



# FUELING THE FUTURE

ANNUAL REPORT 2023



His Royal Highness  
**PRINCE MOHAMMED BIN SALMAN BIN ABDULAZIZ AL SAUD**  
Crown Prince and Prime Minister



Custodian of the Two Holy Mosques  
**KING SALMAN BIN ABDULAZIZ AL SAUD**



# Table of Contents

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<b>Chair's Foreword</b>	Chair's Foreword	8
	Fueling the Future	8
	A Changing Market	9
	Partners in Sustainability	9
	Focus on Delivery	9
	Vision 2030	10
	Creating a New Legacy	11

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<b>Chief Executive's Foreword</b>	CEO Message	12
	A Year of Renewed Growth	13
	Sustainable Solutions	13
	Vision 2030	14
	Our Team	14
	Fueling the Future	15

---

<b>About GASCO</b>	Vision, Mission, and Values	17
	Values	17
	Our History	18
	Our Activities	21

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<b>Our Board</b>	Our Board	22
	Our Executive Team	24

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<b>Corporate Development: Strategy-Led Growth</b>	Strategy-Led Growth	30
	Comprehensive Development Strategy	33
	Achievements	33
	Major Projects	35
	Vision 2030	35
<b>Financial Performance: Enhancing Stakeholder Value</b>	Financial Performance	36
	2023 Achievements	44
	Maximizing Stakeholder	45
	Vision 2030	45
	Transparent Financial	46
	Associated Companies	46
	Other Investments	46
<b>Governance, Risk, and Compliance: Towards... more resilience</b>	Achieving Excellence	52
	Achievements	52
	Vision 2030	52
<b>Operations Division: Quality, Safety, and Excellence</b>	Achievements	63
	Safety First	65
	Vision 2030	65
<b>Transportation: Logistics Excellence</b>	A Year of Delivery and Partnerships	62
	Vision 2030	63

<b>Gas Bulk Sales: Driving Growth, Ensuring Satisfaction</b>	Achievements	66
	Vision 2030	66
<b>Technology &amp; Digital Transformation: Empowering GASCO's Future</b>	Key Achievements	70
	Key Initiatives	72
	Customer Focus	79
	Operational Agility	79
	Vision 2030	79
<b>Industrial Security &amp; Shared Services: Safety First</b>	Achievements	82
	Safety First	83
	Vision 2030	83
<b>Human Capital Division: People-Powered Change</b>	Human Capital Center of Excellence	86
	Talent Development	88
	Partner: Talent Acquisition Section	88
	Social Achievements and Programs	89
<b>Conclusion:</b>	Fueling the Future	90
<b>Fueling the Future</b>	Annex 1: Governance	94





Eng. Abdulaziz  
Fahad A. Alkhayal

**Chairman of  
the Board of  
Directors**

# Chair's Foreword

Welcome to Fueling the Future, GASCO's annual report for 2023. In it, we look back on our achievements over the previous 12 months and also forward to the future.

## Fueling the Future

GASCO is a business that is proud of the contribution it has made to the people and businesses of Saudi Arabia in the six decades since our foundation that made 2023 our 60<sup>th</sup> anniversary. It provided an opportunity to celebrate our heritage and legacy. But it also gave us the chance to step back and invest in preparing the business to face what we know will be a very different future, with the Saudi Arabian LPG market opening up to invite new competition.

We identified these changes early, and our strategic foresight has enabled us to rapidly adapt how we work in order to succeed in a very different operating environment. In 2023 we have focused our attention on implementing the changes we need to make to ensure that we are positioned to deliver future success. Those changes are already being implemented and will continue in 2024.

GASCO sees these changes positively. They provide an opportunity to catalyze innovation and drive future growth. We know that new entrants will challenge us to think and act differently, to foreground innovation, and to diversify our business model to deliver long-term value to our customers, stakeholders, and shareholders.

**That is a challenge that we welcome. Our business fundamentals are strong, and we are trusted by our customers to deliver the benefits and values that they need. This provides a strong foundation for our future growth.**



## A Changing Market

This year, we have developed a strategic blueprint that responds to the challenges and opportunities unfolding in the LPG market, aligning with our core commitment to sustained growth and adaptability.

GASCO has initiated a growth strategy in anticipation of imminent LPG market reforms, recognizing the need to seize emerging prospects in KSA.

Our commitment to shareholder returns and robust financial performance makes us uniquely positioned to maintain success within an increasingly competitive landscape.

**At the heart of our approach is a clear strategy that balances safeguarding our core LPG business and venturing into adjacent divisions. This diversified approach is our response to the challenges posed by market reforms and macro changes, ensuring resilience in the face of tariff structure shifts and the global shift towards cleaner energy.**

## Partners in Sustainability

It is not just the market that is changing. The needs of consumers are evolving too, with a move to new types of fuel for heating and cooking as the Kingdom strives to reduce carbon emissions.

LPG can and will play a pivotal role in how households and businesses manage the transition to fully renewable energy sources. Its low impurity rate means that it burns efficiently and completely and minimizes the emission of toxins and harmful substances. It also emits fewer CO<sub>2</sub> emissions upon combustion compared to other fossil fuels making it an ideal solution for heating, cooking, transportation, and industry.

**As a business, GASCO is a committed partner in the journey to a cleaner future. We are investing in the systems, technologies, and infrastructure that can reduce emissions further, making LPG a key part of the net zero transition.**

## Focus on Delivery

In 2023, we saw a continuation of the growth of the business, driven by a new strategy and a focus on driving efficiencies through the business.

This is the latest successful chapter in a story of business transformation that has re-established the business as a profitable and growing enterprise. That journey will continue as we move forward, with a resilient and adaptable business model that can help meet the challenges ahead.

Across consumer sales, transportation, bulk sales, and corporate activities, our team has worked together to deliver transformational change that has led to sustained levels of growth. That is underpinned by GASCO's commitment to innovation and the leveraging of new technologies.

**GASCO's customers, whether consumers or businesses, depend upon us to live their lives and run their businesses. We are partners that understand and will respond to their changing needs.**

**At GASCO, we believe in the importance of understanding our customers' needs, and we work to provide them with the best services through continuous innovation and development.**

**If we continue to deliver the products and services that customers need in the way that they require them, then the future looks very bright for the business.**

## Vision 2030

That change will require strategic leadership and investment to develop the team and the services we require to penetrate new markets. Our plan is not just a roadmap; it's an expression of our commitment to shaping a resilient and prosperous future for GASCO, the communities we serve, and Saudi Arabia as a whole. This approach has been guided and shaped by the overarching framework provided by Vision 2030.

GASCO contributes across all three core pillars of the Vision program; A Vital Society, A Thriving Economy, and an Ambitious Nation. All colleagues across the business understand the role and responsibility that they have to help ensure that Vision 2030 delivers the transformation change that it envisages. It is a responsibility that we will continue to strive to deliver.



## Creating a New Legacy

Despite challenges, including increased raw material prices globally and plans for deregulation of the LPG market to encourage wider competition, GASCO is confident in our strategy for growth. We continue to actively seek alternative solutions to ensure the sustained provision of high-quality and reliable services to our customers while safeguarding investor interests.

In conclusion, I wish to express my formal gratitude to 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 of the Kingdom of Saudi Arabia, for their visionary leadership. I also wish to thank the Ministry of Energy, particularly Prince Abdulaziz bin Salman the Minister of Energy, and all government agencies for their unwavering support.



# Chief Executive's Foreword

I am delighted to introduce Fueling the Future, GASCO's annual report for 2023. It sets out the key achievements of our business over the previous 12 months and details some of the steps we are taking to prepare ourselves for the future.



At the heart of that is an approach that recognizes our heritage and legacy, but which is also cognizant of the changing needs of those that we serve.

This is not new for GASCO as a business. Our operating history demonstrates the ability of the company to respond to the changing needs of different times. In the 60 years since our foundation, that agility has maintained GASCO at the forefront of LPG supply in Saudi Arabia. We will continue to change alongside our customers to ensure that our **products and services** always remain relevant and accessible. New competition will create some business **challenges**, but I am confident that we have the team, expertise, and strategy to address those changes. With agility and innovation, we are already transforming the way that we work, creating a solid foundation that will enable us to thrive in a changing operating context.



## A Year of Renewed Growth

In the last two years, we have seen the positive impacts of the restructuring of the business and the adoption of a new strategic approach. The last two years have shown solid and sustained growth. This has seen our net income increase 66% since 2020. In 2023, we achieved an operational profit of SAR 128 million, leaping from SAR 108 million in 2022.

This has been achieved through investing in our workforce, our facilities, and new technologies. By driving efficiencies through the business, we have created a stable foundation to take advantage of the opportunities created by the changing environment.

At the same time as increasing efficiency, our unwavering focus on our customers has delivered increased satisfaction levels, with our customer satisfaction score increasing

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This has seen our net income increase

66%

In 2023, we achieved an operational profit of

SAR **128** MN

leaping from

SAR **108** MN

in 2022

from 4.5 to 4.8 in 2023.

That journey of constant evolution and improvement will not stop. As we step into a very different future, with the deregulation of the LPG market.

we are continuing to adopt a strategic approach to ensure that we can continue to deliver high-quality products and services to our customers.

Our new structure, which separates the holding company from the activities of our different divisions will enable those new entities to operate with increased agility within the marketplace, exploring new opportunities and identifying new income streams for our business.

## Sustainable Solutions

GASCO recognizes the challenges of a managed transition to a low carbon future. Our products are supporting that transition, enabling customers and businesses to access clean, affordable, and reliable fuel.

Our modern facilities allow us to deliver LPG reliably and safely, meeting the highest international standards.

A key element of delivering that ambition is GASCO's focus on energy resilience. That is why we continue to invest in expanding our storage capacity. Our expansion of LPG storage started in 2019 to increase reliability and consistency of supply. In 2024, this will deliver a tenfold increase in storage at our Riyadh plant, going from 4000m<sup>3</sup> to 40,000m<sup>3</sup>.

This means that GASCO has one of the largest LPG storage capacity facilities globally, with the largest mounded tanks in the world, placing us at the forefront of the industry when it comes to providing clean and reliable energy to our customers.

## Vision 2030

Our strategy and objectives are firmly embedded within Vision 2030 which is seeking to guide the transformation of the Saudi Arabian economy.

GASCO's activities are also essential to achieve the economic diversification envisioned in Vision 2030. By efficiently moving LPG across the kingdom, we are also supporting a range of industries from manufacturing to hospitality, fostering economic growth.

**This is why we see our activities as integral to the Quality-of-Life Program under Vision 2030. Our provision of a consistent and clean energy source enhances domestic comfort, supports commercial activities, and fuels industrial processes.**

Our business activities are also fully aligned with the goals of the National Transformation Program (NTP), a key pillar of Vision 2030. By embracing new technologies in the safe transportation of LPG, we are supporting the rapidly emerging digital economy and strengthening communication channels with citizens and businesses. This includes the deployment of advanced tracking and management systems to optimize the transportation process, enhancing efficiency, and ensuring the security of the supply chain.

**This is why at the center of our business strategy is working closely in partnership with government entities and other stakeholders, to understand their needs and to increase our contribution to a sustainable and economically successful future.**

## Our Team

None of this would be possible without the skills, commitment, and diligence of the people who power our business. Our team works tirelessly to deliver the success of the wider business. They are a key asset that will provide the foundation for our future success.

Human capital development remained a focal point, with 27,000 learning hours delivered through our training programs. Our workforce, now comprising 1,977 individuals, achieved a Saudization rate of 54%, totaling 1,077 Saudi employees. We have taken proactive steps to empower gender diversity by actively increasing the representation of women in our workforce. It is this team that will deliver continued growth and enable us to thrive in a rapidly changing operating environment. Their work in 2023 has demonstrated that they have the abilities and talents to propel us forward into the future.

**I want to seize this moment to express my gratitude to everyone involved, from those leading our initiatives to those who deliver our products across the towns and cities of the Kingdom. Our success would not be possible without them.**

Our workforce, now comprising

**1,977**

individuals achieved a Saudization rate of

**54%**

totaling

**1,077**

Saudi employees





## Fueling the Future

Saudi Arabia is undergoing an exciting transformation to deliver a prosperous future. Our industry is also changing, and GASCO too is embracing change and the opportunities that it brings.

**In 2024, we will implement the strategy we have been developing to ensure that we remain at the forefront of providing clean and safe energy to our customers.**

That will enable GASCO to fuel the future with confidence, delivering value to customers, shareholders, and stakeholders alike.

**We are trusted by our customers, have the logistics networks and partnerships in place to build upon, and have moved from declining revenue into solid and sustained growth.**

# About GASCO



## National Gas and Industrialization Co. (GASCO) was incorporated in 1963 G (1383 H)



via the merger of National Gas Company in Dammam and Saudi Manufacturing and Gas Company in 1975 G (1395H).

National Gas and Industrialization Co. (GASCO) was incorporated in 1963 G (1383 H) via the merger of National Gas Company in Dammam and Saudi Manufacturing and Gas Company in 1975 G (1395H).

GASCO has become a leading company in manufacturing Liquefied Petroleum Gas (LPG) all over the Kingdom of Saudi Arabia.

GASCO follows the latest international standards in delivering LPG reliably and safely from its developed and modern facilities to all Saudi regions

**Furthermore, GASCO seeks to provide distinguished operations and innovations in the energy field.**

# Vision, Mission, and Values



## Vision

To be the foremost company for gas solutions in the region, leading the division's growth and innovation.



## Mission

We rely on our unique capabilities and resources, effective processes, and superior talents, in addition to the continuous focus on our customers, to be at the forefront of our work. We firmly believe in developing this division by building strong partnerships within a competitive and fair work environment.



## Values

### Safety First

Our product is based on safety, first and foremost. We never compromise on the safety of our employees, customers and the surrounding environment. We achieve this by taking precautions and proper commitment to the necessary procedures.

### Customer focus

We anticipate the needs of our customers and work for their benefit. This is by focusing our attention on high-quality customer service that draws a smile on the customers' faces.

### Excellence

We strive to excel ourselves in every step and every task we do. We rely on our procedures to provide high-quality products and services in order to establish the concept of professionalism in work.

## Responsibility and initiative

We work passionately, are committed, take full responsibility for the outcome of our work, and initiate to apply the correct and appropriate solutions.

### Innovation

We always seek to find new and innovative ways to achieve added value for the people who work with us, in addition to improving the ways we always serve our customers.

We also work to improve and develop the quality of our processes with high efficiency and effectiveness.

### Integrity

We believe in trust, fairness, respect for others, and building and caring for long term relationships. Moreover, we stand hand in hand against bad behavior and treatment.

### Teamwork

By working together, we achieve more. Thus, through this cooperation, we will easily overcome all the challenges we face.

# Our History

Historical Stations on GASCO March

Establishment of National Gas and Industrialization Company after merging with National Gas Company.

**1963**

**1975**

Merging Gas Distribution Establishments In The kingdom with the National Gas and Industrialization Company.

The Company's transportation fleet reached nearly 300 Gas Transport Tanker's Vehicles.

**1993**

Manufacturing the first gas tank within the first phase of the project of increasing the storage capacity of liquid petrol Gas.

**2021**

Digital Commercial and human capital transformations.

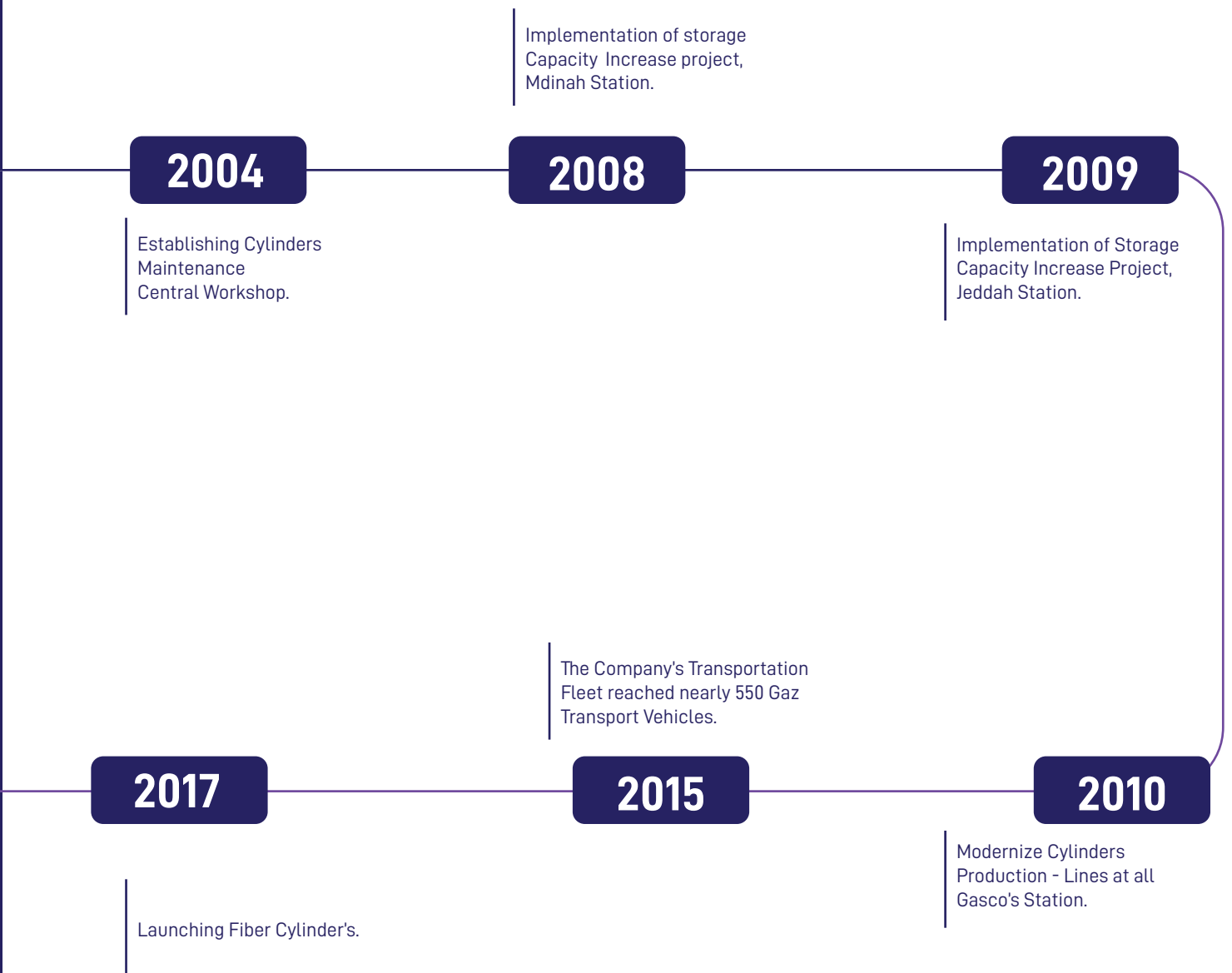
**2020**

- Developing the chain of supply procedures for all areas in the Kingdom, providing smart solutions ensuring supplies sustainability coupled with operations efficiency.
- Launching of Gas Solutions Company

**2022**

**2018**

Launching the digital human and commercial transformation project











## Our Activities

GASCO's activity is represented in performing all business related to utilization, industrialization, purchasing, selling, marketing, distributing, and transporting gas of all kinds and derivatives, **in addition to industrial gas inside and outside the Kingdom, includes the following:**

Filling and marketing of LPG mixture.

Selling, transporting, distributing and marketing filled and unfilled gas cylinders and tanks, bulksale or retail.

Bulksale or retail of metal and iron pipes.

# Our Board

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1 **Eng. Abdulaziz bin Fahd Al Khayyal**  
Chairman of the Board

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2 **Mr. Ali Mohammed Al-Safla**  
Vice Chairman



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**3**      **Mr. Ahmed Abdulrahman Al Mohsen**  
Board Member

**4**      **Mr. Bakr Abdulrahman Al Muhanna**  
Board Member

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**5**      **Mr. Turki Abdullah Al Jawini**  
Board Member

**6**      **Mr. Raed Abdullah Al Tamimi**  
Board Member

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**7**      **Dr. Saad Abdulaziz Al Hogail**  
  
Board Member

**8**      **Dr. Mohammed Hamad Al Kathiri**  
Board Member

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**9**      **Mr. Ibrahim Hamad Abdullah  
Al-Rashed**  
Board Member

**10**      **Eng. Abdulrahman bin Abdulaziz  
bin Sulaiman**  
CEO & Board Member

# Our Executive Team



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**Eng. Abdul Rahman Bin Abdul Aziz Bin Suleiman**  
Chief Executive Officer



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**Mr. Majed bin Ahmed Qwaider**  
CFO of the Financial division



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**Mr. Ibrahim bin Suleiman Al Ateeq**  
Vice President of Human Capital Division



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**Eng. Raed bin Nasser Al Haidari**  
Executive Vice President of Operations



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**Eng. Abdelhadi bin Ayed Al Qahtani**  
Executive Vice President for Control and Business  
Development



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**Mr. Ahmed bin Fahad Al Shammari**  
General Manager of Marketing and Corporate  
Communication



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**Eng. Sultan bin Saud Al Otaibi**

General Manager of Governance, Risk and Compliance

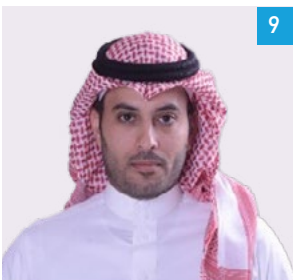


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**Mr. Braikan bin Ali Al Shammari**

General Manager of Transportation



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**Eng. Nasser bin Mohammed Al Anazi**

General Manager of Bulk Sales

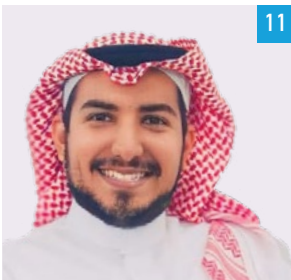




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**Mr. Shaya bin hife Al Qahtani**

Chief Internal Auditor & Audit Committee  
Secretary



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**Mr. Fahad bin Awad Ibn Ateeq**

General Manager, Technology and Digital Transformation



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**Eng. Walid bin Mutlaq Al Qathami**

General Manager of Industrial Security and Shared  
Services

# 01

## Corporate Development: Strategy-Led Growth







# Strategy-Led Growth

GASCO's Corporate Development Division drives the strategy of the business forward, supporting different parts of the business in fostering and maintaining crucial relationships with a diverse array of stakeholders.

The division's commitment to contributing to the company's growth is clearly represented in the strategic projects and initiatives it launches. By focusing on efficiency and quality, the division ensures that projects are delivered on time and within budget, and safety remains a fundamental element in everything it does, which reflects the company's core principles and values.

## Comprehensive Development Strategy

The Division plays a pivotal role in shaping and implementing the company's longer-term. In 2023, this has focused on supporting the structural changes that will equip the business to step into a changing future and thrive.

This included the separation of the transportation division, ongoing preparations for bulk distribution division separation, and the initiation of the storage and refilling division separation.

GASCO's strategy revolves around seamless integration between active investment in the gas division, environmental preservation, and the pursuit of being the leading gas solutions company in the Middle East, which leads the growth of the division towards excellence and high quality for its customers, providing sustainable value for its shareholders, caring for the environment and society, and effectively contributing to the economy of the Kingdom and a healthy work environment for its employees, and a firm belief in continuous development through forming strong partnerships in a fair competitive environment.

**The company launched a comprehensive development strategy in 2017, comprised of four transformative programs:**

1. Operational Excellence Program: Focused on making GASCO a hub of excellence, supporting development, innovation, and providing smart solutions for sustainable supply and operational efficiency.
2. Trade Transformation Program: Aiming to offer top-notch services in a competitive market to achieve the highest levels of customer satisfaction.
3. Digital Transformation Program (Aafaq): Geared towards automating procedures and processes across all company divisions.
4. Human Capital Transformation Program: Intended to enhance the efficiency and capabilities of employees, attract national talent, and contribute to the development process.





**In 2023, GASCO invested over half a billion riyals in projects to enhance facilities, including security and safety systems, infrastructure development, storage capacity increase, and fleet modernization.**

Initiatives to improve service and customer satisfaction involved providing high-value products, technical solutions, and direct communication with customers.

In preparation for opening the market to competition according to the executive regulations of the dry gas distribution system and the distribution of LPG for residential and commercial purposes, Gasco has developed a transformation strategy until the end of 2023 to prepare the company to separate the main activities according to the value chain of the LPG division and transform each activity into an independent company.

## Achievements

During 2023, the Corporate Development team executed essential initiatives, including building strategic partnerships, exploring new opportunities, and maintaining existing alliances. This included signing memorandums of understanding with several local and international companies, building the

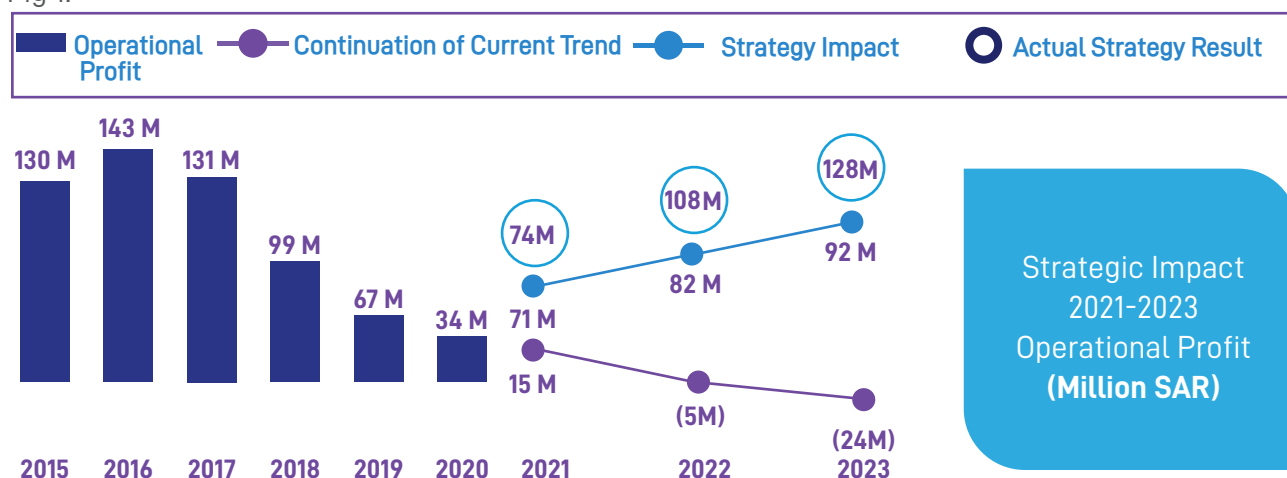
relationships and partnerships that will underpin the next phase of our success.

The strategic approach that is led by the Corporate Development Team has helped drive the transformation of the business.

Following a period of declining revenues, the implementation of a new strategy has led to an upturn in sales and revenues (fig 1).

This has supported the achievement of a 66% increase in net income from 2020, delivering value to GASCO's shareholders, stakeholders, value to GASCO's shareholders, stakeholders, and customers

Fig 1.



## Memorandums of Understanding (MOUs) for Growth

To achieve strategic objectives, GASCO has signed and extended MOUs with local and international companies, including:

- Extension with Bahri Company: Discussing potential partnership for a land transport and logistics company.
- Egypt Gas Company: Establishing a framework for collaborative activities and knowledge exchange.
- Signing a memorandum of understanding with the Saudi International Ports Company to benefit in the areas of cooperation in GASCO transportation services at King Abdulaziz Port and container transportation services between storage yards in the Eastern Province.



## Major Projects

The completion of nine major projects show-cased the division's prowess, from expanding LPG storage capacity to implementing ad-vanced security systems. The total budget for these projects amounted to SAR 181 million, with efficient delivery resulting in operational savings of SAR 4 million.

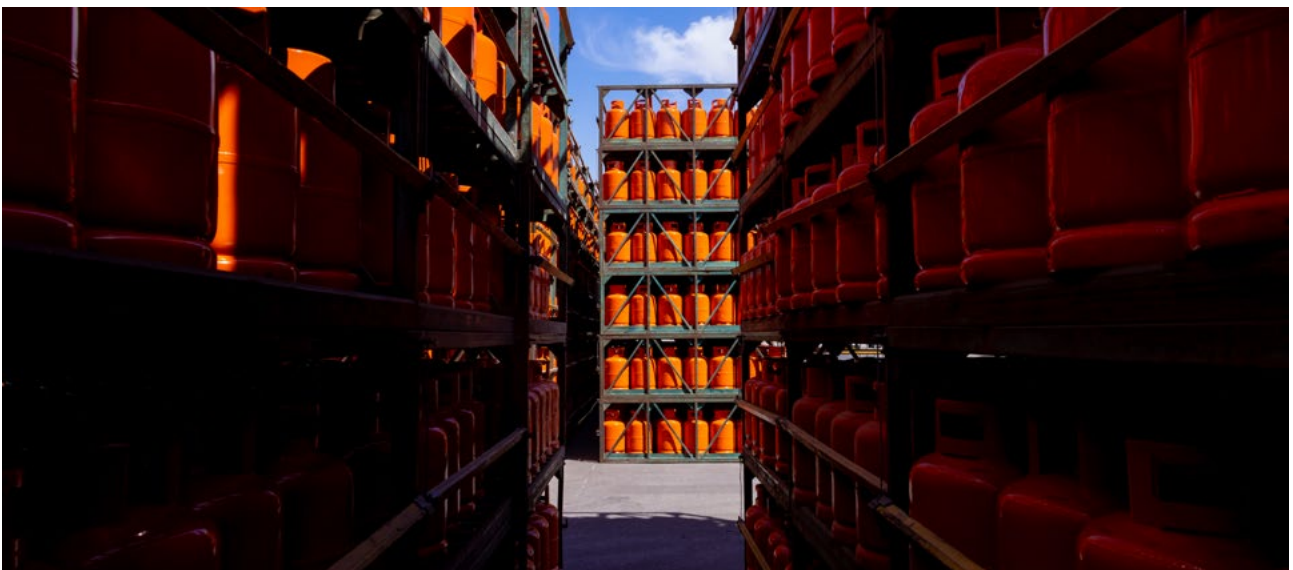
**Five major projects were closed this year with a project comple-tion rate that exceeded 90%:**

- Expansion of LPG Storage Capacity Phase I.
- Development of the integrated security system for the company's branches in Medina and Qasim.
- Passive defense at Khamis Mushayt station.
- Air conditioning of the production halls.
- Alarm and fire fighting system at the Riyadh, Medina and Taif stations.

## Vision 2030

A key function of the Corporate Development Division is ensuring that the company's strategy and approach aligns with Vision 2030. This relates to supporting the development of the capability of the Saudi Arabian logistics division, embracing digital technology, and focusing on support-ing households and SMEs in the Kingdom by providing a reliable source of energy.

The business is also focusing on ensuring that there are re-warding career pathways for the Saudi people, with several ini-tiatives to develop Saudi skills, aligning with Vision 2030's core principles. By empowering young Saudi men and women, Corporate Development actively supports the broader goals of Vision 2030 and is a core partner with others in assisting the transformation of Saudi Arabia.



# 02

## Financial Results









## Financial Performance:

Revenue reached 2,458 million riyals in 2023 compared to 2,080 million riyals in 2022, with an increase of 18.2% , and net profit amounted to 227.3 million ri-yals in 2023 compared to 214.1 million riyals in 2022, with an increase of 6.2%

### The main reasons for the increase in revenues to 378 million riyals are:

- The increase in gas sales revenue by 341 million riyals due to an increase in gas prices and sales volumes.
- The increase in commercial project revenues by 28 million riyals.
- The increase in fiber cylinder sales by 12 million riyals.
- The increase in revenues from other services (transportation, etc.) by 7 million riyals.

Despite a decrease in scrap sales by 10 million riyals.

### The main reasons for the increase in net profit by 13.2 million riyals are:

- The increase in overall profit by 26.2 million riyals due to the increase in revenues.
- The increase in investment and financing income by 17.9 million riyals.
- The increase in share of associate companies' results by 5.1 million riyals.
- The decrease in financing costs by 2.3 million riyals.
- The decrease in other revenues by 31.8 million riyals.

Despite the increase in operating expenses by 6.5 million riyals.

## Financial performance of the company for the past five years:

### Working capital (in thousands of riyals):

Statement	2023	2022	2021	2020	2019
a) Current Assets	555,571	564,932	616,448	708,918	572,982
b) Current Liabilities	528,114	464,902	348,225	394,515	344,350
Working Capital (a) - (b)	27,457	100,030	268,223	314,403	228,632

## Statement of Financial Position

Particulars	2023	2022	2021	2020	2019
<b>Assets</b>					
<b>Non-current assets</b>					
Property, machinery and equipment	835,228	787,307	717,545	633,970	605,271
Intangible assets	38,555	36,479	31,919	33,148	32,290
Investment properties	33,442	33,442	34,342	34,353	34,494
Right-of-use assets	17,854	19,723	1,495	3,402	5,461
Investments in associate companies	89,408	89,760	87,899	80,270	79,289
Financial assets held at fair value through other comprehensive income	685,727	654,996	701,835	678,074	787,538
Financial assets held at amortized cost	240,872	184,016	146,500	129,995	-
Prepaid amounts and other assets	30,563	27,850	-	-	-
<b>Total non-current assets</b>	<b>1,971,649</b>	<b>1,833,573</b>	<b>1,721,535</b>	<b>1,593,212</b>	<b>1,544,343</b>

Particulars	2023	2022	2021	2020	2019
<b>Current assets</b>					
Financial assets held at fair value through profit and loss	122,010	132,357	199,154	179,498	169,114
Financial assets held at amortized cost	10,026	30,000	101,067	-	-
stock	207,129	163,393	162,046	157,749	166,697
Receivables	34,793	30,775	31,149	45,482	38,594
Prepaid expenses and other assets	51,975	32,555	59,664	49,078	40,967
Cash and cash equivalents	129,638	175,852	63,368	277,111	157,610
Total current assets	555,571	564,932	616,448	708,918	572,982
Total assets	2,527,220	2,398,505	2,337,983	2,302,130	2,117,325
<b>Shareholders' equity and liabilities</b>					
<b>Shareholders' equity</b>					
Paid Capital	750,000	750,000	750,000	750,000	750,000
Regular reserve	225,000	225,000	225,000	225,000	270,551
Retained earnings (accumulated losses)	372,469	295,832	250,183	143,041	(124,216)
Share of other comprehensive loss of associate companies	(481)	-	-	-	-
Unrealized gains on financial assets held at fair value through other comprehensive income	498,705	464,132	510,971	487,209	668,339
Total shareholders' equity	1,845,693	1,734,964	1,736,154	1,605,250	1,564,674



Particulars	2023	2022	2021	2020	2019
<b>Non-current liabilities</b>					
Term loan	25,053	72,725	112,344	143,642	-
Lease obligations	12,316	14,957	659	2,242	4,699
Certain employee benefit obligations	116,044	110,957	140,601	156,481	203,602
<b>Total non-current liabilities</b>	<b>153,413</b>	<b>198,639</b>	<b>253,604</b>	<b>302,365</b>	<b>208,301</b>
<b>Current liabilities</b>					
Trade payables	203,202	215,973	133,783	111,758	97,832
Lease obligations	7,282	5,251	1,781	2,309	2,271
Accrued expenses and other current liabilities	243,852	153,370	124,966	162,688	161,266
Term loan	26,500	-	-	32,000	-
Provision for Zakat	47,278	90,308	87,695	85,760	82,981
<b>Total current liabilities</b>	<b>528,114</b>	<b>464,902</b>	<b>348,225</b>	<b>394,515</b>	<b>344,350</b>
<b>Total liabilities</b>	<b>681,527</b>	<b>663,541</b>	<b>601,829</b>	<b>696,880</b>	<b>552,651</b>
<b>Total shareholders' equity and liabilities</b>	<b>2,527,220</b>	<b>2,398,505</b>	<b>2,337,983</b>	<b>2,302,130</b>	<b>2,117,325</b>

	2023	2022	2021	2020	2019
<b>Total assets</b>	2,527,220	2,398,505	2,337,983	2,302,130	2,117,325
<b>Total liabilities</b>	681,527	663,541	601,829	696,880	552,651
<b>Total shareholders' equity and liabilities</b>	2,527,220	2,398,505	2,337,983	2,302,130	2,117,325

## Statement of Comprehensive Income (in thousands of riyals):

Particulars	2023	2022	2021	2020	2019
Revenues	2,457,913	2,080,209	1,904,226	1,963,042	1,922,558
Gross profit	304,819	278,629	254,757	222,508	242,922
Selling and distribution expenses	(68,328)	(76,617)	(88,080)	(87,528)	(90,035)
General and administrative expenses	(107,012)	(98,307)	(94,484)	(93,019)	(117,934)
Allowance for expected credit losses	(1,783)	4,261	1,338	(2,108)	(7,582)
Operating profit	127,696	107,966	73,531	39,853	27,371
Investment income	92,689	77,354	122,104	90,364	102,347
Financing income	12,834	10,314	7,484	1,813	3,124
Financing costs	(3,935)	(6,201)	(9,034)	(6,045)	(249)
Share in the results of associate companies	8,004	2,875	13,430	6,516	5,484
Other income, net	5,038	36,805	8,112	17,091	6,941
Decrease in the value of investment properties	-	-	(11)	(141)	-
Profit before legal Zakah	242,326	229,113	215,616	149,451	145,018
legal Zakah	(15,011)	(15,050)	(14,252)	(12,559)	(35,575)
Net profit for the year	227,315	214,063	201,364	136,892	109,443

Particulars	2023	2022	2021	2020	2019
Other comprehensive income for the year					
Items that will not be subsequently reclassified to profit or loss in subsequent periods					
Gain/(loss) on remeasurement of defined employee benefits	60	26,586	(472)	(13,779)	(12,374)
Share in other comprehensive loss	(480)	-	-	-	-
Change in fair value of financial assets held at fair value through other comprehensive income	33,835	(46,840)	23,762	(122,380)	33,844
Total other comprehensive income/(loss) for the year	33,415	(20,254)	23,290	(136,159)	21,470
Total comprehensive income for the year	260,730	193,809	224,654	733	130,913

	2023	2022	2021	2020	2019
Revenue	2,457,913	2,080,209	1,904,226	1,963,042	1,922,558
Cost of revenue	(2,153,094)	(1,801,580)	(1,649,469)	(1,740,534)	(1,679,636)
Selling and distribution expenses	(68,328)	(76,617)	(88,080)	(87,528)	(90,035)
General and administrative expenses	(107,012)	(98,307)	(94,484)	(93,019)	(117,934)
Allowance for expected credit losses	(1,783)	4,261	1,338	(2,108)	(7,582)
Legal Zakah	(15,0110)	(15,050)	(14,252)	(12,559)	(35,575)

## Statement of Cash Flows (in thousands of riyals):

Particulars	2023	2022	2021	2020	2019
Net Operating Cash Flow	184,601	392,882	130,080	111,397	209,741
Net investing cash flow	(126,366)	(39,689)	(178,800)	(159,575)	101,931
Net financing cash flow	(104,448)	(240,710)	(165,022)	167,179	(192,499)
Net cash flow	(46,213)	112,483	(213,742)	119,001	119,173
Cash and cash equivalents at the beginning of the year	175,851	63,368	277,111	157,610	38,436
Cash and cash equivalents at the end of the year	129,638	175,851	63,369	276,611	157,609

	2023	2022	2021	2020	2019
Gross profit margin	12.4%	13.4%	13.4%	11.3%	12.6%
Net profit margin	9.2%	10.3%	10.6%	7.0%	5.7%

Year	Book value per share	Price/Earnings Ratio
2023	24.61	20
2022	23.13	18
2021	23.15	17
2020	21.40	16
2019	20.86	20

## Revenues:

Revenues from the main activities of GASCO and its subsidiaries, geographical analysis, and its impact on the company's business volume and its contribution to the results: (in thousands of riyals)

Product	Activity revenues	Ratio
Sale of gas	2,279,347	92.74%
Sale of cylinders	70,786	2.88%
Sale of tanks	20,210	0.82%
Sale of fittings and other works	3,066	0.12%
Other income	18,246	0.74%
Scrap revenue	6,941	0.28%
Rental of cages	6,102	0.25%
Commercial projects	53,215	2.17%
Total	2,457,913	100.0%

Revenues for 2023 and 2022 after deducting sales returns according to the following geographical distribution: (in thousands of Riyals)

Location	2023	2022
Riyadh	623,904	517,440
Jeddah	512,175	448,067
Dammam	398,258	327,245
Abha	284,841	255,517
Qassim	256,683	224,028
Al Madinah	220,014	202,344
Taif	104,592	91,658
Transportation	4,231	10,520
Public administration	53,215	3,389
Total	2,457,913	2,080,209

**The Finance Division remains committed to maximizing value for stakeholders, ensuring financial decisions align with the broader objectives of GASCO, and contributing to the stability of liquefied petroleum gas supply across the Kingdom.**

## **Maximizing stakeholder benefit**

The financial management at the National Gas and Industrialization Company (GASCO) has been keen on aligning its financial strategies with the ambitious goals of Vision 2030. To achieve this, the management worked with a wide range of stakeholders, including internal ones, aiming for financial growth and sustainability. Through its financial strategy, the financial management played a crucial role in reducing expenses, increasing profit margins, and diversifying investments. These efforts have directly contributed to tangible results on operating profits.

## **2023 Achievements**

The Finance Division achieved key milestones in the past year, including the completion of the second phase of E-invoicing and a smooth transition to the go-live stage, marking a significant step in digitizing our financial processes. The thorough VAT examination by ZATCA Authority for the years 2021-2022, spanning nine months, concluded without violations or financial fines.

In order to strengthen financial commitment, zakat estimates were settled from 2005 to 2007 and from 2014 to 2018.

The final reports for these years were also obtained, which contributed to achieving positive results for the strategic financial approach.

Other improvements were also made to develop efficiency, including converting the quantity unit received from Aramco to improve compliance and connectivity with it.

This helped to strengthen the gas inventory control process and improve the company's performance in this area.





## Improving operating profits

The Finance Division takes pride in raising operational efficiency across branches, central workshops, and transport operations. Our work directly contributes to improved operating profits, showcasing the division's impact on the bottom line.

Our core focus is on sustainable financial practices, ensuring that the benefits derived are not only immediate but contribute to the long-term sustainability and growth of the business.

The Finance Division remains committed to maximizing value for stakeholders, ensuring financial decisions align with the broader objectives of GASCO, and contributing to the stability of liquefied petroleum gas supply across the Kingdom.

## Vision 2030

The Finance Division supports GASCO's journey to become an industry leader by leveraging the Kingdom's strengths. This aligns with Vision 2030's vision of transforming the Saudi economy and achieving leadership in various divisions.



## Transparent Financial Reporting

The division is committed to operating with transparency in the business's financial reporting. GASCO's financial statements accurately reflect the company's position, performance, and cash flows. This commitment fosters trust among stakeholders.

## Subsidiary Companies:

**Gas Solutions Company:** A wholly-owned subsidiary (single-owner company) with a commercial registration number (1010693275) and a capital of 5,000,000 Saudi Riyals. It specializes in the construction, building, and maintenance of liquefied petroleum gas (LPG) networks and tanks, as well as the development of LPG products and solutions.

## Gas Solutions

**Gas Solutions achieved a 67% increase in revenue, realizing a net income of 51% for 2023, as the company worked on several iconic projects such as:**

1. Aramco Residential Complex – Dhahran- Designed & executed the EPC Contract for the LPG tank farm area in 80 days.
2. King Khaled airport Airport – Won GS first Fuel Hydrant System, from Gas Solutions Company.
3. Misk City – Designed and currently executing GS first EPC project.



**Best Gas Distributor company**

A wholly-owned subsidiary (single-owner company) with a commercial registration number (1010851646) and a capital of 25,000,000 Saudi Riyals. The company's main activity is wholesale gas distribution.

**National Transport Company:**

A wholly-owned subsidiary (single-owner company) with a commercial registration number (1010851708) and a capital of 50,000,000 Saudi Riyals. The company's main activity is transportation.

**National Gas Supply Company:**

A wholly-owned subsidiary (single-owner company) with a commercial registration number (1010882359) and a capital of 10,000 Saudi Riyals. The company's main activity is retail gas sales.

**National Storage Company:**

A wholly-owned subsidiary (single-owner company) with a commercial registration number (1010924126) and a capital of 300,000,000 Saudi Riyals. The company's main activity is gas storage and filling gas cylinders.

## Investment in Associate Companies:

Companies into which GASCO owns 30% or more of its Capital as follows:

**Saudi Gas Cylinders Factory:**

The Saudi Gas Cylinders Factory was established in Riyadh, Saudi Arabia, according to the Companies Law and the commercial registration number (1010029561) on 30/04/1400 AH. The factory's activity involves the manufacturing of gas cylinders under Industrial License number (682/S) dated 15/05/1418 AH. The company was converted from a limited liability company to a closed joint-stock company based on Ministerial Decision number (239/Q) dated 14/07/1430 AH. The company's authorized and subscribed capital is 92 million Saudi Riyals, divided into 9,200,000 ordinary shares with a value of 10 Saudi Riyals per share. The Gas and Industrial Manufacturing Company owns 3,455,980 shares, representing 37.57% of the company's capital. The company has not issued any debt instruments.

No.	Activity description	Activity Revenues (in thousand of riyals)	Ratio	Main center
1	Sales of gas cylinders	65,459	85%	Riyadh
2	Sale of gas cylinders	11,907	15%	Riyadh
Total		77,366	100%	

**Natural Gas Distribution Company in Riyadh - a Saudi listed joint stock company:** Natural Gas Distribution Company was established as a limited liability company on 15/04/1421 AH (corresponding to 17/07/2000 AD), with a capital of fifteen million (15,000,000) Saudi Riyals divided into (15,000) cash shares of equal value, each share worth (1,000) Saudi Riyals, and registered in the Commercial Register No. (1010160762) dated 20/05/1421 AH (corresponding to 20/08/2000AD) issued in the city of Riyadh. On 28/11/1430 AH (corresponding to 16/11/2009 AD), the partners unanimously decided to approve the transformation of the company from a limited liability company to a closed joint stock company and increase its capital from (15,000,000) SAR to (50,000,000) SAR divided into (5,000,000) ordinary shares, the value of each share is (10) SAR, The company was registered in the Register of Joint Stock Companies by Ministerial Resolution No. (30/Q) dated 25/01/1431 AH (corresponding to 11/01/2010 AD) and Ministerial Resolution No. (53/Q) dated 19/02/1431 AH (corresponding to 03/02/2010 AD), and by Commercial Register No. (1010160762) dated 20/05/1421AH (corresponding to 20/08/2000 AD) issued in Riyadh. On 01/01/1442 AH (corresponding to 20/08/2020 AD), the remain-ing SAR 25,000,000 of the company's capital was called, where the shareholders subscribed for 2,500,000 ordinary shares with a nominal value of (10) SAR per share.

## Natural Gas Distribution Company – Listed Saudi Joint-Stock Company.

No.	Activity description	Activity revenues	Ratio	Main center
1	Sale of natural gas	91,914	100%	Riyadh

**East Gas Company - a closed Saudi Arabian company:** East Gas Company was established in the city of Dammam, Saudi Arabia, as a limited liability company under Commercial Registration No. 2050048153 issued in Dammam on 2 Rabi Al-Awwal 1426 AH, corresponding to 10 May 2005 AD. The company has a branch operating under Commercial Registration No. 2050104225 dated 26 Safar 1436 AH, corresponding to 18 December 2014 AD. In 2022, the shareholders decided to convert the company from a limited liability company to a closed joint-stock company. The company obtained ministerial approval to officially announce the conversion on 14 Rajab 1443 AH, corresponding to 15 February 2022 AD. The company's capital is 40 million Saudi riyals divided into 4 million shares. GASCO owns 1,400,000 shares, representing 35% of the company's capital. The company's activities include oil and gas pipeline extension, manufacturing of electricity, gas, or water meters, distribution of gas fuels through pipelines, operation of the dry gas distribution network under License No. S-T-5 issued on 9 Shaban 1436 AH, corresponding to 13 September 2005 AD, by the Ministry of Petroleum and Mineral Resources (currently the Ministry of Energy).

The company is also engaged in maintenance and operation of industrial facilities, purchase of dry gas from Saudi Aramco or other suppliers, and wholesale trade of gas equipment and machinery. The company has two agreements with Saudi Aramco for a duration of twenty years, governing the supply of gas for the dry gas distribution network in the Second Industrial City of Dammam and the operation and maintenance of the gas sales meter transfer facility, in accordance with the terms and conditions of the agreements. The company operates fuel production operations (refinery products) under License No. 41102104884 issued on 27 Shawwal 1441 AH, corresponding to 19 June 2020 AD, by the Ministry of Industry and Mineral Resources. The registered address of the company is P.O. Box 15662, Second Industrial City, Dammam 31454, Saudi Arabia.

No.	Activity description	Activity revenues	Ratio	Main center
1	Maintenance and operation of the dry gas distribution network	99,044	100%	Dammam

## Company's Investments:

**Industrial Gases Company (Gas):** Gas is a Saudi limited liability company registered in Saudi Arabia under Commercial Registration No. 2055001171 dated 24 Rajab 1403 AH, corresponding to 7 May 1983 AD. The company commenced its commercial operations on 1 August 1985 AD. The main activity of the company is the production and distribution of industrial gases for various major industries. The company's capital is 248 million Saudi riyals, divided into 248,000 shares. It is a subsidiary of Saudi Basic Industries Corporation (SABIC), which owns 70% of the capital, and GASCO owns 9% of the capital.

**Arab United Float Glass Company:** Arab United Float Glass Company is registered as a closed Saudi joint-stock company under Ministerial Resolution No. 157 dated 2/6/1427 AH, corresponding to 28/6/2006 AD. It is registered in Saudi Arabia under Commercial Registration No. 1010221369 issued in Riyadh on 20/6/1427 AH, corresponding to 16/7/2006 AD. The company's activities include wholesale and retail trade of the company's products, import and export operations, acquisition of buildings and real estate, construction of buildings, float glass manufacturing, research and production for the glass industry's needs. The company's capital is 243 million Saudi riyals, consisting of 24,325,147 ordinary shares. GASCO owns 2,677,819 shares, representing 11.01% of the capital.







## Other investments:

The company's other investments are concentrated in investing in cash funds, Murabaha, and investing in fixed income instruments, in addition to stock investment funds, etc.

Property	City	Space in sq meters	Net Book Value in 31 Dec. 2022
King Fahad Road - crossroads Musa Bin Nusair Street - Al Aqar	Riyadh	14,912	25,164,160
King Fahad Road Street Intersection Imam Faisal bin Turki- Al Aqar	Riyadh	790	2,021,693
Sulamaniya, Abu Bakar Al Razi Street	Riyadh	6,750	3,510,000
Al Marba Street	Riyadh	714	1,427,320
Al Marba Street	Riyadh	800	668,000
Al Dahi Street	Qassim	20,000	441,000
Hai'l / South	Hai'l	90,000	210,000
<b>TOTAL</b>			<b>33,442,173</b>

03

**Governance, Risk, and  
Compliance: Towards...more  
resilience**







ore



## Achieving Excellence

The Governance, Risk and Compliance Division of the National Gas and Manufacturing Company (GASCO) is responsible for implementing the supporting and enabling frameworks for all the company's activities and operations in order to protect the company from potential risks and benefit from opportunities. Furthermore, ensuring business continuity in accordance with

best international practices and standards as well as ensuring compliance with the rules and regulations issued by legislative and regulatory bodies and apply the best comprehensive quality standards. The division is also concerned with enhancing reputation, attracting customers and investors, reducing costs, maintaining profits, and providing analyses that enable decision-making.

## Towards...more resilience

The Governance, Risk and Compliance division has adopted several practices to support GASCO's vision and strategy whereas the Enterprise Risk Management is responsible for protecting the interests of the company, its shareholders, employees, customers and all parties related to its business by managing potential risks in a way that enhances its strategy and ensures the continuity of its business. The data management office is an important element in ensuring effective data management and providing possible analyses and predictions that enable the company to make informed decisions, in addition to the division's role in preserving the company's reputation by protecting it, raising the level of maturity of commitment to it, and ensuring the implementation of best practices to enhance relations with shareholders, investors, and all other company clients. The division is also keen

to raise the quality of products and services to customers by applying international standards for comprehensive quality, and raising the level of security and protection for the company's assets by implementing the controls of the National Cyber security Authority.

## Achievements

In the past twelve months, the Governance, Risk and Compliance division achieved a number of important achievements. The division was also keen to apply the best standards of resilience and operational excellence, as it achieved the ISO 31000 certification in applying the principles and guidelines of the international standard for risk management and the ISO 9001 certification in quality management. The division also achieved a significant increase in the percentage of compliance with controls and legislation issued by the National Cyber security Authority, which contributed to enhancing the level of security and protection for GASCO's information and technical assets.

This has been accomplished by promoting innovation and achieving excellence through investing in competencies and customer focus which has been by exceeding customer expectations, providing high-quality products, services, and working with stakeholders collaboratively to achieve sustainable development and mutual benefit.

One of the main focus areas in 2023 is supporting the transformation of the National Gas and Industrialization Company (GASCO) divisions into independent subsidiaries, which will increase flexibility and resilience, enhance innovation, support growth and achieve improved financial returns.

## VISION 2030

**The Governance, Risk and Compliance division has significantly enhanced data governance and implemented effective data governance principles. Ensuring compliance with the controls of the National Cybersecurity Authority and managing potential risks in achieving Vision 2030 as well as enhancing the security of gas supply chains through periodic testing of business continuity plans, adopting standards and practices recommended by legislative and regulatory bodies, and applying them to all relevant areas of work in accordance with Vision 2030.**



## Highlighted the Risks:

Risks categories	Risk	Response Plan
Strategic risks	GASCO may face a decline in market share due to the entry of new competitors into the market.	The company is working to implement its strategy to keep it competitive, continuing to achieve technical progress and innovation in its operations, and working on initiatives to improve the quality of service provided to the consumer of gas supplies, while raising internal efficiency and launching strategic partnerships.
Operational risks	Risks associated with GASCO's reliance on the reliability and security of IT systems	GASCO relies on information technology systems to facilitate its information, which makes it vulnerable to a variety of risks, starting from data loss or theft, electronic attacks, failure of control systems, and business interruption, all the way to system failure. The increasing global threats to information security and the most sophisticated electronic crimes pose a threat to the confidentiality of data and operations. The infrastructure of information technology systems, networks and services, their availability and security, and this may lead to a direct impact on GASCO's business. Therefore, GASCO has developed business continuity plans and used manual procedures to contain the impact of such intrusions and adherence to the controls of the National Cyber security Authority, which ensures the safety of its systems from Breakthroughs.

Risks categories	Risks	Response Plan
Financial risks	The risks associated with the company's profitability in setting the upper ceiling for liquefied petroleum gas and related to the state's balanced policy to preserve the consumer's standard of living with the fluctuation of the return on the investment portfolio.	GASCO is committed to meeting the entire local demand for liquefied petroleum gas in accordance with the regulatory regulations in effect in the Kingdom, according to the specified prices. These prices have led to achieving profits that are less than the profits that GASCO could have achieved. To reduce the expected impact, the focus was on strategic initiatives, which are mainly aimed at diversification, sources of income, and quality investments while rationalizing spending.
Risks related to the environment, health, safety and security	GASCO may be exposed to environmental, health, safety and security risks as a result of the nature of the company's operations.	GASCO adheres to all laws and regulations related to the environment, health, safety and security. The latest standards for occupational safety and health and fire protection, and works to adhere to the requirements of The High Commission for Industrial Security, the standards of the National Fire Protection Association (NFPA) regarding extinguishing, and the standards of the Occupational Safety and Health Administration (OSHA), as well as the company was keen to obtain driver training certificates (ADR). Concerning the transport of hazardous materials on land roads.

# 04

**Operations Division:  
Quality, Safety, and  
Excellence**









## Operations Division: Quality, Safety, and Excellence

As GASCO celebrates sixty years of uninterrupted service across all regions of the Kingdom, the Operations Division continues to demonstrate the company's key principles. Our dedication to upholding quality, ensuring safety, and driving operational excellence is at the core of how we work, positioning the business to thrive in a rapidly changing world. The Operations Division remains dedicated to upholding these principles and contributing to the company's continued success. Throughout 2023, the Operations Division has demonstrated a relentless dedication to product quality and an unwavering commitment to operational safety, ensuring that every facet of GASCO's operations aligns with the highest standards.

The Operations Division is responsible for the management and operation of GASCO's filling stations located throughout the Kingdom. These stations include:

- 7 stations in Riyadh, Jeddah, Dammam, Khamis Mushait, Qassim, Medinah, and Taif
- A cylinder refurbishment station in Riyadh

The filling stations are responsible for refilling 11kg cylinders. The production capacity of these stations is more than 400,000 cylinders per day.

The stations are equipped with storage tanks for LPG with a total capacity of more than **55,000 cubic meters**.

**55,000**  
cubic meters





## Achievements

- Over 100 equipment were restored and updated between 2022 and 2023, which contributed to a decrease in operating costs of 3 million riyals.
- 100% of distributors were served through the electronic portal (more than 1000 distributors).
- More than 330,000 new cylinders (iron and fiber) were sold daily.

In 2023, the division successfully managed the reduction of operational costs, delivering value to shareholders, stakeholders, and customers. This demonstrates our ability to balance efficiency without ever compromising on quality and safety. Obtaining SASO-ISO-10464 quality certificates for the inspection and testing of iron gas cylinders demonstrates GASCO's pursuit of the most stringent quality standards. Leveraging technology, the Operations Division achieved 100% distributor service through our E-portal, streamlining operations for and delivering efficiency gains.

In 2023, major operational and financial achievements included a 73% increase in revenue from Engineering Support Projects, achieving SAR 451k. Operating costs of sales per liter fell by 18% whilst customers were dealt with more rapidly. The average customer service duration for engineering support projects fell by 34% to 12.4 days.

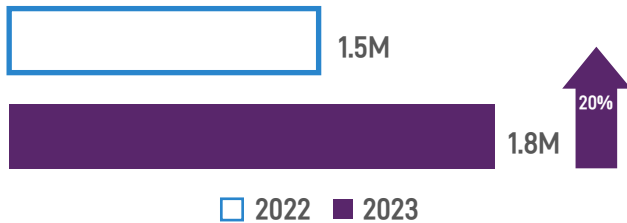
We maintained 1.8 million cylinders in 2023, a year-on-year increase of 20%, whilst the number of cylinders filled increased by 10% to reach 113 million. Cage maintenance achieved a significant 143% increase, moving from 26,000 to 63,000.

Collectively, these achievements demonstrate the division's steadfast dedication to maintaining operational integrity across the business, driving efficiency, and delivering value to our customers.

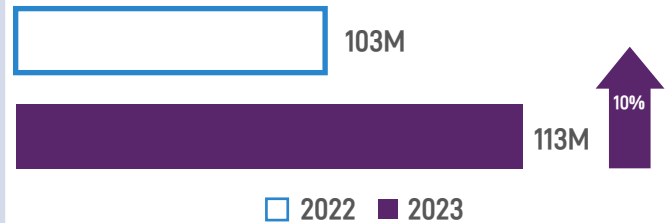


## Financial and operation achievements

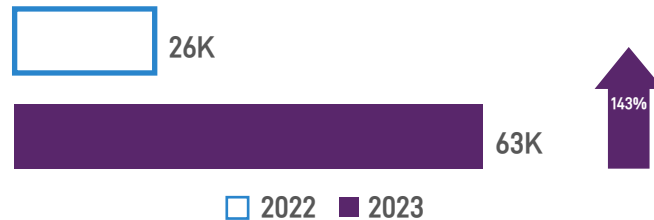
NUMBER OF CYLINDERS MAINTAINED



NUMBER OF CYLINDERS FILLED

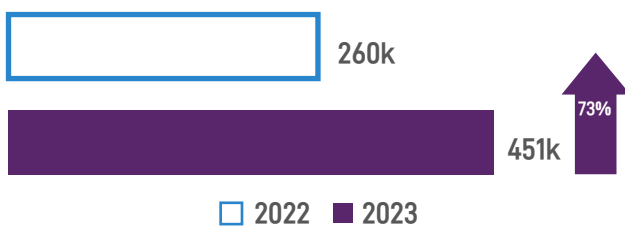


NUMBER OF CAGES MAINTAINED

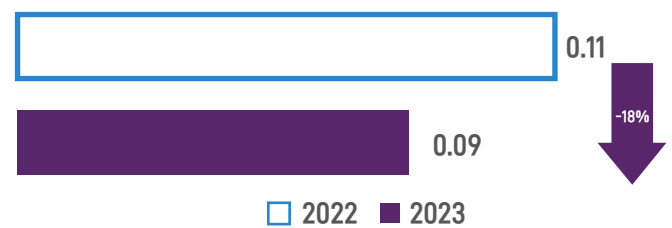


## Financial and operational achievements

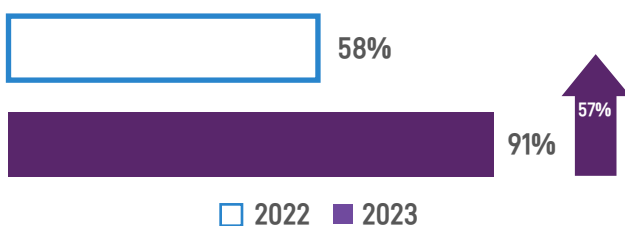
ENGINEERING SUPPORT PROJECTS REVENUES (SAR)



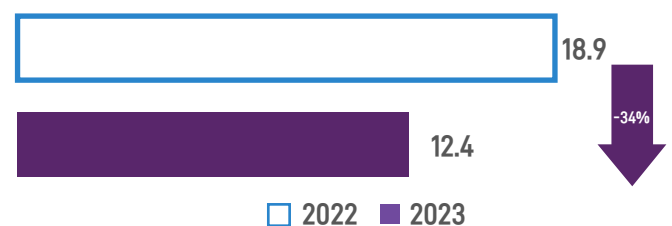
OPERATING COST OF SELLING PER LITER (SR/L)



EQUIPMENT READINESS RATIO



AVERAGE CUSTOMER SERVICE DURATION FOR ENGINEERING SUPPORT PROJECTS (DAYS)



## Safety First

The Operation's division supports company-wide objectives, including a paramount emphasis on safety, an unyielding pursuit of excellence, and an unwavering commitment to service. Safety is embedded in the organization's DNA, setting the tone for all operations. GASCO's commitment to excellence is evident in every facet of its functioning, from production to service delivery. The overarching theme, however, remains a deep-rooted commitment to providing exceptional service, reinforcing GASCO's position as a customer-centric organization. This provides the critical foundation for the next phase of our journey.

## Vision 2030

# All of our operational activity aligns with achieving the key pillars set out in Vision 2030.



The introduction of affordable lightweight fiber cylinders aligns with the vision's goal of enhancing the quality of life for citizens and residents.



Simultaneously, the division's focus on reducing carbon emissions through the use of gas aligns with the Vision's environmental preservation objectives.

05



**Transportation: Logistics  
Excellence**







## Transportation: Logistics Excellence

GASCO's Transportation Division ensures the seamless delivery of materials, connecting our products to the people and businesses that need them. Our modern fleet of trucks and tankers move liquified petroleum gas safely and efficiently to where it can enhance the customer experience across the Kingdom. However, as well as delivering continued excellence in 2023, we have also been focusing on the changing needs of the industry to ensure that we have a sustainable business model that can adapt to meet evolving demands, all while being committed to quality, customer-centricity, and safety.

## A Year of Delivery and Partnerships

Our commitment to quality, customer focus and safety has contributed to important achievements in 2023.

Total trips reached 167,251, an increase of 19% over 2022.

Our land transportation activities showed a similar increase, with total distances traveled exceeding 81 million kilometers, an increase of 23% over 2022.

This led to a 5% increase in the total quantity of gas transported 1,295 tons and a 5% increase in transportation revenues.

These figures were achieved as a result of the sound working fundamentals of the National Gas and Industrialization Company (Gasco) and customer relationships.

We have also renewed our agreement with Bahri and signed an agreement with Saudi Railways Company (SAR) to study the possibility of transporting gas by train. This indicates an ambitious approach and the study of innovative and sustainable transportation methods in line with broader industrial and community trends.

Total trips reached

# 167,251

trips. an increase of 19% over 2022.



## Vision 2030

In alignment with Vision 2030,

**the Transportation Division  
has actively contributed to the  
expansion of logistics capacity in  
the Kingdom.**



This expansion not only facilitates the efficient movement of materials but also aligns with the national agenda of enhancing logistical capabilities. That ability, to move products quickly and efficiently around the Kingdom, is core to Vision 2030.



Our investment in embracing technology to modernize the way that we operate is part of that wider industry shift. We remain committed to supporting the development of a Kingdom-wide logistics division that delivers for businesses, communities, and stakeholders.

# 06



**Gas Bulk Sales: Driving  
Growth, Ensuring Satisfaction**







## Gas Bulk Sales: Driving Growth, Ensuring Satisfaction

Gas Bulk Sales are an important commercial element of GASCO's operations. Our dedicated Gas Bulk Sales Division bridges legislative requirements, customer needs, and corporate strategy. The division is a dependable and trusted partner for key stakeholders, including customers, staff, and the GASCO Board of Directors.

In 2023, the Division has delivered significant achievements in customer satisfaction and sales, in navigating challenges presented by evolving legislative requirements and continuing to align resources with strategic goals and legislative demands. The Gas Bulk Sales Division's work is not only driving GASCO's growth but also playing a vital role in realizing Vision 2030's ambitious objectives and delivering value for shareholders.

## Achievements

Over the past year, the division has celebrated significant milestones. Winning the Customer Experience Award underscores the division's commitment to service excellence. The substantial rise in the percentage of filling within one day, from 26% in 2020 to a commendable 73% in 2023, is a testament to our dedication. Gas bulk sales increased from 620 million liters in 2022 to 674 million liters in 2023, highlighting the division's contribution to wider company growth.

Sales increased by approximately 8.7%, and orders rose by 11% during the second half of 2023 compared to the same period in 2022. This has been achieved through an unrelenting focus on reliability, a commitment to service

excellence, and always placing customers at the core of the way that we operate. This not only streamlined operations but also contributed to an increased customer satisfaction score, which rose from 4.56 to 4.77.

Rise in the percentage of filling within one day from

**26%** to **73%**  
in 2020 in 2023.

contributed to an increased customer satisfaction score, which rose from










**4.56** to **4.77**






## Vision 2030

**Aligned with Vision 2030, the Gas Bulk Sales Division contributes to the vision's energy division goals by providing clean energy.**

Focusing on improving the customer experience directly contributes to enhancing the quality of life of people across Saudi Arabia. Active participation in the Pilgrims Service Program, supplying gas during the Hajj and Umrah seasons, reinforces commitment to broader societal goals.



Year 2023 - OVERVIEW		YEAR 2022	YEAR 2023	% Change
(Orders)	Bobtail	351,281	390,587	 11.2%
	Tanker	4,536	4,510	 -0.7%
	<b>Total</b>	<b>355,817</b>	<b>395,097</b>	 11.0%
Quantity - Delivered	Bobtail	473,730,375	522,343,084	 10.2%
	Tanker	146,295,780	152,229,722	 3.9%
	<b>Total</b>	<b>620,026,156</b>	<b>674,572,805</b>	 8.7%
Orders Scheduling	1 Day (InCity)	56.1%	73.2%	 30.5%
	2 Day (InCity)	89.9%	92.4%	 2.7%
	4 Day (OutCity)	82.1%	78.2%	 6.1%

Year 2023 - OVERVIEW		YEAR 2022	YEAR 2023	% Change
Recieved Orders	IVR	195,506	325,140	 66.3%
	Call Center	116,264	64,056	 -44.9%
	Auto Schedule	4,243	14,613	 244.4%
	App	1,809	32,455	 1694.1%
	<b>Total</b>	<b>317,822</b>	<b>436,264</b>	 37.3%
Complaints		1,311	57	 -95.7%



# 07

**Technology & Digital  
Transformation: Empowering  
The Future**





## Empowering The Future

The Technology and Digital Transformation division at GASCO has been a key driver of the company's growth, achieving significant milestones over the past year in alignment with the objectives of Vision 2030. Committed to fostering operational excellence, seamless digital transformation, and superior customer and employee experiences, the division has played an important role in supporting the business's ongoing transformation journey. The Division has not only delivered on operational excellence and digital transformation but has also contributed to the national goals outlined in Vision 2030. The division's achievements are evident in its commitment to sustainability, innovative digital solutions, and a resilient approach to the ever-evolving business landscape.

It was a crucial year for GASCO as it embarked on a strategic transformation journey, while continuing unwavering efforts to retain market leadership and enhance shareholder value. The strategic initiatives undertaken necessitated the creation of novel digital ecosystems, each serving as a future-ready enterprise core poised for scalability and innovation. Two vital elements of this endeavor included meeting division-specific requirements and aligning with time-to-market expectations. The division has so far delivered three such ecosystems employing rapid delivery methods that set impressive records for efficiency. As several initiatives approach realization, it is noteworthy that the division is well-prepared to operationalize these digital ecosystems.

In the LPG industry, the emphasis on the product sometimes leads to a loss of customer-centricity. However, GASCO ensures that customers remain a top priority in all activities.

Customer experience (CX) is at the heart of our focus, with multiple channels including web, automated response, phone, chatbots and artificial intelligence (AI) all linked to our Customer Relationship Management (CRM) system and Enterprise Resource Planning (ERP) system.

## Key Achievements

In 2023, the division launched new digital ecosystems in line with GASCO strategy, implemented digital transformation in transportation, integrated GASCO's billing systems with ZATCA's e-Invoicing platform to fulfill Phase 2 regulations, launched GASCO's service portal, implemented auto-refund for bulk gas customers and automated more than 50 processes across GASCO divisions including periodend closing.

The Technology and Digital Transformation division delivered a pivotal year in 2023, driving digital transformation and solidifying the company's strategic position.









In 2023, we had a number of strategic and operational achievements including:

Strategic	Operational
New digital ecosystems	99.5% service availability
Digital transformation of Transportation	GASCO-ZATCA's e-Invoicing Phase 2 Integration
Business Workflow Automation platform	GASCO Service Portal
Auto-refund for bulk gas	Real-time budget monitoring
Initiative Management System	ITDR Operationalization
Soft POS	Environmental Health and Safety Incident Management System
Business Network Commerce Automation	Audit Management System
Customer location discovery	Sanad L'amr Activation
Gas withdrawal for bulk customers	Cybersecurity systems
Aramco industrial order automation and mix gas order automation	Period-closing automation
Tanks registration portal	Driver App and CRM integration for follow-up



## 2023 Key Performance Indicators

 <b>Project Health</b>	 <b>SLA Compliance</b>	 <b>IT Cost Control</b>	 <b>Process Automation</b>
<b>Exceeded</b>	<b>Achieved</b>	<b>Exceeded</b>	<b>Exceeded</b>
 <b>Service Availability</b>	 <b>Customer Satisfaction</b>	<b>IT Risk Management</b>	
<b>Exceeded</b>	<b>Achieved</b>	<b>Achieved</b>	

## Key Initiatives

### 1. Strategic Digital Ecosystems

GASCO is undergoing a significant restructuring program aligned with its ambitious strategy. This program involves designing and implementing new digital ecosystems, each functioning as a forward-thinking enterprise core optimized for scalability and innovation. These ecosystems are strategically tailored to address the specific vertical specializations within the LPG industry.

Despite encountering greenfield challenges inherent in pioneering activities, the

Technology and Digital Transformation division has adeptly harnessed its in-house scale-out capabilities for rapid build and rollout, thus not only addressing the challenges but also resulting in the delivery of the new ecosystems with substantial cost savings.

This approach positions GASCO to jumpstart its strategic priorities without the prolonged system development delays typically encountered in the market.

## 2. Finance Process Optimization and Compliance

The Technology and Digital Transformation division collaborated closely with the Finance function to optimize and automate processes, enhancing both performance and compliance. This collaboration successfully facilitated GASCO's implementation of ZATCA's E-invoice Phase 2 regulations. Integration with the agency's Fatoorah platform enabled the submission and clearance of tax invoices, reporting of simplified tax invoices, and ensured highperformance secure data exchange, all achieved before the regulatory deadline.

Furthermore, to meet the Finance function's goal of timely period-closing, particularly in light of Saudi Exchange's filing requirements, the corresponding process was 70% automated. This replaced tedious, repetitive, and errorprone spreadsheet-based tasks with automated data collection, analysis, reconciliation, statement preparation, and reporting.

### 3. Digital Transformation of Transportation

The digital transformation of the transportation division has successfully addressed a major challenge in fleet preparation inspections. Previously, the process was manual, time-consuming, and inefficient. Constant movement of technicians, truckers, and materials created significant inefficiencies. Additionally, a lack of tracking and visibility into vehicle status left stakeholders unclear about fleet readiness.

**A modern application suite, consisting of five seamlessly integrated apps (Supervisor App, Technician App, Inspection App, Trucker App, and Control Room App), has replaced the previous manual and paper-based procedures. These apps integrate with the ERP system. This transformation offers several key benefits, including:**

- Real-time fleet status for delivery
- Improved operational efficiency and transparency.
- High visibility into fleets undergoing maintenance.
- Enhancing operational performance and increasing transparency through continuous dynamic monitoring of the delivery fleet status and achieving an accurate and comprehensive view of vehicles under maintenance with a focus on continuous improvement and

supporting advanced maintenance strategies. This approach facilitates achieving the highest rates of efficiency in maintenance and operation, which ensures the optimal utilization of resources and the sustainability and readiness of the fleet.

- System providing real-time delivery status in the control room.
- Improved insight into fleet health, and increased overall productivity.



## 4. Soft POS

GASCO's innovative soft point-of-sale (POS) solution empowers any smartphone to function as a merchant POS terminal, facilitating effortless payment collection on delivery. This enhances convenience and streamlines the customer experience, while also benefiting the field workforce.

**The solution seamlessly integrates card and mobile wallet payments into a user-friendly and contactless checkout process, boosting mobile transactions. Launched in 2022 and rolled out to over 100 drivers in 2023, this initiative eliminates manual data entry, reduces the risk of human error, and streamlines balance management, offering significant benefits for both drivers and the company.**



## 5. Tanks Registration Platform

GASCO empowers suppliers through the Tanks B2B portal, a user-friendly platform designed to streamline customer tank data management. Suppliers can easily input and update tank details, while the portal facilitates efficient approvals and ensures seamless data integration across relevant systems. This innovative solution exemplifies GASCO's commitment to automating B2B transactions, resulting in significant time and effort savings for both suppliers and customers. Furthermore, the portal upholds stringent quality and safety standards for tanks, fostering customer confidence in our unwavering commitment to delivering high-quality and secure service.



## 6. Omnichannel Feedback System

The division successfully developed a fully integrated enterprise omnichannel customer feedback solution, empowering GASCO to gather valuable customer insights effortlessly. The user-friendly interface encourages feedback and complaint submission across various touchpoints, including contact centers, IVR, web chat, email, and social media. Currently, the solution seamlessly integrates with the IVR system, and future plans involve expanding its reach to create a comprehensive omnichannel feedback management platform.

## 8. EHS Incident Management System

Prioritizing sustainability and safety, GASCO implemented the centralized EHS Incident Management System. The system functions as a centralized platform, streamlining the recording, review, and management of incidents, comprehensively managing the incident lifecycle. It addresses response management, emergency responses, and conducts root cause analysis, serving as a robust tool for GASCO. Through this platform, GASCO can proactively detect safety issues, identify near misses, and promptly address compliance matters.

The primary objective behind the deployment of the EHS Incident Management system is to enhance incident response capabilities, fortify risk management strategies, and contribute to a proactive safety culture. By digitizing incident management processes, the system allows GASCO to maintain a meticulous record of all EHS incidents, ensuring a thorough review and analysis.

## 7. Audit Management System

The Audit Management System digitalized the internal audit function, automating various administrative and tracking activities, streamlining evidence collection, and enabling the function to facilitate controls effectiveness, conduct risk mitigation follow-up, and track closure of nonconformities, while meeting deadlines and adhering to assurance standards.



## 9. Service Portal

The division has launched a cutting-edge platform to streamline service management, support ticketing, and knowledge management in GASCO. This state-of-the-art system, built on the latest technology, offers intelligent functionalities for both business and IT users.

Accessible through the multi-channel, bilingual, and personalized Digital Workplace app, the new system is intended to enhance self-service, automation, service efficiency, SLA fulfillment, and user experience. This robust platform serves as a one-stop solution for IT service management and support, while also enabling business workflow automation and service management across all divisions. Ultimately, the system aims to contribute to achieving paperless workplace.

## 11. Supplier Network Automation

GASCO's supplier network automation solution empowers both GASCO and its suppliers to collaborate efficiently, foster stronger relationships, and unlock new business opportunities. The platform streamlines the entire procurement process, from sourcing to settlement, while simultaneously controlling spendings, accelerating procurement, finding new sources of savings, and building a healthy, ethical supply chain.

Suppliers are expected to use the platform for their own needs, as well as to enable GASCO to meet its procurement transformation goals, simplify the sales cycle, and improve cash flow.

## 10. IT PMO

In 2023, the division established a centralized IT Project Management Office (PMO), recognizing the need to manage a growing project portfolio. This strategic move empowers effective project delivery through meticulous performance tracking and timely corrective interventions. The PMO does not only enhances internal project management practices, but also fosters collaboration, optimizes resource allocation and costs, and streamlines communication and reporting by setting project standards, supporting project managers, and deploying relevant tools. Additionally, the office plays a crucial role in quarterly KPIs reporting.

Championing best practices and standards, the PMO is poised to elevate overall project management maturity, ultimately enabling the division to consistently deliver enhanced project outcomes.

## 12. Preventive Maintenance Optimization

Recognizing the critical role of plant operations, the Technology and Digital Transformation division seamlessly integrated the plant maintenance system with quality management. This integrated system assesses the effectiveness of preventive maintenance tasks, promptly alerting process owners to any deficiencies and outlining necessary corrective actions. A dedicated workflow solution then facilitates coordination between the process owner and maintenance team, ensuring a smooth transition from preventive to corrective maintenance.

Creating a comprehensive report is essential for this follow-up process. This report, which can be accessed even without direct access to the Enterprise Resource Planning (ERP) system, provides non-technical employees with the basic information they need to make sound decisions.



## 13. Cybersecurity

In close collaboration with the cybersecurity department, the Technology and Digital Transformation division implemented and operationalized new cybersecurity solutions. This included the deployment of a suite of new technologies to elevate GASCO's cyber resilience across the cyber-attack lifecycle, ensuring harmonized prevention, detection, and response activities. These initiatives are in line with GASCO's cybersecurity strategy that is underpinned by principles such as zero trust, defense in-depth, secure by design, segregation of duties, cybersecurity hygiene, continuous compliance, and resilience. Central to these efforts is the rollout of Security Incident and Event Management (SIEM) and Security Orchestration, Automation,

and Response (SOAR) solutions, utilized by the outsourced Security Operations Center (SOC). Additionally, the division implemented a Data Loss Prevention (DLP) system and a digital watermark solution to safeguard intellectual property. Privilege Access Management (PAM) capabilities were enhanced, endpoint encryption rollout commenced, and a Mobile Device Management (MDM) solution was deployed to control both company-owned and BYOD devices. Further efforts addressed areas like cryptography, network access control, and identity and access management. The company assumes major responsibility in complying with the cybersecurity controls mandated by the National Cybersecurity Authority. Most of the agency's control types are applicable to GASCO including, ECC, OTCC, DCC, CSCC, TCC, and OSMACC.

## 14. Employee Experience

Following the successful implementation and rollout of human capital systems in 2022, the focus for 2023 has shifted towards stabilizing and optimizing these services. This year saw noteworthy additions including Grievance Management, the Children with Disabilities Survey, and enhancements to Compensation Management. Additionally, significant progress has been made on the workforce analytics project.

Recognizing that the employee experience goes beyond HR services and encompasses the efficiency of daily tasks, the division remains dedicated to enhancing this aspect. The division has continued its momentum with the introduction of improved services and tools, catering to the needs of both office-based and on-site staff across the entire organization. This ongoing efforts ensure a holistic approach to enhancing the overall employee experience within the workplace.

### Customer Focus

Business users within GASCO, regarded as internal customers, are integral partners in the value optimization model. The division focuses on enabling productivity, efficiency, benefit realization, and business result delivery through the power of its digital core, comprising ERP, HXM, SCM, and CRM. The commitment extends further to end-users, ensuring reliable CX-enriched digital services with a relentless pursuit of continuous improvement.

## Operational Agility

The operational approach of delivering reliable services 24x7 and simultaneous engagement in agile digital transformation has been central to the way the division works. Leveraging cutting-edge technologies and deploying advanced management and monitoring tools, underpinned by the integration of people, process, and technology

### Vision 2030

All of the Technology and Digital Transformation Division activities are aligned with Saudi Vision 2030, contributing across all of its Vision 2030's pillars.

GASCO's harnessing of new technological approaches is contributing to building the Kingdom's digital economy and strengthening communication channels with citizens and the business. The alignment with Vision 2030 includes initiatives like improving the quality of services in Saudi cities and supporting the development of the digital economy.

The division also supports the Saudi Green Initiative (SGI) by refreshing outdated computing systems with energy-efficient alternatives. By achieving this mandate, GASCO is demonstrate its commitment to environmentally sustainable practices.



08



**Industrial Security & Shared  
Services: Safety First**







## Industrial Security & Shared Services: Safety First

The Industrial Security & Shared Services divisions at GASCO play a pivotal role in upholding safety standards and operational efficiency. Our key interactions span external bodies such as Ministry of Energy, The High Commission for Industrial Security, and the National Center for Environmental Compliance, as well as internal stakeholders like the Operations and Transport divisions. The implementation of comprehensive emergency plans involves collaboration with various entities, including the High Commission for Industrial Security and Civil Defense.

This has been achieved through collaboration, a commitment to safety and compliance, and a focus on environmental protection. The Division also is responsible for supporting our supply chains, ensuring that we drive efficiency whilst also supporting other Saudi Arabian businesses, in line with Vision 2030. Our clear vision enables us to identify and manage risks and promote employee and contractor cooperation to prevent losses and preserve the environment.

Shared Services conducts annual drills to evaluate readiness and trains to handle emergencies, aligning with the company's commitment to asset protection and environmental stewardship across all sites. The focus extends to achieving excellence in supply chain management through adherence to professional practices, transparency, and quality.

The division is dedicated to creating a supportive and motivating work environment for employees. Additionally, meticulous attention is given to securing all necessary licenses and certificates for the facility, covering building, restoration, commercial, operational, environmental, and industrial requirements.

## Achievements

Security projects were completed, including updating the security systems in the Qassim and Madinah branches, and developing fire systems in all company facilities.

Throughout the fiscal year, Gasco also made significant strides in improving operational efficiency and financial management. Our strategic focus on cost effectiveness resulted in cost savings of over SAR 8.34 million on major deals during the year.

By embracing digital transformation, Gasco successfully implemented invoice delivery to the finance department through the Enterprise Resource Planning (SAP) system. Additionally, ongoing efforts include implementing invoices through Ariba, which plans for comprehensive coverage of all suppliers.

We are continuously improving our systems and processes, including making improvements to the SAP system, improving the authorization schedule, and improving procurement and contracting procedures.

## Safety First

In 2023, the business also successfully attained ISO 45001 for Occupational Safety and Health Management and ISO 40001 for Environmental System Management. This highlights our dedication to maintaining high standards in workplace safety and environmental responsibility. Contributing significantly to shareholder value, the divisions actively protect GASCO's assets by monitoring, investigating accidents, identifying root causes, and implementing corrective actions. In 2023, employees registered over 12,000 attendance hours for awareness and training materials and the business achieved a 100% closure rate for corrective actions on accidents.

## Vision 2030

In line with Vision 2030, our supply chain work focuses on maximizing the impact of our spending by supporting only Saudi companies. Our local content policy was developed and implemented this year, which will provide a new focus on the way we engage with local suppliers through the purchase of goods and services.







# 09

**Human Capital Division:  
People-Powered Change**





## Human Capital Division: People-Powered Change

Human Capital Division is working as strategic business partner for GASCO and helping GASCO in achieving its short-term and long-term goals, while maintaining a culture based on GASCO's core values.

To effectively deliver on its people-centric approach, GASCO's Human Capital Division operates through a collaborative structure that balances the ability to work across teams with clear strategic leadership:

## Human Capital Center of Excellence

In 2023, the Human Capital Center of Excellence directed its efforts toward enhancing organizational effectiveness and efficiency.

Key initiatives included a comprehensive organizational restructuring aligned with GASCO's strategic vision, the introduction of a new performance management system, and the full-scale implementation of SAP SuccessFactors modules to automate human capital processes and elevate employee experience. Strengthening the talent pipeline involved psychometric assessments, robust succession planning, and the implementation of Individual Development Plans (IDPs) for High-Performance/High-Potential employees. A comprehensive Competency Framework was also introduced to assess and address employee competencies.

## Talent Development

The Talent Development Division delivered a series of key outcomes, resulting in increased employee proficiency, reduced skill gaps, and heightened workplace productivity. With 27,000 learning hours delivered, strategic training programs covered safety, technical, and leadership domains. The ongoing partnership with Coursera continued to enrich GASCO's learning platform with content from elite global institutions.

Key programs in 2023 encompassed safety training, leadership development, executive education, finance programs, and specialized training for operations like bobtail maintenance and LPG fleet inspection.

## Human Capital Business Partner: Talent Acquisition Section

The Talent Acquisition Section made significant progress in hiring, bringing on board 384 new employees in 2023. With a total workforce of 1,977, GASCO maintained a Saudization rate of 54%, totaling 1,077 Saudi employees. This achievement aligns with GASCO's commitment to Saudization and active participation in HRDF programs.

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**1,977** Employees

maintained a Saudization rate of

**54%**

## Social Achievements and Programs

GASCO's commitment to the well-being of its employees is evident in various social initiatives. The discount program with "Wala Plus" continued, offering employees and their families discounts on diverse products and services. To support Saudi nationals, the minimum housing allowance was increased, addressing the rise in real estate costs. Social support programs, including those during significant life events and accessible loan options, were implemented. Additionally, GASCO conducted awareness sessions on health and wellness, fostering a holistic approach to employee welfare.

### OUR PEOPLE IN NUMBERS



**384**

New employees  
in 2023.

Total workforce  
of

**1,977**

Saudization rate of

**54%**

totaling

**1,077**

Saudi employees.



# Fueling



## Fueling the Future

The past year has been a year of celebration and reflection. In our 60th anniversary, we acknowledged the achievements of six decades in operation. But we also looked forward to a different future.

# The Future



There are changes to our industry and also to society. The success of GASCO has been founded on an ability to adapt to meet changing needs and to unlock new challenges. That is at the heart of how we work as a business.

Our ambition is to fuel the future, to remain a core partner of households and businesses across Saudi Arabia and to provide the fuel that helps them achieve their own personal and business goals.

That requires dedication, foresight, and courage. It needs the business to embrace change as an opportunity and to put the processes and structures in place to allow us to thrive.

That has been a major focus of our work in 2023. As we step into 2024, the business is confident that those changes will unlock agility and creativity across all of our business divisions, helping GASCO to fuel the future.

# Governance Annex









# Governance

GASCO is keen to adhere to the highest standards of corporate governance and ensure the implementation of best practices to strengthen its relationship with its shareholders, all its investors and customers, ensuring the protection of shareholders' and stakeholders' rights in the long term.

Believing in the principle of disclosure, transparency, and the importance of information to investors, the company discloses its performance, financial results, and previous administrative work through the following information of interest to the investor public, which are as follows:

## Shareholders' Rights:

GASCO pays special consideration to the rights of its shareholders by including them in the company's articles of association and the company's corporate governance manual, as these documents include the rights of shareholders stipulated in the laws and regulations, including:

1. Obtaining a share of the net profits to be distributed in cash or by issuing shares
2. Obtaining a share of the company's assets upon liquidation
3. Attending general assemblies, participate in their deliberations and voting on their resolutions
4. Disposing of shares in accordance with the provisions of the Companies Law, the Capital Market Law, and its executive regulations
5. Inquiring and requesting access to the company's books and documents, including data and information related to the company's activity and its operational and investment strategy in a manner that does not harm its interests and does not conflict with the Company's systems, the Capital Market Law, and its executive regulations
6. Monitoring the company's performance and the work of the Board of Directors
7. Holding the members of the Board of Directors accountable and filing a liability lawsuit against them, and appealing the invalidity of the resolutions of the general shareholders' assemblies in accordance with the conditions and restrictions contained in the Company's bylaws and the Company's Articles of Association
8. Priority for subscription for new shares issued against cash shares, unless the Extraordinary General Assembly suspends

- the right of priority
9. Registering of shares in the company's shareholders register
  10. Requesting to view a copy of the company's articles of incorporation and articles of association unless published by the company on its website.
  11. Nominating and electing of members of the Board of Directors

The company also seeks to communicate directly with its shareholders through ordinary and extraordinary general assembly meetings, publish the company's announcements on the website of the Saudi Stock Exchange Company (Tadawul), provide complete, clear, correct and non-misleading information, and submit it in a timely manner, in addition to issuing the company's annual report including the report of the Board of Directors, through which it submits the required disclosures in accordance with the Companies Law, the Capital Market Law, their executive regulations and the necessary declarations. Shareholders can inquire and submit observations by communicating via mail or email and view the company's documents through the website ([WWW.GASCO.COM.SA](http://WWW.GASCO.COM.SA)), in order to ensure that all shareholders exercise their statutory rights and follow up all necessary procedures for this.

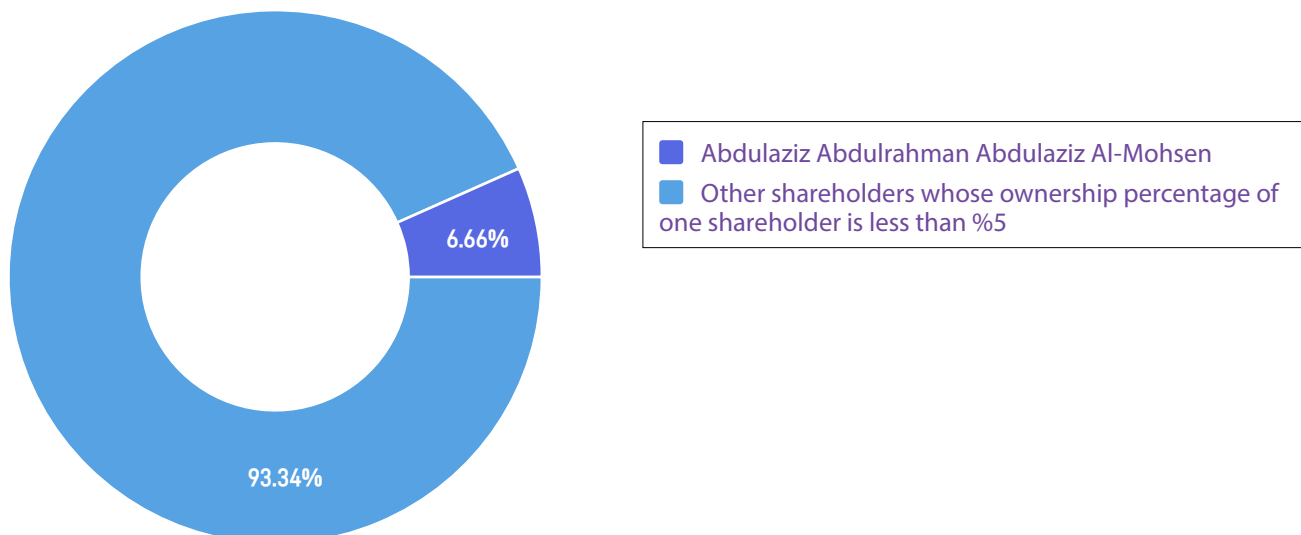
## The Company's capital as of 31 December 2023:

The company does not have preferred shares or shares that enjoy priority voting rights, whether for shareholders, members of the board of directors or its employees, and that all shares of the company are ordinary shares of equal nominal value and equal voting rights and other rights according to the articles of association.

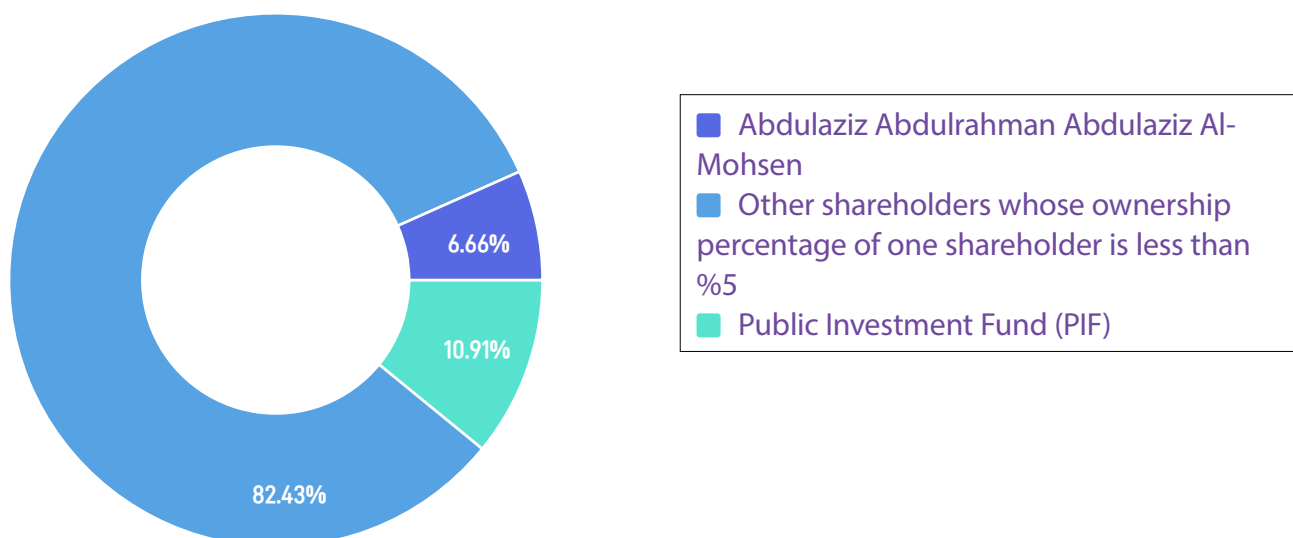
Paid Value / Share	Nominal Value / Share	Paid Capital	Number of issued share	Authorized Capital
10	10	750,000,000	750,000,000	75,000,000

## Shareholders Information:

Shareholders who own 5% or more on December 31, 2023



Shareholders who own 5% or more on December 31, 2022



## Treasury Shares:

The company does not have any treasury shares.

## Dividends:

In accordance with GASCO's policy, dividends are distributed based on the company's operating results, cash flows, working capital needs, as well as, capital investment needs, and accordingly, the Board of Directors shall make appropriate recommendations for dividends, taking into account Article (45) of the Company's Articles of Association:

The company's annual net profits shall be distributed as follows:

- (10%) of the net profits shall be set aside to form the statutory reserve of the company, and the ordinary general assembly may decide to suspend this retainer when the said reserve reaches (30%) of the paid-up capital.
- The Ordinary General Assembly may, upon the proposal of the Board of Directors, set aside 5% of the net profits to form an agreed reserve to meet urgent important cases.
- The Ordinary General Assembly may decide to form other reserves, to the extent that it is in the interest of the Company or ensures the distribution of fixed profits, as much as, possible to the shareholders. The said association may also deduct from the net profits sums for the establishment of social enterprises for the employees of the company or for the assistance of any such existing institutions.
- The remainder shall thereafter be distributed to the shareholders at a rate of not less than one percent (1%) of the paid-up capital.
- Subject to the provisions of Article (twenty-first) of this Law and Article Seventy-Six of the Companies Law, after the foregoing, (10%) of the remainder shall be allocated to the remuneration of the Board of Directors, after distributing dividends to shareholders not less than (5%) of the company's paid-up capital, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.
- The Ordinary General Assembly may, upon the proposal of the Board of Directors, take the appropriate decision on the remainder of the profits in a manner that does not conflict with the resolutions and instructions issued by the competent authorities in this regard.

The Board of Directors may, after fulfilling the established controls, distribute semi-annual and quarterly dividends during the fiscal year.

In addition, the company's dividend policy included:

- Taking into account the sequence and regularity in the manner and proportions of dividends distribution according to the capabilities and liquidity available to the company.
- Disclosure and announcement of the regular periodic dividend ratios that are decided to be distributed to shareholders on time.
- The Board of Directors may distribute semi-annual and quarterly dividends during the fiscal year in accordance with the provisions of Article (45) of the Company's Articles of Association after obtaining an authorization from the General Assembly of the Company by virtue of an annual resolution to distribute interim dividends, taking into account the existence of regular profitability, and that the Company has liquidity and can reasonably predict the level of its profits, in addition to the existence of distributable profits according to the latest audited financial statements, sufficient to cover the profits proposed to be distributed, after deducting what has been distributed and capitalized from such earnings after the date of these financial statements.
- The Board of Directors, when taking the interim dividend resolution or recommending to the General Assembly a dividend proposal, shall disclose and announce this immediately, and provide the Authority with a copy thereof as soon as it is issued.
- Dividends shall be due to shareholders who own shares at the end of trading on the eligibility date and who are registered in the company's register at the Depository Center "Tadawul" at the end of the second trading day following the eligibility date.
- The Board of Directors shall implement the resolution of the General Assembly regarding the distribution of dividends to the registered shareholders within (15) days from the date of maturity of such dividends specified in the resolution of the General Assembly, or in the resolution of the Board of Directors to distribute interim dividends.
- The Board of Directors shall disclose in its annual report submitted to the General Assembly of the Company a description of the Company's policy in the distribution of dividends, the percentages of dividends distributed to shareholders during the different periods of the year, the percentage of dividends proposed to be distributed at the end of the fiscal year and the total of such dividends, and a statement of any arrangements or agreement whereby one of the Company's shareholders waives any rights to dividends.



General	Dividends per share (SAR)	Share of net income (SAR)
2023	2.00	3.03
2022	1.85	2.85
2021	1.50	2.68
2020	0.50	1.83
2019	2.60	1.46

## A statement of any arrangements or agreement whereby a shareholder of the Company waives any rights to profits:

No arrangements or agreement have been made whereby any rights to profits have been waived by one of the Company's shareholders.



# Shareholders' Assemblies:

3 ordinary general assemblies were held during the year 2023:

## The Ordinary General Assembly held on Monday 22/01/2023.

Based on the invitation of the Board of Directors addressed to the shareholders of the company to attend the ordinary general assembly meeting, which was announced on the website of the Saudi Stock Exchange "Tadawul" on 28/12/2022, and accordingly, the meeting was held through modern technology using the Tadawulat system to participate and vote on its decisions, at (8) pm, headed by Eng. Abdulaziz Fahad Al-Khayal (Chairman of the Board of Directors) and in the presence of All members of the Board of Directors are as follows:

- |   |   |
|---|---|
| 1. Eng. Abdulaziz Fahad Abdullah Alkhayyal      | 5. Mr. Turki Abdullah Saleh Al-Jawini.                  |
| 2. Mr. Ibrahim Hamad Abdullah Al-Rashed         | 6. Mr. Raed Abdullah Saleh Al-Tamimi                    |
| 3. Mr. Ahmed Abdul Rahman Abdul Aziz Almohsen   | 7. Dr. Saad Abdulaziz Sulaiman Alhogail                 |
| 4. Mr. Bakr Abdul Rahman Abdul Karim Al-Muhanna | 8. Dr. Mohammed Hamad Rashed Al Katheeri                |
|   | 9. Eng. Abdulrahman bin Abdulaziz Mohammed bin Sulaiman |

The member: Mr. Ali Muhammad Ali Al Saflan apologized for not attending the meeting.

At exactly (7:00) pm, the President of the Assembly and the Chairman of the Board of Directors welcomed the attendees and announced that the Ordinary General Assembly would not be held, as the attendance rate reached (23.66%), and the meeting was postponed to (8:00) pm on the same day, as announced in the invitation to the Assembly. At 8:00 pm, the Chairman of the General Assembly and the Chairman of the Board of Directors welcomed the attendees and announced the convening of the Ordinary General Assembly, where the shareholders' statements were as follows:

Number of Shareholders	Number of shares	Ratio
173	17,746,408	23.66 %

Thus, the convening of the General Assembly shall be valid according to the Companies Law and the Company's Articles of Association.

Mr. Mousa Al-Mousa was appointed as the Secretary of the Assembly, and Mr. Fahad Abdulaziz Al-Abdullatif and Mr. Abdulmalik Abdullah Al-Mahous were appointed as members of the screening committee.

After that, the items of the assembly were reviewed, and the auditor's representatives were allowed to read the auditor's report and answer the questions and inquiries of the shareholders. After that, the result of the voting on the agenda items of the General Assembly was announced, after closing the voting and receiving the results report through the depository center "Tadawulaty", where it was as follows:

Item	Agree	Disagree	Abstaining
Voting on the formation of the Audit Committee for the new session, which starts from 06/07/1444 AH corresponding to 2023-01-28 AD for a period of three years, on its tasks, work controls, and the remuneration of its following members:	13,820,699	3,014,773	910,936
<b>Mr. Ahmed bin Abdul Rahman bin Abdul Aziz Almohsen</b>	77.88 %	16.99 %	5.13 %
<b>Mr. Raed bin Abdullah bin Saleh Al-Tamimi</b>			
<b>Mr. Fahad Yousef Al-Khamis</b>			
<b>Mr. Musa bin Abdullah bin Hamad Al-Mousa.</b>			

The Assembly's decision shall thus approve by a majority vote the item on the agenda of the Assembly.

The meeting closed at 8:45 pm on the same day, where the Chairman of the Assembly, on behalf of the Board of Directors of the company and all its employees, thanked all the attendees and the active participation of the shareholders by attending this meeting.

## The Ordinary General Assembly held on Thursday 29/05/2023.

Based on the invitation of the Board of Directors addressed to the shareholders of the company to attend the ordinary general assembly meeting, which was announced on the website of the Saudi Stock Exchange "Tadawul" on 28/12/2022, and accordingly, the meeting was held through modern technology using the Tadawulaty system to participate and vote on its decisions, at (8) pm, headed by Eng. Abdulaziz Fahad Al-Khayal (Chairman of the Board of Directors) Chairman of the Board of Directors and in the presence of All members of the Board of Directors are as follows:

- |   |   |
|---|---|
| 1. Eng. Abdulaziz Fahad Abdullah Al-Khayyal     | 5. Mr. Turki Abdullah Saleh Al-Jawini.                  |
| 2. Mr. Ali Mohammed Ali Al Saflan               | 6. Mr. Raed Abdullah Saleh Al-Tamimi                    |
| 3. Mr. Ahmed Abdul Rahman Abdul Aziz Al-Mohsen  | 7. Dr. Saad Abdulaziz Suleiman Al Hogail                |
| 4. Mr. Bakr Abdul Rahman Abdul Karim Al-Muhanaa | 8. Dr. Mohammed Hamad Rashid Al Katheeri                |
|   | 9. Eng. Abdulrahman bin Abdulaziz Mohammed bin Sulaiman |

Mr. Ibrahim Hamad Abdullah Al-Rashed has apologized for attending

At exactly (7) pm, the President of the Assembly and the Chairman of the Board of Directors welcomed the attendees and announced that the Ordinary General Assembly would not be held, as the attendance rate reached

The meeting was postponed to 8 pm on the same day as announced in the invitation to the Assembly.

At 8 pm, the Chairman of the General Assembly and the Chairman of the Board of Directors welcomed the attendees and announced the convening of the Ordinary General Assembly, where the shareholders' statements were as follows:

Number of Shareholders	Number of shares	Ratio
155	18,372,004	24.49%

Thus, the convening of the General Assembly shall be valid according to the Companies Law and the Company's Articles of Association.

Mr. Mousa Al-Mousa was appointed as the Secretary of the Association, and Mr. Fahad Abdulaziz Al-Abdullatif and Mr. Abdulmalik Abdullah Al-Mahous were appointed as members of the screening committee.

After that, the items of the assembly were reviewed, and the door was opened for discussion and inquiries to shareholders, and there were no inquiries from shareholders related to the items of the assembly.

After that, the result of the voting on the agenda items of the General Assembly was announced, after closing the voting and receiving the results report through the depository center "Tadawulaty", where it was as follows:



Item	Agree	Disagree	Abstaining
1. To review and discuss the Board of Director's report for the fiscal year ending on 31 December 2022.	17,993,804 97.94 %	97,239 0.53 %	280,961 1.53 %
2. Voting on the auditor's report for the fiscal year ending 31 December 2022	18,214,061 99.14 %	100,239 0.55 %	57,704 0.43 %
3. Review the financial statements for the fiscal year ending on 31 December 2022.	18,090,539 98.46 %	504 0.01 %	280,961 1.53 %
4. Voting on the discharge of the members of the Board of Directors from liability for the fiscal year ending on 31 December 2022	18,165,831 98.88 %	120,312 0.65 %	85,861 1.47 %
5. Voting on the disbursement of SAR (3,505,211) as remuneration to the members of the Board of Directors for the fiscal year ended 31 December 2022	18,041,295 98.20 %	170,134 0.93 %	160,575 0.87 %
<b>6. Voting on the appointment of the Company's auditor from among the candidates based on the recommendation of the Audit Committee, to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023 and the first quarter of the fiscal year 2024, and determine thier fees.</b>			
<b>Name</b>	<b>Number of votes</b>	<b>Rate %</b>	
1 PricewaterhouseCoopers Chartered Accountants.	8,398,942	45.72 %	
2 KPMG Al Fozan & Partners - Chartered Accountants	257,416	1.40 %	
<b>&amp; Auditors</b>			
3 Abstaining	9,715,646	52.88 %	
7.Voting on authorizing the Board of Directors to distribute interim dividends semi-annually or quarterly for the fiscal year 2023	18,361,739 99.94 %	0	10,265 0.06 %
8.Voting on delegating the authority of the Board of Directors to the Ordinary General Assembly with the license mentioned in paragraph (1) of Article Twenty-Seven of the Companies Law, for a period of one year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, vvhich ever is earlier, in accordance with the conditions contained in the Executive Bylaws of the Companies Law for Listed Joint Stock Companies.	18,224,639 99.20 %	105,604 0.57 %	41,761 0.23 %

Thus, the resolution of the General Assembly is to approve all the items by a majority of votes except for the sixth item related to the appointment of the company's auditor.

Since the appointment of the Company's auditor has not been approved due to the incomplete percentage required for approval, a General Assembly will be held to vote on this item.

The meeting closed at 8:20 pm on the same day, where the Chairman of the Assembly, on behalf of the Board of Directors of the company and all its employees, thanked all the attendees and the active participation of the shareholders by attending this meeting.

## Ordinary General Assembly held on Thursday 05/07/2023.

Based on the invitation of the Board of Directors addressed to the shareholders of the company to attend the ordinary general assembly meeting, which was announced on the website of the Saudi Stock Exchange "Tadawul" on 01/06/2023, and accordingly, the meeting was held through modern technology using the Tadawulat system to participate and vote on its decisions, at (8) pm, headed by Eng. Abdulaziz Fahad Al-Khayal (Chairman of the Board of Directors) Chairman of the Board of Directors and in the presence of All members of the Board of Directors are as follows:

- |   |   |
|---|---|
| 1. Eng. Abdulaziz Fahad Abdullah Alkhayyal    | 5. Dr. Saad Abdulaziz Sulaiman Alhogail                 |
| 2. Mr. Ahmed Abdul Rahman Abdul Aziz Almohsen | 6. Dr. Mohammed Hamad Rashed Al Katheeri                |
| 3. Mr. Turki Abdullah Saleh Al-Jawini.        | 7. Eng. Abdulrahman bin Abdulaziz Mohammed bin Sulaiman |
| 4. Mr. Raed Abdullah Saleh Al-Tamimi          |   |

He apologized for attending the member's meeting:

- 1- Mr. Ali Muhammad Ali Al Saflan
- 2- Mr. Bakr Abdul Rahman Abdul Karim Al-Muhanna
- 3- Mr. Ibrahim Hamad Abdullah Al-Rashed

At exactly (7) pm, the President of the Assembly and the Chairman of the Board of Directors welcomed the attendees and announced that the Ordinary General Assembly would not be held, as the attendance rate reached (24.41%), and the meeting was postponed to (8) pm on the same day, as announced in the invitation to the Assembly.

At 8 pm, the Chairman of the General Assembly and the Chairman of the Board of Directors welcomed the attendees and announced the convening of the Ordinary General Assembly, where the shareholders' statements were as follows:

Number of Shareholders	Number of shares	Ratio
166	18,308,625	24.41 %

Thus, the convening of the General Assembly shall be valid according to the Companies Law and the Company's Articles of Association.

Mr. Mousa Al-Mousa was appointed as the Secretary of the Association, and Mr. Fahad Abdulaziz Al-Abdullatif and Mr. Abdulmalik Abdullah Al-Mahous were appointed as members of the screening committee.

After that, the items of the assembly were reviewed, and the auditor's representatives were allowed to read the auditor's report and answer the questions and inquiries of the shareholders. After that, the result of the voting on the agenda items of the General Assembly was announced, after closing the voting and receiving the results report through the depository center "Tadawulaty", where it was as follows:

1. Voting on the appointment of the Company's auditor from among the candidates based on the recommendation of the Audit Committee, to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023 and the first quarter of the fiscal year 2024, and determine his fees.

Name		Number of votes	Rate %
1	PricewaterhouseCoopers - Chartered Accountants.	13,515,720	73.82 %
2	KPMG Al Fozan & Partners - Chartered Accountants & Auditors	233,795	1.28 %
3	Abstaining	4,559,110	24.90 %

Thus, the Assembly's resolution is to approve all the appointment of PricewaterhouseCoopers - Chartered Accountants to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023, and the first quarter of the fiscal year 2024. The meeting closed at 8:40 pm on the same day, where the Chairman of the Assembly, on behalf of the Board of Directors of the company and all its employees, thanked all the attendees and the active participation of the shareholders by attending this meeting.

## Register of Shareholders:

Number of company requests for shareholder register	Order Date	Reasons for the request
1	2023/01/22	Holding a General Assembly
2	2023/05/29	Holding a General Assembly
3	2023/07/05	Holding a General Assembly
4	2023/07/09	Dividend Distribution

# Composition of the Board of Directors and Company Committees:

## Composition of the Board of Directors:

The Company shall be managed by a Board of Directors consisting of ten members, elected by the Ordinary General Assembly of Shareholders by cumulative voting:

<b>Independent Members</b>	<ol style="list-style-type: none"> <li>1. Eng. Abdulaziz Fahad Al-Khayyal – Chairman of the Board</li> <li>2. Dr. Saad Abdulaziz Alhogail – Member</li> <li>3. Mr. Raed Abdullah Al-Tamimi – Member</li> <li>4. Mr. Ibrahim Hamad Al-Rashed – Member</li> <li>5. Mr. Turki Abdullah Al-Jawini – Member</li> </ol>	<ul style="list-style-type: none"> <li>• In his personal capacity</li> <li>• In his personal capacity</li> <li>• In his personal capacity</li> <li>• Representative of the Social Development Bank</li> <li>• Representative Human Development Fund</li> </ul>
<b>Non-Executive Members</b>	<ol style="list-style-type: none"> <li>6. Mr. Ali Mohammed Al-Saflan – Vice Chairman of the Board</li> <li>7. Mr. Hamad Abdulrahman Al Mohsen – Member</li> <li>8. Dr. Mohammed Hamad Al Katheeri – Member</li> <li>9. Mr. Bakr Abdul Rahman Al-Muhanna – Member</li> </ol>	<p>In his personal capacity</p> <p>In his personal capacity</p> <p>In his personal capacity</p> <p>Public Investment Fund Representative</p>
<b>Executive Members</b>	<ol style="list-style-type: none"> <li>10. Eng. Abdul Rahman bin Abdul Aziz bin Suleiman – Member</li> </ol>	<p>In his personal capacity</p>

## Composition of company committees

### Executive Committee:

The Executive Committee consists of (4) members of the Board of Directors, namely:

- MR. Abdulaziz Fahad Alkhayal – Chairman of the Committee
- Mr. Ali Mohammed Al-Saflan - Member
- Eng. Abdulrahman bin Abdulaziz bin Sulaiman - Member
- Dr. Mohammed Hamad Al Kathiri - Member

### Nomination and Remuneration Committee:

The Nomination and Remuneration Committee consists of (4) members of the Board of Directors, namely:

- Mr. Turki Abdullah Al-Jawini - Chairman of the Committee
- Mr. Abdulaziz Fahad Alkhayal - Member
- Mr. Ali Mohammed Al-Saflan - Member
- Mr. Bakr Abdulrahman Al-Muhanna - Member



**Investment Committee:**

The Investment Committee consists of (3) members of the Board of Directors:

- Mr. Bakr Abdulrahman Al-Muhanna
- Mr. Hamad Abdulrahman Almohsen
- D. Saad Abdulaziz Alhogail

**Risk Management Committee:**

The Risk Management Committee consists of (4) members of the Board of Directors:

Mr. Raed Abdullah Al-Tamimi – Chairman of the Committee  
Mr. Ibrahim Hamad Al-Rashed  
Dr. Mohammed Hamad Alkathiri  
Dr. Ahmed Abdullah Al-Munif - Member from outside the Board

**Audit Committee:**

The Audit Committee consists of (4) members, (2) non-executive directors and (2) non-board members with competence in financial and accounting affairs, namely:

- 1- Mr. Ahmed Abdulrahman Al-Mohsen - Chairman of the Committee.
- 2- Mr. Raed Abdullah Al-Tamimi – Member Independent on the Board of Directors.
- 3- MR. Fahad Yousef Al , Khamis - Member from outside the Board of Directors.
- 4- Mr. Mousa Abdullah Al-Mousa - Member from outside the Board of Directors.

**Changes in the classification and nature of membership in the Board of Directors and the company's committees during the year 2023 :**

There are no changes in the classification and nature of membership in the Board of Directors and the Company's committees during the year 2023.

# Biographies of the members of the Board of Directors and the company's committees:

## Eng. Abdulaziz Fahad Al-Khayyal – Chairman

**Qualifications:** Master of Business Administration in 1979, Bachelor of Mechanical Engineering in 1977 from the University of California, Irvine, and Advanced Management Program from the University of Pennsylvania in 1995.

**Current Positions:** Retired

**Previous Experience and Positions:** He worked at Aramco from 1981 to 2014, through which he held many positions, the last of which was Senior Vice President of Industrial Works, Senior Vice President of Refining, Marketing and International Business, Vice President of Sales and Marketing, Vice President of Planning, and President of Saudi Petroleum International in New York.

### Company Committee Memberships

Executive Committee - Chairman  
Nomination and Remuneration Committee – Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Marathon Petroleum Corporation	outside	Listed Joint-Stock
Halliburton Company	outside	Listed Joint-Stock

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Saudi Aramco	inside	Listed Joint-Stock
Petro Rabigh	inside	Listed Joint-Stock
Petron	outside	Listed Joint-Stock
Bahrain International Villa	In and out	Limited liability
Korean S-Oil	outside	Listed Joint-Stock
Saudi Electricity Company	inside	Listed Joint-Stock

## Mr. Ali bin Mohammed Al-Saflan – Vice Chairman

**Qualifications:** Holds a Business Administration program from Columbia University (USA), a bachelor's degree in business administration from King Fahd University of Petroleum and Minerals and a master's degree in financial management and business administration from Ryder University (USA).

**Current Positions:** Freelance

**Previous Experience and Positions:** He has extensive experience over (45) years of work in various technical and administrative positions at Saudi Aramco, the last of which is the Senior Vice President of Saudi Aramco responsible for industrial relations and affairs at Aramco.

### Company Committee Memberships

Executive Committee - Member  
Nomination and Remuneration Committee - Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Saeed Ghodran & Sons Company	inside	Closed Joint-Stock
Qabas Albilad Company	inside	Closed Joint-Stock

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Korean S-Oil Company	outside	Listed Joint Stock Company
Qabas Albilad Holding Company	inside	Closed Joint Stock Company
Golf Saf Saudi Arabia	inside	Closed Joint Stock Company
Natural Gas Distribution Company	inside	Listed Joint Stock Company
East Gas Company Ltd.	inside	Closed Joint Stock Company
Al Sarawat Printing & Publishing Company	inside	Closed Joint Stock Company
Saeed Ghodran Group	inside	Closed Joint Stock Company
Tagat Al Sharq Al Saudi Factory	inside	Closed Joint Stock Company

**Mr. Ahmed bin Abdulrahman Al-Mohsen – Board Member**

**Qualifications:** Master of Business Administration from the University of Missouri, USA, Bachelor of Accounting from King Saud University in Riyadh, American Fellowship of Chartered Accountants (CPA), Saudi Fellowship of Certified Public Accountants (SOCPA), Strategic Financial Leadership Program at Stanford University in the United States, and Executive Programs at London Business School.

**Current Positions:** General Manager of Financial Management and Property Management – Al Rajhi Capital Company.

**Previous Experience and Positions:** General Manager of Financial Control at Al Rajhi Bank (Jordan Branches), and prior to that he worked in various positions at Al Rajhi Bank and PricewaterhouseCoopers.

**Company Committee Memberships**

Audit Committee - Chairman  
Investment Committee-Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Al Rajhi REIT Fund	inside	Real Estate Investment Traded Fund
ALETIHAD Cooperative Insurance Company	inside	Public company

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-



## Mr. Bakr bin Abdulrahman Al-Muhanna – Board Member

**Qualifications:** Bachelor of Management Information Systems Management from King Fahd University of Petroleum and Minerals in 2006.

**Current Positions:** Director of the General Division of Investments in the Middle East and North Africa – Logistics Division at the Public Investment Fund.

**Previous Experience and Positions:** Worked as an Investment Banking Professional at Deutsche Bank in the fields of capital markets, mergers, and acquisitions, as well as Chief Investment Officer at King Abdullah City for Atomic and Renewable Energy, and Assistant Director of Investments at the Saudi Arabian Industrial Investment Company.

### Company Committee Memberships

Investment Committee - Chairman  
Nomination and Remuneration Committee-Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Tatweer Education Holding Company	inside	Closed Joint-Stock
Al Madinah Heritage Company	inside	Closed Joint-Stock
International Ports Company	inside	Closed Joint-Stock
Saudi Fisheries Company	inside	Listed Joint-Stock
Saudi Coffee Company	inside	Closed Joint-Stock
Red Sea Gateway Terminal Company	inside	Closed Joint-Stock

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
First, second, third and fourth flour milling companies	inside	Closed Joint-Stock
Minerva Food Company	outside	Listed Joint-Stock
National Unified Procurement Company (NUPCO)	inside	Closed Joint-Stock

**Mr. Turki bin Abdullah Al-Jawini – Board Member**

**Qualifications:** Bachelor 's degree in Management Information Systems from Clarion University, USA.

**Current Positions:** Director General of the Human Resources Development Fund "HADAF".

**Previous Experience and Positions:** He has extensive experience in several fields, where he held a number of leadership positions at the Saudi British Bank (SABB), NAS Holding Company and Nas Jet Aviation Company, as well as Advisor to the Assistant to the President for the Airports Division at the General Authority of Civil Aviation and Director General of King Fahd International Airport in Dammam and CEO of Dammam Airports Company (DACO). In early November 2019, he was appointed Director General of the Human Resources Development Fund (HADAF) until this date, in addition to his activity in the membership of a number of boards of directors of a number of joint stock companies, closed companies and charitable institutions, and his leadership of some of the committees emanating from those boards, in addition to his membership in the national committees specialized in Emiratization and Saudi labor market initiatives.

**Company Committee Memberships**

Nomination and Remuneration Committee - Chairman

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Sawaeed Business Services	inside	Closed Joint-Stock
Takamul Business Services Company	inside	Closed Joint-Stock
Future Work Company	inside	Closed Joint-Stock

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
East Gas Company Ltd.	inside	Limited Liability
Saudi Pharmaceutical Industries and Medical Appliances Company (SPIMACO)	inside	Public shareholding listed

## Mr. Raed bin Abdullah Al-Tamimi – Board Member

**Qualifications:** Bachelor of Medical Sciences from the University of Wales, UK in 1996, and several professional certificates specialized in insurance and management.

**Current Positions:** Member of the Board of Directors of a number of companies.

**Previous Experience and Positions:** He served as CEO of the National Medical Care Company (2017-2018), worked at Tawuniya Insurance Company during the period from 1996-2017, during which he held many positions, the last of which was the position of CEO of the company and holds a number of certificates and advanced training in management, strategy, leadership, insurance, investment, risk management and governance from a number of well-known international institutes such as INSEAD, AMD Institute, EVCH, London Business School and others.

### Company Committee Memberships

Audit Committee - Member  
Risk Committee-Chairman

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Al Rajhi Bank	inside	Public Shareholding

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
National Medical Care Company	inside	Public Shareholding
Najm	inside	Closed Joint-Stock
Tawuniya Insurance Company	inside	Public Shareholding
Gas Distribution Company	inside	Closed Joint-Stock
United Insurance Company - Bahrain	outside	Closed Joint-Stock
Cooperative Real Estate Investment Company	inside	Limited liability
Wasil for the transfer of electronic information	inside	Closed Joint-Stock
The Saudi Public Transport Company	inside	Public Shareholding

**Eng. Abdulrahman bin Abdulaziz bin Sulaiman – Board Member & CEO**

**Qualifications:** He holds a master's degree in business administration from King Saud University, an MBA from the University of Hull, and a bachelor's degree in petroleum engineering from King Saud University.

**Current Positions:** CEO of the National Gas and Industrialization Company.

**Previous Experience and Positions:** He has extensive experience spanning more than (23) years, where he held several positions, including CEO of Samnan Holding Group, General Manager of Abyat Company and Managing Director of Jazan Development Company, and worked in several positions in GASCO, including Assistant General Manager for Transport, Director of Project Management and Director of Planning Division.

**Company Committee Memberships**

Executive Committee – Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Riyadh Natural Gas Distribution Company	inside	Listed Joint Stock Company
Samnan Trading & Maintenance Company	inside	Closed Joint Stock Company
Tabuk Fish Company	inside	Closed Joint Stock Company
East Gas Company Ltd.	inside	Limited Liability Company
Gas Solutions Company	inside	Limited Liability Company
Shiyadat Al Ard Trading Company	inside	Closed Joint Stock Company
Best Gas Distributor Company	inside	Limited Liability Company
National Transportation Company	inside	Limited Liability Company
Supply and Treasury Company	inside	Limited Liability Company
National Storage Company	inside	Limited Liability Company

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Jazan Development Company	inside	Listed Joint Stock Company
Jinan Agriculture Company	inside	Closed Joint Stock Company
Saudi Gas Cylinder Factory Company	inside	Closed Joint Stock Company
Arabian United Float Glass Company	inside	Closed Joint Stock Company



## Dr. Mohammed bin Hamad Al Kathiri – Board Member

**Qualifications:** He holds a PhD in Business Administration majoring in Strategic Management from the University of Manchester Business School in the UK, an MBA from the University of Ottawa in Canada, and a bachelor's degree in business administration from King Saud University.

**Current Positions:** Freelancer, Management and Economic Consulting.

**Previous Experience and Positions:** He has extensive experience spanning more than 30 years in multiple and diverse fields and works, where he worked as Secretary General of the Chamber of Commerce and Industry in Riyadh, Undersecretary of the Ministry of Commerce and Investment for Foreign Trade, Undersecretary in charge of the Ministry for Industry Affairs, Secretary General of the Riyadh Economic Forum and Director General of a private division company, as well as a professor in the Division of Business Administration at King Saud University, in addition to consulting work in the field of strategic planning and development of enterprises.

### Company Committee Memberships

Executive Committee - Member  
Risk Committee - Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
National Industrial Gases Co.	inside	Limited Liability Company

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
The Saudi Agricultural and Livestock Investment Co.	inside	Closed Joint Stock Company
Professional Traveler Co.	inside	Limited Liability Company
SEPCO Environment Co.	inside	Closed Joint Stock Company
SAUDI MAKANAH INVESTMENT Co.	inside	Limited Liability Company
Jawdah Cables Co.	inside	Limited Liability Company
Diriyah Global Consulting Co.	inside	Closed Joint Stock Company

**Dr. Saad bin Abdulaziz Alhogail – Board Member**

**Qualifications:** He holds a Doctor of Business Administration majoring in Marketing from the University of Texas, an MBA in Marketing from the University of Colorado, and a Bachelor of Business Administration majoring in Marketing from King Saud University.

**Current Positions:** Executive Director of Daha Agency for Marketing and Advertising, Head of the Marketing Division at King Faisal University.

**Previous Experience and Positions:** Accumulated management experience in several fields, most notably boards of directors, investment and marketing committees, corporate structuring, and areas of higher education and research.

**Company Committee Memberships**

Executive Investment - Committee - Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
National Company for Learning & Education	inside	Listed Joint-Stock
Eastern Cement Company	inside	Listed Joint-Stock
Sinmar	inside	Limited liability

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-

## Mr. Ibrahim bin Hamad Al-Rashed – Board Member

**Qualifications:** Master of Science in Computer Science from Florida Institute of Technology.

**Current Positions:** Chief Executive Officer, Social Development Bank

**Previous Experience and Positions:** General Manager of Yesser e-Transaction Center, Head of Information Technology at Al Rajhi Bank, and Vice President of Takamol Holding Company.

### Company Committee Memberships

Risk Committee - Member

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Yanbu Cement Company	inside	Listed Joint-Stock
Future Work Company	inside	Closed Joint-Stock
Saudi Fund for Small and Startups	inside	Closed Joint-Stock

Memberships in the boards of directors of previous companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-

# External Committees Members

## Dr. Ahmed bin Abdullah Al-Munif - Member of the Audit Committee

**Qualifications:** Doctor of Philosophy in Accounting and Finance, University of Dundee, UK; Master of Accounting and Finance, University of Glasgow, UK; Master of Science in Accounting and Information Systems. Central Tennessee State University, USA; Bachelor of Accounting, King Saud University, Saudi Arabia.

**Current Positions:** Chairman of the Board of Directors of the Saudi Accounting Association, Faculty Member in the Division of Accounting - King Saud University.

**Previous Experience and Positions:** Internal Audit Division of King Saud University, in addition to his work as Vice Dean of the College of Business Administration for Academic Affairs, Lecturer in the Accounting Division, Assistant Financial Auditor - Saudi Industrial Development Fund.

Status	In his personal capacity / or a representative of a legal entity
Risk Committee – Non-Board Member	In his personal capacity

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-

Memberships in the boards of directors of previous companies or their managers:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-



**Mr. Mousa Abdullah Al-Mousa - Member of the Audit Committee**

**Qualifications:** Bachelor's degree in accounting from King Saud University in Riyadh, Saudi Fellowship of Certified Public Accountants (SOCPA).

**Current Positions:** Licensed Chartered Accountant from 2014 "Almoosa Chartered Accountants & Consultants", Bankruptcy Trustee from 2019, and Secretary of the Board of Directors of the National Gas and Industrialization Company.

**Previous Experience and Positions:** Previously, he held several positions in the Financial Division of the National Gas and Industrialization Company, in addition to his work in the Ministry of Water and Electricity Agency for Planning and Development, and the Financial Division of Herfy Food Services Company.

Status	In his personal capacity / or a representative of a legal entity
Audit Committee - Member from outside the Board	In his personal capacity

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-

Memberships in the boards of directors of previous companies or their managers:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-

**Mr. Fahad Yousef Al-Khamis - Member of the Audit Committee**

**Qualifications:** Bachelor's degree in accounting from King Saud University in Riyadh, master's degree (MBA) from Johnson and Wales University Saudi Fellowship of Certified Public Accountants (SOCPA).

**Current Positions:** Director of Internal Audit at the National Energy Efficiency Services Company.

**Previous Experience and Positions:** Previously held several positions in the Internal Audit Division at Thiqa Business Services Company and the Internal Audit Division at Elm Information Security Company, in addition to his work at the Saudi Central Bank in the Bank Inspection Division.

Status	In his personal capacity / or a representative of a legal entity
Audit Committee - Member from outside the Board	In his personal capacity

Memberships in the boards of directors of current companies or their directors:

Company Name	Inside / outside the Kingdom	Legal entity
Bright Ware	inside	Limited liability

Memberships in the boards of directors of previous companies or their managers:

Company Name	Inside / outside the Kingdom	Legal entity
-	-	-

# Tasks and Competencies of the Board of Directors and Committees:

## Functions and Competencies of the Board of Directors:

The Board of Directors shall represent all shareholders and shall exercise the duties of care and loyalty in the management of the Company and all that would preserve its interests, develop it, and maximize its value, taking into account the mandated competencies of the General Assembly. The Board of Directors shall have the widest powers in managing the company and directing its work in order to achieve its objectives, and the most prominent tasks and competencies of the Board are the following:

1. Develop plans, policies, strategies, and main objectives of the company, supervise their implementation, and review them periodically, and ensure the availability of human and financial resources necessary to achieve them.
2. Develop systems and controls for internal control and general supervision.
3. Preparing clear and specific policies, standards, and procedures for membership in the Board of Directors – in a manner that does not conflict with the mandatory provisions contained in the laws and regulations – and putting them into effect after their approval by the General Assembly.
4. Develop written policies that regulate the relationship with stakeholders.
5. Develop policies and procedures that ensure the company's compliance with the laws and regulations and its commitment to disclose material information to shareholders and stakeholders and verify the compliance of the executive management with them.
6. Preparing and approving the company's interim and annual financial statements before publication, and supervising the management of the company's finances, cash flows, and financial and credit relations with others.
7. Proposing to the extraordinary general assembly what it deems appropriate regarding increasing or decreasing the company's capital or dissolving the company before the period specified in the company's articles of association or deciding on its continuation.
8. Proposing to the Ordinary General Assembly what it deems appropriate regarding the use of the Company's contractual reserve in the event that it is formed by the Extraordinary General Assembly and is not allocated for a specific purpose, or the formation of additional reserves or financial provisions for the Company, in addition to the method of distributing the Company's net profits.
9. Establishing effective communication channels that allow shareholders to be informed continuously and periodically about the various aspects of the company's activities or any material developments.
10. Setting the values and standards that govern the work in the company.

In addition to other tasks and competencies prescribed for the Board in accordance with the Companies Law, and the Corporate Governance Regulations.

# Tasks and terms of reference of the company's committees

## Audit Committee

The Audit Committee shall be responsible for monitoring the company's business, and for this purpose it has the right to view its records and documents and request any clarification or statement from the members of the board of directors or the executive management, and it may request the board of directors to convene the general assembly of the company if the board of directors obstructs its work or the company suffers serious damages or losses, and the most prominent tasks of the committee are the following:

- Assist the Board in fulfilling its responsibilities with regard to the internal control system in the Company, in addition to that, the Audit Committee is responsible for supervising the accounting reports, ensuring compliance with the legal and regulatory requirements of the Company, and ensuring the effectiveness of control and review of the Company's accounting policies.
- Supervise both the representatives of the internal audit and the external auditor.
- Study the internal control system in the company and prepare a written report on its opinion and recommendations.
- Review the internal audit report and follow up on corrective actions.
- Submit recommendations to the Board of Directors regarding the appointment or replacement of internal audit representatives or the termination of the services of external auditors and determine their fees, taking into account its independence during the submission of recommendations.
- Follow up the work of the external auditors and approve any activities outside the scope of the audit work entrusted to them during their audit work.
- Review the plan of the external auditor and make observations thereon.
- Discuss the observations of the external auditor on the financial statements with the executive management and follow up on the corrective actions taken in this regard.
- Review the quarterly and annual financial statements before presenting them to the Board of Directors and submit their observations and recommendations on these statements to the Board of Directors of the Company.
- Study the accounting policies adopted by the company and submit its recommendations in this regard to the Board of Directors.



## Nomination and Remuneration Committee

The main tasks and responsibilities of the Nomination and Remuneration Committee include:

- Prepare a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the executive management and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly, taking into account in that policy the following of standards related to performance, disclosure thereof, and verification of their implementation.
- Clarify the relationship between the bonuses granted and the applicable remuneration policy and indicate any material deviation from this policy.
- Periodically review the remuneration policy and evaluate its effectiveness in achieving the objectives envisaged thereof.
- Recommending to the Board of Directors the remuneration of the members of the Board of Directors, its committees, and senior executives of the company in accordance with the approved policy.
- Propose clear policies and criteria for membership in the Board of Directors and executive management.
- Recommending to the Board of Directors the nomination and renomination of its members in accordance with the approved policies and standards.
- Prepare a description of the capabilities and qualifications required for membership of the Board of Directors and fill the positions of executive management.
- Determine the time that the member must allocate to the work of the Board of Directors.
- Annual review of the necessary needs of skills or experience appropriate to the membership of the Board of Directors and the functions of executive management.
- Review the structure of the Board of Directors and executive management and make recommendations regarding changes that can be made.
- Verify on an annual basis the independence of independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company.
- Develop job descriptions for executive members, independent non-executive members, and senior executives.
- Establish special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives.
- Identify the weaknesses and strengths of the Board of Directors and propose solutions to address them in accordance with the interest of the company.

## Executive Committee

It is responsible for assisting the Board of Directors in supervising the executive management of the company, reviewing, and monitoring the company's business on a regular basis, making the necessary recommendations to the board, studying the estimated budget, and deciding on the work entrusted to it by the board of directors, in addition to following up on strategic procurement plans and reviewing the approved capital expenditures of the company.

## Investment Committee

It is concerned with preparing and drafting the investment policy, following up on its implementation, presenting it to the Board of Directors for review and approval before its implementation, identifying the strengths and weaknesses in the company's investment performance and providing recommendations to address them and raise its efficiency, reviewing and evaluating the company's investment portfolio, in addition to evaluating and following up the risks related to investment, and the committee also submits its minutes of its work to the Board of Directors.

## Risk Committee

It is concerned with developing a comprehensive strategy and policies for risk management commensurate with the nature and size of the company's activities, determining the level of acceptance and verifying the feasibility of continuing and continuing its activities successfully, identifying the risks that threaten its continuation during the coming period, as well as supervising the risk management system, re-evaluating its tolerance and exposure to it periodically, preparing detailed reports of the proposed steps, reviewing the organizational structure of risk management to ensure the availability of adequate resources and systems and making recommendations thereon before its adoption. From the Board of Directors and verifying the independence of its employees from activities that may result in the company's exposure to risks, as well as understanding the surrounding risks and reviewing the issues raised by the audit committee that may affect the company's risk management.

## Training and development of the members of the Board of Directors:

There is no training for board members during the year 2023.

## Transactions with interests of board members:

Nature of the relationship	Party to the relationship	Stakeholder	Value of transactions for the year 2023	Duration	Additional information
Managing the company's portfolio of government securities	Alrajhi Capital	Board member Ahmed Abdulrahman Al Muhsen, being an executive at Al Rajhi Financial Company	157,459	Annually	This activity was authorized by the Board of Directors following the mandate granted to them by the assembly.

# Meetings of the Board of Directors and Committees:

## First: Board Meetings

During the year 2023, the Board of Directors held (4) meetings according to the following details:

Board Members	March 20	June 20	September 18	December 11
Abdulaziz Fahad Al-Khayyal - Chairman of the Board	✓	✓	✓	✓
Ali Mohammed Al-Safla-Vice Chairman of the Board	✓	✓	✓	✓
Ahmed Abdulrahman Al Mohsen – Board Member	✓	✓	✓	✓
Baker Abdulrahman Al-Muhanna - Board Member	✓	✓	✓	✓
Turki Abdullah Al-Jawini - Board Member	✓	✓	✓	✓
Raed Abdullah Al-Tamimi - Board Member	✓	✓	✓	✓
Mohammed Hamad Al Kathiri - Board Member	✓	✓	✓	✓
Ibrahim Hamad Al-Rashed - Board Member	✓	✓	✓	✓
Saad Abdulaziz Al Hogail - Board Member	✓	✓	✓	✓
Abdulrahman Abdulaziz Bin Sulaiman -Board Member	✓	✓	✓	✓

## Second: Executive Committee

During the year 2023, the Executive Committee held (4) meetings according to the following details:

Committee Members	March 19	May 28	September 11	September 17
Abdulaziz Fahad Al-Khayal - Chairman of the Committee	✓	✓	✓	✓
Ali Mohammed Al-Safla - Committee Member	✓	✓	✓	✓
Mohammed Hamad Al Kathiri - Committee Member	✓	✓	✓	✓
Abdulrahman Abdulaziz bin Sulaiman - Committee Member	✓	✓	✓	✓

## Third: Nomination and Remuneration Committee

During the year 2023, the Nomination and Remuneration Committee held (3) meetings according to the following details:

Committee Members	March 19	May 28	October 1
Turki Abdullah Al-Jawini – Chairman of the Committee	✓	✓	✓
Abdulaziz Fahad Al-Khayal - Committee Member	✓	✓	✓
Ali Mohammed Al-Safla - Committee Member	✓	✓	✓
Bakr Abdulrahman Al-Muhanna - Committee Member	✓	✓	✓



## Fourth: Investment Committee

During the year 2023, the Investment Committee held (4) meetings according to the following details:

Committee Members	March 19	September 5	December 14	December 28
Bakr Abdulrahman Al-Muhanna - Chairman of the Committee	✓	✓	✓	✓
Ahmed Abdulrahman Almohsen - Committee Member	✓	✓	✓	✓
Saad Abdulaziz Al Hogail - Committee Member	✓	✓	✓	✓

## Fifth: Audit Committee

During the year 2023, the Audit Committee held (7) meetings according to the following details:

Committee Members	March 12	March 15	May 10	July 16	August 8	September 20	November 5
Ahmed Abdulrahman Al Mohsen – Chairman of the Committee	✓	✓	✓	✓	✓	✓	✓
Raed Abdullah Al-Tamimi	✓	✓	✓	✓	✓	✓	✓
Ahmed Abdullah Al-Munif – Member outside the Board	✓	✓	✓	✓	✓	✓	✓
Mousa Abdullah Al-Mousa – Member outside the Board	✓	✓	✓	✓	✓	✓	✓

## Sixth: Risk Management Committee

During the year 2023, the Risk Management Committee held (3) meetings according to the following details:

Committee Members	February 26	June 11	September 10
Raed Abdullah Al-Tamimi - Chairman of the Committee	✓	✓	✓
Ibrahim Hamad Al-Rashed - Committee Member	✓	✓	✓
Mohammed Hamad Al Kathiri - Committee Member	✓	✓	✓
Ahmed Abdullah Al-Munif - Member from outside the Board	✓	✓	✓

## Executive Management:

The Board of Directors shall form the executive management of the company, organize its work, control, and supervise it, and verify the performance of the tasks entrusted to it, and taking into account the competencies prescribed for the Board of Directors, the executive management shall be responsible for implementing the main plans, policies, strategies, and objectives of the company in order to achieve its objectives. Among the most prominent competencies and tasks of the Executive Directorate are the following:

1. Implement the internal policies and regulations of the company approved by the Board of Directors.
2. Proposing and implementing a comprehensive strategy for the company, master and interim business plans, investment policies and mechanisms, financing, risk management, and emergency administrative conditions management plans.
3. Managing the day-to-day work of the company and conducting its activities, as well as managing its resources optimally and in line with the company's objectives and strategy.
4. Implement internal control and risk management systems, verify the effectiveness and adequacy of these systems, and ensure compliance with the level of risk approved by the Board of Directors.
5. Effectively implement the company's corporate governance rules. Policies and procedures that ensure the company's compliance with the laws and regulations and its commitment to disclose material information to shareholders and stakeholders.
6. Prepare periodic financial and non-financial reports on the progress of the company's activities in light of the company's strategic plans and objectives and present such reports to the Board of Directors.

# Biographies of senior executives:

## **Mr. Majed bin Ahmed Qwaider** Chief Financial Officer

**Qualifications:** He holds a Certified Public Accountant from the University of Illinois in the United States of America and the Jordanian Association of Certified Public Accountants in Jordan, and a bachelor's degree in accounting and business administration from the University of Jordan.

**Current Positions :** Chief Financial Officer

**Previous Experience and Positions:** He has 37 years of experience in Saudi Arabia, Canada, and Jordan, where he served as Group Chief Financial Officer at both the Saudi Chemical Company and the Saudi Printing and Packaging Company, and an Executive Director at PricewaterhouseCoopers, in addition to working in other companies.

## **Mr. Ibrahim bin Sulaiman Al Ateeq** Vice President of Human Capital Division

**Qualifications:** He holds an Executive master's degree in international management and leadership from Al Yamamah University, an MBA from Ensec University, a Diploma in Entrepreneurship from the University of Washington, and a Bachelor of Business Administration from Imam University.

**Current Positions:** Executive Vice President of Human Capital Division.

**Previous Experience and Roles:** He has more than twenty years of experience, having served as Senior Vice President of Operations at Najm Insurance Services, Vice President of Shared Services and Director of Human Resources in a group of companies.

## **Eng. Raed bin Nasser Al Haidari** Executive Vice President of Operations

**Qualifications:** He holds an Executive MBA from Al Yamamah University, an MBA from INSEC University, a bachelor's degree in mechanical engineering from King Saud University, a Higher Diploma in Management and Leadership from the University of Washington and professional certificates in Project Management.

**Current Roles:** Executive Vice President of Operations

**Previous Experience and Positions:** He has extensive experience spanning (16) years, where he served as Vice President of Business Implementation in a technology company, and previous leadership experience in the private and semi-government divisions.

## **Eng. Abdelhadi bin Ayed Al Qahtani** Executive Vice President of Corporate Development Division

**Qualifications:** Executive MBA and BSc in Electrical Engineering from King Fahd University of Petroleum and Minerals.

**Current Roles:** Executive Vice President, Corporate Control and Development Division.

**Previous Experience and Positions:** He has 24 years of experience, where he served as Executive Director of Sales and Business Development at Elm, Director of Operations at Al Mazoon Group, and Director of Technical Services at Advanced Electronics Company.

## Mr. Ahmed bin Fahad Al Shammari General Manger of Marketing and Corporate Communication

**Qualifications:** •Bachelor's in Business Administrations, University of Southern Indiana ,USA/Evansville  
•Harvard Leadership Development program, Harvard business School

**Current Positions :** General Manger of Marketing and Corporate Communication.

**Previous Experience and Positions:** Executive Director of Corporate Communications with over 7 years of experience across multiple companies.  
- Expert in brand management and strategic communications, with a proven track record in enhancing corporate reputation and stakeholder engagement

## Mr. Braikan bin Ali Al Shammari General Manager of Transportation

**Qualifications:** Acting CEO National Carrier Transportation Company (JAL) owned by Gasco He holds bachelor degree in computer science from King Saud University (Riyadh 2006) Master of Business Administration from the University of Wolverhampton (UK 2017) Strategic Management and Leadership Higher Diploma from Chartered Management Institute (UK 2017)

**Current Positions:** General Manager, Transportation Gasco

**Previous Experience and Roles:** Director of Growth and partnerships in TruKKer Arabia LTD (2023-2020)  
General Manager in Wasl Saudia Company Limited (2020-2018)  
Business Development Manager and Asst. GM in FTE Heavy Haulage (2017-2007)

## Eng. Sultan bin Saud Al Otaibi General Manager of Governance, Risk and Compliance

**Qualifications:** Holds a bachelor's degree in electrical engineering from King Saud University.

**Current Positions:** General Manager of Governance, Risk and Compliance

**Previous Experience and Positions:** Previous experience and positions: He worked as General Manager of Enterprise Risk Management at the Zakat, Tax and Customs Authority in the period from 2021 to 2023. He also worked before that at SABIC in the period from 2007 to 2021, where he held many positions, most recently as Senior Manager of Risk Management and Manager of Control Systems at Ethylene glycol plant. Before that, he worked as a transportation engineer at the Saudi Electricity Company from 2006 to 2007.

## Eng. Nasser bin Mohammed Al Anazi General Manager of Bulk Sales

**Qualifications:** MBA (Master of Business Administration) from Alyamamah University Bachelor of Industrial Engineering from King Saud university

**Current Positions:**General Manager of Bulk Sales

**Previous Experience and Positions:** General Manager of Bulk Sales at Gasco company (2023 – current)  
Operation Excellence Director at Gasco company (2023 – 2021)  
Programs Manager at Ministry of Economy and planning (2021- 2019)  
General Manager of Waterena company, at Samnan Holding Company (2019 – 2017)  
Manager of Business Development at Samnan Holding Company (2017 – 2016)  
Head of Industrial control section at Gasco (2016 – 2015)  
Project Engineer at Gasco (2015- 2010)



**Certificates:** Lean Six Sigma Black Belt Certified  
Projects Risk Management  
Project Planning, Scheduling and cost control Professional

**Shaya bin Hife Al Qahtani**  
**GASCO Chief Internal Auditor & Audit Committee Secretary**

**Qualifications:**

- Bachelor's in accounting from King Khalid University.
- Certified Operation Excellence (OE) Assessor from EFQM.
- Certified Quality Management System ISO 9001:2015.
- Certified Energy Management System ISO 50001:2011.

**Current Positions:** GASCO Chief Internal Auditor & Audit Committee Secretary.

**Previous Experience and Positions:** An experience in internal auditing field more than 18th yrs starting with Saudi Aramco (10Yrs) As an internal Auditor, Sabic (1.8Yrs) As a senior Internal Audit Manager, NHC (2.6 Yrs) As an internal audit manager and SAMI Advanced Electronic company (1.7 Yrs) As a senior internal audit manager. Project Planning, Scheduling and cost control Professional

**Fahad bin Awad Ibn Ateeq**  
**General Manager, Technology and Digital Transformation**

**Qualifications:**

Fahad leads the Technology and Digital Transformation in GASCO and works closely with the company's executive leadership to drive digital investment, transformation, and innovation in the organization. He oversees mission-critical service delivery to GASCO's extensive network of nationwide offices, plants, and field operations, as well as to consumers, distributors, and other stakeholders. Prior to his current role, Fahd played a pivotal part in spearheading the

deployment of GASCO's digital core and the big-bang rollout of SAP across different divisions.

He has more than a decade of experience in leadership roles spanning IT, HR, and Shared Services. At Solb Steel, he served as IT and Organizational Development Manager, as well as IT, HR, and GS Manager.

Under his leadership, GASCO received prestigious awards, including the Best Digital Transformation award at SCXA'24, AI-Oil & Gas award at the Middle East Technology Excellence Awards 2021, and Digital-Oil & Gas award at the Middle East Technology Excellence Awards 2022.

Equipped with a bachelor's degree in information systems from King Khalid University, Fahd has studied strategy and digital transformation at IMD, Lausanne and IESE Business School, Barcelona. Additionally, he holds a Business Analytics certification from University of Cambridge.

**Eng. Walid bin Mutlaq Al Qathami**  
**General Manager of Industrial Security and Shared Services**

**Qualifications:**

Eng. Walid bin Mutlaq Al-Qathami  
General Manager of Industrial Security and Shared Services

Eng. Walid bin Mutlaq Al-Qathami currently holds the position of General Manager of Industrial Security and Shared Services at GASCO. He has more than (10) years of experience and has held several leadership positions, most notably as Director of the Engineering Affairs Division, and is a member of many committees. He is also a member of the board of directors at GAL Company. Academically, Eng. Walid obtained a bachelor's degree in applied mechanical engineering from King Fahd University of Petroleum and Minerals. He also obtained several prestigious training programs in the fields of leadership.

# Changes in senior executives during 2023:

There are no changes to senior executives during the year



# Remuneration of Board Members, Sub-committees and Executive Management:

GASCO pays remuneration, expenses and attendance allowance to the members of the Board of Directors and committees, based on the provisions of the articles contained in the Saudi Companies Law of the Ministry of Commerce and its executive regulations, the company's articles of association, the Capital Market Law (CMA) and its implementing regulations, and The company also pays the salaries, bonuses and compensation of the executive management according to the employment contracts concluded with them.

## General criteria for remuneration:

The Nomination and Remuneration Committee shall be responsible for recommending to the Board of Directors the remuneration of the members of the Board of Directors, the committees, and the executive management, taking into account:

- To be commensurate with the company's activity and the skill necessary for its performance and consistent with the company's strategy and objectives.
- Urging the members of the Board of Directors and the executive management to make the company successful and grow it in the long term.
- Remuneration is determined based on the level of the job, the tasks and responsibilities assigned to the incumbent, educational qualifications, work experience, skills, and level of performance.
- Consistency with the size, nature, and degree of risk of the company.
- Taking into account the practices of other companies in determining remuneration, while avoiding the resulting unjustified rise in remuneration and compensation.
- To aim to attract, retain and motivate professional competencies, while not exaggerating them.
- Suspension or refund of remuneration if it is found that it was decided based on inaccurate information provided by a member of the Board of Directors or executive management, in order to prevent exploitation of employment status to obtain undue remuneration.
- If the General Assembly decides to terminate the membership of any member of the Board of Directors who is absent due to his failure to attend three consecutive meetings of the Board without a legitimate excuse, such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he shall return all the remuneration paid to him for that period.
- In all cases, the total remuneration and financial or in-kind benefits received by a member of the Board of Directors shall not exceed the amount of five hundred thousand riyals annually.
- Disclose in the annual report of the Board of Directors the details of the policies related to remuneration, the mechanisms for determining them, and the amounts and financial and in-kind benefits paid to each member of the Board of Directors for any executive, technical, administrative, or advisory work or positions.

## Remuneration of the members of the Board of Directors:

In accordance with Article (21) of the Company's Articles of Association, the remuneration of the members of the Board of Directors shall consist of a certain amount, attendance allowance for meetings, in-kind benefits or a certain percentage of the net profits, and in the event that a certain percentage of the net profits, the provisions of paragraph (5) of Article (45) of the Company's Articles of Association must be observed, and two or more of these benefits may be combined within the limits stipulated in the Companies Law or any other complementary regulations, in addition to what is decided by the Company.

The Board of Directors of travel, accommodation, and accommodation expenses for each session of non-resident members in accordance with the regulations, decisions, and instructions in force in the Kingdom issued by the competent authorities. The report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all salaries, attendance allowances, expenses and other benefits received by the members of the Board of Directors during the fiscal year, as well as a statement of what the members of the Board received as employees or administrators or what they received in return for technical, administrative, or consulting work previously approved by the Ordinary General Assembly.

- The remuneration of independent directors shall not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.
- The entitlement to the remuneration of the members of the Board of Directors must be proportionate to the number of sessions attended by the member.
- The member's entitlement to remuneration shall be for the period from the date of his appointment to the Board and according to the term of his membership.
- The recommendation of the Board of Directors to pay the remuneration of the members of the Board for the ended fiscal year shall be presented in a separate item in the General Assembly, and the members of the Board of Directors may not vote on it.
- The remuneration of the members of the Board of Directors shall be paid after the approval of the General Assembly.
- Allowances for attending meetings of the Board of Directors may be paid at the end of each Gregorian quarter.



## Remuneration of BoD committees:

- The remuneration of committee members consists of an annual remuneration (lump sum) for the membership of each committee or an attendance allowance for the sessions or both, in addition to the travel, accommodation and accommodation expenses decided by the Board of Directors for each session for non-resident members in accordance with the regulations, decisions and instructions in force in the Kingdom issued by the competent authorities.
- The member's entitlement to remuneration shall be for the period from the date of his appointment to the Committee and according to the term of his membership.
- The remuneration of committee members and attendance allowances shall be paid at the end of each calendar quarter.

Based on the above, the Board of Directors has determined the remuneration of the Board of Directors for the year 2023 with a certain amount for each member in accordance with the above policy, in addition to a remuneration for the company's representatives in the memberships of the boards of directors of associate and subsidiary companies not exceeding (100) thousand riyals for members whose remuneration is not paid for their membership in those companies or whose remuneration amounts in those companies do not reach the amount of (100) thousand riyals, so the full remuneration or its complement is paid. Taking into account that in all cases, the total remuneration and financial benefits received by the member of the Board of Directors - or in kind shall not exceed the amount of five hundred thousand riyals annually - except for the remuneration and allowances of the Audit Committee, and these remunerations will be disbursed after the approval of the company's general assembly.

As for the allowances for attending the Board and the committees, an amount of (3000) riyals were set for each session, in addition to a reward for the membership of each committee at an amount of 50 thousand riyals for each member, except for the audit committee, the committee's reward was determined at (100) thousand riyals for each member, and these allowances and bonuses were paid on a quarterly basis.

## Remuneration of the Chairman:

- The remuneration of the Chairman of the Board if any, shall consist of an annual remuneration (lump sum) in addition to the allowance decided by the Board of Directors of travel, accommodation, and accommodation expenses and what would perform the competencies prescribed to it in accordance with the regulations, decisions, and instructions in force in the Kingdom issued by the competent authorities.
- The remuneration of the Chairman of the Board if any, shall be paid at the end of each Gregorian quarter.

## Executive Management Remuneration Policy:

Executive management remuneration consists of:

- Fixed bonuses that include basic salaries - paid on a monthly basis at the end of each calendar month -, allowances, including (housing allowance, transportation allowance ....etc.), other benefits, including (medical insurance, social insurance contributions paid in accordance with regulations, annual leaves ... etc.).
- Variable bonuses, if any, including periodic bonuses, dividends, short- and long-term incentive plans, and shares granted.
- End of service gratuity.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, shall be responsible for approving the remuneration structure for the various levels of employees in the Company. Accordingly, there is no material deviation between the remuneration granted and the applicable policies.

**The details of the remuneration, salaries and expenses paid to the members of the Board of Directors and senior executives of the Company including the CEO and Chief Financial Officer of the Company for the year 2023 are as follows:**

## Members of the Board of Directors:

During the year 2023, the Investment Committee held (4) meetings according to the following details:

Members	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Remuneration for representing the company in the memberships of the boards of directors of associates and subsidiaries	Total	Expense allowance
<b>Independent Members</b>						
Abdulaziz Fahad Alkhayyal - Chairman of the Board	367,000	12,000	24,000		403,000	12,500
Turki Abdullah Al-Jawini	379,000	12,000	21,000		412,000	19,700
Raed Abdullah Al-Tamimi	379,000	12,000	21,000		412,000	
Ibrahim Hamad Al-Rashed***	379,000	12,000	21,000		412,000	
Saad Abdulaziz Al Hogail***	376,000	12,000	24,000		412,000	
<b>Total</b>	<b>1,880,000</b>	<b>60,000</b>	<b>111,000</b>	<b>-</b>	<b>2,051,000</b>	<b>32,200</b>



Members	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Remuneration for representing the company in the memberships of the boards of directors of associates and subsidiaries	Total	Expense allowance
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#### Non-Executive Members

Ali Mohammed Al Saflan - Vice Chairman of the Board	317.000	12.000	33.000		362.000	
Bakr Abdulrahman Al-Muhanna	317.000	12.000	33.000		362.000	
Ahmed Abdulrahman Almohsen	376.000	12.000	24.000		412.000	
Muhammad Hamad Alkathiri	317.000	12.000	21.000		350.000	
<b>Total</b>	<b>1.327.000</b>	<b>48.000</b>	<b>111.000</b>	<b>-</b>	<b>1.486.000</b>	

Members	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Remuneration for representing the company in the memberships of the boards of directors of associates and subsidiaries	Total	Expense allowance
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#### Executive Members

Abdulrahman bin Abdulaziz bin Sulaiman*	376.000	12.000	12.000	50.000	438.000	
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## Committee Members:

Committee Members	Fixed remuneration (excluding attendance allowance)	Allowance for attending sessions	Total
<b>Audit Committee</b>			
Ahmed Abdulrahman Almohsen, Chairman of the Committee	100,000	21.000	121.000
Raed Abdullah Al-Tamimi	100,000	21.000	121.000
Ahmed Abdullah Al-Munif	100,000	21.000	121.000
Mousa Abdullah Al Mousa	100,000	21.000	121.000
<b>Total</b>	<b>400.000</b>	<b>84.000</b>	<b>484.000</b>
<b>Executive Committee</b>			
Eng. Abdulaziz Fahad Al-Khayyal - Chairman of the Committee	50.000	12.000	62.000
Mr. Ali Mohammed Al-Safla	50.000	12.000	62.000
Doctor Muhammad Hamad Alkathiri	50.000	12.000	62.000
Eng. Abdulrahman Abdulaziz Bin Sulaiman	50.000	12.000	62.000
<b>Total</b>	<b>200.000</b>	<b>48.000</b>	<b>248.000</b>

Committee Members	Fixed remuneration (excluding attendance allowance)	Allowance for attending sessions	Total
<b>Nomination and Remuneration Committee</b>			
Mr. Turki Abdullah Al-Jawini – Chairman of the Committee	50.000	9,000	59.000
Mr. Ali Mohammed Al-Safla	50.000	9,000	59.000
A. Bakr Abdulrahman Almohanna	50.000	9,000	59.000
Eng. Abdulaziz Fahad Alkhayyal	50.000	9,000	59.000
<b>Total</b>	<b>200.000</b>	<b>36,000</b>	<b>236.000</b>
<b>Investment Committee</b>			
Mr. Bakr Abdulrahman Al-Muhanna - Chairman of the Committee	50.000	12,000	62.000
Mr. Ahmed Abdulrahman Almohsen	50.000	12,000	62.000
Dr. Saad Abdulaziz Alhogail	50.000	12.000	62.000
<b>Total</b>	<b>150.00</b>	<b>36,000</b>	<b>186.000</b>

Committee Members	Fixed remuneration (excluding attendance allowance)	Allowance for attending sessions	Total
<b>Risk Committee</b>			
Mr. Raed Abdullah Al-Tamimi – Chairman of the Committee	50.000	9,000	59.000
Mr. Ibrahim Hamad Al-Rashed	50.000	9,000	59.000
Dr. Mohammed Hamad Alkathiri	50.000	9,000	59.000
Dr. Ahmed Abdullah Al-Munif	50.000	9,000	59.000
<b>Total</b>	<b>200.000</b>	<b>36.000</b>	<b>236.000</b>

**Senior executives**

	Amount	Amount
<b>Fixed remuneration</b>	Salaries	5,174,824.32
	Allowances	1,920,106.08
	Benefits in kind	338,542.00
	<b>TOTAL</b>	<b>7,433,472.40</b>

	Amount	Amount
<b>Variable remuneration</b>	Short-term Incentive plans	673,083.44
	Short-term Incentive plans	1,999,406.00
	<b>TOTAL</b>	<b>2,672,489.44</b>
	<b>Grand total</b>	<b>10,105,961.84</b>

## A statement of any arrangements or agreement whereby a member of the Company's Board of Directors or senior executives waives any remuneration:

No arrangements or agreement have been made whereby a member of the Company's Board of Directors or senior executives has waived any remuneration.



**A statement of the number of shares owned by the members of the Board of Directors and senior executives and their change during the year 2023, and a description of any interest, contractual securities and subscription rights belonging to the members of the Board of Directors of the Company, senior executives and their relatives in the shares or debt instruments of the Company or any of its subsidiaries, and any change in such interest or rights during the last fiscal year.**

## Members of the Board of Directors:

	The name of Shareholder	Start of the year		End of year		Net change	Percentage change
		Number of shares	Debt Instruments	Number of shares	Debt Instruments		
1	Eng. Abdulaziz Fahad Abdullah Alkhayyal	-	-	-	-	-	-
2	Mr. Ali bin Mohammed Al Saflan	1,000	-	1,000	-	-	-
3	Mr. Ibrahim Hamad Al-Rashed	-	-	-	-	-	-
4	Mr. Hamad Abdulrahman Almohsen	670	-	670	-	-	-
5	Mr. Bakr Abdulrahman Al-Muhanna	-	-	-	-	-	-
6	Mr. Turki Abdullah Al-Jawini	-	-	-	-	-	-
7	Mr. Raed Abdullah Saleh Al-Tamimi	-	-	-	-	-	-
8	Doctor Muhammad Bin Hamad Alkathiri	-	-	-	-	-	-
9	Dr. Saad Abdulaziz Alhogail	-	-	-	-	-	-
10	Eng. Abdulrahman bin Abdulaziz bin Sulaiman	-	-	-	-	-	-

There is no interest, contractual securities and subscription rights belonging to the members of the Board of Directors of the Company and their relatives in the shares or debt instruments of the subsidiary, and there is no change in such interest or rights during the last financial year.

## Senior Executives

	The name of Shareholder	Start of the year		End of year		Net change	Percentage change
		Number of shares	Debt Instruments	Number of shares	Debt Instruments		
1	Eng. Abdulrahman bin Abdulaziz bin Sulaiman	-	-	-	-	-	-
2	Mr. Majed bin Ahmed Qwaider	-	-	-	-	-	-
3	Mr. Ibrahim bin Suleiman Al-Ateeq	-	-	-	-	-	-
4	Eng. Raed Nasser Al-Haidari	-	-	-	-	-	-
5	Eng. Abdulhadi Bin Ayed Al-Qahtani	-	-	-	-	-	-

There is no interest, contractual securities, and subscription rights attributable to senior executives and their relatives in the shares or debt instruments of the subsidiary, and there is no change in such interest or rights during the last financial year.

## Actions taken by the Board of Directors to inform its members, especially non-executives, of the shareholders' proposals and observations regarding the Company and its performance:

During the year 2023, the company did not receive any suggestions or observations from shareholders regarding the company and its performance, except what was discussed in the assemblies held during the year and responding to shareholders' inquiries and observations at the time and in the presence of the members of the Board of Directors, or by reviewing the minutes of the assembly.

## Penalties, precautionary measures, or precautionary restrictions imposed on the Company by the Authority or any supervisory, regulatory, or judicial authority:

The total fines and penalties imposed on the company during the fiscal year 2023 (48,616) riyals, and their breakdown is as follows:

M	Penalty / Precautionary Measure / Reserve Registration <sup>6</sup>	Reasons for the violation	The signatory of the violation	Total Amount (SAR)	The way to treat them and avoid their occurrence in the future
1	Financial penalty	Withholding tax penalty	Zakat, Tax and Customs Authority	5,616	Follow regulatory requirements
2	Financial penalty	Violations of licensing requirements	Transport General Authority	43,000	Follow regulatory requirements
<b>Total</b>		<b>48,616</b>			

## **The results of the annual review of the effectiveness of internal control procedures, and the opinion of the Audit Committee on the adequacy of the internal control system in the company:**

The Audit Committee recommended to the Board of Directors the appointment of the Chartered Auditor to audit the Company's accounts for the fiscal year 2023 (PricewaterhouseCoopers) in addition to evaluating the internal control system within the scope of reviewing the Company's final financial statements.

The Committee also reviewed the results and interim quarterly financial statements for the year 2023 and approved them according to the authorization of the Board of Directors by its decision No. 05/382 in the Board meeting No. 05/2022/382 dated 11/12/2022, and recommended to the Board of Directors to approve the financial statements of the annual final accounts and review the compliance in disclosures in financial statements, changes in accounting policies, significant and unforeseen events, verification of accounting estimates in material matters as well as compliance with accounting standards and other legal requirements. During the fiscal year 2023, the Committee also studied the company's internal and financial control systems and their effectiveness through internal audit reports and observations contained in the risk register, in addition to the observations of the company's external auditor and emphasized the development of appropriate plans to address the observations.

The Committee confirms that it holds periodic meetings with the External Auditor of the Accounts and the Internal Audit Division (including the consultant appointed to carry out the internal audit work) as well as the executive management in order to discuss all issues and observations raised by the external auditor or internal audit, and to work to implement the recommendations issued in this regard and follow them up with the executive management periodically to ensure the implementation of the plans set to correct any observations and to submit to the Board any recommendations or issues it deems necessary to take note of them. During 2023, the Board of Directors issued decisions and directives related to improving the quality of internal control systems and increasing their effectiveness and following up on their implementation with the executive management, including developing and updating policies and reviewing them periodically, appointing specialized consultants to identify weaknesses, address gaps, and work to improve control controls and the integration of financial and technical systems.



## **Recommendation of the Audit Committee on the need to appoint an internal auditor in the Company:**

The company has an internal audit division in addition to hiring an internal audit company to assist the internal audit division in preparing the annual audit plan and carrying out a number of audits on the company's various divisions.

## **The recommendations of the Audit Committee that conflict with the decisions of the Board of Directors, or which the Board refused to take into account regarding the appointment of the Company's auditor, his dismissal, determination of his fees, evaluation of his performance or the appointment of the internal auditor, the justifications for such recommendations, and the reasons for not taking them into account:**

There are no recommendations of the Audit Committee that contradict the decisions of the Board of Directors or the Board's refusal to take them into account regarding the appointment of the Company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor, nor did the Committee make any recommendations regarding the dismissal of the Company's auditor.

## **Difference from accounting standards approved by the Saudi Organization for Certified Public Accountants:**

There is no difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants.

**Information relating to any business or contracts to which the Company is a party, or in which there is an interest for one of the Company's board members, senior executives or any person related to any of them, including the names of those concerned with the works or contracts, the nature, conditions, duration and amount of such works or contracts, and if there are no such works or contracts:**

GASCO's corporate governance policy outlines the system of dealing with related parties where any transactions or contracts in which there are conflicts of interest are disclosed to any of the members of the Board of Directors or the executive management and shareholders.

Transactions with related parties are limited to the following (In Saudi Riyal):

Company Names	Nature of the transaction	31 December 2023		December 31, 2022	
		Transaction amount	Balance (Credit) / Debit	Transaction amount	Balance (Credit) / Debit
Saudi Gas Cylinder Factory	Associate	65,458,910	(8,850,009)	23,242,264	17,809,484
Solutions Gas Company	Subsidiary	11,973,100	(940,125)	21,827,633	4,245,628
National Supply Company	Subsidiary	--	20,000	--	--
Best Distributor Company	Subsidiary	--	(25,000,000)	--	--
National Carrier Company	Subsidiary	18,219,802	(29,532,689)	--	--

**Information related to any loans owed by the Company (whether repayable on demand or otherwise), the statement of the total indebtedness of the Company and its subsidiaries, any amounts paid by the Company in repayment of loans during the year, the amount of the principal of the loan, the name and duration of the donor and the remaining amount (In Saudi Riyal):**

Company/ Subsidiary Name	Name of the lender	Principal amount	Loan Term	Loan balance at the beginning of the year	Amount received during the year (in thousand riyals)	Amount paid during the year	Loan balance at the end of the year
National Gas and Industrialization Company	Saudi Industrial Development Fund	203,000	6 Years	76,000		(23,000)	53,000
Saudi Gas Cylinder Factory (ownership 37.57%).	There isn't any	-	-			-	-
Natural Gas Distribution (Ownership percentage 35%).	Saudi Industrial Development Fund	20,500	5 Years	8,709	0	(9)	8,700
East Gas (Ownership percentage 35%).	There isn't any	-	-			-	-
National Industrial Gases Company (9% ownership)	Saudi Industrial Development Fund	651,000	8 Years	578,439		(196,439)	409,000
	Commercial Bank	318,750	10 Years	316,835	0	0	316,835
United Arab Float Glass Company (ownership 11.01%)	Saudi Industrial Development Fund	247,340	15 Years	106,840	-	(66,840)	40,000
	Commercial Banks	42,000	5 Years	90,285		(12,496)	77,789

**Categories and numbers of any convertible debt instruments and any contractual securities, rights memoranda or similar rights issued or granted by the Company during the financial year, with an explanation of any compensation received by the Company in return:**

There are no denominations and numbers of any convertible debt instruments and any contractual securities, rights memoranda or similar rights issued or granted by the Company during the financial year or any compensation received by the Company in return.

**Any conversion rights or subscriptions under convertible debt instruments, contractual securities, rights memorandums, or similar rights issued or granted by the Company:**

There are no transfer rights or subscriptions under convertible debt instruments, contractual securities, right memoranda, or similar rights issued or granted by the Company.

**Any redemption, purchase, or cancellation by the Company of any recoverable debt instruments and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries:**

There is no redemption, purchase, or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities.



# Regular payments paid and due for the year 2023:

Statement	Paid	Due by the company (to the company)	Description	Reasons
Zakat	10,212,739.00	15,010,401.00	What is paid or charged over the year in accordance with the provisions and rules of the executive regulations for collecting zakat in the Kingdom - the amount owed by the company may change due to the lack of readiness of the financial statements.	Government requirement
	47,827,160.00	-	What has been paid on zakat obligations for the years.	
Value added tax	71,051,710.00	8,814,773.00	What is paid or charged over the year in accordance with the provisions stipulated in the agreement, law, and executive regulations for value-added tax in the Kingdom.	Government requirement
Tax from suppliers who do not have offices in the Kingdom (withholding tax)	767,565.00	226,174.00	What is paid or charged over the year in accordance with the provisions stipulated in the law and the executive regulations for income tax in the Kingdom	Government requirement
General Organization for Social Insurance	26,967,577.00	2,341,620.00	The total amount paid in 2023, which pertaining to the period December 2022 AD until November 2023 AD	Government requirement
Costs of visas, passports, government fines and labor office fees	9,462,727.00	-	What was paid during the year as visa and passport fees based on the regulations related to them	Government requirement

## Acknowledgments of the following:

- A- The records of accounts have been properly prepared.
- B- The internal control system has been properly prepared and implemented effectively.
- C- There is little doubt about the company's ability to continue its activity.

# Auditor's Reservations on the Annual Financial Statements:

Not Available.

## Recommendation of the Board of Directors regarding the change of the auditor before the end of the period for which he is appointed:

The Board of Directors did not make any recommendation during the year 2023 regarding the change of the chartered accountant.

## Application of the provisions of the Corporate Governance Regulations:

The Company shall apply all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the provisions set out below:

Article/Paragraph Number	Article/paragraph text	Reasons for non-application
Article Forty-One	Evaluation	Guidance material
Article Fifty-Four/B	The Chairman of the Audit Committee must be an independent member	Guidance material
Article Eighty-Five	Motivate employees	Guidance material
Article Eighty-Seven	Social Responsibility	Guidance material
Article Eighty-Eight	Social Work Initiatives	Guidance material
Article Ninety-Five	Formation of the Corporate Governance Committee	Guidance material

## The company's disclosures on the Saudi Stock Exchange (Tadawul) website:

GASCO is interested in providing all the necessary information that enables shareholders and the public to be informed of the important developments, events, and strategic decisions of the company, and accordingly, the most important events and developments during this year have been announced according to the following:

	Date of Announcement	Ad Title
1	23/1/2023	National Gas & Industrialization Company announces the results of the Ordinary General Assembly Meeting (Second Meeting).
2	1/3/2023	The National Gas and Industrialization Company announces the termination of the memorandum of understanding with Makeen Energy related to the feasibility of establishing a company to establish, manage, operate, and maintain gas facilities, stations, and networks.
3	21/3/2023	National Gas & Industrialization Company announces its annual financial results for the period ending on 31/12/2022.
4	3/5/2023	National Gas and Industrialization Company invites its shareholders to attend the Ordinary General Assembly Meeting (First Meeting) through modern technology.
5	11/5/2023	National Gas & Industrialization Co. announces its interim financial results for the period ending on 31-03-2023 (Three Months).
6	30/5/2023	National Gas and Industrialization Company announces the results of the Ordinary General Assembly Meeting (Second Meeting)
7	1/6/2023	National Gas and Industrialization Company invites its shareholders to attend the Ordinary General Assembly Meeting (First Meeting) through modern technology means
8	11/6/2023	The National Gas and Industrialization Company announces that it has received a letter from the Ministry of Energy regarding the adjustment of gas selling prices.
9	21/6/2023	National Gas and Industrialization Company announces the distribution of cash dividends to shareholders for the first half of the fiscal year 2023
10	6/7/2023	Gas & Industrialization Co. announces the results of the Ordinary General Assembly Meeting (Second Meeting)
11	9/8/2023	National Gas & Industrialization Co. announces its Interim Financial Results for the Period Ending on 30-06-2023 (Six Months)
12	3/10/2023	The National Gas and Industrialization Company announces the latest developments to sign a non-binding Memorandum of Understanding (MoU) with Bahri to discuss ways of cooperation between them in entering into a partnership to establish a company operating in the land transport and logistics activity.
13	6/11/2023	National Gas & Industrialization Co. announces its Interim Financial Results for the Period Ending on 30-09-2023 (Nine Months).
14	12/12/2023	National Gas and Industrialization Company announces the distribution of cash dividends to shareholders for the second half of the fiscal year 2023



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