



شركة الجرافات
البحرية الوطنية
NMDC



NAVIGATING A SUSTAINABLE FUTURE

2022 SUSTAINABILITY REPORT

NATIONAL MARINE DREDGING COMPANY



شركة الجرافات
البحرية الوطنية
NMDC



المغفور له بإذن الله الشيخ زايد بن سلطان آل نهيان

تغمده الله بواسع رحمته

SHEIKH ZAYED BIN SULTAN AL NAHYAN



صاحب السمو الشيخ محمد بن زايد آل نهيان

رئيس دولة الإمارات العربية المتحدة

HIS HIGHNESS SHEIKH MOHAMED BIN ZAYED AL NAHYAN

PRESIDENT OF THE UNITED ARAB EMIRATES

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REVENUE
AED 10.69
BILLION


NET INCOME
AED 1.30
BILLION


NET PROFIT MARGIN
12.20%


ASSETS
AED 16.05
BILLION


DEBT/ASSET RATIO
59.24%


SHAREHOLDER EQUITY
AED 6.54
BILLION

SUSTAINABILITY PERFORMANCE



DIVERSITY & INCLUSION

- **65** Nationalities
- **240 female employees** with a female hire rate of **24.58%**



EMPLOYEE RETENTION

- Turnover rate of **3.4%**



EMPLOYEE TRAINING

- **65,000 hours** of Group Training & Development in 2022



ISO CERTIFICATIONS

- **ISO 9001:2015** Quality Management System
- **ISO 45001:2018** Health and safety Management System
- **ISO 14001:2015** Environment Management System



HEALTH & SAFETY

- **0** fatalities, **0** lost time injuries, **0** workdays lost and **96,821** hours of H&S training



COMMUNITY SUPPORT

- ~ **AED 7.8 million** in community contributions, an increase of **6.3%** from 2021



EMIRATIZATION

- **7%** of workforce



LOCAL SUPPLIERS

- **Over 81%** of total suppliers



ENVIRONMENTAL IMPACT

- **1,500 native trees** planted utilizing Waterbox technology
- Reduction of **15%** in **non-hazardous waste** generated and **45.68%** in **hazardous waste** from 2021

I am pleased to share with you the progress we have made over the past year in regard to our financial and environmental, social and governance performance. 2022 marked the successful completion of the integration of NPCC into our organization, allowing us to now focus on driving business transformation and realizing the full potential of our combined assets.

We are dedicated to solidifying our position as a leading provider of energy and marine EPC and Dredging services, both locally and globally. We are proud to have achieved a number of milestones in the past year, including being awarded some of the largest Energy EPC projects in the UAE with ADNOC, valued at AED 5.48 billion, and regional projects with Aramco valued at AED 2.5 billion. Additionally, we expanded our presence in Egypt through our partnership with the Suez Canal Authority and were awarded an AED 1 billion project related to dredging works in the canal.

We are proud to report that 2022 was yet another successful year for NMDC Group. Our financial performance was strong across all key indicators, with revenue totalling AED 10.69 billion, a 35.45% increase from the previous year, and net income reaching AED 1.30 billion, marking a 30.02% rise compared to 2021. We also strengthened our balance sheet, with assets reaching AED 16.05 billion, a 24.22% improvement from the previous year, and shareholder equity increasing to AED 6.54 billion, a rise of 18.52% from 2021.

But our success is not just limited to financial performance. We continue to put the wellbeing of our employees and customers at the core of our operations, while ensuring that our HR function remains connected to the employees' needs. In addition, it remains crucial for our group, given the nature of its work and the size of our projects, to maintain a robust governance structure, and ensure that accountability and transparency remain engrained in our values.



As for Environmental factors, we look to continuously enhance the way we manage biodiversity to ensure that we contribute to sustainable livelihoods. Climate change is an urgent crisis that we must all, collaboratively, work to address. Environmental risks dominated yet again in the World Economic Forum's global risks report, with climate change related risks accounting for three of the top ten risks by severity in the coming decade.

One project that I am particularly eager to highlight is our work with Yunneng Wind Power Co. Ltd. related to the installation of monopiles for wind turbine structures for the 640 MW Yunlin wind farm off the coast of Taiwan. This project highlights our commitment to the renewable energy sector, which we plan to continue to intensify in the coming period.

As we move forward, we will remain focused on maximizing the potential of our existing assets, while also selectively pursuing new opportunities for growth and expansion. We are committed to maintaining our dynamic presence in the markets we serve and are constantly on the lookout for new ways to drive value for our stakeholders.

On behalf of the Board of Directors, I would like to express our deep appreciation to our shareholders for their continued support and confidence in our company. I would also like to extend our heartfelt gratitude to our employees for their hard work and dedication. Your commitment to our company's mission and values has been the driving force behind our achievements. We are proud to have you as part of our team and look forward to continued success together.

H.E. MOHAMED THANI MURSHED AL RUMAITHI
CHAIRMAN



THE GROUP CEO REVIEW

A NOTE FROM OUR CEO AHEAD OF COP28

Dear Stakeholders,

As we approach the 28th Conference of the Parties (COP28), we are witnessing a growing awareness of climate change and its impact on humanity. The UAE, under the visionary leadership of its government, is at the forefront of this movement, being the first MENA country to commit to net zero emissions and now, hosting COP28.

This sense of stewardship is not new to the UAE. Our founding father, His Highness Sheikh Zayed bin Sultan Al Nahyan, had a strong devotion to environmental stewardship. In 1975 he established the High Environmental Council, ordered the planting of 140 million trees throughout Abu Dhabi, along with the implementation of many other initiatives.

COP28 is significant as it marks the first “global stocktake” of the implementation of the Paris agreement and assesses whether signatory countries’ pledges to cut global emissions are sufficient to achieving the goal of limiting temperature change to 1.5C. There is much urgent work to be done, which is why COP28 is critical to move from transition to transformation and from target setting to action.

Achieving a low-carbon future requires a profound transformation in the way we produce and use energy. We are witnessing a dynamic shift in the energy sector as it transitions to low carbon and renewable sources. However, a just transition is crucial in order to ensure affordability and inclusive economic growth. We will see a massive scaling of renewables, coupled with an increase in nuclear energy and hydrogen, as well as carbon capture to decarbonize the oil and gas sector.

As we strive to mitigate climate risk and pave the way for a low-carbon future, we at NMDC Group are

committed to investing in a diverse range of renewable energy sources. From scaling up wind and solar power to exploring the potential of nuclear energy, hydrogen, and carbon capture, we are working tirelessly to find innovative solutions that will help us decarbonize the economy and pave the way for a more sustainable future.

As a company, we are proud to play a vital role in supporting the UAE's Net Zero plan. We are committed to contributing to the decarbonization of the Energy sector and wider UAE economy, while also building the necessary infrastructure to enable climate adaptation solutions and protect our communities from the risks posed by climate change.

We are constantly looking for new ways to contribute to the energy transition and expand our portfolio of renewable energy projects. We have signed agreements with Abu Dhabi Ports and Masdar to explore opportunities in offshore wind and green hydrogen, and we have formed a joint venture with Technip Energies to back energy transition in the UAE and the wider MENA region. We are also committed to protecting biodiversity, as evidenced by our successful implementation of the Habitat Compensation Island project, where we planted 350,000 mangrove seedlings.

Additionally, as we move forward, we are committed to integrating key ESG and climate change factors into our operations and will be communicating specific targets and outlining our strategy as we progress throughout the year. We are determined to align ourselves with the UAE's ambition to reach net zero, and we are committed to doing our part to ensure a sustainable future for all.

ENG. YASSER ZAGHLOUL
GROUP CHIEF EXECUTIVE OFFICER

OVERVIEW

National Marine Dredging Company is an integrated energy and marine services engineering, procurement, and construction (EPC) company with a footprint spanning the MENA region as well as South Asia.

NMDC Group has five business units: NMDC's core Marine business, NPCC's Energy business, Emarat Europe (a fast-building technology systems factory), ADEC Engineering Consultancy, and NMDC Egypt (a joint venture with Suez Canal Authority).

5 BUSINESS UNITS	5 BUSINESS FUNCTIONS
NMDC UAE	MARINE & DREDGING
NPCC	ENERGY
EMARAT EUROPE	CIVIL
ADEC	ENGINEERING CONSULTANCY
NMDC EGYPT	MARINE & ENERGY EGYPT

More about our main business units:

NATIONAL MARINE DREDGING COMPANY (NMDC)

NMDC's activity was initially inaugurated under the umbrella of Abu Dhabi National Petroleum Company in 1976. It was then formally established as a shareholding independent entity in 1979 and listed on the Abu Dhabi Securities Exchange as a public joint stock company in 2000.

NMDC provides dredging, reclamation, and marine construction services to clients in the energy, environment, maritime, tourism, and urban development sectors, and is one of the largest dredging players in the region. The company uses the latest technology in the dredging business offering operational excellence, exceptional quality, and global expertise.

NMDC's activities performed by its **2,550 employees** are structured into two main divisions:

DREDGING AND RECLAMATION

- Dredging & Reclamation Works
- Survey Work

MARINE CIVIL WORKS

- Marine Construction
 - Marine Logistics
 - Geotechnical Works
-

Headquartered in Abu Dhabi, NMDC operates out of a modern well-equipped premises, which includes multi-discipline workshops, slipways and fully supported administration and technical departments.



STAKEHOLDER ENGAGEMENT








As a responsible corporate citizen, we understand the importance of remaining connected to all our key stakeholders and continuously engaging with them to ensure we meet all their requirements and establish ourselves as their partner of choice.

Stakeholder input allows us to broaden our understanding of key economic and ESG topics that matter to them and should be considered as part of our strategic initiatives. It is only by integrating the outcomes of our engagement process into our strategic and operational decision-making that we can create meaningful value for all stakeholders, including our shareholders, in a sustainable manner.

We are committed to working closely with our stakeholders to understand their concerns and priorities, building a strong and mutually beneficial relationship. By doing so, we will be able to identify and address the most material issues and opportunities and create long-term value for all our stakeholders.



OVERVIEW OF OUR KEY STAKEHOLDER AND OUR ENGAGEMENT WITH THEM:

KEY STAKEHOLDER	METHODS OF ENGAGEMENT	KEY TOPICS OF DISCUSSION	CORRESPONDING MATERIAL TOPICS
CLIENTS 	<ul style="list-style-type: none"> • Performance evaluation surveys • Day-to-day interactions & meetings • Website • Marketing material (e.g., annual reports, sustainability reports, social media, etc.) • Exhibitions and conferences • Business Development efforts • Networking events 	<ul style="list-style-type: none"> • Client wellbeing • Privacy & security • Responsiveness to their requirements • Quality, safety, and cost • Business ethics • Company impact on the environment 	<ul style="list-style-type: none"> • Quality, health & safety • Biodiversity • GHG emissions • Waste management • Business ethics • Procurement practices
EMPLOYEES 	<ul style="list-style-type: none"> • Employee engagement surveys • Performance reviews • Internal communication • Company events • Succession planning & development • Policies & procedures • Exit interviews 	<ul style="list-style-type: none"> • Employee wellbeing • Business ethics • Diversity & inclusion • Health & safety • Training & development • Sustainable workplace • Compensation • Succession planning 	<ul style="list-style-type: none"> • Occupational health & safety • Equal opportunity, diversity, & inclusion • Training & development • Gainful employment • Business ethics
COMMUNITY 	<ul style="list-style-type: none"> • Local initiatives and volunteering activities • Society surveys • Donations and sponsorship 	<ul style="list-style-type: none"> • Environmental impact • Community Wellbeing • Industry practices 	<ul style="list-style-type: none"> • Community welfare • Environmental impact & sustainability practices • Business ethics • Biodiversity • Waste Management
SHAREHOLDERS 	<ul style="list-style-type: none"> • Annual general meeting • Periodic meetings • Corporate regulatory disclosures 	<ul style="list-style-type: none"> • Economic performance Capital allocation • Successful strategy implementation • Business ethics • National employment • ESG issues • Environmental impact • Regulatory issues 	<ul style="list-style-type: none"> • Economic performance • Business ethics • Governance • Emiratization • Environmental impact & GHG emissions • Community Welfare • Procurement practices
BOD MEMBERS 	<ul style="list-style-type: none"> • BOD & related committees' meetings • Periodic meetings • Company events • Press releases 	<ul style="list-style-type: none"> • Economic performance • Business ethics • ESG performance • Emiratization • Successful strategy implementation • Capital allocation • Digital transformation 	<ul style="list-style-type: none"> • Economic performance • Business ethics • Strong governance • Emiratization • ESG performance • Environmental impact & GHG emissions • Sustainable workplace & practices
GOVERNMENT ENTITIES 	<ul style="list-style-type: none"> • Direct engagement through on-site licensing department • National development plans and programs • Audits • Press releases • Local forums 	<ul style="list-style-type: none"> • Environmental compliance • Alignment with national development plans & programs • Regulatory compliance • Labor practices • Transparency • Community wellbeing • National employment 	<ul style="list-style-type: none"> • Business ethics • Economic performance • Emiratization • ESG performance • Procurement practices • Environmental impact & sustainability practices • Community welfare • Biodiversity
SUPPLIERS & BUSINESS PARTNER 	<ul style="list-style-type: none"> • Supplier code of conduct • Supplier assessment and audit • Regular meetings with key suppliers and subcontractors • In-Country Value Score • Supplier satisfaction survey 	<ul style="list-style-type: none"> • Procurement practices • Fair practice • Business ethics • Environmental impact • Terms and conditions • Cost negotiation 	<ul style="list-style-type: none"> • Procurement practices • Environmental impact & sustainability practices • Business ethics • Waste Management

OUR MATERIAL TOPICS

At NMDC, we understand the importance of being transparent and accountable to our stakeholders. We want to ensure that we are focusing on the issues that have the greatest impact on our stakeholders and our business, which is why we have developed a dedicated approach to identifying and reporting on the topics that matter most to them. We equally look at those Economic and ESG topics that our operation impacts the most and include these as part of our material topics.

To determine which topics we should report on and manage, we continuously engage with our stakeholders to maintain up-to-date analysis of their key interests. Our stakeholder engagement process is based on both the Integrated Reporting Framework and GRI Standards guidance, as well as the AA1000 – Stakeholder Engagement Standard. We use these industry best practices to develop a list of material topics that we have defined as most important to our stakeholders.



MATERIAL TOPICS		GRI STANDARDS	ADX DISCLOSURES
MOST IMPORTANT			
1	Health & Safety	GRI 403 - Occupational Health & Safety	S7: Injury Rate S8: Global Health & Safety
2	Strong Governance & Business Ethics	GRI 205 - Anti-Corruption	S1: CEO Pay Ratio S9: Child & Forced Labor S10: Human Rights G1: Board Diversity G2: Board Independence G3: Incentivized Pay G5: Ethics & Prevention of Corruption G6: Data Privacy
3	GHG Emissions & Energy Efficiency	GRI 302 - Energy GRI 303- Water and Effluents GRI 305 - Emissions GRI 307 - Environmental Compliance	E1: GHG Emissions E2: Emissions Intensity E3: Energy Usage E4: Energy Intensity E5: Energy Mix E6: Water Usage E7: Environmental Operations E8: Environmental Oversight E9: Environmental Oversight E10: Climate Risk Mitigation
4	Training & Education	GRI 404 - Training and Education	
5	Biodiversity	GRI 304 - Biodiversity	
VERY IMPORTANT			
6	Economic Performance	GRI 201 - Economic Performance GRI 203 - Indirect Economic Impacts	
7	Community Welfare & Emiratization	GRI 202 - Market Presence GRI 413 - Local Communities	S11: Nationalization S12: Community Investment
8	Diversity & Inclusion	GRI 405 - Diversity and Equal Opportunity GRI 406 - Non-discrimination	S2: Gender Pay Ratio S4: Gender Diversity S6: Non-Discrimination
9	Waste Management	GRI 306 - Waste	
IMPORTANT			
10	Procurement Practices	GRI 204 - Procurement Practices GRI 308- Supplier Environmental Assessment GRI 414- Supplier Social Assessment	G4: Supplier Code of Conduct
11	Employment	GRI 401 - Employment	S3: Employee Turnover S5: Temporary Worker Ratio

PLANET

OUR ALIGNMENT

Material Topics

- GHG Emissions and Energy Efficiency
- Waste Management
- Biodiversity

GRI Standards

- GRI 302: Energy
- GRI 303: Water and Effluents
- GRI 304: Biodiversity
- GRI 305: Emissions
- GRI 306: Waste
- GRI 307: Environmental Compliance



- A sustainable knowledge-based economy
- The optimization of the Emirate's resources
- Premium education, healthcare, and infrastructure assets

SDGs



At NMDC, we take our responsibility to minimize our environmental impact very seriously. Our Environmental Management system serves as the reference point for all our operations, ensuring that we comply with our HSE policy as well as the requirements of ISO 14001:2015. We continuously measure, monitor, manage and report our environmental impact and performance to ensure we are meeting the highest standards of environmental performance.

As an energy and marine EPC company, we understand that our operations can have an impact on the environment. Acknowledging the challenges of our industry, we are committed to reducing our environmental footprint, protecting biodiversity, and being actively involved in developing technologies that can help decarbonize our operations.

Our approach to environmental management is strategic and forms an integral part of our core strategy. We are dedicated to environmental stewardship and are constantly looking for ways to improve our performance in this area.

1. CLIMATE CHANGE MANAGEMENT

(GRI 302-1, GRI 302-2, GRI 302-3, GRI 303-5, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 306-3, GRI 307-1, E1, E2, E3, E4, E5, E6, E7, E8, E9, E10)

Climate change is a serious and pressing threat that affects all aspects of life on earth, from rising sea levels to increasing frequency of extreme weather events such as droughts, heatwaves, precipitation, and others. These risks can no longer be ignored, and it is the responsibility of everyone to take meaningful action. This was accentuated in the World Economic Forum's 2023 Business Risk report, which consistently identifies climate change as one of the most significant risks in terms of likelihood and impact, highlighting the urgent need for action.

NMDC recognizes the significance of addressing climate change and has taken steps to ensure our operations are environmentally friendly. These efforts include implementing an Environmental Management System manual that conforms to ISO14001 standards and conducting yearly environmental inspections on all ongoing projects. Additionally, we hold ISM:2018 certification, which ensures compliance with international safety management codes and marine laws and conventions.

Reducing our carbon footprint and controlling, tracking, and decreasing our Greenhouse gas (GHG) emissions is a central part of our environmental initiatives. We regularly monitor and disclose the amount of GHG emissions generated by our operations. Our commitment to improving our environmental performance is ongoing, and we are determined to take action to both mitigate and adapt to the effects of climate change. We are dedicated to collaborating with our stakeholders to address this global challenge.

ENERGY CONSUMPTION (GJ)			NMDC	NPCC
Energy Consumption	Fuel Consumption	Petrol	14,608.27	16,188.14
		Diesel	1,035,729.90	2,103,040.27
	Electricity Consumption		19,674.30	256,610.60
	Chilled Water		0.00	2,000,878.68
Direct Energy Consumption per Entity			1,050,338.17	2,119,228.41
Total Direct Energy Consumption			3,169,566.58	
Indirect Energy Consumption per Entity			19,674.30	2,257,489.28
Total Indirect Energy Consumption			2,277,163.58	
Total Energy Consumption per Entity			1,070,012.47	4,376,717.69
TOTAL ENERGY CONSUMPTION			5,446,730.17	

ENERGY INTENSITY (GJ/EMPLOYEE)		NMDC	NPCC
Direct Energy Intensity		N/A	226.46
Indirect Energy Intensity		7.72	241.24
Total Energy Intensity per Subsidiary		419.61	467.70
TOTAL ENERGY INTENSITY		457.40	

WATER CONSUMPTION (M³)		NMDC	NPCC
Water Consumption		669,300.38	886,276.00
TOTAL		1,555,576.38	
Water Consumption Intensity in m3/Employee		129.86	94.71
TOTAL		224.57	

GHG EMISSIONS (MT CO2 E)				
SCOPES	ITEM	SUB-ITEM	NMDC	NPCC
Scope 1	Fuel consumption for Power Generators	Diesel	96,287.38	145,740
	Owned or leased vehicles, vessels, and marine equipment	Diesel	3,880,590	291,216.13
		Petrol	982.14	1,120.92
	Refrigerant Leakage		27.66	N/A
Scope 2	Electricity		2,991.68	27,372
	Chilled Water		N/A	301.33
Scope 3	Transportation, excluding owned modes	Petrol	N/A	N/A
	Water		227.56	301.33
	Wastewater		4,400	2,268.87
	Paper		304.57	64.49
	Waste		514.02	2,880.35
TOTAL EMISSIONS			3,986,325.01	471,265.42

Note: NPCC Scope 1 emissions data does not take into account the emissions produced from refrigerant leakage.

TOTAL EMISSIONS (MT CO2 E)		NMDC	NPCC
Scope 1		3,977,887.18	438,077.05
Scope 2 (Electricity)		2,991.68	27,673.33
Scope 3		5,446.15	5,515.04
Total Emissions per Entity		3,986,325.01	471,265.42
TOTAL EMISSIONS		4,457,590.43	

GHG EMISSIONS INTENSITY (MT CO2 E/EMPLOYEE)		NMDC	NPCC
Scope 1 Intensity		1,559.96	46.81
Scope 2 Intensity		1.17	2.96
Scope 3 Intensity		2.14	0.59
Total Emissions Intensity per Entity		1,563.26	50.36
TOTAL EMISSIONS INTENSITY		374.34	



2. BIODIVERSITY

(GRI 304, E7, E8, E9, E10)

Biodiversity is essential for maintaining healthy and productive ecosystems. At NMDC, we understand the importance of preserving biodiversity and have made it a top priority. Our goal is to minimize any disturbance to species and habitats during our operations, while also actively seeking ways to make a positive contribution to conservation and restoration efforts.

To ensure effective biodiversity management and environmental protection during the lifetime of our projects, we follow a comprehensive process. This involves conducting an Environmental Impact Assessment that includes extensive surveying of marine life and obtaining approval from the Environmental Agency – Abu Dhabi. We also prepare and implement Control Plans, which detail measures to minimize environmental impacts during construction. Furthermore, we regularly conduct inspections and audits, and continuously monitor our performance to ensure that we are meeting our goals for biodiversity preservation.

TREE PLANTING WITH WATERBOX TECHNOLOGY

Waterbox technology is a system of treating and recycling greywater, which is water that has been used in sinks and showers. Instead of being discharged into the environment this water is treated and recycled for non-potable uses such as irrigation.

Not only is it an efficient way of conserving water, it also reduces the demand on municipal water supplies, which can be especially beneficial in areas with water scarcity. Additionally, Waterbox technology is often used in off-grid areas or in places where water treatment infrastructure is limited. It is a cost-effective and efficient way to reduce water consumption and protect the environment.

In 2022, NMDC engaged in a tree plantation campaign which was conducted at Safaniya, Saudi Aramco. As a result of this initiative, **1500 native trees were planted utilizing Waterbox technology.**

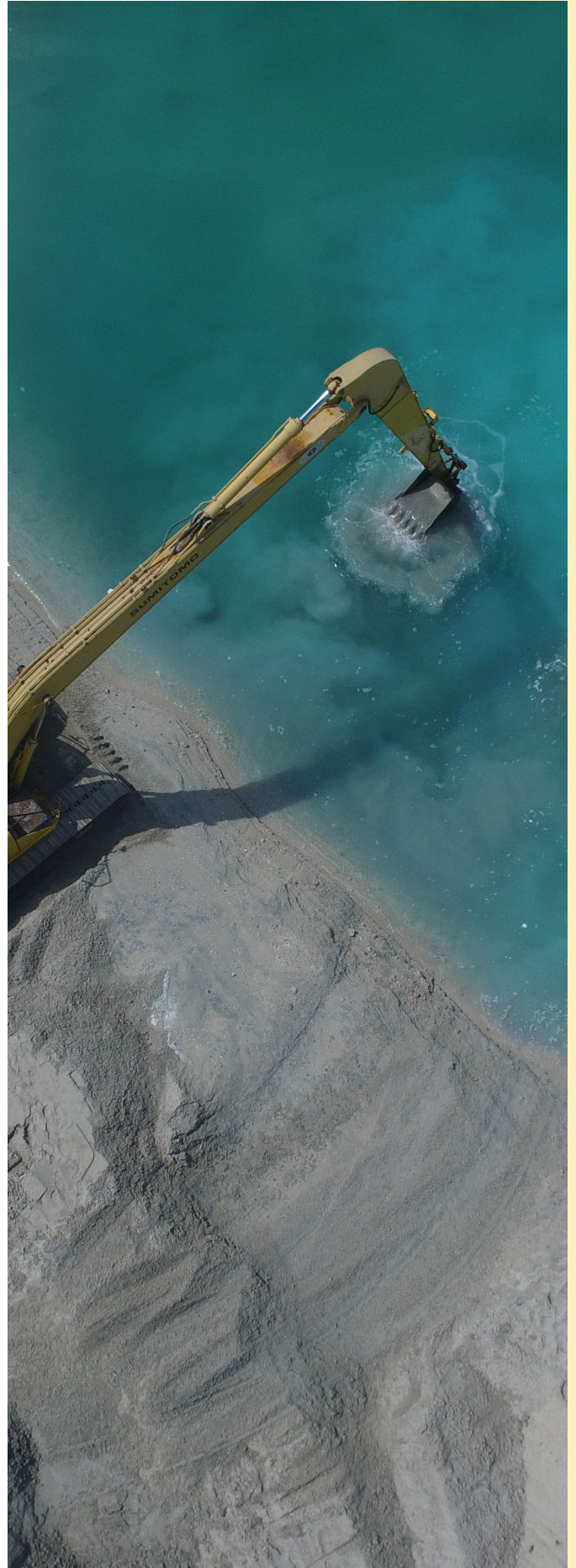
3. WASTE MANAGEMENT

(GRI 306-3, E7, E8, E9, E10)

Responsible waste management is of paramount importance to us at NMDC. As a marine dredging company, we understand the impact that our operations can have on the environment, and we take steps to minimize this impact by properly identifying and managing the different types of waste we generate. We take great care to classify, sort and separate waste using appropriate safety measures to protect our employees and the environment in full compliance with local regulations.

Proper waste management is not only important for environmental reasons, but it also makes good business sense. By identifying and properly disposing of waste, we can reduce costs, maintain compliance with regulations and protect our reputation as a responsible company. Furthermore, responsible waste management is essential for protecting human health and the environment. It ensures that hazardous materials are handled and disposed of safely and in an environmentally friendly manner.

Responsible waste management is essential for NMDC as it reduces the environmental impact of our operations, makes good business sense, and helps to protect human health and the environment. We are committed to ensuring that our waste management practices are in line with local regulations, and that we continue to improve our performance in this area.



REUSE OR RECYCLE

We understand the importance of reducing the environmental impact of our operations through the reuse and recycling of waste. To achieve this, we have implemented a robust waste management system that categorizes waste as hazardous or non-hazardous. Where possible, we first consider whether the non-hazardous waste produced can be reused for our own purposes. For example, a large quantity of the waste we produce is scrap metal, which is given to a sister company for recycling. All other recyclable waste is sold to third parties.

We work exclusively with waste management service providers licensed by the Centre for Waste Management, an Abu Dhabi government agency. This ensures that our waste is handled and disposed of in compliance with local regulations and in an environmentally friendly manner.

REDUCE

We recognize the importance of reducing waste in our operations as it has a direct impact on the environment and our bottom line. To achieve this, we have implemented a comprehensive waste reduction plan that focuses on shifting towards a more circular operation and reducing emissions from waste.

Our waste management system is an integral part of our Environmental, Health and Safety Management System, which includes waste segregation of hazardous and non-hazardous waste, staff training and the development of project-specific waste management plans. We also have recycling programs in place for materials such as steel and batteries.

Our target for the year 2022 was to reduce the net amount of waste generated by our Musaffah base and projects by 200 tons, or 25% of the amount generated in 2021. To achieve this, we implemented initiatives such as optimizing material purchasing and its use in our processes, effective segregation, and recycling, and implementing key performance indicators (KPIs) to track our progress.

In 2022, we reduced the net amount of non-hazardous waste generated by **7,624.92 MT tons** and the net amount of hazardous waste by **407.99 MT, a reduction of 15% and 45.68% respectively**

THE BELOW TABLES SHOWCASE VARIOUS KPIS RELATED TO WASTE MANAGEMENT:

TOTAL WEIGHT OF WASTE GENERATED (IN MT)		
	Non-Hazardous Weight	Hazardous Weight
NMDC		
2020	1,900.00	13.00
2021	15,987.86	28.17
2022	25,261.2	11.38
NPCC		
2020	26,296.95	710.40
2021	35,826.32	864.98
2022	18,928.06	473.78
TOTAL		
2020	28,196.95	723.40
2021	51,814.18	893.15
2022	44,189.26	485.16

TOTAL WEIGHT OF WASTE RECYCLED (IN MT)		
	Non-Hazardous Weight (cardboard,paper,wood)	Hazardous Weight
NMDC		
2020	N/A	N/A
2021	25,627.89	1,237.65
2022	3,775.9	462.58
NPCC		
2020	17,765.60	374.05
2021	27,800.03	242.38
2022	15,620.82	339.64
TOTAL		
2020	17,765.60	374.05
2021	53,427.92	1,480.03
2022	19,396.72	802.22

TOTAL WEIGHT OF WASTE RECYCLED (IN MT)									
	Paper/ Cardboard	Wood	Sand Waste	Cable	Concrete waste	Metal Scrap	Broken Furniture	Agricultural Waste	Used Oil
NMDC									
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021	4.08	17.25	20,723.36	N/A	221.10	3,647.93	526.07	488.10	1,237.65
2022	402.63	437.33	58.08	N/A	108.82	2769.04	N/A	N/A	462.58
NPCC									
2020	11.45	912.57	N/A	572.30	4,160.32	86.30	N/A	N/A	N/A
2021	43.15	817.73	N/A	312.93	2,336.98	89.19	N/A	N/A	N/A
2022	93.88	863.98	N/A	143.67	641.8	132.9	N/A	N/A	N/A
TOTAL									
2020	11.45	912.57	N/A	572.30	4,160.32	86.3	N/A	N/A	0
2021	47.23	834.98	N/A	20,723.26	2,558.08	3737.12	526.07	488.1	1,237.65
2022	496.51	1301.31	N/A	58.08	750.62	2901.94	N/A	N/A	462.58

PEOPLE

OUR ALIGNMENT

Material Topics

- Strong Governance & Business Ethics
- Health & Safety
- Training & Education
- Community Welfare and Emiratization
- Diversity & Inclusion
- Employment

GRI Standards

- GRI 202: Market Presence
- GRI 403: Occupational Health & Safety
- GRI 401: Employment
- GRI 404: Training and Education
- GRI 405: Diversity and Equal Opportunity
- GRI 406: Non-Discrimination
- GRI 413: Local Communities



- A sustainable knowledge-based economy
- Premium education, healthcare, and infrastructure assets
- Maintaining Abu Dhabi's values, culture and heritage

SDGs



1. EMPLOYEES

(GRI 401-1, GRI 401-2, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 406-1, S2, S3, S4, S5, S6, S7, S8)

Our employees are the driving force behind our success, and we strive to create an environment where they can thrive and reach their ambitions. By having a strong HR foundation in place, we ensure that our employees can reach their full potential and feel valued in their roles. We believe that a sense of belonging and the ability to advance in one's career are crucial elements to an employee's overall satisfaction and engagement.

To foster this environment, we have implemented a range of HR processes and programs that support career development, open dialogue, and fair treatment for all employees. Our code of business conduct and non-discrimination policies ensure that there is a level playing field for all employees, regardless of gender, color, race, nationality, age, religion, and other factors.

To further strengthen our HR function, we have been organizing team-building events and raising awareness about the importance of mentorship for career development. We believe that by fostering collaboration and building stronger bonds within our HR team, we can continue to attract and retain the best talent in the industry. As part of our career development program, we celebrated our mentors with an appreciation breakfast.

Our efforts to create a fair and inclusive environment are reflected in our low turnover **rate of 3.4% at the group level in 2022.**

ALL EMPLOYEES				
NMDC				
	Female	Male	Female (%)	Male (%)
2020	109	2,386	4.37%	95.63%
2021	94	2,184	4.13%	95.87%
2022	128	2,422	5.02%	94.98%
NPCC				
2020	154	11,563	1.31%	98.69%
2021	121	9,470	1.26%	98.74%
2022	112	9,246	1.20%	98.80%
TOTAL				
2020	263	13,949	1.85%	98.15%
2021	215	11,654	1.81%	98.19%
2022	240	11,668	2.02%	97.98%

EMPLOYEES			
	NMDC	NPCC	TOTAL
	2,495 2020	11,717 2020	14,212 2020
	2,278 2021	9,591 2021	11,869 2021
	2,550 2022	9,358 2022	11,908 2022
PERMANENT	2,550 2022	9,358 2022	11,908 2022
TEMPORARY	1,725 2022	285 2022	2,010 2022

TOTAL NEW HIRES				
NMDC				
	Female	Male	Female (%)	Male (%)
2020	40	551	36.70%	23.09%
2021	5	142	5.32%	6.50%
2022	24	262	18.75%	10.82%
NPCC*				
2020	4	40	2.60%	0.35%
2021	1	163	0.83%	1.72%
2022	35	625	31.25%	6.76%
TOTAL				
2020	44	591	16.73%	4.24%
2021	6	305	2.79%	2.62%
2022	59	887	24.58%	7.60%

*NPCC NUMBERS REFLECT WHITE-COLLAR WORKERS

TOTAL NEW HIRES BY AGE GROUP						
NMDC						
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2020	76	465	50	35.35%	25.19%	11.52%
2021	22	121	4	10.33%	6.94%	1.25%
2022	61	211	14	30.50%	10.78%	3.57%
NPCC*						
2020	2	34	8	0.16%	0.39%	0.48%
2021	12	134	18	1.64%	1.83%	1.18%
2022	76	521	63	12.79%	7.08%	4.47%
TOTAL						
2020	78	499	58	5.26%	4.69%	2.77%
2021	34	255	22	3.60%	2.81%	1.19%
2022	137	732	77	17.25%	7.86%	4.28%

*NPCC NUMBERS REFLECT WHITE-COLLAR WORKERS

EMPLOYEE TURNOVER				
NMDC				
	Female	Male	Female (%)	Male (%)
2020	4	121	3.67%	5.07%
2021	19	341	20.21%	15.61%
2022	18	223	14.06%	9.21%
NPCC				
2020	9	74	5.84%	0.64%
2021	18	184	14.88%	1.94%
2022	21	144	18.75%	1.56%
TOTAL				
2020	13	195	4.94%	1.40%
2021	37	525	17.21%	4.50%
2022	39	367	16.25%	3.15%

*NPCC NUMBERS REFLECT WHITE-COLLAR WORKERS

EMPLOYEE TURNOVER						
NMDC						
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2020	14	74	37	6.51%	4.01%	8.53%
2021	23	221	116	10.80%	12.67%	36.14%
2022	26	171	44	13.00%	8.73%	11.22%
NPCC*						
2020	5	58	20	0.39%	0.66%	1.20%
2021	15	148	39	2.05%	2.02%	2.56%
2022	15	129	21	2.53%	1.75%	1.49%
TOTAL						
2020	19	132	57	1.28%	1.24%	2.72%
2021	38	369	155	4.03%	4.06%	8.41%
2022	41	300	65	5.16%	3.22%	3.61%

*NPCC NUMBERS REFLECT WHITE-COLLAR WORKERS

INTEGRATION OF OUR HUMAN RESOURCE FUNCTION

As part of the post-merger integration plan, in 2021 the HR functions were successfully integrated. The focus was on elevating the employee experience through the creation of a positive and supportive work culture where opportunities for professional development and career growth were provided. The department is currently working on our retention strategy, aiming to attract and retain top talent and drive business success through employee empowerment. Some key initiatives underway include:

	TOTAL TURNOVER	TOTAL NEW HIRES
NMDC		
2020	5.0%	23.7%
2021	15.8%	6.5%
2022	9.5%	11.2%
NPCC		
2020	0.7%	0.4%
2021	2.1%	1.7%
2022	1.8%	7.1%
TOTAL		
2020	1.5%	4.5%
2021	4.7%	2.6%
2022	3.4%	7.9%

RETENTION



COMMUNICATION

- Equal opportunities
- Transparency
- Culture sessions
- Continuous Feedback



TRAINING

- Leadership program
- Succession
- CDP
- Certification
- Highflyer program



ENGAGEMENT



FLEXIBLE WORKING HOURS

- 1 hour flex
- Working from home



CORPORATE ACTIVITIES

- Tournaments
- Family day out
- Corporate Discounts



HEALTH & WELL-BEING AT WORK

- Stress at work

Looking ahead, we are committed to strengthening our talent management practices, including solidifying our succession planning abilities and fostering a welcoming and engaging environment for new hires. Additionally, we are dedicated to enhancing inclusivity by integrating individuals with determination, empowering female employees, and offering comprehensive learning and development opportunities, including collaborations with esteemed institutions, such as one we have with INSEAD Business School.

DIVERSITY & EQUAL OPPORTUNITIES

At NMDC, we understand the importance of creating a diverse and inclusive workforce. We are proud to have a workforce of 11,908 full-time employees representing 65 different nationalities, bringing a wealth of perspectives and experiences to our organization. 85% of these employees are on permanent contracts, while the remaining 15% are employed on temporary basis.

We recognize that there is room for improvement when it comes to diversity, particularly with regards to gender representation. Currently, only 2.02% of our workforce is female, reflecting the nature of our business activities at present. Despite the challenges of the industry, we are determined to drive more diversity in our workforce, with a focus on increasing the representation of female employees in functions such as engineering, support, technicians, and managerial roles.

In 2022, we made strides in this area, with 2.73% of our female employees holding senior to executive positions—a 1.5-fold increase in female representation from last year. Additionally, 45% of our female employees are in mid-level positions, and 46% are in entry-level jobs. We remain committed to creating a more diverse and inclusive workforce that truly reflects the communities we serve.

We have **11,908** employees representing **65** different nationalities, bringing a wealth of perspectives to our organization.



TOTAL EMPLOYEES BY JOB CATEGORY AND BY GENDER								
NMDC								
	LABOUR		ENTRY-LEVEL		MID-LEVEL		SENIOR-TO-EXECUTIVE LEVEL	
	Female	Male	Female	Male	Female	Male	Female	Male
2020	0.38%	99.62%	9.66%	90.34%	3.51%	96.49%	2.90%	97.10%
2021	0.27%	99.73%	9.55%	90.45%	3.34%	96.66%	2.38%	97.62%
2022	1.40%	98.60%	9.04%	90.96%	5.04%	94.96%	4.65%	95.35%
NPCC*								
2020	0.01%	99.99%	3.63%	96.37%	8.85%	91.15%	2.14%	97.86%
2021	0.01%	99.99%	3.08%	96.92%	8.34%	91.66%	1.33%	98.67%
2022	0.00%	100.00%	4.05%	95.95%	5.52%	94.48%	0.63%	99.37%
TOTAL								
2020	0.04%	99.96%	6.00%	94.00%	6.71%	93.29%	2.46%	97.54%
2021	0.04%	99.96%	5.62%	94.38%	6.24%	93.76%	1.81%	98.19%
2022	0.14%	99.86%	5.98%	94.02%	5.32%	94.68%	2.73%	97.27%

TOTAL EMPLOYEES BY JOB CATEGORY AND BY AGE GROUP												
NMDC												
	LABOUR			ENTRY-LEVEL			MID-LEVEL			SENIOR-TO-EXECUTIVE LEVEL		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2020	8.45%	72.13%	19.42%	14.75%	73.24%	12.01%	4.39%	77.69%	17.92%	0.00%	67.39%	32.61%
2021	9.14%	75.58%	15.28%	15.37%	75.22%	9.40%	5.61%	80.24%	14.15%	0.79%	67.46%	31.75%
2022	8.52%	75.83%	15.65%	11.96%	75.38%	12.66%	5.38%	79.27%	15.35%	0.00%	74.42%	25.58%
NPCC*												
2020	12.29%	76.80%	10.91%	3.80%	71.81%	24.39%	8.18%	70.78%	21.04%	0.00%	34.76%	65.24%
2021	8.57%	78.64%	12.79%	4.05%	70.91%	25.05%	5.53%	72.45%	22.02%	0.00%	39.33%	60.67%
2022	6.85%	80.53%	12.62%	8.00%	72.65%	19.35%	2.63%	78.16%	19.20%	0.00%	40.51%	59.49%
TOTAL												
2020	11.98%	76.43%	11.59%	8.10%	72.37%	19.53%	6.66%	73.55%	19.79%	0.00%	48.62%	51.38%
2021	8.62%	78.36%	13.02%	8.49%	72.60%	18.91%	5.56%	75.73%	18.71%	0.36%	52.17%	47.46%
2022	7.03%	80.04%	12.93%	9.54%	73.71%	16.76%	3.80%	78.63%	17.56%	0.00%	58.18%	41.82%



TOTAL NUMBER OF NATIONALITIES

NMDC

2020 **64**2021 **60**2022 **60**

NPCC

2020 **66**2021 **61**2022 **65**TOTAL NUMBER
OF INCIDENTS OF
DISCRIMINATION**0**

EMPLOYEE BENEFITS

We ensure that our employees are taken care of in every aspect of their lives by offering a comprehensive benefits package that goes beyond their salary. All our employees are entitled to benefits such as life insurance, healthcare, disability and invalidity coverage, parental leave, and retirement provision. We also provide education assistance and accommodation loans in specific cases to help our employees achieve their personal and professional goals.

We believe that by providing our employees with these benefits, we are investing in their future, and in turn, the future of our organization. We strive to create a workplace where our employees feel valued and supported, so we are committed to continuously improving our benefits package to meet the evolving needs of our workforce.

In 2022, we delivered on our commitment to learning and development by conducting over **65,000** hours of learning.

LEARNING AND DEVELOPMENT

We are committed to creating a positive and inclusive work environment that fosters innovation and continuous learning. We believe that by investing in the skills and knowledge of our employees, we help them advance their careers and become more valuable to the organization.

Our commitment to learning and development is reflected in the number of hours of training and education we provided to our employees in 2022. Over the year, we conducted 65,000 hours of learning with 37.63% of the training completed by mid-level managers, 23.78% by senior to executive managers, 27.36% by entry level employees, and 11.23% by our labor workforce. We are dedicated to continuing to provide our employees with the resources and opportunities they need to thrive and excel in their roles.

AN OVERVIEW OF LEARNING PROGRAMS DELIVERED IN 2022:

INDIVIDUAL CONTRIBUTORS PROGRAM

The Individual Contributors program is a 3-day initiative designed specifically for employees with no supervisory roles. The program aims to equip them with the soft skills they need to become effective in their job roles, including effective planning and organization, communication skills, workplace ethics, and living NMDC's values. The program includes content on time management, problem-solving, teamwork, stress management, and self-awareness, all aimed at helping our employees to deliver consistent results and increase performance effectiveness.

SUPERVISORS TOOLKIT FOR FIRST LINE SUPERVISORS PROGRAM

The Supervisors Toolkit for First Line Supervisors program is a core element of our Management and Leadership Development pathway. Designed for first line supervisors and superintendents, this program is built on our core values and competency framework. It is a 3-day program that provides participants with an understanding of management principles to improve productivity and achieve team objectives.

Participants learn about the aspects of communication that impact team engagement and performance, giving managers the skills to demonstrate openness, confidence, and assertiveness in their role. Additionally, the program covers performance monitoring and review, managing the responsibilities and challenges of being a supervisor/superintendent and developing effective communication skills to manage time and priorities, motivate employees to deliver and receive feedback.

MANAGEMENT & LEADERSHIP DEVELOPMENT

We designed the Management & Leadership Development program as a key part of our management and leadership development pathway. The program is tailored to support the organization's core values and competency framework and is aimed at middle and senior managers within the organization. The program lasts for 5 days and provides participants with the opportunity to develop their self-awareness and a comprehensive overview of leading and managing people, communication, change management and the application of business levers to drive performance. The program includes modules such as leading and coaching high-performance teams, verbal and non-verbal communication, listening, influencing, giving feedback, facilitation and employee engagement, feedback skills, decision making and more. This program is a great opportunity for our managers to develop their skills and knowledge and become effective leaders and managers who can drive high-performance teams.

TAMKEEN LEARNING & DEVELOPMENT PROGRAM

NMDC's Tamkeen program is a one-year learning and development program that aims to help fresh graduates develop their skills to boost their employability. The program focuses on filling entry-level positions at the company and its subsidiaries with fully prepared and capable employees.

The program objectives include building the capabilities, knowledge, and professional characteristics of graduates and sharpening their skills for the workplace. Additionally, the program aims to create productive and valuable employees for the company, foster business growth and enhance the career prospects of participants. The program also enhances line manager involvement through development plans including performance assessment and feedback. We utilize the Harrison Assessment to evaluate the effectiveness of our training program, which blends research and development as well as software engineering to ensure that their assessments are the most accurate and reliable in the industry.

TUMOUEH LEARNING & DEVELOPMENT PROGRAM

This program is designed for diploma graduates and experienced employees with no supervisory role or direct reports. The program runs for a duration of 3 to 6 months and its objective is to build the capabilities, knowledge, and professional characteristics of the young employees, equipping them with the right tools to tap into their full potential and develop their capacity to learn and grow. The program aims to instill the company's core values and culture into everyday practice and inspire productivity. The training assessment is based on the first two levels of Kirkpatrick/Philips Model.

TATWEER LEARNING AND DEVELOPMENT PROGRAM

This program is designed for employees with 3+ years of experience with the objective of aligning managers with NMDC's vision of leadership and creating a future talent pipeline. The program runs for one year and aims to enable managers to apply the principles of management to improve productivity and achieve team objectives. The program helps employees in managerial positions to communicate in a way that positively impacts team engagement, demonstrate confidence in their delivery and understand performance monitoring and reviews.

The audience for this program is employees with 3-5 years tenure in the company, such as supervisors and superintendents.

QIYADA LEARNING & DEVELOPMENT PROGRAM

QIYADA is a learning and development program that focuses on developing future leaders within NMDC, targeting high potential employees with 8 or more years of experience. The program has a duration of one year and its objectives are to help participants understand and manage change within a dynamic organization, develop their leadership skills, apply business levers to drive performance, improve their communication skills to engage and influence staff and key stakeholders, and develop their strategic thinking skills. The objective of the program is to manage critical talent risk by developing future successors.

RIYADA LEARNING & DEVELOPMENT PROGRAM

The RIYADA program is a learning and development opportunity for NMDC's top leaders. It is designed to equip GCEOs, CEOs, and key executive leaders with the necessary skills and knowledge to become community leaders who can actively contribute to Abu Dhabi's 2030 Vision. By participating in the program, these leaders will gain a deeper understanding of the business and learn how to drive cross-business unit and cross-national team working that optimizes our service and people capabilities. They will also develop the leadership behavioral competencies required to deliver the company's business goals and contribute to the successful implementation of the company's strategic initiatives. Additionally, the program will help leaders drive the creation of a culture of leadership excellence across the business and support our continuous improvement and innovation. With a focus on developing leadership impact and strategic acumen, the RIYADA program enables our

executive leaders to take their leadership skills to the next level and implement the shared vision of Abu Dhabi's sustainable future into their work.

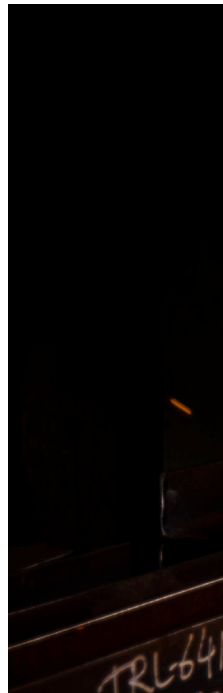
Other Programs Implemented include:

- Udemy and Coursera self-paced e-learning access
- Technical Training based on the needs of different departments
- Culture workshop
- HSE and project-specific training















TOTAL TRAINING HOURS BY EMPLOYMENT CATEGORY				
NMDC				
	LABOUR	ENTRY-LEVEL	MID-LEVEL	SENIOR-TO-EXECUTIVE LEVEL
2020	N/A	5,912	7,407	906
2021	N/A	4,086	6,056	1,214
2022	7,339	6,206	17,891	14,597
NPCC				
2020	N/A	5,912	7,407	906
2021	N/A	4,086	6,056	1,214
2022	N/A	11,667	6,688	937
TOTAL				
2020	N/A	11,823.00	14,813.40	1,811.40
2021	N/A	8,171.00	12,111.10	2,427.00
2022	7,338.50	17,873.00	24,578.50	15,533.50

TOTAL NUMBER OF EMPLOYEES - PERFORMANCE REVIEW				
NMDC				
	Female	Male	Female (%)	Male (%)
2020	95	2,224	87.16%	93.21%
2021	89	2,125	94.68%	97.30%
2022	113	2,305	88.28%	95.17%
NPCC				
2020	110	2,649	71.43%	22.91%
2021	121	2,622	100.00%	27.69%
2022	102	2,301	91.07%	24.89%
TOTAL				
2020	205	4,873	77.95%	34.93%
2021	210	4,747	97.67%	40.73%
2022	215	4,606	89.58%	39.48%



TOTAL NUMBER OF EMPLOYEES - PERFORMANCE REVIEW								
NMDC								
	LABOUR	ENTRY-LEVEL	MID-LEVEL	SENIOR-TO-EXECUTIVE LEVEL	LABOUR	ENTRY-LEVEL	MID-LEVEL	SENIOR-TO-EXECUTIVE LEVEL
2020	751	693	749	126	94.70%	90.47%	93.86%	91.30%
2021	743	610	723	138	100.00%	91.04%	96.53%	100.00%
2022	770	674	815	159	97.96%	93.74%	93.36%	92.44%
NPCC*								
2020	N/A	1,185	1,198	210	0.00%	100.00%	100.00%	19.16%
2021	N/A	1,038	1,031	215	0.00%	100.00%	100.00%	22.70%
2022	N/A	1,078	1,147	159	0.00%	98.54%	100.00%	14.76%
TOTAL*								
2020	751	1,878	1,947	336	7.56%	96.26%	97.55%	27.23%
2021	733	1,648	1,754	341	9.04%	96.49%	98.54%	31.78%
2022	770	1,752	1,962	318	10.00%	96.64%	97.13%	25.46%



TOTAL NUMBER OF EMPLOYEES - CAREER REVIEW							
FEMALE				MALE			
NMDC				NPCC			
2020		3 2.75%			102 4.27%		
					50 32.47%		109 0.94%
53 (20.15%) FEMALE				TOTAL	211 (1.51%) MALE		
2021		3 3.19%			104 4.76%		
					48 39.67%		136 1.44%
51 (23.72%) FEMALE				TOTAL	240 (2.06%) MALE		
2022		20 15.63%			185 7.64%		
					77 68.75%		526 5.69%
97 (40.42) FEMALE				TOTAL	711 (6.09) MALE		

TOTAL NUMBER OF EMPLOYEES - CAREER REVIEW								
NMDC								
	LABOUR	ENTRY-LEVEL	MID-LEVEL	SENIOR-TO-EXECUTIVE LEVEL	LABOUR	ENTRY-LEVEL	MID-LEVEL	SENIOR-TO-EXECUTIVE LEVEL
2020	8	17	59	18	1.01%	2.22%	7.39%	13.04%
2021	8	19	59	18	1.09%	2.84%	7.88%	14.29%
2022	N/A	6	91	108	N/A	0.83%	10.42%	62.79%
NPCC								
2020	N/A	159	N/A	N/A	N/A	13.42%	N/A	N/A
2021	N/A	184	N/A	N/A	N/A	17.73%	N/A	N/A
2022	N/A	368	145	90	N/A	33.64%	12.64%	8.36%
TOTAL								
2020	8	176	59	18	0.08%	9.02%	2.96%	1.46%
2021	8	203	59	18	0.10%	11.89%	3.31%	1.68%
2022	-	374	236	198	0.00%	20.63%	11.68%	15.85%



2. HEALTH & SAFETY

(GRI 403-8, GRI 403-9, GRI 403-10, S8)

At NMDC Group, the health and safety of our employees and sub-contractors is of the utmost importance to us. We understand that ensuring a safe and healthy working environment is crucial for the success of our business, and we take it very seriously. Our Quality, Health, and Safety (QHSE) department is dedicated to creating a strong health and safety culture within the company and continuously engages employees on health and safety matters.

We are proud of our strong health and safety performance, and it is one of our competitive advantages. Our QHSE team consistently reaches and exceeds its KPIs and ensures that our company continuously enhances its health and safety practices. We have been recognized over the years for our strong health and safety culture and performance and have attained several awards in this regard, some of which are listed below:

- Certificate of Recognition by Saudi Aramco for **“Best Contractor of the Year (Environment)” (NPCC)**
- Certificate of Recognition by Saudi Aramco for **“Most of Number of HSE Campaigns Conducted” (NPCC)**
- Certificate of Recognition by Saudi Aramco for **“Best HSE Manager” (NPCC)**
- Certificate of Recognition by Saudi Aramco for **“Best HSE Officer” (NPCC)**



HEALTH, SAFETY AND ENVIRONMENT MANUAL

Our Health, Safety & Environment (HSE) manual is the go-to resource for employees when it comes to health and safety matters. This comprehensive document lays out all the relevant policies and procedures, ensuring that our employees are fully informed and equipped to work safely. We have also made it a priority to ensure that all employees and subcontractors are familiar with our HSE policies, through dedicated awareness and training sessions.

Our HSE manual is not only a reference point for employees, but also a reflection of our commitment to creating a safe and healthy work environment. We take our responsibility to protect our employees, assets, and the environment very seriously and will continue to strive to improve our HSE practices.

HEALTH & SAFETY POLICIES AND PROCEDURES

As a company that routinely executes highly complex engineering and construction projects, we understand the potential risks and hazards that come with the territory. We take a proactive approach to embedding the highest standards of health and safety practices in our workplace culture, taking every conceivable precaution to minimize health and safety risks to our workers, in particular those who work with heavy equipment, hazardous materials, or in high-pressure environments.

Our commitment to HSE is reflected in our policy on occupational health, safety, and the environment. This policy outlines our responsibilities for achieving a safe and healthy workplace and sets out the safety procedures that must be applied throughout all the company's work locations, onshore and offshore. It is designed to protect employees, assets, and the environment and is a core value of our company.

Additionally, we have several certifications to ensure we are meeting the highest standards in the industry, including ISO 45001:2018 for Occupational Health and Safety Management System, ISO 14001:2015 for Environmental Management System and ISO 9001:2015 for Quality

Management System. These certifications, as well as our regular audits, inspections, and drills, ensure that our policies and procedures are up-to-date and effective.

Our commitment to HSE is reflected in our policy on occupational health, safety, and the environment. This policy outlines our responsibilities for achieving a safe and healthy workplace and sets out the safety procedures that must be applied throughout all our work locations, onshore and offshore. It is designed to protect employees, assets, and the environment and is a core value of our company.

HEALTH & SAFETY TRAINING

We place a high priority on ensuring that our employees have the necessary skills and competencies to work safely and effectively. We assess training needs on an annual basis and provide additional training as needed, as recommended by line management. Our annual individual performance appraisal process also includes identifying areas for improvement and additional training to enhance HSE performance, which is reflected in an annual training plan approved by top management and implemented by the HR department.

Upon joining NMDC, new employees are provided with an HSE Induction Training program. This program is designed to familiarize new hires with common hazards that may arise in their activities, and to teach them how to report these hazards and stay safe on the job.

We take all necessary measures to protect our employees from risks, including developing standard operating procedures, site work instructions, and conducting risk assessments and environmental impact assessments. All potential hazards are identified, and mitigation measures are implemented to minimize risk as much as reasonably possible. We are currently developing Project Task Risk Assessments and enforcing Job Safety Analysis for all tasks. In addition, we hold regular toolbox talks prior to a new task being started to ensure that all team members are aware of their roles and responsibilities in regard to safety.



0

FATALITIES

4

**LOST TIME
INJURIES**

6,441

**BEHAVIORAL
SAFETY AUDITS
CONDUCTED**

96,821

**HOURS OF H&S
TRAINING
DELIVERED**

**OUR OCCUPATIONAL
HEALTH AND SAFETY
MANAGEMENT SYSTEM
GOES THROUGH FREQUENT
INTERNAL AUDITS.**

	Number of Fatalities	Number of Lost Time Injuries	Number of Work Days Lost Due to Injury	Number of Other Occupational Injuries	Number of High Potential Incidents	Number of Near Miss Incidents	Number of Hours Worked
NMDC							
2020	1	0	0	0	15	142	29,440,442.00
2021	1	1	24	0	13	102	27,233,183.00
2022	0	4	320	0	6	100	22,575,190.00
NPCC							
2020	0	2	90	26	3	86	27,912,956.00
2021	0	1	56	55	1	143	25,490,600.00
2022	0	0	0	17	1	172	23,062,865.00
TOTAL							
2020	1	2	90	26	18	228	57,353,398.00
2021	1	2	80	55	14	245	52,723,783.00
2022	0	4	320	17	7	272	45,638,055.00



NUMBER OF FATALITIES
AS A RESULT OF WORK-
RELATED ILL HEALTH

0



NUMBER OF CASES OF
RECORDABLE WORK-
RELATED ILL HEALTH

0



**BELOW ARE OUR KPIS
RELATED TO OUR OVERALL
CLIENT SATISFACTION LEVELS:**

NPCC
**OVERALL CLIENT
SATISFACTION LEVELS**

8.39
2020

8.30
2021

8.69
2022

NMDC (D&M BU)
**OVERALL CLIENT
SATISFACTION LEVELS**

7.40
2020

7.90
2021

7.50
2022

7.50
TARGET

3. CLIENTS

Our clients' satisfaction is imperative to our success, and we pride ourselves on providing superior services at every stage of our clients' engagement with us.

We believe in building strong, long-lasting relationships and seek to continuously expand our geographical reach and the depth of our business with key clients as our partners. To foster lasting relationships, we take the time to understand our clients' needs and always aim to exceed their expectations in our delivery. To ensure that we deliver our projects on time and to the highest standard, we have robust project management, resource management methodology, processes, and controls in place. We also implement strict risk management measures to resolve any challenges in a timely fashion and deliver our projects as per our agreements with our clients and budgets.

We maintain strong and open lines of communication with our clients, actively engaging with them to gather feedback on our products and services, to ensure that we are always meeting their needs and expectations. By staying connected to our clients, we are better able to identify new business opportunities and stay informed about their future plans. By remaining aware of our clients' evolving needs, priorities, and challenges, we can address any concerns in a timely manner. This helps us to build and maintain successful business relationships, ultimately leading to increased customer satisfaction.

The main open channels of communication that our clients can use include:

- Direct calls and emails to the Business Development team
- Follow up calls that we regularly conduct with clients throughout the year
- Annual client satisfaction survey and meeting

NPCC		
STAGE	2021	2022
Tendering Process	8.50	8.77
Project Management	8.22	8.64
Engineering	8.15	8.54
Procurement	8.88	8.71
Production	8.00	8.95
Offshore Installation	9.00	8.88
Pre-commissioning/Commissioning	8.00	8.38
Quality Assurance/Quality Control	8.00	8.5
Health, Safety & Environment	8.33	8.77

NMDC (D&M BU)		
STAGE	2021	2022
Project Information	8.00	6.30
Approach by NMDC Employee	7.90	5.00
Project QHSE	8.40	6.70
Adequacy of Project Progress	7.70	6.70
Site Office	8.80	7.50



To obtain this information, our business development team conducts annual face-to-face meetings with our clients to gather their feedback through client satisfaction surveys. We also stay in touch throughout the year with follow-up calls to make sure we capture any concerns they may have. We believe that ongoing communication is essential to understanding and meeting our clients' needs.

We highlight our capabilities and communicate them to our clients in a variety of ways. One of the ways we do this is by being visible at key industry events. In 2022, we made an impression by participating in three successful events, highlighting our expertise, and solidifying our reputation as a leader in the industry.

1. Gastech (Milan, Italy) – Sept 2022: This exhibition brought together over 750 exhibitors, providing an unparalleled opportunity to connect with key players in the industry and explore the latest innovations and trends shaping the future of energy.
2. ADIPEC (Abu Dhabi, UAE) – Nov 2022: This premier event for oil, gas, and energy professionals provided access to the latest industry knowledge, innovations, technical expertise, applications, products, solutions, and services.
3. EGYPS (Cairo, Egypt) – Feb 2022: This is the most important oil and gas exhibition and conference in North Africa and the Mediterranean, which brought together industry leaders to engage in dialogue, create partnerships, and identify innovative solutions and strategies that will reshape the global energy market.

NUMBER OF PRODUCTS/ SERVICES FOR WHICH HEALTH AND SAFETY IMPACTS ARE ASSESSED

29
2020

34
2021

45
2022

0

**INCIDENTS OF NON-COMPLIANCE
WITH REGULATIONS THAT
RESULTED IN A FINE OR PENALTY**

0

**INCIDENTS OF NON-COMPLIANCE
WITH REGULATIONS THAT
RESULTED IN A WARNING**

0

**INCIDENTS OF NON-COMPLIANCE
WITH VOLUNTARY CODES**

4. COMMUNITY

(GRI 202-2, GRI 413, S11, S12)

By cultivating strong relationships with local residents and organizations, we are better positioned to create a positive impact on society and increase employee engagement by providing them with opportunities to volunteer. We outline our social responsibility and ambitions, address social and environmental challenges and contribute to the well-being of our communities through our Corporate Social Responsibility strategy. This includes prioritizing offering employment opportunities to UAE nationals, prioritizing local suppliers and implementing a variety of initiatives to give back to the community.

OUR CORPORATE SOCIAL RESPONSIBILITY

At NMDC, we take our corporate social responsibility (CSR) very seriously and ensure that we are always investing back into the community. In 2022, we updated and refined our CSR strategy to align it with our Group strategy and ensure all of our efforts are executed in a strategic manner.

We are proud to say that we have invested a total of AED 7,757,000 back into the community, which represents a 6.3% increase from the previous year. Some of our main contributions have included sponsoring the Al-Jazeera Football Club, providing rehabilitation services for individuals with disabilities, and offering educational assistance to the relatives of our employees who are classified as people of determination.

TOTAL AMOUNT IN AED

10,339,707.00

2020

7,295,000.00

2021

7,757,000.00

2022

Moreover, we understand the importance of community-related activities in fostering a sense of belonging among our employees and creating a more positive working environment. As such, we involve our employees in giving back to the community through volunteerism.

As part of our internal initiatives, we strive to contribute to the overall wellbeing of our employees by addressing various issues that can boost their welfare. In 2022, some of our initiatives included supporting our labour force in performing Umrah and Hajj, hosting health campaigns such as general check-ups and breast cancer awareness, and organizing sports activities for employees, among others.

We firmly believe that it is our duty to give back to the community and we are dedicated to making a positive impact in all the areas we operate.

EMIRATIZATION

Our Emiratization efforts go beyond just being a contribution to the community, but form an integral part of our purpose, mission, and vision. By increasing the number of UAE citizens in our workforce, we play a crucial role in the growth of the economy and the preservation of the UAE's rich culture and values.

We believe that by providing jobs for Emiratis in the private sector, we are providing them with the skills and opportunities they need to build successful careers and be active, key contributors to their local communities. This not only supports the economic development of the UAE, but also contributes to the social development of the country.

We take our role as a responsible corporate citizen seriously, and our Emiratization efforts reflect that commitment. We are dedicated to creating an inclusive workforce that represents the diverse culture of the UAE and plays a crucial role in shaping the country's future.

EMIRATIZATION RATE

NMDC

5.93%

2020

5.89%

2021

8.96%

2022

NPCC

12.53%

2020

12.35%

2021

8.18%

2022

TOTAL

9.90%

2020

9.70%

2021

7.00%

2022



PROSPERITY

OUR ALIGNMENT

Material Topics

- Strong Governance and Business Ethics
- Economic Performance
- Procurement Practices

GRI Standards

- GRI 201 - Economic Performance
- GRI 203 - Indirect Economic Impacts
- GRI 204 - Procurement Practices
- GRI 205 - Anti-Corruption
- GRI 308 - Supplier Environmental Assessment
- GRI 414 - Supplier Social Assessment



- A sustainable knowledge-based economy
- An optimal, transparent regulatory environment
- Premium education, healthcare, and infrastructure assets
- Maintaining Abu Dhabi's values, culture and heritage

SDGs



1. ECONOMIC VALUE CREATION

(GRI 201-1, GRI 203-2)

ECONOMIC VALUE GENERATED & DISTRIBUTED

Economic prosperity plays a crucial role in the well-being of individuals and communities; therefore, we prioritize the creation and distribution of economic value to all our stakeholders. Our employees are a crucial part of this equation. By providing fair and competitive remuneration, we help them to reach their aspirations and contribute to the well-being of their families and communities. Additionally, we pay our share of taxes and VAT, which enables governments to fulfil their obligations to their citizens.

Furthermore, our commitment to sourcing from local suppliers not only supports the local economy but also helps to build strong relationships with the communities in which we operate. Additionally, we make a direct impact on the community through charitable donations, sponsorships, and volunteer activities.

Ultimately, our ability to create and distribute economic value is a clear indicator of our success as a company. For a comprehensive understanding of our financial performance in 2022, please refer to our audited financial statements.

2. PROCUREMENT PRACTICES

(GRI 204-1, GRI 308-1, GRI 414-1, G4)

We believe in fostering strong partnerships and open communication with our suppliers to strengthen the local supply chain and encourage ethical and responsible practices. By supporting local suppliers, we not only contribute to the development of the UAE economy, but we also prioritize local sourcing, which leads to job creation, capacity building and skill development. Additionally, local procurement helps us reduce our carbon footprint by minimizing transportation costs and delivery times.

To drive sustainable procurement practices, we have a strict supplier Code of Conduct in place to ensure that we only work with suppliers who act with integrity and align with our company values. All our suppliers are required to adhere to this code, and local suppliers must formally certify their compliance.

	TOTAL NUMBER OF SUPPLIERS	PERCENTAGE OF LOCAL SUPPLIERS
NMDC		
2020	153	92.16%
2021	124	95.16%
2022	320	65.94%
NPCC		
2020	3,463.00	81.75%
2021	3,514.00	82.41%
2022	3,601.00	82.50%
TOTAL		
2020	3,616.00	82.19%
2021	3,638.00	82.85%
2022	3,921.00	81.15%

	TOTAL PROCUREMENT SPENDING (IN AED MILLION)	PERCENTAGE OF PROCUREMENT SPENDING ON LOCAL SUPPLIERS
NMDC		
2020	1,655.42	90.31%
2021	678.45	99.04%
2022	2,413.28	91.30%
NPCC		
2020	1,333.72	30.76%
2021	1,354.20	54.89%
2022	3,652.49	41.39%
TOTAL		
2020	2,989.14	63.74%
2021	2,032.64	69.63%
2022	6,065.77	61.25%



We are proud to have consistently maintained a high percentage of local suppliers, at 82-83%, and we monitor the quality of our suppliers through pre- and post-award performance assessments. At our NPCC entity, our supplier and subcontractor performance scores are consistently high, as detailed in the following table:

	 SUPPLIER PERFORMANCE	 SUB-CONTRACTOR PERFORMANCE
2020	73.1%	80.6%
2021	90%	79.8%
2022	NOT AVAILABLE	80.9%

We understand the importance of having efficient inventory management practices in place. By maintaining the right level of stock, we can ensure smooth operations, avoid supply chain interruptions, and ultimately, keep our customers happy.

As a measure of our success in this area, our subsidiary NPCC sets a yearly target for stock efficiency, with a goal of achieving 80%. In 2022, we exceeded this target with an impressive score of 84.06%. This highlights our commitment to keeping our inventory at optimal levels and avoiding any potential disruptions to our business.

Continuously strengthening our procurement capabilities and increasing processes efficiency:

- We have established a yard in KSA which includes warehouses and storage facilities. We expect this to be ready for use by Q3 2023.
- We have installed a new tower crane in our material operations yard in Abu Dhabi to enhance material processing and more effectively feed the blasting machine

EMBEDDING ENVIRONMENTAL CONSIDERATIONS INTO OUR PROCUREMENT PRACTICES

To make our procurement practices more environmentally and socially responsible, we are always looking for ways to further integrate ESG considerations into our sourcing. This enables us to improve our overall ESG performance, drive innovation and minimize the risk of negative impacts on the environment, communities, and employees. Additionally, this approach can also reduce the risk of legal action and reputational damage.

In 2022 we implemented new key performance indicators (KPIs) with a focus on sustainability. These include a goal of clearing 85% of scrap material, which we exceeded with a score of 88.61%, and a target of a 1.25% discrepancy rate in materials, which we accomplished with a score of 0.54%.





3. INNOVATION

(GRI 201-1, GRI 203-2)

Innovation is at the heart of everything we do at NMDC Group. It allows us to not only increase the value we generate for all stakeholders, but also stay ahead of the curve in our industry. Sustainability is a key pillar in all our innovation-related initiatives, as we strive to not only improve our operations but also make a positive impact on society.

Our dedication to innovation has been a major competitive advantage for us, gaining the trust of our clients and solidifying our position as industry leaders. We foster a culture that encourages and empowers our employees to produce novel solutions, which helps us evolve and stay ahead.

We have a dedicated Innovation Plan and Framework in place to enabling new ideas to be shared and discussed. Additionally, we also have a plan in place to create and register new patents to create intellectual capital value. Our Strategy & Sustainability Committee, which reports directly to the Board, leads these efforts, and supports innovative initiatives throughout the organization.

INNOVATION & KNOWLEDGE MANAGEMENT COMMITTEE

Established in 2016, our dedicated Innovation & Knowledge Management Committee is focused on enhancing performance, quality, and efficiency of operations in line with NPCC's overall business plan. The committee is led by the Chairman of NPCC and includes senior representatives from major departments. They are supported by teams of 'innovation assessors' who are selected from across the company, ensuring that ideas are evaluated by knowledge experts and cross-departmental collaboration is encouraged.

The Committee have also built a comprehensive program to actively foster a culture of innovation and promote creative problem solving. The innovation cloud portal is easily accessible to everyone within the organization, making it easy for employees to participate in our 'innovation schemes.'

This approach has led to tangible results. In 2020, NPCC realized savings of AED 75.5 million from our innovation efforts. This is a testament to the effectiveness of our approach and the effectiveness of our efforts to foster a culture of innovation at NMDC Group.

ACTUAL SAVINGS FROM INNOVATION (IN AED MILLION)

2020	75.5
2021	N/A
2022	N/A

	NUMBER OF CREATIVE IDEAS	NUMBER OF ACCOMPLISHED INNOVATIONS	NUMBER OF "QUICK" IDEAS	NUMBER OF "CHALLENGE ME" IDEAS	NUMBER OF IDEAS ON HSE & SUSTAINABILITY DRIVEN BY EMPLOYEES
2020	85	58	13	700	15 w/2 Accomplished Innovation
2021	62	2	22	N/A	8
2022	N/A	N/A	N/A	N/A	N/A



