



جائزة الملك خالد
KING KHALID AWARD

King Khalid Sustainability Award

GUIDEBOOK FOR THE INDUSTRIAL SECTOR



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King Khalid Foundation is proud to present the 2023 Sustainability Award to promote and recognize leading sustainability practices in the Kingdom of Saudi Arabia. This brochure contains relevant information and guidance for the local industrial sector.



WHAT IS THE SUSTAINABILITY AWARD?

Run by the King Khalid Foundation, the Sustainability Award aims to empower companies to integrate environmental, social and governance issues into core management decision-making.

The Sustainability Program focuses on aligning ESG practices with business imperatives, such as promoting positive growth, enhancing reputation, and enabling engagement with key stakeholders.

The Sustainability Award will promote healthy competition in the Kingdom's industrial sector and the broader KSA business community, accelerating the Kingdom's economic growth and helping it achieve Vision 2030 goals.

AWARD CYCLE

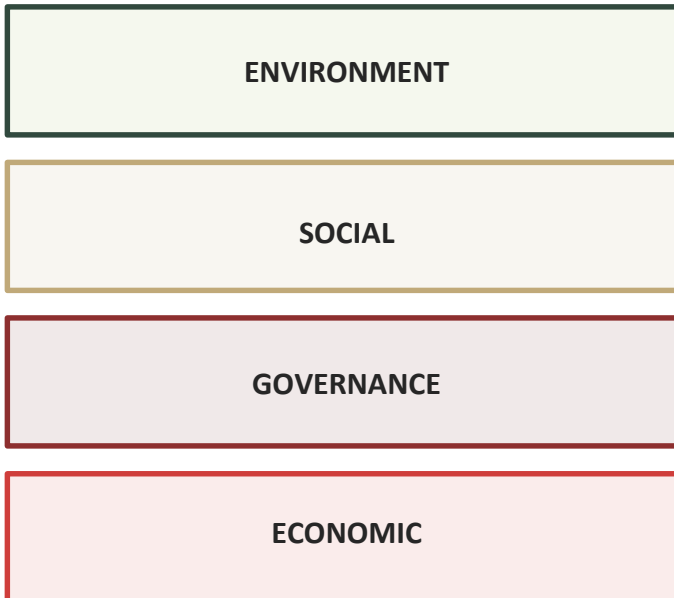




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WHAT IS SUSTAINABILITY?

Sustainability is the responsible management of social, environmental, economic, and governance impact for improved long-term business performance. It is also the ability of a company to build competitive advantage through a commitment Environmental, Social and Governance (ESG) / Corporate Social Responsibility (CSR) / Sustainability.



AWARD CORE AREAS

KKF's Sustainability Award (Previously: Responsible Competitiveness) was born in 2008 from the notion that organizations can gain a range of competitive advantages from embedding sustainable and responsible business practices and aligning with the Kingdom's broader development goals, Vision 2030, and international leading practices

The Sustainability Award methodology involves a self-completion questionnaire consisting of two levels, which are categorized into four core areas: environmental, social, governance, and economic impact. The scoring process includes sector-adjusted weighting based on SASB's leading materiality map.

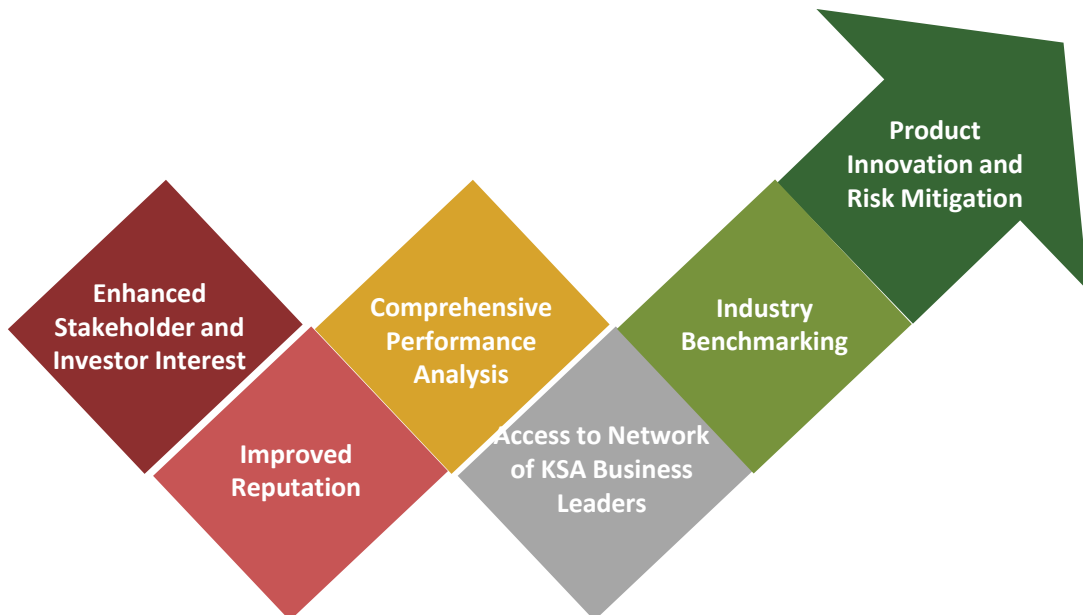


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BENEFITS OF SUSTAINABILITY

By applying to the Sustainability Award, your factory or company may benefit from:

- Increase competitive advantage
- Align with national and international leading practices and frameworks, such as Vision 2030, National Standards for Sustainability, GRI, SASB, and the UN SDGs.
- Increase domestic and foreign investor interest
- Receive recognition for commitment to sustainable practices
- Receive customized analysis and recommendations for performance improvement from a team of experts
- Join a KSA-wide network of likeminded peers





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SUSTAINABILITY

Sustainability is the ability to sustain or the capacity to endure.

In order to protect the capacity to endure, it is imperative for the industrial sector to integrate responsibility, innovation and efficiency into their practices. The successful Small and Medium-Sized Enterprises (SMEs) of tomorrow will be those that lead and create value both inside and outside the walls of the organization, in the markets and societies of their operations.

Benefits of Sustainability to SMEs



Reducing Costs



Access to Capital



Employee Attraction and Loyalty



Return on Investment



Reducing Risk



Improving Efficiency



Creating Shared Value



Improving Reputation



Retaining Customers



License to Operate



Entering New Markets



Increasing Productivity



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SUSTAINABILITY & VISION 2030

Vision 2030 is a set of initiatives by the Saudi government to pursue a bright future for the Kingdom. It is built around three themes: A Vibrant Society; A Thriving Economy; An Ambitious Nation, with the following priorities:



- ▶ Global competitiveness
- ▶ Long-term economic sustainability
- ▶ Citizen wellbeing
- ▶ Strong national identity
- ▶ Drive international trade

Vision 2030 has goals directly related to Sustainability and the Industrial Sector:

Increase SME contribution to GDP

Increase women's participation in the workforce

Increase private sector contribution to GDP

Increase foreign direct investment (FDI)

Increase non-oil exports

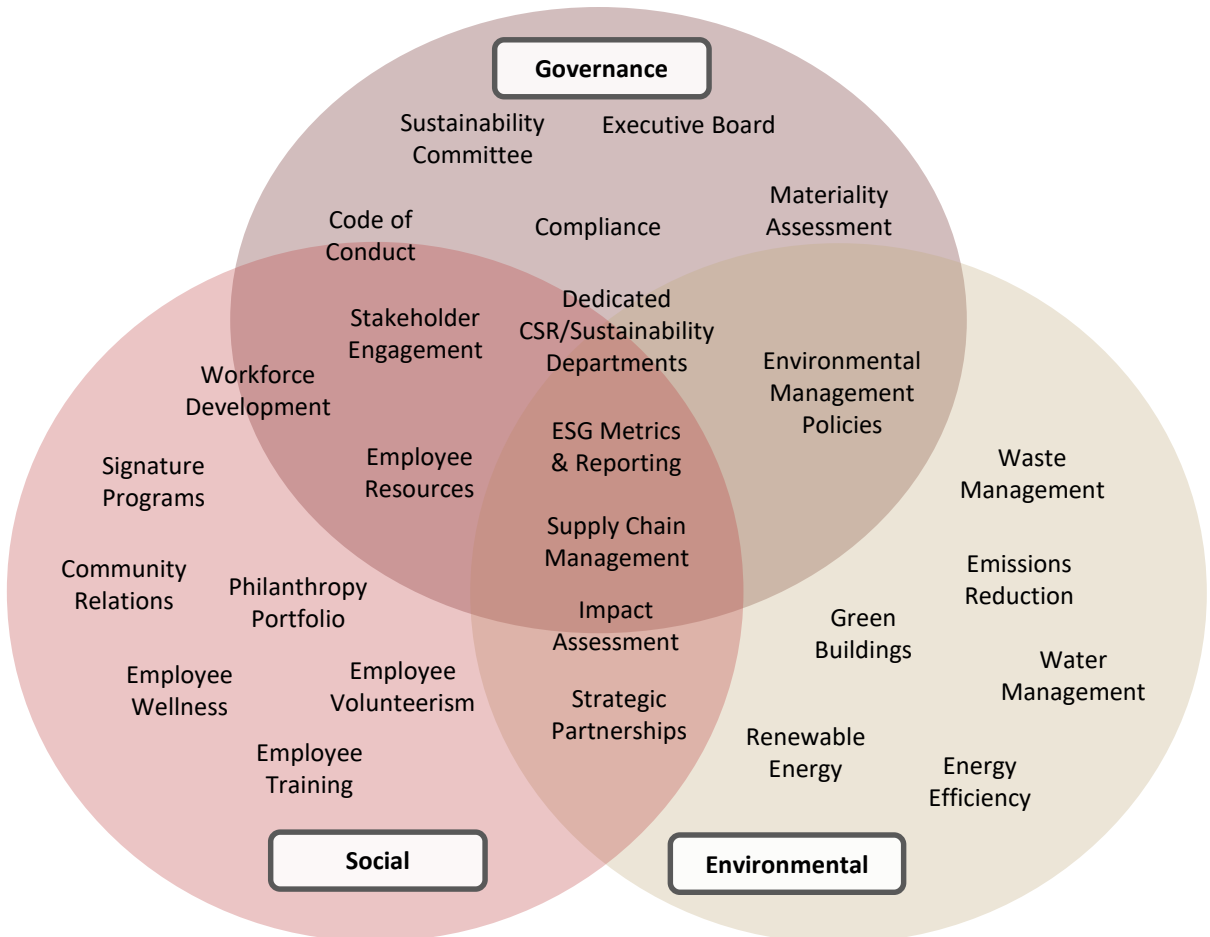
Decrease unemployment



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TOOLS AND METHODS FOR SUSTAINABILITY

Sustainability involves the management of social, environmental, economic, and governance impact for improved long-term business performance of your factory. The following diagram represents some of the tools and methods the industrial sector could adopt to achieve responsible competitiveness.



Definitions of key terms, tools, and methods used in the Sustainability Award can be found in the Award Glossary, available on the [KKF website](#).