

# Annual Report

United International Transportation  
Company's board of directors report

20  
23



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





Custodian of the Two Holy Mosques,  
King of the Kingdom of Saudi Arabia

**King Salman bin  
Abdulaziz Al Saud**



His Royal Highness Crown Prince

**Mohammad bin Salman  
bin Abdulaziz Al Saud**

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# Introduction

## Statement Of The Chairman

Dear shareholders,

Today, I stand before you with great pride and gratitude, representing the United International Transportation Company, a leader in the transportation sector, to provide you with a comprehensive overview of our journey and achievements. Above all, I wish to express my profound gratitude for your valuable trust and continuous support, which drive us forward towards achieving our ambitious vision.

In a year filled with challenges and opportunities, our company, thanks to its integrated strategies and dedicated team, has made significant leaps in the transportation field. Our constant focus on innovation and continual improvement has been the driving force behind our success, elevating our services to unprecedented levels of efficiency and safety.

We understand that the future of the transportation sector demands greater flexibility and adaptability to rapid changes, prompting us to continue investing in research and modern technologies. Thus, we ensure that we remain at the forefront of companies leading this vital sector, maintaining our position as a reliable provider of superior transportation services.

In our relentless pursuit to expand our horizons and strengthen our market presence, I am pleased to share with you one of this year's most notable success milestones. By the grace of Allah, we have successfully acquired a 70% stake in Overseas Development Company

Limited, a leader in the logistics field. This acquisition is not just a step towards expanding our services but reinforces our commitment to align with the Kingdom of Saudi Arabia's Vision 2030, transforming the logistics sector into a leading, advanced field contributing to sustainable development and economic and social well-being.

Our commitment to excellence and customer satisfaction remains at the heart of everything we do. We pride ourselves on building strong, long-term relationships with our partners and clients based on transparency, integrity, and innovation. At the same time, we always look forward to enhancing these relationships and expanding our network to embrace new horizons.

To each of you, our esteemed shareholders, I say: Your trust and support are the cornerstones of everything we have achieved. We cherish your guidance and draw inspiration from your ambitions in every step we take. Together, we do not just advance; we evolve and thrive, carrying the banner of innovation and excellence in the transportation and logistics sector.

In closing, I would like to thank all of you for your support. We are confident that, by the grace of Allah Almighty, the future of our company is bright with your presence and backing. Together, we will continue on the path of success and prosperity.

With utmost respect and appreciation.

**Bassim Abdullah Alim**  
Chairman



## Statement Of The Group CEO



**Fawaz Abdullah Danish**  
Group CEO

I begin this address by thanking Allah Almighty for His endless blessings and immense grace, and then I extend my gratitude to my dear colleagues, the esteemed Chairman of the Board, the respected Board members, and you, our valued shareholders, for your continuous trust and unlimited support.

As we conclude a pivotal year at the United International Transportation Company, I cannot help but feel proud not only of our financial growth, with a net profit exceeding 277 million Saudi Riyals, but also of our strategic maneuvers that have set us on a path of success and excellence.

Our gradual growth in fleet size from 26,000 vehicles in 2021 to more than 35,000 in 2023 reflects our commitment to expanding our services and enhancing customer satisfaction. This expansion, in line with our sustainable goals, included a significant increase in environmentally friendly vehicles, contributing to a more sustainable future.

The strategies we meticulously designed and implemented under the guidance of a Board with a visionary outlook have yielded results beyond financial success. We have strategically aligned with Saudi Arabia's Vision 2030, focusing on environmental conservation, social impact, and strong governance. Our commitment to environmental sustainability is evident in our adoption of eco-friendly vehicles and initiatives, such as recycling engine oils and augmenting our fleet with more hybrid and electric vehicles, aiming for them to represent over 30% of our fleet in the future. We have been globally recognized with an award for the best company practicing environmental sustainability in its operations.

The year 2023 was a year of significant strategic achievements. We completed the acquisition of a 70% stake in Overseas Development Holding Company's subsidiary in Saudi Arabia, enhancing our position in the Saudi market. This step, completed on November 30, 2023, underscores our commitment to our growth and expansion initiative in the logistics sector, aligning with the Kingdom's economic vision to expand into logistics as a global logistic hub in the future.

furthermore, the full acquisition of Al Jazeera Equipment Company Limited (AutoWorld) is a strategic step, which is scheduled to be completed through a stock exchange, after approval by the competent authorities and approval by the AGM, as our market share will be greater, which will enable us to compete more. Efficient for faster growth.

This year, we also celebrated, thanks to Allah, being named "Best Workplace," a testament to our efforts in creating an inclusive and motivating work environment. This honor aligns with our mission to invest in our employees and promote a culture of innovation, excellence, flexibility, and operational performance, fully aware that our human capital is crucial for ongoing success.

At the United International Transportation Company, we continually strengthen our financial position through our ongoing focus on risk management and adherence to regulatory requirements, proud of our strong governance approach to ensure transparency and ethical business practices at all levels.

Looking to the future, our acquisitions and ongoing initiatives related to environmental and social governance are just the beginning of sustainability. We are prepared to leverage these opportunities to deliver added value to shareholders and stakeholders. In concluding this address, I can only reaffirm and repeat my sincere thanks and appreciation, on behalf of myself and every colleague in the United International Transportation Company family, for all the support and trust you have bestowed upon us.

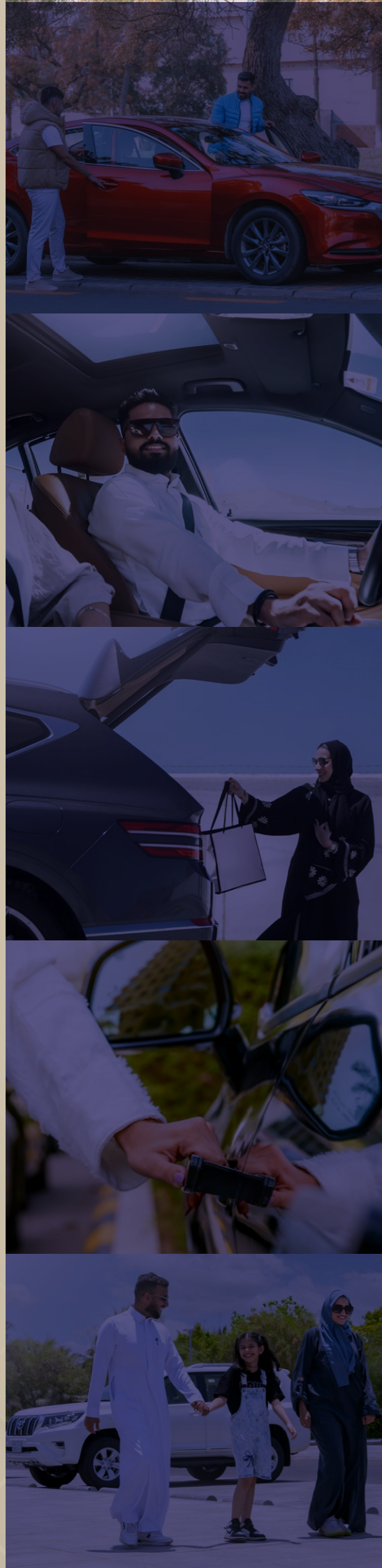
I pray to Allah Almighty to continue to grant us success in the coming years to meet your expectations and our ambitions. Together, God willing, we move towards a future characterized by sustainable growth, innovation, and prosperity under the umbrella of our generous country, the Kingdom of Saudi Arabia.

With my warmest regards,



# About The Company





## VISION

To be the leaders and first choice company in car rental & vehicle leasing industry by investing in our people, services, technology and consistent innovation defining excellence in customers experience.

## MISSION

To achieve customer excitement and confidence by focusing on quality, reliability and cost efficiency of our products. We would fortify our leadership position by investing in our brands, employees, services and technology.

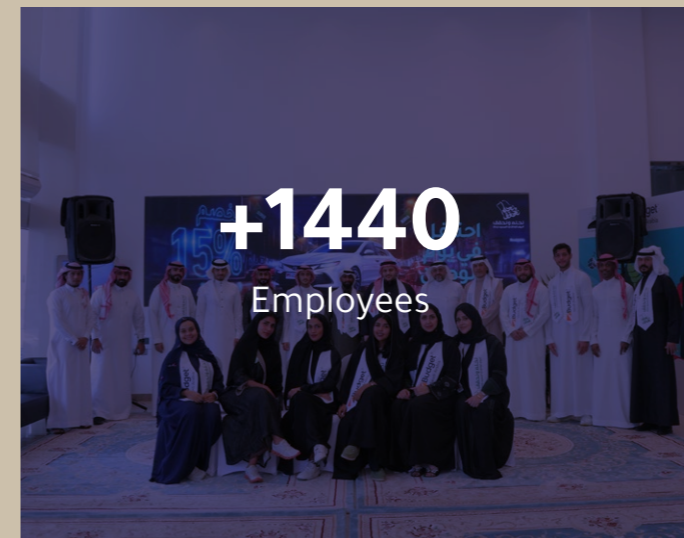
We would conduct our business with high ethical standards, transparency and effective corporate governance.

These elements will drive our bottom-line success and stakeholder returns creating sustainability and impeccable legacy.

## SLOGAN

We Listen.... We Deliver

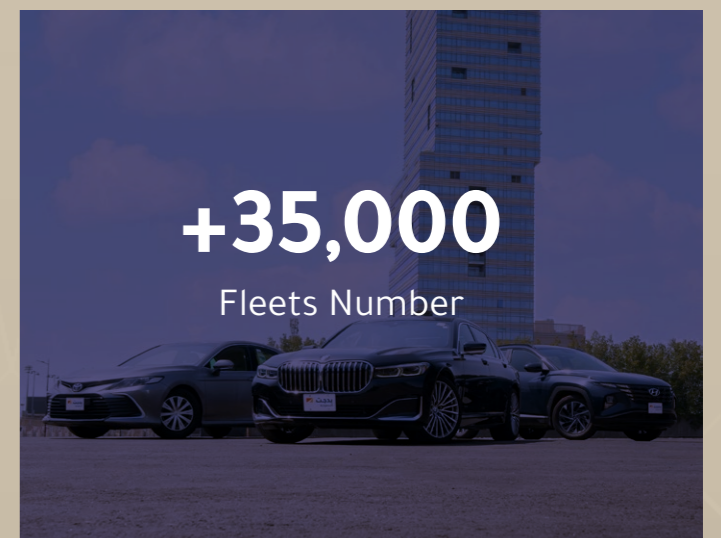
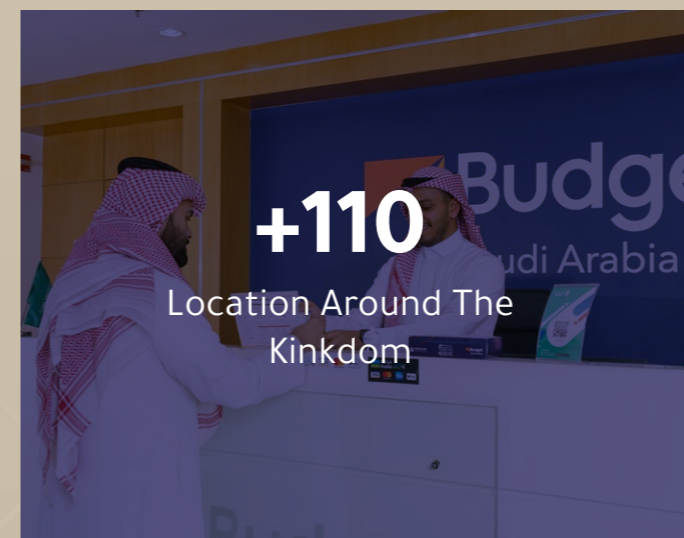
## Overview of 2023



# 277,211,000

SAR

The net profit of the company at the end of 2023



## About The Company

The United International Transportation Company is the holder of the largest Budget International franchise. The company is proud to have been providing its services for more than 45 years, having succeeded in building a diverse customer base and operating a fleet of more than 35,000 vehicles. The company provides a variety of services throughout the Kingdom in the transportation sector, including long-term and short-term car rental, as well as the sale of used cars. Maintaining a relatively short average fleet life is an important strength and competitive advantage for the company.

These activities play a major role in achieving the company's growth and increasing its revenues, as the work team strives to achieve high competitive returns for shareholders, by meeting broad customer requirements by providing the highest levels of service. We consider our customers partners in success, and we strive to achieve their satisfaction and meet their needs on an ongoing basis.



## Company's Main Activities

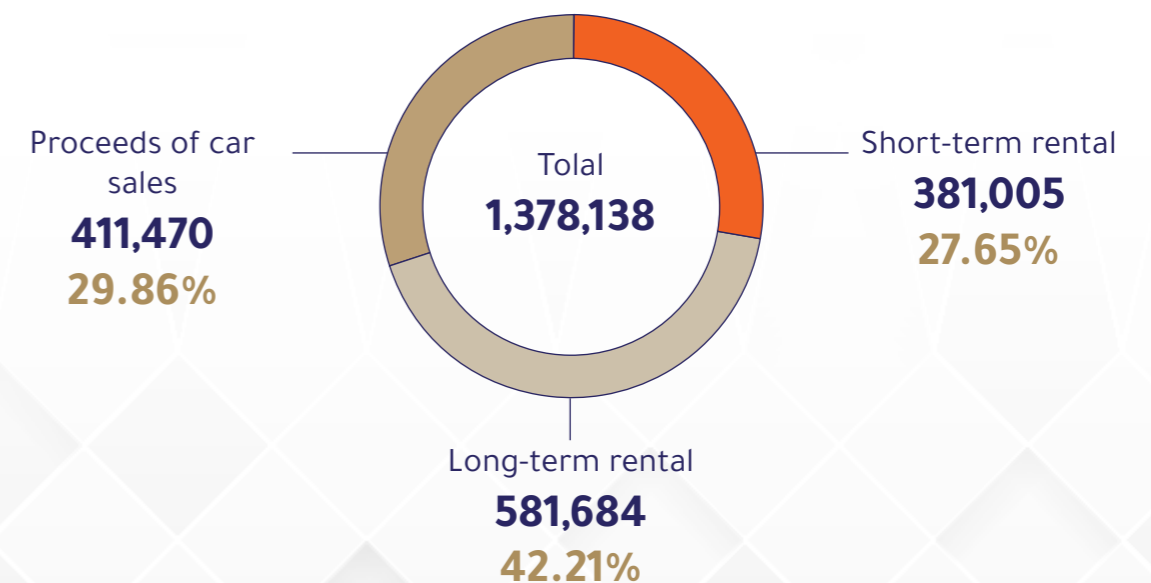
**Short-term rental**  
Car rental on a daily, weekly, or monthly basis through the franchise rights of Budget and Payless.

**Long-term rental**  
Budget offers car renting leases for (12, 24, 36, and 48) months, and (Rahaal), The united international transportation company's subsidiary company, provides long-term rentals to those who need buses, commercial vehicles, and trucks.

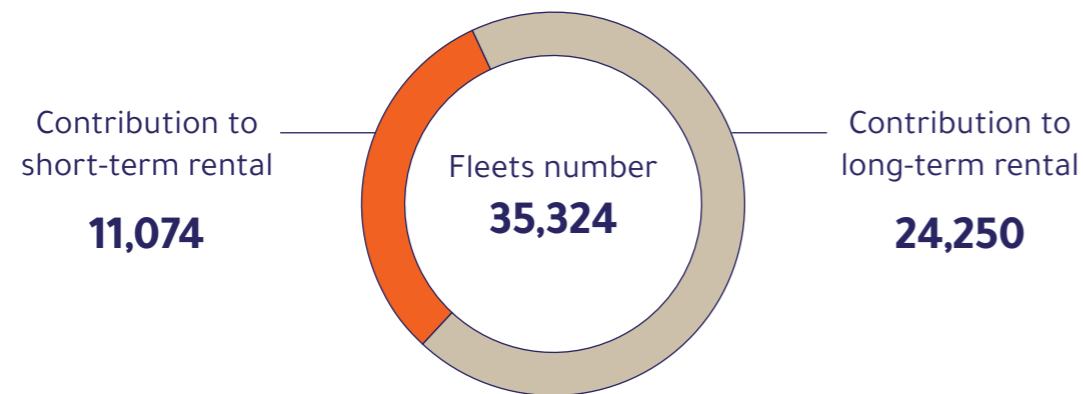
**Selling used cars**  
Displaying used short and long-term leasing cars in the company's showrooms for used vehicles and putting them up for sale. These showrooms can be found in the country's central cities, and there are five of them around the country.

### ► The impact of the primary activities on the United International Transportation Company's turnover and outcome

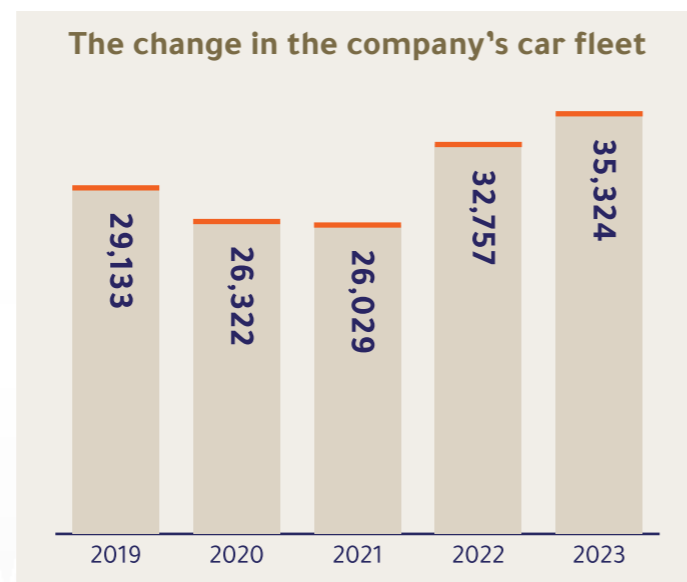
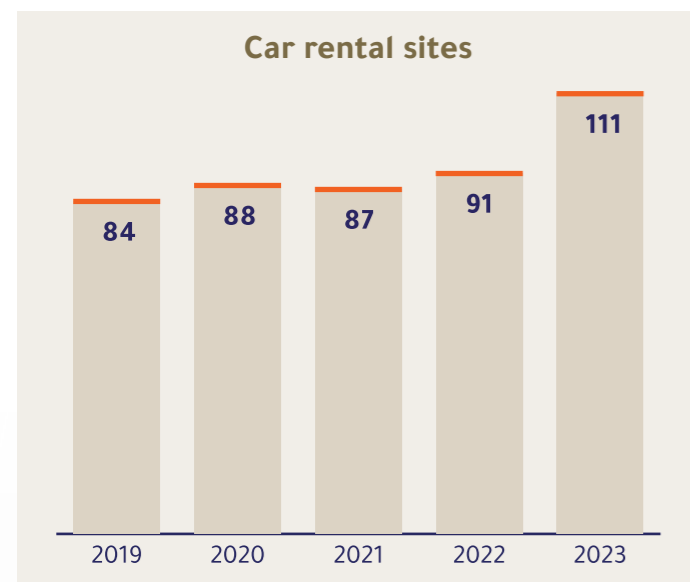
(In thousands of Saudi Riyals)



► **The United International Transportation Company fleet of cars on December 31, 2023**



The United International Transportation Company provides its services to its customers through a wide network that includes (111) rental points, distributed throughout various regions of the Kingdom. This includes (18) locations in the Kingdom’s airports, (4) train stations, in addition to (5) showrooms for selling used cars in important cities such as (Riyadh, Jeddah, Dammam, Medina, Abha). This strategic distribution allows the company to meet the needs of customers in diverse locations and ensure the provision of its services conveniently and efficiently throughout the Kingdom.



**The Subsidiary and Associate Companies**

The subsidiary and associate company's name	The foundation country	Primary activity type	The company's operations country or headquarter	The percentage of the company's ownership	The company's capital
<b>Aljozoor Alrasekha Transportation Company Ltd.</b>	Saudi Arabia	Trucks and buses rental, Land transportation of goods, Car sales.	Saudi Arabia	100%	SAR 100 Million
<b>Overseas Development Limited Company</b>	Saudi Arabia	Freight Forwarding, Transportation and storage of goods, Logistics solutions.	Saudi Arabia	70%	SAR 10 Million
<b>Unitrans Infotech Ltd.</b>	India	Information Technology	India	100%	INR 1 Million
<b>Syarah Limited Company</b>	Saudi Arabia	Car sales, maintenance and transportations	Saudi Arabia	5.23%	SAR 100 Thousand

► **Details of subsidiary and associate companies' stocks and shares**

The subsidiary and associate company's name	Subsidiary/ associate	The company's capital	The percentage of the company's ownership	The type of stocks/ shares		The value of equity participation or contributions
				Kind	Cash	
<b>Aljozor Alrasekha Transportation Company Ltd.</b>	Subsidiary	SAR 100 Million	100%	560,000 shares as follows: 286 cars holding 210,000 shares, and the main maintenance workshop in Jeddah holding 350,000 shares (the share value is SAR 100)	440,000 self-funded share (value of the share is SAR 100)	SAR 100 Million
<b>Overseas Development Limited Company</b>	Subsidiary	SAR 10 Million	70%	-	7,000 shares (share value 1,000 SAR)	SAR 7,000,000
<b>Unitrans Infotech Ltd.</b>	Subsidiary	INR 1 Million	100%	-	Self-funded (value of the share equals SAR 82,101)	Equals SAR 82,101
<b>Syarah Limited Company</b>	Associate	SAR 100 Thousand	5.23%	-	Self-funded by purchasing (7515 shares) with total value of 3,999,984 USD	Equals SAR 15,000,000

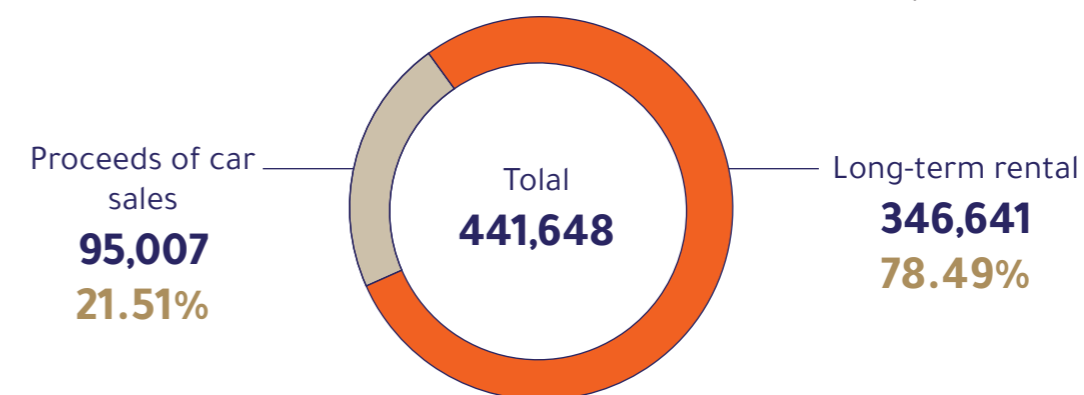


► **Aljozor Alrasekha Transportation Company Ltd (Rahaal) main activities (Subsidiary company)**

- Trucks and buses rental
- Land transportation of goods
- Car sales

► **The impact of the subsidiary company's Aljozor Alrasekha Transportation Company Ltd (Rahaal) primary activities on the company's turnover and outcome**

(In thousands of Saudi Riyals)



► **Overseas Development Company Ltd. main activities (Subsidiary company)**

- Freight Forwarding
- Transportation and storage of goods
- Logistics solutions.

► **The impact of the subsidiary company's Overseas Development Company Ltd. Primary activities on the company's turnover and outcome**

(In thousands of Saudi Riyals)





**Achievements and  
Awards**

**Achievements and Awards of 2023**

**► The Global Economic**

Proud to be the best ESG Practices Company in Transportation Sector. Our President & Group CEO, Mr. Fawaz Abdullah Danish, was also awarded for Outstanding Contribution to Transportation & Logistics Sector.



**► The best 500 companies in the Arab world**

United International Transport Company was distinguished by its inclusion in the Arab Fortune 500 magazine for ranking 221st in terms of net profitability among the top 500 companies in the Arab world.



**► Stevie seventeen**

Budget Saudi won its 17th Stevie Award for Sales and Customer Service based on the sales booked by our distinguished team in the Kingdom of Saudi Arabia.



**► ISO Certification**

By obtaining ISO certificates, Budget Saudi achieved the quality standards that it sets for itself to be the leader in its field and the best in providing integrated service and a distinctive experience by all standards, and work continues to achieve more.



**► Great Place to work**

Budget Saudi is proud of its family, the company's employees, who contributed and helped secure a healthy, distinguished, and attractive work environment to enhance their career growth and encourage them to achieve their goals. As a result, we obtained a certificate of accreditation as Great Place to work for the year 2023 for the second year in a row, we aspire to continuous improvement to ensure the best for our employees.



A photograph of a business meeting around a table. Several people in dark suits are looking at various documents and charts. One person in the foreground is pointing at a chart with a pen. The charts include a pie chart, a line graph, and a bar chart. The scene is lit with dramatic, low-key lighting, creating strong shadows and highlights. A dark blue semi-transparent overlay covers the bottom portion of the image, containing the text 'Financial Results'.

# Financial Results

**Financial results achieved in 2023 compared to the previous year**

(In Thousands of Saudi riyals)

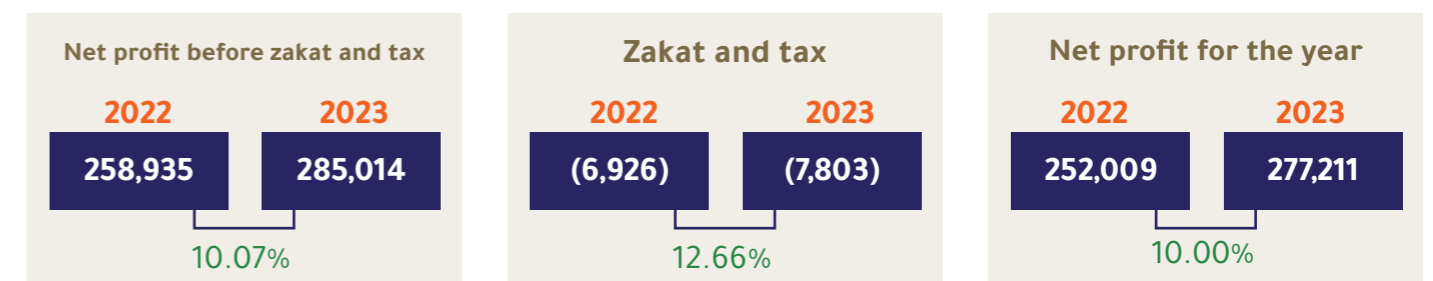
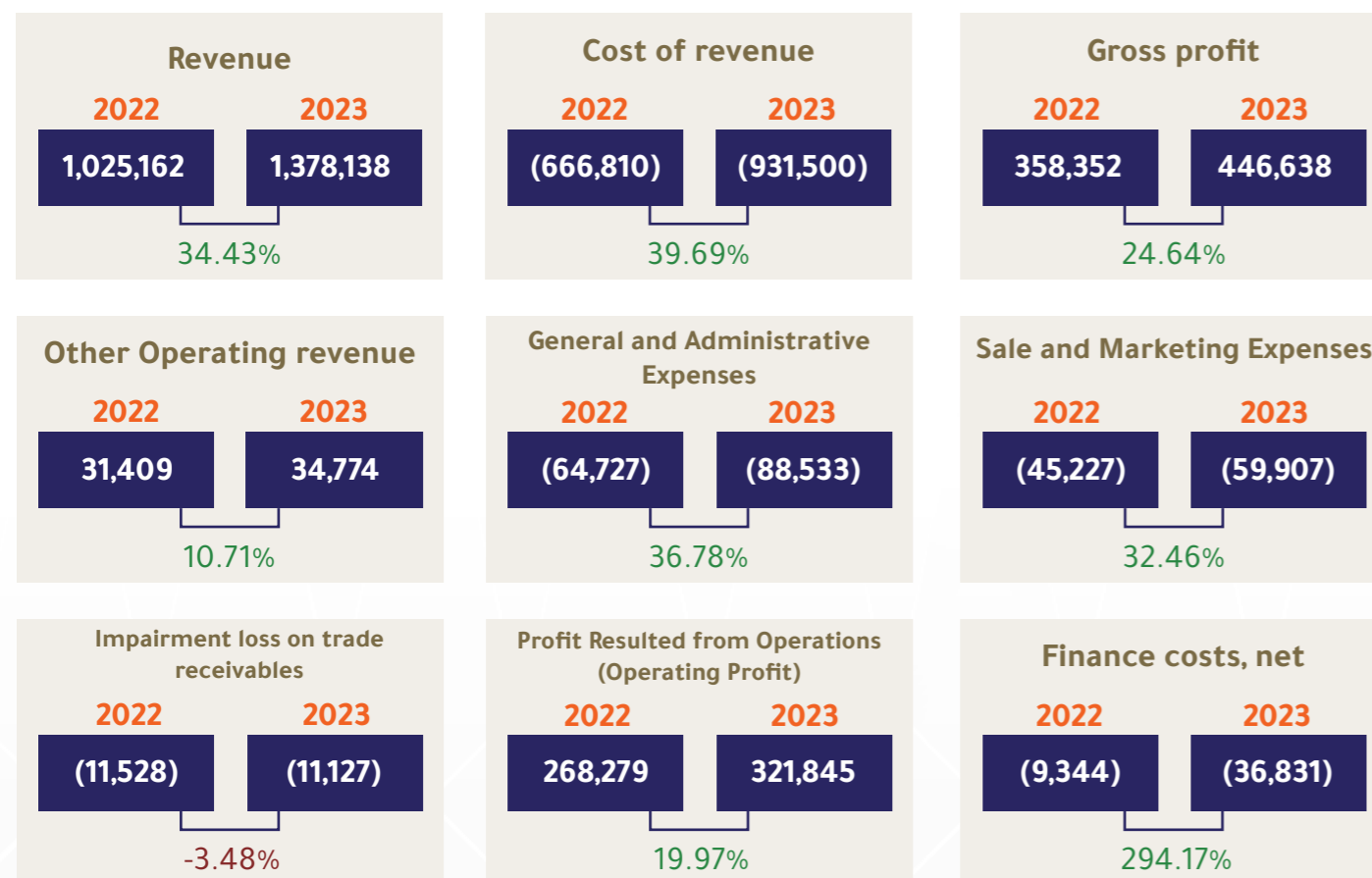
Element	2023	2022
Net profit before Zakat and tax	285,014	258,935
Net profit after Zakat and tax	277,211	252,009
Revenue	1,378,138	1,025,162

**Earnings per share in 2023 (3.90) compared to (3.54) Saudi Riyals per share in 2022.**

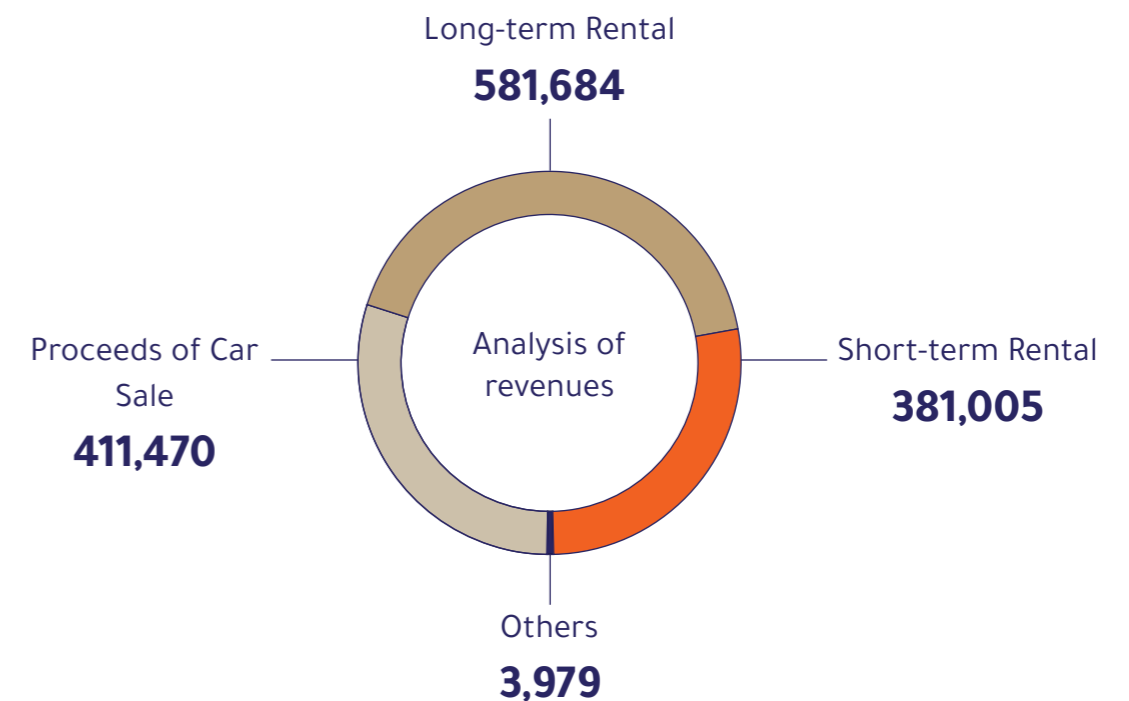
The reason of the increase in the net profit during the current year compared to the last year is the Maximizing the utilization of our expanding fleet, both in short-term and long-term rentals, coupled with the increased sale of used car units in 2023 compared to 2022, significantly propelled our revenue growth. Despite facing escalated operational and financing costs, net profit increase by 10% for 2023 compared to 2022.

(In thousands of Saudi riyals)

**Operational results for the year 2023 compared 2022**

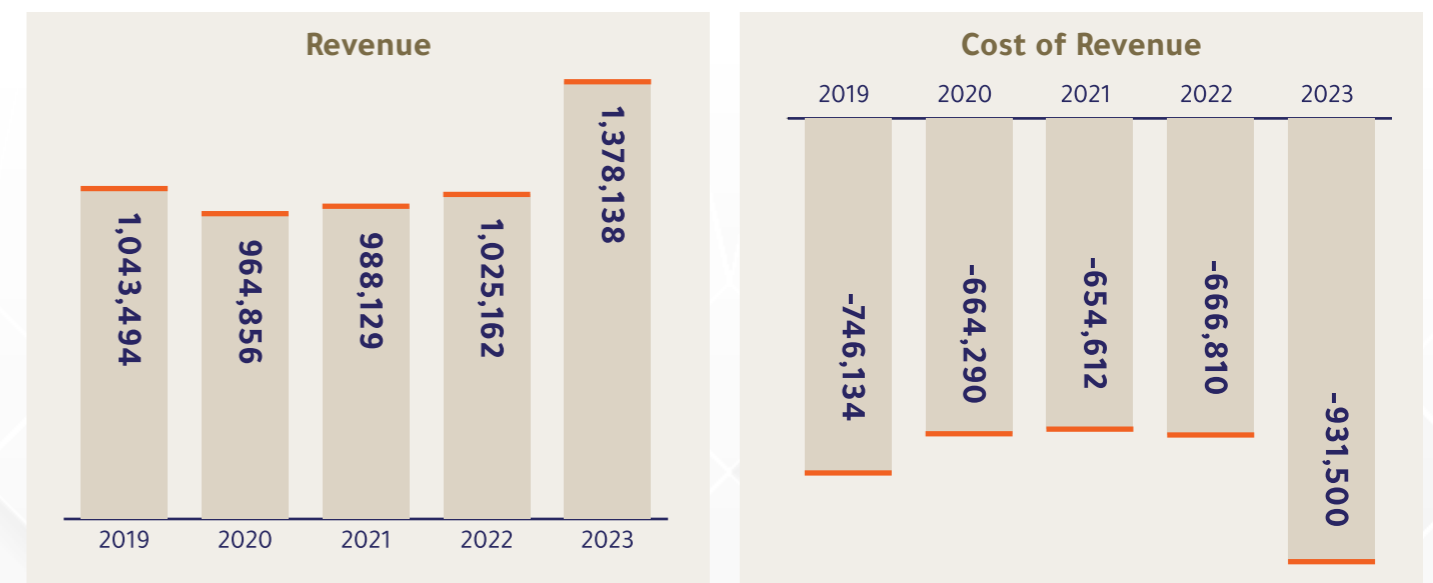


**Analysis of the company's revenues from its activities in 2023** (In thousands of Saudi Riyals)

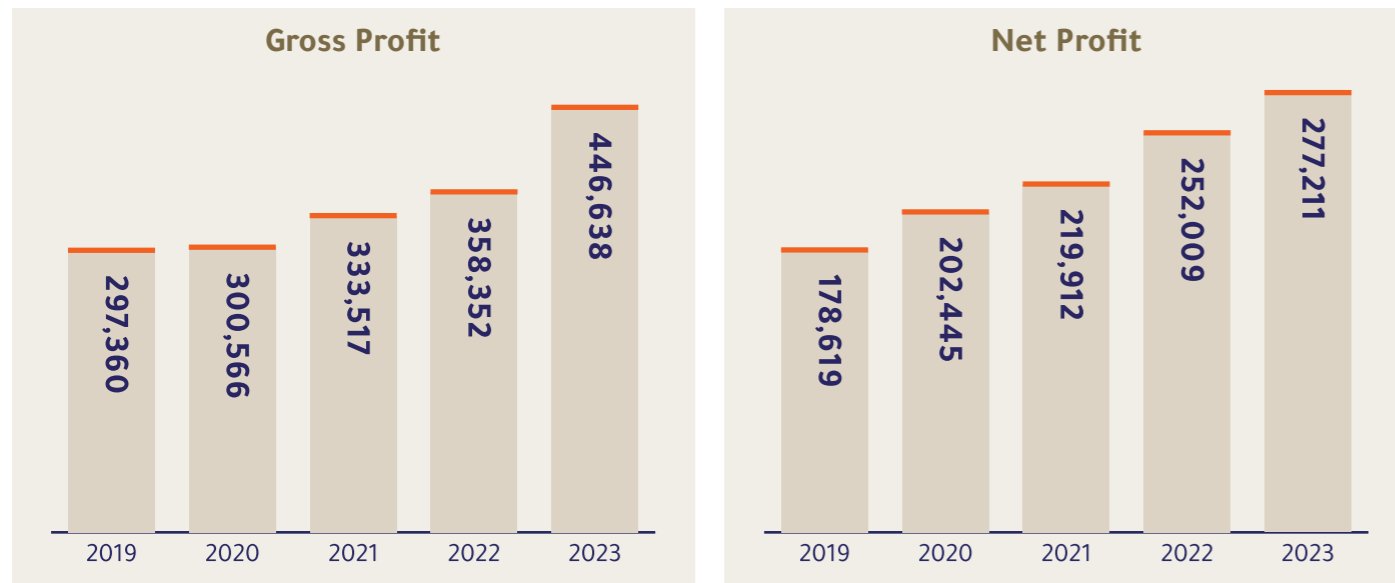


**Comparison of business results**

(In thousands of Saudi Riyals)

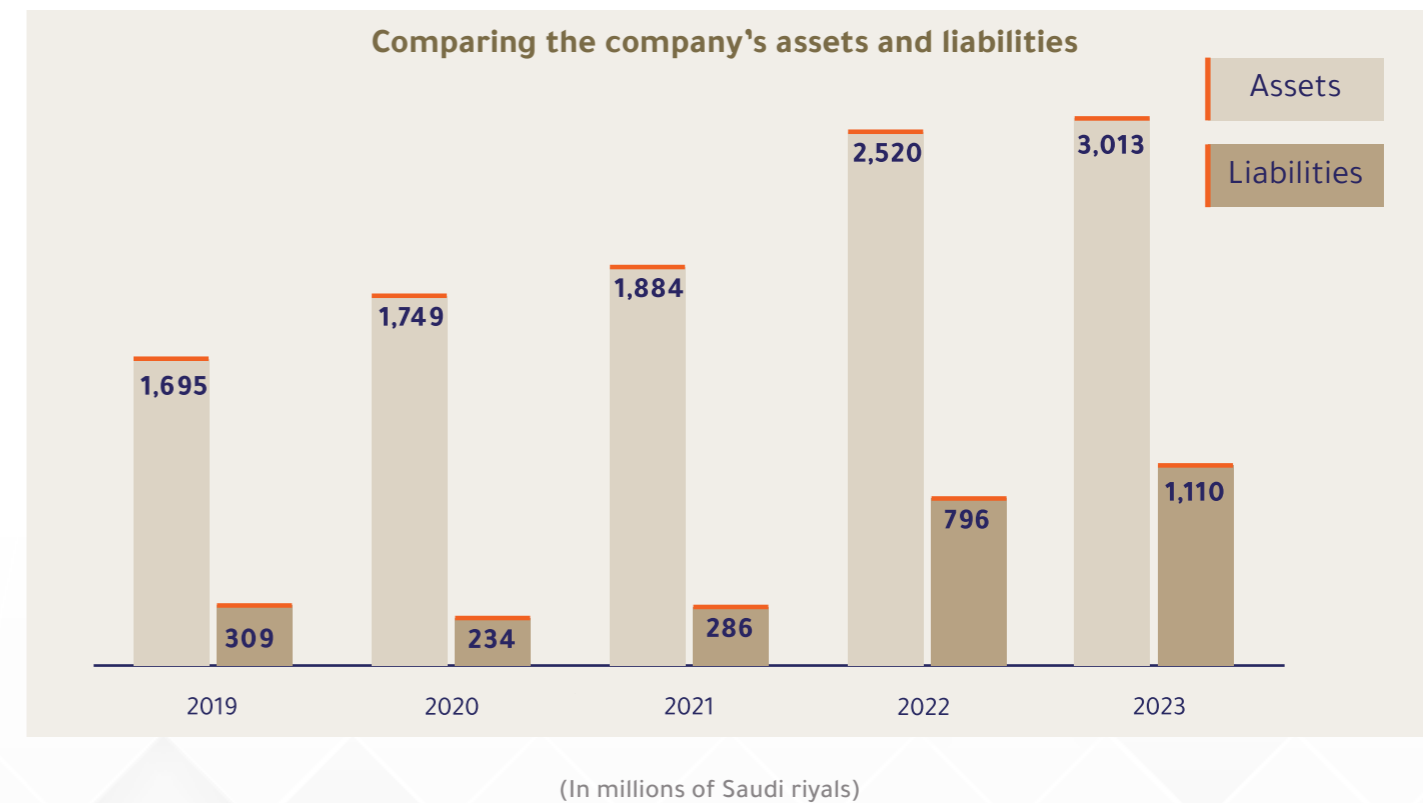
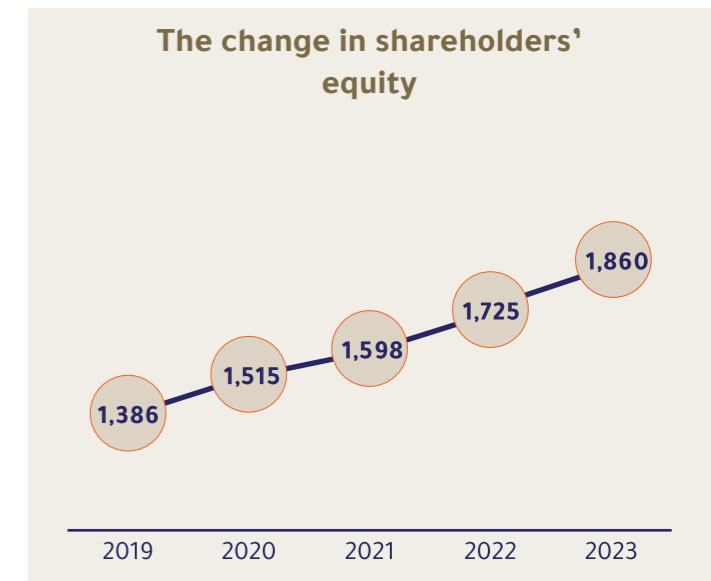
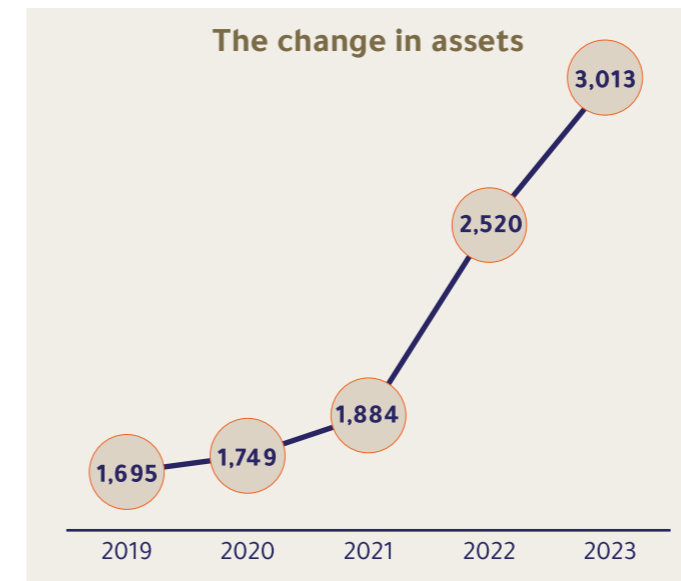






► **Comparison of the United International Transportation Company's statement of financial position** (In thousands of Saudi riyals)

Statement	2023	2022	2021	2020	2019
Current assets	393,373	287,471	305,687	372,552	214,310
Non-current assets	2,619,814	2,232,636	1,578,576	1,376,759	1,480,363
Total assets	3,013,187	2,520,107	1,884,263	1,749,311	1,694,673
Current liabilities	683,232	524,314	206,644	162,705	231,342
Non-current liabilities	427,190	271,254	79,170	71,685	77,789
Total liabilities	1,110,422	795,568	285,814	234,390	309,131
Capital	711,667	711,667	711,667	711,667	711,667
Reserves and retained earnings	1,148,681	1,012,872	886,782	803,254	673,875
Total shareholder equity	1,860,348	1,724,539	1,598,449	1,514,821	1,385,542
Minority rights	42,417	0	0	0	0
Total liabilities and equity of partners	3,013,187	2,520,107	1,884,263	1,749,311	1,694,673



**Financial results of subsidiary and associate companies**

► **Aljozor Alrasekha Transportation Company Ltd.(subsidiary)**

The United International Transportation Company owns 100% of Aljozor Alrasekha Company, a subsidiary. This company earned a net profit of 156 million riyals in 2023, compared to 108 million riyals in 2022.

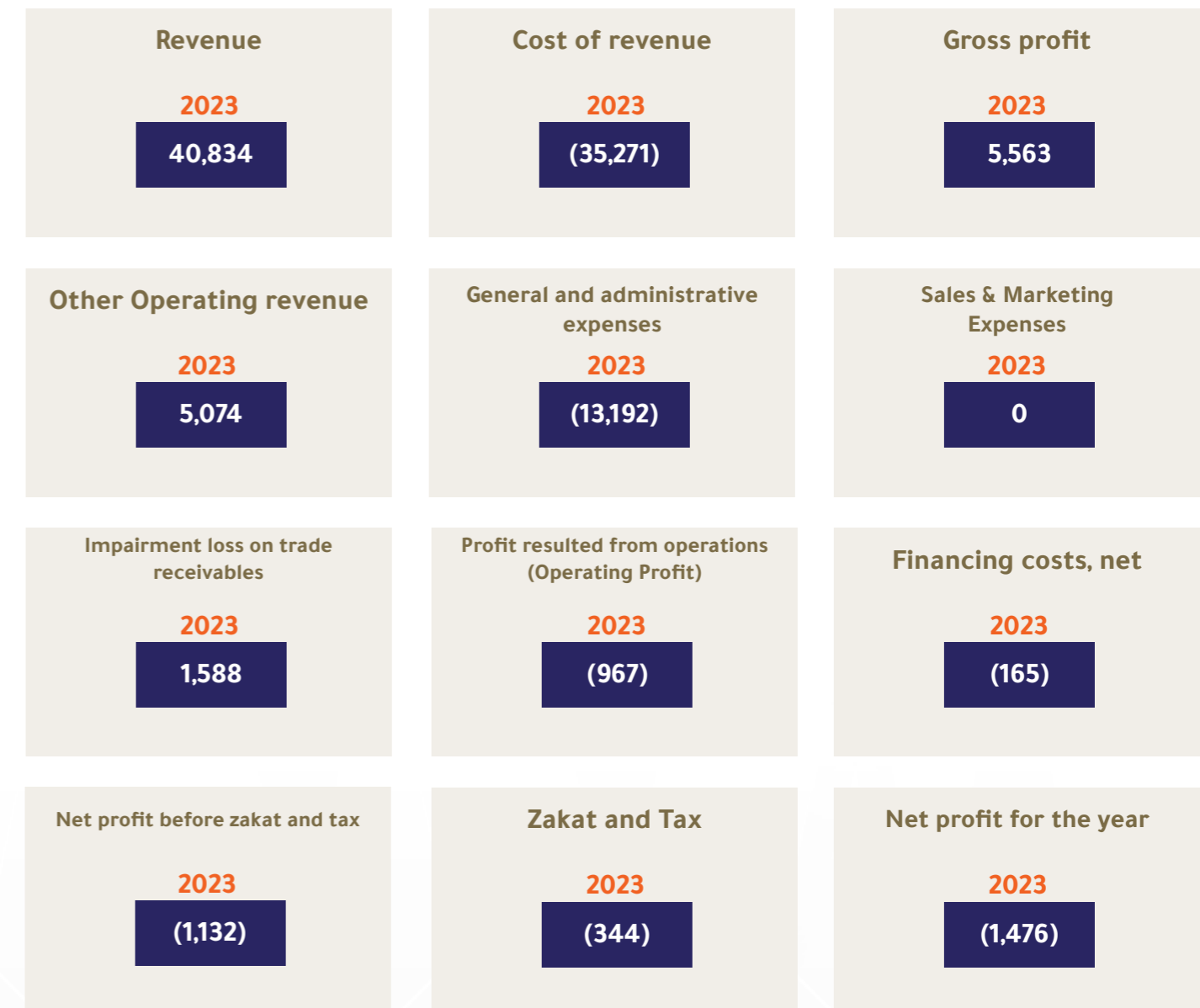
► **A comparison of the financial results for Rahal, the subsidiary company, for the year 2023 and the previous year.** (In thousands of Saudi riyals)



► **Overseas Development limited Company (subsidiary)**

The United International Transportation Company owns 70% of Overseas Development limited Company, a subsidiary. This company earned a net loss of -1.5 million riyals in 2023. Control is acquired on 30th Nov 2023

► **Financial results for Overseas Development limited Company, the subsidiary company, for the year 2023.** (In thousands of Saudi riyals)



► **Unitrans Infotech India Limited**

The Company owns 100% of Unitrans Infotech Ltd. Which is a company operating in the field of information technology; its headquarter is in India. Its capital is (one Million Indian rupees) equivalent to (82,101 SAR) and did not generate any revenue during 2023.

► **Syarah Limited Company**

During the year ended 31 December 2021, the group has invested SAR 15 million in Syarah Limited with a percentage of (5.23%).

► **A revenue statement of the subsidiary and associate companies and the company's share of each of their net profits in 2023**

(In thousands of Saudi riyals)

Company's name	Contribution percentage	Total revenue	Net profit/loss	Company's share of profit/loss
Aljozoor Alrasekha Transportation Company Ltd.	100%	441,648	151,936	151,936
Overseas Development Limited Company	70%	40,834	-1,476	-45
Unitrans Infotech Ltd.	100%	0	0	0
Syarah Limited Company	5.23%	-	-	-

- The approved financial statements of Syarah Limited Company for the year 2023 have not been issued until the date of publishing this report.

► **Geographical analysis of the United International Transportation Company's total revenues for the year 2023**

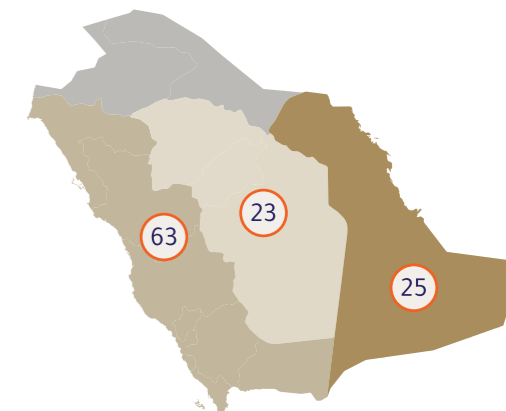
(In thousands of Saudi riyals)

Western region (inside the kingdom)	Central region (inside the kingdom)	Eastern region (inside the kingdom)	Overseas Development Co (inside the kingdom)	Total revenue
515,014	457,350	401,794	3,979	1,378,138

- The company did not achieve any revenues outside the Kingdom during 2023.
- Effective 30th November 2023, Aljozoor Alrasekha Transportation Company Ltd. (the subsidiary) has acquired 70% of Overseas Development Company Limited, based in Saudi Arabia.
- The acquiree is engaged in Freight Forwarding, Transportation and storage of goods and Logistics solutions in the Kingdom of Saudi Arabia.
- For one-month period ended 31 December 2023, acquiree contributed revenue of SR 3.98 million to the Group's results.

**The geographical analysis of the company's revenues in Saudi Arabia**

The United International Transportation Company rents cars to its customers through (111) locations scattered around the kingdom. The company's primary sites cover the major population centers, which include (18) international and domestic airports and (4) at train stations. Also, the company serves its clients with (5) showrooms for used car vehicles in Riyadh, Jeddah, Dammam, Medina, and Abha.



There are also (16) maintenance centers scattered around the kingdom to ensure the quality of services provided to its clients; the company conducts its operations and services through three major regional areas: Western Region, Central Region, and Eastern Region. Each region is led by independent executive management, who regularly reports to the head office in Jeddah.

► **Regional car rental locations**

Western Region	Number of locations
Jeddah	15
Makkah	5
Medina	7
Taif	3
Yanbu	3
Abha	5
Rabigh	1
Tabuk	4
Jazan	2
Baish	1
Al Baha	2
Baljurashi	1
Muhayel Aseer	1
Al Qunfudhah	1
Bisha	2
Al wajh	1
Alola	2
King Abdullah Economic City	1
Aljouf	1
Najran	1
<b>Total</b>	<b>63</b>

Central Region	Number of locations
Riyadh	19
Al Qassim	1
Al Kharj	1
Hail	2
<b>Total</b>	<b>23</b>

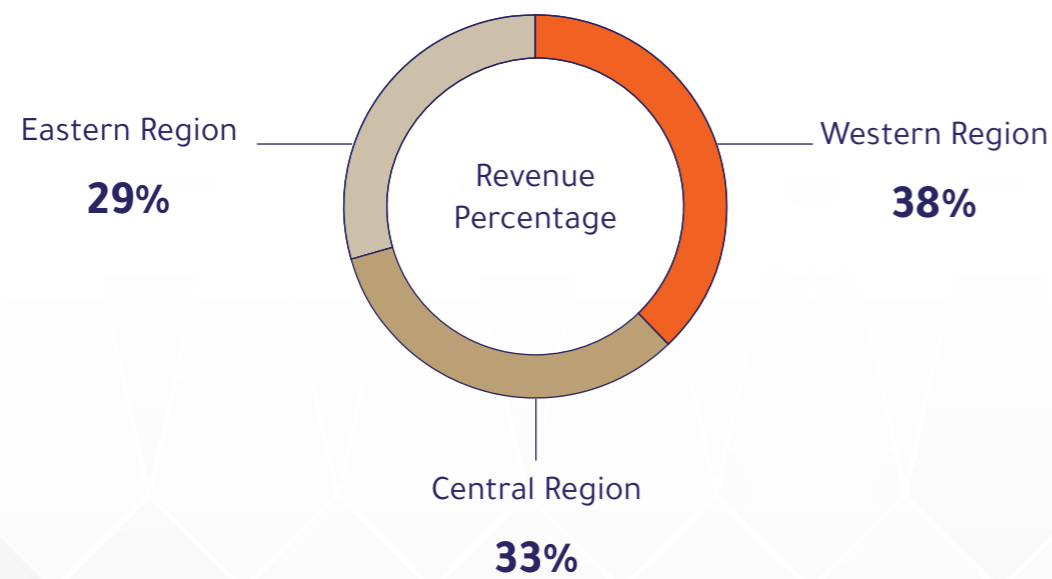
Eastern Region	Number of locations
Dammam	10
Al Hasa	1
Al Jubail	4
Al Khobar	5
Turaif	1
Al Qatif	1
Qaisumah	1
Arar	1
Hafar Al-Batin	1
<b>Total</b>	<b>25</b>

► Analysis of the regions' revenue inside the kingdom for the United International Transportation Company for the year 2023

(In thousands of Saudi riyals)

Short-term Rental	Long-term Rental	Proceeds of Car Sales	Total
<b>Western Region</b> 162,868	<b>Western Region</b> 198,114	<b>Western Region</b> 154,032	<b>Western Region</b> 515,014
<b>Central Region</b> 134,230	<b>Central Region</b> 204,074	<b>Central Region</b> 119,046	<b>Central Region</b> 457,350
<b>Eastern Region</b> 83,907	<b>Eastern Region</b> 179,495	<b>Eastern Region</b> 138,392	<b>Eastern Region</b> 401,794

► Revenue percentage according to the geographical analysis of the regions inside the kingdom for the subsidiary company (Overseas Development limited Company) for the year 2023

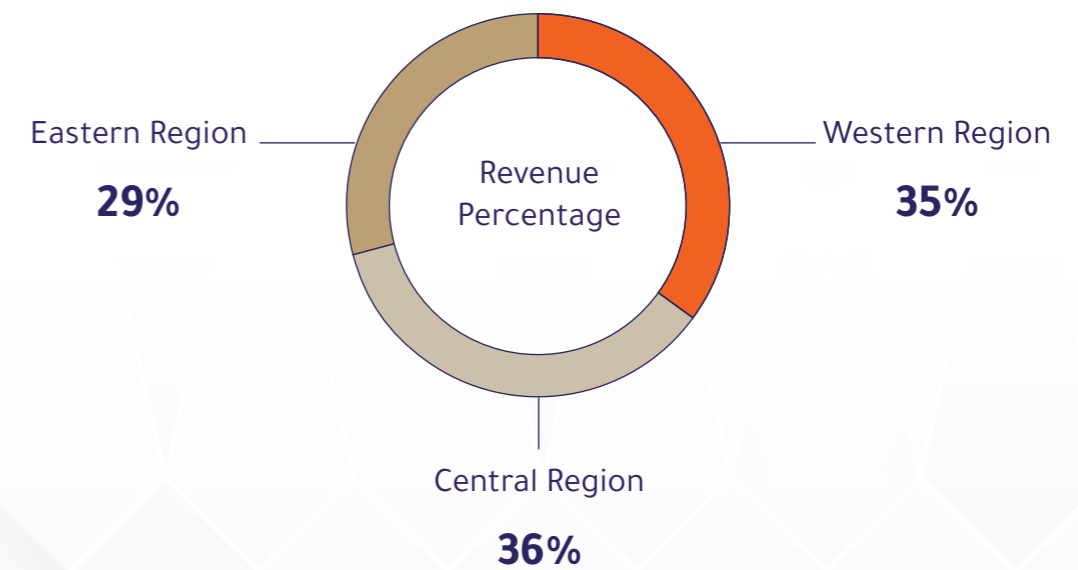


► Analysis of the regions' revenue inside the kingdom for the subsidiary company (Aljozoor Alrasekha Transportation Company Ltd) for the year 2023

(In thousands of Saudi riyals)

Long-term Rental	Proceeds of Car Sales	Total
<b>Western Region</b> 126,933	<b>Western Region</b> 28,501	<b>Western Region</b> 155,435
<b>Central Region</b> 135,173	<b>Central Region</b> 24,929	<b>Central Region</b> 160,102
<b>Eastern Region</b> 84,535	<b>Eastern Region</b> 41,576	<b>Eastern Region</b> 126,111

► Revenue percentage according to the geographical analysis of the regions inside the kingdom for the subsidiary company (Aljozoor Alrasekha Transportation Company Ltd) for the year 2023

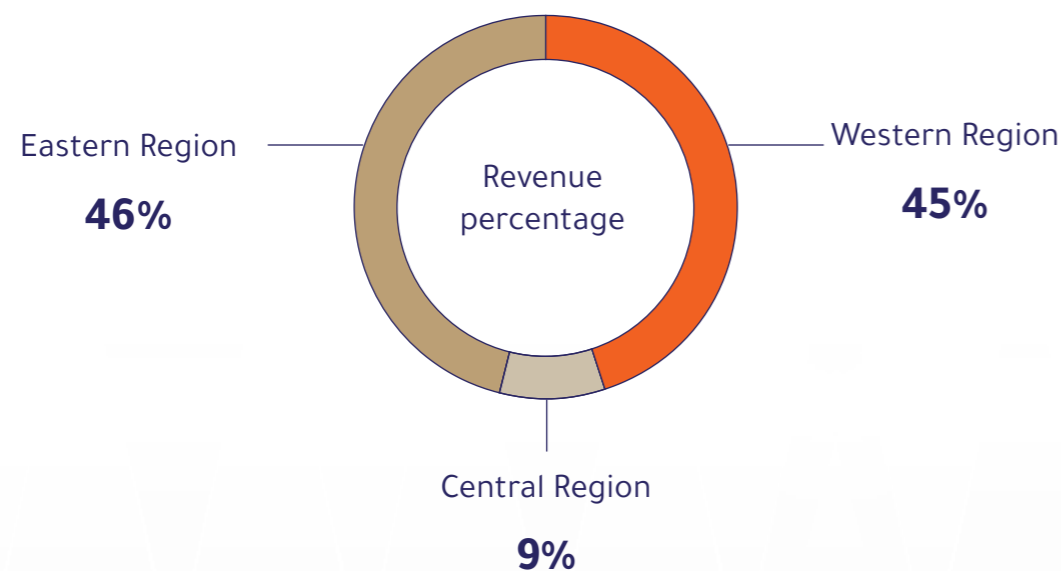


► **Analysis of the regions' revenue inside the kingdom for the subsidiary company (Overseas Development limited Company) for the year 2023** (In thousands of Saudi riyals)



- The geographical analysis of the Overseas Development Company Limited is for the year 2023, noting that as of November 30, 2023, the company acquired 70% of the Overseas Development Company Limited, and for the one-month period ending on December 31, 2023, the acquired company contributed revenues of 3.98 One million Saudi riyals in the group's results.

► **Revenue percentage according to the geographical analysis of the regions inside the kingdom for the subsidiary company (Overseas Development limited Company) for the year 2023**



**Murabaha, Tawarruq, Belaajel contracts existing at the end of the Financial Year and the status of their payment (bank credit lines and debts)**

The Company's financial transactions are made in compliance with Islamic finance provisions, especially regarding the policy of loans that the Board is continuously keen to make through the Islamic Murabaha, and Tawarruq contracts do not exceed 36 months.

The following is a statement of the Company's Murabaha, Tawarruq and belaajel contracts until 31/12/2023 in SAR.

► **The United International Transportation Company**

(In thousands of Saudi riyals)

Name of loan provider	Opening Balance as of 01/01/2023	Loan amount (During the year)	Loan term	Amounts provided to repay the loan (During the year)	Loan balance as of 31/12/2023
Saudi Fransi Bank	211,056	20,000	36 months	140,111	90,944
RIYAD BANK	74,044	15,000	36 months	33,983	55,061
Al Rajhi Bank	0	60,000	36 months	7,171	52,829
SAB Bank	71,944	175,000	36 months	80,278	166,667
Alinma Bank	15,000	115,000	36 months	35,139	94,861
Emirates NBD	0	35,000	36 months	-	35,000
<b>Total</b>	<b>372,044</b>	<b>420,000</b>	<b>36 months</b>	<b>296,682</b>	<b>495,362</b>
<b>Accrued Finance Charges</b>					<b>1,460</b>

### ▶ Aljozor Alrasekha Transportation Company Ltd.

(In thousands of Saudi riyals)

Name of loan provider	Opening Balance as of 01/01/2023	Loan amount (During the year)	Loan term	Amounts provided to repay the loan (During the year)	Loan balance as of 31/12/2023
SNB (RAHAAL)	0	60,000	36months	4,598	55,402
<b>Total</b>	0	60,000	36months	4,598	55,402

**Total debt of Company and Subsidiaries**

**552,224**

### Outstanding Statutory Payments

(In thousands of Saudi riyals)

Statement	Paid	Payable until end of the annual financial period and not paid	Brief Description	Statement of Reasons
Zakat	6,976	-	Company's zakat paid in financial year 2023	According to regulations
VAT- Indirect Tax	<ul style="list-style-type: none"> <li>Collected from Customers (VAT output) 212,786</li> <li>Paid to Suppliers (VAT input) 175,953</li> <li>Net paid and receivable to or from zatca 36,833</li> </ul>	-	VAT for financial year 2023	According to regulations
WHT Tax	3,186	-	With Holding Tax Paid for the financial Year 2023 on behalf of international vendors and their services.	According to regulations
GOSI	<ul style="list-style-type: none"> <li>Budget: 10,653</li> <li>Rahal: 225</li> </ul>	-	Payments to the General Organization for Social Insurance for Financial Year 2023	According to regulations
Visa & Iqama	<ul style="list-style-type: none"> <li>Iqama renewal: 526</li> <li>Sponsorship change: 113</li> <li>Exit Reentry &amp; Visa: 336</li> </ul>	-	According to regulations	According to regulations
Ministry of Human Resources and Social Development	6,931	-	According to regulations	According to regulations

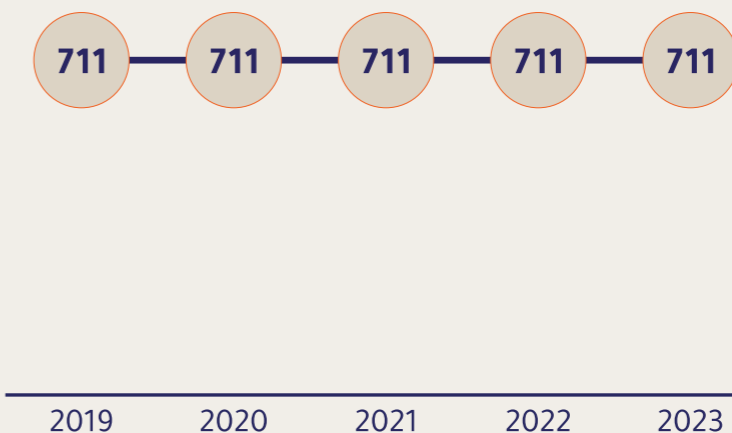
### The Company's Capital

The capital of the company is made up of 71,166,668 ordinary shares of equal value, each with a nominal value of 10 riyals. According to the resolution of the 7th Extraordinary General Assembly, the most recent capital growth occurred on 19/Apr/2017. In addition, the capital has increased from 610 million riyals to 711 million riyals based on the recommendation from the Board of Directors on 19/Jan/2017 and approval from the Capital Market Authority on 1/Feb/2017.

#### ▶ Statement of the company's capital

Fiscal year	Capital	Notes
2023	711 million riyals	The Board of Directors has made no recommendation to increase the company's capital above 711 million riyals.
2022	711 million riyals	The Board of Directors has made no recommendation to increase the company's capital above 711 million riyals.
2021	711 million riyals	The Board of Directors has made no recommendation to increase the company's capital above 711 million riyals.
2020	711 million riyals	The Board of Directors has made no recommendation to increase the company's capital above 711 million riyals.
2019	711 million riyals	The Board of Directors has made no recommendation to increase the company's capital above 711 million riyals.

#### The capital growth



(In millions of Saudi riyals)



# Corporate Governance

## Corporate Governance

### ► The company applies all provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority

#### Accordingly, the company has complied with the statutory requirements, including:

- 1) Publishing the quarterly financial results of the year 2023 following the statutory dates on the Tadawul website.
- 2) Preparing the Board of Directors' report by following the rules on the offer of securities and continuing obligations issued by the Capital Market Authority, the Corporate Governance Regulations, the Companies Law and its amendments, and regulatory controls and procedures, which is an execution of the Companies Law for joint-stock companies Listed and Issued by the Capital Market Authority.
- 3) Following the instructions set by the Capital Market Authority regarding corporate advertisements. Such as the publishing dates of essential information.
- 4) The members of the Board of Directors filled out and signed the undertakings, declarations, and disclosure forms required by the Capital Market Authority.
- 5) Implementing the amendments approved by the Capital Market Authority to the Corporate Governance Regulations.
- 6) Sending the minutes of the General Assembly meeting to the Authority and directly informing the market of the meeting results when it ends.
- 7) Preparing a corporate governance system aligns with the Corporate Governance Regulations and other systems and regulations issued by the Authority.

#### Board approval according to the requirements of the corporate governance system:

The Capital Market Authority issued the Corporate Governance Regulations, which emphasize the importance of disclosing all required items in the Board of Directors' annual report in accordance with the Authority's annual report form. As a result, any inconsistency between the report's articles and paragraphs and the Authority's format should be noted in the report.

#### Accordingly, the board of directors of the United International Transportation Company acknowledges that the following topics do not apply to the company, and the board is obliged to disclose them whenever the company implements them:

- 1) The Board of Directors did not rely on any external means to evaluate its performance and its committees and members' performance. Instead, the Remuneration and Nominations Committee carries out the evaluation process.
- 2) There is no conflict between the Audit Committee's recommendations and the Board of Directors' decisions on the auditor appointment. They do, however, have an agreement on the appointment of the external auditor.
- 3) There is no difference between the accounting standards issued by the Saudi Organization for Certified Public Accountants regarding the review and the evaluation of the company's financial statements in 2023
- 4) There are no significant differences in the operating results from the previous year's results or any of the company's previously announced expectations. This report contains the financial results and the reasons for the change in the net profits.
- 5) There is no interest in the category of voting shares owned by individuals (other than members of the board of directors, senior executives, and their relatives) who have informed the company of their

voting rights and any changes to them in 2023.

- 6) In 2023, the company issued or granted no convertible debt instruments, contractual securities, memoranda of placement rights, or similar rights.
- 7) In 2023, the company issued or granted no transfer or subscription rights under convertible debt instruments, contractual securities, placement right memoranda, or similar rights.
- 8) The company or its subsidiaries did not refund, purchase, or cancel any redeemable debt. Furthermore, neither the company nor its subsidiary purchases any listed securities.
- 9) No subordination agreement has been reached in which a member of the company's board of directors or a senior executive has agreed to waive any salary or compensation in the company or any of its subsidiaries in 2023.
- 10) There is no agreement in place under which one of the company's shareholders has waived any profits rights in 2023.
- 11) There were no reservations on the financial statements in the chartered accountant's report.
- 12) The Board of Directors made no recommendation to replace the company's chartered accountant before the end of his appointed term. However, following the General Assembly's decision to audit the company's and its subsidiary's accounts in 2023, KPMG was appointed as the external auditor's office after the end of the external auditor Ernst & Young's appointed period.
- 13) There have been no contracts or activities concluded between the company or one of its subsidiaries or associates and the CEO, the financial manager, or a person related to them.
- 14) There have been no contracts between the company, its board of directors, senior executives or major shareholders and its subsidiaries, associates, or anyone associated with them.
- 15) The company made no loans to any of the board members and did not validate any loans made by any members to others.
- 16) The details of the loan information were clarified. It also acknowledged that the subsidiary company (Overseas Development Limited Company) did not conclude any contracts to obtain loans in 2023.
- 17) The company holds no treasury shares.
- 18) No investments or reserves have been established for the benefit of the company's employees in 2023.
- 19) There are no penalties imposed on the company in 2023.
- 20) The company received no notice from any of its shareholders expressing a desire to include specific topics on the assembly's agenda, nor did it receive any notification from one or more shareholders representing at least 10% of the company's shares with voting rights.

#### Other declarations:

- 1) The Board of Directors acknowledges that the account records have been adequately prepared.
- 2) The Board of Directors acknowledges that the internal control system was built on solid foundations and effectively implemented.
- 3) The Board of Directors acknowledges that there is no substantial doubt about the company's ability to continue operating.



## Structure of the Board and classification of its members



**Bassim Abdullah Alim**

Non-executive board member

Holds a bachelor's degree in Political Science from the American University in the United States, a master's degree in Law from Harvard College in the United States, and a doctorate in Jurisprudence from the American University in the United States.

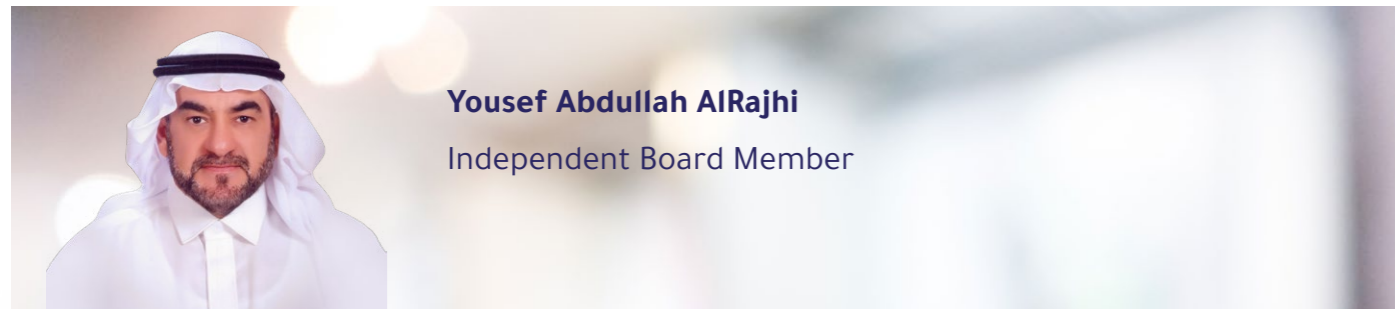
### Current Position

- Board Chairman of The United International Transportation Company.
- Founder and Executive Partner of Office of Dr. Bassem Abdullah Alam and Associates for Legal Consultations and Law, then Alam Law Firm

### Work Experience

- Law and arbitration expert and the managing partner of the Law Firm of Bassim A. Alim & Associates.
- Chairman of the Audit Committee and the Nomination and Remuneration Committee of The United International Transport Company.

- The Chairman of the Anti-Bankruptcy settlement Committee. (Chamber of Commerce - Jeddah)
- Director of Muslim World League for UK & Republic of Ireland.
- Vice-Chairman of Taibah International Aid Association.
- International lawyer in the International Lawyers Program in the United States.
- Deputy Director of Muslim World League, for the UN and United States Offices.
- Lawyer at Brain Plitt Legal Consulting and Law Office in the United States
- Board Member of BIM Birlesik Magazalar Anonim Company, in Turkey
- Board Member of the Foundation of Muttawiffy Hujjaj Turkey and Muslims of Europe, America and Australia



**Yousef Abdullah AlRajhi**

Independent Board Member

Holds a bachelor's degree in Political Science from King Saud University, and a master's degree in Development Management from West Michigan University, in the United States.

### Current Position

- Vice-Chairman of the Board of Directors of Tabuk Agricultural Development Company and Chairman of the Executive Committee.
- Board Chairman of Almatar Company.
- Board Chairman of Cool Investment Company.
- Board Chairman of the Saudi Riyadh Hotels Company.
- Member of the Board of Directors of AlRajhi Education Company.

- Member of the Board of Directors of Riyadh Hotels Company.
- Member of the Board of Directors and Chairman of the Audit Committee of the Methanol Chemical Company, Chemanol.
- Member of the audit committee at AlRajhi Co. For Trading & Industry.
- Board Chairman of Afaq Alghitha Company
- **Work Experience**
- General Manager of Abdullah Abdulaziz AlRajhi & Sons Holding Company.
- General Manager of Abdullah AlRajhi Co. For Trading & Industry.
- Financial projects director and branch manager at AlRajhi Bank.



**Khalid Abdullah AlDabal**

Non-executive board member

Holds a bachelor's degree in Chemical Engineering from the University of California in the USA, and a master's degree in Business Administration, Financial Management from California State University Long Beach in the USA.

### Current Position:

- Vice Chairman of the Board of Directors at the United International Transportation Company.
- Partner at Al Farabi Medical Center and Al Farabi Clinic.
- Partner at the First Insurance and Reinsurance Brokers Company.
- Partner at AlDabal Company.

- Chairman of the Board of Directors at Akad Holding Company.
- Partner and Regional Business Development Manager at SGB Al Dabal Limited.
- Director of Al Dabal Factory for Metal Scaffolding.
- Chairman of the Board of Directors of Al Ettifaq Club.

### Work Experience

- Chairman of the Board of Directors of Akad Holding Company
- Board Member at SGB Al Dabal Company Ltd.
- Chairman of the Remuneration and Nominations Committee at the United International Transportation Company - Budget Saudi.



**Miqad Abdullah AlKhamis**

Independent Board Member

Holds a bachelor's degree in Accounting from King Saud University.

### Current Position

- Executive Vice President of the Investment Sector at the Social Development Bank.
- Board Member and director of the Remuneration and Nominations Committee at Al-Jouf Agricultural Company.
- Board Member and Audit committee Member of The National Company for Glass Industries

- Member of the Investment Committee of the Saudi Fund for Small and Medium Enterprises.

### Work Experience

- Chief Accountant at Middle East Propulsion Company.
- Banking experiences.
- Board Member of the Riyadh Taqnia Fund.
- Board Member of the National Company for Glass Industries, the company Risk Committee, and the Nomination and Remuneration Committee.



**Abdullah Jarallah AlSaawi**  
Non-executive board member

Holds a bachelor's degree in Administrative Sciences - Law from King Saud University and a master's degree in Business - Marketing from Newcastle University.

#### Current Position

- General Director of Individual Services, General Organization for Social Insurance.
- Chairman of the Executive committee of the merger between Public Pension Agency (PPA) and General Organization for Social Insurance (GOSI) in the seventh session.
- Member of the Coordinating Committee for the purposes of implementing provisions of the Unemployment Insurance scheme.

#### Work Experience

- General Manager of Customer Services and Branches at the General Organization for Social Insurance.
- General Manager of the Social Insurance Office in Riyadh.
- General Manager Assistant of the General Organization for Social Insurance, Riyadh Office.
- Director of Employers Affairs Department at the General Organization for Social Insurance.
- Auditor at the General Organization for Social Insurance's Inspection Department.
- Member of the Executive committee of the merger between Public Pension Agency (PPA) and General Organization for Social Insurance (GOSI) in the sixth session.



**Mohammed Abdulaziz Alghannam**  
Non-executive board member

Holds a bachelor's degree in Accounting from King Saud University, and a master's degree in Accounting from Flinders University, Australia

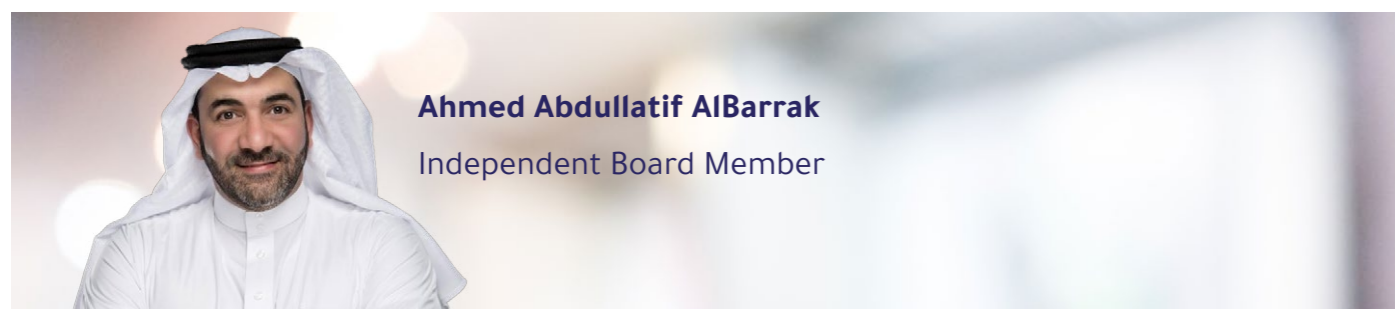
He also obtained several professional certificates, including a Professional Certificate in International Public Sector Accounting Standards and in International Accounting Standards. In addition to a Credit Advisor Certificate, Professional Certificate of Disclosure in the Financial Market, Professional Certificate in Compliance Basics, Certified Fraud Examiner Certificate, Professional Certificate in Data Analysis, and a financial leadership program from Harvard University.

#### Current Position

- Cash Management Director at the General Organization for Social Insurance

#### Work Experience

- He worked in several departments in the Public Pension Agency, including assistant general manager of the treasury, general supervisor of accounts payable, and expenses and bank accounts Officer.



**Ahmed Abdullatif AlBarrak**  
Independent Board Member

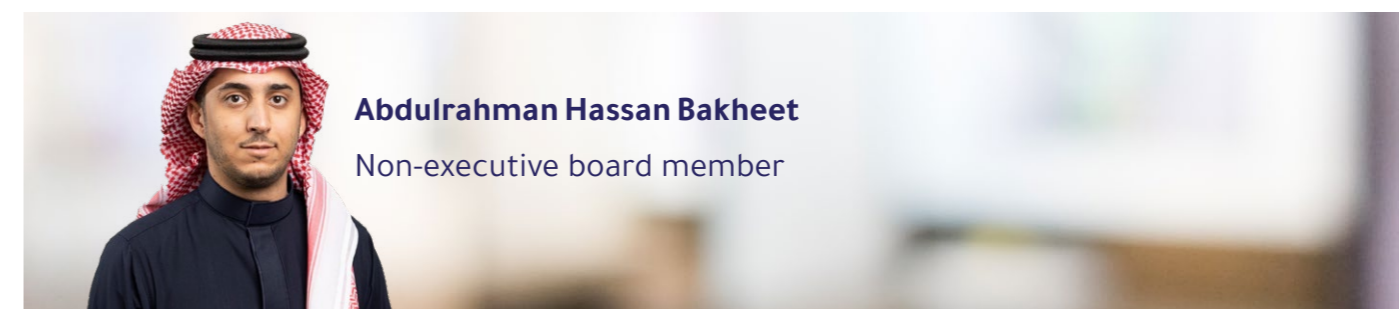
Holds a bachelor's degree in Systems Engineering from King Fahd University of Petroleum and Minerals and an executive master's degree in business administration from the same institution.

#### Current Position

- Chairman of the Board of Directors, the Executive Committee, and The Governance and Risk Management Committee, Member of the Nominations and Remunerations Committee of Filling and Packing Materials MFG. CO. (FIPCO)

#### Work Experience

- Member of the Board of Directors of FPC Company.
- Member of the Board of Directors of the Tourism Enterprises Company (Shams)
- CEO of Bina Industrial Investments Holding Company.
- Managing Director and Vice-Chairman of the Board of Directors and Chairman of the Investment Committee of Packing Materials MFG. CO. (FIPCO).



**Abdulrahman Hassan Bakheet**  
Non-executive board member

Holds a bachelor's degree in Business Administration from the American University of Sharjah and has a Certificate of Credit Program Course from Queen's University in Canada.

#### Current Position

- Director of Fixed Income and Money Markets Department at Hasana Investment Company.

#### Work experience

- A portfolio manager in the local equity and fixed income division at AlRaidah investment company.
- Senior Trader in the Treasury division in the Investments Department at Banque Saudi Fransi.
- Senior loan review analyst in the credit department of the Industrial Development Fund.
- Trader in the international equity division of French Capital.

## Board of Director's meetings

In 2023, the Board held (4) meetings, where the following statement clarifies the Board meetings and the attendance record for each meeting:

Name	21/02/2023	18/05/2023	27/07/2023	07/11/2023	Total
Bassim Abdullah Alim	✓	✓	✓	✓	4
Khaled Abdullah Al-Dabal	✓	✓	✓	✓	4
Abdullah Jarallah AlSaawi	✓	✓	✓	✓	4
Mohammad Abdulaziz AlGhannam	✓	✓	✓	✓	4
Abdulrahman Hasan Bakheet	✓	✓	✓	✓	4
Miqad Abdullah Alkhamis	✓	✓	✓	✓	4
Yousef Abdullah Al-Rajhi	✓	✓	✓	✓	4
Ahmed Abdelatif AlBarrak	✓	✓	✓	✓	4

## Members of Board of Directors committees

### Members of the audit committee

Name	Work Experience	Current Position	Qualifications
Mohammed Abdulaziz Alghannam	Previously introduced among the names of the members of the Board of Directors		
Ahmed Abdelatif AlBarrak	Previously introduced among the names of the members of the Board of Directors		
Khalid Ahmed Refaat	Over 30 years of experience in operations and management; Experience in leading the external audit of the finance and major investments departments, as well as internal audit, risk management and corporate governance. Holds a bachelor's degree in Commerce from Ain Shams University in Cairo. He is certified by the Certified Public Accountants "CPA" program from Colorado in the USA. He is also a member of the American Institute of Certified Public Accountants (AICPA)	<ul style="list-style-type: none"> <li>Senior Vice President for Business and Investments for a regional group.</li> <li>Head of the family office in a regional group.</li> <li>Member of the Board of Directors of a company operating in the field of energy in the Arab Republic of Egypt.</li> <li>Member of the Board of Directors of a company working in the field of hotels and tourism in the Arab Republic of Egypt.</li> <li>Member of the Audit Committee of the United International Transport Company.</li> </ul>	<ul style="list-style-type: none"> <li>Board member and Chairman of the Audit Committee and a member of the Remuneration and Compensation Committee in a local closed joint stock company.</li> <li>Board member and Chairman of the Audit Committee of a public company in Jordan.</li> <li>Board member of two companies in Italy.</li> <li>Board member at the group and at several subsidiaries.</li> <li>Senior Vice President of Finance, Investments and Procurement at a Multinational Group.</li> <li>Group Chief Financial Officer. Leading a local Saudi group specializing in various industries.</li> <li>Advisory Services Leader at Ernst &amp; Young in Jeddah Office</li> </ul>
Mohammed Qadan AlOtaibi	He received a bachelor's degree in Mechanical Engineering and a master's degree in Business Administration from King Fahd University of Petroleum and Minerals. In addition, he obtained fellowships from the American Institute of Internal Auditors and the American Fraud Examiners Institute.	<ul style="list-style-type: none"> <li>Member of the Audit Committee at The Saudi Venture Capital Company.</li> <li>Member of the Audit Committee at The Saudi Red Crescent Authority.</li> <li>Director of Internal Audit at the Social Charity Fund.</li> <li>General Manager of the Internal Audit at the Social Development Bank.</li> </ul>	<ul style="list-style-type: none"> <li>Project Manager of the Governance Transformation Program at the National Industrialization Company.</li> <li>Senior Internal Auditor at SABIC.</li> <li>Worked at the Audit, Risk Management, and Compliance at Saudi Aramco.</li> </ul>
Adeeb Mohammed Abanumi	Holds a bachelor's degree in Accounting from King Saud University and a master's degree in Professional Accounting from the University of Miami. He also holds several professional certificates.	<ul style="list-style-type: none"> <li>Member of the Audit Committee and a member of the Board of Directors in many companies and government funds.</li> <li>General Manager at Abanumi Office</li> </ul>	<ul style="list-style-type: none"> <li>Continuous Disclosure Advisor at Capital Market Authority.</li> <li>Principal Continuing Disclosure Specialist at Capital Market Authority.</li> <li>Vice Dean of the Community College in Shaqra.</li> <li>Financial Analyst of Saudi Export Program at Saudi Fund for Development.</li> <li>Accounts Analyst of Capital Management at Saudi Fund for Development.</li> <li>Researcher of Capital Management at Saudi Fund for Development.</li> </ul>

► **Members of Nominations and Remuneration Committee**

Name	Qualifications	Current Position	Work Experience
Miqad Abdullah Alkhamis			Previously introduced among the names of the members of the Board of Directors
Khaled Abdullah Aldabal			Previously introduced among the names of the members of the Board of Directors
Abdullah Jarallah AlSaawi			Previously introduced among the names of the members of the Board of Directors
Ahmed Abdelatif AlBarrak			Previously introduced among the names of the members of the Board of Directors
Samer Saud Samman	<p>Holds a bachelor's degree in Mechanical Engineering from the University of Kansas in the USA and a master's degree in Public Administration from Columbia University in New York.</p>	<ul style="list-style-type: none"> <li>Chief Human Resources Officer in the Human Resources Management Department at King Abdullah University of Science and Technology "KAUST".</li> </ul>	<ul style="list-style-type: none"> <li>Interim Head of Human Resources, Director of Personnel Services, Director of Transportation and Support Services, and Project Manager at King Abdullah University of Science and Technology "KAUST".</li> <li>He worked in the Innovation Fund and worked as a Director of Investment, Innovation and Economic Development at King Abdullah University of Science and Technology "KAUST".</li> <li>He worked at Alchemist Energy Trading in the United Arab Emirates as a Business Development Manager.</li> <li>He worked at Cargill Company, the United Arab Emirates, the Transportation Fuels and Chemical Business, and worked as a Business Development Manager and Trader.</li> <li>He worked as Joint Venture Portfolio Manager and Joint Venture Manager in Saudi Aramco, China Hong Kong</li> <li>He worked as a Financial Analyst, and worked at Treasury and Saudi Aramco</li> </ul>

► **Members of the Investment Committee**

Name	Qualifications	Current Position	Work Experience
Yousef Abdullah Al-Rajhi			Previously introduced among the names of the members of the Board of Directors
Ahmed Abdelatif AlBarrak			Previously introduced among the names of the members of the Board of Directors
Abdulrahman Hasan Bakheet			Previously introduced among the names of the members of the Board of Directors
Miqad Abdullah Alkhamis			Previously introduced among the names of the members of the Board of Directors
Moath Majed AlOhal	<p>He holds a bachelor's degree in Banking and Financial Management from the University of Applied Sciences. He also has been awarded the Forbes Middle East magazine's award for the most influential entrepreneurs in the Kingdom.</p>	<ul style="list-style-type: none"> <li>CEO of Rassal Holding Company.</li> <li>CEO of Neom Sport Club</li> <li>Board member and Chairman of the Audit Committee of Ayyan Investment Company.</li> <li>Founder and Board Member of Tamriya Company.</li> </ul>	<ul style="list-style-type: none"> <li>CEO of First International Real Estate and Investment Company.</li> <li>Chief's executive assistant at AlOhal Holding Company.</li> <li>Investment Management Analyst at GFH Financial Group in Bahrain.</li> <li>Financial Structural Management Analyst at Ayyan Capital Company in Kuwait.</li> <li>Member of the Remuneration and Nominations Committee at Ayyan Investment Company.</li> <li>Member of the Remuneration and Nominations Committee of the United International Transportation Company.</li> <li>Vice President of Alsharqia young businessmen council at Alsharqia chamber.</li> <li>CEO of Al Ettifaq Football Club.</li> </ul>

► **Members of the Governance and Risk Management Committee**

Name	Qualifications	Current Position	Work Experience
Ahmed Abdullatif AlBarrak			Previously introduced among the names of the members of the Board of Directors
Abdullah Jarallah AlSaawi			Previously introduced among the names of the members of the Board of Directors
Mohammed Abdulaziz Alghannam			Previously introduced among the names of the members of the Board of Directors
Abdulrahman Hassan Bakheet			Previously introduced among the names of the members of the Board of Directors
Abdullah Mohammed Alharbi	<p>He holds a Bachelor's degree in Marketing from King Abdulaziz University, and a Master's degree in Business Administration from Dar Al Uloom University.</p>	<ul style="list-style-type: none"> <li>Member of the Board of Directors of the Packaging Materials Manufacturing Company (FIPCO)</li> <li>Member of the Governance and Risk Management Committee at the Packaging Materials Manufacturing Company (FIPCO)</li> <li>Chairman of the Governance Committee and a member of the Audit Committee of the Arab Pipe Company</li> <li>Director of Risk Management, Packaging Materials Manufacturing Company (FIPCO)</li> <li>CEO of the Packaging Materials Manufacturing Company (FIPCO)</li> </ul>	<ul style="list-style-type: none"> <li>Investment Manager, Faya Corporation for investment.</li> <li>Associate journalist at Economic field in Middle East newspaper And Shams newspaper.</li> <li>Director of Risk Management, Packaging Materials Manufacturing Company (FIPCO)</li> </ul>

► **Members of Executive Committee**

Name	Qualifications	Current Position	Work Experience
Miqad Abdullah Alkhamis			Previously introduced among the names of the members of the Board of Directors
Ahmed Abdullatif AlBarrak			Previously introduced among the names of the members of the Board of Directors
Fawaz Abdullah Danish	<p>Holds a bachelor's degree in Law from King Abdulaziz University in Saudi Arabia.</p>	<ul style="list-style-type: none"> <li>Group CEO of United international transportation company.</li> <li>Chairman of the Board of Directors of Muttawiffy Hujjaj South Asia Co.</li> <li>A Board member and Chairman of the Audit Committee of Gas Arabian Services</li> <li>A Board Manager of Aljozoor Alrasekha Transportation Company Ltd</li> <li>A Board member of Tranzlease Holdings Limited.</li> <li>A Board member of Unitrans Infotech Limited.</li> </ul>	<ul style="list-style-type: none"> <li>He began his professional career at Savola. He then held several positions in the Jeddah Chamber of Commerce and the United Cooperative Insurance and became a member of the National Committee for Joint-Stock Companies.</li> </ul>

► **Members of the Executive Management**

Name	Qualifications	Current Position	Work Experience
Fawaz Abdullah Danish			Previously introduced among the names of the members of the Executive Committee
Ravish Mohammed Tatli	<p>Holds a bachelor's degree in Statistics from Mumbai University in India and holds a Ph.D. in Accounting from SMC University in Switzerland.</p>	<ul style="list-style-type: none"> <li>Group CFO of the United International Transportation Company.</li> </ul>	<ul style="list-style-type: none"> <li>He worked in several positions in the audit firm Ernst &amp; Young in the Mumbai and Jeddah offices.</li> </ul>

## The general meeting of shareholders (AGM)

The company held one meetings of the general assembly of shareholders during 2023. Names of the following Board of Directors members:

Name	Position	The ordinary general assembly meeting 13/04/2023	The extraordinary general assembly meeting 24/08/2023
<b>Bassim Abdullah Alim</b>	Chairman of the Board of Directors	✓	✓
<b>Khaled Abdullah Al-Dabal</b>	Vice Chairman of the Board of Directors	✓	✓
<b>Abdullah Jarallah AlSaawi</b>	Board member	✓	✓
<b>Mohammad Abdulaziz AlGhannam</b>	Board member Chairman of the audit committee	✓	✓
<b>Abdulrahman Hassan Bakheet</b>	Board member	✓	✓
<b>Miqad Abdullah Alkhamis</b>	Board member Chairman of the Remuneration and Nominations Committee Chairman of the Executive Management Committee	✓	✓
<b>Yusef Abdullah Al-Rajhi</b>	Board member Chairman of the Investment Committee	✓	✓
<b>Ahmed Abdelatif AlBarrak</b>	Board member Chairman of the Governance and Risk Management Committee	✓	✓

## Number, dates of and reasons for the Company's applications for the shareholders' record for 2023

Number of applications	Application date	Application reasons
(1)	15/01/2023	Company Procedures
(2)	09/04/2023	Company Procedures
(3)	10/07/2023	Company Procedures
(4)	29/08/2023	The general assembly

## List of the company's major shareholders in 2023

List the company's major shareholders who own more than 5% of its shares and the changes of their shares' ownership in 2023.

Investor's name	Nationality	Number of shares at the beginning of 2023	Ownership percentage at the beginning of 2023	Number of shares at the end of 2023	Ownership percentage at the end of 2023	Notes
Osool and Bakhit Fund - Mobility	Saudi Company	-	-	4,214,143 Share	5.92%	According to shareholder records

Regarding to the notifications related to the ownership of large shares of shares and their change during 2023, the company would like to acknowledge that it did not receive any notification of its kind from major shareholders during the year 2023, and the company approved in this statement of the major shareholders based on the information of the Securities Depository Center Company ("Depository Center").

## Description of the company's plans and decisions in 2023

### ▶ 17-01-2023

The United International Transportation Company (Budget Saudi) announces an update on its announcement that one of its subsidiaries has signed a Memorandum of Understanding regarding the possible acquisition of (70%) of the Overseas Development Holding Company's shares in its subsidiaries in the kingdom of Saudi Arabia, the United Arab Emirates and the State of Kuwait.

### ▶ 23-02-2023

United International Transportation Co. (Budget Saudi) Announces its Annual Consolidated Audited Financial Results for the Year Ending on 31-12-2022

### ▶ 23-02-2023

United International Transportation Co. (Budget Saudi) Announces the Distribution of Final Cash Dividends for the Second Half of 2022

### ▶ 16-03-2023

The United International Transportation Company (Budget Saudi) announces an update on its announcement that one of its subsidiaries has signed a Memorandum of Understanding regarding the possible acquisition of (70%) of the Overseas Development Holding Company's shares in its subsidiaries in the kingdom of Saudi Arabia, the United Arab Emirates and the State of Kuwait.

### ▶ 23-03-2023

United International Transportation Company (Budget Saudi) announces the invitation of its shareholders to attend the Ordinary General Assembly meeting (First meeting) via modern technology means.

### ▶ 09-04-2023

United International Transportation Co. (Budget Saudi) announces the start of electronic voting on the Ordinary General Assembly Meeting Agenda (First Meeting) via Modern Technology Means

### ▶ 13-04-2023

Addendum Announcement from United International Transportation Company (Budget Saudi) regarding its intention to buy its shares

### ▶ 16-04-2023

United International Transportation Company (Budget Saudi) Announces the Results of the Ordinary General Assembly Meeting (First Meeting)

### ▶ 16-04-2023

United International Transportation Company (Budget Saudi) Announces the date and method of distributing dividends to shareholders for the Second half of the year 2022

### ▶ 30-04-2023

The United International Transportation Company (Budget Saudi) announces the latest developments regarding the signing of a memorandum of understanding by one of its subsidiaries regarding the potential acquisition of (70%) of the shares of the Overseas Development Holding Company in its subsidiaries in the Kingdom of Saudi Arabia, the United Arab Emirates and the State of Kuwait

### ▶ 21-05-2023

United International Transportation Company (Budget Saudi) announces its Interim Financial Results for the Period Ending on 31/03/2023 (Three Months)

### ▶ 10-07-2023

United International Transportation Company (Budget Saudi) announces the invitation of its shareholders to attend the Extraordinary General Assembly meeting (First meeting) via modern technology means.

### ▶ 27-07-2023

The United International Transportation Company (Budget Saudi) announces the amendment of the date and agenda of the Extraordinary General Assembly (first meeting) through modern technology

### ▶ 27-07-2023

United International Transportation Co. (Budget Saudi) announces its Interim Financial Results for the Period Ending on 30-06-2023 (Six Months)

### ▶ 27-07-2023

United International Transportation Co. Announces the distribution of interim cash dividends for the first half of the year 2023

### ▶ 09-08-2023

United International Transportation Company (Budget Saudi) Announces the date and method of distributing interim dividends to shareholders for the First half of the year 2023

### ▶ 21-08-2023

United International Transportation Co. (Budget Saudi) announces the start of electronic voting on the Extraordinary General Assembly Meeting Agenda (First Meeting) via Modern Technology Means

### ▶ 24-08-2023

The United International Transportation Company (Budget Saudi) announces that it has signed a Non-Binding Memorandum of Understanding to acquire all shares of Al-Jazeera Equipment Company Limited (AutoWorld) by issuing shares to its owner Saudi Economic and Development Holding Company (SEDCO)

### ▶ 27-08-2023

United International Transportation Company (Budget Saudi) Announces the Results of the Extraordinary General Assembly Meeting (Second Meeting)

### ▶ 12-10-2023

United International Transportation Company (Budget Saudi) announces the latest developments regarding its signing of a non-binding memorandum of understanding with the Saudi Economic and Development Holding Company (SEDCO) for the purpose of the total acquisition of its subsidiary, Al-Jazeera Equipment Company Limited (Auto World)

### ▶ 06-11-2023

The United International Transportation Company (Budget Saudi) announces the signing of a contract with the Saudi Basic Industries Corporation (SABIC) valued at 39,872,784 Saudi Riyals

### ▶ 07-11-2023

United International Transportation Co. (Budget Saudi) announces its Interim Financial Results for the Period Ending on 30-09-2023 (Nine Months)

### ▶ 30-11-2023

The United International Transportation Company (Budget Saudi) announces the completion of procedures to acquire (70%) of the Overseas Development Holding Company's shares in its subsidiary in the Kingdom of Saudi Arabia.

### ▶ 24-12-2023

The United International Transportation Company (Budget Saudi) announces the signing of the share purchase and share subscription agreement to fully acquire Al-Jazeera Equipment Company Limited by way of a capital increase through the issuance of new shares to the selling shareholder of Al-Jazeera Equipment Company Limited

## Committees of the Board of Directors

The committees of the Board of Directors perform their duties and responsibilities following the applicable governance documents, regulations, and policies that have been approved by the Board of Directors or the General Assembly, which determines the committees' powers and work procedures. The Board of Directors monitors the committees' work regularly, and in return, the committees periodically report to the Board of directors their observations, outcomes, or decisions.

- Audit Committee.
- Nominations and Remuneration Committee.
- Investment Committee.
- Governance and Risk Management Committee.
- Executive committee.

### The Audit Committee

#### ► Committee members

The current Audit Committee consists of (5) members, a non-executive member, an independent member, and three Independent Member -Not a Board Member. The chairman and members of the committee were appointed by the company's general assembly for a period of three years. The committee's duties, responsibilities, and remuneration were determined by the company's general assembly in accordance with the relevant statutory requirements. The committee held (4) meetings during the fiscal year 2023.

The Audit Committee has a charter that complies with the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority and approved by the General Assembly.

Name	The type of the membership	The nature of the membership
Mohammed Abdulaziz Alghannam	Non-executive board member	Chairman of the Committee
Ahmed Abdelatif AlBarrak	independent board member	Committee member
Khalid Ahmed Refaat	Not a board member	Committee member
Mohammed Qadan AlOtaibi	Not a board member	Committee member
Adeeb Mohammed Abanumi	Not a board member	Committee member

#### ► The Highlights of the work carried out by the committee within the scope of its competence:

The Audit Committee carried out many activities during the year 2023, the most prominent of which are :

- Supporting the Board of Directors in its evaluation of the adequacy and efficiency of the internal and financial control systems, accounting practices, and auditing processes applied within the company.
- Studying the company's quarterly and annual financial statements for the fiscal year ending on 31/12/2023 and submitting recommendations to the Board of Directors to approve them.
- Monitoring the extent of the company's compliance with the regulations of the Capital Market Authority and the updates that occurred thereto.
- Reviewing the accounting procedures and policies that were followed in the preparation of these statements and the extent of their agreement with the International Accounting Standards (IFRS).
- Studying the reports of the regulatory authorities regarding the company's compliance with the relevant regulations and instructions and ensuring that the company takes the necessary measures in this regard.
- Overseeing the work of the Internal Audit Department and its executive procedures.
- Review and approval of the internal audit plan.
- Ensure the existence of an appropriate policy and procedures through which the company's employees can provide their observations regarding bypassing the company's internal systems, including those related to the preparation of the company's financial statements, confidentiality of reporting and protection.

#### ► Communication with the Board of directors

No conflicts were discovered between the Committee and the Board of Directors during the year.

#### ► The main activities of the committee during the year ending on December 31, 2023.

The committee carried out its duties and responsibilities during the fiscal year in accordance with its charter as follows:

- Internal control systems:

#### Internal Audit Department:

The internal audit plays an important role in evaluating the effectiveness of the internal control systems through the audit program, which continuously evaluates the risks in the group. The following are the main activities carried out by the committee during the year:

- 1) Supervise the activity and control the performance of the group's internal audit department in accordance with the approved plan and ensure its independence.
- 2) Review the internal audit reports for the fiscal year 2023 , and follow up on the implementation of its recommendations.
- 3) Determining internal audit priorities and developing the proposed risk-based internal audit strategic plan.

- External control of the company:

#### External auditor:

- Every quarter, the Audit Committee reviews the external auditor's reports and the draft financial statements issued by the auditor. The management and the assigned external audit team head discuss the items requiring clarification besides reviewing the notes to ensure they are addressed and then recommending their adoption after reviewing them in the presence of the CEO and the Chief Financial Officer.
- The Committee evaluates the auditor's independence and reviews the scope of their work and the terms of their contract.
- Evaluates the company's accounting policies.
- Reviewing the group auditor activities and work plan.

The Ordinary General Assembly, held on April 29, 2021, approved the appointment of the external auditor KPMG as the company's auditor, to examine and audit the quarterly and annual financial statements for the fiscal year 2023.

- Commitment:

- The committee believes that the group is committed to the relevant laws, regulations, policies, and procedures.
- The committee follows up on the results of the oversight authorities' reports and verifies that the necessary measures have been taken in this regard.
- The committee reviews the contracts and transactions proposed to be conducted by the company with the related parties.

#### Committee meetings

Member name	19/02/2023	16/05/2023	27/07/2023	06/11/2023	Attendance time
Mohammad Abdulaziz AlGhannam	✓	✓	✓	✓	4
Ahmed Abdul Latif Al-Barrak	✓	✓	✓	✓	4
Khalid Ahmed Refaat	✓	✓	✓	✓	4
Mohammad Qadan AlOtaibi	✓	✓	✓	✓	4
Adeeb Mohammad Abanumi	✓	✓	✓	✓	4

#### The annual financial statements ending on 31st December 2023 :

After the committee reviewed the annual financial statements ending on 31 December 2023. The Committee is of the opinion that the financial statements, in all material respects, comply with all relevant regulations. Accordingly, the committee recommended the Board of Directors to approve the annual financial statements for the fiscal year ending on 31 December 2023.

#### Results of evaluating internal and financial control systems and risk management:

Based on the annual examination of the internal control procedures during the year 2023 , and what was provided by the company's management, the internal audit department, and the external auditor, it was clear to the committee that there was no fundamental weakness in the internal or financial control systems or risk management in the company, as the results of this examination It provided acceptable guarantees regarding the effectiveness and adequacy of the internal control system applied in the company, the correctness of operations, the preparation and fair presentation of financial reports, as well as compliance with laws and regulations, bearing in mind that any internal control system, regardless of the extent of its sound design and effectiveness of its application, cannot provide absolute assurance of achieving the objectives of the internal control system.



## Nominations and Remuneration Committee

### ► Committee members

Name	The type of the membership	The nature of the membership
Miqad Abdullah Alkhamis	independent members	Chairman of the Committee
Khaled Abdullah Aldabal	Non-executive board member	Committee member
Abdullah Jarallah AlSaawi	Non-executive board member	Committee member
Ahmed Abdelatif AlBarrak	independent members	Committee member
Samer Saud Samman	Not a board member	Committee member

### ► Committee's Role and Responsibilities

- 1) Setting remuneration and membership policies for the Board of Directors and its committees and the company's Executive Management and supervising and ensuring these policies' implementation.
- 2) Reviewing and supervising the implementation of succession plans, continuous development, and training of Board members, CEO, and Senior Executives.
- 3) Supervising the design and implementation of the performance and wage management program system and ensuring that wages are aligned with the company's policies, programs, and long term strategies. In addition to monitoring performance, monitoring the applied reward package, comparing it to competitive rewards in the market, and plans to retain talented employees.
- 4) Assessing, evaluating, and monitoring the Board of Directors and Executive Management performance and supervising Human Resources Policies.
- 5) Supervising the nomination process for membership of the Board of Directors, its committees, and the Executive Management.

The Nomination and Remuneration Committee is responsible for reviewing and evaluating remuneration, determining nomination controls for the Board of Directors, its committees, and the Executive Management, and submitting regular reports to the Board. The following is a summary of the Committee's most important responsibilities:

#### - Tasks and Responsibilities Regarding the Rewards:

Establishing a clear policy for the remuneration of the Board of Directors, its committees, and the Executive Management, clarifying the relationship between the granted remuneration and the applicable remuneration policy, and indicating any deviations of material nature from this policy.

In addition to the regular review of the remuneration policy and evaluation of its effectiveness in achieving its objectives.

#### - Tasks and Responsibilities Regarding the Nominations:

Proposing clear policies and criteria for Board of Directors and executive management membership and annually reviewing the necessary skills or experience requirements for board of directors and executive management roles. In addition to reviewing the structure of the Board of Directors, its committees, and Executive Management, providing recommendations for changes when needed, identifying weaknesses and strengths in the board management. Moreover, annually verifying the independence of the members and ensuring that there is no conflict of interest if the member is a part of another company's board of directors.

Member Name	05/01/2023	04/02/2023	17/12/2023	26/12/2023	Attendance times
Miqad Abdullah Alkhamis	✓	✓	✓	✓	4
Khaled Abdullah Aldabal	✓	✓	✓	✓	4
Abdullah Jarallah AlSaawi	✓	✓	✓	✓	4
Ahmed Abdelatif AlBarrak	✓	✓	✓	✓	4
Samer Saud Samman	✓	✓	✓	✓	4

## The Investment Committee

### ▶ Committee members

Name	The type of the membership	The nature of the membership
<b>Yousef Abdullah Al-Rajhi</b>	Independent member	Chairman of the Committee
<b>Ahmed Abdelatif AlBarrak</b>	Independent member	Committee member
<b>Abdulrahman Hasan Bakheet</b>	Non-executive board member	Committee member
<b>Miqad Abdullah Alkhamis</b>	Independent member	Committee member
<b>Moath Majed AlOhali</b>	Not a board member	Committee member

### ▶ Committee's Role and Responsibilities

Support the board's role in developing and following up strategic plans regard to the company's investment opportunities and working with the Executive Management to develop a strategy and investment policy for the company that is proportionate to the nature of its business, activities, and risks, and then recommends it to the Board of Directors. In addition to supervising the company's investment activities, establishing appropriate procedures for measuring and evaluating investment performance, studying and evaluating the investment opportunities proposed by the company's management regarding mergers and acquisitions, entering into partnerships, and making recommendations to the Board of Directors.

### ▶ Committee meetings

Member Name	02/04/2023	12/07/2023	Attendance times
<b>Yousef Abdullah Al-Rajhi</b>	✓	✓	2
<b>Ahmed Abdelatif AlBarrak</b>	✓	✓	2
<b>Abdulrahman Hasan Bakheet</b>	✓	✓	2
<b>Miqad Abdullah Alkhamis</b>	✓	✓	2
<b>Moath Majed AlOhali</b>	✓	✓	2

## The Governance and Risk Management Committee

### ▶ Committee members

Name	The type of the membership	The nature of the membership
<b>Ahmed Abdullatif AlBarrak</b>	Independent member	Chairman of the Committee
<b>Abdullah Jarallah AlSaawi</b>	Non-executive board member	Committee member
<b>Mohammed Abdulaziz Alghannam</b>	Non-executive board member	Committee member
<b>Abdulrahman Hassan Bakheet</b>	Non-executive board member	Committee member
<b>Abdullah Mohammed Alharbi</b>	Not a board member	Committee member

### ▶ Committee's Role and Responsibilities

Strengthening the board's role in verifying the company's compliance with the applicable laws and regulations, reviewing and updating policies and rules in accordance with legal requirements and best practices, reviewing the risk register, the strategy for dealing with risks, and related policies. Reviewing and updating the governance guide and rules in accordance with statutory requirements and best practices, in addition to reviewing and developing the rules of professional conduct that represent the company's values, and other internal policies and procedures to meet the company's needs and in line with best practices, as well as informing board members always of developments in the field of corporate governance. and best practices.

### ▶ Committee meetings

Member Name	17/04/2023	17/12/2023	Attendance times
<b>Ahmed Abdullatif AlBarrak</b>	✓	✓	2
<b>Abdullah Jarallah AlSaawi</b>	✓	✓	2
<b>Mohammed Abdulaziz Alghannam</b>	✓	✓	2
<b>Abdulrahman Hassan Bakheet</b>	✓	✓	2
<b>Abdullah Mohammed Alharbi</b>	✓	✓	2

## Executive Committee

### ▶ Committee members

Name	The type of the membership	The nature of the membership
Miqad Abdullah Alkhamis	Independent member	Chairman of the Committee
Ahmed Abdullatif AlBarrak	Independent member	Committee member
Fawaz Abdullah Danish	Member of the executive management	Committee member

### ▶ Committee's Role and Responsibilities

- 1) Follow-up and periodically receive reports on the implementation and completion of major projects or major expansion works of the company.
- 2) Receiving executive management reports periodically through the Group CEO on the company's performance to discuss and review them before submitting them to the Board "if the need arises."
- 3) To assist the board of directors to carrying out its responsibilities, particularly regarding the tasks entrusted to it by the board of directors when the time factor is crucial.

### ▶ Committee meetings

Member Name	16/09/2023	27/12/2023	Attendance times
Miqad Abdullah Alkhamis	✓	✓	2
Ahmed Abdullatif AlBarrak	✓	✓	2
Fawaz Abdullah Danish	✓	✓	2

## The actions that the Board of Directors takes to inform its members especially non-executives of the shareholders' proposals and comments about the company and its performance

The Board of Directors approved incorporating the board's work regulation into the company's corporate governance regulations and policies. This regulation specifies the Chairman of the Board of Directors' competencies, role, and responsibilities, through which he ensures that the appropriate mechanisms are set to inform the members of the board especially non-executives of the shareholders' comments on the company's performance, as follows:

- Organizing the Board of Directors' work and providing an appropriate environment for exchanging views and open discussion of all agenda topics to ensure that the Board of Directors covers all critical issues effectively and in a timely manner.
- Providing the Board of Directors with the necessary, complete, accurate, correct, and non-misleading information on time to enable them to make sound decisions and carry out their responsibilities.
- Encouraging the Board of Directors to carry out their responsibilities effectively and in the company's best interests.
- Ensuring the existence of effective channels for shareholders to communicate with the Board of Directors and share their perspectives.
- Promoting constructive relationships and effective participation between the Board of Directors and executive management and between the executive, non-executive, and independent members and developing a constructive criticism culture.
- Scheduling council meetings, in addition to preparing the agenda, chairing meetings, and organizing the decision-making process.
- Meeting with non-executive board members regularly.
- In all cases, the shareholders' inquiries or suggestions are communicated to the Board of Directors, whether at the general assembly meetings or through inquiries received by the company's concerned departments. The Board of directors present at the general assembly meetings is responsible for responding to shareholders' questions, and all of that is documented in the meeting minutes.

## Names of companies in which a Board member is a member of their current or previous Board of Directors or one of their executives

Name	Name of current companies	Inside/ Outside KSA	Legal entity	Name of previous companies	Inside/ Outside KSA	Legal entity
Bassem Abdullah Alim	Aljozoor Alrasekha Transportation Company Ltd.	Inside the Kingdom	Limited liability	BIM Birlesik Magazalar Anonim Company	Outside the Kingdom	Public Listed Company
				The Establishment of Motawifs of Pilgrims of Turkey Muslims of Europe America and Australia	Inside the Kingdom	Civil society institution
Khaled Abdullah Aldabal	Akd Holding	Inside the Kingdom	Limited Liability	Aldabal Company	Inside the Kingdom	Limited Liability
Abdullah Jarallah AlSaawi	-	-	-	-	-	-
Mohammed Abdulaziz AlGhannam	-	-	-	-	-	-
Abdulrahman Hassan Bakheet	-	-	-	-	-	-
Miqad Abdullah AlKhamis	Al-Jouf Agricultural Company	Inside the Kingdom	Public Listed company	The National Company for Glass Industry	Inside the Kingdom	Public Listed Company
	The National Company for Glass Industry			Riyad Taqnia Fund		Closed-end Investment Funds
Yousef Abdullah AlRajhi	Tabuk Agricultural Development Company	Inside the Kingdom	Public Listed company	Shorouq Pack Company	Outside the Kingdom	Public Listed Company
	Methanol Chemical Company					
	Afaq Alghitha Company					
	AlRajhi Co. For Trading & Industry					
	AlRajhi Education Company					
	Riyada Hotels Company					
	Gulf Tech Company					
	Tabuk Marketing Company					
	Almatar Company					
	Cool Investment Company	Limited Liability				
Islami Bank Bangladesh	Outside the Kingdom					
Ahmed Abdullatif Albarrak	Filling and Packing Materials MFG. CO. (FIPCO)	Inside the Kingdom	Public Listed Company	-	-	-
	Tourism Enterprises Company (Shams)					
	FPC Company		Closed Joint Stock Company			
	Bina For Industrial Investments Holding Company		Limited Liability			

## Transactions with related parties

Through its main business and activities, the company deals with related parties. In these transactions, the company follows the same terms and principles as with third parties, including the related parties, according to the definition stipulated in the Corporate Governance Regulations.

### ► Definition of related parties:

- 1) Affiliates of the Company except for wholly-owned companies;
- 2) Substantial shareholders of the Company;
- 3) Directors and senior executives of the Company;
- 4) Directors of affiliates of the Company;
- 5) Directors and senior executives of substantial shareholders of the Company;
- 6) Any relatives of persons described at (1), (2), (3) or (5) above;
- 7) Any company controlled by any person described at (1), (2), (3), (5) or (6) above.

For the purposes of paragraph (6) of this definition, the term "relatives" shall mean a parent, spouse, and children.

### ► The transactions made between the company and the related parties

There are no contracts or deals concluded between the company and any of its subsidiaries or associates and any of its board members or senior executive during the year 2023.

### ► Information related to any business or contracts in which the company is a party, and a Board member has an interest

- There are no contracts or deals that were concluded within 2023, in which the company was a party or member of the board of directors or a senior executive and any related person had interest therein.
- There were no competitive businesses practiced by any Board member or a senior executive or any related person within 2023.



# The Dividend Distribution

### The Dividend Distribution Policy

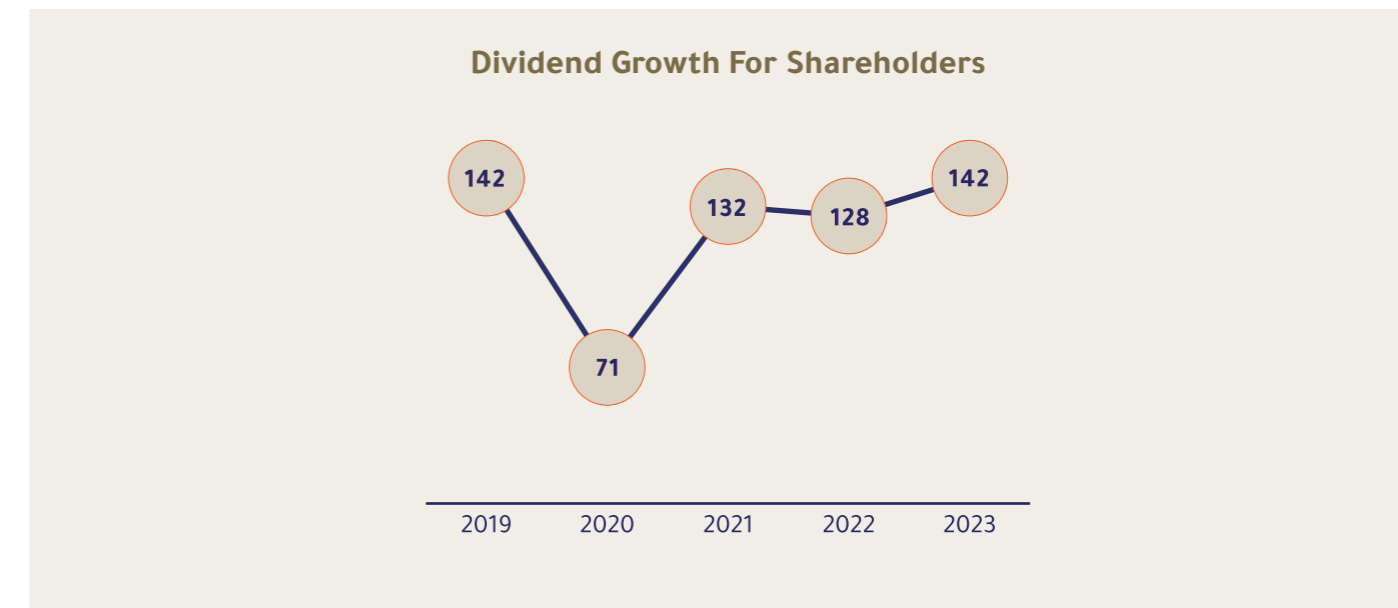
The dividend policy of United International Transportation Company (Budget Saudi) has been prepared according to the requirements of the Corporate Governance Regulations issued by the Capital Market Authority following the companies' law and the company's statute; to organize the processes and procedures related to the profits distribution, statement, and the payment timing. Therefore, the company is obligated to achieve a stable dividend policy in general and promises to disclose any change in this Policy. Furthermore, it is obligated to distribute cash dividends to its shareholders whenever approved by the shareholders' general assembly, considering the variables that may arise in the amount of cash distributed as profits each year, according to its strategic plans and future goals. Such as using its reserves to engage in projects or investments that help achieve the company's and shareholders' objectives; besides, the profits may vary annually to increase the company's capital by capitalizing a portion of the realized gains.

► **The company's annual net profits are distributed as follows:**

- 1) The ordinary general assembly may decide to establish other reserves as deemed beneficial to the company or to ensure the distribution of fixed dividends to the shareholders. The assembly may also allocate amounts from the net profits to establish social institutions for the company's employees or support existing institutions.
- 2) After the allocations mentioned above, a first distribution shall be made to the shareholders, amounting to no less than 5% of the paid-up capital.
- 3) The company may distribute interim profits (quarterly or semi-annually) to its shareholders according to the guidelines determined by the competent authority and with the authorization of the ordinary general assembly through an annual resolution renewing the distribution of interim profits.

► **Percentage of dividends distributed during the year:**

	Dividends distributed for the second half of the year 2022 on (09/05/2023)	Dividends distributed for the first half of 2023 on (13/09/2023)	Proposed profit percentages to be distributed at the end of the year	Total profits disbursed
<b>Percentage</b>	15%	5%	10%	20%
<b>Total profits</b>	SAR 106,750,002	SAR 35,583,334	SAR 71,166,668	SAR 142,333,336



(In millions of Saudi riyals)





# Remuneration and Related Disclosures

Saudi Arabia

## Remuneration Policy for Board Members, Committees, and Executive Management

### ► Purpose of the Policy

This policy aims to establish clear criteria for determining the remunerations for the members of the Board of Directors, committees, and senior executives of the company considering the requirements of the Companies Law and the regulations of the Capital Market Authority. Additionally, this policy aims to attract, retain, and motivate professional competencies associated with performance, contributing to the improvement of the company's performance and the achievement of shareholders' interests.

### ► General Criteria for Remunerations

Without violating the provisions of the Companies Law and the Capital Market Law and their executive regulations, the Nominations and Remunerations Committee is responsible for recommending to the Board of Directors the remunerations for board members, committee members, and senior executives of the company based on the following criteria:

- 1) Remunerations should be proportional to the company's activities and align with its strategy and objectives.
- 2) The purpose of remunerations should be motivational, aimed at encouraging board members, committee members, and executive management to achieve the company's long-term success. For example, the variable portion of remunerations may be linked to long-term performance.
- 3) Remunerations should be determined based on the position, responsibilities, qualifications, practical experience, skills, and performance level.
- 4) Remunerations should be consistent with the company's size, nature, and degree of risk.
- 5) When setting remunerations, other companies' practices in determining remunerations and compensation should be taken into consideration to avoid unjustified increases in remunerations and compensation.
- 6) Remunerations should be sufficiently appropriate to attract, retain, and motivate professional competencies without exaggeration.
- 7) Remunerations should be prepared for new hires, especially for senior executives of the company, in coordination with the Nominations and Remunerations Committee.
- 8) Board members' remunerations may vary in terms of amount, based on criteria such as experience, expertise, tasks performed, the number of attended meetings, the independence of the member, and other considerations set by the Remunerations and Nominations Committee, including the annual review of the performance of board members, executive management, and committee members as an important criterion for determining their remunerations.
- 9) The payment of remunerations may be suspended or refunded if it is found to have been determined based on inaccurate information provided by a board member, executive management, or any committee member to prevent the exploitation of their position to obtain undeserved remunerations.
- 10) In the event of granting shares in the company to members of the Board of Directors, executive management, or company employees, whether through new issuances or shares

purchased by the company, specific procedures shall be followed under the recommendation and supervision of the Remunerations and Nominations Committee, in accordance with the company's bylaws, the Companies Law, and the regulations of the Capital Market Authority.

### ► Remuneration for the Board of Directors members

- 1) Remunerations for the Board of Directors members at United International Transportation Company may consist of a specific amount, attendance fees for meetings, allowances, benefits in kind, or a percentage of profits. It is permissible to combine two or more of these benefits, provided that it does not exceed what is stipulated in the Companies Law and its regulations, according to the table included in this policy and any subsequent amendments, which shall be approved in accordance with the regulations.
- 2) The remunerations for the Board of Directors members consist of an annual bonus in addition to attendance fees for board meetings.
- 3) The Board of Directors' report to the Ordinary General Assembly should include a comprehensive statement of all the remunerations, allowances, and other benefits received by the Board members during the fiscal year. It should also include a statement of the amount received by the Board members as employees, administrators, or for any technical, administrative, or consultancy work. Furthermore, it should include a statement of the number of board meetings and the number of meetings attended by each member since the last General Assembly meeting.
- 4) The remuneration for a Board of Directors member should be fair and proportionate to their duties, responsibilities, and the specific goals set by the Board to be achieved during the fiscal year.
- 5) The remuneration should be based on the recommendation of the Nominations and Remunerations Committee.
- 6) The remuneration should be commensurate with the sector in which the company operates, its size, and the experience of the Board members.
- 7) The remuneration should be reasonably sufficient to attract and retain competent and experienced Board members and to motivate them.
- 8) The remuneration for Board of Directors members may vary according to the criteria outlined in this policy.
- 9) Remunerations for independent Board members should not be a percentage of the company's profits or directly or indirectly based on the company's profitability.
- 10) If the General Assembly decides to terminate the membership of a Board member due to their absence from three consecutive Board meetings without a valid excuse, that member shall not be entitled to any remunerations for the period following the last attended meeting, and they shall be required to return any remunerations disbursed to them during that period.
- 11) A Board of Directors member may receive a remuneration for any additional executive, technical, administrative, or consultancy work assigned to them within the company, in addition to the remuneration they may receive as a member of the Board of Directors and the committees formed by the Board of Directors, in accordance with the Companies Law, the company's bylaws, and the regulations of the Capital Market Authority.

### ► Remunerations for Committee Members

- 1) The Board of Directors determines and approves the remunerations for the committees derived from it, as well as attendance fees and other entitlements, based on the recommendation of the Nominations and Remunerations Committee.



- 2) The remunerations for committee members derived from the Board of Directors consist of an annual bonus, a fixed amount, in addition to attendance fees for meetings and other entitlements, as specified in the attached table in the Remuneration Policy for Board Members, Committees, and Executive Management.

#### ► Executive Management Remunerations

The Nominations and Remunerations Committee continuously reviews the salaries of all employees, senior executives, and incentive plans and programs, based on the recommendation of the executive management. The executive management remunerations include:

- 1) Basic Salary (to be paid on a monthly basis at the end of each Gregorian month).
- 2) Allowances, including but not limited to housing allowance, transportation allowance, phone allowance, fuel allowance, etc.
- 3) Medical insurance benefits for the employee and their family.
- 4) Annual bonus linked to performance indicators according to the annual evaluation in this regard.
- 5) Short-term incentive plans linked to exceptional performance and long-term incentive plans such as stock programs (if applicable).
- 6) Fixed annual bonuses for certain job positions within the company.
- 7) Sales-related incentives.
- 8) Other benefits, including but not limited to annual travel tickets.

#### ► Executive Management Remuneration Criteria

The company's employee and senior executive Remunerations are determined based on the following criteria:

- 1) Taking into account the determination and adjustment of the basic salary of the company employee is his abilities, professional competence, and professional history of the company throughout the service of his work.
- 2) For newly hired or recently appointed employees, their salaries are determined by a decision from the Group's CEO in accordance with the company's recruitment policy.
- 3) Fixed bonuses, whether in a lump sum or a certain percentage of sales, are determined, approved, and authenticated by the Group's CEO in accordance with internal incentive regulations.
- 4) The Nominations and Remunerations Committee conducts an annual review of employee salaries and submits recommendations to the company's CEO.
- 5) Annual performance-related bonuses are determined by the Nominations and Remunerations Committee based on recommendations and reports from the Group's CEO and department managers.
- 6) As for senior executives, specific incentive plans and programs, as well as salary adjustments and other benefits, must be approved by the Nominations and Remunerations Committee.
- 7) Some allowances, such as housing allowance (25% of the basic salary) and transportation allowance (10%), are determined as a percentage of the basic salary.
- 8) It is left to the Executive Management to decide on the method of payment of staff allowances after the approval of the Group's CEO.

- 9) Some employees, based on the nature of their work, receive in-kind benefits such as providing a car, in accordance with the conditions and standards set by the company's management in this regard. The provision of a car to employees should be approved by the Group's CEO, and in the case of any executive management employee receiving a car, they are not entitled to a transportation allowance.
- 10) Other allowances, such as fuel allowance and phone allowance, are subject to the discretion, cancellation, or reapproval by the Group's CEO according to a clear internal policy established by the Human Resources management.
- 11) The eligible allowances for senior executives in the company are presented and approved by the Nominations and Remunerations Committee.
- 12) Regarding airline tickets, they are provided to non-Saudi employees of the company and their families, up to a maximum of a spouse and two children, once a year in economy class. This applies to employees contracted with the company who have family privileges. As for employees contracted without family privileges, they are entitled to one ticket for themselves only.
- 13) The Group's CEO implements the employee and senior executive rewards policy based on the plans and programs recommended by the Nominations and Remunerations Committee.

#### ► General Provisions

- 1) Members of the Board of Directors are not allowed to vote on the item of remuneration for board members in the General Assembly meeting of the shareholders.
- 2) The company discloses the remuneration of the Board of Directors, committee members, and senior executives in the annual report of the Board of Directors in accordance with the regulations and guidelines issued under the Companies Law and the regulations of the Capital Market Authority.
- 3) A board member becomes eligible for remuneration from the date of their joining the board or committee.
- 4) The procedures for disbursing remuneration for the Board of Directors and committees are prepared by the Board Secretary, subject to approval by the Chairman of the Board of Directors.

#### ► Remuneration for Board Members and Committees

The annual remunerations and allowances for members of the Board of Directors or members of committees may be reviewed based on the recommendation of the Nominations and Remunerations Committee in the light of variables related to performance, and then the approval of the General Assembly of shareholders is obtained.

#### ► Other Expenses and Benefits

- The company bears the costs of travel and accommodation in Jeddah for non-resident members of the Board and committee members.
- The company bears all the costs of accommodation and travel for the members of the Board, committees, and executive management in the event of holding a meeting outside the city of Jeddah.

## Remuneration of members of the Board of Directors

Name	Fixed remunerations					Remuneration for the Chairman of the Board, the Managing Director or the Secretary, if he is a member	Total
	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Benefits in kind	Remuneration for technical, managerial and consultative work		
<b>Independent Members</b>							
Miqad Abdullah Alkhamis	350,000	12,000	24,000	-	-	-	386,000
Yousef Abdullah AlRajhi	350,000	12,000	6,000	-	-	-	368,000
Ahmed Abdelatif AlBarrak	350,000	12,000	42,000	-	-	-	404,000
<b>Non-executive members</b>							
Bassim Abdullah Alim	500,000	12,000	-	-	-	500,000	1,012,000
Khaled Abdullah AlDabal	350,000	12,000	12,000	-	-	-	374,000
Abdullah Jarallah AlSaawi	350,000	12,000	18,000	-	-	-	380,000
Mohammad Abdulaziz AlGhannam	350,000	12,000	18,000	-	-	-	380,000
Abdulrahman Hasan Bakheet	350,000	12,000	12,000	-	-	-	374,000
<b>Total</b>	<b>2,950,000</b>	<b>96,000</b>	<b>132,000</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>3,678,000</b>

Name	Variable remunerations						End of service award	Grand Total	Expense allowance
	Percentage of profits	Periodic Rewards	Short-term incentive plans	Long-term incentive plans	Shares awarded	Total			
<b>Independent Members</b>									
Miqad Abdullah Alkhamis	-	-	-	-	-	-	-	386,000	-
Yousef Abdullah AlRajhi	-	-	-	-	-	-	-	368,000	-
Ahmed Abdelatif AlBarrak	-	-	-	-	-	-	-	404,000	-
<b>Non-executive members</b>									
Bassim Abdullah Alim	-	-	-	-	-	-	-	1,012,000	-
Khaled Abdullah AlDabal	-	-	-	-	-	-	-	374,000	-
Abdullah Jarallah AlSaawi	-	-	-	-	-	-	-	380,000	-
Mohammad Abdulaziz AlGhannam	-	-	-	-	-	-	-	380,000	-
Abdulrahman Hasan Bakheet	-	-	-	-	-	-	-	374,000	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,678,000</b>	<b>-</b>

- The amounts received by members of the Board of Directors in their capacities as members of the Audit Committee, the Remuneration and Nomination Committee, the Investment Committee, Executive Committee, and the Governance and Risk Management Committee have been included in the committees' remuneration tables.

## Remuneration for Members of the Committees

### ► Details of the remuneration of the members of the Audit committee (In Saudi Riyals)

Name	Membership type	Fixed remunerations	Allowance for attending sessions	Total
Mohammed Abdulaziz Alghannam	Non-executive board member	200,000	12,000	212,000
Ahmed Abdelatif AlBarrak	independent members	150,000	12,000	162,000
Khalid Ahmed Refaat	Not a board member	180,000	12,000	192,000
Mohammed Qadan AlOtaibi	Not a board member	180,000	12,000	192,000
Adeeb Mohammed Abanumi	Not a board member	180,000	12,000	192,000

### ► Details of the remuneration of the members of the Nomination and Remuneration Committee (In Saudi Riyals)

Name	Membership type	Fixed remunerations	Allowance for attending sessions	Total
Miqad Abdullah Alkhamis	independent members	150,000	12,000	162,000
Khaled Abdullah Aldabal	Non-executive board member	125,000	12,000	137,000
Abdullah Jarallah AlSaawi	Non-executive board member	125,000	12,000	137,000
Ahmed Abdelatif AlBarrak	independent members	125,000	12,000	137,000
Samer Saud Samman	Not a board member	150,000	12,000	162,000

### ► Details of the remuneration of the members of the Investment committee (In Saudi Riyals)

Name	Membership type	Fixed remunerations	Allowance for attending sessions	Total
Yousef Abdullah Al-Rajhi	Independent member	150,000	6,000	156,000
Ahmed Abdelatif AlBarrak	Independent member	125,000	6,000	131,000
Abdulrahman Hasan Bakheet	Non-executive board member	125,000	6,000	131,000
Miqad Abdullah Alkhamis	Independent member	125,000	6,000	131,000
Moath Majed AlOhali	Not a board member	150,000	6,000	156,000

### ► Details of the remuneration of the members of the Governance and Risk Management committee (In Saudi Riyals)

Name	Membership type	Fixed remunerations	Allowance for attending sessions	Total
Ahmed Abdullatif AlBarrak	Independent member	150,000	6,000	156,000
Abdullah Jarallah AlSaawi	Non-executive board member	125,000	6,000	131,000
Mohammed Abdulaziz Alghannam	Non-executive board member	125,000	6,000	131,000
Abdulrahman Hassan Bakheet	Non-executive board member	125,000	6,000	131,000
Abdullah Mohammed Alharbi	Not a board member	150,000	6,000	156,000

► **Details of the remuneration of the members of the Executive Committee**

(In Saudi Riyals)

Name	Membership type	Fixed remunerations	Allowance for attending sessions	Total
Miqad Abdullah Alkhamis	independent member	150,000	6,000	156,000
Ahmed Abdullatif AlBarrak	Independent member	125,000	6,000	131,000
Fawaz Abdullah Danish	Member of the executive management	150,000	6,000	156,000

► **Summary of the remuneration of the members of the Board of Directors**

(In Saudi Riyals)

Name	Board of Director's	Audit Committee	Nominations and Remuneration Committee	Investment Committee	Governance and Risk Management Committee	Executive committee	Total
Bassim Abdullah Alim	1,012,000	-	-	-	-	-	1,012,000
Khaled Abdullah Al-Dabal	362,000	-	137,000	-	-	-	499,000
Abdullah Jarallah AlSaawi	362,000	-	137,000	-	131,000	-	630,000
Mohammad Abdulaziz AlGhannam	362,000	212,000	-	-	131,000	-	705,000
Abdulrahman Hasan Bakheet	362,000	-	-	131,000	131,000	-	624,000
Miqad Abdullah Alkhamis	362,000	-	162,000	131,000	-	156,000	811,000
Yousef Abdullah Al-Rajhi	362,000	-	-	156,000	-	-	518,000
Ahmed Abdelatif AlBarrak	362,000	162,000	137,000	131,000	156,000	131,000	1,079,000

**Remunerations and allowances for (5) of the company's senior executives**

The following are the entitlements and remunerations of five senior executives of United International Transportation, including the Group CEO and Group CFO, who received the highest-paid for the year 2023.

(In Saudi Riyals)

	Fixed Benefits			
	Payroll	Allowances	In-kind Benefits	Total
Five Senior Executives	4,633,249	1,734,061	-	6,367,310

	Inconstant Benefits					
	Periodic Bonuses	Profits	Short-term Incentive Plans	Long-term Incentive Plans	Granted Shares (Value)	Total
Five Senior Executives	7,403,000	-	142,948	-	-	7,545,948

	Indemnity	Total remunerations for the Board Executive	Total
Five Senior Executives	-	-	13,913,258

► **A description of any interest, contractual papers and subscription rights of board members and their relatives in the shares or debt instruments of the company**

Name	The beginning of the year		The end of the year		Net change	Percentage change
	Number of Shares	Debt instruments	Number of Shares	Debt instruments		
Bassim Abdullah Alim	3,886	N/A	3,886	N/A	-	-
Khaled Abdullah Al-Dabal	73,945	N/A		N/A	73,945	100%
Abdullah Jarallah AlSaawi		N/A		N/A	-	-
Mohammad Abdulaziz AlGhannam		N/A		N/A	-	-
Abdulrahman Hasan Bakheet		N/A		N/A	-	-
Miqad Abdullah Alkhamis		N/A		N/A	-	-
Yousef Abdullah Al-Rajhi	52,169	N/A	52,169	N/A	-	-
Ahmed Abdelatif AlBarrak		N/A		N/A	-	-

► **A statement of the number of shares or stakes owned by members of The Board in the subsidiary companies**

There are no shares or stakes owned by members of The Board or senior executives of the subsidiary company.

► **A Description of any interest, contractual papers and subscription rights of senior executives and their relatives in the shares or debt instruments of the company**

There are no shares owned by persons (other than members of the Board of Directors and senior executives) who informed the company of them or any change in them during the year 2023.

► **A statement of the profits distributed to the board of directors' members according to their ownership percentages on the date of the approval of the distribution of profits second-half of 2022, by 1.5 per share according to the decision of the Ordinary General Assembly on 13/04/2023**

Board of Directors	The number of shares owned on the date of approval of the dividend distribution	Total amount of dividends
Bassim Abdullah Alim	3,886 Share	5,829 SAR
Khaled Abdullah Al-Dabal	73,945 Share	110,917.5 SAR
Yousef Abdullah Al-Rajhi	52,169 Share	78,253.5 SAR

► **A statement of the profits distributed to the senior executives according to their ownership percentages on the date of the approval of the distribution of profits second-half of 2022, by 1.5 per share according to the decision of the Ordinary General Assembly on 13/04/2023**

senior executives	The number of shares owned on the date of approval of the dividend distribution	Total amount of dividends
N/A	N/A	N/A

► **A statement of the profits distributed for first half of 2023 to the board of directors' members according to their ownership percentages 27/07/2023 by SAR 0.5 per share in accordance with the authorization granted by the Ordinary General Assembly on 13/04/2023 to The Board to distribute interim dividends in a semi-annual or quarterly manner for the Financial Year 2023.**

Board of Directors	The number of shares owned on the date of approval of the dividend distribution	Total amount of dividends
Bassim Abdullah Alim	3,886 Share	1,943.00 SAR
Yousef Abdullah Al-Rajhi	52,169 Share	26,084.5 SAR

► **A statement of the profits distributed for first half of 2023 to senior executives according to their ownership percentages on 27/07/2023 by SAR 0.5 per share in accordance with the authorization granted by the Ordinary General Assembly on 13/04/2023 to The Board to distribute interim dividends in a semi-annual or quarterly manner for the Financial Year 2023.**

senior executives	The number of shares owned on the date of approval of the dividend distribution	Total amount of dividends
N/A	N/A	N/A



# Risks

## Risks

The United International Transportation Company is exposed to some risks due to its commercial activity as a company operating in the transportation field. However, the company has policies and plans to face these risks and always works to develop an effective system that serves the same purpose. In addition, it manages and monitors them through the Board of Directors, the Audit Committee, Risk Management team, Executive Management, the company team, and the subsidiary companies. The company has adopted a risk management policy based on organized systems, rules, and procedures to face the various risks associated with its activity. This policy aims to ensure that all relevant parties understand the definition of risk management and its organizational rules. It also aims to make these parties aware of their role in managing the risks associated with the company's activity in order to improve the oversight and internal control, and to follow the regulations of the company's governance and the transparency highest standards to achieve high growth rates and reduce risk.

### The Principles of Risk Management Policy

- 1) Transparency:** The company's risk management policy adopts transparency with all relevant parties according to the regulations and governance controls. Therefore, information about current and future risks must be accessible so that individuals can take appropriate action at the proper time.
- 2) Objectivity:** one of the risk management policy principles is being objective when assessing and managing the risks to support the company's goals and organizational structure. Moreover, to achieve that level of objectivity, the authorized departments and individuals dealing with threats must do so within the internal boundaries drawn through specialized expert cadres working on reviewing risks periodically using proficient methods.
- 3) Independence:** The risk management policy ensures the independence of the specialized department to identify, assess and manage risks through professional methods to ensure that no internal or external parties interfere when identifying and evaluating risks.
- 4) Trust:** The company's risk management policy aims to gain the trust of all relevant parties by developing follow-up procedures and informing them of any changes in the types of risks, including the risks of conflict of interest between related parties.
- 5) Effectiveness:** The company's risk management policy is based on effective risk management methods to identify, evaluate, manage, and review risks to protect all parties' interests through following these policies to reflect the credibility of risk management data and systems.
- 6) Responsibility:** The risk management policy defines the limits of responsibility for the company's various businesses and activities. Then, it distributes them to the relevant parties to determine each individual's powers and mission statement.
- 7) Self-control:** The risk management policy is based on self-control over the systems, rules, and procedures of risk management operations by setting rules for the overall quality of risk management processes. The rules include identifying, evaluating, and managing risks, reviewing them periodically, and developing a program for that within the risk management procedures manual to protect the interests of the relevant parties.

### The primary steps for implementing the risk policy

Risk Identifying ► Risk assessing ► Risk Managing ► Risk Reviewing

### These steps are conducted according to the following procedures

- |                     |   |
|---------------------|---|
| 1) Risk Measuring   | 6) Risk Reporting - threats and opportunities |
| 2) Risk Analysing   | 7) The Decision                               |
| 3) Risk Defining    | 8) Risk Facing                                |
| 4) Risk Description | 9) Following-up                               |
| 5) Risk Evaluating  |   |

## Risk Management

### The risks that the company may face

- 1) Risks associated with pandemics:** In the event of an outbreak of a pandemic or epidemic (God forbid), the relevant government agencies may initiate a partial or total ban as a precautionary measure similar to the precautionary measures taken in 2020 to combat the Covid 19 virus, which may cause a decrease in the company's income directly.
- 2) Risks associated with changes in the transportation sector:** the official authorities may impose additional fees or new regulatory conditions on the transportation sector, which may negatively impact the company's activity.
- 3) Risks related to logistics and supply chain services:** the semiconductor shortage crisis and a lack of supplies can result in a high inflation rate, an increase in cars costs and spare parts, and thus an increase in operating expenses.
- 4) Political and geological risks:** as the region is affected by surrounding political circumstances, political and geological risks may affect future investment opportunities and project growth.
- 5) Foreign currency risks:** the increase in the price of some foreign currencies compared to the Saudi Riyal may result in cost increases, especially in countries where the majority of the company's car fleet is manufactured in its factories (such as Japanese and Korean cars)
- 6) Risks related to the sale of vehicles at the end of their operational life:** the decrease in the selling price of used cars may lower the company's revenues, as the company generates revenue through this activity as well as the short and long-term leasing.
- 7) Credit risk:** the possibility of not collecting outstanding debts from the company's customers, as some car renters fail to comply with paying the rental values. This behaviour may result in a decrease in the profit of both short- and long-term rental contracts and an increase in the company's receivables. It may also negatively impact the company's operational results due to its inability to collect large sums of accounts receivable.

- 8) Risks of high rents: The high rental prices of real estate in the Kingdom, especially the rent of sites in airports, may increase expenses due to the high rental value of car rental sites.
- 9) The risks associated with relying on the human element and workforce: the company's activity is dependent on the efficiency of the human element, particularly in the field of car maintenance, which reflects the quality of service provided by the company to its customers and, as a result, gains the customer's confidence and achieves its goals. If the company couldn't attract administrative competencies and high technical skills, that may impact its plans and growth rates.
- 10) The risks associated with the company's foreign investments may face some threats because of the conditions and circumstances of the country in which the investment is made, such as the economic or political status or the country currency movement compared to the Saudi Riyal.
- 11) Liquidity risk: including the possibility of the company's inability to provide the cash required to meet its obligations. Given that the company's management regularly manages and monitors liquidity risks to ensure its availability, maintain a set of good relationships with banks, and ensure the availability of cash item in the company's cash flow lists.
- 12) Competition risks: The sectors in which the company operates are very competitive, which may constrain the company from keeping customers or attracting new ones.
- 13) Risks associated with the use of trademark licenses: the company may not be able to expand its activity outside the geographical area specified by the franchisor.
- 14) Insurance risks include the possibility of an increase in the cost of car insurance, which may lead to a direct increase in revenue.
- 15) The risks associated with funding: the company depends on the expansion of its business on several factors. The most important one is its ability to secure funding sources through internal and external cash resources. If external financing is not available or is high cost, the company may face difficulties expanding and achieving its goals and growth rates.
- 16) Risks associated with possible Zakat and tax: the Zakat, Tax and Customs Authority may claim additional Zakat and/or impose new taxes that may affect the customers' purchasing power, which indirectly leads to a decrease in the company's revenues and incomes.
- 17) Risks associated with government work permit fees: the increase in expenses resulting from the rise of work permit fees and the required fees to issue and renew residence and work permits.







**Sustainability**

## Glimpse from the 2023 Sustainability Report

### ► Environmental

At UNITRANS, we acknowledge the profound impact of business activities on the environment. This section outlines our commitment to environmental stewardship, highlighting our initiatives to minimize ecological footprints.

#### ► Why does sustainability matter?

Sustainability improves the quality of our lives, protects our ecosystem, and preserves natural resources for future generations. In Budget, sustainability is associated with the organization's holistic approach, considering everything, from logistics to customer service. Being sustainable is not only beneficial for the company; it also maximizes the benefits from an environmental focus in the long term.

Regardless of who we are, where we live, and what we do, we all have a moral obligation to each other, our future generations, and other species to sustain the planet. Our present choices and actions have huge longterm impacts on future generations. Practicing sustainability ensures that we make ethical choices that bring a safe and livable future to everyone. If we deplete the resources of the Earth, future generations will be depleted. For example, if we over-fish our oceans, we risk not only depleting the supply of fish but also depleting the supply of every organism in the food chain related to that fish.

Since the launch of Vision 2030 in 2016, the Kingdom has taken significant steps to scale up its climate action and environmental protection. Under the patronage of HRH Crown Prince Mohammed bin Salman, the Saudi Green Initiative now takes efforts to the next level by unifying all sustainability efforts in the Kingdom to increase reliance on clean energy, reduce emissions, and combat climate change. United International Transportation Company shares sustainability goals with the kingdom's 2030 vision and has been planning and executing sustainability goals on many aspects as will be showcased in this report.

#### ► Global climate

We demonstrate our commitment to global climate change through sustainable practices in our car purchasing and the use of high-quality oils. Additionally, we consistently review and adjust our policies and procedures to align with climate change initiatives.

\*Approximately 190 tons of used engine oil are recycled annually.

#### ► Our Car Procurement Objective

Our internal guidelines prioritize the purchasing of vehicles with low carbon emissions, underscoring our commitment to environmentally conscious practices in our vehicle fleet.

We actively seek out models with advanced fuel efficiency technologies and explore options such as hybrid or electric vehicles. This approach not only aligns with our environmental goals but also positions our organization as a leader in adopting eco-friendly transportation solutions.

### ► Oil Consumption

United International Transportation Company, aligned with its 2030 vision, actively pursues sustainability in Saudi Arabia.

Through strategic measures, including the exclusive use of top-rated vehicles with reduced emissions and the adoption of carbon-neutral lubricants, the company significantly minimizes environmental impact. This deliberate choice led to a remarkable 56% reduction, cutting petrol engine oil consumption to 258,000 liters.

In our commitment to enhance the usage of engine oils, we envision implementing innovative solutions and technologies that promote greater engine efficiency. Additionally, we pledge to explore and adopt environmentally friendly lubricants. By staying at the forefront of advancements in automotive technology and sustainability, we aim to contribute to a future where our operations have a reduced ecological footprint, aligning with our dedication to environmental responsibility.

### ► Operating Hybrid Cars

United International Transportation Company excels in sustainability efforts, with 32.98% of its fleet achieving an impressive fuel consumption range of 18 to 20 km per liter.

Additionally, the company plans to replace more than 30% of its operational fleet to electric/hybrids by 2023, while all forklifts currently operate on electricity.

Through strategic long-term contracts, the company actively supports environmental preservation, particularly in collecting, transporting, and recycling various waste types such as used oil, petroleum, factory, and petrochemical waste, contributing to a cleaner environment through modern technology and systems.

### ► Steam car wash

The Optima Steamer is a dry Vapor Steamer that effectively cleans using significantly less water compared to traditional cleaning methods like pressure washing or handwashing.

- The Optima steamer saves time, It will take from 15- 20 Minutes.
- No chemicals used.
- After washing with the Optima steamer, water will not be retained beneath the car which will save water.
- Washing cars with only 3 liters of water.



### ► Recycling Program

We are cooperating with leading recycling vendors to provide us with recycling programs and sustainable green CSR initiatives. One of our associated vendors has worked with many of the top Saudi companies and international organizations and schools to design and launch sustainable recyclable waste management programs and to help businesses and schools become eco-friendly in their daily operations.

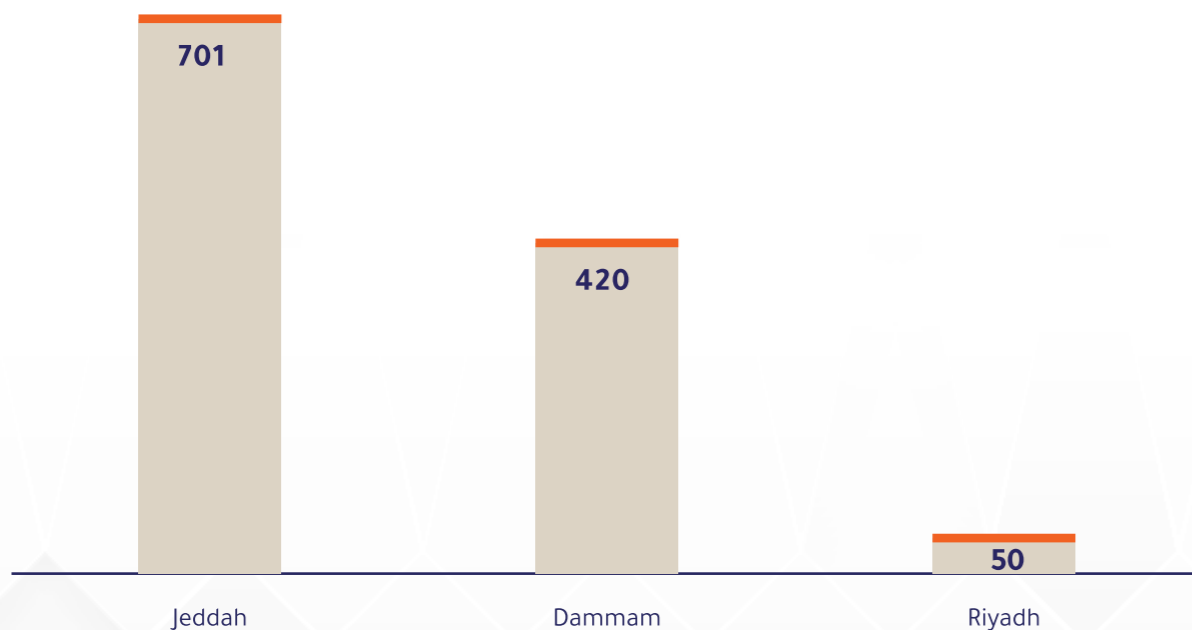
#### The program includes:

- 1) Provision of quality office recycling bins/products.
- 2) Design customized awareness training and campaigns.
- 3) Monitoring, tracking, evaluating, and reporting the recycling program that has internationally comparable indicators.

#### Waste segregation process

- 1) Provide suitable indoor recycling bins and awareness for waste segregation
- 2) Provide pick up service for collected recyclables
- 3) Recycle the materials at the recycling factories
- 4) New products made from recycled materials

#### Recycling Collection



### Depth of Impact

- 19,907 trees have been saved by recycling 1,171 KG of Budget office waste.
- Increase staff's engagement in eco-friendly practices this can be seen by maintaining the volume of the waste being recycled and reduce the waste sent to landfills. Thus, Budget office saved 2.95092 cubic meter of landfill by recycling 1,171 KG of recyclable plastic. (Data from EPA).
- Reduced greenhouse gas emissions and pollution that can contribute to climate change by recycling 1,171 KG of recyclable plastic and preventing waste from entering the landfill, Budget office has saved almost 1,756.5 KG of CO2 (Data from EPA)
- Participating in recycling 1,171 KG of waste, Budget office saved 8,197 gallons of water.
- Budget office saved 6,761.354 Kilowatt of energy.

#### Benefits of recycling for our company

- These cost savings could also be directly used to fund other important sustainability initiatives within the organization.
- Recycling paper - actually uses 65% less energy than producing new paper products out of raw materials. When we reduce energy consumption, we reduce our greenhouse gas emissions.
- Recycling saves energy - It takes less energy to reuse and recycle material than it does to produce the same material from scratch. When aluminum cans and bottles are recycled, we can save 95% of the energy used to produce these cans compared to when using raw materials.





**Social Responsibility**

**Budget Al-Ataa achievements during the current year 2023**

**Jeddah Orphan Care Association**

United International Transportation Company signed an agreement with the Jeddah Orphan Care Association to provide 250 purchase cards from Panda Retail Company for orphans and their families



**Life and Nation Campaign**

Budget Saudi is honored to be the sponsor of Life and Nation campaign, which aims to provide medical supplies and assistance to those in need



**Ramadan Iftar Baskets**

Budget Al-Ataa employees contributed by participating in the distribution of 1,000 Ramadan Iftar baskets



**Providing Ambulance Vehicle**

Supporting and supplying Heart Patient Care Association and Friends Society Heart Charity with ambulances to facilitate their work



**Happiness Day**

Because the happiness of children is the most important thing, Budget Saudi on the International Day of Happiness contributed with the Jeddah Orphans Association to putting a smile on 150 of our orphan children and accompanying them to the Boost entertainment center



**Aleradah Organization**

In Ramadan Alkaram, the company allocated 5 Riyals from each rental to the Al-Irada Association



**Nama Association**

Budget Saudi cooperated with the Nama Association to spread happiness to our orphans and share with them a day spent at Cyan Water Park



**Khayrkom Organization**

Supporting Khayrkom Organization with 5 cars during the holy month of Ramadan so that it can facilitate their services





**UNITRANS**

الشركة المتحدة الدولية للمواصلات  
UNITED INTERNATIONAL TRANSPORTATION COMPANY