



شركة نقل المياه  
Water Transmission Company



WTCO

# Sustainability Report

2024 (1445 H - 1446 H)

“  
Carrying Water.  
Sustaining Life.  
”



**Sustainability Transformation:  
Progress, Performance, Purpose**

**In the Name of Allah—the Most  
Compassionate, Most Merciful**



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# 1

## Introduction





# Message from our Chairman



Dear Stakeholders,

It is with great pleasure that we present to you the inaugural 2024 Sustainability Report of the National Water Transmission Company (WTCO). This report marks the beginning of our corporate journey to translate our commitment to building a sustainable future into tangible action.

As WTCO presents our inaugural Sustainability Report for the year 2024, it is with a profound respect that I begin by acknowledging the unparalleled leadership of the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and Prime Minister – may God protect them – for their wise leadership, which has laid the foundations for sustainable development and paved the way for the Company to play a pivotal role in achieving the ambitions of Saudi Vision 2030. We would also like to acknowledge the role of the Ministry of Environment, Water and Agriculture, and its Minister, His Excellency the Minister, for their continuous guidance and support.

WTCO's sustainability journey begins with the strategic objectives set forth by the Kingdom, with a clear focus on the Saudi Green Initiative (SGI) and the National Water Strategy. Under the esteemed leadership of His Excellency the Minister of Environment, Water and Agriculture, we are working diligently to align our efforts with these national priorities, ensuring that our initiatives contribute meaningfully to the broader goals of environmental stewardship, social responsibility, and economic resilience.

This report reflects the Company's efforts to integrate the principles Environmental, Social, and Governance (ESG) principles into all its operations, preparing it to address future opportunities and challenges.

We are paving the way of our sustainability journey on three core pillars: resilience, innovation, and partnerships. Through resilience, we strengthen the ability of our operations and the communities we serve to withstand future challenges. Through innovation, we aim to reduce our environmental footprint and drive meaningful change by adopting advanced technologies and practices. Through purposeful partnerships, we continue to enhance collaboration with stakeholders and build relationships that contribute to long term sustainable value.

Looking to the future, we remain steadfast in our commitment to supporting the Kingdom's Vision 2030. By embedding sustainability into our operations, we aim to safeguard water as a vital resource, foster trust, and contribute to the prosperity of the Kingdom of Saudi Arabia and its people.

Our sustainability journey is a collective endeavor. I extend my sincere gratitude to our government partners, clients, employees, vendors and communities whose unwavering support drives our progress. Together, we are shaping a resilient, innovative and environmentally conscious future, one that will sustain and enrich the Kingdom and its people for generations to come.

Sustainability is an ongoing journey that does not end with a single achievement. At WTCO, we believe that safeguarding water resources and ensuring equitable access through smart and sustainable solutions is our highest responsibility. We remain committed to continuous innovation to build a lasting legacy for future generations. May God bless our efforts and guide us toward continued success in all our endeavors.

**Eng. Abdullah bin Ibrahim Al-  
Abdulkarim**  
Chairman of the Board of Directors

# Message from our CEO



Dear Stakeholders,

This year marks the beginning of a new era for our Company, as we embrace sustainability as a strategic imperative and a core pillar that will guide our decisions and operations moving forward.

The year 2024 has been one of learning and tangible achievements. As global pressure on water resources intensifies, we understand that our responsibility lies in ensuring access to water for the people of the Kingdom of Saudi Arabia, while safeguarding the environment for future generations.

In our inaugural sustainability report, I am proud to share that over the past year we have made significant achievements:

- Successfully reduced our energy consumption for transporting water, with a specific reduction of **0.33 kWh/m<sup>3</sup>/100m** in 2024, far surpassing the targets we had previously set.
- Achieved a **100%** water availability rate, guaranteeing seamless and uninterrupted water transmission, and further cementing the reliability and resilience of our infrastructure.

- Successfully obtained the Local Content Certificate, achieving a **50.96%** local content rating, reflecting our adherence to the rigorous standards set by the Local Content Authority.
- Achieved a Saudization rate of **94%** in our workforce, highlighting our commitment to empowering local talent and contributing to the development of the Saudi labor market.

These accomplishments reflect the dedication of our employees and partners. At the same time, we acknowledge the challenges ahead. Climate change, urbanization, and evolving regulations demand continued adaptation. Our response is to remain agile, embedding ESG principles across our business, strengthening resilience in infrastructure, and investing in capacity-building within our teams and communities.

Looking forward, we will remain committed to setting sustainability goals and transparently reporting on them.

**Dr. Tariq bin Abdullah Al-Naeem**  
Chief Executive Officer (CEO)



# About the report

GRI 2-2; GRI 2-3

The Water Transmission Company (henceforth referred to as WTCO) is pleased to present our inaugural Sustainability Report, representing a key milestone in our ongoing transition towards a more sustainable future. This report reflects our steadfast commitment to reducing environmental and social impacts, while reinforcing robust governance practices.

It offers a comprehensive overview of our sustainability performance to date, addressing material topics that highlight both the challenges and opportunities relevant to our sector. Furthermore, it outlines our strategic sustainability initiatives and commitments designed to drive progress along our sustainable development path.



## Reporting period

The report covers the period from 1st January 2024 to 31st December 2024, and it presents non-financial disclosures related to our sustainability performance, initiatives, and projects.

## Scope and boundary

The report covers WTCO's operations in the Kingdom of Saudi Arabia. Unless specified, data from external contractors, and suppliers are not included.

## Reporting frameworks


This report has been developed with reference to the GRI Standards 2021. In addition, it highlights our progress on the alignment with and contribution to national and global agendas such as Saudi Water Authority (SWA) Guidelines, Saudi Stock Exchange ESG Disclosure Guidelines, and SASB – Water Utilities & Services Standards.

## Feedback

At WTCO, feedback is highly valued as a means of driving continuous improvement. We therefore encourage you to share your suggestions, questions, and comments regarding this Sustainability Report and our broader sustainability efforts through the channels listed below:

 [WTCO \(@WTCO\\_KSA\) / X](#) | شركة نقل المياه

 [Water Transmission Company | LinkedIn](#) | شركة نقل المياه

 [www.wtco.com.sa](http://www.wtco.com.sa)



# Organizational Profile

GRI 2-1; GRI 2-2

WTCO, the largest water transmission system in the world, is an independent entity fully owned by the Government of the Kingdom of Saudi Arabia.

The establishment of the Company is a direct result of the privatization program aimed at advancing the Kingdom of Saudi Arabia's Vision 2030, in alignment with the objectives of the National Water Strategy. The Company is responsible for the development, implementation, management, operation, and maintenance of water transmission, storage, and support systems across various regions of the Kingdom of Saudi Arabia.



Operating Since  
**2022**




Headquarters  
**Riyadh, Kingdom of Saudi Arabia**



Number of Employees  
**1,660**




Design Capacity for Water transmission Systems  
**+13 million m<sup>3</sup>**


Amount of Water Transferred  
**2.6 billion m<sup>3</sup>**



Number of Interior Design Projects  
**19**




Length of Water Transmission Lines  
**+10,260 km**



Geographical Coverage  
**100%**




Number of Projects That Have Been Utilized  
**10**



Number of Safe Working Hours  
**42 billion**



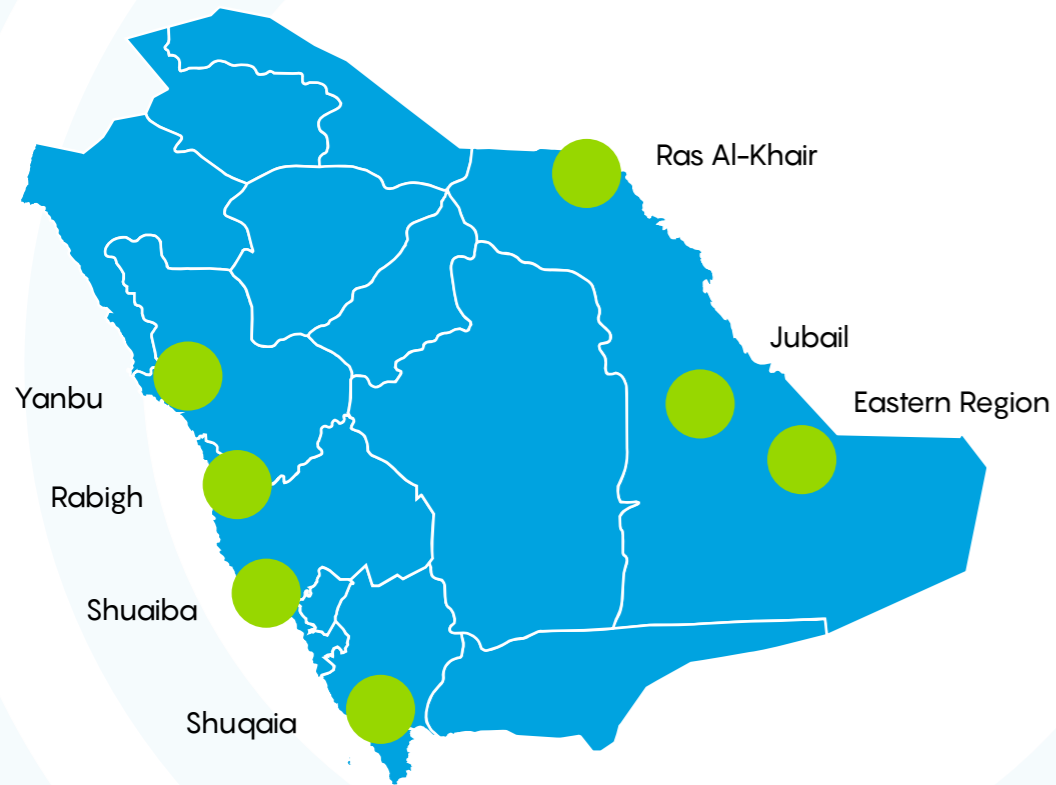
Portfolio Value for 2030  
**SAR 125 billion to develop 485 projects**



Number of Projects Under Implementation  
**14**



We manage the largest water transmission systems in the world, with **7 systems** distributed across the Kingdom of Saudi Arabia.



### Vision

A leading water utility company supplying water sustainably and reliably, and committed to creating value for beneficiaries, partners, and Shareholders.



### Mission

Develop high-quality infrastructure to ensure safe, continuous and economically-viable water supply, honor our values and preserve our environment.



### Core Values



Sustainability



Excellence



Flexibility



Business Orientation



One Team



Integrity



## Awards and Certifications



### Awards

Digital Transformation Award in Human Capital Management for the Middle East and North Africa Region

Digital Transformation Excellence Award

Best Work Environment Award



### Certifications

ISO 22301:2019 Certification

Renewal of the basic certificate from the Local Content and Government Procurement Authority (LCGPA), with a compliance rate of **51%**



## Our Value Chain: Sustainable Water Transmission

GRI 2-6

As the Kingdom of Saudi Arabia's dedicated water transmission entity, WTCO plays a vital role in ensuring the reliable delivery of water across regions in support of the Kingdom of Saudi Arabia's Vision 2030 and the National Water Strategy. At the heart of WTCO's operations lies a robust value chain that integrates environmental stewardship, operational excellence, and social responsibility. From strategic planning and infrastructure development to system operation, maintenance, and stakeholder engagement, every step of the value chain is designed to optimize resource efficiency, reduce environmental impact, and create long-term value for communities and future generations.

Water Pump at WTCO Facility



## Our Main Activities

GRI 2-6

 **Water Transmission and Strategic Water Storage**

We operate the largest water transmission system in the world along with maintaining strategic water storage. These **7 systems** span the eastern and western coasts of the Kingdom of Saudi Arabia, branching out to beneficiary areas throughout the Kingdom of Saudi Arabia. They are connected by a network of pipelines to transmit water to all parts of the Kingdom of Saudi Arabia. Our operational processes are based on the latest technologies and the highest professional standards to ensure continuous supply and efficient service.

 **Project Development**

We have dedicated our efforts to designing and improving water transmission and strategic storage systems with the aim of contributing effectively to strengthening the water sector and achieving financial sustainability through the creation of commercial financing solutions for project development.

 **Engineering Design and Supervision**

We are proud to have a team with +40 years of experience in the same field.

- **Project Engineering:** We innovate and design strategic water transmission and storage systems, using the latest and best international specifications and standards.
- **Project Planning and Implementation:** We manage and supervise project implementation using the highest standards, with the goal of ensuring sustainability.

## Our Strategic Objectives

 **Operational and Commercial Excellence**

 **Commercial System Development**

 **Enhancement of the Company's Effectiveness**

 **Sustainable Financial Growth**

 **Business Development**

 **Commitment to Environmental Responsibilities**



WTCO Strategic Storage Tank



# Upholding Governance Excellence at WTCO

GRI 2-9; GRI 2-11; GRI 2-12; GRI 2-13; GRI 2-14; GRI 2-17

Firmly grounded in ethical principles that align with the cultural values of the Kingdom of Saudi Arabia, WTCO places integrity, trust, transparency, honesty, and ethical behavior at the core of its identity and long-term success. These foundational values shape every facet of our operations and Stakeholder interactions, playing a key role in effective risk management and the overall sustainability of our business.

## Our Board of Directors Members



**Eng. Abdullah bin Ibrahim Al-Abdulkareem**

Chairman of the Board of Directors



**Mr. Abdulrahman bin Mohammed Al-Zughaibi**

Vice Chairman of the Board



**Mr. Salman bin Mansour Bader**

Board Member



**Eng. Sami bin Abdulaziz Al-Makhdob**

Board Member



**Mr. Faysal bin Mohammed Al-Sharif**

Board Member



**Dr. Majed bin Abdulrahman Al-Rasheed**

Board Member



**Eng. Khalil bin Ibrahim Al-Watban**

Board Member

## Board of Directors

WTCO's Board of Directors is composed of **7 experienced members** who bring a broad range of expertise and a strong commitment to ethical leadership. The Board of Directors undertakes broad and comprehensive responsibilities and authorities within the limits of the company's bylaws, relevant regulations, and applicable laws. This is to ensure the achievement of the company's objectives and goals. The Board of Directors represents the company and works on building an effective relationship with society, while supervising and monitoring the performance of Executive Management.



## Board of Directors Committees

In addition to the Board of Directors' oversight, WTCO's governance structure is strengthened by the active involvement of several Board Committees, each playing a key role in supporting the company's governance framework and sustainability efforts. These specialized steering Committees operate in an advisory capacity, reviewing and endorsing management recommendations for final approval by the Board of Directors, and their contributions are essential to informed and effective Board of Directors' decision-making. The Committees include:



### Executive Committee:

The Executive Committee is entrusted with a broad range of responsibilities, including but not limited to:

- Reviewing the Company's strategic plans, and providing recommendations to the Board of Directors;
- Evaluating operational and financial plans, and providing recommendations to the Board of Directors;
- Monitoring and updating short-, medium-, and long-term strategic goals;
- Ensuring the effective implementation of the Company's business plan;
- Recommending adjustments to existing strategies or corporate objectives when necessary to ensure optimal performance.



### Nomination and Remuneration Committee:

The Nomination and Remuneration Committee exercises all delegated authorities, including but not limited to:

- Proposing clear policies, standards, and procedures to the Board of Directors regarding nominations for leadership positions;
- Recommending candidates for Board and Committee membership in accordance with regulatory requirements and approved criteria;
- Preparing profiles of the skills and qualifications required for The Board of Directors membership and senior executive roles;
- Conducting an annual review of the necessary skills and expertise needed for the Board of Directors, its Committees, and the Executive Management;
- Developing a succession plan for the Company's senior leadership.



### Audit Committee:

The Audit Committee is responsible for monitoring the Company's operations and verifying the accuracy and integrity of financial reports, statements, and internal control systems. Its responsibilities include:

- Auditing the Company's preliminary and annual financial statements in coordination with external auditors prior to submission to the Board of Directors, assessing significant accounting estimates and judgments to ensure transparency and accuracy;
- Evaluating the accounting policies followed in the company, expressing an opinion, and making recommendations to the Board of Directors regarding them;
- Controlling and supervising the Internal Audit Department;
- Reviewing the results of regulatory reports and ensuring that the Company has taken the necessary measures in this regard;
- Raising any issues it deems necessary to take action on to the Board of Directors, and to make recommendations on the actions to be taken.

WTCO Strategic Storage Tank



## Executive Management

Comprising seasoned professionals with substantial industry expertise, WTCO's Executive Management team plays a critical role in maintaining the Company's leadership across its sectors of operation. Entrusted with executing the Board of Directors' decisions, the team oversees day-to-day operations, ensuring alignment with WTCO's vision and mission while enhancing operational efficiency and profitability. Serving as the key intermediary between the Board of Directors and the broader Company, the team focuses on driving revenue growth, maximizing profitability, and achieving both short- and long-term strategic objectives. The team also places strong emphasis on transparent communication, strict compliance with regulatory standards, and upholding a culture of integrity across the Company.

The Executive Management at WTCO is responsible for the execution and management of strategic initiatives, including in the field of ESG.



## Ethical Landscape

### GRI 2-27

At WTCO, ethical conduct is the foundation of our future growth. We are committed to upholding the highest standards of integrity and professionalism as we continue to evolve. We focus on building a resilient and sustainable organization by driving continuous improvements in governance, compliance, and operational efficiency. Our goal is to foster a culture where transparency and ethical behavior guide every decision, ensuring long-term success.

Regulatory compliance is a fundamental pillar of our operations and essential to maintaining our license to operate. We are dedicated to ensuring adherence to legal and regulatory requirements across all aspects of our operations, including health and safety, financial reporting, and

operational integrity. Our approach is proactive and future-oriented, aiming not only to meet current obligations but also to anticipate and respond to emerging national and global regulatory developments.

At WTCO, our priority is to enable our employees to make sound decisions, whether it is about day-to-day activities or strategic decision-making.

To foster a strong culture of integrity, we are dedicated to continually raising awareness around ethics and compliance. As we look to the future, we will keep building on this foundation, ensuring our people are equipped to navigate both current and emerging challenges with confidence.



**7** of our employees have obtained the certified training in Governance Risk and Compliance.



# Risk Management

GRI 2-25; GRI 403-2

**WTCO is committed to implementing and monitoring the Enterprise Risk Management (ERM) framework accurately and effectively, as it is a pivotal element in supporting the achievement of our strategic objectives.**

Notably, our ERM framework covers a comprehensive list of risks that span all operations of our organization, including an extensive list of environmental and social risks with appropriate mitigation and adaptation measures outlined and responsible people assigned.

To ensure alignment with global best practices, we have fully implemented an enterprise risk management policy and framework aligned with ISO 31000:2018, the international standard for best practices in risk management.

In parallel, we adopted advanced tools to measure risks and implemented proactive measures to mitigate their impact. This included risk classification based on the severity of the impact and the likelihood of occurrence, as well as the development of business continuity plans to ensure the supply and transportation of water and the availability of strategic storage.

Our ERM Framework is

- continuously updated in line with the changes in laws and regulations,
- internal structure,
- strategic changes, as well as changes in the operational processes.

This approach enables us to conduct business with adaptability to

- crisis situations,
- emergencies,
- and other economic and social changes.



## Our Commitment Integrating ERM and ESG Frameworks

As we continue to strengthen and develop our ERM framework, we are also planning to identify and assess WTCO's ESG-related risks to ensure a comprehensive approach to risk management.

At this stage, our risk register includes an initial identification of ESG-related risks, ensuring that we are aware of these critical factors and can incorporate them into our broader risk management approach as we advance this initiative.

# 2

## The Sustainability Journey Begins



Surge Vessel System



# Sustainability Commitment

GRI 2-22; GRI 2-24

At WTCO, we recognize that the Kingdom of Saudi Arabia faces a unique set of water challenges: scarce natural freshwater resources, high per capita water consumption, and rising demand driven by rapid urbanization and industrial growth. In response, the Government has embraced sustainability not just as a guiding principle, but as a national imperative. Anchored in the Saudi Vision 2030, our sustainability approach represents a transformative shift toward integrated water resource management, environmental resilience, and long-term water security.

In this context, WTCO is aligned with the SWA's priorities, working together to optimize water resources and enhance environmental resilience. We actively contribute to the Kingdom's vision for water security by supporting SWA's initiatives, focusing on efficient water management, sustainable practices, and infrastructure development.

## Strategic Alignment with Vision 2030

Our sustainability approach is aligned with several national initiatives under Vision 2030



**The National Water Strategy (NWS 2030),** which aims to ensure water security and sustainability through diversification of sources, regulatory reform, and privatization.



Saudi Green Initiative

**The Saudi Green Initiative (SGI),** which drives the transition toward environmental protection and net-zero emissions, including in the water sector.



الهيئة السعودية للمياه  
Saudi Water Authority

**The Saudi Water Authority,** which drives the sustainability integration specifically in the water sector.



At the heart of our mission is the commitment to ensuring sustainable, equitable, and efficient water transmission across the nation. This commitment is operationalized through the integration of ESG principles into our policies, strategic investments, and day-to-day operations.



### Our Commitment

In the coming year, we are focused on implementing a comprehensive sustainability integration initiative that aligns with our long-term goals. This effort will drive measurable outcomes by incorporating sustainability across our areas of operations and decision-making processes.

Notably, we are also planning on delivering multiple sustainability-focused training for our employees beginning from 2025, to ensure that we embed sustainability culture not only in strategic decisions, but in our day-to-day activities.



### Environmental Stewardship

Integration of environmental initiatives into our broader sustainability efforts to drive long-term impact across our operations.



### Modernized Infrastructure

Investing in the modernization of strategic assets to ensure resilience and sustainability.



### Digital Water Transformation

Leveraging our digital transformation initiatives to increase efficiency of data governance and implement data-driven decision-making.



# Stakeholder Engagement Methodologies

GRI 2-29



Meaningful stakeholder engagement is a cornerstone of our sustainability journey. Recognizing that sustainable water management requires broad-based collaboration, we have developed a multi-layered engagement approach designed to build trust, gather insights, and ensure that diverse voices are integrated into planning and decision-making.

The engagement approach is rooted in transparency, responsiveness, and inclusivity. Stakeholders are identified and prioritized based on their level of influence, dependency, and potential to be affected by our operations. This includes regulatory bodies, end-users, private sector actors, environmental advocates, and vulnerable communities.

We maintain tailored communication channels to ensure that each stakeholder group is engaged in a manner that reflects their needs, expectations, and preferred modes of interaction. We employ a mix of formal and informal mechanisms to keep engagement ongoing and responsive.



Surge Vessel System

 Stakeholder Group	 Engagement Objectives	 Primary Communication Channels
Government and Regulatory Bodies	Regulatory compliance and progress on national goals	<ul style="list-style-type: none"> <li>• Meetings</li> </ul>
Customers	Water quality and safety, continuous access to water	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Meetings</li> </ul>
Employees	Health and safety, professional development	<ul style="list-style-type: none"> <li>• Internal portals</li> <li>• Workshops</li> <li>• Surveys</li> </ul>
Suppliers	Environmental and regulatory compliance	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Meetings</li> <li>• Supplier portal</li> </ul>

Insights gathered through these channels are systematically documented and serve as inputs to strategy formulation, risk analysis, and the materiality assessment process. By embedding stakeholder engagement into operational and strategic cycles, we enhance the legitimacy, inclusiveness, and effectiveness of our sustainability initiatives.

## In the Spotlight

### Innovation-Driven Water Sustainability Conference – Jeddah, November 2024

CEO Dr. Tariq Al-Naeem participated in a panel discussion on smart infrastructure and asset management.

The panel focused on how CEOs are shaping the future of water management across the entire water cycle, including drinking water, wastewater, reuse, and industrial water, by leveraging innovation in infrastructure and asset management.

During his speech, Dr. Al-Naeem highlighted WTCO's strong focus on operational excellence, with scenario-based maintenance programs that not only extend asset life but also ensure efficiency across the water network. Showcasing flagship initiatives, Dr. Al-Naeem pointed to the EMDAD platform, which optimizes water supply across the value chain, and the DAS system, which provides real-time monitoring of pipelines to detect leaks and intrusions.



# Materiality Assessment

## GRI 3-1

To ensure that our sustainability efforts are focused on the most relevant and impactful issues, we have conducted a comprehensive materiality assessment exercise aligned with Vision 2030 and international best practices, including GRI Standards, UN SDGs, SASB, etc.

The materiality assessment was designed as a systematic and evidence-based process, grounded in both internal analysis and external Stakeholder perspectives. The aim of the exercise was to identify and prioritize environmental, social, and governance issues that are most significant to our long-term success and to the well-being of our stakeholders.



Pump station control room

### Our materiality assessment methodology

#### Contextual Review & Benchmarking

The assessment begins with a review of the national regulatory environment, global ESG trends in the water sector, and benchmarking against peer utilities in the region and internationally. This stage ensures that emerging issues, such as climate resilience, digital water innovation, and circular water economy, are factored into the scope of the analysis.



#### Stakeholder Input Integration

Insights gathered through our engagement with internal and external stakeholders are mapped to sustainability themes. This input is critical in validating assumptions and ensuring that the materiality matrix reflects the real concerns and expectations of key constituencies, from regulators and partners to end-users and community members.



#### Prioritization Workshops

Workshops are conducted with senior leadership, technical teams, and external stakeholders to evaluate the potential impact of each topic on WTCO's strategic objectives, operational performance, and long-term risk exposure. Topics are assessed against criteria such as relevance to core operations, likelihood of occurrence, and potential financial or reputational consequences.



#### Validation & Disclosure

Final results are validated by executive leadership. The materiality findings directly inform the structure of our sustainability reporting and guide the development of future initiatives, KPIs, and performance targets.



By institutionalizing this robust methodology, we ensure that our sustainability agenda remains dynamic, relevant, and responsive to a fast-evolving landscape of risks, regulations, and Stakeholder expectations.

The materiality process also serves as a foundation for transparent reporting and accountability, which are the key tenets of responsible water governance in the Kingdom of Saudi Arabia.



Surge Vessel System

## List of material topics in line with UN SDGs, Vision 2030, and SWA ESG Disclosure Guidelines

GRI 3-2

### Environmental Topics



Climate Change Adaptation and Resilience



Biodiversity Protection and Land Use

### Importance to WTCO

Climate resilience is crucial in the face of rising temperatures, which may negatively impact water sources and infrastructure.

We strive to conduct our work in a way that does not only avoids negative impact on biodiversity, but proactively contributes to its preservation and restoration.

### Vision 2030 Alignment

A Thriving Economy

A Thriving Economy

### SWA Alignment

Climate Change and Energy Efficiency

Biodiversity and Land Use



## List of material topics in line with UN SDGs, Vision 2030, and SWA ESG Disclosure Guidelines

GRI 3-2

 <b>Social Topics</b>		
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> <p><b>Employee Attraction and Retention</b></p>	 <p><b>4</b> QUALITY EDUCATION</p> <p><b>Training and Development</b></p>	 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p> <p><b>Occupational Health and Safety</b></p>
Importance to WTCO		
Our employees are the driving force behind our success. We seek to attract the best talent and create an environment where they can thrive and fulfill their potential.	As one of our most crucial investments, the development of our employees is the cornerstone of our performance management system.	The safety of our employees is at the core of our operations. We structure our work and processes in a way that ensures the safety and wellbeing of our employees and contractors.
Vision 2030 Alignment		
A Thriving Economy	A Thriving Economy	A Vibrant Society
SWA Alignment		
Social Contribution and Workforce Empowerment	Awareness and Capacity Building	Occupational Health and Safety





 <b>Social Topics</b>		
 <p><b>6</b> CLEAN WATER AND SANITATION</p> <p><b>Water Quality and Safety</b></p>	 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p> <p><b>Community Engagement and Social Impact</b></p>	 <p><b>10</b> REDUCED INEQUALITIES</p> <p><b>Diversity, Equity, and Inclusion (DEI)</b></p>
Importance to WTCO		
At WTCO we hold the belief that maintaining the quality and safety of water are the unquestionable requirement of our work.	We seek to create long-lasting positive impact on society by contributing to community development through a variety of high-impact social initiatives.	Our goal is to provide equal opportunities for all our employees, regardless of their age, gender, or physical abilities. We strive to ensure that at WTCO, all people have equal access to opportunities, prosperity.
Vision 2030 Alignment		
A Vibrant Society	A Vibrant Society	A Vibrant Society
SWA Alignment		
Equitable access to clean water	Social Contribution and Workforce Empowerment	Social Contribution and Workforce Empowerment



## List of material topics in line with UN SDGs, Vision 2030, and SWA ESG Disclosure Guidelines

GRI 3-2

 <b>Governance Topics</b>		
 <p><b>Economic Performance &amp; Value Creation</b></p>	 <p><b>Corporate Governance and Ethics</b></p>	 <p><b>Water Access and Affordability</b></p>
Importance to WTCO		
<p>We seek to create value for the society in which we operate not only through environmental preservation and CSR activities, but also contribution to the economy of the Kingdom of Saudi Arabia.</p>	<p>We hold ourselves to the highest standards of personal and professional conduct to ensure that our decisions, regardless of scale or impact, are always made based on integrity and ethics.</p>	<p>Ensuring access to water and affordability is the heartbeat of our mission as a company.</p>
Vision 2030 Alignment		
A Thriving Economy	An Ambitious Nation	A Vibrant Society
SWA Alignment		
Research, Innovation, and Development	Corporate Governance and Risk Management	Research, Innovation, and Development

 <b>Governance Topics</b>		
 <p><b>Sustainable Procurement</b></p>	 <p><b>Innovation and Digital Transformation</b></p>	 <p><b>Data Privacy and Cybersecurity</b></p>
Importance to WTCO		
<p>We recognize that our impact does not end at our direct operations – it covers our supply chain. With this in mind, we continuously make efforts to enhance the sustainability of our procurement processes.</p>	<p>In the digital age, we recognize the importance of staying on top of the global innovative trends, ensuring that we stay at the forefront of the global market.</p>	<p>We take the privacy of our employees, customers, and suppliers as our priority, ensuring that we maintain their trust and wellbeing.</p>
Vision 2030 Alignment		
A Thriving Economy	An Ambitious Nation	An Ambitious Nation
SWA Alignment		
Sustainable Procurement	Research, Innovation, and Development	Corporate Governance and Risk Management



# Pioneering Operational Excellence



Water Pipeline Project under Construction



# Operational Excellence & Economic Resilience



WTCO places operational excellence at the core of our corporate strategy, prioritizing the delivery of safe, reliable, and high-performing operations that generate sustainable, long-term value for all stakeholders. The Company consistently works to improve the reliability of our operations and mitigate operational risks through strong and accountable resource management practices.

Our performance is further strengthened by a resilient, ethical, and

locally empowered supply chain that supports both business continuity and community engagement. Innovation and digitalization are key enablers, allowing WTCO to improve efficiency, enhance sustainability, and remain agile in a rapidly changing market and environmental landscape.

Complementing these efforts, the Company upholds a robust health and safety culture, ensuring the protection and well-being of all personnel across our operations.

## Transmission Reliability

In 2024, we made significant strides in enhancing the performance and reliability of our transmission systems. Our focus remained firmly on delivering water efficiently, safely, and consistently across all operational sites. By investing in robust infrastructure, optimizing system operations, and closely monitoring key performance indicators, we ensured that our transmission networks met, and in many cases exceeded, planned targets.

### Operational Indicators





At WTCO, we continue to demonstrate remarkable progress in enhancing the water infrastructure and service delivery across key areas. We currently operate **10** major water transmission system projects, spanning **+300 km** of pipelines and incorporating **24 reservoirs**, with a total storage capacity exceeding **3.5 million m<sup>3</sup>**. Reflecting our strong commitment to reliable water supply, we surpassed our **2024** delivery targets, providing **+83 million m<sup>3</sup>** planned, reaching an impressive **103%** of the annual supply goal.



A key element of our success lies in the management of seven critical water transmission lines. These lines play a central role in the efficient distribution of water across the network, ensuring that water reaches the right places at the right time. To optimize our operations, all transmission lines have been integrated into a Geographic Information System (GIS), developed in close collaboration with governmental agencies. This integration not only ensures the uninterrupted flow of water but also helps secure the necessary permits for right-of-way access and streamline our operations via the Nasseq platform, a coordination tool that facilitates smooth collaboration across all parties. This targeted approach to transmission line management is essential in maintaining the highest standards of service and reliability for our customers.

A zero leakage status was achieved across all supply lines, with no leaks recorded within the water transmission systems. This reflects operational efficiency, the effectiveness of monitoring and maintenance activities, and the reliability of the infrastructure.

In tandem with these operational achievements, we also advanced our future pipeline, completing the design of over **+19 water transmission** and strategic storage projects, while launching supervision activities carried out by in-house teams on the implementation of **+14 additional projects**. These efforts collectively reflect a proactive and integrated approach to securing sustainable, high-capacity water transmission solutions.



### In the Spotlight

#### WTCO, represented by the Operations and Maintenance sector takes the stage at SPICONX – December 2024

As part of our dynamic presence at SPICONX, Storage & Pipeline International Conference & Exhibition, Eng. Ahmed Al-Zahrani took the stage with an engaging presentation that highlighted our company's most notable milestones and unveiled bold, forward-looking plans to revolutionize water transmission systems and scale up strategic storage infrastructure, setting the stage for a more resilient and sustainable future.

With a project portfolio worth **+29 billion**, we are working to implement **38 projects** distributed across **5 geographical** sectors in the Kingdom of Saudi Arabia. Upon completion of these projects, the length of the transportation systems will increase by **+2,000 km**, increasing the daily pumping rate by **6.4 million m<sup>3</sup>**, while raising the design capacity of the strategic storage by **16 million m<sup>3</sup>**.

**Eng. Ahmed Al-Zahrani**

Executive Director of Project Implementation Management

## Economic Performance

### GRI 203-1; GRI 203-2

Our goal goes beyond simple growth as we are focused on maximizing the shared value we create for our stakeholders now and in the future. We are fully committed to improving and strengthening our operations while aligning our economic efforts with a proactive approach to environmental, social, and governance sustainability.

WTCO's effective leadership and the strategic execution of our robust governance framework have been central to our ongoing success. This combination has empowered us to overcome challenges and capitalize on emerging opportunities in a constantly evolving business landscape.

This year, we achieved several key economic milestones that reflect our commitment to operational efficiency and cost optimization. By expanding the coverage of business support agreements for maintenance activities, we successfully reduced maintenance costs by approximately **35%**, equivalent to **SAR 100 million**, through the implementation of over **+151 services** across approximately **45 operational projects**.

In parallel, we leveraged advanced technologies, including robotic tank inspections which contributed to increasing the speed of completion, and the accuracy of diagnosis. We also implemented a practical and economical technology: 3D printing for spare parts, which further reduced costs and minimized downtime.

As part of our operations, we support the relevant governmental bodies by designing, supervising, and implementing critical infrastructure projects with the purpose of ensuring access to water across the Kingdom of Saudi Arabia.

As we continue to evolve, we remain fully dedicated to enhancing our business operations and looking for new opportunities to drive further efficiency, innovation, and value for all our stakeholders.





# Responsible Procurement

## GRI 204-1

We fully recognize the vital role our suppliers play in driving our success, and we are deeply committed to fostering a sustainable and resilient supply chain that aligns with our core values and long-term vision. Our approach contributes to sustainability, as we are actively working to integrate sustainable procurement practices more deeply into our operations as we continue to evolve.

At WTCO, we are committed to maintaining the highest levels of integrity, transparency, and accountability in all our supplier relationships, guided by the Supply Chain Management Policy which is implemented through our Supply Management Department. The aforementioned policy aims to document and clarify processes related to purchasing, tendering, bidding procedures, and the management of supplier relationships and contracts, in accordance with approved regulations.

**87**

framework agreements signed across the Company's sectors.

**63**

contracts signed with a total value exceeding **SAR 900 million**

**+1,300**

purchase orders issued in 2024.

**SAR +117 million**

financial savings for the Supply Management Department.

**33%**

increase in the number of registered suppliers in the database compared to 2023, driven by WTCO's new policy requiring all services to go through a formal PO cycle, expanding the supplier base and creating more tender opportunities.



Several processes automated to speed up procedures and streamline operations.



### Our Commitment

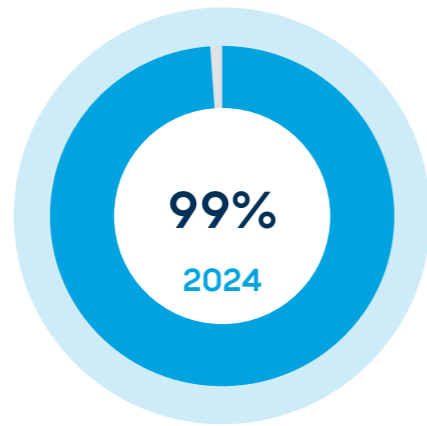
In 2024, WTCO set commitments to achieve savings of approximately **SAR 117 million** and increase supplier diversity by **33%**. We are proud to report that we successfully achieved our savings target, and exceeded our supplier diversity goal, focusing on expanding our network of diverse vendors, sub-contractors, and promoting localization within our supply chain.



## Local Sourcing

WTCO's commitment to fostering a sustainable and responsible supply chain is further reinforced through our approach to sourcing suppliers. We prioritize local procurement and contracting opportunities for businesses within the Kingdom. Notably, this approach is evident in our spending patterns, with **99%** of our procurement budget in **2024** directed toward local suppliers, continuing the trend of **98%** in both **2022** and **2023**.

Percentage of spending on local suppliers (GRI 204-1)



## Supplier Relationships

At the heart of our supply chain management lies a strong commitment to building trusted, long-term relationships with our suppliers. As a result, we maintain a comprehensive Supplier Code of Conduct that outlines the legal and ethical standards suppliers are expected to follow while fulfilling their responsibilities and obligations to WTCO.

We comply with and follow the government tender and procurement system set by the Ministry of Finance, as well as its internal policies and regulations. Additionally, we conducted site visits for suppliers, organized

workshops for end users, and attended conferences to improve industry knowledge and collaboration.

Our expectations are clearly defined in our service agreements and the terms and conditions governing our business relationship with each contractor. In case of procurement issues, we follow a structured escalation process: a first warning outlines concerns and corrective actions, followed by a second warning with a resolution timeline. If unresolved, the contract is terminated to avoid further negative impacts.

### In the Spotlight Emdad Platform

WTCO utilizes the Emdad Platform, which is a fully automated system designed to enhance supply and demand management for WTCO. This platform streamlines the entire process by efficiently connecting suppliers and service providers to meet business needs in a timely and cost-effective manner. By automating key processes, it helps optimize the procurement cycle, improve inventory management, and ensure a smoother, more responsive supply chain. The Emdad Platform aims to reduce operational delays, enhance service delivery, and provide better oversight and control over supply and demand activities. The platform supports the country's Vision 2030 by enhancing operational efficiency and integrating data across various stakeholders.



## Supply Chain Automation

In 2024, WTCO made significant strides in streamlining our procurement and supply chain processes through comprehensive automation. These efforts led to enhanced operational efficiency, cost savings, and a stronger commitment to sustainability and supplier relationships.

### Key Supply Chain Initiatives

#### SAP Ariba for Tender Management

WTCO reduced the time required to tender materials by 70% through the implementation of SAP Ariba. This platform enabled the quantitative completion of tender data, eliminating the time-consuming process of handling individual tenders. As a result, the entire tender process became faster, more accurate, and less resource-intensive.

#### Fully Automated Business Support Agreement

To improve operational efficiency, WTCO fully automated a Business Support Agreement with partner companies, covering activities that WTCO cannot directly manage. This includes the integration of **45,000 purchase orders** (POs) into SAP, which:

- Simplifies the ordering process
- Reduces service provision time
- Minimizes disruptions caused by maintenance

This automation enhanced the overall procurement workflow, allowing WTCO to better manage its supply chain with minimal delays.

#### “Sign” Platform for Streamlined Contract Approvals

The activation of the “Sign” platform for authorized contract approvals further streamlined WTCO’s procurement operations, reducing the manual effort involved in contract management and speeding up the approval process.

#### Ariba Commerce for Automated Invoicing and Payment Approvals

WTCO took our automation efforts a step further by integrating Ariba Commerce, a cloud-based platform, to automate the invoicing process.

- Purchase orders, invoices, and payment approvals are seamlessly connected, reducing errors and ensuring compliance.
- Suppliers can now track their purchase orders in real time, which enhances transparency, improves cash flow management, and strengthens supplier relationships through timely payments.

The automation of invoicing also resulted in cost savings, contributing to environmental goals by reducing paper usage and manual processes.

WTCO also made significant upgrades to its material data and specifications. Over **+40,000 items** had their data updated to reflect current standards, while the specifications for manufactured materials were enhanced by over **65%**. These improvements ensured that all materials met high-quality standards, further optimizing the procurement process and maintaining the integrity of WTCO’s supply chain.



Strategic Storage Tank



# Innovation Advancement

Innovation and technology are central to our ESG performance, guiding us as we adopt advanced technologies to boost efficiency, streamline operations, and deliver sustainable outcomes. We understand how digital transformation can significantly improve customer experience and drive a

culture of ongoing improvement. Through investments in research-based solutions and partnerships with industry leaders, we are reinforcing our obligation to the Kingdom of Saudi Arabia's goals, building a future driven by innovation, technology, and long-term economic sustainability.

In line with this approach, we implemented over **+20 targeted initiatives** that significantly advanced our digital transformation and elevated the quality of our corporate services. Building on this momentum, we developed smart dashboards designed to track **+60 projects** in real time, covering performance, costs, risks, and timelines, to ensure each project is executed with precision and efficiency. To strengthen strategic decision-making, we also created an integrated

electronic database, making it easier for senior leadership to access up-to-date project information quickly and reliably. Complementing these efforts, we launched a transport fleet management platform that fully automates the management of all company vehicles, further enhancing our operational agility and control. Collectively, these initiatives demonstrate our dedication to driving efficiency through smart, connected solutions.

## In the Spotlight Robotic Systems for Tank Inspections

We have kicked-off the use of robotic systems for tank inspections combined with 3D printing technology for manufacturing spare parts, which has significantly reduced costs and minimized operational downtime.

## Digital Innovation

Digital transformation is a fundamental pillar of our sustainability and continuity, driving the achievement of strategic objectives, improving operational efficiency, and strengthening competitiveness through the adoption of modern technologies. This transformation also seeks to automate processes, enhance cybersecurity to ensure data protection and business continuity, and support decision-making through reliable digital solutions.

## In the Spotlight SAP Success Factors & People Analytics Awards

In this context, WTCO received an award from SAP, being recognized as a leader in implementing SAP Success Factors and commended for its excellence in applying best practices. We were also honored with the People Analytics award, highlighting our commitment to innovation and operational excellence.

Building on our digital transformation initiatives, we are equally committed to maintaining world-class cybersecurity practices to protect our operations, data, and stakeholders. As digital threats continue to evolve, we proactively invest in advanced technologies, robust protocols, and employee awareness to ensure the highest levels of protection. Our approach to cybersecurity is not just a compliance requirement, it is a strategic priority embedded in our culture of operational excellence and trust.

Taif Tunnel

# Commitment to Safety

GRI 403-1; GRI 403-2; GRI 403-3; GRI 403-6

At WTCO, safety is an important focus across our operations. Our safety governance begins with the Board of Directors. As a reflection of this commitment, the Board of Directors has assigned safety-related target as their annual Key Performance Indicator. The target has been consistently achieved on a yearly basis.

While WTCO is responsible for safety within our organizational framework, with the majority of our employees based at our headquarters, onsite operations are managed by Saudi Water Authority (SWA) employees, who take full responsibility for implementing and overseeing safety protocols at the operational sites. As part of our collaborative approach, WTCO relies on SWA to ensure that all onsite safety standards are met and that comprehensive training is provided to all personnel. This allows us to focus on fostering a broader safety culture and managing risks within areas under our direct control.

In close partnership with SWA, we have supported the training of approximately 500 employees from the Operations and

Maintenance sector, covering routine safety system tests, operational procedures, and joint safety assumptions. This collaborative effort has also led to the certification of several employees in first aid, facilitated through our partnership with the Saudi Red Crescent Authority.

We support SWA's efforts by maintaining a robust safety culture within WTCO, focused on continuous improvement, emergency preparedness, and protecting both people and assets across our operations. As such, we are currently focused on enhancing and developing comprehensive health and safety-related policies that reflect the latest industry standards and address emerging risks. These policies will drive continuous improvement in our operations, setting the stage for a future of even safer and more resilient practices.

Through this clear division of responsibility, we ensure that safety remains a priority at WTCO, while allowing our teams to operate with confidence and clarity in their respective roles. Our dedication to operational excellence and safety continues to drive our long-term success and sustainability.



## In the Spotlight

### WTCO Celebrates World Day for Safety and Health at Work with Hands-On First Aid Training for Employees

To demonstrate our commitment to workplace safety, WTCO marked World Day for Safety and Health at Work by hosting a first aid training course for employees. The session was not just educational, it was empowering as staff members learned life-saving skills that could make all the difference in an emergency situation. This initiative reflects our ongoing dedication to fostering a proactive safety culture and ensuring every team member is equipped to act confidently and effectively in critical situations.

# 4

## Environmental Performance and Impact



Strategic Storage Tank

# Commitment to Environmental Responsibility

GRI 302-3; GRI 303-1; GRI 306-2; GRI 303-5

We remain steadfast in our commitment to environmental stewardship, aligning our operational priorities with the Saudi Water Authority, national sustainability strategies – such as Saudi Green Initiative, Energy Strategy, Water Management Strategy – and global sustainability-related frameworks, such as the United Nations Sustainability Development Goals (UN SDGs) and the GRI Sustainability Reporting Standards. Through our activities in water transmission and storage, we actively support energy efficiency, resource conservation, and ecosystem restoration.

WTCO's environmental performance is shaped by an integrated approach that balances operational efficiency and corporate responsibility. In 2024, we made steady progress in improving our environmental outcomes and meeting regulatory expectations, supporting our ongoing efforts to contribute to more sustainable water infrastructure.



Surge Vessel System



## GRI 302-3

### Electricity consumption rate

We successfully achieved the 2027 regulatory target for energy consumption rate three years before the target date.



## GRI 303-1

### Water Access

Our amount of transmitted water has increased by **14%** from **2.3 billion to 2.6 billion m<sup>3</sup>** in line with our commitment to expand access to water services across the Kingdom of Saudi Arabia.



## GRI 303-1

### Water Conservation

We have successfully recorded a zero water leakage rate, representing a key milestone in our pursuit of complete water loss prevention.



## GRI 306-2

### Waste Management

We are planning on expanding our responsible waste management program, including equipping all offices with recycling bins.





# Achievements in 2024

Aiming at achieving our environmental aspirations, we remained focused on enhancing our operational frameworks and aligning with sector priorities during this year. Notably, we reviewed and improved six Water Transfer Services Agreements (TSAs) under the supervision of the Ministry of Environment, Water and Agriculture. These improvements enhanced operational compatibility, ensured efficient performance, and contributed to resource conservation. The integration of environmental considerations into contract design reflects our belief that sustainability is not limited to operational practices but extends into governance and commercial frameworks.





# Energy Efficiency

GRI 302-3; GRI 302-4

As a leading water transmission company operating within energy-intensive systems, we recognize the importance of reducing our energy footprint while maintaining reliable service delivery. As such, we are dedicated to continuously explore new opportunities to improve energy efficiency through targeted initiatives and technology upgrades.



## Our Commitment

Furthermore, we are preparing to undertake preliminary efforts to deepen our understanding of greenhouse gas (GHG) emissions as part of our broader sustainability commitment. These foundational activities will guide the development of future strategies, enabling us to respond effectively to evolving environmental priorities.

This approach remains aligned with the Kingdom's vision and the evolving direction of the water sector under the Saudi Water Authority, reinforcing our role in supporting national and sectoral sustainability ambitions.

The Water Transmission Company implements a range of initiatives aimed at enhancing performance levels under various operating conditions, as part of its ongoing advancement in energy management. In this context, the Company has adopted an initiative to improve energy management efficiency and reduce electrical loads, in collaboration with relevant stakeholders.

The Company will also seek to contribute to the implementation of proactive operational practices for managing electrical loads. These include monitoring consumption patterns and applying structured measures to reduce and shift loads, while ensuring business continuity and the reliability of water transmission systems.

These efforts will support the stability of the electrical grid and strengthen energy security at the national level.

In alignment with our efforts to comply with regulatory requirements, we are currently working on implementing a power factor optimization project, which includes the testing and commissioning of Capacitor Banks in all transmission systems. The project was introduced to improve the Power Factor of electrical networks supporting large scale pumping stations and transmission operations. By improving system reliability across Shoaiba Water Transmission Systems facilities, the project will significantly reduce operational costs and lower electricity consumption, in line with our sustainability vision.

Surge Vessel System



WTCO's effective energy management efforts resulted in an energy consumption rate of

**0.33 kWh/m<sup>3</sup>/100 m in 2024,**

This enabled the Company to achieve the water regulator's **2030** target of **0.33 kWh/m<sup>3</sup>/100m**, demonstrating the Company's proactive role in strengthening sector standards and driving continuous advancement.



# Water Quality and Accessibility

Ensuring continuous access to safe, high-quality water is at the core of WTCO's operational mandate. Our comprehensive business continuity and risk management frameworks are meticulously designed to safeguard water transmission services against a wide range of potential disruptions, including equipment failures, natural hazards, and supply chain interruptions. Through proactive

monitoring, rapid response protocols, and infrastructure resilience measures, we strive to guarantee uninterrupted water delivery to our customers.

This strong commitment to operational resilience protects public health, supports community well-being, while also reinforcing the trust and confidence placed in us by stakeholders.

## In the Spotlight Peak Season Water Supply Management

During critical periods such as Hajj and Ramadan, WTCO goes above and beyond to ensure uninterrupted water supply, with a commitment to **120%-125%** availability of water at pumping stations. This is supported by standby pumps ready for immediate activation. Additionally, our water tanks are maintained at **98%** capacity and strategically connected to urban areas to manage fluctuations in demand, preventing overflow and ensuring a balanced distribution. As soon as the Hajj season concludes, preparations for the next season are already underway. Within just two weeks, we begin planning for the upcoming Hajj in Sheib, Rabigh, and Yanbu, carefully assessing expected visitor numbers and administrative needs to ensure smooth, reliable service throughout the season.

WTCO's steadfast commitment to reliable water access is matched by our rigorous focus on water quality. Ensuring that the water we transmit meets the highest standards is a top priority for us. To uphold this commitment, we regularly conduct sample tests at our facilities in accordance with the relevant legislation and standards. In 2024 alone, we conducted over **+129,000 tests** across all facilities. As a result, our standards compliance rate is consistently **+90%**, with an average of **95%** across all seven facilities.

		Breakdown by type		
		Total water supplied	Freshwater	Other
Unit	2023	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>
	2023	2,619,075,589	2,395,309,315	223,766,274
	2024	2,771,650,070	2,634,896,374	136,753,696

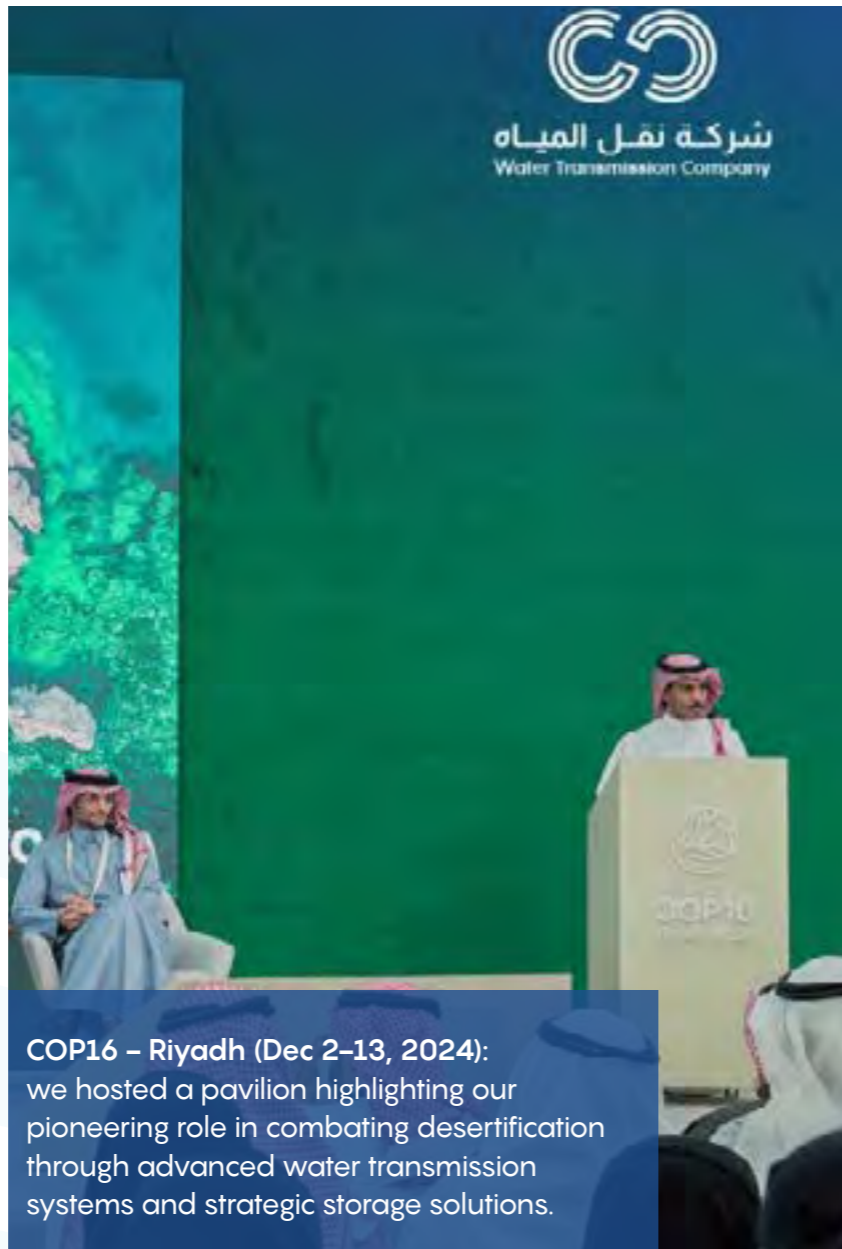




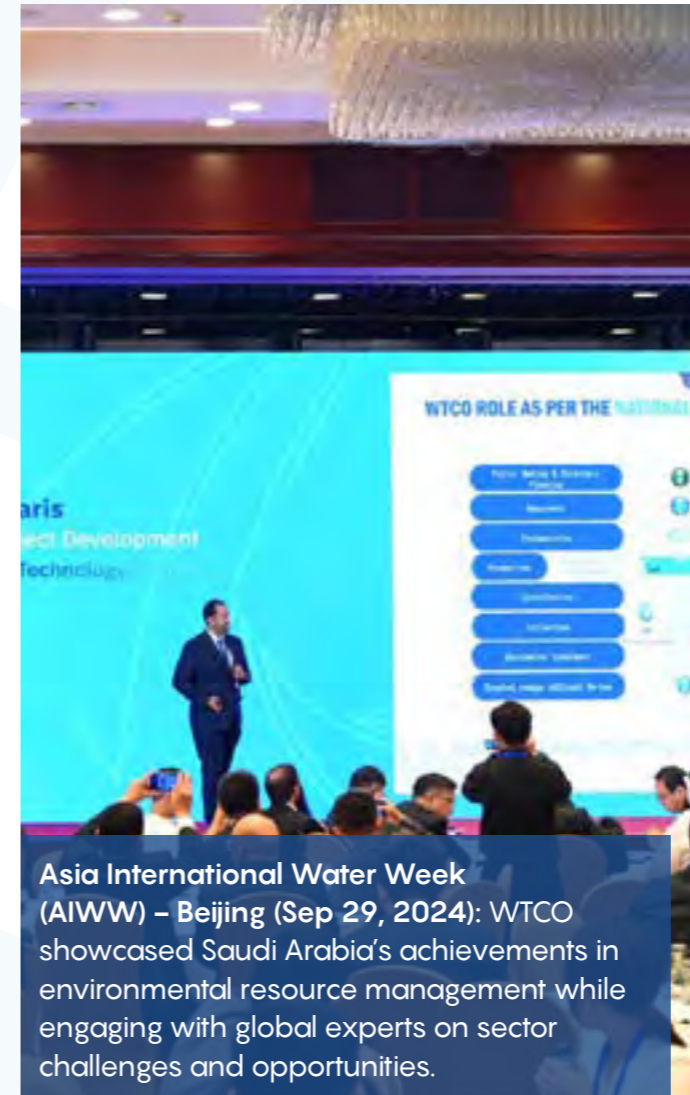
# Participation in Global and National Forums

GRI 413-1

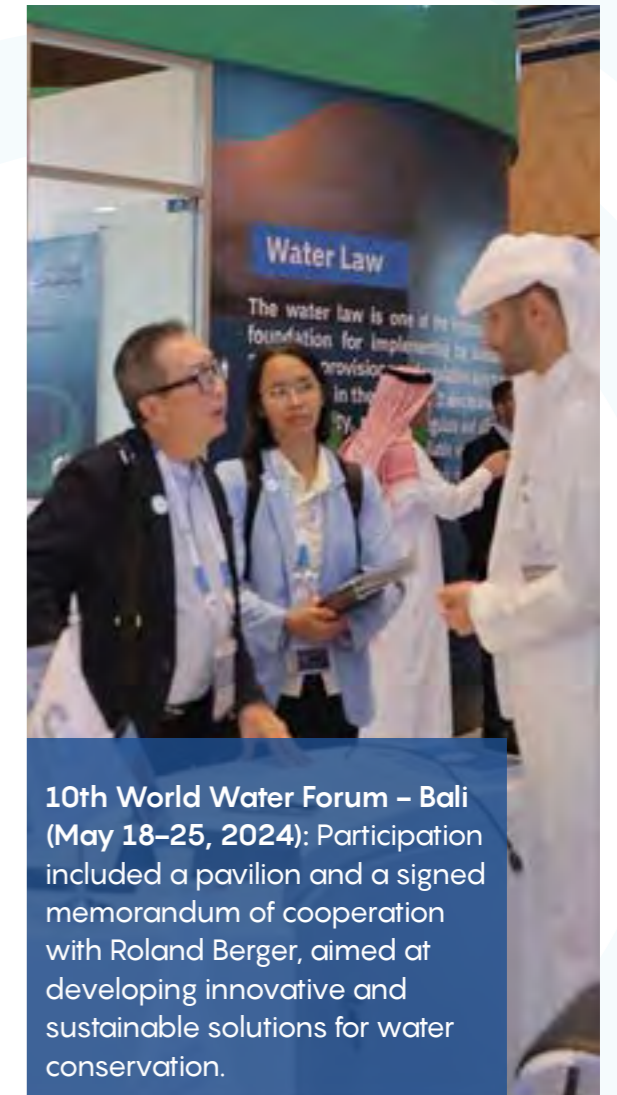
Active engagement in international and regional forums underscores WTCO's role as a thought leader in sustainable water management. In 2024, we shared our expertise and achievements at high-level conferences, fostering dialogue and partnerships that advance the global sustainability agenda.



**COP16 – Riyadh (Dec 2–13, 2024):** we hosted a pavilion highlighting our pioneering role in combating desertification through advanced water transmission systems and strategic storage solutions.



**Asia International Water Week (AIWW) – Beijing (Sep 29, 2024):** WTCO showcased Saudi Arabia's achievements in environmental resource management while engaging with global experts on sector challenges and opportunities.



**10th World Water Forum – Bali (May 18–25, 2024):** Participation included a pavilion and a signed memorandum of cooperation with Roland Berger, aimed at developing innovative and sustainable solutions for water conservation.



**Global Water Summit – London (Apr 15–17, 2024):** Company representatives contributed to panel discussions on strategic water transport and showcased initiatives for international cooperation.

# 5

## Commitment to Our People



# Commitment to People and Culture

GRI 2-7; GRI 2-8

Our long-term success depends on the strength, resilience, and motivation of our people. Recognizing that employees are the driving force behind every achievement, the Company has placed human development at the center of our sustainability vision. We view the Human Capital Department not only as a functional area to be managed but also as a critical dimension of social responsibility and key enabler of sustainable growth.

We are committed to cultivating a workplace culture rooted in fairness, respect, and professional excellence. By prioritizing the well-being of our employees and their families, we ensure that staff can bring their best selves to work each day. This culture is built upon three key principles: providing equal opportunities for growth, ensuring comprehensive support through benefits and allowances, and embedding ethical conduct in all workplace interactions.

In 2024, a total of **1660 people worked** for WTCO, of which **327 are direct hires**, while the remaining are in the process of transferring to WTCO as employees in the framework of our ongoing Transformation Program.

Through these efforts, we aim to build a workforce that is not only technically capable but also aligned with the organization's values, demonstrating integrity and accountability in every action. In this way, we ensure that our people strategy directly supports broader CSR goals of contributing to social stability, empowering communities, and upholding the highest ethical standards.





# Onboarding and Orientation

GRI 202-2; GRI 401-1; GRI 401-3; GRI 405-1

The first interaction an employee has with our organization is through the structured onboarding and orientation program. The Human Capital Department has developed a comprehensive program that introduces every new hire to the organization’s structure, operating model, and applicable workplace policies.

The program is designed to go beyond basic administrative orientation. It fosters a deeper understanding of our strategic objectives, corporate values, and the role of the employee in achieving shared success. New employees are introduced to our corporate

values and strategy, including our dedication to responsible governance, workplace safety, and environmental stewardship.

By embedding ethics and sustainability principles into the induction process, we ensure that every new employee is equipped with practical knowledge of systems and processes while also developing a sense of responsibility toward maintaining high standards of behavior. This approach strengthens the organization’s culture from the very first day of employment and lays the groundwork for long-term engagement and retention.



## GRI 401-1: Total Turnover and New Hires – Direct employees

	Total number of full-time employees	Total turnover for full-time employees	Total number of newly hired full-time employees	Full-time employee turnover rate
2023	227	28	111	16%
2024	327	38	100	14.6%



### Our Commitment








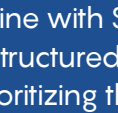

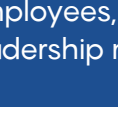


WTCO adheres to a strict merit-based employment framework, ensuring that recruitment, promotions, and career advancements are based solely on skills, qualifications, and performance. We prioritize internal promotions by offering job opportunities to existing employees before external candidates.



## Saudization

At WTCO, we actively implement a Saudization plan according to the localization standards, prioritizing employment opportunities for Saudi nationals, contributing to local economic growth and reducing unemployment. As a result, we are proud to have recorded a Saudization rate of **94%** in 2024.

### GRI 405-1 Diversity of governance bodies and employees

	Senior management	Middle management	Staff
2023	 12%	 26%	 58%
	 0%	 2%	 2%
2024	 9%	 17%	 68%
	 1%	 2%	 4%



### Our Commitment

In line with Saudi Vision 2030, we have a structured workforce localization plan, prioritizing the employment and training of Saudi talent. We provide structured training programs to enhance the skills and career prospects of national employees, preparing them for leadership roles.



Local Control Panel for the Main Pump

## Employee Benefits

Our reward system is designed to acknowledge the diverse circumstances under which employees work, ensuring fairness and equity across all roles and locations. The comprehensive suite of allowances is structured to address the needs of employees in various work environments, ranging from metropolitan offices to remote and challenging assignments.

Employees are entitled to allowances such as housing, transportation, assignment, relocation, and shifting allowances, which support mobility and family stability. For those working in demanding or geographically isolated conditions, specialized allowances such as work hardship, remote area, mountain area, and industrial security allowances provide financial recognition for the challenges involved.

In addition, employees receive education and childcare allowances, reflecting our commitment to supporting families and fostering the next generation. Comprehensive health insurance ensures that employees and their dependents have access to quality healthcare services. This holistic benefits framework is central to our sustainability philosophy. It demonstrates a commitment to employee welfare that goes beyond compliance with labor regulations. By addressing not only financial security but also education, childcare, and health needs, we support social sustainability in the communities where employees live and work. These measures reinforce the organization's reputation as an employer of choice, helping to attract and retain top talent.

### WTCO's benefits coverage



Housing



Transportation



Relocation



Parental Flexibility



Education Support



Family Insurance



Recognizing the importance of family commitments, we offer flexible arrangements for parents on the first day of school so they can accompany their children on this important occasion. Employees are encouraged to attend this milestone without concern for their work responsibilities, reinforcing a culture that values both professional dedication and family well-being. Furthermore, in line with best practices for work-life balance, we provide an extended maternity benefit whereby mothers returning from leave are entitled to leave work two hours earlier each day for a period of two years. This policy ensures that new mothers have the time and flexibility needed to balance professional responsibilities with early childcare, supporting both the physical and emotional health of families. Further to our family support, we offer insurance for the parents of our employees, recognizing the value of family ties and the support for the elderly in our communities.

**2024**  
**Key Compensations and Benefits**



**Our Commitment**

We follow a clear and structured compensation framework, ensuring that all employees receive fair wages and benefits without discrimination.

We provide flexible work arrangements, including remote work options, to accommodate the diverse needs of employees and support an inclusive work environment. Employees receive equal access to healthcare benefits, wellness programs, and support services to enhance their well-being and productivity.

**Employee Recognition**

To celebrate excellence and dedication, we introduced a formal Recognition Program in 2024. At the end of each year, top-performing employees are honored during a dedicated event that brings together staff and leadership in an atmosphere of celebration and appreciation. This initiative not only motivates employees to strive for excellence but also strengthens a culture of recognition and belonging across the organization.

Alongside the annual recognition event, we also run an Employee of the Month program. This ongoing initiative highlights and rewards individuals who demonstrate outstanding performance, innovation, or commitment in their daily work. By recognizing achievements on a monthly basis, we ensure that employee contributions are regularly acknowledged and

morale is consistently reinforced throughout the year.

In 2024, we have implemented various recognition programs to acknowledge the hard work and achievements of our employees. On a monthly basis, numerous employees were recognized as Employee of the Month for their outstanding contributions. Each quarter, employees who demonstrated commitment to personal growth and learning were celebrated through the "I'm Learning" initiative. On an immediate basis, we showed appreciation with Thank You Cards for those who went above and beyond. Additionally, a large number of employees received Congratulations for their exceptional performance and accomplishments throughout the year.





# Training and Development

GRI 404-1; GRI 404-2

At WTCO, we adopt a structured approach to identifying and addressing training needs across all business units.



Unplanned training requests are also considered under specific circumstances, such as changes in corporate strategy, the introduction of new technologies, or emerging compliance requirements. This ensures that the training framework remains flexible and responsive to evolving business conditions, while also staying within budgetary and operational constraints.

## Systemic Needs Assessment

### Administrative and Technical Training

Administrative training focuses on enhancing managerial and operational competencies, ensuring that employees possess the skills required for efficient and ethical decision-making. Technical training is structured in accordance with the Operator and Technician Training Manual, ensuring that technical staff remain aligned with international standards of operational excellence and safety.

These programs are not viewed as isolated interventions but as integral components of our human capital strategy. By linking training directly to performance appraisals and competency assessments, we ensure that employee development contributes directly

to business outcomes, including efficiency, innovation, and resilience.

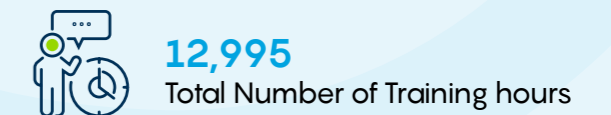
Notably, in 2024, we made significant strides in our training initiatives. A total of **332** participants engaged in **12,995** training hours, demonstrating our dedication to equipping employees with the skills necessary to thrive in an increasingly complex world. Of these participants, **279** were male employees, contributing **11,109** hours, while **53** female employees accounted for **1,886** hours of training. This balanced participation underscores our commitment to gender diversity and inclusion, ensuring that both male and female employees have equal opportunities to grow and succeed.

### 2023



	<b>119</b> Males	<b>5,164</b> Hours
	<b>23</b> Females	<b>735</b> Hours

### 2024



	<b>279</b> Males	<b>11,109</b> Hours
	<b>53</b> Females	<b>1,886</b> Hours



## Specialized Training and Certifications

Employees are also encouraged to pursue professional certifications and advanced training programs that enhance their technical and professional credibility. The Training and Development Department plays an active role in aligning these programs with our technical requirements, while line managers support employees by identifying relevant certifications during appraisal cycles.

Participation in such programs is facilitated through the learning management system, which allows employees to track progress, manage enrollment, and align individual development plans with organizational goals. This approach ensures that every investment in training yields measurable improvements in performance, enhances employee motivation, and strengthens the overall knowledge base of the organization.



### Our Commitment

Our leadership and mentorship programs are designed to empower female employees and equip them with the necessary skills to advance their careers.



Shoiba Central Control Room

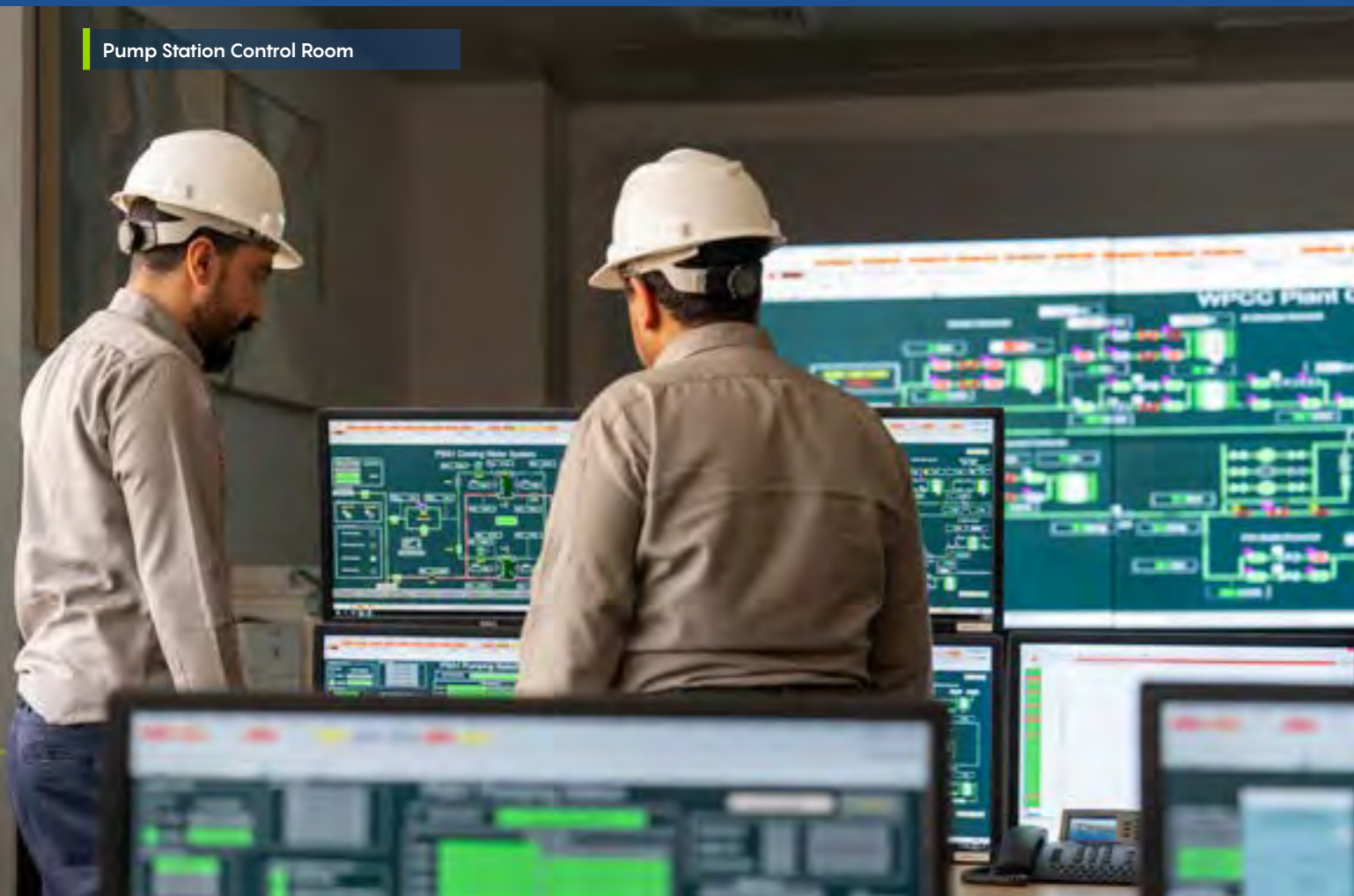


# Corporate Social Responsibility

GRI 405-1; GRI 413-1

Our commitment to corporate social responsibility extends beyond compliance with workplace standards. Our CSR approach is driven by our commitment to four strategic directions

Pump Station Control Room



Through these measures, we demonstrate that our responsibility extends to employees, the environment, and the communities we serve.



### Female Empowerment

We empower our female employees to take management positions by investing into their professional and leadership training.



### Water Accessibility

We seek to enhance access to water across the country by expanding and optimizing operations.



### Youth Support

We support our communities by investing our resources in the development of youth and youth employment.



### Contribution to the National Agenda

We strive to play our part in the achievement of the ambitious goals of the Kingdom of Saudi Arabia.



## Female Empowerment

WTCO operates within the industrial and O&M sectors, which traditionally involve physically demanding roles that are predominantly male-dominated. However, recognizing our responsibility in ensuring that women are given equal opportunities to thrive, we seek to bridge the gender gap by actively ensuring greater female inclusion by integrating women into functions that align with their skills and suitability within the organization.

## Youth Support

We actively support youth employment through dedicated training and apprenticeship opportunities, such as participation in Tamheer program. These initiatives give young professionals valuable on-the-job experience, mentorship, and skill development to prepare them for sustainable careers. By investing in youth, we contribute to building a skilled national workforce while also cultivating a pipeline of future talent for our own operations.

### GRI 405-1 Diversity of governance bodies and employees

		Senior management	Middle management	Staff
2023		0%	1.32%	11.01%
		12.34%	26.43%	48.90%
2024		0.61%	0.92%	10.70%
		8.87%	17.74%	61.16%





# Future Outlook





# Future Outlook

As demand for water continues to rise amid the challenges of climate change, population growth, and resource scarcity, we remain committed to advancing sustainable water management and operational resilience. Our future strategy aims to enhance the reliability and sustainability of water transmission through innovation and alignment with international sustainability standards.

We aim to integrate sustainability principles across all aspects of our operations. Our ongoing initiatives prioritize establishment of an ESG strategy, enhancing stakeholder engagement, and promoting capacity building within the sector, all in alignment with the national sustainability agenda.

Looking ahead, we will continue to refine our sustainability governance, embedding it into strategic decision-making, and exploring further integration opportunities to support the transition toward a sustainable water sector. Through continuous improvement and collaboration with our stakeholders, we strive to contribute our efforts to the creation of long-term and sustainable value for the Kingdom of Saudi Arabia.

Strategic Storage Tank



# Appendix: GRI Content Index



Surge Vessel System

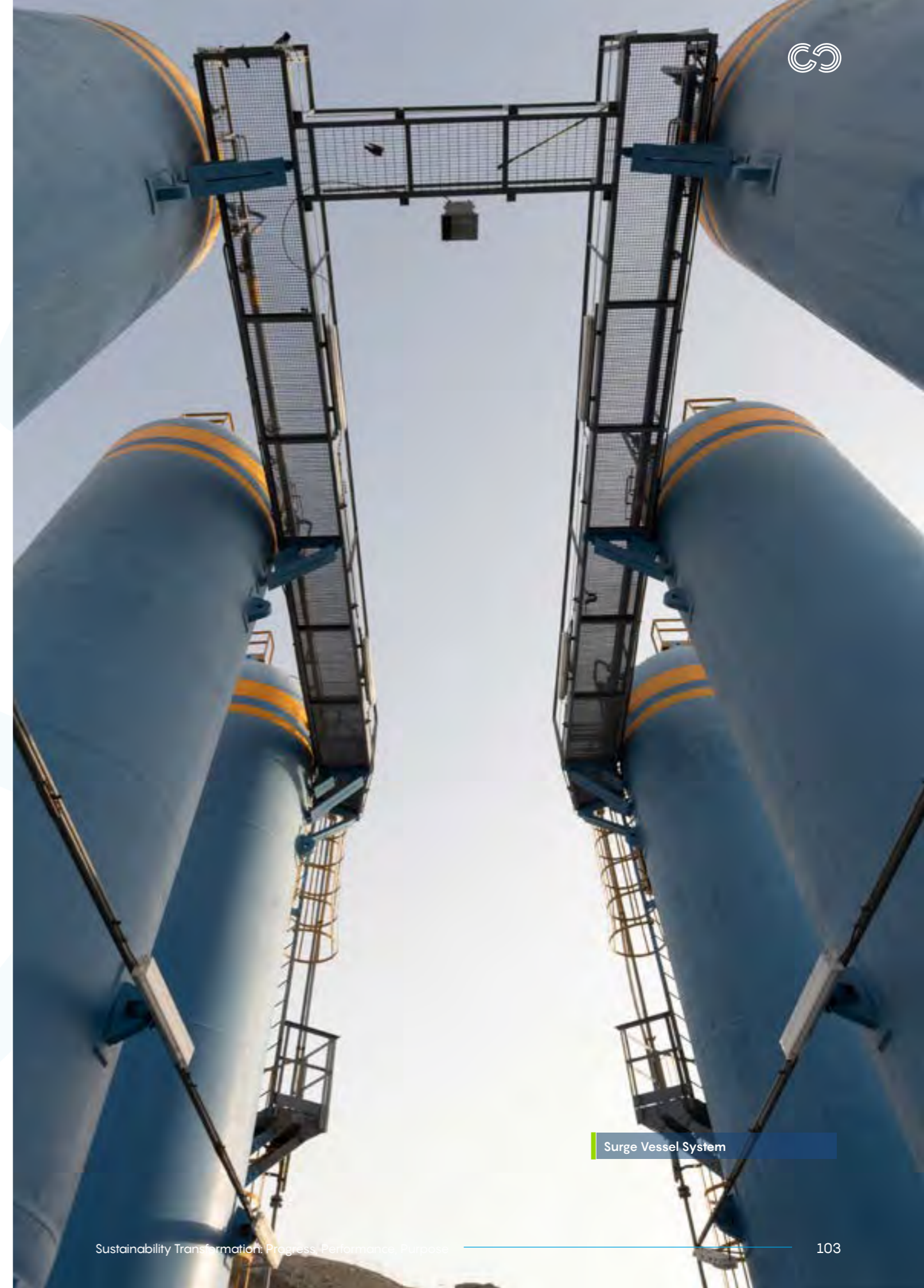


GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Chapter 1: Organizational Profile, pages 14-21
	2-2 Entities included in the organization's sustainability reporting	Chapter 1: About the Report, page 12
	2-3 Reporting period, frequency and contact point	Chapter 1: About the Report, page 13
	2-6 Activities, value chain and other business relationships	Chapter 1: Organizational Profile, pages 19-21
	2-7 Employees	Chapter 5, pages 80-85
	2-8 Workers who are not employees	Chapter 5: Commitment to People and Culture, page 78
	2-9 Governance structure and composition	Chapter 1: Upholding Governance Excellence at WTCO, pages 22-27
	2-11 Chair of the highest governance body	Chapter 1: Upholding Governance Excellence at WTCO, page 22
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 1: Upholding Governance Excellence at WTCO, pages 26-27
	2-19 Remuneration policies	Chapter 1: Upholding Governance Excellence at WTCO, page 24
	2-20 Process to determine remuneration	Chapter 1: Upholding Governance Excellence at WTCO, page 24
	2-22 Statement on sustainable development strategy	Chapter 2: Sustainability Commitment, pages 32-35
	2-23 Policy commitments	Throughout the report
	2-27 Compliance with laws and regulations	Chapter 1: Ethical Landscape, page 27
	2-29 Approach to stakeholder engagement	Chapter 2: Stakeholder Engagement Methodologies, pages 36-37

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Chapter 2: Materiality Assessment, pages 38-39
	3-2 List of material topics	Chapter 2: Materiality Assessment, pages 41-45
	3-3 Management of material topics	Throughout the report
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Chapter 5: Saudization, page 82
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Chapter 3: Economic Performance, page 52 Throughout the report
	203-2 Significant indirect economic impacts	Chapter 3: Operational Excellence & Economic Resilience, pages 48-53
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Chapter 3: Local Sourcing, page 56
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Chapter 1: Ethical Landscape, page 27
GRI 302: Energy 2016	302-3 Energy intensity	Chapter 4: Energy Efficiency, page 70-71
	302-4 Reduction of energy consumption	Chapter 4: Energy Efficiency, page 70-71
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Throughout the report



GRI STANDARD	DISCLOSURE	LOCATION
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Chapter 5: Onboarding and Orientation, pages 80-81
	401-3 Parental leave	Chapter 5: Employee Benefits, pages 83-84
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Chapter 3: Commitment to Safety, pages 62-63
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 1: Risk Management, pages 28-29
	403-3 Occupational health services	Chapter 3: Commitment to Safety, pages 62-63
	403-6 Promotion of worker health	Chapter 3: Commitment to Safety, pages 62-63
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Chapter 5: Training and Development, page 87
	404-2 Programs for upgrading employee skills and transition assistance programs	Chapter 5: Training and Development, page 86-88
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Chapter 5: Corporate Social Responsibility, pages 90-93 Chapter 4: Participation in Global and National Forums, pages 74-75
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Chapter 4: Water Quality and Accessibility, pages 72-73



Surge Vessel System



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