

# 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