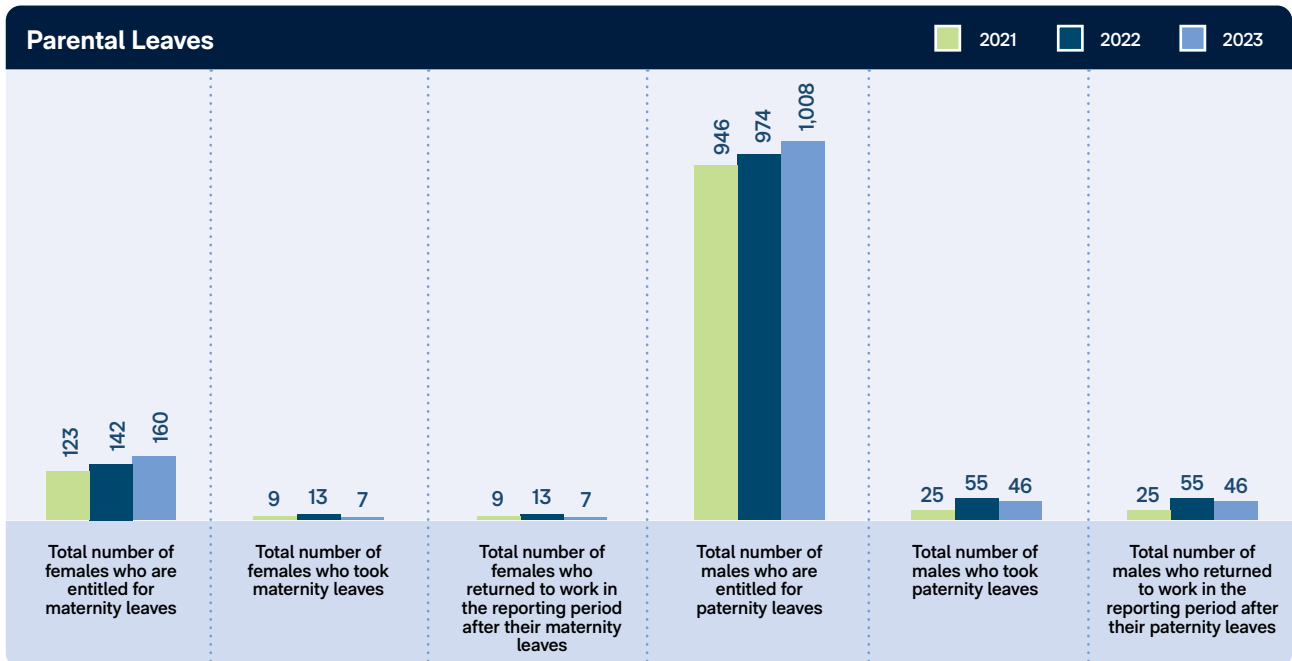
We are keen to provide a healthy work-life balance for our employees which significantly contributes to their well-being and the overall success of CATRION. In adherence to Saudi Labor Law, our employees are entitled to various leaves, recognizing the importance of paid time off to recharge, alleviate pressure, and enable our people to return with renewed energy and enthusiasm for CATRION's vision.

In line with this, we also observe national public holidays, including public holidays such as Eid al-Fitr, Eid al-Adha, Foundation Day, and National Day. Furthermore, we recognize and approve several other types of leave, a few of which are listed below:

- Annual Leave
- Compensatory Leave
- Grievance Leave
- Examination Leave
- Hajj / Pilgrimage Leave
- Husband Grievance Leave (EDDAH)
- Marriage Leave
- Parental Leave
- Nursery Leave
- Occupational Hazard Leave
- Sick Leave
- Training Leave



When it comes to parental leave, our policies align with the provisions of the Saudi Labor Law. We offer flexibility in the distribution of these leaves, allowing employees the freedom to allocate them according to their individual needs and circumstances. Notably, over the past three years, every single one of our employees who took parental leave returned to work once their leave period concluded. This reflects our dedication to fostering a family-friendly work environment and ensuring a seamless transition for our employees as they balance their professional and personal responsibilities.



Diversity and Inclusion



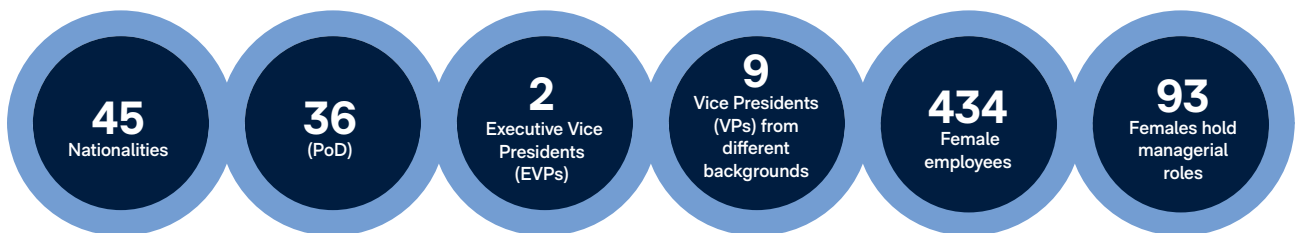
We pride ourselves on our commitment to diversity and inclusion, with a workforce representing 45 nationalities, including 36 individuals as PoD.

For our PoD colleagues, we go the extra mile to ensure their well-being and foster an inclusive and supportive work environment. This is underpinned by our GOLD Status Mowaamah Certification. Initiated by the Saudi Ministry of Human Resources and Social Development, this certification reflects our commitment to integrating PoD employees into the Saudi labor market. CATRION initially obtained this certification in October 2021 with a validity of two years, and we completed the renewal process by the end of 2023, extending the certification's validity until 2025.

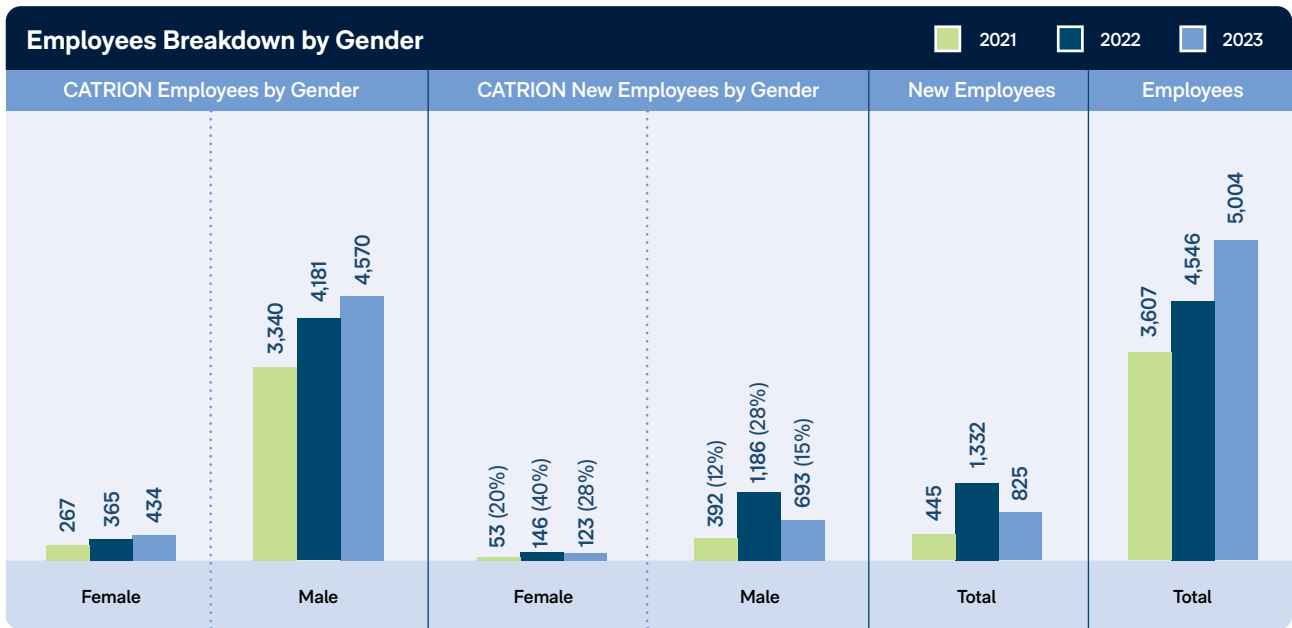
To bring this certification to life, CATRION provides tailored facilities for our PoD, including accessible

workspaces and assisting technologies, coupled with flexible work arrangements to meet their individual needs. Furthermore, we recognize the great value that gender diversity brings to CATRION. In line with our ESG strategy, we took significant steps in 2023 to recruit more women and increase the female representation across all levels of CATRION. As such, the representation of female employees increased by 19% compared to 2022 and a 63% compared to 2021.

Our dedication to diversity further ascends at the leadership level of CATRION. This is reflected by the presence of two EVPs and nine VPs, each coming from a diverse array of backgrounds. These leaders bring a wealth of experience and expertise to their roles, spanning various sectors such as logistics, travel, contract procurement for global brands, and food safety and risk analysis, among others.²



² For further information on our diverse and extensive leadership's background, please refer to our Annual Report 2023.



This blend of varied experiences and viewpoints is further enriched by the significant representation of women in leadership positions, comprising 15% of all leaders at CATRION. This strategic composition ensures that a broad spectrum of perspectives is brought to our decision-making processes.

In line with this commitment to fostering a diverse and inclusive workplace, our efforts are aimed at ensuring that all employees, regardless of their background, can confidently navigate and overcome career challenges, advancing professionally without encountering discrimination. As such, we are proud to report a record of zero discrimination cases among our staff in 2023.

Saudization

We are committed to playing our role in achieving the employment and workforce goals outlined in the Saudi Vision 2030. With a 34% Saudization rate by the end of September 2023, we achieved a "High Green" rate in the Nitaqat program. This underlines our dedication to the empowerment and development of local talent, focusing on enhancing their technical skills and capabilities, and thus contributing significantly to reducing unemployment and diversifying the economy. Looking ahead, further driving the Saudization initiative is among our top priorities, reflecting our ongoing commitment to fostering local talent in line with national objectives.



CATRION's Saudization Initiative

The primary objective of this initiative was to increase Saudization percentage across CATRION's operations, aligning with the national employment goals outlined in Saudi Vision 2030. This entailed prioritizing the hiring of Saudi nationals for specific roles within the company.



Approach

To achieve this goal, CATRION adopted a multifaceted approach:

1. CATRION identified key roles within the organization that were suitable for Saudization. These roles were carefully selected to ensure a seamless transition while fostering local talent development.
2. The company launched specialized hiring campaigns focused on attracting and recruiting Saudi nationals for the identified roles. These campaigns utilized targeted outreach, recruitment drives, and collaboration with local educational institutions to identify and hire promising talent.



Outcomes

The outcomes of CATRION's Saudization initiative have been remarkable:

1. CATRION achieved a commendable Saudization rate, leading to the company being classified in the "High Green" category in the Nitaqat program.
2. Through strategic Saudization efforts, CATRION successfully reached a Saudization rate of 34%, reflecting our commitment to nurturing and empowering local talent.



Empowering Saudi Youth: CATRION's Participation in the "Tamheer" Program

The Tamheer Program is a specialized on-the-job training initiative specifically tailored for Saudi graduates, including those with undergraduate, postgraduate, and doctorate degrees. The program aims to equip Saudi nationals with the essential experience and skills needed for full-time employment, thus contributing to the nation's economic growth and development. Successful graduates of the program are not only armed with newfound skills but are also awarded an e-certificate to further enhance their employability.



CATRION's Investment in "Tamheer"

Our involvement in the "Tamheer" Program has yielded profound impacts on both the program participants and CATRION. By offering these talented young individuals the chance to undergo on-the-job training at CATRION, we have provided them with a valuable platform to develop practical skills and gain hands-on experience within our industry.

For participants, the program has served as a steppingstone towards their professional journey, empowering them with the competencies required for a successful career. It has not only bridged the gap between academic knowledge and practical

application but has also bolstered their confidence and employability prospects.

For CATRION, our engagement in the program has enriched our workforce by infusing fresh perspectives and diverse talents. We have had the privilege of witnessing the growth and development of these young talents as they transition into contributing members of our team. Furthermore, investing in the "Tamheer" Program aligns seamlessly with our commitment to social responsibility and Saudization and youth development goals of the Kingdom's Vision 2030.



Optimizing Employee Performance

To maintain our position as a competitive company, we have implemented extensive measures to boost the performance capabilities of our employees. Our focus on employee performance management is outlined in our HR Manual, encompassing a variety of tools and guidance materials to support our employees throughout their career journeys.

Each year, we conduct a thorough performance review for all CATRION employees. Our managers are actively engaged throughout the year, offering essential coaching, support, and guidance to ensure consistent progress toward defined objectives. This proactive approach has delivered significant results, with every employee undergoing a formal performance review process.

This robust process provides a structured platform for meaningful dialogues between managers and employees, facilitating discussions regarding

achievements, areas for improvement, and alignment on goals and expectations for the upcoming year. It also guarantees that our employees receive well-deserved recognition for their contributions, constructive feedback to foster growth, and steadfast support for their ongoing professional development.

Beyond these initiatives, we remain committed to ensuring employee satisfaction and retention. We regularly conduct engagement surveys that assess various aspects, including feedback on roles, benefits, and company culture, with special attention to newly onboarded employees. Effective communication is facilitated through our HR portal, ensuring transparency and open dialogue within our team. Additionally, we maintain a calendar of social events designed to promote team building, creating a cohesive and supportive work environment aligned with our sustainability goals and future ambitions.

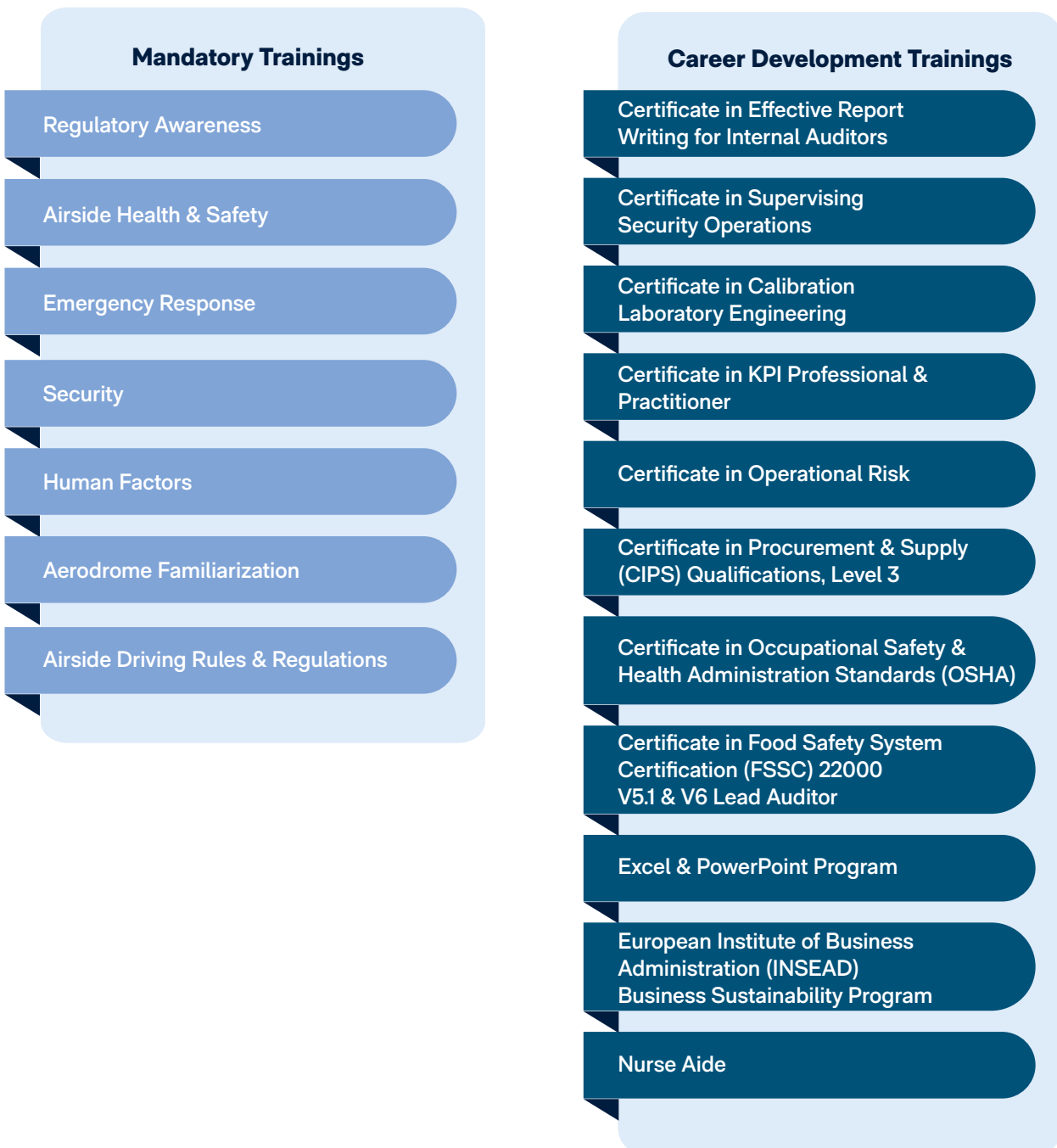
Training and Development

In line with our Training Policy, CATRION places a strong emphasis on employee development and training. By investing in the professional growth and development of our employees, we enable them to acquire new skills and competencies, enhancing not only their individual performance but also contributing to the overall growth of CATRION.

In 2023, we encouraged our employees to continually seek opportunities for growth, learning, and

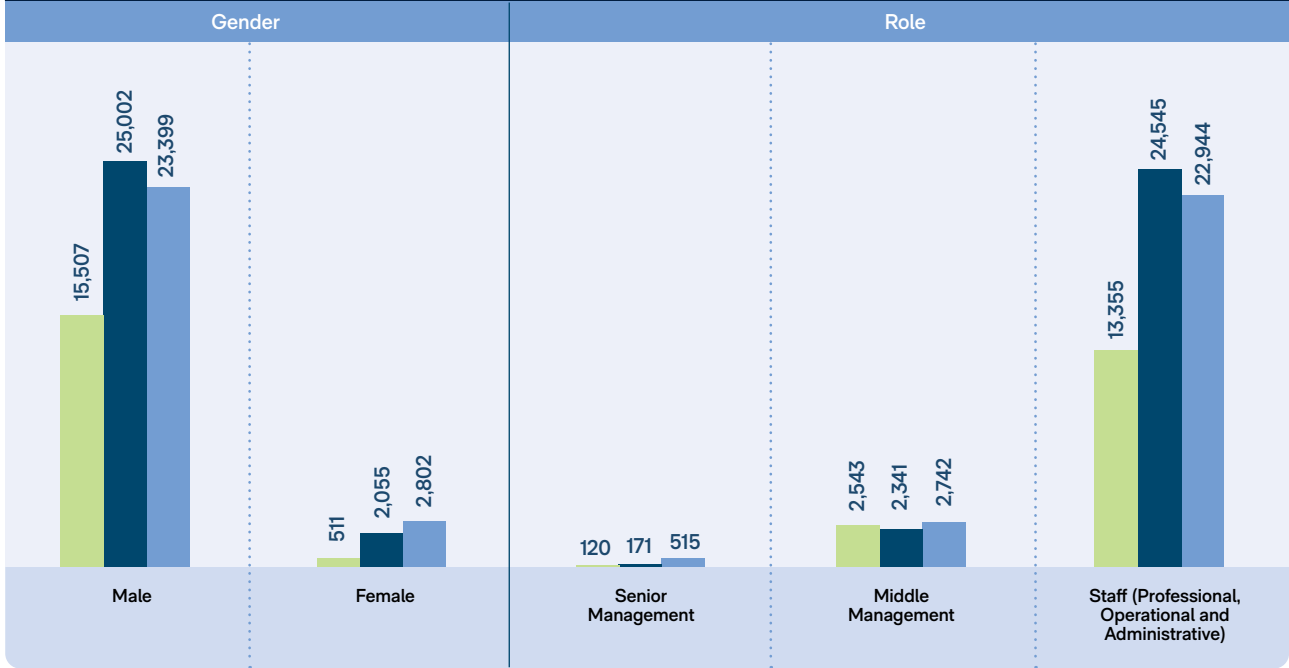
development to cultivate a sense of fulfillment and ensure alignment with their planned career goals. Our Training Department periodically shares a training calendar with employees, enabling them to select courses that align with their professional development goals. Additionally, in collaboration with the HR Department, this department has established various customized programs to promote individual and organizational effectiveness, thereby fulfilling our corporate commitments.

CATRION's training and development initiatives encompass two primary categories



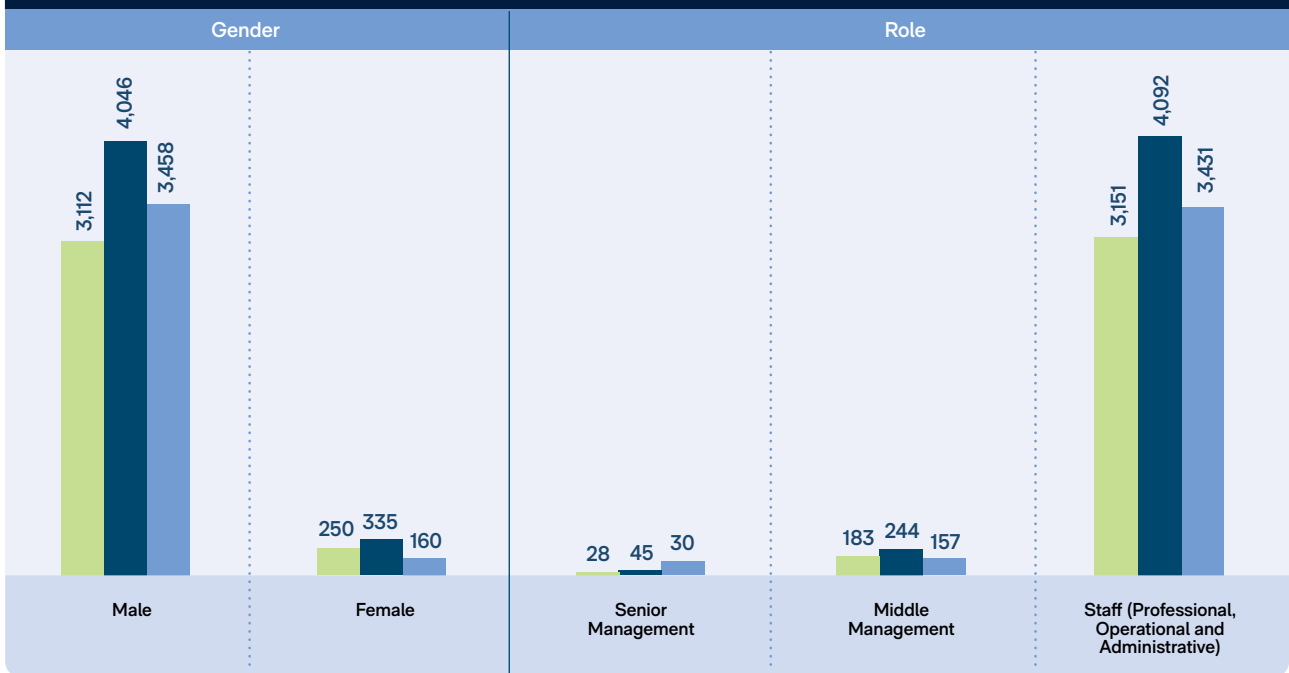
Training Hours that CATRION's Employees have Undertaken

2021 2022 2023



Total Employees that received Regular Performance and Career Development Reviews

2021 2022 2023






To fulfill our commitment to continuously enhancing our approach to employee development and training, we have several significant projects and investments planned over the coming years to further enforce our commitment to training and education. These initiatives include:

- Implementing a comprehensive Learning Management System (LMS) as part of the upcoming SuccessFactors project, with an anticipated rollout by early 2025. This advancement will play a crucial role in fostering skill development among our employees, both within and beyond their specific roles.
- Developing an internal training program, CATRION Training Development (TD), in line with the requirements of the General Authority of Civil Aviation Regulations, GACAR 151 and GACAR 68. CATRION TD program caters specifically to our ground operations functions across four stations in Jeddah, Madinah, Riyadh, and Dammam. It is tailored for our ramp staff responsible for loading and offloading meal carts on aircrafts. The program covers comprehensive modules including airport safety, emergency response plans, human factors for airport operations, aviation security, aerodrome familiarization, inflight catering, catering vehicle operation, airside driving, among others.
- Establishing a performance management system which entails introducing structured procedures and tools to manage and appraise employee performance systematically.


Ensuring Culinary Excellence - Our “CORE” Program

In pursuit of excellence and in line with our commitment to nurturing talent, CATRION proudly introduced our new “CORE” Program in 2023. This initiative stems from CATRION’s dedication to enhancing the capabilities and honing the skills of our valued employees.



 **Approach**

Over the course of the program, ten talented chefs embarked on an enriching journey, immersing themselves in various facets of culinary arts, sustainability practices, health and food safety protocols, and the nuances of international cuisines. This holistic approach ensured that our culinary team not only excelled in their craft but also became well-versed in the principles of sustainability and safety, aligning with CATRION’s ESG strategy and our sustainability goals.

 **Outcomes**

Our ten dedicated chefs emerged from the program with a refined skill set, an understanding of sustainability in the culinary world, and a heightened awareness of health and food safety standards. Their international training enriched their culinary perspectives, enabling them to incorporate a wide range of flavors and techniques into their culinary creations.

CATRION’s Succession Planning

Maintaining a robust pipeline of talent is a top priority at CATRION. We recognize the critical importance of identifying and developing future leaders who can continue to drive our company forward. Our succession planning program, launched in 2023, has been designed to ensure that we have a ready pool of internal candidates who can step into key

roles as needed. This not only provides a seamless transition during leadership shifts but also ensures that our employees see a clear path for growth and advancement within CATRION. By investing in our people and preparing them for tomorrow’s challenges, CATRION is committed to sustainable success and the long-term achievement of our strategic goals.

CATRION's Strategic Engagement in the Social Responsibility Forum 2023

In 2023, CATRION reinforced our commitment to social responsibility by playing a pivotal role in the Social Responsibility Forum of 2023, acting as a strategic sponsor. Our primary objectives were to highlight our leadership in corporate responsibility and facilitate discussions on sustainable practices.

Through this strategic sponsorship, we solidified our stance and actively contributed to essential conversations about social responsibility, aligning with our ESG Strategy and goal of contributing to the well-being of our nation.



Building Leadership Legacy at CATRION



Background

In 2023, we prepared for a series of key leader retirements, a natural occurrence experienced in any thriving business. Concurrently, amid a highly competitive job market in the Kingdom, we recognized the importance of retaining and attracting top talent as this would play a central role in sustaining our position as an industry leader.

As a forward-thinking company, this scenario inspired CATRION to initiate a holistic succession planning project. Our objective was to cultivate exemplary leadership, foster the growth of internal talent, and establish an environment that retained top individuals for upcoming leadership positions.



Benefits

- Reduced Turnover Cost**
 CATRION's commitment to promoting internal talents led to significant savings in recruitment and onboarding expenses.
- Improved Leadership Quality**
 A robust pipeline of well-prepared leaders elevated organizational stability and overall performance.
- Talent Retention**
 Employees displayed higher job satisfaction and loyalty, knowing there were clear pathways for career growth within CATRION.



Approach

- Assessment and Identification**
 CATRION initiated a thorough assessment of the existing talent pool, encompassing performance evaluations, competency assessments, and leadership potential evaluations. This comprehensive approach helped identify individuals with high leadership potential.
- Development Programs**
 CATRION designed and executed structured leadership development programs tailored to nurture a cohort of 58 high-potential employees.

These programs encompassed mentorship, training workshops, and one-on-one leadership coaching to nurture talent effectively.

- Monitoring and Evaluation**
 CATRION established meticulous monitoring and evaluation mechanisms to track the progress of identified successors and assess the impact and effectiveness of their individual development programs.



Impacts

1. **Organizational Stability**
CATRION's robust succession plan ensured smooth leadership transitions, fostering organizational stability during times of change.
2. **Enhanced Competitiveness**
A pool of talented leaders equipped CATRION to swiftly adapt to shifting market dynamics, enhancing our competitiveness.



Next Steps

1. Implement the succession planning program according to the outlined methodology.
2. Continuously assess and adapt the program based on feedback and results.
3. Monitor key performance indicators to gauge program success.
4. Expand the program to cover additional critical positions or departments.



Long-term Vision

CATRION aspires to engrain succession planning as a fundamental aspect of our organizational culture. We are committed to developing a sustainable talent pipeline, ensuring leadership readiness for future generations. CATRION plans to continuously adapt this program to align with evolving business needs and workforce trends, solidifying our legacy as an innovative, talent-focused company.



Community Investment

CATRION firmly believes that companies can only thrive by supporting their local communities, while promoting continued growth and development. Our vision is aligned with Saudi Vision 2030, emphasizing the improvement of the quality of life for all Saudi citizens. As a responsible corporate entity, our core objective is to have a significant and positive impact on the living standards within Saudi communities through our business operations.

Our commitment to our local communities goes beyond merely complying with national laws and regulations. We strive to provide comprehensive support to improve the living conditions of our fellow Saudis and enhance their quality of life. In line with our ESG Strategy, we proactively nurture partnerships and participate in initiatives that promote active community engagement and volunteerism among our employees. In 2023, we forged a close collaboration with King Fahad Causeway Authority to donate Iftar meals during the holy month of Ramadan, contributing to a significant charitable effort. Our employees actively participated in distributing over 23,000 Iftar meals, showcasing our commitment to community engagement and social responsibility.

Moreover, we take pride in our participation in the 2023 Community Service Hackathon, a collaborative effort with the Community Service Association and the Ghaith Association. The hackathon presented many innovative ideas and distinctive efforts that would contribute to the effective development of community project. Through this responsible initiative, we offered vital support services to individuals with medical needs, reaffirming our dedication to making a positive impact on our community and society at large.

We recognize that our operations have a far-reaching impact on society, therefore, we are committed to managing our business processes in a way that delivers positive outcomes to our local communities. To achieve this, we are currently in the process of developing a strategic Local Community Plan that will guide our social initiatives through to 2026. This plan will outline our intended contributions aimed at enhancing the well-being of our community.

Health and Safety Culture

In alignment with SDG Goal 3 Good Health and Wellbeing, CATRION firmly upholds the belief that the right to health and safety is a fundamental human right. Our commitment to establishing a secure and healthy environment spans every aspect of our operations. We enforce stringent protocols and continually invest in training and resources to ensure a safe and healthy workplace for both our workforce and customers. Our comprehensive approach involves strict adherence

to international health and safety guidelines, regular risk assessments, and the implementation of effective internal controls. This not only safeguards our employees but also assures our customers that their health and well-being are top priorities. At CATRION, we are dedicated to providing an environment where everyone, be it employees or customers, can expect the utmost respect for health and safety.



2023 Highlights

- **100% coverage** of all employees and workers under CATRION's SMS
- Recorded **zero work-related fatalities** for the past three years
- Established an independent **Food Safety Department**

Our Occupational Safety Management System

Maintaining and putting into practice a comprehensive Safety Management System (SMS) is one of the ways that CATRION facilitates a culture that prioritizes health and safety of our employees and contractors. This management system is meticulously designed to proactively manage risks and ensure effective responses during emergency situations. Developed under the guidance of CATRION's top management, our SMS adheres to clear principles and industry-leading standards. It applies uniformly to all our employees and contractors, leaving no exceptions.

Enforced in strict compliance with the regulations set forth by the Kingdom of Saudi Arabia, including Saudi Arabia's Labor Law, General Authority of Civil Aviation (GACA) Part 151, Royal Decrees, and directives from the Ministry of Interior, this system is designed to prevent hazards and risks inherent in our catering units and operations. Furthermore, we embrace globally recognized risk management system standards and guidelines, aligning ourselves with ISO 45001 standard requirements.



We prioritize continuous improvement in health and safety, as reflected in our robust auditing processes. Internally, we conduct thorough audits twice a year to assess and enhance our occupational health and safety measures. Externally, we undergo ISO 45001 certification audits annually to demonstrate our compliance with the ISO standards. Additionally, GACA conducts biennial audits to ensure our strict adherence to safety protocols at CATRION.

Elevating Health and Safety through Training and Development

We understand that the cornerstone of a robust health and safety culture is the continuous growth and development of our employees in these areas. We are dedicated to comprehensive training programs that provide our staff with the knowledge, skills, and awareness necessary to navigate potential hazards and make informed decisions regarding their well-being and the safety of their colleagues. Regular training sessions not only deepen our workers' understanding of health and safety protocols and procedures but also empower them to actively contribute to our culture of health and safety.

CATRION made significant efforts in the previous years to enhance our employees' preparedness in responding to unforeseen risks. We achieved this by offering comprehensive training in risk assessment, as well as awareness sessions covering hazard analysis and critical

control points (HACCP), emergency response protocols, and our safety management system. Moreover, we conducted several other trainings and internal sessions related to health and safety. These training programs encompassed a wide spectrum of topics, including spill prevention, firefighting, and respiratory protection, first aid, among others. Initiated in 2022, these vital educational efforts are also scheduled to broaden in scope throughout 2024.

Looking ahead, CATRION is committed to further enhancing our health and safety capabilities. We plan to certify 20 employees as ISO 45001:2018 Lead Auditor (OHSMS), a step that will not only augment our internal expertise but also demonstrate our ongoing commitment to upholding industry standards in health and safety.



Managing Health and Safety Risks

CATRION's approach to health and safety is centered around a robust risk management system. Aimed at fortifying our organizational resilience and ensuring the well-being of our valued employees, this system proactively detects, evaluates, and mitigates operational risks at CATRION.

In the pursuit of implementing this system and promoting a safer and more secure environment for our people, we employ a holistic approach that encompasses the following key steps:

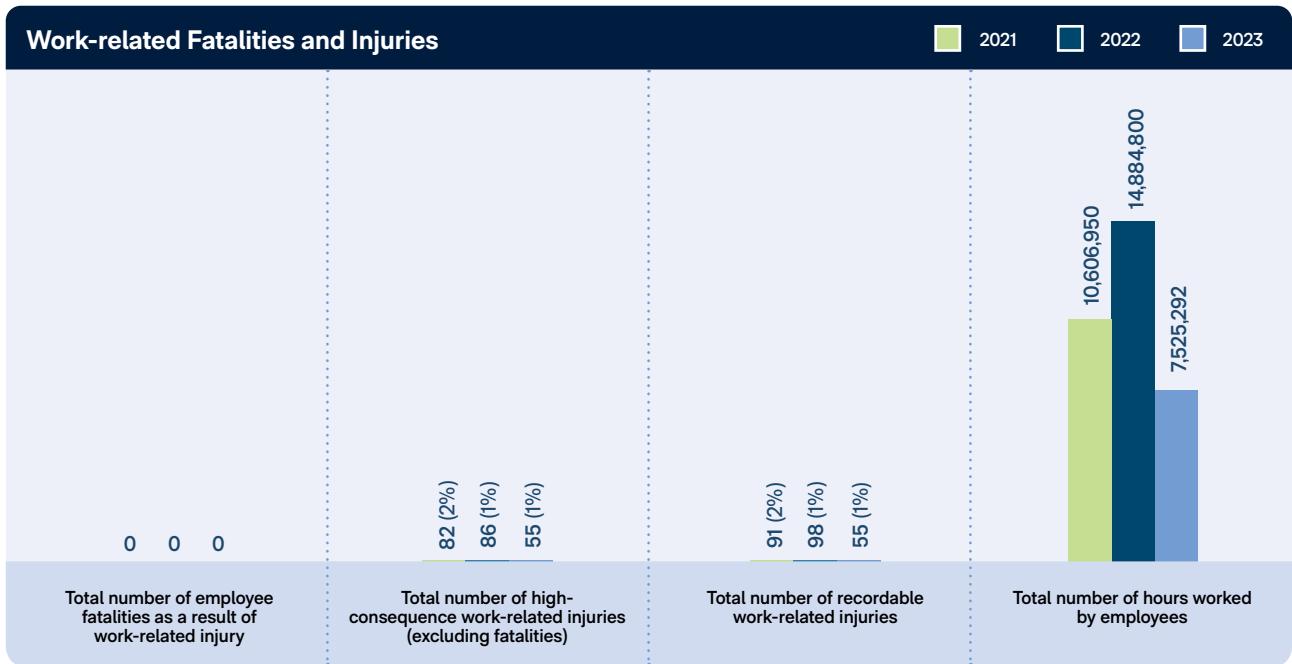


To bring our SMS into life, CATRION has proactively tackled work-related hazards and prioritized safety by implementing a series of measures designed to mitigate safety-related risks. These measures encompass various aspects of workplace safety. For instance, to promote organized and safe storage, floor marking has been employed at our units to clearly indicate proper storage areas. For tasks involving cutting, we have enforced the mandatory use of cut-resistant gloves. Moreover, to prevent slips and falls, caution signs have been strategically placed in areas with wet floors, coupled with a requirement for employees to wear anti-slip shoes when navigating these zones.

We recognize in our line of work that spill prevention and measures is paramount to ensuring high health and safety standards. To mitigate the risk of spills, we equip all our trucks with spillage kits designed to contain and clean up spills promptly. These kits enable rapid response in case of spills, ensuring that our employees can react swiftly to minimize the spread of hazardous materials and prevent accidents or injuries.

By containing spills effectively and facilitating efficient clean-up, we reduce the potential health hazards associated with exposure to spilled substances. In addition to this, CATRION has taken an additional safety measure by introducing secondary oil containers for diesel filling tanks. These secondary containers act as an extra layer of protection, containing any potential spills or leaks and preventing them from reaching the surrounding environment, reducing the risk of spills and associated fire hazards during the refueling process.

Our focus on implementing a robust SMS and the effective measures we have undertaken have successfully resulted in zero fatalities among our employees for the third consecutive year. This accomplishment underscores our ongoing commitment to improving our SMS and health and safety procedures, ensuring responsible operations across all levels of CATRION. We take pride in this significant achievement, as it reflects our dedication to prioritizing the safety and well-being of our people.



Ensuring Customer Health and Safety through Safeguarding Food Quality



CATRION's remarkable dedication to nurturing a robust culture of health and safety has been instrumental. It has not only shaped our dynamic relationship with our dedicated employees, but also extended our reach to gain the trust of our esteemed customers and thus enhance their overall experience.

At the heart of CATRION's success is our unwavering commitment to delivering the highest quality in catering services and ensuring our customers' health and safety. We held this promise to our customers since our inception in 1981, as it now constitutes a major part of our business model and a core pillar of our ESG Strategy. Moreover, our Food Safety Management System (FSMS) is also a critical component of this commitment, ensuring that every meal we serve meets our customers' expectations, with their health and safety being of paramount importance.

CATRION's Food Safety Management System

CATRION maintains a comprehensive Food Safety Management System (FSMS) that spans our diverse catering lines, including aviation, healthcare, remote sites, outlets, railways, and more. It is designed to uphold the highest standards of food quality and safety, directly impacting the safety and well-being of our customers.

Our FSMS guides all our food handling practices across all catering units, ensuring the highest standards of food quality and safety in line with leading national and international practices. For instance, we are fully compliant with the requirements of the Global Food Safety Initiative (GFSI) FSSC 2200. Additionally, we adhere to the principles of HACCP and meet ISO 22000:2018 requirements for food safety management systems. These standards systematically facilitate the identification, evaluation, and control of potential risks related to food quality and safety within our operational processes and products. Additionally, our commitment extends to strict adherence to the national regulations established by the Saudi Food and Drug Authority (SFDA), ensuring full compliance with the legal and safety requirements stipulated by this regulatory body.

Central to our FSMS is the Food Quality Policy, through which we aim to establish fundamental principles to cultivate a culture of excellence in food quality and safety within CATRION. These principles span over various aspects, including maintaining excellent food quality, ensuring the highest levels of competence within our catering units, rigorous adherence to

regulatory mandates, risk mitigation, environmental responsibility, and an unyielding dedication to the continual improvement of our practices. The Food Quality Policy, part of our Food Safety Manual, is readily available and accessible to all employees through CATRION's intranet portal, fostering a culture of accountability among our people and projecting transparency and dedication to quality and safety.

To ensure the proper implementation of our FSMS and our Food Quality Policy, we have established an independent Food Safety Department. Our professionals are available 24/7, and their responsibilities include monitoring our food catering units, ensuring consistent adherence to safety and quality protocols. Regular audits and inspections identify areas for improvement fostering continuous enhancement in our food safety and quality practices.

Culinary Excellence at CATRION: From Source to Service

In our catering services, we understand that every event we cater is an opportunity to enrich our customers' experiences, transforming each meal into more than just a dish, but an enjoyable and safe culinary journey.

Our FSMS guides and Food Quality Policy are embedded into the entire culinary journey to ensure food quality and safety and to enrich our customer's experience.





Stringent Food Sourcing

Our path begins with our commitment to sourcing the highest quality raw ingredients and products from trusted suppliers who adhere to strict food quality control standards. By doing so, we demonstrate our dedication to ensuring the health and safety of our customers through high-quality sourced ingredients, fostering an environment of trust and satisfaction.

In the procurement of dairy products, such as milk and cheese, we prioritize collaboration with dairy farms known for their commitment to sustainable farming practices. We aim to provide hormone-free, organic dairy products whenever possible. Additionally, in the sourcing of protein-rich ingredients like meat, poultry and seafood, CATRION aligns with suppliers holding certifications from esteemed organizations such as SFDA. Thereby guaranteeing the utmost standards of food safety and quality. Additionally, for essential supplies like fruits and vegetables, we require suppliers to meet the standards implied by the Saudi Good Agriculture Certificate, ensuring they adhere to ethical and sustainable practices.

With regards to fresh produce, our dedication to excellence is evident through partnerships with local farmers who prioritize organic farming methods. This commitment not only ensures the freshness of our ingredients but also enables us to support local communities and minimize our environmental impact. Our menus feature a diverse array of local products, including fruits, vegetables, bakery items, dairy,

poultry, and seafood, thoughtfully sourced across our operational locations.

Our commitment to excellent food quality extends beyond supplier selection. We go the extra mile to safeguard the integrity and safety of our supply chain, by conducting thorough hygiene and food safety inspections of our suppliers. The frequency of these inspections varies depending on the risk level and each supplier's performance. Notably, our evaluation criteria include adherence to safety, ethical, and environmental standards. Should any supplier fall short of compliance, we engage closely with them to facilitate performance improvement or explore alternative partnerships.

Further reinforcing this commitment, we have implemented comprehensive training and development programs for our suppliers. Our latest initiative in this regard is the 'Local Contents' project, launched in 2023. This project is centered around providing a series of training and capacity-building sessions to our suppliers, aimed at helping them meet CATRION's established quality and food safety standards. Our objective is to provide support to 10-15 Small and Medium-sized Enterprises (SMEs) by the conclusion of 2024. This support is intended to ensure their eligibility as new suppliers or to renew the approval of our existing vendors, conditional upon their full alignment with our stringent food and safety requirements.

Menu Optimization and Nutrition

The journey continues in our catering units, where food quality, safety, culinary delight, and nutritional excellence are paramount. In line with our commitment to ensuring our customers' satisfaction and well-being, we understand the importance of catering to their various preferences and dietary needs. Our menus are designed to accommodate a wide range of tastes and requirements. They are thoughtfully curated to feature fresh, nutritious, and healthy ingredients. We provide a diverse range of health-conscious dining options, catering to various preferences such as vegetarian, vegan, gluten-free, and low-calorie choices.

Food Handling and Storage

Once these top-quality ingredients reach our catering units, our culinary teams apply their expertise to prepare them with precision and care. During the critical stages of food handling and storage, CATRION adheres to the stringent protocols of FSSC 22000. Our processes involve advanced practices in hygiene and allergens management, food fraud, biosecurity, environmental pathogens monitoring, among others. By doing so, we maintain the integrity and safety of our ingredients and products until they are delivered to our customers.



Quality Assurance and Testing Protocols

As we progress in our journey, our primary focus intensifies on delivering our customers with the peace of mind and assurance of the highest standards in hygiene and food quality to ensure their safety and satisfaction. Notably, every product we offer is subjected to stringent testing protocols, ensuring that safety and excellence are at the forefront of our service. Central to this process is our Central Laboratory, accredited with ISO 17025:2017 for laboratory testing and sampling by the Saudi Accreditation Center (SAC). This accreditation, coupled with other private and designated laboratory licenses from the SFDA, underscores our steadfast dedication to maintaining the highest standards in testing and quality assurance.

Our approach to quality assurance also involves meticulously monitoring hygiene performance, food storage practices, and handling procedures. This is achieved through internal audits that are conducted biannually. These audits are further reinforced by monthly inspections carried out across all our operational units by our operational units. These audits are supported by detailed food quality and safety KPIs, that are monitored and reported on a monthly basis. These KPIs are tailored for each unit, allowing us to track and analyze performance closely. The data gathered is then reflected through an interactive dashboard, offering a clear view of our progress and areas for improvement.

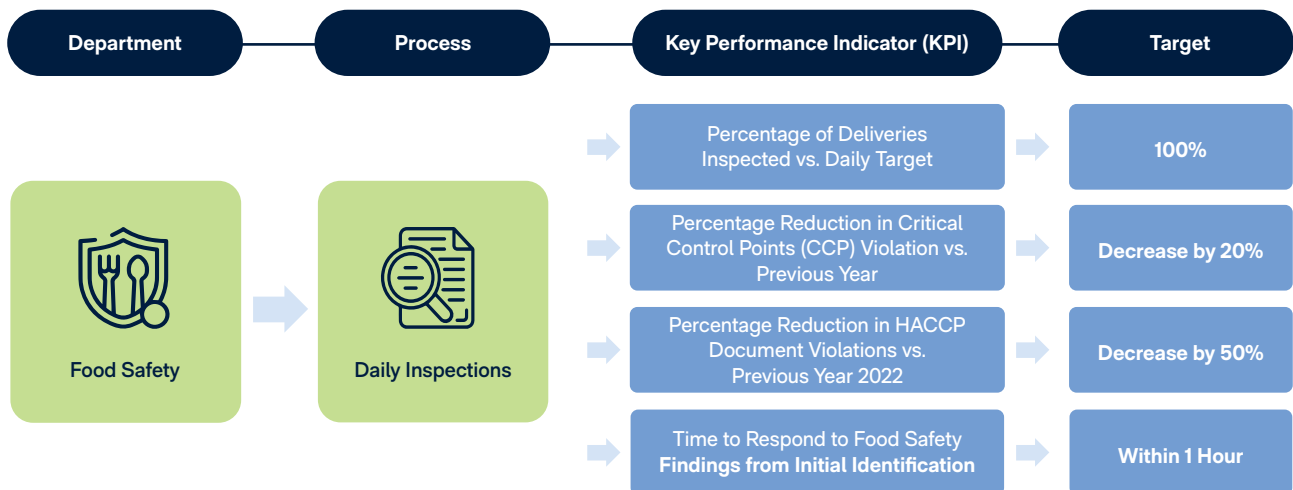
Moreover, our dedication to excellence in food safety and quality assurance is further exemplified by our focus on automation and digitization. In 2023, we transitioned from paper-based systems to automated recording systems. By leveraging validated applications and technologies, we enhance our ability to capture key food safety data, analyze trends, and drive operational enhancements in this area. Through eliminating manual record-keeping and enhancing data accuracy, we ensure greater efficiency and effectiveness in food quality assurance and testing.

Staff Training and Education

As ingredients move through our catering units, they are transformed under the skilled hands of our chefs and culinary experts, who are constantly upskilling their expertise through continuous training sessions. We emphasize the ongoing training and development of our chefs and catering staff to stay ahead of the latest industry trends and exceed customer expectations. Our in-house information and training programs cover all aspects of operations, from how our staff check ingredients when they arrive at our facilities to the temperature at which our food should be stored when it leaves for delivery to our customers. For instance, in 2023, CATRION forged a partnership with the Highfield Awarding Body for Compliance (HABC) UK, enabling us to deliver a globally recognized food safety training internally. Facilitated by HABC's trained

and competent trainers in food safety, this initiative empowered us to provide customized training to employees across all levels on this topic, from senior management to supervisory roles and colleagues. In addition to this, we conduct various trainings sessions on advanced cooking techniques and emerging food trends.

Recognizing that visitors and contractors can also impact our food safety and quality standards, we provide them with necessary awareness training tailored to their interaction with our operations. For example, contractors working in our facilities receive training on maintaining hygiene standards and understanding the critical control points within our operation.



Customer Experience – Beyond our Catering Units

Finally, our culinary journey culminates in the delivery of our high-quality catering services to our customers. Every dish that leaves our catering units is a testament to CATRION's journey of culinary excellence. It reflects the journey of our ingredients, the dedication of our staff, and our commitment to quality at every step. Our ultimate goal is to craft an unforgettable catering experience, ensuring our customers' complete satisfaction. Integral to achieving this, we actively seek customer feedback, considering it an invaluable asset for continual improvement and an essential component of our Food Quality Policy. In systematically gathering this feedback, we have implemented a comprehensive customer satisfaction survey across all catering units. This initiative has achieved an impressive 86%

satisfaction rate across all the desired parameters outlined by industry standards. By doing so, CATRION captures and understands our customers' expectations and perspectives, refining the quality of our services to meet their diverse needs more effectively.

We maintain an open and responsive stance towards any concerns or suggestions related to food service. For instance, in response to recent customer input, we have implemented a knowledge exchange program, temporarily swapping our chefs to infuse local flavors into the menu to enhance customer satisfaction. By doing so, we demonstrate our commitment to adapting and evolving in line with our customers' preferences and expectations.

Holistic Service Quality - Beyond Culinary Offerings

At CATRION, we are committed to upholding the highest standards of quality across all our operations, including retail, laundry, healthcare, facilities management, among others. Our approach is driven by a comprehensive and cohesive quality management process that ensures consistency and excellence in every facet of our business.

We start by setting explicit quality standards for each business segment, ensuring clear expectations and requirements are in place for product and service delivery. To support this, we continuously invest in training programs, equipping our employees with the necessary skills to meet these standards. Proactive monitoring of our processes allows us to quickly identify and correct any deviations, maintaining the integrity of our operations. We also prioritize gathering customer feedback, which is integral to understanding their needs and refining our offerings. This feedback, along with insights from regular audits and performance evaluations, helps us identify areas for improvement. Leveraging advanced technology, we enhance the quality of our products and services by streamlining processes, reducing errors, and improving efficiency. Moreover, we foster collaboration across departments, ensuring a holistic approach to quality management and a seamless resolution of cross-functional issues.



Through these interconnected efforts, CATRION consistently delivers high quality in our products and services, enhancing customer satisfaction and strengthening customer loyalty. Through these interconnected efforts, CATRION consistently delivers high quality in our products and services, enhancing customer satisfaction and strengthening customer loyalty.

Excellence in Industrial Laundry Services at CATRION

In 2023, CATRION's Industrial Laundry division has significantly advanced its operations, becoming a pivotal force in the hospitality and healthcare sectors that CATRION contributes to. Serving esteemed clients such as Saudi Airlines and major hotels in Jeddah's Makkah region, along with handling diverse needs in Riyadh including uniform and hospital laundering, this unit is a key contributor to CATRION's strategy of diversification.

Amidst operating at full capacity and navigating industry challenges, our Laundry Services unit not only exceeded pre-pandemic service levels but also secured new lucrative contracts. This success reflects our unwavering commitment to quality, which is manifested through attention to detail in every aspect of our laundry processes. From the precision in handling delicate fabrics to the consistency in delivering clean and well-presented garments, our focus on quality ensures that each client receives exceptional service tailored to their specific needs.

Our stringent quality control measures and the use of advanced cleaning technologies further ensure that we meet the highest standards of cleanliness, hygiene, and fabric care. These practices are complemented by

our highly trained staff who uphold our commitment to excellence and reliability in the tasks they perform. Their expertise in fabric preservation and efficient handling of large volumes of laundry, among other skills, contributes significantly to our operational success

Moreover, central to our division's high-quality services is our commitment to efficiency and sustainability. We utilize advanced eco-efficient machines that conserve resources by using only 7.5 liters of water per kilogram of laundry, significantly reducing our water and energy usage. This sustainable approach helps lower our need for steam and fuel in steam generation, while our use of eco-friendly detergents lessens our environmental impact.

Collectively, these practices not only support CATRION's operational efficiency but also embody our dedication to sustainability, aligning with our ESG Strategy goals. The Laundry Services unit's ability to maintain high service levels while expanding our client base highlights our commitment to quality and environmental stewardship, marking a year of notable growth and impact at CATRION.



Strengthening Customer Bonds through Tailored Loyalty Programs

At CATRION, we recognize the critical role that customer loyalty programs play in forging and sustaining strong relationships across our diverse service sectors, including but not limited to, retail, healthcare, and facilities management. The implementation of our diverse loyalty programs across different sectors has led to increased customer retention rates, higher levels of customer satisfaction, and enhanced brand loyalty. These programs are vital in generating positive referrals and significantly bolstering our profitability, thereby enhancing our contributions to our customers and the broader Kingdom. By consistently delivering exceptional service, attentively listening to customer feedback, and adapting our loyalty strategies to meet changing needs, CATRION cultivates enduring relationships with our esteemed clients.



Retail Initiatives



In the retail sector, CATRION actively implements a variety of loyalty programs aimed at rewarding our customers. These programs include discounts, special promotions, and exclusive offers tailored to enhance customer experiences and incentivize repeat business. For example, we provide special discounts for loyal customers during events, recognizing and rewarding their ongoing support. Additionally, we conduct regular customer surveys to capture and understand evolving preferences and needs. This direct feedback mechanism helps us refine our offerings and ensure that our promotions and rewards resonate deeply with our customers, thereby fostering robust long-term relationships and enhancing customer loyalty.

Healthcare Industry Focus



Within the healthcare industry, our loyalty programs are designed to boost patient satisfaction and engagement. By providing benefits that acknowledge patient loyalty and encourage continued interaction with our healthcare services, we aim to build a supportive and responsive healthcare environment.

Facilities Management Services



In the realm of facilities management, our loyalty programs are crucial tools for retaining existing clients and attracting new ones. By offering tailored benefits that recognize and reward ongoing partnerships, we establish ourselves as trusted and dependable partners in the industry.



Section 5

Sustaining Operational Excellence

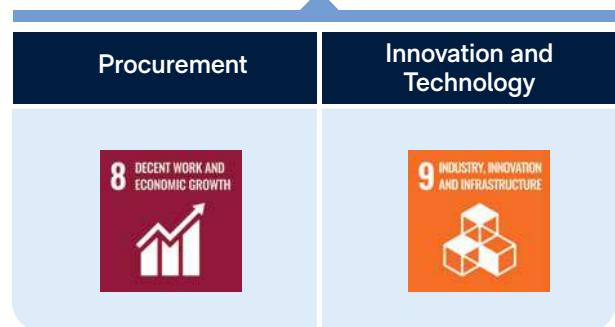




Our goal is centered beyond mere growth – we are committed to maximizing the shared value we create for our stakeholders, both now and in the future. By exploring sustainable solutions, we aim to make a positive impact on society, aligning our economic endeavors with a vision for lasting environmental and social benefits.

Aligned with our ESG strategy, CATRION's steadfast commitment to responsible operations ensures the delivery of premium services to our customers at a competitive cost and upholds operational excellence and a robust business model. Our ongoing investments in expanding our service portfolio, prioritizing sustainable procurement, incorporating innovative solutions, and harnessing advanced technologies are strategically directed to sustain our competitive advantage and fulfill our commitment to sustainability.

Material Topics



Economic Prosperity

We take great pride in our position as an industry leader, offering a diverse range of services within the Kingdom. Drawing upon our wealth of expertise and abundant resources, we acknowledge our responsibility to diversify the nation's economy and align with the objectives of Saudi Vision 2030.

Committed to this responsibility, we are determined to maintain our economic position and continue to have a positive impact on the economy and the community at large, ensuring long-term sustainable growth.



2023 Highlights

- **SAR 2,100+ million revenue**
- **SAR 283 million net profit after Zakat and income, with 9.9% increase from that of 2022**
- **SAR 3.45 profit per share, 1.1 times that of 2022**
- **41,600,000 flight meals served**
- **1,649,441 lounge guests welcomed**
- **220% increase in community investments compared to 2022**



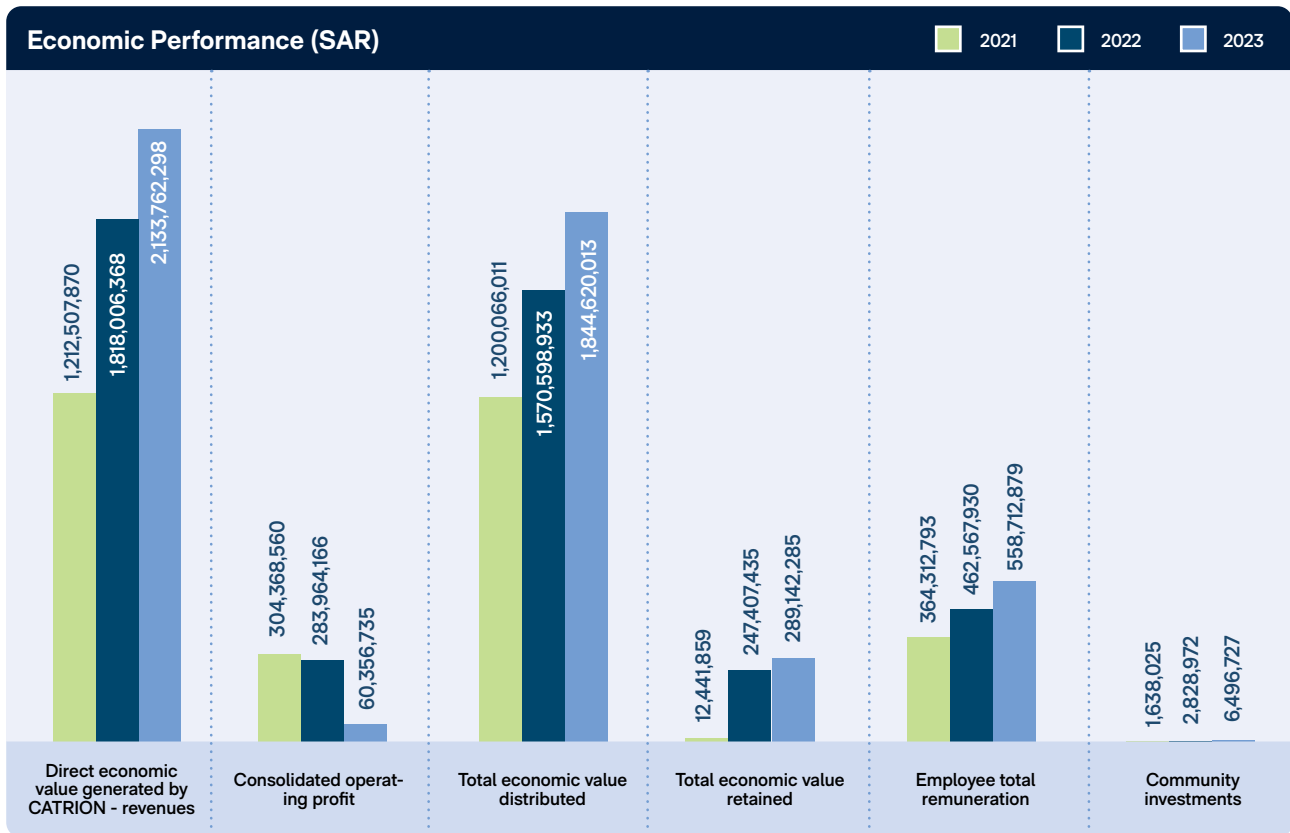
Our Economic Performance

In 2023, our strategic transformation to CATRION marked the initiation of a new phase of growth and development, in alignment with the broader diversification goals of Saudi Vision 2030. Through this transformative journey, our goal is to achieve a balanced revenue stream, aiming for 50% of our income to be derived from non-aviation ventures, including retail, healthcare, railways, and facilities management.

Our financial performance in 2023 not only validates the strategic shift but also reflects strong economic outcomes. We achieved a noteworthy 17% increase in the direct economic value generated, a direct result of expanding our service offerings. This growth demonstrates our successful adaptation to a more diversified business model, positioning us well for sustainable future growth.

Channeling our vision beyond the immediate scope of CATRION, we have substantially increased our community investment efforts. In 2023, we boosted our contributions to community projects by 220% compared to 2022 and an impressive 297% compared to 2021. This significant increase in community engagement underscores our commitment to corporate social responsibility and reflects our broader strategy to contribute positively to the societal fabric and the prosperity of the Kingdom.

Through this dynamic growth trajectory and our diverse service offerings, our business contributes to the economic vitality and diversity envisioned for the Kingdom, demonstrating a commitment to corporate citizenship and sustainable development. By fostering job creation and collaborating with local suppliers, we stimulate economic activity in the regions in which we operate and thus contribute to the Kingdom's overall economic prosperity.



Contributing to the Overall Prosperity of the Kingdom



Background

In 2023, Red Sea Global (RSG), the multi-project developer behind the world's leading regenerative tourism destinations – The Red Sea and Amaala – announced a momentous partnership with CATRION. This partnership marked a pivotal moment in the development of The Red Sea destination and highlighted the commitment of RSG and CATRION to the provision of essential hospitality services while contributing to Saudi Vision 2030. The Red Sea aims to become a global tourism destination upon full completion in 2030, with 50 hotels, up to 8,000 hotel rooms, and residential properties.



Approach

Under this partnership, Red Sea Global awarded two major contracts to CATRION:

- Central Production Unit (CPU) for Catering Services**
 CATRION will design, build, and operate a CPU for catering services, specifically focused on employee meals at The Red Sea destination. This facility will ensure that the employees receive high-quality food services.
- Laundry Services**
 CATRION will also provide laundry services tailored to employee uniforms and hotel linen requirements at The Red Sea destination. This commitment to laundry services enhances the overall guest experience by maintaining the quality and cleanliness of essential items.



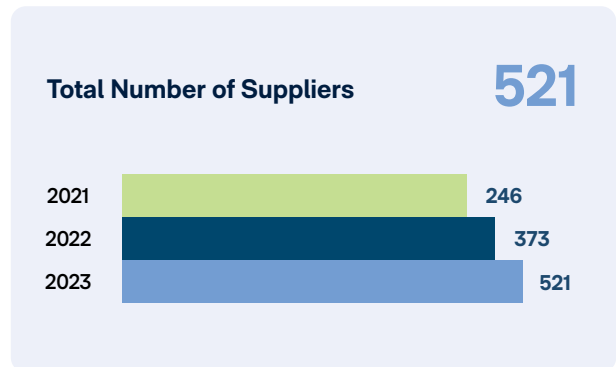
Benefits of the Partnership

- Creation of 500+ Jobs**
 One of the key highlights of this partnership is the creation of over 500 new industry roles for Saudi nationals. Underscoring our commitment to employment expansion and also actively contributing to the Kingdom's workforce development and empowerment of local talent.
- Local Supply Chain Development**
 Both RSG and CATRION are dedicated to promoting local businesses, farmers, and artisanal producers in the region. This commitment reflects both of their intentions to strengthen the local economy and support neighboring enterprises.
- Alignment with Saudi Vision 2030**
 The partnership aligns seamlessly with the objectives of Saudi Vision 2030, emphasizing Saudi Arabia's ambition to become a vibrant society with a thriving economy, with tourism playing a pivotal role.

Responsible Procurement

We recognize the pivotal role our suppliers play in our success. As such, we are keen to develop a sustainable supply chain network that aligns with our commitment to circularity in our operations. We firmly believe that this approach not only enhances the resilience of CATRION but also creates valuable opportunities and enduring benefits for our clients, communities, the natural environment, and our nation at large. These benefits span from fostering responsible sourcing practices to increasing local economic contributions, harmonizing seamlessly with our strategic expansion goals.

We build our relationship with our suppliers based on integrity, honesty, and environmental and social responsibility, and we emphasize this relationship in our Procurement Policy Manual (PPM). Serving as a comprehensive guide to our procurement processes, this manual ensures that all our interactions with suppliers are governed by clear principles and standards, fostering a culture of trust and accountability. One of the primary objectives of our PPM is to establish stringent criteria for supplier selection. These criteria encompass financial stability, supply capabilities, adherence to hygiene, food safety and quality standards, and the suppliers' knowledge regarding our specifications and requirements. By adhering to the principles, we ensure that we engage with suppliers who not only meet our immediate needs but also align with our long-term strategic objectives, including our sustainability ambitions. Through responsible and sustainable sourcing practices, we are keen to contribute to the creation of a more resilient, equitable, and responsible supply chain ecosystem.



In recent years, CATRION has witnessed a significant evolution in our procurement strategies, mirrored by the remarkable growth in our supplier network. This significant surge in new suppliers is a result of our intentional strategy to diversify and broaden our supply chain, encompassing a more extensive array of suppliers, ranging from small and medium-sized enterprises to startups, with a focus on sustainable and ethical practices.

By expanding our supplier base, our aim is to stimulate innovation, fortify our resilience to market fluctuations, and improve our capability to procure environmentally and socially responsible, high-quality materials, and services. This strategic initiative aligns with our objective to integrate into the Carbon Disclosure Project (CDP) supply chain by 2025, strengthening our commitment to sustainable development and responsible corporate practices.



2023 Highlights

- **521 total suppliers**, representing a **40% increase** compared to 2022
- **81% of our total procurement spend** was on **local suppliers**
- Track purchase data using **modern and sustainable software**
- Preparing to become part of the **CDP supply chain by 2025**
- Launched our **e-bidding portal**

Sustainable Supply Chain

We acknowledge that the growth achieved in our supplier network not only strengthens our strategic position but also aligns us more closely with our commitment to sustainability. This growth offers a unique opportunity for CATRION to forge partnerships with suppliers who resonate with our sustainability commitments and adhere to responsible business practices, thereby safeguarding our reputation and reducing operational risks. To address these risks more effectively and to support the standards outlined in our PPM, we have implemented additional evaluation criteria for our suppliers designed to assess both environmental and social dimensions.

A key pillar of our approach to sustainable supply chain is our emphasis on environmentally responsible sourcing. During our technical evaluations of suppliers, sustainability performance stands as an important criterion for selecting potential bidders. For instance, we review each company's adherence to environmental policies and their engagement in sustainability reporting. Based on these evaluations, we rank suppliers to identify those who meet our sustainability standards. To further reinforce this

commitment, we are in the process of developing a plan to request sustainability certification and CO2 footprint data from our suppliers. This information will play a key role in the technical and environmental evaluation of our suppliers, further strengthening our commitment to responsible sourcing practices.

Moreover, our approach extends beyond environmental care, further incorporating social dimensions. We strategically select suppliers who meet rigorous food safety standards to guarantee the safety and integrity of our products. Specifically, we mandate that our agricultural suppliers obtain the Saudi Good Agriculture Certificate as a prerequisite for collaboration. This certification confirms adherence to national agricultural practices, underpinning food safety, quality, and environmental sustainability across all stages of agricultural production, processing, and distribution. Furthermore, we prioritize ethical labor practices by collaborating with suppliers who ensure fair and safe working conditions for their workforce, reinforcing our commitment to social responsibility alongside environmental stewardship.



Local Sourcing

CATRION's commitment to fostering a sustainable supply chain is further reinforced through our approach to sourcing suppliers. We prioritize local procurement and contracting opportunities for businesses within the Kingdom. However, international sourcing is utilized when necessary to meet our comprehensive product requirements.

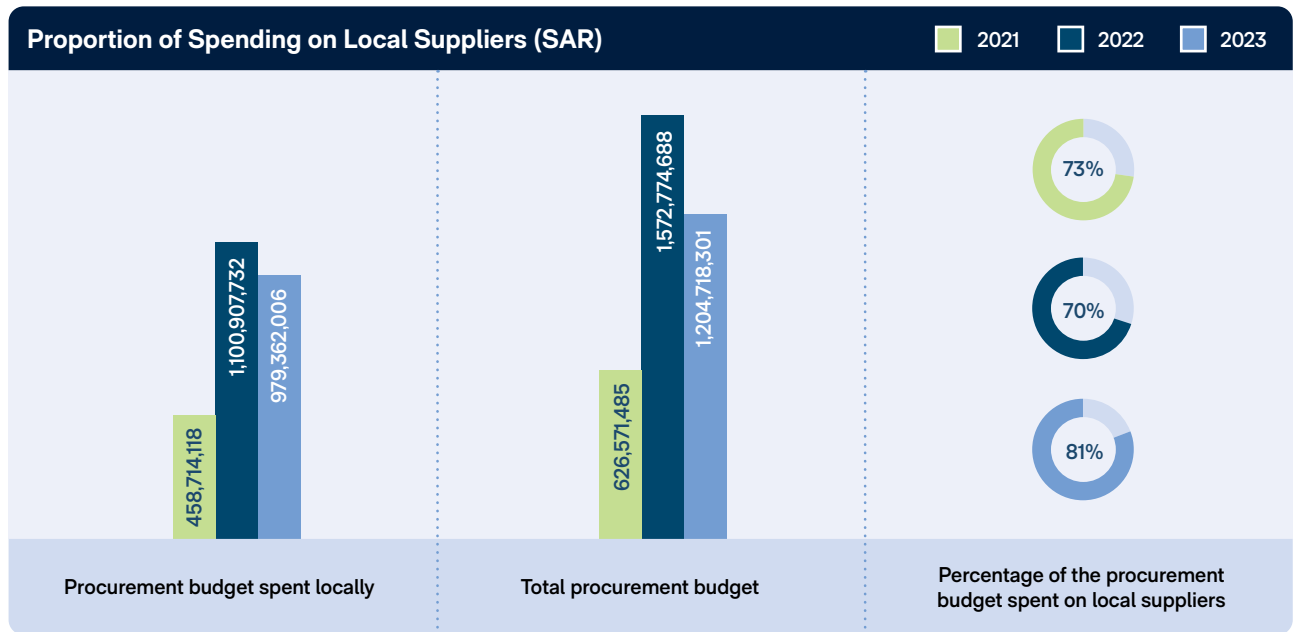
By prioritizing local sourcing and production, we not only align our practices with the strategic goals of sustainable development but also contribute to achieving the objectives outlined in the Saudi Vision 2030.

CATRION's allocation of spending on local suppliers has undergone significant changes over the years. In 2021, 73% of our procurement budget supported local suppliers, a figure that decreased to 70% in 2022 due to market demands and supply chain challenges experienced globally. However, in 2023, we witnessed a significant rebound in our strategy, marking an impressive increase in local supplier



engagement compared to the previous two years. Out of a total procurement budget of approximately SAR 1.20 billion, we directed around 81% to local suppliers in 2023. This notable rise in the percentage of spending on local suppliers underscores our intensified efforts to support local businesses, aligning with the strategic objectives of our ESG Strategy.

GRI: 204-1





Advancing Supply Chain Management through Technology

At CATRION, the pursuit of supply chain management is aligned with our strategic commitment to digital transformation. This commitment reflects our ambition to digitize our procurement processes and operations while enhancing the efficiency and sustainability of our supply chain. Our first tangible step in this journey is exemplified through the implementation of our e-bidding portal, which serves as a public platform for suppliers and vendors to directly engage with us. In conjunction with this, we leverage the capabilities of advanced data analytics, particularly through Power BI, to efficiently gather and analyze procurement-related data, including information on sustainability. This oversight provided by Power BI enables greater transparency and traceability, allowing us to monitor and effectively manage our supply chain's sustainability impact. By having access to detailed, real-time data, we can identify areas of improvement and ensure that our suppliers meet the environmental and social criteria we have set.

These technological enhancements are a steppingstone toward our plan to fully integrate SAP Ariba, a cloud-based procurement solution, across our procurement operations in 2024. The solution is designed to facilitate efficient business-to-business procurement processes. It will connect CATRION with a global network of suppliers, enhancing procurement operations with automated workflows, improved collaboration, and deep insights into spending and supplier performance. Through its platform, CATRION will be able to assess and select suppliers based on sustainability criteria, ensuring alignment with our environmental and social responsibility goals. By enhancing transparency and traceability, SAP Ariba will also enable us to track the environmental and social impact of our procurement activities, facilitating informed decision-making to minimize negative effects. The platform also supports sustainable sourcing practices by connecting businesses with suppliers that adhere to responsible production methods and certifications.

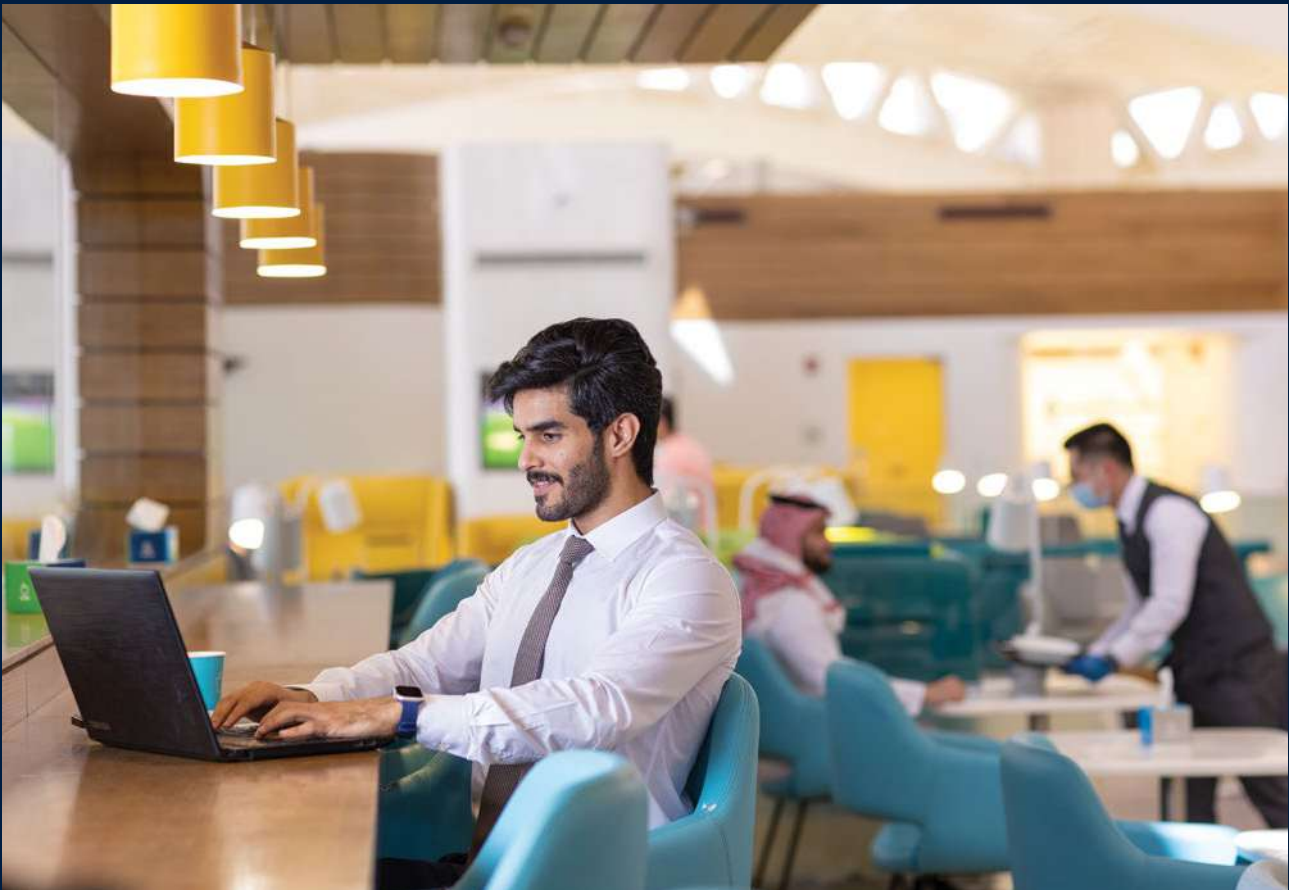
E-bidding Portal

CATRION utilizes an online bidding portal that provides suppliers and vendors with direct access to our current procurement requirements and open tenders. It serves as a platform where all active tenders are publicly announced, allowing suppliers and vendors to engage with us by submitting their proposals and quotes directly through the portal. This digital initiative enhances the transparency and efficiency of our procurement processes.

At CATRION, our goal is to consistently enhance and refine our procurement practices, ensuring they resonate with our fundamental values and our commitment to sustainability. Recognizing the critical role local suppliers play in sustainable business growth, we plan to enhance our local supply chain further, strengthening our relationships and capabilities with them. In 2024, a key focus is the development of a Supplier Environmental and Social Assessment

Policy, formalizing our dedication to environmental and social responsibility within our supply chain. We are also working on establishing a dedicated system to monitor and analyze our environmental and social data from our suppliers while establishing specific KPIs and targets related to supplier assessment, all with an expected roll-out in 2024.

Moreover, acknowledging the key role of technology in elevating our procurement efficiency, precision, and overall effectiveness, we are committed to continuing our investment in automation and digital transformation. By digitalizing our processes and employing state-of-the-art, collaborative supply chain solutions, we aim to work more efficiently and effectively with our business partners. This digital shift will enable us to adapt quickly to market changes and customer needs.



Innovation and Technology

As a company that strives for innovation and improvement, we focus on developing our operations with an emphasis on technological advancements and Artificial Intelligence (AI). This stems from a deep understanding of the significance of innovation, digital transformation, and process automation in driving efficiency and delivering sustainable outcomes.



2023 Highlights

- **Partnered with Kaar Tech** to implement SAP S/4HANA business suite

Digital Transformation

At CATRION, our path toward digital transformation is aligned with our journey of diversification and strategic transformation, marking a significant evolution that extends far beyond the mere adoption of advanced technologies. This forward-looking commitment is aimed at fundamentally driving the efficiency of our operations and services, all through the lens of our sustainability ambitions and the technology and innovation goals outlined in our ESG strategy.

To achieve this commitment, we employ a robust and multifaceted approach, supported by our Information Technology (IT) department. We prioritize engaging stakeholders across the company to gather a diverse array of business needs while conducting thorough research into the latest technological innovations. Additionally, by tapping into external expertise through partnerships with reputable consultants, we gain access to specialized knowledge and best practices in sustainable innovation. These consultants provide valuable insights and guidance on integrating sustainability principles into our innovation processes, helping us identify and implement solutions that not only meet our business objectives but also contribute positively to environmental and social outcomes.

This comprehensive groundwork allows for a deep dive into data analytics, enabling a precise assessment of where our operational efficiencies can be improved and where gaps in our current digital infrastructure lie. To facilitate streamlined data analytics and

ensure proper data management, our IT department implements comprehensive digital strategic dashboards that provide instant access to essential business information. These dashboards encompass a wide range of data, including sales figures, growth metrics, and sustainability insights into both current and emerging business trends. This integration of real-time data into our strategic operations enables informed, timely decision-making, positioning CATRION for continued growth and innovation in a dynamic business environment, all while advancing our sustainability objectives.

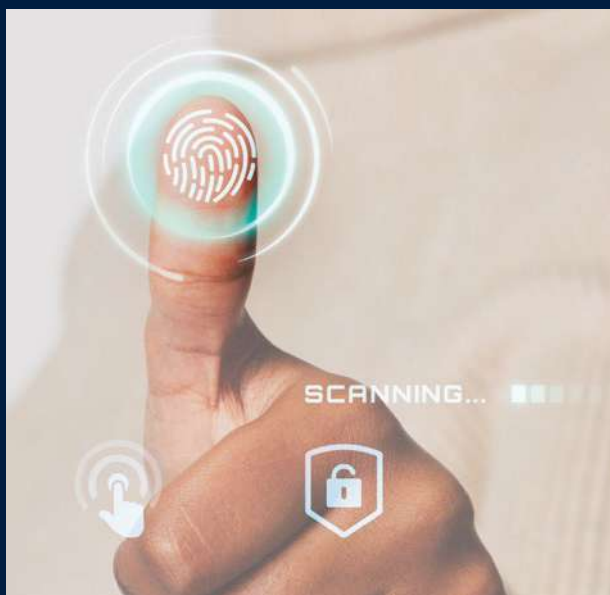
Harnessing the Power of Artificial Intelligence

Aligned with Saudi Arabia's National Strategy for Data and Artificial Intelligence, CATRION is proactively advancing operational activities by embracing AI integration. We recognize the revolutionary role AI can play in our service delivery, from streamlining processes to enhancing customer experiences. This strategic alignment demonstrates our commitment to contributing to the nation's goals of economic transformation and technological progress. It positions CATRION as an active participant in the national vision for a future shaped by advanced technology and sustainable economic growth.

Embracing SAP S/4HANA for Technological Excellence

In a strategic move in 2023, CATRION partnered with Kaar Tech to implement SAP S/4HANA, an advanced next-generation business suite aimed at minimizing human error and streamlining task automation. This initiative is a critical step in modernizing CATRION's technology infrastructure, enabling us to harness the power of big data and advanced machine learning technologies.

The integration of SAP S/4HANA across various departments led to a notable reduction in manual errors and an increase in efficiency, particularly in routine task management. Moreover, the enhanced tracking and reporting capabilities ensured stricter compliance with quality and safety standards, reinforcing CATRION's commitment to delivering the highest standards of service.



Digital Transformation of Visitor Identification

CATRION is actively advancing the digitalization of our services, with a key focus on improving user experience. A significant milestone in this journey is the transformation of our visitor identification process in 2023. Moving away from the previous manual, labor-intensive methods, we now offer an efficient, digital pre-registration system through CATRION's website. Visitors can conveniently register their details and receive QR codes for quick scanning upon arrival, streamlining the entire process.



Implementation

- 1. Development of the Digital Platform**
 A user-friendly interface was created on CATRION's website, allowing visitors to input their details seamlessly.
- 2. QR Code Generation**
 Upon successful registration, the system automatically generates a unique QR code for each visitor.
- 3. Integration with On-Site Systems**
 On-site scanning devices were installed to read the QR codes, linked to the central visitor management system for real-time verification.
- 4. Training and Communication**
 Staff were trained on the new system, and communication was circulated to regular visitors about the new process.

Cybersecurity



As CATRION advances along our path of diversification and expansion, we are acutely aware of the potential escalation in cybersecurity threats from various quarters. We take our obligations under the applicable data protection laws seriously and are committed to the responsible and transparent use and protection of personal data entrusted to us by employees, shareholders, business partners, and customers, among other valued stakeholders.

CATRION's Cybersecurity Department emerges as a pivotal element of our defense strategy, safeguarding our technological infrastructure, data integrity, and online operations against ever-evolving cyber threats. Established in 2021, in line with the mandates of the National Cybersecurity Authority (NCA), the department is responsible for implementing a comprehensive range of controls. These controls span a broad spectrum of areas, including cloud security, critical systems, remote working, social media management, and data protection.

Notably, these controls are integrated across various departments within the company, influencing practices from HR onboarding to the inclusion of specific clauses in legal contracts, and extending to the evaluation of our vendors and their products. This holistic approach reflects our commitment to responsible and transparent data use, aligning with our broader mission of excellence and integrity in all that we do.

Enterprise Risk Management Business Continuity

In this fast-paced digital world, CATRION firmly believes that the role of technological advancements is to equip us with the tools to manage risks effectively and uphold our operational. Our focus remains on ensuring the uninterrupted flow of our business operations while prioritizing the protection of our people, brand image, reputation, and assets. To achieve this, we adhere to the highest international standards, exemplified by our successful attainment of the ISO 22301:2019 Business Continuity Management System certification. This certification ensures that we have advanced practices in place to proactively manage and mitigate potential disruptions and crises in our operations. It empowers us to identify and assess risks, implement preventive measures, and establish effective response and recovery strategies.

Our Business Continuity and Risk Management Department remains responsible for developing business continuity plans to increase preparedness and resilience. With a keen focus on risk assessment, mitigation, and response, this department is currently working on developing a comprehensive business continuity plan for the entire company. As part of this strategic initiative, we perform detailed risk assessments across various departments, including cybersecurity, procurement, and food safety, among others. These assessments are crucial for identifying, analyzing, evaluating, and treating risks, with specific metrics calculated to quantify risks within each department. The aim is to ensure that every potential vulnerability is addressed proactively. Notably, this plan is designed to maximize resource utilization and optimize recovery strategies in the face of unforeseen challenges, ultimately enhancing our overall organizational resilience.

GRI Content Index

Statement of use	CATRION has reported the information cited in this GRI content index for the period between 1 January 2023 until 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

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GRI 416: Customer Health and Safety 2016	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	0

Glossary

Abbreviation	Full Form
AC	Alternating Current
AI	Artificial Intelligence
ATS	Applicant Tracking System
CCP	Critical Control Points
CDP	Carbon Disclosure Project
COBIT	Control Objectives for Information and Related Technologies
COSO	Committee of Sponsoring Organizations
CPU	Central Production Unit
DC	Direct Current
EMS	Environmental Management System
EPA	Environmental Protection Agency
ESG	Environmental, Social, and Governance
EVs	Electric Vehicles
FSMS	Food Safety Management System
FSSC	Food Safety System Certification
GACA	General Authority of Civil Aviation
GACAR	General Authority of Civil Aviation Regulations
GFSI	Global Food Safety Initiative
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HACCP	Hazard Analysis and Critical Control Points
HABC	Highfield Awarding Body for Compliance
HR	Human Resources
IFM	Integrated Facilities Management
INSEAD	European Institute of Business Administration
IPCC	Intergovernmental Panel on Climate Change
IPO	Initial Public Offering
ISO	International Organization for Standardization
IT	Information Technology
KPIs	Key Performance Indicators

Abbreviation	Full Form
LMS	Learning Management System
MEWA	Ministry of Environment, Water, and Agriculture
MOUs	Memorandums of Understanding
MWAN	National Center for Waste Management
NAZAHA	Oversight and Anti-Corruption Authority
NCEC	National Center for Environmental Compliance
NCA	National Cybersecurity Authority
OSHA	Occupational Safety and Health Administration
OHSMS	Occupational Health and Safety Management System
PAS	Publicly Available Specification
PoD	People of Determination
PPM	Procurement Policy Manual
PV	Photovoltaic
RSG	Red Sea Global
RTE	Ready-to-Eat
SACC	Saudi Airlines Catering Company
SAR	Saudi Riyal
SAC	Saudi Accreditation Center
SASB	Sustainability Accounting Standards Board
SFDA	Saudi Food and Drug Authority
SGI	Saudi Green Initiative
SLS	Saudi Laundry Services
SMEs	Small and Medium-sized Enterprises
SMS	Safety Management System
UNFCCC	United Nations Framework Convention on Climate Change
UN SDGs	United Nations Sustainable Development Goals
WBCSD	World Business Council for Sustainable Development
WEE	Waste Electrical and Electronic Equipment



Prince Sultan Road, Al Muhammadiyah District 5
P.O. Box 9178, Jeddah 21413
Tel: +966 92 002 2081, Ext: 7006
Fax: +966 92 000 5759
www.catrion.com • ESG@catrion.com

CATRI:::N