Arabian Drilling

DRIVING EXCELLENCE THROUGH DIGITAL INNOVATION

Sustainability Report 2025

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About the Report

Arabian Drilling Company is pleased to present its eighth annual Sustainability Report, outlining our sustainability strategy, initiatives, and performance for 2025. The report provides a comprehensive view of our progress across environmental, social, and governance aspects, demonstrating how sustainability continues to support value creation and long-term business resilience.

The report highlights our alignment with Saudi Vision 2030 and illustrates how we embed responsible business practices across our operations in the Kingdom of Saudi Arabia. It outlines the actions undertaken during the year to strengthen operational excellence, enhance safety and workforce development, engage suppliers, and manage our environmental footprint while responding to the evolving needs of the energy sector.

Operating exclusively within Saudi Arabia, our sustainability efforts remain closely aligned with national priorities and the United Nations Sustainable Development Goals. Through this report, we reaffirm our commitment to responsible growth, continuous improvement, and delivering lasting value for our stakeholders, while supporting the resilience and sustainability of the Kingdom's energy sector.

Framework and Guidelines

This report has been prepared in alignment with the Global Reporting Initiative (GRI) Standards. We continue to align our sustainability approach with the UN Sustainable Development Goals and remain committed to strengthening our disclosures in future reporting cycles.

Scope and Boundary

This report covers the period from 1 January 2025 to 31 December 2025, in line with the Annual Report. It focuses on the topics most material to Arabian Drilling and its stakeholders.

In 2025, Arabian Drilling's operations continued to be based exclusively within the Kingdom of Saudi Arabia. Accordingly, this report covers our business activities across Saudi Arabia, including our direct employees, owned assets, and, where applicable, our indirect influence on contractors and vendors within the Kingdom. The report also includes our subsidiary, OFSAT, with its information captured through established financial and operational reporting processes.

Assumptions and Calculation Methodology

For our GHG inventory, scope 1 & 2 emissions calculations have been calculated using operational control approach in conformance with GHG Protocol, API Guidance Document for GHG reporting, IPIECA, and the ISO 14064-1 Reporting Principle. We have derived emission factors and global warming potentials from IPCC and US EPA.

Feedback and Suggestions

We welcome feedback and suggestions on our operations, sustainability performance, and commitments. Stakeholders are encouraged to share their views and engage with us by contacting sustainability@arabdrill.com

Future Outlook

This report may include statements regarding future expectations, objectives, and planned initiatives beyond historical performance. These statements reflect Arabian Drilling's future considerations and assumptions, including our intention to further enhance its greenhouse gas accounting by progressing towards the assessment and disclosure of scope 3 emissions in future reporting cycles. Arabian Drilling plans to advance its climate risk assessments to further evaluate potential physical and transition risks to the business over time.

Statements relating to future outlook and planned actions have not been audited. They should not be solely relied upon by investors, as they remain subject to uncertainties, evolving regulatory requirements, market dynamics, and other external factors beyond our control.

Chairman's Statement

I am pleased to present our Sustainability Report 2025, which reflects our continued commitment to sustainability and long-term value creation for all our stakeholders. As the largest drilling contractor in Saudi by fleet size, we recognize that long-term value creation is inseparable from our commitment to sustainability, responsible business practices, and strong governance. Sustainable growth is fundamentally linked to responsible environmental stewardship, social responsibility, and an unwavering commitment to transparency and accountability. These principles enable us to identify, manage and respond to our sustainability priorities, risks and opportunities.

The Board of Directors, as Arabian Drilling's highest governance body, is responsible for overseeing the implementation of robust corporate governance practices grounded in ethics, integrity and compliance in alignment with local and international laws, regulations, and best practices. The Board of Directors regularly reviews and, where necessary, enhances Arabian Drilling's governance framework to promote transparency, accountability and disciplined execution across all aspects of our operations, and to ensure that responsible business practices are embedded as a core expectation throughout the organization.

The Board of Directors provide governance and strategic oversight of Arabian Drilling's sustainability and long-term value creation agenda ensuring these considerations are fully integrated into business strategy and decision making.

As we navigate the energy transition and an evolving global landscape, we remain focused on operating safely and efficiently, supporting the development of local communities, empowering our people, and managing our environmental footprint responsibly. We aim to remain resilient, competitive, and trusted over the long term by aligning with national priorities such as the National Renewable Energy Program, Saudi Green Initiative, and Saudi Vision 2030.

Looking ahead, the Board of Directors at Arabian Drilling remains fully committed to guiding the Company on its sustainability journey, navigating a dynamic operating environment, responding to stakeholder expectations, and harnessing opportunities for responsible growth.

I extend my heartfelt gratitude to our stakeholders for their continued trust and support, and to our employees for their dedication and contributions in a more resilient and sustainable future.

DR. MUHAMMAD ALDAWOOD
Chairman of the Board of Directors

Chief Executive Officer's Message

> Arabian Drilling has long supported the Kingdom's energy needs by delivering reliable drilling services that contribute to national energy security and broader economic development. Operating at the heart of global energy markets, Saudi Arabia continues to play a pivotal role in meeting the world's energy demand while advancing an ambitious transformation in alignment with the National Renewable Energy Plan and Saudi Vision 2030.

Our Board of Directors provides governance and strategic oversight of our sustainability agenda, based on priority topics that constitute our Sustainability Framework. The Board of Directors aims to embed sustainability risks and opportunities considerations into our strategic decision-making processes.

Occupational health and safety, together with business ethics and compliance, remain among our most important focus areas, alongside our efforts on decarbonization, renewable energy transition, and energy efficiency and conservation.

Digitalization has enhanced our fleet efficiency through the ARMA system, enabling real time tracking of rig movements and operational vehicles across the Kingdom. In parallel, enhancements to STRIVE, our HSE and Service Quality reporting platform, have improved incident reporting, data transparency, and performance monitoring. Supported by targeted safety workshops, these initiatives contributed to a 33% reduction in Total Recordable Incident Frequency (TRIF) compared with the previous year. Operational performance also improved, with our Rig Efficiency Index reaching 90.91.

At the heart of our business are our people. As a people-first organization, we remain committed to building a future-ready workforce by equipping our employees with the skills required to thrive in an evolving energy landscape while fostering a safe and inclusive working environment. We continue to invest in workforce development through targeted training programs. We pride ourselves in providing HSE training as the core of all training programs conducted for our employees. In 2025, we achieved an average of 67 training hours per employee.

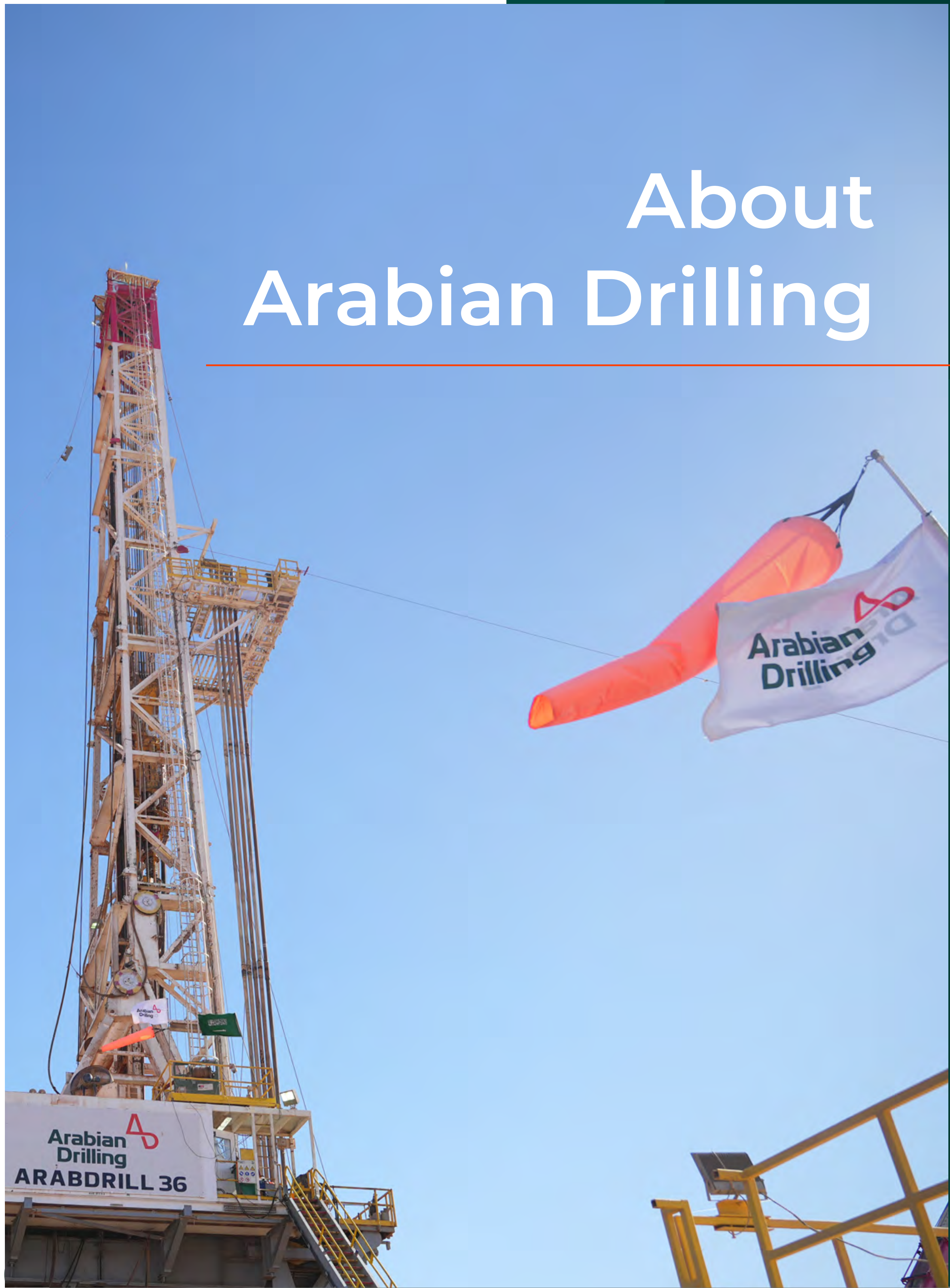
Our decarbonization roadmap forms the basis for us to take concrete steps at reducing our environmental footprint. In 2025, we achieved a 1.5% year-on-year reduction in our Scope 1 emissions, driven largely by operational optimization.

Beyond our operations, we are committed to contributing positively to the communities in which we operate. Over the past year, our community engagement initiatives focused on education, environmental stewardship, and public health awareness. We participated in tree-planting and conservation programs under the Saudi Green Initiative, fire-prevention initiatives with local schools, blood donation campaigns, and breast cancer awareness drives. We also supported several charitable organizations working with marginalized individuals. In recognition of these efforts, we received the Silver Award in Corporate Social Responsibility from the Ministry of Human Resources and Social Development in Saudi Arabia.

We continue to pursue sustainable growth while remaining anchored to responsible business practices. Looking ahead, we aim to refine our material priorities in alignment with stakeholders' expectations and deepen the integration of digital technologies across our operations.

FAHAD ALBANI
Chief Executive Officer

About Arabian Drilling



Who We Are

Arabian Drilling is an award-winning onshore and offshore gas and oil rig drilling company in Saudi Arabia with an extensive track record of operational excellence and a history of innovation that has brought tremendous safety and efficiency gains to the drilling process.

Established in 1964, Arabian Drilling is a leading provider of oil and gas drilling services, operating a fleet of 60 land and offshore rigs primarily in the Kingdom of Saudi Arabia, with presence in the Khafji Area and the wider GCC region.

Our subsidiary, OFSAT Arabia LLC, acquired in 2017 as part of Arabian Drilling's strategic vertical integration, specializes in providing safe and reliable rig move and logistics services. OFSAT supports drilling operations by operating, maintaining, and relocating land drilling rigs between well locations, supported by a fleet of utility vehicles, including cranes, wheel loaders, and trucks, thereby improving operational efficiency, safety, and continuity across the Company's operations in the Kingdom of Saudi Arabia.

We serve clients including Saudi Aramco, SLB, Al-Khafji Joint Operations (KJO), Baker Hughes, and prominent GCC client. We operate a large fleet of onshore and offshore rigs, staffed by highly skilled, qualified, and professional personnel, built to withstand the harsh weather conditions in the Middle East.

As the energy sector continues to evolve, Arabian Drilling remains at the forefront by integrating sustainable practices across its operations to meet growing energy needs responsibly with our Sustainability strategy, which aligns with the United Nations Sustainable Development Goals (UN SDGs) and Saudi Arabia's Vision 2030, strengthening local talent, supporting suppliers, and delivering positive economic and community outcomes while reducing our environmental footprint.

Vision, Mission, & Values

VISION:

Leading sustainable drilling services.

MISSION:

Evolve our business to add value to our people, customers and shareholders by following the highest safety, technological, and operational standards.

VALUES:

S — Safety: The safety of our people is our guiding compass and guides all our actions. We adhere to the highest safety standards as we act to create operational excellence

T — Teamwork: We collaborate and coordinate our actions to achieve superior results with efficiency, acting in mutuality and harmony.

R — Reliability: We are consistent in our performance and always deliver on our commitment. We inherently value reliability to build long-term relationships based on trust

I — Integrity: We are open and transparent in our conduct. We act with honesty, integrity, and in compliance with our code of ethics.

V — Value: We create value for those around us through responsible, cleaner, and safer access to energy for every community. As we highly adhere to ESG standards in everything we do.

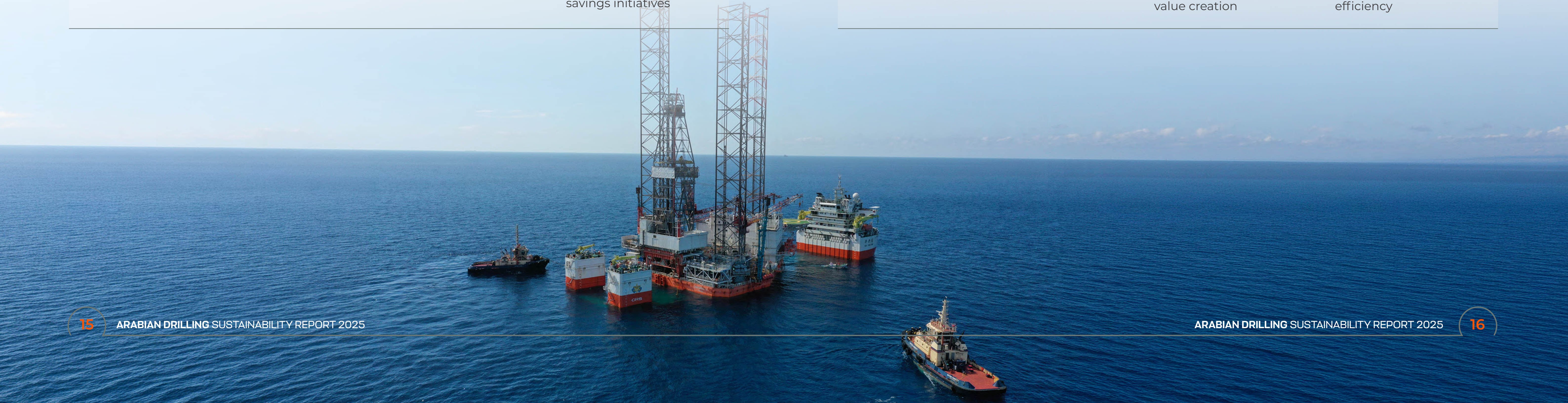
E — Environment: Our planet is our responsibility, and all our actions are driven by our concern for the environment and our commitment to protect and preserve it.

Arabian Drilling

Corporate Strategy

Strategic Pillar	Deliver Best-in-Class Operational Performance to Unlock Shareholders Value	Grow our Core Business in Saudi and Expand Regionally and Internationally	Upgrade our Operating Model
Description	Promote a culture of outstanding service quality to be recognized as an industry leader in quality of services Continually improving our safety record Optimize rig move process	Expand by growing our core Saudi business Focus on growth in unconventional gas Identify new revenue streams	Upgrade our Operating Model Implement cost optimization initiatives Enhance digitalization and business process improvement Attract world-class talent Maintain high rate of Saudization Upgrade facilities
KPIs	Rig Efficiency Index (REI) Non-Productive Time (NPT) Total Recordable Incident Frequency (TRIF)	Fleet size expansion Revenue and backlog growth Diversify client portfolio	Onboarding, training, and retaining local talents ERP upgrade to foster efficiencies Enhance the working environment High-impact cost savings initiatives

Strategic Pillar	Deliver Best-in-Class Operational Performance to Unlock Shareholders Value	Grow our Core Business in Saudi and Expand Regionally and Internationally	Upgrade our Operating Model
2025 Achievements	Achieved an average REI of 90.91 Four KJO rigs achieved 98.31% Service Quality Assessment rating NPT recorded at 1.92% 33% reduction in TRIF over 2024 Silver Award for Corporate Social Responsibility by Ministry of Human Resources and Social Development.	Successful startup of 1 offshore rig Gained qualifications in key markets outside Saudi Arabia	HSE AI solutions piloted on 8 Rigs Implementation of the Driving Behavior Center Enhacement of the Infinity Innovation Lab Enhancement of the Behavior Empowerment Center (BEC) Digitizing Enterprise Risk Management
2026 Goals	Maintain high operational performance standards Strengthen asset readiness and reliability Enhance efficiency through targeted initiatives Improve productivity through disciplined execution	Sustain highquality portfolio growth Advance selective regional and international opportunities Deepen customer partnerships Explore new markets aligned with longterm value creation	Enhance governance and decisionmaking discipline Advance digital and process optimization Strengthen performancedriven culture Improve organizational effectiveness and cost efficiency



Market-differentiating Standards

We remain committed to upholding five key market-differentiating standards across our strategic operations and activities, ensuring that Arabian Drilling is well-positioned to respond to emerging opportunities and support the Kingdom's industrial growth.

Key Market Differentiating Standards	Description
Strong presence in a resilient market	• Large fleet across both land and offshore operations, with a strong unconventional rig presence. • Strong drilling capability supported by a balanced land and offshore mix.
Provider of industry leading drilling services	• Holding approximately 19.82% of the Kingdom's total market share and 18.39% of the Saudi Aramco market share, with 45 active rigs from a total of 60 rigs.
Operational Integrity	• Aiming to be a leading drilling contractor in the region powered by our 60+ year legacy, high specification, young fleet, exceptional leadership team, largest fleet in KSA, digitalization or innovation. • Supporting the Kingdom's economic growth through local sourcing and Saudization initiatives.
Disciplined growth strategy	• Enhancing adaptability in renewable energy to support our carbon emission reduction goals.
Experienced and aligned management team	• Empowering and supporting experienced leadership, backed by TAQA and SLB, with extensive industry knowledge and regional expertise. • Strengthening and expanding our commitment to regional interests and strategic partnerships to enhance local manufacturing and industrial capabilities.

60
Land and offshore rigs

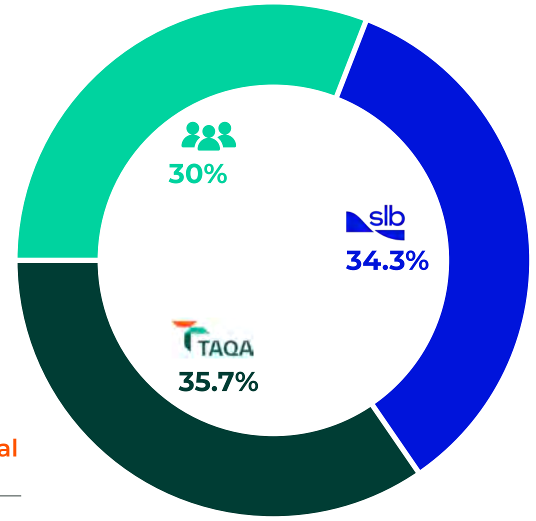
19.82%
Total market share

18.39%
Saudi Aramco share

Legal Structure

Arabian Drilling or the "Company", is a Saudi Public Joint Stock Company listed on the Saudi Exchange Market (Tadawul) under ticker code "2381". Arabian Drilling is a leading provider of oil and gas drilling services, operating a fleet of 60 land and offshore rigs primarily in the Kingdom of Saudi Arabia, with presence in the Khafji Area and the wider GCC region.

Arabian Drilling debuted on the Tadawul stock exchange in 2022 through an Initial Public Offering (IPO), making 30% of its shares available to investors.



Shareholder	Number of shares	Ownership	Overall nominal value ⃁
TAQA	31,773,000	35.7%	317,730,000
SLB	30,527,000	34.3%	305,270,000
Public	26,700,000	30%	267,000,000
Total	**89,000,000**	**100%**	**890,000,000**

Location and Facilities

Arabian Drilling is based in Al Khobar and operates across seven additional facilities. As of December 31, 2025, these locations included:

City	Premises
Al Khobar	Head office
Dammam Riyadh Road	Yard
Khafji	Operational base and residential compound
Abqaiq	OFSAT operational base and yard
Dammam	Arabian Drilling Academy and Training Center (ADATC)
Al Khobar	Arabian Drilling Compound 2

Awards and Recognition

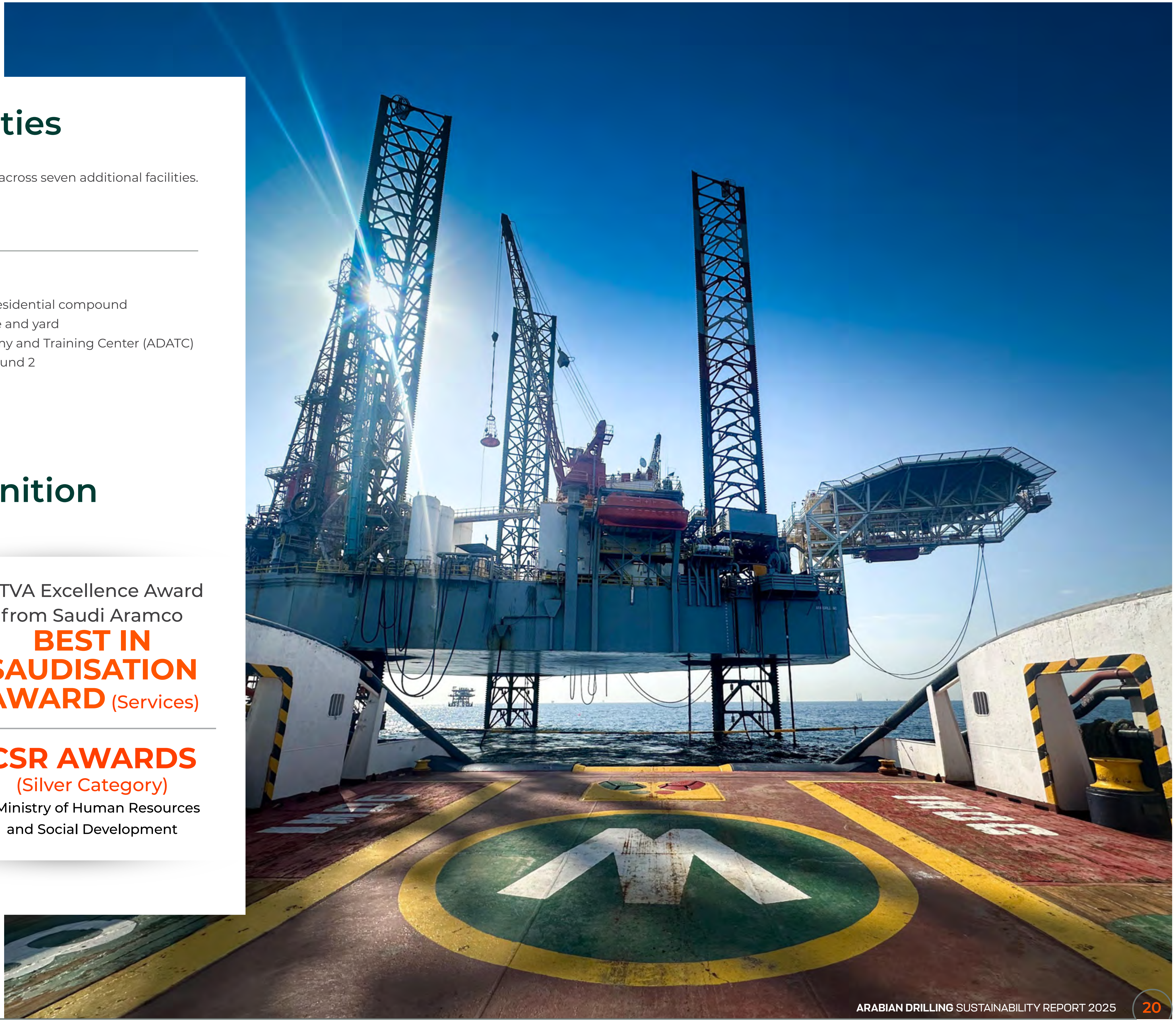
IKTVA Excellence Award from Saudi Aramco

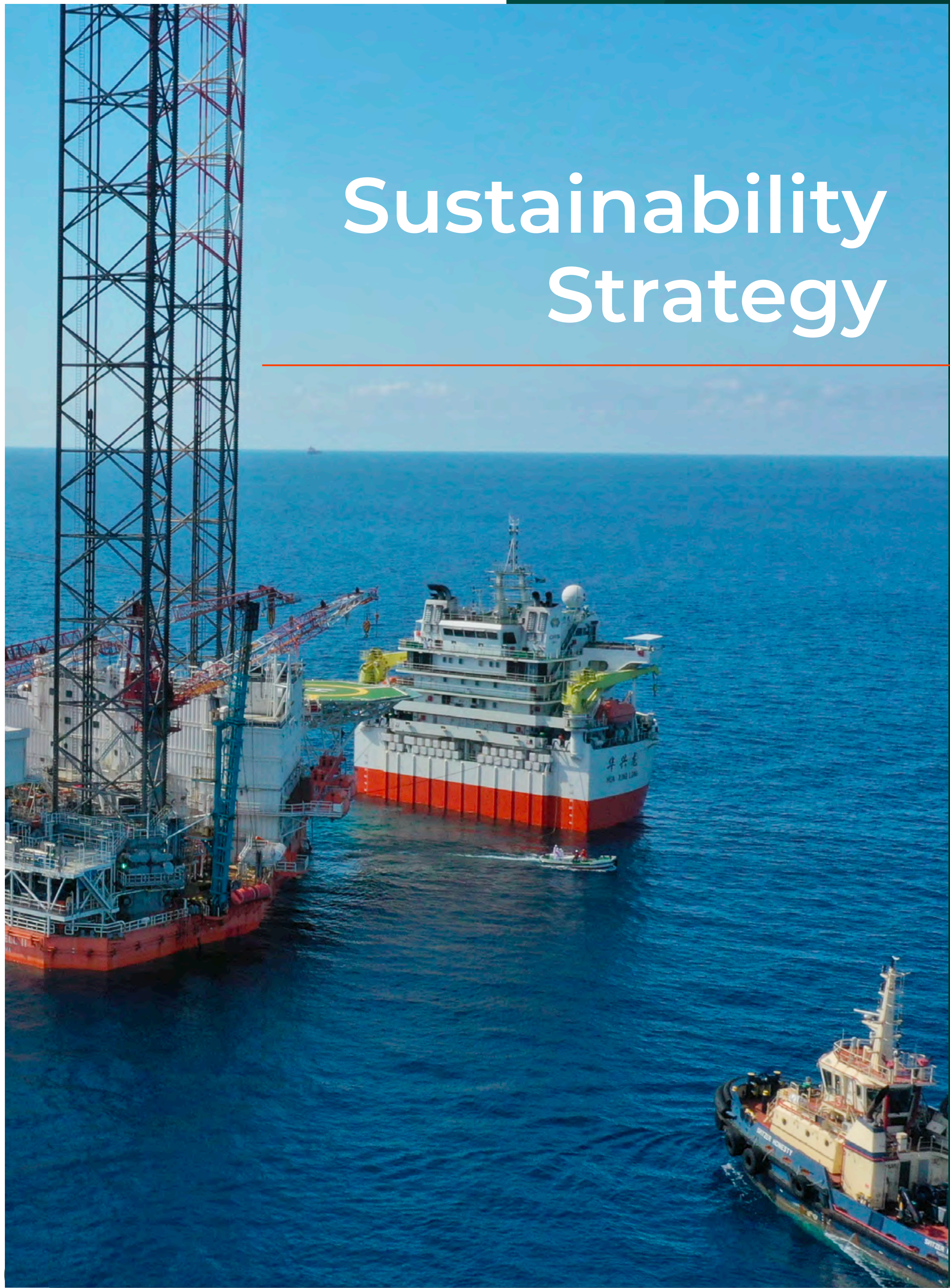
BEST IN SAUDISATION AWARD (Services)

CSR AWARDS

(Silver Category)

– Ministry of Human Resources and Social Development





Sustainability Strategy

Overview

Arabian Drilling plays a central role in supporting the Kingdom's drilling sector and contributing to the broader national economy. In recognition of this role, sustainability is firmly embedded within our business approach and decision making, guided by our mission and values. We remain focused on enabling sustainable development through continuous improvement, operational efficiency, and the adoption of innovative practices that create long term value for our stakeholders. Our approach ensures alignment with internationally recognized frameworks, including the UN Sustainable Development Goals (UN SDGs), while supporting the ambitions of Saudi Vision 2030 and Saudi Green Initiative (SGI).

Environmental stewardship and social responsibility are integrated throughout our organization, shaping both strategic priorities and everyday operations. To support this, we continue to advance a structured sustainability strategy that sets out clear commitments and priorities across three core focus areas. These are underpinned by eleven foundational elements of social and environmental responsibility, providing a consistent framework to guide responsible growth and strengthen business resilience.

SUSTAINABLE DEVELOPMENT GOALS

VISION 2030 رؤية المملكة العربية السعودية KINGDOM OF SAUDI ARABIA

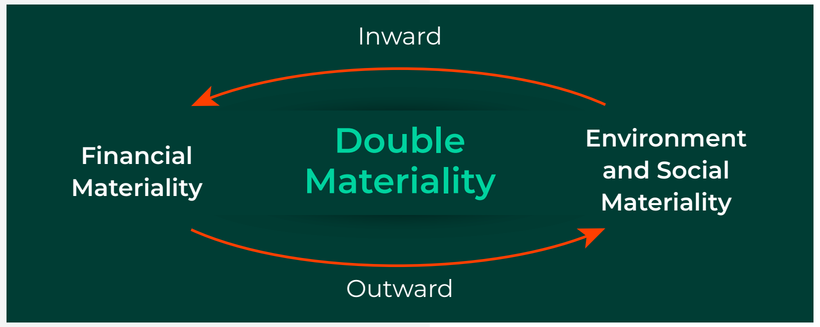
SAUDI GREEN INITIATIVE

Materiality Assessment

Conducted in accordance with GRI 3 Standards in 2024, Arabian Drilling continues to review and refine its material sustainability priorities to ensure they remain relevant to our business, stakeholders, and the evolving ESG demands and expectations. Our materiality assessment process reflects a structured, consistent approach informed by industry trends, stakeholder expectations, and national and international sustainability frameworks.

Our Materiality Assessment Approach

Our Materiality assessment considers both the impacts of our operations on the economy, environment, and society, as well as the potential effects of sustainability-related risks and opportunities on our financial performance and long-term resilience. This dual perspective supports more informed decision-making and strengthens the integration of sustainability into strategic planning.



To identify and prioritize material topics, we followed a structured process:

ESG Assessment and Peer Review

Sustainability standards, national priorities, and industry practices are reviewed to establish the context for materiality. Relevant frameworks, including Saudi Vision 2030, GRI, SASB, the UN SDGs, and ESG ratings, inform the identification of material topics aligned with the business.

Stakeholder Engagement

Internal and external stakeholder inputs inform the assessment of sustainability issues, reflecting their significance to business operations and stakeholder priorities.

Validation with Internal Stakeholders

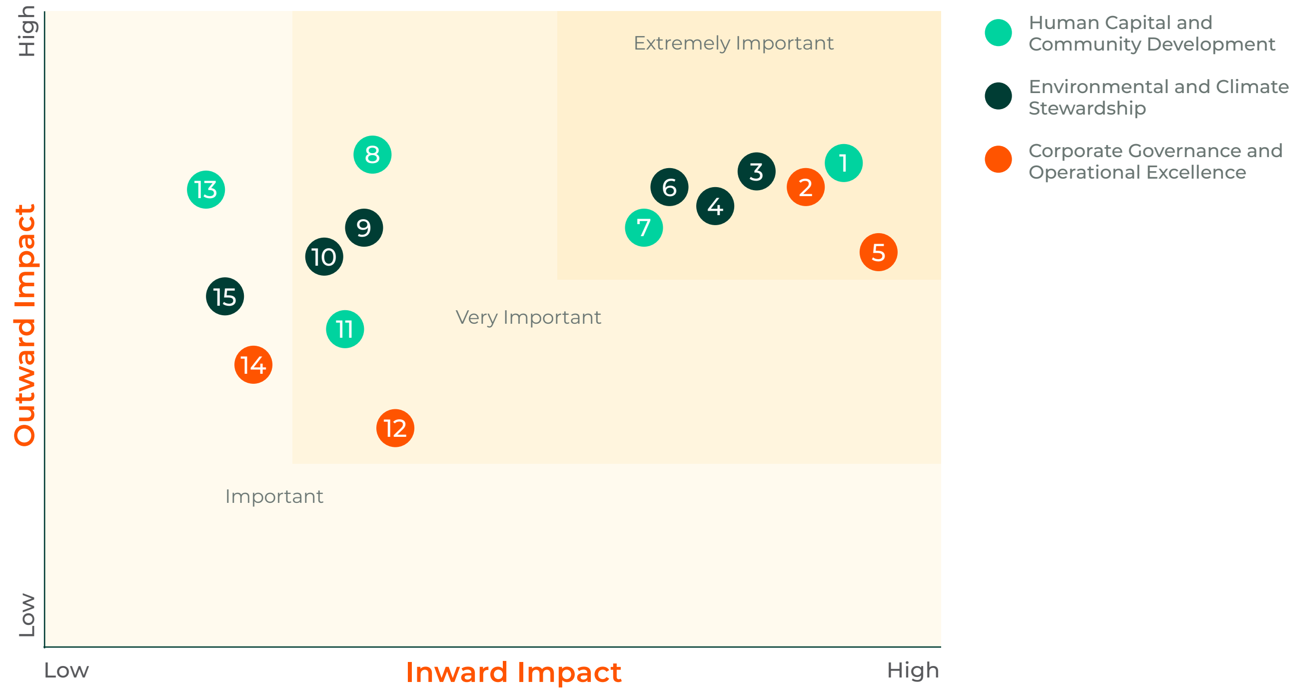
Executive and subject-matter experts' inputs are used to validate the alignment of material issues with strategic objectives.

Prioritization of Material Topics

Material issues are prioritized and categorized, resulting in a materiality matrix that reflects their inward and outward impacts.

In 2025, we conducted a review of the sustainability framework to ensure adequate coverage and relevance of material topics. In addition, we conducted a peer benchmarking exercise to identify material topics applicable to peers. We will further evaluate these material topics for inclusion in our sustainability framework in the future.

We renamed the pillars of the sustainability framework to ensure future ready structure aligned with our strategic priorities based on inputs from internal stakeholders.



Material Topics	Prioritization
1. Occupational health and safety	Extremely Important
2. Business ethics and compliance	
3. Decarbonization and renewable energy transition	
4. Energy efficiency and conservation management	
5. Risk management	
6. Spill prevention and response	
7. Diversity, inclusion and equal opportunities	
8. Human capital development	Very Important
9. Waste management and circular economy practices	
10. Water and wastewater management	
11. Human rights	
12. Artificial Intelligence (AI), innovation and digital Transformation	
13. Social impact and community development	Important
14. Supply chain management	
15. Preservation of natural and cultural sites	

Environmental and Climate Stewardship · Corporate Governance and Operational Excellence · Human Capital and Community Impact

Arabian Drilling

Sustainability Management at Executive and Board Level

HSE and Sustainability Committee at the Board Level

We have developed a robust governance mechanism to address sustainability and climate-related issues across our operations.

The Health, Safety, Environment, and Sustainability (HSE&S) Committee operates at the Board level, and is the highest governance body overseeing sustainability and climate-related risks and opportunities at Arabian Drilling. It is composed of four members, one independent board member, two non-board members and one executive member.

Overseeing the establishment of processes and systems necessary to ensure compliance with HSE policies, rules, and regulations; reviewing their ongoing effectiveness; and ensuring they are up to date. The HSE and Sustainability Committee held three meetings during the year 2025. In November 2025, the Committee was dissolved and the mandate of HSE and sustainability rests directly with the Board, with senior management aiding in implementation.

See more on the functions of the HSE and Sustainability Committee here

Stakeholder Engagement

Arabian Drilling defines its stakeholders as individuals and entities that influence the Company's business and operations, as well as those materially affected by its activities. Understanding their evolving expectations is essential to long-term success.

Each year, we engage with stakeholders through structured, purposeful interactions and review their key interests and concerns to identify areas of risk and opportunity. Given the breadth of stakeholders, engagement is prioritized based on the level of influence and the urgency and relevance of the matters raised.

Insights from stakeholder engagement inform the Company's material topics, strategic priorities, and risk management processes.

For stakeholder engagement we follow the following approach

- Stakeholder Identification
- Data Collection
- Mapping and Analysis

Arabian Drilling

Stakeholder Engagement Approach

Stakeholder Group	Key Interests and Priorities	Engagement Methods	Value Added
SHAREHOLDERS Arabian Drilling operates as a Public Joint Stock Company. Our major shareholders are TAQA and SLB. The company is headquartered in Al Khobar, Eastern Province, Saudi Arabia. Arabian Drilling has signed a contract with a GCC-based company, initializing its first offshore operation outside Saudi Arabia.	· Profitability and sustainable growth · Effective corporate governance · Minimized risk exposure · Excellent reputation management · Transparent communication practices · Compliance with laws and regulations · Compliance with laws and regulations	· Investor Relations team · Annual General Assembly · Board of Directors meetings · Annual, quarterly, and monthly reports · Board of Directors workshops	· Net income profit · Sustained growth · Efficient and improved corporate governance framework · Cutting-edge training programs · Seamless communication · Culture of excellence and ongoing improvement · Reputation risk management · Adherence to the Code of Conduct
CUSTOMERS Arabian Drilling's primary customers, including Saudi Aramco, SLB, Baker Hughes and Al Khafji Joint Operations (KJO).	· High-quality services · Health, safety, and environmental protection · Security measures · Confidentiality and data protection · Compliance with ethical and regulatory standards · Utilization of modern technology · Competent local workforce	· Quarterly service quality appraisal · Monthly drilling health, safety, and environmental leadership initiative meetings · Daily and weekly meetings · Quarterly Safe Operations Committee meetings · Daily reports · Alerts from QHSE and Service Quality Departments	· Skilled workforce · Timely delivery · Health, safety, and environmental training · Code of Conduct · Confidentiality and Privacy Policy · Competent local workforce · Security Policy · Implementation of an ERP system · Adoption of cutting-edge technology
EMPLOYEES Arabian Drilling's workforce of over 5,000 employees, with a Saudization rate of 69%.	· Fair and competitive remuneration and benefits · Equal opportunity and fair treatment · Health and safety	· Employee satisfaction survey · Employee engagement workshops · Regular meetings	· Cultivating a harmonious working environment underpinned by the company's values
	· Learning and development opportunities · Employee motivation and appreciation · Recognition and award programs · Transparent management practices	· Quarterly and annual performance reviews · Continuous training	· Competitive compensation and incentives · Robust retention policy · Comprehensive health insurance · Employee recognition through safety awards · Adherence to Code of Conduct · Emphasis on training and development opportunities
SUPPLIERS Arabian Drilling cultivates enduring relationships and collaborates closely with our core suppliers and service providers.	· Transparent procurement processes · Tender opportunities · Business development opportunities · Environmental protection and sustainability	· Procurement notices · Workshops	· Empowering smaller businesses and service providers · Creating a pipeline of suitable businesses in the company's supply chain · Partnering with local business to leverage synergies · Enhanced economies of scale · Cost savings
COMMUNITIES Residents of the Kingdom	· Economic development · Employment opportunities · Environmental protection and sustainability · Education and medical facilities · Ethical business practices · Giving back to communities	· Social media · Youth training initiatives · Creating employment opportunities · Organizing medical camps for employees and their families · Participating in HSE events organized by Saudi Aramco	· CSR initiatives · Health campaigns · Knowledge sharing workshops

Our Sustainability Framework

Our sustainability framework continues to guide the integration of sustainability considerations across the organization. During 2025, the framework was reviewed and refined to reflect evolving material priorities and emerging sustainability considerations identified through our materiality assessment process. It structures our sustainability commitments and initiatives across three focus areas, supported by eleven core elements and related sub elements, with clear alignment to the relevant United Nations Sustainable Development Goals.

HUMAN CAPITAL AND COMMUNITY IMPACT

- Occupational health and safety
- Human capital development
- Diversity, inclusion, and equal opportunities
- Human rights
- Social impact and community development

ENVIRONMENTAL AND CLIMATE STEWARDSHIP

- Decarbonization and renewable energy transition
- Energy efficiency and conservation management
- Waste management and circular economy practices
- Spill prevention and response
- Water and wastewater management
- Preservation of natural and cultural sites

CORPORATE GOVERNANCE AND OPERATIONAL EXCELLENCE

- Business ethics and compliance
- Risk management
- Artificial Intelligence (AI), innovation & digital transformation
- Supply chain management

Pillar:

HUMAN CAPITAL AND COMMUNITY IMPACT

Arabian Drilling recognizes that meaningful engagement with and support for our employees, stakeholders, and the communities in which we operate are fundamental to building a resilient and sustainable business. Our Human Capital and Community Impact pillar brings together these priorities, encompassing occupational health and safety, human capital development, diversity, inclusion, and equal opportunities, alongside social impact, community development, and respect for human rights.

Human Capital Development

Upholding best practices in human resources and workplace management across recruitment, promotion, learning, training, and career development, while cultivating a culture that supports the growth, engagement, and long-term retention of talent.

A Thriving Economy:
Enhancing skills and education drives economic development

UN SDG Alignment 8

Prioritization
Very important

Occupational Health and Safety

Providing a healthy and safe working environment for all employees by proactively reducing risks and hazards, preventing injuries, and promoting overall health, safety, and well-being.

A Vibrant Society:
Prioritizing health and safety align with societal well-being.

Prioritization
Extremely important

UN SDG Alignment 3, 8

Diversity, Inclusion, and Equal Opportunities

Cultivating an inclusive workplace culture that welcomes, respects, and values individuals from diverse backgrounds, identities, and experiences, ensuring that everyone can participate fully and contribute meaningfully, free from discrimination based on race, color, age, religion, national origin, gender, or physical or mental disability.

A Vibrant Society:
Promoting social inclusion and diversity enriches the community.

A Thriving Economy:
Diverse workplace perspectives boost economic innovation.

UN SDG Alignment 5, 8, 10

Prioritization
Extremely important

Human Rights

Ensuring ethical labor practices, fair treatment, and respect for fundamental human rights across our business operations.

A Vibrant Society:
Social equity, inclusivity, and the protection of rights to create a thriving and fair society.

UN SDG Alignment 8, 16

Prioritization
Extremely important

Social Impact and Community Development

Embedding social responsibility across our business operations and stakeholder interactions, while actively engaging with and contributing positively to the development of the communities in which we operate.

A Vibrant Society:
CSR and community initiatives enhance societal welfare.

Prioritization
Important

UN SDG Alignment 4, 8

Pillar:

ENVIRONMENTAL AND CLIMATE STEWARDSHIP

Arabian Drilling is committed to implementing a range of initiatives to address climate change through both operational actions and governance measures that manage our environmental impacts. Our Environmental and Climate Stewardship pillar brings together our approach to decarbonization and the transition to renewable energy, energy efficiency and conservation, waste management and circular economy practices, water and wastewater stewardship, and the protection of natural and cultural sites.

Decarbonization and Renewable Energy Transition

Reducing our carbon footprint by transforming how we undertake emissions intensive activities, through the progressive implementation of decarbonization technologies and the development of plans to integrate renewable energy and alternative fuel use.

A Thriving Economy:
Reducing GHG emissions aligns with the Kingdom's sustainable, diversified economic goals.

UN SDG Alignment 7, 13

Prioritization
Extremely important

Water and Wastewater Management

Adopting an "every drop counts" approach to managing water consumption and maximizing efficiency, while ensuring responsible water use, treatment, and disposal to minimize environmental impact and ensure regulatory compliance.

An Ambitious Nation:
Responsible water use aligns with environmental conservation goals.

A Thriving Economy:
Water efficiency contributes to economic sustainability.

UN SDG Alignment 6, 12

Prioritization
Very important

Energy Efficiency and Conservation Management

Continuously enhancing our energy management practices to improve efficiency by optimizing energy use, minimizing waste, and strengthening overall system performance.

A Vibrant Society:
Optimizing energy use bolsters market competitiveness.

Prioritization
Extremely important

UN SDG Alignment 7, 13

Waste Management & Circular Economy Practices

Monitoring waste management processes to reduce waste generation, while implementing responsible disposal and recycling practices that minimize environmental impacts and improve resource efficiency.

A Thriving Economy:
Strategic waste management supports economic efficiency

Prioritization
Very important

UN SDG Alignment 12, 14

Spill Prevention and Response

Taking proactive measures to prevent and manage hazardous spills, we safeguard ecosystems, public health, and operational safety.

A Thriving Economy:
Spill prevention safeguards economic resources

Prioritization
Very important

UN SDG Alignment 12, 14

Preservation of Natural and Cultural Sites

Taking proactive measures to protect, conserve, and support the health and diversity of natural systems and ecosystems that sustain all life

A Vibrant Society:
Protecting natural habitats enhances community living environments.

Prioritization
Important

UN SDG Alignment 14, 15

Pillar:

CORPORATE GOVERNANCE AND OPERATIONAL EXCELLENCE

Arabian Drilling is committed to upholding the highest standards of ethics and responsible business conduct, while advancing operational excellence through innovation and the effective use of technology. Strong corporate governance underpins robust risk management, transparency, and accountability, supporting performance optimization, strengthening stakeholder trust, and enabling long term economic growth. Our Corporate Governance and Operational Excellence pillar brings together rigorous standards and controls across business ethics and compliance, enterprise risk management, artificial intelligence, innovation and digital transformation, and responsible supply chain management.

Artificial Intelligence (AI), Innovation and Digital Transformation

Leveraging technology and innovation to enhance efficiency, drive competitiveness, and strengthen economic performance. Through the integration of artificial intelligence and digital solutions, we optimize resource utilization, improve decision making, and create sustainable value in a dynamic and evolving market.

A Vibrant Society:
Technological advancement, and increased competitiveness to drive sustainable growth and global leadership.

UN SDG Alignment 9

Prioritization
Very important

Risk Management

Identifying, assessing, and mitigating business risks to strengthen resilience and ensure long term stability. This includes monitoring and managing a wide range of organizational risks —operational, financial, legal, strategic, and security risks —such as financial uncertainty, legal liabilities, strategic errors, accidents, and natural disasters.

An Ambitious Nation:
Strategic risk management ensures preparedness.

A Thriving Economy:
Risk mitigation secures economic assets.

Prioritization
Extremely important

UN SDG Alignment 3, 5, 6, 8, 10, 12, 13, 14, 15, 16

Business Ethics and Compliance

Setting the foundation for our business, the Code of Conduct defines our operational principles, core values, ethical standards, and corporate culture, while reinforcing our commitment to transparency, integrity, and compliance with all applicable laws and regulations.

An Ambitious Nation:
Upholding ethical standards promotes transparency and compliance with laws underscore regulatory adherence.

Prioritization
Extremely important

UN SDG Alignment 16

Supply Chain Management

Optimizing procurement and supplier relationships to promote sustainable business practices, enhance efficiency, and ensure business continuity.

A Thriving Economy:
Fostering strong partnerships to enhance resilience and sustainability in the business ecosystem.

Prioritization
Important

UN SDG Alignment 8

Arabian Drilling

Aligning to the Saudi Vision 2030

Saudi Vision 2030 Initiatives

QUALITY OF LIFE PROGRAM

As part of our support for the Quality of Life Program, which aims to position Saudi Arabia as a global hub for sports and entertainment, we actively sponsor the Saudi Arabian Athletics Federation and the Saudi Triathlon Federation.

HUMAN CAPABILITY DEVELOPMENT PROGRAM

We contribute to the Human Capability Development Program, which empowers Saudi citizens with skills for lifelong success. With a Saudization rate of 69%, we invest in initiatives that nurture and develop young Saudi talent, ensuring a skilled and capable workforce for the future.

Aligning to the Saudi Green Initiative (SGI)

SGI Target: **Reducing Emissions**

Arabian Drilling is committed to reducing greenhouse gas emissions in line with the Saudi Net Zero target by 2060 and the targets of the Saudi Green Initiative. Our approach focuses on lowering energy consumption and carbon intensity across operations through improved energy efficiency, enhanced waste management and recycling practices, and the deployment of digital solutions to strengthen emissions reduction.

Initiatives such as remote monitoring of greenhouse gas emissions through engine-efficiency-tracking devices on rigs support data-driven decision-making and continuous emissions reduction, while aligning our operations with the Saudi Green Initiative.

SGI Target: **Greening Saudi**

Arabian Drilling continuously aims to implement initiatives that contribute to greening the local environment in which we operate.

SGI Target: **Protecting Land and Sea**

Arabian Drilling recognizes the importance of protecting local natural resources, including marine areas, as part of its broader commitment to environmental conservation and sustainable development. We assess environmental risks and implement appropriate measures to ensure biodiversity protection in the areas we operate.

As we advance, we will continue to evaluate the level of prioritization given to relevant material topics that address this SGI target, ensuring our continued commitment to implementing initiatives that protect land and sea.

Performance Highlights: 2025

Human Capital and Community Impact

366,769
Training Hours

119,536 hours
of QHSE training for Contractors

7.1 million
accident-free kilometers

TRIF reduced to
0.46
a 33% improvement over 2024

5,063 employees
attended Code of Conduct training sessions

69%
Saudization rate

Skillsoft
Introduced Skillsoft, e-learning platform offering employees on-demand soft skills and professional development training.

Environmental and Climate Stewardship

1.5%
Scope 1 emission reduction achieved

Maintained
Zero Spills
for the fourth consecutive year

455 MWH
Green energy produced by Solar Tower Lights in 2025.

150,000 km
of mileage avoided due to Journey Management Optimization

896,000 liters
of Diesel saved due to green & sustainable projects

CDP Score of **C**

BESS
(Battery energy storage system) Pilot completed saving 9% Emissions from a six-month trial.

Governance and Operational Excellence

Policy Hub
Implemented a centralized Policy Hub to strengthen governance, transparency, and efficient access to internal policies and procedures

90.91%
Rig Efficiency Index (REI) score

73%
score maintained an In-Kingdom Total Value Add (IKTVA)

19.82%
Increased KSA market share (Aramco and KJO)

Human Capital and Community Impact

Arabian Drilling actively prioritizes the safety of everyone connected to its operations. The company empowers its team with top-tier tools, resources, education, and training. Recognizing the tangible impact of its activities, Arabian Drilling is committed to upholding human rights. It also dedicates itself to supporting the communities where it operates, as well as where its employees live, work, and enjoy life. Arabian Drilling's initiatives align with Saudi Vision 2030 and the UN SDGs, and the company remains committed to advancing these important global frameworks.

Material Topics

- Occupational health and safety
- Human capital development
- Diversity, inclusion and equal opportunities
- Human rights
- Social impact and community development

UN SDGs

3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Saudi Vision 2030 Pillars

A Vibrant Society

A Thriving Economy

Arabian Drilling

Human Capital Development

Arabian Drilling places a high priority on human capital development to build a skilled, resilient workforce capable of driving operational excellence and innovation. The company invests in comprehensive training programs, leadership development initiatives, and career progression opportunities, ensuring employees acquire cutting-edge technical skills in drilling operations, digital tools, and sustainability practices.

Talent Attraction and Retention

Arabian Drilling excels in talent attraction and retention by cultivating a dynamic, inclusive workplace that draws top professionals from across the region and beyond. The company employs targeted recruitment strategies, competitive compensation packages, and employee value propositions centered on career growth, work-life balance, and a commitment to ethical practices.

Employee Headcount	Unit	2022		2023		2024		2025	
		Male	Female	Male	Female	Male	Female	Male	Female
Full time employees	Number	4,779		5,650		5,184		**5,261**	
By gender	Number	4,779	69	5,650	78	5,184	86	**5,169**	**81**

New Hires	Unit	2022		2023		2024		2025	
		Male	Female	Male	Female	Male	Female	Male	Female
Employees hired	Number	1,134		1,694		775		**384**	
By gender	Number	1,100	34	1,650	44	813	13	**379**	**5**
18-30	Number	689		753		417		**200**	
31-40	Number	283		386		262		**95**	
41-50	Number	124		158		122		**64**	
51+	Number	38		397		25		**25**	

Employee turnover	Unit	2022		2023		2024		2025	
		Male	Female	Male	Female	Male	Female	Male	Female
By gender	Number	510	15	815	15	850	18	**1062**	**19**
18-30	Number	297		480		425		**302**	**10**
31-40	Number	114		194		184		**358**	**7**
41-50	Number	75		104		153		**253**	**1**
51+	Number	39		52		106		**149**	**1**
Employee turnover	Percentage (%)	11		14.7		16.8		**20.5**	

Employee Benefits

Arabian Drilling offers a comprehensive benefits package that aligns with industry standards and local regulations. Employee remuneration is performance-based, compliant with applicable laws, and designed to support wellbeing while fostering a positive work environment.

These benefits include insurance, retirement provisions, rewards, and allowances. Key offerings encompass:

- Competitive base pay
- Housing, transportation, travel, mobile, cyber, food, and other special allowances
- Awards and recognition for performance, seniority, and service quality
- Bonuses for offshore staff, remote area employees, and safety performance
- Life insurance, healthcare, disability coverage, and parental leave
- Retirement provisions, including End-of-Service benefits per Saudi Labor Law and GOSI coverage for Saudi employees

Training and Capacity Building

Arabian Drilling's comprehensive training program drives professional growth, equipping emerging leaders and employees at every career stage with essential skills for success. Beyond career planning and skills-based development, capacity-building initiatives immerse participants in dynamic, virtual, and multicultural teams. Every learning opportunity aligns strategically with the company's goals and projects, forming a talent pipeline for current and future operational and leadership needs.

In 2025, the overall average training hours reached **67.72** hours for employees.

Average number of training hours per employee

S.No.	Category	Unit	No. of employees	No. of hours of training	Average no. of training hours
Male					
1	Senior Management	hrs/emp	18	1,546	85.88
2	Middle Management	hrs/emp	215	22,825	106.16
3	Junior Management	hrs/emp	276	15,997	57.96
4	Non- Management employees	hrs/emp	4,669	326,030	69.82
Female					
1	Senior Management	hrs/emp	2	11	5.5
2	Middle Management	hrs/emp	5	14	2.8
3	Junior Management	hrs/emp	17	111	6.5
4	Non- Management employees	hrs/emp	59	235	3.98

The Arabian Drilling Academy and Training Center (ADATC)

A state-of-the-art training center delivering world-class education, training, and professional development for employees and stakeholders. ADATC holds prestigious certifications, including ISO 9001:2015 and ISO 29993:2017 (Learning Services Outside Formal Education – Requirements for Service Providers), for its technical, operational, and HSE learning services. It is also an approved training center for the International Well Control Forum (IWCF), IADC WellSharp, IADC Drilling Industry Training Programs, and the Health and Safety Institute.

Innovation drives ADATC's approach, featuring virtual reality-based fire safety training, offshore crane operation simulators, and drilling & well control simulators to boost technical competency and deliver immersive experiences. ADATC partners with local schools to promote safety awareness, including firefighting simulation exercises for children.

Two Co-operative Education (CO-OP) interns from Imam Abdulrahman bin Faisal University were assigned to QHSE Department for their development and learning progress.

5,416
Employees trained

34
trainees attended upskilling programs under the National Workforce Development Program.

Technical Development Program (TDP)

Arabian Drilling's Technical Development Program (TDP) serves as a cornerstone for engineer career advancement. Tailored for recent engineering graduates, TDP builds essential field skills and deep knowledge of onshore and offshore rig operations. The program stresses interpersonal relationships in high-pressure rig environments, providing exposure to both engineering and rig supervisor roles to foster collaboration.

Engineers are trained to be the vital link between rig and external operations, emphasizing effective communication, hands-on engagement with rig personnel, and mastery of rig routines.

7
Engineering graduates trained

3 years
Training period

Saudi Arabian Drilling Academy (SADA)

Arabian Drilling plays a key role in supporting the Saudi Arabian Drilling Academy (SADA), a collaboration between Saudi Aramco, the Technical and Vocational Training Corporation (TVTC), and industry leaders. SADA delivers a comprehensive three-year workforce development program for employees, combining education with hands-on experience to prepare them for leadership roles. Arabian Drilling's Supervisor Development Program (SDP) further equips safety technicians and engineers with the expertise needed to become permanent rig safety and training specialists.

41 Trainees

Finance for non-Finance Training Program

Arabian Drilling implemented a structured Finance Training Program for Rig Managers and operational leaders to strengthen the link between operational performance and financial outcomes. The initiative recognizes the critical role Rig Managers play not only in operational execution, but also in cost optimization, asset utilization, and profitability within a capital intensive drilling environment, where operational efficiencies can significantly influence financial performance.

The program was designed to enhance financial literacy, strengthen rig level cost ownership and budget management, and improve understanding of how day to day operational decisions impact profitability, cash flow, and asset life cycles. It also aimed to strengthen collaboration between Finance and Operations teams and align operational decision making with the Company's broader financial and strategic priorities.

The program covered finance topics tailored specifically for drilling operations, with a strong focus on practical application:

Financial Statements:

Understanding income statements, balance sheets, and cash flow statements, with emphasis on revenue drivers, cost structures, EBITDA, asset values, and the impact of downtime and inefficiencies.

Revenue Drivers:

Contract structures, rig utilization, uptime vs. downtime, backlog significance, and operational efficiency as drivers of revenue stability.

Cost Structure and Control:

Key cost components (personnel, maintenance, fuel, logistics, thirdparty services), budget discipline, preventive maintenance, and reduction of non productive time (NPT).

Budgeting and Forecasting:

Annual budget execution, variance analysis, rootcause identification, and riglevel accountability for financial performance.

CAPEX and Asset Management:

Distinction between CAPEX and OPEX, approval processes, and the impact of maintenance decisions on asset life and future capital requirements.

Working Capital Management:

Managing receivables, payables, and inventory, and the operational role in supporting timely billing and liquidity.

Operational Decision Impact:

Reallife case studies demonstrating the financial cost of downtime, delays, maintenance overruns, and inefficiencies.

Compliance and Internal Controls:

Policy compliance, approval hierarchies, documentation standards, and audit readiness.

Key Performance Indicators:

Rig utilization, cost per operating day, EBITDA contribution per rig, and the link between safety and financial performance.

24

Rig Managers were trained on "Finance for Non-Finance" in 2025.

Competence Assurance Management System (CAMS)

Arabian Drilling's Competence Assurance Management System (CAMS) establishes the standard for onshore and offshore rig competency, ensuring every employee holds the essential skills and knowledge to perform effectively. This comprehensive system uses a risk matrix to evaluate competence levels, overseeing all training and development to deliver industry-leading operational performance. CAMS follows a rigorous three-stage process to assess and enhance competency:

CAP 1 Training:

Known as 'on the job training' (OJT), supervisors evaluate rig crews' ability to safely and effectively execute duties; completion is required before advancing to CAP 2.

CAP 2 Assessments:

Employees complete targeted task evaluations to gauge technical proficiency, followed by an Individual Development Plan (IDP) to address improvement areas.

CAP 3 Simulator Training:

Aimed at high-risk roles, this stage employs simulators to test operational readiness especially for specialized operations and emergencies, culminating in personalized feedback and tailored IDPs.

200

Cap 1 trainings held

312

Cap 2 assessments held

158

Simulator sessions organized

In addition, Simulator Competence Assessments are essential in evaluating operational readiness and identifying employees with the potential for promotion, ensuring that our workforce is continuously prepared for leadership opportunities.

		2022		2023		2024		2025	
Training	Unit	Training sessions	Trainees	Training sessions	Trainees	Training sessions	Trainees	Training sessions	Trainees
Technical training	Nos.	385	1,467	310	1,264	640	1,829	**417**	**1,832**
Marine training	Nos.	335	1,179	498	3,912	214	596	**369**	**1,596**
HSE training	Nos.	13,347	64,339	10,717	41,199	12,569	55,389	**15,359**	**57,671**
Mechanical training	Nos.	1,159	4,886	1,025	4,227	1,393	5,263	**1,430**	**5,347**
Soft Skills	Nos.	47	816	68	904	38	788	**28**	**274**

Leadership Development

Arabian Drilling performs ongoing performance and career development reviews to secure every employee's long-term success, delivering key insights on strengths and improvement areas.

These evaluations connect directly to the leadership development program, enabling rising leaders to acquire strategic perspectives, hone decision-making abilities, and build interpersonal competencies. Linking performance input with focused leadership training positions high-potential staff for critical roles, strengthening the promote from within approach and bolstering organizational continuity and expansion.

	2022	2023	2024	2025
Employees	4,310	4,072	5,619	**5,021**
Middle management employees	180	205	254	**220**
Senior management employees	9	13	26	**20**

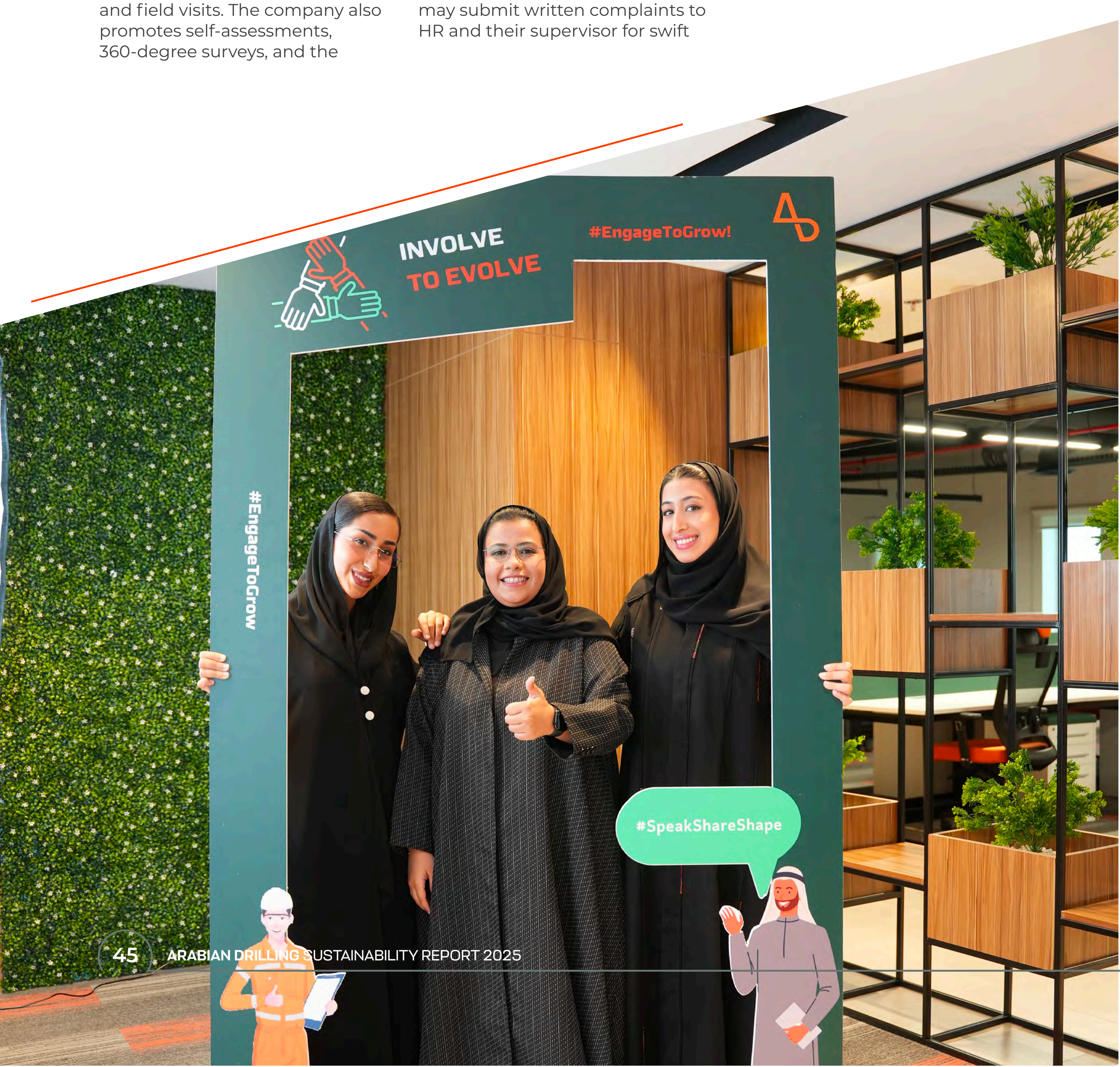
100%

Employees received performance and career development reviews

Employee performance reviews integrate professional development and skill-building through Individual Development Plans (IDPs). Our talent department works closely with rig department heads to ensure training and development align with IDP needs.

Employee Satisfaction: Involve-to-Evolve

In 2025, Arabian Drilling achieved an 86.3% employee satisfaction score by prioritizing engagement through targeted initiatives. The Employee Services Department drives enhancements via data management systems, technical assessments, career programs, and field visits. The company also promotes self-assessments, 360-degree surveys, and the Tayseer platform for greater efficiency. Regular engagement surveys and a 24/7 ethics hotline facilitate ongoing feedback and open communication.
Arabian Drilling commits to fair treatment and a transparent grievance process. Employees may submit written complaints to HR and their supervisor for swift resolution. Unresolved issues are escalated to formal grievances, handled through up to three hearings involving the department manager, supervisors, and HR, in line with the HR code of conduct and accountability matrix.



Diversity, Inclusion, and Equal Opportunities

Arabian Drilling is committed to fostering a diverse and inclusive workplace that values individual differences and ensures respect for all. The company actively promotes diversity across hiring, training, and career advancement, cultivating an environment where every employee can thrive.

Arabian Drilling upholds rigorous non-discrimination policies outlined in the Arabian Drilling Code of Conduct, internal HR guidelines, relevant labor laws, and the HR manual. These measures guarantee fair and equitable treatment, nurturing a culture of respect and belonging.

In alignment with its dedication to equal compensation and eliminating gender-based pay disparities, Arabian Drilling maintains full gender pay equity, achieving a consistent 1:1 ratio of basic salary and total remuneration for men and women across all employee categories.

Sr.No.	Employee category	Male (No.)	Female (No.)	Persons with Disabilities (No.)	Total (No.)
Senior Management					
1	Age 18- 35	0	0	0	**0**
2	Age 36-45	6	0	0	**6**
3	Age 45-60	12	2	0	**14**
4	Age 60+	0	0	0	**0**
5	Total	**18**	**2**	**0**	**20**
Middle Management					
1	Age 18- 35	13	0	0	**13**
2	Age 36-45	106	5	0	**111**
3	Age 45-60	91	0	0	**91**
4	Age 60+	5	0	0	**5**
5	Total	**215**	**5**	**0**	**220**
Junior Management					
1	Age 18- 35	30	11	0	**41**
2	Age 36-45	169	5	0	**174**
3	Age 45-60	74	1	0	**75**
4	Age 60+	3	0	0	**3**
5	Total	**276**	**17**	**0**	**293**
Non-Management					
1	Age 18- 35	2487	50	1	**2,538**
2	Age 36-45	1538	6	0	**1,544**
3	Age 45-60	639	2	0	**641**
4	Age 60+	5	0	0	**5**
5	Total	**4,669**	**59**	**1**	**4,728**

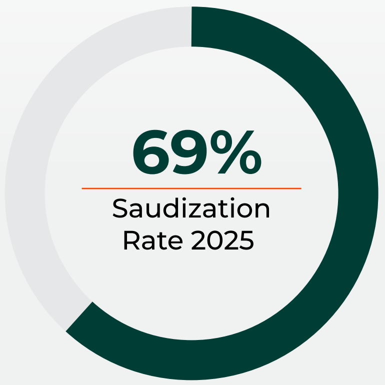
Arabian Drilling participated as a featured speaker at **SAP HR Connect Riyadh 2025**, a leading regional platform for HR and workforce transformation. At the event, the Company presented its perspectives on **"Shaping Tomorrow's Workplace: Safe, Efficient, and Digitally Connected,"** underscoring its focus on safety, operational efficiency, and digital innovation across the workforce. The engagement further highlighted Arabian Drilling's role as a forward-looking organization contributing practical industry insights to the broader discussion on AI-led HR transformation and workforce resilience.

Saudization

Arabian Drilling dedicates itself to attracting, supporting, and retaining Saudi talent through strategic recruitment, comprehensive training, competitive compensation, and robust employee engagement.

Beyond recruitment, the company commits to the growth and development of Saudi nationals in technical and support roles, delivering benefits to both its operations and the local economy.

In 2025, Saudi employees comprised 69% of the workforce, while senior management comprised of 45% of Saudi nationals. This emphasis on local talent development remains central to Arabian Drilling's growth strategy, in full support of Saudi Vision 2030.



Proportion of senior management hired from the local community

Sr.No.	Parameters	Unit	2025	2024
1	Total number of senior management personnels	Number	20	19
2	Number of senior management hired from the local community	Number	9	9
3	Percentage of senior management hired from the local community	%	**45%**	**47%**

Local community has been defined as KSA nationals.

Parental Leave

Arabian Drilling supports the well-being of its workforce by providing parental leave in line with applicable laws and internal policies, enabling employees to care for and bond with their children. The Company is committed to promoting a supportive and inclusive work environment, helping employees balance professional and family responsibilities, and contribute to broader diversity, equity, and inclusion objectives across its operations.

Parental Leave	Unit	2022		2023		2024		2025	
		Male	Female	Male	Female	Male	Female	Male	Female
Employees that were entitled to parental leave	Number	2,710	14	3,388	15	3,284	20	**5,169**	**81**
Employees that took parent leave	Number	147	0	157	3	178	1	**212**	**2**
Employees who returned to work after parental leave	Number	147	0	157	3	177	1	**212**	**2**
Employees who returned from parental leave who were still employed after twelve months	Number	147	0	157	3	169	1	**198**	**2**

100%

Return to work rate

93.5%

Retention rate

Human Rights

Arabian Drilling commits to ethical labor practices, fair treatment, and respect for core human rights across all business operations.

The company enforces rigorous non-discrimination policies in line with the Arabian Drilling Code of Conduct, internal HR manual, and applicable labor laws including those from the Saudi Ministry of Human Resources and Social Development and international standards. Through steadfast compliance, Arabian Drilling ensures equitable treatment for all employees, building a culture of respect, inclusion, and fairness organization wide.

100%

Security personnel have received formal training in Arabian Drilling’s human rights policies

Occupational Health & Safety

Building a strong safety culture is essential to safeguarding the health and wellbeing of its people and stakeholders. As Arabian Drilling advances toward becoming the region's premier drilling provider, the company focuses on protecting all personnel, assets, operations, the environment, and host communities.

To reinforce safety governance and shield employees, reputation, and assets including machinery and resources Arabian Drilling maintains a zero-tolerance policy for violations of International Association of Oil and Gas Producers (IOGP) Guidelines and quality, health, safety, and environment (QHSE) standards. All employees must strictly adhere to these requirements.

Every employee fall under the health and safety management system, which undergoes regular internal audits.

		2025		
		Total	Coverage	
Sr.No.	Category	No.	No.	%
1	Employees	5,261	5,261	**100%**
2	Non- employee workers	279	279	**100%**

Health and Safety Governance Principles

Arabian Drilling's comprehensive QHSE policy establishes guiding principles for health and safety governance, ensuring full compliance with regulatory requirements and industry best practices. It adopts a prevention-first approach to mitigate risks through safety management systems, training, regular risk assessments, and incident reporting. Progress is measured, monitored, and managed using both leading and lagging indicators, with proactive engagement of stakeholders particularly employees in safety practices.

The QHSE system fulfills legal obligations and aligns with recognized risk management and management system standards and guidelines, including:

- Arabian Drilling Safety Management System
- ISO 45001 (Occupational Health and Safety Management Systems)
- ISO 14001 (Environmental Management Systems)
- ISO 9001:2015 (Quality Management Systems - Requirements)
- IADC HSE Case Guidelines for Land Drilling Units
- IADC HSE Case Guidelines for Offshore Drilling Contractors
- IOGP Guidelines
- American Petroleum Institute (API) Recommendations
- American Bureau of Shipping (ABS) requirements for offshore units
- International Convention for the Safety of Life at Sea (SOLAS) requirements for offshore operations
- Local laws and regulations

Health and Safety Management System

Arabian Drilling implements a comprehensive, proactive health and safety management system to prevent and mitigate occupational health and safety risks throughout all operations, products, services, and business relationships. QHSE forms a core value, integral to corporate objectives. The structured approach emphasizes key areas including:

Commitment, Leadership, and Accountability: Line managers oversee safety implementation, prioritize resources for high-risk areas, and ensure adherence to QHSE measures. They lead by example, cultivate a safety culture, engage teams in QHSE initiatives, and hold all employees accountable for compliance. A team of HSE managers is responsible for driving the effective implementation of the SMS across all operations, providing oversight, guidance, and monitoring performance on the ground. All safety professionals within the organization are internally appointed, enabling stronger ownership, consistency in safety practices, and deeper integration of our safety culture across teams.

Policies and Objectives

QHSE represents a core value at Arabian Drilling, essential to corporate goals. The system aligns with local regulations, industry practices, and client requirements, with policies detailed in the QHSE manual and legal obligation register.

Organization and Resources

Arabian Drilling allocates sufficient resources and personnel to execute QHSE measures effectively. Managers maintain a safe work environment, emphasize high-risk areas, and train employees to identify and report hazards proactively.

Contractor and Supplier Management

Contractors and subcontractors receive training on QHSE policies and must comply fully. Non-compliance by employees or third parties trigger action under Arabian Drilling's accountability matrix.

Risk Management

Risks undergo proactive assessment via Job Safety Analysis (JSA) and Hazard Analysis and Risk Control (HARC) before activities commence. Supervisors perform assessments for high-risk tasks, and control strategies receive review and reinforcement in pre-job meetings.

Business Processes

Operational changes in procedures, equipment, or workforce trigger systematic QHSE impact evaluations. Modifications proceed through the Management of Change (MOC) process to uphold safety and compliance.

Performance Monitoring and Improvement

Internal and external audits, along with client evaluations, verify compliance with safety standards. Risks get tracked, performance measures against QHSE targets, and incident investigations drive corrective actions and safety enhancements.

Audits and Reviews

Regular internal and external audits monitor QHSE management system compliance. Continuous performance reviews leverage risk registers and audit findings to drive ongoing improvements and corrective actions. We also have an audit plan with our client which occurs every three years.

Employee Engagement and Participation

Employee involvement strengthens the effectiveness of safety systems. Arabian Drilling promotes worker participation and open communication through multiple channels.

Development and Implementation
Employees, directly or via representatives, contribute to hazard and risk identification during inspections and assessments. They offer feedback on proposed safety policies, procedures, and practices, and join safety committees to raise concerns and suggest solutions.

Evaluation and Improvement
Workers support ongoing QHSE Management System evaluation by participating in safety audits, reporting near misses and incidents, and recommending procedure enhancements from their frontline experiences.

Communication and Information Access
All workers access safety information and data online within the workplace.

Workplace Hazard Identification

Arabian Drilling employs robust processes to identify work-related hazards and assess risks on both routine and non-routine bases, leveraging tools such as the Stop Card/Stop Tour program, Hazard Analysis and Risk Control (HARC), Permit to Work, Job Safety Analysis, and Risk Management frameworks.

Job Safety Analysis (JSA):

It is a task-level process used to identify and assess hazards and define controls to ensure work is carried out safely. It helps reduce risks by establishing safe work practices and procedures. JSAs should be conducted for all jobs, including new tasks, and are most effective when reviewed during pre-job discussions with all relevant personnel.

Hazard Analysis and Risk Control (HARC):

HARC is a structured risk management tool used for complex and critical activities that require deeper assessment beyond Job Safety Analysis (JSA). In the QHSE context, it is applied where JSA does not fully address comprehensive hazard identification, complex risk analysis, critical tasks such as lifting operations or well control, the identification of effective prevention and mitigation measures, or the need for cross functional risk assessment at a project level. It ensures risks are evaluated specific to the location and activity, recorded in a live register, and reviewed by relevant supervisors, managers, and HSE teams to confirm completeness and that residual risks are reduced to ALARP.

Permit to Work:

Permit to Work (PTW) is a robust process to ensure that all critical and non-routine activities are carried out in a controlled and safe manner. Under this process, every applicable job is formally authorized only after conducting a detailed risk assessment, identifying potential hazards, and defining necessary control measures. This ensures that all personnel involved are aware of the risks and safety requirements before commencing the task, thereby minimizing the likelihood of incidents during execution.

Management of Change (MOC):

It is a process to manage any changes related to personnel, equipment, or operational processes. Whenever such changes are proposed, an MOC or exemption is raised to evaluate associated risks, assess potential impacts, and implement appropriate mitigation measures prior to execution. This systematic approach ensures that all changes are carefully reviewed and controlled, maintaining operational safety and integrity across our activities.

We apply the hierarchy of controls systematically to eliminate hazards and minimize risks:

- **Elimination:** Redesign operations to remove hazards entirely, e.g., avoiding night driving by scheduling rig trips during daylight or replacing man-riding at height with manlifts/cherry pickers.
- **Substitution:** Introduce safer alternatives, such as IVMS systems in vehicles to monitor behavior and address gaps.
- **Engineering Controls:** Install physical safeguards like guardrails, machine guards, interlocks, barriers, and automated systems.
- **Administrative Controls:** Implement safe-work instructions, job rotation, exposure limits, training programs, preventive maintenance, lockout/tagout, and posted signs/alarms to shape behaviors and workflows.
- **PPE:** Provide gloves, helmets, respirators, fall protection, and hearing protection as a final layer when higher controls are insufficient.
  - **Ensuring Process Quality and Competency:** We maintain high standards through our Competency Assessment Program (CAP), where rig crews undergo training and evaluation. A Talent Department dashboard tracks results in real-time, supplemented by mandatory client assessments (e.g., well control certification, H2S, firefighting, safety, and driving training).
- **Using Results for Continuous Improvement:** Outcomes feed into evaluating our OHS management system via Total Recordable Incident Frequency (TRIF) trends, benchmarked annually. A year-over-year decline in TRIF signals system effectiveness, prompting targeted enhancements.

Case Study

Fleet-Wide Safety Hazards and Mitigation Strategies

In our drilling operations, we face several major work-related hazards that demand vigilant management, including dropped objects (such as tongs, drill pipes, and tools), rotating equipment (top drive and rotary table), high-pressure lines and equipment (well control and mud pumps), working at height, confined spaces, H2S exposure, chemical burns/skin diseases, manual handling, fire/explosion risks, and fatigue/heat stress. Analysis of incidents reveals that hands and fingers are the most frequently injured body parts, with common mechanisms involving “caught between” and “struck by” events.

To proactively reduce or eliminate these risks, we have launched targeted initiatives across the fleet: hand and finger safety campaigns to raise awareness; procurement and distribution of hands-free tools for safer handling; deployment of AI technology to detect pinch points and unsafe actions in real-time; rigorous implementation of corrective actions following every investigation; and a Behavior Empowerment Center that monitors live rig streams, identifies unsafe behaviors, and disseminates lessons learned fleet-wide for continuous improvement.

Worker Hazard Reporting and Protection from Reprisals

Workers report hazards and hazardous situations through our Stop Observations program, bolstered by positive reinforcement: Stop Work Authority (SWA) utilization awards, Best Stop Card Award, Best Engineering Solution Award, Best Safe Driver Award, and Best Safety Captain Award (for top Stop Card contributions). These incentives foster a speak-up culture without fear of reprisals, as recognition protects and encourages participation.

Stop Work Authority (SWA) is a proactive safety intervention tool that empowers all employees, contractors, and personnel to immediately stop work whenever they observe unsafe conditions, acts, or behaviors that could lead to an incident. Through SWA, we reinforce a culture of accountability, risk awareness, and open communication across our operations. The process involves intervening to pause the activity, collaboratively reassessing the risks with supervisors and teams, and resuming work only after appropriate corrective actions and control measures are in place. We ensure that every individual is fully supported in exercising SWA without fear of repercussions, enabling timely interventions that prevent harm to people, assets, and the environment, while all actions are documented to drive continuous improvement in safety performance.

Our Stop Card program enables workers to document unsafe conditions or situations directly in the STRIVE HSE reporting platform, triggering corrective actions to make sites risk-free. The Stop Work Authority procedure, which is formally approved by the HSE Director prioritizes any SWA invocation, with awards for effective use ensuring no reprisals and empowering workers to halt operations they perceive as injurious or hazardous to health.

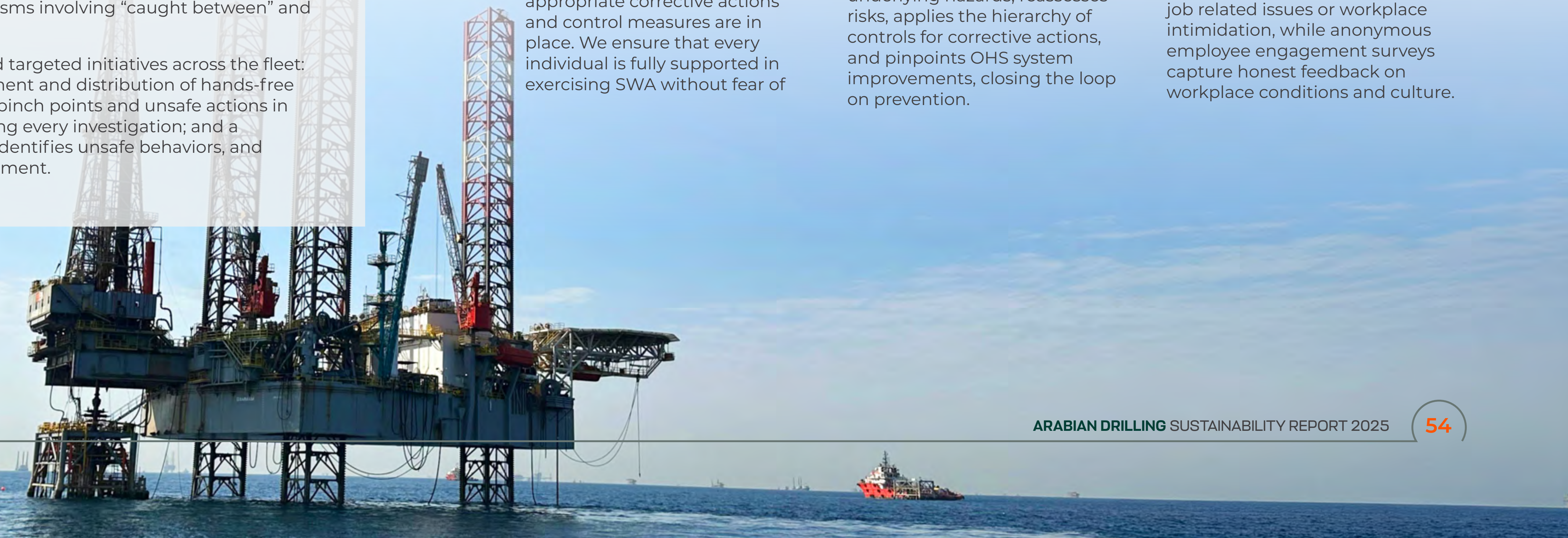
We apply TapRoot ® investigation methodology for all HSE and Service Quality Incidents, covering direct Arabian Drilling (AD) work-related events, indirect non-work incidents, and third-party contractor cases. This methodology identifies underlying hazards, reassesses risks, applies the hierarchy of controls for corrective actions, and pinpoints OHS system improvements, closing the loop on prevention.

You Don’t have to face work challenges alone!

Arabian Drilling maintains an environment where open, honest communication is expected, encouraging employees to approach supervisors or management with any concerns about policy or standards violations. When anonymity is preferred, employees can submit confidential reports through EthicsPoint, ensuring their comments are heard.

OneConnect is Arabian Drilling’s OHS Hotline and depends on the location of the employee/worker.

We also provide multiple channels for employees to raise concerns and share feedback. Our HSE Hotline allows employees to report job related issues or workplace intimidation, while anonymous employee engagement surveys capture honest feedback on workplace conditions and culture.



Worker Participation and Consultation

A comprehensive Rig Induction program is mandatory for all external employees working at our locations. Daily pre-job safety meetings are conducted whenever operations necessitate them.

External personnel at sites have full access to the Stop Work Authority and Stop Card programs, with the Rig HSE Person in Charge available to facilitate all third-party operations.

STRIVE: QHSE AND SUSTAINABILITY ONLINE PLATFORM

STRIVE represents Arabian Drilling's pioneering QHSE and Sustainability Platform, advancing the commitment to superior health, safety, environmental, and sustainable practices.

This transformative platform centralizes and streamlines QHSE and sustainability efforts organization-wide, boosting efficiency, compliance, and environmental stewardship.

Highlights in 2025

STRIVE Release 2 marks a significant advancement in Arabian Drilling's digital HSE transformation journey, introducing a comprehensive Risk Management module designed to strengthen proactive risk identification, assessment, and control across operations.

This release expands STRIVE's capabilities beyond incident management by integrating multiple critical risk processes into one centralized platform.

Key components include:

- Management of Change (MOC) & Non-Conformity tracking
- Hazard Analysis tools (HARC and JSA)
- Permit to Work (PTW) system integration
- Corporate and Operational Risk Registers
- Hazard Library standardization
- Isolation Register and Third-Party Installation tracking

Pilot in progress on 8 Rigs for ePTW

Benefits of ePTW

1. Prevents Serious incidents
2. Ensures Clear Authorization and Accountability
3. Improves Communication and Coordination
4. Confirms Safety Controls Are Implemented
5. Supports Legal and Regulatory Compliance
6. Reinforces HSE and Safety Culture
7. Protects People, Assets, and the Environment

ARTIFICIAL INTELLIGENCE HSE MONITORING PLATFORM

As part of its digital innovation agenda, Arabian Drilling is deploying an AI-enabled HSE platform across its rig fleet to strengthen health, safety, and operational monitoring.

Piloted on eight rigs, the system identifies potential risks and unsafe behaviors in real time, generates incident alerts, provides behavioral safety analytics, and issues automated notifications to responsible personnel for timely intervention.

It monitors a wide range of safety-critical areas, including PPE compliance, zone management, hand positioning, working at height, manual handling and posture, man-down detection, housekeeping, equipment condition, use of handrails and three-point contact, as well as security and mustering helping to enhance preventive risk management and support safer operations.

Medical Services

Arabian Drilling places priority on employee health and well-being, providing occupational and general health support. Each land and offshore rig features an on-site clinic for immediate medical needs, complemented by comprehensive group health insurance covering various non-occupational services for all employees.

The Occupational Health Advisor spearheads health and safety initiatives, conducts health risk assessments, and collaborates closely with QHSE managers. Medical service providers undergo pre-qualification to meet Arabian Drilling's stringent standards and Saudi Aramco's guidelines. The medical unit performs regular audits and reviews to maintain quality assurance.

All employee health data remain confidential, securely stored in the access-controlled SAP system.

Several health campaigns are carried out which include breast cancer awareness, blood donation campaigns, Influenza vaccination, mental and physical health campaigns.

Health and Safety training

Safety training forms the foundation of Arabian Drilling's health and safety management. Both on-the-job and formal programs equip all employees with role-specific competencies. QHSE training is mandatory for personnel on drilling rigs.

Key training components encompass:

- Minimum QHSE training, covering First Aid, Fatigue Management, Manual Handling, and HSE induction.
- Technical training on systems such as Electronic Control, Hydraulics, VFD, SCR, Top Drive, ABB, and Well Control (among others).
- Client-specific training on equipment operation, safety protocols, and emergency response procedures.
- Job-related QHSE training, including awareness of ISO Environmental Management System (EMS), Safety Management System (SMS), and Quality Management System (QMS) for process owners.
- Offshore Mobile Unit Crew Training, compliant with Classification Society regulations, Safety of Life at Sea (SOLAS), and International Convention on Standards of Training, Certification, and Watchkeeping for Seafarers (STCW) standards.

Enhancing Safety

At Arabian Drilling, we continuously work towards making our occupational health and safety processes clear, accessible, and easy to follow for all workers. While our training programs are currently delivered primarily in English, we have initiated the development and rollout of training modules in Arabic to better support our local workforce. This has enabled improved comprehension of critical safety procedures, stronger engagement during training sessions, and more effective on ground implementation of safety practices, particularly for workers who are more comfortable in the local language.

Given the high-risk nature of rig operations, we also ensure that all personnel deployed in operational roles are fully capable of responding to emergency situations. For instance, in the event of hazards such as fire, H_2S release, or blowout incidents, emergency response relies heavily on both audible alarms and visual cues. As a result, individuals with visual or hearing impairments are not deployed in these roles, as this could limit their ability to respond promptly and increase their exposure to risk. Through this approach, we ensure that our workforce is both well informed and appropriately equipped to operate safely in a high-risk environment.

Year	Training hours of employees	Training hours of contractors
2022	603,698	117,993
2023	762,652	165,249
2024	930,547	130,826*
2025	**366,769**	**119,536**

**Restatement: Training hours for contractors for CY 2024 have been revised from the figures published in the previous report due to enhanced data validation and consolidation of records. The updated numbers are reflected in this report.*

Table 403-5: Workers training on occupational health and safety

Sr.No.	Training on OHS	Unit	2025	2024	Description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations
1	Safety training programs conducted	No.	20,033	21,205	1. Fire Safety Training (Onshore) 2. HazCom Training 3. Spill Prevention Training 4. Hazard Recognition Program 5. First Aid CPR 6. Respiratory Protection Training 7. Fall Protection Training 8. Lock-Out Tag-Out 9. Permit to Work 10. Confined Space Training 11. DROPS Awareness 12. Manual Handling
2	OHS Training hours permanent employees	Hrs.	366,769	776,532	
3	OHS Training hours contractor workers	Hrs.	119,536	130,826	
4	Average training hours per permanent employees	Hrs.	67.72	117	
5	Average training hours per contractor worker	Hrs.	99	106	

Case Study

Health and Safety Training through the Behavior Empowerment Center

Throughout 2025, the Behavior Empowerment Center (BEC) introduced a highly proactive capability through the Heat Map tool, while HiPos video clips further reinforced BEC's critical role in injury prevention and human performance workshops at Arabian Drilling. These advancements, firmly grounded in organizational behavior science principles, represented a significant shift in how risks are identified, visualized, and proactively managed. As a result, BEC evolved into a multi-purpose, proactive monitoring center, providing strategic support across Health, Safety, and Environment, Service Quality, and Rig Move operations.

With a full live-streaming capacity covering 48 rigs and more than 800 CCTV cameras, BEC delivered comprehensive situational awareness training and competency assessments, successfully reaching over 85% of the targeted field workforce. The implementation of online behavioral interventions, combined with real-time Stop Work Authority activation, proved highly effective, contributing to the prevention of at least nine potential high-risk events. In parallel, weekly BEC fleetwide meetings and the BEC observer program delivered focused coaching and mentorship to more than 420 employees, reinforcing positive behaviors and strengthening a culture of continuous improvement across the Operations Excellence department.

Every year, we are committed to achieving zero accidents in all areas of our operations, including rig buildups, transportation, rigging up at well sites, and spudding new rigs and wells. Our goal of zero accidents can only be realized through a united, relentless effort between our leadership teams and every individual in our workforce.

Years without recordable injury:

19 rigs
<1 years

14 rigs
1 to 3 years

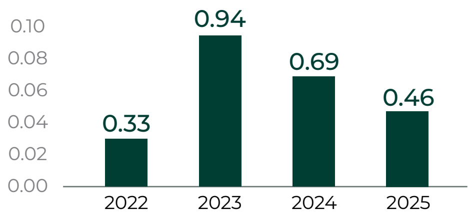
12 rigs
>3 years

7,100,000 km
Accident-free kilometers driven across our fleet of vehicles

In 2025, Arabian Drilling continued strengthening its safety practices, reducing its Total Recordable Incident Frequency (TRIF) from 0.69 in 2024 to 0.46 in 2025, a 33% reduction year on year.

Arabian Drilling's QHSE performance

Total recordable injury frequency (TRIF)



Automotive accidents rate (AARM – in miles)

Unit	2022	2023	2024	2025
Rate	0.15	0.22	0	0.14

Working Hours

Unit	2022	2023	2024	2025
Hours	15,082,330	17,002,780	20,258,130	19,540,000

Social Impact and Community Development

Arabian Drilling is committed to contributing positively to the communities in which it operates, recognizing that long-term business success is closely linked to social and environmental well-being. The Company's community investment strategy is centered on two priority areas: empowering Saudi youth and supporting initiatives that deliver long-term social value. Through campaigns focused on education, environmental stewardship, and community engagement, Arabian Drilling seeks to promote awareness and contribute to sustainable development across its areas of operation.

Building on initiatives undertaken in 2024, Arabian Drilling continues to advance community and environmental programs that are aligned with national priorities and its broader sustainability commitments. The Company emphasizes partnerships with local stakeholders, institutions, and initiatives that reflect the Kingdom's vision for human capital development, environmental protection, and social resilience.

Community Well-being and Social Support

The Company maintains its participation in beach clean-up and conservation activities under the Saudi Green Initiative, demonstrating its commitment to protecting natural ecosystems and promoting environmental responsibility among employees and community members. Ongoing projects in Khafji, conducted in collaboration with KJO, focus on the protection and conservation of local coastal and marine environments. These initiatives aim to reduce pollution, preserve biodiversity, and build a culture of environmental care within local communities.

Arabian Drilling continues to support community well-being through targeted donations and programs addressing health, social welfare, and environmental awareness. These include: Healthcare and preventive awareness campaigns, aimed at improving community understanding of key health issues and encouraging preventive practices, including the Influenza (Flu) Vaccine campaign at the head office for all employees and their families, as well as health campaigns in Khafji Operations in collaboration with Tawuniya, the Company's corporate insurance provider.

Support for vulnerable groups and social institutions, including a SAR 100,000 donation to Beena Orphanage and SAR 350,000 to the Trahum Foundation in support of prisoners, released prisoners, and their families.

Sports and community engagement, such as Arabian Drilling's sponsorship of the SADA Swift Run Competition in February 2025, promoting physical activity and healthy lifestyles within the community.

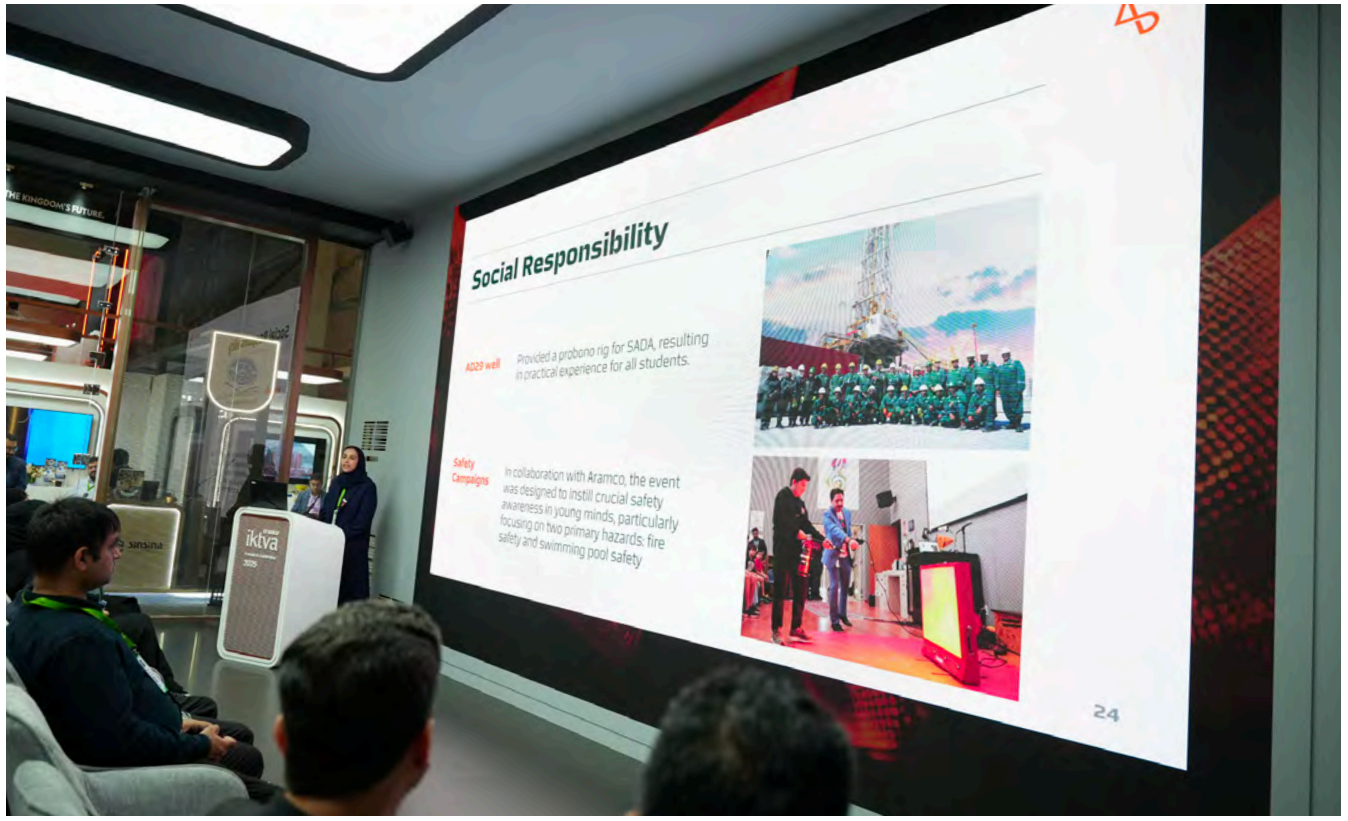
Community-driven initiatives, such as the Khafji Beach Cleaning Campaign and participation in a tree planting drive for Khafji premises that encourage local participation in environmental protection and sustainable practices. A fire prevention campaign was also held in collaboration with Khalidiya High School.

Health and well-being partnerships and awareness initiatives, including the Salem W. Ghanem Well-being Campaign with Aramco SAGWD, the AD and Tawuniya Blood Donation Campaign, and the AD and Tawuniya Breast Cancer Awareness Campaign.

Arabian Drilling contributed to community development and industry engagement through a series of strategic sponsorships during the year. These included serving as Platinum Sponsor of the IADC Middle East Chapter and sponsoring International Finance Publication Limited. Arabian Drilling also supported key national and regional events, including the Sharqiah International Race, the Al Hasa Economic Forum, MEOS GEO 2025 and the IKTIVA Forum and Exhibition. In addition, Arabian Drilling acted as Gold Sponsor of the SPE Symposium "Where Energy Meets AI & Sustainability" and the 7th Syria International Petroleum, Gas, Energy, and Mineral Resources Exhibition, reinforcing its role in advancing sectoral knowledge, innovation, and community-focused initiatives.

Through this integrated approach of combining youth empowerment, environmental stewardship, and social support, underpinned by targeted health, welfare, and environmental initiatives, Arabian Drilling strives to create lasting positive impact and contribute to the sustainable development of the communities in which it operates.

This commitment to responsible and impactful community development was recognized by the Ministry of Human Resources and Social Development, which awarded Arabian Drilling Silver Category in the CSR Awards in October 2025.



Our Customers

Arabian Drilling's success is built on long-term partnerships with its customers. The Company is committed to delivering safe, reliable, and efficient drilling services that meet or exceed customer expectations and support their operational and strategic objectives. Customer satisfaction, service quality, and operational reliability are central to Arabian Drilling's value proposition and are embedded in its operating model.

Commitment to Customer Satisfaction

Customer satisfaction, service quality, and operational reliability are material topics reflecting their importance to Arabian Drilling. Customers are a core priority for Arabian Drilling.

Safe and reliable operations, with strong HSE performance and operational integrity at the center of every project.

Technical excellence and performance, including rig availability, non-productive time (NPT) management, and adherence to work programs.

Transparent communication and collaboration, ensuring that customers are informed, consulted, and supported throughout the contract lifecycle.

Customer Engagement and Interaction

Arabian Drilling maintains structured and continuous engagement with its customers through:

- Dedicated points of contact for each major customer, who coordinate day-to-day engagement, performance reviews, and issue resolution.
- Regular formal meetings, including kick-off meetings, HSE meetings, and end-of-well or end-of-project reviews.
- Joint planning and coordination, such as operational planning sessions, and technical workshops to optimize performance and mitigate risks.
- Surveys and feedback mechanisms, where applicable, to capture customer views on service quality, responsiveness, and HSE performance.

Case Study

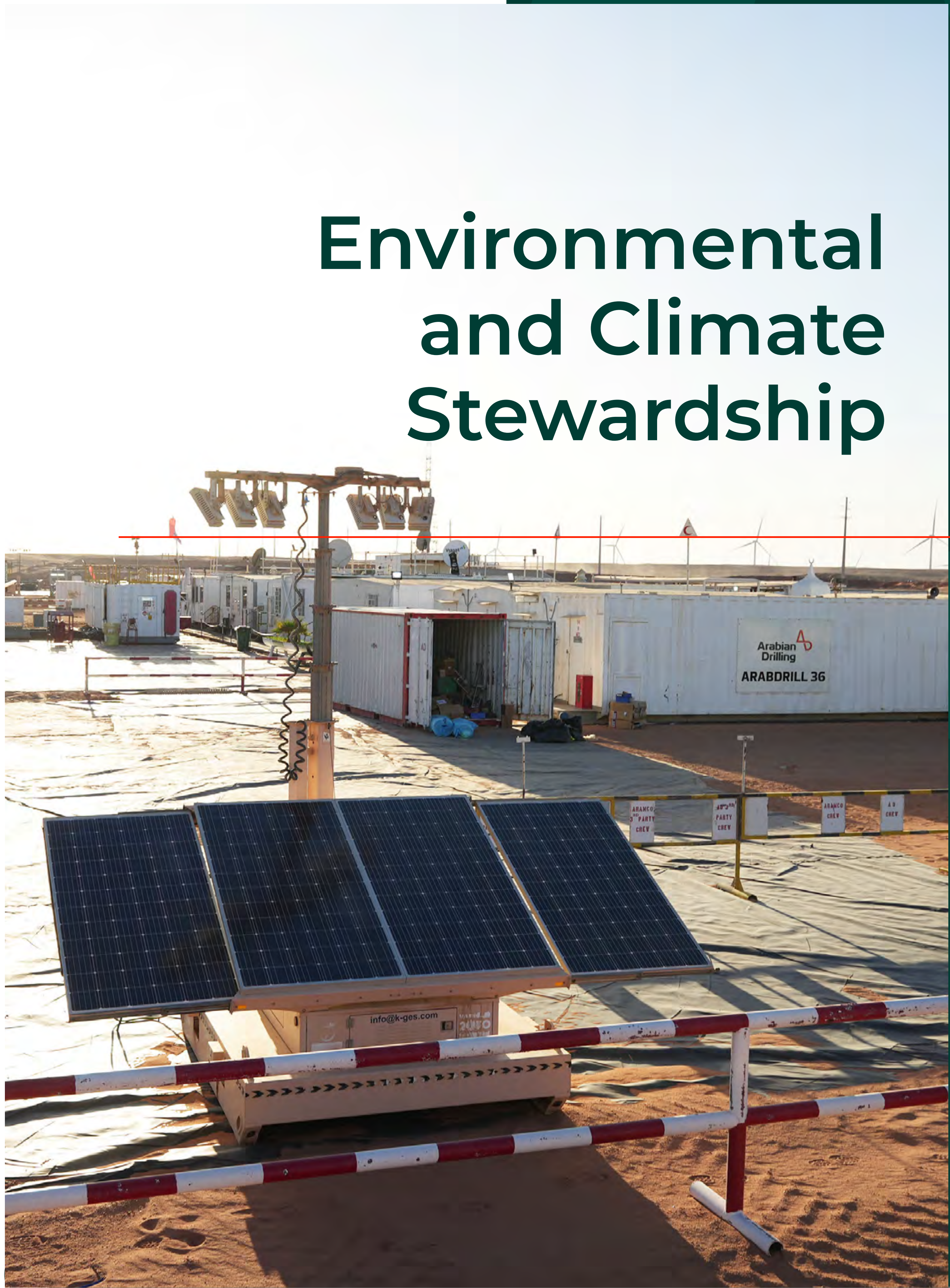
Consistent service quality across all quarters – Khafji operation

In 2025, Arabian Drilling focused on strengthening service quality across rigs by aligning tightly with client-specific requirements and KJO manager expectations. Appraisals showed rig operation and client local requirements at or near 100%, with strong KJO manager evaluations confirming reliable field execution.

Customer Complaints and Points of Contact

Arabian Drilling has a defined process for managing customer concerns and complaints, supported by clear ownership and escalation pathways:

- Complaints can be raised through multiple channels, including direct communication with the POC, formal correspondence, contract review meetings, or HSE and performance review forums.
- Material complaints or recurring issues are escalated to senior management and relevant functional leaders for timely resolution and corrective actions.
- Lessons learned from complaints and feedback are integrated into continuous improvement programs, including process enhancements, additional training, and technical improvements where required.



Environmental and Climate Stewardship

Climate change presents both risks and opportunities for Arabian Drilling, shaping how we design our operations, manage resources, and engage with our stakeholders. As an industry leader, we recognize our responsibility to reduce environmental impact while strengthening operational resilience and creating long-term value. Our commitment extends beyond compliance, focusing on integrating innovative solutions, optimizing resource use, and enhancing environmental stewardship across all aspects of our business.

Arabian Drilling has a comprehensive Decarbonization Roadmap that defines a clear pathway towards achieving Net Zero emissions while strengthening environmental management. Complementing this roadmap, the company has Water Conservation and Waste Management Plans in place that provide structured approaches to improving water efficiency, reducing waste, and optimizing resource use. Together, these initiatives align with Saudi Vision 2030, the Kingdom's 2060 Net Zero target, the Saudi Green Initiative, and key United Nations Sustainable Development Goals (SDGs), reinforcing Arabian Drilling's commitment to a sustainable and responsible future.

Material Topics

- Decarbonization and renewable energy transition
- Energy efficiency and conservation management
- Waste management and circular economy practices
- Spill prevention and response
- Water and wastewater management
- Preservation of natural and cultural sites

UN SDGs

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND

Saudi Vision 2030 Pillars

A Vibrant Society

A Thriving Economy

An Ambitious Nation

Driving Environmental Excellence

Maintained
100%
Regulatory Compliance

62
Environmental Audits

At Arabian Drilling, we recognize that strong environmental stewardship underpins our long-term success. Our Environmental Management Plan (EMP) establishes a structured framework that ensures our operations remain aligned with regulatory obligations, corporate sustainability commitments, and recognized industry best practices.

We have been ISO 14001 certified since 2023, underscoring the strength and maturity of our environmental management framework, policies, and operational practices, and their alignment with globally recognized environmental standards. Supported by our constant/steady/ceaseless assessment, targeted initiatives, and a commitment to innovation, we continue to enhance environmental oversight and achieve tangible performance gains across our operations.

The EMP establishes defined targets, control mechanisms, and performance metrics to effectively manage and reduce environmental impacts. Its core elements include:

Identifying Environmental Aspects:

We systematically evaluate activities, products, and services with potential environmental impact to prioritize areas for improvement.

Setting Objectives and Targets:

We define SMART (Specific, Measurable, Achievable, Relevant, and Time-bound) targets aimed at diminishing energy consumption, water utilization efficiency, and minimizing waste generation.

Developing Operational Controls:

We deploy robust procedures, advanced technologies, and resource-efficiency measures to achieve our environmental goals. Ongoing employee training supports compliance and promotes responsible environmental behavior.

Monitoring and Measurement:

We apply data-driven monitoring tools to track environmental performance, enabling timely assessment of progress and identification of improvement opportunities.

Auditing and Continuous Improvement:

Periodic environmental audits assess the effectiveness of the EMP, confirm compliance, and inform continual enhancements to our sustainability performance.

BEST PRACTICE

CDP Score of C

We participate in the Carbon Disclosure Project (CDP) to enhance transparency and track progress in climate-related disclosures. In 2025, our CDP score was C, reflecting strengthened emissions reporting, environmental management practices, and sustainability initiatives.

CDP SCORE: C

Environmental Compliance and Governance

Arabian Drilling places strong emphasis on environmental responsibility, maintaining high standards of performance while meeting all local and international environmental compliance obligations.

In 2025, we conducted 62 environmental audits across our fleet, operational bases, and offices, reinforcing adherence to applicable environmental laws and regulatory requirements. We achieved 100% regulatory compliance during the year, with no fines or penalties recorded for non-compliance.

Beyond regulatory compliance, we embed environmental risk management within our operations through robust safe work procedures, effective subcontractor oversight, and regular management reviews.

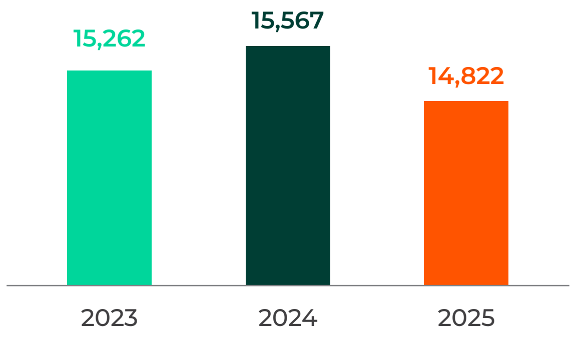
We strengthen our commitment to environmental responsibility by proactively monitoring performance and continuously refining our policies, while ensuring a safe and sustainable working environment for employees and stakeholders.

ACHILLES SUSTAINABILITY SCORE:
64
in 2025 FROM 58

Environmental Training and Awareness

Ongoing investment in training underpins environmental responsibility across our workforce. In 2025, we delivered total of 14,822 hours of environmental training , building the capabilities of employees, contractors, and suppliers to contribute to our sustainability agenda.

Environmental Training (Hours)



Decarbonization and Renewable Energy Transition

Arabian Drilling is progressing its shift towards a lower-carbon cleaner/greener future by adopting a structured and forward-looking approach to energy management and decarbonization.

The Decarbonization Roadmap redefines how we manage energy use and greenhouse gas (GHG) emissions, bringing together advanced technologies, alternative fuel options, and operational efficiency that support meaningful reductions in emissions.

Arabian Drilling remains committed to achieving Net Zero Scope 1 and Scope 2 emissions by 2050, as set out in our Decarbonization Roadmap and aligned with Saudi Arabia's Net Zero ambition. We continuously undertake comprehensive feasibility reassessments to strengthen stakeholder engagement, review internal and external regulatory requirements, and recalibrate our GHG baseline to ensure that our emissions reduction pathway remains robust, data-driven, and closely aligned with operational realities.

Driving Environmental Excellence

Electricity consumption decreased by ~0.9% in 2025 compared to 2024, driven by the implementation of energy efficiency management in the Head Office and ADLA, along with the transition of reducing our footprint for the facilities in 2025.

Energy Consumption	Units	2023	2024	2025
Electricity Consumption	kWh	7,262,879	6,415,185	6,357,585
Fuel consumption from vehicles	Liters	4,690,298	6,216,063	5,878,142
Total fuel consumed by off-road equipment, including stationary rigs, generators and mounted equipment	Liters	129,469,241	130,020,711	122,479,251
Total fuel consumption	Liters	129,469,241	136,236,774	128,357,393
Rig count (active rigs)	Number	48	49	45

POWER MANAGEMENT

505,000

Liters of diesel saved from Power Management system which is installed at 3 of our Offshore rigs.

EMISSION REDUCTION

1.5%

emission reduction from 2024

GHG Emissions	Units	2023	2024	2025
Direct GHG emission (Scope 1)	Metric tons of CO_2e	362,714	368,215	346,917
Indirect GHG emissions (Scope 2)	Metric tons of CO_2e	4,132	3,650	3,618
Total GHG emissions	Metric tons of CO_2e	366,846	371,866	350,535
Overall emission intensity per drilling day	Metric tons of CO_2e	21.29	22.69	22.35
Rig count (active rigs)	Number	48	49	45

Decarbonization Roadmap

Our Decarbonization Roadmap outlines a structured approach to long term emissions reduction goals by integrating renewable energy solutions, alternative fuels, and carbon capture technologies. Designed with a long-term horizon, the roadmap prioritizes the phased deployment of decarbonization initiatives, with several key actions extending beyond 2030, supporting sustained improvements in energy efficiency and strengthening operational resilience over time.

Solar Energy Deployment:

Solar photovoltaic (PV) systems are being progressively deployed across rig camps and operational facilities to reduce dependence on diesel generators. In parallel, feasibility studies are underway to assess the potential of floating solar PV solutions for offshore energy generation.

Battery Energy Storage Systems (BESS):

Advanced BESS technologies are integrated into power management systems to optimize generator loading, stabilize energy demand, and enhance fuel efficiency across both land-based and offshore rigs.

Intelligent Power Management:

A real-time Intelligent Power Management System (IPMS) dynamically regulates power demand to ensure optimal energy distribution while minimizing fuel consumption.

Fuel Diversification and Efficiency:

Arabian Drilling is progressing towards a multi-fuel strategy by integrating biofuels, green methanol, hydrogen fuel cells, and compressed natural gas (CNG) engines to progressively lower carbon intensity across operations.

267,000 liters of diesel savings in 2025

Liters of Diesel were saved in the 6 month pilot that was carried out in collaboration with slb in 2025 showing a 9% reduction of diesel consumption

BEST PRACTICE

Battery Energy Storage System – (BESS)

for Diesel Reduction

Energy Efficiency and Conservation Management

Energy efficiency is a core pillar of Arabian Drilling's operational sustainability approach, centered on optimizing energy consumption, reducing waste, and enhancing system-wide performance through the deployment of advanced technologies.

Intelligent Power Management System (IPMS):

Generators are operated closer to optimal efficiency, reducing fuel wastage while maintaining a stable and reliable power supply.

Lighting and Energy Conservation:

Motion-sensor lighting and automated power-saving systems are installed across corporate facilities to minimize electricity consumption.

BEST PRACTICE

Crown Lights

At Arabian Drilling, we replaced diesel powered tower lights with LED Crown lights across four rigs, removing the need for standalone lighting systems. This transition reduced fuel consumption while maintaining effective illumination across operations.

The initiative delivered measurable efficiency gains, with diesel savings increasing from 56,000 liters in 2024 to 124,740 liters in 2025, representing a 123% increase, alongside a reduction of 331 tons of CO_2e emissions. It also eliminated reliance on diesel-based lighting, reducing fuel costs and energy waste, while improving visibility and operational safety without additional fuel consumption.

BEST PRACTICE

Solar Tower Lights

To further reduce diesel consumption, we expanded our use of solar powered tower lighting, with three solar tower lights installed at one of our rigs. These systems are equipped with a three-day battery backup, ensuring uninterrupted nighttime illumination without reliance on fuel. This continued deployment supports our transition towards more sustainable and energy efficient rig operations.

Alternative Fuels and Clean Energy Transition

Fuel Efficiency Improvements:

Power management system – PMS: Five Offshore rigs are equipped with PMS which optimize the rig power requirements and shut off the additional diesel generators when not in use.

Energy Transition for Rigs:

Battery Energy Storage Systems (BESS) and Low Diesel Supply Systems (LDSS) will be progressively deployed across land-based and offshore rigs to enhance fuel efficiency and reduce diesel consumption.

Solar Power for Rig Camps:

Solar Daytime Independent Systems are being deployed to transition rig camps into renewable energy and reduce reliance on conventional power sources.

Green Energy Adoption:

A progressive transition to green energy is underway, steadily reducing diesel consumption across rigs, vehicles, and offshore operations. This shift improves energy efficiency, lowers emissions, and supports long-term sustainability commitments while maintaining operational reliability.

Journey Optimization:

Deployment of the ARMA system enables intelligent route optimization, ensuring journeys follow the most efficient direction, reducing fuel consumption, travel time, and associated emissions.

48,000

liters of diesel saved by journey optimization.

124,740

Liters of diesel saving in 2025 by Crown Lights

Waste Management and Circular Economy Practices

Arabian Drilling understands the importance of the accumulation of landfill waste and its importance in addressing climate change. Most of our waste is generated from the base camps and rig locations, which are the areas of our focus for waste reduction, recycling, and responsible waste management practices.

Our Waste Management Plan outlines a structured approach to waste minimization and resource efficiency, enabling compliance with Saudi environmental regulations with Saudi environmental regulation and international standards like MARPOL (International Convention for the Prevention of Pollution from Ships). These efforts are embedded within our Environmental Management Plan (EMP) and Health, Safety, Environment, and Quality (HSEQ) standards, reinforcing our commitment to environmentally responsible operations. In line with this commitment, we have set a target to reduce waste by 5% across all operations in 2025 compared to 2024, supporting continuous improvement in waste reduction and sustainable resource management.

Our Approach to Waste Management

In 2025, Arabian Drilling continues to strengthen its waste management initiatives, expanding programs that enhance waste segregation, data tracking, and compliance auditing. Our Waste Management Plan is structured around several key pillars:

Enhancing Waste Segregation and Recycling:

Arabian Drilling continues to enhance waste segregation and recycling by standardizing practices across facilities. Non-hazardous, hazardous, and recyclable waste streams are clearly identified, segregated, and stored in color-coded containers, improving operational control and recycling performance.

Ensuring Compliance and Tracking:

Arabian Drilling continues to actively monitor and document all waste disposal activities using waste manifests and advanced tracking systems such as the QUEST platform and Safety Net System. These tools provide end-to-end visibility across operations and support more consistent, data-driven decision-making.

Strengthening Site Inspections and Compliance Audits:

Arabian Drilling continues to enhance routine waste management inspections at rig locations and designated waste collection areas to verify alignment with EMP waste handling requirements and to systematically identify opportunities for improvement.

Expanding Employee Training and Awareness:

Arabian Drilling continues to strengthen employee awareness on waste reduction through regular training sessions, internal workshops, and targeted awareness campaigns. These efforts ensure that personnel clearly understand waste handling and disposal requirements and their role in reducing the company's environmental footprint.

Collaborating with Suppliers and Contractors:

Arabian Drilling continues to deepen collaboration with waste service providers, subcontractors, and technology partners to improve recycling efficiency, reduce packaging waste, and strengthen disposal practices. In parallel, teams engage suppliers to minimize unnecessary material use and explore more sustainable alternatives.

Enhancing Performance Monitoring and Reporting:

In 2025, Arabian Drilling tracked key waste management KPIs, including total waste generated, disposal costs, and waste per drilling day, to support continuous improvement in waste management performance. Leadership dashboards and internal audits provide real-time visibility into waste reduction progress and regulatory compliance, enabling timely and informed decision-making.

Hazardous Waste Management

Arabian Drilling ensures that all hazardous waste is managed in accordance with the Waste Management Plan, with a strong focus on safety, regulatory compliance, and environmental stewardship. This approach includes:

100% Recycling of Hazardous Waste Oil:

For more than a decade, Arabian Drilling has consistently recycled all hazardous waste oil through approved waste management vendors. This practice reduces environmental risk and supports circular economy principles through responsible resource recovery.

Eliminating Underground Storage Risks:

Arabian Drilling does not utilize underground storage tanks for petroleum or hazardous substances. This approach removes the risk of soil and groundwater contamination and supports safe, controlled handling of hazardous materials.

Employing Certified Waste Disposal Practices:

Arabian Drilling works with licensed and approved third-party contractors to manage hazardous materials, including used oil, chemicals, and contaminated waste. These materials are handled through authorized recovery, treatment, and disposal methods, ensuring full regulatory compliance.

Waste Management

Waste Generated	Units	2023	2024	2025
Hazardous waste	Tons	56,544	59,060	53,270
Non-hazardous waste	Tons	3,321	3,384	2,967

	2023		2024		2025	
Waste Disposed	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Landfill	-	3,321	-	3,384	-	2,967
Authorized Waste Facility	56,544	-	59,060	-	53,270	-

Spill Prevention and Response

We enforce stringent spill prevention measures to safeguard marine ecosystems and coastal communities. Offshore rigs operate under zero-discharge policies and comply with International Maritime Organization (IMO) requirements for oily water and sewage treatment. Regular infrastructure inspections and preventive maintenance reduce the risk of leaks, while fuel transfer operations are closely monitored to minimize the potential for spills.

Rapid response capability is ensured through the maintenance of Ship Oil Spill Emergency Plans (SOPEP) on all offshore rigs, supported by routine spill response drills. Crews receive specialized training in spill containment, personal protective equipment (PPE) use, and hazard communication, enabling swift and effective action during emergencies. In addition, routine water quality monitoring is conducted through accredited third-party laboratories to support early detection of potential risks.

We have maintained zero spills for four consecutive years, demonstrating our commitment to environmental protection. Our comprehensive spill and emergency preparedness program includes:

Emergency Response Plans (ERPs):

Comprehensive ERPs define roles, communication protocols, and procedures for spills, fires, and natural disasters.

Scenario-Based Contingency Planning:

Regular risk assessments and emergency drills are conducted to strengthen preparedness and enhance response readiness.

Employee Training:

Continuous training is provided in spill containment, emergency response, and first aid to ensure operational safety and effective incident management.

Proactive prevention and rigorous training ensure that every employee plays a role in protecting the marine environment while maintaining operational integrity.

Zero

Spills for fourth consecutive year achieved by Arabian Drilling

Water and Wastewater Management

Arabian Drilling places strong emphasis on responsible water stewardship given the severe water scarcity across the regions in which it operates. Rising impacts from climate change, growing industrial activity, and population expansion are increasing stress on water resources, making sustainable water use essential to business continuity and long-term resilience.

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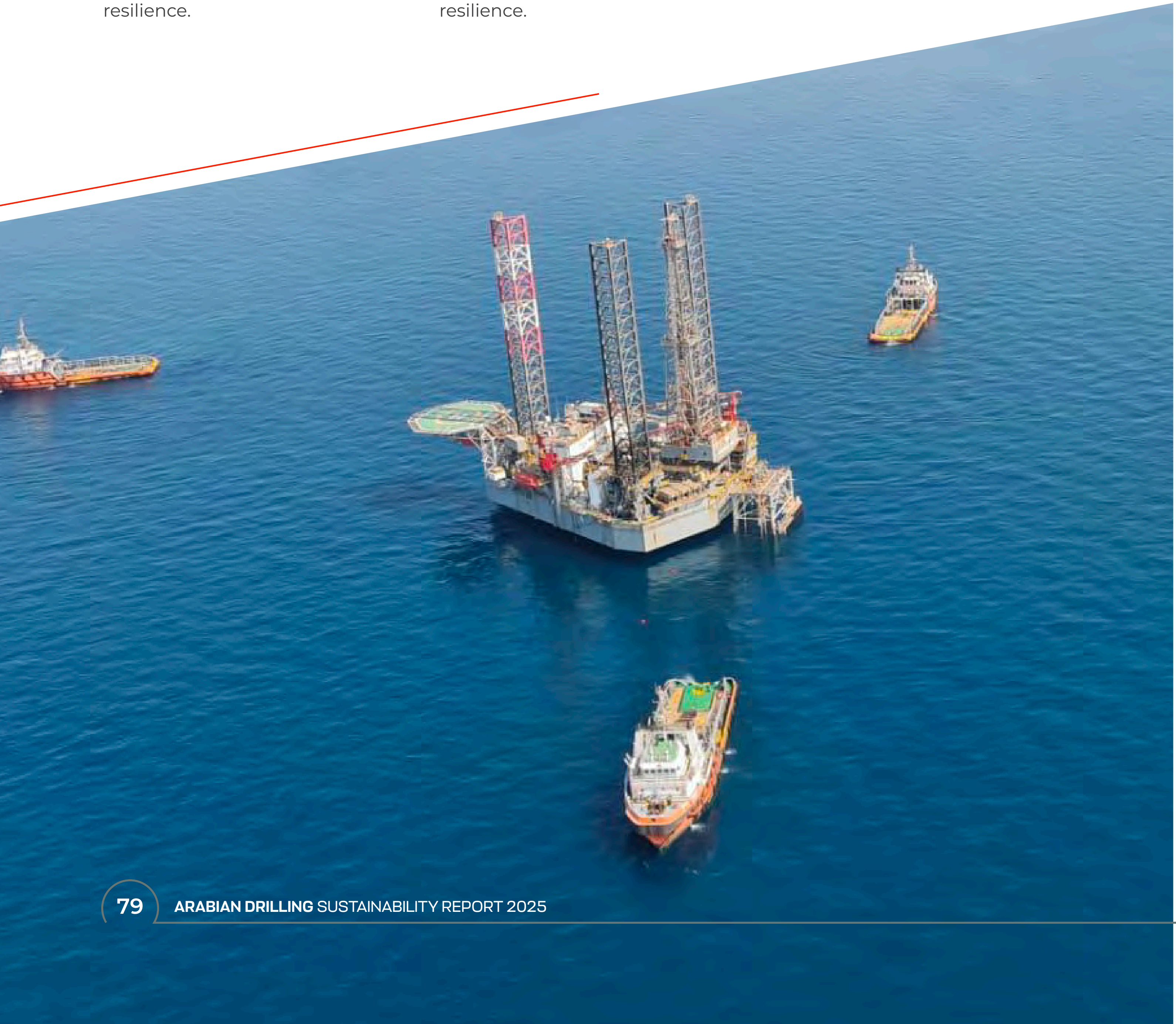
To strengthen our commitment, we have set a target to reduce water consumption by 5% across all operations in 2025 compared to 2024, actively working to improve wastewater treatment, ensuring efficient water use across our facilities, rigs, and supply chain.



Our Approach to Water Management

Arabian Drilling adopts a data-driven and preventive approach to water conservation, consumption optimization, and wastewater management. The Water Conservation Action Plan provides a structured framework for measuring, reducing, and efficiently managing water use across all operational areas, with particular focus on rig sites and land-based operations where water demand is highest.

Our key initiatives include:

Leak Detection and Waste Reduction:

Arabian Drilling strengthens water loss prevention through proactive inspection, early leak identification, and timely repairs. Continuous monitoring of water pressure and flow patterns supports efficient system performance and reduces avoidable consumption.

Water-Efficient Equipment and Infrastructure:

Arabian Drilling is upgrading facilities with Saudi Arabian Standards Organization (SASO)-certified water-efficient fixtures across key water use points. High-efficiency toilets, urinals, aerators, and sensor-based systems are being deployed to improve water use efficiency and limit avoidable consumption.

Water Recycling and Reuse:

Arabian Drilling strengthens water circularity by collecting and reusing suitable clean wastewater to reduce freshwater demand. Condensate recovered from air-conditioning systems on offshore rigs is captured and reused for non-potable applications.

Benchmarking and Performance Tracking:

Arabian Drilling tracks water intensity KPIs per rig and per person to monitor performance and identify improvement opportunities. Internal water data is benchmarked against industry references to inform realistic and achievable reduction targets.

Water Source Optimization:

Arabian Drilling ensures that water sourcing aligns with Saudi Water Law 2020 and applicable regulatory requirements. Desalination systems are utilized on offshore rigs to reduce reliance on external freshwater supplies.

Employee Engagement and Awareness:

Arabian Drilling strengthens water stewardship through targeted training and awareness initiatives that encourage responsible water use. Employees are actively involved in identifying leaks and optimizing water use within daily operations.

Water Management

	Units	2023	2024	2025
Water Consumption	Kiloliters	752,928	812,305	634,194

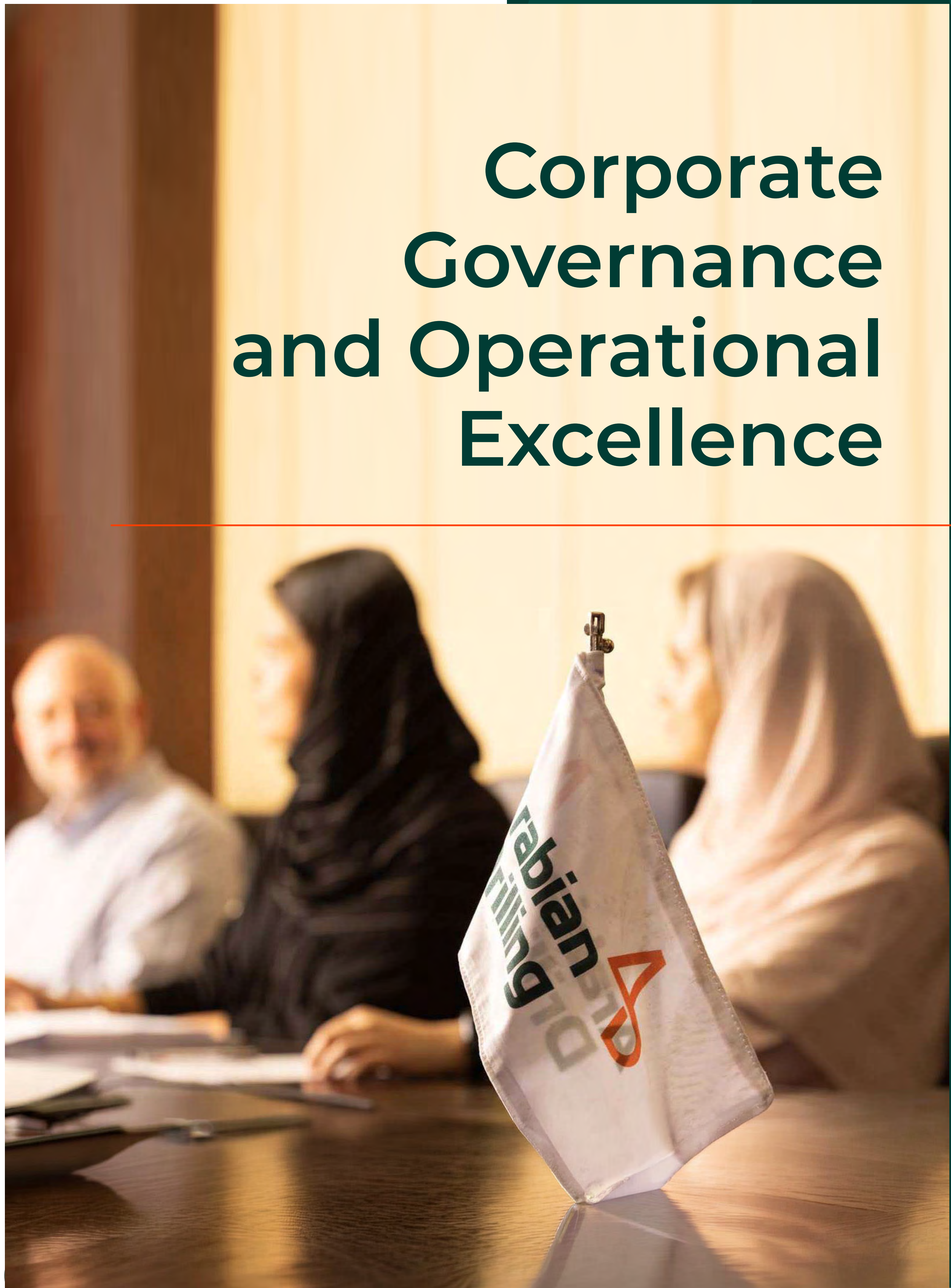
Preservation of Natural and Cultural Sites

We assess and implement measures to protect local natural and cultural sites, reinforcing our commitment to environmental conservation. Safeguarding these sites supports ecosystem integrity, preserves cultural heritage, and contributes to community well-being, ensuring our operations align with sustainable development principles.

Climate Risk Assessment

Climate risk assessment is critical for safeguarding long-term value, as it enables companies to understand how climate-related risks could disrupt operations, erode asset value, and affect access to capital. In the oil and gas sector, these risks are particularly pronounced: physical risks such as rising temperatures, more frequent extreme weather events, and flooding can affect drilling schedules, damage rigs and supporting infrastructure, and increase health and safety risks, while transition risks driven by decarbonization policies, carbon pricing, technological shifts, and evolving stakeholder expectations can lead to demand uncertainty, higher operating and compliance costs, and potential asset stranding.

For Arabian Drilling, climate risk assessment is therefore essential to maintaining operational resilience, protecting its portfolio, and aligning with the expectations of regulators, investors, and clients. In this context, Arabian Drilling is committed to undertaking a comprehensive climate risk assessment, aligned with leading international frameworks such as ISSB IFRS S2, to identify, assess, and manage material climate-related risks and opportunities across its operations and to integrate the insights into its enterprise risk management, strategy, and capital allocation decisions.



Corporate Governance and Operational Excellence

Arabian Drilling stands as a pivotal force in Saudi Arabia's oil and gas sector, distinguished by its robust corporate governance framework that reinforces its position as a premier contributor to the Kingdom's economic prosperity. We uphold the highest standards of business ethics, unwavering transparency, and exemplary management practices, all meticulously aligned with our core vision, mission, and values.

By seamlessly integrating leading governance principles with cutting-edge innovation and advanced technology, we propel sustainable financial performance, achieve operational excellence, and foster enduring value creation for our stakeholders. This commitment not only enhances our competitive edge but also directly supports the ambitious objectives of Saudi Vision 2030, particularly by diversifying the economy, bolstering national capabilities, and advancing the UN SDGs.

Material Topics

- Business ethics and compliance
- Risk management
- Artificial Intelligence, innovation and digital transformation
- Supply chain management

UN SDGs

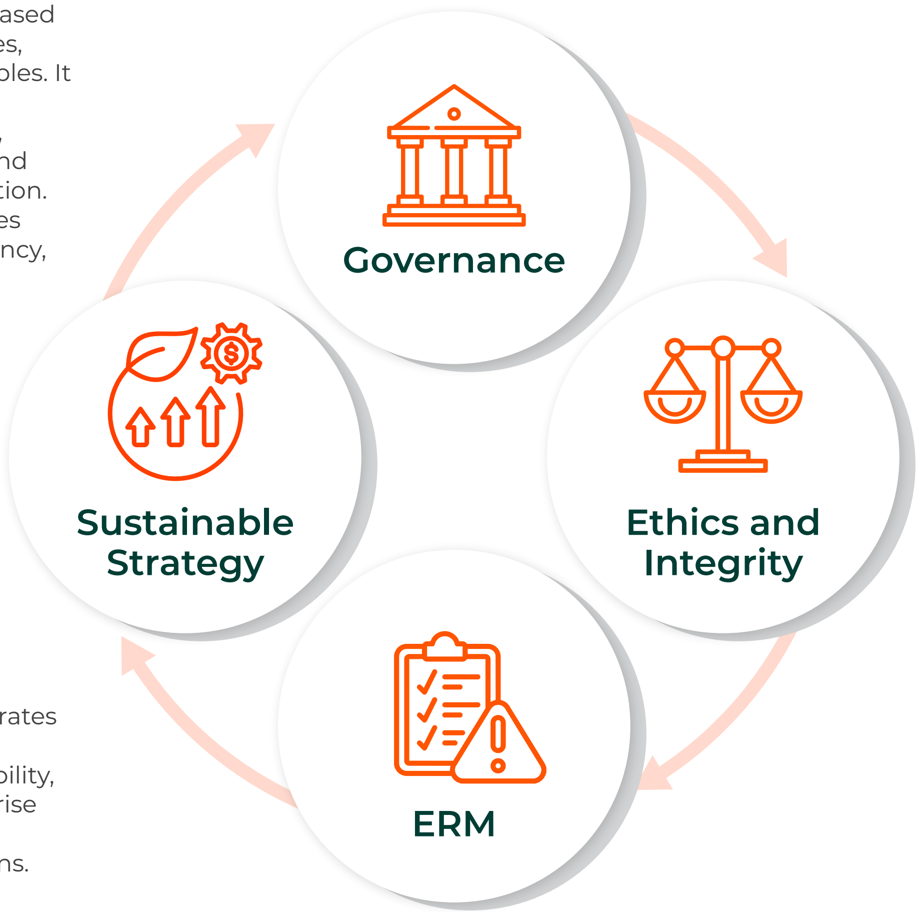
Saudi Vision 2030 Pillars

A Thriving Economy

An Ambitious Nation

Governance Structure

Our governance framework is based on corporate governance policies, ethics, and human rights principles. It ensures strict compliance with applicable laws and regulations, Tadawul listing requirements, and our memorandum of incorporation. This integrated approach ensures ethical management, transparency, and accountability across our operations.



Arabian Drilling's corporate governance framework incorporates four interconnected pillars – Governance , strategic sustainability, ethics and integrity, and enterprise risk management to ensure adherence to relevant regulations.

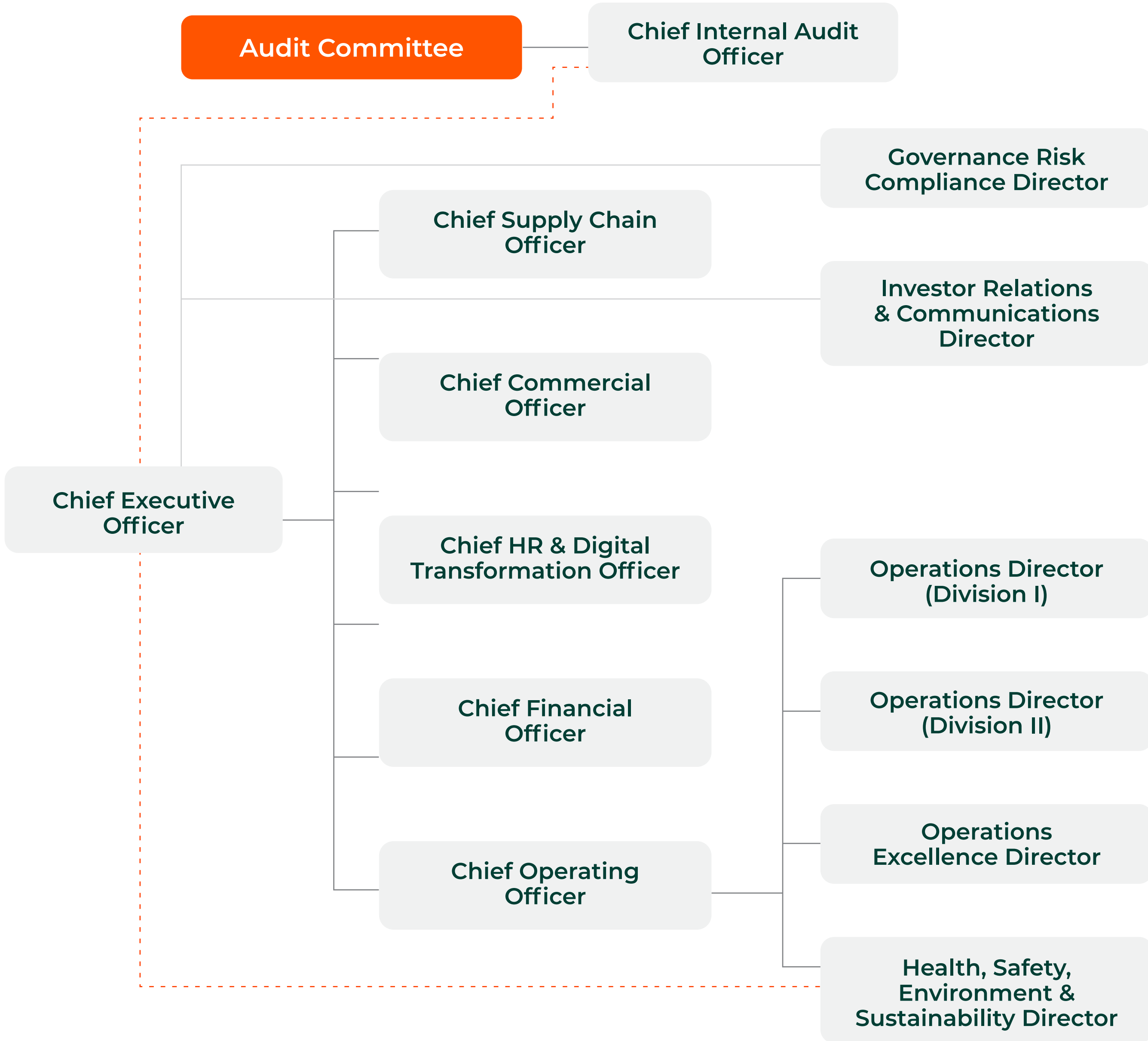
Governance Oversight: Our framework complies with Saudi Capital Market Authority (CMA) regulations and Tadawul requirements for listed joint stock companies, including mandatory board committees for audit, nomination, remuneration, and risk.

Sustainability Strategy: Integrates sustainable practices to support Saudi Vision 2030 and UN SDGs, and Saudi Green Initiatives (SGI).

Ethics and Integrity: Promotes unwavering commitment to uphold business ethics, anti-corruption measures, and human rights throughout our value chain.

Enterprise Risk Management: Identifies, assesses, and mitigates enterprise risks, including ESG & sustainability risks to bolster long-term value creation.

Board Leadership and Structure



The Board of Directors (hereinafter referred to as 'the Board') is committed to implementing robust corporate governance standards through its strategic oversight of Arabian Drilling's operations, ensuring the integrity and continuity of its operations. The Board, executive management and governance framework are fully aligned with the regulatory requirements for listed companies.

The Board comprises 9 members: 6 non executive members and 3 independent members.

Board and Corporate Governance Highlights

9
Directors

33.33%
Independence

2025
Year of Appointment

Annual
Board Evaluation Process

4
Board Meetings held

The members of the Board of Directors are as follows:

Position	Membership Status	Tenure	Other significant positions and commitments held	Nature of the commitments	Relevant competencies
1. Dr. Muhammad Aldawood					
Chairman of the Board of Directors Chairman of Executive Committee Member of Nomination and Remuneration Committee	Non-Executive	02-Nov-25	Chairman of Executive Committee Member of Nomination and Remuneration Committee	Board leadership, executive oversight, investment governance, committee leadership	Executive oversight, investment governance, committee leadership, corporate governance, investment, strategy, finance, risk oversight, academia
2. Mr. Jesus Lamas Rios					
Vice Chairman; Executive Committee Member	Non-Executive Board Member	02-Nov-25	Vice Chairman; Executive Committee Member	Senior leadership roles in multinational oil & gas company	Extensive oil & gas expertise; drilling technologies; international operations leadership
3. Mr. Adel Saleh Al Ghadhban					
	Non-Executive Member	02-Nov-25	Non-Executive Committee Member; Executive Committee Member, Audit Committee Member	Executive leadership, audit & financial oversight	Deep financial and audit experience in oil & gas industry
4. Mr. Adnan Hani Ghabris					
Independent Board Member; Chairman – Nominations & Remuneration Committee	Independent	02-Nov-25	Independent Board Member; Chairman – Nominations & Remuneration Committee	Executive committee leadership; board governance; sectoral oversight	30+ years' experience in oil & gas; board governance; strategy; industry expertise
5. Mr. Alaa Ahmed Ayesh Dashash					
Non-Executive Board Member	Non-Executive	02-Nov-25	Non-Executive Board Member	Executive leadership, strategy, operations	Energy sector, operations, strategy, investment management
6. Dr. Ghazi Abdulrahim AlRawi					
Independent Board Member; Chairman – Audit Committee	Independent	02-Nov-25	Independent Board Member; Chairman – Audit Committee	Audit & financial oversight, governance, investment management	Finance, investment, real estate, strategy, corporate governance

Position	Membership Status	Tenure	Other significant positions and commitments held	Nature of the commitments	Relevant competencies
7. Mr. Omar Sadaldein AlHusaini					
Independent Board Member; Executive Committee Member	Independent Board Member	02-Nov-25	Independent Board Member; Executive Committee Member	Leadership in drilling operations; technical expertise	Petroleum engineering; drilling & workover; 40+ years industry expertise
8. Mr. Tarek Rizk					
Non-Executive Board Member; Executive Committee Member; Nomination & Remuneration Committee Member	Non-Executive Board Member	02-Nov-25	Non-Executive Board Member; Executive Committee Member; Nomination & Remuneration Committee Member	Executive leadership; multiregional operational responsibility	Oil & gas leadership; global operations; drilling & measurement technologies
9. Mr. Ugo Mathieu Prechner					
Non-Executive Board Member; Audit Committee Member	NonExecutive	02-Nov-25	Non-Executive Board Member; Audit Committee Member	Financial stewardship; corporate audit; financial strategy	Finance, treasury, financial control, governance

Arabian Drilling's Board of Directors underwent a change in 2025, The current Board of Directors was elected by the Extraordinary General Assembly on October 22, 2025. The current Board's term began on November 2, 2025, and ends on November 1, 2029.

Arabian Drilling

Stakeholder Communication

Arabian Drilling has a dedicated Investor Relations Department to handle all shareholder complaints or suggestions received via phone or email. Additionally, the Board receives regular updates on shareholder communications, queries and grievances through periodic reports. These reports cover shareholder concerns received, and the actions taken to address them. This process ensures that all Board Members stay informed about shareholders' proposals and views on Arabian Drilling and its performance.

ZERO

Total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period

Board Nomination and Evaluation

The Nomination and Remuneration Committee oversees the nomination and election of the Board. The Companies Law, the Company's By-Laws, and the Corporate Governance Regulations issued by the Board of the Capital Market Authority and any amendments thereto define the criteria for membership in our Board of Directors. The Board Membership Policies and Procedures Charter define the criteria for nominating a member to the Board.

The Ordinary General Assembly elects the Board Members for the term prescribed in the Company's By-Laws or the Board term. The Board Members may stand for re-election if they continue to meet the criteria outlined in this Policy. An Independent Board Member cannot stand for reappointment as an Independent Board Member if they have served as a Board Member for the Company for more than nine (9) years, consecutively or inconsecutively.

An annual Board self-assessment is conducted and facilitated by the Nomination and Remuneration Committee. For more information on the roles and responsibilities of the Nomination and Remuneration Committee, please refer to the Annual Report.

Arabian Drilling ensures that its Board members receive periodic training and awareness sessions on key topics, including ESG compliance, governance, risk management, regulatory developments, and emerging industry trends, enabling informed decision making and effective oversight. From Arabian Drilling Company's perspective, Board training emphasizes governance excellence, operational safety, and alignment with Vision 2030's goals.

Board Diversity

Diversity of Board of Directors	Unit	2022		2023		2024		2025	
		Male	Female	Male	Female	Male	Female	Male	Female
By Gender	Number	6	1	6	1	8	1	9	0
Independence of Board Members									
Independent Board Members	Number	1		2		3		3	
Non executive Board members	Number	6		7		6		6	

Board Committees

Arabian Drilling's Board Committees play a key role in safeguarding long term value creation for its stakeholders. Arabian Drilling has four Board level committees:

EXECUTIVE COMMITTEE

- Financial Planning and Capital Allocation
- Investor Communications and Relations
- Strategic Growth and Investments
- Operational and Governance Oversight

AUDIT COMMITTEE

- Financial Statements and Reporting Oversight
- External Audit Management
- Internal Audit Oversight
- Internal Controls and Risk Management
- Reporting and Communication
- Governance and Continuous Improvement

NOMINATION AND REMUNERATION COMMITTEE

- Board and Senior Management Nomination
- Composition and Succession Planning
- Director Evaluation
- Remuneration Policy and Oversight

For more information on the terms of reference of the Nomination and Remuneration Committee, please refer to the Annual Report.

Please refer to the Annual Report for details about the composition and terms of reference of the Board Committees.

Our Policy Commitments

Arabian Drilling has developed various policies and procedures to ensure effective corporate governance. These policies are reviewed and approved by the Board and cover themes such as anti-bribery and anti-corruption, business ethics and compliance, anti-money laundering, conflict of interest, and supply chain management. All employees can access these policies on the Intranet portal.

Business Ethics and Compliance

The Audit Committee is responsible for ensuring ethical business practices and fostering a culture of integrity across our company, including overseeing the implementation of our Code of Conduct (CoC) and grievance mechanisms.

All new employees undergo Code of Conduct training as part of our onboarding process. To ensure understanding, employees are surveyed during the training, and the results are analyzed to provide continuous insight into how well the Code of Conduct is understood and adopted. Our CoC applies to all employees, board members, associates, and suppliers, establishing clear standards for ethical behavior. It is introduced during onboarding and reinforced through ongoing training, with adherence required throughout employment. The CoC covers key areas such as anti-corruption, anti-bribery, business conduct, no gifts and payments, compliance, conflicts of interest, customer and supplier relations, discrimination and harassment, diversity, inclusion and equal opportunity, human rights, and whistleblowing.

All employees undergo training on the provisions of the CoC.

Number of Employees that received Code of Conduct Awareness Trainings

Year	Number of employees
2022	2,410
2023	4,163
2024	6,486
2025	**5,063**

YOUR VOICE MATTERS!

Arabian Drilling has implemented NAVEX, a confidential Compliance Reporting Tool that enables employees and stakeholders to report ethics, compliance, safety, or workplace concerns without fear of retaliation. Together, we strengthen our culture of integrity, transparency, and accountability.

NAVEX Hotline: 8001111651

Confidential | Secure | Available to All Employees

Arabian Drilling

Whistleblowing Policy

Arabian Drilling's Whistleblowing Policy enables all individuals, whether internal or external stakeholders, to report suspected ethical breaches or inappropriate conduct without fear of retaliation. These grievances encompass violations of applicable laws, company policies, health and safety protocols, environmental standards, financial mismanagement, fraud, corruption, bribery, and any actions that could harm the company's reputation or compromise confidentiality.

All reports are submitted through dedicated ethics hotlines and formally documented by the Internal Audit and Compliance Department. The Audit Committee subsequently reviews these reports, which evaluate the severity of each concern and recommend appropriate remedial actions.

Please refer to our website for more information on our *Code of Conduct.*

The whistleblower hotline provides a confidential channel for reporting violations of the Code of Conduct and other grievances. It is accessible to all employees and is managed by the Internal Audit team, which compiles reports and recommends actions for the Audit Committee's review. The process encompasses detailed investigations into instances of non-compliance, corruption, and violations of business ethics. In 2025, all grievances reported were thoroughly investigated, reviewed, resolved, and closed in accordance with our established resolution procedures. In 2025, Arabian Drilling has also launched NAVEX, an online whistleblowing platform to consolidate all grievances received at the organization.

Anti-Bribery and Anti-Corruption

Arabian Drilling upholds a steadfast commitment to preventing bribery and corruption through its stringent and comprehensive corporate governance framework. Explicit anti-bribery and corruption policies categorically prohibit the offering, giving, or receiving of bribes and are underpinned by an extensive Code of Conduct that mandates transparency, integrity, and strict adherence to all applicable laws.

Key internal controls include rigorous financial oversight, standardized procurement processes, and proactive conflict-of-interest management to systematically mitigate risks. All employees undergo mandatory annual anti-corruption training, ensuring universal understanding of policies and the consequences of non-compliance.

The whistleblower hotline facilitates confidential reporting of suspected incidents, safeguarding reporters from retaliation. Due diligence is conducted on all third-party engagements to verify anti-corruption practices, supported by continuous operational monitoring and independent audits. Collectively, these mechanisms uphold Arabian Drilling's adherence to the highest integrity standards, with zero tolerance for violations across all business activities.

95%

Employees attended training on anti-bribery and anti-corruption policies in 2025

Conflict of Interest

In alignment with the Companies Law (Article 71), we ensure that directors do not vote on contracts or transactions involving their interests. In addition, as per Article 72, Directors must abstain from voting on related party transactions and avoid competing with our company without approval from the Ordinary General Assembly. At the prospectus date, neither directors, senior executives, nor their relatives possessed holdings in the company's shares, debt securities, or subsidiary instruments that might sway business operations. Conflict of interest is treated with grave responsibility at Arabian Drilling through the following:

1. **Policy and procedure:** Our Conflict-of-Interest Policy deals with actual or potential conflict of interest situations that may affect the performance of the Directors, Executive Management or other employees. The Policy outlines certain situations that may potentially be a conflict of interest for the concerned parties, how to identify situations of conflict of interest and the procedures for disclosure and resolution. The Policy may be accessed here.
2. **Disclosure requirements:** All employees and other relevant individuals must disclose potential conflicts of interest through regular declarations or as situations arise.
3. **Recusal from decision making:** Employees must recuse themselves from decisions or activities that could be impacted by their personal interests.
4. **Independent Review:** Independent panels or committees may assess significant issues and advise on resolutions.

To proactively manage and prevent conflicts of interest, the following measures are in place:

1. **Regular training sessions:** Employees are mandated to attend regular training sessions on the provisions of the policy and how to identify, manage and report potential conflicts of interest.
2. **Risk Assessment:** Periodic risk assessments are conducted to identify potential situations where a conflict of interest may arise, allowing for timely reinforcements to be taken into consideration.
3. **Transparency and communication:** Arabian Drilling is committed to ensuring a workplace where openness and transparency are prioritized.

Zero

Conflicts of interest were reported to the Board

Compliance

Arabian Drilling maintains an unwavering commitment to full compliance with all applicable laws and regulations, establishing regulatory compliance as a fundamental pillar of our corporate governance framework. We strictly adhere to the laws of the Kingdom of Saudi Arabia and mandates from relevant authorities, all reinforced by robust internal directives. This approach is guided by comprehensive policies which encompasses audit practices, privacy, and data protection, ensuring accountability and integrity across operations. Relevant policies that ensure our regulatory compliance include:

- Anti-Money Laundering
- Audit Committee Charter
- Authority and Delegation
- Compliance
- Conflict of Interest and Business Ethics
- Corporate Governance Manual
- CSR Policy
- Compliance Review Disclosure
- Dividends Distribution
- Insider Trading
- Investor Relations
- Nomination and Remuneration Committee Charter
- Risk Management
- Stakeholder Protection
- Whistleblowing

"Compliance is at the core of our corporate governance approach"

Data Protection and Privacy

Arabian Drilling's Data Management and Cybersecurity teams uphold the highest standards of data privacy, protection, and security. Regular assessments and cybersecurity tests are conducted to safeguard the reliability of IT infrastructure. Efforts to achieve ISO/IEC 27001: Information Security Management Systems (ISMS) certification remains in progress, with the forecasted achievement of the certification in 2026.

Data protection training forms a core element of Arabian Drilling's strategy to secure information, data, and cybersecurity. All employees receive online data privacy awareness training twice annually, equipping them with essential knowledge to safeguard confidential information. Confidential data includes, but is not limited to, investment opportunities under consideration, contracts in negotiation, industrial and production secrets related to products, detailed manufacturing cost information, designs and programs, financial details of operating units, and IAD reports.

Arabian Drilling continued to strengthen its digital backbone during the year through targeted IT investments that enhanced the resilience, reliability, and continuity of systems supporting drilling and drilling-support activities. A new corporate Data Centre was established to strengthen system availability, cybersecurity, data protection, and disaster recovery capabilities, creating a secure and resilient foundation for core business and operational systems.

In parallel, the Company migrated its offshore and land rigs from legacy VSAT connectivity to OneWeb low-earth-orbit (LEO) satellite technology, significantly improving network performance, availability, and support for real-time operational and monitoring systems. To further mitigate operational risk and maintain service continuity, legacy VSAT connectivity was retained as a backup solution. Together, these initiatives have improved infrastructure reliability, strengthened IT governance and risk management, reduced the risk of connectivity-related disruptions, and supported more cost-efficient, scalable, and sustainable operations across the Company's drilling activities.

Arabian Drilling and OFSAT achieved compliance with the **Saudi Aramco Third Party Cybersecurity Standard, SACS 002**

100%

Employees undergo data protection training

Zero

Data breaches recorded in 2025

Audit

Arabian Drilling's Internal Audit team provides independent assurance on the effectiveness of our internal controls, ensuring robust compliance with internal policies and relevant laws and regulations. This covers oversight of evolving ESG requirements, managing legal obligations, and risk mitigation strategies under the guidance of the Audit Committee. The Internal Audit team's key responsibilities include:

- Evaluating the robustness of Arabian Drilling's corporate governance framework
- Assessing that day-to-day transactions are executed in compliance with the company's policies and procedures.
- Tracking and ensuring the implementation of audit recommendations.

In addition, the Internal Audit team supports risk management by providing timely insights to senior decision-makers and confirming adherence to relevant regulatory standards.

Risk Management

Arabian Drilling's robust Risk Management function is aimed at protecting the interests of all stakeholders, including shareholders, customers, employees, and suppliers, by managing risk in a way that aligns with our strategy and business operations. We have implemented a comprehensive system to identify and proactively manage potential threats to our assets and operations on an ongoing basis.

The primary objective of our Risk Management function is to identify and assess risks that may impact the achievement of Arabian Drilling's business objectives and to embed risk management practices into our decision-making processes.

Our Risk Management function follows a dynamic, continuous-improvement approach. It is built around three key pillars to ensure holistic risk management capabilities: People and Society, Process, and Technology.

PEOPLE AND SOCIETY

Arabian Drilling is committed to delivering consistent Enterprise Risk Management (ERM) training and awareness sessions across all departments and employee levels. This approach ensures a broad understanding of ERM principles throughout the organization, fostering a culture of effective and proactive risk management

PROCESS

Arabian Drilling continues to strengthen ERM practices through several initiatives. These include targeted training for risk and response owners, benchmarking ERM practices against industry leaders, and integrating risk assessments into the annual strategy land business planning processes.

TECHNOLOGY

Arabian Drilling has implemented an automation system that supports risk scheduling, identification, assessment, and mitigation across all functions. This system enables a more proactive approach and improves real-time risk assessment capabilities.

Risk Management Framework

Arabian Drilling's robust ERM process aligns with the best practices, guidelines, and principles of the 2017 Committee of Sponsoring Organizations (COSO) Framework. The ERM system is designed to plan, identify, assess, mitigate, monitor, and report risks that may impact our ability to achieve business goals and objectives.

Arabian Drilling has identified the following risks:

Risk	Description
Business continuity risk	Risks stemming from contracts being subject to suspension, early termination, or variance
ESG and sustainability risk	Risks associated with ESG factors, with particular emphasis on climate change impacts
HSE regulations risk	Risks arising from non-compliance with health, safety, and environmental laws and regulations
Cybersecurity risk	Risks posed by cyberattacks affecting the security and reliability of technology systems.
Liquidity and cash flow risk	Risks associated with the company's ability to generate sufficient cash to meet debt obligations and support ongoing operations.
Geopolitical risk	Risks arising from political instability and security concerns in the Middle East region
Safe operations execution risk	Risks resulting from accidents on the company's rigs that may cause severe damage or injuries
Rig move, maintenance and projects risk	Risks associated with rig moves, upgrades, repairs, refurbishments, and construction projects
Human resources risk	Risks stemming from the company's ability to attract and retain skilled personnel
Supply chain risk	Risks associated with dependence on third parties, distributors, manufacturers, and strategic partners.

ESG and Sustainability Risk

ESG & sustainability risks are embedded within Arabian Drilling's Enterprise Risk Management (ERM) system with regular assessment, planning and mitigation activities.

Arabian Drilling has identified key ESG and sustainability risks:

- Lack of contributions towards Saudi Green Initiatives (SGI) a Rig Sites. (E.g., Emissions & Water Reduction, Waste Management, Solar Energy, etc.)
- Arabian Drilling's goal to align with KSA Vision 2030 and KSA's ambition to reach Net-Zero emissions by 2060.
- Reduction of Emission
- Water Waste Reduction
- Failure to align with various global reporting standards such as GRI, SASB, and IFRS S1 & S2
- Non-compliance with Capital Market Authority (CMA) and Tadawul ESG disclosure guidelines.

SAP GRC – Case Study

Arabian Drilling implemented the SAP GRC (Governance, Risk, and Compliance) – Risk Management Module to centralize and automate risk management processes across the organization.

The system was introduced to strengthen risk identification, assessment, mitigation, monitoring, and reporting through a structured, technology-driven framework. The objective was to enhance consistency and control in risk governance, while aligning enterprise risk management activities with corporate governance and compliance requirements.

The implementation provided key improvements:

1. Improved efficiency:

Manual and fragmented risk management activities were replaced with a centralized digital platform. Automated risk assessments and reporting significantly reduced administrative effort and shortened reporting cycles.

2. Enhanced Transparency:

All risks, controls, mitigation plans, and ownership are now captured within a single system. Management gains real-time visibility of enterprise-wide risk exposure and mitigation progress across departments.

3. Faster Reviews and Approvals:

System-driven workflows replaced email-based and manual approvals. Predefined routing and escalation paths ensure that risk reviews reach the appropriate stakeholders promptly, reducing delays and strengthening accountability.

4. Reduced Errors:

Standardized risk registers, predefined fields, and structured evaluation methodologies have significantly lowered manual data entry errors. Built-in system validations improve completeness and data consistency.

5. Automated Workflows:

End-to-end risk lifecycle processes — from identification and assessment to mitigation tracking and reporting — are now fully automated. Notifications and reminders support timely execution of mitigation actions.

Value Created

Cost Optimization Potential:
Risk assessments at Arabian Drilling are currently primarily qualitative. As a result, financial quantification of risks and cost avoidance is still evolving. The SAP GRC platform provides a structured foundation to enhance risk visibility and integrate more advanced analytical and quantitative capabilities over time. Strengthening risk measurement will support earlier identification of potential exposures, enable proactive mitigation, and reduce the likelihood of costly operational disruptions or compliance failures in the future.

Lower Manpower Allocation:
Automation has significantly reduced manual tracking, follow-ups, and report consolidation. The risk team now spends less time on administrative coordination and more time on analytical review and strategic risk evaluation, improving overall productivity.

Stronger Data Governance:
Centralized risk data with controlled access rights enhances integrity, consistency, and accountability. Standardized definitions, scoring methodologies, and system validations improve the quality and reliability of risk information across the organization.

Enhanced Auditability Trails:
SAP GRC generates complete, system-based audit trails for all risk activities, including assessments, approvals, and mitigation updates. This strengthens internal controls, simplifies audit procedures, and provides greater assurance to management as part of the third line of defense framework.

Artificial Intelligence, Innovation and Digital Transformation

The AI solution leverages advanced computer vision algorithms to identify, analyze, and alert potential safety risks in real time. By processing live visual data streams, the system delivers actionable insights into field activities, enabling faster response and timely corrective actions.

Real time detection of unsafe acts and conditions

Continuous monitoring enables early identification of hazards, supporting proactive intervention before incidents escalate.

Automated alerts and notifications

Instant alerts are triggered when predefined safety thresholds are breached, strengthening preventive risk management practices.

Integrated safety analytics platform

A centralized dashboard consolidates safety data and analytics, providing visibility into operational trends and recurring risk patterns.

Multi level performance visibility

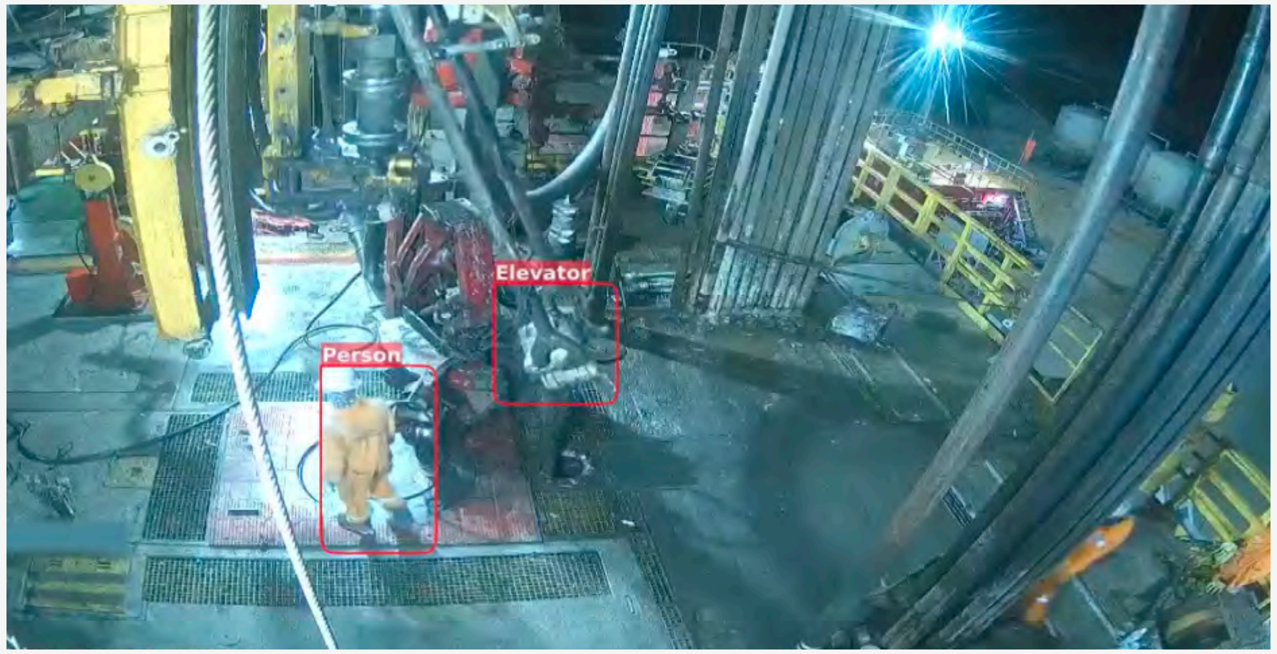
Safety performance can be assessed across operations, rigs, and locations, enabling focused monitoring and targeted interventions.

Flexible and secure reporting

Customizable reports can be generated in multiple formats, supporting informed decision making while ensuring secure and controlled data access.

Operational Deployment

The solution has been piloted across eight rigs to monitor operational activities and strengthen safety performance in real time. The deployment enables the Company to assess system effectiveness under live operating conditions, while continuously refining accuracy, usability, and integration with existing HSE processes.



Value Creation and Impact

The adoption of AI-driven computer vision strengthens predictive and preventive safety management across operations. The system supports the Company in:

- **Enhancing hazard identification** through continuous and unbiased monitoring
- **Reducing reliance on manual observation**, enabling wider coverage and consistency
- **Improving response time** through automated alerts and real-time insights
- **Strengthening data-driven decision-making** using consolidated safety analytics
- **Promoting a proactive safety culture** across all operational levels

By improving the identification and management of safety risks, the initiative contributes to stronger operational resilience and safer working environments.

Policy Hub

As part of its ongoing digital transformation journey, Arabian Drilling has established a centralized Policy Hub within its digital ecosystem to streamline the management and accessibility of corporate policies and procedures. Building on the Company's commitment to structured governance frameworks and clearly defined policies, the platform serves as a single source of truth, ensuring that all employees have consistent and timely access to approved standards and guidelines.

The Policy Hub enhances operational efficiency by reducing reliance on fragmented document management systems, enabling greater transparency, version control, and alignment across functions.

By digitizing and centralizing policy management, Arabian Drilling continues to promote informed decision-making and consistent application of its governance principles across all levels of the organization.

Modernizing the Operating Model

We launched several initiatives under its digital transformation strategy to modernize our operating model to provide a strong foundation for improved operational performance and rig move efficiency.

OFSAT SUPPORT

- Receive and manage all client issues in one central location.
- Rank the incoming requests by their NPT risk and automatically route them to the right team for support.
- Created an "Activity Log" to track all messages between client and the support team, ensuring a full history for every request which can be used for editing purposes.
- Developed a dashboard to monitor the status of all open, pending, and closed requests at a glance.

Roll out date: 1 September 2025

ASSET MANAGEMENT

A function that consolidates all asset and personnel certification, and allocation data into a single source of truth.

- Captures real-time movements, daily assignments, and status changes for all personnel and equipment within OFSAT.
- Established a logging system to track assignment of drivers to vehicles over time, improving accountability and asset utilization records.

Roll out date: 1 May 2025

RIG MOVE MODULE

- Centralize rig move data logging, progress tracking, and document management, replacing fragmented manual processes.
- Created a mobile-friendly field reporting function, enabling Truck Pushers to digitally record daily load lists and personnel/asset timesheets, eliminating paper-based workflows.
- Integrated the pre-defined rig move KPIs and SLAs into the system to automatically generate daily reports comparing actual resource allocation against contractual requirements.
- Transitioned all rig move Excel-based reporting into automated, one-click digital reports, significantly increasing data accuracy and reducing manual administrative hours.

Roll out date: 1 September 2025

PERMIT MANAGEMENT

- Allows Drivers to submit their requests for permits (Driving Authorization and Bayan Permit) through a web form.
- Successfully migrating the process from informal WhatsApp and phone requests to a structured digital workflow.
- The system automatically pulls driver details for the Control Tower team, eliminating manual data entry and speeded up verification process.
- Created a rapid-delivery feature that allows the Control Tower to send the generated PDF permit directly to the driver's mobile device via a single-click SMS trigger.

Roll out date: 1 October 2025

JOURNEY MANAGEMENT

- Replacing manual requests with a structured web-based trip submission process.
- Trip requests are forwarded to the Control Tower team with details of driver, vehicle, and trip information.
- The system calculates trip risk scores instantly and routes approval request to the correct manager.
- Integrated SMS-based "Pre-departure Risk Survey," allowing drivers to complete mandatory safety checks digitally before a journey begins.
- Established a live GPS tracking interface with automated alerts to Control Tower for route deviations, unauthorized stops, or signal loss to ensure driver safety.
- Improved data accuracy by automatically logging precise departure and arrival timestamps, eliminating manual entry errors.
- Created a live Dashboard to monitor the real-time status of all trips (Active, Completed, Waiting Approval, Off-Track, or Cancelled).

Roll out date: 1 December 2025

SAHAB Program

Arabian Drilling has successfully transitioned to an upgraded ERP platform through the SAHAB Program, which is a strategic initiative designed to transform Arabian Drilling's core business processes, technology infrastructure, and data management by implementing and modernizing an Enterprise Resource Planning (ERP) SAP system. The program aims to enhance efficiency, integration, and decision making across the organization by consolidating operations onto unified SAP cloud-based platforms.

Through this initiative, Arabian Drilling is aligning its ERP systems with business objectives while redesigning workflows and strengthening operational governance. The program also integrates advanced technologies such as artificial intelligence, cloud computing, and digital automation to support a more connected and intelligent enterprise environment.

By creating a single source of truth across key functions including Finance, Human Resources, Supply Chain, Operations, Health and Safety, Legal, Compliance, and Internal Audit, the SAHAB Program enables improved transparency, streamlined processes, and more effective enterprise-wide decision making.

The ERP transformation is expected to deliver significant value across the organization by strengthening operational efficiency, improving visibility across business processes, and enabling more data driven decision making. By integrating core systems and modernizing enterprise processes, the program will support more agile operations and create a scalable digital foundation for future growth.

Integrated ERP and Support Decision Making

An integrated ERP platform will connect core business functions and provide real time access to reliable data, enabling faster, more informed decision making across operations, finance, and asset management.

Reduce Costs and Achieve Competitive Cost Performance

Process automation, improved cost visibility, and enhanced operational efficiency will help reduce operational expenses while supporting more energy efficient and cost-effective business operations.

Increase Asset Utilization and Strengthen Oil and Gas Hub Positioning

Improved asset monitoring, maintenance planning, and operational visibility will enhance asset availability and utilization, supporting the broader ambition of positioning the country as a leading Oil and Gas hub.

Optimize Total Investment and Cost of Ownership (Reduce TCO/TCI)

System consolidation, centralized infrastructure, and improved data management will reduce technology complexity and optimize long term investment and ownership costs.

The Infinity Innovation Lab

The Infinity Innovation Lab is an advanced facility developed by Arabian Drilling to drive operational excellence, innovation, and performance improvement across both onshore and offshore drilling operations. Serving as a collaborative smart room, the lab brings together data from multiple digital platforms, operational systems, and business applications into a centralized environment, providing a comprehensive view of operational and functional performance.

The Infinity Innovation Lab enables performance monitoring, operational support, and informed decision-making by transforming data into meaningful insights that support both field and management teams. Acting as a central hub for collaboration, the lab facilitates the review of key performance indicators, operational trends, equipment reliability, safety performance, maintenance activities, and business metrics across the drilling fleet.

The Infinity Innovation Lab serves as a center for advanced business intelligence and performance analytics, delivering enhanced reporting capabilities, dynamic dashboards, and multi-level drill-down analysis across key operational and corporate functions. The lab drives the continuous expansion and refinement of KPIs, metrics, and digital reporting solutions to meet changing business needs and organizational priorities. Through ongoing enhancement and the integration of new data sources, the facility ensures stakeholders have access to relevant, actionable insights that support performance management, strategic planning, and continuous business improvement.

Characteristic features of the Infinity Innovation Lab:

- Centralized integration of data from multiple operational and business systems.
- Interactive dashboards and KPI tracking
- Fleet-wide performance visibility with drill-down capabilities
- Daily monitoring of critical operational metrics, including NPT, equipment reliability, and operational efficiency
- Data-driven decision support for operational, tactical, and strategic initiatives
- Automated reporting and visualization to reduce manual data consolidation efforts

Infinity Lab has Several Solutions:

ADXLive
ADXLive is Arabian Drilling's advanced analytics and reporting platform that consolidates data directly from original operational and business systems to provide a single source of performance insights. The platform delivers interactive dashboards covering drilling performance, well analysis, service quality, non-productive time (NPT) monitoring and breakdown analysis, rig move performance, and BEC performance reporting. Through advanced visualizations, drill-down capabilities, and KPI tracking, ADXLive enables users to analyze operational trends, benchmark performance, identify improvement opportunities, and support data-driven decision-making across the organization.

Rig of the Month
The Rig of the Month Program is a performance recognition initiative designed to identify and reward rigs that demonstrate outstanding performance across multiple operational and support functions. The program utilizes a weighted scoring methodology that evaluates key performance indicators across areas such as HSE, HR, Supply Chain, Finance, Client, and Operations. Through transparent performance measurement and benchmarking, the program promotes accountability, healthy competition, continuous improvement, and the sharing of best practices across the drilling fleet.

EAM
The Enterprise Asset Management (EAM) Dashboard provides comprehensive visibility into maintenance and asset performance across Arabian Drilling's fleet. The dashboard supports the monitoring of preventive maintenance compliance, equipment reliability, work order status, equipment malfunctions, notifications, and maintenance performance trends. Through interactive visualization and detailed drill-down capabilities, the EAM Dashboard enables maintenance, operations, and management teams to proactively monitor asset health, optimize maintenance activities, improve equipment availability, and support data-driven reliability and maintenance decision-making.

ARMA System

ARMA was deployed as a single, web-based platform to manage all workflows, data and tracking across journey management, logistics, pool vehicles, crew change, maintenance and compliance modules, underpinned by advanced dashboards and insights.

Key capabilities included:

- End-to-end workflow digitization for journey creation, approvals, scheduling and logistics.
- Live dashboards for instant visibility of crews, vehicles, journeys and assets.
- Digital governance via structured forms, digital handovers, automated alerts and a Digital Compliance Passport.
- API-ready architecture, enabling integration with enterprise systems (e.g., SAP S/4HANA, MiX).

At present, a phased rollout has been planned to ensure adoption and rapid value realization:

Pilot (Phase 1)

- Deploy ARMA on 2–3 rigs.
- Delivered focused platform training for rig managers, supervisors, coordinators and chief mechanics/electricians.
- Provide field technical support and capture feedback over 3–4 weeks, then refine workflows and configurations.

Operations Rollout (Phase 2)

- Extend ARMA to all operational sites.
- Conduct structured training and another 3–4-week feedback cycle to stabilize usage and address local needs.

Company-wide Rollout (Phase 3)

- Roll out ARMA across the organization with repeatable training packs and support.
- Embed new digital processes.

Benefits obtained through the rollout of ARMA

- ~30% reduction in effort through automation and removal of manual workflows.
- Improved asset utilization, reducing unnecessary vehicle, logistics and manpower spend.
- Improved compliance through standardized digital processes.
- Quicker decisions enabled by real-time operational insights.

4 KJO rigs achieved

98.31%
Service Quality Assessment rating

NPT recorded at **1.92%**

TRIF recorded at **0.46**

229
Rig moves completed in 2025.

90.91%
Annual Rig Efficiency Index in 2025

Rig Efficiency Index (REI)

We integrated the Rig Efficiency Index (REI), an internal assessment tool used by Saudi Aramco to evaluate rig performance among drilling contractors, into our performance measurement framework.

The REI score reflects key factors such as HSE, non-productive time, drilling flat time, and IKTVA.

High scores enhance contract renewal and extension opportunities with Saudi Aramco.

In 2025, Arabian Drilling achieved a REI score of 90.91 - reflecting the operational benefits of enhanced data visibility and performance monitoring.

Financial Performance

Revenue stood at SAR 3,433.327 million. Gross profit stood at SAR 374.072 million.

Year	Total Assets (SAR million)	Total rigs (Number)
2022	9,554	44
2023	10,686	47
2024	10,535	49
2025	10,089	45

Sr.No	Parameters	Units	CY25	CY24
A. Direct economic value generated				
1	Revenues from Operations	SAR '000s	3,433,327	3,618,818
	Total (A)	**SAR '000s**	**3,433,327**	**3,651,916**
B. Economic value distributed				
i	Operating Expenses (Other than employee wages and benefits)	SAR '000s	1,606,630	1,441,296
ii	Employee wages and benefits	SAR '000s	1,566,394	1,526,302
iii	Payments to providers of capital (Financial costs)	SAR '000s	219,810	229,127
iv	Community investments	SAR '000s	-	-
	Total (B)	**SAR '000s**	**3,392,834**	**3,196,725**
C. Economic value retained (A – B)		SAR '000s	40,493	455,191
D. (Loss) / Profit Before Tax		SAR '000s	(47,788)	358,020
E. Profit After Tax		SAR '000s	(75,250)	321,365
F. (loss) / Earnings Per Share		SAR '000s	(0.85)	3.61

2025 Highlights

SAR **10,089.404** million
Total assets

45 total active rigs
For closing period December 2025

SAR **18.8** million
Other operating income – net

SAR **1,566.4** million
Employee benefit obligations

In Country Economic Development

In support of Saudi Vision 2030, Arabian Drilling advances its IKTVA performance via localized procurement and investments in Saudi national talent. The company received the IKTVA Excellence Award for Best in Saudization (Services) in 2025.

A dedicated IKTVA unit oversees performance monitoring, ensures compliance, and incorporates IKTVA clauses into supplier contracts to deepen local content engagement. Arabian Drilling has sustained an IKTVA score of 73% across the past three years.

2022	73%
2023	73%
2024	73%
2025	**73%**

73% IKTVA score

Supply Chain Management

Arabian Drilling upholds robust corporate governance across its supply chain and promotes transparency, effective risk management and ethical business practices. A strong local supplier network is crucial to achieve a resilient supply chain. At the same time, Arabian Drilling also recognizes the role international suppliers play and facilitates international suppliers to develop a local footprint in the nation. These measures are in line with the economic goals of the Saudi Vision 2030 and the United Nations Sustainable Development Goals.

We enforce stringent policies, guidelines, and ethical standards to ensure responsible sourcing and address risks associated with social, human, and safety rights. These measures protect people and the environment while enhancing transparency and accountability throughout the supply chain.

Procurement Policy

Arabian Drilling's Procurement Policy mandates all suppliers to adhere to our performance standards, ethical commitments, and relevant laws and regulations. The policy undergoes regular reviews to ensure alignment with corporate governance principles and strategic objectives.

To uphold elevated standards, Arabian Drilling performs continuous prequalification and post qualification audits of suppliers and contractors especially upon introduction of new requirements such as specialized training, health assessments, or legal permits. Suppliers must also retain comprehensive records throughout their engagement, evidencing compliance with the terms and conditions outlined in the Arabian Drilling Code of Conduct.

Supplier Code of Conduct

Arabian Drilling has formulated a Supplier Code of Conduct, mandating that all vendors, agents, manufacturers, contractors, and sub-contractors registered with, or intending to register with, Arabian Drilling comply with all applicable laws, codes, and regulations as set out in its procurement documents and agreements. All suppliers are expected to maintain safe, sanitary and healthy living environments for their employees. This includes:

1. Obtaining and maintaining any necessary environmental permits
2. Proper handling and disposition of hazardous materials and refuse
3. Monitoring, controlling and responsibly treating discharges generated from operations
4. Conducting appropriate employee safety training and providing all adequate safety equipment
5. Maintaining records of safety training and monitoring safety performance.
6. Ensuring all employees comply with applicable health and safety rules and regulations
7. Providing training to promote sound public health and hygiene.

To learn more about Arabian Drilling's Supplier Code of Conduct, please refer to this link.

The Supplier Code of Conduct requires Arabian Drillings's suppliers to comply with applicable laws and prohibits offering or accepting bribes, kickbacks, or any undue advantages. The Code also addresses conflicts of interest, business relationships, and the giving or receiving of gifts and hospitality. Suppliers should exercise appropriate due diligence and background checks to prevent non-compliance and introduction of counterfeit parts or forgeries into the supply chain.

Compliance is supported through monitoring mechanisms including internal reviews, audits, inspections, and supplier assessments. Suppliers are to promptly notify Arabian Drilling when they become aware of any actual, potential violation of Code of Conduct and to communicate plans to correct and remedy such violation.

Supplier Compliance and Safety

Compliance with Legal Framework and Government Regulations for Manpower Provision

Arabian Drilling has established a structured vendor compliance mechanism to ensure that all manpower supplied by service providers meets applicable legal, regulatory, and operational requirements. Under this mechanism, vendors are required to maintain valid work permits and government documentation for deployed personnel, comply with mandated wage and benefit provisions, and ensure that workers meet relevant health, safety, and training standards, as well as local labor laws on areas including working hours, overtime, and dispute resolution.

The mechanism is supported through formal communication of expectations, ongoing document validation, and clear contractual accountability for non-compliance, thereby strengthening workforce integrity, reducing regulatory risk, and promoting responsible supplier management.

Medical Protocol and Fit to Work Compliance

Arabian Drilling has implemented a formal medical protocol and fit-to-work requirement to ensure that all vendor personnel visiting or working at its premises meet prescribed health, safety, and operational readiness requirements. Under this requirement, service providers are required to ensure compliance with Arabian Drilling's HSE medical protocols, including submission of a valid fit-to-work certificate within the stipulated timeline and mandatory declaration of any medical condition upon arrival at site to the designated medical personnel. The requirement applies across both call-out services and on-site assignments, reinforcing a preventive approach to workforce safety, regulatory adherence, and responsible contractor management within Arabian Drilling's operating environment.

Vendor Background Verification

Arabian Drilling has established a vendor background verification mechanism to ensure compliance with Aramco requirements and strengthen contractor governance across its value chain. Under this mechanism, vendors are required to confirm that all third-party contractors associated with their organization have undergone and successfully cleared police background checks through ABSHER prior to deployment or engagement. This process serves as a key control to enhance workforce integrity, support regulatory compliance, and safeguard operational continuity, while reinforcing vendor accountability in meeting client and site-specific compliance expectations.

Supplier Selection

Arabian Drilling's vendor selection emphasizes overall value, evaluating factors including QHSE standards, IKTVA compliance, technical specifications, quality, on-time delivery, and pricing. Consistent with its procurement policy and Saudi Vision 2030, the company prioritizes local vendors where possible. Overseas vendors are considered only when suitable local alternatives are unavailable.

All suppliers must acknowledge and abide by the Arabian Drilling Code of Conduct, which requires compliance with Saudi Arabia's labor laws that cover prohibitions on forced labor, regulations on working hours and conditions, minimum age requirements, wages, and medical insurance provisions.

During selection, we may conduct on-site audits and assessments to verify compliance with social, environmental, and human rights standards. Suppliers may also need to secure independent third-party certifications confirming compliance with these criteria.

For transparency, all suppliers must affirm compliance with the Arabian Drilling Code of Conduct via SAP Ariba registration. Even unregistered suppliers in SAP Ariba remain obligated to acknowledge and follow the Code of Conduct. Arabian Drilling's Supplier Code of Conduct may be found here.

Supplier Onboarding and Assessment

Arabian Drilling maintains accountability and drives ongoing enhancement across its supplier network via a stringent onboarding and assessment process. Following initial supplier onboarding, a cross-functional team from the QHSE, Operations, and Supply Chain Departments performs regular compliance audits on the top 30 suppliers, determined by procurement spend value. These evaluations reinforce alignment with Arabian Drilling's policies, standards, and sustainability objectives, while assessing suppliers' capacity for consistent high-quality service delivery. Audit components include verification of suppliers' ISO certifications; compliance with Saudi regulatory mandates such as IKTVA percentages, Zakat, GOSI, VAT, commercial registration, and Chamber of Commerce membership; and local workforce development through formalized training programs.

Supply Chain Quality Management System

The Supply Chain Quality Management System (QMS) establishes a structured, digital, and auditable framework to ensure material, service, and supplier quality across the entire organization. It is enabled mainly through the Non-Conformance Reporting (NCR) system, standardized supplier procedures, and SAP S/4HANA integration, ensuring compliance, accountability, and continuous improvement.

The Supply Chain QMS ensures consistent quality, strengthens supplier accountability, and mitigates risk safeguarding operations, enhancing governance, and driving continuous improvement across the organization.

Core Components of the QMS

1. NonConformance Reporting (NCR) System

- Digitized NCR process covering material, service, and logistics quality issues.
- NCRs are systematically reported, investigated, tracked, and closed through a centralized platform.
- Clear ownership, severity classification, and escalation paths improve response time and closure rates.
- The system has been actively used across rigs, logistics, and suppliers.

2. Digital Enablement & Traceability

- QMS is integrated with SAP S/4HANA, enabling:
- Endtoend traceability of incidents
- Datadriven rootcause analysis
- Historical performance tracking by supplier, category, and operational area
- Eliminates manual reporting and fragmented followups.

Key Benefits of the QMS

1. Improved Quality & Operational Reliability

- Early detection and control of quality deviations reduce NPT, rework, and operational disruptions.
- Prevents recurrence through corrective and preventive action tracking.

2. Audit Readiness & Compliance Assurance

- Provides documented evidence for:
  - Internal audits
  - Management reviews
  - Regulatory and contractual compliance
- Strengthens governance and reduces organizational risk exposure.

3. Supplier Performance Transparency

- Enables objective evaluation of suppliers based on:
  - NCR frequency
  - Severity and root causes
  - Closure performance
- Supports datadriven sourcing decisions and supplier development plans.

4. Cost & Risk Reduction

- Reduces hidden costs related to:
  - Poor material quality
  - Service failure
  - Logistics issues
- Protects operational uptime and safeguards company assets.

How the QMS Supports Arabian Drilling

- **Operations:** Ensures safe, compliant, and reliable materials and services at rig and operational levels.
- **Supply Chain:** Enables structured quality control, supplier accountability, and performance benchmarking.
- **Finance:** Reduces unplanned costs and financial exposure from quality failures.
- **Management:** Provides visibility into risk areas, supplier behavior, and systemic improvement opportunities.
- **Audit & Compliance:** Demonstrates closedloop governance and mature quality control processes.

Supply Chain Dashboard

The Supply Chain Dashboard provides a live, centralized view of inventory, procurement, and operational performance across the organization. It consolidates data from SAP S/4HANA and related systems into intuitive visual dashboards, enabling leadership and operational teams to monitor performance, identify risks early, and take proactive, data-driven decisions.

The Supply Chain Dashboard provides real-time visibility, strengthens cost control, and improves performance transparency, enabling the organization to operate more efficiently, reduce risk, and make faster, data-driven decisions at every level.

Key Benefits of the QMS

1. Real-Time Visibility & Transparency

- Live monitoring inventory levels, consumption trends, stock value, and procurement activities.
- Clear tracking of PR-to-PO progress, outstanding orders, lead times, and supplier performance.
- Enhances transparency at company, plant, and rig levels, supporting both operational and executive decision-making.

2. Improved Inventory Optimization

- Enables control of overstock, slow-moving, and critical spares through trend analysis and KPI monitoring.
- Supports initiatives such as consignment agreements, fixed-price agreements, and blanket orders, reducing inventory exposure and cash tied up in stock.
- Aligns inventory planning with actual operational demand, minimizing stockouts and excess inventory.

3. Procurement Performance & Cost Control

- Tracks procurement cycle times (PR-to-PO), workload, and compliance.
- Helps identify bottlenecks, delays, and spend patterns, enabling faster corrective actions.
- Supports strategic sourcing, spend consolidation, and cost optimization initiatives across categories.

4. Organizational Alignment & Decision Support

- Provides a single source of truth for Supply Chain-related KPIs used by Operations, Finance, Management, and Audit.
- Reduces manual reporting and dependency on offline Excel files.
- Supports leadership reviews, performance meetings, and audit requirements with consistent and reliable data.

5. Digital Enablement & Continuous Improvement

- Forms a core pillar of Supply Chain automation and digital transformation, alongside initiatives such as:
  - Inventory & procurement live dashboards
  - NCR automation
  - RFQ and material creation automation
  - Barcode and master data enhancements
- Enables a shift from reactive issue resolution to predictive and proactive supply chain management.

How the Dashboard Supports Arabian Drilling

- **Operations:** Ensures material availability, quicker response to shortages, and smoother rig operations.
- **Finance:** Improves working capital control, inventory valuation accuracy, and budget visibility.
- **Management:** Provides high-level KPIs and trends for strategic decision-making and performance tracking.
- **Supply Chain Teams:** Enhances efficiency, accountability, and collaboration across inventory, procurement, logistics, and sourcing.

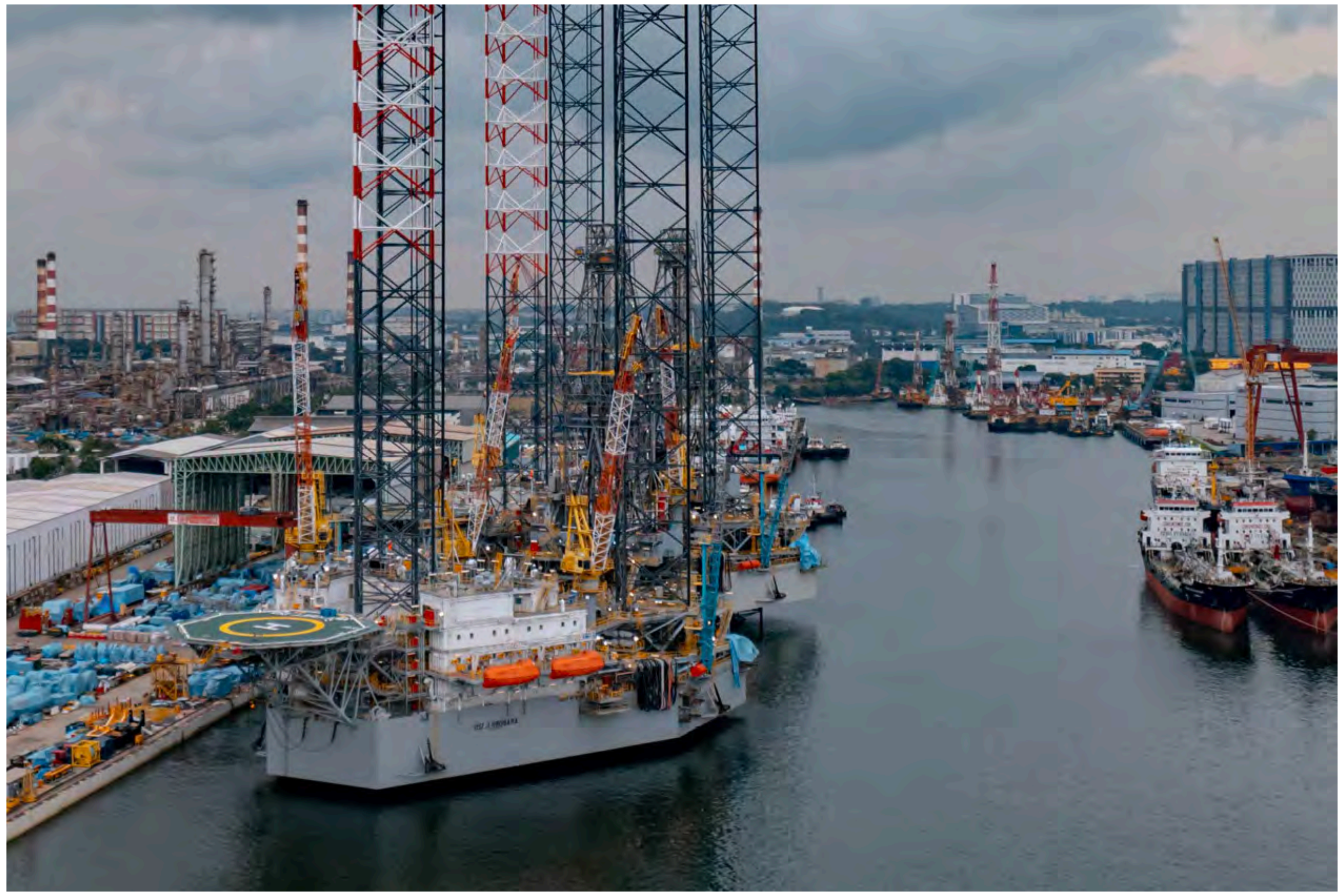
Environmental Management Plan

In addition to the Arabian Drilling Supplier Code of Conduct, all suppliers must adhere to the company's Environmental Management Plan (EMP). Arabian Drilling enforces this through a systematic evaluation framework that gauges suppliers' environmental performance against national and international benchmarks. This encompasses:

- Commercial bid evaluations to assess the supplier's value, viability, and environmental impact
- Prequalification assessments for all new contractors to ensure environmental compliance
- Annual compliance audits for high-risk contractors to verify alignment with our environmental requirements
- Adherence benchmarking to enhance operational excellence and improve quality standards

EMP compliance further mandates that suppliers secure pertinent certifications from relevant authorities, including Baladyat, the Ministry of Health, Saudi Aramco, environmental organizations, and KJO requirements.

For more information on our EMP, refer to the Environmental & Climate Stewardship section.



Protecting Against Forced, Compulsory, and Child Labor

Arabian Drilling enforces a zero-tolerance policy against forced, compulsory, and child labor, with rigorous oversight throughout its supply chain. While Saudi Arabia maintains established laws safeguarding minors from child labor risks, Arabian Drilling proactively identifies and mitigates potential issues. Continuous audits and assessments ensure supplier adherence to the Code of Conduct, which expressly prohibits child labor.
To mitigate risks of forced or compulsory labor, Arabian Drilling conducts risk assessments and audits, collaborating with stakeholders to scrutinize labor practices. Any suspected or confirmed breach of the Code of Conduct, including unethical labor practices, must be reported to the internal audit department via phone or email. Depending on the severity of the violation, Arabian Drilling reserves the right to disqualify or terminate non-compliant suppliers.

Supporting Local Businesses

Maximizing local supplier engagement is a key pillar of Arabian Drilling's commitment to Saudi Vision 2030 and its goal of strengthening the national economy. Each year, we seek new opportunities to expand our investment in local procurement while fostering long-term relationships with local businesses.

In 2025, our investment in local businesses remained at 66% ratio of local suppliers, constant from the previous year. The ratio of spending on local suppliers for the year stood at 39%.

86

Vendors Registered in 2025

103

Vendors Blocked in 2025

Metrics	Units	2022	2023	2024	2025
Suppliers	Number	1,417	1,629	1,523	**1,440**
Local suppliers	Number	879	1,012	1,009	**860**
Ratio of local suppliers	Percentage (%)	62	62	66	**60**
Total spending on suppliers and contractors	SAR million	1,302.61	2,431.38	3,207	**1,790**
Spending on locally based suppliers and contractors	SAR million	890.04	1,399.32	1,427	**698**
Ratio of spending on local suppliers	Percentage (%)	68	58	45	**39**

39%

Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation

Tasty Catering – Supplier Development & Capability Uplift

Tasty Catering initially operated as a small-scale catering service focused primarily on social events, delivering its services through informal social networks with limited exposure to the structured requirements of industrial and corporate clients.

Through structured governance, audits, and continuous support, Arabian Drilling successfully transformed Tasty Catering from a small social-event service provider into an operationally aligned vendor capable of meeting industrial catering requirements.

Arabian Drilling's Intervention & Support

Recognizing the strategic importance of developing local suppliers, AD adopted a supplier development approach rather than immediate disengagement. This included:

- Conducting formal meetings, audits, and site inspections to clearly identify gaps and expectations.
- Issuing corrective action requirements, milestones, and followup reviews.
- Providing clear contractual, quality, and compliance guidance aligned with AD standards and Saudi regulatory requirements.
- Continuous engagement through Supply Chain, SRM, Facilities, and HSE teams to monitor progress and improvements.

Impact Achieved

Through AD's governance and structured oversight, Tasty Catering gradually moved from an informal eventbased operation toward a more organized service provider capable of supporting Arabian Drilling's operational environment, including:

- Establishing a formal operational structure with designated management, quality, and safety roles.
- Improving food quality, hygiene, housekeeping, and service consistency through repeated audits and corrective actions.
- Aligning service delivery with contractual requirements and operational needs, particularly for camps and facilities.
- Increasing awareness and compliance with quality, health, safety, and regulatory expectations required in an industrial setting.

Current Status

Today, Tasty Catering operates as a more structured vendor serving Arabian Drilling, within a controlled framework governed by the following:

- Performance monitoring
- Audit followups
- NCR and corrective action tracking
- Contractual compliance oversight

This transformation demonstrates Arabian Drilling's commitment to supplier development, local content enhancement, and sustainable partnerships, while upholding stringent quality and governance standards.

ESG Dashboard

ENVIRONMENTAL

GRI 302: Energy

Energy Consumption	Unit	2025	2024
Electricity consumption	kWh	6,415,185	6,357,585
Fuel consumption from vehicles	Liters	6,216,063	5,878,142
Total fuel consumed by off-road equipment, including stationary rigs, generators, and mounted equipment	Liters	130,020,711	122,479,251
Total fuel consumption	Liters	136,236,774	128,357,393
Energy intensity	kWh/Drilling Day	81,468.04	82,728.1

GRI 303: Water and Effluent

Water Consumption	Unit	2025	2024
Water Consumption	Kiloliters	634,194	812,305

GRI 305: Emissions

Emissions	Unit	2025	2024
Scope 1	MTCO2e	346,917	368,215
Scope 2	MTCO2e	3,618	3,650
Total emissions (Scope 1 + Scope 2)	MTCO2e	350,535	371,865
Emissions intensity (Total emissions/Drilling Day)	MTCO2e/Drilling Day	22.35	22.69
Rig count (active rigs)	Number	45	49

GRI 306: Waste Generated

Waste Generated	Unit	2025	2024
Hazardous waste	Tons	53,270	59,060
Non-hazardous waste	Tons	2,967	3,384

GRI 306: Waste Disposed

		2025		2024	
Waste Disposed	Unit	Hazardous	Non-hazardous	Hazardous	Non-hazardous
Landfill	Tons	NA	2,967	NA	3,384
Incineration	Tons	NA	NA	NA	NA
Authorized waste facility	Tons	53,270	NA	59,060	NA
Other disposal methods	Tons	NA	NA	NA	NA

SOCIAL

GRI 2-7: Number of employees

		2025		2024	
Employee Category	Unit	Male	Female	Male	Female
Number of full-time employees	Number	5,169	81	5,098	86
Number of part-time employees	Number	0	0	0	0
Total	Number	5,169	81	5,098	86

GRI 2-7: Number of employees

Parameter	Unit	2025	2024
Saudization	%	69%	68%

GRI 401: New hires

		2025		2024	
Employee Category	Unit	Male	Female	Male	Female
Employees hired	Number	384		775	
By gender	Number	379	5	813	13
18-30	Number	200		417	
31-40	Number	95		262	
41-50	Number	64		122	
51+	Number	25		25	

GRI 410: Security personnel trained in human rights policies or procedures			
Parameter	Unit	2025	2024
Percentage of security personnel who have received formal training in AD's human rights policies or specific procedures and their application to security	%	100%	100%

GOVERNANCE

GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data			
Parameter	Unit	2025	2024
Total identified leaks, thefts, or losses of customer data	Number	0	0

GRI Index

Topic	GRI	Disclosure	Reference / Page number	Explanation
The organization and its reporting practices	2-1	Organizational details	12	
	2-2	Entities included in the organization's reporting boundary	5	
	2-3	Reporting period, frequency and contact point	5	
	2-5	External assurance	5	
Activities and workers	2-6	Activities, value chain, and other business relationships	18-19	
	2-7	Employees	37-47	
Governance	2-9	Governance structure and composition	85-86	
	2-10	Nomination and selection of the highest governance body	92	
	2-11	Chair of the highest governance body	7-8	
	2-12	Role of the highest governance body in overseeing the management of impacts	25-26	
	2-13	Delegation of responsibility for managing impacts	25-26	
	2-14	Role of the highest governance body in sustainability reporting	25	
	2-15	Conflicts of interest	97-98	
	2-16	Communication of critical concerns	91	
	2-17	Collective knowledge of the highest governance body	87-90	
	2-18	Evaluation of the performance of the highest governance body	92	
	2-19	Remuneration policies	93-94	
	2-20	Process to determine remuneration	92	
	2-21	Annual total compensation ratio	Not disclosed	Not disclosed due to confidentiality constraints

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Topic	GRI	Disclosure	Reference / Page number	Explanation
Strategy, policies, and practices	2-22	Statement on sustainable development strategy	9-10	
	2-23	Policy commitments	47, 95-98	
	2-24	Embedding policy commitments	47, 95-98	
	2-25	Processes to remediate negative impacts	45,95	
	2-26	Mechanisms for seeking advice and raising concerns	95-96	
	2-27	Compliance with laws and regulations	94	
	2-28	Membership associations	Not disclosed	Data not available
Stakeholder engagement	2-29	Approach to stakeholder engagement	26-27	
	2-30	Collective bargaining agreements	Not applicable	Collective bargaining is prohibited in the Kingdom of Saudi Arabia
Material topics	3-1	Process to determine material topics	23-24	
	3-2	List of material topics	24	
	3-3	Management of material topics		
Economic performance	201-1	Direct economic value generated and distributed	113	
	201-2	Financial implications and other risks and opportunities due to climate change	Data not disclosed	Arabian Drilling has not conducted a climate risk assessment.
	201-3	Defined benefit plan obligations and other retirement plans	Data not disclosed	
	201-4	Financial assistance received from government Ratios of standard entry-level wage by gender	Data not disclosed	
Market presence	202-1	compared to local minimum wage	Data not disclosed	Data not disclosed due to confidentiality constraints
	202-2	Proportion of senior management hired from the local community	47	

Topic	GRI	Disclosure	Reference / Page number	Explanation
Indirect economic impacts	203-1	Infrastructure investments and services supported	Data not disclosed	
	203-2	Significant indirect economic impacts	Data not disclosed	
Procurement practices	204-1	Proportion of spending on local suppliers	123	
Anti-corruption	205-1	Operations assessed for risks related to corruption	Data not disclosed	
	205-2	Communication and training about anti-corruption policies and procedures	Data not disclosed	
	205-3	Confirmed incidents of corruption and actions taken	Data not disclosed	
Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Data not disclosed	
Energy	302-1	Energy consumption within the organization	71	
	302-3	Energy intensity		
	302-5	Reduction in Energy requirement	72-74	
Water	303-3	Water withdrawal	Data not disclosed	
	303-1	Interaction with water as a shared resource	Data not disclosed	
	303-4	Water discharge	Data not disclosed	
	303-5	Water consumption	80	
Emissions	305-1	Direct (Scope 1) GHG emissions	71	
	305-2	Energy indirect (Scope 2) GHG emissions	71	
	305-4	GHG emissions intensity (Combined Scope 1+2)	71	
	305-5	Reduction of GHG Emissions	71	
Waste	306-1	Waste generation and significant waste-related impacts	Data not disclosed	
	306-2	Management of significant waste-related impacts	Data not disclosed	
	306-3	Waste generated	77	
	306-4	Waste diverted from disposal	77	

Topic	GRI	Disclosure	Reference / Page number	Explanation
	306-5	Waste directed to disposal	Data not disclosed	
Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	Data not disclosed	
	308-2	Negative environmental impacts in the supply chain and actions taken	Data not disclosed	
Employment	401-1	New employee hires and employee turnover	37	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Data not disclosed	
	401-3	Parental leave	48	
Occupational Health & Safety	403-1	Occupational health and safety management system	51	
	403-2	Hazard identification, risk assessment, and incident investigation	52-53	
	403-3	Occupational health services	55-56	
	403-4	Worker participation, consultation, and communication on occupational health and safety	55	
	403-5	Worker training on occupational health and safety	59	
	403-6	Promotion of worker health	55-56, 59	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	51	
	403-8	Workers covered by an occupational health and safety management system	50	
	403-9	Work-related injuries	60	
	403-10	Work-related ill health	Data not disclosed	
Training and education	404-1	Average hours of training per year per employee	39	
	404-2	Programs for upgrading employee skills and transition assistance programs	Data not disclosed	
	404-3	Percentage of employees receiving regular performance and career development reviews	Data not disclosed	

Topic	GRI	Disclosure	Reference / Page number	Explanation
Diversity & equal opportunity	405-1	Diversity of governance bodies and employees	37, 92	
	405-2	Ratio of basic salary and remuneration of women to men	Data not disclosed	
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Data not disclosed	
Child labor	408-1	Operations and suppliers at significant risk for incidents of child labor	Data not disclosed	
Forced or compulsory labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Data not disclosed	Data not disclosed due to confidentiality constraints
Security practices	410-1	Security personnel trained in human rights policies or procedures	49	
Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	61-62	
	413-2	Operations with significant actual and potential negative impacts on local communities	Data not disclosed	
Supplier social assessment	414-1	New suppliers that were screened using social criteria	Data not disclosed	
	414-2	Negative social impacts in the supply chain and actions taken	Data not disclosed	
Public policy	415-1	Political Contributions	Data not disclosed	
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	99	

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