



Sustainability & Innovation

In the Name of Allah—the Most Compassionate, Most Merciful

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The Kingdom's development strategy aims to foster a holistic and sustainable transformation, placing the individual at its core, who, when empowered by knowledge, will steer present progress and shape the future.

The Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

May Allah bless him

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Today's world is grappling with increasing challenges in the water sector including rising drought rates, which trigger a series of crises such as reduced access to clean water, accelerated desertification, and serious risks to human life and societies.

Addressing these issues calls for collaborative efforts to create strategies that secure the long-term sustainability of water resources.

His Royal Highness

Prince Mohammed bin Salman Al Saud Crown Prince and Prime Minister May Allah bless him

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### **About This Report**

### **Key Highlights of the Report**

As one of our core values, we are committed to sustainability and aim to transparently share our performance with all stakeholders. The Environment & Sustainability Sector at SWA plays a key role in embedding sustainable practices across our culture and operations, driving positive societal impact and reinforcing our leadership in the Kingdom.

### **Report Framework**

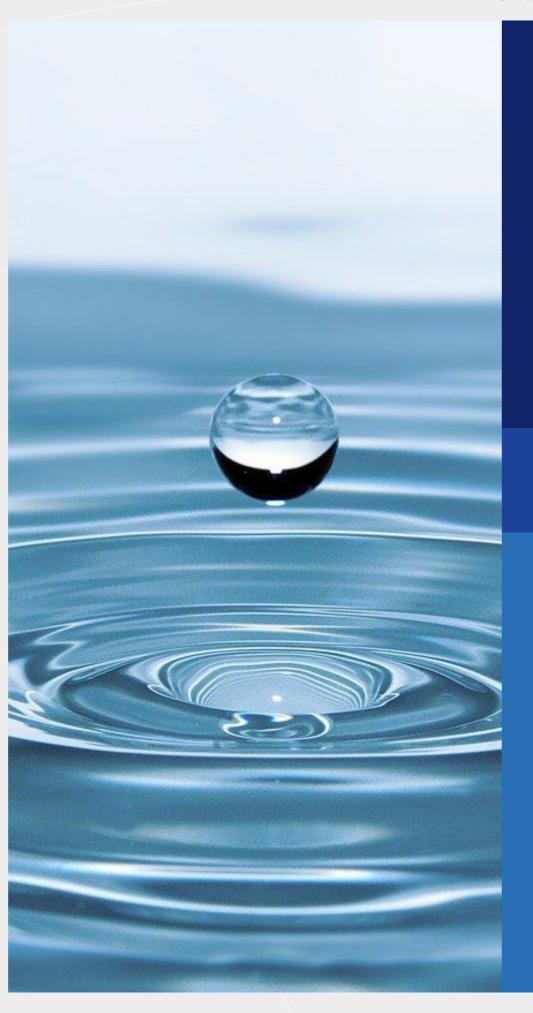
The delegation of regulatory and oversight roles to SWA has transformed the water sector, ensuring integrated governance across the value chain. Since taking on our responsibilities, we've launched strategic initiatives to boost performance across all operations, including sustainability practices. As part of such initiatives, we prepared this report in service of Saudi Vision ۲۰۳۰ and in consistency with the United Nations Sustainable Development Goals (UN SDGs). It is worth noting that our disclosure in reference with the Global Reporting Initiative (GRI) standards to enhance transparency and accountability of our performance, reported in accordance with the Core compliance option, reflects our starting point and our commitment to progressively enhancing the range and depth of disclosures in future reports.







Some sources in this report are referenced through the inclusion of electronic links (Hyperlinks) under the relevant texts to facilitate access to them.



### **Report Scope and Timeline**

This report represents our first step in sustainability reporting of our environmental, social and governance (ESG) achievements. This report also explores our strategies, excluding financial aspects.

The disclosures in this report cover the period from January 1, 2024 to December 31, 2024, where we reported all relevant information pertaining to this period in alignment with stakeholders. Despite the institutional transformation decree for the Authority being issued on May 7, 2024, this report reflects the Authority's performance over the entire year—including the period prior to the transformation—in line with our commitment to transparency and comprehensive disclosure. In addition, we plan to issue our Sustainability Report annually starting from 2024.

In this document, "SWA", "we", and "us" denote the Saudi Water Authority (SWA). 

### **Comprehensive Data and Disclosures**

We are committed to ensuring the comprehensiveness of the disclosures presented in this report by covering all topics of material relevance and including both quantitative and qualitative data related to our operations and practices. A clear organizational boundary has been defined, encompassing the relevant business units, with transparent reference to any exceptions or data gaps.

### We Appreciate your Feedback

As part of our ongoing commitment to excellence, we welcome your feedback and suggestions regarding this report via email at:

Stay informed with our sustainability efforts by following us on our social mediachannels:

- www.swa.gov.sa/ar
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### A message from His **Excellency the President**

His Excellency Eng. Abdullah bin Ibrahim Al-Abdulkarim Saudi Water Authority President



such as local content development and investment attraction. Our ongoing work includes implementing the Comprehensive Water Services Sustainability Strategy in coordination with sector partners. This strategy addresses environmental compliance, circular economy integration, and climate risk mitigation—supporting the national target of achieving net-zero emissions by 2045. These efforts embody ESG principles, combining environmental performance, social responsibility, and institutional transparency.

By integrating advanced digital and operational technologies, we have strengthened service efficiency and reinforced our leadership within the sector. One of our core priorities has been digital transformation, through which we have achieved key milestones in digitizing operations. These improvements support greater transparency, operational accountability, and continued progress toward full digital integration of water services across the Kingdom.

We extend our sincere appreciation to the Kingdom's leadership for its ongoing support of the water sector. We also thank all stakeholders and contributors whose collaboration advances our shared sustainability objectives. Together, we are shaping a resilient water future and enabling sustainable development for generations to come.





# Strategic and Governance

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### **Practices for Fostering Trust** and Accountability

At the Authority, we are committed to strengthening institutional governance by embedding the principles of transparency, accountability, and compliance as core pillars of our operational methodology. This approach aligns with the objectives of Saudi Vision 2030, the directions of the National Transformation Program, spending efficiency policies, and both local and international best practices in public sector management. The development of regulatory and oversight frameworks is a key foundation for enabling the prosperity of the water sector, enhancing its readiness for future challenges, and ensuring the sustainability of its operational efficiency.



### **Our Directions:**

01

**Embedding corporate** governance practices at all levels.

03

Supporting decisionmaking based on reliable data and clear performance indicators.

05

Advancing policies and legislation that support the sustainability of water services.

Increasing transparency through regular disclosure of performance and decisions.

02

Aligning governance practices with relevant national and international principles.

04

Developing an integrated system for risk management and forecasting.

04

Strengthening regulatory compliance through effective oversight tools.













### **SWA Overview**

The Cabinet's Decision No. (918) dated 1445/20/18 (corresponding to 7 May 2024), approving the transformation of SWCC into SWA. This transformation strengthens the Kingdom's water security by empowering SWA to regulate, manage, and develop water services, and contributes to achieving the objectives of the National Water Strategy in line with Saudi Vision 2030.

This decision represents a defining milestone in advancing water governance in the Kingdom, by establishing a unified framework to enhance regulatory oversight of water services while introducing innovative solutions aimed at protecting this vital resource Steady.

### **Our Roles**

In alignment with UN SDG 6 (Clean Water and Sanitation), we are advancing water and sanitation services, launch innovative projects in treatment, reuse, and loss reduction and implement the circular economy framework to ensure sustainability, while improving quality, and focusing on users' needs through the following:



#### **Beneficiaries Protection:**

Regulating water resources to ensure sustainable usage, while monitoring and maintaining high service quality.



### Supervising the Implementation of Strategic Directions:

Integration with national strategies, programs of localizing the water sector industry and raising the percentage of local content, programs of applying environmental, social and quality of life standards, and programs of enhancing research, innovation and international cooperation for water solutions.



### Water Sector Regulation:

Issuing licenses, permits, and guidelines related to entities functions and operational assets, defining specifications and quality standards for water and related services.



### Water Security Planning and Management:

Integrating water supply chain projects and services, maximizing benefits, fulfilling water security requirements, developing the necessary plans and programs for that, monitoring and analyzing data, and measuring the performance of services and projects.





### **Our Values**



Accountability



Sustainability



Integration



Collaboration and Innovation



### **Our Strategic Direction**



Regulation



Beneficiaries



Efficiency



Economy



Transformation

### **Our Pillars**



Regulatory oversight



Supply security and sustainable water management

Compliance and adherence



Beneficiaries' interests





Capacity building



Economic development



Digitization, innovation, and empowerment of emerging technologies.

### **Our Objectives**



Support development of policies and develop and activate regulations and procedures across the water ecosystem.



Provide integrated water management and enable sustainable supply for all consumers.



Safeguard beneficiaries' interests in the water ecosystem.



Monitor water ecosystem and ensure compliance with regulations.



Build capabilities to enhance efficiency in the water ecosystem.



Enable water sector contribution to economic development and local content.



Promote innovation, digitalization, and tech enablement within the water ecosystem.

**Training and Education Services** 



### Our **Services**

To achieve water resource sustainability, we are committed to offering services that enhance water use efficiency and ensure its sustainability for current and future generations. These include:

### **Beneficiaries Services**



#### **Escalating Complaints** Request

This platform allows all beneficiaries to escalate water and sewage complaints against service providers in case of dissatisfaction with the service.

### **Complaint Inquiry Service** Complain

This platform allows beneficiaries to inquire about the status and details of their water and sewage service complaints.

#### **Water Bill Calculator**

The Water Bill Calculator helps users estimate their water bill costs according to usage and applicable tariffs, facilitating water

expense management.

### **Citizens Violation Reports Service**

An advanced tool for assessing and monitoring water quality using scientific

methods. It provides insights into safety, risks, and environmental health

This platform allows users to efficiently submit, track, and manage Citizens Violation Reports, providing a centralized system for documenting and addressing various issues.



**Saudi Water Quality Index:** 

for informed decision-making.

### Citizens Violation Reports

This platform allows beneficiaries to inquire about the status and details of their water and sewage service Violation Reports.

### **Inquiry Service:**

### Non-Networked Water

### Services License (Tanker)

### **Business Licenses Services**



#### Production of **Desalinated** and **Purified Water license:**

Establishing and operating site-specific desalinated and purified water production stations, and the station in bulk, which produces more than 5,000 m3/day.

#### Transport of Desalinated and Purified Water license

of facilities and pipelines for transporting water from desalinated and purified water production plants to water



<u>Distribution of</u>

**Purified Water license:** 

### **Strategic Water Storage**

Establishment and operation of facilities and tanks for storing water to be used in emergency supply situations.



#### **Collecting and Transmitting of** Sewage Wastewater license

Establishment and operation of facilities, networks, pipelines, and tanks for collecting wastewater and transporting it to treatment plants or discharge points.





**Wastewater Treatment** 

Establishment and operation of location-specific wastewater treatment plants, and wholesale sale of treated water produced



#### Transport and Distribution of Treated Water license:

facilities, pipelines, networks, and tanks for transporting treated wastewater and distributing it to



**Organization Support Request** 

#### **Production of Desalinated** and Purified Water from small stations license:

Establishment and operation of desalinated and purified water production plants that produce less than 5,000 m³/day of potable



Training in a smart learning environmentandsupporting scientific research.

quests or inquiries to obtain organizational support services, which are services governed by legal standards aimed at addressing issues related to the water sector infrastructure.

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### **Our Awards and Certifications**

We aim to be a sustainable and a leading example of excellence and innovation. In this context, we proudly present a collection of awards and certifications we attained in 2024:





#### 01

Achieved a 100% compliance rate in submitting the financial statements for 2023, receiving the Diamond Award in the sustainability and excellence category within the Leaders of Merit Program, which underwent external review according to international accounting standards.



#### 02

Achieved the National Award for Voluntary Work for our efforts in implementing volunteer initiatives aligned with EDAMA, presented by the Ministry of Human Resources and Social Development.



### 03

Honored by the Expenditure and Project Efficiency Authority (EXPRO) for our active contribution to adopting global best practices in expenditure efficiency, enhancing its quality, and achieving tangible financial impact.



#### 04

Ranked 9th in the index of adopting emerging technologies by the Digital Government Authority.



#### 05

We were honored to receive third place in the Local Content Award under the category of Top-Spending Government Entities, reaffirming our leading role in supporting national enablers and contributing to the achievement of economic sustainability targets.



#### 06

Attained a 100% score in performance standards related to energy consumption reduction issued by the Saudi Center for Energy Efficiency, receiving an outstanding performance card for our efforts in adhering to performance standards and energy conservation.



#### 07

Received the Urban Landscape Improvement Program Certificate (Maqr) for government facilities in Riyadh in 2024 in category (A) awarded by Riyadh Municipality.



#### 08

Received international accreditation from Chartered Institute of Procurement & Supply (CIPS) for our excellence in procurement and supply, which reflects our commitment to responsible, effective, and valuedriven purchasing practices, and implementation of global practices in procurement and supply.



#### 09

Achieved Level 3 (out of 5) in the Portfolio, Programmed, and Project Management Maturity (P3M3) assessment, awarded by AXELOS – the **UK-based global authority** in project management standards, which aims to measure the maturity of project management methodologies, procedures, and processes, identify gaps, and propose improvement plans.



### 10

Awarded the Best Workplace Certificate for 2024 from the global organization "Great Place to Work".



### 11

Awarded two international certifications under Capability Maturity Model Integration (CMMI Level 3) from the same organization, each covering a distinct domain. The first certification focuses on software testing, emphasizing enhanced quality and efficiency, defect reduction, process improvement, and risk mitigation. The second certification



#### 12

Awarded the ISO 56002 certification for Innovation Management Systems in recognition of our commitment to international standards and in support of our vision to foster innovation across the water sector.

Introduction



### **Stakeholders Identification**

We are dedicated to strengthening relationships with all our stakeholders, recognizing their vital importance as such engagement is a core pillar of our strategy. We have worked to understand their needs and expectations while establishing transparent collaboration mechanisms. Our stakeholders include any individual or entity impacted by our operations, as follows:



Category	Stakeholders	Communication channels
Internal	Employees: All SWA departments and employees across all job levels.	<ul> <li>Periodic internal meetings.</li> <li>Workshops/ events.</li> <li>Internal systems, including email communications.</li> <li>Data collection tools and platforms.</li> </ul>
External	Water sector value chain: Entities authorized to work in water production, transmission, storage, distribution, wastewater & industrial water treatment, and reuse of recycled water for irrigation & industrial purposes.	<ul> <li>Periodic meetings.</li> <li>Workshops/ events.</li> <li>Digital systems, including email communications.</li> <li>Data collection tools and platforms.</li> </ul>
	Government entities: Entities responsible for decision-making, regulatory policy development, and compliance frameworks like ministries, national centers, etc.	<ul><li>Meetings/ committees formation.</li><li>Periodic and annual reports.</li><li>Workshops/ events.</li><li>Strategic Partnerships.</li></ul>
	Customers: Customers in industrial, commercial, and residential markets, among others.	<ul><li>Social media platforms.</li><li>Annual reports.</li><li>Related projects.</li></ul>
	Partners: Universities, research institutes, and related entities.	<ul> <li>Social media platforms.</li> <li>Scientific papers, research studies, and patents.</li> <li>Workshops, conferences, and events.</li> <li>Joint objective meetings.</li> <li>Community events</li> <li>Educational programs and awareness-raising programs.</li> </ul>
	Suppliers/ contractors: Suppliers of goods, services, construction services, etc.	<ul><li>Investment opportunities.</li><li>Related projects.</li><li>Meetings.</li><li>Workshops/ events.</li><li>Social media platforms.</li></ul>
	Investors: Local and international investment companies, etc.	<ul><li>Investment opportunities.</li><li>Projects:</li><li>Meetings.</li><li>Workshops/ events.</li><li>Social media platforms.</li></ul>
	Private sector: Other parties involved in water sustainability activities and entities operating in environmental, social, and private sectors, etc.	<ul><li> Joint objective meetings.</li><li> Workshops/ events.</li><li> Strategic partnerships.</li></ul>
	Civil society: Water service beneficiaries whose behaviors impact water conservation efforts, including current and future local community members, as well as national workforce trained for professions provided by SWA.	<ul> <li>Workshops/ events.</li> <li>Social media platforms.</li> <li>Community events.</li> <li>Educational programs and awareness-raising programs.</li> </ul>



# **Materiality Topics**

Sustainability is a key focus in our vision, supporting our strategic roadmap in alignment with national priorities and <u>UNSDGs</u>. Believing that excellence and sustainability begin with understanding stakeholder expectations and applying the best practices, we conducted a materiality assessment to prioritize ESG topics and direct our resources toward areas where we believe we can create a sustainable impact aligned with our vision and long-term goals.

The assessment approach included four steps:

### **Identifying relevant topics:**

We compiled a list of material topics in alignment with <u>GRI</u> and global sustainability frameworks through regional and international benchmarking with relevant stakeholders, reviewed the best practices related to water services and compiled an initial list of 300 topics.

### **Stakeholder engagement:**

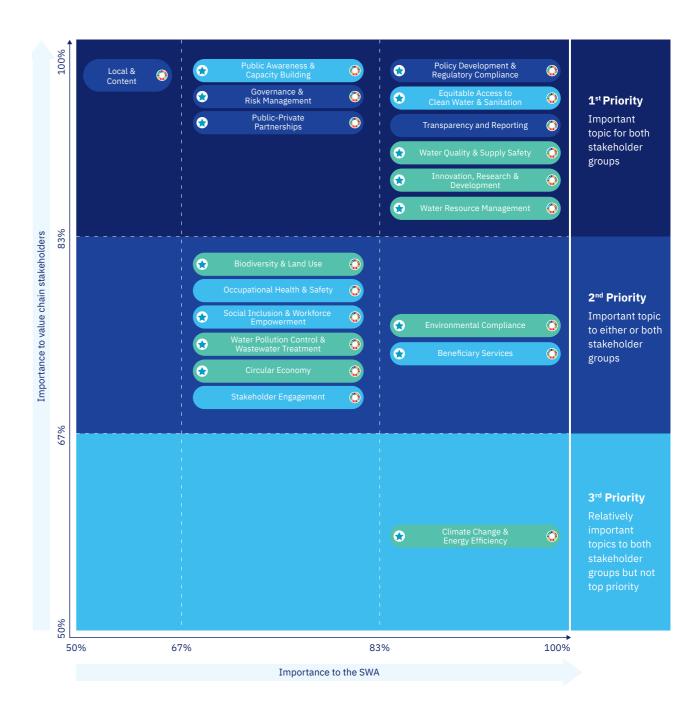
We carefully discussed these topics with key stakeholders to understand their priorities and selected 26 material topics directly relevant to our business.

#### **Prioritization:**

We used a survey to gather internal stakeholders' insights and organized a workshop with value chain stakeholders to evaluate and prioritize the topics, accordingly, we shortlisted <u>19 material topics</u>.

#### **Results approval:**

We reviewed and approved the results at the senior management level to ensure they accurately reflect our vision and stakeholder expectations.



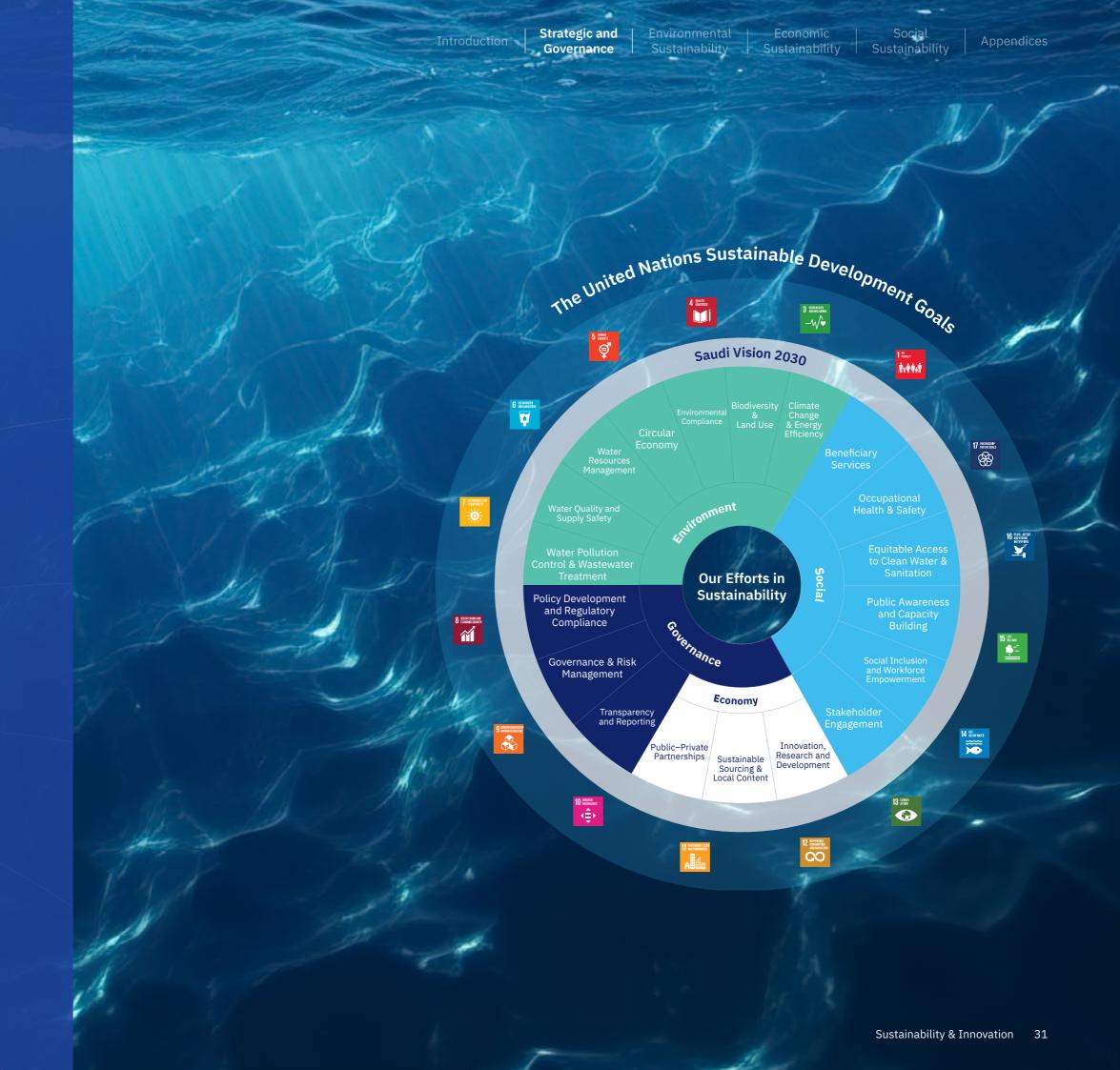




### **Disclosure of Material Topics**

Material topics have been classified according to the three ESG dimensions—Environmental, Social, and Governance—as illustrated in the accompanying figure. A standalone section has been dedicated to economic performance, while governance aspects are presented within the strategic outlook to maintain structural consistency and content alignment.

This approach does not compromise our full compliance with the Global Reporting Initiative (GRI) Standards. On the contrary, it reinforces our commitment to delivering a transparent, comprehensive report that reflects global best practices in sustainability disclosure.



### National Direction Alignment

### Saudi Vision 2030 and National Alignment

Our ambition is to enhance integration and collaboration among all stakeholders to sustain water resources and elevate service quality, aligning with Saudi Vision 2030. Through strategic partnerships, we enhance operational performance and expand sustainability initiatives, ensuring reliable, clean water for all and safeguarding future generations' rights. Our future depends on adopting cutting-edge technologies and global best practices to improve operational efficiency while reducing environmental impact. and we are fully committed to operational transparency and continuous improvement, guided by our belief in the crucial role we play in shaping a more prosperous future for current and future generations.

### National Transformation Program:

We are committed to leading the water sector's transition to sustainable and efficient systems. Through the execution of our regulatory and supervisory mandates, we drive improvements in water service delivery, supporting the National Transformation Program goals. Through developing regulatory frameworks and improving governance and compliance from the value chain in the water sector, water production capacity has been raised to +16,600,000 m³ per day. At the same time, transmission networks have expanded to span more than +14,000 km of pipelines, with a delivery capacity exceeding +19,400,00 m³ daily, enhancing water supply nationwide.



We deliver safe and sustainable water services for pilgrims during Hajj season by ensuring water quality and meeting the increased demand in the holy cities of Makkah and Madinah.

The Hajj season saw record desalination output: +5,000,000 m³/day capacity delivering + 5,000,000,000 liters, ensuring uninterrupted water supply and pilgrim welfare during rituals.



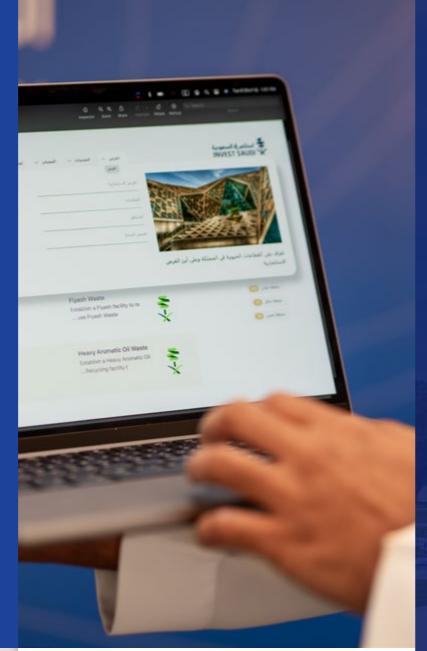


### National Direction Alignment

### National Industrial Development and Logistics Program:

We prioritize local content development as a strategic driver for sustainable growth, leveraging the water sector to enhance industrial localization and attract investments. Our platform "Invest in Saudi" facilitated 85 investment offerings and 21 major deals, advancing Saudi industrialization, with \$\mu\_2\$96,000,000,000 in contracts featuring local content requirements.

To advance industrial sustainability, we've deployed wastewater treatment systems, boosting recycled water utilization for industrial applications to ensure reliable supply for economic zones and strengthen industrial competitiveness.



### **Quality of Life Program:**

Our improvements in water and sanitation services directly support national quality-of-life targets through more dependable water provision.

Strategic and Governance

As a regulatory authority, we maintain water quality standards through rigorous environmental compliance monitoring, driving sustainable outcomes for public health, local ecosystems, and regional livability nationwide.



### **Human Capability Development Program:**

We invest in Saudi talent through specialized water sector training and globally recognized certifications, ensuring our workforce meets evolving industry demands.

In 2024, our <u>"Water Academy"</u> has trained +20,000 male and female professionals, advancing national workforce capabilities, meeting the program strategic and supporting water sector HR sustainability.

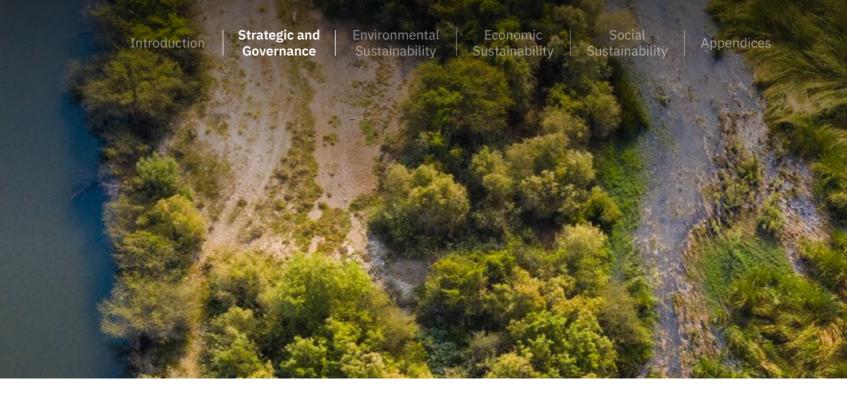




### **Sustainable Development Goals**

We are committed to <u>UNSDGs</u> through our regulatory mandate, fostering multi-stakeholder partnerships to serve the interests of both current and future generations. Recognizing the role these goals play in driving positive environmental and social impact, we have institutionalized them to enhance transparency, efficiency, and sector sustainability.

By aligning with multiple SDGs, we reflect our commitment to the National Transformation Program and Saudi Vision 2030, as well as our dedication to build a more prosperous and sustainable future.





We partnered with the <u>National Water Foundation (Saqaya)</u> to enhance water services for communities, empower non-profit organizations, and foster strategic collaboration in humanitarian and volunteer initiatives, all in support of sustainable development.



We prioritize occupational health and safety principles as a core strategic pillar of our regulatory framework and a key enabler of operational sustainability across the water sector. In 2024, we achieved zero work-related fatalities and promoted occupational health and safety awareness. This was done by ensuring compliance, developing regulatory guidelines, and enforcing policies in collaboration with water service providers.



Our academic arm <u>"Water Academy"</u>, has extensive experience and is recognized locally and internationally for delivering a wide range of programs, courses, and certifications. It builds capacity in key areas such as renewable energy, sustainability, and desalination technologies. To date, it has trained over 20,000 participants through a total of 1,540 programs.



We take pride in our female leadership and are committed to empowering women to take on impactful roles. Thus, we launched "Women Leadership Development Program" in partnership with <u>Prince Mohammed Bin Salman College for Business and Entrepreneurship</u>, attended by 20 participants to strengthen women's roles and enhance their contribution to institutional development.



We signed an agreement with the <u>National Aquaculture Group (NAQUA)</u> to supply desalinated water to Al Lith Governorate using mobile water systems developed in line with our operational and technical standards as sustainable solutions to meet water needs in remote areas. The initiative also supports the continuity of economic activities in these regions, particularly the aquaculture sector.



We reached key milestones in research, development, and innovation, reinforcing our leadership in green solutions. Our operational systems now incorporate renewable energy solutions to simultaneously boosts efficiency and lowers carbon emissions. Our gamechanging project integrates solar storage with water supply systems, driving the shift to clean energy in water operations, boosting sustainability and cutting dependence on traditional power.



We are <u>spearheading the localization</u> of water-related equipment and services to strengthen self-sufficiency in our strategic supply chains. In 2024, we introduced three localization opportunities for important materials that directly impact the efficiency and sustainability of water services. Examples include locally produced membrane cleaning agents, anti-scaling solutions, and cartridge filters manufactured within the Kingdom.



At <u>WATERA</u>, we focus our research groups on vital topics such as circular economy, renewable energy, sustainability, future desalination applications and reverse osmosis systems. In 2024, we obtained over 60 patents, published more than 339 scientific papers and reports, and conducted over 220 applied research studies.

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### **Sustainable Development Goals**



We are fully committed to the non-discrimination policy issued by the Ministry of <u>Human Resources and Social Development</u>, which ensures a fair, safe, and inclusive work environment free from all forms of discrimination, including gender, age, social background, or any other personal factors.

We integrated this policy into our institutional practices and raised employees awareness about it. We also established dedicated reporting channels for any discriminatory practices, while committing to take necessary corrective actions to uphold principles of justice, equal opportunity, and an organizational culture based on inclusion and equality.



We encourage our staff to use <u>"Riyadh Metro"</u> as a sustainable transportation option. A growing number of them adopted this method, motivated by environmental awareness and a genuine desire to reduce daily commute-related emissions. This shift reflects our organizational commitment to sustainability and environmental responsibility.



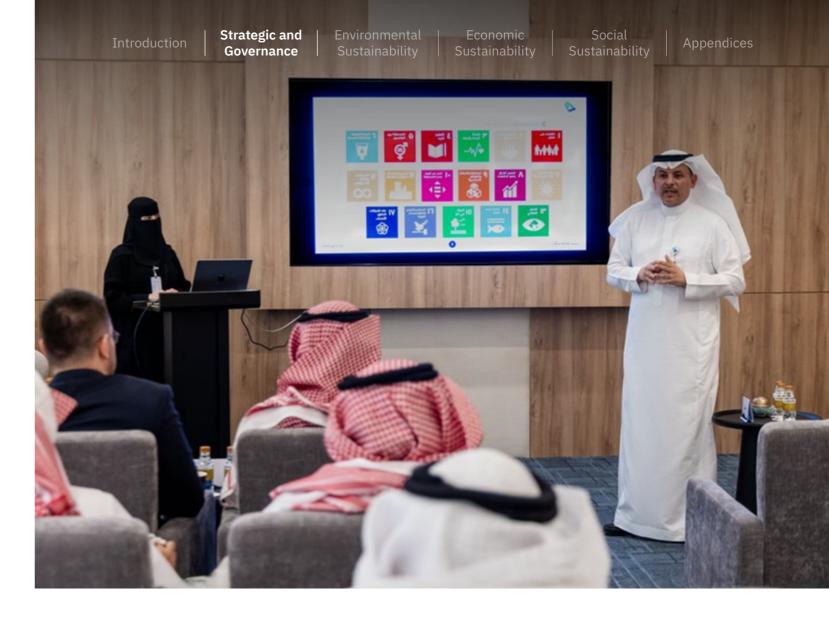
We realized over \$\mu\$ 3 billion in financial savings by optimizing our water project portfolio, streamlining capital expenditures, implementing cost rationalization measures, and enhancing investment planning processes.



We launched several carbon reduction initiatives, most notably our 2050 carbon neutrality roadmap, green technology adoption in all of our assets, replace liquid fuels with more sustainable alternatives, and invest in renewable energy projects. We advance circular economy initiatives, protect terrestrial and marine ecosystems, and implement modern eco-friendly technologies that enhance operational efficiency while supporting the transition to a green economy.



We enforce strict governance protocols for marine surveys, and cooperate with stakeholders to oversee marine monitoring and research activities, water and soil sampling and analysis, and environmental impact assessments for targeted sites.





We aim to plant 50 million trees to support the Saudi Green Initiative. We take pride in having planted over 8 million trees in collaboration with our stakeholders as of 2024, demonstrating our dedication to ecological balance, expanding green cover, and enhancing quality of life.



We launched several regulatory programs to monitor the performance of licensed water service providers and ensure their compliance with applicable standards and controls. Through our regulatory framework, we implemented digital governance and compliance monitoring tools that enable reliable and transparent performance tracking and gap analysis. We also updated all of our regulatory documents and operational performance indicators.



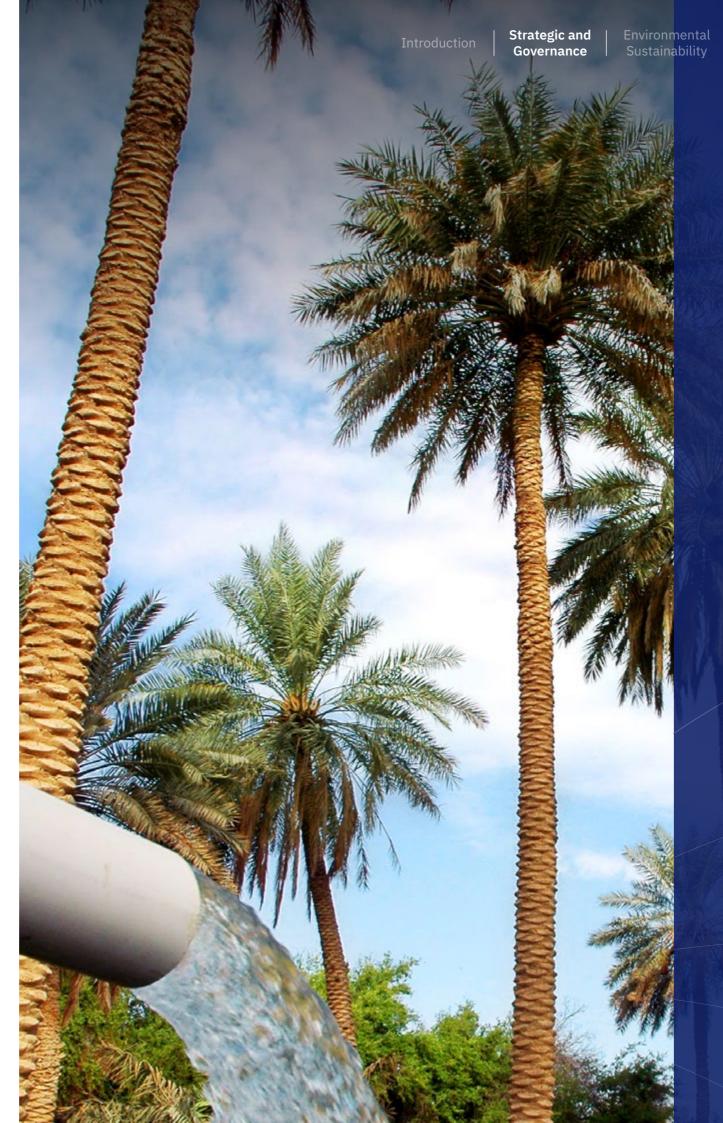
We organized "Innovation-Driven Water Sustainability Conference" platform focusing on innovation, sustainability enablers, and the future of the water industry. It facilitates discussions on sustainable solutions to address water challenges and growing demand, with an emphasis on innovation as a key driver for water security and resource sustainability amid global changes. By partnering with global water-tech innovators, we expand knowledge exchange and strengthen global collaboration to achieve SDGs.

### **SWA Sustainability**

The UN praised the Kingdom's leadership in water management, choosing it as an international benchmark for SDG 6. This move has elevated our water sector ambitions, making us a leading global model.

Given our regulatory role in water services, we are streamlining operations and collaborating with stakeholders to assess current conditions and set future targets. Accordingly, we implemented a strong governance framework and built a specialized sustainability team of qualified professionals. Their clear vision aligns with national goals and global standards, driving sustainability integration across all operations and the water value chain. Additionally, we're creating an ambitious sustainability strategy to institutionalize ESG practices in water services, propelling us toward new horizons in water management while contributing to the achievement of national sustainable development goals.





### **Embrace to Pioneer**

Sustainability

### Sustainability Practices Maturity Index

As sustainability is one of our core values, we developed an index to measure the maturity of (ESG) practices in water services. It is based on leading local and global benchmarks, and along with an assessment of the current water sector landscape, key enablers and high-impact factors that drive service sustainability. Our index is structured around seven key pillars, forming a comprehensive sustainability framework:

- Governance and culture of sustainability practices.
- Vision and strategic sustainability priorities.
- Assessment of ESG risks and change management.
- Value chain governance and sustainability.
- Transparency and reporting.
- Enabling technology and digital transformation.
- Monitoring and tracking ESG performance.

This enabled us to define a baseline for assessing water service sustainability maturity, align on implementation roadmaps, leverage quick win, and establish measurable targets. Within merely six months, stakeholders successfully transitioned from 'Growth' to 'Implementation,' demonstrating the system's capacity to deliver rapid, large-scale transformations.

The UN simultaneously applauded the Kingdom's leadership in water management, highlighting it as a benchmark for SDG 6 implementation. These advancements have reinforced our drive to become the definitive national benchmark for sustainability practices—both regionally and globally.

### **Challenges and Opportunities of Sustainability**

We acknowledge that promoting sustainability in water services involves increasing public awareness of ESG challenges and opportunities. As a result, we are evaluating the mediumand long-term sustainability challenges and opportunities in water services, making this assessment a key component of our strategy to responsibly improve our performance.

As the regulatory and supervisory authority for water services, our operations require efficient and reliable management of essential resources, while ensuring equitable and clean water supply to beneficiaries amidst ongoing sector transformations. These practices come with both financial and transformational challenges and opportunities that may impact or be shaped by our operations and water services overall. Our ability to tackle challenges and seize opportunities lies in our core pillars and strategic priorities, by which we established robust regulatory frameworks, adopted an integrated approach to foster stakeholder collaboration, and launched initiatives to enhance service quality, such as a complaint escalation platform. We've cultivated a compliance-driven culture based on sound governance, introduced programs toenhance our workforce's skills, and implemented initiatives to strengthen financial sustainability in water services. Additionally, we leverage advanced digital technologies and innovations to optimize water resource management. We remain dedicated to adhering to the highest local and international standards, ensuring our efforts contribute to a better future for the communities we serve.



### **Success Story**

Strategic and

Governance

Introduction

### Sustainable impact beyond compliance enabling sustainable oversight in water services: (Towards more efficient environmental monitoring)

In line with enhancing our organizational, technical and financial efficiency and integrating our roles with relevant government entities, we launched several initiatives that changed the methodology of monitoring water services. Among the most prominent of these initiatives is the activation of national inspection and monitoring platform "Mumtathil," based on the highest standards of quality and innovative oversight. This initiative aligns with Cabinet Resolution No. (277) dated 2-4-1445 AH, in collaboration with the Ministry of Municipalities and Housing to leverage the digital infrastructure of "Balady" platform.

In this context, we have focused on qualifying inspectors from various entities related to water services, as well as professionals who have been trained and licensed by the Water Academy. This aims to enhance the efficiency of inspections and ensure standardization of procedures.

Through these competencies, we can monitor violations in various water service practices that impact the sustainability of our water resources in the Kingdom, including:

- Engaging in water service activities without obtaining the necessary legal licenses.
- · Monitoring water leaks outside the boundaries of public and private buildings to minimize water resource wastage.

We are launching a pilot program using artificial intelligence in collaboration with (BaladyLens) to automatically monitor violations, aimed at improving efficiency, expanding geographical coverage and reducing operational inspection costs.

Field visits are conducted based on the performance monitoring strategy, through routine surveys or reports received through beneficiary service channels, which are forwarded to our branches. Violations are handled by enforcement officers via "Mumtathil" platform for documentation and reporting according to regulatory procedures. If a violation is confirmed, it is referred to the "Violation Adjudication and Review Committee," with the concerned parties being granted a period to file objections or appeals through the competent court, ensuring transparency and procedural fairness.

This regulatory integration between water services and "Mumtathil" platform represents a qualitative leap in the environmental compliance system. It has contributed to unifying regulatory efforts among government entities, improving compliance with laws and regulations, and reducing financial and environmental waste in water resources. This demonstrates our commitment to digital transformation and robust environmental governance. We are also expanding the platform's use, enhancing the readiness of monitoring teams, and strengthening digital integration to support sustainability of our regulatory efforts, and contribute to achieving the Kingdom's sustainable development



### **Key Sustainability Achievements**

Below is an executive summary of our ESG performance, showcasing our key achievements and strategic initiatives that improve our environmental footprint, social responsibility, and water service management, aligned with the national goals and best global practices.

### **Environment**

We reduced fuel

We launched the "Water Oasis" project on an area of

70,000 m<sup>2</sup>

in accordance with the global LEED standards. We prepared a circular economy framework.

Planted

+8,000,000

trees

to contribute to the goals of the Saudi Green Initiative in collaboration with the value chain.



The first electric vehicle was integrated into our fleet of over

2,200 vehicles

Treated wastewater was used to irrigate

612,000

trees and to develop constructed wetlands. Utilized a digital twin system and smart robotics to monitor water networks.

### Social

We enhanced diversity and inclusion within our workforce.

Trained

150

men and women through the "Tamkeen"

Achieved a Saudization rate of

98.74%

and hired 226 new employees

in 2024, including

64 women.

+8,000,000

The Authority received the "Great Work place" award for the year 2024.

empowerment program.

+4.600

21,570

Trained

70

employees under the HiPo and leadership development programs in collaboration with Prince Mohammad Bin Salman College for Business and Entrepreneurship.

Organized over

+199

volunteering opportunities contributing to a total of

51,350





### Governance

Reduced supply time by

53%

and improved contract efficiency by

64%

Raised local content to

65%

of a total expenditure

+23,000,000,000 非

Supported entrepreneurs through <u>"MiyahThon"</u> and the "Biban" forum with

+47

innovative ideas.

Executed

648

research and development achievements, including

220

applied projects &

60 patents. Successfully automated licensing processes by

100%

Localized the strategic equipment and stimulated the creation of

+300 direct jobs

Achieved

100%

Saudization of leadership positions.

Managed

179,000,000,000

韭

in government funding to execute

**2,172** projects

Generated an economic contribution of

+135,000,000,000 非

on the balance of payments.

Set in motion the localization of reverse osmosis (RO) membrane manufacturing, generating returns of

+114,000,000,000 韭



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### **SWA**"s Governance

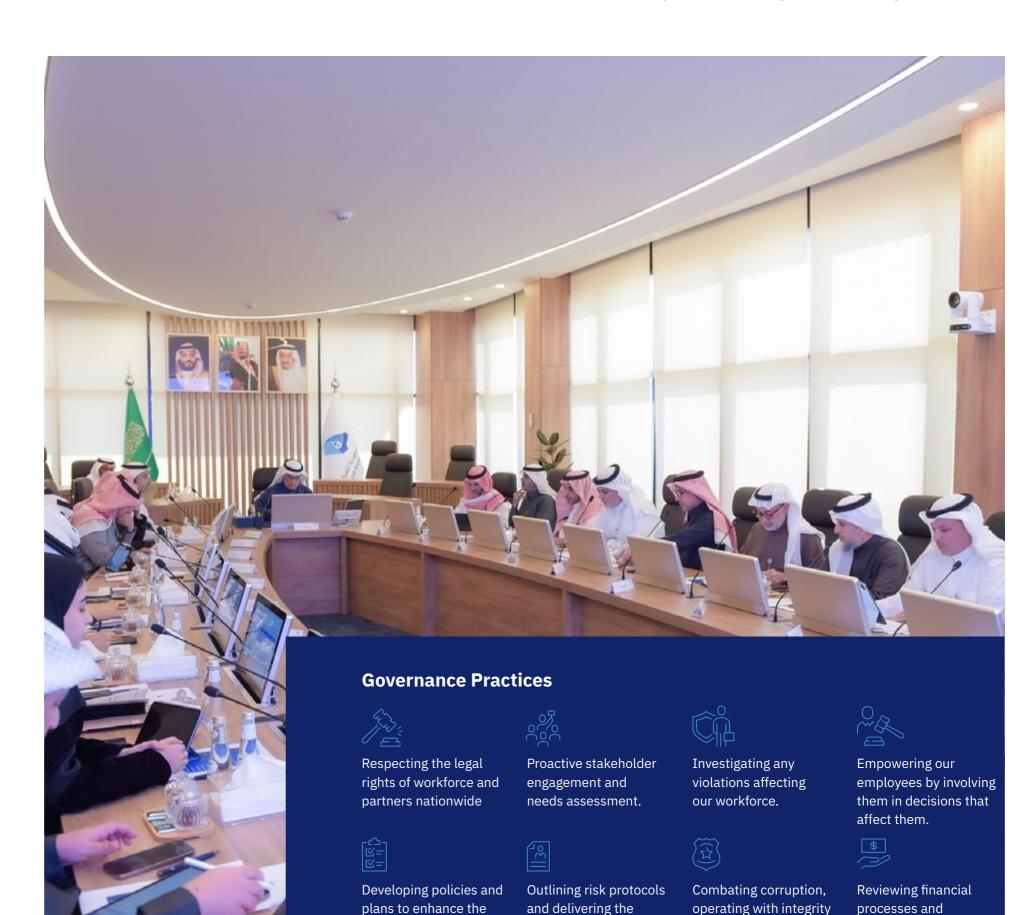
We believe that strong and effective governance is the cornerstone of our sustainability. Accordingly, we reaffirm our commitment to adopting leading governance practices aligned with the Kingdom's governmental approach, while also adhering to global standards such as the <a href="United Nations Global Compact (UNGC)">United Nations Global Compact (UNGC)</a> and the guidelines of the <a href="Organization for Economic Cooperation">Organization for Economic Cooperation and Development (OECD)</a>.

Furthermore, we adhere to the highest ethical principles, ensuring integrity, transparency, and accountability across all business activities, and strategic decisions on growth and risk management in line with our ambitious <u>sustainability</u> goals and <u>Saudi Vision 2030</u>. We spare not efforts to build trust with all stakeholders, and recognize our responsibility to achieve the sector's compliance, strong governance, and operational excellence, aligned with the <u>National Framework for Risk, Emergency, and Business Continuity Management, the regulations of the <u>National Anti-Corruption</u> <u>Commission (Nazaha)</u>, and the directives of the General Secretariat of the <u>National Risk Council</u>. We also ensure the effective implementation of policies issued by the <u>National Cybersecurity Authority</u>.</u>

We've developed a flexible governance framework with policies, regulatory controls, and continuous monitoring and evaluation. The Internal Audit and Regulatory Affairs Committees meet regularly, following a Board-approved charter that defines their roles, ensuring the Board is well-informed within a delegated authority matrix. We also plan to establish a third committee, the Remuneration and Nominations Committee, in 2025.

We have also established dedicated committees responsible for strategic decisions, monitor our impact in various areas, and employee welfare, such as:

- · Conflict of Interest and Disclosure Committee.
- Employee Transfer Request Review Committee.
- Medical Committee evaluating employee and dependent requests.
- Workplace Anti-Harassment Committee.
- · Career Launch Program Steering Committee.
- Water Violations Review and Adjudication Committee.



right information to

transparency.

stakeholders with full

quality of service we

provide to our clients.

Strategic and

Governance

Introduction

procedures to ensure

government financial.

compliance with

and transparency, and

treating everyone fairly

and equally.

Our nine-member Board of Directors brings a strong record of competence and integrity. Together, they built a leading corporate model and delivered high-impact performance that supports our sustainability goals in water service regulation, supervision, and oversight.

Independent members make up 89% of the Board chaired by His Excellency Eng. Abdulrahman bin Abdulmohsen Al-Fadley, Minister of Environment, Water and Agriculture and SWA Board chairman. He was appointed by Royal Decree No. A/68, dated 9 Rabi' al-Thani 1436H. His Excellency Eng. Abdullah bin Ibrahim Al-Abdulkarim, SWA President and Board VP, serves as a non-independent member appointed by Royal Decree. He is entitled to civil service benefits in line with his executive rank.



His Excellency Eng. Abdulrahman bin Abdulmohsen Al-Fadli Minister of Environment, Water and Agriculture/ Chair of Board of Directors

### **Board Responsibilities and Performance:**

As the highest authority in our corporate governance structure, the Board holds ultimate responsibility for guiding our organization, with key duties including:

- Approving regulations and requirements for licenses issued under SWA mandate, and overseeing their implementation.
- Approving SWA's organizational structure and framework in line with established regulatory procedures.
- Approving financial and administrative regulations governing SWA's operations, in coordination with the <u>Ministry of Finance</u> and <u>the Ministry of Human</u> <u>Resources and Social Development.</u>
- Approving the fees charged by SWA for licenses, permits, and all the services it provides.
- Approving the conclusion of agreements, memorandums of understanding, and contracts by SWA.
- Approving the organization of conferences, seminars, scientific forums, and events related SWA's activities.
- Approving the acquisition, purchase, sale, and leasing of real estate for the benefit of SWA, in coordination with the General Authority for State Real Estate, and applicable regulatory provisions.

The Board also assists a management team that plays a key role in achieving SWA's objectives, through diligent supervision of our staff to ensure commitment to our responsibilities with discipline, oversight, and transparency.

As part of our commitment to transparency and integrity, we proudly feature the <u>professional profiles of our Board members on our website</u>. These individuals are instrumental in shaping SWA's reputation as a leader in strong corporate governance by adhering strictly to governance charters and standards that promote transparency and accountability. In doing so, we build stakeholder trust and drive our strategic goals forward.

2024 saw perfect 100% attendance at all Board meetings. Through the newly established Remuneration and Nominations Committee, we will develop a formal performance evaluation framework for the Board. On sustainability matters, SWA's President regularly updates the Board on strategic objectives and key issues, including the approval of material topics and all related disclosures.

### Introduction

### Strategic and Governance

Environmental Sustainability

Economic Sustainability

Social Sustainability





His Excellency Eng. Abdullah bin Ibrahim Al-Abdulkareem President of the Authority



**Mr. Haitham bin Abdulrahman Al-Turaifi**Assistant Minister of Finance for Financial
Affairs
Board Member



**Eng. Nasser bin Hadi Al-Qahtani**Assistant Minister of Energy for Electricity Affairs
Board Member



**Eng. Abdul Rahman bin Muhammad Al-Zughaibi**Deputy Minister for Economic Affairs and
Privatization at Ministry of Environment, Water &
Agriculture
Board Member



**Eng. Sami bin Abdulaziz Al-Makhdoub**Board Member from the Private Sector
Board Member



**Dr. Abdulrahman bin Mohammed Al-Barrak**Board Member from the Private Sector
Board Member



**Dr. Sattam bin Fahd Al-Mojil**Ministry of Economy and Planning
Board Member



**Eng. Majid bin Abdullah Al-Mubddil**Ministry of Municipalities and Housing
Board Member

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### **Organizational Structure**

We operate within a robust governmental framework, guided by well-defined standards that shape our operations, daily responsibilities, and decision-making processes. Dedicated to setting the right example for our employees, we've implemented a Code of Conduct, which helped shape a strong organizational structure built on accountability and effective delegation, enabling us to achieve 97.2% institutional compliance in 2024. Our governance framework was structured to optimize decision efficacy and operational performance, fostering trust with all stakeholders as we perform ongoing refinements.

Our organizational structure includes His Excellency SWA President, various sectors, agencies and departments. We take pride in the qualified female professionals entrusted with leadership roles.

Legal Affairs, Governance

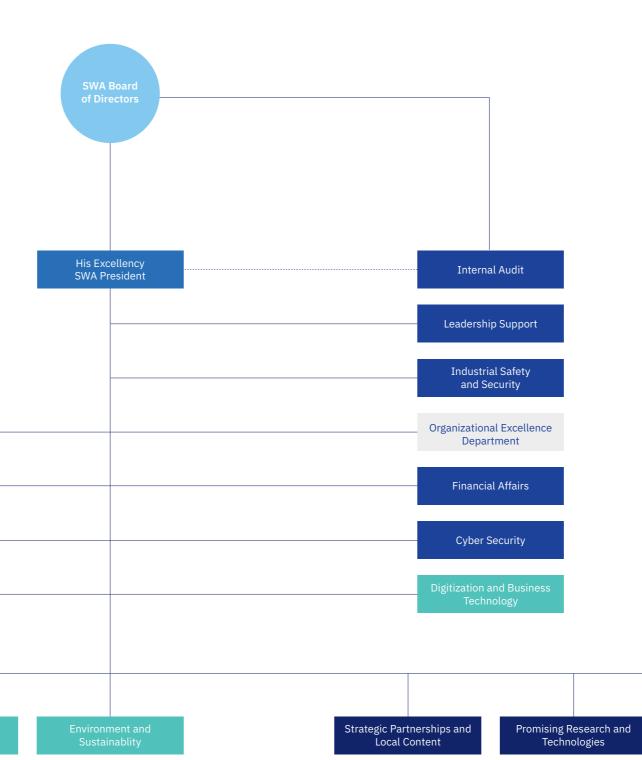
and Compliance

Communication

and Marketing

**Shared Services** 

**Human Capital** 



Introduction

### **Key responsibilities of H.E SWA President**

- Representing SWA externally and before judicial bodies within the scope of his powers.
- Implementing the decisions of the Board of Directors.
- Proposing, executing and supervising SWA's plans and programs, upon the Board approval.
- Supervising the drafting of SWA's budget, final accounts, and annual report, and presenting them to the Board.
- Overseeing SWA's staff, issuing administrative regulations to structure the SWA's units, defining their responsibilities, and maintaining orderly workflow.
- Proposing organizational regulations and executive directives governing the SWA's operational procedures and presenting them to the Board of Directors.
- Carrying out all functions authorized under Board decisions, statutes, and SWA's regulations.
- Representing SWA before all domestic and foreign courts, government agencies, and other bodies, with the power to delegate this authority to others.
- He may delegate certain authorities, with the Board of Directors retaining oversight in this regard.

Water Desalination

Interim

### **Sustainability Across** the Value Chain:

A Holistic Framework for **Shaping a Thriving Future** 





### **SWCC**

### (Desalination of seawater and treatment/purification of well and dam water)

SWCC was established by Royal Decree No. (M/49) in 1394H (1974) as an independent government entity with legal personality. Following the transformation decision, it now functions as the interim operational arm of SWA, overseeing the operation and maintenance of desalination systems and the purification of groundwater and surface





### **SWPC**

### (Strategic partnerships to support water services)

SWPC was established in 1423H (2002) by the Supreme Economic Council Resolution No. (23/5) as a limited liability company. It oversees offering projects for desalinated, purified, treated, and untreated water plants, all other types of water, strategic water storage projects, water transmission line projects, dam projects, signing and managing related agreements, and wholesale purchasing and selling all types of water (not including selling to the consumer) in partnership with the private sector. It aims to provide high-quality water services and ensure the purchase of water and its services at an acceptable cost through transparent competitions, while maintaining environmental and financial sustainability.





### **WTCO**

### (Coastal-to-urban water transportation and storage)

It is a government-fully owned independent entity. It was established according to Cabinet Resolution No. (32), dated 11 Muharram 1441 AH (corresponding to 10 September 2019) with its creation being one of the outcomes of the privatization program to achieve Saudi Vision 2030 and the National Water Strategy, to lead in water transportation and strategic storage. It manages, operates, and maintains water systems across the Kingdom. Its business model enhances asset efficiency, reduces costs, ensures service sustainability, and meets supply demands to bolster the Kingdom's water security.





### **NWC**

### (Distribution, followed by collection and treatment of wastewater)

A state-owned Saudi joint stock company, represented by the Public Investment Fund. It was established by Royal Decree No. (M/1) in 1429H (2008). NWC is authorized to provide water and sanitation services according to the latest international standards by combining the efforts of national cadres with an elite group of operators of this vital facility. It dedicates its efforts to connect all customers to the water and sanitation network, conserve natural water resources, and protect the environment.





### (Water reuse for irrigation and industrial purposes)

Established in 1438H (2017), this government entity promotes irrigation sustainability, optimizes treated water use across agricultural, industrial, and urban sectors, and ensures broad accessibility across the Kingdom. It is also responsible for dam management to enhance water security and support sustainable development nationwide.



### **Excellence of the Water Sector**

The water sector achieved nine new Saudi Guinness World Records, showcasing the Kingdom's advanced water infrastructure development:





The world's largest desalination plant, with a nearly

3,000,000 m<sup>3</sup> daily production capacity

Strategic and Governance

Introduction

The world's largest mobile desalination plant, with a production capacity of

50,000 m<sup>3</sup> per day

The largest covered drinking water storage facility, with storage capacity amounting to

3,000,000 m<sup>3</sup>

The world's foremost producer of desalinated water, generating over

11,500,000 m<sup>3</sup> daily

The world's lowest desalination energy consumption, achieving less than

2.271 kWh per cubic meter

The world's largest desalinated water transmission network, spanning 14,217 km with a daily capacity of

19,429,000 m<sup>3</sup>

The world's largest multi-effect distillation desalination unit, the MED-TVC unit in Shuaiba, with a capacity of

92,000 cubic meters per day

The largest covered facility for drinking water storage in the world, the strategic Riyadh water reservoir, with a capacity of

4,790,000 m<sup>3</sup>

The world's largest drinking water storage network, with a total capacity

8,970,000 m<sup>3</sup>



# Governance & Risk Management





### **Code of Conduct**

We are committed to maintaining the highest standards of integrity and ethical behavior through our code of conduct, which serves as a guiding framework for all our employees and stakeholders. This charter defines the principles and values that guide our decisions and actions, and emphasizes the importance of transparency, accountability and respect in all our dealings; fostering a culture of trust and professionalism in our reputation and strengthening our relations with the communities we serve.

### **Conflict of Interest**

To ensure integrity of our processes, we established clear conflict of interest policies. Our employees are required to disclose any personal, financial, or professional interests that may conflict with their responsibilities. By doing so, we aim to ensure that we make decisions that are aligned with our interests and stakeholders, free from undue influence or bias. By effectively managing potential conflicts of interest, we affirm our commitment to ethical behavior and maintain the trust of our employees, partners and communities.



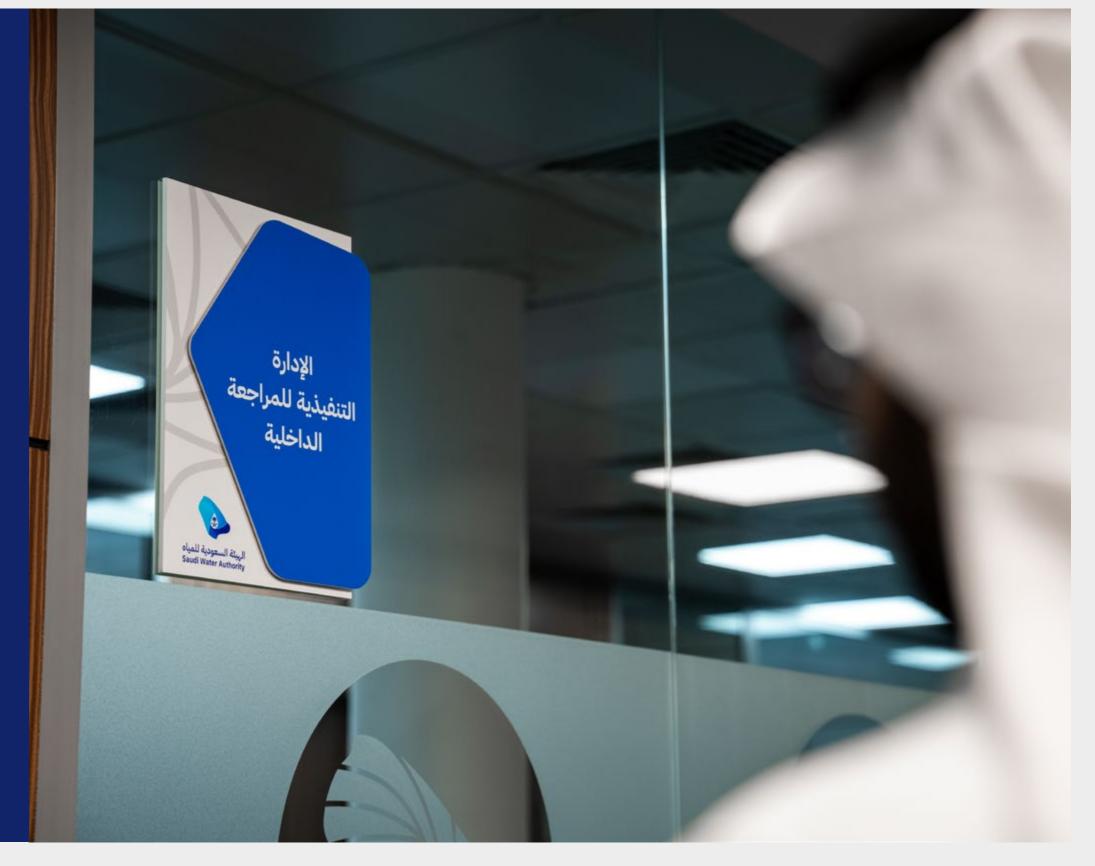
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### **Internal Audit**

As part of our adoption of the International Professional Practices Framework, to ensure the reliability and effectiveness of our operations, we reaffirm our commitment to ethical standards built on integrity, objectivity, confidentiality, and competence. Our internal auditors uphold these principles in carrying out their duties and remain fully compliant with the Code of Professional and Ethical Conduct.

Internal audit plays a vital role in ensuring the long-term success of our operations. It is granted unrestricted access to all our sites, information, documents, and personnel, which contributed to the effective execution of our planned tasks in alignment with the approved audit plan. Internal audit operates based on a plan developed through comprehensive risk assessments that takes ESG risks into account. In this context, internal audit provides recommendations aimed at continuous improvement and value creation, contributing to the maturity of our sustainability practices. In 2024, several unscheduled assignments were also conducted to objectively assess the efficiency and effectiveness of our internal control systems. Internal audit also regularly reports to SWA President and audit committee covering progress, key observations, conclusions, and follow-ups on corrective actions to reinforce internal controls.



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### **Anti-corruption**

We are committed to the highest standards of integrity and transparency, and we align all our practices with the national legislations and applicable laws. This includes full adherence to the Nazaha regulations, which serve as a key and stringent reference in combating bribery, embezzlement of public funds and abuse of power. This commitment stems from our institutional and ethical responsibility to cultivate a fair and accountable work environment. In support of this, we implemented internal audits, enforced strong financial controls, and leveraged digital solutions to prevent misconduct. We also maintain open and transparent dialogue with our stakeholders, reinforcing our commitment to ethical practices and promoting responsible governance across the water services sector.

We have built our organizational culture on a foundation of transparency. Accordingly, we have worked to raise awareness among our staff at all levels about the importance of avoiding corruption and ensuring that their conduct aligns with our adopted Code of Professional Conduct, in line with the Kingdom's related policies.

As part of our responsible governance and to establish standards of organizational integrity, we actively prevent any practices that may compromise transparency or raise suspicions of corruption through implementing an integrated ecosystem for prevention, monitoring and response.

To facilitate the reporting of potential concerns, we have established secure and confidential official channels that allow employees and stakeholders to share information with complete confidentiality. We have also developed clear and binding investigation procedures to ensure that all reports are handled efficiently, appropriate disciplinary actions are taken against violators and relevant oversight authorities are notified to enforce the law with justice and transparency.

We are proud to report zero cases of corruption or suspicion thereof in 2024, demonstrating the impact of our proactive controls and our continued efforts to instill a culture of integrity and compliance across the Authority.



We implement strict governance measures to maintain organizational stability and promote professional ethics, with the aim of fostering a safe and ethical work environment that supports responsible and sustainable organizational performance. These measures include:



Implementation of a strict internal control and financial auditing system covering all operations and departments.



Adoption of a precise and continuously updated accounting system that ensures real-time tracking of any deviations or observations.



Automating all processes to minimize manual intervention and reduce the risk of potential corruption.



Full compliance with government preventive measures and integration with relevant national laws.



Engaging our stakeholders through reporting channels of activities that may directly affect their interests, ensuring transparency and responsible engagement.

These efforts are part of our organizational commitment to fostering a culture of integrity, effective governance, and sustainable performance.

Sustainability Report 2024 Sustainability Report 2024



### **Anti-fraud**

We strengthen our institutional protection ecosystem by establishing strict measures and effective mechanisms to execute anti-fraud efforts. This includes developing a comprehensive framework with clear definitions and specific procedures to address various forms of fraudulent activity, ensuring a work environment grounded in integrity and transparency. We also organize effective awareness campaigns and specialized training programs to enhance our employees' knowledge and understanding of fraud risks and the ways of combating it, contributing to a strong anti-fraud culture.

The anti-fraud policy, approved by H.E the President, applies across the authority. It outlines the responsibilities assigned to our employees and management and includes key information and definitions related to fraud. We also encourage our employees, suppliers, and all stakeholders to report any suspected fraud through our whistleblowing unit, which supports the effectiveness of our internal control system and reinforces a culture of transparency and accountability in all our practices.





### **Anti-Competitive Practices**

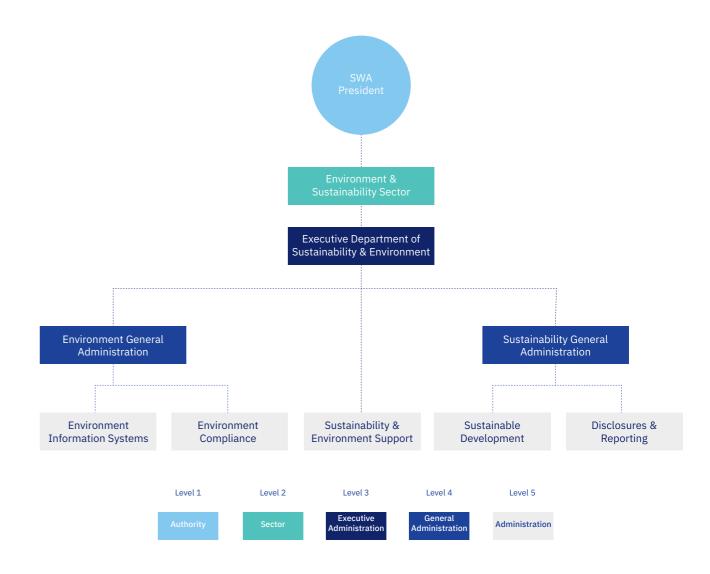
We are committed to upholding the principles of fair competition in the water services sector, adhering to the highest standards of transparency in all our practices. Our ecosystem is built on values of professional ethics and accountability, and we strictly comply with all regulations against monopolistic and anti-competitive practices, fostering a balanced and fair competitive environment that benefits all stakeholders. Our Code of Professional Conduct and approved policies include clear provisions for addressing anticompetitive behavior and monopolistic practices, as we firmly believe that promoting fair competition drives innovation, enhances operational efficiency and elevates the quality of service delivery.

We are committed to engage all stakeholders to ensure their effective participation in our operations, fostering mutual trust and collaboration across all stakeholders and supports the development of a competitive ecosystem that serves the best interests of beneficiaries and enhances the overall water services landscape.

### **Sustainability Governance**

We strive to embed sustainability into our operations. To achieve this goal, we are activating our operation model by implementing our phased structure, governance manuals and regulations, enabling key roles, activating our branches and offices, and defining our service portfolios and delivery mechanisms. We established a governance structure that enables effective oversight of sustainability targets, enhances engagement, and drives continuous improvement, in line with our business needs and ESG priorities, and supports the adoption of a comprehensive sustainability approach at all

Demonstrating our commitment to sustainability, we launched the Environment and Sustainability Sector to lead sustainability-related initiatives. This sector plays an active role in engaging different entities across the value chain to adopt and align with sustainable practices, reinforcing the culture of sustainability governance within water services. These efforts are part of our broader institutional approach to support the Kingdom's sustainable development agenda, and secure water for current and future generations.



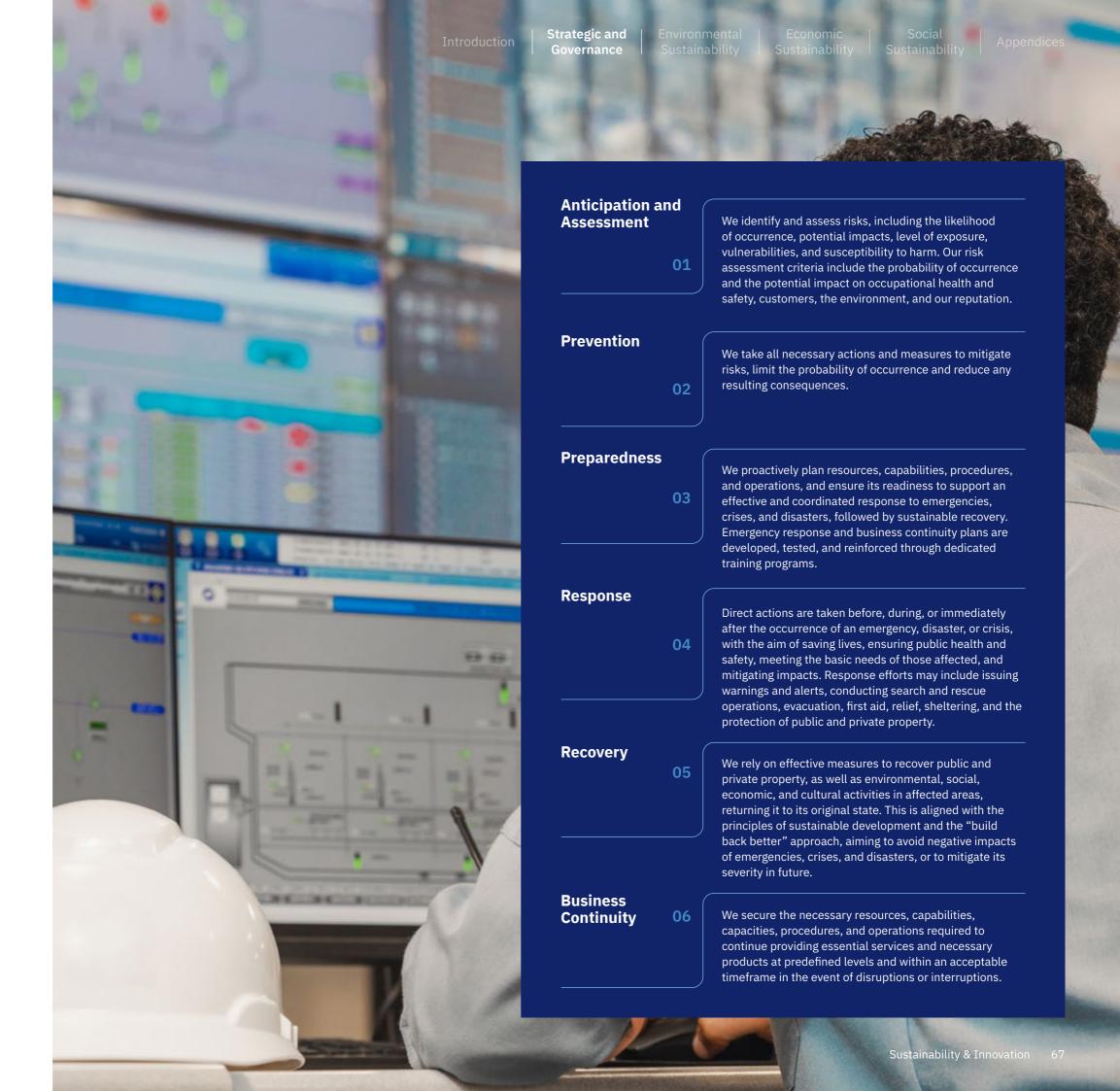
This structure includes shared roles that are essential to the development and implementation of sustainability policies and procedures, including formulating environmental and sustainability policies, providing continuous improvement recommendations, and preparing relevant sustainable plans that align with the overall strategic direction. Additionally, the structure defines key performance indicators to monitor progress toward achieving ambitious sustainability goals.



### Risk Management and Business Continuity

Risk management is a fundamental component of our sustainability strategy and organizational success, it contributes to maintaining a safe and secure work environment. We developed a comprehensive business continuity program for water management, which includes the assessment of infrastructure readiness and reliability, risk and emergency management, as well as enhancing occupational health, safety, and security. Our risk management system aligns with both national frameworks and international standards, such as the National Framework for Risk, Emergency, and Business Continuity Management, and ISO 31000:2018.

We adopted an integrated methodology in our related operations, in alignment with the phases of the resilience cycle, in accordance with the national frameworks issued by the National Risk Council. The first two stages (anticipation & assessment, and prevention) fall under risk management, while the next three stages (preparedness, response, and recovery) are categorized under emergency management. The final stage (business continuity) focuses on ensuring the sustainability of operations and falls under business continuity management. Below is an outline of the stages of the resilience cycle:



### The primary risks confronting us can be outlined as follows:

### **Strategic Risks**

Risks that may arise due to a misalignment between strategic objectives and the strategies and resources adopted to achieve these objectives, or the quality of strategy implementation, or the use of these resources.



### **Operational Risks**

Risks arising from the interruption or disruption of daily operational activities of departments and organizational units.

#### **Process Risks**

Risks arising from the interruption or disruption of daily operational activities according to the procedures outlined in the operational manual.

In the context of strengthening capabilities in risk, emergency, crises and business continuity management, we have carried out several initiatives to enhance preparedness and integration, including

Conducted 8 internal virtual exercises and participated in 6 exercises with external entities.

Trained and upskilled over 60 employees through specialized programs in risk, emergency and business continuity management.

Implemented more than 50 diverse programs to enhance awareness and improve the integration of risk, emergency and business continuity management in water services.

14 Exercises 60 Workers **50** Programs

Risk, emergency and business continuity management in water services is a vital element to ensure sustainability of water services and efficient delivery to beneficiaries. Some of the key examples of our achievements and ongoing work in this field include:

Commitment to the standards of risk and business continuity management, issued by the Digital Government Authority, in assessing digital transformation 2024.

01



risks in water sector and developing its risk profiles.

Developing our business continuity plan.

Developing an executive plan for emergency and crisis response.

Preliminary assessment

of risk, emergency and

business continuity management in licensed

02

03

04



Developing media

during crises.

07

communication plan

Developing and adopting incident reporting guide for water services.

06

entities.

05

Monitoring regional events impacting the continuity of water supplies, analyzing the causes, and reporting on the results.

08

06

Sustainability Report 2024

# Policy development and regulatory compliance

Policies and procedures are an essential part of our commitments to achieve our strategic goals and ensure sustainability. Therefore, we established the "Regulatory Oversight Development" program to improve regulatory and economic frameworks, issue guidelines, controls, requirements and licenses for the entire supply chain and enhance water services and efficiency. Clear policies contribute to organizing our operations, defining responsibilities, and enhancing our compliance with regulations and laws. We are committed to apply national policies related to our field and operations, and we continuously work on developing policies that align with global standards to achieve sustainable water management, protect natural resources, mitigate legal risks, and strengthen system resilience. Our clear policies also contribute to improving the efficiency of our regulatory and oversight processes, enhancing business operations, and increasing productivity and the quality of services provided to beneficiaries, thereby promoting transparency, accountability, and increasing stakeholders' trust.

We are keen on adopting policies that cover various aspects of our operations, with each department having its own policies tailored to the nature of its tasks and responsibilities. The following are the main policies that we have adopted:

### **Ouality Policy:**

We are committed to providing highquality water services through a comprehensive quality monitoring system that ensures the safety and suitability of water for use.

#### **Transparency Policy:**

We are committed to transparency in all our interactions with beneficiaries and partners, providing detailed information about policies, procedures, and water services through official communication channels. We also receive and review complaints and suggestions to ensure continuous improvement and compliance with the highest standards of integrity.

#### **Privacy policy:**

We are committed to protecting users' privacy and ensuring the confidentiality of personal information. Information is only collected when necessary and used for specific purposes, with a commitment not to share it with any third party without the user's consent.

#### Website Usage Policy:

The policy stipulates that all users must adhere to the local laws and regulations. The use of the site for illegal purposes is prohibited and any unauthorized use may subject the user to legal accountability.







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### **Successes Story:**

# National Alignment to Enhance the Sustainability Infrastructure

GRI 2-27 – GRI 2-12

With an ambitious vision to elevate regulatory compliance, enhance infrastructure sustainability, and improve service quality, the Authority is currently developing the Technical Manual for the Regulations and Requirements of Water and Wastewater Service Connections for Establishments. This unified reference aims to standardize the mechanisms for water service delivery and ensure operational and regulatory consistency across the Kingdom.

The manual is being developed in collaboration with the National Committee for the Saudi Building Code, to align service connection requirements with the technical specifications of the Code. It also seeks to unify design and implementation guidelines for all relevant stakeholders, including developers, consumers, and service providers. The manual is expected to contribute to:

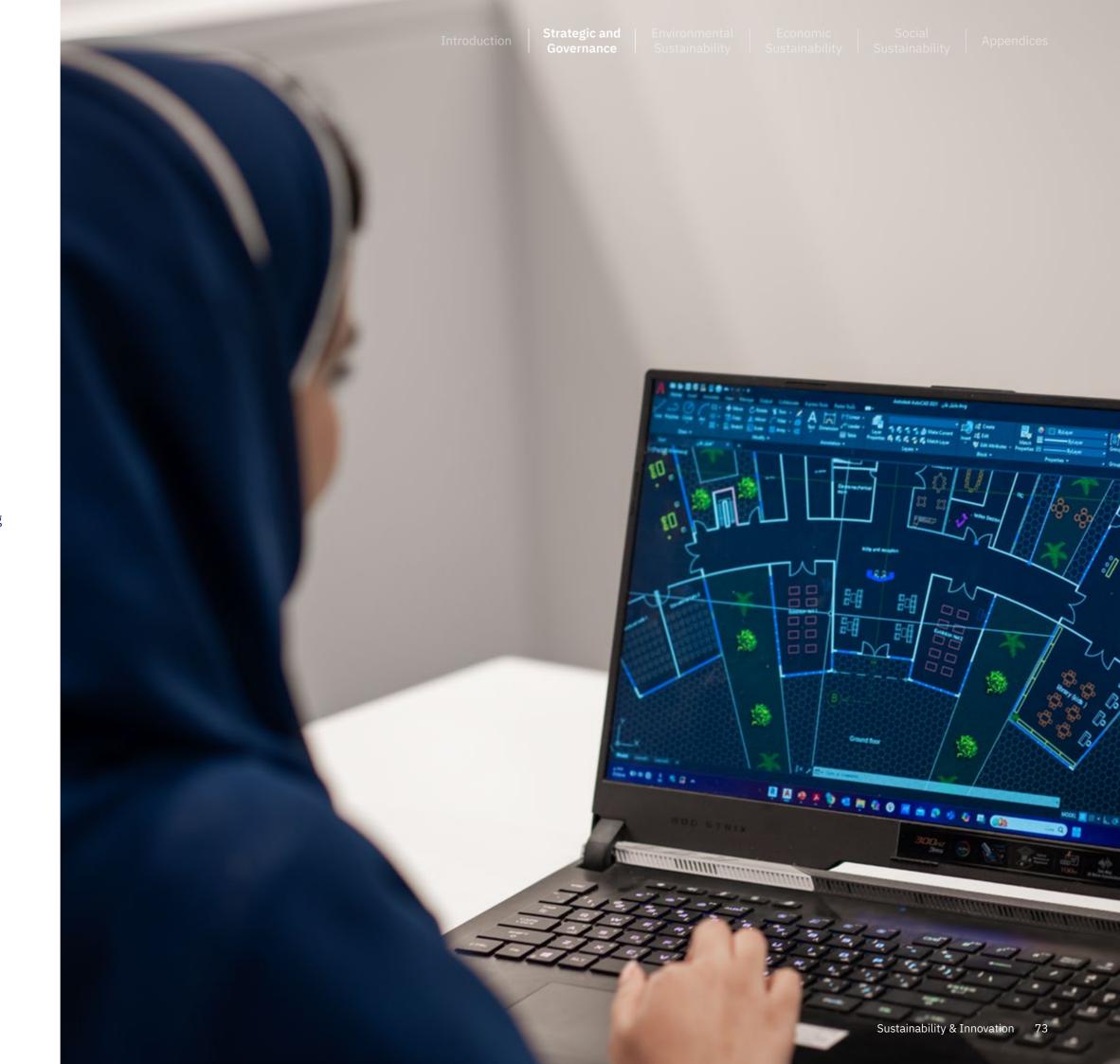
Enhancing regulatory transparency by clearly outlining technical requirements.

Achieving regulatory consistency among implementing and oversight bodies.

Improving field execution efficiency and facilitating supervision and monitoring processes.

Ensuring institutional alignment with national regulations in support of <u>Saudi Vision 2030</u>.

The manual is scheduled to be launched in 2025, reinforcing our commitment to sustainability practices and reflecting the evolution of our regulatory framework and our drive to deliver higher quality, more efficient water and wastewater services.





**Appendices** 



# Transparency and Disclosure

# Transparency Mirroring our Performance

Transparency is key to fostering strong, lasting relationships with stakeholders, from employees and investors to suppliers and local communities. In line with our commitment to clarity and credibility, we embed transparency at the core of our strategy to achieve our sustainability objectives. Moreover, we use a comprehensive approach to address stakeholder needs, meet expectations, and ensure regulatory compliance. Our transparency channels include:

- Accurate and comprehensive reports on our performance and practices.
- Ongoing digital updates to foster engagement.
- Interacting with stakeholders via surveys and initiatives, incorporating their input into our business development.
- Transparent reporting on sustainability risks/opportunities and our accountable actions.
- Adhering to ethical standards and fostering integrity in all our operations.

Additionally, we are committed to entrenching transparency and accountability as fundamental pillars of our governance framework. Our website embodies this approach through an integrated digital experience that enables seamless access to information and supports active participation from all stakeholders.

Our website provides board member profiles and qualifications, along with dedicated sections for guidance manuals, official reports, and open data, offering transparent access to performance metrics, decisions, and relevant policies. We also outlined our responsibilities, roles, and services, and to foster ongoing engagement, we integrated our website with social media platforms, which we update regularly to ensure continuous communication. We share updates on our ESG progress to demonstrate results and promote transparency. To ensure access, we activated usability features and content reading services to providing an inclusive digital experience that addresses all user groups' needs and promotes digital equity.



# Disclosures: Bridges of Trust and Accountability

We began our journey to enhance disclosures by raising awareness of sustainability practices, inventorying them, and assessing their maturity level. This enabled us to establish a clear baseline for formulating our future ambitions and ensuring accurate, transparent reporting of our ESG performance.

As we follow GRI standards in our sustainability reports to disclose key performance data and boost stakeholder transparency,

Our <u>Water Academy</u> trained 15 watersector professionals in sustainability reporting, certifying them as GRIcompliant disclosure specialists.

We conducted a materiality assessment to identify key material topics, determining the areas where we both impact and are impacted as the regulatory body for water services. We aligned our operations with global principles concerning human rights, environment, labor, and anti-corruption. This strengthens our transparency and supports our contribution to achieving sustainable development goals at both local and global levels.



# **Success Story**

From Commitment to Impact: Towards a Sustainable & Transparent Ecosystem

[GRI 2]

Enhancing transparency stands at the forefront of our sustainability priorities. As such, we undertaken the responsibility of supporting all water services entities in adopting the highest standards of ESG performance disclosure. We piloted this approach internally, gaining handson experience that highlighted both challenges and key insights, particularly the necessity of clear guidelines for sustainability performance disclosure. Thus, we created the Guidelines for ESG Sustainability Practices Disclosure in the Water Sector, a locally adapted yet globally aligned standard for sustainable water management reporting.

This manual boost transparency and compliance, advancing sustainable water sector development. It actively advances <u>Vision 2030</u> by embedding sustainability throughout operations, securing the water sector's present and future growth.

#### **Reports and Disclosures:**

Strategic and

Governance

Amid growing global interest in ESG reporting, we established a dedicated department to manage reporting and disclosures in alignment with the best practices and international standards. This department is overseen by the Environment and Sustainability Sector under His Excellency the President, highlighting disclosure as a key strategy for trust, accountability, transparency, and stakeholder engagement.

The Reports and Disclosures Department enhances business transparency and stakeholder trust by providing credible reports that reflect our commitment to sustainable water solutions. We continue to enhance the quality of our disclosures by refining data collection and analysis methodologies while elevating reporting efficiency in line with the highest applicable local and international standards.

The Reports and Disclosures Department handles core tasks to boost transparency and disclosure effectiveness, including:

- Assessing SWA's ESG performance and pinpointing disclosures directly linked to its operations and services.
- Developing a full sustainability reporting framework with updates for current and emerging sustainability issues.
- Creating a clear sustainability reporting framework to deliver comparable, meaningful data to stakeholders, boosting report quality and advancing our integrated sustainability goals.
- Enhancing awareness of sustainability practices within SWA.
- Producing sustainability reports aligned with applicable standards to build trust and meet strategic goals.

Our sustainability report provides a complete overview of our operations, professionally detailing our ESG performance. It strengthens our business resilience and ability to create lasting value across all time horizons, advancing our mission to develop a more sustainable and adaptive water system for future challenges.

SWA is establishing integrated standards to improve water sector transparency, in line with global sustainability benchmarks. This advances <u>Saudi Vision 2030</u> objectives and our strategy for water sector leadership domestically and internationally.



# **Success Story**

# Championing Transparency and Disclosure in Water Services

[GRI 2]

We are enabling water services to adopt best sustainability practices, having collaborated with relevant entities to establish a more transparent and effective disclosure approach through comprehensive support for preparing 2024 sustainability reports.

We assessed material topics for water sector stakeholders, supporting their priority-setting to better address real challenges and unlock opportunities. We adopted advanced analytical methodologies for risk and opportunity assessment and established clear sustainability objectives supported by key performance indicators in accordance with the global best standards. Additionally, we prioritized transparent disclosures to address stakeholder needs and promote responsible reporting practices organization wide.

We continue advancing our reporting system in line with the global best practices, demonstrating our steadfast commitment to delivering accurate performance and impact data.

+60

material topics will be disclosed in 2024 within the water sector, reported by all water service entities, with potential duplication of some topics due to reflecting shared priorities.





# Environmental Sustainability

- 84 Climate Change and Energy Efficiency.
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# **Our Environmental Sustainability** (Towards eco-friendly (water services

Our growth strategies prioritize environmental protection and conservation through sustainable practices that pave the way for water services expansion. By implementing the highest environmental standards, we align with Saudi Vision 2030, the Saudi Green Initiative, the National Environmental Awareness and Sustainable Development Program, the National Renewable Energy Program, and the National Circular Carbon Economy Program, under the supervision of the Ministry of Energy. Our efforts also adhere to the Public Investment Fund's Green Finance Framework, Nationally Determined Contributions (NDCs), and the National Environment Strategy launched by the Ministry of Environment, Water, and Agriculture to enhance biodiversity, safeguard natural resources, and optimize their



#### **Our Directions:**

01

Supporting water services in implementing carbon reduction plans.

03

Preserving ecosystems.

05

Ensuring environmental permits for all water services.

07

Launching strategic programs to ensure integrated water resources management.

02

Adopting sustainable solutions to enhance energy efficiency.

04

Applying the highest environmental standards.

06

Activating circular economy principles.























# **Climate Change and Energy Efficiency**

and Emissions Reduction)

Recognizing the accelerating impacts of climate change on our environment, economy, and public health, we acknowledge our responsibility to address this global challenge by taking proactive measures to cut emissions in water services, enhance adaptability, and ensure water system resilience and efficiency. We're advancing targeted energy-efficient initiatives.

We drive efforts to support water sector decarbonization, enhance energy efficiency, reduce carbon emissions, and adopt smart technologies to monitor and address climate impacts. We also integrate climate change challenges and opportunities, and energy-efficient solutions into our strategic planning and decision-making processes.

This reflects our commitment to sustainable development goals, while strengthening our alignment with national targets to achieve an environmentally and economically sustainable future.















#### Led the roadmap toward achieving carbon neutrality in water services

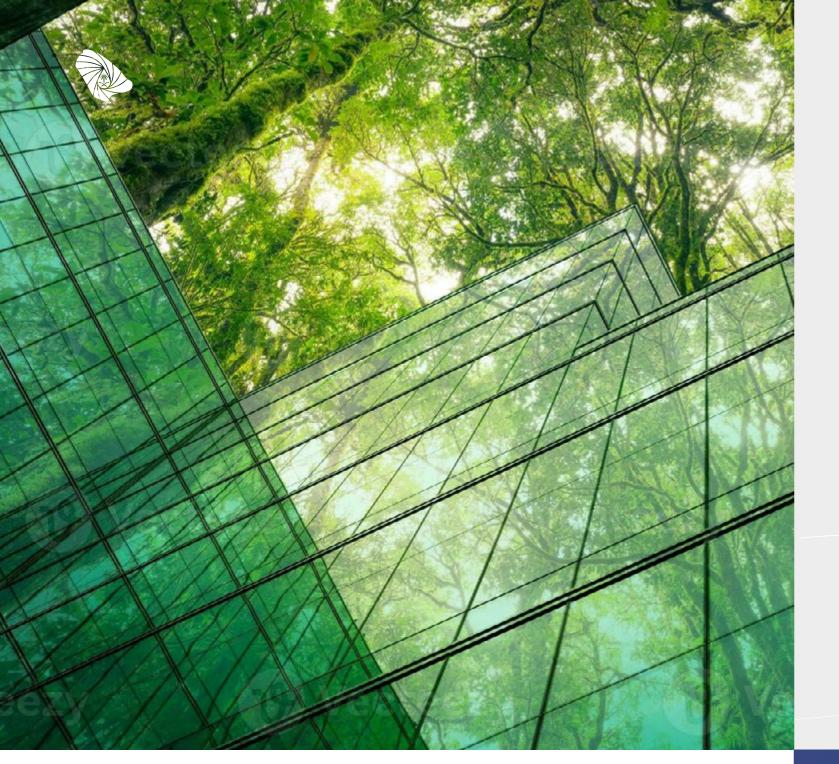
Though its carbon footprint is small, the Kingdom leads by example in collaborative climate initiatives. As a signatory to the Paris Agreement alongside 195 nations, the Kingdom contributes to the unified effort to reduce emissions and combat climate disruption. While major emitters target carbon neutrality by 2055, other nations are adopting tailored reduction pathways that reflect their economic and environmental realities.

As the governing body for water services, we've institutionalized a carbon-reduction strategy compliant with Saudi Green Initiative 2nd target (278M ton/ year reduction by 2030). We constantly oversight this strategy which demonstrates adherence to international benchmarks, driving progress toward the Kingdom's 2060 carbon neutrality pledge and environmental preservations for current and future generations.

#### **Strategic outlook on Emissions** and Decarbonization

In our regulatory capacity, we mandate ongoing climate performance tracking in water infrastructure and champion decarbonization initiatives, ensuring compliance with Saudi Arabia's Vision 2030 sustainability framework.

Our water services GHG emissions assessment reveals that maintaining the status quo ('business as usual') poses severe climate risks without immediate adoption of sustainable mitigation measures. Our findings suggests that failure to adopt regulatory interventions and cross-sector climate strategies may escalate emissions to 7x current levels by 2050, with severe socio-ecological repercussions.



#### **Establishing the Emissions Baseline** and Boundaries:

A robust emissions baseline methodology for water services is fundamental to operationalizing our carbon neutrality roadmap and measuring impact.

#### **Prioritizing Emission Reductions Through Science-Based Approaches:**

Our emission reduction priorities are calibrated to internationally validated scientific benchmarks, ensuring measurable and attainable outcomes.

#### **Evaluation of carbon reduction** initiatives and cost efficiency:

We adopted an analytical approach to assess the expected impact of decarbonization initiatives and analyze the marginal costs. This aims to identify strategies that achieve the highest environmental impact at the lowest costs in a phased manner, based on water service priorities and actual needs, while considering regulatory and stakeholder perspectives.

#### **Predictive planning for future pathways:**

We developed models that account for energy sector developments, projected outcomes under a "business-as-usual" scenario, grid emission factors, potential emission reductions, and an analysis of alternative assumptions for achieving carbon neutrality...

#### **Risk assessment and mitigation:**

We developed multiple risk scenarios, assessed potential risks, and established contingency plans to meet carbon reduction targets without compromising operational efficiency.

#### Issuing guidelines reflecting our regulatory vision:

We issued guidelines outlining the key environmental priorities, translating our aspirations into actionable measures and supporting decarbonization efforts. These are developed and released in phases, aligned with water service priorities and actual needs, while incorporating the perspectives of regulatory bodies and stakeholders.

#### We intend to monitor and assess the progress annually, or whenever necessary.

## **Journey to Carbon Emissions Neutrality Through the Energy Transition by 2045**

Based on our ambition to a sustainable future, we develop innovative solutions for reducing GHG emissions in water services. Our decarbonization roadmap empower stakeholders to reach carbon neutrality by integrating globally and locally adapted practices. Key components include:

We are advancing renewable energy adoption, implementing carbon capture solutions, and promoting nature-based initiatives such as vegetation restoration to support emissions reduction. We urge stakeholders to implement sustainability initiatives tailored to their operations, supported by thorough emissions assessments. We are developing a Sustainability Platform to help entities monitor KPIs and track progress on environmental targets, ensuring transparency and data-driven decision-making. This will enhance our ability to monitor and evaluate environmental performance, ensuring compliance with emissions reduction requirements through precise, measurable indicators, which reflects in transparent reports that support data-driven decision-making based on reliable metrics.

Introduction



## **Our Sustainable Fleet Management**

The year 2024 marked a strategic pivot in our fleet management, prioritizing emission reductions and energy efficiency as core operational pillars. We deployed EV charging infrastructure across parking facilities to enable the transition to low-carbon transportation alternatives.

With a fleet of 2,200+ vehicles, we've begun our green transition by deploying the first EV, marking the phased integration of sustainable transport solutions As part of our corporate-wide approach, we expanded low-carbon transport solutions to our managed residential communities, deploying e-scooters in Jubail and e-bikes in Khobar, to foster eco-conscious mobility and urban engagement.

2024 saw a 25% year-on-year decline in fuel use, a measurable milestone in our operational sustainability efforts. To ensure standardized practices and regulatory compliance, we developed fleet management guidelines covering vehicles lifecycle, from procurement to decommissioning. Vehicles are retired according to precise government procedures and under the supervision of <a href="the General Auditing">the General Auditing</a> Bureau, guaranteeing sustainable and accountable fleet management practices.

We are developing a smart fleet system for 2025 that integrates real-time GPS tracking and advanced vehicle technologies to optimize routing, improve transparency, and reduce costs.

We developed a contingency plan in response to new regulations extending vehicle service life to 10 years, including EV leasing to reduce emissions and control maintenance costs. This includes leasing electric vehicles (where feasible) as an alternative solution to reduce emissions and enhance environmental performance. Our roadmap includes targeted fuel-use reductions.





# **Energy Efficiency & Emergency Operational Measures**





We are committed to implementing the standards and methodologies issued by the <u>Saudi Energy Efficiency Center</u> (<u>SEEC</u>), the standards approved by the <u>Saudi Electricity</u> <u>Company</u> related to operational efficiency and resource management. SEEC awarded us the Performance Card for our commitment to implementing awareness programs and fuel/ energy conservation practices across facilities and vehicles, which reflects our dedication to resource efficiency and reducing environmental impact in alignment with relevant national regulations. Our mandated energy efficiency policy undergoes biannual SEEC reporting via our institutional account in Center's platform. This monitoring includes evaluating energy consumption in our facilities, studying conservation opportunities, improving our systems, and identifying areas for more efficient solutions.

Our ongoing efforts to curb resource consumption of energy through improving the efficiency and have achieved 100% compliance with energy efficiency standards through the adoption of smart control technologies (e.g., timed irrigation systems in managed residential compounds) and upgrading to LED lighting at our main facility. Moreover, the planned BMS deployment (Q4 2025) aims to improve energy consumption management across all facilities through smart monitoring and control mechanisms.

To mitigate power outage risks, contingency measures, such as strategically deployed backup generators at key facilities and control hubs, are in place to maintain operational continuity. Generators undergo periodic maintenance by technicians and are automatically activated based on the energy stored in our backup support systems. This integration ensures operational reliability, environmental compliance, and alignment with national energy standards. The Ministry of Finance mandates all utility payments through 'Etimad, via standardized mechanisms across other entities, ensuring spending governance and operational cost efficiency.



Introduction



# **Success Story:**"Water Oasis" Project

[GRI 302] [GRI 306]





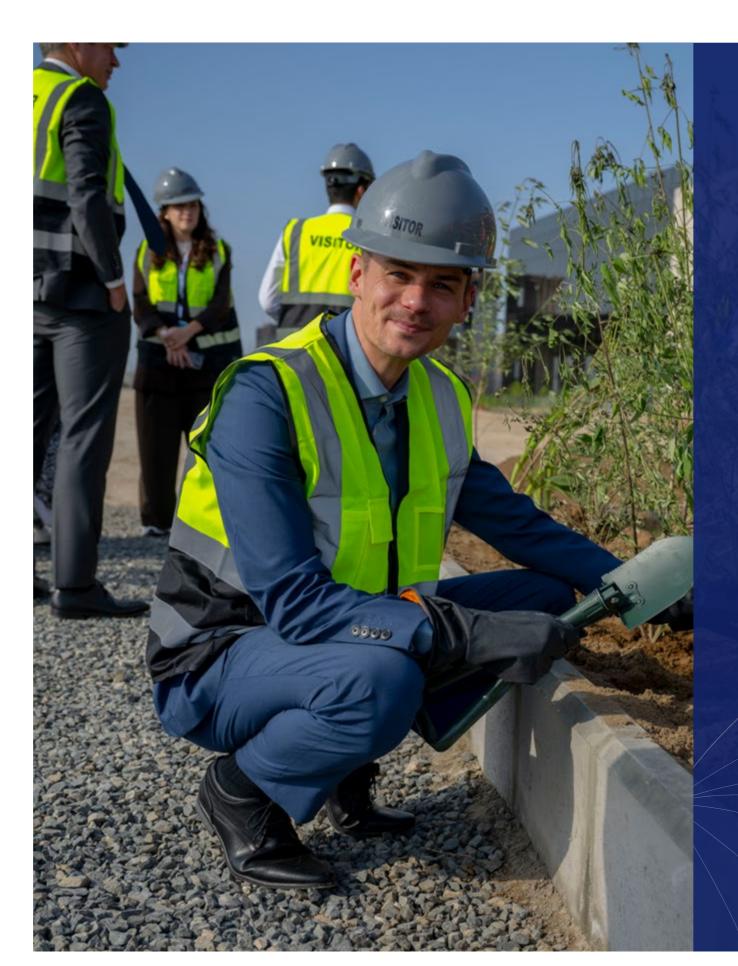




# The world's largest water green research cluster

We are committed to eco-friendly standards, aligning with our strategy to address water supply challenges and ensure sustainability. Thus, we established the "Water Oasis" project on a site exceeding 70,000 square meters. The building's design and construction adhere to global practices, including the LEED certification by (USGBC).

It aims to foster innovation and empower scientific research by establishing an integrated "Water Oasis" for R&D, designed to develop sustainable solutions for water service challenges, deliver tangible, real-world impact, and stimulate creativity and strategic partnerships. This reflects our drive to build an innovation-driven environment that advances sustainability, knowledge, tech localization, and green economic development. It comprises:



#### Headquarter:

A state-of-the-art R&D and enterprise hub, featuring advanced labs, testing facilities, and collaborative workspaces.

#### Main theater and other halls:

Multi-purpose facilities designed to host conferences, workshops, and specialized events..

#### The academy building:

A training center specialized in development programs to promote environmental sustainability concepts. It includes a Virtual Reality Hall, offering an interactive experience to explore water challenges and sustainable solutions.

#### A Pilot plant:

Solutions undergo rigorous testing in simulated environments to validate performance prior to field deployment.

#### Specialized laboratories:

To support scientific research and develop advanced technologies.

#### The innovation partnerships building:

To enhance collaboration and integration with relevant local and international entities..

#### Smart recreational spaces:

An inspiring environment for creativity and interaction for visitors and researchers.

The project is a beacon of innovation and sustainability in water resource management and security by using cutting-edge technologies and solutions. We look forward to inaugurating the "Water Oasis" project by the end of Q1 2025, demonstrating our commitment to supporting national environmental goals for future generations.



# **Biodiversity** and Land Use







We recognize biodiversity role in safeguarding our environment and lands, despite the potential impact of water service operations on ecosystems, even as these services are essential to meeting water demands. Guided by our regulatory mandates, we are committed to promoting environmentally responsible practices across water services cycle. This ensures ecological protection and balance, aligned with <u>Saudi Green</u> <u>Initiative</u>, National Environment Strategy, National Agriculture Strategy, Guidelines from relevant national centers, Land Rehabilitation Programs, and Wildlife Reintroduction Initiatives. We are committed to supporting global efforts to conserve biodiversity and contributing to the Global Oceans Alliance's objectives, to protect 30% of the world's oceans and seas by 2030.

We embed biodiversity conservation, spanning reserves, wetlands, and aquatic ecosystems, into our water infrastructure planning. We empower stakeholders to implement eco-conscious water management, embedding biodiversity protections into regulations, from sourcing to wastewater treatment, ensuring effective decision-making that prioritizes wildlife conservation.

We developed mechanisms to enhance oversight, including KPIs to track compliance with environmental standards. We collaborate with relevant entities such as the National Center for Wildlife, National Center for Environmental Compliance, National Center for Vegetation Cover & Combating <u>Desertification</u> to ensure integrated roles and alignment with national goals. We also aim to raise employees and water sector awareness about the importance of environmental protection, encouraging proactive, responsible, and sustainable practices.

We work with water authorities to enhance land sustainability by combating desertification and preserve their environmental and agricultural value.





# **Environmental Compliance:**

### Our active role in preserving our environment

In commitment to environmental responsibility and sustainable development, and to adhere to relevant requirements, regulations, and policies, we oversee the water sector environmental compliance. This ensures adherence to legal frameworks while recognizing the role of collaboration with regulatory bodies in the Kingdom to contribute to Saudi Vision 2030. Thus, we developed the "Guidelines for Environmental Compliance in Water Sector" to support entities establish KPIs, objectives, and environmental standards and specifications. It is a regulatory tool designed to enhance compliance, standardize practices, and improve entities efficiency in implementing environmental requirements. It aligns with the National Water Strategy, National Environment Strategy, Integrated Waste Management Strategic Plan, National Emergency Plans, and relevant international agreements, where we emphasize our role with stakeholders to elevate environmental compliance across and promote environmental practices. It also aims to raise awareness on the following:

01

Entities environmental compliance in water sector.

03

The importance of managing and automating environmental data through an environmental management system.

05

Waste management for water sector entities.

02

Environmental regulations, laws, and international agreements.

04

Identifying the best practices of environmental ecosystem protection.















# **Enhancing Environmental Monitoring with a Proactive Approach**

# **Current situation assessment and baseline establishment**

As part of our ongoing efforts to enhance environmental compliance of water service providers, we evaluated their environmental adherence and established baseline environmental performance metrics. As of the end of 2024, a total of 133 environmental permits have been issued to these entities, covering all stages of the value chain. "Based on the assessment findings, we developed 2025 actionable plan and shared it with relevant stakeholders. It includes a set of KPIs to measure application effectiveness and enhance environmental compliance through the following key focus areas:

#### **Enhancing environmental compliance**

We accord priority to environmental compliance and the best sustainable practices across all water sector entities. As part of our role in enhancing environmental performance within the water ecosystem and in alignment with national strategy targets, we identified key environmental objectives to be achieved, including:

Increasing environmental permits by 50% to reach **200** by the end of 2025.

Ensuring EMS implementation in accordance with **ISO. 14001**.



#### **Environmental monitoring program**

We developed a comprehensive plan under the Environmental Monitoring Program for water sector entities to enhance environmental compliance, monitor and address environmental violations, and systematically implement appropriate corrective actions. We are also developing regular reports to transparently and systematically assess the degree of environmental compliance in water services.

To direct oversight toward priority assets and enhance the sustainability of operational processes across the value chain, we identified all water service entities' assets and classified them according to a set of approved environmental criteria, as follows:

- Nature of operation: (Such as desalination, pumping, and treatment plants).
- Geographic location (region and city).
- Approved environmental classification (Categories 1, 2 and 3).
- Operational asset status (Active, Under Construction, Temporarily Closed, or Out of Service).
- Environmental permit status (Valid, Expired, or Not Available).
- Any relevant environmental violations, complaints, or observations if any.

As a result of this program, we expect the following:

- Increasing environmental compliance among entities in water services.
- Monitoring and addressing environmental violations and taking corrective actions.
- Increasing in the number of assets with environmental permits.
- Enhancing preparedness for emergencies.
- Preparing periodic reports on environmental compliance in water services.
- Effective waste management.

To enable proactive environmental measures, we are developing monitoring frameworks by 2025 to document environmental incidents and analyze their data. This will enable us to improve realtime incident response and reporting, support data-driven environmental decision-making based on classified data and precise indicators and strengthen transparency and institutional accountability across our environmental regulatory framework.





We delivered specialized inspector training across new branches to strengthen environmental compliance monitoring in the water sector. 15+ inspectors completed field certification in modern compliance assessment tools and regulatory standards.

The training fostered sustainable in-house expertise, with certified teams transferring knowledge and training additional personnel, which expanded the scope of compliance and effective oversight, while strengthening branches' capacity to cover a wider range of monitoring sites, through structured knowledge sharing.

## **Pivoting Strategically Toward Sustainable Regulatory Systems**

Our new environmental policy underscores our dual role as enabler and regulator, mandating compliance and ecosystem protection across all operations, in line with Vision 2030 and global standards.

Introduction

This policy aims to mitigate operational environmental impacts, safeguard employee health and safety, and foster organizational engagement through facility-wide policy rollout and incentivized compliance. The policy should require strict compliance with these principles under all operational conditions:

- Elevating awareness and engagement across employees, contractors, and suppliers, driving collaborative enhancements to environmental policy implementation
- Committing to eco-friendly practices and risk minimization at every step and site.
- Combating pollution, protecting natural resources, promoting renewables, cutting emissions, and recycling waste to safeguard our environment.
- Adhering to applicable environmental laws and regulations.
- Abstaining from actions that damage ecosystems or remove forest cover.
- Ongoing enhancement of environmental performance to comply with obligations and regulatory requirements.

Our efforts also include raising awareness among suppliers and value chain about the potential environmental impacts associated with their activities. Water sector operators must mandate supplier adherence to environmental policies, ensuring full compliance with Saudi sustainability standards, such as:"

- · Chemicals handling, storage, and disposal.
- Waste management and proper disposal.
- Assess environmental impact before, during, and after activities implementation.
- · Continuous environmental monitoring to ensure compliance with environmental regulations.
- Monitoring non-renewable natural resources consumption such as water, energy, and raw materials.
- Mechanism for environmental incidents reporting and responding.
- Effluent treatment.
- Monitoring supply chain activities.

We encourage stakeholders to adopt the best practices in their operations and establish and implement and Environmental Management System aligned with global standards such as ISO 14001 to achieve long-term sustainability, ensure compliance with environmental requirements, and reduce operational environmental impacts. It establishes controls for key activities, including natural resource use, waste management, and energy consumption to maintain safe and healthy environments across facilities and sites.



# **Environmental Management System in Water Services**

The water sector continues to strengthen its commitment to sustainable environmental practices by expanding the implementation of the Environmental Management System (EMS) across various components of the sector. The system has already been adopted by most relevant entities, while others are finalizing their implementation to ensure integration of efforts and enhanced compliance with national and international environmental standards. This direction represents a fundamental step toward achieving sustainability goals and improving overall environmental performance across the entire water system.

# Collaborating to drive higher environmental compliance across operation

In partnership with the <u>NCEC</u>, we are driving higher environmental compliance in the water sector through value-chain support, ecosystem development, and challenge mitigation. Such collaboration included:

# Environmental challenges:

- Identifying environmental challenges.
- Developing an approach to address environmental challenges.
- Identifying asset locations and their data.

# Environmental compliance:

- Following up on environmental permit applications submitted to the center.
- · Executing joint visitation mechanism between NCEC and SWA.
- Monitoring corrective plans of water service providers.
- List of environmental violations issued for water services.
- Monitoring and enhancing emergency preparedness across water sector entities.
- Preparing emergency plans and the responsibilities of assigned entities.

# Environmental performance:

- Reviewing strategies with environmental impact.
- Identifying environmental performance indicators for entities.
- Enhancing environmental performance.
- Preparing environmental reports.

# Digital transformation:

- Examining entities data systems to identify electronic integration requirements.
- The electronic integration mechanism between NCEC and SWA.
- Identifying the locations of stations and their data.

# Integrative partnership

- Carrying out relevant initiatives and events.
- Identifying training areas and determining the number of targeted courses.



As of December 2024, +400 water sector workers completed specialized training via the <u>Water Academy</u>, strengthening national capacity in environmental oversight. We also established a joint monitoring visit schedule between SWA and <u>NCEC</u>, for 2025, to maximize the impact of these inspections while promoting knowledge exchange between specialized teams, ultimately enhancing environmental compliance performance across the sector.

We also hold concurrent quarterly reviews of water sector entities' environmental permits and resolve administrative/technical bottlenecks to streamline compliance and strengthen regulatory-environmental alignment.

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Amidst dwindling renewable water resources and the need for water reuse across the value chain, we adopted circular economy principles to enhance operational efficiency and environmental sustainability. This supports Saudi Vision 2030's "Sustainable Resource Preservation" goals, aligns with Saudi Green Initiative, and implements the National Water Strategy's mandates of reuse, efficiency improvement, and reduced reliance on nonrenewable resources, while complying with policies and regulations issued by the Ministry of Economy and Planning.

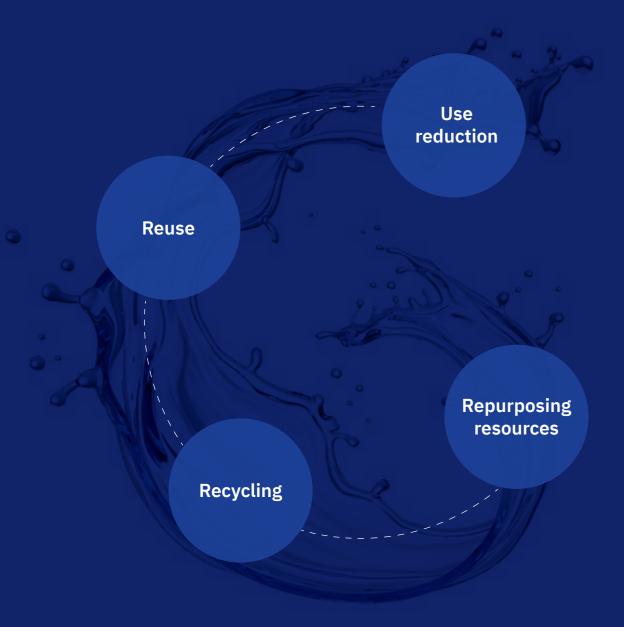
Despite our investments and initiatives in repurposing byproducts, such as sludge, treated wastewater, and brine reject, they still present opportunities to amplify environmental and economic impacts through integrated practices. Such approaches can reduce waste, cut emissions, and create sustainable valueadded solutions for water services.

We recognize that the circular economy principle enhances water security, demonstrates commitment to environmental and developmental aspirations, improves operational and economic efficiency, and serves as a cornerstone of our national transition toward a more sustainable model of production and consumption.



# Our active role in driving the transitiontoward a circular economy.

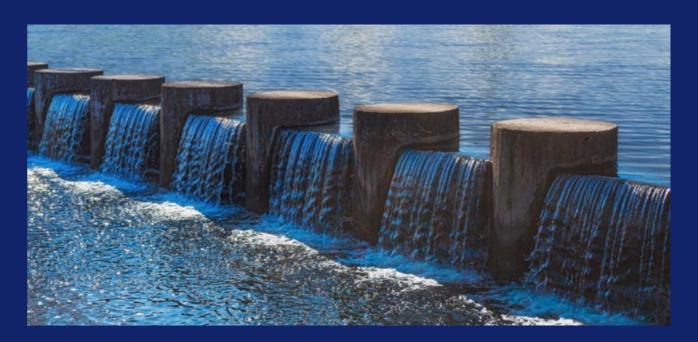
Guiding this transition, we implement a holistic framework to embed circularity across all phases of water management, which we developed based on a review of national policies and benchmarking against global practices, and founded upon four key implementation pillars:



Therefore, we developed a roadmap comprising 25 actionable measures across key focus areas, including:

Resource efficiency, waste recycling, innovation in value chains, partnership empowerment, and integrating circular economy into operational models.

We categorized these measures into short- and long-term, enabling stakeholders to implement them progressively while ensuring long-term sustainability. As the regulatory entity, we develop policies and guidelines and provide enablers to support this direction. Additionally, we oversee compliance by water service providers in implementing approved environmental performance indicators relevant to the circular economy. We monitor and assess progress, through the Sustainability Platform we are currently developing, to analyze data, measure impact, and inform decision-making at both policy and operational levels, ensuring transparency and efficiency in managing our transition toward a circular economy model.



# From Linear to Circular – A Shift in Operational Practices

As regulators, we enable water providers to transform their operational models from linear ("take-make-dispose") to circular operations, treating wastewater/byproducts as reusable resources rather than waste. Through innovative applications aligned with circular economy principles, this approach creates added value across the entire water sector ecosystem.



## **Success Story**

### **Transforming Byproducts into Sustainable Value**

[GRI 306]

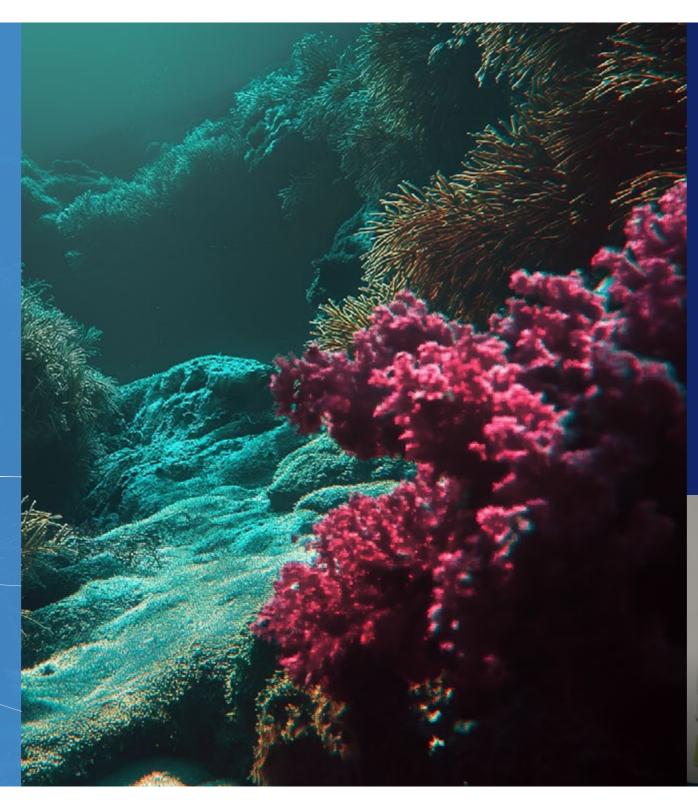
To enhance water sustainability and circular economy, we launched, through WTIIRA, a microalgae cultivation project. This initiative aims to transform underutilized by-products from production systems, such as brine and carbon dioxide (CO<sub>2</sub>), into an opportunity to produce high-value microalgae biomass be used across industrial applications, including animal and aquaculture feed, biofertilizers, biofuels, natural pigments like Beta-Carotene. This is achieved through innovative technologies with sustainable environmental and economic impact.

Accordingly, we cultivated a microalgae strain (Dunaliella Salina) in Jubail City, characterized by its high salinity tolerance, adaptability to the Kingdom's climate, and a protein content surpassing 40%, and beta-carotene content. We also introduced Chlorella to broaden the scope of applications and enhance efficiency.

We designed a 2.5-hectare facility in Yanbu, with annual production estimates, based on target cultivation ratio, (50% for each type of microalgae) 8,000 cubic meters of nutrient liquid for bio-fertilizer production, and 60 tons of dry biomass for animal and aquaculture feed, with an estimated market value amounting to 40,000,000 41.

Through WTIIRA, we also adopted an advanced technology to produce calcium carbonate with 97% purity, using fly ash and desalination reject brine, marking the first project of its kind gløbally. This is an outcome of "Zero Brine" Discharge" technologies, developed through a research partnership with leading Korean institutions. It represents a promising economic opportunity to generate an annual minerals and salts used in vital industries.

Our projects mark a transformational shift, turning industrial byproducts into sustainable solutions while advancing environmental stewardship, circular economy principles, and national progress.



Introduction

### **Reverse Vending Machines**

To foster sustainable business practices, we launched an initiative to dispose of recyclable waste through RVMs at our headquarter. This first-of-its-kind initiative empowers employees and visitors to recycle plastic and metal containers, while earning digital rewards points via a dedicated app, which then be redeemed for symbolic rewards, to turn eco-friendly behavior into a daily

In 2024, we disposed of +45,000 containers, contributing to a reduction of +6,800 kg of carbon dioxide emissions, which significantly enhanced environmental awareness among our employees. This encouraged us to expand the initiative in 2025, integrating innovative environmental solutions into our sustainable work culture.



# **Water Resources** Management











The Kingdom's freshwater scarcity challenges stem from escalating demand, driven by population growth, agricultural and industrial needs, dwindling non-renewable groundwater reserves and climate variability. These issues command attention of the nation's leadership, standing among the top strategic priorities to policymakers due to their direct impact on sustainable development and water security.

Our water management initiatives align with Saudi Vision 2030, the National Transformation Program, and the Saudi Green Initiative, while complying with international practices.

As the national water regulator, our mandate integrates sustainable management principles across the value chain, from technological modernization and operational optimization to public engagement in conservation, to ensure long-term water security and equitable resource allocation.

#### **Our water resources**

Within the National Water Strategy framework, we identify substantial potential to improve water use efficiency and sustainability across the sector. These include deploying advanced technologies, scaling up recycled water utilization, and enhancing strategic partnerships with key sector players.

We are building an integrated water ecosystem addressing water security, sustainability and resource optimization through:

Desalinated water

Renewable groundwater

Non-renewable groundwater

Surface water

Treated water

We take pride in setting record-breaking achievements across all operational fronts to ensure sustainable water supply.

The achievements in this area are highlighted as follows:

The world's longest water transmission pipelines of

+14,000 km with a capacity of

+19,400,000

m³/day



The world's largest desalination capacity of

+16,600,000 m³/day

Wastewater network coverage for treatment and potential reuse:

65%

Strategic storage capacity:

**2.7** days

Network coverage for urban and industrial uses:

78%

**Treated** wastewater:

55%

Treated water reused:

26%



## **Digital Transformation** in Water Resources **Management**

We prioritize the use of cutting-edge technologies and AI applications in operational and regulatory transformation, enhancing water resource sustainability. At LEAP 2024, we unveiled 7 advanced applications that integrate AI and advanced analytics to optimize operational efficiency and enable data-driven decision-making.



#### **Smart Robot to Inspect Water Tank:**

It allows for accurate inspections without halting operations, minimizing stoppage periods and improving technical oversight...

#### **Water Quality Monitoring Using** Satellite Imagery and Machine Learning **Techniques:**

It enhances the accuracy of water quality data and enables rapid response to environmental changes..

#### **Asset Management and Predictive Maintenance:**

It relies on vibration data analysis to predict failures before they occur, reducing maintenance costs and enhancing operational reliability.

# **Remote Control of Well Water Filtration**

It enables remote monitoring and operation of treatment systems, enhancing operational efficiency and optimizing human resources.

In addition, strategic national digital initiatives for water resource management have been launched, most notably:

#### **Smart Platform for Water Sector Management:**

A predictive analytics solution delivering smarter asset management, cost reduction and sustainable operations..

#### **Saudi Water Twin Project:**

An innovative digital solution creating dynamic virtual models of water networks through integrated modeling and big data analysis, enabling evidencebased infrastructure planning..

These digital initiatives mark our strategic shift toward AI-powered water management, blending cutting-edge innovation with practical operations to ensure sustainable water security for future generations.

### **Taking Saudi's Water Management Framework** Worldwide

Through international collaboration at Asian Water Week, SWA demonstrated its regulatory framework advancements in water resource management, supporting the Kingdom's position as a reference in water sustainability. We partnered with the World Bank to share our expertise in water sector development and strengthen global water security. This collaboration will internationalize our water regulation expertise, by adapting our successful regulatory framework in developing nations as an exemplary water governance

We take pride as a regulatory entity shaping the future of water regionally and globally, sharing local expertise in water sustainability, and contributing to the Kingdom's developmental soft power.



## **Systematic Transformation** to Ensure Water Security

Our water sustainability roadmap systematically replaces non-renewable groundwater with circular solutions like advanced desalination and water recycling, ensuring reliable supplies without compromising environmental integrity. Building on our National Water Strategy, we're scaling up a needsbased water allocation framework that dynamically prioritizes developmental imperatives across regions and economic sectors. Leading a new era in water management, we're building a national digital hub that interlinks all water data to strengthen regulation, reveal operational insights, and guide smarter water governance decisions.



3rd ASIA INTERNATIONAL WATER





## 第三届亚洲国际对 3rd ASIA INTERNATIO **WATER WEEK**

共促未来水安全 Enhancing Our Future Water Se Sustainability & Innovation 113

**Environmental** 

Sustainability



## Our strategic framework to build resilient supply chains

We are dedicated to securing reliable and sustainable water supply through an organizational framework that ensures resilient water supply chains, with the goal of:

01

Ensuring ongoing supply chain resilience while sustaining effectiveness.

03

Enhancing supply chain resilience through continuous improvement, aligned with relevant leading practices.

02

Ensuring effective response and full recovery of critical supply chains.

Boosting collaboration and stakeholder engagement.

We pave the way to achieve these objectives through relevant programs, initiatives, policies, and procedures empowered by our executive leadership, demonstrating our efforts to enhance supply chain resilience in alignment with Saudi Vision 2030 and the National Framework issued by the General Secretariat of the National Risk Council.

## **Success Story**

Introduction

## **Organizational** practices for water services sustainability [GRI 2]

As part of our efforts to enhance operational efficiency and ensure compliance with approved standards, we are developing policies, procedures, and regulatory mechanisms while monitoring their implementation, which improves water service quality, better control of operational practices, and transparency.

We have introduced flexible, incentivebased regulations to simplify licensing/ permitting, supporting water governance and operational sustainability through key programs, including

- · License and Activity Policy & Procedure Development Program.
- Licensing Issuance and Activation Program.

We are developing a smart platform that facilitates access to services and automates procedures and licensing pathways, thereby enhancing institutional performance efficiency. This initiative responds to the sector's rapid changes and leverages modern technological solutions to ensure business continuity and improve the beneficiary experience.

Issuance and renewal of 113 Water Service Activity Licenses

Develop "licenses procedures guideline" and upload it to the consultation platform by the Supervisory Committee for Regulatory Affairs before approval.



Introducing the licensing platform for water service providers with registration procedures.

Violation control guide on Mumtathil platform containing operating procedures for water sector enforcement officers and SWA oversight officer.



## Strategic Collaboration to Enhance Water Recourse Management in Industrial Zones







We're working with partners to manage water resources sustainably, innovate solutions, and meet <u>Saudi Vision 2030</u> goals—driving transformation and long-term water security. We signed an agreement with <u>MODON</u> to enhance rainwater and treated wastewater drainage in Dammam's Second Industrial City

to design and implement an integrated drainage system that enhances water infrastructure and improves water-use efficiency in industrial areas, creating added operational and environmental value.

This partnership marks significant progress in industrial water stewardship, ensuring sustainable water/sanitation services for communities while enabling climate-resilient infrastructure and ecoindustrial manufacturing.

The project demonstrates integrated environmental-engineering solutions, showcasing our commitment to adapt policies that facilitates smart sustainability solutions and unlocks industrial investment potential.





# Water Quality and Supply Safety

Towards safe and sustainable water





MEWA enhances water services governance through integrated regulatory frameworks, such as the Water Law. which ensures the quality and safety of unbottled drinking water. It enforces value chain oversight and defines supervisory, monitoring, and regulatory roles. As such, we license, monitor, and ensure compliance among water producers, transmission/distribution networks, and other licensed entities embodying Saudi Vision 2030's mandate to entrust water quality management to the most competent authorities. Such frameworks ensure compliance by water producers, distributors, and treatment entities with approved standards, enhancing public health protection and aligning with global practices.



# Drinking water quality in the Kingdom

As we oversee water services, and given our responsibility for public health protection, our mandate includes monitoring production volumes, delivery to consumers, treatment, and reuse, and quality control of water across all licensed operations such as production, purification, transportation, distribution, and storage, ensuring compliance with national standards while aligning with <u>WHO</u> drinking water quality requirements.

Our teams regularly monitor the compliance of service providers with quality requirements to ensure that approved standards are met. Our oversight approach includes:

- 1. Verification of core biological, chemical, and physical water quality indicators, including:
  - Physical and chemical analysis: Such as measuring pH, turbidity, total dissolved solids, electrical conductivity, residual chlorine dioxide, and essential minerals like sodium, potassium, calcium, and magnesium.
  - Microbial contaminants: Ensuring the water is free from harmful bacteria, viruses, and other microorganisms.
  - Heavy metals and elements: Monitoring levels of arsenic, lead, mercury, cadmium, and other hazardous elements.
  - Purification byproducts: Testing for trihalomethanes and other compounds potentially generated during water purification processes.
  - Radioactive materials: Ensuring that water is safe from harmful radiation levels.
- 2. Monitoring of sampling surveillance and analysis: including sampling mechanisms from pumping stations, reservoirs, transmission pipelines, and distribution networks across all service areas.
- Reviewing compliance reports and verifying operational efficiency: to ensure compliance with approved environmental and health regulations, taking corrective actions when necessary.

This approach represents our commitments to provide the best services to consumers, enhancing water services reliability, and ensuring the delivery of safe drinking water to users in accordance with the best regulatory practices.



## **Towards Safer and Higher-Quality Water Supply Chains**

We spare no effort to improve water quality and secure its supply chains. Through development of operational protocols and enhanced compliance, we meet top-tier standards while advancing our strategic vision.

#### Such efforts include:

- Developing operational codes for service delivery activities by aligning regulatory requirements with leading practices, ensuring continuous water supply with high quality and safety standards.
- Managing water quality by developing non-bottled drinking water standards monitoring manual, compliant with global practices, outlining service provider obligations to guarantee adherence to authorized quality parameters.
- Developing technical improvement studies for water services through integrated sector regulation and supervision, enhancing service efficiency and meeting strategic objectives by implementing top local and global standards in specialized research.

These initiatives reinforce our strategy to align compliance, service excellence, and value chain performance, guaranteeing sustainable resources and unmatched service reliability.

## **Success Story**

### **Leading Water Research Innovation**

[GRI 203]

Facing major water sustainability challenges—from inefficient desalination to costly legacy systems, the Kingdom has responded with visionary leadership and decisive action. Therefore, we established WATERA to support in desalination, energy generation, and water treatment units. WATERA is designed to achieve scientific leadership in R&D, drive water technology innovation, and position the Kingdom at the forefront of water tech advancements. It stands as the nation's only specialized research hub for desalination technologies.

It includes 3 advanced laboratories focusing on key areas such as chemistry, marine life, and environmental studies. It operates 8 pilot plants exploring the best desalination technologies and providing a comprehensive R&D platform that sustains the Kingdom's efforts to ensure water security, safety, and quality.



WATERA offers several services to ensure the quality of water produced from desalination plants, including:

#### **Analytical services:**

Verification of chemical, microbial, and physical compliance with desalinated water standards.

#### **Consulting services:**

Evaluation of materials and operational support for desalination plants and other entities involved.

#### **Consulting and research:**

Conducting research studies and evaluation projects according to client needs.

We provide these services at competitive prices through customer agreements, supporting the sector with advanced solutions while adhering to top-tier operational standards worldwide.

Through our technologies and data-driven oversight, we continue through 'WETERA' to establish global standards for water quality and sustainability. We also strive to partner with government entities, the private sector, and individuals, to secure a clean and safe water future, ensuring the protection of public health and the environment for the benefit of current and future generations.

# **Water Pollution Control & Wastewater Treatment**

## **Integration of efforts to** protect our resources from pollutants







Municipal waste, industrial discharge, and agricultural runoff are the major contributors to freshwater sources pollution, and such impact extends beyond environmental degradation to threaten public health, affect ecosystems, and jeopardize the availability of clean water for future generations. This created an urgent need for strategic interventions. As a regulator, we addressed these critical challenges through partnerships with key stakeholders to deploy advanced wastewater treatment technologies, enhancing realtime monitoring systems, and strengthening interagency coordination to promote responsible water stewardship. This aligns with <u>Saudi National Water</u> Strategy, Saudi Green Initiative, regulations issued by NCEC and standards set by NCWM. Furthermore, we comply with global benchmarks including WHO water quality guidelines, and UNEP environmental standards.

We lead a new era in pollution control and water management by advanced wastewater recycling technologies, mitigating industrial pollution, promoting sustainable agricultural irrigation, and utilizing modern treatment plants. These efforts contribute to protecting public health, preserving ecosystems, and enhancing long-term water security in the Kingdom.





## **Municipal Waste and Sewage Management**

Improper disposal of municipal waste not only pollutes drinking water sources but also presents urgent environmental and health risks, necessitating sustainable interventions. Accordingly, we prioritize safeguarding water resources by expanding wastewater services and advancing municipal waste management systems, encompassing optimized collection, transport and treatment operations, and construction of impermeable sanitary landfills to eliminate contamination of waterways.

We also contribute to enhancing institutional integration with relevant entities, including the Ministry of Municipal, Rural Affairs and Housing, and related national centers. Acknowledging prevention role, we advocate for early environmental monitoring systems, conduct awareness initiatives on improper waste disposal, and champion circular economy approaches to reduce waste production and promote recycling.

Committed to environmental excellence, we embedded sustainability into our operations through training and awareness programs to optimize waste management at every facility. These efforts included conducting specialized workshops, most notably e-waste recycling workshops, to ensure safe disposal in compliance with approved environmental standards.

To ensure ongoing compliance and foster positive environmental practices, we implemented proactive measures, including:

- Installed displays that clearly illustrate correct waste sorting and safety measures for waste management.
- Placed warning signs in critical areas across our facilities, highlighting potential environmental hazards.
- Issued guidelines for using approved safety equipment when handling recyclable waste or hazardous materials..

These efforts resulted in recording zero incidents of noncompliance with environmental waste management practices by our personnel during the reporting period. This demonstrates the effectiveness of our measures and confirms the environmental responsibility culture across our operations. We implemented 'Tarasul' digital platform to enhance interdepartmental communication, which reduced paper consumption and strengthened our commitment to sustainability and efficient digital transformation.

#### **Waste Classification**

We continue to develop and monitor waste classification requirements for operational and maintenance activities, in compliance with the National Waste Management Framework. As part of our oversight mandate, we drive progress in:

- Establishing and updating waste classification requirements, differentiating between hazardous and non-hazardous waste, in accordance with environmental standards.
- Monitoring entities' compliance with on-site waste classification and documenting relevant data to enable tracking and continuous improvement.
- Enhancing cooperation with relevant entities, particularly MWAN, by aligning policies and integrating them with national platforms to advance circular economy principles.
- Promoting waste recycling and reduction through operational practices and innovative treatment technologies.

These initiatives reflect our dedication to elevating water service sustainability through strict regulatory adherence, directly supporting both Saudi Vision 2030 and the UN SDGs.

Our integrated strategy prioritizes preventive environmental controls, including regulated wastewater treatment sludge. By 2030, 100% of wastewater sludge will be repurposed for agriculture/industry under monitored frameworks, eliminating landfill disposal.





# **Success Story**

#### **Constructed Wetlands**

[GRI 306]

We provide innovative and sustainable solutions for wastewater treatment, such as the Constructed Wetlands project as an alternative environmental and engineering model to traditional treatment plants, combining operational efficiency and environmental feasibility.

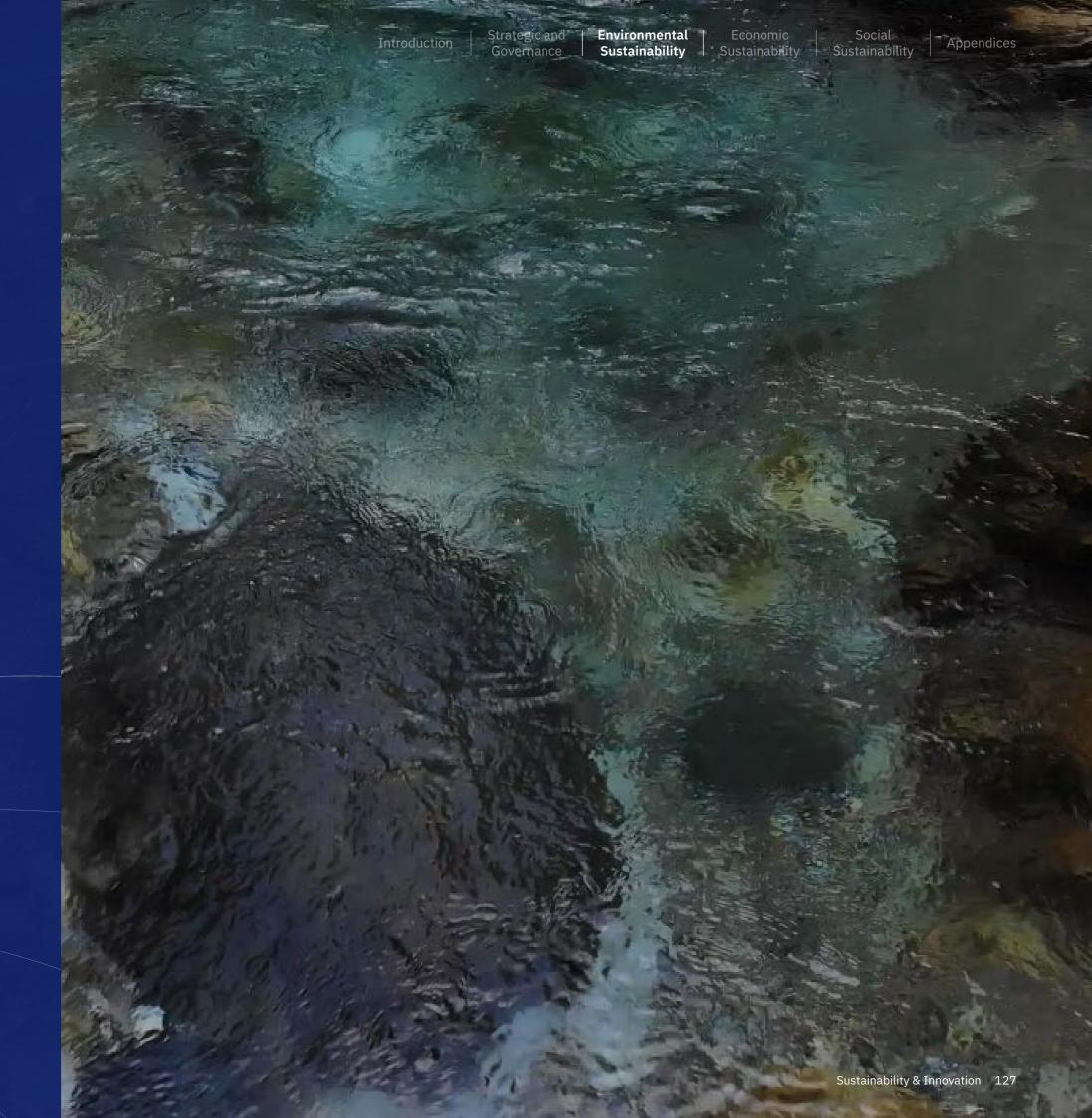
Wetlands are engineered systems to mimic the ecological functions of natural wetlands, relying on the integration of soil, plants, and microorganisms to filter and treat wastewater. Through physical, biological, and chemical mechanisms, they operate efficiently to purify water.

At WTIIRA, we design wetlands using a subsurface flow technique, avoiding surface water pooling. This minimizes odor and insect issues while enhancing treatment efficiency in our local environments.

We anticipate that this pilot project will enable us to:

- Replace conventional treatment plants in 3 residential areas.
- Reducing chemical usage by 70–80%.
- Reducing operational sludge production by up to 90%.
- Direct use of treated water for irrigation purposes.

This paradigm-shifting technology is a promising transformation in wastewater management. It is cost-efficient, supports biodiversity, enhances local ecosystems, and serves as sustainable, eco-friendly community infrastructure.





# Economic Sustainability

Innovation, Research and Development

Public-Private Partnerships

Sustainable Sourcing & Local Content





# **Economic Efficiency That Drives Innovation and Local Content**

Direct economic value: 2024 revenues

# 6,562,446,509 共

At the Authority, we place great importance on the economic dimension of sustainability, viewing it as a key driver of growth and sectoral efficiency. We aim to embed a culture of research, innovation, and development as strategic tools to enhance performance, improve service efficiency, and explore smart solutions to water-related challenges. We also work to build effective partnerships between the public and private sectors to expand investment opportunities and stimulate the transfer of knowledge and modern technologies.

Sustainable procurement and local content are among the fundamental pillars to ensure national economic impact, support local supply chains, and enable balanced growth opportunities across various regions of the Kingdom. This aligns with the objectives of Saudi Vision 2030 and its relevant implementation programs, such as the "Shareek" Program and the National Industrial Development and Logistics Program (NIDLP).



## **Our Strategic Directions:**

01

Strengthening the research and innovation ecosystem to support the sector's sustainability

03

Adopting sustainable procurement practices across all stages of the value chain

05

Attracting high-quality investments that align with the transformation of the water sector

02

Developing strategic partnerships between the public and private sectors

04

Supporting and increasing the percentage of local content in water projects and services

06

Accelerating localization and the transfer of knowledge and modern technologies











# Innovation, Research and Development











# Innovation and Scientific Research: Pillars of Sustainability in the Water Sector

As part of our commitment to achieving sustainability and leadership goals, we intensified our efforts to develop innovative and inspiring solutions in the water sector. This stems from our deep belief in the importance of scientific research and its role in building a more sustainable future.

Via our <u>Water Technologies Innovation</u>
<u>Institute & Research Advancement</u>, we strengthen R&D capabilities and grow partnerships with universities and research institutions worldwide to develop advanced solutions for water challenges.

We follow top global and local standards, including <u>Saudi Vision 2030</u>, the National Water Strategy and <u>RDIA's</u> National R&D and Innovation Strategy, local content goals, <u>ISO 56002</u> (Innovation Management), <u>IWA/WHO</u> guidelines, and <u>World Bank's ISO 24518</u>, to drive sustainable impact.



# Water Technologies Platform: Gateway to Smart Sustainability

We prioritize innovation and research as key drivers of sustainability and local economic growth. Building on this foundation, we create smart solutions to boost resource efficiency, enhance lives, and ensure long-term sustainability.

In 2024, we introduced the 'Water Technologies Platform', a digital hub to boost water sector innovation, foster stakeholder collaboration, and enable knowledge sharing.

It serves as an advanced digital environment for managing and tracking innovators' and researchers' projects. It provides:

- Smart submission and evaluation of research proposals with guaranteed transparency and efficiency.
- Tracking innovative projects with clear processes to guarantee high-quality results.
- Enhancing stakeholder engagement to foster collaboration and create integrative opportunities.
- Speeding up R&D through scientific review support and research publication.
- Generating measurable economic and developmental outcomes through viable, ground-applicable solutions.



## **Success Story**

# Water Technologies Innovation Institute & Research Advancement

[GRI 203]

Functioning as SWA's research division, it stands as an internationally accredited center of excellence and a critical component of our innovation framework. It also drives our commitment to develop efficient, sustainable water technologies that optimize resources and enhance lives.

At the institute, we connect research to real-world applications to boost water production efficiency while minimizing environmental impact. We regularly test and analyze water output to meet global drinking standards, focusing on eco-friendly desalination innovations.

Among our most prominent technical projects is Zeta Technology, the first of its kind globally, which utilizes nanofibers to separate salts from water through a more efficient and environmentally friendly method. Key 2024 achievements include:





Through the institute, we develop tech-driven solutions to optimize water treatment, recover resources, and cut costs, blending advanced technologies with scalable science. Our primary innovation focus areas include:

#### **Carbon dioxide** capture

Our advanced research aims to produce 200 tons/day of high-purity liquid CO<sub>2</sub>, cutting carbon emissions while creating sustainable industrial uses.

#### **Advanced coated** membranes

Our membrane coatings boost efficiency, prevent biofouling, and improve filtration selectivity for both UF and RO systems.

#### Microalgae cultivation using brine water

Our pilot project grew saltresistant Dunaliella salina algae in SWRO brine to produce valuable betacarotene and bio-lipids.

# **Solar-powered forward**

We demonstrated the effectiveness of integrating solar-powered forward osmosis pilot plants, achieving up to 50% reduction in both operational and capital costs while

#### **Recovery of bromine gas** and magnesium

Our innovative solutions extract high-purity bromine and magnesium from brine, advancing circular water economies and unlocking seawater's hidden resources.

# osmosis

### **Global Water Innovation Platform**

#### A digital infrastructure to enhance collaboration and leadership

Committing to advancing global innovation and enabling sustainable solutions, we developed a digital Global Water Innovation Platform, designed to foster collaboration between researchers and innovators on one hand, and government and private entities on the other, to accelerate the adoption of promising technologies in water and sustainability.

This platform empowers innovation by offering knowledge and technical resources for research and projects, while fostering strategic partnerships among individuals, universities, businesses, and governments, locally and globally.

The platform provides users with access to a comprehensive suite of tools and resources, including:

- Water sector data and insights on emerging challenges and opportunities.
- A collaborative platform facilitating knowledge sharing through workshops and expert seminars.
- A worldwide expert network enabling evidence-driven decisions.

The platform also raises awareness of global water challenges and drives innovation by giving entrepreneurs and manufacturers access to premium content that boosts performance, increases efficiency, and improves water resource management.

The Global Innovation Platform stands as a flagship initiative, turning knowledge into real-world solutions. It demonstrates our commitment to building knowledge-driven infrastructure that elevates water services' competitiveness worldwide.





#### % of research and innovation projects in water solution



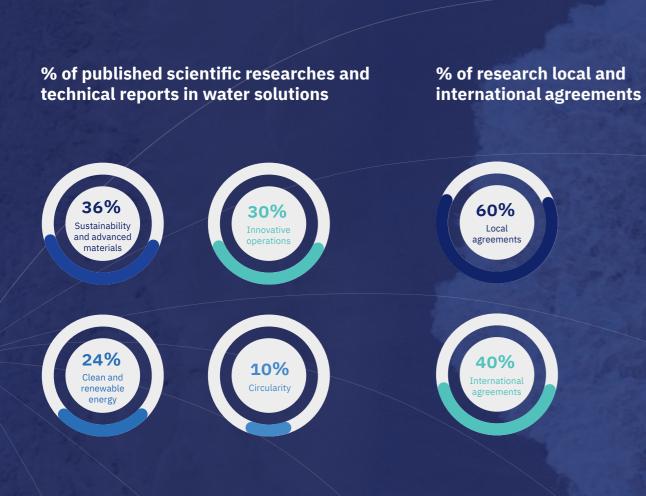
Wastewater, distribution and reuse

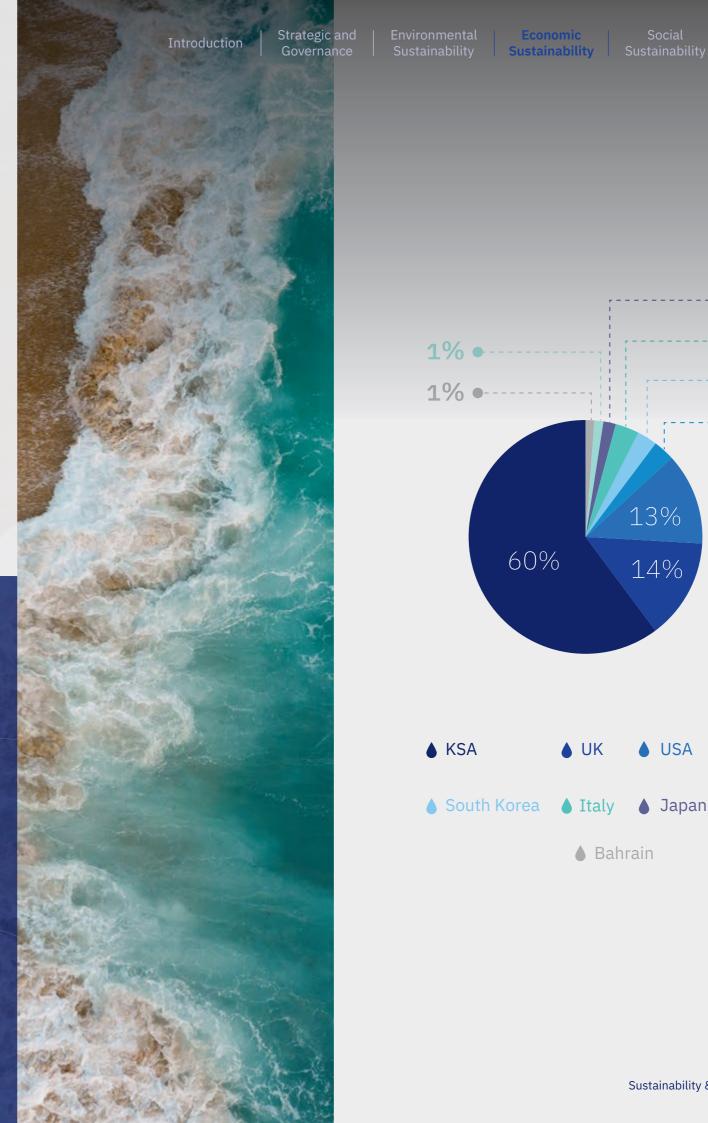
Water and AI applications management

Production and purification of desalinated water

Ransport, distribution and strategic storage

Groundwater, surface water and dams.





USA

**♦** China

**3**%



## **Success Story**

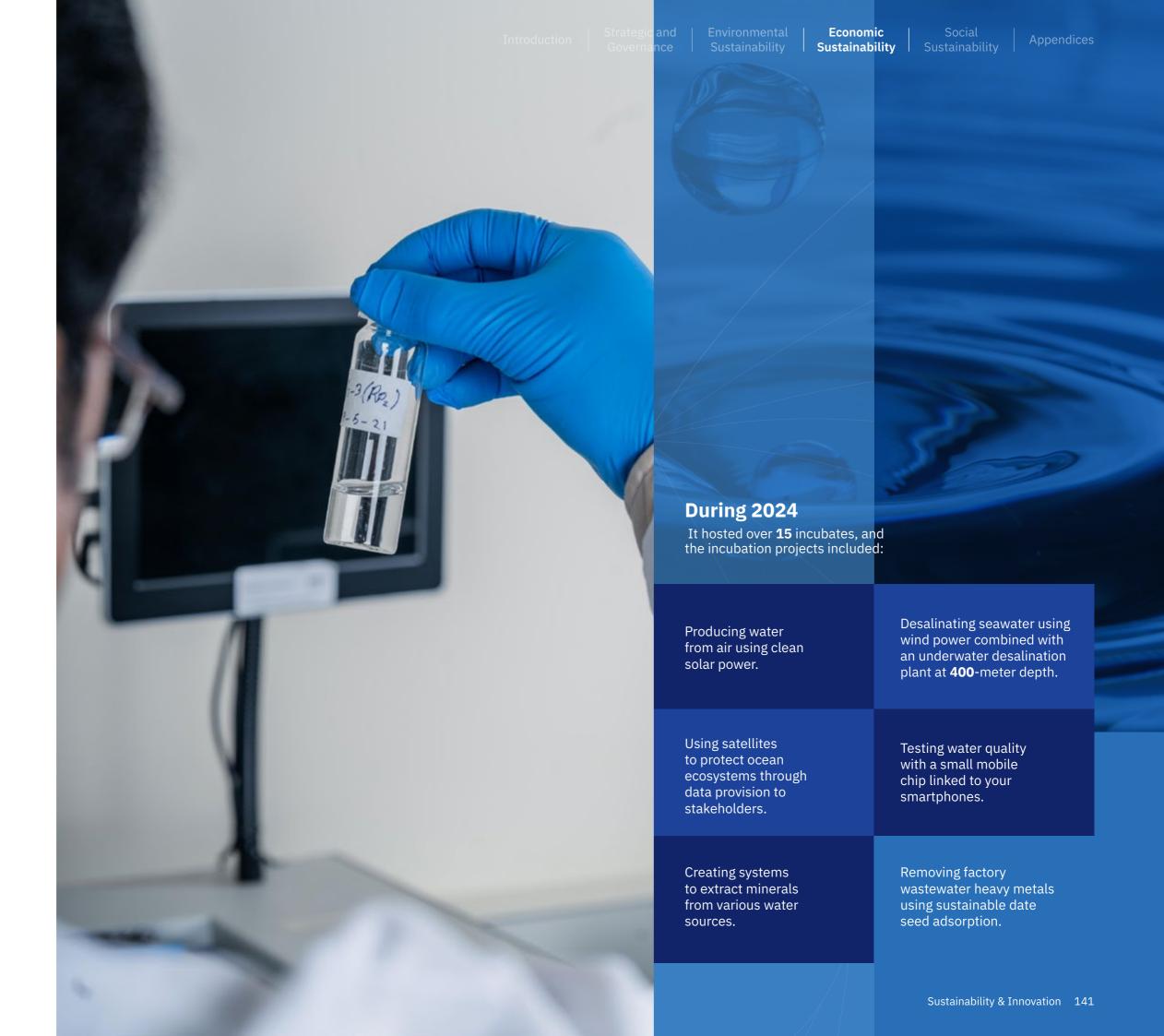
### **Saudi Water Innovation Center**

[GRI 203]

We believe that every challenge is a growth opportunity. In this spirit, we established the Saudi Water <u>Innovation Center</u> as a strategic initiative to drive innovation in addressing the Kingdom's water sector challenges, including resource scarcity and rising water demand.

The Center works to build a national ecosystem supporting water technology R&D and localizing innovations in the water sector. It also supports water innovators through entrepreneurial programs that drive efficient, low-waste water solutions.

It adopts innovative projects and implements localized technical solutions, thereby enhancing operational efficiency, supporting environmental sustainability, and stimulating the local job market in research and technology sectors. The Center is central to our mission of using innovation to secure water resources sustainably for coming generations.





### **Center Support:**

A total of **55** mentoring hours were delivered to program participants.

60 mentoring sessions for startup incubator clients.

12 entrepreneurship workshops and training courses conducted.

## **Key Achievements of the Center:**

Incubating 47 entrepreneurs

Providing 8 opportunities for startups

Incubating 10+

Submitting 1000+ 400+ ideas registered from 15 countries

43 Startups

70+ specialized training workshops with 475 participants.



**Enhancing Investment:** 

Organizing 4 investor pitch days

12+ investment entities participated

Concluding 2 investment agreements at

\$5,000,000

6

Conducting training camps.

700+ participants in the training camps.

# Advancing Scientific Innovation for Water Sustainability

Leveraging WATERA role in water tech innovation, we've executed targeted R&D programs to improve desalination reliability/ efficiency and tackle operational challenges. Our approach combines advanced material development with real-world performance testing. These efforts contributed to achieving tangible operational savings and improving chemical usage efficiency, resulting in positive impacts on both cost-effectiveness and environmental footprint of operations.

It delivered specialized water quality analytics, including chemical, biological and physical testing, meeting all national and international drinking water standards to ensure regulatory compliance and service reliability.

Our research accelerated advanced technologies and delivered solutions in key sectors including materials reclamation, closed-loop systems, and automated process control. Our initiatives produced several patents, demonstrating our dedication to structured organizational innovation. Key patented innovations from this reporting cycle include:

Introduction | Strategic and Sustainability

24 +
Circular economy
projects implemented

23+ Clean and renewable energy projects implemented

**50+**Projects in sustainability and next-generation desalination technologies.

**46+**Initiatives transforming operational processes

**Patent Impact** Control of disinfection byproduct Eliminating health-hazardous bromate ions from formation in produced water treated water Chemical cleaning system for Boosting filter performance with 50%+ lifespan cartridge filters in production units extension, advancing sustainability while cutting industrial waste. Connecting the RO unit with nano-Enhancing water quality for human health modules in Amlaj production plant benefits by increasing magnesium content by 15-20 mg/L in the Al-Shuaiba production system Concentration of multivalent ions Enhancing treated water quality by boosting using nanomembranes magnesium levels above 5 mg/L. Water quality enhancement using Improving treatment performance while dolomite mineral decreasing toxic metals in water, benefiting both ecosystem health and water system durability. Smart tool for water quality Reducing seawater quality monitoring operational measurement and monitoring costs through artificial intelligence technologies.

**Economic** 

Sustainability

Sustainability

**Appendices** 

#### 2024's market-ready patents

Patent	Impact
Seawater desalination system technology (DEEP)	Energy consumption reductions reaching 50% compared to current technologies
Innovative water sampling extraction technology	Boosts water analysis precision and speed with lower costs, enabling faster, better-informed environmental decisions.
Connecting the RO unit with nano- modules in Amlaj production plant	Extraction of salts and minerals using viable and efficient methods.
Deaeration of sponge balls prior to loading for heat exchanger system cleaning	Boosts cleaning performance with lower energy use, extending equipment lifespan and reducing downtime.
Extraction of divalent cation-based minerals from brine solution.	Enhancing mineral and salt extraction efficiency through improved recovery rates
Extraction of monovalent ions using nanofiltration from saline reject water	Extraction of sodium chloride and liquid bromine salts with superior purity
Development of eco-friendly corrosion inhibitors	Enhancing operational asset efficiency and sustainability through protection of metals and ferrous alloys

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# **R&D** breakthroughs powering life-enhancement projects

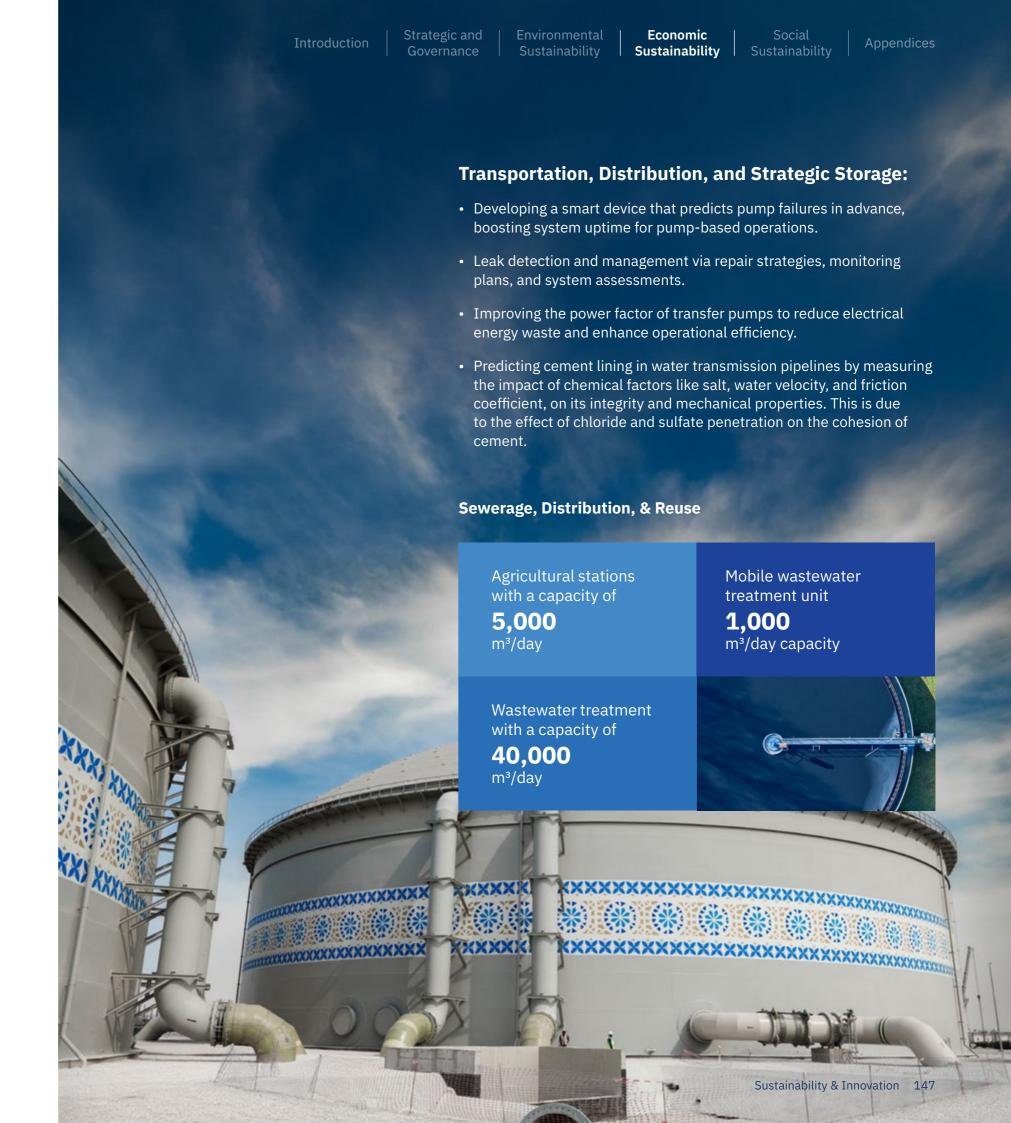
#### **Water Production and Purification**

Advancing sustainable water solutions, our technologies now power brackish water treatment facilities, strengthening supply resilience through diversified sources. We're continuously fast-tracking these transformative projects through end-to-end innovation, boosting performance while optimizing sustainability and economic returns. Examples include:

Niqwa water systems in Al-Lith Governorate	Al-Dawadmi Ecosystem	Rafha Temporary Water System	
Ras Al-Khair Production Unit	Sharurah Ecosystem	Eastern well water quality improvement (project (Al-Khobar	
Deploying a ground water/surface water desalination system for Jalilah agricultural wells (Al-Ahsa Oasis)			
Number of benefic	ciaries Total qua	ntities of water produced	
545,000 peop	le	109,000 m3	

#### This also included:

- Calcium carbonate production coupled with carbon dioxide capture through electrochemical treatment of reverse osmosis brine byproduct.
- Transition to renewable energy in water production and treatment, by integrating solar power into the water supply system.
- Design a pilot ZLD plant to produce pure sodium chloride, bromine, and magnesium from RO reject water. This enabled the production of 6-7 tons per day of high-purity sodium chloride salt with a purity level of 99.8%. It also produces 6 kg/day bromine and 100 kg/day magnesium.

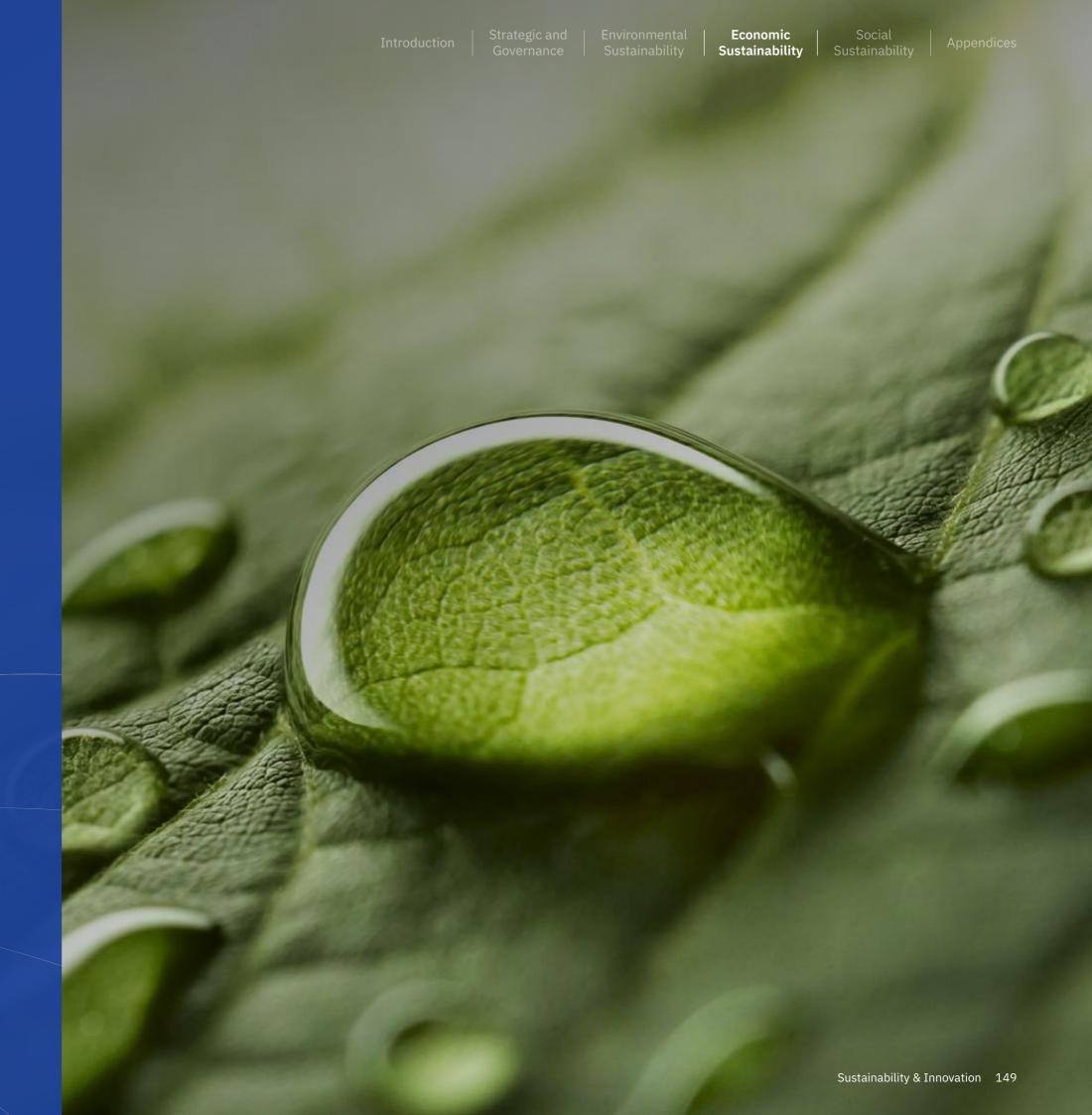


# **Smart Solar**<br/>**Irrigation System**

# An innovation that reshapes agricultural efficiency

To address water scarcity and the limited efficiency of traditional irrigation systems, we developed the Smart Solar Irrigation System that combines renewable energy with intelligent sensing to monitor soil moisture and control water distribution. This project demonstrates how technology can optimize resources, boost farm output, and deliver real environmental and economic sustainability.

It features full automation and remote-control capability via smartphones, enabling crop irrigation only when genuinely needed based on real-time soil data. This innovation contributed to reducing labor costs by up to 90% and decreasing water waste by no less than 20%.





# **Digital Transformation**

#### AI:

# **Sustainable Water Sector's Digital Transformation**

We rely on AI technologies as a strategic tool to redefine the efficiency of our water resource management operations. Through machine learning and predictive analytics, we become capable of making more accurate and effective decisions.

Our initiative boosted energy efficiency, operational reliability, and water quality, meeting all health and environmental standards. In adoption of AI as one of the fundamental enablers in our digital transformation roadmap, we implement data-driven smart solutions that enhance decision-making, increase water system's resilience, and strengthen its capacity to respond to evolving challenges.

# **Water Infrastructure with Cutting-Edge Technologies**

Digitalization is key to transforming and sustaining the Kingdom's water services. We employ technologies such as AI and predictive analytics to achieve this to improve operational efficiency, enhance service quality, and strengthen emergency response. Through our performance, we aim to achieve relevant national targets, which include:"

- Securing top-tier position in UN e-Government Index.
- Transitioning to 100% digital government services.
- Strengthening the digital economy and increasing its contribution
- Developing local expertise in cybersecurity and digital transformation.

We advance our digital transformation in line with Saudi Vision 2030, and national digital/cybersecurity strategies. We protect beneficiary data as per the standards issued by **SDAIA** regarding personal data protection systems, while adopting international information security management standards (ISO/IEC 27001), thereby enhancing the reliability and accountability of our operations.



In this context, we've advanced our digital maturity in 2024 by strengthening collaboration with all stakeholders, suppliers, contractors, and government partners, to boost efficiency and service integration, including:

#### **Automating water services via:**

Connecting equipment/spare parts locations with ERP systems.

**BCM** Automation Digitization of incident reporting via 'Imdad' platform for faster response.

#### Developing digital solutions via:

Automating 24 internal services for better performance.

Digital licensing for service providers.

Rolling out our digital transformation strategy per DGA.

#### Launching an integrated cloud environment

Deploying RISE with SAP cloud platform to cut costs, boost performance, and accelerate digital adoption.

#### Data unification and transparency enhancement

Data unification and transparency enhancement by establishing a centralized water data platform, enabling data-driven decision, which improved forecasting accuracy and supported efficient, reliable long-term planning, while enhancing resource management and maximizing environmental and developmental impact.





## **Sustainable Progress for Smart & Efficient Ecosystem**

Our 2024 digital strategy transformed operations from traditional to advanced digital models, using cutting-edge tech for better services.

We prioritized government integration and emerging tech adoption, aligning with Industry 4.0 and Saudi Vision 2030 digital goals.

In this context, we worked on developing a suite of in-house digital solutions to optimize technical resource and enhance spending efficiency. Among the most notable of these initiatives are:

- Creating an Enterprise Architecture Office for system-organization alignment.
- Creating a PMO & Change Management Office to unify execution frameworks.
- Using 3D printing for prototype and test part design.
- Using VR for process simulations and staff training.



## **AI and Data-Focused Strategic Collaborations**

Beyond our digital transformation, we've formed strategic AI and data partnerships to share the best practices and boost technical capabilities.

These collaborations accelerate our smart systems transformation and support the Kingdom's innovative digital economy vision.

# **Enabling Digital Transformation and Smart Analytics**

In alignment with NSDAI, we continue to develop our projects and operations to enhance efficiency and innovation through the employment of AI solutions.

This approach improved information technology systems, supporting data-driven decision making, and developing intelligent models that contribute to enhancing service quality, reducing waste, and accelerating response across all aspects of the water sector's operations.



# **Cybersecurity: Securing Digital Assets & Maintaining Operations**

With cybersecurity being vital to our digital shift, we protect systems, data, and processes from growing cyber threats, driven by our dedication to safeguarding stakeholder interests and ensuring the confidentiality, integrity, and availability of digital assets.

Our digital security strategy rests on three key pillars:

#### Risk Management & Resilience

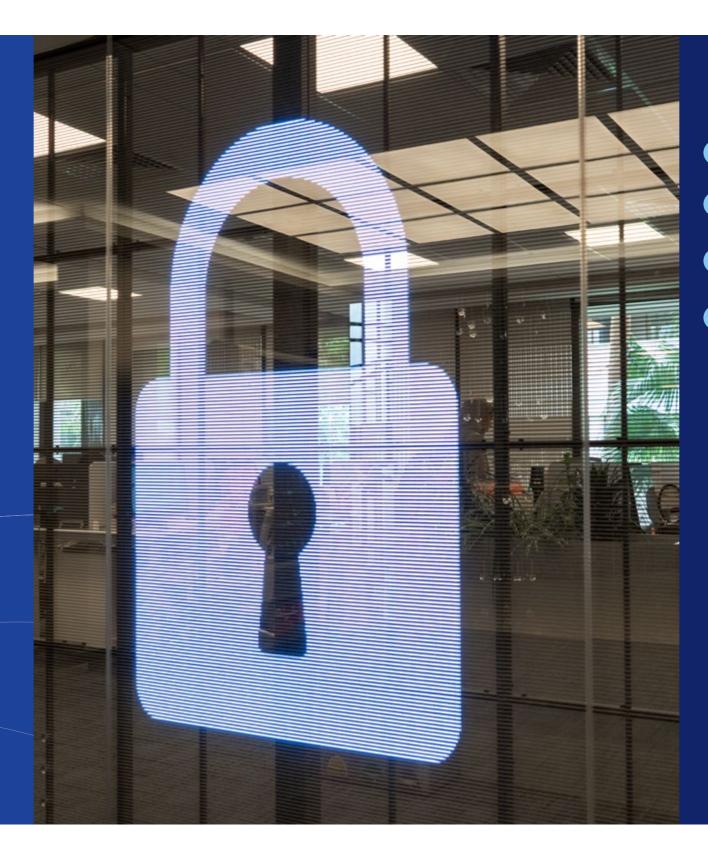
We adopt a proactive approach in identifying vulnerabilities and implement effective risk mitigation strategies, enabling us to adapt to evolving threats.

#### **Technical Protection**

Multi-level security controls, continuous monitoring, and encryption provide protection for systems and user information.

#### **Employee Empowerment**

Our cybersecurity training programs foster data protection awareness and accountability.



# Among our most notable achievements in cybersecurity

Zero cyber incidents impacting water supplies maintaining full operational integrity.

Enforced access controls, routine security updates, and testing protocols to maintain standards compliance.

We strengthened cybersecurity readiness in collaboration with NCA.

In 2024, we joined multiple cyber events to review risks, create response plans, and practice threat scenarios.

Safeguarding our clients' privacy and data security is not just a regulatory duty but also an ethical commitment. To this end, we developed a privacy framework that ensures data protection throughout all processing stages by embedding privacy principles into systems and operational processes, preventing unauthorized access or data leaks.

We practice transparent data management by clearly communicating our data collection, usage, and storage practices to customers, adhering to all relevant privacy standards. We also developed a risk response mechanism that enables rapid and effective intervention during digital security emergencies, while enhancing system readiness and reliability.

To boost digital infrastructure security, we deployed SIEM systems for early threat detection and proactive response. In alignment with NCA directives, we have harmonized our security policies and procedures with the highest national standards, while maintaining our participation in forums to enhance our preparedness for emerging cybersecurity challenges.



# Digital Enablement & Capacity Building

We strictly follow all <u>NCA</u> current directives, aligning our policies and controls with stringent national requirements. Through ongoing engagement with relevant stakeholders, we maintain continuous awareness of emerging challenges in cybersecurity and data privacy protection.

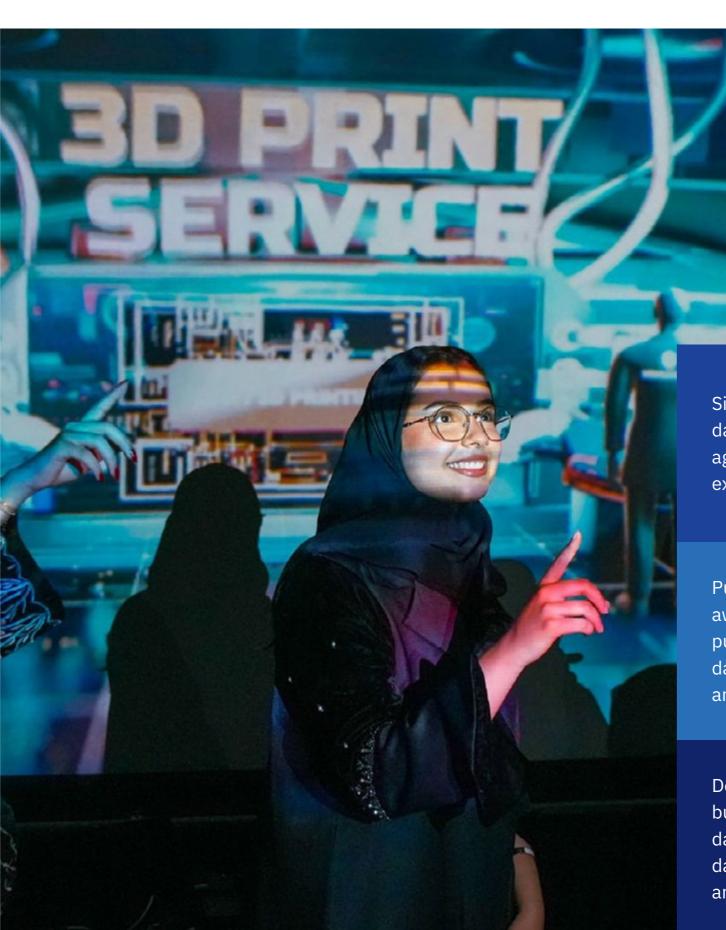
We launched the Digital Transformation and Enablement Program to enhance data efficiency, monitor water infrastructure system projects, and ensure compliance with cybersecurity requirements. Skills development is core to this approach. Our partnership with <a href="NCAC">NCAC</a> helps train staff and deepen their understanding of cyber policies and protocols.

To boost organizational awareness, we conducted employee training sessions on current cyber threats and top information security practices.

#### **Integrated Data**

To drive digital transformation and datapowered innovation, we launched a 3-year plan with 25 key data and analytics initiatives, boosting efficiency and meeting performance goals.

Data management and analysis is a crucial in water services development, as they enable evidence-based decision-making using accurate and real-time information. This contributes to improved resource management, enhanced operational efficiency, and the achievement of long-term sustainability.



The roadmap included several main components, primarily:

Signing **20**data-sharing
agreements with
external entities.

Publishing **20** open datasets to contribute value to the national economy.

Publishing **20** awareness publications in data management and governance.

Conducting **4**workshops to
enhance data-driven
culture and support
decision-making.

Developing **10** business unit dashboards for data visualization and analysis.

Issuing **3** analytical reports utilizing diagnostic and prescriptive analysis techniques.



# **Public-Private Partnerships**















## **Partnerships Boosting Synergy and Organizational** Influence

We've built strong partnerships with multiple sectors, government ministries, agencies, community organizations, civil society, and private businesses, enhancing collaborative ties.

As the water sector's regulatory leader, we focus on strong communication and organizational alignment to meet strategic goals and strengthen our role as a key sector developer nationally and globally.

We take pride in our performance improvement and maximizing the institutional impact of our operations, striving to deliver sustainable value to all stakeholders at both local and international levels.

Committed to advancing water services holistically, we strategically prioritize building strong partnerships and boosting research & innovation by collaborating with key sectors, private, governmental, legislative, and global organizations.

We actively join local and global conferences to share knowledge, broaden collaboration, and implement world-class practices.



roduction

# **Innovation-Driven Water Sustainability Conference**

The conference is a specialized knowledge platform that brings together elite experts, researchers, and decisionmakers to discuss pivotal topics reflecting our commitment to accelerating innovation and achieving water sector sustainability amid industrial and digital transformations.

+20 Participating countries.

03 consecutive days of conference sessions.

+480 Specialized participants.

04 scientific and practical papers.

The conference centered on driving tech innovation and sector readiness for future challenges in water reuse, storage/transport efficiency, and quality, addressed through four key strategic sessions including:

- · Water reuse and sustainable water management by sharing proven institutional practices in integrated resource stewardship.
- Advanced solutions to tackle complex pollutants including microplastics and industrial chemicals, using detection and treatment methods.
- · Water innovation accelerators where researchers and inventors explored how to turn ideas into real-world solutions.
- Adapting to infrastructure transformation and showcasing innovations in water transfer and storage technologies, addressing challenges related to demand fluctuations, stored water quality, and water loss.

Additionally, we showcased the water quality-health connection and how innovation is transformed water infrastructure, proving smart solutions are key to sustainable management.



# Expanding International Impact

Reaffirming our commitment to advancing water sustainability and expanding global knowledge impact, we partnered with the World Bank under MOF Technical Cooperation Program. The collaboration will share our water management expertise and operational practices with developing countries, helping replicate successes and strengthen worldwide water security.

This agreement advances water sector development by documenting the Kingdom's water transformation and deploying our WTIIRA's research capabilities to boost industry efficiency while minimizing environmental impact.

Through this collaboration, we assess regional and international demand for specialized training while delivering capacity-uilding services, leveraging our expertise in water facility operations and human capital development.



Supporting
Entrepreneurship
& Innovation via
Biban Forum

Committed to empowering the entrepreneurship ecosystem and enhancing sustainability, we participated as a supporting sponsor in Biban 24, held under the theme 'A Global Destination for Opportunities., during which we showcased a range of innovative water management solutions and conducted specialized workshops targeting entrepreneurs and SMEs.

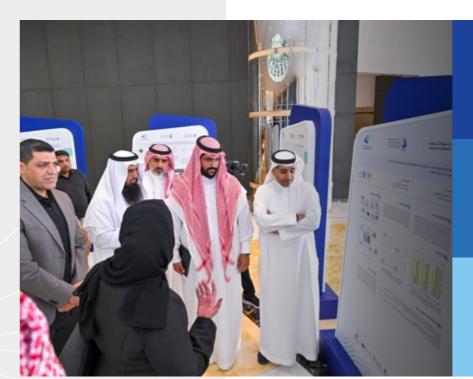
This participation aims to equip entrepreneurs with advanced water-tech solutions to boost sustainability and drive measurable economic and environmental results.

# Water Research Community

Aligned with our commitment to enhancing research capabilities and localizing knowledge, we launched the 'Water Research Community' as the first national platform of its kind, bringing together experts from our organization and academia to strengthen the integration of applied and research expertise while accelerating innovation to address future water sector challenges.

The initiative deepens ties with Saudi universities, boosts impactful research, and drives knowledge-based economic growth, advancing <u>Vision 2030</u> goals.

This national level Water Research Community breaks institutional barriers, hosting annual thought leadership forums with expert panels and hands-on workshops to shape the future of advanced water research. During 2024, the initiative expanded to Tabuk and Abu Dhabi, delivering these key achievements:



700+

Contributions by experts and researchers

100+

Research proposals shared during the event

8+
Researce

Research agreements

Sustainability & Innovation 161



# **Success Story**

## **MiyahThon**

[GRI 203]

Driven by our belief in the importance of enabling innovation ecosystems, we launched the 'Miyahthon', a hackathon that brings together creators, engineers, researchers, and entrepreneurs from diverse disciplines to develop innovative technological solutions addressing major water sector challenges.

We launched the inaugural edition of Miyahthon during the Innovation-Driven Water Sustainability Conference in Jeddah, through a partnership between public and private sectors, to serve as an innovative platform to enhance technical competitiveness, stimulate implementable solutions, and accelerate product development lifecycles.

This reflects our direction to accelerate institutional innovation and the engagement of the scientific and research community in developing future solutions, advancing Vision 2030's goals for a knowledge-powered future.

#### **Miyahthon Features Creative Tracks:**

Sustainable production and desalination technologies

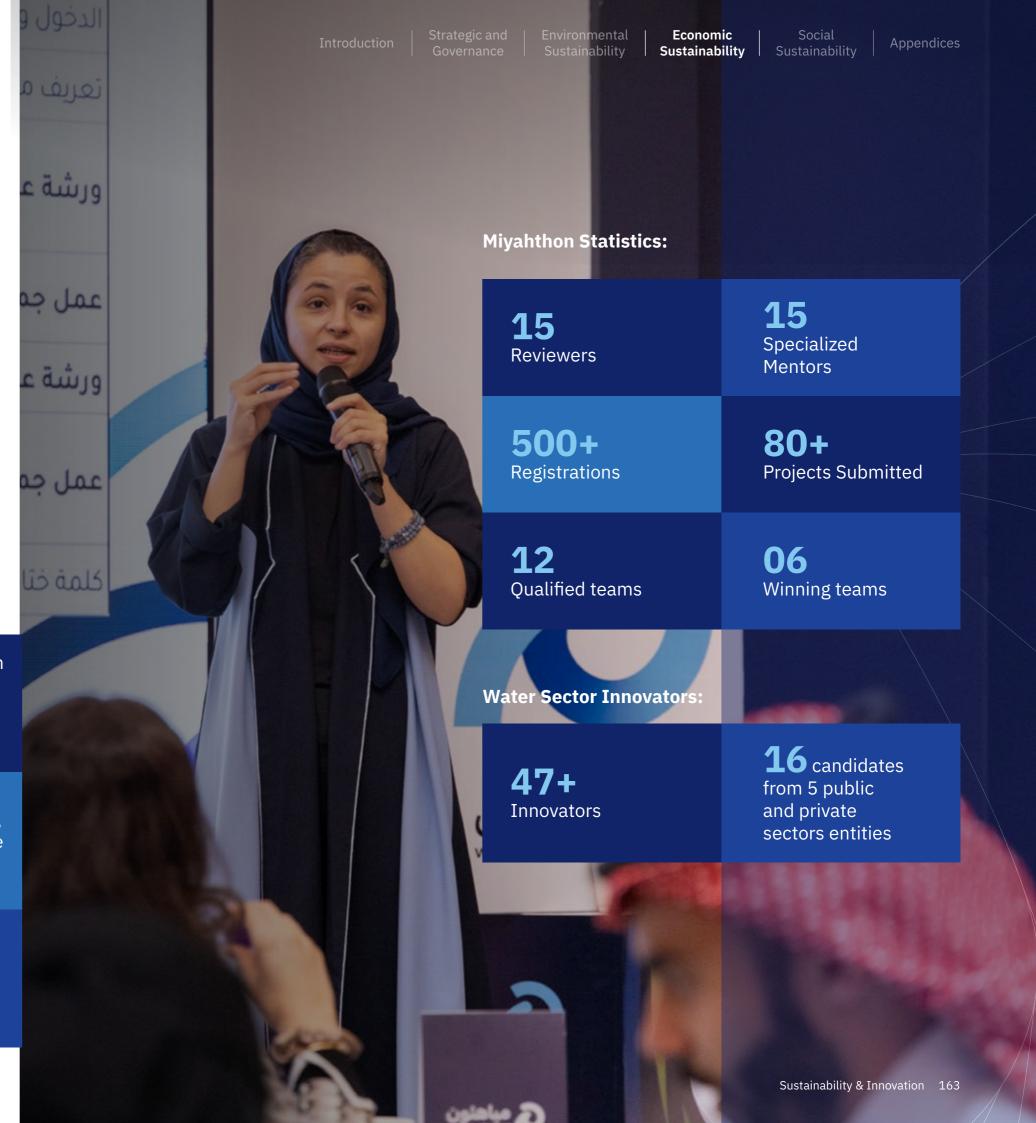
26

Technologies for wastewater treatment, reclamation, and reuse

16

Water Rationalization, health and social implications

10





# Sustainable Sourcing & Local Content

**Towards Greener Supply Chains** 



#### **Sustainable Supply Chains**

Supply chains serve as a strategic pillar in achieving economic sustainability and effective governance within the water sector ecosystem. We champion responsible sourcing, maintaining reliable services while boosting the local economy and upholding strict ESG compliance and ethical standards across our value chain.

We continue to expand environmental and social compliance across the supply chain, collaborating with regulatory bodies and relevant stakeholders to reduce carbon footprint and achieve higher operational efficiency.

From source to tap, we demand unwavering transparency and integrity across our entire water ecosystem. Accordingly, we mandate strict supplier and contractor adherence to human rights, anti-corruption measures, prohibition of all forced labor or child labor practices, and environmental conservation in all operations.

True prosperity flows through supply chains built on fairness, openness, and shared dignity, upon which we're building partnerships that matter, creating ripple effects for a fairer, and greener tomorrow.

To ensure awareness and empowerment, we held compliance and governance workshops for suppliers, distributors, and contractors. Delivered through digital platforms, these initiatives reinforce our commitment to establishing a shared understanding of responsible business principles and fostering a sustainable, equitable institutional environment.



**3700** Suppliers registered.

We increased our local content percentage to **65%** 

**Appendices** 

Total related cost is 35,500,000,000 升

Our contribution to GDP exceeded 165,000,000 #

Spending on local content exceeded 23,000,000,000 #

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Introduction



#### **Our Local Presence & Localization Efforts**

We play a key regulatory role across the entire water services value chain, from planning to execution and monitoring. In this role, we help build a more efficient and sustainable water sector, boosting the job market through local talent development and stronger compliance among operators.

Building on our localization commitment, we take pride in achieving full Saudization (100%) in leadership positions and honors to have competent Saudi professionals in the Board of Directors. This direction demonstrates our pledge to lead in human capital development, boost local market trust, and nurture national talent, all in line with Saudi Vision 2030 goals.



#### **Tax Commitment**

We strictly comply with Saudi tax laws, submitting monthly filings for Zakat, VAT, and all applicable taxes to the proper authorities,

through which we embody responsible financial practices that enhance our operational reliability and contribute to supporting sustainable development initiatives across the Kingdom.

## **Better Customer Experience Boosts Economic Efficiency**

Within our regulatory capacity, we recognize that enhancing customer experience does not only address stakeholder requirements but also improves economic efficiency in the water sector. By improving regulations and empowering water providers to deliver better services, we help cut operational waste, boost efficiency, and build public trust. We're building a predictive service model that measures user satisfaction systematically, helping providers move beyond traditional performance to create economic value through better quality and reliability. Moreover, boosting transparency and service accessibility helps increase public services' economic value and sustainability, advancing Saudi Vision 2030 goals.





# Localization of Strategic Tech & Enhancement of Local Return

# Localization Agreement for RO Membrane Production

This agreement serves as a key water sector pillar, critically strengthening desalination and water treatment infrastructure, through which we contribute to strengthening local content while generating direct economic returns at £114,000,000,000. This demonstrates the tangible economic impact of adopting localization policies and technology transfer in water services.

#### Wide-Scale Local Involvement in Mega-Projects

We take pride in achieving over 85% participation rate of Saudi contractors in billion-riyal projects, reflecting the success of our efforts to enhance local content and empower national companies to execute strategic water sector projects.

2024 saw over \$\mu\_23,000,000,000\$ domestic spending, showcasing our successful local content policies for mega-projects and boosting national supply chains per <a href="Vision 2030">Vision 2030</a> goals.

# **Localizing Strategic Equipment & Boosting Jobs**

We launched the 2nd phase of the Strategic Materials and Equipment Localization Program, which includes localizing the production of cartridge filters, scale inhibitors, and specialty chemicals for membrane cleaning. This initiative aims to achieve technical self-sufficiency in critical goods and enhance local content.

This phase is expected to boost the national economy by £ 500,000,000 and generate around 300 jobs for Saudis, advancing Saudi <u>Vision 2030's</u> economic and social goals.



water sector until 2030 amounts to

179,000,000,000 北

161 projects in the field of water production.

07 projects in the field of strategic storage.

29 projects in the field of water transmission.

968 projects in the field of water distribution.

**752** projects in the field of wastewater collection and treatment.

221 projects related to supervision, studies, and other associated services.

34 projects in the field of treated wastewater reuse.



# **Success Story**

## **Financial Sustainability** Commitment

[GRI 201]

We earned the Diamond Award for sustainability excellence in the 'Accounting Excellence Pioneers' program, organized by the Accounting Excellence Center with 250+ government participants, which reaffirms our leadership in adopting the highest standards of transparency and implementing financial practices in alignment with international frameworks. We attained 100% compliance in our 2023 financial reporting under IPSAS standards after external audit, backed by key initiatives such

- · Aligning financial policies with national regulations.
- Implementing cutting-edge tech for better financial management and budgeting.
- Strengthening financial oversight and accountability.

Our comprehensive financial data strategy boosted operational efficiency and ensured reliable financial reporting for better decisionmaking. These practices formed the foundation for transitioning from cash-based to accrual accounting, reflecting our commitment to Saudi <u>Vision 2030's</u> objectives of enhancing financial data quality and strengthening the Kingdom's credit rating. This honor reflects our dedication to worldclass financial standards and advancing financial sustainability as a pillar of national growth.

Introduction



#### **Procurement & Contracts**

We achieved qualitative milestones in procurement and supply chain management, represented in receiving the International Excellence Accreditation from <u>CIPS</u>. This distinction was realized through full procurement cycle automation, from preparing tender specifications to project close-out, via our SAP and Etimad platforms. This move simplified operations, boosted efficiency, accelerated delivery, and ensured full documentation throughout.

We're further enhancing our contract management system through expanded automation for handling requests, updates, and full execution tracking. The contract management platform provides interactive dashboards that enhance oversight and deliver precise analytical reports, resulting in a 64% reduction in contract finalization duration.

# **Enhancing Economic Sustainability**

We pursue cost efficiency by adopting a sustainable financial approach that enhances spending effectiveness and leverages advanced technical solutions. Our governance initiatives reinforce the Kingdom's global leadership in water management, boosting efficiency throughout the water value chain.

We are committed to stimulate domestic production to strengthen reliance on national resources and reduce dependence on external sources. This supports the growth of related industries and contributes to local economic development.

Our investments in sustainable water innovations help utilities maximize resources, boost asset performance, and streamline operations, ensuring long-term sector sustainability.



## **Financial Transparency**

We are committed to provide comprehensive insights into our financial performance, demonstrating our dedication to transparency through regular disclosure of revenues, expenditures, and detailed financial analyses. This delivers an accurate picture of our performance and contributes to building stakeholder confidence.

We apply the highest accounting and financial standards across all operations, in full compliance with Saudi government regulations, including the Government Financial Reporting Manual, Public Procurement Law, and Spending Efficiency Policies. This commitment strengthens financial reliability, enables transparent performance evaluation, and reinforces our fiscal stability and institutional credibility

Our main revenue comes from water service licenses and penalties. To ensure efficient financial data collection and tracking, we utilize SAP to plan our resources. This supports the preparation of financial statements and final accounts in accordance with templates approved by relevant regulatory authorities, in addition to implementing precise financial control mechanisms including semi-annual internal reviews and annual independent external audits. Our compliance framework strengthens financial governance, ensures regulatory adherence, and builds stakeholder trust, aligning with the public sector's sustainability and transparency goals.



## **Boosting Local Economic Growth**

# **Success Story**

## **Supplier Qualification Management**

[GRI 204]

The Supplier Qualification Management operates under the 'Government Tenders and Procurement Law' issued by MOF. Contractual relationships with potential suppliers fall within three categories: service provision, project implementation, or supplying water service spare parts. Through 'Etimad', we handle all financial and contractual processes, ensuring fair competition and increasing local private sector involvement in water projects. Our consistent on-time payments strengthen market trust and foster a stable business environment for sustainable economic growth.



In line with our commitment to promote sustainable and responsible procurement practices, we prepared the 'Supplier Code of Conduct', approved by His Excellency the President. This document enhances supply chain efficiency and ensures our compliance with environmental and social values. This document ensures fair and consistent procurement and tendering processes for all suppliers, following approved legal standards.

The document outlines key mandatory principles and guidelines, including:

- · Respecting human rights and the work environment.
- · Environmental protection and reduction of harmful impacts.
- Enhancing cybersecurity and data protection.
- Fostering transparency and avoiding conflicts of interest.

We award contracts only to suppliers/contractors meeting our compliance standards, aligned with global and local practices. This creates an approved vendor list via 'SAP Arabia,' with fully automated contracting and invoicing, which contributes to enhancing business practices and achieving a balance between transparency and efficiency. These efforts have also reduced our carbon footprint, minimized paper usage, and improved quality of life.



# Society Sustainability

180 Beneficiary Services

L90 Occupational Health & Safety

194 Equitable Access to Clean Water & Sanitation

200 Public Awareness & Capacity
Building

212 Social Inclusion and
Workforce Empowerment

230 Stakeholder Engagement





# Our Social **Sustainability**

We prioritize human empowerment and rights protection in our culture and operations by sustainable social practices that support work environment, enhance quality of life, and expand the societal impact of water services, safeguarding human rights and promoting equity. This aligns with Saudi Vision 2030 and adheres to national and international standards, including guidelines issued by Ministry of Human Recourses and Social Development (HRSD) on relevant matters, applicable occupational health and safety standards, the national strategy for human capital development, the national volunteering strategy, women empowerment in the public sector, youth employment programs, and the regulations issued by National Center for Mental Health (NCMH) concerning our communities. Furthermore, we uphold justice and protect our workforce rights in occupational health and safety, awareness, fair employment, and community engagement.

















**Our Directions:** 

01

Enhancing the quality of beneficiary services.

02

Investment in workplace health and safety for water industry workers.

03

Sustainable and equitable management of water supply and distribution.

04

Investing in human capital to foster thriving communities.

05

Advancing societal progress through talent cultivation and empowerment.

06

Fulfilling our shared ambitions with stakeholders.

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# **Beneficiary Services**







We place beneficiaries at the center of our mission. Delivering responsive, highquality services is not just a goal, it's a strategic imperative. By meeting their needs, we drive sustainable community development.

We recognize that serving our beneficiaries is a profound responsibility, it demands continuous adaptation to their evolving expectations and agile responses to their changing needs. Through relentless process improvement and innovative solutions, we elevate service standards. That's why we're doubling down on improving their experience, pursuing their satisfaction while protecting their interests. Every step we take builds trust and delivers what they truly need.

We align our initiatives with local and global benchmarks, including <u>Saudi</u>
<u>Vision 2030</u>, the <u>National Transformation</u>
<u>Program</u>, the <u>DGA's</u> National Framework for Government Service Quality, <u>ISO</u>
<u>10002</u>, and the UN Principles for Public Utility Improvement. These efforts directly advance SDG 6, ensuring universal access to clean water and sanitation.

Through this integrated approach, we contribute to building a sustainable water services ecosystem, to enhance responsive solutions for beneficiaries, drive national development, and elevate our leadership locally and globally.



## **Beneficiary Services**

We adopt an integrated service approach that combines innovation, sustainability, and community engagement, grounded in our belief that stakeholder interests are fundamental to enhancing quality of life in the communities we serve. We continuously strive to enhance beneficiaries experience by delivering innovative, inclusive services that address evolving needs and aspirations.

As part of this commitment, we launched key initiatives initiatives to enhance service quality and accelerate request resolution through smart digital transformation, proactive communication, and needs analysis, to ensure effective responsiveness to beneficiaries' requirements.

We also developed unified communication channels and optimized digital platform experiences, while implementing rigorous, real-time satisfaction metrics. This enables proactive identification of improvement opportunities and efficient corrective actions, ensuring consistently exceptional and sustainable beneficiary experiences.



During the reporting period, we achieved +2,700,000 beneficiaries across the Kingdom.



# Our initiatives to streamline services for our communities:

#### **Beneficiaries Interest Protection:**

We launched a <u>call center</u> and <u>an advanced digital</u> <u>platform to receive complaints and reports</u>, to ensure effective communication channels and prompt support for beneficiaries. This initiative yielded significant results, such as 60% decrease in complaint processing time, marking a qualitative shift in responsiveness and service excellence.

#### **Beneficiary Experience Enhancement Program:**

To secure reliable water service, ensure efficient distribution, enhance customer experience, and address operational challenges.

# **Enhancing Service Quality by Non-Networked Water Services:**

We elevated customer experience by non-networked water delivery services (tanker) through a dedicated task force. This initiative with our water partners drove measurable improvements in operational efficiency and service reliability.



- We improved water meter inspection by implementing an integrated model to test and enhance meter reliability. It includes periodic inspections and complaintbased inspections in line with operational practices, while ensuring compliance with SASO and SAC. Key accomplishments in this area include:
- We collaborated with the National Water Company (NWC) to engage an accredited third party in conducting the periodic water meter inspection initiative, ensuring compliance and measurement accuracy.
  - We introduced a standardized and certified inspection manual in collaboration with relevant entities, enhancing measurement reliability and ensuring service fairness.
- In developing national cadres to reduce water loss and preserve water resources, we trained independent auditors to detect leaks within facilities, in collaboration with MAEE. Additionally, we enhanced SLAs to ensure more efficient customer experiences through our academic arm, the 'Water Academy'.
- We established a call center to provide user support. Since its launch in Q4 2024, it received over 11,490 calls, achieving an 80% customer satisfaction rate.
- We integrated a Customer Relationship Management system to streamline complaint and inquiry processing, enhance operational efficiency, and ensure faster responses with improved service quality.
- We launched official social media channels to better engage with stakeholders, efficiently address inquiries and build more connected communities.
- We issued the 'Water and Sanitation Services Guide' as a reference document for all service providers, applicants, and end-users. It specifies user rights and responsibilities, including policies for service connection, adjustment, and termination, along with consumption tariffs, metering, and billing procedures.

- We regularly survey users after resolving complaints to collect feedback, to ensure ongoing assessment and meaningful service enhancements.
- Our new digital platform allows users to submit and escalate complaints, including features for complaints tracking, reporting issues, checking water bills per our policies, and escalating unresolved complaints after 30 days or unsatisfactory resolutions.
- We strengthened our supervisory, regulatory, and oversight role over service providers, resulting in a reduction of complaint resolution time from 30 days to just 10 days.
- We adopted digital solutions to analyze meter data and manage supply chain, we can now proactively address customer requirements, enhance service quality, and maintain optimal supply continuity.

We diligently monitor service delivery performance through a comprehensive set of indicators covering economic, technical, and customer service dimensions to ensure compliance with established regulations and standards while maintaining the quality and efficiency of services provided. We also conduct ongoing economic analyses and tariff reviews to establish fair and transparent water service pricing nationwide, ensuring equitable service provision. Together, these initiatives boost service performance, prioritizing efficient, high-quality delivery that addresses beneficiary needs.

These initiatives directly contribute to SDG implementation, particularly Goal 6 (clean water and sanitation), through operational efficiency gains, institutional transparency, and intergenerational water resource sustainability.



# **Success Story**

### **Rapid Solutions Office**

[GRI 306]

We pioneered an advanced response system for urgent challenges via our rapid solutions initiative, setting new standards in swift, innovative, and sustainable problem resolution. This enables high impact accomplishments at unprecedented speed, positioning Saudi Arabia as a global benchmark in water governance while advancing its mission to deliver intergenerational sustainable development.

These represent our proactive approach to address water sector challenges, driving both operational excellence in water supply and guaranteed sustainability.

This initiative delivers rapid-response solutions to pressing challenges, coupled with implementable recommendations that adapt to dynamic conditions, all meeting top-tier efficiency and responsiveness benchmarks. As part of the initiative, we conduct rigorous analysis of needs across all designated water sectors and end-users to ensure solutions are field-aligned and support national development priorities.

The initiative's execution model delivers rapid yet enduring outcomes via evidencebased interventions spanning:

- Enhancing network efficiency through immediate maintenance, leakage remediation, and water loss reduction.
- Rehabilitating existing sources rather than developing new projects to maximize utilization of current assets.
- Establishing new connections to utilize existing yet non-operational infrastructure.
- Boosting desalination plant capacity while optimizing water transmission systems to achieve maximum flow rates.
- Optimizing water distribution management to ensure reliable delivery to high-priority areas.
- Drilling new wells and constructing compact treatment plants to enhance supply quality.
- Adopting state- of- the-art technologies for smart and sustainable water monitoring.
- Using temporary storage solutions to ensure service continuity.

Through this synergistic approach, we achieved faster results, better services, and expanded coverage, delivering tangible quality-of-life improvements throughout the Kingdom.

These efforts yielded tangible impacts through enhanced service quality for beneficiaries, innovative water conservation solutions boosting resource efficiency, strengthened water sustainability and supply security, and direct alignment with Saudi Vision 2030.





Introduction



# **Success Story**

## Today's challenges... Tomorrow's policies

[GRI 306]

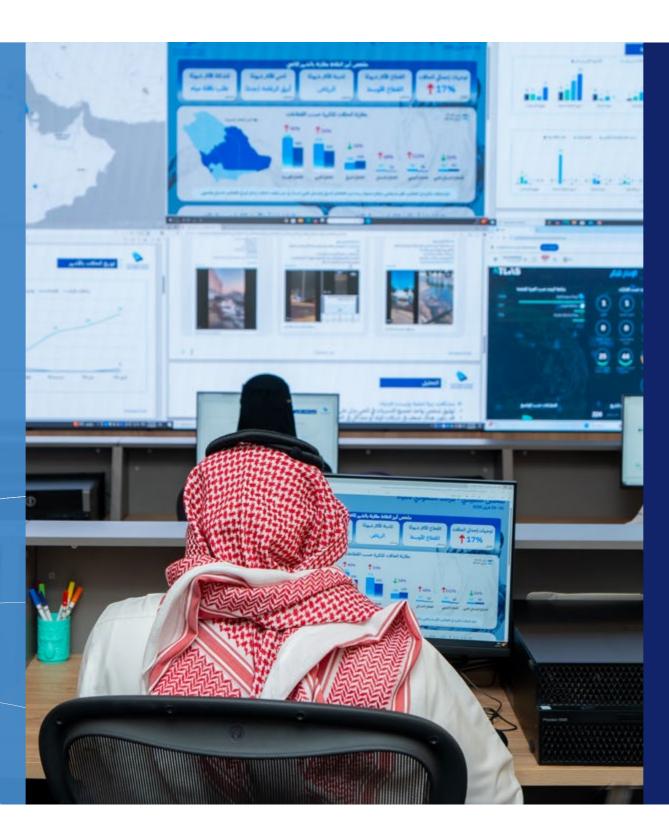
## **Saudi Water Observatory:**

We launched the Saudi Water Observatory; an innovative AI-powered analytics platform to process big data in real-time with precision. This transformative tool interprets water service challenges voiced by beneficiaries across digital platforms and media outlets, converting them into actionable insights that directly enhance service quality.

It aggregates all water-sector media data and public discourse, generates precise analytical reports on service challenges, and identifies systemic sectorwide priorities, which empowers datadriven decision making, and optimizes responsiveness to both challenges and opportunities.

Its role extends beyond monitoring current conditions to analyzing future trends and anticipating beneficiary needs through expanded social media monitoring, which ensures transparent and accurate representation of user concerns, and enables data-driven strategic decisions that align with community aspirations.

Through monitoring of operational and regulatory challenges, we identified barriers preventing equitable access for certain beneficiary groups, because water subscriptions are exclusively linked to property ownership, with no existing mechanism enabling actual residents to utilize these services.



Thus, we collaborated with relevant authorities to link water and electricity meters to actual tenants via Tawakkalna platform, to enable renters and non-owners to directly manage their accounts and activate essential services under their own names.

This shift is important as it enables residents to access services regardless of ownership. It simultaneously enhanced data accuracy, streamlined billing processes, and accelerated emergency response times.

This milestone results from our commitment to equitable service access and digital transformation in water management, advancing service excellence and sustainability. It also reflects our citizen-centric institutional vision.

These efforts addressed several critical challenges through data-driven recommendations including:

- Recommendation to increase pumping volumes in neighborhoods experiencing supply shortages.
- Recommendation to replace pipelines in selected areas to enhance operational efficiency.
- Tracking individual water connection requests and resolving personalized complaints by direct, effective interventions.





# Occupational Health & Safety

### Secure Environment for Sustainable Performance







Committed to fostering a safe and sustainable workplace, we prioritize occupational health and safety as the cornerstone of safeguarding our workforce and maintaining seamless, high-performing operations. While we acknowledge the challenges in this domain, including upfront investments in equipment and training, as well as potential operational demands, we believe these are critical, long-term investments.

We strike the right balance, enforcing rigorous safety protocols while teams' well-being and operational realities are never overlooked. We remain steadfast in evolving policies, elevating awareness, and enhancing work environments to foster well-being. This reflects our belief that safety transcends compliance, it's an organizational DNA that drives resource sustainability.

We safeguard workers' rights as guaranteed under Saudi labor laws and all relevant occupational health and safety regulations. This includes compliance with international standards such as <u>United Nations Global Charter UNGC</u>, guidelines from <u>Organization for Economic Co-operation and Development OECD</u>, the <u>Universal Declaration of Human Rights (UDHR)</u>, and Requirements of the <u>International Labor Organization (ILO)</u>.

Our staff and stakeholders' welfare stands as a cornerstone of our operational excellence and long-term service continuity. Driven by that, we foster a safe and healthy work environment, supported by a comprehensive set of policies and practices that align with global standards.



We understand that implementing preventive measures not only protect our employees, it strengthens our economic resilience, safeguards our environment, and fuels our community's growth. Safety practices contribute to increased productivity, reduced medical expenditures, and enhanced reputation, all of which foster employee loyalty and reinforce us as a model to emulate in water services provision.

In line with our commitment to upholding the highest local and international standards, we will issue a Guideline for Occupational Health and Safety in the Water Sector. This guide will support relevant entities in strengthening compliance with occupational health and safety requirements, aligning with applicable legislation, and driving measurable improvements in safety performance across water services.

We intend to launch the guideline in 2025. It will be based on existing regulatory instructions for industrial security, technical safety protocols, engineering guidelines for fire protection, and the standards of the National Council for Occupational Safety and Health. The guideline is expected to address the following key areas:

- Safety and industrial security instructions specific to the water sector
- Leadership commitment and employee engagement
- Risk management, control, and mitigation
- Training and capacity building
- Workplace safety
- Contractor management
- Assessment and digitalization
- SWA's role in monitoring compliance with occupational health and safety regulations in the water sector



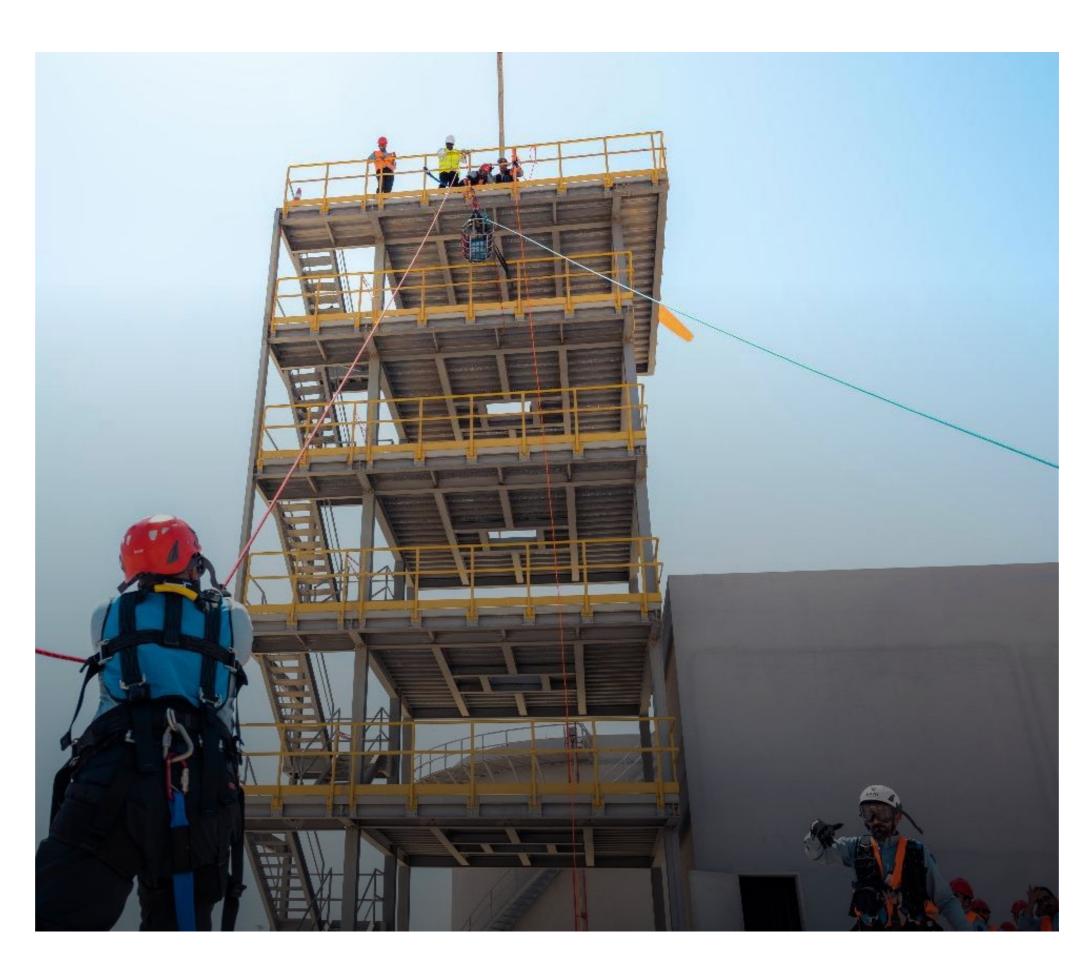
### **Employee Safety Training** and Awareness

We provide comprehensive training programs for all our employees, covering safety protocols and precautionary measures, prior to their engagement in field or office work. This training is periodically reinforced in collaboration with the Water Academy, to strengthen safety awareness and mitigate potential risks, supporting the development of a safe and sustainable work environment.

Implementing the Occupational Health and Safety Management law, our personnel receive specialized trainings in various fields, including first aid and effective communication with on-site medical clinics for emergency cases. We ensure full workforce awareness of occupational hazards through our compulsory Work Permit system, while being provided with tailored PPE for each worksite, which safeguards employee wellbeing while maintaining rigorous safety compliance standards.

To foster a strong safety culture and enhance our personnel's awareness to understand surrounding risks and handle them efficiently, we took certain procedures aimed at enhancing the knowledge and skills of our field and administrative teams. Safety is the cornerstone of sustainable operations and organizational excellence. Below we highlight our key initiatives and best practices in this critical area:

- We delivered training programs focused on OHS internal auditing best practices.
- We enhanced our procedural guidelines and OHS
- We trained 900 security personnel to enhance human resource capabilities.
- We launched an awareness campaign at the headquarter coinciding with the "Risk Awareness Week".
- As part of our commitment to the highest standards of occupational safety in the sector, we conducted safety training for contractors in water services and awarded them certification upon.



Introduction



# Equitable Access to Clean Water & Sanitation

Sustainable Supply and Equitable Distribution









# Together Towards a Sustainable Water Future An Overview of Water Ecosystem Efficiency

Saudi Arabia established itself as a worldclass benchmark in water infrastructure innovation, a remarkable achievement given our unique environmental challenges: arid climate, vast territory, and diverse topography. Building on our commitment to ensure equitable provision of water and sanitation services, we spare no efforts to deliver water to all populations, thereby entrenching everyone's right to access safe water.

Our plans align with both local and international practices, fulfilling the objectives of the National Water Strategy issued by MEWA while complying with WHO principles concerning drinking water quality and safe sanitation.

We orchestrate collaborative action with government and private-sector partners, aligning strategic efforts to deliver equitable, sustainable water services nationwide. These collective efforts contribute to enhancing quality of life, supporting water security, and achieving sustainable development targets.



# **Success Story**

# Water Services During the Hajj Season

[GRI 203]

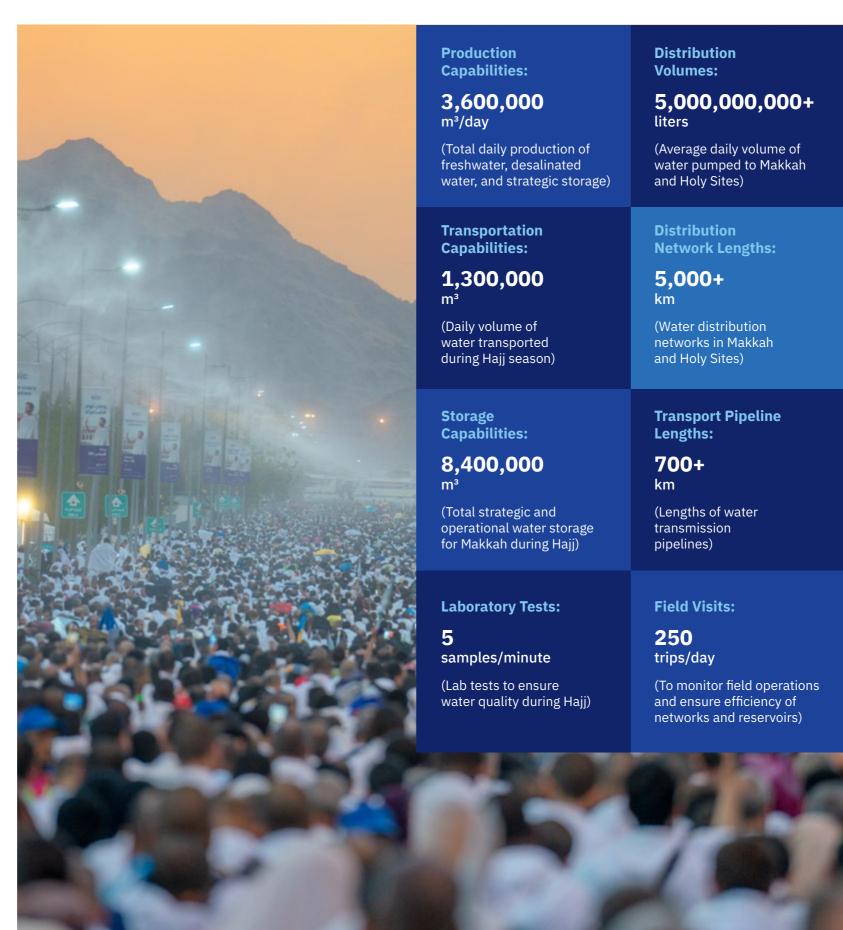
In preparation for the Hajj season, we prioritized securing water supplies for pilgrims through a comprehensive system of strategic planning and precise organizational management.

This Hajj season 2024, our coordinated efforts and extraordinary preparations have guaranteed premium-quality water for holy cities. With a record desalination capacity +5,000,000 m³ daily, we proven the reliability of our infrastructure and the excellence of our operational systems in serving pilgrims.

Our smart water networks delivered a record +5,000,000,000 liters of desalinated water to pilgrims, maintaining flawless service continuity despite extreme crowding. Our intelligent distribution systems, operating at peak safety and quality standards, dynamically responded to surging demand without a single service interruption.

Our efforts included enhancing strategic storage capacities, implementing state-of-theart monitoring and control technologies, and activating emergency response protocols to strengthen resilience and response capabilities.

Our efforts extended further to ensure water purity and quality through expanded laboratory testing and continuous health monitoring. This supports the provision of safe, healthy water that meets the needs of pilgrims with exceptional quality standards.





The production services are based on strategic plans that ensure daily supply of clean water for our communities, through desalination plants along the eastern and western coasts of the Kingdom. Beside desalination, we manage our natural water resources, including ground and surface water, using effective mechanisms to curb over-extraction and ensure their sustainability.



Sustainability

## **Distribution, Collection,** and Treatment

The distribution services deliver water to homes, facilities, and public utilities through smart systems that ensure efficiency and equitable supply, relying on advanced monitoring and control technologies, which enhance network efficiency, reduce leaks, and promote fair water distribution across all regions.

The water services operate an efficient wastewater management system, represented by constructing treatment plants to ensure purification in compliance with the highest environmental standards before reuse or discharge.



# **Transmission** and Storage

The transportation and strategic storage system ensures efficient delivery of desalinated water to demand areas through seven major networks designed to overcome the challenges of diverse terrain and vast distances, utilizing high-capacity pipelines and advanced pumping stations that extend even to remote regions.

This system is linked to strategic storage projects aimed at securing sustainable water reserves to meet increasing demand, respond swiftly to emergencies, and maintain water stability for our communities.



#### Reuse

Agricultural water resources efficiently managed by using treated wastewater for irrigation, supporting food security while preserving natural resources.

SIO spearheaded significant efforts in this domain, such as Tandaha plant in Asir. With a daily production capacity of 16,800 m³, the plant supports sustainable irrigation practices, enhances water security, reduces pressure on natural water sources, and align with national sustainability targets.



# Awareness and Capacity Building

(Investing in human capital to foster thriving communities)









We are convinced that raising awareness and strengthening capacities is a cornerstone for ensuring the sustainability of the water sector and empowering national talent to keep pace with developmental demands. Hence, we take a proactive approach focused on enhancing the capabilities of our employees and stakeholders, enabling them to adopt leading ESG practices throughout the water sector's operations.

Our training and awareness initiatives comply with top-tier human development standards, including TVTC's National Vocational Framework, ISO 21001 for educational management, and ILO benchmarks for workforce development.

In alignment with <u>Saudi Vision 2030</u>, we contribute to developing a knowledge society and skills-based economy as key foundations for sustainable communities.

In this context, we execute awareness initiatives and premium training programs designed to foster a culture of resource optimization, advance workplace health and safety standards, and cultivate a skilled generation to steward water services and guarantee long-term sustainability for current and future communities. In 2024, we prioritized human capital development, grounded in our conviction that skill-building and knowledge-sharing are essential for optimal organizational performance.



These initiatives delivered measurable outcomes, offering world-class training programs that boosted workforce preparedness and advanced strategic goals such as faster response to beneficiary requests.

As part of our unwavering commitment to human capital development, we implemented globally benchmarked training initiatives across technical, administrative, and specialized disciplines this year. As shown in the table, our genderand role-based breakdown of average training hours underscores our adherence to world-class professional development and long-term human capital strategies.

Training initiatives were strategically tailored to address core competency requirements.

2024 training targets were met with perfect execution (100% completion).

Sustainability

### **Average Training Hours by Gender**

**14** 



09 Female



**Appendices** 

## Average Training Hours per capita

**03**Higher
Management

**14**Middle
Management

**14** Employees

<sup>\*</sup> Training hours were calculated based on the total number of participants with an average of 4 daily training hours per participant.

Introduction



# **Success Story**

## **Water Academy Tracks**

[GRI 303]

The Water Academy, our dedicated training and research division, emerged as a benchmark institution in driving sustainable water management practices and service optimization across local and global contexts.

Since establishment in 1982, It played a central role in training and qualifying human capital for the water sector. It enhances human capabilities through advanced training programs that contribute to achieving Saudi Vision 2030 objectives. It delivered specialized training programs addressing the supply chain requirements, covering critical areas including water production, transportation, strategic storage, distribution, collection, treatment, and reuse for irrigation activities..

#### It achieves its strategic objectives through:

#### **Strategic Partnerships:**

with government entities, academic institutions, and private sector organizations to elevate training quality and foster collaborative program development.

#### Offering a wide range of training programs:

including short-term courses, accredited professional certifications, new employee qualification programs, intensive diploma courses, hands-on technical workshops, advanced simulation training using cuttingedge technologies, and specialized certifications in key areas such as water desalination.

#### Designing a "Training Program Pyramid":

programs were designed to meet the target audience needs.

#### Allocating an advanced technology lab:

to design solar energy systems with cutting-edge industry-certified software and 3D modeling tools.



#### **Technical Committee for Capacity Building:**

Held with the participation of various water service stakeholders, the forum featured a dedicated workshop to analyze training needs and identify required professional certifications.

Qualification of +48 Independent Inspectors through 'Kashif' Program, to empower water auditors to identify and detect leakage issues, aligning with our goals to enhance network efficiency and promote water resource sustainability. This initiative was implemented in collaboration with MAEE to detect household leaks.

#### Advancing the transition to clean energy:

through advanced training solutions, including a dedicated solar energy laboratory and wind power generation unit.

#### **Expanding training services:**

to cover various sectors; +990 training programs provided, +16,380 professionals trained, +21,570 training hours provided.

#### **Implementation of 8 leadership programs:**

in partnership with global institutes and universities, with over 200 participants.

#### **Increasing water academy's training** capacity:

by +300%, training +16,000 beneficiaries in water services.

Supporting research and studies to highlight promising technologies for water systems.

#### **Implementation of 8 leadership programs:**

in collaboration with renowned international institutes and universities, with the participation of over 200 attendees.



# During 2024, the Water Academy recorded the following key achievements:

Training agreements valued at

15,000,000 非

**4,600+** workers benefited from the training programs.

Delivery of **21,570+** training hours.

Implementation of **1,020+** training programs.

Train of **7,000** participants and achieve a **90%** satisfaction rate.

A **500%** increase in the testing center's capacity, reaching a total of **80** accredited testing units.



In **2025**, the academy aims to expand training scope, construct new facilities, and integrate advanced technologies.

# Women's Leadership Development Program

Aligned with national gender empowerment goals, we implemented Women's Leadership Development Program in collaboration with Prince Mohammed bin Salman College of Business and Entrepreneurship. This program was established as part of our strategic initiative to enhance women's participation in leadership positions and enable sustainable career advancement, fully aligned with <a href="Saudi Vision 2030">Saudi Vision 2030</a> objectives.

The program engaged 20 promising female leaders and was delivered at King Abdullah Economic City and was designed based on an integrated methodology focusing on leadership skill development, strategic thinking enhancement, and innovation culture adoption. The program featured training sessions and workshops designed to enhance self-awareness and identify leadership strengths.

It is a direct outcome of our strategic MoU with MBSC, designed to cultivate local leadership talent, drive digital transformation, and empower women in the water sector.

This initiative embodies our commitment to advancing women's competencies and our role in empowering them to achieve sustainable development goals. It also reflects our conviction in strategic partnerships to develop leadership capacities that drive progress and innovation in Saudi Arabia's water services sector.

# Leadership Development Program at Global Universities and Institutes

The program was implemented based on executive leadership assessment results, with training pathways aligned to organizational goals, in collaboration with 9 international universities and institutes to facilitate global knowledge exchange.



**19** leaders participated in the program.



204 Sustainability Report 2024 Sustainability Report 2024



# Internal Leadership Development Program

We delivered leadership competency development programs for 90 of our executives, following global practices, to strengthen their ability to tackle emerging and common challenges. It was implemented in partnership with <a href="INSEAD Business School">INSEAD Business School</a>, offering participants a platform to engage with top-tier global leaders and experts.

# Our High-Potential Leadership Development Program

This program was executed in partnership with MBSC, following tailored criteria for our departments, to cultivate leadership and professional competencies over a seven-month period. 70 employees engaged in comprehensive training modules spanning marketing communication, financial literacy for non-finance personnel, negotiation, leadership, personal growth, innovation, operations, and change management.

# Mid-Level Leadership Development Program

This program targeted the Kingdom general managers, department directors, and team leaders to cultivate leadership competencies, with a strong emphasis on negotiation, decision-making, and financial planning. 200 of our executives participated through 6 specialized training sessions.

# Cyber Security Program

In collaboration with the <u>Cybersecurity Academy</u> of NCA, we delivered training programs for our employees, covering cybersecurity fundamentals, incident response, and cyber risk management. We also organized a two-day event at our headquarter, engaging over 500 employees, which showcased key cybersecurity threats and mitigation strategies.



# Capacity Building and Professional Skills Development

#### **Skills and Career Development Program**

The Water Academy delivered multiple programs to enhance professional skills and qualifications across various sectors, engaging over 210 beneficiaries. The programs included:



Designing an integrated framework to evaluate contractor and manufacturer capabilities in the water sector, grounded in **12** defined performance standards.



Supporting entrepreneurs, introducing the innovation platform, and hosting the first edition of "mubtakirun" hackathon with **700+** innovators.



Implementing **3** knowledge transfer programs and specialized workshops to build capacity and enhance operational efficiency.



Holding training workshops for non-networked water suppliers, contractors, and logistics tech solution providers.



Enhancing collaborative research efforts to identify promising, applicable technologies across water supply chains.



Activating a framework to assess the capabilities of local manufacturers and contractors.

## Risk Management, Emergency Response, and Business Continuity

#### **Capacity Building and Crisis Management Programs**

We are building capabilities in risk mitigation, emergency preparedness, and operational resilience by:



**8** in-house training simulations and **6** collaborative exercises with external partners.



Delivering **50+** programs to strengthen risk awareness and operational integration across emergency management and business resilience.



Conducting workshops, disseminating awareness campaigns, and organizing events to enhance institutional preparedness.



Qualifying **60+** workers through specialized training programs.



## **Our Capacity-Building Programs** for the water sector

#### **Implementation of Professional Certification Programs**

Our Water Academy delivered professional certification programs, with +210 participants engaged. Key programs:



**RO Systems Engineering** Professional Certification to advance technical expertise in water sector professionals.



Granting accreditation certificates to contractors and manufacturers in the sector.



Delivering trainings in solar panel design and installation to meet rising demand for sustainable energy alternatives.



Launching GRCP Certification to advance professional excellence in governance, risk and compliance



Offering CRMP Certification, building expert-level risk management capabilities.



**Delivering certification** programs including PMP.



Conducting a training session on 'Membrane Disassembly and Assembly' to enhance technical skills.



We upskilled +15 GRIcertified professionals through our specialized training program.



# **Our Global Training Programs**

#### **Certified Institute of Management**

Our 'Global Water Management' initiative engaged 30 high-potential leaders, strengthening organizational competencies in sustainable water stewardship and supply optimization.

We launched the second edition of 'Water Management' program, designed to enhance leadership skills and develop competencies in line with global practices.

#### **University of Oxford**

As part of the Water Sustainability Innovation Conference, we engaged in the 'Design Thinking Practitioner' program, mastering professional design thinking and innovation practices to advance our sustainability goals.

#### **David H. Paul**

The program first edition addressed 'Reverse Osmosis Challenges and Solutions,' targeting engineers and technicians in industrial facilities. The second and third editions focused on production technologies using renewable energy in reverse osmosis systems.

#### **London Business School**

Our 'Operational Excellence' initiative was attended by top water service executives to refine leadership capabilities and design leading operational strategies.







## **Professional Capacity-Building Initiatives**

At the core of workforce development, our professional programs prepare talent for tomorrow's challenges while fostering innovation and economic growth through specialized technical training. such programs include:

#### **Technician Training in Groundwater & Surface Water Desalination Technologies**

Our training programs upskilled 115 desalination plant operators across four technician groups, strengthening competencies in groundwater and surface water treatment technologies and advancing workforce development in the water industry.

#### **Qualification of Field Engineers**

Our professional development program empowered 38 engineers with critical field competencies, transforming them into high-impact contributors to water infrastructure operations.

#### **Training of SEPCO company** employees

We delivered desalination operations and maintenance training for 38 SEPCO professionals, upskilling engineers and plant operators to optimize technical performance and operational preparedness.



# Qualifying **Trainings**

Our Water Academy provides development solutions to meet evolving water sector challenges. Through customized training programs, certification courses, and handson workshops, we build technical expertise and leadership competencies:

#### **Workshop on "Project Requirements Documentation Development Mechanism**"

In partnership with Jubail Water Desalination, we delivered a workshop on project scoping and technical specifications development, optimizing project execution and output quality.

#### **Emergency Response in Confined Spaces**

We delivered a training on practical rescue techniques at the Safety and Fire-fighting Building to enhance teams' emergency response readiness and operational efficiency.

#### **SWA Youth Leadership Initiative**

In collaboration with Imam Abdulrahman Bin Faisal University, we launched to develop upskill high school students in the water sector, supporting the preparation of tomorrow's leaders.



# Social Inclusion and Workforce Empowerment









# Our Community Contributions

Within an integrated framework, we comply with the labor law requirements We synergize with all other sectors working to achieve dignified living standards, aligned with Saudi Vision 2030, National Transformation Program objectives, and our strategic goals. Our operations adhere to ISO 26000 standards, reinforcing our commitment to water security and supporting community social sustainability. Embedding ethical governance across our operations, our Social Responsibility approach adopts global practices in environmental stewardship, economic development, and social welfare, which is manifested through programs, initiatives, and contributions focused on community development and quality of life enhancement, most notably including:



#### Ajyal Children's Academy

We aim to create positive societal impact while carefully stewarding our water resources. We recognize the challenges of freshwater scarcity and are committed to raising community awareness, as we firmly believe that integrated action builds sustainable communities. Guided by this principle, we established Ajyal Academy to raise water conservation awareness among younger generations and develop an innovative water-sector workforce.

#### **Enhancing Quality of Life**

Transforming our urban landscapes, we grow green spaces in cities and public areas nationwide while fostering health-conscious communities through education and sustainable development initiatives. Among our numerous initiatives, we established a public park in Yanbu residential complex, developed "padel" courts at Jubail residential complex, and inaugurated a walkway in Al-Khobar. Driven by our social responsibility, we actively lead various humanitarian programs.

#### **Supporting Innovators**

By championing water technology innovators, we turn groundbreaking ideas into real-world solutions, strengthening water security, boosting the Kingdom's economy, enhancing local capabilities, and driving meaningful sector transformation. In this context, we launched SWA Thon program featuring five specialized domains. Participants join interdisciplinary teams to reimagine water sector solutions through creative problem-solving and unconventional approaches.

#### **Responsible Volunteering**

We're cultivating a culture of volunteerism, empowering communities to partner in achieving our shared water goals while inspiring every citizen to embrace their social responsibility through meaningful civic engagement.

## **Our Volunteer Community**

+1,930 volunteers

+51,350

volunteer hours



199 volunteer opportunities

99.97% volunteer satisfaction rate



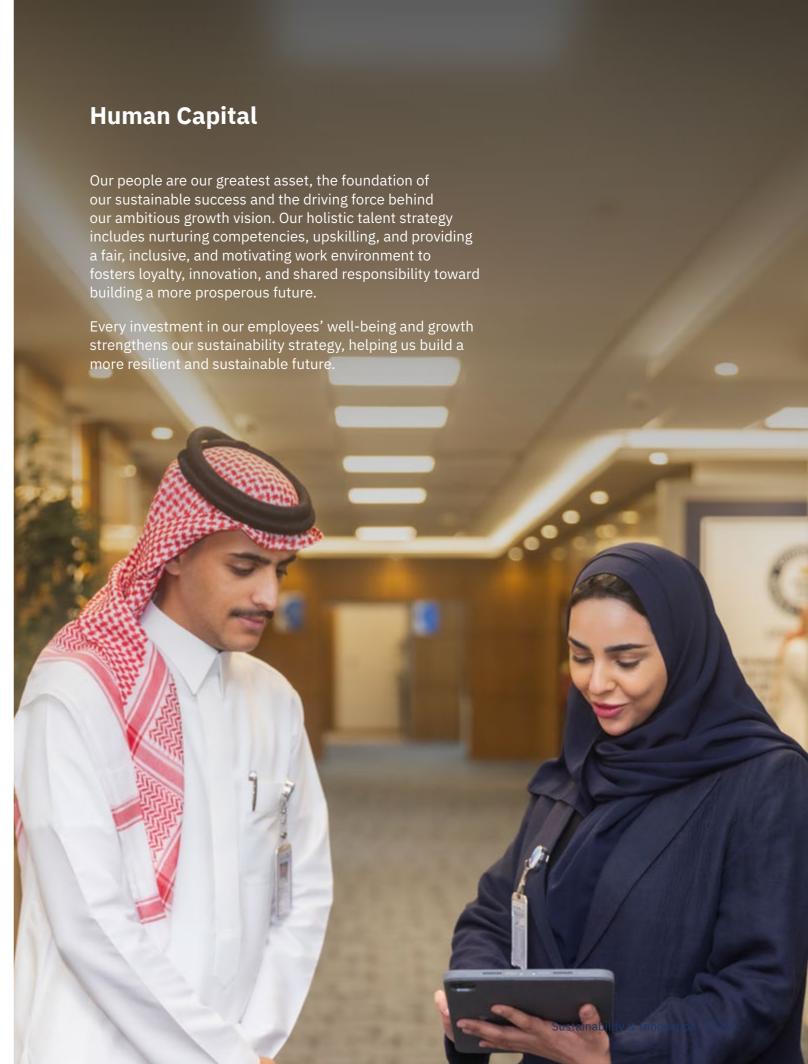
#### **Our Contributions**

- Delivering specialized in-home medical care for senior citizens across our managed residential communities.
- Organizing a summer program to develop children's competencies and empower them to build a promising future.
- Providing clothing for underprivileged families.
- Promoting volunteerism.

- Supporting productive families.
- · Hosting the 2024 graduation ceremony of Al-Yaqazah High School.
- Organizing educational activities for children during Environment Week.
- Introducing 'SignConnect' to build capacities and achieve equal opportunities without discrimination for the deaf and hard-ofhearing community.

Achieving 2024 National Award for Voluntary Work for our efforts in implementing volunteer initiatives aligned with EDAMA.

المركز الوطني لتنمية القطاع غير الربحى National Center for Non-Profit Sector





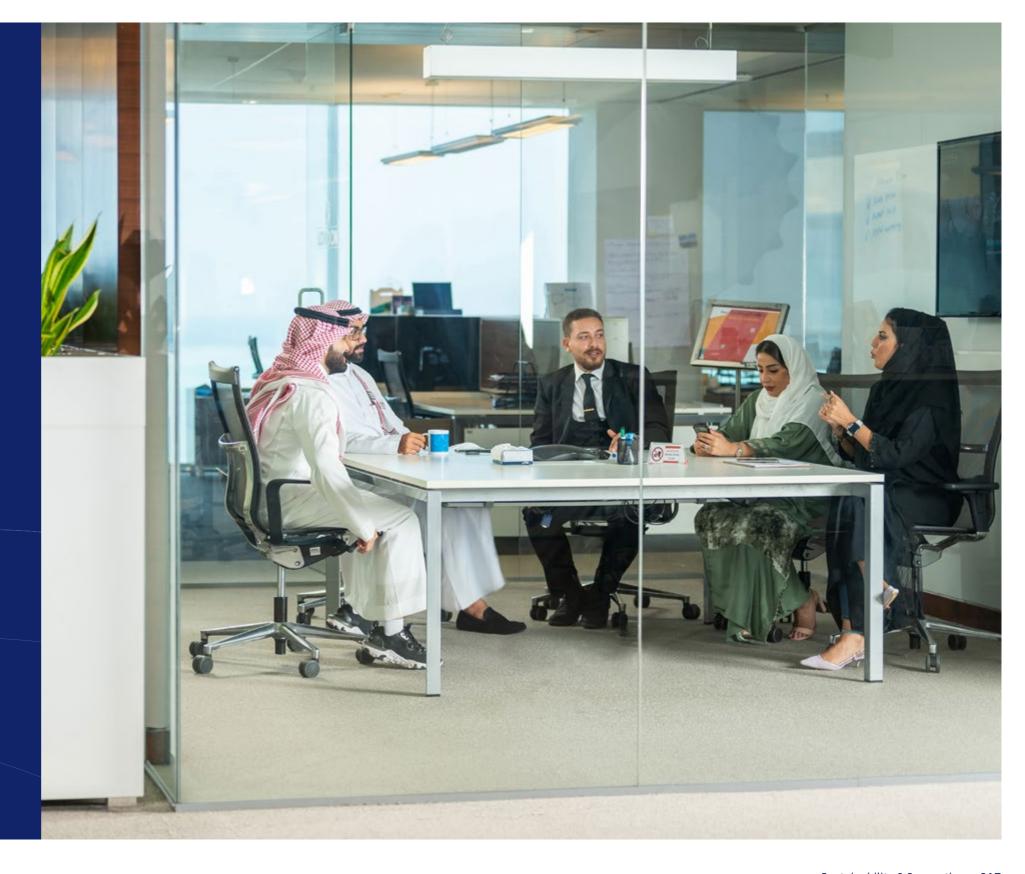
# **Diversity and Equal Opportunity**

We see diversity as a holistic organizational process that enhances the workplace and drives performance and innovation. Our diversity includes many aspects, such as: age, gender, abilities, education, location, income, status, experience, religion, and ethnicity - building a dynamic workforce that serves all sectors.

We are committed to establishing diversity and equal opportunity principles for all our employees, enabling them to overcome professional challenges and enhance their career performance regardless of any external considerations. We combine diversity and fairness by fostering a harmonious work environment to create a productive workplace free from gender bias or discrimination.

#### A diverse workforce contributes to:.

- Enhancing business performance.
- Supporting institutional creativity.
- Improving employees' health and well-being.
- Reducing the risks of discrimination in the workplace.
- Building a diverse and effective workforce.
- Increasing productivity and enhancing employee loyalty.





#### Total workforce by gender

During our transition, our Human Capital Deputyship still oversees employees of 'Water Desalination'—our interim operational arm— without conflicting with the transformation directive. We are also separating structures as per the approved transition plan.







250 Female

8,471

Total workforce by job category		
	Male	Female
Higher Management	0.53%	0.01%
Middle Management	2.14%	0.14%
Workers	94.76%	2.42%

Total Localization: 98.74%		
Localization by job category	Non-Saudi	Saudi
Higher Management	0%	0.54%
Middle Management	0%	2.28%
Workers	1.26%	95.92%

#### Workforce growth and talent acquisition

New appointments during 2024









During the reporting period

139

workers under the age of thirty

10

Ras Al-Khair

08

Jeddah

170

Riyadh

Appendices



# **Competencies Sustaining**

Succession planning is key to our practices to enhance organizational sustainability and ensure continuity of critical competencies across all organizational levels. Our dedicated Succession Planning Department creates clear plans, identifies future leaders, and prepares them for critical roles, ensuring we're ready for growth challenges.

## **Human Rights**

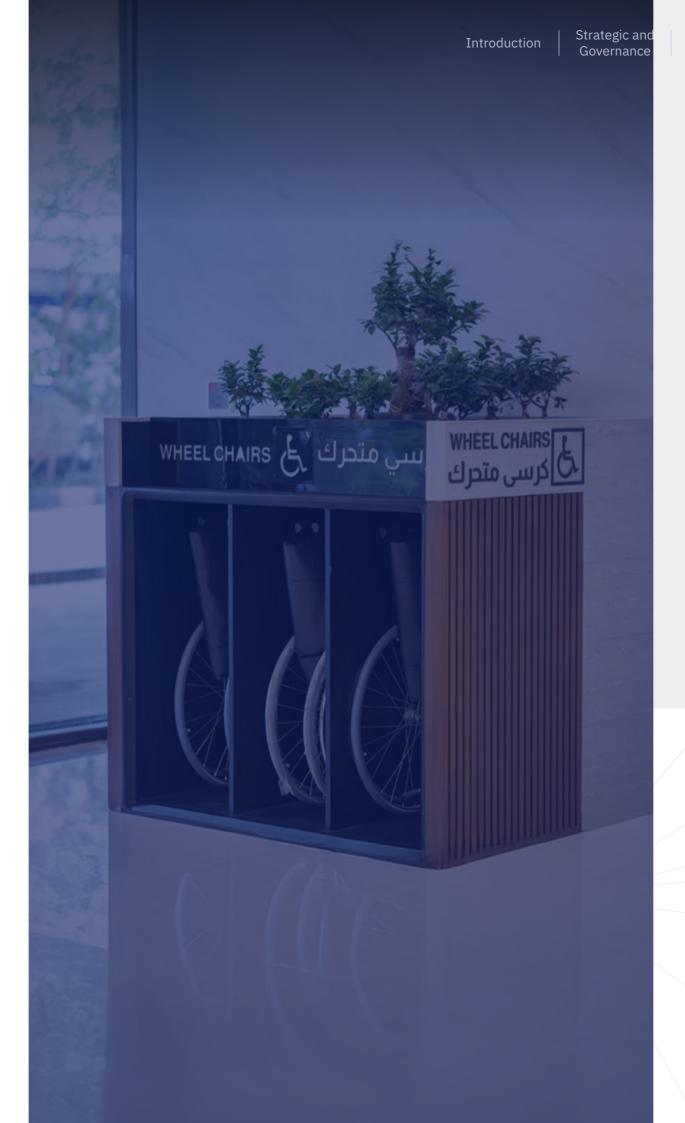
We uphold human rights through our daily operations, supply chain partnerships, community services, and water-related applications.

We mobilize resources across all departments to support this approach, while fostering a work environment based on transparency, fairness, and non-discrimination. This ensures we engage with our employees and partners responsibly.

We protect basic work rights, such as: health and safety, education and training, fair employment, equal opportunities, women's empowerment, and protection from all forms of discrimination based on gender, nationality, or cultural background.

We also offer official complaint channels managed by our Human Capital Deputyship, ensuring all concerns are handled fairly and transparently.

These efforts demonstrate our compliance with national regulations, including the Saudi Labor Law, National Human Rights Plan, and Child Protection Law, while aligning with ILO's Decent Work Principles and UN Global Compact.



# **Prohibition of Child Labor**

To ensure child rights protection and promote a safe, responsible work environment, we adhere to the Labor Law and Child Protection Law approved by HRSD, and the National Child Labor Policy.

To commit to national standards, we implemented hiring procedures that prevent the employment of any individual below 18. Our Human Capital Deputyship meticulously reviews and approves all recruitment processes to ensure adherence to legal age requirements.

Furthermore, we regularly review our human resource procedures to ensure compliance with approved regulations and elimination of unauthorized appointments, including child labor, even under family supervision, as they constitute grave infractions regardless of purpose, which help us maintain commitment to protecting individuals' rights and providing a work environment that preserves human dignity.



#### **Workers Leaves**

We prioritize all employees' right to receive their entitled leave, as it represents a fundamental employment right and an essential means to restore physical and psychological balance. This enables them to return to their duties with renewed energy and passion, ultimately enhancing work quality and contributing to the achievement of our strategic objectives.

We understand that time off relieves work pressure, boosts personal well-being, improves work-life balance, increases job satisfaction, and strengthens loyalty to the Authority. Additionally, taking leaves is essential for both employee and organizational health. Therefore, we enable staff to take their legally entitled leave per Saudi labor laws issued by <u>HRSD</u>. Our leave system complies with national regulations, covering all official state holidays including:

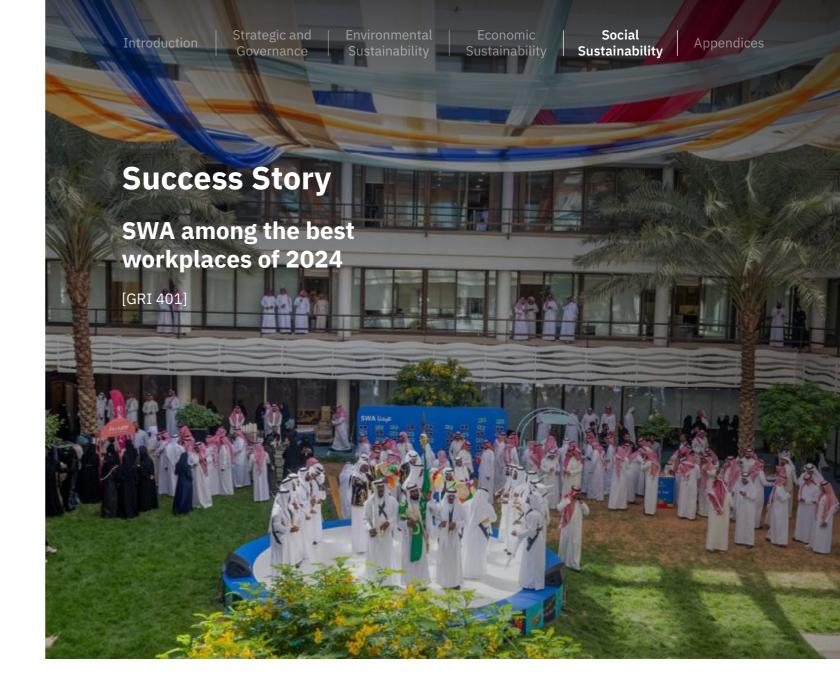
- Eid al-Fitr Holiday
- Eid al-Adha Holiday
- National Day Holiday
- Founding Day Holiday

We also offer multiple leave options to support employees' personal, health, and social needs, such as:

- Annual leave
- Sick leaves
- Maternity leave
- Paternity leave
- Compassionate leave
- · Widowed waiting period leave
- Marriage leave
- Study leaves
- Hajj leave
- Compassionate leave Emergency leaves
- Sports and cultural leave
- Dialysis leave
- Cancer patient leave
- Work injury leave

We track and regularly evaluate our job reintegration programs and workplace stability to maintain an effective work environment.

	Male	Female
Employees who took childcare leave during the reporting period.	867	10
Return-to-work rate post childcare leave during the reporting period.	98%	100%
Employees retained for 12 months after childcare leave.	851	10



We received the 2024 'Best Workplace' award from <u>Great Place to Work</u>, reflecting our commitment to fostering an institutional culture rooted in well-being, inclusivity, equity, and motivation. Key requirements included participation from 65% of our workforce in the survey, with at least 65% achieving a 'Very Good' rating or higher.

This honor reflects our continued investment in employee wellness, both mental and physical, showcasing our focus on human-centric workplaces. We also initiated a flu vaccination campaign to protect our team and promote preventive health at work.

Building on this approach, we prioritized emergency preparedness by deploying (5) ambulances with medical devices. This ensures rapid emergency response and reflects comprehensive efforts to always safeguard our workforce.



### **Employee Care**

We provide a fair and motivating work environment that guarantees all employees their full employment entitlements without discrimination, including salaries and bonuses, ensuring timely, direct, and regular disbursement.

We strictly follow Saudi labor regulations to guarantee all workplace rights and financial entitlements. Furthermore, we provide a benefits package encompassing health insurance, disability and incapacity coverage, maternity and paternity leave, along with retirement programs designed to ensure long-term stability.

We promote retention and growth with flexible policies that accommodate work-life balance needs. These include flexible working hours, remote work options (up to 3 days per month, not exceeding 15 working days annually), and facilitated access to professional development opportunities. We also established an on-site childcare facility, equipped with safety, care, education, and safe recreational activities for employees' children.

We commit to justice and equality through systems that guarantee the rights of all employees without discrimination. These systems nurture national competencies and attract top talent, solidifying us as a prestigious career destination for those seeking a fair and motivating work environment.



# Our Commitment to Workplace Equity

Employee respect and safety in a fair workplace is our top priority. We build a culture of openness, responsibility, and integrity at every level.

We believe that listening to employees is a fundamental pillar of empowerment. Therefore, we encourage them to express their observations, raise concerns, and report any behaviors that may conflict with regulations, policies, or 'Code of Conduct and Public Service Ethics'. We enforce a zero-tolerance policy against harassment, fully compliant with Saudi Arabia's Anti-Harassment Law and global labor standards.

We implemented formal channels for receiving reports and inquiries that guarantee confidentiality, fairness, and rapid response. These include escalation to relevant management, direct communication with the Human Capital Deputyship, and dedicated compliance/audit reporting lines. We also provide confidential reporting options to ensure protection of reporters. This reflects our belief in employees' right to voice concerns without fear of disciplinary measures or adverse effects.

Among prominent reporting channels is the Employee Care Platform, which enables staff to submit complaints through the digital portal, by calling (11111), or via email at ecu@swa.gov.sa.

The platform covers a wide range of requests, including complaints, suggestions, inquiries, banking requests, financial entitlements, transfer applications, data updates, health insurance services, as well as career job stagnation.

All requests are processed efficiently by the relevant departments under structured procedures, ensuring fair, transparent, and impartial handling of employee complaints, promoting worker welfare and organizational excellence. This strengthens our dedication to transparency and integrity, helping build a workplace that values people, protects their rights, and boosts trust across the organization.

Platform records show +3,700 observations, inquiries, and complaints in 2024.

#### **Retirement Law**

Per Saudi labor regulations, all employees are enrolled in the civil pension system with a standard retirement age of 60. The official retirement plan ensures flexible access to full benefits, supporting retirees' dignified living and post-service wellbeing.

Benefits are paid when any of these conditions apply:

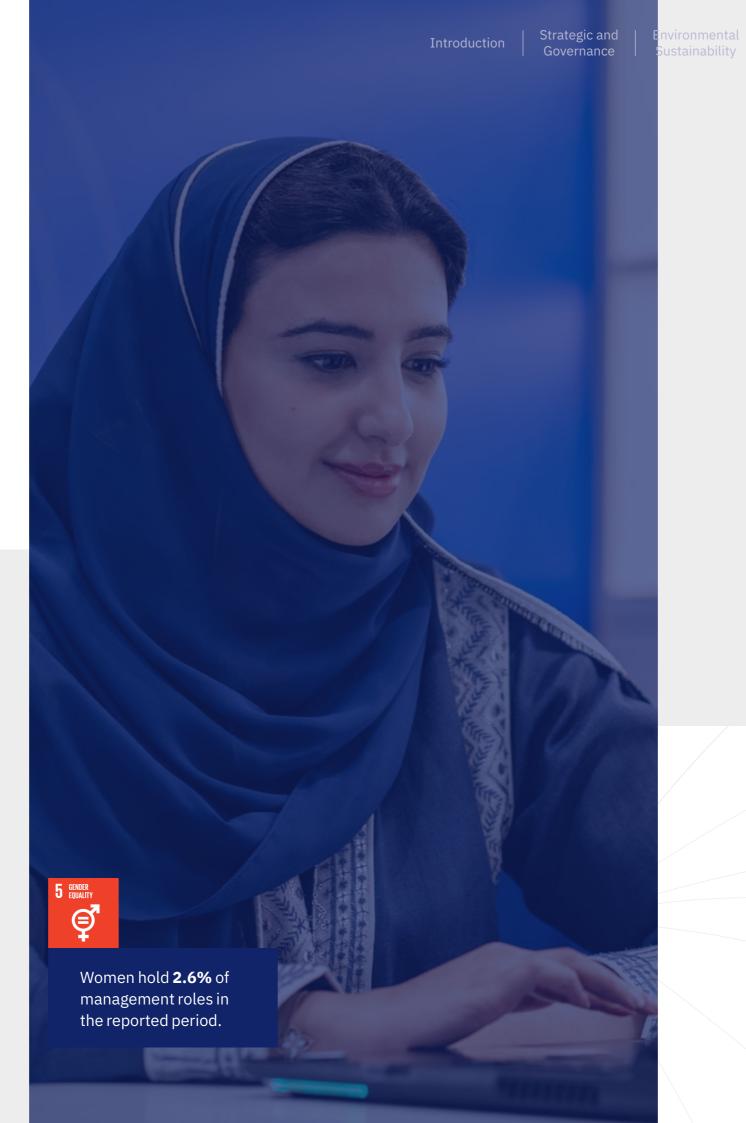
- · Reaching the statutory retirement age.
- Resignation according to the approved regulations.
- Early retirement after meeting the minimum required service period conditions.

This reflects our commitment to the Civil Retirement Law, ensuring fairness, job stability, and financial security for employees' post-service.

#### **Women in SWA**

We enhance women's participation in leadership positions and influential strategic roles. This aligns with our efforts to contribute to Saudi Vision 2030's objectives of increasing women's participation in the labor market and developing national competencies. We offer specialized training programs for female employees' career growth, including leadership development, hands-on training, and women's empowerment initiatives in key sectors like water, energy, science, engineering, and technology. Our efforts have significantly increased female representation across all levels - from operations to leadership and field roles.

We foster a work environment that respects diversity and ensures equal opportunities for all, without discrimination. This commitment is reflected in our fair employment practices, meritbased promotions, and dedicated quotas for female professionals in leadership programs and assessment tracks, implemented in collaboration with distinguished national and international expertise.



# **Employee Engagement**

We develop a stimulating work environment by strengthening internal communication channels with our employees, which fosters values of openness, participation, and appreciation.

Sustainability

We offer multiple engagement channels such as open forums, employee engagement surveys, recognition events, SWA internal network, regular performance reviews, celebrations of national occasions, weekly newsletters highlighting employee achievements to honor their efforts and contributions.

To promote work-life balance, our teams create weekly suggested schedules with various leisure and cultural activities, including weekly audio programs, distinguished books, social and cultural events, and sports competitions, all designed to provide options that enhance our employees' wellbeing during their weekends. Workshops and brainstorming sessions serve as key tools for direct dialogue between young professionals and leadership.

We focus on career evaluation procedures, aiming to identify our employees' strengths while also recognizing potential weaknesses and development gaps. Our KPI-driven assessments measure performance effectiveness and help create tailored development programs for underperforming staff. Evaluations are consistently conducted with integrity and fairness to ensure equal opportunities for all employees and enhance institutional transparency.

We believe that performance evaluation is not a punitive measure, but rather an essential tool for overall performance improvement. Therefore, leadership carefully reviews assessments to guarantee fair and equal treatment for all.

We support career development by continuously conducting evaluations to align employee performance with strategic objectives that are established at the beginning of each evaluation period and regularly updated throughout the work cycle.

We outline clear roles for managers and employees across the evaluation's four key stages: performance planning, review, and evaluation, and results announcement.

In compliance with employment regulations, we recognize employee's right to appeal final evaluations by submitting a grievance within a maximum period of (15) days. The appeal shall be escalated to the president, who in turn refers it to a dedicated HR committee. The committee reviews the appeal according to defined legal authorities and within specified timeframes, maintaining confidentiality throughout all deliberations.

# **Equitable Compensation Policy**

We acknowledge salaries as both a key employee right and a vital factor in job satisfaction, providing financial security and work fulfillment.

Fair compensation improves employee behavior, boosts job stability, enhances performance, and strengthens loyalty.

Our compensation policies are aligned with government sector standards, the Labor Law issued by <u>HRSD</u>. Employees receive monthly salaries commensurate with their designated job grades, ensuring pay equality for equivalent work without gender-based discrimination.



Building on our commitment to developing national competencies and supporting sustainable human development, we launched 'Tamkeen' program as one of our strategic initiatives to qualify and prepare national cadres for the future labor market.

Our program's third edition trained 150 graduates (bachelor's/master's) in 22 technical and managerial fields across 12 water sector domains through a 6-month intensive curriculum.

Training covered key areas like water desalination, sustainability, strategic planning, and R&D, all critical for the Kingdom's water security and sustainable development.

In its fourth edition, we expanded the program's scope to include more advanced fields such as artificial intelligence, cybersecurity, and supply chain management. This ensures alignment with global transformations while equipping the national market with competencies capable of leading environmental, social, and economic development. Today, 'Tamkeen' represents a success story, reflecting SWA sustainable investment in local human capital and its direct contribution to building a new generation of leaders for the water sector in the Kingdom.



# Stakeholder Engagement

# **Enabling Partnerships to Create Sustainable Value**







We believe that stakeholder engagement is a fundamental pillar for achieving our strategic objectives and enhancing the sustainability of water services. With rapid changes and rising stakeholder expectations, fostering strong, trust-based relationships is crucial to delivering sustainable results that benefit everyone, alongside creating open, effective communication channels for inclusive engagement.

Stakeholder engagement is core to our strategy. We've mapped key stakeholder groups to better understand their needs and communication preferences, helping build lasting partnerships that drive shared success. We expanded our communication channels to include direct meetings, seminars, workshops, digital platforms, periodic surveys, and social media engagement. Additionally, we participate in local and international conferences and media forums to enhance transparency and raise awareness about water services.

We're confident this comprehensive approach strengthens our engagement, meets stakeholder expectations, and helps build a sustainable ecosystem for ongoing sector growth.

### **Awareness Campaigns**

We run awareness campaigns to educate stakeholders about sustainable water use and foster water conservation values. These include::

#### **SWA Transformation & Campaign:**

To clarify our new roles and responsibilities following the transformation, highlight our updated visual identity, promote awareness of our renewed institutional mission, and strengthen our presence in both local and international sectors..

#### **Licensing Issuance Campaign:**

It targets businesses and water service project owners, introducing our efforts to streamline licensing procedures while emphasizing the mandatory requirement for obtaining licenses for all related activities across the Kingdom.

#### **Violations Campaign:**

To educate the public on why water rules matter.

#### **Meter Documentation Campaign:**

To educates citizens about the importance of water meter documentation and encourages their participation in enhancing water service efficiency.





# **Strategic Partnerships** & International Cooperation

We are committed to strengthening partnerships and international cooperation to advance our water sector development objectives. We established 30+ local and international agreements and MOUs, focused on key areas aligned with our strategic priorities, including:

- Enhancing sustainability of water services by optimizing energy use.
- Promoting circular economy principles across sectors (water-agricultureenergy).
- Increasing renewable energy (solar/ wind) in production.
- Developing efficient water management policies for sustainability.

These partnerships reflect our commitment to adopting global practices and supporting the transition toward an efficient, innovative, and sustainable water sector.



# **Success Story**

## **Hosting the Global Desalination Water** & Reuse Conference (IDRA 2026)

#### [GRI 203]

Reinforcing the Kingdom's water sector leadership, we won the bid to host IDRA 2026, a top global conference on water technology and sustainability.

This conference builds on our work to develop the Kingdom's water sector to global standards, driving innovation, sustainable investment, and efficient water management, desalination and reuse practices. IDRA 2026 aims to:

- Strengthening the Kingdom's leadership in global water resource management.
- Attracting international investments in water services.
- Establishing a worldwide platform for sharing knowledge between governments, researchers, and private sector.
- Supporting innovation by promoting research and emerging technologies in water services.
- Launching new initiatives to enhance the efficiency of water resource use.

The Kingdom's hosting of this conference was officially announced during the IDRA Conference Summit in Abu Dhabi held in December 2024, reflecting the Kingdom's growing global stature in water and sustainability.



# **Our Presence & Partnerships**

# **Water Sector Participation in the 16th Conference of the Parties (COP16)**

To strengthen our international presence and support our strategic partnerships, we actively participated in UNCCD COP16. The conference seeks to boost global efforts in land preservation and desertification resilience, themed 'Our Land... Our Future'.

Our participation highlighted leading water innovations and national projects, advancing sustainable development and solidifying the Kingdom's role as a major backer of global environmental and anti-desertification efforts.

We also highlighted how the water sector fights desertification and boosts water security, presenting sustainable solutions that maintain ecological and water resource

We boosted our global engagement through new cooperation agreements and expanded partnerships with international sustainability, water management, and anti-desertification organizations, advancing our sustainable development objectives.



Introduction

+25 workshops

+10 dialogue sessions

Signing of a MoU with IHE Delft Institute for Water Education. To enhance strategic collaboration in training program development and knowledge exchange.

# **Our International Visits & Engagements**

# Enhancing Partnerships: Visit to Netherlands



Aligned with our focus on future water solutions, our Netherlands visit featured strategic discussions on digital transformation and clean energy in water management.

We sought to build advanced research collaborations and strengthen ties with world-leading sustainable water management institutions.

During the visits, we focused on exchanging expertise in water resources management, exploring opportunities to leverage green hydrogen solutions, nanotechnology, and artificial intelligence to enhance the efficiency and sustainability of the Kingdom's water sector.

Collaborating with top research centers is key to our strategy for innovating and sustaining the national water ecosystem.

# Enhancing Sustainable Solutions: Visit to the United Kingdom



Committed to developing water technologies and promoting sustainable solutions, we participated in a specialized panel discussion at London events addressing contemporary challenges in the desalination industry.

We showcased our innovative solutions for cutting desalination costs and developing brine mining technologies that extract valuable minerals for other industries.

We also showcased <u>WITERA</u>, our research arm, which focuses on developing innovative solutions in clean and renewable energy, industrial process innovation, sustainability, and advanced materials development.

**164** scientific publications

practical applications

**450** scientific consultations

We also presented our investment-attraction initiatives by offering qualitative opportunities in a harmonized local and international water market, supported by advanced infrastructure and financial policies that encourage growth and sustainable financing.

# Visit to the United States of America



Committed to expanding international cooperation and developing innovative solutions, we visited the United States of America with the aim of enhancing our technical capabilities and building research partnerships with leading experts and innovators.

During our visit, we focused on:

- Exploring opportunities to develop digital solutions in collaboration with <u>Jacobs Engineering</u>, in support of our digital transformation.
- Supporting innovation and engineering research efforts through knowledge exchange with <u>Bcatel</u>.
- Exploring solutions for mineral extraction from brine in collaboration with Oxy, supporting our strategy to reduce emissions and maximize resource utilization.
- Exploring clean energy technologies in collaboration with <u>Bloom Energy</u>, supporting our shift towards energy transformation.
- Discussing opportunities to use advanced desalination technologies with <u>Trevi Systems</u> and <u>Energy Recovery</u>, to optimize our operations and reduce consumption.

We signed a research deal with the <u>University of Texas</u> to advance mineral extraction from brine wastewater and launch an online desalination degree program, boosting our academic and industry efforts in sustainability.

# Strengthening international cooperation with Singapore



As part of our ongoing efforts to enhance international collaboration and knowledge exchange in the fields of water resource management and sustainability, we conducted a two-day strategic visit to the Republic of Singapore, with the participation of several senior leaders from the water sector. The visit aimed to explore global best practices and expand the horizons of technical partnerships. Key focus areas during the visit included:

- Exploring collaboration opportunities in water management efficiency and adopting advanced digital solutions in partnership with leading Singaporean institutions.
- Gaining insight into the latest technological innovations in water treatment and digital transformation through site visits to specialized companies.
- Leading the Saudi-Singapore Water Conference, which brought together experts and decision-makers to showcase investment opportunities, sectoral incentives, and innovations that support sustainability.

In line with our commitment to developing national talent, four memoranda of understanding were signed with prominent Singaporean research and academic institutions, including the Water Academy and the Water Technology Innovation Institute. These agreements aim to support joint training programs and advance research and innovation projects focused on water sustainability.



# Our Strategic Partnerships Within the Kingdom

Partnering with <u>Tabuk University</u>, we hosted the 3rd 'Water Research Community' event, bringing together 300+ researchers and experts to advance water innovation.

The participants discussed the future of desalination and water treatment, clean energy, and the development of membrane materials, presenting 50+ research proposals to enhance water security and improve energy efficiency.

Moreover, we signed research agreements with national universities to support the innovation ecosystem, including:

- <u>Taif University</u> to study the behavior of engineering alloys.
- <u>Tabuk University</u> to develop early detection technologies for jellyfish.
- <u>King Fahd University of Petroleum</u> and <u>Minerals</u> to develop innovative reverse osmosis membranes.





# Appendix

Our Future Aspirations

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Definitions 252





# **Our Future Aspirations**

We are guided by an ambitious vision to improve our operations, which enhances the reliability and sustainability of the water sector while aligning with the objectives of Saudi Vision 2030.

We seek to develop regulatory frameworks and policies while implementing smart monitoring models based on data and proactive analysis. We're also driving operational efficiency and supply-demand balance via long-term planning tools, while ensuring sustainable and diversified water resources.

We continue to enhance transparency through developing a **ESG** <u>Disclosure Guideline</u>. Prioritizing stakeholder interests, we collaborate with MEWA and partner with the National Water Efficiency and <u>Conservation Center (MAEE)</u> to launch a comprehensive national awareness campaign on water infrastructure value. This campaign increases public awareness of capital and operational investments made to ensure water service sustainability and enhances users' understanding of water as both a precious national resource and a high-cost commodity. The campaign's success depends on partnering with government agencies and aligning awareness programs to promote water conservation and public responsibility for future water security.

We are committed to enhancing our regulatory framework to ensure full compliance with laws and regulations, while institutionalizing a culture of organizational adherence across all levels.

We recognize the critical importance of capacity building. Accordingly, we invest in developing national competencies, enhance institutional readiness, and strengthen training and qualification programs across all relevant domains. Furthermore, we're boosting investments, enabling private sector growth, and building strategic partnerships to create lasting value.

We are accelerating our digital transformation by adopting smart technologies and exploring innovative solutions to enhance operational efficiency and future-proof our capabilities against emerging challenges.





### **GRI Index**

Statement of use	We voluntarily disclose the information contained in this Global Reporting Initiative (GRI) index for the period from January 1, 2024, to December 31, 2024, with explicit reference to GRI reporting standards.
GRI Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	N/A

GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any
	2-1 Organizational details	08, 18, 22, 23, (52 - 55), 130, 218, In addition to the back cover page.
	2-2 Entities included in the organization's sustainability reporting	120, 134, 202
	2-3 Reporting period, frequency and contact point	09
	2-4 Restatements of information	This is the first sustainability report.
2021	2-5 External assurance	No external assurance conducted.
sclosures	2-6 Activities, value chain and other business relationships	(20 - 25), (54 - 55), 130, (164 - 172)
eral Dis	2-7 Employees	216, 218, 219
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	32 employees working in administrative and technical roles
G <sub>R</sub>	2-9 Governance structure and composition	(48 - 53)
	2-10 Nomination and selection of the highest governance body	50
	2-11 President of the organization, chairman of the governing body	50
	2-12 Role of the highest governance body in overseeing the management of impacts	(48 - 53), 58, 60, (62 - 64)

GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any
	2-13 Delegating responsibility for impact management	40, 42, (48 - 53), (58 - 64)
	2-14 Role of the highest governance body in sustainability reporting	50
	2-15 Conflict of Interest	58
	2-16 Communication of critical concerns	09, 220, 225
	2-17 Collective knowledge of the highest governance body	50
	2-18 Evaluation of the performance of the highest governance body	This data is confidential under the SWA's Data Governance Policy.
1	2-19 Remuneration policies	This data is confidential under the SWA's Data Governance Policy.
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Currently administered by Bureau Of Experts At The Council Of Ministers. This data is confidential under the SWA's Data Governance Policy.
seneral D	2-21 Annual total compensation ratio	This data is confidential under the SWA's Data Governance Policy.
GRI 2: C	2-22 Statement on sustainable development strategy	40, 42
	2-23 Policy commitments	(32 - 39)
	2-24 Embedding policy commitments	48, 58, 62, 64, 65, 70, 74, 90, 101, 107, 115, 150, 169, 188, 189, 190, 225, 228
	2-25 Processes to remediate negative impacts	(66 - 69)
	2-26 Mechanisms for seeking advice and raising concerns	SWA provides open and secure channels for workers to seek advice on responsible business practices and report concerns, ensuring strict confidentiality and protection for whistleblowers.
	2-27 Compliance with laws and regulations	Our governance approach - Policy Development and Regulatory Compliance



GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any		GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any
	2-28 Membership associations	The Authority operates two distinct entities: the "Water Academy" and the "WTTIRA," each with its own independent identity.		GRI 302: Energy 3	302-3 Energy intensity	Relevant data is currently being collected and will be disclosed upon completion of its processing and review.
	2-29 Approach to stakeholder engagement	26, 27			302-4 Reduction of energy consumption	90
GRI 2: General Disclosures 2021		All SWA workers are employed under formal individual employment contracts, and the terms of employment are subject	ormal individual employment contracts,	302-5 Reductions in energy requirements of products and services	90	
	2-30 Collective bargaining agreements	to the provisions of local labor regulations			305-1 Direct (Scope 1) GHG emissions	(85 - 87)
		in the Kingdom of Saudi Arabia. There are no collective bargaining agreements, in alignment with the regulatory framework in force in the Kingdom.			305-2 Energy indirect (Scope 2) GHG emissions	(85 - 87)
	3-1 Process to determine material topics	28			305-3 Other indirect (Scope 3) GHG emissions	SWA undertakes the regulatory role of the water sector. Accordingly, relevant data is being compiled under an approved action plan,
GRI 3: Materiality Topics 2021	3-2 List of material topics	29, 31	GRI 305: Emissions 2016	emissions	in preparation for disclosure preparation and review.	
	3-3 Management of material topics	110			305-4 GHG emissions intensity	SWA undertakes the regulatory role of the
GRI 201: Economic Performance 2016	201-2: Financial implications and other risks and opportunities due to climate change	(84 - 88)				water sector. Accordingly, relevant data is being compiled under an approved action plan, in preparation for disclosure preparation and review.
GRI 303: Water and	303-3 Water withdrawal	110			305-5 Reduction of GHG emissions	(86 - 87)
Effluents 2018	303-5 Water consumption	110		GRI 3: Materiality Topics 2021	3-3 Management of material topics	94
GRI 3: Materiality Topics 2021	3-3 Management of material topics	118		10μιος 2021		No direct environmental impacts have been
GRI 303: Water and Effluents 2018	303-2 Management of water discharge related impacts	(105 - 107)			304-2 Significant impacts of activities, products and services on biodiversity	recorded in ecologically sensitive areas or habitats of endangered species. The Authority is committed to refraining from implementing any projects within designated nature reserves and operates in full compliance with applicable environmental policies.environmental and social
GRI 3: Materiality Topics 2021	3-3 Management of material topics	122		GRI 304: Biodiversity & Land Use 2016		
GRI 303: Water and Effluents 2018	303-4 Water discharge	122				regulations and ensuring community engagement throughout project implementation.
GRI 3: Materiality	3-3 Management of material topics	96			304-3 Habitats protected or restored	94, 95
Topics 2021  GRI 3: Materiality	·			GRI 3: Materiality Topics 2021	3-3 Management of material topics	104
Topics 2021	3-3 Management of material topics	84			301-1 Materials used by weight or volume	109
(3R) 3U2, EDELON 2U19	302-1 Energy consumption within the organization	and will be disclosed libon completion of its		GRI 301: Materials 2016	301-2 Recycled input materials used	109



GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any	GRI Sta	andard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	(124 - 126)	Compulsory Labor	409-1 Operations and suppliers at	No operations or suppliers were identified as being at significant risk of forced or compulsory labor within SWA's scope of operations during	
	306-2 Management of significant waste related impacts	122, (124 - 126)		Compulsory Labor	significant risk for incidents of forced or compulsory labor	the reporting period, and we affirm commitment to local labor laws and to implementing practices that prohibit all forms of forced labor. SWA is also committed to adhering to the
	306-3 Waste generated	(124 - 126)				guidelines and directives issued by HRSD.
	306-4 Waste diverted from disposal	101, (105 - 109)			413-1 Operations with local community engagement, impact assessments, and development	(181 - 189)
GRI 3: Materiality	-	230			programs	
Topics 2021	-	212		413: Local nunities 2016		No operations have been identified as having actual or potential significant negative impacts on local communities. The Authority remains
	405-1 Diversity of governance bodies and employees	50, 52, 218, 219		413-2 Operations with significant actual and potential negative impacts on local communities	on local communities. The Authority remains committed to the "Do No Harm" principle by adhering to national environmental and social regulations and ensuring	
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and	SWA is committed to non-discrimination in all its employment practices, in accordance				community engagement throughout project implementation.
	remuneration of women to man WITH ITS POLICY based on	with its policy based on the resolution of the Ministry of Human Resources and Social Development.		: Materiality pics 2021	3-3 Management of material topics	190
		During the reporting period, no cases of discrimination were reported. In such	m 201	403-1 Occupational health and safety management system	190	
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	cases, appropriate actions will be taken in accordance with local labor laws, ensuring a thorough review and effective		and Safety	403-2 Hazard identification, risk assessment, and incident investigation	68, 192
		and confidential implementation of compensation plans that safeguard workers' rights.		Health a	403-3 Occupational health services	192, 223
	401-1 New employee hires and employee turnover	218, 219		Occupational H	403-4 Worker participation, consultation, and communication on occupational health and safety	(190 - 192), 225
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to	201, (204 - 209), 216, (220 - 228)		403:	403-5 Worker training on occupational health and safety	192
	temporary or parttime employees			GRI	403-6 Promotion of worker health	192, 223
	401-3 Parental leave	222			403-7 Prevention and mitigation	
GRI 402: Labor/	402 1 Minimum nation national	SWA is committed to provide employees with adequate notice prior to implementing any	Occupations	iRI 403: ational Health	of occupational health and safety impacts directly linked by business relationships	223
Management Relations 2016	402-1 Minimum notice periods regarding operational changes	significant operational changes, in accordance with the regulations of HRSD. There are no collective bargaining agreements that specify different notice periods.		Safety 2018	403-8 Workers covered by an occupational health and safety management system	190, 192



GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any		GRI Standard	Disclosure	Page number, direct answers, and reasons for non-disclosure, if any
	403-9 Work-related injuries	45			418-1 Substantiated complaints	No documented complaints were recorded in 2024 regarding breaches of customer privacy or
GRI 403: Occupational Health and Safety 2018	Annual performance evaluations were Privacy 2016 403: Occupational conducted for all employees at the end of the year, based on the approved key	GRI 418: Customer Privacy 2016	concerning breaches of customer privacy and losses of customer data	loss of customer data. The Authority continues to enforce strict data protection policies in line with the highest cybersecurity standards.		
	403-10 Work-related ill health	performance indicators (KPIs) for each job category. As a result, 100% of employees underwent regular performance and career development reviews.			205-1 Operations assessed for risks related to corruption	60, 62
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	62		GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	62, 64, 225
GRI 3: Materiality Topics 2021	3-3 Management of material topics	200			205-3 Confirmed incidents of corruption and actions taken	No cases of corruption were reported during the reporting period.
	404-1 Average hours of training per year per employee  404-2 Programs for upgrading	201	_	GRI 206: Anti- competitive Behavior 2016	206-1 Legal actions for anti- competitive behavior, anti-trust, and monopoly practices	64
GRI 404: Training and	employee skills and transition assistance programs	(200 - 209)		GRI 3: Materiality Topics 2021	3-3 Management of material topics	70
Education 2016	404-3 Percentage of employees receiving regular performance and	Annual performance evaluations were conducted for all employees at yearend, based on the KPIs for each job		GRI 3: Materiality Topics 2021	3-3 Management of material topics	74
	career development reviews	rateonly as a testill 100% of employees		GRI 3: Materiality Topics 2021	3-3 Management of material topics	165
GRI 3: Materiality Topics 2021	3-3 Management of material topics	194			201-1 Direct economic value generated and distributed	130
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	(110 - 116)		GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	226
GRI 416: Customer	416-2 Incidents of non-compliance concerning the health and safety	During the reporting period, no instances of non- compliance were recorded regarding the health and safety impacts of the Authority's products or services by regulatory or oversight bodies. The	_		201-4 Financial assistance received from government	As a government entity, we operate within a defined budget allocated by the Ministry of Finance.
Health and Safety 2016	impacts of products and services	Authority remains committed to upholding the highest standards of quality and occupational health to ensure the safety of water and wastewater services provided to beneficiaries.	GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	43, 92, 93, 137, 169, (184 - 187), 213	
GRI 3: Materiality Topics 2021	3-3 Management of material topics	118		GRI 3: Materiality Topics 2021	3-3 Management of material topics	164
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	(67 - 69)		GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	168
GRI 3: Materiality Topics 2021	3-3 Management of material topics	58		GRI 3: Materiality Topics 2021	3-3 Management of material topics	132

Strategic and Governance

Introduction



Definitions	
Term	Definition
Authority (SWA)	Saudi Water Authority.
Water Ecosystem	The water value chain includes supply stages like production, transport, storage, distribution, collection, wastewater treatment, and reuse across urban, industrial, and agricultural sectors, as follows: Production. Main buyer. Transmission and storage. Distribution, collection, and wastewater treatment. Water reuse.
Supply chain stakeholders	Water Desalination - WD Saudi Water Partnership Company - SWPC Water Transmission Company - WTCO National Water Company - NWC Saudi Irrigation Organization - SIO
Sustainability practices	Environmental, Social, and Governance (ESG) Practices.
Production	It includes seawater desalination, groundwater purification, and treatment of well and dam water to ensure the provision of clean, potable water.
Transmission and Storage	Transporting water from production sources to consumption areas through dedicated pipeline networks, for storage and on-demand use.
Distribution	Delivery of produced water to consumers through the distribution network.
Collection	Collecting wastewater from residential and commercial facilities through sewer networks.
Water reuse	This process aimed at enhancing water resource sustainability by utilizing treated water in several areas such as agriculture, irrigation, industrial processes, and other applications.
SWCC	Producing desalinated water by removing contaminants and reducing salinity, either, partially or completely, through desalination plants processes, transforming it into pure water suitable for urban, industrial, and agricultural use.
Water resources	Surface and groundwater (renewable and non-renewable), including well water, springs, natural fountains, dam reservoirs, and rainwater.
Desalinated water	Seawater converted into potable water through desalination plants.
Purified water	Water sourced from groundwater or dams undergoes contaminant removal and salinity reduction through chemical processes at treatment plants, to produce purified water suitable for urban, industrial, and agricultural use.

Def	finitions	
Ter	m	Definition
Surf	face water	Water collected or flowing on the ground, as well as seawater.
Gro	undwater	Water located beneath the Earth's surface within the spaces of rocks, soil, and fractures in geological formations (known as aquifers) serving as primary sources of drinking water.
Trea	ated water	Wastewater from domestic, industrial, or agricultural sources that has been treated through biological, physical, industrial, or natural treatment processes to remove contaminants. It is either safe for environmental discharge or reuse for urban, industrial, or agricultural purposes, depending on its treatment level.
Was	stewater	Wastewater refers to water that has been used and contaminated due to various human activities, including domestic, industrial, agricultural, and commercial use.
Efflu	uent	Any liquid or oily substance that causes pollution to the environment.
Emi	ssions	The release of air pollutants into the surrounding air from a specific source.
Bas	eline	The starting point used for comparisons.
8	ewable rgy sources	A renewable energy source naturally replenished in the short term through ecological cycles or farming.
	stewater atment	Converting wastewater, greywater, or agricultural/industrial effluent into water that meets health and environmental safety standards.
The	main buyer	The principal entity that purchases water or water services from producers, and whose activities include facilitating public-private partnerships in water services.
Wat	er bodies	The accumulation of water on Earth's surface or subsurface, such as: oceans, seas, lakes, ponds, wetlands, and other geographical components through which water moves from one location to another.
Sea	water	Seawater in the world's oceans and seas. Alternatively, it is a type of surface water desalination for urban, industrial, and agricultural use through desalination plants.
-	ated stewater	Water treated to remove contaminants, rendering it safe for discharge or reuse in urban, industrial, or agricultural applications.
Mun	nicipal solid ste	This includes residential, commercial and administrative waste, waste generated from parks and public gardens, as well as street cleaning and sweeping services, and the contents of public municipal containers.
Air	quality	Attributes of air quality, assessed according to the standards established by the competent environmental protection authority for safeguarding both the environment and human health.

Strategic and Governance

Introduction



Definitions	
Term	Definition
GHG gases	Gases emitted into the atmosphere due to human activities or natural sources that cause global warming, such as CO <sub>2</sub> , methane, nitrous oxide, and ozone.
Environment	Covers the entity's environmental footprint: carbon emissions, energy/water use, waste handling, and natural resource consumption.
Institutions	Water sector value chain
Environmen- tal protection	Safeguarding the environment by preventing/reducing pollution and ecological damage while promoting sustainable development - all through compliance with environmental standards and regulations.
Environmen- tal degrada- tion	Harm to ecosystems resulting from depletion of natural resources, destruction of habitats, extinction of wildlife, environmental pollution, and degradation of air, water, and soil quality.
Marine and coastal envi- ronment	Marine areas, coastal zones, islands, or natural components like trees, shrubs, plants, grasses, algae, coral reefs, marine organisms (including microscopic life), etc.
Plant cover	Natural vegetation, whether grasses, shrubs, or trees.
Stakeholders	People or groups impacted (or potentially impacted) by the entity's work.
Civil society	Individuals or groups residing or working in areas affected, or potentially impacted, by the entity's activities.
Value chain	The entity's full range of operations (including predecessor and successor entities) to develop and deliver its products/services from start to finish.

Definitions	
Term	Definition
Employee category	Breakdown of employees by level (such as senior management, middle management) and function (such as technical, administrative, production).
Discrimination	Result of treating persons unequally by imposing unequal burdens or denying benefits instead of treating each person fairly on the basis of individual merit.
Infrastructure	Facilities built primarily to provide a public service or good rather than a commercial purpose, and from which the organization does not seek to gain direct economic benefit.
Conflict of interest	Situation where an individual is confronted with choosing between the requirements of their function in the organization and their other personal or professional interests or responsibilities
Anti- competitive Behavior	Action of the organization or employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition.
Corruption	Abuse of entrusted power for private gain', which can be instigated by individuals or organizations.
Supplier	Entity upstream from the organization (i.e., in the organization's supply chain), which provides a product or service that is used in the development of the organization's own products or services.
Waste	Anything that the holder discards, intends to discard, or is required to discard.
Customer privacy	Right of the customer to privacy and personal refuge.
Freshwater	Water with concentration of total dissolved solids equal to or below 1,000 mg/L.
Value chain	Range of activities carried out by entities upstream from the organization, which provide products or services that are used in the development of the organization's own products or services.



الهيئة السعودية للمياه Saudi Water Authority