

Sustainability Risk Management

Salik cultivates a culture where risk management, business continuity, and resilience are integrated into its operations. This approach is reinforced by technologies with built-in continuity capabilities and an organisational commitment to embedding risk management, response, and recovery protocols across all levels.

Salik follows a comprehensive approach to Enterprise Risk Management (ERM), business continuity management, and crisis response. The Board of Directors establishes the Company's risk appetite, defining acceptable risk levels across all business units and types of risk.

The ERM Policy standardises processes for identifying, documenting, and communicating risks. This policy is implemented across all levels of the organisation, ensuring that risks are managed within the risk appetite defined by the Board. A dedicated management committee monitors these risks, including those related to critical vendor and third-party relationships.

The materiality assessment and the resultant focus areas driving Salik's ESG Strategy provide the context for Salik's sustainability risk management. Managing these risks is an integral part of Salik's ERM process. An aggregated view of Salik's top risks includes key risks pertaining to these material aspects, which are reviewed by executive management and reported quarterly to the Board of Directors. The Audit Committee independently assesses these risks to maintain oversight and ensure timely interventions. Additionally, the Company conducts emerging-risk workshops for employees and performs risk analyses for revenue diversification projects. Risks associated with toll gates are evaluated on a project-by-project basis.

Salik operates a "three lines of defence" model to delineate roles and responsibilities for risk management and compliance:



Business Ethics and Compliance

Salik upholds the highest standards of business ethics and compliance. The Company believes every employee is responsible for always respecting and adhering to ethical business practices.

The Company's dedicated Internal Audit and Compliance section is responsible for:

- Ensuring the Company's adherence to applicable laws and regulations while promoting a strong compliance culture across all operations.
- Developing and reviewing key policies to align with both internal standards and external legal requirements.
- Advising the Board on corporate and compliance matters, ensuring compliance with the Securities and Commodities Authority (SCA) regulations and the Company's Articles of Association (AOA).
- Reporting compliance-related matters to the Board and the Audit Committee as needed.
- Maintaining a robust whistleblowing system, enabling confidential reporting of concerns related to financial reporting, fraud, and other unethical practices.

Salik's Code of Conduct ensures that all employees demonstrate ethical, moral and honest behaviour by making business decisions in alignment with the Company's mission, values, and principles. Salik adheres to robust antitrust and fair competition principles by upholding integrity, fairness, and transparency, ensuring full compliance with UAE regulations and fostering an open, ethical market environment. The Code of Conduct

applies to directors and all Salik employees. Salik encourages contractors, consultants, business partners, suppliers, and any other persons who work with or represent the Company to follow the Code of Conduct and to adopt the same or similar standards.

In 2024, there were no incidents of non-compliance with laws and regulations in Salik. The Company registered zero breaches or violations related to corruption or bribery, discrimination, harassment, customer privacy data, conflicts of interest, money laundering, or insider trading. Salik does not make any contributions or donations that act as a means of bribery and corruption.

In 2024, as in previous years, Salik made Zero contributions to or expenditures for political campaigns, political organisations, lobbyists, lobbying organisations, trade associations, or other tax-exempt groups. These activities are prohibited under UAE law.

Salik's Policies

- Code of Conduct
- Anti-Bribery and Anti-Corruption Guidelines (as part of the Code of Conduct)
- Fraud Control Policy
- Whistleblowing Policy
- Stakeholder Engagement Policy
- Insider Trading Policy
- Conflict of Interest Policy
- Anti-Money Laundering, CFT and Sanctions Compliance Policy
- Related-Party Transactions Guidelines (as part of the Code of Conduct Policy)
- Human Rights Policy

Please find all the policies on our website

100%

of employees are aware of the Code of Conduct policies and procedures

0 incidents

of non-compliance to laws and regulations, including environmental violations and associated penalties, in 2024

Anti-corruption and whistleblowing

Salik maintains a strict policy against business ethics violations, including bribery, corruption, and fraud. Employees are prohibited from offering, soliciting, accepting bribes, or engaging in corrupt practices. The Company fully complies with all relevant anti-bribery laws and regulations to promote fair competition and uphold stakeholder trust. Salik ensures anti-corruption due diligence for new business partners, overseen by the procurement team.

Salik has adopted a [Whistleblowing Policy](#) to manage the concerns submitted by employees, service providers, operators, dealers, consultants, suppliers, contractors, and all other internal or external parties interacting with the Company. This policy is essential in detecting unethical, corrupt, or illegal conduct within Salik and encourages stakeholders to come forward without fear of retaliation.

The Company established a robust platform for anonymous incident reporting, which includes:

- The ethics hotline available in both English and Arabic.

- The [whistleblowing portal](#) that a third-party provider manages to ensure anonymity.
- An email managed by the Internal Audit and Compliance teams for reporting incidents.

In 2024, one whistleblowing incident was reported, investigated, and communicated to the CEO, Audit Committee, and Board. A rigorous risk assessment identified no other significant corruption or bribery risks in 2024.

Should you have any concerns or wish to report corruption incidents or fraudulent activity, please reach out to the Internal Audit & Compliance Section by one of the following channels:

- **Compliance and Ethics Hotline +97145973925**
- **Email:** IAC@salik.ae
- [Whistleblowing Portal](#)

Conflict of interest

The [Conflict of Interest Policy](#) outlines procedures for identifying and managing potential conflicts, with regular monitoring. It provides information and guidance to identify circumstances that may give rise to a conflict of interest and establishes the measures used to prevent such conflicts from arising. The policy also sets out the responsibilities of Salik and those working for and with Salik in a case of a conflict of interest.

0 conflicts
of interest identified in 2024

Tax compliance

Salik takes a systematic approach to tax compliance. The Company works with tax consultants to complete its tax reporting. The Finance department, led by the Financial Controller, conducts regular reviews to ensure accurate accounting and tax remittance before filing on the Federal Tax Authority (FTA) portal. External auditors and tax consultants validate compliance with regulatory standards.

Salik maintains constant and transparent communication with the FTA regarding tax filings and additional information requirements.

Given the current VAT liability, the primary focus is monitoring service revenues, with particular attention to accruals and recognition. The financial controller maintains regular communication with the Chief Financial Officer and promptly updates him on any developments related to tax compliance.

Human rights

Salik is committed to the principle that everyone should be treated respectfully. The company's Human Rights Policy, approved by the Board of Directors in 2022 and updated in 2024, reflects its dedication to upholding and promoting human rights for all its stakeholders, including customers, employees, shareholders, investors, and the communities in which it operates.

Salik aims to adhere to the highest human rights standards, considering national and international regulations. Salik will comply with national laws when these may conflict while striving to uphold international human rights principles fully.

Salik's human rights focus areas

- Zero tolerance for forced or compulsory labour, child labour, and modern slavery within the Company's operations and value chain.
- Promoting diversity, equity, and inclusion.
- Upholding the rights of People of Determination.
- Creating a workplace free from violence, harassment, and intimidation.
- Maintaining fair, lawful work hours, wages, and benefits.
- Providing equal remuneration for equal work.
- Committing to ethical sourcing practices.
- Ensuring transparent and accountable reporting.

In 2024, Salik adopted the Human Rights Due Diligence Procedure, encouraging all decision-makers within the Company to identify, prevent, mitigate, and account for how they address human rights impacts in their respective business relationships. Salik will annually assess all human rights impacts across its operations, identify at-risk groups, and evaluate the risks these groups face on a quarterly basis.

All significant suppliers will be required to provide a declaration of compliance, and the Company will conduct independent assessments of these suppliers to identify any potential human rights breaches. Salik's whistleblowing platform will serve as a channel for reporting human rights grievances and breaches, accessible to both internal and external stakeholders. Human rights performance indicators will be compiled and reported to Salik's Board of Directors on an annual basis.

[For more information, see relevant policies on Salik's website](#)

Ethics and compliance training

In 2024, Salik implemented a comprehensive Compliance & Ethics Learning and Development (L&D) Plan, approved by the Audit Committee. Key training initiatives included:

- Code of Conduct workshops covering anti-bribery, conflicts of interest, and whistleblowing topics.
- Compliance training focused on information security, gifts, and the Anti-Bribery and Corruption Policy.
- Simulated phishing exercises to enhance awareness of information security risks.
- ISO 37301 Certification, demonstrating compliance excellence.



100%

of Salik's employees and Board members were trained on ethics and compliance policies in 2024