



Galfar Engineering & Contracting SAOC

Environmental, Social, and Governance (ESG) REPORT

2024

TOGETHER

WE ENGINEER SUSTAINABLE PROGRESS

Highlights of Our Commitment:

- **Environmental Stewardship:** Driving innovative and responsible environmental practices across all our projects to minimize impact and promote sustainability.
- **Social Responsibility:** Strengthening communities and fostering a safe, inclusive, and empowering workplace for our people.
- **Governance Excellence:** Upholding the highest standards of transparency, ethics, and accountability in every aspect of our operations.





Driven by our firm belief in addressing climate change's impacts and our commitment to sustainable, renewable energy, in line with the government's goal to achieve net-zero carbon emissions by 2050—a target we endorse—we have directed efforts to expedite the development of the renewable energy sector.

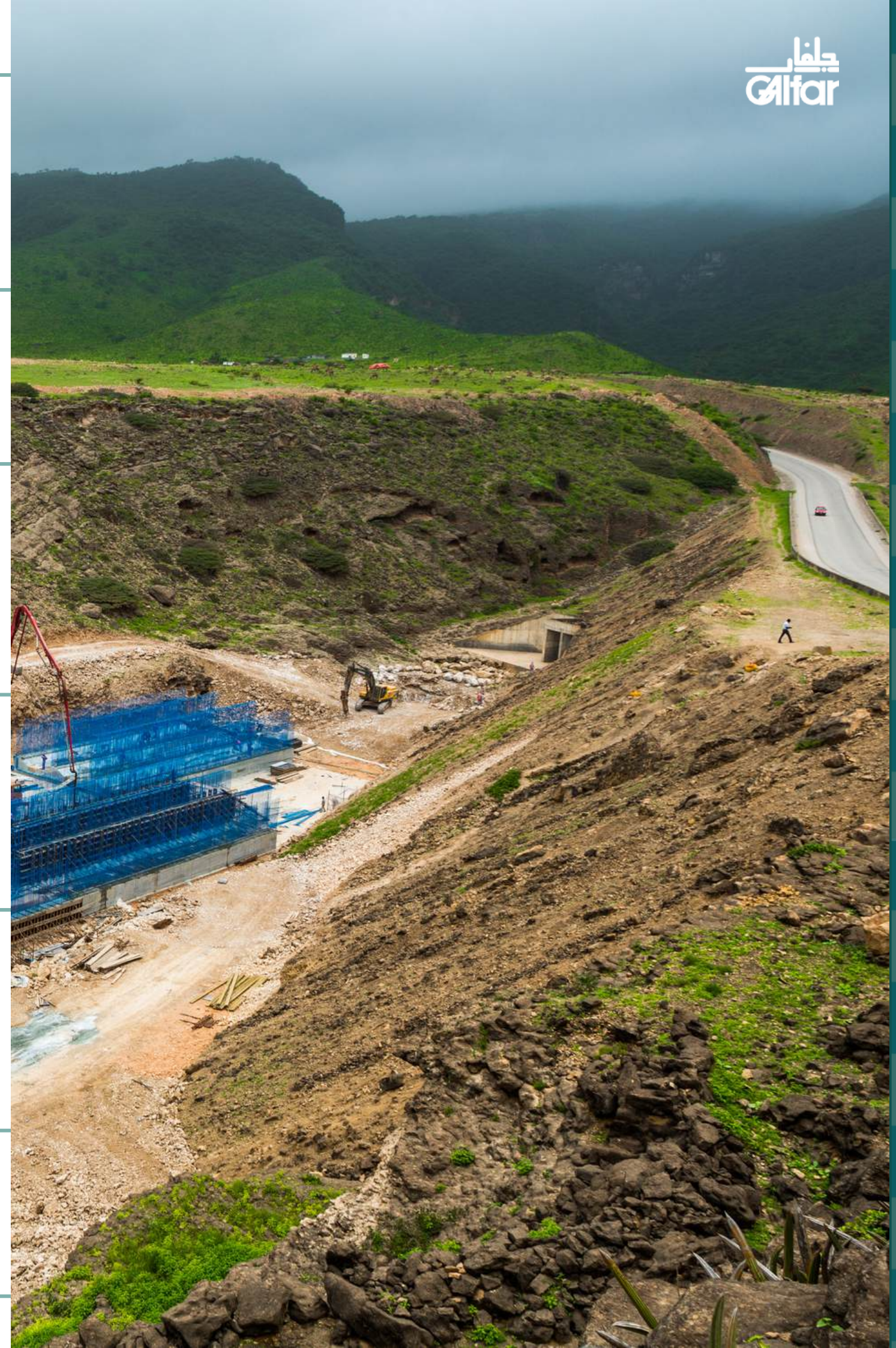
This encompasses the development of its legal and policy framework, the provision of incentives to encourage foreign investment and local industries, thereby fostering the domestic growth of this vital technology.

His Majesty Haitham Bin Tariq
Sultan of Oman

Sultan of Oman



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Chairman Message (GRI 2-22)

As one of Oman's leading EPC - Engineering, Procurement, and Construction companies, we are committed to integrating Environmental, Social, and Governance (ESG) principles into our core operations. This report marks a defining milestone, highlighting our efforts in sustainable innovation, ethical governance, and social responsibility.

In 2024, we advanced key sustainability initiatives, including our partnership with the Ministry of Transport, Communications, and Information Technology (MTCIT) to pilot GreenMantra Technology—converting plastic waste into a sustainable wax additive for road construction. Our Khazain Facility further demonstrated our commitment to renewable energy, exporting 66.7% of its electricity to the National Grid and reducing 673 tCO₂e in carbon emissions.

Beyond environmental initiatives, we have strengthened our social responsibility programs, from supporting local communities through our Food Pack Distribution Campaign to promoting education and Omani talent by sponsoring the Engineering Society at Sultan Qaboos University (SQU).

As we move forward, we remain dedicated to aligning with Oman Vision 2040, investing in clean energy, and fostering a culture of sustainability across our business. Together, with the support of our stakeholders, we are shaping a future that balances progress with responsibility.

Sustainability is not just an aspiration; it is our responsibility

Eng. Majid Salim Al Fannah Al Araimi
Chairman



CEO Message (GRI 2-22)

Galfar's legacy is built on innovation, responsibility, and excellence. As we present our first ESG report, we reaffirm our commitment to embedding sustainability into every aspect of our business.

Health, Safety, and Environmental (HSSE) excellence remains a cornerstone of our operations. This year, our strengthened safety culture and proactive risk management led to a significant reduction in Lost Time Injury Frequency Rate (LTIFR). Additionally, we invested over 332,000 hours of training in upskilling employees and subcontractors, ensuring a future-ready workforce.

Our sustainability journey extends beyond operations to governance, ethical business practices, and social impact. From advancing decarbonization strategies—including the installation of 1.2 MWp rooftop solar power in our integrated facility—to enhancing our corporate governance framework, we are setting new benchmarks in Oman's EPC sector.

This ESG report is more than a reflection of past achievements—it is a forward-looking roadmap guiding us toward a more resilient, sustainable, and responsible future. With the dedication of our employees and the trust of our partners, we will continue to lead the way in sustainable construction and engineering.

This ESG report is more than a milestone; it is a commitment to continuous progress

Dr. Hamoud Rashid Al Tobi
Chief Executive Officer



Introduction

About the Report

GRI 2-1, 2-2, 2-3

This Environmental, Social, and Governance (ESG) Report 2024 highlights Galfar Engineering & Contracting Company's steadfast commitment to sustainability, aligned with Oman's Vision 2040 and the United Nations Sustainable Development Goals (UN SDGs). As one of Oman's leading EPC companies, Galfar integrates innovation, responsibility, and excellence into its operations to drive meaningful change for a greener and more equitable future.

In Alignment with UN SDGs Global Goals and Oman Vision 2040

Galfar's sustainability approach resonates with Oman's Vision 2040, focusing on economic diversification, environmental conservation, and social inclusion. By embedding these principles, we aim to contribute to a resilient and self-sustaining economy while empowering local communities.



Our initiatives are aligned with the UN Sustainable Development Goals (SDGs).



Scope

This report reflects Galfar's commitment to sustainability and corporate responsibility. It provides insights into the organization's activities, sustainability policies, and performance for the reporting period from January 1 to December 31, 2024. The report covers all operations under Galfar Engineering & Contracting head office across Oman.

Reporting Frameworks

The reporting is aligned with the following frameworks and guidelines:

- GRI Standards 2021
- MSX ESG Disclosure Guidelines
- UN Sustainable Development Goals (SDGs)

Assurance

This report has been prepared in accordance with the above-mentioned reporting frameworks. It represents Galfar's ongoing efforts to uphold transparency and accountability in its sustainability practices

Contact Information

For any inquiries related to this report or Galfar's sustainability initiatives, please contact Galfar's Strategic and Business Development team on the email: Galfar@Galfar.com

Sustainability Achievements in 2024

In 2024, Galfar made significant strides in sustainability, innovation, and social responsibility, reinforcing our commitment to environmental leadership, operational excellence, and community development.



Environmental Leadership

Recycled 20% of asphalt waste, reduced 673 tCO₂e through solar energy exports, and installed a 1.2 MW solar plant, achieving 100% energy independence at the Project Services Integrated Facility.



Innovation & Circular Economy

Adopted 3D printing to minimize construction waste, implemented GreenMantra Technology to convert plastic waste into road materials, and prevented 3 million plastic bags from reaching landfills.



Local Contributions & Procurement

Achieved 98% local procurement, with 45% of purchases sourced from Made-in-Oman products, while 17% of subcontract value was awarded to SMEs and Local Community Contractors (LCCs).



Empowering People

With 4,400+ Omani nationals, we remain a top private-sector employer, advancing workforce development through 332,200 training hours and Maharat program initiatives.



Safety & Operational Excellence

Exceeded 1 million safe man-hours, achieved a 29% improvement in LTIF (0.07 to 0.05), and strengthened road safety awareness across all projects.



Sustainable Energy & Carbon Reduction

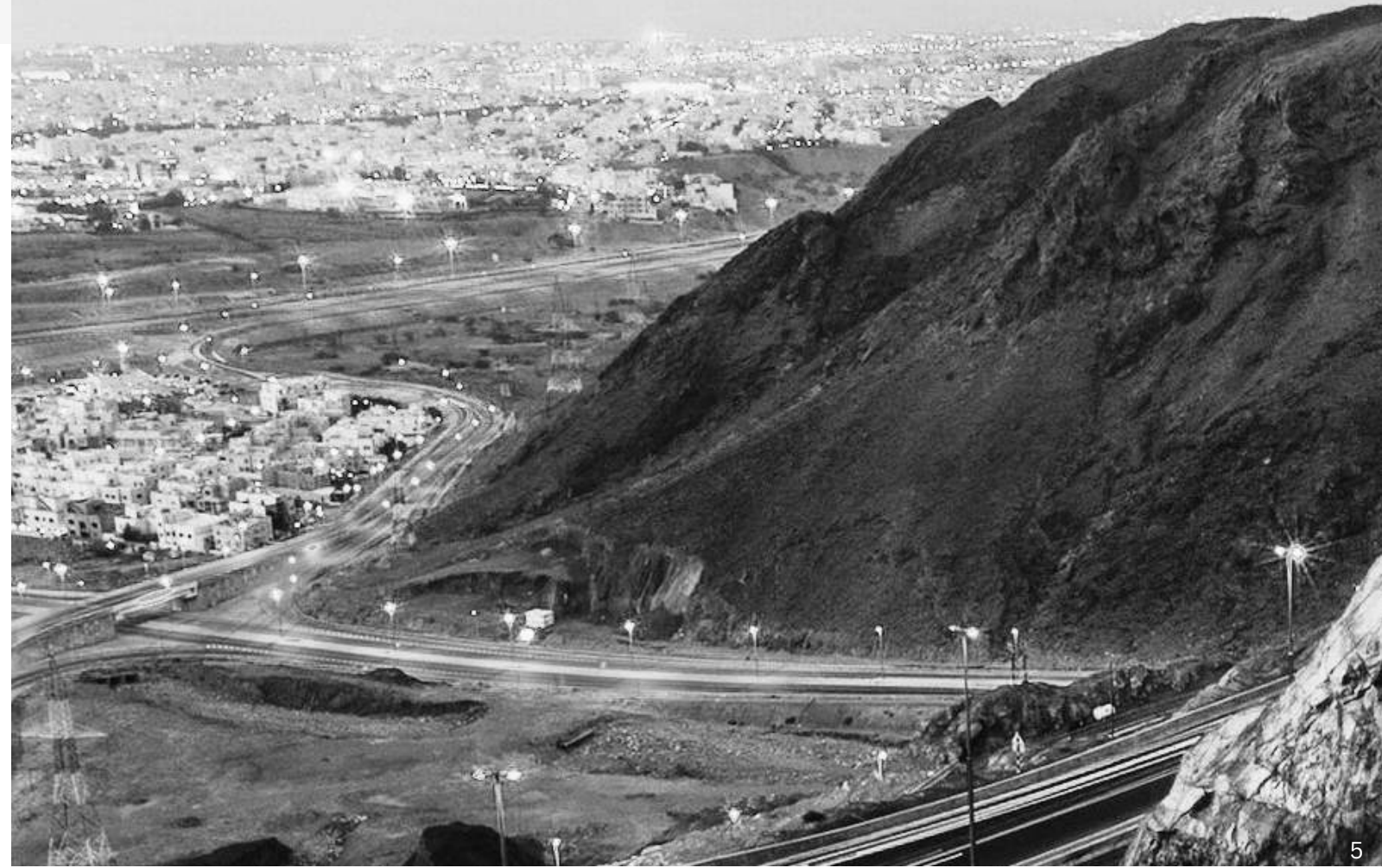
Reduced HO electricity consumption by 45% through automated lighting, cut 1,843 tons of CO₂, Invested OMR 330,000 in the installation of Solar Panels and 3D Printing.



CSR & Community Impact

Executed 20+ CSR initiatives, invested in local SMEs, and supported socio-economic growth across various governorates.

Galfar remains committed to sustainability, governance, and innovation, ensuring a positive impact on the environment, economy, and society.



Galfar Board of Directors (GRI 2-9, 2-11)

Actively engaged in steering Galfar's strategic direction, upholding its leadership in the EPC sector while delivering value to shareholders and driving sustainable growth.



ENG. MAJID SALIM AL FANNAH AL Aرامي
Chairman of the Board of Directors



Eng. Mohiuddin Mohamad Ali
 VICE CHAIRMAN



Mr. Hamdan Ahmed Al Shaqsi
 MEMBER



Eng. Shihab Salem Al Barwani
 MEMBER



Eng. Maqbool Hussein Al Zadjali
 MEMBER



Mr. Mohamed Taqi Al Jamalani
 MEMBER



Eng. Said Salim Al Hajri
 MEMBER



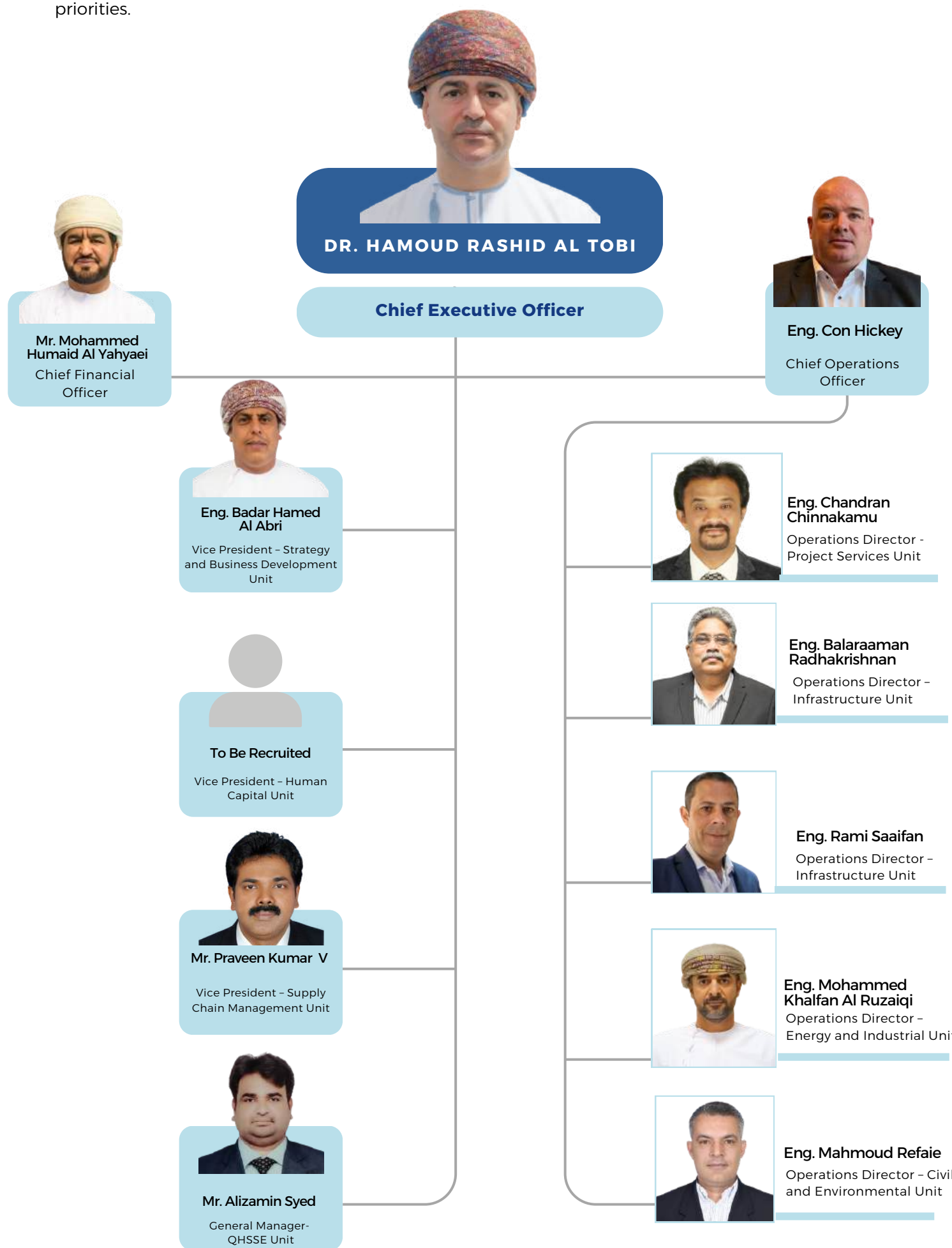
Mr. Fazlin Anam
 SECRETARY OF THE BOARD

 **Member (Independent)**

*50% of Galfar's Board of Directors are independent, ensuring balanced governance, transparency, and objective decision-making in line with corporate best practices.

Galfar Executive Management

Oversees strategic decision-making, governance, and alignment with economic, environmental, and social priorities.



Galfar Profile

(GRI 2-6, 2-7, 2-8, 2-28)

Galfar – At a Glance

Founded in 1972, Galfar Engineering & Contracting is a leading EPC company specializing in large-scale projects within the infrastructure, civil and environmental and energy and industrial sectors and has since grown to be among the largest publicly listed companies in Oman and one of the largest construction companies in the Middle East. Our organization is recognized for its expertise in managing complex, multi-disciplinary projects with a focus on sustainability, innovation, and safety.

With remarkable growth over the past five decades, we have contributed significantly to the development of Oman as a pioneer engineering and combining contracting competence, technology & innovation competitiveness and timely delivery with the highest quality standards, Galfar has gained prominence in the field of construction and engineering. We take pride in consistently delivering high-quality projects through efficient management and exceptional workmanship.

We are actively involved in three main business verticals, namely:



These verticals are supported by the following units



Across these three verticals, our Company strives to provide comprehensive and innovative solutions that address the challenges of today's rapidly evolving world. We combine technical expertise, cutting-edge technologies, and a commitment to sustainability to deliver successful projects and contribute to the betterment of society. Galfar is a trusted one-stop solution provider for our esteemed customers throughout the Sultanate because of its operational versatility and extensive logistical network, which rivals that of competitors.

Our company continuously strives to innovate and improve its efficiency in the era of advanced technologies and new techniques. Recently and in collaboration with our partners we are pleased to have positioned Galfar firmly in the future of 3D Printing Technology and its growing application. Similarly, Galfar maintains a large base of employees working in various sectors in many geographical areas in Oman, where an average of 17,692 workers has been working on the company's projects over the past six years.

Our company strives to provide them with appropriate care in accordance with the laws and regulations of Oman and the International Labor Organization (ILO).

Strategic Pillars

Corporate Values

At Galfar Engineering and Contracting SAOG, our corporate values define who we are and guide how we operate. Rooted in Integrity, Respect, and a steadfast commitment to Quality, we strive to deliver excellence across all our projects. With a focus on Safety, Simplicity, and Continuous Improvement, we ensure world-class performance while fostering innovation and sustainability.



Vision

To be the preferred and trusted partner in development whilst creating a value - based sustainable growth for all our stakeholders.



Mission

Achieve world class performance in project delivery. Innovate in projects and services execution. Maximize client value and satisfactions.

Priority	People & Culture	Financial & Liquidity	Projects & Operational Excellence	Sustainability & Diversification	Technology & Innovation
Intended Result	Lean and efficient organization fostering a thriving environment for motivated, committed and loyal employees	Profitable business with sound financial strategies and healthy cash-flow	All projects are delivered safely with highest quality, on time and ahead of budget	Sustainable revenue through diversified business portfolios	A technology-driven company leveraging innovation, digital transformation to enhance efficiency and deliver lasting value
Strategic Objectives	<ul style="list-style-type: none"> Enhance organizational culture Strengthen governance & controls Increase talents' acquisitions and competencies Promote safety and well-being culture 	<ul style="list-style-type: none"> Maximize Profitability and Return on Investment Optimize Cash Flow and Working Capital Management 	<ul style="list-style-type: none"> Improve operations and projects effectiveness Improve projects selection Ensure tender estimation accuracy 	<ul style="list-style-type: none"> Maintain order book strength Improve stakeholder engagement Promote Sustainable Construction Practices 	<ul style="list-style-type: none"> Drive Digitization and Innovation across the Company Embrace Advanced Technology in Construction

Core Values



- Integrity:** Committed to ethical standards, transparency, and accountability.
- Respect:** Fostering an inclusive culture built on collaboration and mutual respect.
- Quality:** Delivering excellence through innovation and precision.
- Safety:** Ensuring world-class safety standards for people and stakeholders.
- Simplicity:** Streamlining processes to transform challenges into solutions.
- Continuous Improvement:** Driving innovation and learning for sustainable growth.

Galfar Strength



Flagship

Experience

Order Book

Asset Base

Presence

ICV

Relationship



Galfar Integrated Facilities

As part of our effort to serve our clients, we have a huge fleet of construction equipment and vehicles, ensuring that we are equipped to handle projects of any scale and complexity. Our diverse range of machinery is sourced from renowned manufacturers and undergoes regular maintenance to ensure optimal performance and reliability. These advanced machines are designed to support various construction and operational needs, enhancing efficiency and productivity. This equipment is managed and maintained by the Plant Department through a well-experienced team of equipment engineers and technicians. Galfar has maintained a fleet capacity averaging to 4,340 equipment and machinery over the last five years.

More than 50% of Galfar fleet includes heavy vehicles, equipment and stationary plants. To assure availability and productivity, Galfar has its own state-of-the-art workshop at Khazaen Economic City to maintain the company-owned machinery. This is to support the satellite workshop at project sites.



150K

SQM Area



2,500 Day

(BWS) Man
Hour



27%

Omanization
Percentage



4.8K

Total Fleet
Holding



250+

Staff and
Workers
Accommodation

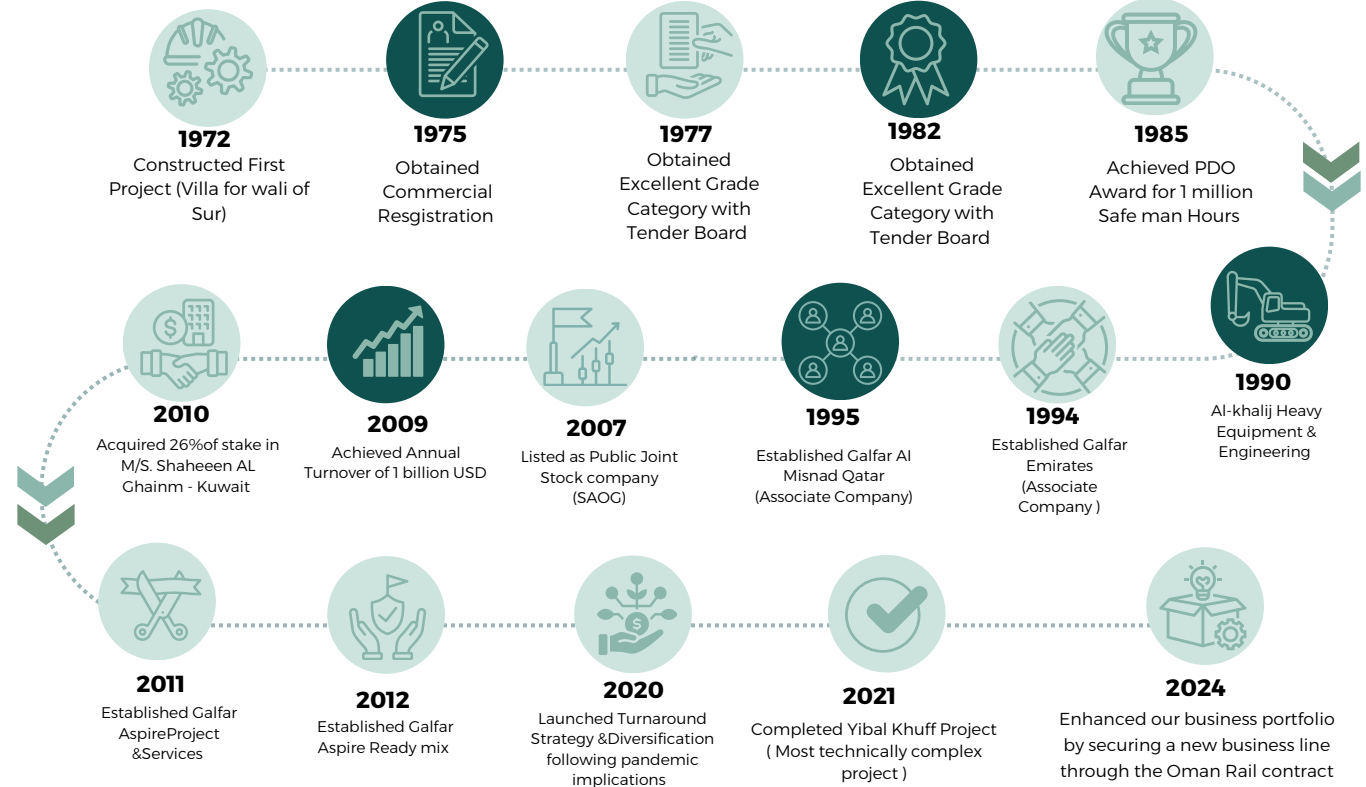
Industrial facility at Nizwa

Industrial facility was established in 2006 at Nizwa Industrial City of Madayn as a one stop shop to support the energy sector projects, process-oriented industries such as refineries, fertilizer plants, steel plants, power plants and general industrial sector with structural and piping (CSILTCS/SS/DSS/SDSS/Alloy) fabrication in compliance with contract requirements and specifications.



We have one of the largest repair and maintenance workshops in the Sultanate of Oman, catering to the diverse needs of our clients. Our workshop is a state-of-the-art facility equipped with cutting edge technology, modern equipment, and a team of highly skilled technicians.

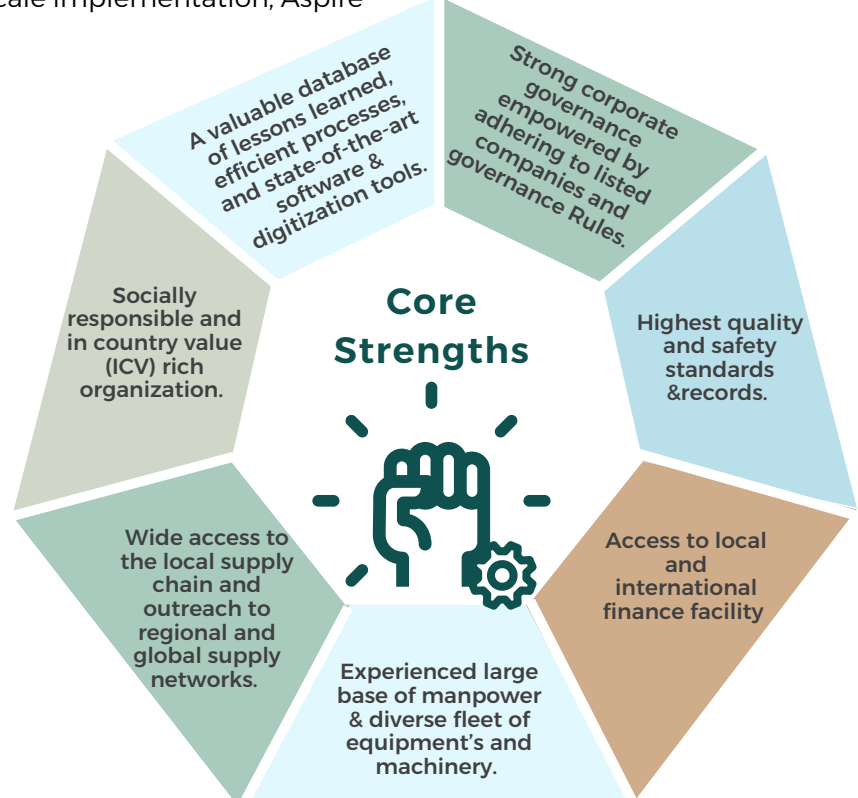
Key Dates



Our Subsidiaries

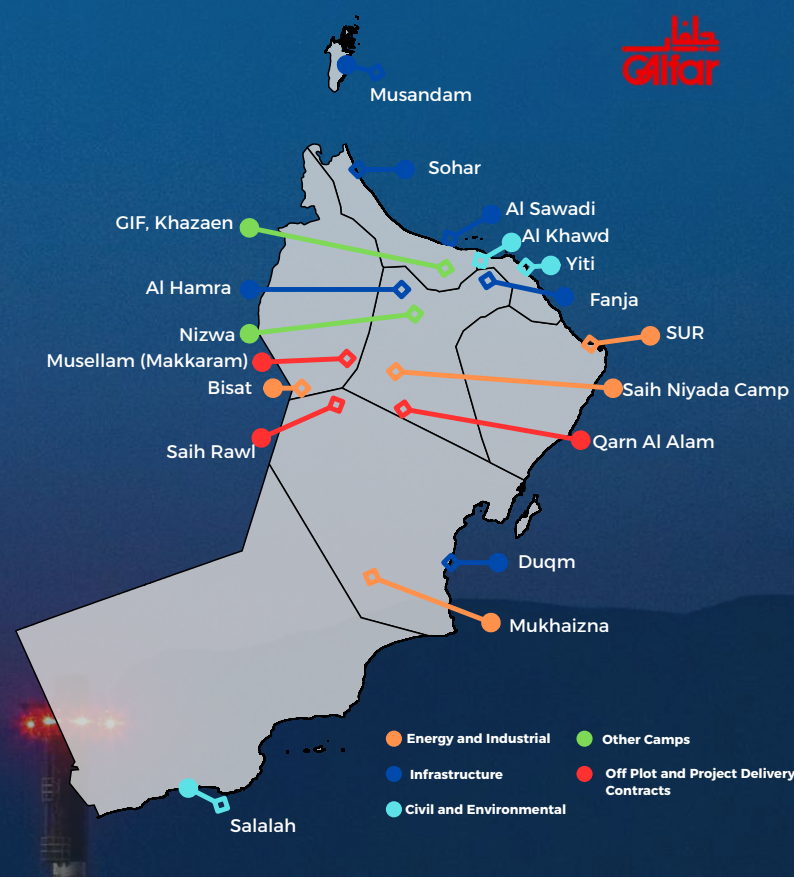
(GRI 2-6)
 Galfar Engineering and Contracting SAOG proudly operates two wholly owned subsidiaries: Aspire Projects Services SPC, Al Khalij Heavy Equipment and Galfar Aspire Readymix SPC. Together, these subsidiaries enhance Galfar's ability to deliver comprehensive solutions across the Sultanate of Oman.

Galfar Aspire Readymix specializes in providing high-quality concrete solutions, ensuring consistent coverage and reliability across the region. Aspire Projects Services, on the other hand, offers a diverse portfolio of specialized services, including HVAC, MEP, carpentry, joinery, aluminum windows and facades, Extra Low Voltage (ELV) systems (both active and passive), and advanced LED lighting solutions. From design and development to full-scale implementation, Aspire



Galfar's Presence

As Oman's leading EPC company, Galfar has established a strong market presence across diverse business verticals, contributing to the nation's infrastructure, energy, and industrial growth. With over five decades of engineering excellence, we have delivered some of the most complex and large-scale projects, solidifying our reputation as a trusted industry leader.



Energy & Industrial

We Laid Over **10,000 Km** Pipelines / Flowlines



With a deep-rooted presence in Oman's oil, gas, and industrial sectors, Galfar has successfully laid over 10,000 kilometres of pipelines and flowlines, ensuring the seamless transportation of critical energy resources. Our extensive portfolio includes 400+ completed and 6 ongoing projects, with the value of completed projects at OMR 2.8 billion. reinforcing our expertise in energy infrastructure development. Galfar has been at the forefront of Oman's oil, gas, and industrial sector, delivering large-scale EPC projects with precision and excellence. Our extensive expertise spans across Oil & Gas plants (upstream and downstream), Petrochemical plants, Manufacturing facilities, Industrial plants, and both Conventional and Green Energy projects.





270+
Infrastructure
Projects

17
Ongoing
Projects

**OMR
1.5 billion**
Value of
Completed
Projects

Infrastructure

Galfar has been instrumental in shaping Oman’s transportation and road networks, enhancing regional connectivity and economic development. With over 4,000 kilometres of roads constructed, we have successfully delivered 270+ infrastructure projects and currently have 17 ongoing projects valued at OMR 1.5 billion, showcasing our capabilities in large-scale civil works.

With a proven track record in EPC and construction projects, Galfar has established itself as a leader in delivering high-quality infrastructure solutions across Oman. Our expertise spans a wide range of sectors, including:



Roads and Bridges



Operation and Maintenance of Water Networks



Airports and Seaports



Infrastructure Development for Industrial Parks and Refineries



Flood Protection and Recharge Dams



Large-Scale Earthmoving Projects



Water Transmission and Distribution Networks

50+
years
Construction
Excellence

450+
Completed
Projects

**OMR 1.6
Billion**
Value of
Completed
Projects

Civil & Environmental

Bringing 50+ years of construction excellence, Galfar has been at the forefront of building sustainable and innovative developments across Oman. Our portfolio includes 450+ completed projects across residential, commercial, and institutional buildings, with 6 ongoing projects and a total value of completed projects at OMR 1.6 billion. Reflect our commitment to delivering high-quality civil and environmental solutions.

Galfar has established itself as a pioneer in civil and environmental infrastructure, delivering world-class projects that set industry benchmarks for quality, safety, and innovation. With a proven track record of customer satisfaction, Galfar has played a key role in shaping Oman's built environment, developing critical infrastructure across diverse sectors.

Environmental and Sustainable Infrastructure

As part of our commitment to environmental sustainability, Galfar is actively involved in:

- Sewage Treatment Plants (STPs) and sewage networks
- Operations and maintenance (O&M) of sewage networks
- Sustainable building projects, including hospitals and educational facilities



Memberships of Associations


(GRI 2-28)

Galfar actively engages with leading industry associations, reinforcing its commitment to professional excellence, governance, sustainability, and continuous improvement. These memberships allow Galfar to stay aligned with industry best practices, regulatory developments, and national economic objectives.



Oman Energy Association (OPAL)

Galfar is an active member of Oman Energy Association (OPAL), the premier industry body for the energy sector in Oman. Through this affiliation, Galfar upholds the highest standards in HSSE, workforce development, and operational excellence while contributing to the sustainable growth of Oman's energy sector.



Oman Chamber of Commerce and Industry (OCCI)

As a member of the Oman Chamber of Commerce and Industry (OCCI), Galfar actively participates in shaping the national business landscape. This membership facilitates engagement with key stakeholders, supports economic growth initiatives, and enhances trade and investment opportunities.



Institute of Internal Auditors (IIA) Oman

Galfar upholds its commitment to transparency and strong corporate governance through its membership in IIA Oman. This association provides access to the latest internal audit frameworks, risk management strategies, and compliance best practices, strengthening Galfar's financial integrity.



British Safety Council

With a strong focus on occupational health and safety, Galfar is a proud member of the British Safety Council. This membership allows the company to integrate international HSSE standards, enhance workplace safety, and implement best-in-class safety training programs across its operations.



General Federation of Oman Workers (GFW)

As a responsible employer, Galfar actively engages with the General Federation of Oman Workers (GFW) to uphold fair labor practices and employee rights. This membership ensures alignment with Oman's labor laws and promotes a culture of employee well-being, inclusivity, and ethical workforce management.



Association of Certified Fraud Examiners (ACFE)

Galfar's membership in the Association of Certified Fraud Examiners (ACFE) reflects its commitment to ethical business conduct, anti-fraud measures, and corporate integrity. This association equips Galfar with global best practices in fraud prevention, investigation, and risk mitigation to maintain a high standard of business ethics.




Industry & Community Engagement Committee - ICEC

Galfar is an active member of the Industry and Community Engagement Committee (ICEC) under the National University of Science & Technology. Through this partnership, we collaborate with academia and industry stakeholders to drive innovation, support workforce development, and contribute to impactful community initiatives, reinforcing our commitment to sustainable growth and social responsibility.

Galfar's Certifications and Commitment to Excellence

Galfar is committed to maintaining the highest standards of quality, environmental responsibility, occupational health and safety, and industry-specific best practices. The company holds internationally recognized certifications that reinforce its dedication to operational excellence, regulatory compliance, and continuous improvement.



ISO/TS 29001:2020 – Quality Management for Oil and Gas Sector

Galfar is certified under ISO/TS 29001:2020, a globally recognized quality management standard tailored for the oil, gas, and petrochemical industries. This certification ensures that Galfar's processes align with stringent sector-specific requirements, reinforcing its ability to deliver high-quality services while minimizing risks and enhancing customer satisfaction.



ISO 14001:2015 – Environmental Management System (EMS)

With a strong commitment to environmental stewardship, Galfar holds ISO 14001:2015 certification, which governs its environmental management systems. This certification ensures that Galfar systematically monitors and reduces its environmental impact, focusing on resource efficiency, waste reduction, and compliance with environmental regulations.



ISO 9001:2015 – Quality Management System (QMS)

Galfar upholds the highest standards of quality across its operations through ISO 9001:2015 certification. This internationally recognized quality management system enhances customer satisfaction, improves operational efficiency, and fosters a culture of continuous improvement, ensuring that Galfar consistently delivers excellence in its projects and services.



ISO 45001:2018 – Occupational Health and Safety Management System

Ensuring a safe and healthy work environment is a top priority for Galfar, as demonstrated by its ISO 45001:2018 certification. This occupational health and safety management system helps Galfar proactively identify and mitigate workplace hazards, reduce incidents, and foster a strong safety culture across all project sites.

Stakeholder and Materiality Assessment

Guidelines and Legislations Governing Stakeholder Engagement

(GRI 2-23)

Galfar's stakeholder engagement strategy is built on a strong compliance framework, adhering to legislative requirements and corporate governance principles that ensure fairness, transparency, and integrity in all interactions. The following guidelines and legislations form the basis of our approach to stakeholder management:








- 1** **Capital Market Authority Decision No. 27/2021**
 - This regulation provides a framework for public joint-stock companies, ensuring accountability and robust governance practices.
- 2** **Royal Decree No. 18/2019**
 - Promulgating the Commercial Companies Law, this decree establishes the legal foundation for corporate operations and obligations, emphasizing transparency and fairness in business practices.
- 3** **The Code of Corporate Governance for Public Listed Companies**

This code outlines corporate responsibilities towards stakeholders, emphasizing:

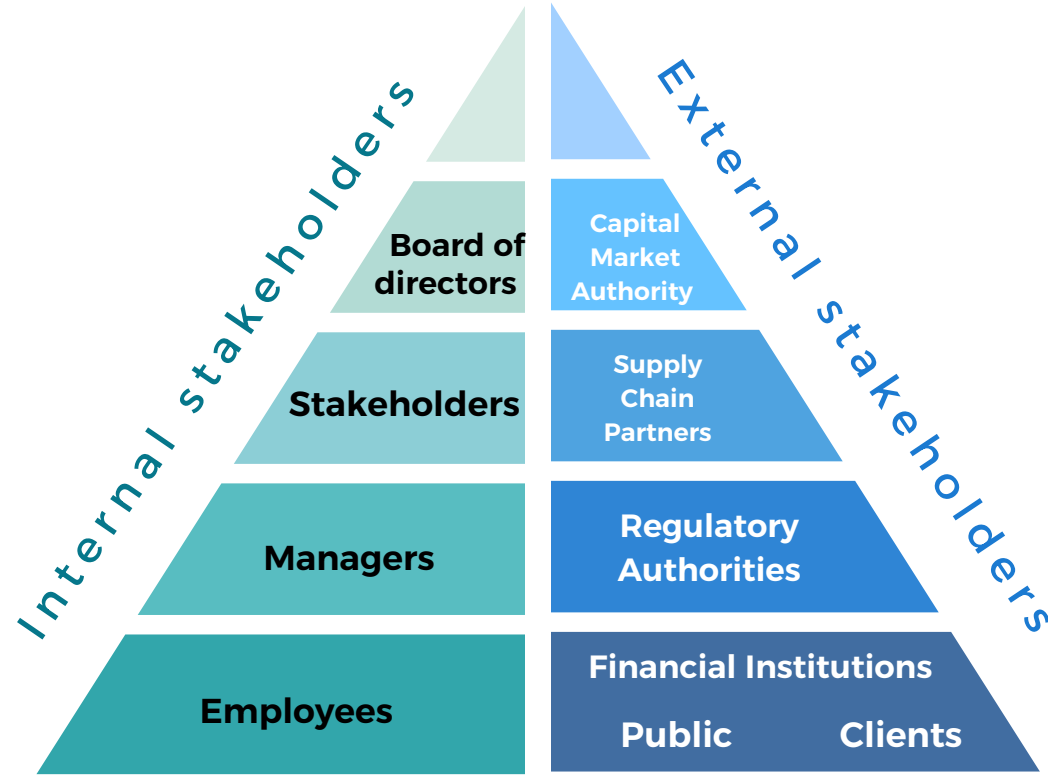
 - First Principle, Procedure 2(a): Transparent and timely communication of information to stakeholders.
 - First Principle, Procedure 2(b): Fair and unbiased treatment of all stakeholders.
 - First Principle, Procedure 2(d): Conducting duties with honesty, integrity, and faithfulness.
 - Sixth Principle, Procedure 2(d): Safeguarding shareholder rights while upholding stakeholder interests.
- 4** **Galfar Business Principles, Code of Conduct, and Ethics**
 - Section 4.2: Emphasizes conducting business with honesty, integrity, and fairness.
 - Section 4.8: Highlights the importance of transparency in reporting business activities and providing timely, accurate, and relevant information to stakeholders.
 - Section 5: Outlines Galfar's responsibilities towards shareholders, employees, business partners, and society, reinforcing our commitment to ethical and responsible operations.

A comprehensive ESG survey, based on GRI sustainability reporting standards, was conducted to assess the significance of economic, social, and governance topics. Distributed online, the survey gathered stakeholder insights through a 1-10 rating scale, enabling Galfar to prioritize sustainability issues effectively. The prioritization was guided by internal management discussions, stakeholder feedback, and alignment with Oman Vision 2040, MSX ESG Guidelines and the UN SDGs.



Key Stakeholders <small>(GRI 2-29, 2-30)</small>	Methods of Engagement	Key Needs and Expectations
Board Members and Directors 	<ul style="list-style-type: none"> Quarterly board meetings Strategic planning sessions Governance reviews 	<ul style="list-style-type: none"> Strategic alignment with business goals Transparent reporting Long-term value creation Risk management
Customers 	<ul style="list-style-type: none"> Regular project updates Feedback mechanisms Quality assurance measures 	<ul style="list-style-type: none"> High-quality deliverables Adherence to timelines Competitive pricing Compliance with HSSE standards
Employees 	<ul style="list-style-type: none"> Open communication channels Training and development programs Performance reviews 	<ul style="list-style-type: none"> Safe and inclusive work environment Career development opportunities Fair remuneration Work-life balance
Suppliers and Contractors 	<ul style="list-style-type: none"> Vendor evaluations Procurement process transparency Regular meetings 	<ul style="list-style-type: none"> Fair payment terms Clear contract conditions Support for local suppliers Long-term partnerships
Government and Regulators 	<ul style="list-style-type: none"> Compliance reporting Participation in regulatory initiatives Stakeholder consultations 	<ul style="list-style-type: none"> Legal and regulatory compliance Economic contributions Environmental responsibility Ethical business practices
Shareholders and Investors 	<ul style="list-style-type: none"> Annual general meetings Financial reporting and disclosures Investor presentations 	<ul style="list-style-type: none"> Strong financial performance Governance and risk management Strategic growth Transparency and accountability
Local Communities 	<ul style="list-style-type: none"> Community outreach programs Sponsorships and CSR initiatives Public consultations 	<ul style="list-style-type: none"> Job creation Support for local businesses Environmental protection Community well-being

This comprehensive engagement framework highlights Galfar’s dedication to understanding and fulfilling the diverse expectations of its stakeholders. By maintaining strong relationships and addressing their needs effectively, Galfar continues to drive sustainable growth and create shared value across its operations



Materiality Assessment and Sustainability Priorities at Galfar

(GRI 3-1, 3-2, 3-3)

In 2024, we conducted a comprehensive materiality assessment to identify and prioritize key sustainability topics that are critical to our business operations and vital to our stakeholders. This structured approach ensures that our efforts address the most impactful areas for both our organization and the communities we serve.


















































Our materiality assessment process adheres to global frameworks such as the GRI Standards, while also aligning with Galfar’s Corporate Strategy. Guided by a systematic and stakeholder-inclusive approach, we identified and categorized material topics based on their importance and impact on Galfar’s sustainability objectives.

Through this rigorous evaluation, our company has pinpointed 17 material topics, each reflecting the degree of associated risks and opportunities they represent. These topics have been categorized into three levels of priority: critical importance, high importance, and medium importance. This tiered approach enables Galfar to allocate resources effectively and address issues that are most significant to its operations and stakeholders.

By identifying and prioritizing material topics, our organization ensures a clear focus on areas that drive sustainability while aligning with our business goals, stakeholder expectations, and Oman Vision 2040. This proactive approach underscores our commitment to delivering impactful, measurable, and sustainable outcomes.

Materiality Assessment and Sustainability Priorities at Galfar

Most Important
 More Important
 Medium Important

Material Topic	Strategic Focus	Pillar Oman - Vision 2040	SDGs
Economic Performance	Driving excellence in local procurement, empowering SMEs, and creating job opportunities to strengthen Oman's economy.	Economy and Development	  
Procurement Practices	Enhancing local market integration through ethical supply chain management.	Economy and Development	  
Anti-Corruption	Upholding a zero-tolerance policy for governance violations and ensuring supplier compliance with ethical standards.	Governance and Institutional Performance	
Energy	Integrating solar energy solutions and implementing energy-efficient lighting to optimize energy consumption across operations.	Sustainable Environment	   
Water & Effluents	Optimizing water usage, recycling treated water for operational needs, and advancing Naqa R&D to improve wastewater management.	Sustainable Environment	 
Emissions	Implementing LPG as an alternative to fossil fuels, significantly reducing carbon emissions, and improving energy savings through the replenishment of plant machinery.	Sustainable Environment	    
Waste	Recycling asphalt in road construction and promoting circular economy practices through resource optimization and reuse.	Sustainable Environment	   
Employment	Advancing Omanization and developing the local workforce, while partnering with clients to deliver training programs that enhance national employment.	Economy and Development	   
Occupational Health & Safety	Implementing the "Goal Zero" safety initiative, enhancing employee participation in safety programs, and continuously assessing ISO certification validity.	People and Society	  
Training & Education	Continuously improving internal training through the newly rolled-out Maharat program and ensuring performance measurement for workforce development.	People and Society	   
Diversity & Equal Opportunity	Committing to zero pay gaps and promoting inclusivity across gender and nationality, while monitoring diversity and inclusiveness as part of Galfar's internal scorecard.	People and Society	  
Local Communities	Investing in community programs and supporting local SMEs to foster socio-economic growth.	People and Society	 
Transparency & Risk Management	Strengthening corporate governance frameworks, improving risk mitigation, and establishing policies and guidelines for CSR initiatives.	Governance and Institutional Performance	
Market Presence	Maintaining a strong market share across business verticals, expanding workforce nationalization, and ensuring fair wage practices across all sectors.	People and Society	 
Indirect Economic Impacts	Supporting infrastructure-led growth and contributing to regional economic integration.	Economy and Development	   
Labor Management Relations	Enhancing employee engagement and fostering a collaborative workplace culture.	People and Society	 
Security Practices	Providing human rights training to ensure the ethical treatment of all stakeholders.	Governance and Institutional Performance	 

Sustainability Highlights 2024

Environmental Leadership

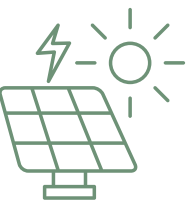
Environmental Leadership



Environmental Compliance: Achieved **zero** environmental non-compliance incidents.



Water Conservation & Resource Efficiency: **Reduced** water consumption by **30%** with low-flow systems and a sewage treatment plant (107,067 m³ capacity).



Solar Power Investment & Energy Independence: Installed a **1.2 MW solar power plant**, ensuring **100%** energy independence at the Project Services Integrated Facility.



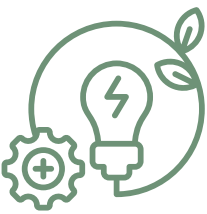
Tree Preservation & Environmental Impact: Achieved the environmental benefit equivalent to **saving 98,925 trees**



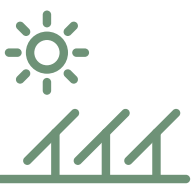
Plastic Waste Reduction & Circular Economy: Prevented **3 million plastic bags** from reaching landfills through GreenMantra wax and promoted sustainable waste management practices.



Invested OMR 330,000 in the installation of Solar Panels and 3D Printing.



Energy Efficiency & Carbon Emissions Reduction: Reduced electricity consumption by **45%** with **automated lighting** systems and cut **1,843 tons of CO₂** emissions through energy-efficient practices.



Solar-Powered Camp Facilities: Installed **2,000+ solar panels** for external lighting in camp facilities, contributing to sustainable energy usage.

Environmental Leadership

Galfar acknowledges the significant environmental impact of its operations and is committed to managing them in a responsible and sustainable manner. We continuously evaluate and assess our environmental footprint to ensure that our activities align with global best practices. Our strategic initiatives prioritize energy and water stewardship, supported by robust management systems and adherence to industry-leading standards. We place a strong emphasis on monitoring and mitigating key environmental areas critical to our operations, including greenhouse gas (GHG) emissions, energy efficiency, waste management, and water conservation, reinforcing our dedication to sustainable development and responsible business practices.

Galfar Decarbonization Strategy



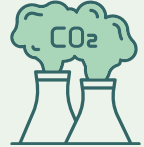
Galfar is committed to shaping a sustainable future through a strategic approach to decarbonization. As part of our vision for a "Greener Galfar" we are actively working toward developing a comprehensive targets/objectives for our decarbonization roadmap in order to align with Oman's national target of achieving net-zero emissions by 2050. This roadmap will serve as a guiding framework to transition our operations toward a low-carbon future, integrating innovative solutions and best practices in sustainability.

Our strategy focuses on key areas such as energy optimization, fuel management, sustainable construction practices, and fostering environmental responsibility across the organization. By embedding these principles into our operations, we aim to enhance efficiency, reduce our carbon footprint, and drive long-term sustainable growth. Through this structured approach, Galfar is positioning itself as a leader in environmental stewardship, ensuring that our business contributes to a cleaner and more sustainable tomorrow.

Strategic Objectives and Targets

Galfar has established clear and ambitious objectives to minimize its environmental footprint, aligning with its long-term sustainability vision. These objectives focus on key areas of environmental stewardship and sustainable development:

Reducing Carbon Emission




Our organization is committed to lowering its carbon emissions through energy optimization, integration of renewable energy sources, and the adoption of sustainable construction practices.

Enhancing Waste Management



To promote a circular economy, we are strengthening our waste management strategies by increasing the recycling of construction waste and improving resource utilization.

Expanding Renewable Energy Usage



We are actively working to increase the share of renewable energy in its overall energy mix.

Key Focus Areas of the Decarbonization Roadmap

01 Energy Optimization

Galfar recognizes the importance of reducing energy consumption and improving energy efficiency across all its operations. This is being achieved through the integration of energy-saving technologies such as automated lighting systems with motion sensors, which are already deployed in various facilities. Additionally, the company is focusing on integrating renewable energy sources, such as solar power, to reduce reliance on conventional energy and lower overall carbon emissions.

02 Fuel Management

Fuel consumption and its environmental impact are key focus areas in Galfar's decarbonization efforts. Galfar is exploring sustainable fuel options and optimizing fuel usage across its fleet and construction sites to reduce emissions. This includes the adoption of low-carbon technologies and energy-efficient vehicles to enhance the fuel management system.

03 Sustainable Construction Practices




Galfar is also prioritizing sustainable construction practices, which play a significant role in reducing emissions from its operations. This includes the use of innovative technologies such as 3D Micro Concrete, which minimizes the need for complex formwork, reduces skilled labor reliance, and significantly lowers construction waste. These practices are aligned with In-Country Value (ICV) objectives, contributing to both sustainability and local economic development.

04 Employee Engagement

At Galfar, engaging employees is at the heart of our decarbonization efforts. The company invests in training and awareness programs to foster a culture of sustainability across all levels, ensuring employees understand the importance of carbon reduction and actively participate in implementing the decarbonization strategy. This engagement is supported by regular communication through various channels, including monthly CEO messages, the quarterly Tawasul newsletter, annual report publications, and continuous updates on our company website and social media platforms, all of which keep employees informed and connected to our sustainability goals.

Metrics and ESG Alignment

Galfar is focused on tracking several key performance indicators (KPIs) to monitor its progress in achieving its sustainability goals. These metrics include:

- 
Greenhouse Gas (GHG) emissions
 A reduction in GHG emissions is one of the most important indicators of Galfar’s decarbonization success. The company tracks emissions across all operational sectors, including transportation, construction, and facility management.
- 
Energy usage
 By optimizing energy usage and increasing renewable energy adoption, Galfar is working to reduce its overall energy consumption. This reduction directly correlates with its goal of minimizing carbon emissions.
- 
Water consumption
 Water management is an essential part of Galfar’s sustainability strategy. Initiatives such as the installation of water saver nozzles and efficient water management practices support the company’s goal of reducing water consumption and minimizing waste.



These metrics are aligned with the United Nations Sustainable Development Goals (SDGs), particularly SDG 13: Climate Action, which emphasizes the need to mitigate climate change and its impacts.

Sustainability Ambitions

Leveraging the strategic initiatives outlined in our Corporate Values including but not limited to sustainability and innovation, Galfar is committed to expanding our contributions to sustainable development, driving positive change across our operations and the communities we serve. With a focus on reducing environmental impacts and promoting a culture of responsibility, we have made significant strides in key areas such as energy optimization, water conservation, emissions reduction, and sustainable construction across all our projects. Our ongoing efforts aim to achieve long-term, sustainable growth while ensuring the health, safety, and well-being of our employees and stakeholders.

One of our most notable achievements this year has been the successful renovation of our Head Office, a project that embodies our commitment to sustainability, innovation, and energy efficiency. Designed with sustainability in mind, the new, modern HO building integrates advanced technologies, including smart thermostats and sensors, to optimize energy consumption and create an environmentally friendly workspace.

This transformation goes beyond infrastructure—it represents a shift toward a more collaborative, technology-driven work environment.

HO-Renovation: "My Space"

Transforming Our Workspace for a Sustainable Future

The ongoing HO - Renovation project, titled “My Space,” reflects our commitment to creating a workspace that is comfortable, productive, and tailored to the evolving needs of our employees. This transformation is not just about enhancing our work environment but also about embracing sustainability as a core value.

As part of our efforts, we have upgraded the lighting system across the Galfar building by replacing conventional lights with over 1,000 energy-efficient 60x60 LED lights and installing more than 50 light sensors to optimize energy consumption. Additionally, we have enhanced our HVAC systems by integrating over 235 thermostats, ensuring better climate control and further reducing our carbon footprint.

Beyond infrastructure upgrades, we are also fostering a culture of sustainability within our organization. To encourage employees to be more conscious and proactive about environmental responsibility, we have distributed reusable water bottles to all staff. This initiative is part of our commitment to reducing single-use plastics and promoting a greener, more sustainable workspace.

In addition, we have taken a significant step toward **enhancing the green spaces around our Head Office by adding over 250 plants.** This initiative not only improves the aesthetic appeal of our workspace but also contributes to a healthier and more eco-friendly environment.

As we continue on our sustainability journey, we are committed to incorporating more environmentally friendly initiatives into our workspace. Our future plans include exploring waste reduction programs, increased use of renewable energy sources, and eco-friendly office supplies to further minimize our environmental impact. Additionally, we aim to engage employees through awareness campaigns and initiatives that empower them to make sustainable choices in their daily work routines.

Through the “My Space” initiative, we are not only transforming our office into a more efficient and employee-friendly environment but also laying the foundation for a greener and more sustainable future.

Galfar is committed to sustainability by eliminating plastic bottles across its operations, reinforcing our dedication to environmental responsibility. This initiative aligns with our ESG goals, reducing plastic waste and promoting a greener future.

- 
 صديقة للبيئة
 Eco-friendly
- 
 سهولة الاستخدام
 Easy-to-use
- 
 حافظه للحرارة
 Temperature-retaining
- 
 خالية من مادة البيسفينول
 BPA-free
- 
 قوية
 Durable
- 
 متعددة الاستخدامات
 Versatile

Environmental Management

(GRI 2-23, 2-27)

Building upon our strong governance framework, Galfar is dedicated to continuously enhancing its internal controls while further integrating environmental considerations into its management systems. Recognizing the interconnectedness between our operations and the natural environment, we have streamlined the implementation of our environmental management systems to proactively identify, assess, and prioritize environmental risks across all operational sites on a quarterly basis. As part of our commitment to sustainability, Galfar places a strong focus on improving energy efficiency and reducing its environmental impact in line with industry-leading practices. With ISO 14001 certification, we ensure that our operations meet the highest environmental standards, enabling us to effectively manage and mitigate environmental risks while maintaining profitability and driving sustainable growth.

Galfar has maintained its ISO 14001 certification since its initial cycle in 2007, demonstrating a long-standing commitment to environmental management. Our integrated Environmental Management System (EMS) is rigorously implemented across all operations, ensuring adherence to global environmental standards. In 2024, Galfar successfully underwent an audit and renewed its ISO 14001 certification, reaffirming our dedication to continuous environmental improvement and sustainable practices.

Climate Advocacy

(GRI 2-22, 302-1, 302-3, 302-4, 302-5, 305-1, 305-2, 305-3, 305-4, 305-5)

In line with our dedication to combating climate change, we have taken decisive steps to integrate sustainability into our business practices, guided by international frameworks such as the United Nations Framework Convention on Climate Change (UNFCCC), the Paris Agreement and Oman vision 2040.

In 2024, our organization have enhanced energy efficiency by installing motion-activated lighting and integrating smart technologies in our Head Office renovation. This modernized workspace optimizes energy consumption, reflecting our commitment to sustainability and innovation. This effort underscores our commitment to energy efficiency while fostering a sustainable and eco-conscious workspace. As part of our broader climate strategy, we have also begun monitoring and reporting both direct and indirect greenhouse gas (GHG) emissions, laying the foundation for transparency and accountability in our environmental impact.

Energy

Commitment: Galfar will integrate automated lighting systems with motion sensors across most facilities to achieve additional energy savings of 10-30%.

Progress: This technology has been successfully deployed in corridors, meeting rooms, toilets, and pantries at Galfar HQ, resulting in an estimated 45% reduction in electricity consumption annually. Further installations are underway at other facilities.

Commitment: Galfar will expand its renewable energy initiatives by leveraging solar power to reduce reliance on conventional energy sources, lower carbon emissions, and contribute to a greener future.





Progress: A 1.2 MW solar power plant has been successfully installed and commissioned at Galfar's Khazean facility. The plant now powers the entire workshop and office while selling excess power back to the grid.

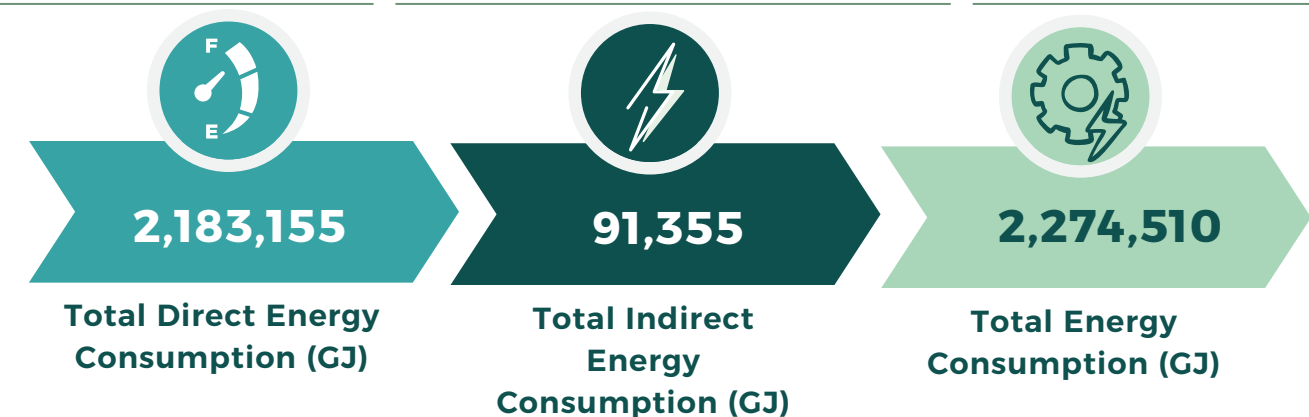
Additionally, Galfar is proactively exploring and adopting renewable energy solutions to reduce dependence on fossil fuels and contribute to a low-carbon future. These initiatives represent a significant step forward in our Environmental, Social, and Governance (ESG) journey, as we continue to align our operations with global sustainability goals while making meaningful contributions to environmental conservation.

Sustainable Energy Management

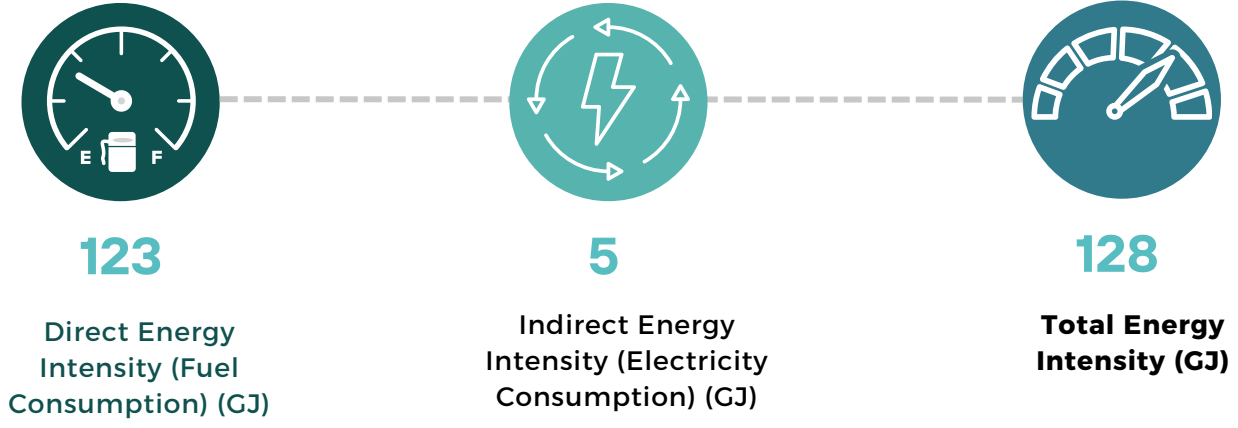
In our inaugural Environmental, Social, and Governance (ESG) report, we are proud to highlight the initiatives undertaken in 2024 that mark the beginning of our energy management journey. These efforts reflect our alignment with internationally recognized standards and our dedication to continuous improvement. In the reporting period, approximately 0.31% of Galfar's total energy consumption was sourced from renewable energy, with 7017 GJ generated at Khazean Facility.

Our efforts are guided by a commitment to transparency and accountability, ensuring that strategic decisions are informed by accurate and reliable data. Through these initiatives, Galfar is laying the groundwork for a more sustainable future, demonstrating that even as we begin this reporting journey, we are steadfast in our resolve to make meaningful contributions toward environmental conservation and energy efficiency.

Source	Direct /Indirect Energy Consumption	Energy Use (GJ)
Diesel 	Direct Energy Consumption	2,016,464
Petrol 	Direct Energy Consumption	89,650
LPG 	Direct Energy Consumption	77,040
Electricity 	Indirect Energy Consumption	91,355



Energy Intensity Against Total Employees GJ/Employee



3 MWp Solar Energy

Advancing Galfar's solar power capacity with a target of 3 MW installation over the next 3-5 years.

Advancing Green Energy Solutions for Transport Fleet

As part of our Decarbonization Strategy, under the Energy Optimization and Management pillar, Galfar is actively exploring innovative solutions to reduce the environmental impact of its construction equipment and transport fleet. Given that diesel-powered machinery and trucking fleets contribute significantly to operational emissions, we are assessing the feasibility of transitioning to electric and hybrid alternatives to lower our carbon footprint while maintaining operational efficiency. This transition includes retrofitting, refurbishing, or replacing outdated equipment with advanced low-emission technologies, offering reduced greenhouse gas emissions, lower fuel consumption, and decreased reliance on fossil fuels. Additionally, we are evaluating the integration of renewable fuels such as biodiesel as an interim solution, bridging the gap between conventional operations and future sustainable energy goals.

Embarking on Our GHG Emissions Measurement Journey

As part of our inaugural Environmental, Social, and Governance (ESG) report, we are committed to outlining the steps we have taken in 2024 to contribute toward a sustainable and environmentally conscious future. Our approach focuses on reducing energy consumption and minimizing our carbon footprint, ensuring our operations align with Oman's sustainability vision and global standards.

Our emissions monitoring and reporting framework adheres to internationally recognized guidelines, including those established by the Intergovernmental Panel on Climate Change (IPCC), Department for Environment, Food and Rural Affairs (DEFRA) 2022 and the US Environmental Protection Agency (EPA). Leveraging standardized tools and methodologies, we ensure accuracy and transparency in tracking and reporting greenhouse gas (GHG) emissions. This framework encompasses both Scope 1, Scope 2 and Scope 3 emissions, capturing direct emissions from our operations and indirect emissions resulting from purchased electricity.

Direct (Scope 1) Emissions		MT
Diesel		149,420
Petrol		6,374
LPG		4,830
Indirect (Scope 2) Emissions		MT
Electricity Purchased		13,129
Total Scope 1		160,625
Total Scope 2		13,129
Total Scope Emissions		173,754



Emissions

- **Commitment:** Galfar is committed to continuously estimating and measuring CO₂ emissions from its operations and overall energy consumption. The company proactively implements fuel and energy efficiency best practices to progressively reduce its carbon footprint.
- **Progress:** Implemented LPG as an alternative fuel, introduced energy-saving practices at the Head Office, deployed solar power at the Galfar Integrated Facility, and strengthened fleet fuel management systems to enhance efficiency and reduce emissions.

GHG Emissions Intensity Against Number of Employees	MTCO2/employee
Scope 1	9.07
Scope 2	0.74
Total	9.81

Note: The emission factors used for calculating Scope 1 & Scope 2 greenhouse gas (GHG) emissions are derived from the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines and the Department for Environment, Food and Rural Affairs (DEFRA) 2022 conversion factors to ensure accuracy and alignment with international best practices.

Looking ahead, Galfar is unwavering in its commitment to further reducing greenhouse gas (GHG) emissions and advancing the decarbonization of our operations.

Preserving Environmental Resources

(GRI 2-22, 303-1, 303-2, 303-3, 303-4, 303-5, 304-1, 306-1, 306-3, 306-4, 306-5)


We recognize that effective resource management is central to enhancing operational efficiency while mitigating environmental impacts. Our approach to sustainability is holistic, prioritizing the responsible use and conservation of natural resources. By focusing on water, waste, and biodiversity, we strive to minimize the environmental footprint of our operations. Through these efforts, we aim to create long-term value, not only for our stakeholders but also for the environment, ensuring that our activities contribute to a more sustainable future.

In line with our broader environmental objectives, Galfar has developed a comprehensive Water Conservation Strategy. This strategy reflects our commitment to managing water resources sustainably, in line with the pressing global challenges of water scarcity and efficient resource use. Key to this strategy is reducing water consumption, optimizing wastewater treatment processes, and promoting water-saving technologies across our facilities and project sites. Through continuous monitoring and improvements, Galfar is committed to enhancing its water management practices and contributing to the conservation of this precious resource.

Galfar’s Mission towards Preserving Water Resources

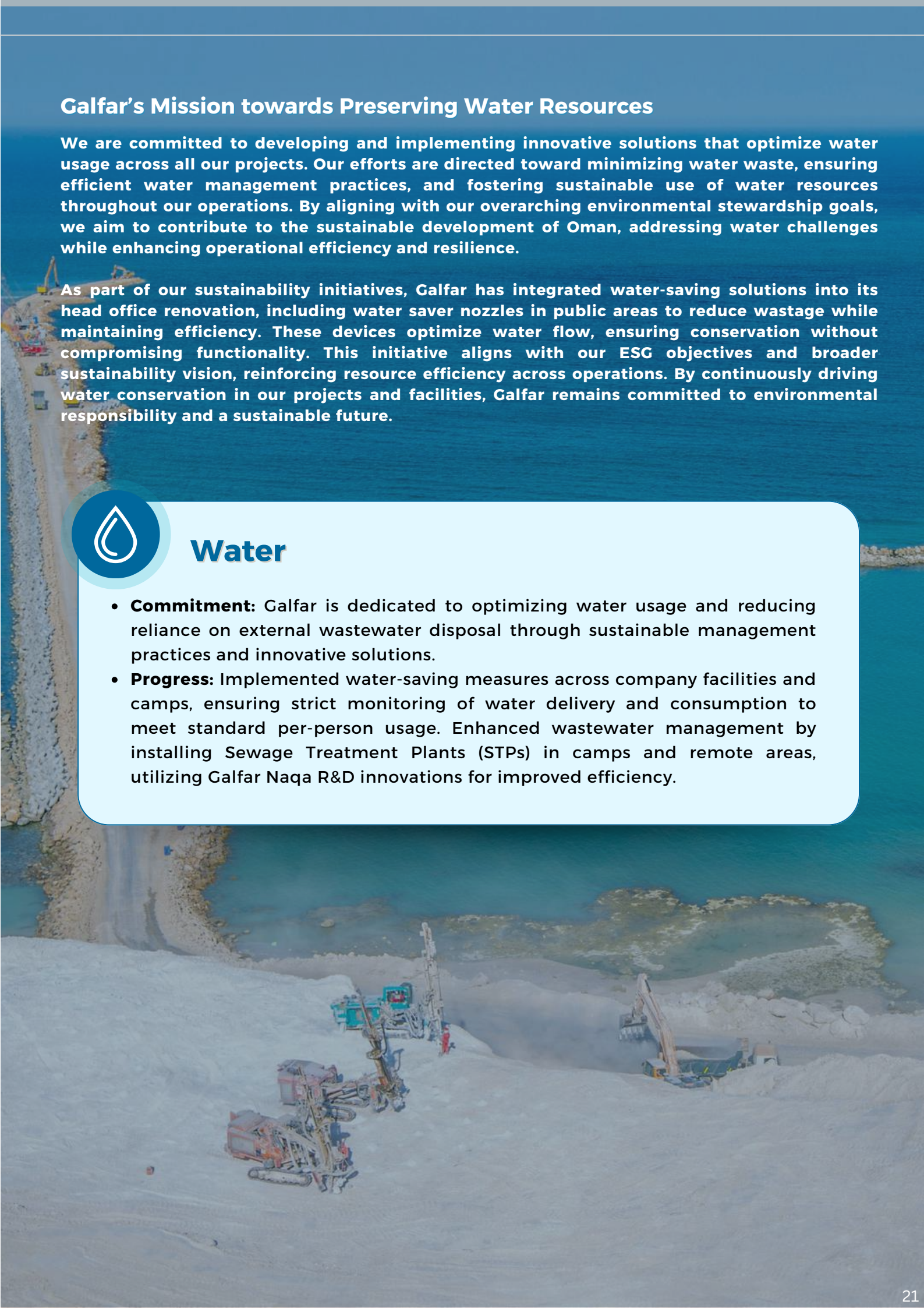
We are committed to developing and implementing innovative solutions that optimize water usage across all our projects. Our efforts are directed toward minimizing water waste, ensuring efficient water management practices, and fostering sustainable use of water resources throughout our operations. By aligning with our overarching environmental stewardship goals, we aim to contribute to the sustainable development of Oman, addressing water challenges while enhancing operational efficiency and resilience.

As part of our sustainability initiatives, Galfar has integrated water-saving solutions into its head office renovation, including water saver nozzles in public areas to reduce wastage while maintaining efficiency. These devices optimize water flow, ensuring conservation without compromising functionality. This initiative aligns with our ESG objectives and broader sustainability vision, reinforcing resource efficiency across operations. By continuously driving water conservation in our projects and facilities, Galfar remains committed to environmental responsibility and a sustainable future.



Water

- **Commitment:** Galfar is dedicated to optimizing water usage and reducing reliance on external wastewater disposal through sustainable management practices and innovative solutions.
- **Progress:** Implemented water-saving measures across company facilities and camps, ensuring strict monitoring of water delivery and consumption to meet standard per-person usage. Enhanced wastewater management by installing Sewage Treatment Plants (STPs) in camps and remote areas, utilizing Galfar Naqa R&D innovations for improved efficiency.



Galfar Key Objectives for Preserving Water Resources in its Operations

Optimizing Water Usage Across Projects

Galfar is dedicated to minimizing water consumption at every stage of our projects, from design and construction to operation. By employing water-efficient technologies, systems, and best practices, we strive to reduce our overall water footprint.

Implementing Advanced Water Management Systems

We aim to implement state-of-the-art water management systems across our facilities and construction sites, ensuring real-time monitoring, efficient distribution, and effective wastewater treatment, promoting sustainability in every facet of our operations.

Promoting Water Recycling and Reuse

As part of our environmental stewardship efforts, we focus on maximizing water recycling and reuse opportunities, both within our projects and facilities, to minimize dependency on external water sources and reduce environmental impact.

Enhancing Water Conservation Practices in Our Workforce

We will continue to invest in educating and training our workforce on the importance of water conservation, equipping them with the knowledge and tools to integrate water-saving measures into their daily work routines and project activities.

Collaborating with Stakeholders for Sustainable Water Solutions

Galfar is committed to engaging with local communities, industry peers, and other stakeholders to drive sustainable water management practices in Oman. This involves supporting regional water conservation efforts, aligning with national water preservation goals, and advancing long-term solutions to address water scarcity challenges.

Galfar’s Commitment to Preserving Oman’s Water Cycle

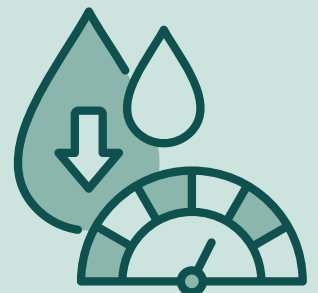
Galfar recognizes Oman’s arid climate and the challenges it poses to water sustainability, making efficient water management a priority. We are committed to minimizing the impact of our operations on natural water systems, ensuring groundwater protection and sustainable resource utilization. By integrating water-saving technologies and raising stakeholder awareness, we align with our ESG principles to promote responsible water use. As an EPC leader, we incorporate water cycle considerations into project planning and execution, balancing operational efficiency with ecological preservation for a more resilient future.



successfully conducted **15** dedicated training sessions on water-saving initiatives for project managers

Galfar recognizes the importance of water as a shared resource and is committed to its responsible management across all operations. We understand that our water usage can impact local communities, ecosystems, and industries that also rely on the same water sources. As such, we take proactive measures to assess and manage our water consumption, particularly in regions facing water scarcity. Our water stewardship initiatives focus on minimizing our water footprint, improving water use efficiency, and ensuring that our operations do not negatively affect the availability or quality of shared water resources.

Galfar is committed to ensuring that our water discharge practices are environmentally responsible and contribute to sustainability. We proactively maintain detailed records of water withdrawal, consumption, and discharge across all operations to ensure transparency and efficiency in water management.



At the Yiti Plaza camp, we have implemented a **state-of-the-art Sewage Treatment Plant (STP)** as part of our commitment to sustainable practices. This initiative has significantly reduced reliance on sewage tankers and the associated subcontractor costs for wastewater disposal. The treated water, **approximately 107,067 m³, is repurposed for spraying graded roads** within the site premises, reducing environmental impacts and maximizing resource utilization.

This implementation has resulted in a 30% reduction in overall water consumption



Water Indicators (for all the projects)	2024
Total Water Withdrawal (m3)	2,256,027
Total Water Discharge (m3)	461,666
Total Water Consumption (m3)	2,124,915
Specific Water Consumption Intensity (in m3/employee)	120

Galfar’s Initiative at Project Sites to Promote Water Conservation



To effectively communicate the importance of water-saving practices, we have **strategically placed informative signage at 147 key locations throughout our sites**

As part of our strategic focus on sustainability and prudent resource management, Galfar has introduced educational awareness initiatives across our project sites to promote water conservation among our workers and staff. These signs serve as a constant reminder to all employees about the critical need to conserve water and adopt more sustainable usage behaviours in their daily activities.

By promoting a culture of environmental responsibility and encouraging proactive engagement with water-saving practices, we aim to reduce water wastage and ensure that every team member plays an active role in preserving this valuable resource.

Optimizing Waste Management Practices at Galfar

Galfar, in alignment with its Decarbonization Strategy, prioritizes efficient waste management to minimize environmental impact. Adopting the Eliminate, Reduce, Reuse, and Recycle principles, we ensure sustainable waste handling across all operations. Our systematic framework, aligned with ISO 14001, governs diverse waste types, including construction debris, asphalt, metals, oils, and chemicals, ensuring compliance with local and international standards. The Project Management Section oversees segregation, storage, and disposal, utilizing dedicated scrap yards for organized waste classification. This structured approach enhances recycling, prevents contamination, and reinforces operational efficiency while upholding industry best practices.

Commitment to Compliance and Collaboration

Galfar’s waste management practices are closely aligned with both international certifications and local regulations. External audits under ISO 14001 ensure that our practices meet global standards, while open dialogue with local regulatory authorities helps maintain compliance with regional guidelines. Galfar actively collaborates with local waste collection authorities to ensure the safe disposal of waste streams, fostering a proactive approach to environmental stewardship.

Internal Waste Audits with 6S Methodology

To maintain and continuously improve our waste management practices, Galfar conducts regular internal waste audits using the 6S methodology. This structured approach helps streamline processes, identify inefficiencies, and reinforce sustainability practices across all operations. The 6S steps include:




By integrating the 6S methodology into our waste management practices, Galfar ensures a structured, efficient, and sustainable approach to minimizing its environmental impact. Our commitment to responsible waste management reflects our dedication to a greener, more sustainable future for Oman.

At Galfar, waste management is a critical aspect of our sustainability efforts, and we categorize waste into hazardous and non-hazardous types to ensure responsible handling. Hazardous waste includes materials that pose risks to human health and the environment, such as chemicals, solvents, and oils, requiring strict management and compliance with safety regulations. Non-hazardous waste, including construction debris and general waste, is more common and typically recyclable, making it important for our efforts to minimize landfill impact through resource recovery.



Waste Indicators	2024
Total Weight of Non-Hazardous Waste Generated (metric tonnes)	149,614
Total Weight of Hazardous Waste Generated (metric tonnes)	425
Total Waste Directed to Disposal (metric tonnes)	107,782
Total Waste Generated (metric tonnes)	150,039

 **Breakdown of most significant type of waste generated in MT:**


	2024	
Concrete Waste		36,896
Asphalt Waste		77,393

 **Total Waste Recycled in MT:**

	2024	
Asphalt Waste		15,817

At Galfar, responsible waste disposal and recycling are integral components of our sustainability strategy. For waste streams such as scrap metals, steel, wood, oil, tires, batteries, and fire extinguishers, we collaborate with certified third-party contractors who specialize in their safe disposal and recycling. These contractors are selected through a rigorous tendering process, ensuring that only those with the necessary expertise and compliance with local regulations are engaged. Our procurement team carefully evaluates and registers these waste collection companies to maintain high standards of environmental responsibility.

This process ensures that our waste management efforts align with both local requirements and international best practices, contributing to the reduction of waste sent to landfills and promoting the circular economy. By partnering with trusted contractors, Galfar ensures that materials are processed in an environmentally responsible manner, furthering our commitment to sustainability and reducing our environmental footprint.



Successfully incorporated **20% of recycled Asphalt** into the construction of embankments in the Al Jafnain Road Project.

By integrating recycled asphalt into this high-profile infrastructure project, Galfar has demonstrated its commitment to reducing construction waste and utilizing resources efficiently. The use of blended recycled asphalt aligns with our broader environmental goals, reducing the environmental impact of road construction while improving the quality and durability of the embankments. Moving forward, we will continue to seek further opportunities for recycling and reusing materials in our projects, enhancing the sustainability of our operations.



Wherever possible, Galfar adopts the 3R waste initiative cycle—Reduce, Reuse, Recycle—in our projects. By focusing on reducing waste generation, reusing materials, and recycling resources, we strive to minimize our environmental footprint and contribute to a circular economy in all aspects of our operations.

As part of our ongoing commitment to sustainability, Galfar has implemented an initiative focused on resource optimization during the renovation of its head office. Instead of disposing of the office furniture, we have adopted a reuse strategy by relocating the furniture to various project site offices. This not only aligns with our efforts to minimize waste but also reflects our dedication to cost-effective and environmentally responsible practices. By repurposing furniture that still holds value, we reduce the need for new resources, thereby limiting the environmental impact associated with manufacturing and transporting new items.

Galfar’s Commitment to Biodiversity

At Galfar, we recognize the critical importance of biodiversity conservation and environmental stewardship in all our operations. As part of our sustainability commitment, we integrate biodiversity management into our project lifecycle, ensuring minimal impact on natural ecosystems. Our comprehensive Environmental Impact Assessment (EIA) process for every project rigorously evaluates potential biodiversity risks and establishes mitigation strategies to safeguard the surrounding environment.

The Environmental Impact Assessment (EIA) for the Rich and Lean Gas Pipeline Segregation Project (RLGP) included a comprehensive biodiversity survey to ensure that potential impacts on local flora and fauna were thoroughly evaluated. The ecological survey covered habitat classification, species identification, and conservation status assessment within a 250-meter radius of the project site. The study recorded 31 plant species, including dominant species such as Acacia tortilis, along with endemic and protected species listed in the Oman Plant Red Data Book. The RLGP project, in particular, undergoes rigorous Environmental Impact Assessments (EIA) to ensure minimal disruption to sensitive ecosystems, including Al Saleel National Park, a designated protected area. Spanning approximately 20 kilometers along the project route, the assessment documented key faunal species, including Arabian Gazelles (*Gazella arabica*), Egyptian Spiny-Tailed Lizards (*Uromastix aegyptia*), Sinai Agamas (*Pseudotrapelus sinaitus*), and several bird species such as the Eurasian Collared Dove (*Streptopelia decaocto*) and Lichtenstein’s Sandgrouse (*Pterocles lichtensteinii*). The findings have been integrated into Galfar’s biodiversity management strategy, ensuring that mitigation measures are in place to minimize ecological disturbance and uphold environmental sustainability.

Galfar strictly follows national and international biodiversity conservation policies to minimize environmental impact. We proactively implement measures to prevent habitat degradation, protect sensitive ecosystems, and restore natural habitats impacted by our projects.

Through thorough site assessments and ecological surveys, we assess biodiversity risks and incorporate mitigation measures into project designs. Our biodiversity management approach includes habitat conservation, species protection, and sustainable land-use practices to minimize disruptions to local flora and fauna.

We ensure responsible use of biodiversity resources in our operational areas by engaging with local communities and regulatory authorities. Our projects comply with environmental regulations, and we collaborate with stakeholders to promote sustainable resource utilization and fair benefit-sharing practices.

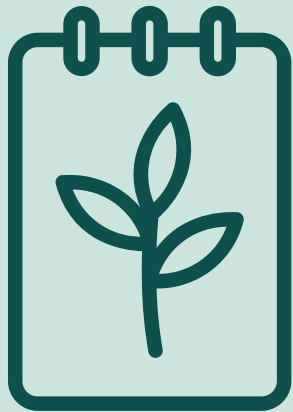
Prior to project initiation, we conduct extensive ecological surveys and impact assessments to identify potential risks to biodiversity. This includes evaluating the presence of endangered species, mapping critical habitats, and analyzing ecosystem interdependencies.

Galfar operates in various locations with ecological sensitivity. To ensure responsible operations, we classify project sites based on their environmental significance and implement site-specific biodiversity management plans. Special attention is given to projects near protected areas, wetlands, and ecologically rich zones.

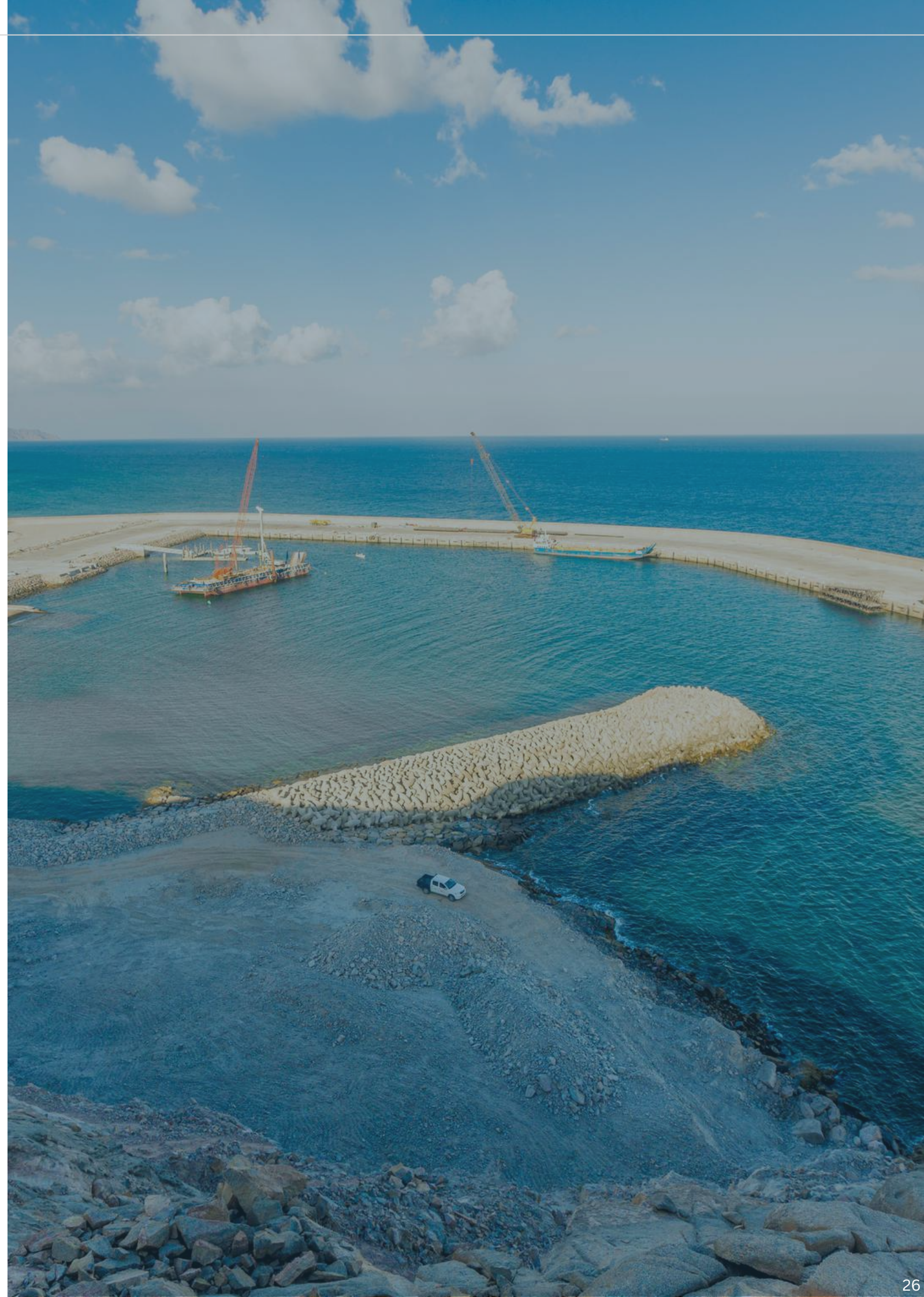
We recognize that industrial activities can contribute to biodiversity loss through habitat destruction, pollution, and resource depletion. To mitigate these risks, we implement strict environmental controls, adopt sustainable construction practices, and enforce pollution prevention measures.

Our environmental monitoring programs through surveys track biodiversity changes throughout project execution. Regular assessments help us evaluate the effectiveness of conservation efforts and adapt strategies to ensure continuous protection of local ecosystems.

We acknowledge the vital role of ecosystems in sustaining life and economic activities. Our environmental policies emphasize preserving ecosystem services such as water purification, soil fertility, and climate regulation. We actively work to maintain ecological balance through reforestation, wetland preservation, and soil conservation initiatives.



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Sustainability Highlights 2024

Societal Contributions

Societal Contributions



Lost Time Incident Frequency (LTIF): Achieved a **29%** improvement in LTIF, reducing from **0.07 in 2023 to 0.05 in 2024.**



Training Programs: Provided comprehensive training to **162 individuals**, fostering continuous professional development.



Training & Awareness: Increased training and awareness programs by **20% in 2024.**



CSR Investment: Executed over **20 CSR initiatives** across various governorates, supporting local communities.



Local Procurement: Sourced **98% of total annual purchases** and subcontracts from local suppliers, contributing to the local economy.



Made in Oman: Achieved **45% of total purchases** from locally made products, supporting national manufacturing.



Occupational Health: Ensured **100% of employees** were covered under Galfar's Occupational Health program.



SME and Local Community Support: Awarded **17% of total** subcontract order value to SMEs and Local Community Contractors (LCCs).



Road Safety Awareness: Conducted road safety awareness sessions across most projects in all business verticals.



Omani Workforce: Reached a total employment of **4,400+ Omani nationals**, strengthening the local workforce.



Employee Training: Delivered **332,200 hours of training in 2024**, enhancing skills and knowledge.

Societal Contributions

Shaping Success through Talent

Galfar’s success is driven by its exceptional workforce, whose expertise and dedication have been pivotal in delivering high-quality projects and ensuring operational excellence. Recognizing employees as key to business resilience and sustainable progress, Galfar promotes a culture of innovation, leadership, and inclusivity. Our commitment extends across the employee lifecycle, from transparent recruitment to providing competitive compensation, career development, and skill-building opportunities.



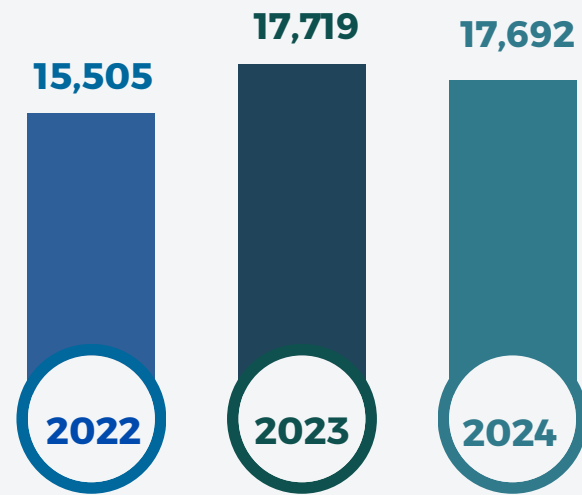
Our People

(GRI 2-7, 2-26, 2-30, 3-3, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1)

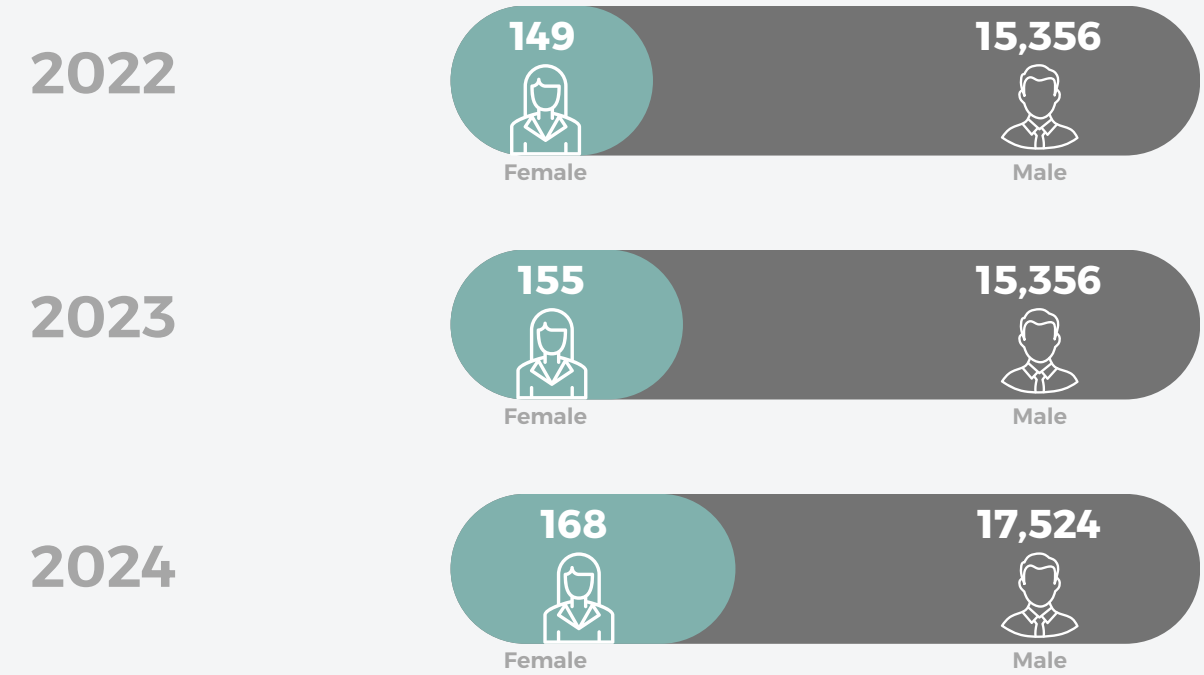
Galfar takes pride in its diverse and talented workforce of over 17,000 employees, representing a wide spectrum of ages, professional expertise, and technical proficiency. This underscores our belief that a motivated and capable workforce is essential to driving operational excellence and achieving long-term sustainable growth. By continuously investing in employee development and fostering an inclusive and supportive work environment, we ensure that our Human Capital remains the cornerstone of Galfar’s success, empowering them to contribute meaningfully to the organization’s vision and the communities we serve.

Employment at Galfar

Total No. of Employees



Breakdown by Gender



Breakdown by Contract	2022	2023	2024
Permanent	15,505	17,719	17,692
Contract	0	0	0
Breakdown by Employee Type	2022	2023	2024
Full-Time	15,505	17,719	17,692
Part-Time	0	0	0

Human Capital Sustainability

At Galfar, we firmly believe that our people are the cornerstone of our success. Recognizing the critical importance of fostering a thriving and empowered workforce, we have developed a Talent and Community Development Strategy that aligns with our Corporate Values and commitment to sustainability. This strategy is a holistic framework aimed at effectively retaining, enabling, and empowering our employees, thereby creating a positive impact within the organization and the broader community.

The strategy emphasizes enhancing our organizational structure, fostering a culture of employee engagement, building workforce capacity, and driving efficiency through the automation of internal operations. Equipping our employees with the necessary tools, skills, and resources fosters both individual growth and long-term business sustainability. Equipping our employees with the necessary tools, skills, and resources fosters both individual growth and long-term business sustainability.

Key Objectives of the Talent and Community Development Strategy:

- 01** **Enhancing Workforce Competence:** Equip employees with advanced skills and knowledge through targeted training and development programs, ensuring they are well-prepared to meet current and future challenges.
- 02** **Driving Employee Engagement:** Foster an inclusive and collaborative work environment that motivates employees to align with the company's mission and values, while also enabling them to contribute to its success.
- 03** **Streamlining Internal Operations:** Implement digital transformation initiatives to automate key processes, enhance operational efficiency, and reduce administrative burdens, enabling employees to focus on innovation and strategic growth.

Strengthening Ethical Foundations Through the Business Ethics Strategy

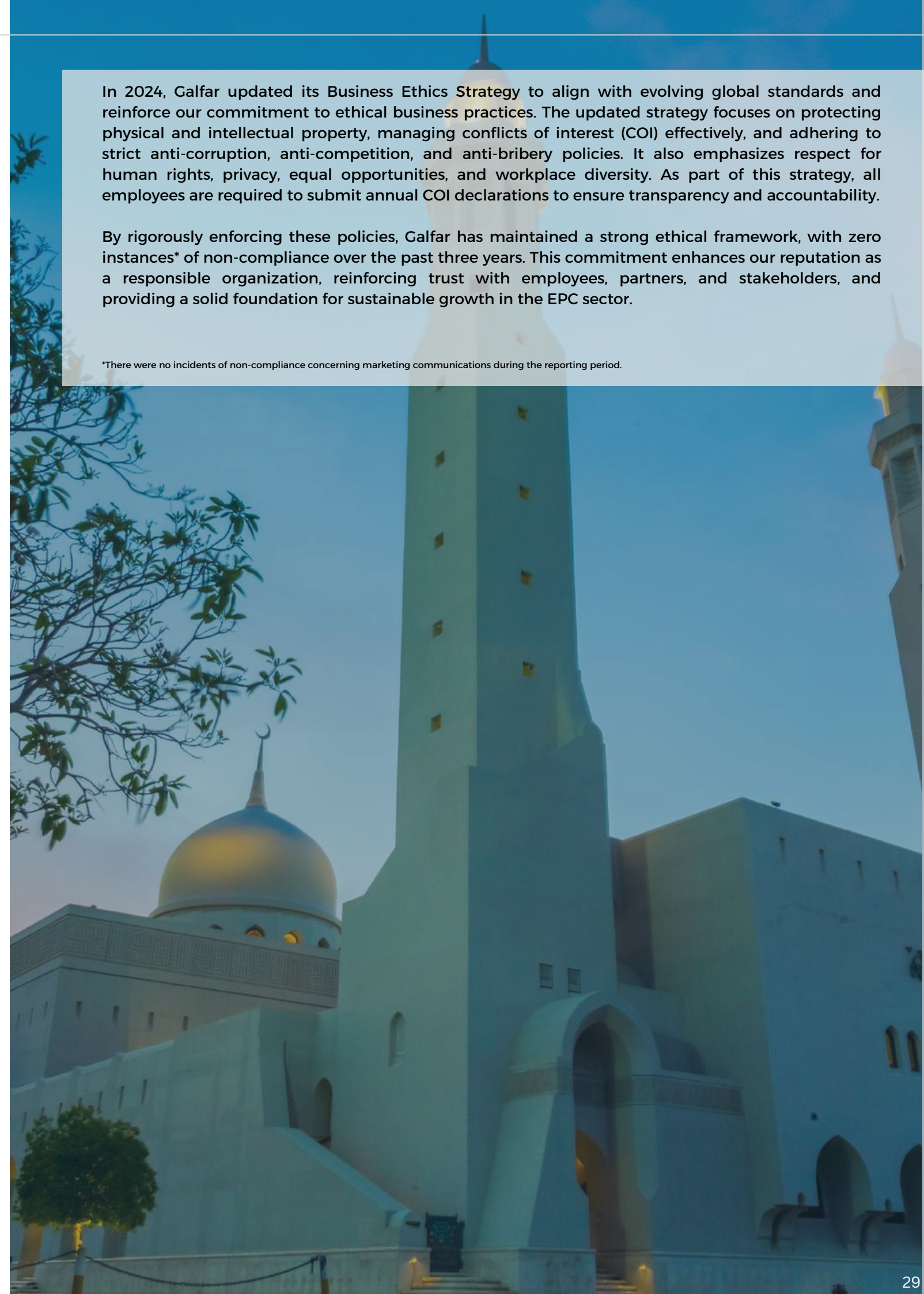
At Galfar, our commitment to excellence is deeply rooted in the ethical principles that guide every aspect of our operations. The successful implementation of our Talent and Community Development Strategy is reinforced by the robust foundation provided by our Business Ethics Strategy (BES) as a part of Galfar Business Principles, Code of Conduct, and Ethics. This strategy is pivotal in fostering a culture of transparency, integrity, and ethical business practices across the organization.

Every new hire at Galfar is introduced to our Business Ethics Strategy and Non-Discrimination Policy at Work, ensuring a strong understanding of the ethical values and standards expected within the organization. Additionally, annual company-wide communications and training sessions keep our workforce informed and aligned with these principles, reinforcing our dedication to ethical excellence.

In 2024, Galfar updated its Business Ethics Strategy to align with evolving global standards and reinforce our commitment to ethical business practices. The updated strategy focuses on protecting physical and intellectual property, managing conflicts of interest (COI) effectively, and adhering to strict anti-corruption, anti-competition, and anti-bribery policies. It also emphasizes respect for human rights, privacy, equal opportunities, and workplace diversity. As part of this strategy, all employees are required to submit annual COI declarations to ensure transparency and accountability.

By rigorously enforcing these policies, Galfar has maintained a strong ethical framework, with zero instances* of non-compliance over the past three years. This commitment enhances our reputation as a responsible organization, reinforcing trust with employees, partners, and stakeholders, and providing a solid foundation for sustainable growth in the EPC sector.

*There were no incidents of non-compliance concerning marketing communications during the reporting period.

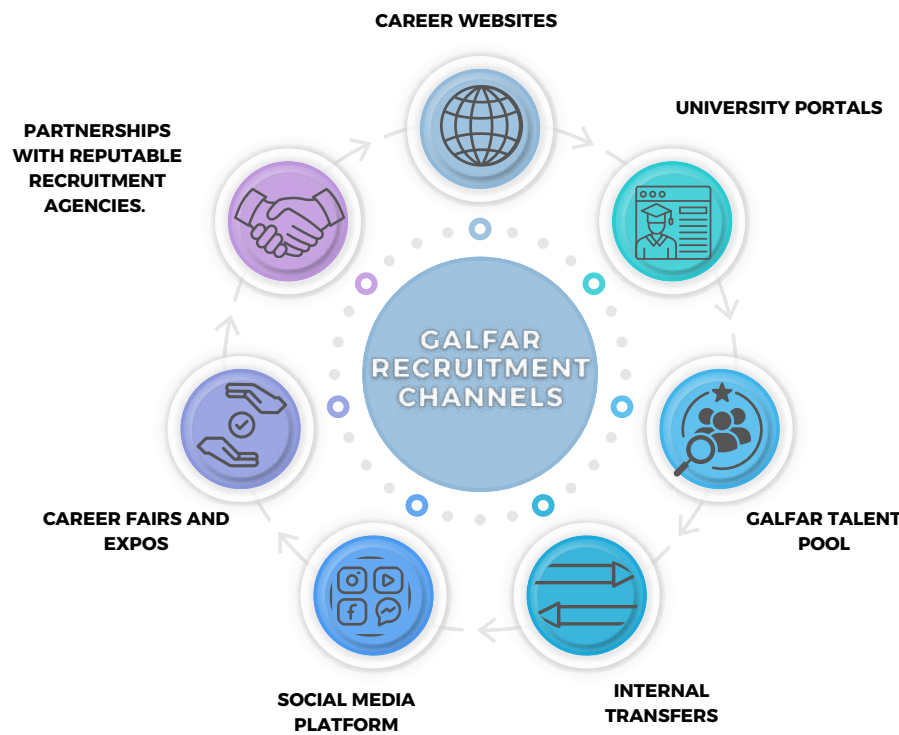




Galfar Approach to Talent Management and Retention

In the dynamic and challenging EPC industry, Galfar recognizes that attracting and retaining top-tier talent is critical to meeting market demands, achieving strategic objectives, and fulfilling sustainability commitments. Our talent management framework is thoughtfully designed to nurture a skilled, resilient, and innovative workforce that contributes to our operational excellence today while driving our long-term vision for sustainable growth.

Anchored in a comprehensive annual workforce planning process, Galfar conducts a detailed assessment of the organization's current talent pool. This approach enables us to evaluate existing capabilities, identify future talent requirements, and bridge gaps between our workforce's skillsets and strategic goals. We align workforce planning with our overarching objectives, ensuring our teams are well-equipped to adapt to evolving industry demands and sustainability priorities.



New Hires

Total no. of new employees



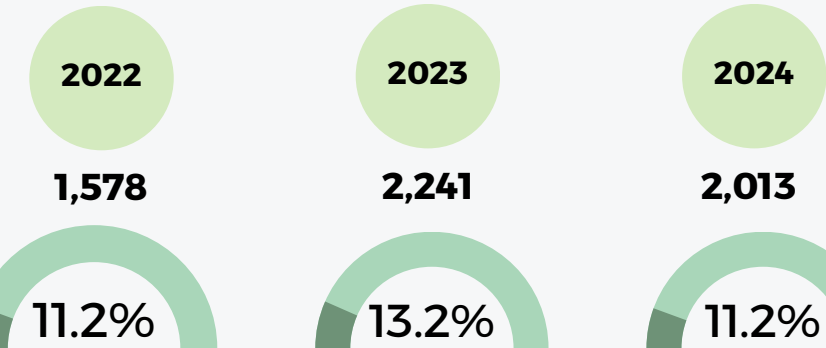
Breakdown by Age Group	2022	2023	2024
Below 30 Years Old	780	1,316	710
Between 31 - 50 Years Old	2,342	2,713	1,697
Above 50 Years Old	128	133	105

Gender Breakdown of New Hires

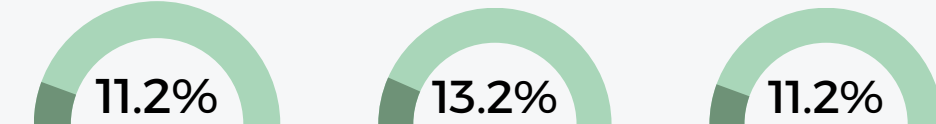


Departing Employees

Total no. of employees who left



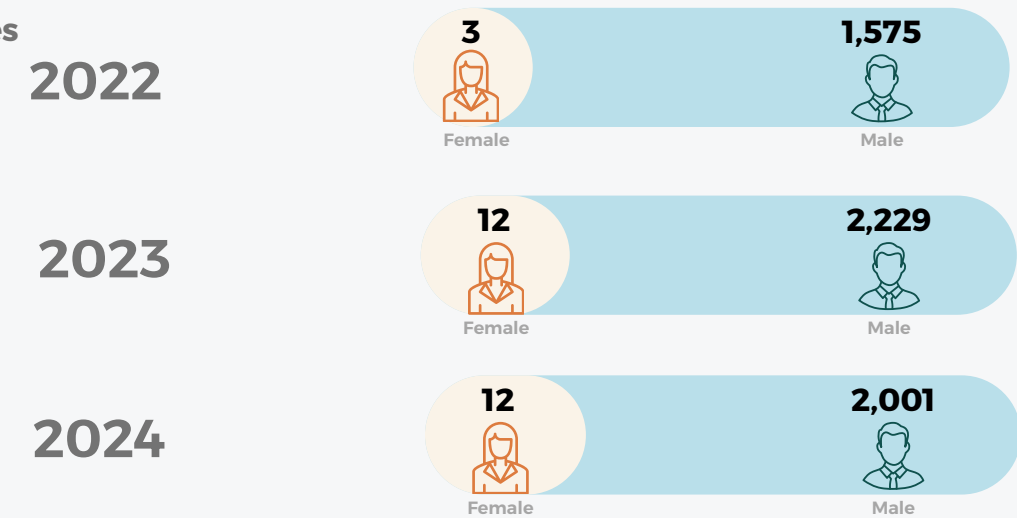
Turnover Rate



Breakdown by Age Group

Age Group	2022	2023	2024
Below 30 Years Old	184	418	329
Between 31 - 50 Years Old	1,087	1,577	1,394
Above 50 Years Old	307	246	290

Gender Breakdown of Departing Employees



The turnover rate observed among employees aged 31-50 reflects a phase of transition and growth within Galfar, where individuals in this age range may seek new opportunities that align more closely with their evolving career aspirations and personal goals. This demographic often has established careers and may pursue roles offering greater work-life balance, professional development, or a change in work environment. While the turnover rate is an area for focus, Galfar views this as an opportunity to attract fresh talent, diversify skill sets, and further enhance our workforce dynamics. We remain committed to promoting an environment that supports the growth and development of all employees, offering comprehensive training programs, career advancement opportunities, and a collaborative work culture to retain top talent across all age groups.

Training and Professional Development

At Galfar, training and development are integral to our commitment to promoting a skilled and high-performing workforce. Guided by a comprehensive Training and Development Policy, we aim to enhance employee skills, aligning them with the company's strategic objectives and operational needs. The process begins with identifying training needs through annual performance appraisals, recommendations from Unit Heads. Ensuring relevance to the job role and organizational goals. The Human Capital Unit consolidates these needs into a structured plan, coordinating with internal and external trainers, and obtaining necessary approvals. Employees undergoing training may be required to sign an undertaking to serve the company for a specified period, reinforcing mutual investment in professional growth. Post-training, participants complete evaluation reports to assess program effectiveness, and their development is monitored in subsequent performance appraisals. This meticulous approach underscores Galfar's commitment to building a capable workforce ready to meet evolving industry demands while maintaining comprehensive documentation for continuous improvement.

Employee Excellence Programs


Galfar recognizes that a skilled and knowledgeable workforce is vital to its long-term success, and as such, has invested significantly in training and professional development. By employing a mix of internal and external programs, we aim to enhance the capabilities of our employees and ensure they are equipped to meet the demands of our projects. Our training efforts are aligned with strategic business objectives, with measurable targets and KPIs in place to assess effectiveness. A key initiative, the "Train the Trainer" program, empowers employees by providing diverse learning opportunities to develop essential competencies for a dynamic industry.

In 2024, Galfar expanded its knowledge-sharing initiatives through the Internal Trainer Program, which facilitates the transfer of expertise across the organization. This program leverages the skills of experienced specialists, with 16 project managers serving as internal trainers. They delivered targeted training sessions to over 1,300 participants, including workers and staff from various projects, fostering continuous learning and contributing to our growth and sustainability.



Delivered targeted training sessions to **over 1,300 participants**, including workers and staff from various projects


The training covered six major areas critical to operational and safety excellence, including:



Use of machinery and equipment



Scaffolding best practices



Waterproofing and coating techniques




Carpentry and plant equipment maintenance




Water conservation practices




Personal protective equipment (PPE) usage




Fire drills and emergency response protocols




Waste management and QHSSE standards




First Aid



Confined Space



Hot Work Permit




Work at Height



In 2024, Galfar reinforced its commitment to workforce development by providing targeted HR Induction, Quality, Health, Safety, Security and Environmental (QHSSE) and Maharat program training opportunities, amounting to an impressive 332,212 training hours. These initiatives benefited 100% of the employees, including workers who participated in extensive internal training programs. By prioritizing continuous learning and skill enhancement, we ensure our workforce is equipped to adapt to the evolving demands of the industry while driving operational excellence.

Our professional development programs cater to a diverse range of skill sets and roles, focusing on both technical and managerial competencies. Some key offerings in 2024 included

	QMS Awareness & Internal Auditor		HSSE Awareness & Internal Auditor		NEBOSH Diploma
	NEBOSH IGC		Specialized technical training in areas such as electrical systems, mechanical maintenance, and air conditioning.		

Additionally, the E-Learning Management System (Maharat Learning Platform) facilitated accessible learning opportunities, while our Training for Employment program successfully upskilled 60 national engineers as HSSE Advisors. These efforts highlight our dedication to promoting a highly skilled, motivated, and future-ready workforce.

	Training Hours Total Training Hours	2024	>	332,241
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Breakdown by Gender		2024
Female		2,822
Male		329,419



*This includes the total training hours provided to all employees, encompassing technical HSSE training modules—such as First Aid, Confined Space, Hot Work Permit, Scaffolding Practices, Work at Height, and proper use of PPEs—as well as comprehensive skill development programs and training delivered through the E-Maharat Learning Platform.


Training Hours by Employee Category	2024
Senior Management	48,322
Middle Management	86,263
Entry Level	197,656

Total Training Hours - Newly Hired	2023	2024
	16,648	10,048

Breakdown by Gender	2023	2024
Female	68	112
Male	16,580	9,936

	Average Training Rate for Newly Hired	2023	>	4
	Average (hours/employee)	2024	>	4

Breakdown by Gender		2023	2024
	Female	4	4
	Male	4	4



Average Training Rate

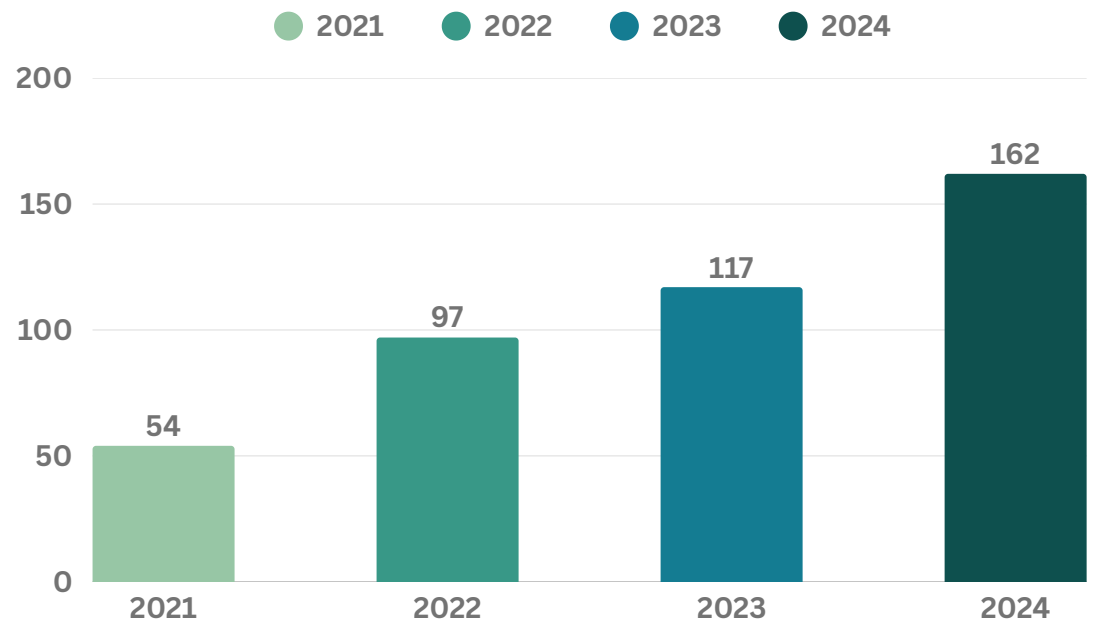
- Senior Management
- Middle Management
- Entry Level

Average (hours/employee)

2023	>	4
2024	>	4

Training Hours by Employee Category	2023	2024
Senior Management	24	68
Middle Management	3,516	5,362
Entry Level	13,108	4,608

In 2024, Galfar reinforced its commitment to local educational development by training **162 Omani students from local universities**, providing them with practical experience and industry-relevant skills to enhance their employability and career growth.




Employee Welfare Programs




Housing and Accommodation

Provides company-arranged housing and allowances; expatriates receive transit housing for three months, followed by HRA



Medical Benefits

Comprehensive healthcare for all; expatriates with family status receive free medical coverage for dependents in Oman.




Transportation Support

Offers allowances, company vehicles, and pool transport; senior staff get allocated vehicles, and remote-site employees receive transport provisions.



Food & Mess Facilities

Free meals at desert and oil field locations; mess facilities and food allowances provided where needed.



End of Service Benefits

Expatriates receive gratuity based on tenure (1-month basic salary/year); Omanis are covered under the Social Protection Fund (SPF).



Recognition & Long Service Awards:

Awards for employees starting from 15 years of service to honor loyalty and contributions.

Promoting Work-Life Integration and Inclusivity



In compliance with the updated Oman Labor Law, Galfar supports employees' parental responsibilities by offering **14 weeks of maternity leave and 7 days of paternity leave**, enabling them to nurture their growing families while maintaining professional commitments.

Galfar is dedicated to creating a workplace culture that prioritizes employee well-being, inclusivity, and work-life balance, in alignment with our ESG objectives. Transparent communication is a cornerstone of our approach, as we provide advance notice before significant operational changes. This approach ensures that employees have sufficient time to adapt and make informed decisions regarding their professional commitments. We also uphold employee rights through robust labor agreements, ensuring a fair and collaborative working environment.

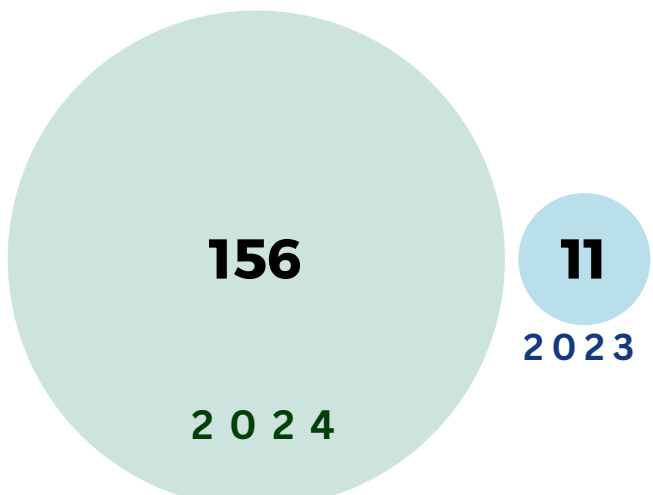
Additionally, our annual leave policies are designed to promote a healthy work-life balance, ensuring employees have adequate time for personal rejuvenation.

Furthermore, Galfar has an established Labor Union that actively represents employee interests and facilitates open dialogue between management and the workforce. The union plays a vital role in negotiating employment terms, addressing workplace concerns, and ensuring a smooth transition during organizational changes. By fostering strong labor relations and adhering to structured engagement processes, Galfar reinforces a workplace culture built on fairness, trust, and compliance.

No. of Employees that took Parental Leaves

Total No. of Employees Taken		
	2023	11
	2024	156
Breakdown by Gender	2023	2024
Female	9	16
Male	2	140

TOTAL NUMBER OF EMPLOYEES GRANTED PARENTAL LEAVE



Employee Welfare: Initiatives to Enhance Engagement and Well-being



Recognition and Incentives:

To motivate and celebrate exceptional contributions, we introduced the Tamayuz Commendation Scheme, recognizing employees who go above and beyond in their roles. Additionally, our Tahfeez Project Bonus Scheme rewards project teams for achieving performance goals and maintaining profit margins beyond expectations, collaborating team spirit and a results-oriented culture.



Comprehensive Insurance Benefits:

In line with our commitment to ensuring a secure and dignified standard of living, we offer group life insurance with enhanced workmen's compensation benefits. This policy provides financial support to employees' families in the event of unforeseen circumstances. Complementing this, our comprehensive medical insurance policy guarantees peace of mind and robust healthcare support for our employees and their dependents.



Leave and Parental Benefits:

Aligned with Oman Labor Law, Galfar provides 14 weeks of maternity leave and 7 days of paternity leave, ensuring that employees can prioritize their families during important life milestones. Additional leave types, including sick leave, in-patient leave, and Hajj leave, cater to the diverse personal and professional needs of our workforce.



Exclusive Staff Offers:

We have established strategic partnerships with leading financial institutions and insurance providers, offering employees access to consumer loans and car insurance at preferential rates. These benefits enhance financial flexibility and security for our workforce.



Camp Accommodation:

Our employees stationed at capital and project sites, our company ensures safe, comfortable, and well-maintained camp accommodations. These facilities include essential amenities and communal spaces, fostering a supportive environment for our workforce in challenging work locations.

Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage



The company follows a non-discriminatory wage policy, ensuring equal pay for all entry-level employees, irrespective of gender. The ratio of Galfar’s entry-level wage to the local minimum wage is 1:1, demonstrating full compliance with national labor standards.

Additionally, Galfar continuously evaluates its wage structures to align with market conditions, living standards, and industry benchmarks, ensuring a fair and sustainable compensation framework.

Promoting Inclusion and Equity at Galfar

At Galfar, we are committed to fostering a diverse and inclusive workplace where all employees are valued, respected, and empowered to succeed. Our dedication to equity and diversity is embedded in our core values and supported by policies like our Galfar Business Principles, Code of Conduct, and Ethics and Non-Discrimination Policy. We prioritize fairness and equal opportunities in every aspect of employment, ensuring that individuals from all backgrounds, nationalities, genders, abilities, and cultures thrive within the organization. This commitment is reflected in our leadership's active mentorship and our continuous efforts to attract and retain top talent.

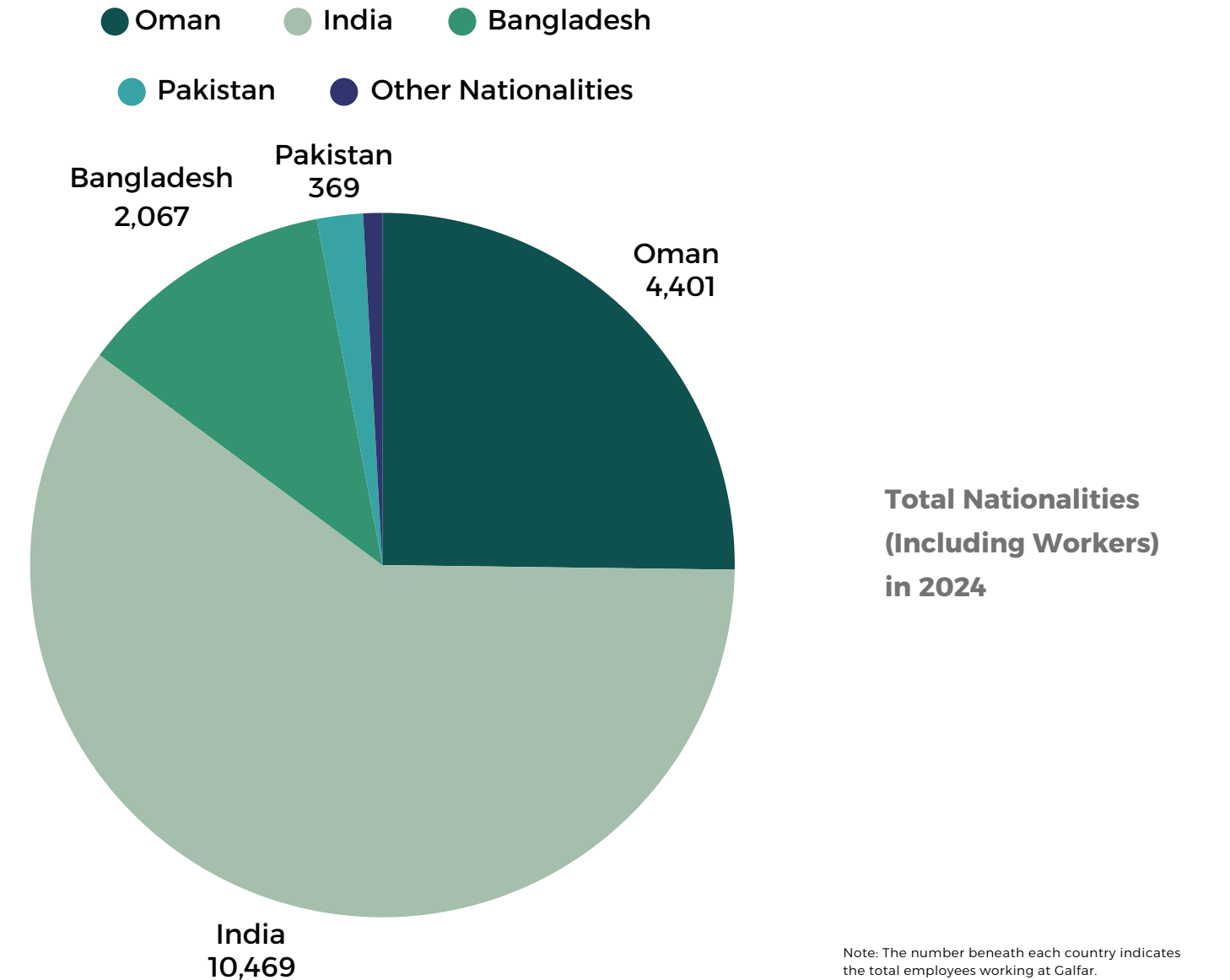
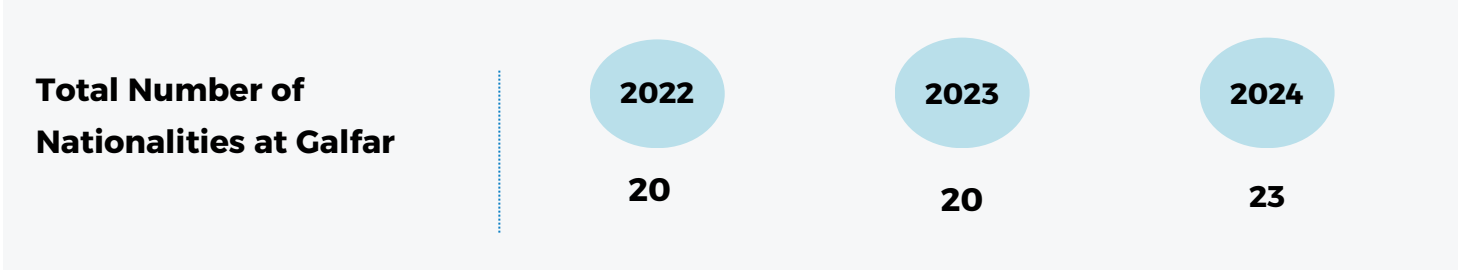
In line with Oman Vision 2040, Galfar is focused on developing a skilled and capable Omani workforce to contribute to the nation's economic growth. Our efforts include training programs and talent development initiatives aimed at empowering local talent and integrating them into key roles. Additionally, we are proud to maintain a zero-pay gap between men and women in comparable roles, demonstrating our commitment to fair compensation based on merit, qualifications, and experience. This approach supports both our business goals and Oman’s broader socio-economic development.

Ratio of the Basic Salary and Remuneration of Women to Men for Each Employee Category	2023	2024
Senior Management	-	-
Middle Management	1:1	1:1
Entry Level	1:1	1:1

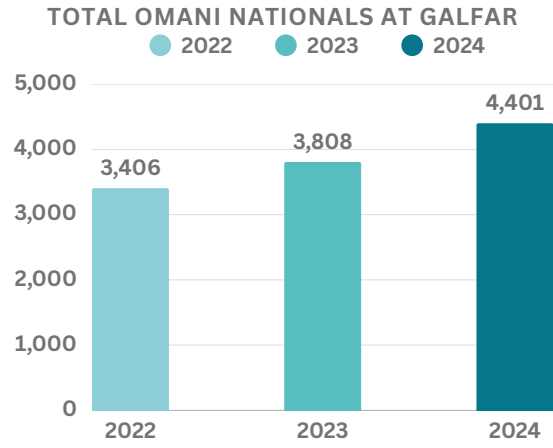
Remuneration Policies at Galfar

At Galfar, our remuneration policies are designed to ensure fairness, transparency, and employee well-being, aligning with international best practices and industry standards. Guided by our Compensation, Allowances, and Benefits Manual, we offer a comprehensive framework that includes performance-based bonuses, allowances, and benefits, regularly reviewed against market trends to remain competitive and attract top talent.

By adhering to these policies, Galfar not only upholds its commitment to employee satisfaction and retention but also reinforces its role as an employer of choice across all sectors, fostering a culture of accountability, transparency, and excellence.



Omani Representation	2022	2023	2024
Omani Count	3,406	3,808	4,401
Percentage	21.97%	21.49%	24.87%



Galfar has significantly advanced its commitment to Omanization, increasing local workforce representation from 21.49% in 2023 to 24.87% in 2024. This milestone aligns with Oman Vision 2040, reflecting our dedication to fostering local talent, supporting national economic growth, and empowering Omani professionals across all sectors.

Galfar prioritizes hiring from the local community, aligning with national workforce development goals. As of 2024, 100% of the Board of Directors and 41.67% of Executive Management positions are held by Omani nationals. This reflects Galfar’s strong commitment to Omanization and leadership development, ensuring sustainable talent growth within the organization.

Percentage of Employees (By Gender and Managerial Level)



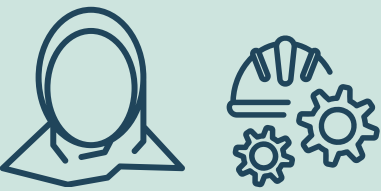
Female

Per Employee Category	2022	2023	2024
Senior	0%	0%	0%
Middle	7.9%	7.2%	7.1%
Entry	5%	5%	4.5%



Male

Per Employee Category	2022	2023	2024
Senior	100%	100%	100%
Middle	92%	93%	93%
Entry	95%	95%	96%



13% of the female workforce in the entry and middle management level

Percentage of Employees (Workers/Labor Staff Level)

Male	2022	2023	2024
Middle	100%	100%	100%
Entry	100%	100%	100%

Galfar Leadership by Age Distribution

Category by Age

2024	Category	Percentage
	Below 30 Years Old	0%
	31-50 Years Old	50%
	Above 50 Years Old	50%

Grievance Redressal System

A workplace environment where employees feel empowered to voice their concerns. To uphold this commitment, we have established a comprehensive Grievance Redressal System designed to ensure that grievances are addressed transparently and fairly.

Central to this system is the Grievance Committee, which is dedicated to ensuring that all employees and managers are fully aware of the procedures for reporting grievances within the framework of Galfar’s Work System Regulation and Galfar Business Principles, Code of Conduct, and Ethics. The committee also oversees the thorough investigation and resolution of any grievances raised, reinforcing our commitment to fairness and accountability.

To facilitate seamless communication, Galfar has implemented dedicated communication channels, including email and WhatsApp, enabling employees to report their grievances easily and confidentially.

By fostering a culture of open communication and trust, Galfar aims to create a positive work environment that prioritizes employee well-being, accountability, and adherence to the highest ethical standards. This system further reflects our dedication to enhancing organizational harmony and ensuring that every employee’s voice is heard and valued.

Commitment to Inclusion, Equity, and Fairness

At Galfar, we are committed to fostering a diverse, inclusive, and equitable workplace where every employee is valued and empowered to succeed. We prioritize fairness across all aspects of employment, from recruitment to remuneration, aligning with our core values and Oman Vision 2040.



Our policies, including our Business Principles, Code of Conduct, Ethics, Non-Discrimination Policy, and Grievance Redressal System, ensure equal opportunities, transparency, and accountability. Through Omanization, competitive remuneration, and grievance resolution, we contribute to national economic growth while maintaining a zero-pay gap between genders and increasing local workforce representation.

Galfar remains dedicated to creating a workplace where talent thrives and ethical standards are upheld.

Promoting a Culture of Health, Safety, and Environmental Excellence

(GRI 2-23, 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8, 403-9, 410-1)

At Galfar, the health and safety of our workforce is a top priority, and we actively foster a culture of safety across the organization. We address construction-related risks through regular audits, inspections, and targeted health and safety training, ensuring a proactive approach to hazard mitigation and a safer working environment. Our Galfar Digital App for Health, Safety, Security, and Environmental (HSSE) management plays a key role, enabling real-time inspections, accident reporting, and investigations to ensure prompt action and effective remediation.

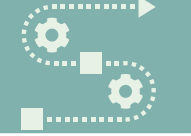





Aligned with international best practices, we proudly maintain ISO 45001:2018 certification, which we renewed in 2024 with an outstanding score above 90%. This certification reflects our commitment to a robust occupational health and safety management system, extending these high standards to contractors and on-site suppliers to ensure a consistent approach to safety across all levels of our operations.

HSSE Trainings at Galfar

Our ongoing training programs focus on critical topics such as heat stress management, life-saving rules at campsites, and other workplace hazards, ensuring that employees and subcontractors are well-informed and equipped to handle potential risks effectively. Additionally, our professional development programs cater to a diverse range of skill sets and roles, with a strong emphasis on health, safety, quality, and environmental topics. Key offerings in 2024 included QMS Awareness & Internal Auditor, HSSE Awareness & Internal Auditor, NEBOSH Diploma, NEBOSH IGC, and specialized technical training in areas such as electrical systems, mechanical maintenance, and air conditioning.

Additionally, the E-Learning Management System (Maharat Learning Platform) facilitated accessible learning opportunities, while our Training for Employment program successfully upskilled 60 national engineers as HSSE Advisors. These efforts highlight our dedication to promoting a highly skilled, motivated, and future-ready workforce.

Training Objectives

-  Identify, record, and review HSSE training needs systematically.
-  Define roles and responsibilities for HSSE training across all stakeholders.
-  Select and propose personnel for relevant HSSE training programs.
-  Ensure personnel are informed and trained to manage specific workplace hazards.
-  Align HSSE training programs with internationally accepted standards and update them as necessary.
-  Maintain the relevance of training to operational requirements and evolving safety standards.





HSSE Performance at Galfar in 2024

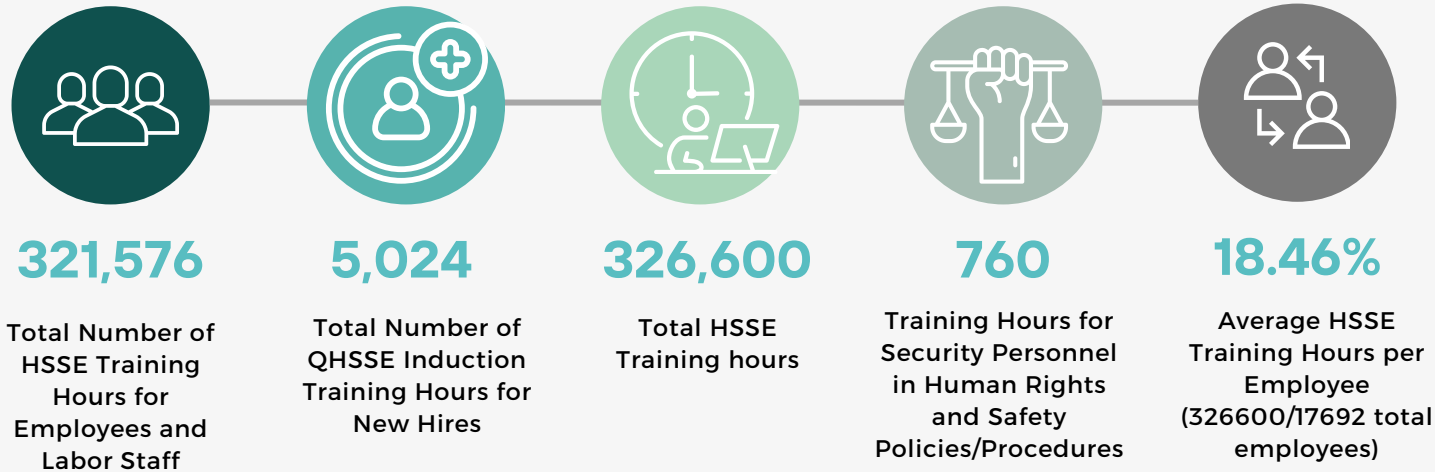
Metric	2023	2024
LTIFR	0.07	0.05
TRIFR	3.05	2.94
No. of HSSE Audits	26	28
No. of HSSE Campaigns	2	4

Galfar's unwavering commitment to health, safety, and environmental (HSSE) excellence has yielded significant improvements in our performance metrics for 2024. With a focus on enhancing workplace safety through rigorous audits, targeted campaigns, and comprehensive training, we continue to drive progress toward a safer and more sustainable work environment. Compared to 2023, we achieved notable reductions in both the Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR), alongside an increase in the number of HSSE audits and campaigns, underscoring our dedication to continuous improvement in safety performance.

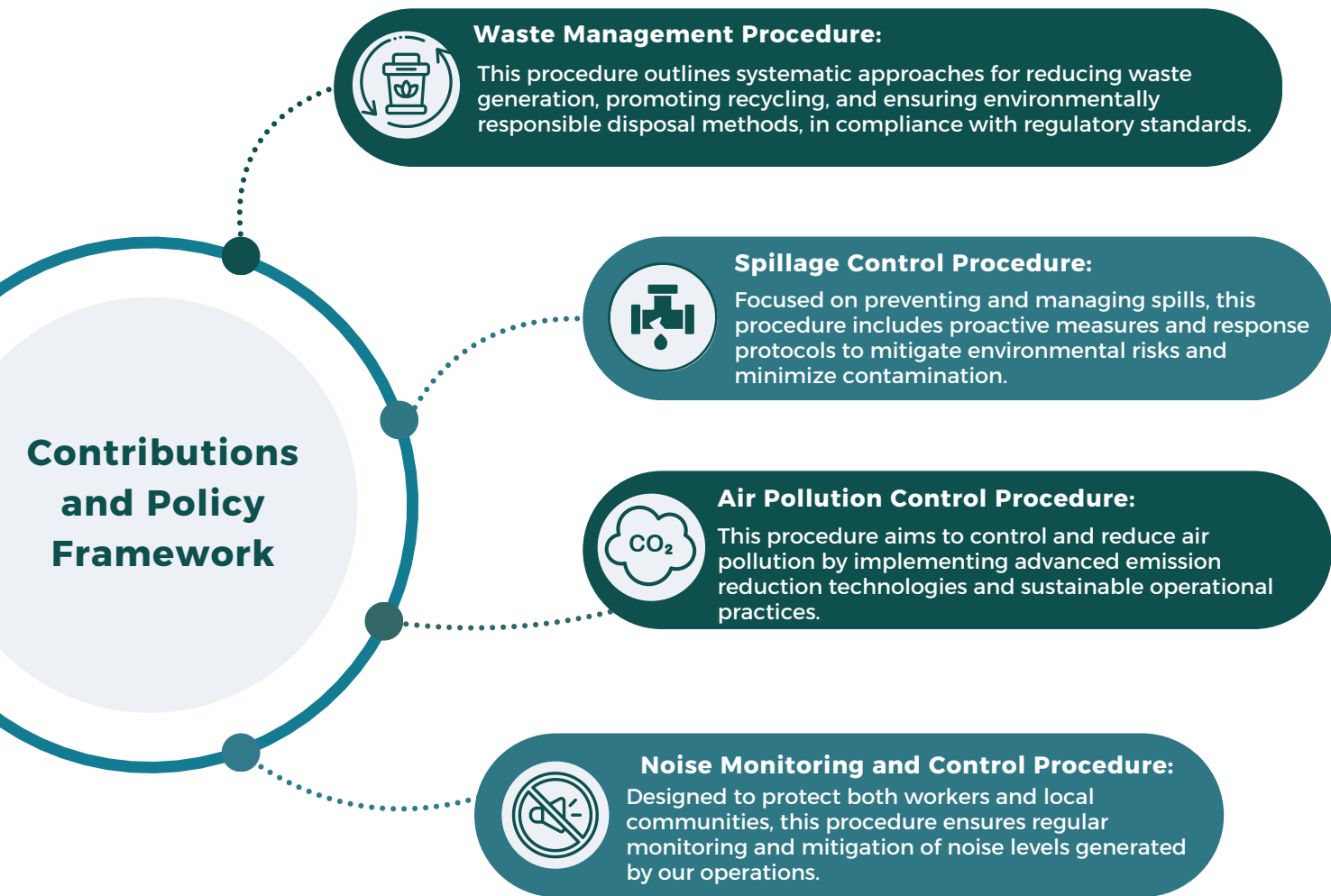


We are proud to report that 2024 was a year of effective safety measures at Galfar. We recorded zero fatalities among employees and workers, a testament to the stringent safety protocols implemented across all project sites and business verticals. Additionally, we achieved a 29% reduction in the Lost Time Injury Rate (LTIR), lowering it to 0.05 high-consequence work-related injuries per 61 million man-hours worked, reinforcing our commitment to a safe and secure work environment.

HSSE Training Metrics at Galfar in 2024



Galfar is committed to embedding sustainability at the core of its operations, ensuring alignment with both environmental stewardship and business objectives. As part of this commitment, Galfar has developed a comprehensive HSSE Policy Framework encompassing the following:



Each procedure is built around a clear purpose, detailed processes, and actionable guidelines that are rigorously implemented across all Galfar operations to achieve tangible sustainability outcomes.

Customer Satisfaction Process

Delivering unparalleled value to our customers is a core principle at Galfar. Our customer satisfaction process emphasizes proactive engagement, understanding customer requirements, and exceeding expectations. Key components include:

- Customer Feedback Mechanisms**
Regular surveys, meetings, and evaluations provide actionable insights into customer needs and satisfaction levels.
- Performance Metrics**
A structured approach to tracking and analyzing service delivery ensures we align with client objectives.
- Continuous Improvement**
Feedback is integrated into our processes to drive enhancements in product and service quality.
- Compliant with National and International Standards**
We ensure that our operations align with both national and international quality standards, prioritizing customer satisfaction and confidence. On the national front, we are committed to compliance with the Oman Quality Standards, ensuring that our products meet or exceed the required quality benchmarks set by the Omani authorities. In this regard, we engage third-party auditors and uphold a comprehensive quality management system that aligns with ISO 9001:2015 standards, guaranteeing our products' consistency and excellence. At a global level, we adhere and follow to a variety of respected guidelines, such as the Australian Quarantine and Inspection Services protocol and the Indonesian National Standard, which support our competitiveness in the international market.

Risk Assessment and Management at Galfar

At Galfar, maintaining the highest standards of health and safety across our operations is a cornerstone of our commitment to operational excellence and employee well-being. Through rigorous risk assessment processes embedded in our Occupational Health & Safety (OH&S) Manual, we ensure the proactive identification, evaluation, mitigation, and monitoring of potential hazards, fostering a safe and resilient work environment.

Standardized Risk Assessment Matrix that captures crucial details such as hazard identification, likelihood, severity, recommended control measures, and residual risk ratings. To maintain consistency and accountability, Health, Safety, and Environmental (HSSE) risks are integrated into Galfar’s Corporate Risk Register, with oversight provided by dedicated risk champions from various departments who ensure the implementation of effective risk mitigation measures.

Suppliers and subcontractors are essential contributors to Galfar’s safety ecosystem. They are required to undergo a comprehensive evaluation process, which includes the submission of detailed assessments. This evaluation is conducted using a formalized supplier and subcontractor evaluation form, wherein Section F, dedicated to QHSSE, plays a critical role. This section requires site QHSSE representatives to provide in-depth information on safety practices, risk assessments, and compliance with Galfar’s stringent safety protocols. Regular audits, training sessions, and evaluations further reinforce the culture of safety and compliance across all operations and partnerships.

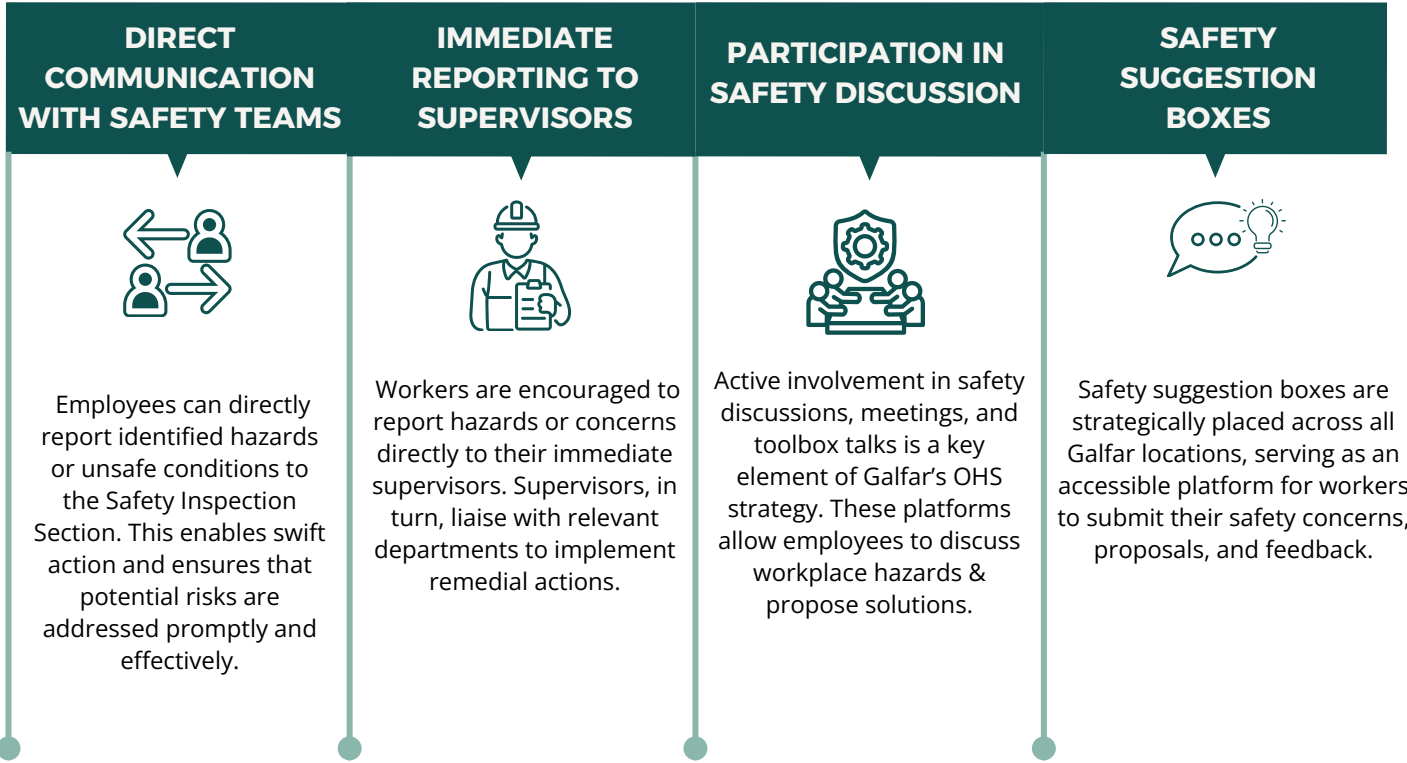


Galfar leverages a fully automated Occupational Health and Safety (OHS) application software to streamline and enhance risk management processes. This software enables real-time tracking of incidents, hazards, safety inspections, and compliance data, providing an integrated platform for managing workplace safety efficiently. The system facilitates data-driven decision-making, ensuring that identified risks are addressed promptly, and corrective actions are implemented within specified timelines.

For recurrent or critical safety risks, targeted adjustments are made in alignment with our Quality Health, Safety, Security and Environment Policy. The automated system also plays a pivotal role in incident investigations, enabling a thorough review of root causes and the identification of preventive measures. This approach ensures continuous improvement in safety practices and reinforces Galfar’s commitment to minimizing workplace hazards. By integrating advanced technology and adopting a proactive approach to risk management, Galfar ensures that health and safety remain at the forefront of its operations.

OHS Communication Channels at Galfar

Galfar prioritizes open and effective communication to ensure the active participation of its workforce in maintaining a robust Occupational Health and Safety (OHS) management system. Multiple channels have been established to empower employees and contractors to report work-related hazards, contribute to safety initiatives, and engage in the continuous improvement of workplace safety.



Health and Safety Performance for Employees	2022	2023	2024
Total Man Hours (million)	46	57	61
Total Kilometers (million)	60	65	73
Fatality	1	0	0
No. of high consequences of work-related injuries (excluding fatalities)	2	4	3
Rate of high consequences of work-related injuries (excluding fatalities) (Per 200,000 hours) - Employees	0.008	0.014	0.009
Number of recordable work-related injuries	135	247	181
Rate of recordable work-related injuries (Per 200,000 hours) - Employees	0.58	0.87	0.59

QHSSE Leadership

The QHSSE Management System operates within a clear and effective hierarchy that delineates roles and responsibilities. This ensures seamless coordination across all levels of the organization:



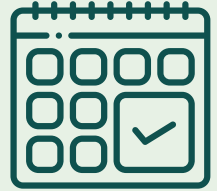
Executive Leadership:

Provides strategic direction and oversight for QHSSE initiatives.



Management Teams:

Implement policies, oversee compliance, and drive operational excellence.



Operational Staff:

Execute day-to-day activities while adhering to QHSSE protocols.

Product and Service Handling

Efficiency and safety are central to our approach in managing products and services. Galfar adopts innovative practices to minimize waste, optimize resource utilization, and maintain high standards of safety. This includes:



Sustainable Resource Management:

Incorporating eco-friendly materials and reducing reliance on non-renewable resources.



Risk Management:

Comprehensive assessments ensure risks are identified, mitigated, and managed effectively.



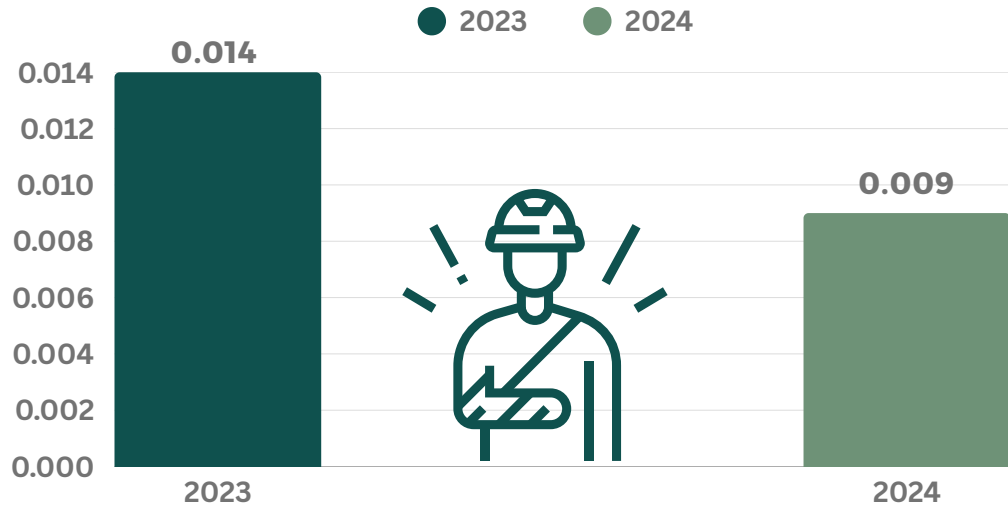
Quality Assurance:

Strict quality checks at every stage of the project lifecycle.

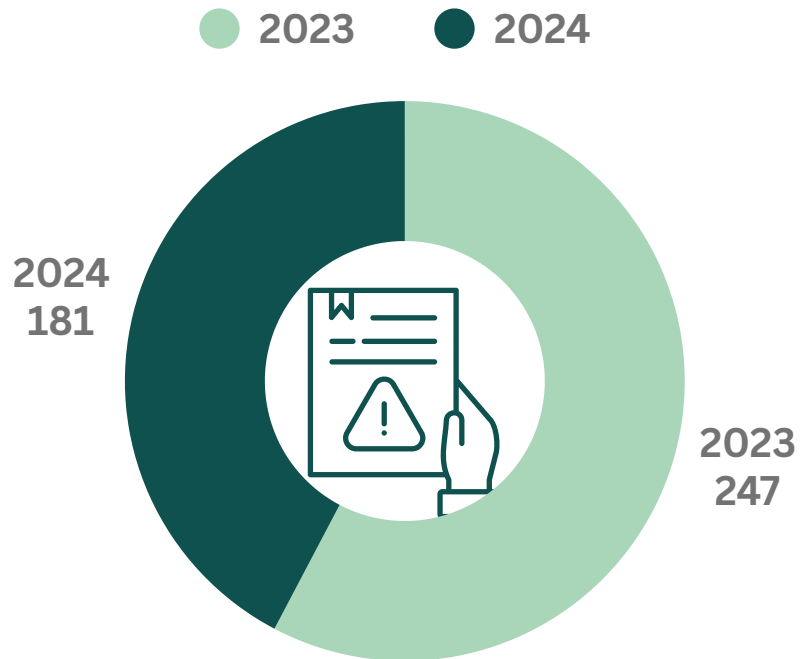


*There were no incidents of non-compliance concerning product and service information and labeling during the reporting period.

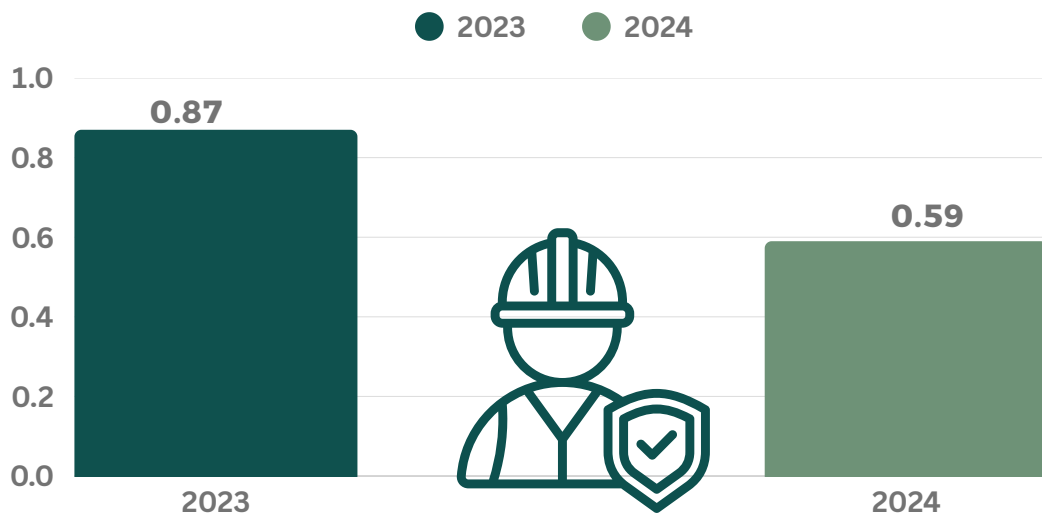
Rate of high consequences of work-related injuries (excluding fatalities) (per 200 hours) - Employees



Number of recordable work-related injuries



Rate of recordable work-related injuries (per 200,000 hours) - Employees







HSSE Commitment

Galfar continues to set industry benchmarks in Health, Safety, Security, and Environment (HSSE), maintaining an unrivaled track record in the sector. Honored with the prestigious British Safety Council's "Sword of Honour," we are committed to upholding the highest standards across all operations. Our proactive safety culture, robust security measures, rigorous compliance, and continuous improvement in HSSE performance reinforce our unwavering dedication to a zero-harm workplace, environmental stewardship, and the safety of all personnel.



Progress Against HSSE Objectives & Targets Set in 2023 & Achieved in 2024 at Galfar

Through robust leadership accountability, enhanced employee engagement programs, and targeted training initiatives, we have promoted a proactive safety culture across all levels. Looking ahead to 2025, Galfar is committed to further strengthening its HSSE profile by implementing advanced strategies, expanding awareness campaigns, and leveraging innovative technologies to ensure a safer, healthier, and more sustainable work environment. These efforts underline our dedication to continuous improvement and operational excellence.

Focus Areas	Core Objectives	Targets	Measurements/ Assurance	Status
Leadership and Accountability 	Enhance leadership engagement and strengthen safety accountability at all levels of management.	Conduct 50 high-profile tours by senior management.	Number of tours conducted by senior management.	Achieved
		All project managers to perform at least 2 safety tours.	Manager tour logs and documented safety feedback reports.	Achieved
Competency Development 	Build a skilled and competent workforce through targeted training programs.	Optimize in-house training programs for safety.	Training attendance records and participant feedback.	Achieved
		Deliver training via virtual/on-site platforms.	Session completion rates and technology utilization reports.	Achieved
Employee HSSE Awareness and Engagement 	Promote a proactive safety culture and improve hazard awareness across the workforce.	Train 10 HSSE Champions monthly.	Number of trained champions and their participation in HSSE initiatives.	Achieved
		Implement rewards for top HIP sessions.	Record of rewards distributed and employee recognition for HIP contributions.	In Progress
Occupational Health and Wellbeing 	Promote physical and mental wellbeing through targeted programs.	Conduct "Life Safety Rules Awareness" campaigns.	Campaign counts, participation rates, and feedback forms.	Achieved
		Conduct training on health and stress management.	Number of sessions conducted and attendance records.	Achieved

In 2024, Galfar remained persistent in its commitment to ensuring a safe and secure work environment despite the challenges posed by increasing project demands, workforce expansion, and the integration of new subcontractors and vendors. Through a proactive and vigilant HSSE strategy, Galfar successfully maintained high safety standards across all operations. Key initiatives such as the Goal Zero framework, targeted HSSE awareness campaigns, hazard identification programs, graphical safety posters, and enhanced monitoring through L3 audits played a pivotal role in strengthening workplace safety. These efforts, combined with rigorous risk assessments and control measures, ensured that employees and workers operated in a secure environment, returning home safely each day. Galfar’s unwavering focus on continuous improvement and compliance with international safety standards underscores its position as a leader in occupational health and safety within the EPC sector.

Our Suppliers

Galfar has cultivated enduring partnerships with industry-leading vendors that deliver exceptional quality products and services. Our robust supplier management system adheres to a meticulous selection and evaluation process, guided by well-defined technical, financial, quality, and HSSE criteria.

Suppliers meeting our standards are integrated into a dedicated database and are required to adhere to Galfar Business Principles, Code of Conduct, and Ethics. Additionally, all sub-contractors are mandated to participate in relevant HSSE training to align with our stringent safety and environmental protocols. The sustainability of our vendors is thoroughly assessed based on the following principles:

- Ethical practices and governance**
- Exemplary health and safety standards**
- Respect for workers' rights**
- Environmental stewardship**

Supplier Evaluation and Accountability

At Galfar, we prioritize the integrity and sustainability of our supply chain, ensuring accountability and transparency through a robust supplier evaluation process. This process helps us partner with suppliers who align with our values and governance standards, assessing key factors such as financial stability, regulatory adherence, and ethical practices. As part of the onboarding, suppliers complete a Supplier Evaluation Form and must formally commit to Galfar Business Principles, Code of Conduct, Ethics and Whistleblowing Policy, ensuring high standards of integrity.

We are committed to upholding ethical labor practices in line with Oman Labor Law, including a strict Child Labor Policy to protect children’s rights. This policy ensures that no individual below the legal working age is employed in any part of our operations, reinforcing our dedication to ethical and responsible business practices throughout our supply chain.

Galfar strictly prohibits child labor across all areas of our business, maintaining a zero-tolerance policy in adherence to national and international labor standards. This commitment extends beyond our direct operations to include our supply chain, where we rigorously enforce compliance with our Child Labor Policy aligning with the stringent regulations outlined in the Oman Labor Law. All suppliers, contractors, and vendors working with Galfar are required to acknowledge and adhere to this policy, ensuring that their practices are free from any involvement in child labor.

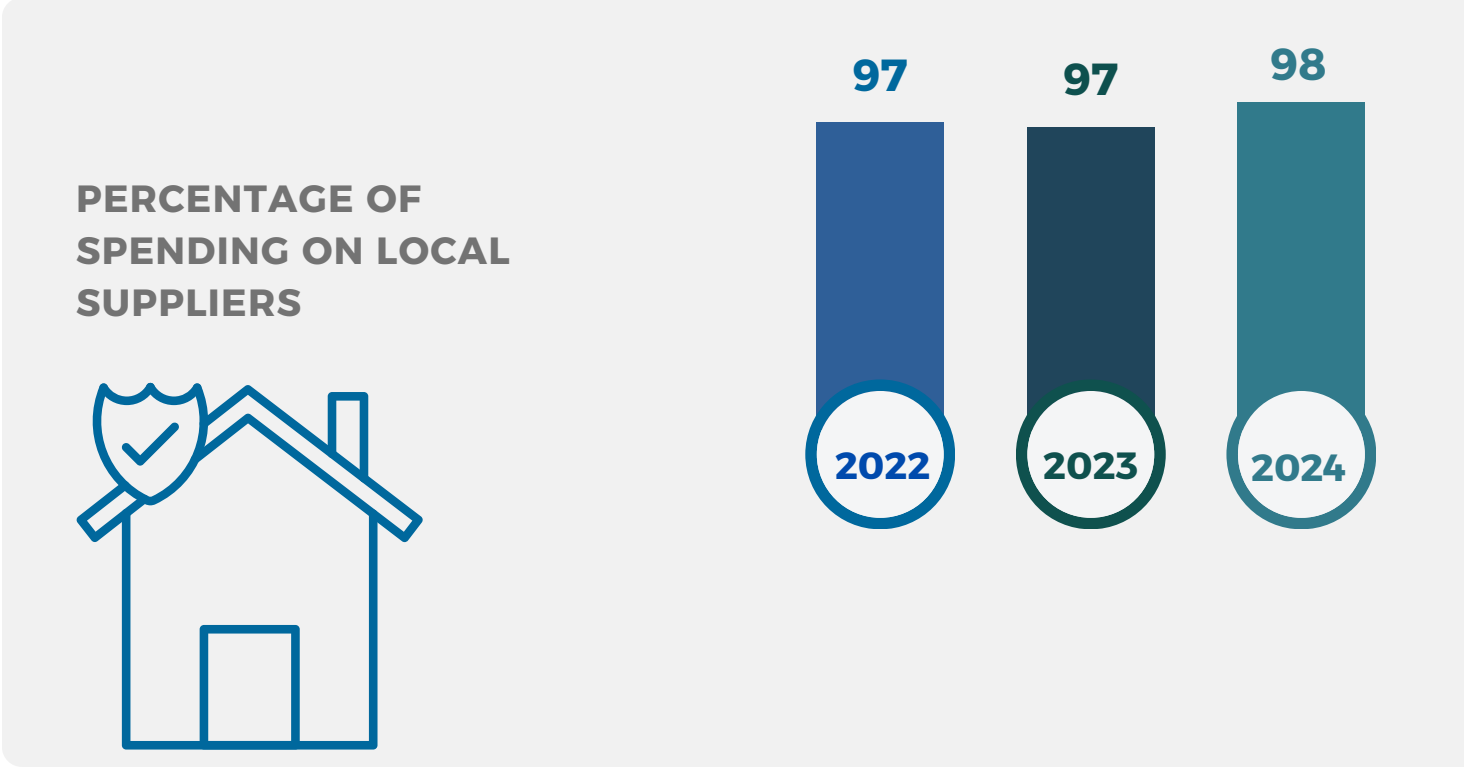
Through this unwavering commitment, Galfar not only ensures adherence to legal requirements but also fosters a culture of social responsibility, safeguarding the rights of children and contributing to the broader goal of eradicating child labor. By collaborating with our suppliers, vendors, and stakeholders, we aim to create a supply chain that upholds the highest standards of integrity and human rights.

Local Procurement

(GRI 2-23, 204-1)

In alignment with Oman Vision 2040, Galfar is dedicated to enhancing local economic growth by prioritizing local procurement. In 2024, Galfar achieved and maintained a remarkable local procurement expenditure of 98% of the total expenditure. This commitment supports job creation, skill development, and capacity building while reinforcing and strengthening Oman’s local supply chains.

Our focus on local procurement also yields operational benefits, including reduced delivery times, minimized transportation costs, and a decreased carbon footprint related to Scope 3 GHG emissions. These efforts reflect Galfar’s unwavering commitment to sustainability, economic development, and fostering strong community ties.



Year	Total No. of Suppliers & Subcontractors (i.e service providers & vendors)		Total No. of Suppliers & Subcontractors Engaged (i.e service providers & vendors)	
	Oman	Others	Oman	Others
2022	5,963	1,392	1,030	
			Suppliers	Subcontractors
			540	490
2023	6,251	1,426	1,214	
			Suppliers	Subcontractors
			590	624
2024	7,192	1,848	1335	
			Suppliers	Subcontractors
			735	600

Ensuring Economic Resilience at Galfar

(GRI 201-1, 203-1, 203-2)

Galfar plays a pivotal role in driving economic resilience by generating direct and total economic value through its extensive operations, infrastructure projects, and commitment to sustainable investments. As one of the largest EPC companies in Oman, Galfar contributes significantly to the national economy by creating local employment opportunities, strengthening supply chains, and supporting economic diversification in line with Oman Vision 2040.

Driving Local Employment and Economic Growth

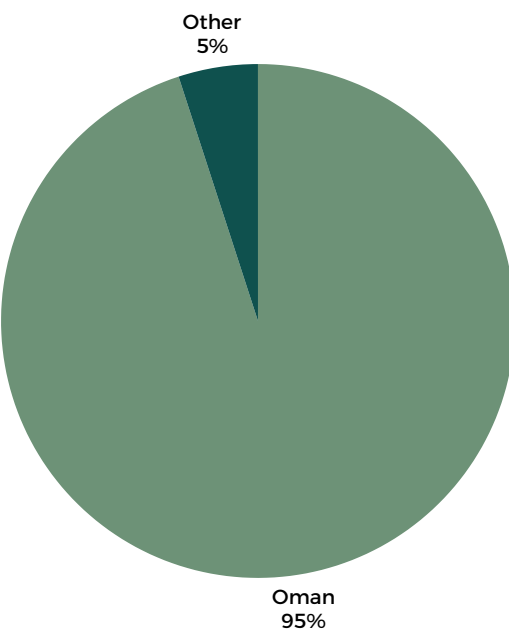
The projects awarded to Galfar serve as a catalyst for local job creation, enabling thousands of skilled and semi-skilled professionals to secure stable employment. With a workforce exceeding 17,000 employees, Galfar remains committed to enhancing Omanization efforts, fostering a culture of learning and professional development, and equipping the national workforce with the skills necessary to excel in the EPC sector. In 2024, Galfar successfully increased its Omanization representation from 21.49% in 2023 to 24.87%, demonstrating its dedication to empowering the local population.

Additionally, Galfar's extensive subcontracting and supplier engagement strategies ensure that a significant portion of its procurement spending directly benefits local businesses. In 2024, 98% of Galfar's total procurement spending was directed toward local suppliers, with OMR 35 million allocated specifically to Small and Medium Enterprises (SMEs). This strategic allocation strengthens local industries, enhances business sustainability, and promotes economic self-sufficiency.

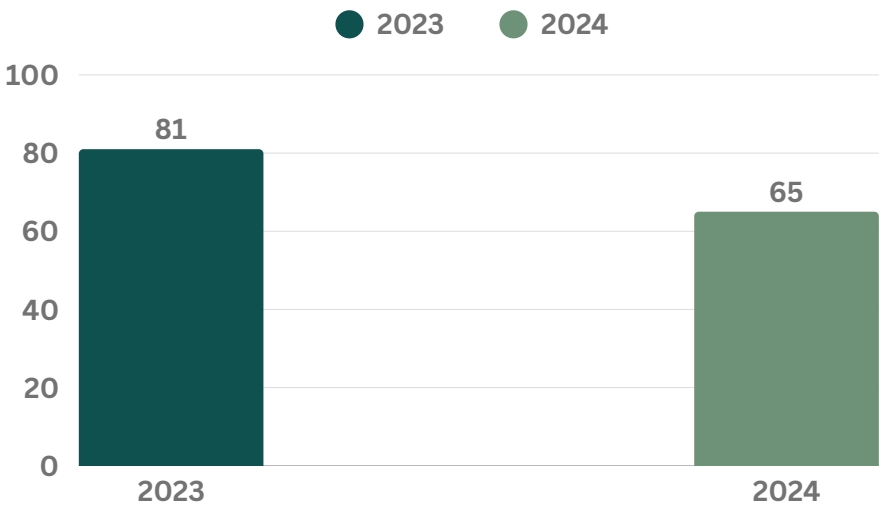
Sustainable Investments for Long-Term Economic Stability

In alignment with its sustainability objectives, Galfar is focusing on future-forward investments that contribute to long-term economic resilience and environmental sustainability. One of the most ambitious initiatives in the pipeline is the expansion into renewable energy through the development of a 100MWp Solar Power Plant. This project will not only enhance energy security in Oman but also position Galfar as a leader in the transition toward cleaner energy solutions, supporting the country's net-zero emissions goal. By integrating sustainability into its economic strategy, Galfar ensures that its growth is resilient, responsible, and aligned with national and global sustainability frameworks. Through job creation, local supplier engagement, and sustainable infrastructure investments, Galfar continues to reinforce its role as a key driver of economic stability and national development in Oman.

Total Percentage of Suppliers and Subcontractors Engaged in 2024



Suppliers and Vendors Engaged Outside of Oman



Indicator	2023 (RO Thousands)	2024 (RO Thousands)
Direct Economic Value Generated by Galfar - Revenues	252,559	289,140
Total Consolidated Assets	272,509	296,709
Consolidated Operating Profit	3,866	1,377
Consolidated Net Profit	128	-3,912
Total Economic Value Generated by Galfar - Revenues	504,732	582,140
Direct Economic Value Distributed	252,174	293,000
Operating Costs	149,301	177,766
Employee Wages and Benefits	88,613	98,127
Payments to Providers of Capital	3,481	5,237
Payments to Government	10,694	11,863
Community Investments	84	7

Indirect Economic Impacts: Galfar Contribution to National Economic Growth

As part of our commitment to contributing to the sustainable development of Oman, Galfar has been awarded several key infrastructure projects, focusing on infrastructure investments and services supported. While these initiatives were primarily undertaken for commercial purposes, they have generated substantial benefits for local communities and the broader economy, reinforcing our role as a responsible corporate citizen.

Major Infrastructure Projects Awarded

1. Refurbishment of Southern Runway and Taxiway System

In 2024, Muscat International Airport handled approximately 12.9 million passengers, marking a 0.8% increase from the previous year.

The refurbishment of the Southern Runway and Taxiway System by Galfar significantly enhanced the airport's operational efficiency and safety. This improvement directly supports the economic vitality of the aviation sector and indirectly benefits industries reliant on reliable air transport. By accommodating increased passenger traffic and facilitating smoother operations, the project contributes to the local economy and travel sector.

2. Impact of Mahas Industrial City Infrastructure Development on Businesses and Local Community

The construction of critical road networks and associated infrastructure at Mahas Industrial City, Khasab, Musandam has played a pivotal role in boosting local economic development and enhancing connectivity for industries and businesses.



The project has improved accessibility for over **150 businesses** operating within Mahas Industrial City, enabling smoother logistics, reducing transportation costs, and facilitating faster movement of goods.



It has directly generated over **500 job opportunities** for the local workforce, supporting employment growth and increasing household incomes.



With enhanced infrastructure, the industrial zone is expected to attract at least **20% more investors**, fostering economic expansion and business growth.



The improved road network has **reduced travel time by 40%** between key industrial zones and commercial hubs, making Khasab a more attractive location for industrial activities.

3. Impact of Rusayl-Nizwa Dual Road Expansion on Businesses and Local Community

The expansion of the Rusayl-Nizwa Dual Road into a four-lane highway has significantly enhanced transportation efficiency, reduced congestion, and improved road safety for both commuters and businesses.



The project has benefited over 50,000 daily commuters, reducing travel time by approximately 30%, making it easier for workers and residents to travel between key economic and industrial hubs.



It has enhanced logistics efficiency for over 200 companies, improving supply chain movement and reducing delivery costs for industries operating in Oman's key economic zones.



The increased road capacity has improved freight transportation for at least 5,000 heavy vehicles daily, supporting trade and economic growth.

- By expanding the highway, accident rates are expected to decrease by 20%, improving overall road safety and reducing traffic-related disruptions.
- The project has generated approximately 700 direct and indirect job opportunities, supporting local employment and workforce development.

4. Impact of the Project - Wadi Al Ayn Water Distribution Network

The Wadi Al Ayn Water Distribution Network is a critical infrastructure project designed to enhance water accessibility, promote sustainable resource use, and support rural communities in Oman.

- The project has provided clean and reliable water access to over 15,000 residents in rural areas, significantly improving living standards and public health.
- It has expanded water distribution capacity by 40%, ensuring a more stable and uninterrupted supply, particularly during peak demand periods.
- By reducing reliance on water tankers, the project has lowered household water expenses by up to 30%, making water more affordable for local communities.
- The project has created over 300 direct and indirect job opportunities, boosting local employment and skills development in water infrastructure management.
- The infrastructure improvements have benefited over 500 local farmers, ensuring consistent irrigation supply and supporting agricultural productivity.

5. Impact of UAE-Oman Railway Link (PKG C - Oman Section 2) on Regional Connectivity and Economic Growth

The UAE-Oman Railway Link (PKG C - Oman Section 2) is a transformative infrastructure project that strengthens regional connectivity, enhances trade efficiency, and supports sustainable transportation.

- The railway link is expected to facilitate the movement of over 5 million passengers annually, providing a faster, more reliable, and cost-effective travel alternative between Oman and the UAE.
- It will enhance freight transport capacity, enabling the shipment of up to 15 million tons of goods per year, significantly reducing cross-border logistics costs.
- The shift from road to rail transport is projected to cut carbon emissions by 40%, contributing to Oman's environmental sustainability and decarbonization goals.
- The project will reduce travel time between Oman and the UAE by 30%, improving trade efficiency and boosting tourism between the two nations.
- Over 1,000 direct and indirect jobs are being created through the railway's construction, operation, and maintenance, supporting local employment and skill development.

7. Grand Blue City Development Project

Galfar Engineering and Contracting has been awarded the construction of marine works at Grand Blue City, a prestigious waterfront development set along the Al-Sawadi seafront. This project is a key milestone in enhancing Oman's coastal infrastructure, tourism sector, and luxury real estate market.

- The project will include state-of-the-art marine infrastructure, waterfront promenades, and marina facilities, strengthening Oman's position as a prime maritime and tourism destination.
- The development will feature luxury villas, lagoon villas, a five-star hotel, serviced apartments, and 270 residential apartments, catering to high-end residential and hospitality needs.
- The marina will accommodate over 200 yachts and boats, promoting maritime tourism and recreational activities.
- The project is expected to create over 2,000 direct and indirect jobs, contributing to local employment and economic growth.
- Sustainable marine construction practices will be implemented to protect biodiversity and coastal ecosystems, ensuring environmentally responsible development.

Galfar Contribution towards Local Communities

(GRI 3-3, 413-1, 413-2)

At Galfar, we believe in promoting a positive and lasting impact on the communities we serve. Guided by our commitment to Corporate Social Responsibility (CSR), we have continued to contribute meaningfully to local development through targeted initiatives. In 2024, we invested OMR 100K in community-focused projects, with an emphasis on education, healthcare, social development, and cultural preservation. Our efforts are driven by the recognition that sustainable community growth is integral to our success and aligns with our Environmental, Social, and Governance (ESG) objectives.

This year, Galfar prioritized several impactful initiatives:

Food Pack Distribution Campaign:

Galfar distributed over 5,000 food parcels across various governorates during the Holy Month, ensuring food security for more than 25,000 individuals in underserved communities.

Sponsorship of Engineering Society Events (SQU):

Supporting over 1,500 engineering students, our sponsorship enabled more than 10 academic and technical events, promoting innovation, leadership, and skills development among Oman's future engineers.



Barka Fort Festival:

Galfar supported the “Barka Fort Nights” event during Eid Al-Adha, which aimed to promote cultural heritage, enhance tourism, and create engaging activities for families. Additionally, the event served as a platform for local SMEs, contributing to economic growth and entrepreneurship in the region. The event provided a platform for over 100 local SMEs to showcase their products and services, contributing to local tourism and economic growth.



Al Jabal Al Akhdhar Summer Event:

Galfar extended its support to this summer event, which showcased the rich cultural and natural beauty of the region. By promoting tourism and providing a space for local businesses, this initiative strengthened community ties and celebrated Oman’s unique heritage.



Rug for SAY Masjid in Duqm

We donated high-quality prayer rugs to SAY Masjid, enhancing the mosque’s facilities and providing a comfortable space for worshippers.



Sports Equipment for Child Care Centre in Al Seeb

We provided sports equipment to the Child Care Centre, benefiting over 200 children and promoting their health and well-being.

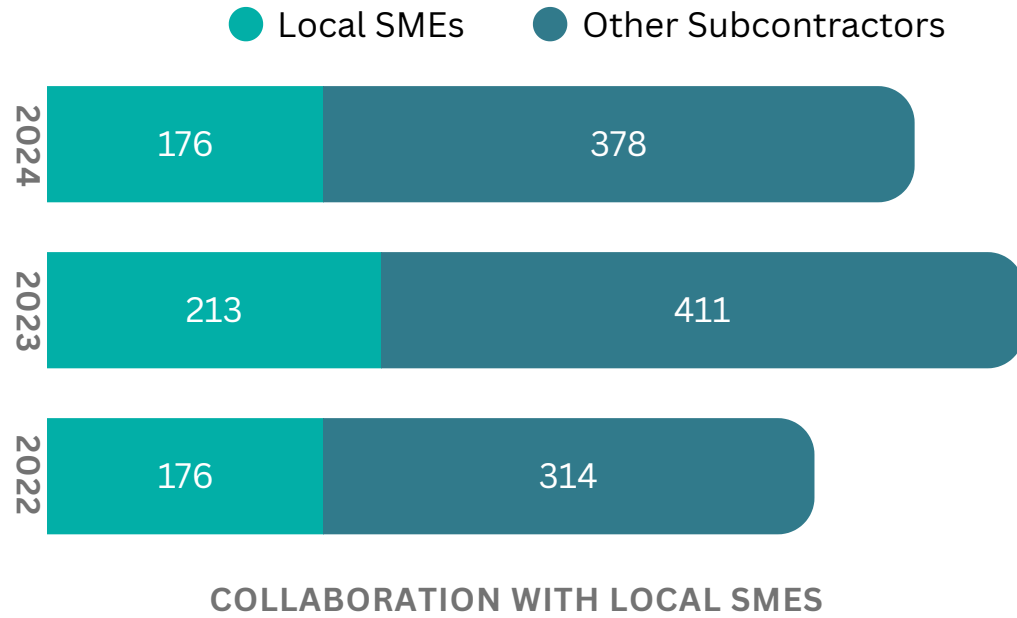
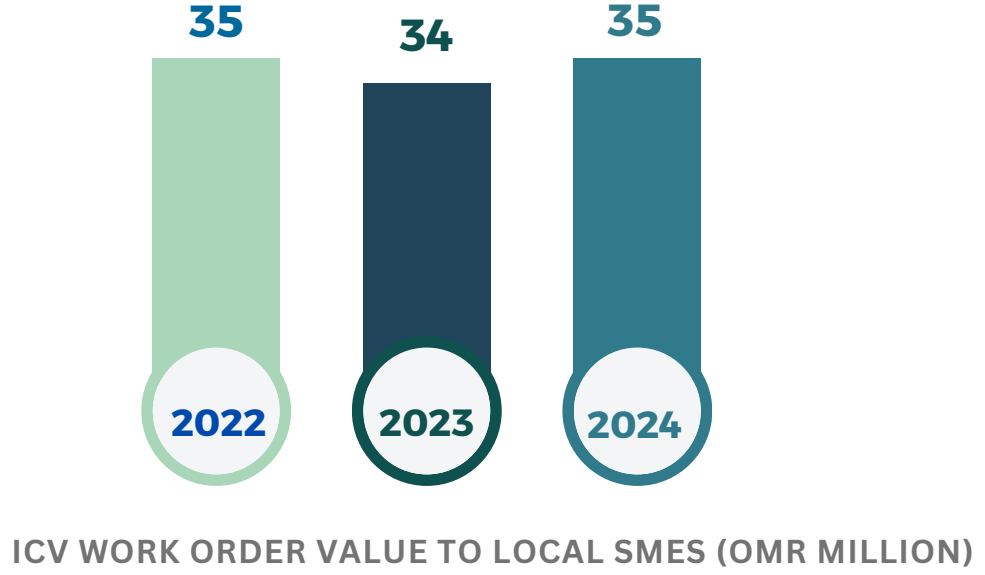
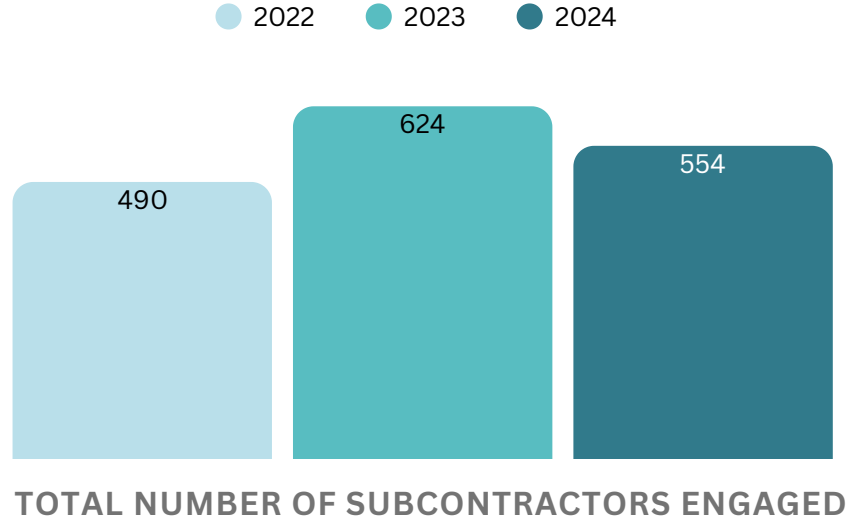


In-Country Value (ICV) Contributions by Galfar:

At Galfar, our unwavering commitment to Oman’s socio-economic development is reflected in our significant contributions to In-Country Value (ICV). In 2024, we allocated an impressive 98% of our total procurement spending to local suppliers, ensuring that our operations directly benefit the national economy. This strategic focus underscores our dedication to strengthening local industries, fostering employment, and supporting the Sultanate’s long-term economic growth.

A cornerstone of our ICV strategy is our collaboration with local Small and Medium Enterprises (SMEs). In 2024, Galfar invested OMR 35 million in SMEs, empowering these businesses to grow and thrive within the competitive EPC sector. This commitment is further demonstrated by our issuance of work orders to 173 local SMEs out of 554 subcontractors engaged during the year. By partnering with these SMEs, we aim to enhance their capabilities, foster entrepreneurship, and create opportunities for local talent development.

Through these initiatives, Galfar actively supports Oman Vision 2040 by prioritizing local procurement, developing a robust domestic supply chain, and contributing to the sustainability of local enterprises. Our ICV contributions not only drive economic diversification but also reinforce our role as a key enabler of Oman’s national development agenda, creating long-term value for the nation and its people.



As one of the largest publicly listed companies on the Muscat Stock Exchange (MSX) since 2007, with a robust shareholder base exceeding 3,700, Galfar is deeply rooted in the economic and cultural fabric of Oman. Over 85% of our shareholders, comprising individuals, local companies, and pension funds, are Omani, reflecting the company's integral role in contributing to the nation's development.

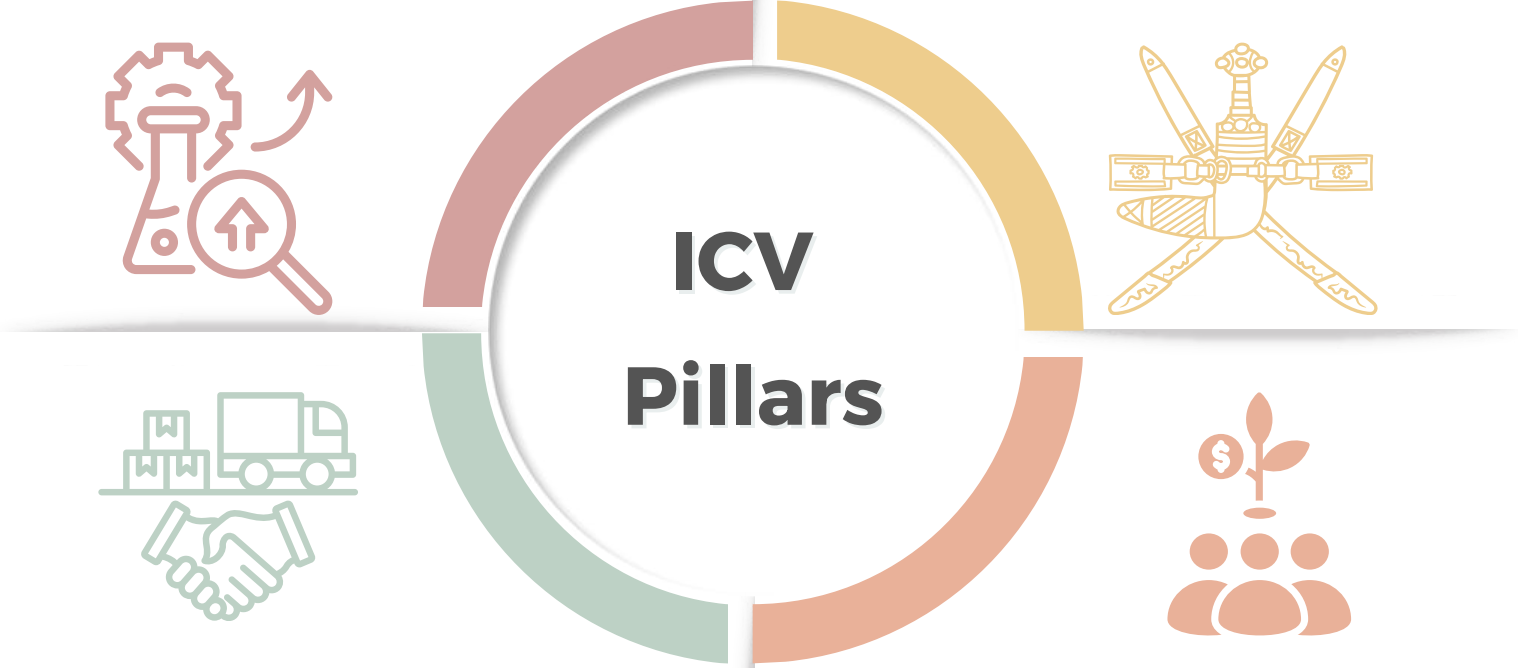
Our unwavering commitment to In-Country Value (ICV) underpins our dedication to fostering local economic growth, supporting national talent, and bolstering Oman's supply chain. Galfar has long been an ICV-rich organization, ranking among the top three private sector employers in Oman with nearly 4410 Omanis in our workforce. In 2024, we sustained our commitment by channeling 98% of our procurement spending into the local market, including OMR 35 million directed toward Small and Medium Enterprises (SMEs).

Knowledge Transfer and R&D

Galfar prioritizes enhancing the competitiveness of local industries through investments in knowledge transfer and research and development (R&D). We actively collaborate with local and international partners to foster innovation and strengthen Oman's industrial ecosystem. This includes ensuring that company contracts prioritize sourcing goods and services from local suppliers and SMEs, as well as promoting the utilization of Omani products.

Omanization and National Development

Aligned with Oman Vision 2040, Galfar is committed to increasing Omanization by hiring, developing, and upskilling Omani nationals. We focus on enhancing their skills and competencies through targeted training programs, mentorship initiatives, and career development opportunities. By fostering local talent, we aim to create a skilled workforce that can drive innovation and contribute to national economic growth.



Local Supplier Development

To support local suppliers, Galfar works to enhance their capabilities and competitiveness through transparent procurement processes and collaborative partnerships. In 2024, we issued work orders to 176 local SMEs, empowering them to participate in large-scale projects and strengthen their market presence.

Social Investment

Galfar believes in creating long-term social value through community-focused initiatives. Our programs aim to improve youth development, preserve cultural heritage, and promote environmental sustainability. By maximizing reliance on locally made products and supporting community development, Galfar reinforces its role as a responsible corporate citizen.



Sustaining ICV Contributions

Galfar remains dedicated to continuously improving its ICV stance by aligning its strategies with Oman's development goals. Through investments in people, goods, and services, and by enhancing local capabilities, we aim to ensure sustained contributions to the nation's socio-economic progress. As a leader in the industry, Galfar's commitment to ICV reflects our vision to create shared value and drive sustainable development for the benefit of Oman and its people.



Sustainability Highlights 2024

Governance Framework



Zero fines or sanctions received in 2024.



Zero non-compliance incidents with local and international regulations



100% of products and services were reviewed to ensure compliance with safety standards



Zero substantiated complaints regarding breaches of customer privacy

Governance Framework

Governance Framework

(GRI 2-9, 2-10, 2-11, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-21, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3)

Corporate Governance at Galfar

As one of Oman’s largest and most respected EPC companies, Galfar is committed to upholding the highest standards of corporate governance. We recognize that effective governance is integral to achieving our strategic objectives, which include excelling in operational excellence, fostering environmental stewardship, and contributing to sustainable economic growth. Guided by a steadfast commitment to accountability, transparency, and ethical conduct, Galfar ensures that robust governance practices are embedded across all levels of the organization.

Our Corporate Governance Framework is designed to align with the mandates of the Muscat Stock Exchange and adhere to global best practices. This framework forms the cornerstone of our operational culture, enabling us to deliver value to our stakeholders while maintaining compliance with all relevant regulatory and legislative requirements. By integrating governance principles into our daily operations, Galfar reinforces its commitment to integrity, fairness, and long-term sustainability.

To sustain and enhance our governance practices, we conduct regular reviews and updates of our procedures, ensuring they remain aligned with evolving governance landscapes. These updates are critical for maintaining the trust of our stakeholders and adapting to new challenges and opportunities in the industry. Our approach to governance is reflected in our Corporate Governance Report, an integral part of our Annual Report, which serves as a transparent and comprehensive communication tool for shareholders, investors, and the broader community.

The Corporate Governance Report provides an accurate and fair representation of our performance, ensuring that shareholders and potential investors have access to the information they need to make informed decisions. By emphasizing the integrity and accuracy of our disclosures, we reaffirm our dedication to building stakeholder trust and fostering a culture of transparency. Galfar’s commitment to corporate governance remains a vital pillar of our success, positioning us as a trusted leader in the EPC sector and a key contributor to Oman’s sustainable growth.

Governance at the Top: Galfar’s Board of Directors

Leveraging their extensive professional expertise and practical experience to define the company’s strategic direction and oversee its implementation, the Board is responsible for protecting shareholder rights, ensuring accountability, and monitoring the performance of Galfar’s management. This leadership is vital to ensuring that governance practices are effectively embedded across all levels of the organization, promoting transparency, ethical conduct, and operational excellence. A key responsibility of the Board is to oversee Galfar’s sustainability initiatives, ensuring that all activities align with the company’s long-term vision and commitment to sustainable development. By taking accountability for sustainability, the Board plays a pivotal role in driving the integration of environmental, social, and governance (ESG) principles into Galfar’s operations.

Galfar SAOG upholds a transparent, fair, and merit-based governance structure, ensuring that its leadership reflects the highest standards of corporate integrity and inclusivity. The Board of Directors is elected through a structured shareholder voting process conducted once every three years at the Annual General Meeting (AGM). During this election, shareholders vote for candidates who stand for board positions, selecting individuals based on their expertise, leadership capabilities.

The appointment of Board Members is carried out with full transparency, with public announcements made on the Muscat Stock Exchange (MSX). This open and inclusive approach ensures that all qualified individuals, regardless of gender, nationality, or background, have an equal opportunity to be considered and elected. By maintaining a governance framework that prioritizes accountability, diversity, and equitable representation, Galfar reinforces its commitment to ethical leadership, stakeholder trust, and sustainable corporate growth.

The current Board of Directors is composed of highly qualified individuals who bring diverse perspectives to the company’s leadership. The members, including (four) independent directors, have been elected by the General Assembly of Shareholders for a fixed term, demonstrating a commitment to both governance stability and innovation. To maintain transparency and compliance with regulatory standards, any new appointments to the Board are promptly disclosed to shareholders and relevant authorities, including the Muscat Stock Exchange.

Committees

The establishment of a comprehensive structure of dedicated Board and Management Committees forms the backbone of Galfar’s corporate governance framework. The Board sub-committees play a pivotal role in supporting the Board to effectively discharge its responsibilities across critical business areas, ensuring strategic oversight, accountability, and operational excellence. By focusing on key domains such as auditing, executive decisions, and human resources, these committees enable Galfar to uphold its governance principles, drive sustainable growth, and maintain the seamless functioning of the organization.





Executive Management Committees



The Board of Directors and Management Committees at Galfar play a pivotal role in driving the company's strategic direction and ensuring effective governance. With a diverse team of experienced leaders, the Board provides oversight, while the Management Committees implement key initiatives across various functions. Their collaborative approach fosters strong decision-making, promotes transparency, and ensures that Galfar maintains high standards of corporate responsibility and performance. This collective leadership contributes to the continued growth and success of the company.

Commitment to Transparency and Governance Excellence

At Galfar, our unwavering commitment to transparency and accountability forms the foundation of our corporate governance practices. We place significant emphasis on reporting and addressing any potential misconduct or discrepancies that may violate our rigorous governance standards and policies. This dedication to fostering a culture of integrity has yielded remarkable results. In 2024, we proudly recorded zero instances of governance violations, a testament to the robustness of our well-defined corporate governance frameworks and policies.

We remain acutely aware of the critical importance of maintaining and enhancing these high standards. Galfar is steadfast in its efforts to align governance practices with industry-leading benchmarks, ensuring compliance with local and international regulations while meeting stakeholder expectations. This commitment is further demonstrated through regular reviews and updates to our governance frameworks, enabling us to stay ahead in an ever-evolving regulatory landscape.

Looking ahead, Galfar is dedicated to deepening its collaboration with stakeholders to foster trust, transparency, and accountability across all operations. By upholding these principles, we aim to not only meet but exceed the expectations of our stakeholders, reinforcing our reputation as a trusted leader in the EPC sector. Through this proactive approach, Galfar aspires to create a workplace culture where governance excellence and ethical conduct permeate every level of the organization, ensuring long-term sustainability and continued success.

Integrity and Accountability: The Galfar Way

At Galfar, business ethics and integrity are the cornerstones of our operations, shaping every decision we make and every interaction we engage in. Our robust governance practices deeply embed our core values across the organization, with integrity as the paramount principle guiding our activities. This commitment is formalized in our Code of Conduct (CoC), a comprehensive framework that establishes the ethical standards and principles integral to our business operations.

The Code of Conduct addresses critical areas such as human rights, equality, and non-discrimination, ensuring fair treatment and respect for all individuals. It also prioritizes the protection of privacy, safeguarding Galfar's assets and intellectual property to maintain the security of our innovations and operational excellence. Additionally, the Code reinforces our strong stance against corruption, money laundering, anti-competitive behavior, and conflicts of interest while underscoring the importance of occupational health and safety standards to protect the well-being of our employees.

Upon joining Galfar, all employees are required to review and accept the Code of Conduct by affirming their commitment to uphold its principles. The Human Resources Department ensures that employees remain informed and aligned with these standards by disseminating the Code annually through internal communication channels and requiring employees to reconfirm their adherence and compliance to the CoC. Moreover, Galfar extends the application of its Code of Conduct to all third-party service providers, including suppliers, contractors, and consultants, ensuring consistent ethical practices across the supply chain.

To uphold accountability and address potential non-compliance, Galfar has instituted a robust framework for reporting and resolving unethical behaviours. Our Whistleblowing Policy mandates the reporting of any actions that violate the Code of Conduct, company policies, or regulatory requirements. Confidential and secure reporting channels are provided, enabling employees and stakeholders to report violations anonymously and without fear of reprisal.

This comprehensive approach reinforces Galfar's commitment to transparency, integrity, and ethical business practices. By fostering a culture of trust, accountability, and fairness, we continue to strengthen our relationships with employees, stakeholders, and the broader community, positioning Galfar as a leader in ethical governance and sustainable operations within the EPC sector. There were no reported incidents of discrimination during the reporting period. Our company is committed to a fair and inclusive workplace, with mechanisms in place to address any concerns.



Internal Control Systems at Galfar Engineering & Contracting: Ensuring Operational Excellence and Environmental Stewardship

At Galfar, we are committed to maintaining the highest standards of integrity, transparency, and operational excellence across all levels of the organization. Our internal control systems are designed to ensure that best practices are consistently adhered to, and to mitigate potential business risks arising from factors such as human error, fraud, and regulatory challenges. We prioritize the protection of all stakeholders, including our employees, partners, shareholders, and the wider community, through robust governance and risk management frameworks.

Internal Control System Framework

Our internal control system comprises several key components that work together to safeguard the company's interests and drive sustainable performance:



Risk Identification, Evaluation, and Monitoring: We continuously assess and monitor potential risks that could impact the company's operations, sustainability goals, and reputation. This proactive approach helps us identify risks early and implement strategies to mitigate them effectively.



Decision and Oversight Forums: The Board of Directors, Executive Management, and specialized committees oversee decision-making processes, ensuring that decisions align with Galfar's corporate values, long-term strategy, and sustainability objectives. The involvement of cross-functional teams ensures a balanced approach to risk management and the achievement of our ESG goals.



Assurance and Control Functions: To ensure the effectiveness of our internal controls, we rely on independent functions such as External Audit, Internal Audit, Ethics & Compliance, and **Quality, Health, Safety, and Environment (QHSSE)**. These teams play a vital role in providing assurance that our operations are in compliance with internal policies, industry standards, and legal and regulatory requirements. They also ensure that our ESG initiatives are effectively implemented and monitored.



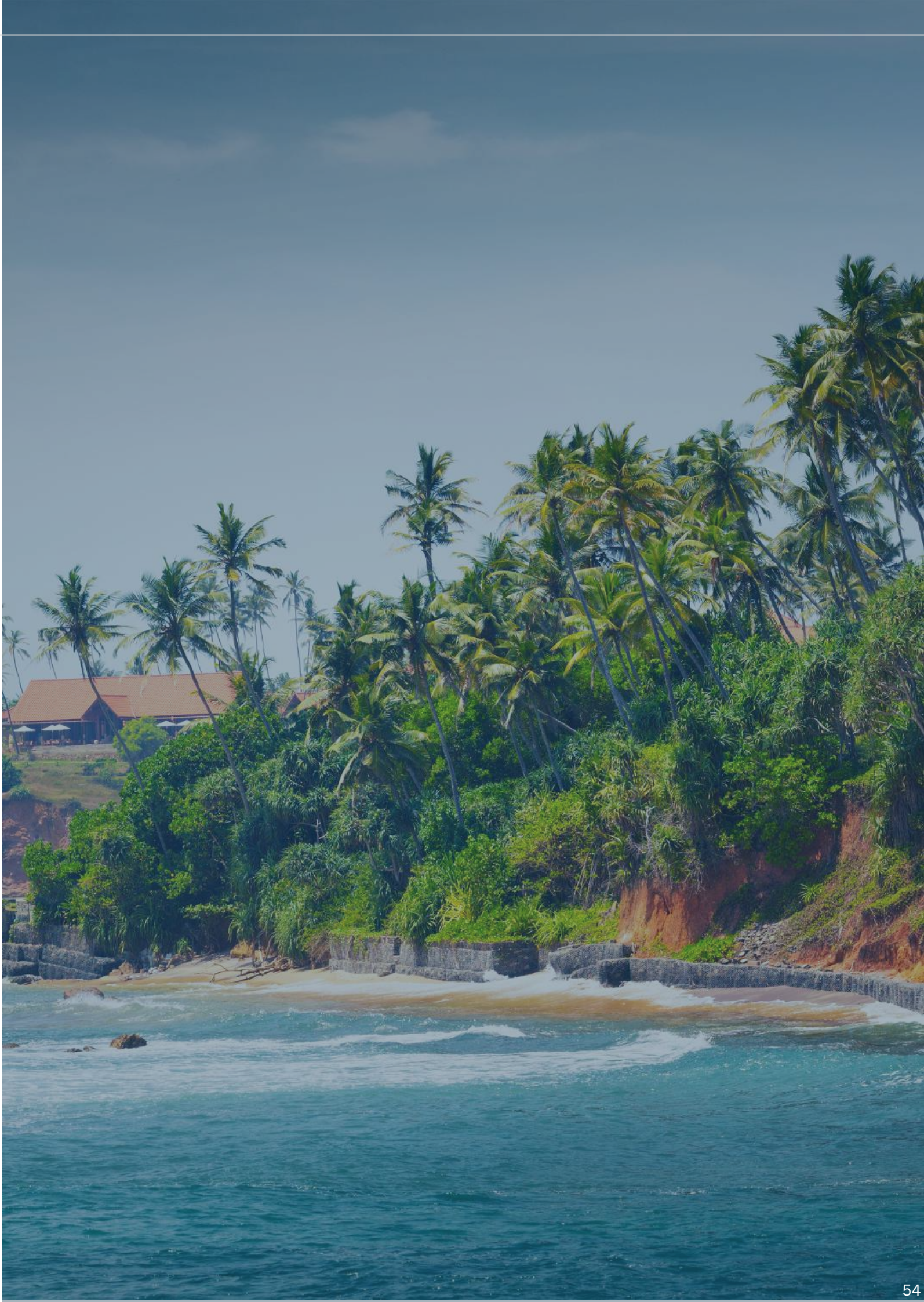
Continuous Improvement: At Galfar, we are committed to the continuous improvement of our internal control systems. Regular reviews and updates, including external audits and assessments, ensure that our control systems remain robust and capable of adapting to new challenges and opportunities. This ongoing effort supports our commitment to sustainability and environmental stewardship.

Oversight and Governance

The Board of Directors at Galfar is responsible for ensuring the effectiveness of the internal control system, overseeing the implementation of our ESG initiatives and sustainability reporting. As we continue to evolve and enhance our internal controls, we are committed to incorporating industry best practices and maintaining the highest standards of governance.

In 2024, there were no major breaches reported in our internal control systems, reflecting the effectiveness of our frameworks and the strong commitment of our leadership to ensure compliance and sustainability in all aspects of our business.

As we move forward, Galfar remains focused on continuous improvement, innovation, and sustainability in our operations, always striving to exceed the expectations of our stakeholders and contribute positively to the environment and society at large.



Galfar’s Comprehensive Policy Framework

Galfar Engineering & Contracting SAOG has established a robust set of policies that underline its commitment to operational excellence, sustainability, and employee welfare. These policies form the cornerstone of the company's internal control system and guide its activities across diverse domains. Below is a summary of key policies and their focus areas:

Quality Policy

Focus:
Ensuring the consistent delivery of high-quality products and services to meet customer expectations and statutory requirements.

- Commitments:**
- Compliance with legal, regulatory, and contractual obligations.
 - Continual improvement of the Quality Management System.
 - Collaboration with vendors for efficient procurement.
 - Adoption of Lean Principles to enhance operational efficiency.

Health, Safety, Security, and Environment (HSSE) Policy

Focus:
Proactively ensuring the health and safety of employees while protecting the environment.

- Commitments:**
- Eliminating hazards and minimizing risks.
 - Promoting worker participation in HSSE programs.
 - Reduce consumption of resources, generation of wastes, prevent pollution and protect the environment from the impact of activities carried out.
 - Investigating incidents and implementing corrective actions.
 - Engaging with local communities to build trust and respect cultural values.

Drugs and Alcohol Policy

Focus:
Maintaining a workplace free of drugs and alcohol to ensure safety and productivity

- Commitments:**
- Conducting random alcohol and drug tests.
 - Immediate dismissal for working under the influence.
 - Providing support for employees seeking help for dependencies.
 - Strict prohibition of smoking in undesignated areas.

Health, Safety, Security, and Environment (HSSE) Policy

Focus:
Reducing the impact of road traffic accidents on business and communities.

- Commitments:**
- Equipping drivers with the necessary training and tools.
 - Implementing In-Vehicle Monitoring Systems (IVMS).
 - Adhering to maintenance standards for vehicles and equipment.
 - Encouraging safe driving behaviors through continuous communication and disciplinary measures.

Galfar’s Commitment to Cybersecurity and Information Security

At Galfar, we recognize the critical importance of cybersecurity and IT governance in safeguarding our operations, data, and stakeholders. As one of the leading EPC companies in Oman, we have developed a comprehensive suite of policies and procedures designed to protect our digital assets and ensure resilience against cyber threats. These policies reflect our unwavering commitment to aligning with industry best practices and standards, fostering a secure environment for our operations, and upholding the trust of our clients and partners.

To strengthen our cybersecurity framework, Galfar has implemented the following Information Security Policies and Procedures:

Security Policies and Procedures:

- Acceptable Usage Policy
- Access Control Policy
- Asset Management Policy
- Backup Management Policy
- Business Continuity & Disaster Recovery Policy
- Change Management Policy
- Cryptography Policy
- Data Classification Policy
- Data Privacy Policy
- Data Retention Policy
- Firewall Policy
- Information Security Incident Management Policy
- Information Security Management Policy
- Information Security Risk Management Policy
- Information Security Training & Awareness Policy
- IT Help Desk Policy
- Log Management Policy
- Malware Policy
- Password Management Policy
- Physical and Environmental Security Policy
- Remote Access Policy
- Removable Media Handling and Media Disposal Policy
- Third-Party Information Security Policy
- Vulnerability Management Policy
- Business Impact Analysis Procedure
- Data Backup and Recovery Procedure
- Data Classification Procedure
- Data Privacy Procedure
- Information Security Incident Management Procedure
- IT - Backup Plan
- IT - Disaster Recovery Plan
- Email Security Policy

This extensive policy framework underscores Galfar's proactive approach to mitigating risks and maintaining a secure, efficient IT environment that supports its strategic objectives.

Anti-Bribery and Corruption at Galfar

Galfar Engineering & Contracting has consistently demonstrated an unwavering commitment to ethical practices and integrity, as outlined in Section 6.4 of our Code of Conduct. Our robust anti-bribery and corruption measures reflect our dedication to upholding the highest standards of business ethics, ensuring transparency and fairness across all aspects of our operations.

We maintain a **zero-tolerance approach to bribery, corruption, and kickbacks** in any form, whether direct or indirect. This strict stance is not limited to our employees but extends to our contractors, suppliers, and other business partners, who are equally obligated to adhere to these principles. Galfar employees and partners are expressly forbidden from offering, soliciting, or accepting gifts or entertainment that could influence business decisions or create conflicts of interest. While we acknowledge the occasional professional exchange of goodwill, we have set clear boundaries: gifts or entertainment exceeding a value of OMR 50 must be declared and approved by the CEO through respective Unit Heads.

Galfar also upholds a strong stance against insider dealing. Sharing or leveraging privileged, non-public information about Galfar, its group companies, or other listed entities for personal or financial gain is strictly prohibited. Such practices violate our fiduciary duty, erode trust, and undermine the integrity of the market. We actively urge our employees and business partners to avoid engaging in these illegal and unethical activities.

Through rigorous adherence to these policies, Galfar promotes a culture of accountability and trust. Our approach not only safeguards our interests but also reinforces our commitment to ethical business practices, ensuring that we remain a trusted and transparent leader in the EPC industry. By embedding these principles in our governance framework, we protect our reputation, promote fairness, and contribute to a sustainable and ethical business environment.

At Galfar, we maintain a rigorous and vigilant approach to mitigating the risks of corruption across our operations. In alignment with our commitment to ethical business practices, we have implemented a comprehensive procedure for assessing corruption risks, especially during the awarding of project contracts. This process includes a clause in the Galfar Code of Conduct, which underscores the importance of transparency, integrity, and accountability in all our business dealings.

All employees are thoroughly trained on anti-corruption policies and are required to adhere to the standards outlined in the Galfar Code of Conduct. We believe that continuous education and strict compliance are vital in preventing unethical behavior. As part of our internal controls, we monitor and assess any potential corruption risks within our projects and operations.

In 2024, we are proud to report zero incidents of corruption within the company, a testament to our steadfast commitment to anti-corruption practices. Galfar remains fully dedicated to maintaining a transparent and corruption-free environment, ensuring that our business operations uphold the highest ethical standards.



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MSX ESG Disclosures

ENVIRONMENTAL

MSX Metric	Disclosure	Location
E1. GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable) E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	20
E2. Emissions Intensity	E2.1) Total GHG emissions per output scaling factor E2.2) Total non-GHG emissions per output scaling factor	21
E3. Energy Usage	E3.1) Total amount of energy directly consumed E3.2) Total amount of energy indirectly consumed	19
E4. Energy Intensity	Total direct energy usage per output scaling factor	20
E5. Energy Mix	Percentage: Energy usage by generation type	19
E6. Water Usage	E6.1) Total amount of water consumed E6.2) Total amount of water reclaimed	22,23
E7.Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/No	17
	E7.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No	18
	E7.3) Does your company use a recognized energy management system? Yes/No	19
E8.Environmental Oversight	Does your Management Team oversee and/or manages sustainability issues? Yes/No	4 ,54
E9.Environmental Oversight	Does your Board oversee and/or manage other sustainability issues? Yes/No	4 ,54
E10.Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	5, 16

SOCIAL

MSX Metric	Disclosure	Location
S1. CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median FTE total compensation S1.2) Does your company report this metric in regulatory filings? Yes/No	Not Disclosed due to Confidentiality Constraints.
S2. Gender Pay Ratio	Ratio: Median male compensation to median female compensation	35
S3 Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees	28, 36, 45
	S3.2) Percentage: Year-over-year change for part-time employees	
	S3.3) Percentage: Year-over-year change for contractors and/or consultants	
S4 Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women	28
	S4.2) Percentage: Entry- and mid-level positions held by men and women	
	S4.3) Percentage: Senior- and executive-level positions held by men and women	
S5 Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees	28
	S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	
S6. Non-Discrimination	Does your company follow nondiscrimination policy? Yes/No	29, 35, 36, 53
S7. Injury Rate	Percentage: Frequency of injury events relative Occupational to total workforce time	38, 40, 42
S8. Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy? Yes/No	37, 39, 40, 55
S9. Child & Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	44
	S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	
S10. Human Rights	S10.1) Does your company follow a human rights policy? Yes/No	29, 44, 53
	S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	
S11. Community Investment	Amount invested in the community, including philanthropic donations, as a percentage of the company's pre- tax profits	46, 47

GOVERNANCE

MSX Metric	Disclosure	Location
G1. Board Diversity	G1.1) Percentage: Total board seats occupied by men and women	6, 51
	G1.2) Percentage: Committee chairs occupied by men and women	
G2.Board Independence	G2.1) Does the company prohibit the CEO from serving as board chair? Yes/No	6
	G2.2) Percentage: Total board seats occupied by independents	
G3. Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	34
G4.Supplier Code of Conduct	G4.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	44
	G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	
G5. Ethics & Anti-Corruption	G5.1) Does your company follow an Ethics and/or anti-corruption policy? Yes/No	56
	G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	
G6. Data Privacy	G6.1) Does your company follow a Data Privacy policy? Yes/No	55
	G6.2) Has your company taken steps to comply with GDPR rules? Yes/No	
	G7.3) Has your company taken steps to comply with Oman Personal Data Protection Law rules? Yes/No	
G7.Sustainability Reporting	G7.1) Does your company publish a sustainability report? Yes/No	This is Galfar's first ESG report for the year 2024.
	G7.2) Is sustainability data included in your regulatory filings? Yes/No	
G8.Disclosure Practices	G8.1)Does your company provide reporting frameworks? Yes/No	5, 15
	G8.2)Does your company focus on specific UN SDGs? Yes/No	
	G8.3)Does your company set targets and report progress on the UN SDGs? Yes/No	
G9. External Assurance	Are your sustainability disclosures assured or validated by a third party? Yes/No	Our financial data has been audited by PricewaterhouseCoopers (PwC), Oman, ensuring transparency and compliance with the highest standards. For our non-financial data, we have implemented a rigorous internal assurance process to uphold our commitment to maintaining stakeholder confidence in our ESG disclosures.

GRI content index

Statement of use

Galfar has reported in accordance with the GRI Standards for the period January 1, 2024, to December 31, 2024.

GRI 1 used

GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	7-11			
	2-2 Entities included in the organization's sustainability reporting	9			
	2-3 Reporting period, frequency and contact point	5			
	2-4 Restatements of information	No restatements of information as this is Galfar's first ESG report.			
	2-5 External assurance	Galfar did not seek external assurance for its ESG Report 2024			
	2-6 Activities, value chain and other business relationships	7-11	-	-	-
	2-7 Employees	28	-	-	-
	2-8 Workers who are not employees	28	-	-	-
	2-9 Governance structure and composition	6	-	-	-
	2-10 Nomination and selection of the highest governance body	51	-	-	-
	2-11 Chair of the highest governance body	6	-	-	-
	2-12 Role of the highest governance body in overseeing the management of impacts	54	-	-	-
	2-13 Delegation of responsibility for managing impacts	51, 52	-	-	-
	2-14 Role of the highest governance body in sustainability reporting	4, 54	-	-	-
	2-15 Conflicts of interest	6, 51-54	-	-	-
	2-16 Communication of critical concerns	36, 40, 53	-	-	-
	2-17 Collective knowledge of the highest governance body	6, 51-54	-	-	-

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	50	-	-	-
	2-19 Remuneration policies	35	-	-	-
	2-20 Process to determine remuneration	35, 51	-	-	-
	2-21 Annual total compensation ratio	-	-	Confidentiality Constraints	Galfar maintains confidentiality regarding employee compensation and does not publicly disclose compensation details.
	2-22 Statement on sustainable development strategy	4	-	-	-
	2-23 Policy commitments	29, 31, 34, 35, 38, 39, 44, 53, 55	-	-	-
	2-24 Embedding policy commitments	29, 31, 34, 35, 38, 39, 44, 53, 55	-	-	-
	2-25 Processes to remediate negative impacts	53	-	-	-
	2-26 Mechanisms for seeking advice and raising concerns	36, 40	-	-	-
	2-27 Compliance with laws and regulations	5, 7, 13, 19, 34, 35, 36, 39, 44, 45, 48, 49, 53	-	-	-
	2-28 Membership associations	12	-	-	-
	2-29 Approach to stakeholder engagement	13, 14	-	-	-
	2-30 Collective bargaining agreements	34	-	-	-
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	14	-	-
3-2 List of material topics		15	-	-	-
Economic Performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	45-47	-	-	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	46	-	-	-

GRI content index

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Material Topics					
Economic Performance					
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change			Information Unavailable/Incomplete	Methodologies to assess climate-related financial implications, risks, and opportunities are yet to be developed and will be considered for future disclosure.
	201-3 Defined benefit plan obligations and other retirement plans	33	-	-	-
	201-4 Financial assistance received from government	No Financial assistance received in 2024	-	-	-
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36	-	-	-
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	35	-	-	-
	202-2 Proportion of senior management hired from the local community	36	-	-	-
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	19, 46-47	-	-	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	19, 46, 47	-	-	-
	203-2 Significant indirect economic impacts	46, 47	-	-	-
Procurement practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	44	-	-	-
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	44	-	-	-

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	56	-	-	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	56	-	-	-
	205-2 Communication and training about anti-corruption policies and procedures	56	-	-	-
	205-3 Confirmed incidents of corruption and actions taken	56	-	-	-
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	18, 23-25	-	-	-
GRI 301: Materials 2016	301-1 Materials used by weight or volume	25	-	-	-
	301-2 Recycled input materials used	25	-	-	-
	301-3 Reclaimed products and their packaging materials	18, 25	-	-	-
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	16, 19-20	-	-	-
GRI 302: Energy 2016	302-1 Energy consumption within the organization	19	-	-	-
	302-2 Energy consumption outside of the organization	-	-	Information Unavailable/Incomplete	Methodologies for calculating energy consumption outside of the organization are yet to be developed and will be considered for future disclosure.
	302-3 Energy intensity	20	-	-	-
GRI 302: Energy 2016	302-4 Reduction of energy consumption	19, 20	-	-	-
	302-5 Reductions in energy requirements of products and services	16, 19, 20	-	-	-

GRI content index

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	21-23	-	-	-
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	22	-	-	-
	303-2 Management of water discharge-related impacts	22	-	-	-
	303-3 Water withdrawal	23	-	-	-
	303-4 Water discharge	23	-	-	-
	303-5 Water consumption	23	-	-	-
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	16-21	-	-	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	20	-	-	-
	305-2 Energy indirect (Scope 2) GHG emissions	20	-	-	-
	305-3 Other indirect (Scope 3) GHG emissions	-	-	Information Unavailable/Incomplete	Methodologies for calculating Scope 3 GHG emissions are yet to be developed and will be considered for future disclosure.
	305-4 GHG emissions intensity	21	-	-	-
	302-5 Reductions in energy requirements of products and services	16-21	-	-	-
	305-6 Emissions of ozone-depleting substances (ODS)	-	-	Information Unavailable/Incomplete	Methodologies for calculating those emissions are yet to be developed and will be considered for future disclosure.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	-	Information Unavailable/Incomplete	Methodologies for calculating those emissions are yet to be developed and will be considered for future disclosure.
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	23-25	-	-	-

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Waste					
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	25	-	-	-
	306-2 Management of significant waste-related impacts	24	-	-	-
	306-3 Waste generated	25	-	-	-
	306-4 Waste diverted from disposal	-	-	Information Unavailable/Incomplete	Methodologies for calculating waste diverted from disposal are yet to be developed and will be considered for future disclosure.
	306-5 Waste directed to disposal	25	-	-	-
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	28-34	-	-	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	30	-	-	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	33, 34	-	-	-
	401-3 Parental leave	34	-	-	-
Labor/management relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	34	-	-	-
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	34	-	-	-
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	32,37-44	-	-	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	38-40	-	-	-
	403-2 Hazard identification, risk assessment, and incident investigation	40	-	-	-

GRI content index

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Occupational health and safety					
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	40	-	-	-
	403-3 Occupational health services	37, 39	-	-	-
	403-4 Worker participation, consultation, and communication on occupational health and safety	40	-	-	-
	403-5 Worker training on occupational health and safety	32, 37, 39	-	-	-
	403-6 Promotion of worker health	38, 40, 42	-	-	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	40	-	-	-
	403-8 Workers covered by an occupational health and safety management system	39, 40, 42	-	-	-
	403-9 Work-related injuries	40, 42	-	-	-
	403-10 Work-related ill health	-	-	Information Unavailable/Incomplete	Data on work-related ill health is currently unavailable and will be considered for disclosure in future reports.
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	31-33, 35	-	-	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	33	-	-	-
	404-2 Programs for upgrading employee skills and transition assistance programs	31, 32	-	-	-
	404-3 Percentage of employees receiving regular performance and career development reviews	31, 35	-	-	-
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	6, 28, 35, 36	-	-	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	6, 28, 35, 36	-	-	-
	405-2 Ratio of basic salary and remuneration of women to men	35	-	-	-

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Non-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 35, 36, 53	-	-	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	29, 53	-	-	-
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	44	-	-	-
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	44	-	-	-
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	39	-	-	-
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	39	-	-	-
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	47-49	-	-	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	47, 48	-	-	-
	413-2 Operations with significant actual and potential negative impacts on local communities	25, 26, 33, 47-49	-	-	-
Marketing and labeling					
GRI 3: Material Topics 2021	3-3 Management of material topics	39	-	-	-
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	39	-	-	-
	417-2 Incidents of non-compliance concerning product and service information and labeling	41, 50	-	-	-
	417-3 Incidents of non-compliance concerning marketing communications	29	-	-	-