

FNRCO

FNRCO



المهّان للإستثمار
AL-MAHAN INVESTMENT

إحدى شركات
علي بن جابر المهّان

SUSTAINABILITY REPORT 2025

**EMPOWERING WORKFORCES ENABLING GROWTH,
CREATING SUSTAINABLE VALUE**

Disclaimer

This Sustainability Report (the "Report") has been prepared by **First National Human Resources Co. (FNRCO)** to provide an overview of our environmental, social, and governance (ESG) performance, initiatives, and commitments for the calendar year 2025.

Forward-Looking Statements: This Report contains forward-looking statements regarding FNRCO's achievements, future plans, targets, strategies, and sustainability goals. These statements are based on current expectations, estimates, and assumptions made by management at the time of publication. By their nature, forward-looking statements involve inherent risks and uncertainties, and actual future results or outcomes may differ materially from those expressed or implied.

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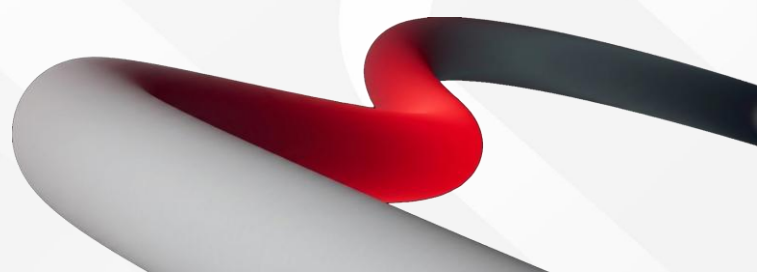
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CHAIRMAN'S MESSAGE



Peace be upon you,

From the heart of Saudi Arabia, a nation experiencing remarkable growth and transformation, I am honored, as Chairman of First National Human Resources Company (FNRCO), to share this message with our stakeholders.

As the world of work continues to evolve through technological advancement, sustainability initiatives, and changing workforce expectations, FNRCO remains committed to empowering people and organizations to succeed in this dynamic environment. We believe that meaningful employment, continuous development, and responsible business practices are essential to building a stronger and more sustainable future.

I take great pride in the dedication, resilience, and professionalism of our employees, whose efforts continue to drive our success. This report reflects our commitment to Environmental, Social, and Governance (ESG) principles, as well as our ongoing support for Saudi Arabia's Vision 2030 and the Kingdom's sustainability ambitions.

I would like to express my sincere appreciation to our shareholders, clients, and business partners for their continued trust and confidence. My gratitude also extends to our Board of Directors for their guidance, and to our executive leadership team and employees whose hard work and commitment make our achievements possible.

As we move forward, we remain focused on creating long-term value for our stakeholders, advancing our ESG objectives, and contributing to a more inclusive, sustainable, and prosperous future for all.

Mr. Ali Jaber Al Mahan
Chairman
First National Human Resources Company (FNRCO)

INSPIRING CHANGE

COMPANY OVERVIEW

Founded in 2001, First National Human Resources Company (FNRCO) is a leading Saudi-based provider of HR, payroll, and workforce solutions, with a paid-up capital of **SAR 175 million**. The company is founded and owned by Mr. Ali Jaber Al Mahan and operates as part of Al Mahan Investment Company, its major owner. As an ISO-certified organization, FNRCO delivers compliant and scalable manpower solutions across public and private sectors, with 7,000+ active employees deployed and serving 180+ clients. FNRCO plays a key role in supporting Saudi Vision 2030 through localization, operational efficiency, and sustainable workforce development.



30+
Year of professional experience

100k+
Ready working visas

180+
Valuable Clients

50+
Global Partners

10,000+
Active Employees (Local & Expats)

60k+
Employees successfully mobilize to work in Saudi Arabia

VISION

To be the global leader and most trusted partner in delivering comprehensive workforce solutions, including manpower services, compliance and legal support, payroll management, and specialized training & certification. We strive to empower businesses with innovative, efficient, and compliant workforce solutions, fostering sustainable growth and excellence across industries worldwide.

MISSION

To provides tailored workforce solutions for both individuals and corporations, ensuring quality recruitment and global mobilization. We strive to strengthen our market position through innovation in service, quality, reliability, and a strong commitment to health and safety.

COMMITMENT

We are committed to delivering a sustainable world class performance through prevention of injury & ill-health, preservation of environment and safeguarding health, safety & welfare of those who work at or visit our sites in a manner that is compliant with local laws, customs and culture.

CERTIFICATIONS & COMPLIANCE



FNRCO operates an integrated management system certified to ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018. These certifications demonstrate the company's commitment to quality management and customer satisfaction, environmental sustainability and responsibility, and occupational health and safety, ensuring safe and efficient operations across all business activities.



Fully compliant with ISO 27001:2022 ISMS, ensuring highest levels of data protection and risk management.



**WORKPLACE
CONDITIONS
ASSESSMENT**

100%

WCA Score

Workplace Conditions Assessment by Intertek

Achieved through audit of Management Team, HR, and Health & Safety practices.



55.19%

LC Score

Local Content Certificate



55.19%

iKtva Score

iKtva Program



**United Nations
Global Compact**

FNRCO proudly supports the United Nations Global Compact (UNGC) and its Ten Principles on Human Rights, Labor, Environment, and Anti-Corruption. Through our business practices and sustainability initiatives, we remain committed to promoting ethical conduct, responsible employment, environmental stewardship, and sustainable development in alignment with the UN Sustainable Development Goals (SDGs).



**SCIENCE
BASED
TARGETS**

FNRCO supports the Science Based Targets initiative (SBTi) and recognizes the importance of science-based climate action in addressing global environmental challenges. We are committed to continuously improving our environmental performance, reducing our carbon footprint, and contributing to a more sustainable and low-carbon future in support of Saudi Arabia's Vision 2030 and global climate goals.

SUSTAINABILITY HIGHLIGHTS OF THE YEAR

At FNRCO, we believe sustainability is fundamental to our long-term success and our role in supporting the Kingdom's Vision 2030. Our ESG Strategy 2025-2030 outlines our

roadmap to create positive impact across the environment, society, and governance, while aligning with global standards, national priorities, and stakeholder expectations.

OUR ESG VISION

To contribute to sustainability and serve the community by achieving a positive impact and building a developmental and vibrant society.

OUR ESG MISSION

To strengthen Maharah's social and environmental contribution through responsible governance, inclusive talent development, from religious and moral duty and in line with UN SDGs and Kingdom's Vision 2030.

THREE STRATEGIC ESG TOPIC AREAS

The full ESG Strategy, including the 10 strategic topics, long-term goals, and FNRCO alignment with Saudi Vision 2030 and the UN Sustainable Development Goals, can be found in the dedicated ESG section of this report.



Read the next chapter to find out more



SUSTAINABILITY STRATEGY & APPROACH

OUR ESG FRAMEWORK

At FNRCO, sustainability is embedded in our business strategy and daily operations. Guided by Environmental, Social, and Governance (ESG) principles, we focus on creating long-term value through responsible business practices, employee welfare, health and safety, ethics, workforce development, environmental stewardship, and community engagement. Through measurable objectives and continuous improvement, we remain committed to supporting Saudi Arabia's Vision 2030 while delivering sustainable value to our clients, employees, and stakeholders.

Our Sustainability Priorities

1. Employee Wellbeing & Workforce Development

Invest in employee welfare, learning, skills development, diversity, and career growth to build a resilient and future-ready workforce.

2. Health, Safety & Occupational Excellence

Maintain a safe and healthy working environment through proactive risk management, safety awareness, and continuous improvement of occupational health and safety practices.

3. Ethics, Governance & Data Protection

Promote ethical business conduct, regulatory compliance, transparency, cybersecurity, and the protection of employee and client information.

4. Environmental Responsibility & Climate Action

Reduce environmental impacts through efficient resource utilization, carbon footprint management, waste reduction, and support for sustainability initiatives aligned with Saudi Vision 2030.

5. Sustainable Partnerships & Community Impact

Create positive social and economic value by supporting local content, sustainable procurement, community development initiatives, and responsible stakeholder engagement.

Our Sustainability Approach

1. People First

Prioritize employee wellbeing, safety, inclusion, and professional development to create a productive and engaged workforce.

2. Ethical Business Practices

Operate with integrity, transparency, accountability, and compliance while upholding the highest standards of corporate governance.

3. Sustainable Workforce Solutions

Deliver responsible workforce and employment services that support clients, employees, and the Kingdom's economic development objectives.

4. Environmental Stewardship

Minimize environmental impacts through resource efficiency, waste reduction, digital transformation, and climate-conscious business practices.

5. Stakeholder Engagement & Community Impact

Build strong relationships with employees, clients, partners, suppliers, and local communities to create shared value and positive social impact.

6. Continuous Improvement & Innovation

Leverage international standards, ESG best practices, technology, and performance monitoring to drive sustainable growth and long-term resilience.

Our approach focuses on putting people first, maintaining ethical business practices, delivering sustainable workforce solutions, protecting the environment, engaging stakeholders, and driving continuous improvement through innovation. Guided by these principles, our sustainability priorities center on employee wellbeing and workforce development, health and safety, ethics and governance, environmental responsibility, and community impact. Together, these commitments enable us to support Saudi Arabia's Vision 2030 while creating long-term value for our employees, clients, partners, and society.

MATERIALITY ASSESSMENT

Impact materiality assessments serve to identify and prioritize FNRCO's most significant sustainability issues, evaluating the Company's impact on the economy, society, and environment.

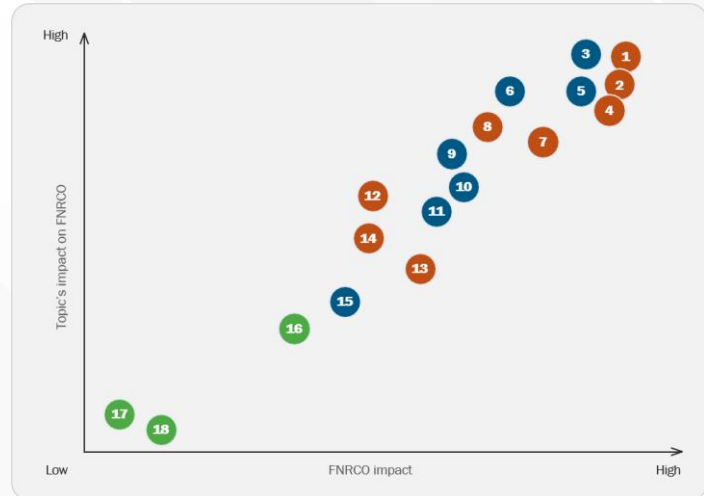
Materiality Assessment Process

As part of the development of our ESG Strategy, FNRCO carried out its first formal materiality assessment in 2023 - 2024, based on the principle of impact materiality. The objective was to identify the sustainability topics where our business has the most significant impact on people, the environment, and the economy, and which are most relevant to our stakeholders.

This assessment was informed by global reporting standards, peer benchmarking, and industry-wide ESG trends. A total of 18 material topics were initially identified. We then engaged more than 105 stakeholders, both internal and external, to evaluate the significance of these topics through surveys and interviews.

The results were analyzed and prioritized based on their relevance to FNRCO's operations and stakeholder expectations.

FNRCO Ranked List of Material Topics



Step 1: Identify Material Topics

- Conducted peer review to understand ESG issues faced by industry peers
- Benchmarked against sustainability standards and best practices
- Developed an initial list of 18 material topics

Step 2: Define Impact Areas

- Mapped potential environmental, social, and economic impacts for each material topic
- Structured impact areas to reflect FNRCO's operating model and stakeholder reach

Step 3: Engage Stakeholders

- Conducted interviews with management to gather internal perspectives
- Distributed a stakeholder survey to over 105 stakeholders, including employees, workers, customers, shareholders and NGOs

Step 4: Analyze Findings

- Processed survey results to assess perceived impact of each topic on and by FNRCO
- Incorporated interview insight and expert feedback to validate findings

Step 5: Prioritize Material Topics

- Evaluated significance of each topic across business impact and stakeholder relevance
- Identified 12 topics as priority material issues for ESG focus and reporting
- Maintained all 18 topics as material, with continued monitoring and integration

This process ensures that our ESG approach remains focused, evidence-based, & aligned with stakeholder expectations as we continue to grow our sustainability maturity.



Governance

- Business ethics and integrity
- Data privacy and security
- Digitalization and innovation
- Growth and financial stability
- Risk management
- Responsible approach to governance and disclosure
- Stakeholder engagement
- Sustainable and socially responsible procurement



Social

- Human capital: talent attraction, support, and development
- Saudization
- Human rights
- Customer experience and operations excellence
- Diversity, equity and inclusion
- Well-being and occupational health & safety
- Community investment and support programs



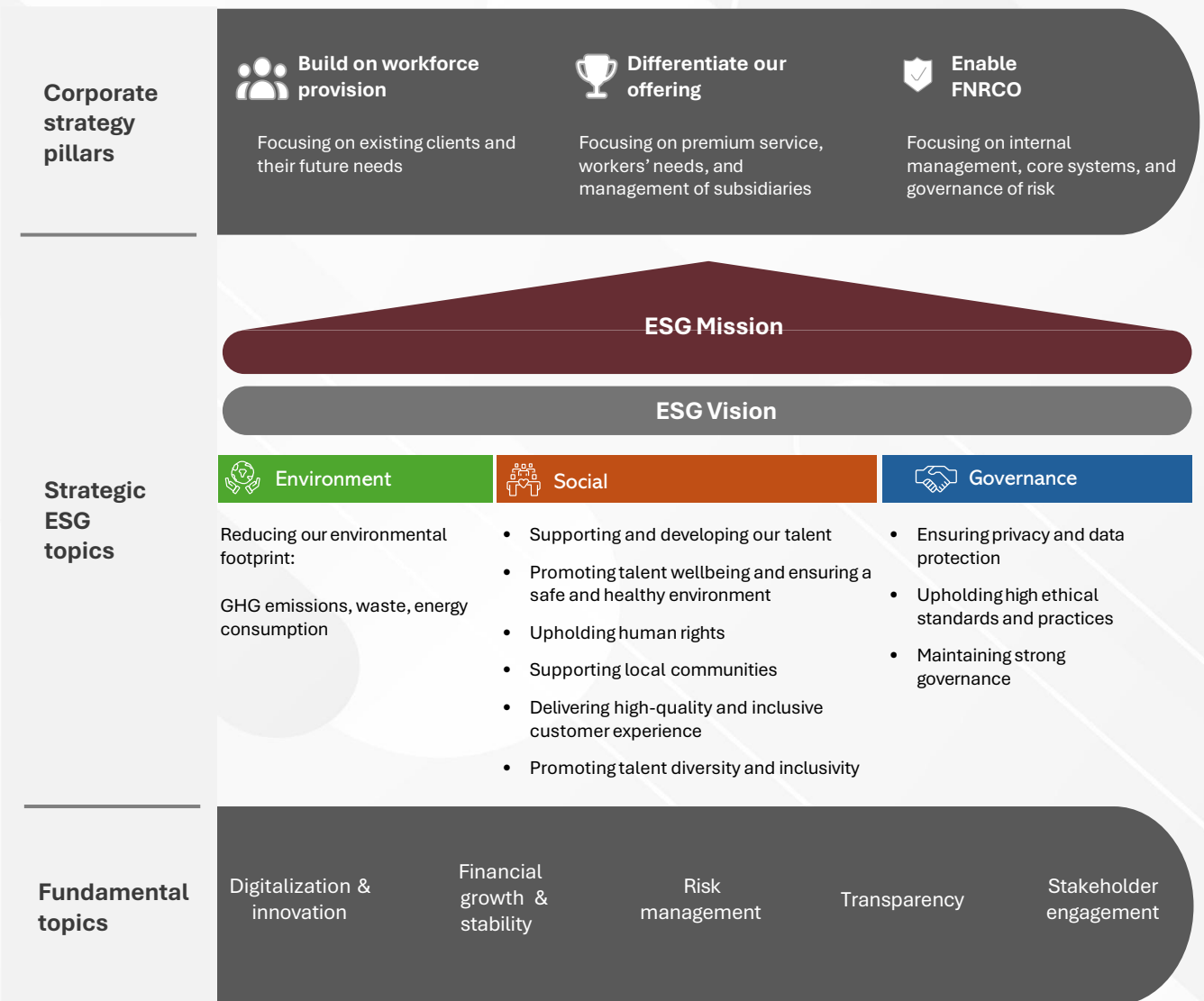
Environment

- Resource Management
- Waste management
- Climate change energy management

SUSTAINABILITY STRATEGY

At FNRCO, sustainability is a fundamental part of our business strategy and long-term success. As a leading workforce solutions provider, we are committed to creating lasting value for our employees, clients, partners, and communities while supporting Saudi Arabia’s Vision 2030. Our ESG Strategy provides a clear framework for driving positive environmental, social, and governance outcomes, aligned with international best practices, national priorities, and the evolving expectations of our stakeholders.

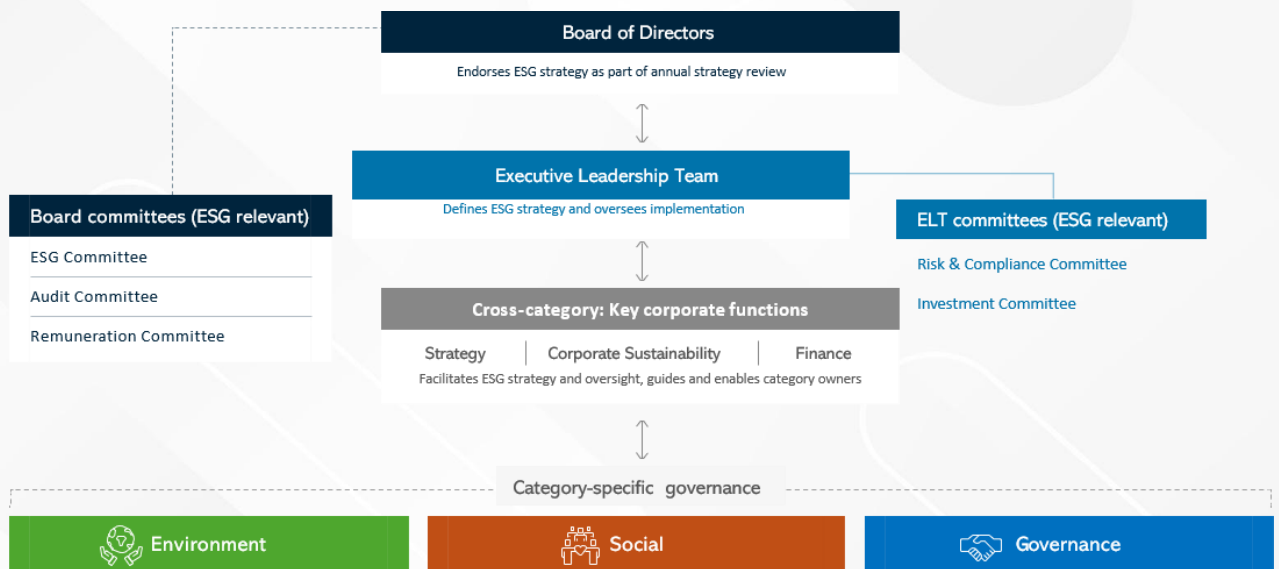
Sustainability Strategy 2025-2030 Overview



ESG STRATEGY GOVERNANCE

Since rolling out our ESG strategy in early 2022, prioritizing the development of clear roadmaps and robust governance has been crucial to ensure steady progress toward our strategic goals. FNRCO has also enhanced its reporting mechanisms, allowing us to introduce additional ESG KPIs into our performance overview this year, all of which undergo external verification.

Addressing sustainability risks and impacts thoroughly is now a fundamental expectation from our major stakeholders, with these expectations only set to increase. As we move forward, we anticipate that external standards and regulatory reporting demands will evolve, and new ESG frameworks will emerge both regionally and internationally, underscoring the necessity to re-evaluate our current strategy.



The ultimate responsibility for governance rests with the Board of Directors, which endorses the overarching ESG strategy. In 2023, FNRCO established a dedicated Board ESG Committee to aid in refining our ESG strategic direction.

This committee acts as a consultative body for the ELT and provides the Board with detailed insights on specific ESG issues. Meeting quarterly, the committee deliberates on strategic topics, with discussions in 2023 focusing on our commitments to ESG and decarbonization, the evolving ESG regulatory environment, human and labor rights, as well as diversity, equity, and inclusion (DE&I) initiatives.



OUR IMPACT ACROSS OPERATIONS

As one of the leading company in mobilizing workforce across various job categories and projects within the Kingdom of Saudi Arabia, our operation and value chain significantly impact people and the environment. As a critical player in integrating global supply chains, our comprehensive double materiality assessment has shed light on the multifaceted impacts arising from our activities. Notably, these include:

Social Impact

Enhancing local employment opportunities and improving livelihoods in communities where we operate, while ensuring fair labor practices and promoting diversity and inclusion across our workforce and subcontractors. We actively work to mitigate risks associated with labor rights, ensuring compliance with both local and international labor standards.


Economic Impact

Contributing to the economic development of the regions we operate in by generating employment, fostering skill development, and facilitating the transfer of knowledge and technology. Our presence boosts local economies and supports the Kingdom's Vision 2030 objectives by aligning our operations with the national agenda for economic diversification and sustainability.

Environmental Impact

Recognizing our role in contributing to carbon emissions through logistics and operations, we are committed to implementing sustainable practices, including optimizing our logistic routes, promoting the use of energy-efficient transport, and integrating renewable energy sources into our projects where feasible. We strive to minimize our ecological footprint by adopting responsible waste management and recycling practices across our operations.

Through strategic management and robust governance, FNRCO is dedicated to minimizing harm and mitigating risks associated with these impacts. Our commitment to sustainability and responsible business practices is evident in how we manage these impacts, ensuring they align with our core values and contribute positively to our stakeholders and the environment.



ALIGNMENT WITH UN SDGS

First National Human Resources Company (FNRCO) is committed to contributing to global sustainable development through responsible business practices that create long-term value for people, communities, and the environment. In line with international standards and our commitment to sustainable workforce solutions, FNRCO's Environmental, Social, and Governance (ESG) Strategy has been designed to align with the United Nations Sustainable Development Goals (UN SDGs).

This alignment ensures that our initiatives support the objectives of Saudi Vision 2030 while advancing shared global priorities across environmental, social, and governance dimensions. As a leading workforce solutions provider in the Kingdom of Saudi Arabia, FNRCO recognizes its responsibility to foster inclusive economic growth, promote decent work, safeguard the wellbeing of employees, uphold ethical business practices, and contribute positively to society. Through our operations, policies, and sustainability initiatives, FNRCO actively contributes to and considers the following United Nations Sustainable Development Goals (UN SDGs) within its business activities and ESG efforts:



ESG Strategic Topic	Related UN SDGs	Alignment in Action
Social		
Supporting and developing our talents	1, 4, 8	<ul style="list-style-type: none"> More than 55 training programs for employees, including future leadership and international learning Equal access to development across roles and career levels Supporting upskilling for sustainable employability Stable income for thousands of low-income workers and families
Promoting talent well-being and ensuring a safe and healthy environment	3, 8, 10	<ul style="list-style-type: none"> Health campaigns, vaccination drives, and flexible work policies Safe living and working environments for all workers Mental health workshops and wellness support
Promoting talent diversity and inclusivity	5, 10	<ul style="list-style-type: none"> Women represent 32% of staff, with a strong focus of nominating female candidates for new roles Equal pay for men and women Inclusive hiring and promotion practices, regardless of background or ability
Upholding human rights	8, 10	<ul style="list-style-type: none"> Ethical recruitment and fair compensation Grievance mechanisms and human rights training
Supporting local communities	1, 3, 10	<ul style="list-style-type: none"> 10 million in charitable donations Community initiatives in health, education, and social welfare Blood donation and awareness campaigns
Delivering high-quality and inclusive customer experience	3, 10, 11	<ul style="list-style-type: none"> Accessible digital platforms for all, including persons with disabilities 24-hour average response time and satisfaction tracking Inclusive service design and ongoing feedback channels

ESG Strategic Topic	Related UN SDGs	Alignment in Action
Governance		
Upholding high ethical standards and practices	16	<ul style="list-style-type: none"> Zero-tolerance for corruption Mandatory ethics training and external audits Transparent and responsible business conduct
Ensuring privacy and data protection	16	<ul style="list-style-type: none"> Company-wide privacy and data security policies Staff and supplier training on information security Compliance with best-in-class standards
Maintaining strong governance	5, 10, 16	<ul style="list-style-type: none"> Expanded ESG oversight within governance structures Ongoing improvements to transparency and ethical practices Alignment with national and international governance standards
Environment		
Reducing our environmental footprint: GHG emissions, waste, energy consumption	7, 11, 12, 13	<ul style="list-style-type: none"> Commitment to sustainable environmental practices across operations Support for national climate policies and adaptation strategies Initiatives to raise awareness and build internal capacity on climate-related risks Efforts to reduce FNRCO's environmental impact and promote climate resilience



ENVIRONMENT

Released date: 07 January 2026

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Environment



THE IMPORTANCE OF ACTION

at FNRCO, we recognize our responsibility as a leading entity in the human resources sector. With the resources and influence at our disposal, we are committed to achieving net-zero operations at the earliest opportunity and to assisting our clients in making their workforce solutions and operations environmentally sustainable from start to finish.



Tree Planting activities

Our Goal

FNRCO is dedicated to responding urgently to the climate emergency, spearheading the shift towards net-zero operations within the human resources and workforce management industry.

Objectives

2040:
Achieve net-zero emissions throughout FNRCO's operations, providing entirely green services to all clients.

2030:
Compliance with the Science Based Targets initiative for a 1.5-degree trajectory. Pioneering eco-friendly solutions for clients throughout our service portfolio.

2040:
A 96% decrease in total scope 1 and 2 emissions.
A 90% decrease in total scope 3 emissions.

2030:
A 35% decrease in total scope 1 emissions. Sourcing of 100% renewable electricity. A 22% decrease in total scope 3 emissions.

Climate Change Initiatives

The year 2023 emerged as the warmest on record, with extreme weather events affecting millions globally, highlighting the critical need to combat climate change. As a significant entity in the global workforce solutions sector, which plays a considerable role in overall corporate carbon footprints, First National Human Resources Company (FNRCO) is dedicated to spearheading efforts in reducing carbon emissions within our industry. We recognize that climate change, alongside governmental and market measures aimed at its mitigation, directly influences our operational practices.

This year marked significant strides in our journey towards environmental responsibility, building on the ambitious climate targets we set in 2022 to achieve net-zero emissions by 2040 across all our operations and for every service offered to our clients, many of whom have set similarly rigorous and science-based goals.

COMMITMENT TO GHG REDUCTION

Reducing our environmental footprint: GHG emissions, waste, energy consumption



We are committed to reducing practices that harm people and the environment. Inspired by the principles of Saudi Arabia's Vision 2030, we are determined to positively contribute to efforts related to climate and environmental challenges through both immediate measures and long-term planning.

Alignment to kingdom's vision 20230



- Ensure environmental sustainability
- Net-zero by 2060
- Reduce carbon emissions by **278 million** tons annually by 2030 (Saudi Green Initiative)
- Reduction of food waste by **50%** by 2030 (*National Transformation Program*)
- Divert **90%** of waste from landfills by 2040

Environmental Sustainability Pillars

- Climate Action & Emissions Reduction**
Reduce Scope 1, 2, and 3 greenhouse gas emissions in line with FNRCO's net-zero and science-based targets.
- Renewable Energy Adoption**
Increase the use of renewable electricity and support the transition toward low-carbon energy sources across operations.
- Green Initiatives & Environmental Awareness**
Promote employee participation in environmental programs, sustainability campaigns, and green workplace initiatives.
- Resource Efficiency & Conservation**
Optimize the use of energy, water, paper, and other resources through responsible consumption and operational efficiency.
- Digital Transformation & Paperless Operations**
Leverage technology and digital solutions to reduce resource consumption and environmental impacts.
- Sustainable Procurement & Supply Chain Engagement**
Encourage environmentally responsible sourcing practices and engage suppliers in sustainability initiatives.
- Pollution Prevention & Waste Reduction**
Minimize waste generation, increase recycling efforts, and implement measures to prevent pollution across operations.
- Sustainable Service Delivery**
Develop and deliver workforce solutions that support clients' sustainability objectives and environmental commitments.
- Environmental Compliance & Governance**
Maintain compliance with environmental regulations and international standards while continuously improving environmental performance.
- Net-Zero Future Commitment**
Support Saudi Arabia's Vision 2030 and FNRCO's long-term ambition of achieving net-zero emissions and providing environmentally responsible services.

Enhancing Our Environmental Practices for the Future

As we look to the future, FNRCO is committed to strengthening the integration of environmental sustainability across its operations and business activities. We continue to enhance our environmental management practices through the development of policies, initiatives, and programs that support responsible resource utilization and long-term sustainability.

The engagement and commitment of our employees play a vital role in achieving our environmental objectives. Through awareness campaigns and sustainability-focused initiatives, we encourage environmentally responsible behaviors both in the workplace and within the communities we serve.

FNRCO remains focused on reducing its environmental footprint, improving resource efficiency, embracing digital transformation, and implementing sustainable practices that support Saudi Arabia's Vision 2030 and our broader ESG commitments.



Saudi Green Initiative Alignment:

- Carbon Neutrality:** FNRCO's initiatives support Saudi Arabia's objective to reach net-zero emissions by 2060 by introducing measures to reduce our carbon footprint.
- Renewable Energy Transition:** Our strategy includes significant investments in renewable energy to aid Saudi Arabia's goal of generating 50% of the country's energy from renewables by 2030.



Middle East Green Initiative Synergy:

- Regional Collaboration:** FNRCO engages with partners across the Middle East to share knowledge and best practices, fostering a regional approach to carbon reduction.
- Green Investment:** We prioritize investing in green technologies and industries, resonating with the initiative's push for economic diversification through sustainable development.



United Nations Global Compact (UNGC) UNGC Commitment

- FNRCO supports the United Nations Global Compact (UNGC) and is committed to upholding its Ten Principles on Human Rights, Labor, Environment, and Anti-Corruption through responsible business practices and ethical governance.
- Supporting the SDGs: Through workforce development, employee welfare, and sustainable business practices, FNRCO contributes to the United Nations Sustainable Development Goals (SDGs) while supporting Saudi Arabia's Vision 2030.



Paris Agreement Compliance:

- Global Temperature Goal:** FNRCO's reduction targets are designed to support the Paris Agreement's aim to keep the global temperature rise this century well below 2 degrees Celsius above pre-industrial levels.
- Nationally Determined Contributions (NDCs):** We are committed to contributing to the national efforts of Saudi Arabia in meeting or exceeding its NDCs by implementing sustainable practices across our operations.



Science Based Targets initiative (SBTI) SBTi Commitment:

- FNRCO supports the Science Based Targets initiative (SBTI) and is committed to promoting responsible environmental practices, reducing its environmental impact, and contributing to global climate action in support of a sustainable future.

SCOPE 1, 2 & 3 GHG EMISSIONS TRACKING

Every year, greenhouse gas (GHG) emissions reduction becomes more urgent as the effects of human-induced climate change become more dangerous.

This urgency is not only due to consumers taking a stand and demanding action, but also from investors and governments requiring more accountability from businesses in addressing this issue. According to the climate transparency, industry, electricity and transportation make up the majority of total Saudi Arabia greenhouse gas emissions compared to other economic sectors.

SCOPE 1	Direct emissions from FNRCO's operations include fuels burned on-site, company vehicles, and any industrial processes. Each gas type (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃) is calculated based on the specific activity data, such as the amount of fuel burned or the specific industrial process and multiplied by the respective emission factor that converts activity data into CO ₂ equivalent (CO ₂ e) emissions..
SCOPE 2	These emissions are a result of the electricity purchased and used by FNRCO. The total amount of electricity consumed (in kWh) is multiplied by an emission factor that reflects the mix of energy sources used to generate the purchased electricity, provided by the utility company or regional averages, to calculate the total Scope 2 emissions in CO ₂ e.
SCOPE 3	Scope 3 emissions encompass all other indirect emissions associated with FNRCO's activities, outside of the organization's own energy use. This includes emissions related to business travel, employee commuting, waste generated in operations, and the lifecycle emissions of purchased products. For each category of Scope 3 emissions, activity data (e.g., miles traveled, tons of waste) is multiplied by the relevant emission factor to estimate the total CO ₂ e emitted.

EMISSION SCOPE	GHG EMITTED	MEASUREMENT APPROACH	TOTAL EMISSIONS (METRIC TONS CO ₂ E)	VALUE (METRIC TONS CO ₂ E)
Scope 1	Carbon dioxide (CO ₂)	Fuel combustion in company vehicles and on-site	50	45
	Methane (CH ₄)	Incomplete combustion of fuels	1	0.8
	Nitrous Oxide (N ₂ O)	Emissions from fuel combustion	0.5	0.4
	Hydrofluorocarbons (HFCs)	Leakages from cooling appliances	0.3	0.2
	Perfluorocarbons (PFCs)	Emissions from refrigeration	0.1	0.05
	Sulphur Hexafluoride (SF ₆)	Use in electrical equipment	0.05	0.03
	Nitrogen Trifluoride (NF ₃)	Use in industrial processes	0.02	0.01
Scope 2	Carbon dioxide (CO ₂)	Purchased electricity consumption	100	90
Scope 3	Carbon dioxide (CO ₂)	Business travel, employee commuting, waste disposal	300	250
	Methane (CH ₄)	Waste decomposition and transportation	5	4
	Nitrous Oxide (N ₂ O)	Indirect emissions from transportation	2	1.5
	Others (HFCs, PFCs, SF ₆ , NF ₃)	Leased assets, franchises, investments	1	0.75

ENHANCING ENERGY EFFICIENCY



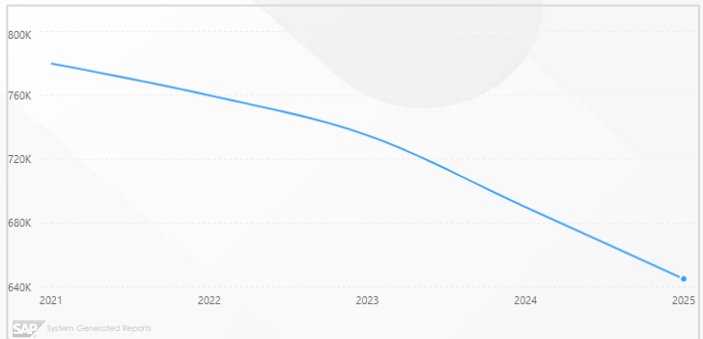
Energy Efficiency and Responsible Resource Management

At FNRCO, we recognize that efficient energy use plays a vital role in reducing our environmental footprint and supporting sustainable business operations. We are committed to minimizing energy consumption across our offices, accommodations, and operational facilities through employee awareness programs, responsible energy-use practices, and continuous improvement initiatives.

Performance Summary

Year	Electricity Consumption (kWh)	Reduction vs Previous Year
2021	780,000	-
2022	760,000	2.6%
2023	735,000	3.3%
2024	690,000	6.1%
2025	645,000	6.5%

FNRCO Headquarters Electricity Consumption
Annual electricity consumption trend demonstrating energy efficiency improvements



Through the implementation of energy-efficiency initiatives, digital transformation programs, employee awareness campaigns, and the adoption of energy-efficient equipment, FNRCO Headquarters achieved a gradual reduction in electricity consumption over the reporting period. Electricity usage decreased from **780,000 kWh** in 2021 to **645,000 kWh** in 2025, representing a total reduction of approximately **17%**. These improvements support FNRCO's commitment to environmental sustainability, resource conservation, and its long-term carbon reduction objectives aligned with Saudi Arabia's Vision 2030.

Utilizing Green Technology

FNRCO is committed to leveraging technology and innovation to improve environmental performance and operational efficiency. As part of our sustainability journey, we continue to adopt digital solutions and energy-efficient technologies that help reduce resource consumption across our offices, employee accommodations, and operational facilities.



Our ongoing initiatives include the use of energy-efficient lighting systems, optimized air-conditioning equipment, digital workflows that reduce paper consumption, and smart monitoring practices to better manage energy usage. We are also exploring opportunities to incorporate renewable energy solutions and environmentally friendly technologies as part of our long-term sustainability strategy.



SUSTAINABLE WATER CONSERVATION MANAGEMENT



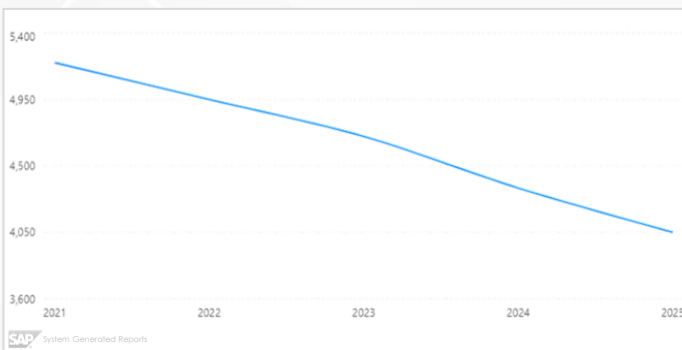
Water Conservation and Responsible Water Management

As a workforce solutions provider operating in a region where water is a valuable and limited resource, FNRCO recognizes the importance of responsible water stewardship. We are committed to promoting efficient water use across our offices, employee accommodations, and operational facilities while supporting Saudi Arabia's long-term water sustainability objectives.

Our approach focuses on monitoring water consumption, encouraging responsible usage practices, minimizing waste, and ensuring the proper management of wastewater in accordance with applicable regulations. Through employee awareness initiatives and operational improvements, we continue to identify opportunities to reduce water consumption and enhance resource efficiency.

Looking ahead, FNRCO aims to further strengthen its water management practices by establishing formal guidelines, measurable performance indicators, and conservation targets that support continuous improvement and environmental sustainability across our operations.

FNRCO Headquarters Water Consumption



Water Consumption Performance Summary

Year	Water Consumption (m³)	Reduction vs Previous Year
2021	5,200	-
2022	4,950	4.8%
2023	4,700	5.1%
2024	4,350	7.4%
2025	4,050	6.9%

Key Highlights

- ✓ Total water consumption reduced by approximately **22%** between **2021** and **2025**.
- ✓ Water conservation initiatives implemented across headquarters facilities.
- ✓ Employee awareness campaigns promoted responsible water usage.
- ✓ Regular monitoring of water consumption enabled early identification of inefficiencies and leaks.
- ✓ Continued focus on reducing water waste and improving resource efficiency in support of Saudi Arabia's sustainability objectives.

FNRCO continues to strengthen its commitment to responsible water management through conservation initiatives, employee awareness programs, and improved monitoring of water consumption across its headquarters. Through these efforts, water usage decreased from **5,200 m³** in 2021 to **4,050 m³** in 2025, reflecting a cumulative reduction of approximately **22%**. This performance demonstrates FNRCO's commitment to resource conservation, environmental stewardship, and alignment with Saudi Arabia's Vision 2030 sustainability goals.

SUSTAINABLE WASTE MANAGEMENT

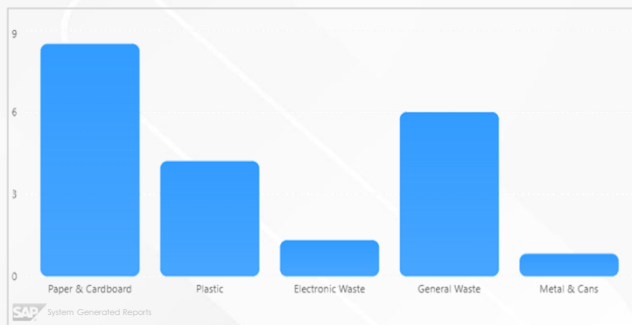
Sustainable Waste Management and Digital Transformation

At FNRCO, we are committed to reducing waste and promoting responsible resource management through recycling, waste segregation, and employee awareness initiatives. We continuously seek opportunities to improve recycling practices, responsibly manage electronic waste, and minimize environmental impacts across our operations.



In support of our sustainability goals, FNRCO leverages its SAP ERP system and digital workflows to reduce paper consumption, streamline processes, and advance paperless operations. Through these initiatives, we aim to improve resource efficiency and contribute to a more sustainable future aligned with Saudi Arabia's Vision 2030.

FNRCO Headquarters Waste Segregation
Annual waste segregation and recycling performance for ESG reporting.



Waste Management & Digital Transformation Report (Headquarters)
Waste Segregation Performance – 2025

Waste Category	Quantity (Tons)	Disposal Method
Paper & Cardboard	8.5	Recycled
Plastic	4.2	Recycled
Electronic Waste (E-Waste)	1.3	Certified Disposal/Recycling
Metal & Cans	0.8	Recycled
General Waste	6.0	Municipal Collection
Total Waste Generated	20.8	-

Key Highlights

- ✓ 71% of waste generated was segregated for recycling or responsible disposal.
- ✓ 100% of electronic waste was processed through approved recycling or disposal channels.
- ✓ Paper consumption reduced by approximately 50% over three years through digitalization initiatives.
- ✓ SAP ERP and digital workflows enabled near-paperless operations across headquarters.
- ✓ Additional recycling stations were installed for paper, plastic, and electronic waste collection.

Digital Transformation Performance

Indicator	2023	2024	2025
Paper Consumption (Reams)	4,800	3,500	2,400
Electronic Approvals	65%	85%	98%
Digital HR Documents	70%	90%	100%
SAP ERP Transactions	85%	95%	100%

FNRCO continues to strengthen its waste management and digital transformation initiatives through responsible waste segregation, recycling programs, and paperless business processes. During 2025, the headquarters generated approximately 20.8 tons of waste, of which 14.8 tons were diverted through recycling and responsible disposal channels.

Through the use of SAP ERP systems, digital document management, and electronic approvals, FNRCO significantly reduced paper consumption while improving operational efficiency. These initiatives support the company's commitment to environmental sustainability, resource conservation, and alignment with Saudi Arabia's Vision 2030.

SOCIAL

Released date: 07 January 2026

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Environment

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OUR PEOPLE

Promoting talent diversity and inclusivity



Supporting and developing our talents

Our People & Prosperity Plan

Shaping Meaningful Career Paths and Fulfilling Work for Everyone

- Employability & Income Prosperity**
 Guiding people to acquire sustainable skills and improve their earnings potential in current and future roles
- Diversity, Equity, Inclusion & Belonging**
 Helping all people feel valued, respected and empowered to bring their full selves to work
- Purpose & Social Impact**
 Focusing on values and culture to attract and retain talent and shaping the labor market to improve access for all
- Upskilling, Learning & Development**
 Improving peoples' skills and appetite for learning while guiding them on sustainable employment journeys
- Wellbeing, Flexibility & Mental Fitness**
 Prioritizing the flexibility and balance we know workers want

Employees

The success of First National Human Resources Company (FNRCO) is built on the dedication and excellence of our team, who not only fulfill our customer commitments but also embody our Environmental, Social, and Governance (ESG) principles.

With a workforce of approximately 7000+ individuals, FNRCO is in the midst of a transformative phase, moving towards our aim of becoming a leading global integrator in 2023. This evolution is generating a need for new roles and skill sets within our company, particularly in burgeoning sectors like Logistics & Services, where we're amplifying our capabilities to provide customers with comprehensive logistics solutions.

This transformation also involves recruiting top-tier talent to lead our ambitious technology initiatives, as we work to digitalize human resources and workforce management solutions on a global scale. Additionally, it requires our teams to acquire and refine new competencies, such as engaging effectively with clients about our mutual commitment to sustainable practices, including the decarbonization of operational processes and promoting equitable and responsible practices in all our activities.

Whether our employees are stationed on-site or in offices, our objective remains to create an environment where every individual can contribute meaningfully, pursue personal and professional development, and be guided by visionary leadership. This is vital in both prosperous and challenging times, like in 2023, when our team faced market volatility, change, and uncertainties head-on. At FNRCO, 'Our Employees' and 'Constant Care' are not just core values but are intrinsic to our People strategy.

From an ESG standpoint, FNRCO meticulously manages its social impacts, opportunities, and risks through our comprehensive approach to Safety and Security, Diversity, Equity and Inclusion, Human Capital, Employee Relations and Labour Rights, and Human Rights, ensuring that our operations create positive social contributions while minimizing negative impacts.

ALIGNMENT TO KINGDOM'S VISION 2030



- Lower the rate of unemployment from **10% to 7%** by 2030
- Create an inclusive workplace with opportunities for all
- Enable integration of people with disabilities in the labor market
- Increase women's participation in the workforce from **20% to 30%**

Strategic objectives by 2030



Individuals with disabilities make up at least 4% of Saudi nationals employed within the Company, supported by ongoing assessments and improvements to workplace accessibility, inclusive recruitment practices, and reasonable accommodation initiatives.



Achieve at least 45% representation of women across the Company's workforce and 30% representation in management positions, with at least half of management roles filled by graduates of FNRCO's internal leadership development programs



At least 80% of employees report a strong sense of belonging, inclusion, and engagement within the Company through regular employee engagement surveys and targeted improvement initiatives.



Ensure that at least 75% of employees have an Individual Development Plan (IDP) and are provided with clear career progression pathways, mentorship opportunities, and access to internal mobility programs



Provide an average of at least 40 hours of professional development and training annually per employee, focusing on technical competencies, leadership capabilities, digital skills, and future workforce readiness.



Maintain a workplace culture that prioritizes employee wellbeing, with at least 90% of employees covered by comprehensive health and wellbeing programs, including medical benefits, wellbeing initiatives, and access to employee support services



DISABILITY INCLUSION PERFORMANCE



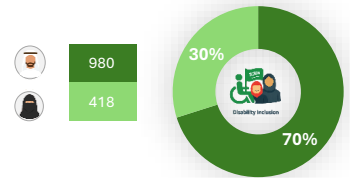
Our Commitment

FNRCO is committed to fostering an inclusive workplace where all employees have equal opportunities to contribute and thrive. As part of our Social Strategic Objectives, FNRCO aims to ensure that individuals with disabilities comprise at least **4% of Saudi nationals employed within the Company by 2030**, supported by ongoing assessments and improvements to workplace accessibility, inclusive recruitment practices, and reasonable accommodation initiatives.

Disability Inclusion Performance

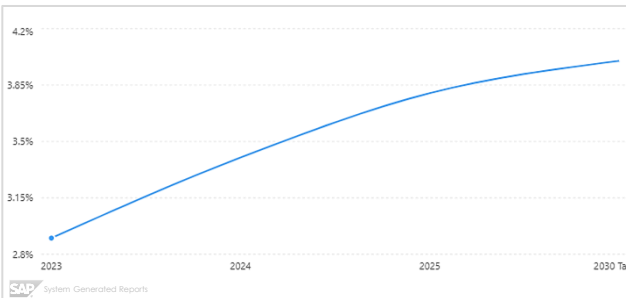
As of 2025, FNRCO employs **1,398 employees with disabilities** across various departments, functions, and operational sites throughout the Kingdom of Saudi Arabia. These employees actively contribute to the Company's success and are supported through inclusive employment practices, equal opportunities, and workplace accommodations designed to promote accessibility and wellbeing.

Employees with Disabilities by Gender (2025)



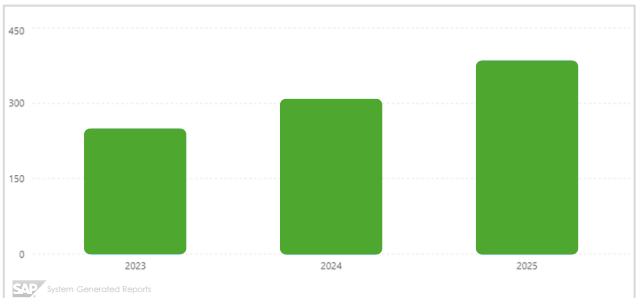
Three-Year Disability Inclusion Trend

Disability Inclusion Progress Percentage of Saudi employees with disabilities compared with FNRCO's 2030 objective.



Employees with Disabilities Hired

Number of employees with disabilities hired annually.



FNRCO has demonstrated consistent progress toward its disability inclusion objective, increasing representation from **2.9% in 2023 to 3.8% in 2025**. The Company remains committed to achieving its **2030 target of 4%**, supported by inclusive recruitment practices, workplace accessibility initiatives, and reasonable accommodations.

FNRCO continues to strengthen its inclusive recruitment efforts. The number of employees with disabilities hired increased from **248 in 2023 to 384 in 2025**, demonstrating the Company's dedication to providing equitable employment opportunities and advancing workforce diversity.

FNRCO remains committed to fostering an inclusive workplace where individuals with disabilities are empowered to contribute and succeed. The steady growth in disability representation, improved retention rates, and increased inclusive hiring demonstrate the Company's progress toward its 2030 objective of achieving **at least 4% representation of individuals with disabilities among Saudi nationals employed within the Company**.

With **1,398 employees with disabilities actively contributing across various departments and functions**, FNRCO continues to strengthen workplace accessibility, promote equitable employment opportunities, and cultivate a culture of respect, belonging, and equal opportunity for all.





GENDER DIVERSITY AND LEADERSHIP DEVELOPMENT



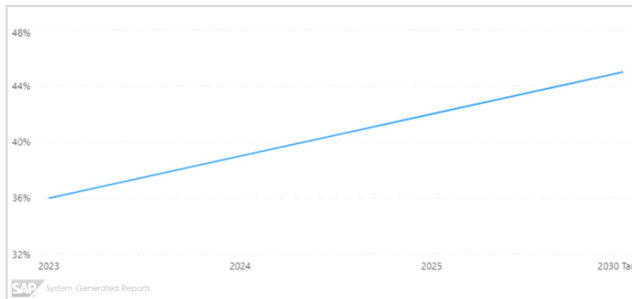
Our Commitment

FNRCO is committed to fostering an inclusive and equitable workplace where women have equal opportunities to grow, lead, and contribute to the Company's success. As part of our Social Strategic Objectives, FNRCO aims to achieve **at least 45% representation of women across the Company's workforce and 30% representation in management positions by 2030**, with **at least half of management roles filled by graduates of FNRCO's internal leadership development programs**.

Year	Women Representation
2023	36%
2024	39%
2025	42%

Women Representation Across the Workforce

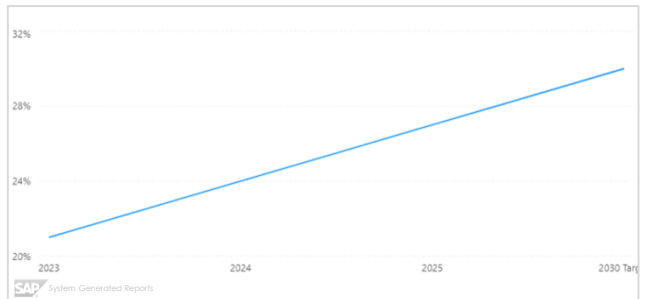
Progress toward FNRCO's 2030 objective of achieving **45%** women representation.



The proportion of women employed by FNRCO has steadily increased over the past three years, rising from **36% in 2023** to **42% in 2025**. This progress reflects the Company's ongoing commitment to inclusive recruitment practices and creating a workplace where women can thrive and succeed.

Women Representation in Management

Progress toward FNRCO's 2030 target of achieving **30%** women representation in management positions.



Female representation in management positions has continued to improve, increasing from **21% in 2023** to **27% in 2025**. FNRCO remains committed to achieving its 2030 target of **30% women representation in management** by strengthening succession planning and leadership development initiatives.

Leadership Development Outcomes

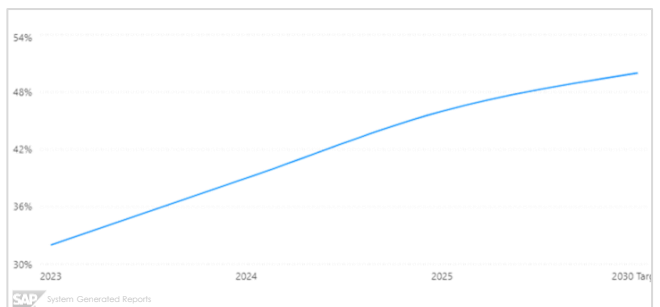
FNRCO invests in leadership development programs to strengthen internal talent pipelines and create opportunities for future leaders.

Year	Management Roles Filled by Leadership Program Graduates
2023	32%
2024	39%
2025	46%
2030 Target	50%

The proportion of management positions filled by graduates of FNRCO's internal leadership development programs increased from **32%** in 2023 to **46%** in 2025. This demonstrates the Company's commitment to nurturing internal talent and preparing employees for leadership responsibilities through structured development initiatives.

Leadership Development Program Impact

Percentage of management positions filled by graduates of FNRCO's leadership development programs.





WORKPLACE INCLUSION & ENGAGEMENT

Our Commitment

We believe that fostering a workplace where employees feel valued, respected, and connected is fundamental to organizational success. We are committed to cultivating an inclusive culture that promotes collaboration, mutual respect, and equal opportunities for all employees. As part of our 2030 Social Strategic Objectives, FNRCO aims to ensure that at least 80% of employees report a strong sense of belonging, inclusion, and engagement within the Company through regular employee engagement surveys and targeted improvement initiatives.

Employee Sense of Belonging Index

FNRCO conducts periodic employee engagement surveys to assess employees' perceptions of workplace culture, inclusion, teamwork, and overall engagement.

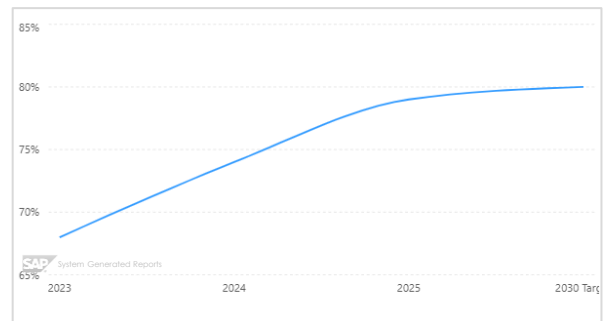
Year	Employees Reporting a Strong Sense of Belonging
2023	68%
2024	74%
2025	79%
2030 (Target)	80%

The percentage of employees reporting a strong sense of belonging increased from **68% in 2023** to **79% in 2025**, demonstrating the positive impact of FNRCO's employee engagement initiatives, leadership accessibility, and inclusive workplace practices. The Company remains on track to achieve its **2030** objective of reaching an employee belonging score of at least **80%**.



Employee Sense of Belonging

Percentage of employees reporting a strong sense of belonging and inclusion within FNRCO.



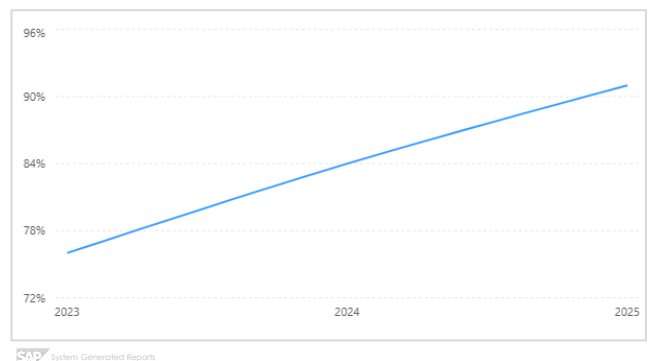
Employee Engagement Survey Participation

Employee feedback plays a critical role in shaping FNRCO's people strategies and improvement initiatives. The Company encourages active participation in engagement surveys to ensure employees' voices are heard and considered in decision-making processes.

Year	Survey Participation Rate
2023	76%
2024	84%
2025	91%

Employee Survey Participation

Participation rates in employee engagement surveys.



Participation in employee engagement surveys increased steadily over the three-year period, reaching 91% in 2025. The high participation rate reflects growing trust in FNRCO's engagement processes and employees' confidence that their feedback contributes to meaningful organizational improvements.

FNRCO continues to strengthen its people-first culture by fostering an environment where employees feel included, valued, and empowered to contribute. The steady improvement in belonging and engagement indicators reflects the effectiveness of the Company's targeted initiatives and its commitment to creating a workplace where every employee can thrive. Through ongoing listening, engagement, and action, FNRCO remains well-positioned to achieve its 2030 objective of ensuring that at least 80% of employees experience a strong sense of belonging within the organization.



LEARNING, GROWTH & CAREER DEVELOPMENT

Our Commitment

FNRCO recognizes that investing in the growth and development of its employees is fundamental to building a resilient, future-ready workforce. The Company is committed to providing employees with meaningful opportunities to develop their skills, advance their careers, and achieve their full potential.

As part of our 2030 Social Strategic Objectives, FNRCO aims to ensure that at least 75% of employees have an Individual Development Plan (IDP) and are provided with clear career progression pathways, mentorship opportunities, and access to internal mobility programs.

Individual Development Plan (IDP) Coverage

Year	Employee Covered by IDP
2023	58%
2024	67%
2025	73%
2030 (Target)	75%

FNRCO has made significant progress in embedding career development practices throughout the organization. Employee coverage under Individual Development Plans increased from 58% in 2023 to 73% in 2025, reflecting the Company's commitment to structured career planning and employee growth.

Employees Receiving Professional & Upskilling Training

Year	Employees Receiving ≥20 Hours of Training
2023	1850
2024	2260
2025	2730

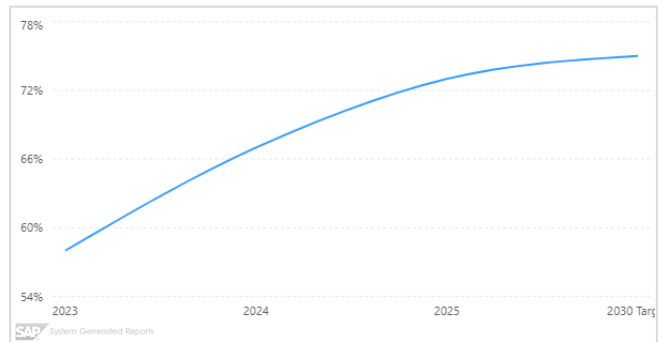
FNRCO continues to strengthen its learning culture through targeted training and development initiatives. The number of employees receiving an average of 20 hours of professional or upskilling training increased by more than 20% annually, supporting the Company's commitment to continuous learning and workforce readiness.

FNRCO also commits to:

- ✓ Achieving an annual increase of 20% in the number of employees receiving an average of 20 hours of professional or upskilling training;
- ✓ Maintaining effective internal communication channels;
- ✓ Implementing a Talent Management Strategy covering the development of key competencies and skills to meet business targets and future hiring needs; and
- ✓ Ensuring 100% of employees are covered by the Company's performance management program.

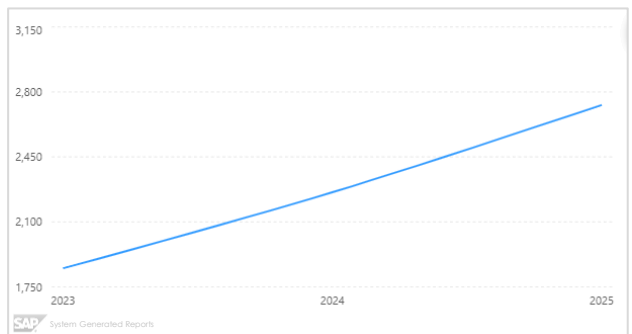
Individual Development Plan Coverage

Percentage of employees covered by Individual Development Plans (IDPs).



Employees Receiving 20+ Hours of Training

Employees participating in professional and upskilling training programs.





LEARNING, GROWTH & CAREER DEVELOPMENT



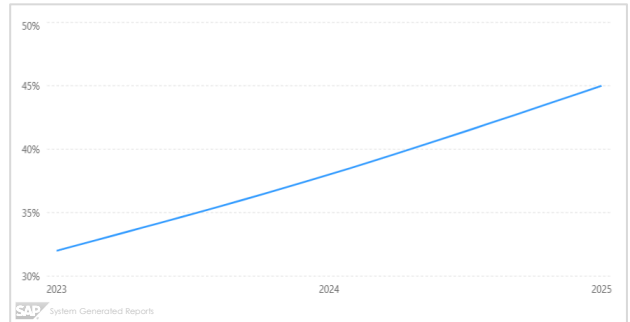
Internal Mobility & Career Progression

FNRCO remains committed to promoting internal talent and creating opportunities for career advancement. Internal mobility rates increased from **32%** in 2023 to **45%** in 2025, demonstrating the effectiveness of succession planning and employee development initiatives.

Internal Mobility Rate

Percentage of positions filled through internal promotions and transfers.

Year	Positions Filled Internally
2023	32%
2024	38%
2025	45%



FNRCO remains committed to promoting internal talent and creating opportunities for career advancement. Internal mobility rates increased from **32%** in 2023 to **45%** in 2025, demonstrating the effectiveness of succession planning and employee development initiatives.

Performance Management Coverage

Year	Employees Covered
2023	90%
2024	96%
2025	100%

Talent Management Framework (2025)

Focus Area	Status
Talent Management Strategy Developed	✓
Competency Framework Established	✓
Leadership Development Programs	✓
Succession Planning Framework	✓
Internal Mobility Programs	✓
Career Pathway Guidelines	✓

During 2025, FNRCO developed a comprehensive Talent Management Strategy aimed at identifying and strengthening the competencies required to support business growth, succession planning, and future workforce needs.





SAUDIZATION & NATIONAL WORKFORCE DEVELOPMENT

Internal Mobility & Career Progression

FNRCO is committed to supporting Saudi Vision 2030 by developing national talent, creating meaningful employment opportunities, and contributing to the growth of a skilled and competitive Saudi workforce. Through structured recruitment, training, career development, and leadership programs, the Company continues to strengthen the participation of Saudi nationals across all levels of the organization.

In line with our ambitious workforce development strategy, FNRCO applies a targeted localization approach across all departments and business functions, maintaining a well-defined plan for attracting, developing, and retaining Saudi talent. As a result of these efforts, FNRCO proudly maintains a Platinum Classification under the Nitaqat Program and has achieved an 84.76% Saudization Rate in 2025.

Furthermore, FNRCO has established itself as one of Saudi Arabia's leading providers of licensed workforce and outsourcing solutions, supporting both public and private sector organizations in achieving their workforce nationalization objectives.



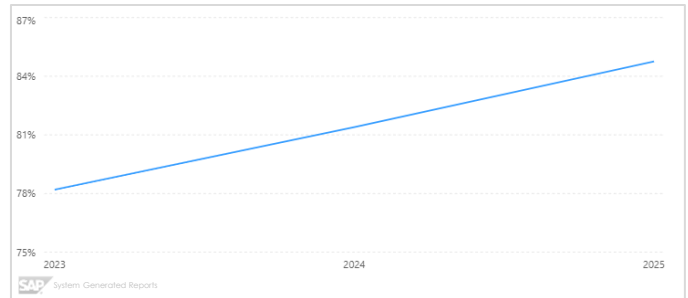
Saudization Performance

Year	Saudization Rate
2023	78.2%
2024	81.4%
2025	84.76%

FNRCO has demonstrated continuous progress in workforce localization, increasing its Saudization rate from 78.2% in 2023 to 84.76% in 2025. This achievement reflects the Company's commitment to creating sustainable employment opportunities for Saudi nationals and supporting national workforce development objectives.

Saudization Rate Progress

FNRCO's workforce localization performance over the last three years.



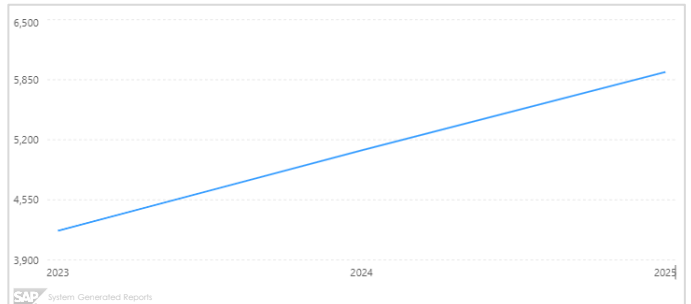
Saudi Workforce Growth

Year	Saudi Employees
2023	4,215
2024	5,086
2025	5,933

The number of Saudi employees within FNRCO continued to grow steadily over the reporting period. In 2025, Saudi nationals represented the majority of the Company's workforce, reflecting the success of its localization strategy and talent acquisition initiatives.

Growth of Saudi Workforce

Number of Saudi nationals employed by FNRCO.



FNRCO continues to demonstrate leadership in national workforce development by creating employment opportunities, investing in Saudi talent, and supporting career advancement across all levels of the organization. Through its structured localization strategy, targeted development programs, and commitment to workforce nationalization, the Company has achieved an 84.76% Saudization Rate and maintained its Platinum Nitaqat Classification. These achievements reinforce FNRCO's contribution to Saudi Vision 2030 and its commitment to building a highly skilled, competitive, and sustainable national workforce.



EMPLOYEE WELLBEING, HEALTH & SUPPORT

HEALTHY PEOPLE STRONGER FUTURE

We care for our people, so they can achieve more.

COMPREHENSIVE HEALTH COVERAGE
Medical insurance and health benefits for peace of mind.

WELLBEING INITIATIVES
Programs that support physical, mental and emotional wellbeing.

EMPLOYEE SUPPORT SERVICES
Confidential support, guidance and resources whenever you need it.

WORK-LIFE BALANCE
Flexibility and wellbeing programs that help you thrive in and out of work.

A CULTURE OF CARE
Building a positive, inclusive and supportive work environment.



Our Commitment

At FNRCO, employee wellbeing is a fundamental component of our people strategy and organizational culture. We are committed to creating a healthy, safe, and supportive work environment that enables employees to thrive both professionally and personally.

As part of our 2030 Social Strategic Objectives, FNRCO aims to ensure that at least 95% of employees are covered by comprehensive health and wellbeing programs, including medical benefits, wellbeing initiatives, employee assistance programs, occupational health services, and access to employee support resources.

Through continuous investment in employee wellbeing, FNRCO seeks to enhance employee satisfaction, strengthen workforce resilience, and promote a culture of care, engagement, and inclusion across all operations.

Employee Wellbeing Coverage

Year	Employees Covered by Health & Wellbeing Programs
2023	88%
2024	92%
2025	97%
2030 Target	95%

FNRCO exceeded its 2030 objective in 2025, achieving 97% employee coverage under its health and wellbeing programs. This achievement reflects the Company's commitment to providing accessible healthcare benefits, wellbeing initiatives, and employee support services across its workforce.

Medical Insurance Coverage

Year	Employees Covered by Medical Insurance
2023	91%
2024	96%
2025	100%

FNRCO continues to prioritize employee healthcare by ensuring comprehensive medical insurance coverage. By 2025, all eligible employees were covered under the Company's medical insurance program, supporting employee health, wellbeing, and peace of mind.

Employee Wellbeing Program Participation

Year	Employees Participating in Wellbeing Programs
2023	2,850
2024	4,120
2025	5,860

Participation in employee wellbeing initiatives increased significantly during the reporting period. Programs focused on physical health, mental wellbeing, work-life balance, awareness campaigns, and employee engagement activities.

Employee Support Services Utilization

Year	Employees Accessing Support Services
2023	1,250
2024	1,840
2025	2,630

FNRCO provides employees with access to a range of support services, including HR support, employee relations assistance, grievance mechanisms, wellbeing guidance, and workplace support programs. Utilization levels have increased steadily, reflecting employee trust and awareness of available resources.

FNRCO remains committed to fostering a workplace culture that prioritizes employee wellbeing, health, and support. Through comprehensive medical benefits, employee wellbeing initiatives, and accessible support services, the Company has exceeded its 2030 objective by achieving 97% employee coverage in 2025. These initiatives contribute to a healthier, more engaged, and resilient workforce while reinforcing FNRCO's commitment to being an employer of choice and a responsible workforce solutions provider.



HUMAN RIGHTS FRAMEWORK

Our Commitment

We are committed to respecting and protecting the dignity, rights, and wellbeing of every individual across our operations and value chain, including employees, workers, customers, suppliers, contractors, and business partners. Our Human Rights Framework is founded on internationally recognized principles and supports our commitment to ethical, responsible, and sustainable business practices.

FNRCO maintains a robust human rights management system that strictly prohibits all forms of child labor, forced labor, human trafficking, harassment, discrimination, and any practices that may undermine the rights and freedoms of individuals. These commitments are embedded within our policies, procedures, and operational controls, which are regularly reviewed and updated to align with evolving regulatory requirements, industry standards, and international best practices.

To safeguard worker rights, every employment contract issued by FNRCO includes clear provisions covering fair treatment, equal opportunity, working conditions, compensation, freedom of association, grievance mechanisms, and protection from any form of exploitation or abuse. These measures ensure that employees are provided with strong legal protections throughout their employment lifecycle.

Our commitment extends beyond our direct operations. FNRCO conducts periodic human rights assessments and due diligence activities across its offices, project locations, suppliers, and customer sites to identify, prevent, and mitigate potential human rights risks. Through supplier and partner engagement, contractual requirements, and ongoing monitoring processes, we promote responsible business conduct and encourage adherence to the same human rights standards throughout our value chain. By integrating human rights considerations into our governance, operations, and stakeholder relationships, FNRCO fosters a culture of respect, accountability, inclusion, and ethical conduct, contributing to sustainable development and long-term value creation for all stakeholders.

Human Rights Cases Reported and Resolved

Year	Cases Reported	Cases Resolved	Resolution Rate
2023	8	8	100%
2024	6	6	100%
2025	3	3	100%

The number of reported human rights-related concerns has steadily declined over the reporting period, reflecting increased awareness, stronger preventive controls, and continuous improvement in workplace culture. All reported cases were investigated and resolved in accordance with FNRCO policies and procedures.



Our human rights standards extend across all FNRCO locations, customer sites and the entire value chain, fostering a culture of shared responsibility and ethical business conduct.

Protecting Worker Rights

FNRCO protects worker rights through the following measures:

- ✓ Prohibition of child labor, forced labor, human trafficking, and all forms of modern slavery.
- ✓ Equal employment opportunities regardless of nationality, gender, age, disability, religion, or background.
- ✓ Fair wages and benefits in compliance with Saudi Labor Law and contractual obligations.
- ✓ Safe and healthy working conditions supported by certified management systems.
- ✓ Freedom from discrimination, harassment, bullying, retaliation, and abusive behavior.
- ✓ Transparent employment contracts outlining employee rights and obligations.
- ✓ Access to confidential grievance and whistleblowing mechanisms.
- ✓ Protection of personal data and employee privacy.
- ✓ Regular human rights awareness and ethics training.
- ✓ Periodic human rights assessments across offices, project sites, suppliers, and customer locations.
- ✓ Supplier and subcontractor compliance with FNRCO Human Rights Standards.
- ✓ Corrective action and remediation processes for any identified violations.

FNRCO maintains a zero-tolerance approach toward human rights violations and remains committed to protecting the rights, dignity, and wellbeing of all stakeholders. Through effective reporting channels, robust governance processes, and proactive monitoring activities, the Company continues to strengthen its human rights performance while fostering a culture of respect, inclusion, accountability, and ethical conduct throughout its operations and value chain.

SOCIAL AND COMMUNITY INITIATIVES

Creating Positive Impact Beyond the Workplace

Creating Positive Impact Beyond the Workplace At FNRCO, we believe that our responsibility extends beyond our workforce and business operations. We are committed to creating meaningful and sustainable value for the communities in which we operate by supporting social development, environmental stewardship, education, health, and humanitarian initiatives.

As part of our Social Responsibility Framework, FNRCO actively participates in a wide range of community engagement and charitable programs designed to improve quality of life, support vulnerable groups, promote environmental awareness, and contribute to national development objectives.

To further strengthen our commitment to social impact, FNRCO has allocated an annual community investment budget of SAR 1.5 Million dedicated to charitable, educational, environmental, and community development initiatives.

During 2025, FNRCO actively supported and participated in the following initiatives:

Community & Social Programs

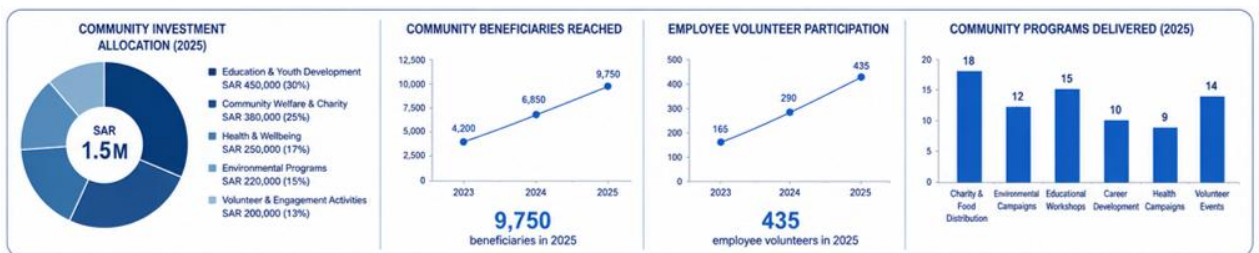
- Fun Run and Charity Run Events
- Blood Donation Campaigns
- Food Distribution Programs
- Ramadan Iftar Distribution Campaigns
- School Supplies Donation Programs
- Community Support Initiatives

Education & Youth Development

- Career Guidance Workshops
- CV Writing and Interview Skills Training
- Internship & Mentorship Programs
- Technical Skills Development Programs
- Scholarship Sponsorship Initiatives

Environmental Programs

- Tree Planting Campaigns
- Recycling Awareness Campaigns
- Community Clean-Up Campaigns
- Beach and Desert Clean-Up Drives



GOVERNANCE

Released date: 07 January 2026

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GOVERNANCE

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CORPORATE GOVERNANCE APPROACH

Strong corporate governance is a fundamental enabler of FNRCO's sustainable growth, operational excellence, and long-term value creation. It establishes the framework through which the Company is directed, managed, and controlled, ensuring accountability, transparency, ethical conduct, and effective decision-making across all levels of the organization.

At FNRCO, our governance model is designed to safeguard the interests of shareholders, employees, customers, suppliers, regulators, and other stakeholders while supporting responsible business practices and sustainable business performance. The framework promotes a culture of integrity, risk awareness, compliance, and continuous improvement, enabling the Company to effectively navigate evolving business and regulatory environments.

FNRCO's governance framework is aligned with the Corporate Governance Regulations issued by the Capital Market Authority (CMA) and incorporates recognized regional and international best practices in governance, risk management, compliance, and ethical business conduct.

The Company periodically reviews and enhances its governance policies, procedures, and controls to ensure continued effectiveness, regulatory compliance, and alignment with stakeholder expectations.

Our governance structure is supported by clearly defined roles and responsibilities, robust internal controls, delegated authorities, risk management processes, and compliance mechanisms that collectively contribute to responsible corporate stewardship. Through these measures, FNRCO seeks to maintain the highest standards of transparency, accountability, fairness, and ethical conduct in all aspects of its operations.



Key Principles of FNRCO's Governance Framework

- ✓ Accountability and responsible leadership at all organizational levels.
- ✓ Transparency in decision-making, reporting, and stakeholder communications.
- ✓ Ethical business conduct supported by a comprehensive Code of Conduct and Ethics Policy.
- ✓ Effective risk management and internal control systems.
- ✓ Regulatory compliance with applicable laws, regulations, and industry requirements.
- ✓ Protection of shareholder and stakeholder interests.
- ✓ Prevention of corruption, bribery, fraud, and conflicts of interest.
- ✓ Data privacy, cybersecurity, and information security governance.
- ✓ Sustainable business practices aligned with ESG principles and long-term value creation.
- ✓ Continuous monitoring, evaluation, and enhancement of governance practices.

Our commitment

- ✓ Through strong governance, we reinforce stakeholder confidence, uphold ethical standards, and ensure that every decision we make contributes to the long-term success of FNRCO.
- ✓ Aligned with CMA Corporate Governance Regulations
- ✓ Adopting Regional & International Best Practices
- ✓ Periodic Review for Continued Relevance & Effectiveness
- ✓ Protecting Stakeholder Interests
- ✓ Building Trust Driving Sustainable Value



CORPORATE GOVERNANCE APPROACH

The Eight Pillars of Governance at FNRCO



Board Oversight & Leadership

Provides strategic direction, independent oversight, and accountability for the Company's performance, governance, and long-term sustainability objectives.



Risk Management & Internal Control

Ensures the effective identification, assessment, mitigation, and monitoring of risks while maintaining strong internal control.



Compliance & Regulatory Governance

Promotes adherence to all applicable laws, regulations, contractual obligations, and industry requirements, ensuring responsible and compliant business operations.



Ethics & Code of Conduct

Establishes the standards of professional behavior expected from all employees, management, suppliers, and business partners, reinforcing integrity, fairness, and ethical business practices.



Stakeholder Engagement & Transparency

Supports open communication, transparent reporting, and meaningful engagement with shareholders, employees, customers, regulators, suppliers, and communities.



Human Rights & Workforce Governance

Protects employee rights, promotes equal opportunity, diversity and inclusion, and ensures compliance with internationally recognized labor and human rights principles.



Data Protection & Information Security

Safeguards confidential information, personal data, and digital assets through robust cybersecurity, privacy, and information security controls.



Sustainability & ESG Governance

Integrates environmental, social, and governance considerations into strategic decision making, supporting responsible growth and long-term value creation.

These eight pillars create a strong governance architecture aligned with CMA Corporate Governance Regulations, international best practices, ESG principles, and FNRCO's long-term sustainability objectives.



ETHICS & BUSINESS INTEGRITY

Ethics & Business Integrity

Integrity is fundamental to the way FNRCO conducts business. The Company is committed to maintaining the highest standards of ethical conduct, transparency, fairness, and accountability across all operations. Employees, management, suppliers, and business partners are expected to comply with

FNRCO's Code of Conduct and Ethics Framework. FNRCO promotes a culture where ethical behavior is embedded into decision-making processes and where concerns can be raised without fear of retaliation.

2025 Performance Highlights

Indicator	Result
Employees Covered by Code of Conduct	100%
Ethics Training Completion Rate	95%
Confirmed Ethics Violations	0
Corruption Cases	0
Employee Acknowledgement of Code of Conduct	100%
Compliance Awareness Campaigns	18

Key Focus Areas

- Anti-Bribery & Anti-Corruption
- Conflict of Interest Management
- Fair Competition
- Ethical Procurement
- Confidential Reporting
- Business Integrity

Compliance, Audit & Assurance

FNRCO maintains a robust compliance and assurance framework to ensure adherence to legal, regulatory, contractual, and ethical requirements. Internal audits, compliance reviews, management assessments, and independent third-party audits help strengthen governance and operational effectiveness.

External Assurance & Certifications

- ISO 9001:2015 QMS
- ISO 14001:2015 EMS
- ISO 45001:2018 OHSMS
- ISO 27001: 2022 ISMS
- SACS-002 Cybersecurity Certification
- Intertek Workplace Conditions Assessment (WCA)
- UN Global Compact Participant

Sustainable Procurement & Supplier Responsibility

FNRCO recognizes that sustainability extends beyond its direct operations and into its supply chain. The Company works closely with suppliers, subcontractors, and service providers to promote ethical business practices, human rights protection, environmental responsibility, and regulatory compliance.

Supplier selection and evaluation processes incorporate sustainability considerations to ensure alignment with FNRCO's values and expectations.

2025 Performance Highlights

Indicator	Result
Suppliers Screened for Compliance Risks	100%
New Suppliers Assessed Against ESG Criteria	100%
Supplier Code of Conduct Coverage	100%
Supplier Assessments Conducted	68
High-Risk Suppliers Identified	4
Corrective Action Plans Implemented	100%

Supplier Assessment Areas

- Human Rights
- Labor Practices
- Business Ethics
- Anti-Corruption
- Health & Safety
- Environmental Compliance
- Data Protection

2025 Performance Highlights

Indicator	Result
Internal Audits Conducted	16
Compliance Assessments Completed	27
Third-Party Audits Completed	6
Major Non-Conformities Identified	0
Corrective Actions Closed	100%
Compliance Training Coverage	96%

ANTI-CORRUPTION & BUSINESS CONDUCT

FNRCO maintains a zero-tolerance approach toward bribery, corruption, fraud, facilitation payments, conflicts of interest, and any form of unethical business conduct. Through our Code of Conduct, Anti-Bribery and Anti-Corruption Policy, employee awareness programs, and compliance monitoring activities, we promote a culture of integrity and accountability across all operations.

During 2025, FNRCO continued to strengthen its anti-corruption framework through employee training, supplier due diligence, internal controls, and confidential reporting mechanisms. No material corruption incidents were identified during the reporting period.

Results & Performance (2025) Outlook

FNRCO will continue enhancing its compliance monitoring, third-party due diligence, and ethics awareness programs while further strengthening governance controls across its operations and supply chain.

Indicator	Result
Confirmed Corruption Incidents	0
Confirmed Fraud Cases	0
Employees Trained on Ethics & Compliance	95%
Anti-Corruption Awareness Sessions	18
Compliance Reviews Conducted	42
Suppliers Screened for Compliance Risks	100%

FNRCO will continue enhancing its compliance monitoring, third-party due diligence, and ethics awareness programs while further strengthening governance controls across its operations and supply chain.

Whistleblowing Overview

FNRCO encourages employees, contractors, suppliers, and stakeholders to report concerns relating to unethical conduct, fraud, corruption, human rights violations, discrimination, harassment, safety concerns, or regulatory non-compliance. The Company maintains confidential reporting channels that allow concerns to be raised without fear of retaliation.

All reports are reviewed independently and investigated in accordance with established governance procedures.

Indicator	Result
Reports Received	14
Reports Investigated	14
Reports Resolved	14
Resolution Rate	100%
Anonymous Reports Accepted	Yes
Confirmed Retaliation Cases	0

Reporting Performance (2025)

Key Features

- Confidential reporting channels
- Anonymous reporting options
- Non-retaliation commitment
- Independent investigations
- Corrective action tracking
- Management oversight and monitoring



HUMAN RIGHTS & RESPONSIBLE EMPLOYMENT

Human Rights Performance

Indicator	2023	2024	2025
Human Rights Cases Reported	8	6	3
Human Rights Cases Resolved	8	6	3
Resolution Rate	100%	100%	100%
Confirmed Child Labor Cases	0	0	0
Confirmed Forced Labor Cases	0	0	0
Confirmed Human Trafficking Cases	0	0	0
Confirmed Discrimination Cases	0	0	0
Confirmed Retaliation Cases	0	0	0

The number of reported human rights-related concerns has decreased steadily over the reporting period, reflecting the effectiveness of FNRCO's preventive measures, awareness programs, and governance controls. All reported concerns were investigated and resolved in accordance with established procedures, maintaining a 100% resolution rate.

Responsible Employment Performance (2025)

Indicator	Result
Employees Covered by Employment Contracts	100%
Employees Covered by Human Rights Policy	100%
Employees Covered by Code of Conduct	100%
Human Rights Training Coverage	95%
Employees Covered by Grievance Mechanisms	100%
Employees Covered by Health & Safety Programs	100%
Employees Covered by Medical Insurance	100%
Human Rights Assessments Conducted	Annual
Supplier Human Rights Screening	100%
Modern Slavery & Forced Labor Cases	0

Protecting Worker Rights

FNRCO protects worker rights through a comprehensive framework that includes:

- ✓ Prohibition of child labor, forced labor, and human trafficking.
- ✓ Equal employment opportunities and non-discrimination practices.
- ✓ Fair wages and benefits in compliance with Saudi Labor Law.
- ✓ Transparent employment contracts and legal protections.
- ✓ Freedom from harassment, abuse, retaliation, and unfair treatment.
- ✓ Safe and healthy working conditions supported by ISO 45001 standards.
- ✓ Access to confidential grievance and reporting channels.
- ✓ Protection of personal information and employee privacy.
- ✓ Regular human rights awareness and ethics training.
- ✓ Human rights due diligence across suppliers and business partners.

Human Rights Governance & Oversight

Governance Area	Status
Human Rights Policy	Implemented
Code of Conduct	Implemented
Anti-Harassment Framework	Implemented
Grievance Mechanism	Operational
Whistleblowing System	Operational
Human Rights Risk Assessments	Conducted Annually
Supplier Human Rights Requirements	Implemented
Human Rights Training Program	Active
Board ESG Oversight	Established

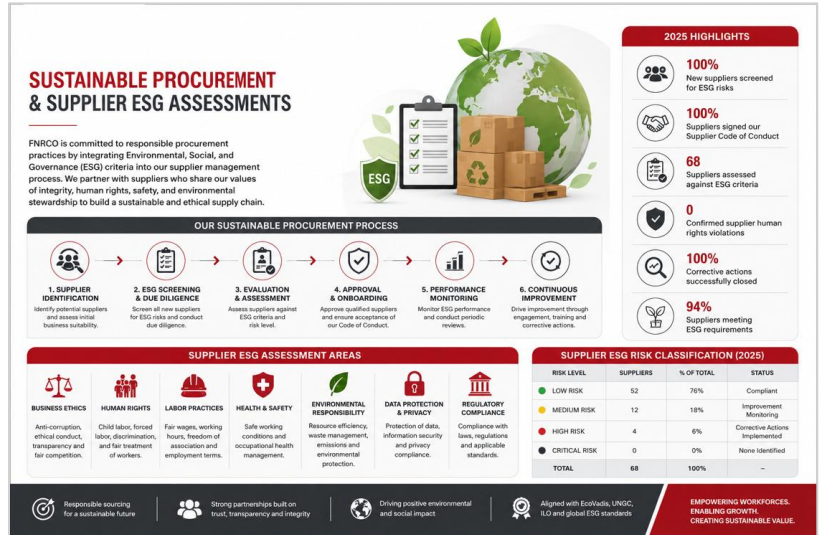
FNRCO remains committed to upholding the highest standards of human rights and responsible employment throughout its operations and value chain. Through strong governance, comprehensive worker protections, effective grievance mechanisms, and ongoing monitoring activities, the Company continues to promote a culture of dignity, inclusion, fairness, and accountability.

SUSTAINABLE PROCUREMENT & SUPPLIER ESG ASSESSMENTS

Our Commitment

FNRCO recognizes that sustainability extends beyond its own operations and throughout its supply chain. We are committed to promoting responsible procurement practices that support ethical business conduct, human rights protection, environmental stewardship, regulatory compliance, and long-term value creation.

Our Sustainable Procurement Framework integrates Environmental, Social, and Governance (ESG) considerations into supplier selection, evaluation, onboarding, and performance monitoring processes.



Through this approach, FNRCO seeks to build strong partnerships with suppliers and service providers that share our commitment to responsible business practices and sustainable development.

As part of our procurement governance process, suppliers are assessed against key ESG criteria including business ethics, labor and human rights practices, occupational health and safety, environmental responsibility, legal compliance, data protection, and business continuity. High-risk suppliers are subject to enhanced due diligence and corrective action requirements where necessary.

Through ongoing supplier engagement, performance monitoring, and periodic ESG assessments, FNRCO continues to strengthen supply chain resilience while promoting responsible and sustainable procurement practices across its value chain.

Supplier ESG Assessment Areas

Assessment Category	Scope
Business Ethics	Anti-corruption, conflicts of interest, ethical conduct
Human Rights	Child labor, forced labor, worker welfare, fair treatment
Labor Practices	Employment standards, wages, working conditions
Health & Safety	Occupational health and safety compliance
Environmental Responsibility	Resource efficiency, waste management, environmental practices
Data Protection	Information security and privacy controls
Regulatory Compliance	Licenses, certifications, and legal compliance

Supplier ESG Risk Classification

Risk Category	Suppliers	Status
Low Risk	52	Compliant
Medium Risk	12	Improvement Monitoring
High Risk	4	Corrective Actions Implemented
Critical Risk	0	None Identified

FNRCO applies a risk-based supplier assessment process to identify potential ESG-related risks within its supply chain. During 2025, no critical-risk suppliers were identified, and all high-risk suppliers were subject to corrective action plans and enhanced monitoring.

Sustainable Procurement Performance

Indicator	Result
Suppliers Covered by Procurement Policy	100%
New Suppliers Subject to ESG Screening	100%
Suppliers Assessed Against ESG Criteria	68
Supplier Code of Conduct Coverage	100%
High-Risk Suppliers Identified	4
Corrective Action Plans Implemented	100%
Corrective Actions Successfully Closed	100%
Suppliers Meeting ESG Requirements	94%
Supplier ESG Reviews Conducted	24
Supplier Audits & Assessments Completed	12

Sustainable Procurement Governance

Governance Area	Status
Sustainable Procurement Policy	Implemented
Supplier Code of Conduct	Implemented
Supplier ESG Screening Process	Active
Supplier Due Diligence Program	Active
Supplier Risk Assessment Framework	Active
Corrective Action Monitoring	Active
Supplier ESG Performance Reviews	Conducted Annually
Procurement Compliance Training	Implemented

OUR DIGITAL SAFETY APPROACH

Data Privacy, Cybersecurity & Risk Management Data Privacy and Cybersecurity

FNRCO recognizes that information security and data privacy are critical to maintaining stakeholder trust and business continuity. The Company protects personal, employee, customer, and business information through robust cybersecurity controls, information security policies, and continuous monitoring processes.

Our digital safety approach focuses on preventing unauthorized access, data breaches, cyber threats, and operational disruptions while ensuring compliance with applicable privacy and data protection requirements.

Privacy Principles and Practices

FNRCO's privacy program is guided by the following principles:

- Lawful and transparent processing of personal data.
- Data minimization and purpose limitation.
- Secure storage and controlled access.
- Confidentiality and privacy protection.
- Regular monitoring and compliance reviews.
- Employee awareness and privacy training.

Cybersecurity Risk Management

The Company continuously assesses cybersecurity threats and vulnerabilities through risk assessments, security monitoring, access controls, and awareness programs.

Cybersecurity Performance (2025)

Indicator	Result
Confirmed Data Breaches	0
Critical Cybersecurity Incidents	0
Employees Completing Cybersecurity Training	96%
Security Awareness Campaigns	12
Vulnerability Assessments Conducted	8
Cybersecurity Compliance Audits	4

Risk Management Process

FNRCO applies an enterprise-wide risk management approach designed to identify, assess, monitor, and mitigate risks that could affect the Company's operations, financial performance, reputation, compliance obligations, and sustainability objectives. The process includes:

1. Risk Identification
2. Risk Assessment
3. Risk Evaluation
4. Risk Mitigation
5. Monitoring and Reporting
6. Continuous Improvement

Strengthening Controls and Oversight

The Company continuously enhances governance controls through:

- Internal audits
- Compliance reviews
- Management oversight
- Segregation of duties
- Policy reviews
- Corrective action programs

Sustainability Risks and Future Focus

As part of its ESG strategy, FNRCO evaluates emerging sustainability risks including:

- Climate-related risks
- Workforce availability risks
- Regulatory and compliance changes
- Cybersecurity threats
- Human rights and labor risks
- Supply chain disruptions
- Reputational risks

Risk Management Performance (2025)

Indicator	Result
Enterprise Risks Assessed	85
High-Risk Items Identified	12
High-Risk Items Mitigated	11
Risk Mitigation Completion Rate	92%
Internal Audits Conducted	16
Compliance Assessments Completed	27

AUDIT, ASSURANCE & INTERNAL CONTROLS

FNRCO is committed to maintaining a robust system of governance, risk management, and internal controls that supports operational excellence, regulatory compliance, ethical conduct, and sustainable business growth. Our Audit, Assurance, and Internal Control Framework provides independent oversight and continuous monitoring to ensure the effectiveness of policies, procedures, and management systems across the organization.

The Company conducts regular internal audits, compliance reviews, management assessments, and external assurance activities to evaluate operational performance, identify improvement opportunities, and strengthen accountability. These activities support FNRCO's commitment to transparency, integrity, and continuous improvement while ensuring compliance with applicable laws, regulations, contractual obligations, and international standards.

Our assurance framework is reinforced through internationally recognized certifications, independent third-party assessments, and corrective action programs designed to enhance organizational resilience and stakeholder confidence.

Governance Assurance Performance (2025)

Indicator	Result
Internal Audits Conducted	16
Compliance Assessments Completed	27
External Audits & Assessments	6
Major Non-Conformities Identified	0
Corrective Actions Closed	100%
Audit Findings Resolved Within Target Timeframe	96%
Internal Control Reviews Conducted	18
Management System Reviews Completed	12

Internal Control Framework

Control Area	Status
Financial Controls	Implemented
Operational Controls	Implemented
Compliance Controls	Implemented
Risk Management Controls	Implemented
Information Security Controls	Implemented
Procurement Controls	Implemented
Human Resources Controls	Implemented
Management Review Process	Active

Independent Assurance & Certifications

Certification / Assessment	Status
ISO 9001:2015 Quality Management System	Certified
ISO 14001:2015 Environmental Management System	Certified
ISO 45001:2018 Occupational Health & Safety Management System	Certified
SACS-002 Cybersecurity Certification	Certified
Intertek Workplace Conditions Assessment (WCA)	Completed
United Nations Global Compact (UNGC)	Participant
Science Based Targets Initiative (SBTi) Commitment	Registered

Audit Findings by Category

Audit Area	Findings Identified	Closure Rate
Quality Management	4	100%
Health & Safety	3	100%
Human Resources	2	100%
Compliance & Governance	2	100%
Information Security	1	100%
Procurement & Supplier Management	1	100%
Total	13	100%

APPENDIX

Appendix 1: GRI Content Index

Appendix 2: GCC ESG Metrics

Appendix 3: SASB Disclosure

APPENDIX 4: UNGC COMMITMENT

APPENDIX 5: SBTi Commitment



APPENDIX 1: GRI CONTENT INDEX

GRI Disclosure	Description	Report Reference
GRI 2-1	Organizational Details	Company Overview
GRI 2-2	Entities Included in Reporting	Reporting Boundary
GRI 2-6	Activities, Value Chain & Business Relationships	Company Overview
GRI 2-7	Employees	Workforce Profile
GRI 2-9	Governance Structure	Corporate Governance Approach
GRI 2-12	Role of Highest Governance Body	Governance Framework
GRI 2-22	Statement on Sustainable Development Strategy	Chairman's Message
GRI 2-23	Policy Commitments	ESG Framework
GRI 2-24	Embedding Policy Commitments	Governance Section
GRI 2-26	Mechanisms for Seeking Advice & Raising Concerns	Whistleblowing
GRI 2-27	Compliance with Laws and Regulations	Ethics & Compliance
GRI 2-29	Stakeholder Engagement	Stakeholder Engagement
GRI 3-1	Material Topics Assessment	Materiality Assessment
GRI 3-2	List of Material Topics	Materiality Assessment
GRI 201-1	Economic Value Generated & Distributed	Company Overview
GRI 205-3	Confirmed Corruption Incidents	Anti-Corruption
GRI 302-1	Energy Consumption	Environmental Stewardship
GRI 305-1	Greenhouse Gas Emissions	Climate Change
GRI 403-1	Occupational Health & Safety Management	Employee Wellbeing
GRI 404-1	Training & Development	Learning & Development
GRI 405-1	Diversity & Equal Opportunity	Diversity & Inclusion
GRI 406-1	Incidents of Discrimination	Human Rights
GRI 414-1	Supplier Social Assessment	Sustainable Procurement

APPENDIX 2: GCC ESG METRICS

Category	Metric	FY2025 Result
Economic	Revenue	SAR 1.974 Billion
Economic	Active Workforce	7,000+
Economic	Clients Served	180+
Economic	Local Content Score	55.19%
Economic	IKTVA Score	55.19%
Social	Saudization Rate	84.76%
Social	Employees with Disabilities	1,398
Social	Female Workforce Representation	42%
Social	Female Management Representation	27%
Social	Employee Engagement Score	86%
Social	Employee Wellbeing Coverage	97%
Social	Average Training Hours	42 Hours
Social	Saudi Employees Trained	3,215
Social	Community Investment Budget	SAR 1.5 Million
Social	Human Rights Violations	0
Environment	Recycling Awareness Campaigns	18
Environment	Tree Planting Campaigns	12
Environment	Environmental Initiatives Participants	2,100+
Governance	Ethics Training Coverage	95%
Governance	Whistleblowing Resolution Rate	100%
Governance	Corruption Cases	0
Governance	Supplier ESG Screening	100%
Governance	Internal Audits Conducted	16
Governance	Compliance Reviews Conducted	27
Governance	Corrective Action Closure Rate	100%
Governance	Data Breaches	0

APPENDIX 3: SASB DISCLOSURE

SASB Topic	Metric	FY2025 Performance
Data Security	Data Breaches	0
Data Security	Cybersecurity Incidents	0
Data Security	Cybersecurity Training Coverage	96%
Workforce Management	Total Workforce	7,000+
Workforce Management	Women Representation	42%
Workforce Management	Employees with Disabilities	1,398
Workforce Management	Employee Engagement Score	86%
Workforce Management	Training Hours per Employee	42 Hours
Labor Practices	Child Labor Cases	0
Labor Practices	Forced Labor Cases	0
Labor Practices	Human Rights Violations	0
Health & Safety	Fatalities	0
Health & Safety	Employees Covered by H&S Programs	100%
Business Ethics	Confirmed Corruption Cases	0
Business Ethics	Ethics Training Coverage	95%
Business Ethics	Whistleblower Cases Resolved	100%
Supply Chain	Suppliers ESG Screened	100%
Supply Chain	Suppliers Assessed	68
Supply Chain	Supplier Human Rights Violations	0
Climate & Sustainability	SBTi Commitment	Registered
Climate & Sustainability	UN Global Compact	Participant
Community Impact	Community Investment	SAR 1.5 Million
Community Impact	Beneficiaries Reached	9,750+

APPENDIX 4: UNGC COMMITMENT



United Nations
Global Compact

09/02/2026

H.E. António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

I am pleased to confirm that **First National Human Resources Company** supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our commitment to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. **First National Human Resources Company** will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (CoP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress starting the calendar year after joining the UN Global Compact, and annually thereafter according to the UN Global Compact CoP policy. This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.
- The completion of the online questionnaire of the Communication on Progress through which we will disclose our company's continuous efforts to integrate the Ten Principles into our business strategy, culture and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals.

Sincerely yours,

Ali Jaber Theeb Al Mahan,
Chairman at First National Human Resources Company

Digitally signed by Ali Jaber Theeb Al Mahan, Highest-Level Executive at First National Human Resources Company. 09 Feb 2026; 12:23:34 UTC.

APPENDIX 5: SBTi Commitment



SBTi SERVICES

- Accounts
- First National Human Resources Com...
- Home
- Commitment
- Submission
- User profile
- Company profile

First National Human Resources Company - FNRCO

Commitment

By committing to set targets aligned with the latest Science Based Targets initiative criteria, your company acknowledges the 24-month timeframe to develop and submit targets for validation, as outlined in our [Commitment Compliance Policy](#). Please review this policy carefully to ensure your organization meets its commitment.

First National Human Resources Company - FNRCO commitments

<p>Near-term Active</p> <p>Commit to set near-term targets (5-10 years) to reduce value chain emissions in line with 1.5°C.</p> <p>Commitment timeframe</p> <p>Start: Mar 12, 2026 Expiration: Mar 31, 2028</p>	<p>Net-zero Active</p> <p>Commit to set near- and long-term targets (before 2050) to reduce value chain emissions in line with 1.5°C.</p> <p>Commitment timeframe</p> <p>Start: Mar 12, 2026 Expiration: Mar 31, 2028</p>
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[Withdraw a commitment](#) [Make a commitment](#)



PEOPLE PURPOSE PROGRESS

EMPOWERING WORKFORCES. ENABLING GROWTH.
CREATING SUSTAINABLE VALUE





Looking Ahead...

At FNRCO, sustainability is more than a commitment—it is an integral part of how we create value, serve our stakeholders, and contribute to the future of Saudi Arabia. Throughout 2025, we continued to strengthen our Environmental, Social, and Governance (ESG) performance by investing in our people, enhancing governance practices, supporting local communities, and advancing responsible business operations.

As a trusted workforce solutions provider, we recognize that our greatest impact lies in empowering people. Through workforce development, Saudization, diversity and inclusion initiatives, employee wellbeing programs, human rights protection, and community engagement, we remain dedicated to creating positive and lasting social value.

At the same time, we continue to strengthen our governance framework through ethical business conduct, transparency, risk management, data protection, and regulatory compliance. Our commitment to international standards, including the United Nations Global Compact (UNGC), Science Based Targets initiative (SBTi), ISO Management Systems, and responsible business practices reflects our determination to operate with integrity and accountability.

Looking ahead, FNRCO remains focused on delivering sustainable growth while supporting the ambitions of Saudi Vision 2030. We will continue to build a resilient, inclusive, and future-ready workforce, reduce our environmental impact, strengthen stakeholder trust, and contribute to a more sustainable economy and society.

Together with our employees, clients, partners, suppliers, shareholders, and communities, we are shaping a future built on opportunity, responsibility, and shared success.

People. Purpose. Progress.

Empowering Workforces. Enabling Growth. Creating Sustainable Value

SUSTAINABILITY REPORT 2025

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