



The Red Sea Global
Approach to

Enhancing Destination Resilience

Strategic Implementation of “Destination Resilience” by Red Sea Global:
Integrating Crisis Management, Business Continuity, and Risk Management
at a Tourist Destination

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ABOUT THIS REPORT

At Red Sea Global (RSG), resilience defines both our purpose and approach – shaping how we anticipate, prepare for, and fortify against challenges.

From day one, RSG has championed sustainable tourism with a commitment to enduring safety, environmental responsibility, and economic vitality.

Our 'Destination Resilience' program embodies this philosophy. Developed with precision, it embeds crisis management, business continuity, and risk governance across our organization. By utilizing an internal model, we ensure that resilience is deeply aligned with our mission and that our partnerships – whether local, national, or global – are proactive, creating destinations that prioritize safety, inspiration, and community benefit.

This report showcases our dedication to setting new resilience standards in tourism, merging luxury with responsibility. We aim to inspire a sustainable future that keeps people and planet at the core of each decision.

- Dr. Maryam Ficociello

Group Chief Governance Officer,
Red Sea Global

The "Destination Resilience Program" strategically addresses an array of potential risks, including natural disasters, climate-related challenges, health and safety potential issues, critical infrastructure vulnerabilities, and supply chain disruptions. By embedding resilience governance at the corporate, project, destination, and subsidiary levels, RSG ensures uninterrupted operations while safeguarding visitors, local communities, and the surrounding ecosystems.

Core components of the program include close collaboration with local authorities, state-of-the-art emergency response capabilities, sustainable development initiatives, and rigorous infrastructure planning. This forward-thinking and integrated approach not only enhances the resilience of RSG destinations but also establishes a model for sustainable tourism that harmoniously combines luxury with environmental stewardship and social responsibility. Through this program, RSG sets a new industry benchmark, paving the way for destinations that are as resilient as they are inspiring.

This publication presents Red Sea Global's (RSG) pioneering approach to building resilience across its premier tourism destinations, emphasizing comprehensive risk management, crisis preparedness, and business continuity.

"This report is more than a framework; it's our commitment to a future where *destinations thrive, not just survive*. At Red Sea Global, we believe that resilience is not an option but a responsibility, shaping every step we take to *protect people and assets, preserve nature, and redefine sustainable tourism*."

Rakan Alduways
Senior Resilience Manager,
Red Sea Global



Introduction

1.1 The Red Sea & AMAALA

Red Sea Global (RSG), wholly owned by Saudi Arabia's Public Investment Fund (PIF), is among the world's most visionary developers, spearheading a new model of development that puts people and planet first. Leveraging the most innovative concepts and technologies to deliver projects that actively enhance the well-being of customers, communities, and environments, its portfolio includes two world-leading destinations, namely: The Red Sea and AMAALA.



The Red Sea & AMAALA are home to the world's fourth largest barrier reef, where marine life and coral thrive in a unique ecosystem. Located along the west coast of Saudi Arabia, this 34,000km² paradise is home to an archipelago of over 90 untouched islands, stunning beaches, and natural wonders such as dormant volcanoes, desert dunes, and mountainous canyons. By 2030, The Red Sea and AMAALA will collectively offer 50 hotels across an area comparable in size to Belgium. These regenerative tourism destinations aim to elevate Saudi Arabia's luxury tourism offerings, not only by protecting the natural environment, but by enhancing it for future generations to come.

As defined by The United Nations World Tourism Organization (UNWTO), a destination includes attractions, infrastructure, facilities, natural and cultural resources, resident communities, and tourists themselves. It is defined by administrative or geographical boundaries that guide its management, while brand perceptions are critical to its competitive edge in the market. Destinations vary in scale, ranging from countries and regions to municipalities or smaller areas. Under this definition, The Red Sea and AMAALA – with its extensive infrastructure, operational capabilities, and diverse offerings – is a recognized full-fledged tourism destination.

1.2 The Destination Resilience Program

Numerous potential scenarios exist that could disrupt the seamless operations and guest experience at The Red Sea and AMAALA. RSG's Risk and Resilience team is dedicated to proactively identifying and assessing these risks, developing robust continuity strategies, and implementing agile crisis management frameworks across the Group.

Resilience for RSG signifies the ability to quickly adapt to disruptions while maintaining continuous business operations and safeguarding people, assets, and overall brand equity.

Establishing resilience in a premier tourism destination like The Red Sea and AMAALA presents unique challenges, given potential disruptions linked to ecological shifts, climate impacts, natural and man-made disasters, political instability, social dynamics, and cyber-technical vulnerabilities.

In an era where sustainable and regenerative tourism is now paramount, RSG has positioned itself as an innovator in the luxury tourism sector. With a keen focus on enhancing the resilience of its operations and destinations, RSG has introduced a "Destination Resilience" program; a comprehensive initiative that integrates crisis management, business continuity,



and risk management across its multifaceted organizational structure. This program spans across RSG's corporate departments, projects, subsidiary companies, and its broader destination, which encompasses third parties and stakeholders at the destination site.

Drawing from international frameworks such as the UN-Habitat City Resilience approach, RSG's Risk & Resilience team implements practices that fortify the organization's ability to respond to disruptions at various geographies and scales. The team's achievements have earned accolades from global organizations such as The Business Continuity Institute (BCI) and the Institute of Risk Management (IRM). RSG has also secured certifications from the International Organization for Standardization (ISO) in both Risk and Business Continuity Management. These recognitions reflect RSG's dedication to maintaining world-class resilience standards and its leadership in sustainable tourism.



Drawing from international frameworks such as the UN-Habitat City Resilience approach, RSG's Risk & Resilience team implements practices that fortify the organization's ability to respond to disruptions at various geographies and scales.

2. Destination Resilience Framework

RSG employs a comprehensive Destination Resilience Framework to address the nuanced complexities inherent to tourism destinations and the key drivers contributing to their resilience. This framework enables RSG to assess and measure the impacts of multiple hazards, pinpoint critical areas of vulnerability, and design targeted actions and programs. By leveraging these insights, RSG strengthens its resilience continuously, ensuring that its destinations can adapt, thrive, and enhance the guest experience amid evolving challenges.

The Framework encompasses five key dimensions:

01. RESILIENCE GOVERNANCE

- Strategic Planning
 - Risk & Resilience Integration
- Execution
 - Crisis & Emergency Management
 - Crisis Communication
 - Escalation and Command & Control Structure
 - Business Continuity Management (BCM)

02. EFFECTIVE SAFEGUARD TO HEALTH & LIFE

- Health & Safety
- Fire & Rescue Services
- Security Services & Emergency Operations Center (EOC)
- Maritime Security Control Center (MSCC)

03. ENVIRONMENT PROTECTION

- Environment Risk Planning and Emergency Response
- Climate Change and Natural

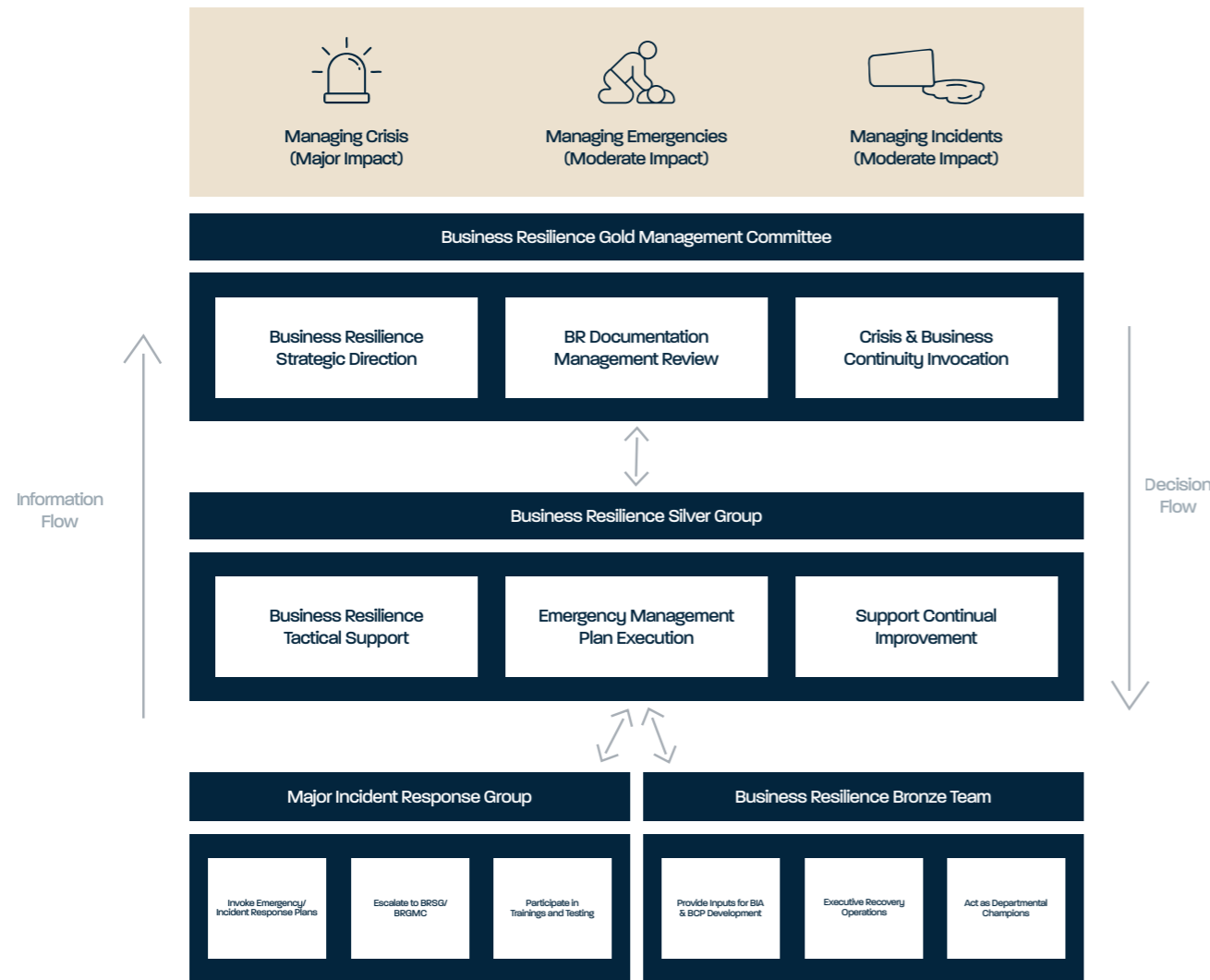
04. CRITICAL INFRASTRUCTURES AND SUPPLY CHAIN

- Utilities and Transportation
- Supply Chain
- Connectivity and Technology

05. ECONOMIC AND SOCIAL RISK PLANNING

- Economic Risk & Planning
- Social Risks and Planning





CRISIS COMMUNICATION

During a crisis, RSG anticipates significant public and media attention at local, national, and international levels, potentially affecting key stakeholders. To address this, RSG’s Crisis Communications Plan (CCP) is fully integrated with its Resilience Program, ensuring coordinated, consistent messaging. The organization prioritizes “speaking with one voice” to deliver clear, unified communications to media and external parties.

The CCP’s primary objectives are to:

- Outline Crisis Communications requirements for RSG
- Define roles and responsibilities across RSG’s subsidiaries, projects, and destinations
- Establish a structured response framework for incidents, emergencies, and crises, addressing internal and external communication needs
- Provide tools and templates for effective and rapid crisis communication

These measures protect RSG’s reputation, build stakeholder trust, and demonstrate professionalism and transparency during crises.

ESCALATION MATRIX

RSG has implemented a comprehensive escalation matrix with predefined criteria to address health and safety, environmental concerns, reputational risks, financial impacts, regulatory compliance, and operational continuity. Integrated into RSG’s crisis and emergency management manuals, the matrix provides a systematic approach to assessing incident severity and escalating issues through the chain of command when necessary. This framework ensures swift, appropriate responses, safeguarding resilience and enabling effective oversight during critical situations. The below table illustrates RSG escalation process for incidents impacting Health and Safety.

Impact	Crisis?	Emergency?	Incident?
Health and Safety	“Threat to” or “impact on” life safety of Staff/Contractors/Guests that may lead to multiple fatalities	“Threat to” or “impact on” life safety of Staff/Contractors/Guests that may lead to single fatality or multiple injuries	“Threat to” or “impact on” life safety of Staff/Contractors/Guests that may lead to near miss or single injury



Command & Control Structure

THE STRATEGIC LEVEL - LEADERSHIP

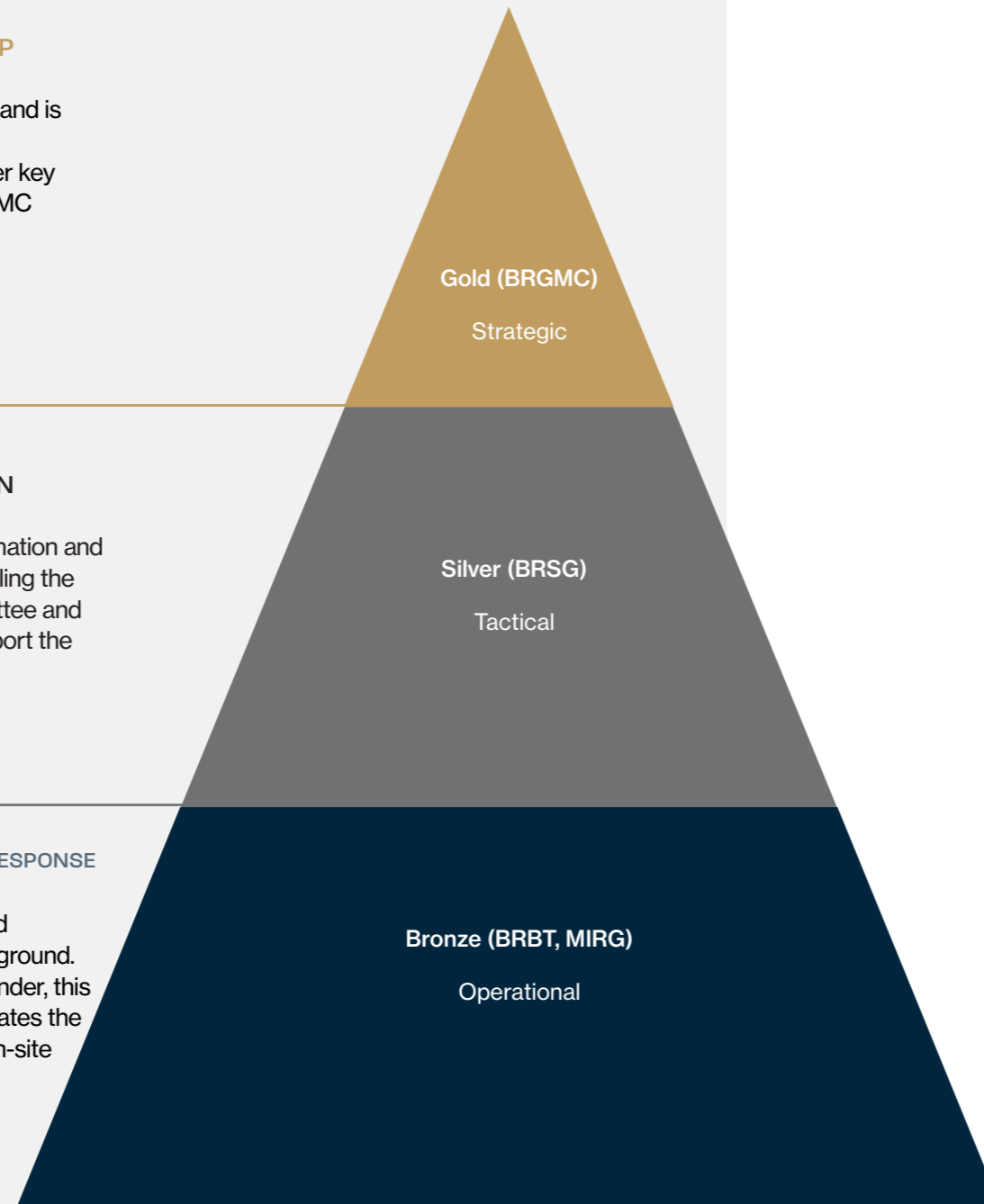
This level focuses on decision-making and is chaired by the Group CEO. It includes Executive Level Management and other key representatives who support the BRGMC during crises.

THE TACTICAL LEVEL - COORDINATION

This level manages emergency coordination and consists of individuals relevant to handling the situation. It reports to the Gold Committee and includes key representatives who support the BRSG during emergencies.

THE OPERATIONAL LEVEL - IMMEDIATE RESPONSE

This level manages major incidents and implements BRGMC decisions on the ground. Typically led by the Emergency Responder, this team provides initial notifications, activates the relevant IMP and ERP, and oversees on-site operations and facilities.



The accompanying diagram outlines the three levels of command and control activated when an incident escalates to a crisis. This tiered framework enhances coordination, accountability, and decision-making throughout the crisis management process.

Each level streamlines communication, supports rapid assessments, and facilitates effective actions to mitigate impacts and protect operations, stakeholders, and assets across RSG's destinations. Regular drills and exercises are conducted to align response teams and co-response organizations, ensuring all parties understand their roles and are prepared to act swiftly and effectively during emergencies.

RSG's Emergency Operations Center (EOC) is the central hub for reporting incidents via a dedicated hotline. Trained operators assess incident severity, dispatching front-line responders for immediate action. In escalated cases, the EOC activates appropriate command-and-control levels, ensuring strategic incident management. This approach guarantees swift, coordinated, and informed responses, maintaining resilience and minimizing impacts across RSG's destinations.

BUSINESS CONTINUITY MANAGEMENT (BCM)

RSG is committed to robust Business Continuity Management (BCM), adhering to the ISO standard 22301:2019. BCM is defined as "the capability of an organization to continue the delivery of products and services within acceptable time frames at predefined capacity during a disruption." RSG practices BCM across seven key domains, which collectively ensure a comprehensive approach to resilience and continuity:

Context of the Organization	Includes documentation of internal and external issues, interested stakeholders and other parties in addition to establishing BRMS scope and key objectives.
Leadership	Includes establishment and communication of Resilience Policy and allocation of supporting resources.
Planning	Alignment of Objectives to context of the organization, detailed procedures to management program risk and opportunities.
Support	Established competency requirements of those with Business Continuity Roles, raising awareness through training and communications and establishing documented records and procedures.
Operation	Includes process impact over time analysis, identification of key threats, detailing appropriate resilience strategy and plans and validant via exercise rehearsal.
Performance Exclusive	Includes performance measurement criteria, internal audit capability and plan, review of BC procedures, plans and structures, and review process.
Improvement	Includes actions to improve to BRMS over time including identification of corrective actions and system non-conformities.

2.2 Effective Safeguard to Health & Life

HEALTH & SAFETY

RSG's geographically diverse destinations – featuring beaches, islands, and mountains – require tailored medical response strategies. While RSG constructs a dedicated hospital to serve both local communities and visitors, it has established partnerships with local hospitals and health agencies to strengthen interim medical response frameworks. This collaboration includes several key initiatives:



A) Resources Sharing: By collaborating with private medical providers, RSG has ensured that on-site clinic facilities are well-equipped with essential supplies and staffed by trained personnel capable of addressing both minor and moderate medical emergencies. This allows for prompt care without the immediate need to transport injured patients to off-site hospitals.

B) Emergency Medical Training: RSG conducts regular training sessions for resort staff in partnership with healthcare professionals from local hospitals. These training programs cover vital skills such as basic first aid, CPR, and specific protocols for managing severe injuries or health crises until professional medical assistance can be provided.

Health and safety risks are central to Red Sea Global's (RSG) enterprise risk management framework, encompassing corporate operations, project sites, subsidiaries, and destinations. The RSG Board of Directors has defined a clear risk appetite for health and safety, supported by comprehensive Key Risk Indicators (KRIs) to monitor potential exposures. These KRIs serve as early warning tools, enabling timely prevention and mitigation of incidents, underscoring RSG's commitment to the highest health and safety standards across its operations.

RSG conducts regular risk assessments to identify potential hazards, evaluate their likelihood, and enhance protective measures as needed. Its commitment to an incident and injury-free environment is embedded in policies aligned with core values, ensuring safe and healthy workplaces and communities for all stakeholders, including employees, partners, supply chain members, and the public.

A dedicated team of over 200 health and safety practitioners oversees world-class safety practices, supported by more than 1,600 contractor officers. During construction, RSG prioritizes health and safety through temporary on-site medical clinics, equipped and staffed by leading providers, offering services comparable to permanent hospitals with a focus on emergency care. To strengthen response capabilities, RSG has procured helicopters, marine transportation, advanced life support ambulances, and 4x4 emergency vehicles for swift transfers to local hospitals in critical cases.

FIRE & RESCUE SERVICES

RSG collaborates with local fire departments and rescue teams to develop effective response strategies. Its in-house fire response unit,

comprising over 150 firefighters working in four shifts, ensures 24/7 readiness.

For incidents exceeding internal capacity, RSG partners with the General Directorate of Saudi Civil Defense, which leads responses to major fire scenarios. Regular drills train staff on evacuation procedures and firefighting equipment use, ensuring coordinated and efficient responses to fire emergencies.

SECURITY SERVICES AND EMERGENCY OPERATIONS CENTER (EOC)

Although the threat of terrorism is low, RSG recognizes it as a potential risk, particularly for high-profile tourist destinations. Collaborative efforts with Saudi Arabian security services and local law enforcement have established a robust framework for prevention and response strategies.

Emergency preparedness at RSG's geographically diverse resorts relies on ongoing partnerships with local government agencies, tailored response plans, and regular training exercises. These measures ensure destinations are equipped to manage emergencies effectively, safeguarding guests and the community.

RSG operates a multi-layered security network that exceeds conventional standards, incorporating advanced surveillance systems, discreet security personnel, and cutting-edge threat detection technologies. At the core of RSG's emergency management is the Emergency Operations Center (EOC), a command hub for monitoring and responding to incidents. The EOC coordinates internal and external stakeholders to ensure seamless collaboration and effective crisis management. This proactive approach enhances safety and reinforces RSG's reputation as a secure and responsible destination.

Key Functions of the EOC:

- 24/7 Monitoring: Continuous oversight of emergencies
- External Coordination: Liaison with the Ministry of Interior's Special Forces for escalations
- Medical Response: Collaboration with ISOS for medical emergencies
- Mass Notification: Prompt stakeholder updates via a notification system
- First Responder Deployment: Rapid dispatch to incident sites
- Incident Assessment: Ongoing evaluation to determine responses
- Escalation and Coordination: Structured resource allocation and incident escalation processes

MARITIME SECURITY CONTROL CENTER (MSCC)

RSG's MSCC oversees marine security operations and emergency incidents, including environmental risks such as oil spills. It employs advanced technologies to enhance its capabilities, including:

- Maritime surveillance systems
- Radar technology
- Real-time communication systems



2.3 Environment Protection

ENVIRONMENT RISK PLANNING AND EMERGENCY RESPONSE

At the heart of RSG's mission lies a commitment to protect and regenerate the natural environment surrounding its destinations. The Group Environment and Sustainability (GES) Division plays a pivotal role in translating this vision into actionable initiatives, ensuring that environmental considerations are integral to all key decisions and projects within the organization. Within GES, the Environmental Resilience team is dedicated to implementing several key initiatives, including:

- **LEED Certifications:** Achieving LEED certifications by promoting greener building practices, reducing energy and water consumption, and minimizing waste. RSG has set a benchmark with the highest-ever Platinum LEED for Cities and Communities certification for projects in planning and design phases
- **Knowledge Management Initiative:** Documenting environmental knowledge and developing standardized guidance documents, such as tree relocation guidelines
- **Solar Farms:** Establishing solar farms to reduce greenhouse gas emissions and mitigate local climate change effects
- **Waste Management Facilities:** Enhancing recycling and reuse of waste to decrease energy demands, particularly for seawater desalination
- **Ecological Initiatives:** Restoring ecosystems through mangrove nurseries and coral planting, enhancing indigenous species populations

RSG has also developed an Environmental Emergency Response Strategy (EERS), a comprehensive framework for managing, preventing, and reporting environmental emergencies. This strategy aligns with regulatory requirements of the National Center for Environmental Compliance (NCEC) and international best practices, integrating seamlessly with RSG's Crisis Management Procedures to ensure coordinated responses across medical, security, and disaster management plans.

The EERS identifies potential environmental emergency scenarios and provides solutions informed by international agreements, national regulations, best practices, and lessons learned. It is grounded in the Environmental Risk Assessment (ERA), recognizing the ecological sensitivity of RSG's Red Sea coast projects.

Designed for application across all future RSG developments, the EERS establishes a template for managing environmental hazards, guiding stakeholders – including developers, contractors, and operators – in addressing incidents responsibly and effectively.

At the heart of RSG's mission lies a commitment to protect and regenerate the natural environment surrounding its destinations.



RSG's commitment to sustainable building practices is reflected in its pursuit of certifications such as LEED and Mostadam, which guide the design, construction, and operation of RSG buildings to better withstand the challenges posed by climate change.

SUSTAINABILITY PRACTICES

RSG's commitment to sustainable building practices is reflected in its pursuit of certifications such as LEED and Mostadam, which guide the design, construction, and operation of RSG buildings to better withstand the challenges posed by climate change. Energy-efficient designs and durable materials are prioritized alongside the use of sustainable construction practices. Operationally, RSG focuses on water and energy conservation through wastewater treatment and reuse, as well as solar energy production, which aligns seamlessly with the local regional sustainability goals. This proactive approach ensures that RSG operations remain sustainable and adaptable to the unique environmental conditions.

CLIMATE RISK ASSESSMENT AND ADAPTATION STRATEGIES

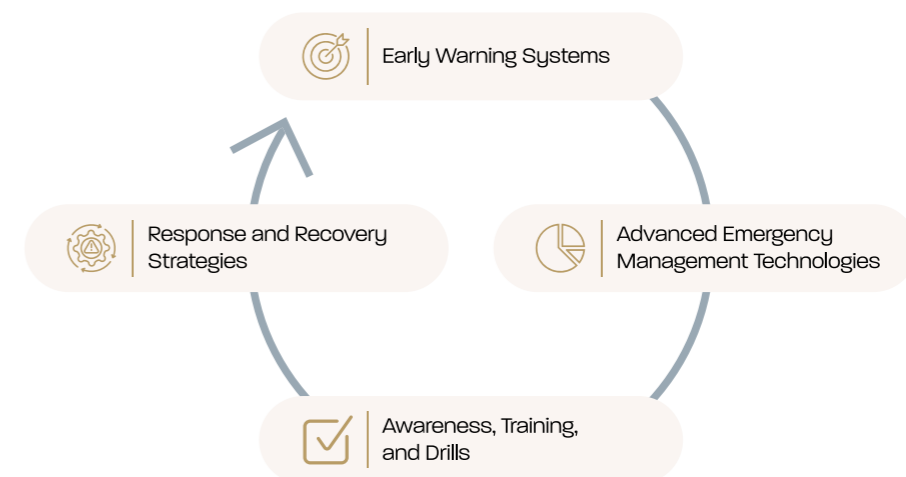
A cornerstone of RSG strategy involves conducting thorough climate-related risk assessments, leveraging advanced models and data to evaluate vulnerabilities such as sea-level rise and severe weather. Initiatives include fostering local ecosystems, integrating scientific research with disaster-risk reduction, and collaborating with stakeholders and experts to enhance resilience. Situated in sensitive coastal areas, RSG integrates climate risks like tidal surges and extreme weather into master planning and response strategies. Mitigation efforts focus on minimizing the environmental footprint through green initiatives, including solar-powered destinations and electric vehicle use for guest

transportation. Additionally, infrastructure and assets are designed to withstand floods, earthquakes, and high winds, reflecting proactive consideration of geographic and environmental risks.

DISASTER PREPAREDNESS

From the onset, RSG has considered the geographic and environmental risk factors associated with its projects' locations. Infrastructure and assets have been designed to withstand anticipated weather events, including floods, earthquakes, and high winds. To strengthen resilience against natural disasters, RSG has implemented comprehensive preparedness programs, including:

- **Early Warning Systems:** Timely alerts for impending threats
- **Response and Recovery Strategies:** Ensuring readiness for effective reaction and recovery
- **Advanced Emergency Management Technologies:** Utilizing cutting-edge tools for incident management
- **Awareness, Training, and Drills:** Regular programs to prepare stakeholders
- RSG has also established strong partnerships with local government entities for timely emergency notifications and uses an internal alert system to keep communities, guests, employees, and stakeholders informed during critical situations. These measures enhance RSG's overall emergency response capabilities.



Our Group has established five solar farms, equipped with over 760,000 photovoltaic panels, ensuring the destination's off-grid operation. Our Group is also in the midst of constructing what is poised to be one of the world's largest battery storage facilities.



Dedicated fire boats capability to ensuring the safety and well-being of our guests. They not only serve a critical operational role but also stand as a testament to our continual endeavors to reassure our guests that they are in capable and caring hands.



Full Medevac capability across the destination provides the ability to transport patients swiftly and efficiently by air not only reduces the time for critical care but also expands our capacity to respond to emergencies in remote or challenging locations.



2.4 Critical Infrastructure and Supply Chain

UTILITIES AND TRANSPORTATION

RSG's Business Continuity Program ensures the recovery of critical business processes in alignment with the approved Minimum Business Continuity Objective (MBCO). To facilitate this recovery, the program focuses on several key pillars:

INFRASTRUCTURE RESILIENCE

RSG prioritizes the regular maintenance and upgrading of critical infrastructure to address both current and future demands. Acknowledging the susceptibility of RSG projects to utility failures, we have developed meticulous strategies to minimize the likelihood and impact of site-wide and localized outages. Key strategies include:

- **Contingency Planning:** Preparing for potential disruptions to ensure rapid recovery
- **Redundancy and Diversity of Systems:** Implementing multiple systems to provide alternatives in the event of failure
- **Restoration and Recovery Plans:** Establishing clear procedures to facilitate swift operational restoration
- To support these efforts, a water reservoir is maintained on-site, capable of supplying clean drinking water and sanitation needs for several days. Additionally, RSG's solar farm is equipped with a battery system that provides full power for two days and emergency power for 10-15 days in case of a disruption.

TRANSPORTATION RESILIENCE

To sustain transportation services across air, sea, and land, enhancing overall coordination and integration is essential. The transportation system is a critical infrastructure component; disruptions can significantly impact the economic and social well-being of RSG destinations.

To ensure the safety of all transportation components – including highways, interchanges, jetties, bridges, causeways, marinas, airports, helipads, key arterial roads, hydrocarbon supply services, and electric charge stations – RSG has established a unified Transportation Operation Command Center (TOCC), which monitors all transportation assets 24/7 using a real-time tracking system and coordinates movements with third parties when required.

Key initiatives to strengthen transportation resilience include:

- **Monitoring and Reporting:** Regular assessments of transportation system conditions
- **Comprehensive Maintenance:** Robust maintenance programs to ensure reliability
- **Increased Access Points:** Expanding entry points to utilities hubs for continuity
- **Emergency Response Plans:** Developing strategies specific to transportation emergencies
- **Contingency Planning:** Minimizing disruptions from unforeseen events
- **Evacuation Routes:** Establishing multiple routes for safe and efficient evacuations

SUPPLY CHAIN

Challenges in the supply chain for RSG projects and destination remote locations have been exacerbated by significant global events such as the Suez Canal blockage in 2021, regional conflicts, and the COVID-19 pandemic. The procurement and retention of raw materials and resources – including construction materials and skilled personnel – present ongoing difficulties in consolidating a steady supply.

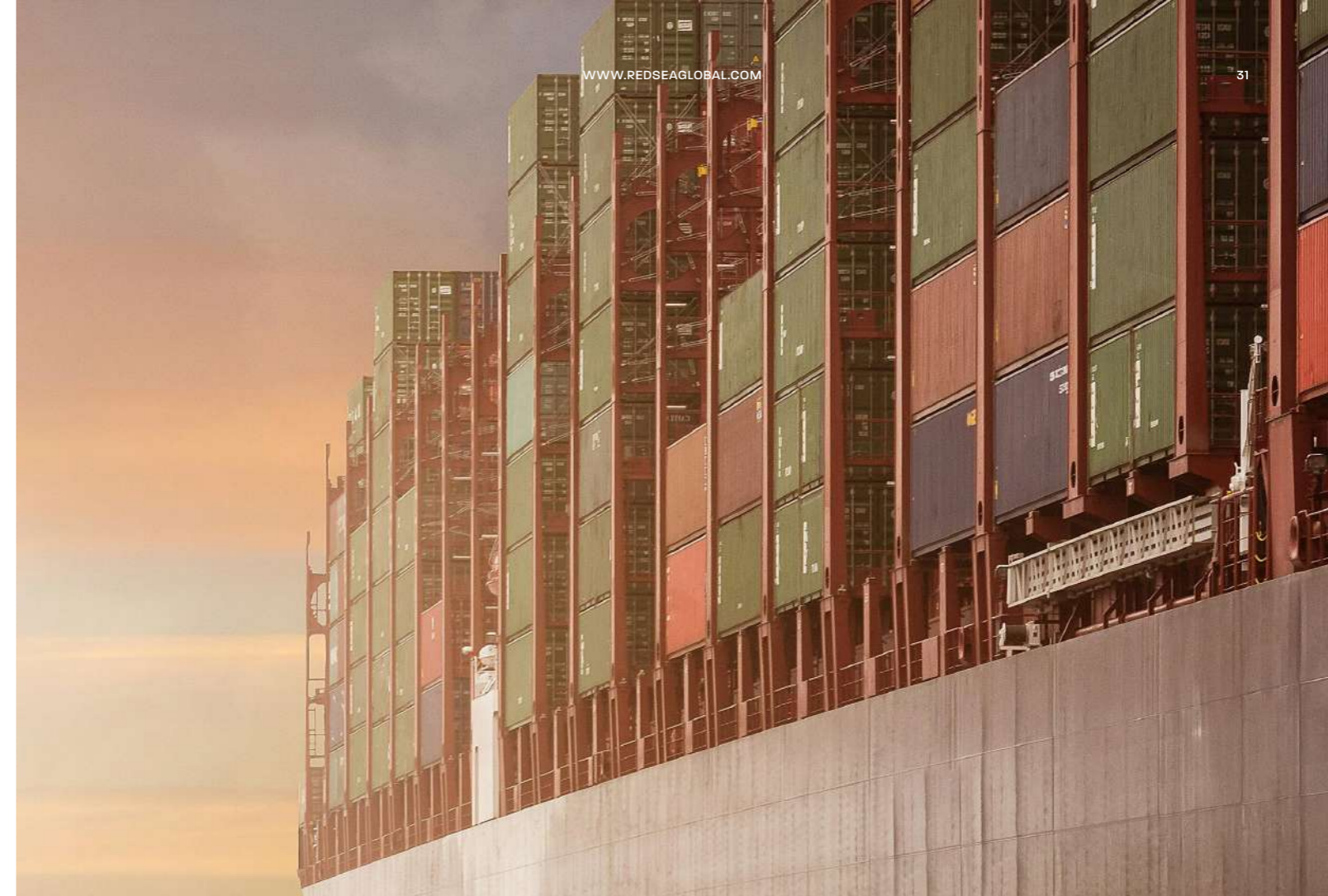
As the organization transitioned from the construction phase to operations, the number of on-site service providers responsible for critical operations increased substantially. Through business impact analysis, RSG identified critical dependencies – encompassing Buildings, Equipment, Technologies, Human Resources, Third Parties, and Vital Records (BETH3V) – along with single points of failure and essential internal and external dependencies. It also evaluated whether third-party suppliers have established crisis management and continuity plans.

To develop a robust and resilient supply of goods and services, a thorough examination of factors and risks adversely affecting the supply chain was conducted. Political instability and security risks have notably impacted the flow of goods and services, including the following challenges:

- Transportation disruptions
- Difficulty in building partnerships
- Challenges in recruiting and retaining employees
- Complications in tracking and monitoring supplies
- To address these challenges while aligning with the organization's operational requirements, RSG implemented a structured approach, incorporating a logical, step-by-step set of controls that include:
- Supplier Performance Metrics: Requiring suppliers to meet specific performance metrics, such as on-time delivery and quality standards

- Flexibility Provisions: Allowing contract adjustments to accommodate disruptions or unexpected demand changes, thereby enabling rapid responses to fluctuations in the supply chain
- Communication Protocols: Establishing clear communication channels between the organization and suppliers to ensure both parties are informed of potential issues, allowing for proactive and reactive measures
- Contingency Plans: Developing alternate supplier options and logistics plans to ensure preparedness for disruptions and minimize their impact on operations.
- Performance-Based Incentives: Implementing incentives that encourage suppliers to meet or exceed performance metrics while integrating resilience management plans.

RSG assessed critical third-party suppliers through a digital questionnaire to evaluate their crisis management, business continuity, and risk management programs. This assessment aimed to establish baseline expectations and facilitate connections between resilience professionals. Insights revealed gaps that prompted updates to RSG's Business Resilience Policy, particularly regarding supply chain resilience. A collaborative framework involving the Procurement, Commercial, IT, and Legal departments was established to define metrics for classifying suppliers as 'critical' and to develop tailored strategies based on the nature of the services procured.



Challenges in the supply chain for RSG projects and destination remote locations have been exacerbated by significant global events such as the Suez Canal blockage in 2021, regional conflicts, and the COVID19- pandemic.

CONNECTIVITY AND TECHNOLOGY

Challenges in the supply chain for RSG projects and destination remote locations have been exacerbated by significant global events such as the Suez Canal blockage in 2021, regional conflicts, and the COVID-19 pandemic. The procurement and retention of raw materials and resources – including construction materials and skilled personnel – present ongoing difficulties in consolidating a steady supply.

Communication and technology are crucial to RSG's corporate offices, project sites, subsidiaries, and destination facilities. Recognizing inherent vulnerabilities, RSG proactively identifies and addresses potential risks to ensure the confidentiality, integrity, and availability of data.

Aligned with its ambition to be a smart destination, RSG enforces a strict zero-tolerance policy towards cyber threats, including data breaches and attacks. To safeguard sensitive information, comprehensive data-loss prevention measures and regular cybersecurity risk assessments form the foundation of its data security strategy.

RSG manages robust internet connectivity internally from the national provider's boundary, ensuring seamless hospitality operations and guest satisfaction. Redundant communication systems and backup strategies are also under development to mitigate the impact of disruptions.

Quarterly cybersecurity risk assessments enhance RSG's ability to identify, control, and mitigate cyber threats such as ransomware, phishing, malware, insider risks, and other cyberattacks. Beyond cyber risks, technology service disruptions from network failures, power outages, hardware malfunctions, and natural disasters can significantly impact operations.

These disruptions can have an equally significant impact on hospitality operations and critical functions at the destination, where connectivity and availability are vital to guest satisfaction and operational continuity. Addressing both cyber and non-cyber risks is crucial for maintaining a resilient operational framework that supports RSG's strategic objectives.

NETWORK OPERATIONS CENTER

The Network Operations Center (NOC) serves as RSG's central hub for monitoring, management, and maintaining computer networks and telecommunications infrastructure. Its key functions include:

- **24/7 Monitoring:** Continuous oversight of connectivity across all destinations
- **Incident Response:** Rapid response to incidents affecting IT and communication systems
- **Redundant Infrastructure Assurance:** Ensuring the operational functionality of backup IT infrastructure and communication systems
- **Disaster Recovery Monitoring:** Vigilant monitoring of backup and disaster recovery centers
- **Drills and Exercises:** Regularly conducting drills and exercises to test response protocols

ENSURING CYBERSECURITY AND IT RESILIENCE

To safeguard against technological disruptions and malicious attacks that could compromise data integrity or security, RSG has made significant investments in cybersecurity defenses. The organization routinely updates and patches its IT infrastructure to address emerging threats.

Since its inception, the Resilience team, in collaboration with IT and Cybersecurity, maintains the IT Disaster Recovery Plan, which details the necessary steps to recover all critical applications, services, and data within predefined timeframes. Additionally, the Cybersecurity department conducts internal awareness campaigns to educate staff about potential threats and to foster vigilance against external malicious actors.

To strengthen IT and communication system resilience, RSG has developed a comprehensive business continuity strategy that address both cyber threats and broader technological challenges. This proactive approach ensures that RSG remains prepared to navigate the complexities of an increasingly interconnected and technology-dependent operational environment.



2.5 Economic and Social Risk Planning

RSG is actively contributing to Saudi Arabia's Vision 2030 by promoting sustainable development and economic resilience across the regions encompassing its projects. Beyond creating tourism opportunities, RSG focuses on strengthening local economies and enhancing community wellbeing to foster a balanced, diversified, and resilient socioeconomic foundation. This forward-thinking approach mitigates the vulnerability that tourism-centric economies often face during global crises, such as pandemics, natural disasters, or geopolitical conflicts.

To buffer against economic shocks, RSG implements multifaceted strategies that stimulate local job creation, entrepreneurship, and social advancement. Key pillars of RSG's economic development strategy include:

VOCATIONAL TRAINING PROGRAMS

Through the Red Sea Sustainability Academy (RSSA), RSG offers vocational training in specialized fields like sustainable agriculture, renewable energy, and environmental conservation, equipping residents with valuable, marketable skills

SMALL BUSINESS AND ENTERPRISE DEVELOPMENT

In collaboration with local chambers of commerce, RSG facilitates entrepreneurship programs that supports residents to start and grow their businesses, empowering individuals and diversifying the local economy. Investment in Healthcare Infrastructure: RSG has funded the construction and outfitting of community health clinics, improving healthcare access for residents and meeting future tourist demands

SUSTAINABLE AGRICULTURE INITIATIVES

To improve food security, RSG promotes sustainable desert agriculture to enhance food security, provide steady employment, and ensure economic stability beyond tourism

These initiatives contribute to a resilient economic ecosystem that benefits both residents and project operations, ultimately creating a model for sustainable tourism that withstands external economic pressures.



SOCIAL RISK PLANNING

RSG's Social Development department addresses social risks associated with project development, cultural preservation, and community well-being. By prioritizing cultural integrity and economic welfare, the department implements targeted initiatives to foster resilient communities

Community Engagement Programs

RSG's Social Development department facilitates and fosters engagement with local communities, creating channels for regular dialogue among local communities. They also tailor emergency plans to meet the diverse needs of societal groups, building trust and strengthening relationships

Baseline Socioeconomic Data Collection

RSG has implemented baseline socioeconomic assessments, conducting surveys and assessments to monitor the social and economic impact of projects. Following Environmental and Social Impact Assessments (ESIA) and Community and Environmental Social Management Plans (CESMP), RSG maintains transparent records of communities potentially affected by its operations

Jewar Community Engagement App

In collaboration with the Technology team, RSG developed the "Jewar" app to serve as a two-way communication platform for local communities, providing updates on programs and events while encouraging feedback. Jewar supports community wellness and promotes sustainable development, enhancing

RSG's holistic approach integrates vocational training, healthcare, sustainable agriculture, and community engagement, aligning with its mission to lead in sustainable tourism. By balancing tourism-driven growth with economic diversification and social well-being, RSG demonstrates how tourism can drive long-term resilience, cultural preservation, and environmental stewardship

In conclusion, RSG's economic and social resilience programs provide a blueprint for responsible tourism development, benefiting local communities and future generations. This approach supports Saudi Arabia's Vision 2030 while setting a new benchmark for resilient and sustainable tourism destinations.



3. Conclusion

RSG's "Destination Resilience" program sets a new standard for sustainable and preparedness-driven tourism, ensuring that destinations are equipped to thrive amid uncertainties



This program integrates crisis management, business continuity, and risk management across the full spectrum of RSG's operations. Through this approach, RSG safeguards its destinations against diverse disruptions by embedding resilience into corporate strategy, project development, and partnerships with local communities and stakeholders.

RSG demonstrates its dedication to environmental sustainability through significant investments in renewable energy, water conservation, and biodiversity restoration. Additionally, the program addresses supply chain resilience, health and safety, and climate adaptation, fortifying RSG destinations to withstand present and future challenges. By fostering collaboration with local governments, third-party stakeholders, and surrounding communities, RSG enhances guest experiences and supports local populations, promoting a resilient ecosystem that benefits all.

"This model of regenerative tourism aligns luxury travel with environmental and social responsibility, positioning RSG as a pioneering leader in the industry. As RSG builds its reputation for reliability, safety, and environmental stewardship, it attracts a growing audience of environmentally conscious travelers, setting a new industry benchmark where luxury meets lasting commitment to people and the planet."

Hani Kababji
Executive Director - Risk and Resilience

