

By means of water,
We give life to everything
Al-Anbiya - Al Aya '30"

2024

Sustainability Report



الشرقية لتحلية المياه
Sharqiyah Desalination

2024

Sustainability Report



الشرقية لتحلية المياه
Sharqiyah Desalination

His Majesty Sultan Haitham bin Tarik





Sharqiyah Desalination Company SAOG
Bait Mahmiyat, Al Qurum, Office No. 2, Ground Floor,
Shatti Al Qurum, Muscat, Sultanate of Oman.
Tel: 24 693 890. Fax: 24 693 845.
www.sharqiyahdesalination.om

Table of Contents

08 About this report

09 About Sharqiyah Desalination Company SAOG

- 10 • Our plant
- 11 • Main organization of the company
- 12 • Economic Performance
- 12 • Recognitions & Affiliations

14 Sustainability at Sharqiyah Desalination Company SAOG

- 14 • Stakeholders Engagement
- 14 • Materiality Analysis
- 15 • Oman Vision 2040 and the UN SDGs

16 Governance Excellence

- 16 • Board of Directors
- 17 • Board Committees
- 17 • Corporate governance
- 19 • Water quality
- 20 • Data and Cyber security
- 20 • Responsible Procurement

22 Social Responsibility

- 22 • Our Employees
- 23 • Omanization
- 24 • Employee Benefits and Parental Leave
- 24 • Occupational health and safety

32 Environmental Stewardship

- 33 • Regulatory and legal environmental compliance
- 34 • Water management
- 34 • Biodiversity

36 Appendix

- 36 • GRI & MSX index



CEO Message:

I am proud to present Sharqiyah Desalination Company SAOG (SDC) first Sustainability Report, marking a significant milestone in our journey toward enhanced transparency and accountability. This report reflects our steadfast commitment to sustainable development and aligns with the highest local and international standards, including the Global Reporting Initiative (GRI), the Sustainable Development Goals (SDGs), Oman Vision 2040, and the Muscat Stock Exchange (MSX) ESG guidelines.

The report encapsulates our efforts across multiple facets of environmental, social, and governance (ESG) practices. From the successful inauguration of the 17-megawatt peak (MWp) solar photovoltaic (PV) farm, which powers our operations with renewable energy and significantly reduces our carbon emissions, to our comprehensive water management strategies ensuring the reliable supply of potable water to over 600,000 people in the Sharqiyah region, our dedication to sustainability is unwavering.

Our achievements are built on a foundation of innovation and collaboration. The partnerships we have fostered, including the invaluable support from OSOOL Consultancy in guiding us through the preparation of this report, have been pivotal. I extend my heartfelt gratitude to all our stakeholders—employees, partners, the community, and regulatory bodies—whose support and trust have been essential to our progress.

We take immense pride in being proactive stewards of the environment through measures such as biodiversity conservation and regulatory compliance. Our commitment to operational excellence is reflected in practices like the implementation of energy recovery devices, extensive water quality testing surpassing industry standards, and effective air and noise pollution controls.

This inaugural report is more than a document; it represents a step toward a future that balances growth with environmental and social responsibility. As we continue to innovate and evolve, we remain dedicated to aligning our goals with Oman Vision 2040 and contributing to the broader global sustainability agenda.

Thank you for your continued support and engagement as we work together to create a sustainable legacy for future generations.

Sincerely,

Murshid Al Fannah

CEO, Sharqiyah Desalination Company SAOG

About This Report:

We at Sharqiyah Desalination Company SAOG (SDC) are proud to present our inaugural sustainability report, covering the period from January 1 to December 31, 2024. This report reflects our steadfast commitment to Environmental, Social, and Governance (ESG) principles and underscores our dedication to sustainable and responsible practices in our internal operations in Oman.

Aligned with the Global Reporting Initiative (GRI) Standards and MSX ESG guidelines, our sustainability initiatives are designed to contribute meaningfully to Oman Vision 2040 and the United Nations Sustainable Development Goals (SDGs). This document not only highlights our operational achievements but also demonstrates how our efforts are in harmony with national and global sustainability objectives.

Through transparency and accountability, we aim to foster a culture of sustainability within our organization, ensuring that our practices not only benefit our stakeholders but also support the well-being of the communities and environments we serve.

Assurance

We have decided not to look for outside confirmation for this first sustainability report. While the non-financial data has gone through an internal verification procedure, the financial data has been validated by KPMG LLC.

Restatement

Since this is our first sustainability report, previous years' restatements and modifications have not been included.

Contact Details

If you have any questions or recommendations, please contact us through email address: raiya.alrawahi@veolia.com



About Sharqiyah Desalination Company SAOG

Sharqiyah Desalination Company SAOG was established on January 7, 2006, when the Ministry of National Economy (Currently Ministry of Economy) issued a request for proposals for the development of desalination facilities in the Sharqiyah region of Oman. Our project is based on a build, own, and operate (BOO) model, which included the acquisition of an existing plant with a capacity of approximately 2.66 million gallons per day (MIGD) and the construction of a new desalination plant, increasing our total capacity to 29 MIGD through advanced reverse osmosis technology.

The Sur Independent Water Project (IWP) stands as a global leader in cutting-edge reverse osmosis technology and world-class environmental standards. Our plant recycles over 97% of its mechanical energy and saves up to 40% more energy than conventional reverse osmosis (RO) plants, demonstrating our commitment to sustainability and efficiency. We are dedicated to preserving the unique geological and marine environment of Oman, ensuring that our operations have minimal impact on local ecosystems.

Currently, the plant delivers 131,837 cubic meters per day (5,494 l/s) on average to over 600,000 residents in the Sharqiyah region. Since its inception in 2007, the Sur IWP has operated without interruption, providing a total of 400 million cubic meters of potable water, reinforcing our role as a vital resource for the community.

Mission

SDC desalinates and produces potable water securely and cost-effectively for the benefits of the local communities in the Sharqiyah region. Our mission is expressed through our environmental approach and performance, and the daily commitment, achievements of the women and men who work for Sharqiyah Desalination Company SAOG.

Vision

Improve people's life through the continuous access of potable water in the Sharqiyah region today and for the next generations. In delivering effective, sustainable solutions that address local needs; SDC demonstrates its uniquely holistic approach in the Sultanate of Oman. Through a mixture of pragmatism, entrepreneurial spirit and innovative capabilities, performance is supported by the leveraging of economies of scale, the strength and flexibility of the company and the resilience of its vision.

For more information about Sharqiyah Desalination Company SAOG, please visit our [website](#).

Our plant:

The rapid population and economic growth we are experiencing today pose significant challenges, particularly regarding water shortages. To prevent the over-extraction of freshwater resources, it is essential to explore alternative solutions. Desalination of seawater presents a high-potential approach to addressing potable water scarcity. With advancements in innovative technologies, desalination processes are becoming increasingly ecologically and economically efficient.

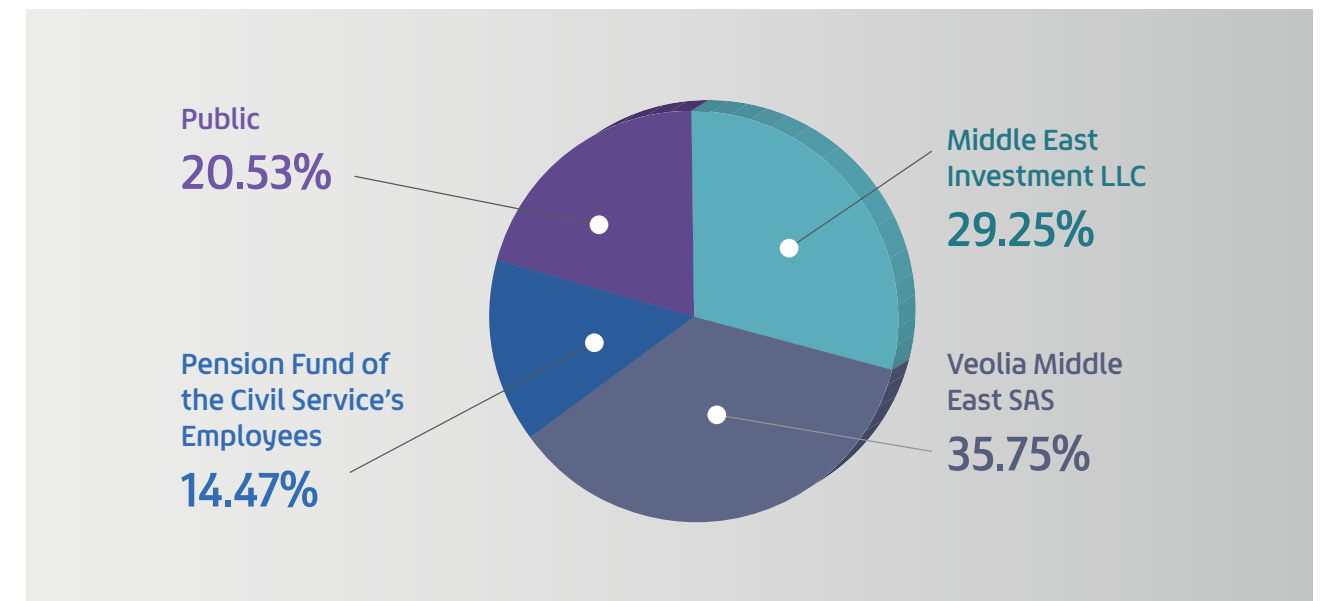
The Sur Desalination Plant is dedicated to minimizing the environmental impact of desalination through various sustainable practices.

The Sur Desalination Plant an Independent Water Project (IWP) , The Sur IWP uses Reverse Osmosis ('SWRO') technology to desalinate in excess of 5,000m3 of water per hour and total production capacity of the Sur IWP to up to 29 million gallons per day (131,837 m³/day). The Plant consists of two stages: the first stage SDP1 awarded a 2007 and the second stage SDP2 awarded a 2014 contract to build, own and operate (BOO) . Sur Desalination Plant 1 (SDP1) Producing: 83,837 m3/day and Sur Desalination Plant 1 (SDP2) Producing: 48,000 m3/Day .. until 2036 so that it is capable of supplying drinking water to almost 600,000 inhabitants in the Sharqiyah region. Amended and Restated Water Purchase Agreement (ARWPA) from 2017 to 2036.

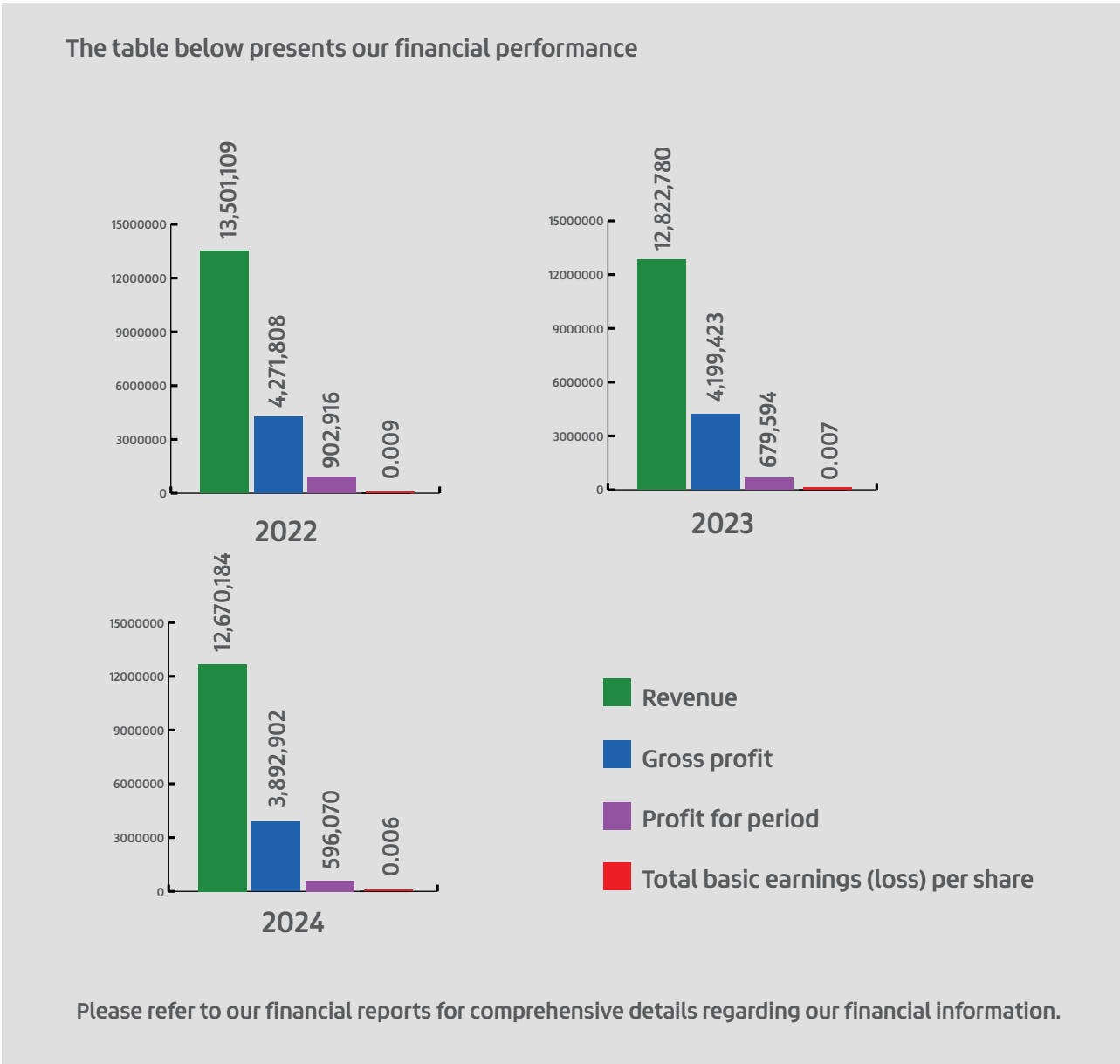
The Solar Farm project was set in commercial operation on 16 April 2023 and contributes to reducing our carbon footprint. The Project is designed to save around 32 Millions Kwh per year corresponding to a saving of 27,200 Metric Tons CO2 Equivalent (equal to 6,000 gasoline-powered passenger vehicles driven for one year).

The plant ensures an environmentally friendly and continuous supply of high-quality drinking water while maintaining a record low electrical energy consumption. This energy-efficient operation surpasses the performance of current state-of-the-art desalination systems, making it a sustainable solution for Oman's growing water needs. The Operation and Maintenance of Sur Desalination Plant is managed by Bahwan Veolia , one of the project founders, ensuring local management while leveraging extensive local and international expertise. Bahwan Veolia's established track record in operating similar facilities enhances the plant's efficiency and reliability.

For more information about our plant, kindly refer to our plant webpage on our website.



Economic Performance:



Main Stakeholders of the company

Recognitions & Affiliations:

Sharqiyah Desalination Company SAOG takes pride in being recognized for its contributions to sustainability, social responsibility, and operational excellence. Our recent accolades include:

- Business Excellence Award in Sustainable Digital Transformation in Desalination (2024)
- Honored by Sur Health City
- Honored by the Ministry of Social Development

- Certificate of Appreciation from the Oman Cancer Association
- Honored by the Ministry of Labor
- Certificate of Appreciation from Al-Amaniyat Rehabilitation Center
- Certificate of Appreciation from the Omani Women's Association
- Excellence in Municipal Water Operations Award

Additionally, SDC is a proud member of the Muscat Stock Exchange (MSX), reinforcing our commitment to transparency and corporate governance.



Sustainability at Sharqiyah Desalination Company SAOG

At Sharqiyah Desalination Company SAOG, sustainability is central to our operations and decision-making. We engage actively with stakeholders to address key concerns, conducting materiality analyses to prioritize issues vital to our business and the community. Our initiatives are aligned with Oman Vision 2040 and the United Nations Sustainable Development Goals (SDGs), ensuring that we contribute to the nation's sustainable development while strengthening water security and protecting the environment. Through collaboration and transparency, we aim to create lasting value for both our stakeholders and the planet.



Stakeholders Engagement:

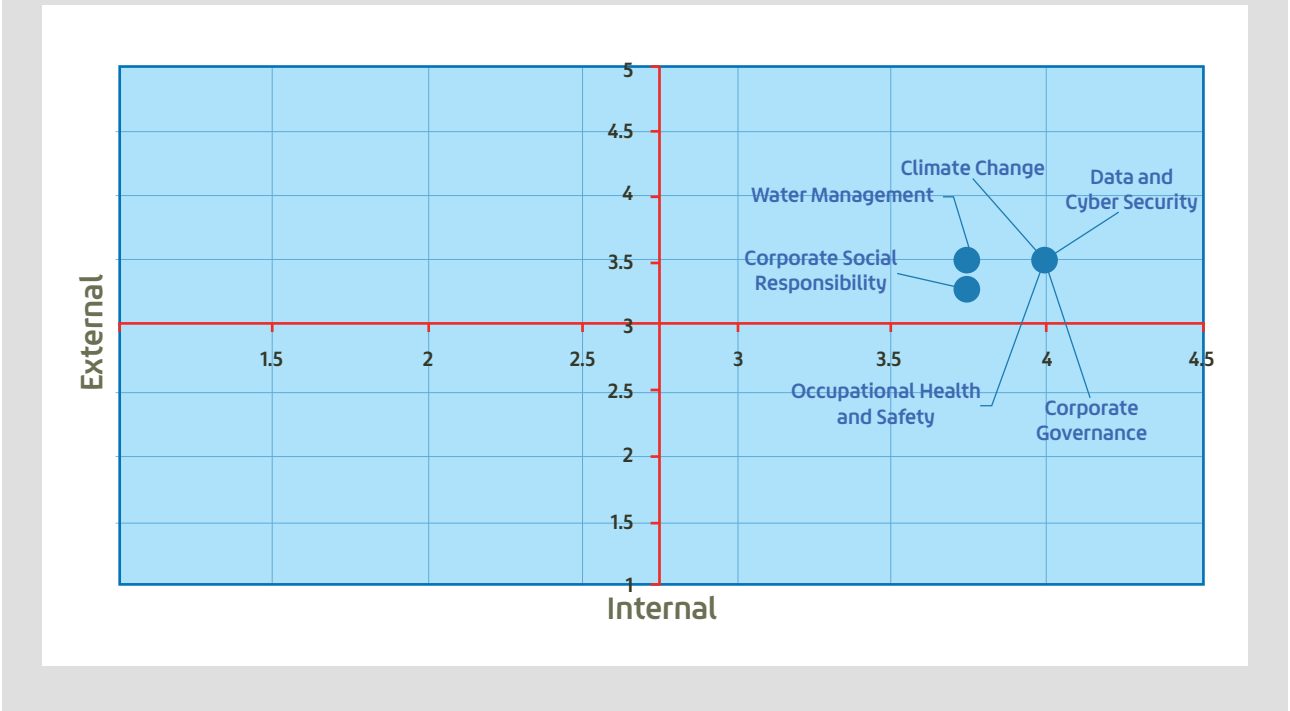
At Sharqiyah Desalination Company SAOG, we maintain open communication with both internal and external stakeholders to address their key sustainability concerns. By engaging through various platforms, we gather valuable insights from employees, customers, and other stakeholders. These interactions enable us to prioritize sustainability issues and align our initiatives with their expectations, strengthening our commitment to responsible water production and environmental stewardship.



Materiality Analysis:

A key component of our sustainability reporting at Sharqiyah Desalination Company SAOG was conducting a thorough materiality assessment in accordance with Global Reporting Initiative (GRI) standards. This process involved a detailed benchmarking analysis to identify and prioritize the most relevant Environmental, Social, and Governance (ESG) issues for our operations. By doing so, we ensure that our sustainability efforts focus on the topics most important to our stakeholders and are aligned with Oman Vision 2040 and the United Nations Sustainable Development Goals (SDGs).

Materiality Matrix



Oman Vision 2040 and the UN SDGs:

At Sharqiyah Desalination Company SAOG, we align our sustainability initiatives with Oman Vision 2040 and the United Nations Sustainable Development Goals (SDGs). Our focus is on enhancing the nation's water security and addressing environmental and social challenges. By leveraging eco-friendly technologies, fostering local workforce development, and managing resources responsibly, we contribute to national objectives like water security and social well-being while supporting global goals for clean water, sustainable communities, and climate action.

The table below highlights how our strategic goals and key initiatives align with Oman Vision 2040 and the SDGs, showcasing our commitment to sustainability.

ESG pillars	Topics	Alignments with Oman 2040 Vision	Alignments with Sustainable Development Goals
Environmental Stewardship	<ul style="list-style-type: none">Climate changeWater management	Environment and natural resources	 
Social Responsibility	<ul style="list-style-type: none">Occupational health and safetyCorporate Social Responsibility	Health Well-being and social protection	
Governance Excellence	<ul style="list-style-type: none">Corporate GovernanceData and Cyber security	Legislative, judicial and oversight system	

Governance Excellence

At Sharqiyah Desalination Company SAOG, we uphold the highest standards of governance to ensure sustainable operations and long-term value creation. Our robust governance framework is anchored by an experienced Board of Directors and specialized Board Committees that provide strategic direction and oversight. We are committed to corporate governance principles that foster accountability, transparency, and ethical business practices. Governance excellence extends to safeguarding water quality, prioritizing data and cyber security, and implementing responsible procurement practices. By embedding these elements into our operations, we demonstrate our dedication to operational integrity, regulatory compliance, and the trust of our stakeholders.

Board of Directors:

The Board of Directors at Sharqiyah Desalination Company SAOG was appointed by shareholders during the Ordinary General Meeting on March 3, 2022. All members of the Board of Directors at Sharqiyah Desalination Company SAOG are non-executive and non-shareholder directors. The members bring a wealth of professional and practical experience across diverse corporate fields, ensuring that the company's strategic direction and operational oversight are upheld with integrity and expertise. Each director's professional and ethical profile aligns with the second principle of the Code of Corporate Governance for Public Listed Companies, highlighting a commitment to responsible governance. Through their collective experience, the Board members provide strategic oversight that upholds the company's commitment to sustainable operations, ethical conduct, and compliance with corporate governance standards.

The board consists of the following members:

Name of Director	Position	Category
Denis Le-Maout	Chairman	Non-Independent
Suhaib Abu Dayyeh	Deputy Chairman	Non-Independent
Zaher Al Mahrouqi	Director	Non-Independent
Preeti Kaushik	Director- Resigned	Non-Independent
Nitin Bajaj	Director	Non-Independent
Khalid Ansari	Director	Independent
Ali Khamis Mubarik Al Alawi	Director	Independent
Mustafa Ahmed Salman	Director	Independent
Chouhaïd Nasr	Director	Non-Independent
Phillippe Paulissen	Director- New	Non-Independent



DENIS LE MAOÛT
Chairman of the Board



SUHAIB ABU DAYYEH
Deputy Chairman of the Board,
Member of the Nomination and
Remuneration Committee



PHILLIPPE PAULISSEN
Member of the Board



ALI KHAMIS MUBARIK
AL ALAWI
Member of the Board and
Chairman of the Nomination and
Remuneration Committee



MUSTAFA AHMED SALMAN
Member of the Board
Member of the Audit Committee



NITIN BAJAJ
Member of the Board
Member of the Audit Committee



KHALID MASUD ANSARI
Member of the Board and
Chairman of the Audit Committee



ZAHIR AL MAHROOQI
Member of the Board



NASR CHOUHAID
Member of the Board

Board Committees:

The Board of Directors at Sharqiyah Desalination Company SAOG is supported by two key sub-committees that ensure the company's operations are aligned with high standards of governance, transparency, and accountability: The Audit Committee and the Nomination and Remuneration Committee.

Audit Committee	Nomination and Remuneration Committee
<p>The Audit Committee (AC) supporting the Board in overseeing financial integrity, external audit, internal audit, internal controls, and risk management. The Committee is responsible for ensuring the efficiency of executive management in implementing Board directives and monitors internal control systems for adequacy and effectiveness. In safeguarding the Company's assets, the Committee also establishes relevant policies to protect human, material, and intellectual resources.</p> <p>Key responsibilities include:</p> <ul style="list-style-type: none">Reviewing the internal audit system and issuing an annual report with recommendations.Monitoring internal audit reports and ensuring timely action on comments.Recommending the appointment and removal of external auditors and setting their fees.Approving non-audit services during the audit and monitoring the external auditor's work.Reviewing financial statements and providing recommendations to the Board.Examining accounting policies, internal control systems, and financial statement preparation.	<p>The Nomination and Remuneration Committee guides the nomination and remuneration process, upholding transparency in the selection of highly competent directors. This Committee ensures that all nominations meet high standards, without limiting the right of shareholders to elect or nominate candidates. It aims to create a fair remuneration and incentives policy to attract skilled executives by offering competitive compensation and rewards.</p>

Through these committees, the Board at Sharqiyah Desalination Company SAOG reinforces its commitment to good governance, financial integrity, and responsible leadership, contributing to sustainable growth and operational excellence.

Corporate Governance:

Please refer to our Corporate Governance Report for comprehensive details on the Board of Directors and committees, covering their roles, attendance records, and the nomination and selection process. At Sharqiyah Desalination Company SAOG, corporate governance is a foundational pillar that drives our commitment to ethical, transparent, and efficient business management. We strictly adhere to the Financial Services Authority (FSA) regulations, the Code of Corporate Governance, and the Commercial Companies Law, embedding these standards into every facet of our governance framework.

Our approach to governance emphasizes transparency, accountability, and strategic alignment with our business

priorities. This commitment promotes a culture of responsibility and excellence, centered on generating long-term value for shareholders while balancing the needs and interests of all stakeholders. Through this robust governance structure, we aim to exceed regulatory expectations, fostering integrity and foresight across our operations.

Our internal control system, managed by our Internal Auditor, is rigorously aligned with regulations from the Financial Services Authority and adheres to the standards of the International Professional Practices Framework (IPPF). With high standards of corporate governance compliant with the Financial Services Authority's Code of Corporate Governance, Sharqiyah Desalination Company SAOG remains dedicated to nurturing trust, resilience, and sustainable growth in all aspects of our business.

Guiding Rules of Conduct:

Sharqiyah Desalination Company SAOG maintains a strict Code of Conduct that applies to all employees and guides our day-to-day operations. Our rules focus on:

- Adherence to legal and regulatory standards
- Protection and confidentiality of personal data and information
- Safeguarding health and safety for all individuals
- Anti-corruption and anti-bribery practices
- Environmental stewardship
- Ethical practices in accounting and financial reporting

Compliance:

At Sharqiyah Desalination Company SAOG, compliance is a fundamental component of our operational strategy. We are committed to upholding all legal requirements, including full adherence to the standards set by the Financial Services Authority (FSA) and the Muscat Stock Exchange (MSX). Our dedication to maintaining these standards underscores our commitment to ethical business practices and regulatory excellence.

We are proud to report zero instances of non-compliance or penalties, a testament to our rigorous internal controls and our proactive approach to compliance management. This accomplishment reflects our dedication to accountability, transparency, and our ongoing commitment to upholding the highest regulatory standards.

Whistleblowing:

At Sharqiyah Desalination Company SAOG, we prioritize the highest standards of ethical conduct and compliance, reinforced by a comprehensive Whistleblowing Policy. Our whistleblowing policy serves as a vital resource for employees and stakeholders to report any unethical or illegal activities, ensuring a secure and accessible process. Built upon our core values of responsibility, respect, and accountability, it reflects our dedication to upholding ethical practices across our social, economic, and environmental commitments.

We foster an open, transparent culture. Employees are encouraged to approach supervisors or managers if they suspect a breach in conduct guidelines. Supervisors serve as the initial point of contact, providing support and guidance for addressing ethical concerns. In cases where employees feel reporting to a direct supervisor is challenging, they are encouraged to contact

the Company's independent internal auditor, who reports directly to the Board. We ask that concerns be based on verifiable facts and involve specific breaches of SDC's policies or Code of Conduct.

Employees are assured that reporting concerns confidentially is protected from any form of discrimination, harassment, or retaliation. For thorough follow-up, employees are welcome to share contact information, though all reports are handled with strict confidentiality.

Anonymous Reporting	Contact Information for Reporting
To support anonymous submissions, we provide an online form accessible through the SDC website, ensuring additional privacy when reporting concerns. The process includes: Completing the form in the preferred language. SDC reviews the report and conducts an appropriate investigation.	Employees and stakeholders aware of any suspected waste, fraud, or misuse of SDC resources are invited to confidentially report concerns through the following channels: Email: dalia.sharabati@veolia.com Phone: 96573312

For more information, please refer to our Whistleblowing Policy on our website.

Business continuity

At Sharqiyah Desalination Company SAOG, business continuity is a core focus of our operational strategy, underscoring our commitment to delivering a continuous supply of high-quality desalinated drinking water to the region. We prioritize the safety and well-being of our employees and have implemented robust safety protocols that enable us to navigate challenges effectively. These measures ensure that our operations remain resilient and capable of maintaining uninterrupted service. By adhering to stringent safety standards, we uphold our mission to support water security and serve our community reliably, even in the face of unforeseen circumstances.

Our business continuity strategy integrates robust safety protocols and proactive measures to mitigate potential risks and maintain operational resilience.

Business continuity key initiatives include		
Storm Water Management	Rain Management Plan	Strategic Elevation/
A dedicated stormwater channel diverts floods away from critical buildings and infrastructure, safeguarding operational assets during heavy rainfall.	Comprehensive planning ensures the plant is prepared to handle adverse weather conditions effectively.	The facility is constructed more than six meters above mean sea level, offering enhanced protection against flooding and other natural hazards./Power disruptions pose a significant challenge, and as part of our Business Continuity Plan (BCP), we have implemented robust mitigation measures to address potential loss of external power scenarios such as solar power backup and diesel generators to ensure uninterrupted operations and a resilient power supply.

Through these measures, we uphold our mission to support water security and reliably serve our community, even in the face of unforeseen challenges.

Water quality:

At Sharqiyah Desalination Company SAOG, water quality is central to our commitment to deliver safe, high-quality potable water to our communities. In line with contractual and regulatory standards, we have implemented a rigorous laboratory analysis plan that includes both internal and external testing.

In 2024, we conducted a total of 8,136 tests on final potable water to verify compliance with quality requirements. Our goal within this framework is to maintain a testing frequency ratio of 1.0, ensuring all necessary tests are conducted at the required intervals. This year, we exceeded that target with a ratio of 1.13, demonstrating our dedication to water quality by conducting additional testing beyond the set requirements.

Within our facility, our internal laboratory analyzed over 19,338 water quality parameters across all stages of the desalination process. This extensive monitoring reflects our proactive approach to water quality management and underscores our commitment to excellence.

Additionally, we employ the Online Analyser Follow-up (OLAF) methodology, a robust cross-check system, to ensure our online analysers consistently provide accurate data. Through OLAF, we routinely verify analyser readings using calibrated laboratory instruments and Analytical Quality Control (AQC) practices. Regular assessments through this method are essential to maintaining precision in our water quality data.

Our comprehensive Water Quality Monitoring process reflects Sharqiyah Desalination Company's unwavering commitment to regulatory compliance, continuous improvement, and the highest standards of water quality assurance.



Data and Cyber security:

At Sharqiyah Desalination Company SAOG (SDC), we recognize the critical importance of protecting customer privacy and safeguarding our digital assets. We are committed to maintaining the confidentiality and integrity of all personal and sensitive information entrusted to us. To date, SDC has not received any substantiated complaints regarding breaches of customer privacy, nor have we identified any data leaks, thefts, or losses.

Our comprehensive Data and Cyber Security Strategy incorporates advanced technologies, employee training, and proactive monitoring measures to ensure robust protection against cyber threats. Key elements of our strategy include:

- Regular Security Awareness Training: Employees undergo continuous training to enhance their awareness and response to security risks.
- Advanced Threat Detection System & Endpoint Detection and Response (EDR): Implementation of cutting-edge systems ensures early detection and mitigation of potential cyber threats.
- Global Security Operations Center (GSOC): As part of a group-wide initiative, SDC benefits from centralized, real-time monitoring and management of security incidents.
- SCADA Hardware Upgrade: We are currently upgrading all SCADA hardware and operating systems at the plant to strengthen infrastructure security.
- Immutable Backup Solution: An advanced backup solution, under implementation, ensures critical data remains protected and tamper-proof.
- Privileged Access Management (PAM) Solution: A study is underway to implement a PAM solution, further securing access to critical systems and data.

These measures reflect our steadfast commitment to creating a secure digital environment, safeguarding both our operational integrity and the sensitive information of our stakeholders.

Key Performance Indicators (KPIs):

- Number of security incidents per year
- Time to detect and respond to security threats
- Percentage of employees who have completed security training

Through our proactive approach and ongoing investments, Sharqiyah Desalination Company SAOG ensures the highest standards of data protection, reinforcing trust with our stakeholders and aligning with best practices in cyber security.

Responsible Procurement:

At Sharqiyah Desalination Company SAOG, our procurement approach is designed to support local economic growth while upholding the highest quality standards. Our purchasing policy prioritizes sourcing from the Omani market, ensuring that local products meeting our stringent international standards are given preference.

Beyond fulfilling regulatory requirements, we are committed to contributing to Oman's economic development through strategic capital investments and a responsible procurement policy. This approach reflects our dedication to creating in-country value (ICV) by strengthening our ties with local suppliers, enhancing the value chain, and fostering sustainable growth within Oman.



Social Responsibility

At Sharqiyah Desalination Company SAOG, we are dedicated to creating positive social, economic, and environmental impacts. Our commitment extends from delivering safe, high-quality water to fostering a culture of safety, diversity, and development among our employees. Through Corporate Social Responsibility (CSR), we engage with stakeholders, support local education and training, and align with Oman Vision 2040. Our strong focus on Occupational Health and Safety has led to significant achievements, including 400 million cubic meters of potable water delivered without any Lost Time Injuries (LTI). We also prioritize local value through our In-Country Value (ICV) and Omanization efforts, empowering Omani talent and enhancing community growth.

Our Employees:

At Sharqiyah Desalination Company SAOG, we take pride in fostering a diverse and inclusive workplace that values and embraces differences in gender, age, and backgrounds. Our workforce reflects a rich blend of backgrounds and perspectives, which strengthens our team and enhances our collaborative environment.

We believe that diversity drives innovation and creativity, allowing us to approach challenges with varied viewpoints and solutions. By promoting inclusivity, we create a supportive culture where all employees feel respected, valued, and empowered to contribute their best work.

This commitment to diversity is integral to our strategic goals and aligns with our values of responsibility, respect, and accountability. Through our inclusive practices, we aim to build a resilient workforce that not only meets current needs but also adapts to future challenges, supporting sustainable growth and success for both our company and the wider community.

Employees	2023	2024
Full-time employees	4	4
Total	4	4

Employee turnover	2023	2024
Total number of employee turnover	0	1
Total number of new employee hires	0	1
Total number of new male employee hires	0	1
Total number of new female employee hires	0	0

Employees by Gender	2023	2024
Total number of employees	4	4
Total number of Male employees	2	2
Total number of Female employees	2	2
Total number of employees in the Executive Management	1	1
Number of males in the Executive Management	1	1
Number of females in the Executive Management	0	0
Total number of employees in the Middle Management	2	2
Number of males in the Middle Management	1	1
Number of females in the Middle Management	2	2
Ratio of the basic salary and remuneration of women to men	35%	35%

Employees Age Group	2023	2024
Below 30	1	1
30 - 49	2	2
50 & Above	1	1
Total	4	4

Employees Nationality	2023	2024
Oman	3	4
Belgium	1	0
Total	4	4

Omanization:

At Sharqiyah Desalination Company SAOG (SDC), our recruitment policy underscores the critical importance of building a robust local workforce. Omanization is at the heart of our human resources strategy, aligning with the Sultanate of Oman’s national vision for economic and social growth. We are proud to prioritize the development of Omani talent and contribute meaningfully to Oman Vision 2040.

For us, Omanization goes beyond a mere target; it is a strategic goal meticulously planned and executed. Through targeted recruitment, comprehensive training initiatives, and structured career advancement programs, we ensure that Omani nationals are equipped with the skills and expertise to thrive in the workplace. By fostering an environment that values local knowledge and expertise, we contribute to sustainable development while empowering individuals to reach their full potential.

In 2024, we achieved full Omanization, reflecting our steadfast commitment to this national priority. Our workforce of four employees now comprises 100% Omani nationals, a testament to our dedication to nurturing local talent and delivering on our obligations.

Omanization	2023	2024
Total number of employees	4	4
Total number of non-Omani employees	1	0
Total number of Omani employees	3	4
Total number of new employee hires	0	1
Total number of new Omani employee hires	0	1
Total number of new non-Omani employee hires	0	0

Our progress in achieving and sustaining Omanization reflects our commitment to building a knowledgeable, skilled, and empowered workforce that contributes to the growth of the Sultanate and the success of Sharqiyah Desalination Company SAOG.

Employee Benefits and Parental Leave:

At Sharqiyah Desalination Company SAOG (SDC), we prioritize the well-being and security of our employees by offering comprehensive benefits that enhance their quality of life. These benefits include:

Retirement Provisions	Life Insurance
Disability and Invalidity Coverage	Health Care Coverage
Parental Leave	

Our inclusive policies ensure that employees are supported throughout different life stages, fostering a positive and sustainable workplace environment.

Parental Leave:

We remain committed to supporting employees through parental leave, ensuring a smooth transition during this critical period.

Parental Leave	2023	2024
Total number of employees entitled to parental leave	4	4
Total number of male employees that took parental leave	0	0
Total number of female employees that took parental leave	1	1
Total number of male employees that returned to work after parental leave ended	0	0
Total number of female employees that returned to work after parental leave ended	1	1

Our parental leave policy reflects our commitment to fostering work-life balance and ensuring that employees can care for their families while remaining connected to their professional growth. This approach reinforces SDC’s dedication to creating a supportive and inclusive workplace for all.

Occupational health and safety:

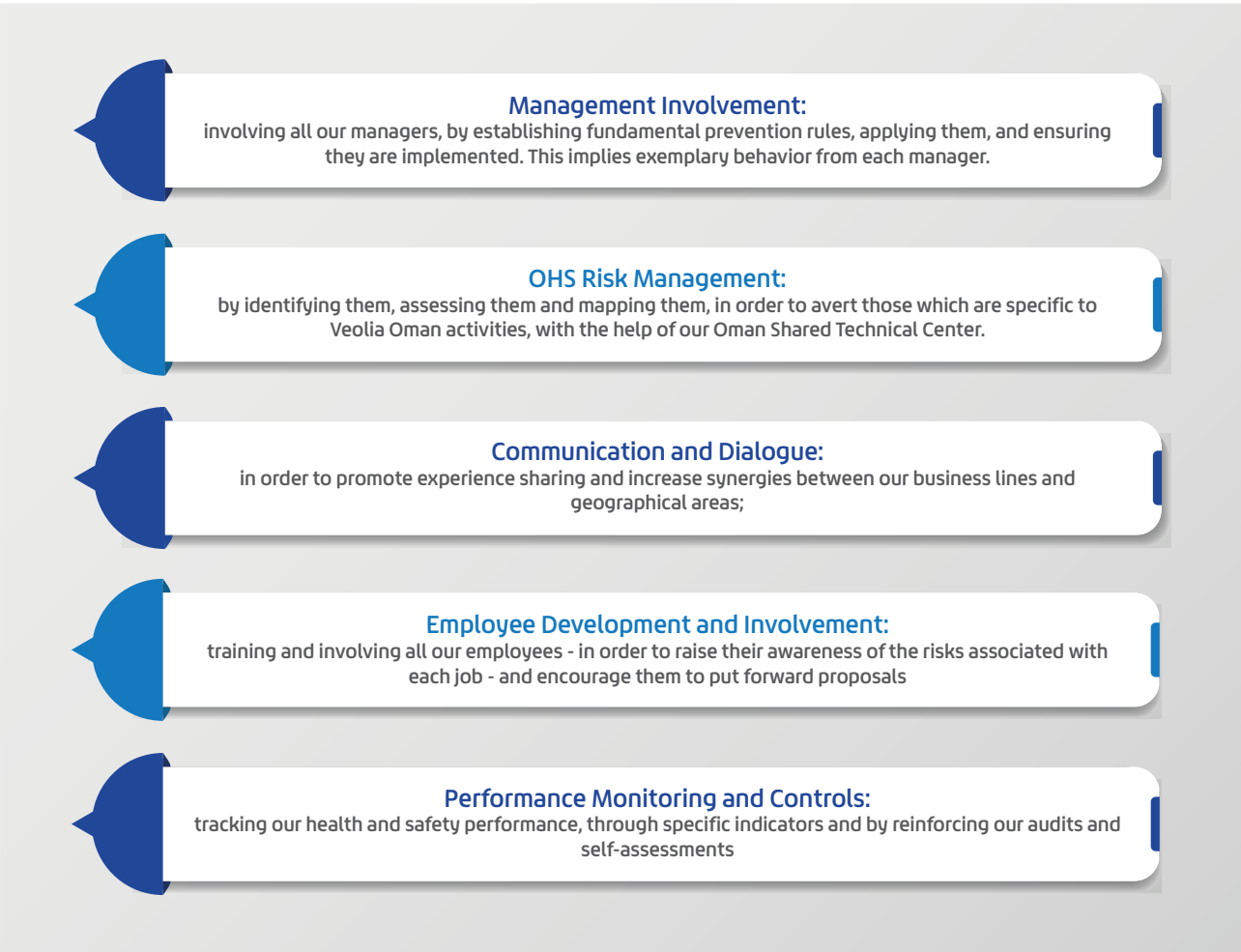
At Sharqiyah Desalination Company SAOG, ensuring the health and safety of our employees and stakeholders is central to our operational ethos. We are steadfast in our commitment to providing safe and reliable drinking water to the Sultanate of Oman, aligning with the highest standards of safety and performance as expected by our client, Oman Power and Water Procurement Co. SAOC.

Strategy and Commitment Our approach to occupational health and safety (OHS) prioritizes the prevention of hazards and the promotion of a risk-free workplace. Achieving “zero accidents” is not just a benchmark but a core goal that drives our continuous improvement efforts. This commitment is reinforced through the operational excellence of our Operation & Maintenance contractor, Bahwan Veolia, recognized for its robust management systems certified under Iso 45001 for Health & Safety Management, ISO 9001 for Quality Management, and ISO 14001 for Environmental Management.

To continue to progress, we commit to doing away with all situations liable to generate risks or to avert such risks by systematically deploying effective preventive measures to deal with any hazardous acts and conditions.

Our goal is to perform our activities with the lowest possible number of accidents, and without any fatal accidents. For this purpose, we have based our policy on the guidelines of the International Labor Organization and Oman Legal Requirements, in coordination with employee representatives.

At Sharqiyah Desalination approach to reducing and eliminating workplace hazards is structured around 5 pillars which include the precise requirements for reaching the «interdependent» safety culture level in order to make zero accidents a choice and to strive for excellence.



Embedding a Fair Culture:

SDC has established a Fair Culture rooted in:

A positive approach to health and safety.	Encouraging spontaneous reporting of unsafe conditions, near misses, and hazards.	Defining boundaries of behavior, ensuring accountability without fear of penalization for stopping unsafe activities.
---	---	---

All employees and visitors are authorized to stop any unsafe activity, reinforcing our “Stop Work Authority” policy. A clear incident reporting flowchart ensures timely investigations, root cause analysis, and actionable solutions to prevent recurrence. This process empowers staff to actively contribute to enhancing workplace safety.

Comprehensive HSE Management:

Our HSE management begins with the implementation of critical documentation, including but not limited to:

- IMS Policy
- IMS Manual
- Global Risk Assessment
- Emergency Response Plans
- Training Plans

These documents ensure that all HSE aspects are systematically addressed and effectively managed.

HSE Compliance and Standards:

Sharqiyah Desalination Company SAOG upholds the highest HSE standards by periodically evaluating compliance with:

Legal Regulations
Contractual Obligations
Client Satisfaction
Veolia Minimum Standards
ISO Certifications: ISO 9001, ISO 14001 and ISO 45001

These evaluations ensure our HSE practices align with both local and international standards, reinforcing our commitment to operational excellence and employee safety.

In September 2024, we dedicated the week from the 16th to the 21nd to Health and Safety, aligning with Veolia’s global Occupational Health and Safety Week. This initiative, locally adopted by our Business Units, aimed to reinforce Veolia’s unwavering commitment to risk prevention.

This year marked a significant milestone as we celebrated the 10th International Health & Safety Week. With the theme, “Let’s Break the Routine!”, the week focused on raising awareness about unconscious errors and preventing accidents caused by routine mistakes.

Key activities during the week included:

- High Potential Incidents (HiPo) training to help employees differentiate HiPo events from unsafe acts and conditions.
- Life-Saving Rules (LSR) refresher training, highlighting critical “Do’s” and “Don’ts.”
- The launch of Veolia Oman Home Safety Training to promote safety awareness both at work and at home.

These initiatives reflect our commitment to fostering a culture of safety and delivering sustainable solutions that prioritize the well-being of our employees and the communities we serve.

Operational Excellence In addition to our safety successes, the power consumption of our plants was measured at metering points, achieving a result of 3.18 KWh/m³—below the CY-16 Specific Contracted Power consumption limit. Operational parameters recorded at each process stage were consistently within specified standards, reflecting our commitment to efficient and safe operations.

In 2024, the following results demonstrate our commitment to occupational safety:

Number and rate of fatalities as a result of work-related injury	Number and rate of high-consequence work-related injuries (excluding fatalities)	Number and rate of recordable work-related injuries	Main types of work-related injury	Total number of hours worked
Number: 0 Rate: 0	Number: 0 Rate: 0	Number: 0 Rate: 0	None reported during the reporting period.	161460 hours

These results underscore the effectiveness of our preventive measures, safety training programs, and strong safety culture. By prioritizing workplace safety and ensuring adherence to best practices, we continue to provide a safe and secure working environment for all employees.

HSE Training and Capacity Building:

At Sharqiyah Desalination Company SAOG, empowering our workforce with the knowledge and tools to maintain a safe workplace is a top priority. Our initiatives include:

HSE Inductions: Comprehensive onboarding sessions for new employees to familiarize them with workplace safety protocols and practices.
Daily Tool Box Talks: Short, focused discussions to reinforce safety awareness and address potential risks relevant to daily tasks.
Fair Culture Process: A proactive approach that encourages employees to report unsafe acts, conditions, and near misses without fear of reprisal.

All reported observations are reviewed, and structured action plans are implemented to address risks, fostering continuous improvement in hazard management and workplace safety.

In 2024, Sharqiyah Desalination Company SAOG delivered a range of internal and external training programs to strengthen employee skills and ensure adherence to safety protocols:

Internal Trainings	External Trainings (conducted by third-party experts)
<ul style="list-style-type: none">• Veolia Life Saving Rules• Heat Stress Management	<ul style="list-style-type: none">• First Aid• Fire Warden• Electricity Safety• Confined Space Entry• Chemical Handling• Working at Height• Scaffolding Safety• NEBOSH

A total of 269 employees participated in these third-party training sessions, accumulating 2315 training hours, showcasing our commitment to fostering a knowledgeable and safety-conscious workforce.

Employee Health and Well-being:

At Sharqiyah Desalination Company SAOG, the health and welfare of our employees are fundamental to our operational ethos. We demonstrate this commitment through:

- Comprehensive Global Medical Insurance:** Covering all non-occupational medical needs, this insurance ensures that our direct staff receive the necessary medical care, fostering a healthier and more secure workforce.

Through strategic initiatives, rigorous safety practices, consistent training, and proactive engagement, Sharqiyah Desalination Company SAOG prioritizes the health, safety, and well-being of its workforce. By fostering a culture of safety and maintaining rigorous compliance, we continue to set benchmarks in occupational health and safety while upholding the highest standards of operational integrity.

Corporate Social Responsibility:

At Sharqiyah Desalination Company SAOG, our commitment to Corporate Social Responsibility (CSR) is deeply rooted in our dedication to fostering positive social, environmental, and economic development in the local community of Sur. We recognize that active engagement and partnership with stakeholders is key to understanding and addressing local issues effectively. This approach enables us to implement impactful initiatives that align with the goals of Oman Vision 2040 and strengthen our social contributions.

CSR Focus Areas		
Water as a Precious Resource	Protecting the Environment	Investing in Local Communities
As a company entrusted with providing vital water services, we uphold the principle that water is a shared and valuable resource. Our operations are designed to promote sustainable water use and ensure that the community benefits from reliable and safe water supply.	Environmental stewardship is a cornerstone of our CSR strategy. We implement projects that enhance local biodiversity and promote eco-friendly practices, emphasizing our role in preserving natural habitats and reducing our ecological footprint.	Our investments go beyond water production; we are committed to uplifting the community through educational initiatives, training programs, and projects aimed at qualifying the nation's young men and women. By focusing on skill development and educational opportunities, we contribute to building a resilient workforce that supports the region's growth and aligns with the aspirations of Oman Vision 2040.



CSR programs:

CSR Contributions		
Year	2023	2024
Total amount of CSR contributions	OMR 21,025	OMR 28,545.24
CSR programs	<ul style="list-style-type: none">Support of Mountain Villages: In partnership with the General Directorate of Health Services in Ash Sharqiyah South and Glocal Voluntary Team, we supported a health awareness campaign aimed at providing essential healthcare to residents in remote mountain areas of Wilayat Sur.Ramadan Food Basket: For the seventh consecutive year, we collaborated with the Ministry of Labor to implement a fast-breaking initiative, delivering 6,000 Ramadan meals daily to families in need, while also supporting SMEs.Support of Productive Families: Through coordination with the Ministry of Social Development and the Office of H.E. Wali of Sur, we secured vital resources for low-income families in Wilayat Sur. These efforts helped enhance their crafts and production capabilities, positively impacting their income and standard of living.Food Basket: In collaboration with the Ministry of Social Work, Oman Charitable Organization, and the Ministry of Labor, we supplied 100 food baskets to families in need and laid-off workers during Ramadan.School Bags: We distributed school bags to 195 orphans in cooperation with the Ministry of Social Development, benefiting low-income families and social security beneficiaries.Medical Bags: SDC partnered with the Health Service Department in Ash Sharqiyah South Governorate to distribute essential medical supplies for the elderly across all local health centers.Tamkeen (Empowerment Program): Tamkeen focuses on preparing and training young men and women for the labor market, equipping them with the tools, skills, and confidence needed to create sustainable futures.	<ul style="list-style-type: none">School Bags: Building on the success of the previous year, 300 orphans benefited from our school bag distribution initiative in collaboration with the Ministry of Social Development.Eid Supplies for Orphans: In coordination with charitable organizations, SDC provided Eid supplies to 320 individuals, spreading joy and uplifting families during the festive season.Ramadan Food Basket: For the eighth consecutive year, SDC implemented the fast-breaking initiative, delivering 6,000 Ramadan meals to families in need.Food Basket: We continued our efforts to support families and laid-off workers during Ramadan by supplying 100 food baskets to meet their essential needs.Tamkeen (Empowerment Program): This ongoing program remains a key focus, empowering Omani youth with professional development tools to strengthen their readiness for the labor market.Support for Al-Amaniyat Center for Autism: SDC is committed to funding the treatment of patients from underprivileged families.Sensory Room Construction at Al-Bahja Center: We aim to create a sensory room to improve therapy and care services for children with special needs.Support for Oman Cancer Association: SDC will provide medical equipment and electric beds to enhance patient care for those undergoing cancer treatment.

Through ongoing CSR efforts, we encourage education and training, ensure exemplary health and safety standards, and promote environmental sustainability. These initiatives are designed not just to comply with regulations, but to reflect our genuine commitment to social responsibility and long-term partnerships that benefit all stakeholders.

Sharqiyah Desalination Company SAOG is dedicated to maximizing In-Country Value (ICV) by actively supporting local economic growth and ensuring full compliance with Omani regulations, including Royal Decrees related to employment and Omanization. Our commitment extends beyond compliance; we aim to enhance the local economy through strategic investments, procurement, and human resource development.

Capital Investments	Procurement	Human Resources	Local Development
<p>Prioritizing Local Contributions, we place a strong emphasis on maximizing local investments, which include:</p> <ul style="list-style-type: none"> Investments in fixed assets to strengthen the local economy. Developing sources of local investment to foster sustainable growth. 	<p>Supporting Local Markets Our procurement strategy focuses on maximizing the use of local goods and services, ensuring compliance with quality and price standards. Key initiatives include:</p> <ul style="list-style-type: none"> Prioritizing local sourcing of goods and subcontracted services. Supporting the development and growth of national suppliers. 	<p>Empowering Local Talent, we aim to leverage and develop local human resources through targeted recruitment, comprehensive training programs, and career development initiatives. Our commitments in this area include:</p> <ul style="list-style-type: none"> Implementing a robust recruitment policy that focuses on hiring Omani nationals. Allocating budgets specifically for training programs. Establishing structured training programs to build the competencies of our workforce. 	<p>Contributing to Community Growth Beyond our operational focus, we seek to maximize the impact on local communities through various development actions, such as:</p> <ul style="list-style-type: none"> Supporting and collaborating with national training, educational, and R&D institutions. Engaging in corporate social responsibility (CSR) activities that contribute to local development and strengthen community partnerships.

Through these efforts, Sharqiyah Desalination Company SAOG reinforces its dedication to driving sustainable development and creating long-term value for the Omani economy.



Environmental Stewardship

At Sharqiyah Desalination Company SAOG, we are deeply committed to safeguarding the environment through responsible and sustainable practices. Our Environmental Stewardship approach ensures strict compliance with regulatory and legal environmental standards while addressing pressing challenges such as climate change.

We prioritize efficient water management, aiming to optimize resources and minimize environmental impact. Additionally, we actively contribute to biodiversity preservation by protecting ecosystems surrounding our operations. Through these efforts, we reaffirm our role as a responsible corporate citizen, dedicated to promoting a sustainable future for Oman and beyond.

Regulatory and legal environmental compliance:

At the Sur Desalination Plant (SDP), regulatory and legal compliance is central to our operational framework, ensuring that our activities align with local and international environmental standards. Our commitment to compliance is demonstrated through rigorous internal and third-party assessments that monitor various environmental parameters and confirm adherence to legal obligations.

Noise and Air Quality Compliance Noise levels are a critical factor in maintaining a safe and comfortable working environment. At SDP, ambient noise levels across all measured locations are within the limits established by relevant regulations. Although workplace noise meets the standard of 85 dB(A), specific areas such as the Reverse Osmosis (RO) building and High-Pressure (HP) Pumps exceed this threshold. To mitigate potential risks in these high-noise zones, we enforce the mandatory use of appropriate personal protective equipment (PPE), including earplugs and earmuffs, and post clear signage to alert personnel.

Air quality management is another essential aspect of our compliance efforts. Dust emissions in ambient locations conform to the Oman Provisional Standards of 125 mg/m³ and the United States Environmental Protection Agency (USEPA) National Ambient Air Quality Standards (NAAQS) of 150 mg/m³. Inside the plant, dust levels are significantly below the Occupational Safety and Health Administration (OSHA) standard of 5,000 mg/m³, ensuring a safe working environment.

Pollutant Monitoring, we conduct continuous monitoring of air pollutants such as Oxides of Nitrogen (NOx), Sulphur Dioxide (SO₂), Ozone (O₃), and Nitrogen Dioxide (NO₂) along the perimeter of the plant. Results consistently show that these concentrations remain within permissible limits, adhering to environmental regulations and ensuring minimal impact on the surrounding area.

Commitment to Environmental Standards SDP's adherence to its Environmental Permit reflects our commitment to maintaining high standards in environmental management. By implementing robust monitoring schedules and aligning with legal requirements, we reinforce our dedication to sustainable practices. Compliance efforts are regularly reviewed and enhanced to adapt to evolving regulations, showcasing our proactive approach to environmental stewardship.

In summary, SDP's comprehensive monitoring and strict adherence to regulatory standards exemplify our resolve to operate responsibly and maintain a positive environmental footprint. Through continuous improvement and compliance initiatives, we aim to sustain this standard and contribute to a cleaner, safer environment for our community and future generations.

Climate change:

GHG Emissions	Unit	2023	2024
Total scope 1 GHG emissions	Tons of CO ₂	1.5	3.9
Total scope 2 GHG emissions	Tons of CO ₂	77597	68911
Total scope GHG emissions	Tons of CO ₂	77598.5	68914.9

Energy Usage	Unit	2023	2024
Diesel consumption	Liters	580	650
Petrol consumption	Liters	28800	1818
Electricity consumption	MWh	90,228.539	80128.861



At Sharqiyah Desalination Company SAOG, we take pride in preparing the Greenhouse Gas (GHG) Inventory Report annually. In 2024, we completed our fourth GHG Inventory, meticulously prepared by the QHSE department of Bahwan Veolia Water LLC, the Operations & Maintenance company for the Sur Desalination Plant.

Our GHG Inventory Report is developed in full compliance with the Environment Authority's Greenhouse Gas Reporting guidelines. It provides a comprehensive assessment of emissions across three key categories: scope 1 direct emissions from activities under our control, scope 2 indirect emissions from purchased energy, and scope 3 other indirect emissions not included under scope 2. This thorough reporting framework underscores our commitment to transparency and sustainability, enabling us to effectively track, manage, and reduce our greenhouse gas emissions.

At Sharqiyah Desalination Company SAOG, addressing climate change and reducing greenhouse gas (GHG) emissions are at the forefront of our environmental strategy.

On 6th November 2023, the Minister of Energy and Minerals, Sultanate of Oman, inaugurated the 17-megawatt peak (MWp) solar photovoltaic (PV) farm in Sur, Oman. This solar farm provides green energy to power the Sur Desalination Plant, making it the largest solar-powered desalination facility in Oman. Developed in collaboration with Veolia and TotalEnergies, the solar PV farm marks a significant milestone in the region's decarbonization efforts. With an annual capacity of over 32,000 megawatt-hours (MWh) of green electricity, the solar plant supplies 100% of the desalination plant's energy needs during daylight hours.

The implementation of the solar PV farm contributes to reducing carbon dioxide (CO2) emissions in the region. Initially, it was estimated that the plant would cut approximately 27,200 tons of CO2 emissions per year, equivalent to the emissions from around 6,000 internal combustion engine-powered vehicles.

Construction of the solar plant began in August 2022, followed by rigorous testing from 30 March to 15 April 2023. After successful testing, commercial operations commenced on 16 April 2023. The lease agreement for the solar farm remains valid until 31 March 2036, ensuring long-term sustainability.

In 2024, the solar farm produced 30,214.5 MWh of renewable energy, further avoiding 25984.5 tons of CO2 equivalent emissions, reinforcing its impact on sustainability and environmental protection.

In addition to solar energy integration, our operations are further enhanced by the use of Energy Recovery Devices (ERD). These devices recuperate and reuse energy, significantly cutting down the energy demand of our processes and lowering both our carbon footprint and operational costs. This combination of large-scale renewable energy deployment and innovative energy efficiency measures demonstrates our steadfast commitment to combating climate change and contributing to a more sustainable future.

Sharqiyah Desalination Company SAOG remains dedicated to these efforts, reinforcing long-term sustainability and aligning with the global movement towards renewable energy and emissions reduction. By adhering to

international standards and contributing to Oman's Vision 2040 goal of converting 30% of its electricity use to renewable sources by 2030, we are not only advancing national energy strategies but also playing a critical role in global efforts to combat climate change.

Water management:

In the Sultanate of Oman, effective water management is vital, particularly given that the country is 80% desert and faces extreme aridity. With limited rainfall and increasing population demands, providing sufficient potable water is a formidable challenge. To address this, Sharqiyah Desalination Company SAOG has turned to desalination as a sustainable solution. Our Sur desalination plant plays a pivotal role in supplying potable water to the region, ensuring reliable access to this essential resource.

The Sur plant It is distinguished for having the world’s largest beach well catchment system . This innovative water intake system leverages natural sand filtration, minimizing environmental impact on marine and coastal ecosystems and enhancing the quality of water intake.

Advanced Water Quality Monitoring Maintaining water quality is a core commitment at the Sur desalination plant. In 2024, the plant conducted 8,136 tests on the final potable water, surpassing its quality monitoring target with a ratio of 1.11, indicating that more tests were performed than required. This rigorous approach underscores our dedication to water safety and compliance with regulatory standards.

Commitment to Sustainable Practices Through innovative techniques like the beach well intake and comprehensive laboratory analysis, the Sur desalination plant prioritizes sustainability while maintaining high standards for water quality. As we expand our facilities to meet future needs, our dedication to effective water management continues to align with Oman's strategic efforts to address water scarcity and climate resilience.

Sharqiyah Desalination Company SAOG remains steadfast in its mission to deliver sustainable water solutions that meet both current and future demands, ensuring a vital supply for the local population while upholding environmental stewardship.

Water Management	Unit	2023	2024
Water Consumption	Liters	6,803	6992
Water discharge	(M3)	41,795,108	40,910,518

Biodiversity:

Biodiversity plays a vital role in sustaining ecosystems and ensuring environmental balance, particularly in regions with unique landscapes like Oman. At the Sur Plant, we are committed to minimizing our environmental impact and enhancing biodiversity conservation through well-structured initiatives. Veolia, as part of its environmental stewardship, developed a comprehensive biodiversity footprint tool designed to assess and mitigate the ecological effects of its operations.

Strategic Actions for Biodiversity Protection In 2021, a detailed study was conducted at the Sur Plant to identify measures that could reduce its impact on natural habitats and support local biodiversity. The assessment outlined 15 key actions for biodiversity conservation. Some of these actions have been implemented using in-house expertise, while others necessitate collaboration with external specialists to achieve meaningful progress.

Collaborative Research and Surveys To bolster these efforts, Veolia signed a Memorandum of Understanding (MoU) with the University of Sur Technology & Applied Science (UTAS) in 2023. This partnership symbolizes a shared commitment to biodiversity research and practical action. One of the significant milestones in this collaboration was a comprehensive biodiversity survey conducted in 2023. UTAS researchers systematically explored the campus grounds and utilized advanced imaging techniques to document and identify plant species. These images were then analyzed by experts to verify species and detect any invasive or endangered plant types present in the area.

The survey results have provided crucial insights that inform our targeted conservation strategies. This work deepens our understanding of local biodiversity and directs further actions to protect and promote ecological health around the

Sur Plant. We will expand these initiatives, strengthening conservation measures to ensure that biodiversity remains a top priority in our operations.

Commitment to Sustainability Through partnerships, research, and continuous assessment, we demonstrate our dedication to fostering a sustainable coexistence with the natural environment. By collaborating with local academic institutions like UTAS and leveraging cutting-edge biodiversity assessment tools, we aim to uphold our commitment to protecting ecosystems and preserving biodiversity for future generations.

Recognizing the importance of marine biodiversity, we continuously assess the impact of our operations on local fish communities. A study in 2015 identified 81 species of tropical fish and coral reef organisms in the marine coastal area affected by our operations—substantially higher than nearby reference areas. A subsequent study conducted in 2018-2019 recorded 75 species. In 2024, Sharqiyah Desalination Company SAOG East engaged Dome

International for Environmental and Engineering Services to carry out an updated environmental assessment and fish assemblage study. This study, conducted on October 11, 2024, involved sample collection and marine ecology assessments at three strategic sites:

- **Reference Sites:** ME1 (located 2 km north of the plant) and ME3 (located 2 km south of the plant), both approximately 500 m offshore, representing areas with minimal anthropogenic disturbance.
- **Impact Area:** ME2, located near the Sur Desalination Plant pipeline infrastructure, just 200 m from shore, to evaluate the direct impact of our operations.

The insights gained from these studies inform targeted conservation strategies and help guide ongoing and future efforts to protect and enhance local biodiversity. Through continuous research, collaborative partnerships, and the implementation of advanced assessment tools, we reaffirm our dedication to preserving ecosystems and fostering a sustainable coexistence with the natural environment for future generations.





Appendix

GRI & MSX index

Statement of useW	Sharqiyah Desalination Company SAOG has reported in reference to the GRI Standards for the period of January, 1 2024 - December, 31 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No GRI Sector Standards apply to Sharqiyah Desalination Company SAOG

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	9 - 12				
	2-2 Entities included in the organization's sustainability reporting	8				
	2-3 Reporting period, frequency and contact point	8				G7 and G8
	2-4 Restatements of information	8				
	2-5 External assurance	8				G9
	2-6 Activities, value chain and other business relationships	9 - 12				
	2-7 Employees	22 - 24				S5
	2-8 Workers who are not employees	22 - 24				
	2-9 Governance structure and composition	16				G1 and G2
	2-10 Nomination and selection of the highest governance body	16 - 17				
	2-11 Chair of the highest governance body	16 - 17				

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	16 - 17				E8 AND E9
	2-13 Delegation of responsibility for managing impacts	16 - 17				
	2-14 Role of the highest governance body in sustainability reporting	16 - 17				
	2-15 Conflicts of interest	18 - 19				
	2-16 Communication of critical concerns	18				
	2-17 Collective knowledge of the highest governance body	16 - 17				
	2-18 Evaluation of the performance of the highest governance body	16 - 17				
	2-19 Remuneration policies	16 - 17				S2
	2-20 Process to determine remuneration	16 - 17				
	2-21 Annual total compensation ratio	16 - 17				S1
	2-22 Statement on sustainable development strategy	6 - 7				
	2-23 Policy commitments	18 - 20				
	2-24 Embedding policy commitments	18 - 20				
	2-25 Processes to remediate negative impacts	18				
	2-26 Mechanisms for seeking advice and raising concerns	18				
	2-27 Compliance with laws and regulations	18				
	2-28 Membership associations	12				
	2-29 Approach to stakeholder engagement	14				
	2-30 Collective bargaining agreements	NA				
Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	14 - 15				G8
	3-2 List of material topics	14 - 15				

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
Climate Change						
GRI 3: Material Topics 2021	3-3 Management of material topics	32 -34				E1, E2, E3, E4, E5, AND E7
GRI 302: Energy 2016	Disclosure 302-1 Energy consumption within the organization	32 -34				
	Disclosure 302-2 Energy consumption outside the organization	32 -34				
	Disclosure 302-3 Energy intensity	32 -34				
GRI 305: Emissions 2016	Disclosure 305-1 Direct (Scope 1) GHG Emissions	32 -34				
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	32 -34				
Water Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	34				E6
GRI 303: Water and Effluents 2018	Disclosure 303-1 Interactions with water as a shared resource	34				
	Disclosure 303-2 Management of water discharge-related impacts	34				
	Disclosure 303-3 Water withdrawal	34				
	Disclosure 303-4 Water discharge	34				
	Disclosure 303-5 Water consumption	34				
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	24 - 28				S7 and S8
GRI 403: Occupational Health and Safety 2018	Disclosure 403-1 Occupational health and safety management system	24 - 28				
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	24 - 28				
	Disclosure 403-3 Occupational health services	24 - 28				
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	24 - 28				
	Disclosure 403-5 Worker training on occupational health and safety	24 - 28				

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety 2018	Disclosure 403-6 Promotion of worker health	24 - 28				
	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	24 - 28				
	Disclosure 403-8 Workers covered by an occupational health and safety management system	24 - 28				
	Disclosure 403-9 Work-related injuries	24 - 28				
	Disclosure 403-10 Work-related ill health	24 - 28				
Corporate Social Responsibility						
GRI 3: Material Topics 2021	3-3 Management of material topics	28 - 30				S11
GRI 413: Local Communities 2016	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	28 - 30				
	Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	28 - 30				
Data and Cyber Security						
GRI 3: Material Topics 2021	3-3 Management of material topics	20				
GRI 418: Customer Privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	20				G6
Corporate Governance						
GRI 3: Material Topics 2021	3-3 Management of material topics	17 - 20				