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Our Vision is a strong, thriving, and stable Saudi Arabia that provides opportunity for all. Our Vision is a tolerant country with Islam as its constitution and moderation as its method. We will welcome qualified individuals from all over the world and will respect those who have come to join our journey and our success. We intend to provide better opportunities for partnerships with the private sector through the three pillars: our position as the heart of the Arab and Islamic worlds, our leading investment capabilities, and our strategic geographical position. We will improve the business environment, so that our economy grows and flourishes, driving healthier employment opportunities for citizens and longterm prosperity for all. This promise is built on cooperation and on mutual responsibility.

His Royal Highness Prince Mohammed bin Salman bin Abdulaziz

Crown Prince, Prime Minister, and Chairman of the Council of Economic and Development Affairs

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ABOUT US

Today's airline passengers expect a flawless travel experience from check in to take-off, and that's what we're here to deliver.

As the national provider of ground-handling services in the Kingdom of Saudi Arabia, we are dedicated to providing efficient and safe services to our clients and passengers at the highest standards of performance and professionalism.

OUR VISION

To enable a seamless and sustainable mobility ecosystem through integrated solutions and a customer centric mindset



OUR VALUES



OUR HISTORY

The Saudi Ground Services Company was initially established by the Saudi Arabian Airlines Corporation (known as Saudia) to consolidate the ground handling services in the Kingdom of Saudi Arabia.

Saudi Arabian Airlines Ground Services was the initial name of the company before it merged with the Saudi Arabian Airline

Ground Services (SAAGS), National Handling Services (NHS), and Al-Attar

Ground Handling (Attar Travel Co.) to fulfill the same purpose; delivering a high-quality, efficient, and professional service to the passengers.





Challenges and Achievements

Despite all the challenges and headwinds blowing the world nowadays, the Saudi economy continues to launch into new stages of progress and prosperity, under the guidance of our wise leaders, our economy recorded the highest growth rates in all fields. Along with this progress and prosperity, the aviation industry has recovered to its former state, after facing challenges and repercussions that extended over two years in consequence of the global pandemic. Moreover, as Ground Services represent the major role of this industry, the Saudi Ground Services Company recorded during the past year 2022G advanced levels in performance and services that are detailed in the folds of this report, which we are pleased to present to our shareholders, customers, partners, specialists, and the

With the strong return of flights and the full operation of Saudi airports, the Saudi Ground Services Company continued to provide the best services to national and international airlines over the past years, according to the highest standards of quality, speed, efficiency and discipline. This was done by raising the level of performance in all departments and sectors, providing the latest equipment, and implementing the directives of the General Authority of Civil Aviation regarding regulations standards and safety considerations, which contributed to these national and international companies achieving their targeted operational levels.

The report includes a comprehensive details of the exceptional operating results recorded by the company during the Hajj season of the year 1443H, within the framework of an integrated work system that deservedly qualified to win many international awards and enabled it at the same time to prove the distinguished capabilities of its employees and their keenness to accomplish various tasks to the fullest. Thus, prior to this, taking into consideration presenting the bright image and the best impressions of the highend civilized services provided by the Saudi citizens and the honorable passengers at our domestic and international airports.

As we are all working as a one team to achieve our common goals, we at the Saudi Ground Services Company are keen to support and enhance cooperation with our strategic partners to serve the aviation industry in our dear country, while we are also keen to adhere to our social mission, in fulfillment of this

country, which has given us so much to which we have to be faithful. On the other hand, Saudization, empowering women, training and enabling our national cadres remain at the top of our priorities, as they are our main asset, our ambassadors, and the decisive factor for facing challenges and achieving our goals, in the present and the future.

As I express my pride in the distinguished rates of performance and achievements contained in the report, I affirm my keenness and my fellow members of the Board of Directors to support this national economic edifice, the Saudi Ground Services Company along with the Executive Management, in order to continue its successful path and its vital role in serving the aviation industry in our Kingdom, and achieving the objectives of the Kingdom's Vision 2030G and the national strategy for transport and logistics services. We are also looking forward during the coming years, hopefully, to expand and develop our services, strengthen our partnerships and build new partnerships, with full readiness to serve the future and great expansion of air transport services in the Kingdom, in conjunction with the continuous growth of the Saudi economy, and the successive increase in the number of pilgrims and Umrah performers, the transit air traffic, and the tourism boom in all parts of our country.

In conclusion, I have the honor, and on behalf of my colleagues of the Board of Directors, the Executive Management and all female and male colleagues, reiterate my deep appreciation and gratitude to the Custodian of the Two Holy Mosques and His Highness the Crown Prince, may Allah support them, and I extend my thanks to our shareholders, customers and partners. I would also like to express my great appreciation to the Ministry of Transport and Logistics Services, the General Authority of Civil Aviation, and the various government agencies, with sincere greetings and many thanks to all the employees of the company for their giving and dedication, as we enter 2023 I am glad that we were able to write another chapter of success and achievement in serving our kingdom, and hopefully will continue our contribution in development and growth in the

Khalid Q. Ab-Buainain Chairman

Eng. Khalid bin Qasim Al-Buainain Chairman of Board of Directors





Bright achievements

The Saudi Ground Services Company, is proud to be serving the national economy and the aviation industry in the Kingdom, and continued its journey towards new horizons of achievements and success; as this annual report for the year 2022G represents one of the bright era on this journey, which will hopefully continues, towards its desired destination in consolidating its achievements and proving its active participation in achieving the goals of the Kingdom's Vision 2030 and the National Strategy for Transport and Logistics.

Through a brief presentation of the main indicators of performance and services during the past year, we have found that the company was able to achieve a new qualitative leap, within the framework of its pioneering role in serving the operational system of national and international airlines, by handling more than 100 airlines and more than 600 thousand trips, while nearly 70 million passengers and and recoreded baggage handling rate of 50 Million pieces, where we have recored operational rate of one day, June 30, 2022G, by handling 2012 flights.

Serving pilgrims is an honor that every Saudi citizen cherishes, the company has provided a model in the integrated work in the service of operational processes in two stages starting from the arraival until departure, by serving more than 5,000 trips and one million pilgrims and handling baggage at a rate of more than one million and 600 thousand pieces, in addition to a 98% discipline ratio in all operations, under the guidance of our wise leadership, with the utmost care and attention, from the moment of their arrival to the Holy Mosque, until they are back to their country.

The company also continued, with the efforts of its employees, to record high operational levels during the Jeddah Security and Development Summit, in addition to providing support and assistance to Heathrow Airport during the operational difficulties that the airport witnessed in the past year. This affirms our employees total willingness to carry and meeting the best standards of quality and efficiency.

Within international appreciation for its performance and achievement, the Saudi Ground Services Company richly deserved to win many international awards during the year 2022G.

Among them, "Best Ground Handling Services Company in the Kingdom", "Best Baggage Handling Services Provider in the Gulf Countries",

as well as "Best Fleet Services Operator in the Kingdom". In addition, the company won the "Nationalization" award in recognition of its advanced rates in the field of Saudization, the programs for preparing and qualifying our national cadres receive priority as the active force that stands behind every achievement and every success, as over the past year, more than (4,000) four thousand national cadres have been employed. Furthermore, Saudi women, represent 14% of the company, also enjoy unlimited opportunities for advancement and excellence in the field of ground services.

The company is keen to fulfill its social responsibility and help Saudi youth excel in the fields of airport services, by providing training opportunities through the Training Academy, where it reached more than 38,000 seats and (39,000) thirty-nine thousand training hours, along with continuous training for its employees including the latest programs in the areas of ground handling, customer services, safety systems, etc.

The journey of achievements continues through building and strengthening strategic partnerships with the Ministry of Transport and Logistics Services, the General Authority of Civil Aviation, Saudi Airlines and and our affiliated company, to continue developing the performance and achievements during the coming years, this coincides with the unlimited growth prospects the new and unprecedented launch of air transport services in our beloved country.

In conclusion, I extend my utmost thanks and appreciation to His Excellency the Chairman and members of the Board of Directors for their continuous support, and i would like to extend my thanks to our shareholder, customers and partners, and the employees of the company, who continue to achieve excellence and giving and presenting to the world, with their dedication, creativity and civilized services, the bright image of our beloved country.

Raed H. Al-Idrissi Chief Executive Officer

Raed Hassan Al-Idrisi

Chief Executive Officer (CEO) of the Saudi Ground Services Company









Mr. Muhammad Ali Al-Yemeni
MEMBER



Dr. Omar Abdullah JefriVICE CHAIRMAN



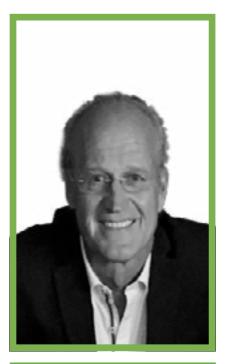
Mrs. Ghada Ali Al-Jarbou MEMBER



Mr. Nader Mohammed Saleh Ashoor
MEMBER



Mr. Fahd Hamza Cynndy
MEMBER



Mr. Per Utnegaard
MEMBER



Mr. Con Korfiatis
MEMBER



Mr. Said AbdulLatif Al-Hadrami MEMBER



Executive Management



Mr. Raed Hassan Al-Idrissi CEO



Mr. Mazen G. Dhaifallah VP CORPORATE AFFAIRS



Mr. Mohammad A. Mazi
EVP FINANCE



ENG. Ayman A. Al-Ghamdi VP HR



Mr. Hamad A. AlHemede
VP COMMERCIAL

AMP SERVICES

Airlines require rapid and precise turnaround times to meet their schedules and maximize the economic viability of their operations.

To maintain the aircraft in a safe and airworthy condition,

the mechanical sophistication of aircraft systems demands

highly trained and experienced teams of specialist personnel and equipment.

By owning the right manpower and facilities, SGS maintains the highest standards of operation to complete the numerous overlapping service processes on time, and to fit these required standards to the schedules of our airline

OUR SERVICES INCLUDE:

Aircraft Turnaround Coordination

Ground Power Unit (GPU)

Aircraft Towing

Unit Load Device Control (ULD)

Ground to Cock-Pit Headset Service

Air Conditioning Unit (ACU)

Air Starter Unit (ASU)

Push-Back

Marshaling the Aircraft on Ground at Arrival and Departure

Aircraft Loading Supervision (ie. Loading & Unloading of Cargo, Mail, and Passengers' Baggage)

SGS however undertakes the supervision, loading, unloading and transportation of general cargo and special cargo with its own suite of specialized equipment and specially trained staff. However, SGS maintains the necessary competence and combination of staff to undertake the loading and unloading functions along with the necessary equipment that is required for transportation of special cargo under supervision.



OUR SERVICES

We provide premier aviation ground-handling services 24/7 to both local and international airlines at each of the 28 airports within Saudi Arabia. Our top class, equipment and diligent staff ensure the smooth journy of passengers and cargo, are mindful of safety and security ensure travelers and their goods are fully served at every step, from aircraft to destination.



PASSENGER SERVICES

Hospitality is deeply ingrained in the Saudi culture.

As the national ground-handling service provider, SGS considers interactions between passengers and staff to be very important. We always remember that we never get a second chance to make a first impression.

Meeting the passengers' needs before or after a flight drives what we do. We are proud to deliver to world-class services to over 88 million travelers a year.

OUR SERVICES INCLUDE:

Passenger manifests and seat allocation.

Boarding pass and baggage tagging.

Assisting passengers with reduced mobility.

Station management.

Check-in services.

Dedicated passenger services.

VIP services.



BAGGAGE HANDLING

As a ground handling service provider, we at SGS understand the importance of providing reliable, efficient and safe baggage handling services in building strong relationships with our customers, and, in turn, passengers

OUR SERVICES INCLUDE:

Baggage Assembly, Sorting, Reconciliation and Transportation Loading and Unloading

Operation/Handling of Baggage Reconciliation System

TRAINING ACADEMY

Saudi Ground Services Company has a Training and Development Academy, which is accredited by the International Air Transport Association (IATA) as an authorized training center (ATC), and regional training partner (RTP) to provide IATA courses. It is also approved by GACA to provide some of the training programs, including the DGR program, and ramp driving licenses RDL. Training academy has developed number of training programs including operational and administrative courses. The training academy has developed training curricula in line with GACA requirements and IATA standard to meet the company's operational and non-operational staff requirements, including

E-Learning

In line with the increased operating requirements and to facilitate the delivery of training courses without affecting the that allow employees to develop their skills and qualifications operation, training academy has developed e-learning program employee can attend an on-line training courses from any site at any time.

Operational Program

Training Academy offers a variety of operational training programs when hired and those are on duty at all airports throughout to provide operational courses for all operation staff so that the Kingdom. These programs Include training of front-line staff on airport passenger terminal systems, passengers handling, in addition to operating all Ramp equipments and Ramp driving

Operating System

In order to facilitate the training process, training academy applies the LMS system to save information/ complete all training tasks (training planning, scheduling of training courses, scheduling trainers, scheduling classes, etc.).

Training academy provides number of administrative and skills courses to raise the level of staff performance inclu organizational skills, work ethics, time management, custom service, communication skills, training and guidance, personal productivity Staff, teamwork and team be



A central element of the passenger experience is the quality of the aircraft cabin environment. To ensure cabins are clean and comfortable, the SGS fleet solution team provides an around-the-clock cabin preparation service for hundreds of thousands of flights per year across international and local airports.

Cabin Grooming and Deep Cleaning.

Turnaround Cleaning

Toilet and Water Services.

SGS coordinates all ground handling requirements at every Saudi Arabian airport.

We monitor arrival and departure schedules on behalf of our customers and coordinate requisite turnaround activities efficiently and safely.

The SGS operation services and traffic control offers air to ground services around the clock, supportive flight preparations at a point different from the airport of departure, and excellent En-route flight assistance. And monitor movement of flights to make sure they are flying safely.

To best serve the passenger's' need to travel from airport to their final destinations, SGS established Saudi Al Amad for Airport Services and Air Transport Support (SAAS). They are dedicated to managing and operating apron transportation at all major airports around the Kingdom.

Dedicated passenger and crew transportation between aircraft and terminal Medical Lift for persons with reduced mobility



Board of Directors Annual Report for the Year 2022G

The Board of Directors of the Saudi Ground Services Company is pleased to present to the shareholders the annual report of the Company for the fiscal year ending on 31/12/2022G, including the Company's performance, achievements, activities, and its Joint Ventures activities.

1- Introduction:

The Saudi Ground Services Company (the "Company") was established as a limited liability Company in the city of Jeddah, Kingdom of Saudi Arabia under C. R. No. 4030181005 dated 11/07/1429H (corresponding to 14/07/2008G).

His Excellency the Minister of Commerce and Industry issued Decision No. 171 / Q dated 07/07/1435H (corresponding to 06/05/2014G) approving the conversion of the Company from a limited liability Company to a closed joint stock Company Its capital is one billion eight hundred and eighty million (1,880,000,000) Saudi riyals, divided into one hundred and eighty-eight million (188,000,000) ordinary shares, with a nominal value of 10 Saudi riuals per share (the "Shares"). Fifty-six million four hundred thousand (56,400,000) ordinary shares, representing thirty percent (30%) of the Company's capital, were offered for public subscription during the period (from 03/06/2015G to 09/06/2015G). The Company was listed on the Saudi Stock Exchange and its shares began trading on 24/06/2015G.

The main activity of the Company is to provide ground handling services and support services inside the Kingdom's airports for many local and international airlines (passenger services, coordination, management and supervision services, airport apron services, support services, and security services).

The Company includes several business sectors and departments that provide the necessary support for services for its activities, including (Operations and Ground Handling Department, Financial Department, Human Resources Department, Commercial Affairs Department, Internal Audit Department, Legal and Governance Department, Facilities Maintenance and Engineering Support Department, Strategy and Growth Department).

2- Joint Ventures:

2-1 Saudi Amad for Airports Services and Air Transport Support (SAAS):

The Company established the Saudi Amad for Airports Services and Air Transport Support. It is a closed joint stock Company registered under C. R. No. 4030254190 dated 27/10/1434H (corresponding to 03/09/2013G) ("SAAS") with a capital of 500,000 Saudi Riyals and its headquarters in Jeddah - Saudi Arabia. This Company specializes in transporting passengers at airports using various means of transportation. The company owns 50% of the shares in SAAS, while the remaining 50% is owned by Al-Amad Company, a Saudi Company with a limited partnership under C. R. No. 4030057952 dated 22/11/1407H (corresponding to 19/07/1987G).

The Main Activity of the Joint Ventures: The main activity of SAAS is to provide services for the transportation of passengers and navigators and to operate buses at airports. Whereas Al-Amad Company used to operate buses to transport passengers inside international airports and Tabuk Airport before the establishment of SAAS Company.

2-2 TLD Arabia Equipment Services:

The Company established a Company with the French TLD Group under the name of TLD Arabia Equipment Services Company for the purpose of providing automation and maintenance services specialized in airport solutions and ground handling equipment for the Company and other companies in all airports in the Kingdom. It is a limited liability Company registered under C. R. No. (4030181005), with a capital of (1,000,000) Saudi riyals, and its headquarters is in Jeddah - Kingdom of Saudi Arabia.

The Main Activity of the Joint Ventures:

The main activity of TLD Arabia is to provide maintenance services for ground service equipment, machine tool rental, operational leasing, and rental of other air transport equipment without drivers. It also provides administrative and supervisory services at airports and provides other activities and services related to air transportation.





Activity Revenue (Thousands of SAR)	1,959,592
Percentage	99.12%

3-2 Main Activities of the Joint Ventures:

Transport Services for Passengers, Crew and Bus Operation at Airports (SAAS)

Activity Revenue (Thousands of SAR)	130,999,718
Percentage	79%
Equipment Services and Maintenance (TLD A	Arabia Equipment Services)

Activity Revenue (Thousands of SAR)	125,576,688
Percentage	100%

3-3 Partners & Capital in SAAS (a Joint Venture)

Partner's Name	Shares Value in SAR	Percentage of the Capital
Saudi Ground Services Company	250,000	50
Al-Amad Company	250,000	50
Total	500,000	100



Partner's Name	Shares Value in SAR	Percentage of the Capital
Saudi Ground Services Company	500,000	50
French TLD Group	500,000	50
Total	1,000,000	100

Statement (Amounts in Thousands of SAR)	2022G	2021G	2020G	2019G	2018G
Revenues	1,977,037	1,607,933	1,251,835	2,539,760	2,554,043
Revenue Costs	1,817,998	1,412,954	1,272,534	1,853,256	1,869,608
Gross Profit	159,039	194,979	(20,699)	686,504	684,435
Net Profit	(244,488)	(254,410)	(454,295)	423,353	368,425

Statement (Amounts in Thousands of SAR)	2022G	2021G	2020G	2019G	2018G
Current Assets	2,867,727	3,327,522	2,751,360	2,397,073	2,245,987
Non-Current Assets	1,502,856	1,519,164	1,665,592	1,925,979	1,660,970
Total Assets	4,370,583	4,846,686	4,416,952	4,323,052	3,906,957
Current Liabilities	1,191,379	1,450,845	785,520	715,942	556,194
Non-Current Liabilities	1,077,174	1,131,127	1,132,248	661,222	474,390
Total Liabilities	2,268,553	2,581,972	1,917,768	1,377,164	1,030,584

3- 7 Geographical Analysis of the Company's Total Revenues During the Year 2022:

•	Үеаг	Geographi	Geographical Analysis of the Company's Total Revenues (Amounts in Thousands of SAR)					
		Total Revenues	King Abdul-Aziz Airport - Jeddah	King Khalid Airport - Riyadh	King Fahd Airport - Dammam	Prince Mohammed bin Abdul-Aziz Airport - Madina	Internal Terminals	Total
	2022	1,977,037	724,351	615,191	159,565	143,305	334,625	1,977,037

3- 8 Geographical Analysis of the Joint Venture's Revenues (SAAS):

Year	Geographical Analysis of the Joint Venture's Revenues (Amounts in Thousands of SAR)					
	Total Revenues	King Abdul-Aziz Airport - Jeddah	Other Terminals	Total		
2022	164,717,976	93,439,244	71,278,732	164,717,976		

3-9 Geographical Analysis of the Joint Venture's Revenues (TLD Arabia Equipment Services):

Year	Geographical Analysis of the Joint Venture's Revenues (Amounts in Thousands of SAR)						
	Total Revenues	King Abdul-Aziz Airport - Jeddah	Other Terminals	Total			
2022	125,576,688	48,849,331.63	76,727,356.37	125,576,688			

3-10 Summary of the most significant material differences in the operational results compared to results of the previous year or any expectations declared by the Company:

Statement (Amounts in Thousands of SAR)	2022 G	2021 G	Variations (+) or(-)	Variation Percentage
	1,977,037	1,607,933	369,104	23%
	(1,817,998)	(1,412,954)	(405,044)	29%
	159,039	194,979	(35,940)	-18%
Other Income	26,550	10,140	16,410	162%
Administrative Expenses	(286,410)	(299,771)	13,361	-4%
Impairment Loss on Trade Receivables	(18,834)	(78,824)	59,990	-76%
Operational Profit (Loss)	(119,655)	(173,476)	53,821	-31%



4- Main Substantial Events, Decisions & Achievements:

The company witnessed a quantum leap in its work activity during the year 2022G, after the return of its operations after stumbling during the pandemic period. The company has faced challenges by setting clear frameworks based on studying future expectations in terms of operational and financial aspects, to return the company to profitability in the coming years, while contributing to achieving the objectives of the national strategy for the aviation sector. The company also signed a memorandum of understanding with the "Air Products Qudra" company to operate the Hydrogen ground services equipment at King Fahd International Airport in Dammam to advance hydrogen movement in the Kingdom within the Saudi Green Initiative in accordance with the Kingdom's Vision 2030. The company also obtained the ISAGO certificate from the International Air Transport Association (IATA) for each of the following stations: King Abdul-Aziz International Airport in Jeddah _ King Khalid International Airport in Riyadh _ King Fahd International Airport in Dammam _ Prince Muhammad bin Abdul-Aziz Airport in Medina.

During the year, the company witnessed a change in the organizational and administrative structure of the company's business sectors, which contributed to the growth of the company's business in general and enhanced the company's rights and shareholders' interests.

On the other hand, the members of the Board of Directors and its affiliated committees had an effective role as several decisions were issued to achieve the company's objectives and to ensure the continuity of its business, the most important of which were the following:

- 1. Election of a new board of directors for the company in its third Cycle (2022-2025).
- 2. Conducting the company's Ordinary General Assembly meeting and approving its decisions unanimously.
- 3. Approving the Annual financial results report for the year ending on December 31, 2021G.
- 4. Appointing a chairman and vice-chairmen of the board of directors from the members of the board of directors and the secretary.
- 5. Appointing representatives of the company before the Capital Market Authority.
- 6. Formation and approval of committees emanating from the Board of Directors.
- 7. Signing a contract for the operation and maintenance of (Passenger Boarding Bridges and Apron) services at King Abdul-Aziz International Airport in Jeddah.
- 8. Approving the business and contracts that will be concluded with the company and related parties.
- 9. Contracting with Bupa Arabia for Cooperative Insurance to provide medical insurance services for the company's employees.
- 10. Recommending to the General Assembly to appoint an External Auditor.
- 11. Approving the Preliminary financial results for the (First Quarter) for the period ending on March 31, 2022.
- 12. Approving the approval of the quarterly financial statements (the Second Quarter) for the period ending on June 30, 2022.
- 13. Approving the approval of the quarterly financial statements (the third quarter) for the period ending on September 30, 2022.
- 14. Approving the appointment of PricewaterhouseCoopers- PWC as a consultant on the settlement of zakat estimates.
- 15. Establishing a new company in partnership with a Saudi company specialized in the operation and maintenance of airport bridges, for the purpose of operating and maintaining them, which increases the company's revenues.

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5- Main Structural & Organizational Changes in the Company:

The Company continued to develop its systems and enhance its operational and technical processes, which reflected positively on its financial performance, in line with its goals and strategy coinciding with the Kingdom's Vision 2030, and for the benefit of the company's shareholders and employees. During the year 2022G, the company continued to implement administrative restructuring plans, which included work to strengthen the concepts of compliance with regulations and supervisory directives in letter and spirit. With the aim of strengthening the ethical and professional principles of the company's employees to perform their duties in a way that leads to achieving sustainable growth and enhancing protection from the risks of non-compliance or financial crimes.

The company also sought to complete the company's transformation plan to expand its business in the field of future ground services, and to diversify the previously announced sources of income with the most important projects and contracts that took place during the year in "Tadawul". The transformation plan was not only limited to business expansion, but also aimed to focus on changing the work environment and providing a healthy and practical environment for employees, which is reflected in increasing productivity and providing opportunities for initiatives for employees by providing an integrated and healthy work environment.

6- Future Expectations:

The ground handling sector is expected to witness an improvement, especially with the increase in the number of pilgrims and Umrah performers during the year 2023 compared to last year, based on the announcement by the competent authorities that the number of pilgrims and Umrah performers has returned to pre-pandemic numbers. It is also expected that the operations of domestic flights and foreign trips in general will return to a rate that exceeds before the pandemic, in line with the goals of the Kingdom's vision and growth rates during the year 2022-2023. As this will, , have a positive impact on the results and performance of the company during the year 2023 compared to the year 2022G for the ground handling services sector, like other sectors concerned with Hajj and Umrah services.

It is also expected that there will be investment opportunities that contribute to the growth and expansion of the company's business in the coming years, as the company began to diversify its business and develop its services at airports, in addition to signing many partnership contracts during the year. Despite the pressures that the company faced due to the pandemic and the suspension of its operational activities during the crisis period, future plans have been put in place to contain costs.





Risks:

The Saudi Ground Services Company is keen to monitor the most important risks and developments that may affect the company's business through Risk Management. Where all departments and stations cooperate closely and effectively in order to identify the most important risks that the company may be exposed to, , and to ensure that the necessary plans are put in place to address these risks and work to reduce them and reduce the effects resulting from them in the event of their occurrence. All risks are monitored regularly by the Executive Management and the Risk Management Committee under the supervision of the Board of Directors.

The following is a list of some of the risks that the company may be exposed to:

1. Organizational Risks:

It is the risk of change in the laws and regulations issued by the regulatory authorities that will materially affect the company's business, as any change in the laws or regulations issued by any of the regulatory authorities that the company must comply with may constitute an increase in operational or financial costs or both. Therefore, the company has established all policies and procedures aimed at complying with the relevant regulatory laws and regulations. The company also adheres to the standards stipulated by the International Air Transport Association and the General Civil Aviation Authority.

2. Business Continuity:

The changing global external events during the past years posed great threats to the continuity of the company's operations or were partially affected because of these events, including the effects of the COVID-19 pandemic on the aviation sector. To deal with these risks, the company worked on adopting a flexible operational strategy that led to the reduction of various costs and maintained the presence of sufficient cash liquidity to face any risks that may affect the continuity of the business.

3. Operational Risks:

Operational risk is the impact of inadequate internal procedures, staff shortages or malfunctioning technical systems. Therefore, the company works to reduce operational risks through the Department of Safety, Quality and Risks, which ensures the proper implementation of policies and procedures through a system of internal controls aimed at identifying, assessing and monitoring risks.

4. Risks of Revenue Concentration in several Clients:

It is the company's excessive reliance on a limited number of customers, which poses a risk regarding the company's revenues, as the concentration of revenues from related parties constitutes a risk to the company.

Therefore, the company works to mitigate the risks of concentration by owning a competitive share in the local markets, as among the company's customers are the largest Saudi and foreign airlines.

5. Risks of Accidents and Injuries:

The company relies in its activities on working within an environment exposed to risks within airports, and the existence of any technical or human defect or default during the provision of services may lead to loss and damage to life and property.

To deal with this risk, the company has activated the role of Safety, Quality and Risks management more effectively, as the department is working on a periodic review to ensure the application of policies, procedures, and safety requirements for operational processes. The company also trains and educates employees and organizes workshops to ensure that services are provided as required.

In addition, the company has made an insurance cover on the company's assets, in addition to that, the company has insurance protection from any legal liability that may arise against the company because of its operations towards any other party.

6. Risks of Wear & Tear of Equipment:

The risk of depreciation and replacement of equipment is represented by a decrease in its market value over its useful life due to use, so that its market value is less than the book value in the company's books, as equipment and machines are one of the important pillars on which the company's operations depend in providing ground services to airlines.

To avoid these risks, the company is based on reducing operating costs by raising the level of quality and efficiency of services provided to its customers. Accordingly, the company has recently signed a joint venture agreement with the French TLD Group. This partnership aims to improve the quality of services at reduced costs, by providing competitive maintenance services for specialized equipment and technologies for the ground handling sector.

7. Liquidity Risks:

It is the risk of not having sufficient liquidity to meet operational obligations and requirements. Accordingly, the company has adopted a strategy for growth and diversification of income sources. In addition, the company has secured bank facilities and loans to cover the company's working capital requirements.

8. Legal Risks:

It is the risk that results from filing a lawsuit by the company's customers, employees, or any other party against the company.

To limit the occurrence of these risks, the company has an internal legal department in addition to that external legal advisors have been appointed to ensure the company's compliance with legal and regulatory requirements.

9. Reputational Risks:

These are the risks that could endanger the company's reputation, as the company's reputation may be affected by several factors such as the decline in the quality of the services provided.

To reduce these risks, the Security, Quality and Risks Department works to ensure that the services provided comply with international standards. The company also has a customer services department, which handles any complaints in a timely manner.

10. Credit Risks:

Credit risk is defined as the risk of inability of a customer, guarantor or counterparty to fulfill its financial obligations towards the company's dues, and to reduce this risk, the company regularly reviews the receivables due to customers and collects appropriate guarantees while adhering to the accounting treatment according to the International Financial Reporting Standards. In the event that the client fails to pay these dues, the company takes legal measures to ensure the preservation of its rights.

11. Cybersecurity Risks:

It is the possibility of exposure to a loss resulting from an electronic attack or a breach of the company's data. To reduce these risks, the company constantly reviews and monitors the activities related to cybersecurity policies to ensure that the necessary measures and preventive controls are in place to avoid any electronic attacks.



8- Corporate Governance Regulations:

The Saudi Ground Services Company has been keen to fully comply with the principles of corporate governance approved by the Capital Market Authority, follow international professional standards in its dealings, and adopt the aspects of transparency and disclosure, which aims to enhance the efficiency of the company's work and its relations with all stakeholders.

During the year 2022G, the company took into account the procedures of governance management and the secretariat of the Board of Directors of the company, which included all its governance policies, to ensure its full compatibility with the provisions of the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority and work to fully implement them, and this included the following:

8-1 Evaluation of the effectiveness of the Board, its members and the activities of the Committees:

The company took into account, in accordance with the provisions of its governance regulations, that the Board of Directors should evaluate the effectiveness of its members and the extent of their participation, whether individually or as a group. As well as evaluating the effectiveness of the performance of the Board's sub-committees, and work has been taken into account to complete the evaluation process for the work of the year 2022G through the company's governance department, and the results of the evaluation process will be submitted to the Nominations and Remuneration Committee and the Board of Directors by the end of the first quarter of the year 2023G.

8-2 Training programs for members of the Board of Directors and Committees:

During the year 2022G, the company worked on providing a number of training programs for members of the Board of Directors specialized in corporate governance and the application of best practices of governance and dealings with related parties. The company was also keen to continuously spread awareness to members of the Board of Directors and affiliated committees through modern technology.

In general, the Saudi Ground Services Company complies with all mandatory provisions and directives included in the Corporate Governance Regulations issued by the Capital Market Authority. This commitment was reflected in the inclusion of all mandatory requirements in the company's Articles of Association, its governance document and its complementary policies, in a way that enhances the principles of disclosure, provision of information, transparency and fairness in dealing and guaranteeing the rights of shareholders, with the aim of defining the duties and responsibilities of the members of the Board of Directors and the Executive Management of the company in accordance with the statutory directives. The company applies all the provisions contained in the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 dated 16/05/1438H corresponding to 13/02/2017G based on the Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H corresponding to 10/11/2015G, amended by Capital Market Authority Board Resolution No. 1-94-2022 dated 24/01/1444H corresponding to 22/08/2022G, with the exception of the provisions listed below:

Article/ Paragraph No.	Article/Paragraph Text	Reasons for Non-Application
85/2	Incentivizing employees: Programs for granting employees shares in the company or a share of the profits it achieves, retirement programs, and the establishment of an independent fund to spend on these programs.	Guidance Article
85/3	Incentivizing employees: Establishing social institutions for the company's employees.	Guidance Article
87	Social Responsibility: The Ordinary General Assembly shall establish - based on a proposal from the Board of Directors - a policy that ensures the establishment of a balance between its objectives and those that the society aspires to achieve in order to develop the social and economic conditions of the society.	Guidance Article
88/1	Social Work Initiatives: Developing measurement indicators that link the company with its social work initiatives and comparing that with other companies with similar activity.	Guidance Article The company is carrying out some initiatives, which were
88/2	Social Work Initiatives: Disclosure of the social responsibility objectives adopted by the company to its employees, and educating them about it.	mentioned in the report, but the company did not set specific programs or measurement indicators
88/3	Social Work Initiatives: Disclosure of plans to achieve social responsibility in periodic reports related to the company's activities.	
88/4	Social Work Initiatives: Develop awareness programs for the community to introduce the company's social responsibility.	
93/4/b	The Board of Directors is committed to the following: 4) State the necessary details regarding the rewards and compensations paid for each of the following separately b) Five of the senior executives who received the highest remuneration from the company, including the Chief	It is sufficient to disclose the total salaries of the top six senior executives
	Executive Officer and the Chief Financial Officer.	
95	Formation of the Corporate Governance Committee	Guidance Article
Appendix No. (1)/23	The Board of the Capital Market Authority issued Decision No. 1-35-2018 dated 09/07/1439H corresponding to 26/03/2018G that the table for disclosing the	* The company has committed to disclose the components of senior executives' remuneration
No. (1)/23	remuneration of senior executives specified in Appendix (I) of the Corporate Governance Regulations (Guidance Text). Provided that the disclosure of the remuneration of senior executives in the reports of the Board of Directors that will be issued for the financial periods beginning on 01/01/2020G shall be detailed in accordance with the table for disclosing the remuneration of senior executives specified in Appendix (I) of the Corporate Governance Regulations.	in total, in accordance with the statutory requirements contained in subparagraph (b) of paragraph (4) of Article (93) of the Corporate Governance Regulations, but to protect the interests of the company, its shareholders and employees, and to avoid any harm that may result from the disclosure in detail by titles and according to the position, the details were not presented as contained in Appendix (1) of senior executives of the Corporate Governance Regulations.



9- Board members, Committee members, and Executive Management in the Company:

9-1 Formation of the Board of Directors and classification of their memberships (third session):

The Board of Directors of the company is formed according to its Articles of Association from nine members for a period of three years, and in line with the provisions of the Companies Law, the current Board of Directors has been formed for a period of three Gregorian years that began on 06/05/2022G until 05/05/2025G. The statement below shows the names of the members of the Board of Directors and the classification of their memberships as of 31/12/2022G:

Member Name	Position	Membership Classification
Eng. Khalid bin Qasim Al-Buainain	Chairman of Board of Directors	Independent
Dr. Omar bin Abdullah Jefri	Deputy Chairman of the Board	Independent
Mr. Mansour bin Abdulaziz Al-Busaily	Member of the Board of Directors	Independent
Eng. Fahd bin Hamza Cynndy	Member of the Board of Directors	Non-executive
Mr. Nader bin MuhammadSaleh Ashoor	Member of the Board of Directors	Independent
Mr. Said bin AbdulLatif Al-Hadrami	Member of the Board of Directors	Independent
Mrs. Ghada Bint Ali Al-Jarbou	Member of the Board of Directors	Independent
Mr. Kon Korfiatis	Member of the Board of Directors	Non-executive
Mr. Per Utnegaard	Member of the Board of Directors	Independent
Mr. Muhammad bin Ali Al-Yemeni*	Member of the Board of Directors	Independent
Eng. Saleh bin Ahmed Hefni*	Member of the Board of Directors	Independent
Mr. Onno Boots *	Member of the Board of Directors	Independent
	<u></u>	<u>.</u>

^{*} Their membership ended on 05/05/2022G with the end of the second cycle of the Board.

The Board of Directors of the company consists of nine members appointed by the General Assembly of shareholders for a period not exceeding three years. The Board of Directors meet at least once every three months at a rate of four times a year, or whenever the need arises, at the invitation of the Chairman of the Board of Directors or at the request of two of the members. The Board's decisions and deliberations are recorded in minutes signed by the members and the Chairman of the Board. The responsibility for writing and keeping the minutes of the meeting lies with the Secretary of the Board of Directors. The following are the names of the members of the Board of Directors, their qualifications and experience.

10- Members of the Board of Directors and Committees:

The following statement shows the names of the members of the Board of Directors, their qualifications and experience during the period from 01/01/2022G until 31/12/2022G:

1. Eng. Khalid bin Qasim Al-Buainain

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G)

Eng. Khalid Al-Buainain holds the position of Chairman of the Board of Directors and Chairman of the Executive Committee of the company, and he is an independent member of the Board of Directors. The following is a statement of educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
	Senior Vice President - Technical Services Sector in Saudi Aramco Senior Vice President - Engineering, Financial Opinion and Operations Support at Saudi Aramco Senior Vice President - Marketing and Distribution Sector in Saudi Aramco Senior Vice President - Engineering Services in Saudi Aramco	Holds a Bachelor's degree in Mechanical Engineering from King Fahd University of Petroleum and Minerals	More than 30 years of experience in Saudi Aramco

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors	HSBC Arabia	Inside the kingdom - joint stock
Chairman of the Board of Directors	SAAS	Inside the Kingdom - Closed joint stock

2. Dr. Omar bin Abdullah Jefri

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G):

Dr. Omar Jefri holds the position of Vice Chairman of the Board of Directors and the Executive Committee and Chairman of the Audit Committee of the company, and he is an independent member of the Board of Directors. The following is a statement of the educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
Advisor to the Minister of Transport and Logistics	 Senior Advisor to the Director General of Saudia Airlines Assistant General Manager for Administrative Affairs and Systems at Saudia Airlines 	Holds a PhD in Marketing from the University of Alabama, a Master of Business Administration from King Fahd University of Petroleum and Minerals and a Bachelor's degree in Industrial Management from King Fahd University of Petroleum and Minerals.	More than 25 years of experience in the air transport sector.

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors	SITA International is a non-profit organization owned by international airlines	Semi-governmental entity - outside the Kingdom
Member of the Board of Directors	Aseer Company for Trade, Tourism and Industry	Inside the Kingdom - Listed joint stock
Member of the Board of Directors	Yemen Airways	Outside the Kingdom

3. Mr. Mansour bin Abdulaziz Al-Busaily

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G):

Mr. Mansour Al-Busaily holds the position of a Board member and Chairman of the Risk Management Committee of the company, and he is an independent member of the Board of Directors. The following is a statement of the academic qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
Member of the Board of Directors of the Saudi Company for Ground Services			More than 30 years of experience in the banking and legal sector.
	Bank(SABB).		

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors	United Electronics Company	Inside the kingdom - Listed joint stock
Member of the Board of Directors		
Member of the Board of Directors		Inside the Kingdom -Listed joint stock
Member of the Board of Directors	Gas Arabian Services Co.	Inside the Kingdom - Unlisted joint stock

4. Eng. Fahd bin Hamza Cynndy

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until05/05/2025G):

Eng. Fahd Cynndy is a non-executive board member, representing the General Organization of Saudia Airlines in the board of directors and CEO of the Saudi Aviation Engineering and Industry Company. He is also a member of the Executive Committee and a member of the company's Remuneration and Nomination Committee. The following is a list of educational qualifications,

professional experience and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
	Chief Executive Officer of the Saudi Ground Services Company. Director of the Aviation Department at Saudi Aramco.	Holds a university degree (commercial aviation) from the University of North Dakota program from the United States of America, a Bachelor of Science (mechanical engineering) from Western New England University from the United States of America, an MBA from the Hong Kong University of Science and Technology, China, and a certificate for preparing executive leaders from Stanford University in the United States. In addition, Captain Fahd has more than 6,300 hours of flying time, holds the US Federal Commercial Pilot License, and he is also an IATA Certified Instructor.	22 years of experience working in the aviation sector at Saudi Aramco.

Job Title	Company Names	Legal Entity Type
Deputy Chairman of the Board	Helicopters Company	Inside the Kingdom - one of the Public Investment Fund companies
	Gulf Federation Association for Aviation Safety	
Member of the Board of Directors	SAAS Company (a Joint Venture)	Inside the Kingdom - closed joint stock
Chairman of Board of Directors	Saudi Rotor trade Company	Inside the Kingdom - Unlisted

5. Mr. Nader bin Muhammad Saleh Ashour

(He began his membership in the third cycle of the Board on 06/05/2022G until 05/05/2025G): Mr. Nader Ashour holds the position of an independent board member of the company, a member of the Audit Committee, and a member of the Risk Management Committee. The following is a statement of the educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
Deputy CEO and CFO (Bupa Arabia)	 Member of the Board of Directors and member of the Audit Committee of the Saudi Steel Pipe Company. Member of the Board of Directors of Diaverum Middle East Company. Held many positions in Saudi Aramco. 	Holds a bachelor's degree in accounting from King Fahd University of Petroleum and Minerals. Master's degree in Business Administration from the International Institute for Administrative Development Switzerland	More than 18 years of experience in accounting, finance and internal auditing

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors	Bupa Arabia	Inside the Kingdom - Listed joint stock
Member of the Board of Directors	Okadoc Corporation	Outside the kingdom
Audit Committee Member	SISCO Group	Inside the Kingdom
Audit Committee Member	D360 Bank	Inside the Kingdom
Audit Committee Chairman	MEPCO	Inside the Kingdom
Audit and Risk Committee Member	Jeddah Airports	Inside the Kingdom

6. Mr. Said bin AbulLatif Al-Hadrami

(began his membership in the third session of the Board cycle on 06/05/2022G until 05/05/2025G): Mr. Saeed Al-Hadrami holds the position of an independent board member of the company, a member of the Executive Committee, and a member of the Nominations and Remuneration Committee. The following is a statement of the educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
Member of the Board of Directors of the Saudi Company for Ground Services	 Vice President of Retail Trade and Lubricants (Aramco Company). President of the Saudi Center for International Strategic Partnerships in Riyadh. Vice President of International Operations (Aramco Company) 		More than 18 years of experience in accounting, finance and internal auditing

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors		Inside the Kingdom - Listed joint stock

7. Mrs. Ghada Bint Ali Al-Jarbou

(She began her membership in the third session of the Board cycle on 06/05/2022G until 05/05/2025G): Mrs. Ghada Al-Jarbou is an independent board member of the company and head of the Nominations and Remunerations Committee. The following is a statement of her educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
	General Manager of Global Liquidity and Cash Management (SABB Bank)	iting book biliterates.	More than 24 years of experience in the banking sector.
	 Chief Operating Officer of Retail Banking (SABB Bank) 	 Master of Business Administration Bath University (United Kingdom). 	

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors, member of the Executive Committee, and Chairman of the Nomination and Remuneration Committee	The General Organization for Social Insurance.	Inside the Kingdom - Government Entity.

8. Mr. Con Corfiatis

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G):

Mr. Con Korfiatis holds the position of a member of the Board of Directors of the company, and he is a non-executive member of the Board of Directors, as he represents the General Organization of Saudia Arabian Airlines in the Board of Directors and holds the position of CEO of Flyadeal, owned by SaudiaAirlines, and the following is a statement of the educational qualifications, professional experience and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
CEO of Flyadeal Middle East	Hedrick & Struggles Consultants (Partner) City Link (CEO) Viva Macao (CEO)	 Holds a Bachelor's degree in Economics from Monash University Switzerland 	More than 19 years of experience in the aviation field.
	• Jetstar Asia (CEO)		

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
No other memberships		

9. Mr. Per Utnegaard

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G):

Mr. Per Utnegaard is an independent board member of the company, a member of the Executive Committee and a member of the Risk Management Committee. The following is a list of academic qualifications, professional experience and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
An investor in Utnegaard & Partners.	 Chairman of the Executive Board / Swissport International. Group President and Chief Executive Officer/Bilfinger (Germany). 	Business Administration and Marketing from Northern Michigan Universitu.	More than 19 years of experience in the trading and ground handling business.

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
No other memberships		

10. Mr. Onno Boots - Member of the Board of Directors

(his membership ended on 05/05/2022G with the end of the second cycle of the Board): Mr. Onno Boots is a member of the Board of Directors of the company and he is an independent member of the Board of Directors. The following is a list of educational qualifications, professional experience and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
CEO, Asia Pacific Airlines (Singapore)	 Director and CEO of Asia Pacific / Board of Directors. Member of the Board of Directors and Win Income. Advisor to the Board of Directors / Chilean Airlines / Turkey. CEO of Chile Aviation Group. Member of the Board of Directors of Asia Suppliers (non-profit organization). 	• Holds a degree from Cranfield University	10 years of experience in the aviation field.

Job Title	Company Names	Legal Entity Type
Director and CEO		Outside the Kingdom - Unlisted joint stock
Member of the Board of Directors		Outside the Kingdom - Unlisted joint stock
Advisor to the Board of Directors		Outside the Kingdom - Unlisted joint stock
CEO	Chile Aviation Group.	Outside the Kingdom - Unlisted joint stock

11. Mr. Muhammad bin Ali Al-Yemeni - Member of the Board of **Directors**

(his membership ended on 05/05/202G with the end of the second cycle of the Board): Mr. Muhammad Al-Yemeni is a member of the Board of Directors, a member of the Audit Committee, a member of the Nominations and Remuneration Committee, and Chairman of the Risk Management Committee of the company. He is an independent member of the Board of Directors. The following is a statement of the educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
Legal advisor at the General Authority for Military Industries	 General Manager of SABIC Industrial Investment Company Advisor to the Vice Chairman of the Board of Directors, Advisor to the Chief Executive Officer, and legal advisor to the Vice Chairman of the Board of Directors. 	 Holds a master's degree from Georgetown University in the field of commercial law 	More than 35 years of experience in the legal field.

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
Legal advisor at the General Authority for Military Industries	General Authority for Military Industries	Inside the Kingdom - Unlisted joint stock

12. Eng. Saleh bin Ahmed Hefni - Member of the Board of **Directors**

(his membership ended on 05/05/2022G with the end of the second cycle of the Board): Eng. Saleh Hefni holds the position of a member of the Board of Directors, a member of the Executive Committee, and Chairman of the Nominations and Remuneration Committee of the company, and he is an independent member of the Board of Directors. The following is a statement of the educational qualifications, professional experience, and memberships:

Current Jobs	Previous Jobs	Qualifications	Experiences
CEO - OMACO Company (Omar K. Alesayi & Co. Ltd.)	 CEO and Managing Director of Halawani Brothers Company - Food Products Industry Managing Director and President of the Saudi Industrial Services Company 	Engineering from Kagzul University,	More than 35 years of experience in the legal field.

Memberships & Professional Experience:

Job Title	Company Names	Legal Entity Type
Member of the Board of Directors	HSBC Arabia	Inside the kingdom - joint stock
Chairman of the Board of Directors	SAAS	Inside the Kingdom - Closed joint stock

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The following statement shows the names of committee members from outside the Board, their qualifications and experiences during the period from 01/01/2022G until 31/12/2022G:

1.Mr. Saleh bin Abdurrahman Al-Fadhel - member of the Audit Committee

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G): Mr. Saleh Al- Fadhel holds the position of a member of the Audit Committee of the company, and he is a member from outside the Board of Directors. The following is a statement of the academic qualifications, professional experience, and memberships

Committee	Current Jobs	Previous Jobs	Qualifications	Experiences
Membership				
Member of the Audit	Financial Director of	 CEO, Herfy Food Services 	Masters in Accounting Sciences	Held many
Committee of the Saudi	the Saudi Electronic	Company, since 2015.	and Masters in Finance from the	leadership
Ground Services Company.	Games Holding		University of Illinois, USA	
	Company.	Assistant Executive General	Bachelor of Business	positions
		Manager for Financial Affairs	Administration from King Saud	
		and Services at Saudia	University, and holds a Certified	
		Airlines.	Public Accountant (CPA) and	
			(SCOPA).	

2. Mr. Hesham bin Ali Al-Aqil - member of the Audit Committee

(his membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G):

Mr. Hesham bin Ali Al- Aqil holds the position of a member of the Audit Committee of the company, and he is a member from outside the Board of Directors. The following is a statement of educational qualifications, professional experience, and memberships:

Committee	Current Jobs	Previous Jobs	Qualifications	Experiences
Membership				
Member of the Audit	• Executive Finance	Chief Financial Officer at Al	• Master of Accounting and Finance, Uni-	More than 20 years
Committee of the Saudi	Director at Bank Albilad.	Rajhi Capital.	versity of Illinois, Ariana Champaign, USA	af avanciones in the
Ground Services Company.	Chairman of the	 Deputy Chief Financial Officer 	Bachelor of Accounting, King Saud	of experience in the
	Audit Committee of	at Al Rajhi Bank.	University.	field of accounting,
	the National Housing	Chief Financial Officer at Al	Holds two Certified Public Accountants	auditing and financial
	Company.	Rajhi Bank - Malaysia.	(CPA) certificates from the Saudi Orga-	consulting – banking –
	•Chairman of the Audit	Assistant General Manager at	nization for Certified Public Accountants	insurance – aviation.
	Committee of the Saudi	Al Rajhi Bank.	and the American Organization for	
	Reinsurance Company.		Certified Public Accountants.	

3. Mr. Adel bin Saleh Abalkhail - Member of the Audit Committee

(His membership began after he was elected to the Board of Directors for the third cycle on 06/05/2022G until 05/05/2025G):

Mr. Adel Abalkhail holds the position of a member of the Audit Committee of the company, and he is a member from outside the Board of Directors. The following is a statement of academic qualifications, professional experience, and memberships:

Committee Membership	Current Jobs	Previous Jobs	Qualifications	Experiences
Member of the Audit Committee	Executive Financial Director at Alinma Bank	Vice President of the Financial Group of Al-Rajhi Bank, Saudi Arabia	Master of Accounting and Master of Finance from the University of Illinois, Ariana- Champaign, USA Bachelor of Accounting, King Saud University	More than 18 years of experience in the banking sector and the Saudi Central Bank

4. Mr. AbdulRahman bin Muhammad Addas - member of the Risk Committee

(his membership ended on 05/05/2022G with the end of the second cycle of the Board): Mr. AbdulRahman Addas holds the position of a member of the Risk Committee of the company, and he is a member from outside the Board of Directors. The following is a statement of educational qualifications, professional experience, and memberships:

Committee Membership	Current Jobs	Previous Jobs	Qualifications	Experiences
Member of the Risk Management Committee	Retired	Master of Business Administration, majoring in Financial Management, from the University of Denver, Colorado (USA) in 1986. Bachelor of Business Administration from King Abdul-Aziz University in Jeddah in 1979, with honors.	 Master of Business Administration, majoring in Financial Management, from the University of Denver, Colorado (USA) in 1986. Bachelor of Business Administration from King Abdul- Aziz University in Jeddah in 1979, with honors. 	He spent nearly 28 years at the National Commercial Bank, from 1980 to 2007, during which he held many leadership positions, the most prominent of which was Director of Risk Management in its three branches (credit risks, market risks, and operational risks) and the last of which was head of the corporate sector in all segments of companies in the market.

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5. Mr. Mohammed bin Saad bin Dawood - Member of the Risk

Committee

(his membership ended on 05/05/2022G with the end of the second cycle of the Board): Mr. Mohammed Dawood holds the position of a member of the Risk Committee of the company, and he is a member from outside the Board of Directors. The following is a statement of the academic qualifications, professional experience, and memberships:

Committee	Current Jobs	Previous Jobs	Qualifications	Experiences
Membership				
Member of the Risk Management Committee of the Saudi Ground Services Company.	One of the senior executives at Bin Dawood Office Company	Director of Mohammed Bin Dawood Consulting Office	Holds a bachelor's degree in accounting from King Saud University in 1996G	 Held many leadership positions in the banking sector and accounting consultancy A member of a number of listed and unlisted joint stock companies

6. Mr. Ahmed bin Saleh Al-Sudais - Member of the Nominations and Remunerations Committee

(his membership ended on 05/05/2022G with the end of the second cycle of the board):

Mr. Ahmed Al-Sudais holds the position of a member of the Nominations and Remuneration

Committee of the company, and he is a member from outside the Board of Directors. The following
is a statement of the academic qualifications, professional experience, and memberships:

Committee	Current Jobs	Previous Jobs	Qualifications	Experiences
Membership				
Member of the	Executive Vice	General Manager of Human	Bachelor's degree in	Held many leadership
Nominations and	President, Al Rajhi	Resources at SABB Bank from	Accounting from King	positions in the Saudi
Remunerations Committee	Bank	2012G to 2017G.	Abdul-Aziz University in	
			Jeddah.	British Bank (SABB),
		General Manager of the		where he has an
		Kingdom's branches in SABB		experience of not less
		(2011G – 2012G)		than 20 years in the
				banking sector.





1. Mr. Raed bin Hassan Al-Idrissi – Chief Executive Officer:

Mr. Raed Al-Idrisi holds the position of CEO of the Company as of 01/02/2021G. The following is a statement of his academical qualifications and professional experience:

Current Jobs	Previous Jobs	Qualifications	Experiences
CEO	 Executive Vice President of Operations at the Saudi Ground Services Company. Head of Ground Services Operations in the aviation sector, head of the contracts department in the well-drilling sector, and head of operation in residential neighborhoods at Saudi Aramco. 	 Holds a Bachelor's degree in Marketing and Management from King Fahd University of Petroleum and Minerals. Holds an Executive Master's degree in Business Administration from King Fahd University of Petroleum and Minerals. Attended many Executive training courses for leaders. 	He has more than 22 years of experience in various positions in the aviation and petroleum sectors.

2. Mr. Muhammad bin Abdul-Karim Mazi - Executive Vice President of Finance:

Mr. Mohamed Mazi holds the position of EVP of Finance in the company as of 01/01/2020G. The following is a statement of the academical qualifications and professional experience:

Executive Vice President of Finance	Johnson Controls • Head of the budget preparation and performance reports	Qualifications • Certified Public Accountant in Virginia • Holds a master's degree in business administration from Texas A&M University and a bachelor's degree in accounting from the University of New	Experiences He has more than 14 years of experience in the financial management field.
	department at Saudi Aramco.	accounting from the University of New Orleans (USA).	

Mr. Mazen Gharib Dhaifallah - Vice President for Company Affairs & Secretaru of the Board and Committees:

Mr. Mazen Dhaifallah holds the position of Vice President for Company Affairs and Secretary of the Board and Committees of the Company and has been working for the Company since 02/04/2016G. The following is a statement of his academical qualifications and professional experience:

Current Jobs	Previous Jobs	Qualifications	Experiences
Vice President for Corporate Affairs Secretary of the Board and Committees	Director of Corporate Governance and Board Secretariat Executive Vice President for Commercial Affairs (Assigned)	Holds a Bachelor's degree in Business Administration from King Abdul-Aziz University. He also attended many training courses in the field of Management, Money Laundering, Governance, Secretariat of Boards & Committees, Compliance, Insurance, Banking, Customer Service and Executive leadership courses. He is also licensed to practice insurance business and disclosure operations on Tadawul systems.	Mr. Mazen Dhaifallah has more than 24 years of experience in governance, board secretariat, compliance, anti-money laundering and commercial affairs in various sectors including banking, insurance and aviation in a number of listed joint stock companies.

Eng. Ayman Ahmed Al-Ghamdi - Vice President for Human Resources:

Eng. Ayman Al-Ghamdi holds the position of Vice President of Human Resources in the Company and has been working for the Company since 01/01/2019G. The following is a statement of his educational qualifications and professional experience:

Current Jobs	Previous Jobs	Qualifications	Experiences
Vice President of Human Resources	Savola Group Procter & Gamble International Saudi Basic Industries Corporation (SABIC)	Holds a Bachelor's degree in Mechanical Engineering from King Abdul-Aziz University in Jeddah Holds a master's degree in Business Administration. He also received many training courses in the field of Human Resources Management and development from the American Society for Human Resources Management and Executive Leadership and Business Management courses from INSEAD Business School, based in France.	He has practical experience estimated at 13 years, during which he held several leadership positions in the field of -Human Resources Management and development, mechanical engineering and operational processes in several international companies he worked for international companies he worked for.

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5. Mr. Hamad Abdulaziz Al-Hamedi - Vice President for Commercial

Mr. Hamad Al Hamidi holds the position of Executive Vice President for Commercial Affairs of the Company has been working for the Company since 01/01/2021G, and the following is a statement of educational qualifications and professional experience:

Current Jobs	Previous Jobs	Qualifications	Experiences
Vice President, Commercial Affairs	Executive Director of Financial Operations	 Holds a Bachelor's degree in Business Administration from King Abdul-Aziz University 	He has an experience of 13 years, during which he held several leadership positions in the financial
		 Holds a master's degree in business administration from AL Faisal University 	departments



12- Board Meetings, Committees and Assemblies:

During the year 2022G, the Board of Directors, its affiliated Committees, and the Audit Committee held a number of scheduled and unscheduled meetings to follow up on the work of the Executive Management and Strategic Projects. In addition, two general assemblies of shareholders were held in the presence of the majority of members. During the year, these meetings amounted to twenty-two meetings, which are as follows:

Statement	No. of meetings
Board of Directors meetings	4
Executive Committee meetings	3
Audit Committee meetings	5
Risk Management Committee meetings	4
Nomination and Remuneration Committee meetings	4
Ordinary General Assembly meeting	2
Total	22

12-1 Board of Directors Meetings:

The Board of Directors held 4 meetings from 01/01/2022G until 31/12/2022G, and the following statement shows the attendance record of the Board's meetings:

The Board of Directors held 4 meetings from 01/01/2022G until 31/12/2022G, and the following statement shows the attendance record of the Board's meetings:

(3) meetings during the year 2022G (from 06/05/2022G until 31/12/2022G)

Member Name					
	Attended	Attended	Attended	Attended	4
Dr. Omar bin Abdullah Jefri	Attended	Attended	Attended	Attended	4
Mr. Mansour bin Abdulaziz Al-Busaily	Attended	Attended	Attended	Attended	4
Eng. Fahd bin Hamza Cynndy	Attended	Attended	Attended	Attended	4
Mr. Nader bin Muhammad Saleh Ashoor	Their membership	Attended	Attended	Attended	3
Mr. Said bin AbdulLatif Al-Hadrami	began on	Attended	Attended	Attended	3
Mrs. Ghada Bint Ali Al-Jarbou	06/05/2022G	Attended	Attended	Attended	3
Mr. Kon Korfiatis	Attended	Attended	Attended	Attended	4
Mr. Per Utnegaard	Attended	Attended	Attended	Attended	4
	Attended				1
	Attended Attended Attended 3 Attended Attended Attended 4 Attended Attended Attended 4				
Mr. Onno Boots	Attended		05/05/ 2022G		1

13- Shareholders Affairs:

1-Shareholders' suggestions and observations about the company and its performance:

During the year 2022G, the Board of Directors assigned the tasks of shareholder affairs to the Governance Department and the Board Secretariat, and its functional reference is to the Board of Directors. A number of specialists with experience in the field of governance have been appointed in the administration to assume the tasks and responsibilities of the secretariat of the Board of Directors and a number of its affiliated committees. This department is concerned with receiving the suggestions and observations of shareholders through various means of communication.

2- Communication Channels for shareholders to submit their suggestions and comments:

The Board of Directors pays attention to providing and facilitating all possible ways and means for shareholders to communicate with the Board of Directors to submit their suggestions and observations through the following channels:

- 1. Contributors email: mdhaifallah@saudiags.com
- 2. The Company's website: www.saudiags.com
- 3. Contact numbers for the company's file on the Saudi Stock Exchange website (Tadawul 4031).
- 4. Contact the company's postal address (P.O. Box: 4350 Jeddah 23719, Kingdom of Saudi Arabia Al Basateen Dist.).
- 5. Communicating via the company's landline with the Governance Department and the Board Secretariat Phone: 00966126909999 Ext.: 8866
- 6. Attend to the company's headquarters and submit the proposal or complaint to the management of the Board of Directors' secretariat at the address: Jeddah, Al-Yasmeen Center, King Road Al-Basateen Dist.

3- Procedures for receiving suggestions and observations from shareholders and informing the non-executive members of the Board of Directors:

- 1. The Board of Directors Secretariat Department receives all proposals and observations received from shareholders through the means of communication.
- 2. The Secretary of the Board of Directors shall promptly provide and send all proposals and observations received to the Chairman of the Board of Directors
- 3. Shareholders' suggestions and observations are presented in the meetings of the Board of Directors, as well as by passing it on to all members of the Board.
- 4. The response shall be made within five working days from the date of receipt of the proposal or observation.

4- Suggestions and observations received from shareholders:

During the year 2022G, the Board Secretariat Department received a number of observations and suggestions from the share-holders through the announced means of communication, and the shareholders were answered through the Board Secretariat Department according to the regulations of the Capital Market Authority.

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14- Committees:

In accordance with the company's bylaws and corporate governance regulations, an appropriate number of sub-committees emanating from the Board are formed according to the company's need, circumstances and activities. This contributes to assisting the Board of Directors to effectively perform the tasks entrusted to it in accordance with general procedures established by the Board, including defining the committee's mission, the duration of its work, the powers granted to it during this period, and how the Board monitors it. The committees submit their reports to the Board of Directors, which follows up on the work of these committees periodically to verify that they are carrying out the tasks entrusted to them. The Board also approves the work regulations of all committees emanating from it, while the General Assembly approves the work regulations of the Audit Committee and the Nominations and Remunerations Committee.

The following Board committees have been formed:

- 1. Audit Committee
- 2. Nominations and Remunerations Committee.
- 3. Executive Committee.
- 4. Risk Management Committee.

14-1 Audit Committee:

The Audit Committee composed of three to five members from among the non-executive board members and from outside the board. The general assembly of the company approves the committee's work regulations and selects its members. The committee meets periodically and holds at least four meetings a year, or whenever the need arises. In accordance with what was included in the organizational directives, the committee is responsible for monitoring the company's business and verifying the soundness and integrity of the reports, financial statements and internal control systems therein. In particular, the committee's tasks include the following:

- 1. Reviewing the company's financial statements and positions and its announcements related to its financial performance before presenting them to the Board of Directors, to ensure their integrity, fairness and transparency, and to express their opinion.
- 2. Expressing a technical opinion at the request of the Board of Directors as to whether the Board's report and the company's financial statements are fair, balanced and understandable and include information that allows shareholders and investors to evaluate the company's financial position, its performance, business model and strategy.
- 3. Studying any important or unusual issues contained in the financial reports and accounts.
- 4. Examine carefully any issues raised by the company's financial manager or whoever assumes his duties, the company's Compliance Manager, or the Internal Auditor.
- 5. Checking the accounting estimates regarding the fundamental issues mentioned in the financial reports.
- 6. Studying the accounting policies followed in the company and expressing an opinion and recommendation to the Board of Directors in this regard.
- 7. Meeting with the Executive Management and External Auditors to review and discuss the company's quarterly operating results and annual financial statements, as well as all internal control reports or summaries.
- 8. Reviewing other relevant reports or financial information provided by the Company to any government agency or

- 9. Studying and reviewing the company's internal and financial control systems and preparing a written report containing its recommendations and opinion on the adequacy of these systems and the work performed within the scope of its competence. Provided that the Board of Directors shall deposit sufficient copies of this report at the company's main office at least ten days prior to the date of the General Assembly meeting, in order to provide a copy of it to any shareholder who desires. The report is read during the meeting of the assembly.
- 10. Studying the internal audit reports and following up the implementation of corrective measures for the observations contained therein.
- 11. Control and supervise the performance and activities of the internal auditor, the Internal Audit Department, the Governance and Compliance Department in the company, to verify the availability of the necessary resources and their effectiveness in performing the work and tasks assigned to it.
- 12. If the company does not have an internal auditor, the committee must submit its recommendation to the Board regarding the need to appoint Internal Auditor, and if it does not recommend that, it must state the reasons in the Annual Report.
- 13. Recommending to the Board of Directors the appointment of the Director of the Internal Audit Department or the Internal Auditor, and proposing his remuneration.
- 14. Recommending to the Board of Directors the appointment and dismissal of external auditors, determining their fees and evaluating their performance, after ensuring their independence and reviewing the scope of their work and the terms of contracting with them.
- 15. Verify the independence and objectivity of the external auditors, and the effectiveness of the audit work, taking into account the relevant rules and standards.
- 16. Reviewing the plan of the company's external auditors and their work, and verifying that they do not submit technical or administrative work outside the scope of the audit work, and expressing its views on that.
- 17. Answering the inquiries of the companies' external auditors.
- 18. Studying the reports of the external auditors and their observations on the financial statements and following up on what has been taken in their regard.
- 19. Participate actively in a dialogue with the internal auditor taking into account the relationships or services disclosed that may affect the independence and objectivity of the auditor and taking appropriate measures to supervise the independence of the external auditors.
- 20. Review with the external auditor about any problems or difficulties he may encounter and review the management's response.
- 21. Reviewing the results of the regulatory authorities' reports and verifying that the company has taken the necessary measures in this regard.
- 22. Verify the company's compliance with the relevant laws, regulations, policies and instructions.
- 23. Reviewing the contracts and transactions proposed to be conducted by the company with related parties, and presenting what it deems appropriate to the Board of Directors.
- 24. Submitting to the Board of Directors the issues it deems necessary to take action, and making recommendations on the steps that need to be taken.
- 25. Monitoring and supervising the performance and activities of the compliance department manager in the company if any to verify the availability of the necessary resources and their effectiveness in performing the work and tasks entrusted to it. If the company does not have a compliance officer, the committee shall submit its recommendation to the Board regarding the need to appoint Compliance Officer.
- 26. Recommending to the Board of Directors the appointment of a Compliance Department Manager or Compliance Officer and proposing his remuneration.
- 27. Discussion with the external auditor regarding financial or accounting practices.

14-2 Members of the Audit Committee: Committee Members:

The Committee included the following members during the year 2022 from 01/01/2022 until 31/12/2022G,as follows:

Name	Membership	Membership Status	Appointment Date
Dr. Omar bin Abdullah Jefri	Independent Board Member	Committee Chairman	The second cycle of the Board of
Mr. Saleh bin Abdul Rahman Al-Fadhl	Non- Board Member	Committee Member	Directors ended on 05/05/2022G and they were elected to the
Mr. Hesham bin Ali Al-Aqil	Non- Board Member	Committee Member	third membership of the Board of
Mr. Adel bin Saleh AbalKhail	Non- Board Member	Committee Member	Directors from 2022G until 2025G
Mr. Nader bin Mohammed Saleh Ashoor	Independent Board Member	Committee Member	His membership in the Board of Directors (third Cycle) began on
Mr. Muhammad bin Ali Al-Yemeni	Independent Board Member	Committee Member	His membership in the Board of Directors (second Cycle) ended, which lasted from 06/05/2019G until 05/05/2022G.

14-3 Committee Meetings:

During the year 2022G, the Audit Committee held (5) meetings, and the members of the Committee participated in the attendance as shown below:

(5) meetings during the year 2022@

Member Name						
	23/03/2022 G	17/05/2022 G	21/08/2022G	03/11/2022 G	18/12/2022G	
	Attended	Attended	Attended	Attended	Attended	5
	Attended	His mem	bership ende	d on 05/05/	′2022G	1
	His member- ship began on 06/05/2022G	Attended	Attended	Attended	Attended	4
	Attended	Attended	Attended	Attended	Attended	5
Mr. Hisham bin Ali Al-Aqil	Attended	Attended	Attended	Attended	Attended	5
	Attended	Attended	Attended	Attended	Attended	5

15- Nominations and Remuneration Committee:

The NRC Committee composed of three to five non-executive members of the Board of Directors and from outside the board. The company's General Assembly approves the committee's work regulations. The committee meets periodically and holds at least two meetings a year, or whenever the need arises.. According to what was included in the organizational directives, the committee is specialized in the following tasks and responsibilities:

- Proposing clear policies and criteria for membership in the Board of Directors and Executive Management.
 Recommend to the Board of Directors the nomination and re-nomination of its members in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a breach of trust.
- 2. Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and occupying Executive Management positions and determining the time that the member should allocate for the work of the Board of Directors.
- 3. The annual review of the necessary requirements of the appropriate skills or experiences for the membership of the Board of Directors and the functions of the executive management.
- 4. Review the structure of the Board of Directors and the Executive Management Executive Management and make recommendations regarding the changes that can be made.
- 5. Verifying, on an annual basis, the independence of the 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, non-executive members, independent members and senior executives.
- 7. Developing special procedures in the event of a vacancy in the position of a member of the Board of Directors or a senior executive.
- 8. Determining the weaknesses and strengths of the Board of Directors, and proposing solutions to address them in line with the interest of the company.
- 9. Preparing a clear policy for the remuneration of members of the Board of Directors, committees emanating from the Board, and the Executive Management, and submitting it to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that the policy follows performance-related standards, discloses them, and verifies their implementation.
- 10. Clarifying the relationship between the granted rewards and the applicable rewards policy, and indicating any material deviation from this policy.
- 11. Periodically reviewing the rewards and compensation policy, and evaluating its effectiveness in achieving the objectives set for it.

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- 12.- Recommend to the Board of Directors the rewards of the members of the Board of Directors, its committees and senior executives of the company in accordance with the approved policy.
- 14- Comprehensive consideration of the plan for the replacement of senior executives within the course of the committee's work, taking into account the opportunities and challenges facing the company as well as the skills and experiences required in the future in the members of the Board of Directors.
- 15- Approving the appointments of the company's senior executives, proposing and implementing replacement policies for the board and its committees, and for the company's executive leadership through coordination with the company's Human Resources department, and ensuring that the Executive Management adheres to them.
- 16- Setting clear policies for compensation and rewards for members of the Board of Directors and senior executives, which will be implemented after approval by the General Assembly in accordance with the system. When setting these policies, all standards that the Committee deems necessary are taken into account, including the relevant legal and regulatory requirements, and the provisions and recommendations of the Corporate Governance Regulations and its guidelines. The purpose of this policy is to ensure that members of the Executive Management of the company are provided with appropriate incentives to encourage them to improve performance, and that they are rewarded fairly and acceptable for their individual contributions to the success of the company.
- 17- Approving the design of any plans implemented by the company to link wages to performance, defining its objectives, and recommending the approval of the total amounts to be paid for such plans.
- 18- Reviewing and studying the design of all plans related to stock incentives to be presented to the Board of Directors and the General Assembly for approval. Within the framework of those plans, the committee determines whether to award any shares and determines the total value of those shares, the share awarded to each of the executive board members and other Executive Management of the company, and also determines the performance targets on the basis of which those shares are granted.
- 19- Recommending to the Board of Directors for approval of defining appropriate performance measures, as well as determining budgets for performance bonuses based on achieving the company's strategic objectives and profits in exchange for risks, in order to pay bonuses, annual performance bonuses and long-term performance.

15-1 Members of the Nominations and Remuneration Committee:

The Committee included the following members during the year 2022 from 01/01/2022 until 31/12/2022G, as follows:

Name	Membership status	Appointment Date
Mrs. Ghada Bint Ali Al-Jarbou	Committee Chairman	Their membership in the Board
Mr. Said bin Abdul Latif Al-Hadrami	Committee Member	of Directors (third cycle) began
Cap. Fahd bin Hamza Cynndy	Committee Member	on 06/05/2022G
Eng. Saleh bin Ahmed Hefni	Committee Chairman	Their membership in the
Mr. Muhammad bin Ali Al-Yemeni	Committee Member	Board of Directors (second cycle) ended, which lasted from
Mr. Ahmed bin Saleh Al-Sudais	Committee Member	06/05/2019G until 05/05/2022G.

15-2 Committee Meetings:

During the year 2022G, the Nominations and Remuneration Committee held (4) meetings, and the members of the Committee attended as shown below:

Member Name	First	Second	Third	Fourth	Total
Eng. Saleh bin Ahmed Hefni	Attended				5
Mr. Muhammad bin Ali Al-Yemeni	Attended	Their	ded on	1	
	Attended		05/05/2022G		4
	Their		Attended	Attended	5
	membership began on 06/05/2022G			Attended	5
Cap. Fahd bin Hamza Cunndu	••••	Attended	Attended	Attended	5

16- Executive Committee:

The Executive Committee is composed of three to five members of the Board of Directors, and it meets periodically every two months or whenever the need arises. The committee is responsible for the following tasks:

- 1. The Committee shall undertake all the tasks entrusted to it by the Board of Directors, and the Board of Directors may assign the Committee any other duties according to the need of the Board of Directors and the duties entrusted to it.
- 2. Reviewing business performance reports, human resources reports, investor relations reports, and the company's social participation report.
- 3. Monitoring progress reports of annual operating plans, initiatives, cost challenges, major strategic projects, etc.
- 4. Ensure to review the Executive Management reports, presentations and clarifications, which it deems necessary.
- 5. Consideration of financial reports, shareholder reports, reports of the authorized signatories of the company, reports of the legal affairs department and company secretariat, reports of financial affairs and operational aspects related to the day-to-day management of the company, etc.
- 6. Recommending approval of the annual operating plan, strategic plan, investment strategy, credit facilities/company business matters outside the risk limits set by the Board of Directors, etc.
- 7. Briefing and reviewing the main issues and matters that are presented to the CEO or the Executive Management by the internal administrative committees.
- 8. Assist the CEO of the company within the limits of the powers of the committee on matters referred to by him or the board such as regulatory approvals, etc.
- 9. Considering the special and necessary approvals for expenses, expenditures, and the company's obligations in relation to its activities, as well as real estate and properties such as rents and the like, as well as support services, and approving them within the limits approved by the Board.
- 10. Considering and approving the costs of projects and expenses of supportive services such as security, safety, maintenance, etc.
- 11. Directing the company's departments in general and the property and support services department in particular, in matters related to property and support services.
- 12. The Committee shall at least once a year review its performance, status and work rules in order to ensure that the Committee operates with maximum effectiveness and recommend any changes it deems appropriate for the approval of the Board of Directors.
- 13. The Committee shall carry out its work in addition to the powers granted to it by the Board of Directors in accordance with the Company's Articles of Association.

16-1 Executive Committee Members:

The Committee included the following members during the year 2022 from 01/01/2022 until 31/12/2022G,as follows:

Name	Membership status	Appointment Date
Eng. Khalid bin Qasim Al-Buainain	Committee Chairman	The second Cycle of the Board of
Dr. Omar bin Abdullah Jefri	Committee Member	Directors ended on 05/05/2022G,
Mr. Mansour bin Abdulaziz Al-Busaily	Committee Member	and they were elected to the third membership of the Board of Directors
Cap. Fahd bin Hamza Cynndy	Committee Member	from 2022G until 2025G
Mr. Per Utnegaard	Committee Member	
Mr. Said bin AbdulLatif Al-Hadrami	Committee Member	His membership in the Board of Directors (third cycle) began on 06/05/2022G
Eng. Saleh bin Ahmed Hefni	Committee Member	His membership in the Board of Directors (second Cycle) ended, which lasted from 06/05/2019G until 05/05/2022G.

16-2 Executive Committee Meetings:

During the year 2022, the Executive Committee held (3) meetings, and the members of the Committee participated in the attendance, as shown below:

(3) meet	ings during the ye	ear 2022G		
Member Name	First	Second	Third	Total
	16/01/2022G	08/06/2022G	02/10/2022G	
ng. Khalid bin Qasim Al-Buainain	Attended	Attended	Attended	3
r. Omar bin Abdullah Jefri	Attended	Attended	Attended	3
/Ir. Mansour bin Abdulaziz Al-Busaily	Attended	Their membership ended on		1
ing. Saleh bin Ahmed Hefny	Attended	05/05/	′2022G	1
/Ir. Said bin AbdulLatif Al-Hadrami	Their membership	Attended	Attended	2
/Ir. Fahd bin Hamza Cynndy	began on 06/05/2022G	Attended	Attended	2
/Ir. Per Utnegaard	Attended	Attended	Attended	3

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17- Risk Management Committee:

The Risk Management Committee consists of three to five members of the Board of Directors, who are independent and non-executive members. Some members of the committee may also be chosen from outside the Board. The members of the committee are appointed by a decision issued by the Board of Directors, and it meets periodically every quarter or whenever the need arises. The company has taken into account the harmonization of the work regulations of the committee in accordance with the supervisory directives.

The committee undertakes the task of overseeing the work of the company's Risk Management and advising the board of directors on all matters related to high-level risks related to the company's various activities. In addition to providing strategic risk direction, including setting a risk vision, deciding on priorities and overseeing the implementation of key transformational risk initiatives. In the scope of its responsibility to provide such advice to the Board, the Committee supervises the treatment of issues related to the following:

- The extent of the company's exposure to current and future risks;
- Evaluation of the company's risk aspects and future risk strategy and management.
- Risk Management in the company.

To achieve this, the committee aims to:

- 1) Develop a comprehensive Risk Management strategy and policies commensurate with the nature and size of the company's activities, and verify, review, and update their implementation based on the company's internal and external variables.
- 2) Reviewing policies and procedures for Risk Management and submitting recommendations to the Board of Directors for approval and working to review them periodically (at least once every two years).
- 3) Determine and maintain an acceptable level of risk to which the company may be exposed and ensure that the company does not exceed it.
- 4) Determine the Risks that threaten the continuity of the company.
- 5) Supervising the company's Risk Management system and evaluating the effectiveness of systems and mechanisms for identifying, measuring and following up the risks that the company may be exposed to; In order to identify its shortcomings.

- 6) Periodically re-evaluating the company's ability to bear risks and exposure to them (by conducting tolerance tests, for example).
- 7) Preparing detailed reports on exposure to risks and the proposed steps to manage these risks, and submitting them to the Board of Directors.
- 8) Provide recommendations to the Board on issues related to Risk Management.
- 9) Ensure the availability of adequate resources and systems for Risk Management.
- 10) Reviewing the organizational structure of Risk Management and making recommendations regarding it before it is approved by the Board of Directors.
- 11) Verify the independence of the Risk Management staff from activities that may expose the company to risks.
- 12) Ensure that Risk Management staff understand the risks surrounding the company, and work to raise awareness of the risk culture.
- 13) Working on reviewing the business continuity policy and submitting recommendations to the Board of Directors for approval, and ensuring that it is reviewed periodically (every year at least) and making sure to review the reports of implementing the annual business continuity implementation plan.
- 14) Reviewing security reports, fraud risk reports, and compliance reports received from the executive management, and assessing the level of risks surrounding these aspects.
- 15) Review the effectiveness of the company's Risk Management framework and internal control systems (as opposed to internal financial control systems). In carrying out this responsibility, the Committee will:

- Ensures that there are adequate procedures in place to control, in a correct and timely manner, significant risks or types of risks that may become particularly relevant.
- Ensure that sufficient procedures have been put in place to justify the request to comply with the company's policies.
- Consider any significant insights from the findings of regular reviews and engagement with regulators in relation to risk governance, risk assessment or management procedures.
- Discuss the internal control systems with the Executive Management and ensure that the management has fulfilled its obligations to have an effective internal control system.
- Ensure that the effectiveness of Risk Management has adequate resources and systems (including consideration of staff qualifications and experience, training programs and budget), is appropriately positioned within the company and is not constrained by management or other constraints.
- Request assurances from the internal audit that the internal control processes for Risk Management are sufficient for the strategy determined by the Board.
 - Wherever applicable, the committee recommends and submits to the Board of
- Directors to obtain approval for the appointment and dismissal of the general manager of Risk Management in the company, and evaluates his performance.
 The committee must ensure that he:

- Participates in the Risk Management and control process at the highest level on a company-wide basis.
- Verifies that the risk originators in the business units are aware of and are in line with the company's risk appetite.
- has a completely independent status from individual work units.
- couldn't be removed from office without the prior approval of the Committee
- has direct communication with the committee chairman in case of need.
 - 16) The Committee annually reviews its work rules and effectiveness within the framework of self-evaluation, and recommends to the Board of Directors any amendments it deems necessary.
 - 17) In the event that the Executive Management requests non-compliance with any of the company's policies exceptionally (due to emergency circumstances or the like), it must refer it to the Risk Management Committee and obtain the necessary approval after determining the period of non-compliance and its reasons for the risks involved in non-compliance.
- 18) The company and the Executive Management must present the following to the Risk Management Committee:
- The strategic projects that the company intends to implement.
- Change in policies and procedures.
- In order for the committee to study and evaluate the risks arising from these projects and variables, and to submit this to the Board of Directors for final approval.

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17-1 Risk Committee Members:

The Committee included the following members during the year 2022 from 01/01/2022 until 31/12/2022G, as follows:

:	***************************************	•	•••••••••••••••••••••••••••••••••••••••
	Name	Membership status	Appointment Date
1	Mr. Mansour bin Abdulaziz Al-Busaily	Committee Chairman	The second Cycle of the Board of Direc- tors ended on 05/05/202G, and they were elected to the third membership of
2	Mr. Per Utnegaard	Committee Member	the Board of Directors from 2022G until 2025G
3	Mr. Nader bin Mohammed Saleh Ashoor	Committee Member	His membership in the Board of Directors (third session) began on 06/05/2022G
4	Mr. Mohammed Bin Ali Al-Yemeni - Independent Board Member	Committee Chairman	Their membership in the Board of
		(Formerly)	Directors (second cycle) ended, which lasted from 06/05/2019G until 05/05/2022G.
5	Mr. Abdulrahman bin Muhammad Addas - Member of the Committee from outside the Board of Directors	Committee Member	
6	Mr. Muhammad bin Saad Dawood - Member of the Committee from outside the Board of Directors	Committee Member	

17-2 Committee Meetings:

During the year 2022G, the Risk Committee held (4) meetings, and the members of the Committee participated in the attendance as shown below:

	((4) meetings during	g the year 2022G		
Member Name	First 14/03/2022G	Second 05/06/2022G	Third 24/08/2022G	Fourth 05/12/2022G	Total
Mr. Mansour bin Abdulaziz Al-Busaily Mr. Nader bin MohammedSaleh Ashoor	Attended	Attended	4		
Mr. Mansour bin Abdulaziz Al-Busaily Mr. Mohammed Bin Ali Al-Yemeni	Attended				1
Mr. Abdulrahman bin Muhammad Addas	Attended	Tł	neir membership ended 05/05/2022G	on	1
Mr. Muhammad bin Saad Dawood	Attended				1
Mr. Nader bin Mohammed- Saleh Ashoor	Their membership began on 06/05/2022G	Attended	Attended	Attended	3
Mr. Per Utnegaard	OH 00/05/2022G	Attended	Attended	Attended	3

18- Members of the Board of Directors Joint Ventures:

18-1 SAAS

The Board of Directors of the company consists of the following members:

		Membership status
1	Eng. Khalid bin Qasim Al-Buainain	Chairman of the Board of Directors
2	Mr. Farid Bin Jarallah Al-Harazi	Chairman of the Board of Directors
3	Mr. Raed Bin Hassan Al-Idrissi	Member of the Board of Directors
4	Mr. Muhammad bin Abdul Karim Mazi	Member of the Board of Directors
5	Mr. Qaid bin Khalaf Al-Otaibi	Member of the Board of Directors
6	Eng. Khaled bin Mohammed Saleh Radwan	Member of the Board of Directors

18-2 TLD Arabia Equipment Services Company.

The Board of Directors of the company consists of the following members:

		Capacity
1	Mr. Frederick Deninger	Chairman of the Board of Directors
2	Mr. Raed Bin Hassan Al-Idrissi	Member of the Board of Directors
3	Mr. Mohammed bin AbdulKarim Mazi	Member of the Board of Directors
4	Ms. Severine Delecourt	Member of the Board of Directors



19-1 Board members remuneration policy:

The Ordinary General Assembly approved the policy of remuneration and compensation for members of the Board of Directors. In general, compensation and bonuses paid to members of the Board of Directors of the company and members outside the Board are determined according to the frameworks set by the instructions issued by the supervisory authorities. In addition, it is generally governed by the main principles of corporate governance operating in the Kingdom, compensation controls issued by the competent authorities, the corporate governance regulations issued by the Capital Market Authority, the provisions of the companies system, the company's articles of association, and the corporate governance regulations.

Moreover, it has been taken into consideration that the level and composition of the remuneration for the members of the Board of Directors is sufficient and appropriate to attract and retain distinguished individuals, with the aim of achieving the tasks to be assigned to them. Furthermore, it was stipulated in the rules for the work of nominations and remuneration to consider the avoidance of developing any plans, policies or programs for compensation and rewards that go beyond what is generally accepted or what was stipulated by the supervisory authorities.

19-2 Remunerations and compensations for the members of the Board of Directors of the company:

Subject to the provisions of the Company's Articles of Association, the remuneration for membership in the Board of Directors shall be according to the following:

- Each member of the Board of Directors of the company shall receive a lump sum amount as a reward amounting to (300,000 Saudi Riyals) only Three Hundred Thousand Saudi Riyals annually for their membership in the company's board of directors and their participation in its business. Moreover, the Chairman of the Board receives a lump sum amount as a reward amounting to (380,000 Saudi Riyals) only Three Hundred and Eighty Thousand Saudi Riyals only annually. Furthermore, the ceiling of annual remunerations and compensations granted to the Chairman and member of the Board of Directors should not exceed (500,000 Saudi riyals) only Five Hundred Thousand Saudi Riyals annually.
- The Chairman and member of the Board of Directors shall receive an amount of (3,000 Saudi Riyals) only, Three Thousand Saudi Riyals, for attending each session of the Board of Directors, whether the attendance is directly or through any of the means of modern technology.
- 3- The company shall pay all actual expenses incurred by the chairman and member of the Board of Directors in order to attend the meetings of the Board, including travel, accommodation and accommodation expenses.

19-3 Remuneration and compensation for Board Members within the work of Board Committees:

- Executive Committee members (80,000 Saudi Riyals) only Eighty Thousand Saudi Riyals.
- Members of the Nominations and Remuneration Committee (80,000 Saudi Riyals) only Eighty Thousand Saudi Riyals.
- Risk Management Committee members (80,000 Saudi Riyals) only Eighty Thousand Saudi Ri-
- Noting that in the event that the Board of Directors decides to establish any other sub-com-

19-4 Compensation of the Audit Committee Members

- Committee membership remuneration for non-executive and independent board members: up to a maximum amount of (80,000 Saudi Riyals) only Eighty Thousand Saudi Riyals only annually.
- Committee membership remuneration for non-(outside) members of the Board of Directors: a lump sum amount as compensation and allowance for participation in the work of the committees amounting to (150,000 Saudi Riyals) only One Hundred And Fifty Thousand Saudi Riyals annually.
- The chairman of the committee members (whether from inside or outside the Board) shall receive an amount of (3000 Saudi Riyals) only Three Thousand Saudi Riyals for attending each session of the Board committees of which he is a member, whether attending directly or through any of the means of modern technology.

19-5 Compensation of Committee members for non-Board Members:

In accordance with what is stipulated in the supervisory instructions that are included in the provisions of the Corporate Governance Regulations, and the rules and provisions of the work of the committees emanating from the Board of Directors of the company, and in accordance with what is included in the rules regulating the work of the audit committees issued by the Ministry of Commerce for the work of the audit committee, members are appointed from outside the Board of Directors to participate in the work of the committees and its activities. In addition the following conditions govern the system of compensation granted to members of these committees from outside the Board:

- 1- Each member of the committees emanating from the Board of Directors of the company from outside the board receives a lump sum as compensation and an allowance for his participation in the work of the committees amounting to (150,000 Saudi Riyals) only One Hundred And Fifty Thousand Saudi Riyals only annually.
- 2- A member from outside the Board of Directors gets an amount of (3,000 Saudi Riyals) only Three Thousand Saudi Riyals for attending each session of the Board committees of which he is a member, whether his attendance is directly or through any of the modern technology means.
- The company shall pay all the actual expenses incurred by each member of the committees

 emanating from the Board of Directors of the company from outside the Board in order to attend
 the meetings of the Board, including travel, accommodation and accommodation expenses.

19-6 Determination of the Board of Directors' Remuneration:

The Remuneration of the members of the Board of Directors is determined on an annual basis, while making sure that the members participate in the work and activities of the Board and committees during the fiscal year. Moreover, attendance allowances for each meeting of the Board and committees are paid on an annual basis based on actual attendance. Furthermore, the remuneration allocated to members of the Board and Committees is paid on the basis of membership for a period of 365 days, as the rewards are determined on the basis of the term of appointment in the Board and Committees per day.

19-7 Remunerations of the Company's Executive Management:

The company does not have a policy for the remuneration of the executive management, and they are granted salaries, allowances, compensation and rewards within the human resources policy approved by the company and according to the work contracts concluded with them.

19-8 The Relationship between remunerations and its policy:

The Board of Directors acknowledges that the remunerations granted to members of the Board of Directors and committees from within and outside the Board have been committed to disbursing them in accordance with the remuneration policy approved by the General Assembly of Shareholders and in accordance with the company's Articles of Association. In addition, there is no deviation from the policy and the remunerations were approved under the supervision of the Nominations and Remunerations Committee.

20- Remunerations and compensations for members of the Board of Directors:

In application of the provisions of Article Seventy-Six of the Companies Law, it has been adhered to not to exceed the total annual remunerations and compensations granted to the Chairman or member of the Board of Directors for the ceiling specified by law, amounting to (500,000 Saudi Riyals) annually.

The statement below shows the details of the remuneration of the members of the Board of Directors for the period from 01/01/2022G to 31/12/2022G:

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Fixed bonuses (SA from (01-01-2022G	AR) 1) to	R) for the period Variable Bonuses (SR) to (31-12-2022G)														
	a certain amount	Allowance for attending Board sessions	Total allowance for attending committee sessions	benefits in kind	Technical, administrative and advisory work bonus	Remuneration of the Chairman, Managing Director or Secretary, if he is a member	total	percentage of profits	Periodic bonuses	Short term incentive	Long term incentive plans	Granted shares (the value is edited)	Total	End of service bonus (SAR)	The total sum spent to the member after deducting any amount that exceeds the legal limit deduction of any	Expenditure allowance
First: the independent members				_	_			_	_	_	_	_	_	_		_
Khalid bin Qasim Al-Buainain	_	12,000	9,000	_	_	460,000.00	481,000.00	_	_	_	_	_	_	_	481,000.00	_
Mansour bin Abdul-Aziz Al-Busaily	_	12,000	15,000	_	_	407,397.26	434,397.26	_	_	_	_	_	_	_	434,397.26	_
Omar bin Abdullah Jefri	_	12,000	24,000	_	_	460,000.00	496,000.00	_	_	_	_	_	_	_	496,000.00	_
Nader bin MohammedSaleh Ashoor	_	9,000	21,000	_	_	302,465.75	332,465.75	_	_	_	_	_	_	_	332,465.75	_
Said bin Abdul Latif Al-Hadrami	_	9,000	15,000	_	_	302,465.75	326,465.75	_	_	_	_	_	_	_	326,465.75	_
Ghada bint Ali al-Jarbou	_	9,000	9,000	_	_	249,863.01	267,863.01	_	_	_	_	_	_	_	267,863.01	_
Per Utnegaard	_	12,000	18,000	_	_	432,602.74	462,602.74	_	_	_	_	_	_	_	462,602.74	_
Onno Boots	_	3,000		_	_	102,739.73	105,739.73	_	_	_	_	_	_	_	105,739.73	_
Saleh bin Ahmed Hefni	_	3,000	6,000	_	_	157,534.25	166,534.25	_	_	_	_	_	_	_	166,534.25	_
Mohammed bin Ali Al-Yemeni	_	3,000	9,000	_	_	184,931.51	196,931.51	_	_	_	_	_	_	_	196,931.51	_
Total	_	84,000	126,000	_	_	3,060,000.00	3,270,000.00	_	_	_	_	_	_	_	3,270,000.00	
Second: Non-Executive Members																
Fahd bin Hamza Cynndy	_	12,000	18,000	_	_	432,602.74	462,602.74	_	_	_	_	_	_	_	462,602.74	_
Con Korfiatis	_	12,000		_	_	300,000.00	312,000.00	_	_	_	_	_	_	_	312,000.00	_
Total	_	24,000	18,000	_	_	732,602.74	774,602.74	_	_	_	_	_	_	_	774,602.74	_

21- Remuneration and Compensation for Senior **Executives:**

Statement	Six senior executives (including the CEO		
	and Chief Financial Officer) (SR)		
Salaries	6,807,000		
Allowances	3,007,809		
Allowance in kind	-		
Total	9,814,809		
Periodic Compensation (as per employment agreement)	4,536,000		
Dividends, short-term/long-term incentive plans, bonus shares	-		
Total	4,536,000		
End of Service Benefits	1,314,590		
Total Executive Remuneration for the board if any	-		
Total	15,665,402		

All jobholders were calculated from (01-01-2022G to 31-12-2022G)

The company has committed to disclose the components of senior executives' remuneration in total, in accordance with the statutory requirements mentioned in subparagraph (b) of paragraph (04) of Article (93) of the Corporate Governance Regulations. However, to protect the interests of the company, its shareholders and employees, and to avoid any harm that may result from the disclosure in detail according to the titles and according to the position, the details were not presented as contained in Appendix (01) of the Senior Executives of the Corporate Governance Regulations.

22- Remuneration of Committee Members:

22-1 Details of Remuneration of Audit Committee members: The following statement shows the details of the Remuneration of the Audit Committee during the period from (01/01/2022G until 31/12/2022G):

Name	Fixed bonuses (SAR)	Allowance for attending meeting (SAR)	Total (SR)
Dr. Omar bin Abdullah Jefri	80,000.00	15,000	95,000.00
Mr. Nader bin MohammedSaleh Ashoor	52,602.74	12,000	64,602.74
Mr. Saleh bin Abdul Rahman Al-Fadhl	150,000.00	15,000	165,000.00
Mr. Hesham bin Ali Al-Aqil	150,000.00	15,000	165,000.00
Mr. Adel Aba IKhail	150,000.00	15,000	165,000.00
Mr. Mohammed bin Ali Al-Yemeni	27,397.26	3,000	30,397.26
Total	610,000.00	75,000	685,000.00

His membership ended at the end of the second cycle of the Board of Directors on 05/05/2022G. His membership started with the beginning of the third cycle of the Board of Directors on 06/05/2022G.

Name	Fixed bonuses (SAR)	Allowance for attending sessions (SAR)	Total (SR)	
Mrs. Ghada Bint Ali Al-Jarbou	52,602.74	9,000	61,602.74	
Mr. Saidbin Abdul Latif Al-Hadrami	52,602.74	9,000	61,602.74	
Cap. Fahd bin Hamza Cynndy	52,602.74	9,000	61,602.74	
Eng. Saleh bin Ahmed Hefny	27,397.26	3,000	30,397.26	
Mr. Muhammad bin Ali Al-Yemeni	27,397.26	3,000	30,397.26	
Mr. Ahmed bin Saleh Al-Sudais	51,369.86	3,000	54,369.86	
Total	263,972.60	36,000	299,972.60	

Name	Fixed bonuses (SAR)	Allowance for attending sessions (SAR)	Total (SR)
Eng. Khalid bin Qasim Al-Buainain	80,000	9,000	89,000.00
Dr. Omar bin Abdullah Jefri	80,000	9,000	89,000.00
Mr. Mansour bin Abdulaziz Al-Busaily	27,397.26	3,000	30,397.26
Mr. Said bin Abdul Latif Al-Hadrami	52,602.74	6,000	58,602.74
Cap. Fahd bin Hamza Cynndy	80,000	9,000	89,000.00
Mr. Per Utnegaard	80,000	9,000	89,000.00
Eng. Saleh bin Ahmed Hefny	27,397.26	3,000	30,397.26
lotal	427,397.26	48,000	475,397.26

22-4 Details of the remuneration of the Risk Management Committee members:

The following statement shows the details of the Risk Management Committee's remuneration during the period from 01/01/2022G to 31/12/2022G:

Name	Fixed bonuses (SAR)	Allowance for attending sessions (SAR)	Total (SR)
Mr. Mansour bin Abdulaziz Al-Busaily	80,000	12.000	92,000
Mr. Nader bin MohammedSaleh Ashoor	52,602.74	9.000	61,602.74
Mr. Per Utnegaard	52,602.74	9.000	61,602.74
Mr. Muhammad bin Ali Al-Yemeni	27,397.26	3,000	30,397.26
Mr. Abdul Rahman bin Muhammad Addas	51,369.86	3,000	54,369.86
Mr. Muhammad bin Saad bin Dawood	51,369.86	3,000	54,369.86
Total	315,342.46	39,000	354,342.46

Membership ended at the end of the second Board of Directors cycle on 05/05/2022G Membership began with the start of the third cycle of the Board of Directors on 06/05/2022G.

22-5 Board members' remuneration for technical, administrative or consulting work: The Board of Directors acknowledges that during the year 2022G, there are no sums paid to members of the Board in their capacity as workers or administrators, or for technical, administrative, or consulting work.

23- Sanctions / Penalties:

During the year 2022G, sanctions were imposed on the company by a relevant regulatory authority, as shown below:

Authority name	Claim amount
	An amount of (50,000) Saudi riyals
The General Authority of	An amount of (50,000) Saudi riyals
Civil Aviation (GACA)	An amount of (50,000) Saudi riyals
	An amount of (50,000) Saudi riyals
	An amount of (50,000) Saudi riyals

(5) Cases were filed for each case decision with the Administrative Court in the Board of Grievances in Riyadh. To demand the cancellation of these decisions that are not based on correct legal grounds, as the committee did not authorize the company the right to plead and defend itself, Accordingly, a final decision was issued on 02/13/2023 AD in favor of the company to cancel the decision assued by the General Authority of Civil Aviation (GACA) No. (6026/43/33/536) in the amount of (50,000) Saudi riyals, and (4) preliminary decisions were issued in favor of the company to cancel the decisions Issued by the General Authority of Civil Aviation (GACA) mentioned above.





24- Findings and opinion of the Audit Committee on the internal control system:

24-1 Internal Audit findings

The company adopts an internal control framework based on the three lines of defense. The various business sectors of the company harmonize their activities in accordance with the applicable systems and regulations. while the internal control departments consisting of compliance, risks, security and safety play the role of the second line of defense so that they assess, measure and control the different levels of risk In terms of operations, credit, information security, and compliance with the controls that were enacted to ensure that the company meets the statutory requirements. These departments submit periodic reports to the Board's sub-committees (Executive, Audit, Risk), and the Internal Audit Department performs the task of the third line of defense, which is concerned with conducting the necessary checks and reviews to verify the company's compliance. Its employees with the policies of the procedural work guides based on the internal audit work carried out during the fiscal year 2022G for the various departments of the company.

24-2 Audit Committee Opinion:

One of the responsibilities and roles of the audit committee is to ensure the adequacy of the company's internal control and to carry out its work in accordance with the best practices in force, by following up and studying the reports issued by the internal auditor, the external auditor or the compliance department. The following is the opinion of the audit committee on the adequacy of the company's internal control system:

24-3 Executive management:

The Executive Management of the company has signed declarations aimed at confirming its responsibility in providing internal control procedures that ensure the effectiveness and efficiency of the company's operations and the control procedures applied in it, including the extent of credibility and integrity of financial reports, and the extent of compliance with the applicable laws, regulations, and policies.

24-4 Internal Audit Department:

The company's internal audit department also implements the annual audit plan approved by the audit committee to assess the status of internal control applied with a focus on evaluating the control environment, organizational structure, risks, policies and procedures, segregation of duties, and information systems, by taking random samples of the planned activities to be reviewed. With the aim of examining them to ensure the effectiveness and efficiency of the designed and applied internal control systems, and to obtain assurances of the effectiveness and efficiency of internal control procedures during the year.

24-5 External Auditor:

The Audit Committee made sure that the external auditor fulfilled his responsibilities towards the company by following up on the plans and implementation of the audit work to obtain a high degree of conviction that the accounting standards generally accepted in the Kingdom of Saudi Arabia have been applied in the company. And that the results report of the quarterly and annual financial statements of the company are free of crucial errors according to the unqualified opinion from the external accountant during the year 2022G. Based on the annual examination of the internal control procedures subject to testing during the year 2022G by the Audit Committee. The external auditor and the internal audit department in the company, the results of this examination indicated that there were a number of observations during the year 2022G, most of them were addressed. we also note that it cannot be confirmed absolutely the comprehensiveness of the examinations and assessments that are carried out for the internal control procedures, because the audit process is in essence based on taking random samples, as is the spread of the company's operations and its geographical expansion within the Kingdom. Therefore, the improvement efforts referred to above, and the development processes are continuing by the committee and the internal control departments in the company to ensure more efficiency and effectiveness in the mechanism of follow-up of internal control processes and procedures.

24-6 Audit Committee Recommendations:

No recommendations were issued by the Audit Committee, or there is a conflict between them and the decisions of the Board of Directors, or the Board refused to accept them.

25- Company social contributions details:

In line with the values of the Saudi Ground Services Company, which center around safety, responsibility, and excellence, the company continued to enhance constructive contributions through a range of meaningful activities and initiatives aimed at serving the community, to achieve sustainable development in line with its strategy. The company was keen to instill and promote the concepts of awareness and social culture.

Besides supporting the participation of its employees in these programs. Shown below are some of the company's initiatives and achievements during 2022:

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25-1 Social Responsibility:

- Participation in the "Irfan" initiative at Prince Sultan Military Medical City to honor the Kingdom's brave heroes.
- Launching the "Literature Cloud" initiative, in cooperation with the Ministry of Culture and the Literature, Publishing and Translation Authority, to enrich employees' time with selections from audio literature within the "Literature Everywhere" initiative.
- Participation in the "Let's Run" initiative in cooperation with the Jeddah running community, coinciding with the National Walking Day, which aims to educate the community about the importance of walking and its benefits.
- Participation in the 21st Annual Career Day at Effat University, which was held under the title "Work in the Future: Responding to the Challenges of the 21stCentury".
- Supporting and empowering the students at the College of Art and Design at the University
 of Jeddah by signing a memorandum of understanding to present development proposals for
 designing uniforms for the company's employees.
- In order to provide all services and means of preventive care, the "meningitis" vaccine was provided at the company's headquarters in conjunction with the Hajj season.
- Launching the cooperative training program by choosing 30 elite male and female students to train them, develop their scientific and practical skills, and provide them with professional support.
- Honoring an elite group of countrymen from among the company's employees, in recognition
 of their contribution to alleviating the crisis at Heathrow Airport in the British capital, "London",
 by providing ground services to the strategic partner and national carrier, "Saudi Airlines".
- The Saudi Ground Services Company signed a memorandum of cooperation with the Dammam
- Airports Company as part of the "Dammam Airports Company Innovation Lab" initiatives.
 to discuss ways to develop and innovate in the aviation sector in the Kingdom, in addition
 to spreading the culture of innovation and knowledge exchange through holding workshops
 and joint courses and providing an opportunity for specialists and students of authorities
 Educational and academic to implement their university studies and projects on joint projects.
- In pursuit of the company to provide a healthy work environment for its employees, it cooperated with the Ministry of Health to provide the "seasonal influenza" vaccine and to
- screen the employees' general health.

26- Shareholders General Assemblies:

During the year 2022, the company held (2) meetings of the shareholders' Assemblies. The members of the Board of Directors attending these assemblies were as follows:

The statement below shows the details of the Board members' attendance at the General Assembly of Shareholders, which was held on 09/03/2022G:

Name	Ordinary General Assembly Meeting 09/03/2022G
Eng. Khalid bin Qasim Al-Buainain	Attended
Dr. Omar bin Abdullah Jefri	Attended
Mr. Mansour bin Abdulaziz Al-Busaili	Attended
Mr. Muhammad bin Ali Al-Yemeni	Attended
Eng. Saleh bin Ahmed Hefni	Attended
Eng. Fahd bin Hamza Cynndy	Attended
Mr. Con Korfiatis	Attended
Mr. Per Utnegaard	Attended
Mr. Onno Boots	Excused

The statement below shows the details of the Board of Directors' attendance at the General Assembly of Shareholders, which was held on 22/06/2022:

Name	Ordinary General Assembly Meeting 22/06/2022G
Eng. Khaled bin Qasim Al-Buainain	Attended
Dr. Omar bin Abdullah Jefri	Attended
Mr. Nader bin Mohammed Saleh	Attended
Ashoor	Attended
Mrs. Ghada Bint Ali Al-Jarbou	Attended
Mr. Con Korfiatis Mr. Per Utnegaard	Attended
Eng. Fahd bin Hamza Cynndy	Excused
Mr. Said bin Abdul Latif Al-Hadrami	Excused
Mr. Mansour bin Abdulaziz Al-Busaili	Excused

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26-1 Results of the Ordinary General Assembly held or 09/03/2022G:

Approving the election of the company's board of directors from among the candidates for the next (third) Cycle, which will start as of 06-05-2022G for a period of three years ending on 05-05-2025G.

Approving the formation of the Audit Committee for the next cycle, which starts from 06-05-2022G and for a period of three years ending on 05-05-2025G, and its tasks, work controls, and members' remuneration.

26-2 Results of the Ordinary General Assembly held on 22/06/2022:

- Approval of the Board of Directors' report for the Financial year ending on December 31, 2021.
- Approval of the auditor's report for the financial year ending on December 31, 2021.
- Approval of the financial statements for the year ending on December 31, 2021G.
- Approving the release of the members of the Board of Directors from liability for the year ending on December 31, 2021.
- Approving the appointment of the company's external auditor, Earnest & Young (EY), based on the recommendation of the Audit Committee, to examine, review and audit the financial statements quarters for the second, third, and annual financials of the year 2022G, the first and second quarters of the year 2023G, and to determine its fees.
- Approving the delegation of the Board of Directors with the powers of the Ordinary General Assembly, with the authorization provided for in Paragraph (1) of Article 71 of the Companies Law. for a period of one year from the date of approval of the Ordinary General Assembly or until the end of the session of the delegated Board of Directors, whichever is earlier, in accordance with the conditions mentioned in Regulatory controls and procedures issued in implementation of the Companies Law for listed joint stock companies.
- Approval of the business and contracts that will take place between the company and the Saudia Airlines Company for Air Transport. In which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest, which is about providing ground-handling services at the Kingdom's airports. Knowing that the transactions are in the year 2021G at a value of 951,730,827 Saudi Riyals, it shall be taken into account that these transactions are carried out on commercial basis and without preferential terms.

- •Approval of the business and contracts that will take place between the company and the Saudi Aeronautical Engineering and Industry Company. In which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest in it, which is about providing ground-handling services at the Kingdom's airports. Noting that the transactions are in the year 2021G, with a value of 108,146,359 Saudi Riyals, knowing that these transactions are carried out on commercial basis and without preferential conditions.
- •Approval of the business and contracts that will take place between the company and the Saudi Private Aviation Company (SPA). In which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest in it, which is the provision of ground handling services at the Kingdom's airports. Noting that the transactions are in in the year 2021G, with a value of 14,150,760 Saudi Riyals, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.
- •Approval of the business and contracts that will take place between the company and the Royal Fleet Services Company. In which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest in it, which is the provision of ground handling services. Noting that the transactions in 2021G amount to 73,124,921 Saudi Riyals, it shall be taken into account that these transactions are conducted on commercial basis and without preferential conditions.
- •Approval of the business and contracts that will take place between the company and Flyadeal. in which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest in it, which is about providing ground handling services at the Kingdom's airports. knowing that the transactions in 2021 have a value of 100,329,337. Saudi Riyals, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.

interest in it, which is the provision of ground handling services at the Kingdom's airports. Knowing that the transactions are in the year 2021G, at a value of 14,965,594 Saudi Riyals annually, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.

interest in it, which is the provision of ground handling services at the Kingdom's airports. Knowing that the transactions are in the year 2021G, at a value of 14,965,594 Saudi Riyals annually, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.

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- Approval of the business and contracts that will take place between the company and the General Organization of Saudia Airlines. In which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest, which is the provision of value-added tax services due. it shall be taken into account that the transactions are in the year 2021G at an annual value of 41,820,094 Saudi Riyals annually, bearing in mind that these transactions are carried out on commercial basis and without preferential conditions.
- Approval of the business and contracts that will take place between the company and Saudia Airlines for Catering. In which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, gave an indirect interest in it, which is about providing catering service to the company's employees. Noting that the transactions in 2021G amount to 25,757,581 Saudi Riyals annually, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.
- Approval of the business and contracts that will take place between the company and the Saudia Airlines Company for Air Transport. in which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest in it, which is the transactions paid on behalf of the company related to the interest of retirement pensions for seconded employees. Noting that Transactions in 2021 amounted to 18,713,533 Saudi Riyals annually, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.
- Approval of the business and contracts that will take place between the company and the Saudi Airlines Logistics Cargo Company Ltd. in which a member of the Board of Directors, Mr. Con Korfiatis and Eng. Fahd Cynndy, have an indirect interest in it, which is the provision of ground handling services at the Kingdom's airports. Knowing that the transactions are in the year 2021G, at a value of 14,965,594 Saudi Riyals annually, it shall be taken into account that these transactions are carried out on commercial basis and without preferential conditions.

27- Certified Accounting Standards:

The financial statements have been prepared in accordance with international accounting standards in accordance with the directives of the Capital Market Authority issued by virtue of Circular No. P. 15/12231/1 / dated 27/10/1436H, corresponding to 8/12/2015G and the Board of Directors acknowledges that there is no difference from the accounting standards adopted by The Saudi Organization of Certified Public Accountants.

28- Appointment of Auditors:

The General Assembly of the company, which was held on 22/06/2022G, approved the selection of Earnest & Young Office (EY) from the list of candidates as auditors of the company according to the recommendation of the Audit Committee to audit the annual financial statements of the company. As well as the first and second quarters of the year ending on 31/12/2023G.

29- Joint Ventures:

Joint Ventures name	Capital	The company's ownership percentage	Main activity	The headquarters for its operations and incorporation
SAAS	500,000 SR	50%	The main activity of the Saudi Ama Airport Services Company is to pr passenger and navigator transport services and to operate buses at ai To transport passengers inside inter airports and Tabuk Airport before establishment of the Saudi Amad Co	ovide Kingdom tation rports. of Saudi national the the Arabia
TLD Arabia Company	1,000,000 SR	50%	The main activity of TLD Arabia is to maintenance services for ground s equipment, rental of machine tools, of other air transport equipment w drivers and operational leasing. It provides administrative and superservices at airports and offers of activities and services related to transport.	rentice , rental vithout calso visory ther rental Kingdom of Saudi Arabia

29-1 Shares and debt instruments of the Joint Venture (SAAS): There are no shares or debt instruments for the Joint Venture.

29-2 Shares and debt instruments of the Joint Venture (TLD Arabia Company): There are no shares or debt instruments for the Joint Venture.

30- Dividend Policy:

- (10%) of the net profits shall be set aside to form the company's statutory reserve. The Ordinary General Assembly may decide to stop this set aside when the said reserve reaches (30%) of the paidup capital.
- The Ordinary General Assembly may, based on a proposal by the Board of Directors, set aside a certain percentage of the net profits to form a consensual reserve that is allocated for a specific purpose or purposes.
- The Ordinary General Assembly may decide to form other reserves to the extent that serves the interest of the company or ensures the distribution of fixed profits as much as possible to shareholders. The aforementioned assembly may also deduct from the net profits sums to establish social institutions for the company's employees or to assist the existing ones from these institutions.
- After that, the remainder shall be distributed among the shareholders at a rate of no less than (5%) of the company's paid-up capital.
- Subject to the provisions stipulated in Article (22) of these Articles of association, and Article (76) of the Companies Bylaw, after the aforementioned, a certain percentage of the remainder shall be allocated for the remuneration of the Board of Directors, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.

30.1- Interim Dividend Policy:

- The Board shall obtain an authorization from the company's Ordinary General Assembly to distribute interim profits according to a decision that is renewed annually.
- That the company has good and regular profitability.
- That the company has reasonable liquidity and can reasonably predict the level of its profits.
- The company shall have distributable profits according to the latest audited financial statements, enough to cover the profits proposed to be distributed after deducting what has been distributed and capitalized from those profits after the date of these financial statements.

- Dividend distribution shall be credited to the account of the accumulated retained earnings from previous years or the agreed reserves or both. The company shall take into account the sequence and regularity in the manner and percentages of distribution of profits according to the capabilities and liquidity available to the company. The Board of Directors shall disclose and announce the regular periodic dividend percentages to be distributed to the shareholders on time.
- When a decision is made to distribute interim profits, the company shall immediately disclose and announce that and provide the Authority with a copy of the announcement immediately upon its issuance.

30.2- Dividend Payment Timing:

- The Board of Directors shall implement the decision of the General Assembly regarding the distribution of profits to the registered shareholders within (15) days from the date of maturity of these profits specified in the decision of the General Assembly in the decision of the Board of Directors to distribute interim dividends.
- 2 The Executive Management shall implement the decision of the Board of Directors to distribute interim dividends to the registered shareholders within (15) days from the due date of these profits specified in the Board's decision.
- The Management of the Secretariat of the Board shall request the register of shareholders registered on the due date in accordance with the instructions of the Capital Market Authority.
- The Finance department shall undertake to implement the distribution of profits in accordance with the distribution dates announced in the decision of the Board and the Assembly.

During the year 2022G, no decision was issued by the Board of Directors to distribute any profits.

31- The Saudi Ground Services Company announcements for the year 2022:

Announcement date

Announcement Title

10/02/2022G	The saudi ground services company invites its shareholders to attend the ordinary general assembly meeting (the
10, 02, 20223	first meeting) by modern technology.
10/02/2022G	Addendum announcement from the saudi ground services company in regards to announcement to invites its
10/02/2022G	shareholders to attend the ordinary general assembly (first meeting) by modern technical means.
	The saudi ground services company announces the results of the ordinary general assembly meeting (first
10/03/2022G	meeting).
	The saudi ground services company announces the achievement of a net profit of 23.67 million saudi riyals from
20/03/2022G	selling local shares during the first quarter of 2022.
	Saudi ground services company announces the annual financial results for the period ending in 31/12/2021g.
24/03/2022G	The saudi ground services company announces the awarding of operation and maintenance contract for passenger
	bridges and gates at king abdulaziz international airport (kaia) in jeddah to the consortium of the saudi ground
12/04/2022G	services company and the saudi Services and Operations company Ltd. with jeddah airports company (JEDCO).
•••••	The Saudi Ground Services Company announces the appointment of the Chairman and Vice Chairman of the Board
08/05/2022G	of Directors and the formation of the Board Committees.
18/05/2022G	Saudi Ground Services Company announces its interim financial results for the period ending on 31-03-2022 (Three
	Months)
29/05/2022G	The Saudi Ground Services Company invites its shareholders attend the Ordinary General Assembly Meeting
•••••	(the first meeting) by using modern technology.
23/06/2022G	The Saudi Ground Services Company announces the results of the Ordinary General Assembly Meeting (First
,,	Meeting).
30/06/2022G	The Saudi Ground Services Company announces the signs of a contact with Bups Arabia for Cooperative Insurance
	Company. to provide medical insurance for the company employees and their families. (a related party).
22/00/2022	Saudi Ground Services Company announces its interim financial results for the period ending on 30-06-2022. (Six
22/08/2022G	Months).
	Saudi Ground Services Co. announces its Interim Financial Results for the Period Ending on 30-09-2022 (Nine
06/11/2022G	Months)

31.2- Ownership of shares with voting entitlement:

The Board of Directors acknowledges that there is no interest in the category of shares with voting entitlement belonging to persons (other than members of the Board of Directors, senior executives and their relatives) who informed the company of those rights under Article (45) of the registration and listing rules.

33- Share ownership of board members, senior executives and their relatives:

The tables below show the contractual securities and subscription rights of the members of the Board of Directors and senior executives of the company and their relatives in the shares or debt instruments of the company or any of its Joint Ventures, and any change in that interest or these rights during the last fiscal year:

Ownership of board members and their relatives:

Name	Year Be	Year Beginning		Year End		Change
ivame	Shares No.	debt instruments	Shares No.	debt instruments	Change	Percentage
Eng. Khalid bin Qasim Al-Buainain	-	-	_	-	-	-
Dr. Omar bin Abdullah Jefri	1000	-	1000	-	-	0%
Mr. Mansour bin Abdulaziz Al-Busaily	1000	-	1000	-	-	0%
Mr. Nader bin MohammedSaleh Ashoor	100	-	100	-	-	0%
Capt. Fahd bin Hamza Cynndy	-	-	_	-	-	-
Mr. Said bin Abdul Latif Al-Hadrami						
Mrs. Ghada Bint Ali Al-Jarbou						
Mr. Con Korfiatis	-	-	_	-	-	-
Mr. Per Utnegaard	-	-	_	-	-	-
Wife of Mr. Mansour Al-Busaily	3990	-	3990	-	-	0%

34- Ownership of senior executives and their relatives in shares or debt instruments of the company:

The Board acknowledges that none of the senior executives or their relatives own any shares or debt instruments of the company.

34.1- Ownership of the members of the Board of Directors and their relatives in the shares or debt instruments of the Joint Venture:

The Board of Directors acknowledges that there is no interest, contractual papers, and subscription rights belonging to the members of the Board of Directors and their relatives in the shares or debt instruments of the Joint Venture.

34.2- Ownership of Senior Executives and their Relatives in Joint Venture Shares or Debt Instruments:

The Board of Directors acknowledges that there is no interest, contractual papers, and subscription rights belonging to the senior executives and their relatives in the shares or debt instruments of the

35- Company Loans details:

		The amount to be paid during the year					
725,000	1,250,000	561,204	624,628	2020	2020/2021	No	3 years

36- Transferable debt instruments:

- 1 The Board of Directors declares that the company has not issued or granted during the fiscal year any categories or transferable debt instruments, any contractual securities, subscription right memorandums or similar rights.
- 2 The Board acknowledges that there are no transfer or subscription rights under transferable debt instruments, contractual securities, subscription right memorandums, or similar rights issued or granted by the company.

37- Refunding, purchasing or canceling any refundable debt instruments:

38- Shareholder records:

1	02/01/2022G	Company procedures
2	15/05/2022G	Company procedures
3	17/07/2022G	Company procedures

39- Contracts and works with related parties:

•••••••						
Related party	Type of relationship with the company	Type of contracts and business	Term	Transactions Amount (SAR)	Terms of business or contract	Member name
Saudi Airlines for Air Transport	It is owned by the Saudia Airlines by 100% and is a founding shareholder in the company by 52.5%	Services provided	Seven years, automatically renewed annually	975,129,944	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudia Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Sindi and Mr.Con Cofartis.
Saudi Airlines Cargo Company	It is 70% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Two years, automatically renewed annually	88,244	The same terms and standards as with others without any preferences.	It is 70% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
Saudia Aerospace Engineering Industries	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	One year agreement and annually renewed	38,585,481	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
Saudi Airlines Catering Company	It is 35.7% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	One year, automatically renewed annually	2,870,167	The same terms and standards as with others without any preferences.	It is 35.7% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented on the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis
Saudi-private -aviation Ltd.	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Three years, automatically renewed annually	16,117,047	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.

Related party	Type of relationship with the company	Type of contracts and business	Term	Transactions Amount (SAR)	Terms of business or contract	Member name
Saudia Royal Fleet	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	One year, automatically renewed annually	38,005,805	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
Flyadel Airline	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Unfixed term transactions	114,790,301	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Air- line and it is a found- ing shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
SAAS	A Joint Venture, in which the company owns 50%.	Services provided	Unfixed term transactions	3,458,497	The same terms and standards as with others without any preferences.	Joint Venture
Saudia Airlines Corporation	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	VAT due	Unfixed term agreement	62,714,209	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Air- line and it is a found- ing shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
SAAS	Joint Venture	Operational vehicle leasing services agreement	Unfixed term transactions	10,885,182	The same terms and standards as with others without any preferences.	Joint Venture

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Related party	Type of relationship with the company	Type of contracts and business	Term	Transactions Amount (SAR)	Terms of business or contract	Member name
Saudi Airlines for Air Transport	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Ticketing, training, and other miscellaneous services	Unfixed term transactions	933,730	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
Saudia Aerospace Engineering Industries	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Equipment's Maintenance	Unfixed term transactions	7,824,330	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
TLD Arabia	Joint Venture	Services provided	Unfixed term transactions	200,981	The same terms and standards as with others without any preferences.	A Joint Venture that Saudi Ground Ser- vices Company owns 50% of its capital
Saudi Airlines Catering	It is 35.7% owned by the Saudia Airlines and is a founding shareholder in the company.	Services Received	Seven years, automatically renewed annually	41,601,809	The same terms and standards as with others without any preferences.	It is 35.7% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is repre- sented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
SAAS	Joint Venture	Crew Bus, deportees and passenger buses	Unfixed term transactions	80,089,917	The same terms and standards as with others without any preferences.	Joint Venture

Related party	Type of relationship with the company	Type of contracts and business	Term	Transactions Amount (SAR)	Terms of business or contract	Member name
Saudi SAL Logistics Services Company	Owned by Saudi Arabian Airlines corporation by 70%	Services provided	Unfixed term transactions	13,753,616	The same terms and standards as with others without any preferences.	It is 70% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
SAAS	Joint Venture	Fuel and other expenses	Unfixed term transactions	1,549,199	The same terms and standards as with others without any preferences.	Joint Venture
TLD Arabia	Joint Venture	Equipment maintenance	As per contract	116,710,363	The same terms and standards as with others without any preferences.	A Joint Venture that Saudi Ground Services Company owns 50% of its capital
TLD Arabia	Joint Venture	Dividends	Unfixed term transactions	2,000,000	The same terms and standards as with others without any preferences.	A Joint Venture that Saudi Ground Services Company owns 50% of its capital
Bupa Arabia for Cooperative Insurance Co. SJSC	Common Key Management personnel	Insurance services	one year agreement	93,948,758	The same terms and standards as with others without any preferences.	lt is represented in the Board of Directors by Mr. Nader Ashour

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40- Waiver Members or Executives:

No member of the Board of Directors or committees has been waived the special remuneration.

41- Shareholder Waiver:

The Board of Directors acknowledges that there are no arrangements or agreements under which a shareholder of the company has waived any rights to profits.

42- Investment programs for the company's employees:

The Board of Directors acknowledges that there are no investments or reserves created for the benefit of the company's employees.

43- Statutory payments:

The company is committed to paying the statutory payments owed by it to government agencies, including due zakat, tax, and amounts due to the General Organization for Social insurance in return for employee contributions. The following table shows the data of those payments:

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Statement (amounts in riyals)	Paid	Due until the end of the annual financial period and not paid	Brief description	Statement of reasons
ZATCA*	305,848.21	-	Payments for ZATCA	Payments for ZATCA
The General Organization for Social Insurance	153,088,609.79	-	Employees Benefits	Employees Benefits
Visas and passports costs	1,625,312.00	-	Fees	Fees
Labor office fees	2,670,300.00	-	Fees	Fees
Ramp fees and others	1,366,772.50	-	Fees	Fees

44- Reservations on the financial statements

The Board of Directors acknowledges that there are no reservations from the chartered accountant on the company's financial statements according to his report for the year 2022G. The Board of Directors shall provide the Capital Market Authority with any additional information it requests in case the auditor expresses any reservations about the annual financial statements.

45- Auditor replacement:

The Board of Directors acknowledges that it did not recommend replacing the chartered accountant before the end of the period for which it was appointed, as Ernst & Young was appointed to audit the company's annual and quarterly accounts for 2022G, and they were not replaced during the year.

46- Treasury shares:

The Board of Directors declares that there are no treasury shares held by the Company.

47- Other acknowledgments:

- 1 The Board of Directors acknowledges that the accounting records have been properly prepared.
- 2 The Board of Directors acknowledges that the internal control system has been prepared on sound foundations and implemented effectively.
- 3 The Board of Directors acknowledges that there is no doubt about the company's ability to continue its activities.
- 4 The board of directors acknowledges that there is no any competing business for the company or any other activities branches which any of the board member is doing or did where it includes the names of personnel assigned with the competing businesses and the nature of these businesses and its conditions.

Conclusion

The Board of Directors is pleased to extend its thanks and appreciation to all the shareholders of the Saudi Ground ServicesCompanyfortheircontributionstothecontinuation of its business. It is also pleased to extend its thanks also to the company's management and employees for their efforts to operate the company, which were crowned with success, praise be to Allah. In conclusion, the Board of Directors would like to thank all the company's customers To give them confidence, stressing the keenness of the Saudi Ground Services Company to develop the relationship and its continuity by providing the best services and commitment to quality standards and performance towards its customers. The Board also affirms that it is confident that these achievements during the year 2022G, which will be a strong impetus for the year 2023G in order to achieve our strategic goal and achieve more successes, If Allah wish.

