

2024/06/30

Corporate Social Responsibility Policy

A governance Regulation of City Cement Company (Listed Joint-Stock Company)

Article 1: Preamble

Corporate social responsibility policy of City Cement Company aims to create a positive and sustainable social impact in order to enhance its pioneering role in serving the local community through its corporate social responsibility programs, in line with best practices in the field of corporate social responsibility that are consistent with the Corporate Governance Regulations issued by the Capital Market Authority.

The Board of Directors seeks to enable the company to contribute effectively and positively to its community environment within its strategy, in line with the Kingdom's Vision, in order to build strong relationships with the local community to achieve its mission, objectives and aspirations, and to achieve sustainable growth for its business in the long term, which brings real opportunities for the local community in the company's areas of operations in particular and the Kingdom in general.

Article 2: Concept of Corporate Social Responsibility

The concept of corporate social responsibility is the citizenship or social performance or sustainable responsible work, which is a form of self-regulation of companies integrated into the company's business model. The corporate social responsibility policy works as a self-regulating mechanism where companies monitor and ensure their active compliance with the spirit of the law, ethical standards and international standards, acting responsibly and with ethical motives, to enhance their competitive position in their field of activity, thereby achieving sustainable development for the community in general and the company's employees in particular.

Article 3: Objectives of the Policy

- To align the company's objectives with the objectives sought by the community.
- To achieve sustainable development for the community in general and the company's employees in particular.
- To establish noble values to contribute to building and developing the community and future generations.
- To adopt local and international standards and best practices in the field of implementing social responsibility.
- To disclose the objectives, plans, programs and initiatives of social responsibility adopted by the company through periodic and annual reports.
- To contribute in the Kingdom's transformation to the circular economy in line with the outputs of the Kingdom's Vision 2030 and the Kingdom's initiative to reduce global carbon emissions by 0.04% to reach carbon neutrality, through investment in clean and renewable energy sources to rationalize dependence on fossil fuels and reduce carbon emissions.

Article 4: Scope of the Policy

The responsibility for implementing this policy rests with the company's executive management, which monitors compliance with and submits periodic reports to the Board of Directors.

Article 5: Fundamental Principles

- The company shall fulfill and commit to its promises towards the community in which it operates, and develops developmental programs and sustainable solutions that address the needs and issues of the local community.
- Providing social responsibility programs with added value and economic and social gains that benefit the company and the community.
- Implementing and developing long-term and sustainable social responsibility programs.
- Measuring the impact and monitoring the results of the programs provided as much as possible and identifying areas in need of development in order to make continuous improvements.
- The company - according to its capabilities – shall contribute to the establishment, participation, or partial or full support for the establishment or operation of social, charitable, health, or professional centers, and the company has the right to register the centers it has established in its name.

Article 6: Areas of Support

- Developing the local community and focusing efforts in the field of social responsibility through innovative and sustainable initiatives and projects, consistent with the company's aspirations, resources, and community needs, including the following areas:
- Environmental Protection and Safety: Maintaining the level of environment and safety in the company according to the requirements and standards of the General Authority of Meteorology and Environmental Protection, and supporting environmental programs.
- Education: Cooperating with academic institutions and schools in the company's areas of operation in particular, and the Kingdom in general, and providing cooperative training opportunities and supporting educational programs, research studies, and field studies aimed at creating added value for the company and the community.
- Charitable, Civil, and Professional Associations: Providing direct and indirect support to the programs of associations in the company's area of operations in accordance with the applicable regulations.
- Health: Providing support to the programs of the Ministry of Health in the company's area of operations.

Article 7: Our Responsibility towards Employees

- Developing and implementing a package of employee benefits and incentives to enhance job loyalty and maintain professional and national competencies.
- Providing a fair and secure work environment that enables them to perform their job duties and contribute to improving the health, well-being, and empowerment of employees and their families.
- To enhance the freedom and expression of disciplined ideas and opinions according to the company's adopted behavioral and professional rules, and empowering employees to participate freely in decision-making.
- To encourage the initiatives, ideas, and development proposals submitted by employees.
- To prepare training and development programs for all employees without discrimination, and encouraging them to participate in these programs so that they contribute to improving their professional and personal capabilities and qualifications, leading to successful job performance.
- To achieve equality and non-discrimination or differentiation between employees for any considerations.
- To encourage all employees and facilitating their participation in any activities that may contribute to serving and supporting the local community.

Article 8: Our Responsibility towards the Community

- To work on corporate social responsibility programs and activities, and develop projects and initiatives in the community, ensuring that these programs and initiatives have a developmental nature and social impact, based on an assessment of the community's needs, in addition to following up on their implementation and measure their impact through performance indicators and results whenever possible.
- To provide direct and indirect support and assistance as much as possible to charitable, social, and developmental institutions, in order to improve the living standards of the members of the community and contribute to creating a vibrant society.
- To contribute to supporting and providing job opportunities for individuals in the surrounding community of all categories without discrimination, whenever possible.

Article 9: Our Responsibility towards the Environment

- The company shall apply all Saudi and international standards and criteria for environmental protection under the supervision and follow-up of the General Authority of Meteorology and Environmental Protection in the Kingdom.
- The company shall contribute to the development of clean or environmentally friendly methods and programs, by supporting efforts aimed at this, such as the use of alternative fuels and clean energy, and rationalizing energy consumption with ensuring the regularity and integrity of the periodic maintenance of its production lines with full efficiency.

Article 10: Our Responsibilities towards Customers:

- To provide environmentally friendly products and high-quality services at reasonable prices, with transparency and accuracy in advertising them, along with providing clear product guidelines, and committing to continuous product development.
- To submit, hear and address complaints through the relevant departments, and ensure appropriate resolution.
- To educate and assist in acquiring the necessary information, knowledge and skills to make reliable and informed choices.
- To respect the customer's privacy by maintaining their data and putting in place procedures to ensure it is not used by others.
- To improve the level of service by developing means through which the customer can obtain the service in an exceptional manner.

Article 11: Our Responsibilities towards Suppliers:

- The company shall give priority in purchasing and work with local suppliers to support the policy of the local content authority and government procurement to contribute to building a strong and sustainable national economy.
- To communicate with all of the company's suppliers to improve the level of services and final products.
- To encourage the company's suppliers to apply standards of social responsibility.
- To comply with the rules of fair and honest competition and commitment to not unlawfully harming any competitor.
- To prohibit all forms of corruption and bribery practices with the aim of obtaining illegal preferential advantages when submitting offers or delivering products or projects, while seeking to educate and train our employees on mechanisms to combat and reduce corruption.
- To set safety requirements in all of the company's contracts and monitor them to ensure the safety of the local community and the company's employees.

Article 12: Final Provisions

- This policy shall be effective from the date of its approval by the General Assembly.
- Unless otherwise provided herein, all matters shall subject to the relevant laws and regulations issued by the legislative authorities.

