



2022 Sustainability Report

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معاً نبني التميز
**TOGETHER, WE BUILD
EXCELLENCE**

Abdulaziz Ali Alturki

Chairman of the Board of Directors



For Nesma & Partners, 2022 has been a significant year of growth, competitiveness, and achievements. Most importantly, we have made substantial progress toward our vision of becoming the most trusted contractor in Saudi Arabia while strengthening our role as a crucial facilitator of Saudi Vision 2030, the nation's sustainable development agenda.

Throughout 2022, following the unprecedented impact of the COVID-19 pandemic, encouraging signs emerged indicating that the world was gradually overcoming one of the most significant global challenges in recent history. In parallel, the pandemic has prompted significant changes in the Engineering and Construction (E&C) industry, bringing forth various transformations such as the spreading adoption of digitization; the growing demand for a skilled and adaptable workforce; the escalating interest in sustainable design practices; and the pressure for resilient supply chains. The global scene calls for flexibility and decisiveness, and our visionary actions, particularly by embedding innovation and technology, have placed us in a stronger position with promising long-term prospects.

We are fully aware of the scale of the sustainability challenge at hand. Vision 2030 has established a transformative roadmap in Saudi Arabia encompassing economic, social, environmental, and governance aspects. Similarly, on a global scale, the UN Sustainable Development Goals set forth an equally ambitious blueprint for sustainable development. Both initiatives set forth new expectations regarding the responsibility and contribution of businesses toward a sustainable future.

Nesma & Partners maintain a crucial position in successfully implementing these sustainability agendas. As a leading contractor, we leverage our extensive expertise, experience, and unwavering dedication to excellence and shared value creation. As a Saudi-based company, we take immense pride in our roots and

are fully dedicated to unlocking the abundant economic and human potential of the Kingdom, fostering its growth and prosperity. The projects we undertake today serve as the bedrock for future growth as we strive to build dynamic cities, enhance connectivity, and breathe new life into communities.

In our previous report, we showcased the alignment of our sustainability objectives with the Saudi Vision 2030 and the United Nations Sustainable Development Goals. In this report, we take it further by illustrating how Nesma & Partners is actively addressing the global sustainability agenda and advancing corporate and project initiatives in line with Saudi Arabia's vision and goals.

During 2022, we made significant progress in fostering sustainable development by implementing a business growth strategy encompassing a comprehensive range of measures focused on productivity, efficiency, and innovation. Specifically, Nesma & Partners has intensified efforts to place sustainable development at its core by establishing a dedicated sustainability function and applicable policies, prioritizing ESG reporting, and implementing targeted projects such as carbon emissions capture.

In late 2022, Saudi Arabia's sovereign wealth fund, the Public Investment Fund (PIF), one of the most significant sovereign wealth funds in the world, invested USD 1.3 billion by way of subscribing to new shares as part of capital increases representing substantial minority stakes in four leading local construction companies, including Nesma & Partners. Nesma & Partners was selected for building and keeping a successful track record in executing and managing complex, large-scale projects across multiple sectors in various regions of Saudi Arabia. We are proud to be working with PIF to help deliver the development and diversification goals for the local economy. We believe this partnership, although beyond the scope of this report, will strengthen our position as one of the leading construction companies in Saudi Arabia and will empower us to

contribute towards achieving Vision 2030 objectives.

In today's world, it is imperative that we no longer overlook the consequences of climate change. For us, this means exploring solutions to control emissions and building a sustainable circular economy that reduces waste and our environmental impact. With a strong focus on sustainable construction, we are also increasingly pursuing Green Building projects.

At Nesma & Partners, good governance is the foundation for effective sustainability management. Our Board of Directors is fully committed to overseeing our sustainability efforts and ensuring they are fully aligned with our company's values and objectives.

Aspiring to play a vital role in the socio-economic development of our economies, we have constantly evolved to stay on top of our trade and deliver industry-leading services. As we move towards the future success of Nesma & Partners, we reaffirm our commitment to doing business responsibly to protect the environment, the welfare of our people, and the betterment of our community.

Looking ahead, we will continue to deeply integrate sustainability into every aspect of our business, focusing on creating long-term, sustainable value for our company, the planet, and society as a whole. We are grateful that all the employees of Nesma & Partners are aligned behind our call for sustainability and for working together as a unified team, ensuring our ongoing success.



Abdulaziz Ali Alturki



Samer Abdul Samad

President & CEO

I am proud to present our 2022 sustainability report, outlining our commitment and progress toward building a sustainable future. In an era of environmental concerns and societal expectations, we recognize the construction industry's vital role in shaping a more sustainable world.

In 2022, we achieved remarkable milestones, completing numerous projects and engaging in multi-billion-dollar ventures. As a Saudi company, Nesma & Partners is dedicated to upholding excellence and fostering innovation in the construction industry. We take pride in collaborating with visionary clients, including Aramco, Diriyah Gate Development Authority (DGDA), the Red Sea Development Co. (TRSDC), NEOM, etc., who share our commitment to driving progress and shaping the future of the Kingdom. Our projects are a testament to our design, construction, infrastructure development, and security facilities expertise. With unwavering dedication, we deliver exceptional results and set new industry benchmarks.

At Nesma & Partners, we firmly believe sustainable development goes hand in hand with our business growth. We have embraced a comprehensive strategy emphasizing the triple bottom line of people, planet, and profit. This approach guides our decisions, ensuring we create value for our shareholders, employees, communities, and the environment. With great pride, I share our progress in integrating sustainability into our operations and the positive impact we are creating across various dimensions.

Firstly, we have significantly improved our reporting procedures and key performance indicators (KPIs). By enhancing our data collection and analysis processes, we have gained more profound insight into our sustainability performance, enabling us to make informed decisions and drive continuous improvement.

The well-being of our employees remains a top priority, and we continuously strive to provide a safe and healthy working

environment. In 2022, we achieved a significant milestone of completing over 85 million safe man-hours without any lost-time injuries. This accomplishment was realized through the rigorous health and safety protocols we have established to mitigate risks and ensure the well-being of our workforce. We promote a strong safety culture through regular training programs and awareness campaigns. Our commitment to employee well-being and continuous growth is evident in the 1.2 million training hours we recorded in 2022. Covering a diverse range of topics, these training initiatives reflect our dedication to promoting our valued team members' safety, well-being, and development.

With more than 56 nationalities at Nesma & Partners, our commitment to diversity and inclusion remains unwavering as we build an organization where everyone can thrive and contribute their best. We also prioritize providing opportunities to Saudi Nationals through training and skill-enhancement initiatives.

The Nesma High Training Institute (NHTI) continues to play a pivotal role in empowering Saudi youth to take on leadership positions within the construction sector. In 2022, we expanded our impact by opening a new NHTI in NEOM, providing essential skills and training opportunities to local talent. Last year alone, over 2,800 Saudi trainees successfully graduated from NHTI.

We remain committed to fostering the growth and success of young Saudi professionals, paving the way for a thriving construction industry in the region. This commitment is strengthened by the Memorandum of Understanding (MoU) we signed in 2022 with the Saudi Council of Engineers. This strategic partnership aims to facilitate the transfer of international expertise and experiences, fostering the growth and development of the local engineering community.

Another highlight of 2022 is that we have

become a proud Silver Member of the U.S. Green Building Council (USGBC). This membership reflects our commitment to sustainable building practices and our dedication to promoting green initiatives in the construction industry. As a USGBC Silver Member, we have access to valuable resources, networks, and expertise, enabling us to enhance our environmental practices further and contribute to broader sustainability goals.

In line with our commitment to sustainable development, we are steadily increasing our portfolio of green projects, with the latest additions being Sindalah Island Clusters and Avenue Mall. These projects prioritize energy efficiency, resource conservation, and sustainable materials, contributing to reduced environmental impact and healthier built environments.

In 2022, Nesma & Partners also embarked on an essential collaboration to establish NesmaKent, a Saudi company dedicated to developing an autonomous engineering center of excellence. This partnership aims to revolutionize engineering, procurement, and construction services, focusing on advancing carbon capture technologies. Through NesmaKent, we will elevate engineering standards and drive innovation, delivering cutting-edge solutions for sustainable development and carbon emissions reduction. By combining our strengths and emphasizing carbon capture, we are well-positioned to significantly impact environmental sustainability in the construction sector.

Our commitment to corporate social responsibility (CSR) remains solid. In 2022, we expanded our CSR projects, focusing on initiatives that address specific social needs such as education, skills development, and community engagement. At the heart of our CSR strategy is our partnership with Tarmeem Charity Organization, through which we have successfully renovated 50 homes in underprivileged neighborhoods.

Moreover, we recognize that sustainability

extends beyond our operations and engage with our suppliers and partners to promote responsible sourcing, reduce environmental impacts, and enhance ethical business conduct. This year, we have taken significant strides toward better understanding greenhouse gas emissions within our extended supply chain. We intend to cooperate with our partners to identify and implement solutions to reduce Scope Three emissions.

We remain committed to embedding sustainability even more deeply into our business operations as we progress. We will continue to work towards our sustainability objectives, collaborating with stakeholders to achieve our shared goals.

None of our achievements would have been possible without our employees' unwavering dedication and collective effort. Their passion, expertise, and commitment to our sustainability journey have driven positive change. I sincerely thank every Nesma & Partners family member for their remarkable contributions.

Together, we build Excellence.



Samer Abdul Samad


About the Report


Nesma & Partners is pleased to present its third Sustainability Report, which emphasizes our environmental, social, and governance (ESG) performance in 2022.


Scope of the Report:


- GRI Accordance** This report has been prepared following the GRI Sustainability Reporting Standards.
- Alignment** The report aligns with the Saudi Vision 2030 and United Nations Sustainable Development Goals (SDGs).
- Year** The report covers our environmental, social, and governance (ESG) performance for 2022.
- Comparable Data** Wherever possible, we have provided information for previous years to help stakeholders better understand our progress and to allow for data to be compared.
- Countries** The report covers our operations in Saudi Arabia only unless otherwise indicated.
- Monetary Values** Unless otherwise indicated, all monetary values in this report are in Saudi Arabian Riyals (SAR).
- External Assurance** Nesma & Partners has chosen not to seek external assurance for the Sustainability Report 2022. However, we have followed an internal assurance process to ensure the reliability of the information provided in this report. The report has been reviewed by the GRI for compliance with the GRI Reporting Framework.
- Contact** For any inquiries about this report, please contact us at np.sustainability@nesmapartners.com


Nesma & Partners At a Glance


- 


2022 Workforce
30,313 Employees
- 


Operations Across Saudi Arabia
45+ Locations
- 


Number of Saudi Employees
4,858 Employees
- 


Overall Emission Intensity in 2022 Per Million Man Hours
2253 Tons of CO2e
- 

IKTVA in 2022
%67
- 

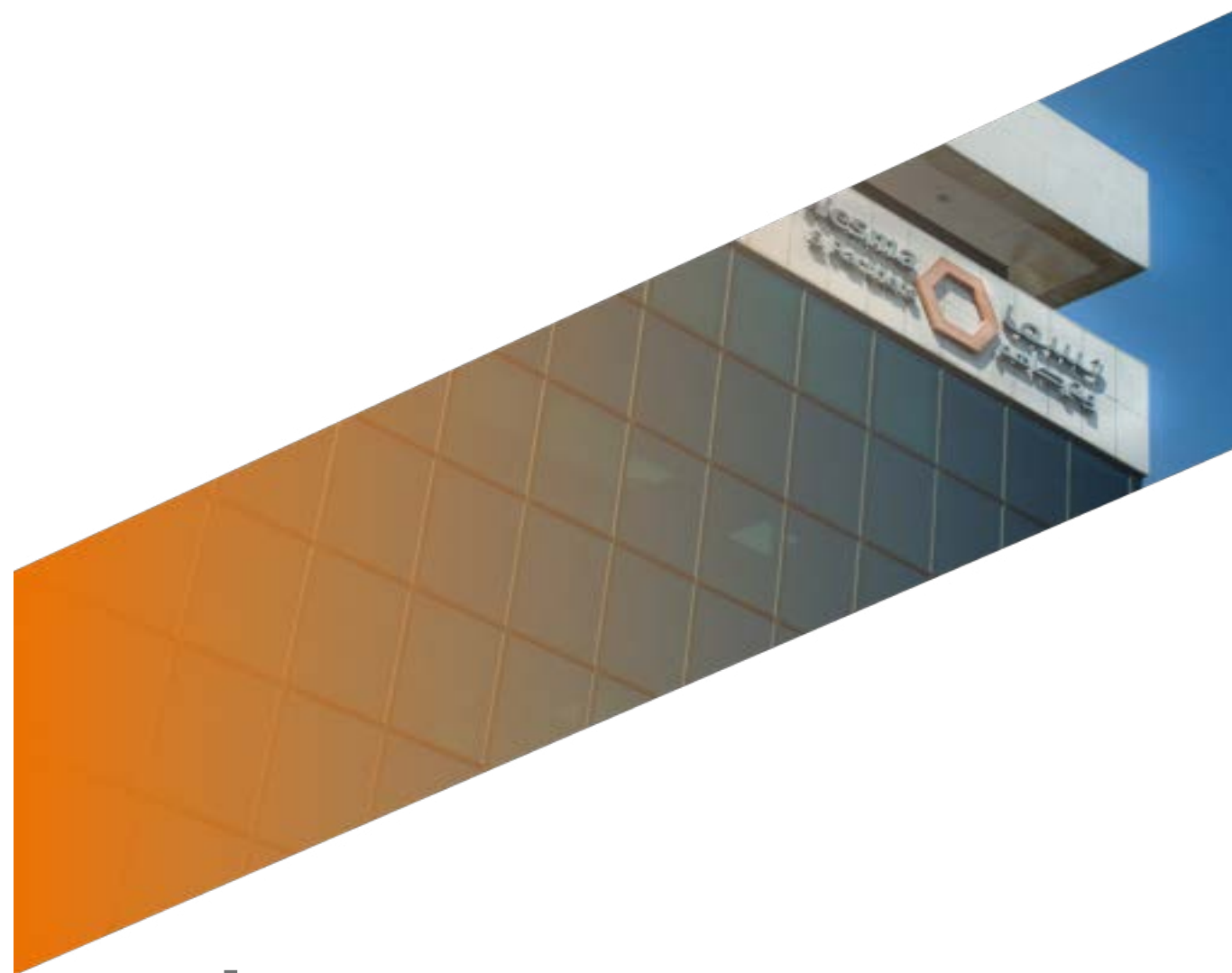
Our Online Ethics Training Program
26,224 Participants
- 

Membership of Association Chamber of Commerce
- 

Safety Awards
27
- 

U.S. Green Building Council (USGBC)
- 

Certifications:
 - ISO 9001:2015
 - ISO 45001:2018
 - ISO 37001:2016
 - ASME 'A' Code and ASME 'PP' Code
 - Sustainability/ESG certificate



About Nesma & Partners

Established in 1981, Nesma & Partners is a leading contractor in Saudi Arabia offering full-fledged services in the industrial, oil and gas, civil and buildings, and infrastructure sectors and significant electro-mechanical capacities.

Through our services and strategic partnerships with local stakeholders, we serve key industries to build sustainable mega projects that power Saudi Vision 2030 and shape a brighter future for our people. Nesma & Partners is a Saudi company and a contractor of choice for many esteemed clients. Our shareholders are Nesma Contracting Company Limited, Khalid Ali Alturki & Sons Industrial Investment Company, and Rawabi Investment Company.

Known for incorporating the latest and most advanced industry technologies, Nesma & Partners provides plant expansion and ground-up construction services for Lump Sum Turnkey (LSTK), Engineering, Procurement, and Construction (EPC), and Lump Sum Procure and Build (LSPB) projects.



OUR VISION

To be the most trusted general contractor in Saudi Arabia.



OUR VALUES

EXCELLENCE

We strive to perform and deliver to the highest standards in everything we do.

INNOVATION

We promote creativity and pioneer new solutions across our business both internally and externally.

DIVERSITY

We embrace diversity in all forms, strengthening our business and enabling us to better serve our customers.

RESPECT

We are committed to integrity, honesty, and openness, treating everyone with respect and appreciation.

IMPACT

We generate positive contributions for the business, society, and the environment.



OUR MISSION

To deliver projects in partnership with our clients:

- Safer with zero lost-time injuries.
- Better with zero quality rejections.
- Faster by always meeting deadlines.

* Note: On November 14, 2022, the onboarding of Saudi Arabia's sovereign wealth fund, the Public Investment Fund (PIF), to the above list of shareholders occurred. The impact on 2022 activities will be presented in the next reporting cycle.





Signature Projects in 2022



Infrastructure



Building



IOG



Urban Development & Infrastructure:

ULA9 Ashar Tented Resorts and Secondary Infrastructure.

THE LINE - SPINE Earthworks Lot 6.

Aviation:

Red Sea Airport Airside



Hospitality & Leisure:

Hegra Boutique Enabling Works.

Real Estate:

Design & Build of the Avenues Mall Riyadh - Phase 1.

Healthcare:

SANG Specialized Hospitals.



Oil & Gas:

Marjan Increment Program - Onshore Water Injection Package 07 - MIP7.

Hawiyah Unayzah Gas Reservoir Storage.

Upgrade Abqaiq Field Water Injection System.

Business Overview

Nesma & Partners has established itself as a trailblazer in the construction sector, specializing in LSTK (Lump Sum Turnkey) and LSPB (Lump Sum Procure and Build) projects. With our extensive expertise and exceptional services, we have been successfully delivering mega-projects since 1981. Our long-standing presence and commitment to excellence have earned us a reputation for high-end capabilities and reliable project execution.



Building:

Healthcare:

- Hospitals
- Medical Centers

Hospitality & Leisure:

- Hotels
- Sport Facilities
- Museums
- Entertainment Facilities

Real Estate:

- Commercial buildings
- Shopping centers
- Housing
- Education
- Institutional
- Religious
- Data Centers
- Mixed-Use
- Other



Infrastructure:

Urban Development & Infrastructure:

- General land preparation & infrastructure

- Roadworks, bridges & transportation
- Utilities & external works
- Landscapes & hardscapes
- Marine works

Aviation:

- Civil Airports (Airside & Landside)
- Airbases (military)



Industrial / Oil and Gas:

Industrial:

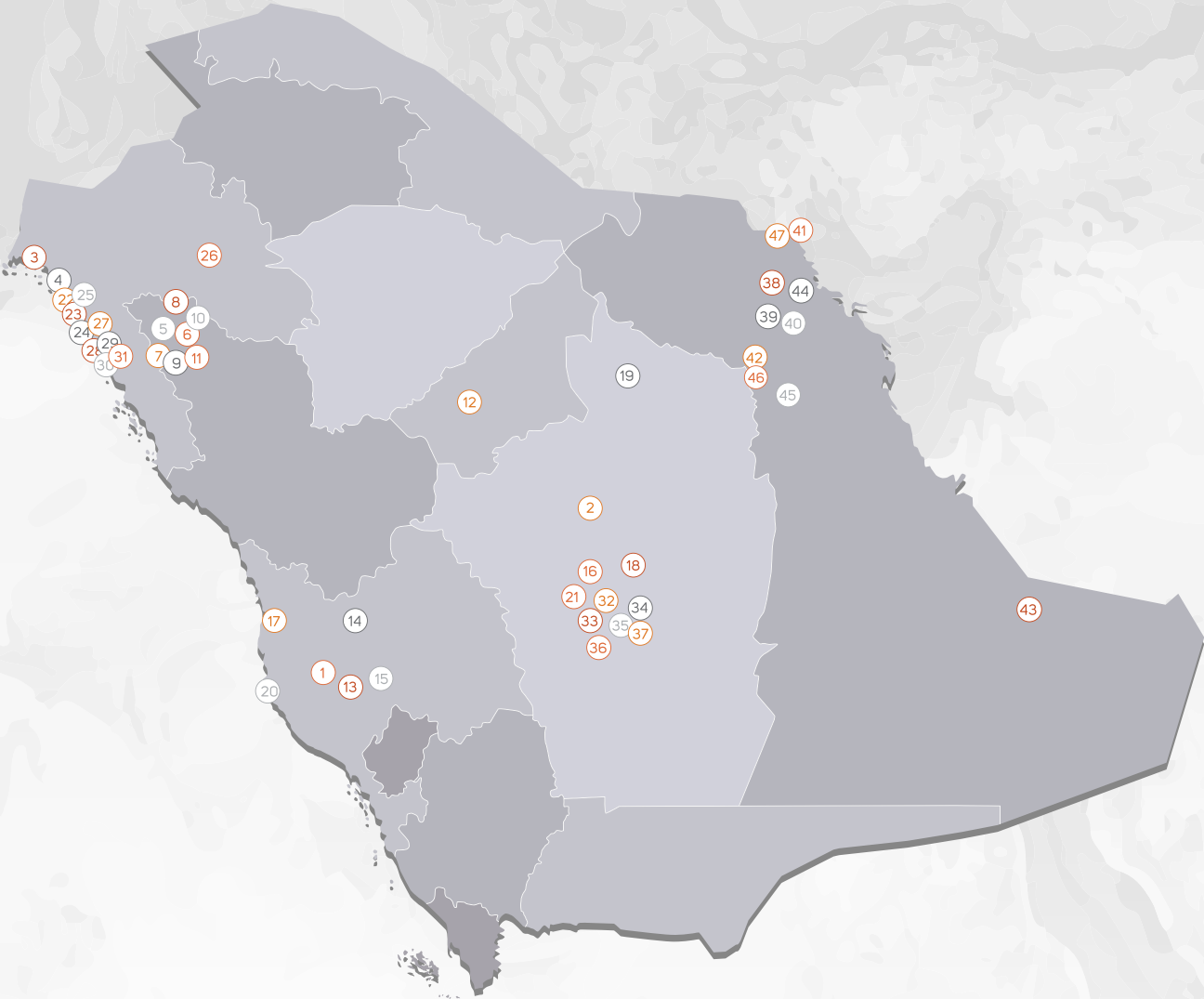
- Petrochemical plants
- Mining plants
- Aluminum plants
- Steel plants
- Automotive Manufacturing plants
- Tanks
- Other plants

Oil & Gas:

- Upstream
- Midstream
- Downstream
- Heavy civil
- Tanks



Project Locations



- 1

KAUST - Expansion CUP2 - **Jeddah**
- 2

The Avenues Riyadh - Phase 1 Mall -**Riyadh**
- 3

5,000 Construction Village at GoA North - **NEOM**
- 4

10,000 Construction Village at CV1-2 - **NEOM**
- 5

Ashar Valley Infrastructure ULA7 - **Al Ula**
- 6

Ashar Electrification Project ULA8 - **Al Ula**
- 7

Ashar Tented Resorts & Secondary Infra ULA9 - **Al Ula**
- 8

Ashar Valley Roads Surfacing ULA10 - **Al Ula**

- 9

Desert X2 - ULA11 - **Al Ula**
- 10

Maraya Roof - ULA12 - **Al Ula**
- 11

HBH - ULA13 - **Al Ula**
- 12

SANGHA - Qassim Specialized Hospital - **Qassim**
- 13

SANGHA - King Abdullah specialized children hospital - **Jeddah**
- 14

SANGHA - Taif Specialized Hospital - **Taif**
- 15

SANGHA - Neuroscience and Trauma Care Center - **Jeddah**
- 16

SANGHA - Maternity Hospital - **Riyadh**
- 17

MASAR dedicated to Makkah - KAAR - **Makkah**
- 18

Riyadh Metro - **Al Riyadh**
- 19

King Faisal Air Academy - **Majmaa - Riyadh**
- 20

Red Sea Airport Airside - **Red Sea**
- 21

King Salman Airbase - **Dirab - Riyadh**
- 22

Sindhala Program 01 - **NEOM**
- 23

Sindhala Program 02 - **NEOM**
- 24

Sharma Program - **NEOM**
- 25

NIC Program - **NEOM**
- 26

The Line Program - **NEOM**
- 27

Gulf of Aqaba Neom Bay - **NEOM**
- 28

Neom International Airport - **NEOM**
- 29

Trojena Program - NMBC - **NEOM**
- 30

NIC-OXAGON - **NEOM**
- 31

The Connector Program - **NEOM**
- 32

Bujairi Car Park Design Build - **Riyadh**
- 33

Bujairi Terrace - **Riyadh**
- 34

Zallal Al Bujairi- Assets Above Bujairi Car Park - **Riyadh**
- 35

Samhan Car Park - **Riyadh**
- 36

DGDA DDWL - Site Wide Logistics - **Riyadh**
- 37

Construction of Western Ring Road Gyratory & Tunnels - **Riyadh**
- 38

MIP Onshore Water Injection Package 07 - **Eastern Province**
- 39

Upgrade Abqaiq Filed Water Injection System - **Eastern Province**
- 40

MIP Sulfur Handling Facilities Package 14 - **Eastern Province**
- 41

Upgrade Tank Dewatering at Ras Tanura & Juayamah - **Ras Tanura**
- 42

Hawiyah Unayzah Gas Reservoir Storage - **Hawiyah**
- 43

Shaybah Construction of Defense Support Facilities - **Shaybah**
- 44

Maintain Potential SA1 - **Abqaiq**
- 45

Maintain Potential SA2 - **Haradh**
- 46

Maintain Potential SA4 - **Hawiyah**
- 47

OMPP NA2 - Qatif Flanks - **Ras Tanura**



Sustainability

As a company with over 30,000 employees and a significant impact on the national economy, we deeply understand the importance of being a responsible corporate citizen. We promote sustainable practices and actively work toward minimizing our environmental footprint, delivering social responsibility and contributing to the overall well-being of our communities.

As a leading construction and engineering company in Saudi Arabia, we deeply understand our responsibility to society and the environment. We are dedicated to operating in harmony with local communities and nature, actively contributing to the country's environment and development.

Our commitment extends beyond our business interests as we prioritize listening to the needs of our stakeholders. By incorporating their concerns into our sustainability strategies, we ensure that our actions align with the expectations and aspirations of the communities we serve. This approach allows us to create a positive impact and contribute to the sustainable growth and well-being of Saudi Arabia.



Our Sustainability Department

In 2022, Nesma & Partners established its Sustainability Department to advance its ESG strategy. Dr. Samir Thabet was appointed Corporate Sustainability Manager as part of this initiative.

The Sustainability Department is vital in guiding the company toward addressing global energy challenges, sustainably and responsibly managing scarce natural resources. The department is responsible for overseeing implementation of the company's carbon-neutral change strategy and integrating sustainability into operational practices. The department actively informs development of the business strategy and planning processes by providing insights on sustainability considerations.

Additionally, the Sustainability Department monitors emerging sustainability risks and opportunities, keeping the Board of Directors and top management informed. It also leads corporate sustainability reporting and identifies areas for improving operational performance. Through its dedicated efforts, the department ensures that sustainability becomes an integral part of our operations, contributing to the company's long-term success and positive impact on the environment and society.

Our Sustainability Policy

Sustainability is a crucial aspect of our company's success, and our sustainability policy serves as a guiding framework that aligns all departments and functions, ensuring a unified approach. Our sustainability approach includes critical business solutions such as environmental stewardship, social responsibility, economic viability, and ethical governance. Some of our essential business solutions include the following:



Environmental

- To reduce our carbon footprint, we prioritize local supply chains for procurement, creating job opportunities in the national economy that align with our sustainability goals.
- To support localization and reduce fossil fuel emissions, we follow a sustainable procurement process where we prioritize local requirements.
- We closely monitor our environmental impact and establish key performance indicators (KPIs) to reduce emissions and energy consumption. Additionally, we develop recycling and waste reduction policies and implement water efficiency measures to further minimize our environmental footprint.
- We actively contribute to the Kingdom's development by formulating comprehensive plans to obtain LEED Certification, ensuring that our projects meet the highest sustainability standards and contribute positively to the built environment.
- We actively manage our environmental performance by implementing the ISO 9001:2015 and ISO 45001:2018 Management Systems.



Social

- We actively contribute to our society by partnering with non-profit organizations in Saudi Arabia.
- Our Corporate Social Responsibility function aligns with our business strategy and promotes philanthropy and volunteerism.



Governance

- We are committed to adopting the best governance practices essential for our company's sustainability and continuity. Our Business Ethics Policy and Code of Conduct guide our actions, helping us maintain a reputation for excellence and upholding high ethical standards. Furthermore, we strive to create a healthy, inclusive, and respectful workplace that embraces diversity, equality, and strength.

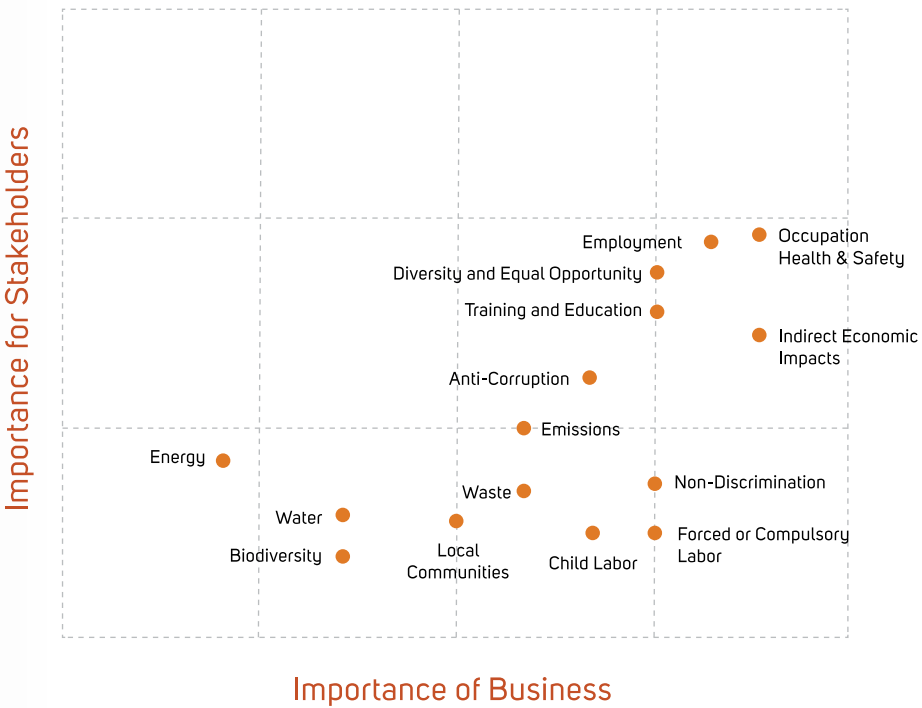
Our Materiality Analysis & Alignments

In 2020, we conducted a materiality assessment to identify the most critical topics that reflect our company's environmental, social, and governance (ESG) impact. The material topics identified through the 2020 assessment continue to guide our efforts in addressing crucial impacts and aligning our sustainability strategy with our stakeholders' evolving needs and expectations.

For this reporting year, we focus on material topics that emerged from thorough research and benchmarking exercises conducted alongside sector-specific peers. To comply with the GRI Standards, our material topics are presented in an updated manner and are consistent with the material topics listed in the GRI Index. At their core our material topics identified in 2020 remain unchanged, for example, "Employment" encompasses Nesma & Partners' top priority to Saudization and IKTVA. Also, the material topic of Risk Management is addressed via Anti-Corruption and Indirect Economic Impacts.






Finally, 'Product Quality and Innovation' along with 'Research & Development' continue to stand as significant business objectives for us. Subsequently, we engaged with our stakeholders through interviews and surveys, allowing them to rank these topics on a scale of one (1) to five (5) based on their perceived importance, with five indicating the highest level of importance. This comprehensive approach ensures that the identified material topics accurately reflect the priorities and concerns of our stakeholders.




The materiality matrix, derived from the assessment process, utilizes the X-axis to indicate the importance level of these topics to the business based on responses from internal stakeholders, including the Board of Directors and top management. The Y-axis represents the analysis of the responses received from external stakeholders within our value chain. This matrix provides a visual representation of the relative significance of each topic, considering perspectives from both internal and external stakeholders.









Similar to 2021, we have aligned our 2022 processes and initiatives with the overarching objectives of the Saudi Arabian Vision 2030, the Sustainable Development Goals (SDGs), and GRI Standards. We remain committed to expanding our approach and strengthening our contributions to achieve more significant impacts on both national and global targets. It is important to note that all the identified topics are substantial and actively managed by Nesma & Partners, and our initiatives across these topics are demonstrated throughout this report.

Please refer to the table below for a summary of our alignment with specific SDG targets and objectives of Saudi Vision 2030. Kindly note that this table provides a snapshot and does not capture the full extent of our sustainability efforts.

UN SDGs & Target	How Nesma & Partner Aligns	Saudi Vision 2030
 1.4 Ensure that all men and women, particularly the most in need and the vulnerable, have equal rights to economic resources and access to essential services.	1. Collaborates with Tarmeem on home renovation projects that benefit families in need. 2. Implements inclusive infrastructure to support employees with disabilities.	Ambitious Nation - Enable social responsibility. Vibrant Society - Offer a fulfilling and healthy life.
 3.8 Achieve universal health coverage, including financial risk protection; access to quality essential healthcare services; and access to safe, effective, quality, and affordable essential medicines and vaccines for all.	1. Prioritizes the establishment of safe workplace environments. 2. Maintains an Integrated HSE system to manage risks effectively. 3. Provides health insurance for all employees.	Ambitious Nation - Enhance government effectiveness. Ambitious Nation - Enable social responsibility. Vibrant Society - Offer a fulfilling and healthy life.
 4.4 By 2030, substantially increase the number of youth and adults with relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.	1. Comprehensive training and skill development programs for all employees, focusing on identifying their training needs to determine relevant topics for their professional growth. 2. Developing the human resource capacities of Saudi Arabia by providing technical and vocational training through NHTI.	Ambitious Nation - Enhance government effectiveness. Thriving Economy - Increase employment.
 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	1. Implementation of water efficiency strategies (examples: Avenue Mall, Sindalah Island Clusters 2 ,1). 2. Nesma & Partners Supplier Development Program addresses ESG risks and sustainability requirements with suppliers and business partners.	
 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.	1. Green building certifications such as Leadership in Energy & Environmental Design (LEED), Mostadam, etc. 2. Promoting renewable energy integration to clients on relevant projects.	Ambitious Nation - Enhance government effectiveness.

UN SDGs & Target	How Nesma & Partner Aligns	Saudi Vision 2030
 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, focusing on high-value added and labor-intensive sectors. 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment.	1. Driving other domestic value creation through IKTVA commitments to support sustainable development in KSA. 2. Leveraging the power of digital transformation by deploying cutting-edge technology services such as Building Information Modeling (BIM), Virtual Design and Construction (VDC), and the AI Open Space. 3. Awareness and training on our rigorous occupational health and safety management system, as well as our business ethics and code of conduct, to protect our employees and promote a culture of ethical and professional behavior throughout the organization.	Thriving Economy - Grow and diversify the economy.
 9.1 Develop quality, reliable, sustainable, and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, focusing on affordable and equitable access for all. 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries acting per their respective capabilities.	1. Increased local content in our value chain through local procurement and skill development to contribute to the Saudi economy and create opportunities for the community. 2. Project optimization through the systematic value engineering (VE) approach and advanced technology engineering design tools. 3. Delivering infrastructure projects that promote sustainability and resilience.	Ambitious Nation - Enhance government effectiveness. Thriving Economy - Grow and diversify the economy.
 10.1 By 2030, progressively achieve and sustain income growth of the bottom %40 of the population at a rate higher than the national average. 10.2 By 2030, empower and promote all social, economic, and political inclusion, regardless of age, sex, disability, race, ethnicity, origin, religion, financial, or other status. 10.3 Ensure equal opportunity and reduce outcome inequalities, including eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and action in this regard.	1. IKTVA commitments to support increased levels of localization in the Kingdom. 2. Supportive measures for employees with disabilities and achieving certification in applicable Mowaamah program.	Ambitious Nation - Enable social responsibility. Thriving Economy - Grow and diversify the economy. Thriving Economy - Increase employment.



UN SDGs & Target	How Nesma & Partner Aligns	Saudi Vision 2030
 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying particular attention to air quality and municipal and other waste management.	1. Compliance with ISO 14001:2015 Environmental Management System.	Ambitious Nation - Enhance government effectiveness. Vibrant Society - Offer a fulfilling and healthy life.
 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse. 12.7 Promote public procurement practices that are sustainable per national policies and priorities.	1. Implementing waste management plans and recycling initiatives (examples: Avenue Mall, Sindalah Island Clusters 2 ,1).	Ambitious Nation - Enhance government effectiveness. Thriving Economy - Grow and diversify the economy.
 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	1. Monitoring carbon footprint and energy consumption and developing reduction strategies.	Ambitious Nation - Enhance government effectiveness. Vibrant Society - Offer a fulfilling and healthy life.
 15.5 15.3 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity, and, by 2020, protect and prevent the extinction of threatened species.	1. Topsoil preservation (example: Mountain Road Project, NEOM). 2. Tree and vegetation planting initiatives (examples: Onshore Maintain Potential Project and NEOM Logistics Park Project).	Ambitious Nation - Enable social responsibility.
 16.5 Substantially reduce corruption and bribery in all their forms.	1. Anti-corruption training and awareness programs. 2. ISO 37001:2016 certification for the anti-bribery management system.	Thriving Economy - Leveraging Its Unique Position.
 17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience, resources, and strategies of partnerships.	1. In pursuit of our economic, social, and environmental goals, we collaborate with and adhere to regulatory requirements from various organizations, including: <ul style="list-style-type: none"> - Tarmeem - Ministry of Human Resource and Social Development - Saudi Contractors Authority - German Saudi Hospital - Saudi Ministry of Health - ITQAN - NCTC - Children with Disabilities Association (CwDA) - U.S. Green Building Council (USGBC) 2. Actively supporting the initiatives/events that promote opportunities for the local community.	Ambitious Nation - Enhance government effectiveness. Ambitious Nation - Enable social responsibility. Vibrant Society - Offer a fulfilling and healthy life.

Nesma & Partners Sustainability Framework

Our sustainability framework has been developed after conducting a comprehensive materiality assessment and analysis. This framework explicitly addresses the material topics relevant to the construction sector. It aligns with the objectives of Saudi Vision 2030, the United Nations Sustainable Development Goals (SDGs), and GRI Standards.

This report's sections are structured per our sustainability framework, providing a systematic and coherent narrative to effectively communicate our sustainability initiatives and progress to our stakeholders effectively.

Our People

To be the employer of choice for people interested in the E&C sector and have an outstanding H&S record.

Outstanding Governance

To be recognized as an ethical and responsible company. outstanding H&S record.

Community Development

To be a socially responsible company and develop outstanding CSR initiatives.



Environmental Stewardship

To be an environmentally responsible company and contribute to the sustainable development of KSA.

2022 Highlights

Throughout our annual report, we showcase the achievements of Nesma & Partners under the categories of our sustainability framework. Below we present specific highlights:

Governance



Our Ethics Officers are posted at every project site to guide employees and ensure that best ethical practices are implemented.



Our Project Director, Elias Khater, shared his insights on technical project aspects and strategies for successful completion at The Big 5 – International Building Construction Show.



Joined the Construction Technology Festival to share digital case studies in virtual construction and BIM.

Our People



Together with our JV partner Almadani General Contractors, we achieved **10 Million** Safe Man Hours with zero lost time injuries (LTI) at the Red Sea Airport project.



More than **2,800 Saudi** trainees graduated from NHTI in safety, scaffolding, and welding disciplines.

Environmental Stewardship



Presented the Green Flag Award by NEOM for outstanding environmental performance in grading works.



At the International Contracting Conference, our Corporate Sustainability Manager, Dr. Samir Thabet, shared his insights on Sustainability and Decarbonizing the Construction Industry.

Community Development



We have partnered with Tarmeem Charity Association to renovate 50 homes for families.



Invited university students from King Fahd University of Petroleum and Minerals (KFUPM) and the Prince Mohammad Bin Fahd University (PMU) to explore our internship program.

External Recognition

In 2022, Nesma & Partners and its visionary executives received external recognition for their outstanding performance and contributions in various areas, further reinforcing our reputation as a leader in the construction industry. This recognition validates our commitment to excellence and responsible practices.



We received the prestigious ESG (Environmental, Social, and Governance) certificate, which our esteemed client Saudi Aramco approved. Our outstanding score (81/100), the highest attained among our market peers, was achieved through the collective efforts of our team in embedding environmental stewardship, social responsibility, and strong governance into our operations. Our success can be attributed to recent milestones, including our ISO 37001:2016 certification, which validates our solid ethical business conduct and the implementation of new HR policies focused on people's well-being and social responsibilities.



Secured top position in Construction Week Middle East Saudi Arabian companies' annual Power 100 list.



Shortlisted for the "Sustainable Organization of the Year" award at the Construction Technology Awards.



Recognized as a finalist in three categories "Partnership of the Year," "Sustainable Initiative of the Year," and "Digitization Project of the Year" in The Big 5 Exhibition.



Our Corporate Sustainability Manager, Dr. Samir Thabet, was on The Carbon Collective Company's ESG Power 50 List for the Middle East's Most Influential ESG Leaders.

Outstanding Governance

To be recognized as an ethical and responsible company

Our sound corporate governance seeks to embed trust, transparency, and accountability throughout our operations and every business decision. Nesma & Partners' well-defined governance structure and culture of integrity create maximum long-term value for our stakeholders.

Good corporate governance contributes to the Sustainable Development Goals (SDG) by fostering responsible business practices, enhancing stakeholder engagement, improving risk management, and driving sustainable value creation. Nesma & Partners is aligning its business strategies with the SDGs to promote achieving these global goals and to help create a more sustainable future for all.

Related Sustainable Development Goals:

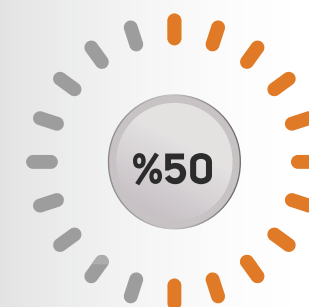


Our Shareholders:

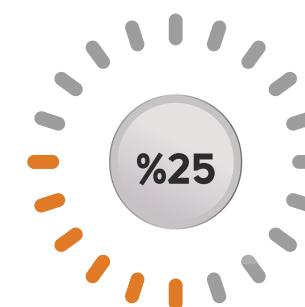
Nesma Contracting
Company Limited

Khalid Ali Alturki & Sons
Industrial Investment
Company

Rawabi Investment
Company



NESMA
نيسما



التركلي
ALTURKI




روابي القابضة
Rawabi Holding

Our commitment to responsible corporate governance sets the foundation for effective business partnerships and the stability of Nesma & Partners. Our policies and procedures help us better manage our strategic objectives and meet obligations toward our clients, shareholders, and other stakeholders. Effective corporate governance requires a clear structure that defines roles, responsibilities, and accountability. Nesma & Partners ensures it at the highest level through the Board of Directors, the Board Committees, and the Management.

Board of Directors

Our Board of Directors, dedicated to sound governance, is ultimately responsible for managing the business and acting in the company’s and its stakeholders’ best interest. Our Board is responsible for providing strategic direction and oversight of the company’s operations, financial performance, and risk management. The Board comprises a non-executive chairman and four members.



Abdulaziz Ali Alturki
Chairman of the Board

Rami Khaled Alturki
Member

Faisal Saleh Alturki
Member

Noura Saleh Alturki
Member


Samer Abdul Samad
Member

Board Committees

The four Board Committees Nesma & Partners are essential to the corporate governance structure. They assist the Board in carrying out its responsibilities by providing specialized oversight in areas critical to the company’s success. Each committee operates according to its mandate, which specifies its responsibilities for overseeing company procedures.

Executive Committee (EXCOM):

The EXCOM serves as a bridge between the Board and the company’s day-to-day operations, providing guidance and direction on decisions related to the company’s strategy and operations.




Rami Alturki
Chairman

Noura Saleh Alturki
Member

Samer Abdul Samad
Member

Nomination & Remuneration Committee (N&R Committee):

The N&R Committee supports the Board in overseeing the selection and compensation of directors, board members, and senior executives, in addition to HR policies, procedures, and remuneration/incentive schemes.




Noura Saleh Alturki
Chairwoman

Noaf Abdulaziz Alturki
Member

Alanoud AlSemaail
Member

Audit Committee (AC):

The AC Committee is entrusted with overseeing the company’s financial reporting, internal controls, and compliance procedures, as well as the audit functions.



Faisal Alturki
Chairman


Mohammed Zaheeruddin
Member

Zahid Farooq
Member

Adham Affifi
Member

Ethics Committee (EC):

The EC committee is responsible for overseeing matters related to the company’s code of ethics and ensuring that the organization’s activities are conducted ethically, and oversees the work of the Ethics manager committee.



Naif Alabeedi
Chairman

Tatiana Gholmie
Member

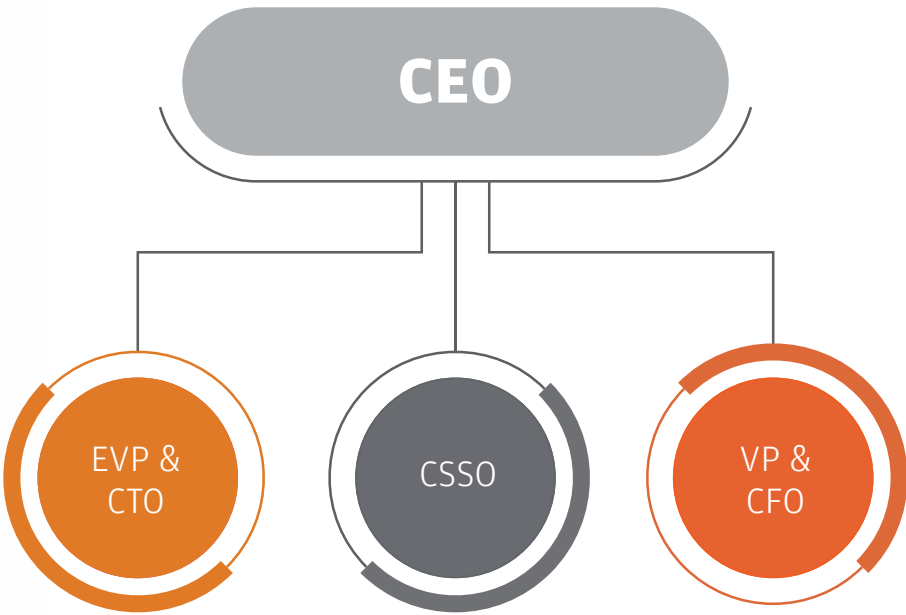
Abbas Haji
Member

Housam Ibrahim Basha
Member

Michael Fakhoury
Member

Management

The CEO along with a team of executives and managers are collectively referred to as “the Management” and is responsible for setting the direction and goals of Nesma & Partners and its investments. The Board appoints the CEO in consultation with the N&R Committee, and the leadership team is responsible for ensuring that the company fully complies with all relevant laws and regulations.



Management Committee (MC):

This non-executive forum was established to support carrying out the company’s adopted business strategy while reviewing and addressing issues arising from the company’s daily operations and ongoing projects. The MC serves as an information-sharing platform for senior-level managers to discuss the company’s overall management matters. The CEO determines the composition of the MC in consultation with the Board of Directors and Executive Committee.

Business Development & Tender Committee (BD&TMC):

The primary objective of the BD&TMC committee is to assist the company in business development, market analysis, and management of the tender evaluation and selection process. Through this forum, the committee actively assists key management in addressing various issues.

Operations & Risk Committee (O&R):

The principal purpose of the O&R committee is to support the operations management side of the company’s strategy by aligning progress updates and risk management approaches across relevant functions and departments. It provides a platform for active participation and information sharing among crucial management to better address issues and challenges.

Governance & Compliance

Stemming from Nesma & Partners’ long history of commitment to ethics management, the Corporate Governance and Compliance Department was established in 2022. its mission is to drive corporate governance with excellence across our management structure and ensure the highest standards of ethics and integrity are applied across business activities. This function develops policies and measures to ensure compliance with corporate ethics, promotes awareness, monitors risks, and investigates cases involving corporate ethics violations.



Bushra K. Abu-Salem
Director Governance & Compliance



Al-Bandari Al-Otaishan
Governance Affairs Officer



Baha Alsaif
Integrity & Compliance Lead Officer



Abdullah Alnajim
Integrity & Compliance Officer



Jojo Johnson
Office Manager

Corporate Governance

Nesma & Partners’ unified corporate governance framework brings together well-defined strategies, goals, and delegation of authorities, ensuring that all business operations abide by the same highly effective and efficient governance systems. In 2022, the corporate governance function at our company was further developed and updated to enhance the board of directors’ performance, intensify internal controls, monitor strategic objectives, and clarify the roles and responsibilities of the shareholders, board of directors, and executive management. Corporate governance at Nesma & Partners determines fundamental operations regarding issues such as:

- Coordination between senior management and the board of directors.
- Delivery of the company’s strategic objectives, Alignment, and protection of the interests and rights of different stakeholders.
- Identification, reporting, and control of all governance-related risks.
- Compliance with legal and regulatory provisions.

Compliance and Integrity

Abiding by the values of trust, transparency, and accountability that define the business conduct of Nesma & Partners and through the implementation of sound governance, we strive to create a culture of compliance and integrity. We are committed to ensuring compliance with all relevant laws and regulations and embedding integrity in every transaction. At the core of operating with integrity is the Nesma & Partners Code of Conduct and Business Ethics Policy. We keep track of best practices and focus on continuous improvement to establish a firm foundation for compliance and integrity. A dedicated department is in place to monitor compliance, and in 2022 we acted to improve our compliance program. Our internal compliance reporting systems are governed by policies that include corporate compliance and the Code of Conduct, whistleblowing, and anti-bribery and corruption. The comprehensive framework of responsibilities of the compliance function includes crucial activities such as:

- Preventing, detecting, and responding to compliance risks.
- Ensuring compliance with laws and regulations, the Code of Conduct, and the Business Ethics Policy.
- Ensuring proper implementation of the Code of Conduct, ethical policies, procedures, processes, and controls.
- Educating and advising on compliance-related matters.
- Organizing third-party due diligence.
- Investigating reported concerns about any misconduct.

Ethics Training and Awareness

During 2022, we conducted employee ethics and awareness sessions to stress the importance of promoting ethical business conduct and how employees can support an integrity-driven culture. Several workshops were held focusing on anti-corruption policies and related best practices. Our target is for all employees to understand corporate policies, rules and requirements, and be equipped to make ethical decisions in their day-to-day work. In 2022, we successfully communicated our ethics policy and anti-corruption procedures to a wide audience. This included 311 employees and 30 members of executive management who received direct communication. Additionally, our online program reached 26,224 individuals, further spreading awareness and promoting a culture of ethical conduct.



340+ employees

attended ethics training and awareness sessions.



26,224 individuals

participated in our online training program.

Ethics Officers

The formal governance and compliance structure at Nesma & Partners also include ethics officers who bring further attention to the various dimensions of responsible business conduct. These officers operate as the internal control point of ethical behavior to ensure implementation of the Code of Conduct and corporate policies. Ethics officers are responsible for developing training on business ethics, providing guidance and support to employees, overseeing compliance risk issues, and reviewing major misconduct and conflict of interest cases.

Nesma & Partners' policies establish a framework for ethical decision-making and guidance on issues such as bribery and corruption, conflict of interest, data privacy, discrimination and harassment, and other ethical issues that may arise in the course of business.



Code of Conduct
(Employees, Business Partners).



Whistleblowing.



Anti-Money Laundering.



Anti-Bribery and
Anti-Corruption.



Gifts, Hospitality, and
Charitable Donations.



Anti-Competitive
Behavior.



Ethics & Compliance Whistleblowing

Our policy provides a confidential and secure reporting mechanism for employees to raise concerns in good faith of any observed or suspected misconduct that violates the Nesma & Partners' anti-bribery and anti-corruption policy without fear of retaliation. The whistleblowing policy aims to promote transparency, accountability, and ethical behavior, as well as protect employees who raise concerns about potential wrongdoing.

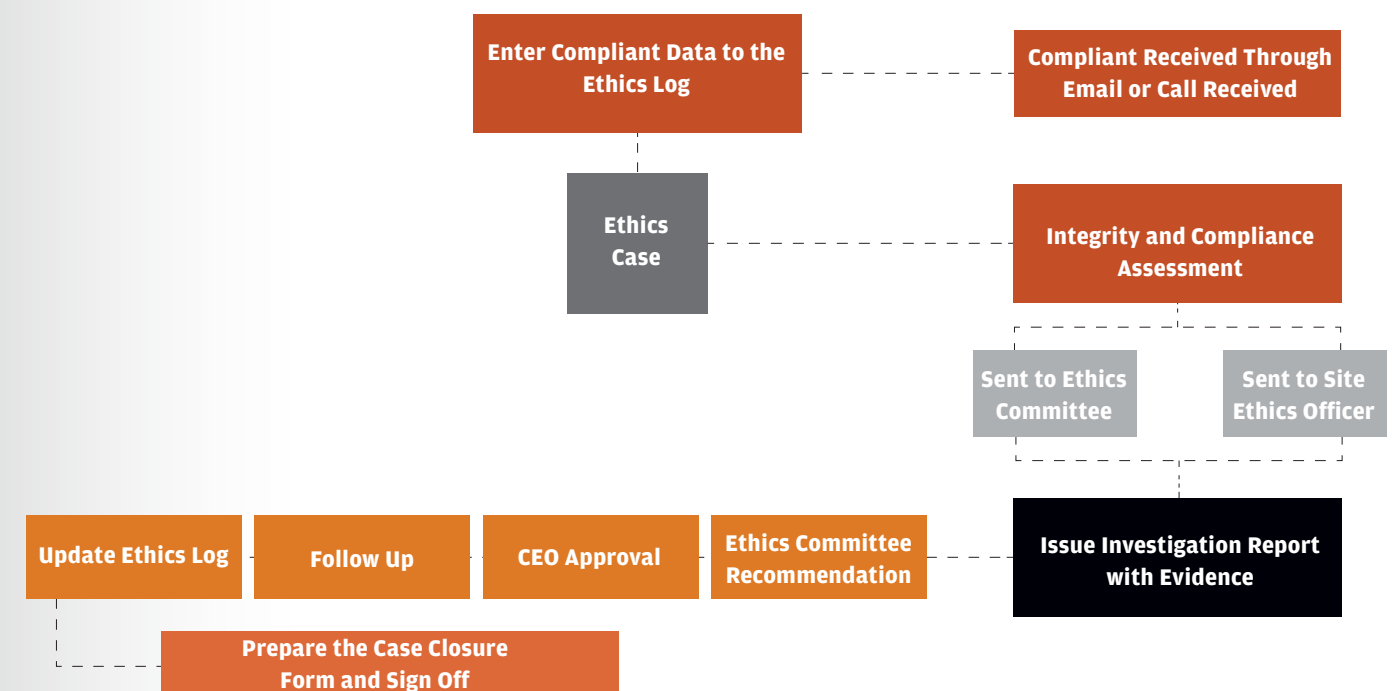
Email: ethics.np@nesmapartners.com

Portal: iamnesmapartners.com

Hotline: (ext. 9333 or 013 8519333)

Ethics Complaint Flowchart

The Governance & Compliance Department has defined a structured procedure that outlines the steps to be taken when an ethical issue or concern is raised within the company. The process flow is designed to ensure that all ethical considerations are addressed in a consistent and fair manner and that appropriate action is taken to resolve the issue and prevent similar issues from occurring in the future.





ISO 37001:2016 Certification for Anti-Corruption Systems



In 2022, Nesma & Partners received the ISO 37001:2016 certification for its anti-bribery management system. Acquiring this certification confirms our commitment to upholding international standards for preventing bribery and corruption and maintaining high standards of ethical conduct.



ISO 37001:2016 is the gold standard in anti-bribery and provides a framework for establishing, implementing, and improving anti-bribery management systems. The voluntary standard was developed to help organizations reduce the risks associated with corruption, ensure compliance with relevant laws and regulations, and promote ethical conduct. To secure this certification, a stringent audit system verified that Nesma & Partners has in place a series of systems such as financial and non-financial controls, training, corruption reporting channels, mechanisms for investigation of violations, and risk management.

Reflecting on the existing framework of transparency and accountability at Nesma & Partners, the ISO 37001:2016 system correlates with other acquired certifications, namely the ISO 9001 for Quality Management System and the ISO 14001 for Environmental Management System.

Operational Excellence

At Nesma & Partners, we always strive for operational excellence. In all our projects and corporate units, we focus on optimizing our operations to achieve sustainable growth, profitability, and client satisfaction. Our holistic approach, which guides the way we do business, integrates key factors such as safety, quality, cost, and subcontractors. Our hybrid model of centralized and decentralized decision-making authority drives increased accountability and flexibility, improved efficiency, and continuous improvement. Delivering the highest standards of excellence in each and every project we take on is an all-encompassing strategy across Nesma & Partners, from estimation and project design to cost control and sustainable on-site practices.

The project control function at Nesma & Partners is inclusive but not limited to the following:

Procurement Department

Cost-effective and environmentally friendly materials, timely delivery.

Estimation Department

Costing details, local content, sustainability, environmental protection.

Engineering and Design Department

Onsite planning and execution of project requirements. Value Engineering (VE), green building certification, sustainable materials, renewable energy, and Building Information Modeling (BIM).

Project Control, Scheduling & Cost Control (SCC) Department

Alignment of skills and methodologies with project requirements, contract strategies, and risk management.

Contracts & Legal Department

Contractors and subcontractors, contract risk reports, legal trends.

Operations Department

Project execution, progress tracking, client satisfaction.

Value Engineering (VE) - Case Study

Introduction:

The Value Engineering (VE) exercise undertaken for Package 1C of the DGDA Tunnels & Gyratory Project in Riyadh has resulted in a proposal by Nesma to use Inverted-T Pretension Prestressed Girders instead of U-Girder and Cast in Place Slabs for the construction. This report aims to summarize the cost and time savings and the positive sustainability impact of this proposal.

Cost Savings:

The proposed Inverted-T Pretension Prestressed Girders solution is a cost-effective alternative to the original design of U-Girder and Cast in Place Slabs. The manufacturing cost of Inverted-T Pretension Prestressed Girders is lower than U-Girder and Cast in Place Slabs due to the reduced concrete volume, steel reinforcement quantities, and the elimination of formwork while still ensuring the safety and durability of the tunnel. Additionally, the reduced weight of the girders results in savings in the foundation and wall designs in transportation and installation costs. Thus, the proposed solution is expected to save a significant amount of money on the project's cost.

Time Savings:

The use of Inverted-T Pretension Prestressed Girders also results in time savings during the construction phase. The prefabricated nature of the girders reduces the construction time required for the project. Eliminating formwork also saves time and labor costs as the girders can be installed quickly and easily. Thus, the proposed solution is expected to result in a significant reduction, estimated to be around six months, in the construction time required for the project.

Sustainability Positive Impact:

The implementation of value engineering on the tunnel structure will have a positive impact on the environment and sustainability. By reducing the amount of concrete and steel reinforcement used, there is a decrease in the amount of natural resources needed for construction, such as sand, gravel, and iron ore. The elimination of formwork also reduces the amount of timber required for the project, further reducing the carbon footprint. Furthermore, this can also reduce the amount of energy needed for the production, transportation, and installation of these materials, resulting in a decrease in greenhouse gas emissions. This can also lead to a reduction in the amount of waste generated during construction. With less material used, there is less material to dispose of, resulting in a decrease in the amount of waste sent to landfills.

Conclusion:

Inverted-T Pretension Prestressed Girders proposal by Nesma is a cost-effective, time-saving, and sustainable solution for Package 1C of the DGDA Tunnels & Gyratory Project in Riyadh. The proposal is expected to result in significant cost and time savings while also having a positive impact on sustainability.

The Plan-Do-Check-Act (PDCA) cycle is our systematic approach that emphasizes data-driven decision-making and continuous improvement. Applying this approach during project execution helps us achieve greater efficiency, quality, and client satisfaction.



Strive for Quality

Striving for quality is based on continuous improvement, which is a requirement for long-term sustainability. Our commitment to exceeding client expectations, improving processes, and conserving resources lead to improved quality and more sustainable operations.

At Nesma & Partners, we pride ourselves on being one of the most trusted contractors in KSA, with a long-standing reputation of excellence and reliability spanning 40 years. Our comprehensive quality management strategy involves everyone, from executive management to frontline workers. Through a series of corporate procedures and employee training, we maintain the highest quality standards to ensure world-class services.

Nesma & Partners' quality management systems are designed to meet international and regional quality standards to ensure that they are structured according to globally recognized best practices while also tailored to meet the specific needs of

the local market. Our quality management system certified for ISO 9001:2015 is a testament to the established robust processes driving client satisfaction and continuous improvement. Equally, certification by the American Society of Mechanical Engineers (ASME), a globally recognized mark of excellence in the engineering industry, reflects our dedication to maintaining the highest standards of quality in our work. Our integrated management system (IMS), construction quality index (CQI) and risk register are also part of the interconnected and well-defined framework Nesma & Partners has in place to ensure consistent quality.

Our strategy is to focus on process management, which involves analyzing and improving the various processes that drive business operations. Thereafter, following the analysis, we aim to establish policies that promote process standardization while constantly using data to monitor and measure our process performance to identify opportunities for improvement.



Procurement



Policies



Compliance



CQI



Audit



HR



ASME



Engineering



Sustainability



Construction

Strategy and Corporate Development

We have established a solid reputation for business excellence in the way we deliver our work.

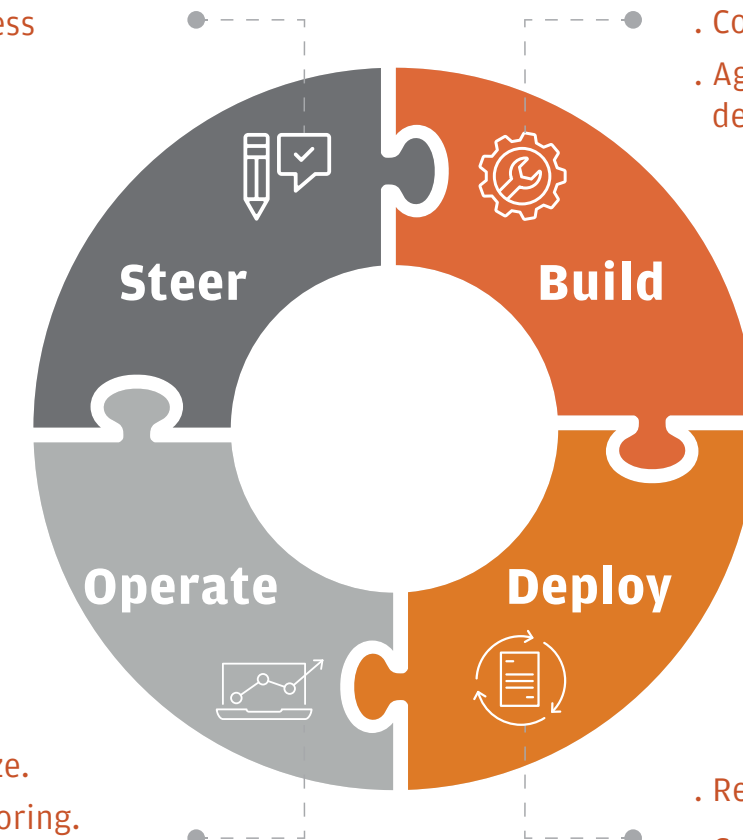
Our Corporate Strategy and Development function is essential in charting and implementing strategies for growth and long-term success, which promote Nesma & Partners' unwavering commitment to excellence.

We are dedicated to taking a holistic approach to our business operations, recognizing its potential impact on social and environmental outcomes. As such, the strategies we plan and apply focus on growth and improvement and prioritize the efficiency and sustainability of operations.

At the core of our strategy-setting approach is the Steer-Build-Deploy-Operate methodology, which enables us to continuously improve through streamlined planning, development, deployment, and monitoring processes.

. Plan & Measure.
. Continuous business planning.

. Develop & Test.
. Continuous testing.
. Agile collaborative development.



. Monitor & Optimize.
. Continuous monitoring.
. Continuous customer feedback and optimization.

. Release & Deploy.
. Continuous release and deployment.

Our strategic vision of expanding our business approach is led by our Strategy and Corporate Development team with the below key functions:



Corporate strategy and planning.



Business transformation.

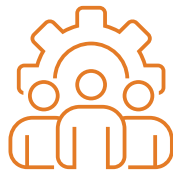


Business development and strategic partnerships.

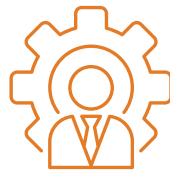
Corporate Strategy 2030 Fundamental Principles:

1. To become a proud Saudi company operating nationwide, progressively, regionally, and internationally.
2. Increase our Engineering, Procurement, and Construction (EPC) capabilities.
3. Grow sustainably.
4. Strengthen our sector-oriented capabilities.
5. Pursue more mega projects and organize systematically to deliver on them.

Digital Transformation Applications:



Digital Asset Management.



Centralized Portfolio and Project Management.



Lifecycle Management.



Cloud-Based Subcontractor Management



Cost Forecasting

Nesma & Partners is among the first in the Kingdom of Saudi Arabia to use these high-end technologies; these efforts attest to our core value of innovation, placing us one step further on the global digital transformation map.

Preconstruction & VDC

Pre-construction encompasses all activities that take place before the formal start of a construction project. The pre-construction planning stage involves defining the project, identifying potential issues, planning, and scheduling, project scope, cost estimation, and analyzing job needs. The pre-construction phase provides the construction team with a Project Execution Plan (PEP) defining a clear outline to follow during the project lifecycle.



Methodology



Logistics Plan



Mobilization Plan

Preconstruction & VDC in the heart of the construction digital transformation is crowned by successful exposure and participation in the Construction Technology Festival. Various digital initiatives, novel ideas, and innovative approaches were raised and developed to implement the full capabilities of BIM and digitalization. VDC has developed a digital ecosystem covering different workflows to ensure implementation of the different BIM dimensions from 3D, 4D, 5D, and 6D within a common data environment to streamline work processes and connect stakeholders through digital data, innovation, and technology across the whole project lifecycle from tender, design, and construction to facilities management to deliver better outcomes for end users.

3D BIM

- . Quantity Take Off.
- . Clash Detection.
- . Meta Data Management.
- . Preparation of Tendering Packages.

4D BIM

- . Scheduling & Planning.
- . Construction Simulation.
- . Progress Tracking.
- . Planned vs Actual.

6D BIM

- . Asset Model Data.
- . Intelligent Document Linking.
- . Facility Management (FM).

5D BIM

- . Cost Estimating & Budgeting.
- . 5D Project Planning.
- . Bill of Quantities.
- . Cash Flow Analysis.



Also, and as part of the VDC initiatives to the company, Nesma & Partners has passed the ISO 19650-1:2018 and ISO 19650-2:2018 audits and gained the Kitemark certificate in BIM Delivery Phase: BIM for Design, Construction, and Commissioning from the British Standards Institute (BSI), reflecting the highest international standards and best practices to keep up with the construction industry’s high demand and requirements for BIM.



Kitemark certificate in **BIM** Delivery Phase: BIM for Design, Construction, and Commissioning from the British Standards Institute (**BSI**).

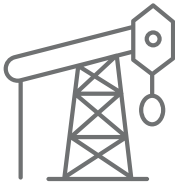
The different initiatives involved the adoption of several construction tools and solutions along with proper integration and bridging between them. The integration started internally, with the different departments involved establishing the right mindset and showing the efficiency and benefits of this adoption, i.e., reducing reworks, optimizing time spent, centralizing the information, and mitigating clashes. Once the adoption was established internally, the teams were able to communicate and collaborate with external parties, conveying all of its advantages and implementing them accordingly.

Nesma has granted, through this adoption, its clients, consultants, and subcontractors transparency between the different parties; an insight and look ahead on the different aspects of the project throughout its lifecycle, i.e., constructability, risk to mitigate; and more reliable data and results.



Tender & Estimation

Automation of Construction QTO



Engineering & Construction

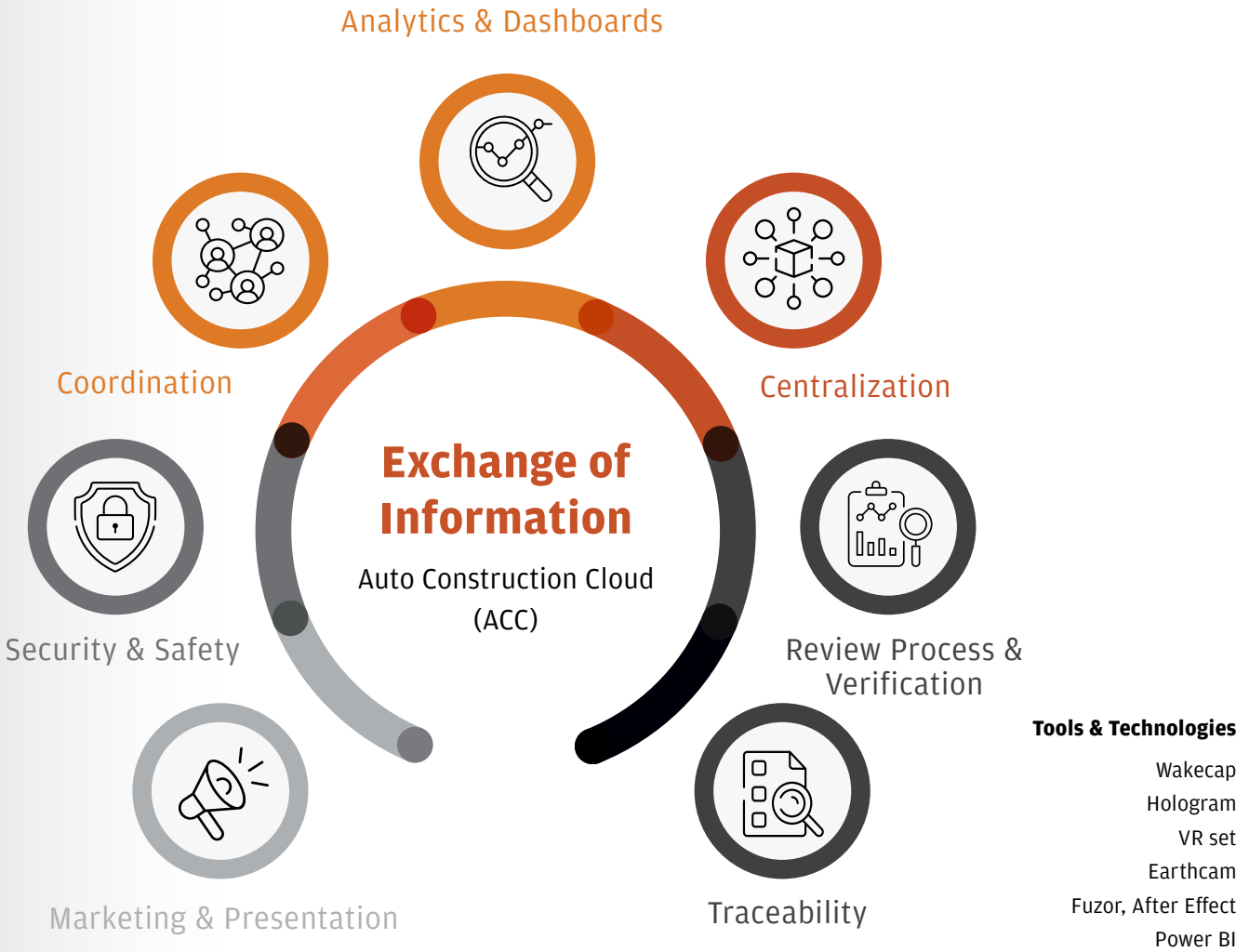
Data Driven Engineering Approach



Planning & Control

BIM-Based Planning in 4D & 5D

The following provides examples on this integration of digital initiatives where visualization technologies were utilized to streamline the construction process from early design stages:



Artificial Intelligence: Earthcam Time-lapse and 360 Capturing Cams & Wakecap Automated Monitoring and Control of Site Resources

These technologies are being used to aid construction projects from start to finish, from helping manage and plan projects to making worksites safer and more productive.

VR technology

VR technology was included in the process to allow project teams to coordinate and collaborate during the design and construction phases.

Hologram technology

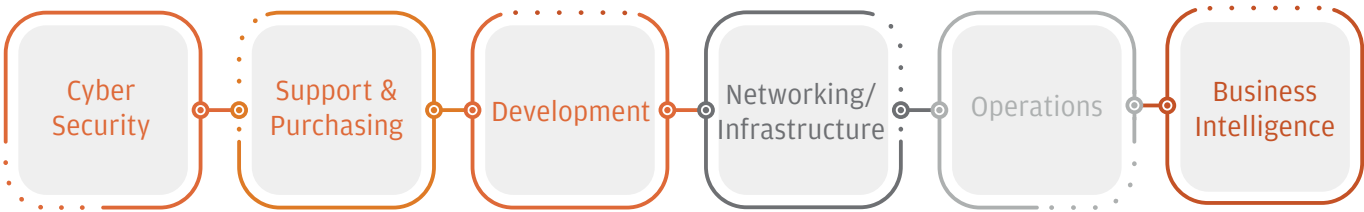
Due to the type and complexity of the Gyratory Tunnels project, hologram technology was introduced to allow the project team to navigate and visualize the different project components and discuss issues in design and construction and make decisions on the best way forward.

Information Technology

In recognizing the value of digitalization and staying ahead of IT trends, Nesma & Partners has prioritized the optimization of work processes and the enhancement of data security. To ensure our day-to-day operations meet the necessary requirements, a set of IT security policies and procedures have been established.



The structure of our IT Department is composed of six (6) units:



Our cybersecurity solutions include Network Detection and Response (NDR), which detects cyber threats on corporate networks; Endpoint Detection and Response (EDR), which monitors end-user devices to detect and respond to cyber threats; Patch Management Solution, which tracks patch versioning and deployments across a network Data Loss Prevention (DLP) control the security of sensitive data breaches; Network Access Control (NAC), a security solution that enables IT security teams to verify the authorization and access levels for every device and user connecting to the network and quarantine devices that fail to meet security requirements; and SIEM, security software that gives organizations an overview of activity across their entire network. Additionally, with the help of data classification software, we have systemized our data into five (5) categories: Saudi Aramco, Restricted, Confidential, Internal, and Company General Use, to ensure a high level of security.

In recognition of the growing need for IT capabilities in the workplace, the IT Department equipped employees with laptops and ensured a smooth transition to remote work by providing VPN access.



In 2022 we intensified our phishing campaigns to educate our employees on various topics related to cyber security. The training focused on crucial subjects such as physical security, malware, phishing, ransomware, mobile security, safe browsing, and social engineering. For added efficiency, we rolled out the security education program through the Proofpoint Security Awareness Training (PSAT) platform as a managed service.

Our People

To be the employer of choice for people interested in the E&C sector and have an outstanding H&C record.

Our people are our most precious asset, indispensable to realizing our strategic objectives, implementing our business expansion plans, and preserving our long-term competitive edge. For this reason, ensuring a safe and supportive working environment is a top priority for Nesma & Partners. Developing a world-class safety culture is a continuous mission for us, and we work relentlessly to implement best practices that safeguard employee well-being. We are committed to empowering our employees with the right people strategies that drive engagement and retention and provide equal opportunities for learning and personal development. Recruiting and retaining exceptional talent, promoting Saudization, and driving diversity are key objectives for us as an employer.

We aim to improve the lives of our people by prioritizing their well-being and fostering a positive and inclusive working environment where they can thrive and achieve their best, thereby contributing towards a more sustainable future.

Related Sustainable Development Goals:



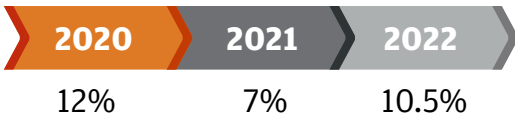
Our HR Processes:



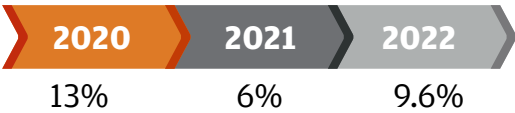
Talent Attraction and Onboarding

Attracting and retaining the right caliber of talent is essential to our success and growth. Our goal is to attract candidates with exceptional qualifications, including the required technical competencies, relevant experience, and professional character that aligns with our work ethics. Through this commitment, we actively contribute to the enhancement of the national workforce and the development of KSA’s human capital. Our strategy to fill open positions is based on the effective HR processes of identifying, assessing, and selecting qualified candidates in a fair and well-timed way. 2022 was a year of advancement for Nesma & Partners, and although we welcomed 9,458 people onboard, we also noticed an increase in turnover compared with previous years, particularly among women. We closely monitor the data and actively work on employee engagement and retention measures.

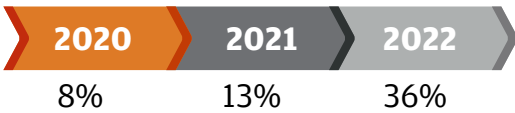
Turnover Rate of All Employees (%)



Male Employees

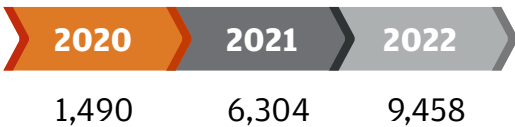


Female Employees

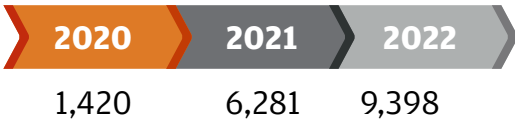


In 2022, 9,458 new employees joined Nesma & Partners:

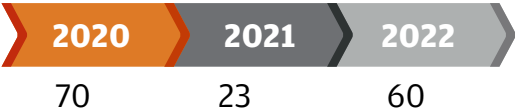
Total Number of all Newly Hired Employee



Male Employees



Female Employees



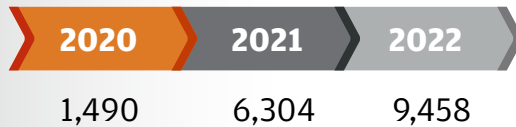
At Nesma & Partners, we believe in providing equal access to opportunities and growth for our people. We have a fair recruitment process to hire individuals based on merit, skills, and expertise without any biases to nationality, gender, and age. New employees are greatly appreciated, as we consider their individual experience and know-how precious assets for our organization. We invest in the onboarding process of new recruits to ensure they have access to the resources, tools, and networks they need to excel in their positions. This involves group-based guidance, personalized one-on-one support, and induction programs for all senior and executive managers. Our onboarding process begins before the candidate’s first day of employment (pre-arrival) and continues until the end of their probationary period. We aim to ensure high levels of employee satisfaction and continue to invest in the development of Saudi Arabia’s national workforce. Providing robust onboarding support to new hires accelerates their integration into our corporate culture and helps new employees stay focused on their goals as well as on ours.

Fairness, Diversity, and Inclusion

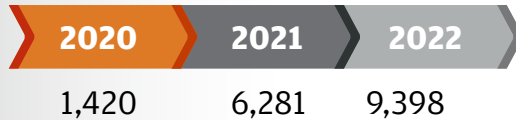
As a responsible and fair employer, we are committed to providing an inclusive work environment and upholding the principles of dignity and respect for all individuals. Respect for human rights is essential to building a culture of trust and in being a responsible corporate citizen. Within Nesma & Partners, our approach to respecting and upholding human rights is guided by our Code of Conduct and Business Ethics Policy, which recognize the right of workers to a respectful work environment. We abide by regional labor laws and national standards that apply to human rights. Above all, fostering a culture that respects and upholds human rights aligns with our corporate DNA and the core values of respect and dignity. Nesma & Partners has established policies and procedures such as an internal grievance mechanism to protect our people from any form of violation. Topics raised through whistleblowing channels and related to human rights topics are overseen by executive management committees and the Corporate Governance and Compliance function.

For Nesma & Partners, diversity is more than a concept. Employing thousands of people representing numerous nationalities, we embrace individual differences and are committed to fostering an inclusive and respectful atmosphere where everyone is welcomed. First and foremost, Nesma & Partners prioritizes and supports the professional development of Saudi citizens through employment opportunities, job-specific training and professional development.

Total Number of all Newly Hired Employee



Male Employees



Female Employees



At Nesma & Partners, promoting an inclusive and fair work environment is part of our ethos, and this includes increasing gender diversity and female participation. Due to the nature of the industry and the manual labor required at construction sites, the participation of female employees in comparison to male is low. At our company, most females occupy corporate, commercial, and administrative positions. During 2022, despite a decrease in the number of female employees, we increased our efforts in recruiting more females to join our company in support of the Kingdom’s vision to enhance women’s inclusion in the workforce.

Notably, our Health, Safety, Security, and Environmental (HSSE) Division stands out for its significant representation of women. Additionally, we prioritize the privacy and safety of women and hold frequent courses on the Prevention of Sexual Harassment (PoSH) to educate authorized employees on how to handle sexual harassment issues and complaints.



We believe in supporting our employees' work-life balance, which includes offering ample parental leave opportunities. Finally, we also demonstrate commitment to women's issues through awareness campaigns for the early detection of breast cancer.

The diverse workforce of Nesma & Partners is what nurtures the company's growth, collaboration, respect, and innovation.



We are firm believers in fostering an inclusive workplace where everyone feels valued, included, and empowered to be their best selves. The Mowaamah Gold Certification we have been accredited with is a testament

that we recognize the diversity, insight, and value that disabled people can bring to our business. "Mowaamah" is an accreditation managed by the Ministry of Labor and Social Development to promote the inclusion of people with disabilities in the private sector countywide. It has been designed for organizations that on a voluntary basis want to enhance their work environments to be comprehensive and more supportive of persons with disabilities. Nesma & Partners proactively supports the employment of people with disabilities in positions that are compatible with their abilities and qualifications and are committed to making reasonable accommodations as needed to ensure their success.

EMPLOYMENT LEVEL	INDICATORS	2020	2021	2022
 EXECUTIVE	Total number of Full-time employees	21	32	40
	Total number of Male employees	20	30	38
	Total number of Female employees	1	2	2
 MANAGEMENT	Total number of Full-time employees	202	270	308
	Total number of Male employees	195	263	303
	Total number of Female employees	7	7	5

Total Number of Full-time Employees

2020	2021	2022
------	------	------

21,631 25,448 30,313

Male Employees



2020	2021	2022
------	------	------

20,764 24,968 29,911

Female Employees

2020	2021	2022
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867 480 402

EMPLOYMENT LEVEL	INDICATORS	2020	2021	2022
 PROFESSIONAL	Total number of Full-time employees	2,182	2,657	2,998
	Total number of Male employees	2,096	2,557	2,911
	Total number of Female employees	86	100	87
 PARA-PROFESSIONAL	Total number of Full-time employees	19,226	22,489	26,967
	Total number of Male employees	18,456	22,118	26,659
	Total number of Female employees	770	371	308

In 2022, 37% of our total workforce had been working with us for more than five years. Nesma & Partners' growth has also brought in a wave of fresh employees, with a significant portion, (63%) of them having joined the company within the last four years. This diversity of experienced professionals and fresh perspectives allows us to maintain a vibrant and evolving work environment where employees have the opportunity to learn from one another and collectively grow.

years of service	2020	2021	2022
0- 4 Years	12,255	13,219	19,013
5- 9 Years	6,366	6,756	6,265
10- 14 Years	1,906	3,617	3,311
15+ Years	1,104	1,856	1,724

Based on our 2022 age range, Nesma & Partners has a balanced age distribution among its workforce, with a substantial percentage of employees in the 25-34 age group (40%) as well as in the 35-44 age group (35%). This blend in age ranges brings varying levels of experience and skills to the organization. The significant proportion of employees in the 25-34 age group implies that the workforce is relatively young and brings a dynamic and innovative outlook. Meanwhile, the sizable portion of employees in the 35-44 age group indicates mid-career stage employees who have accumulated more experience and expertise in their respective fields.

Age Groups	2020	2021	2022
18- 24 Aged	1,119	1,446	3,203
24- 34 Aged	7,914	8,765	12,077
35- 44 Aged	6,996	8,480	10,698
45- 54 Aged	2,919	3,303	3,525
55+ Aged	2,683	3,454	810

Training and Development

Training in 2022



Average number of training and development hours per employee: **38.86**



Total training hours provided to employees: **1,177,838 hours**

We prioritize employee development and our Human Resources Department takes the lead in providing training and development opportunities to our employees. The comprehensive training programs we have established are designed to facilitate a seamless transition for new hires and foster ongoing upskilling for our existing workforce. They are structured into three main categories:



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Trainings

Induction Training:

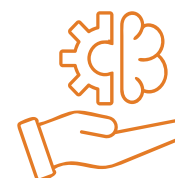
Conducted by our HR Department to help new employees familiarize themselves with their new work environment, understand their roles and responsibilities, and feel welcomed and supported. May include various aspects such as introductions to key personnel; organizational orientation; job-specific training; review of policies and procedures; and details on company values, goals, and expectations.



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Programs

Third-Party Training:

Specialized training is conducted by external providers and vocational institutes, for example, the National Construction Training Center (NCTC) and the Inspection Technology and Quality Assurance National Institute (ITQAN). Typically designed to meet specific client requirements, they cover various skills and topics such as project management, contractors' work permit receiver program, and first aid.



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Programs

In-House Training:

Delivered by Nesma & Partners certified experts, our internal training is designed to meet specific needs and enhance employee skills, performance, and engagement. The in-house training provided is tailored based on feedback, performance evaluations, or changing business requirements and may cover topics such as technical skills, professional development, leadership, and safety.



Internships

Nesma & Partners provides internship opportunities for university graduates in key roles including engineering, IT, finance, and more. We offer these internships, in line with our initiatives and educational support, to increase the employment and participation of Saudi nationals in our workforce. In 2022, a total of 13 university students participated in our internship program.



Academic Sponsorships

Employees who wish to pursue higher education or obtain a degree are eligible for our academic sponsorship program. In 2022, three employees received support to complete their Executive MBA and MBA programs.



Job Shadowing Program with Misk Foundation

Nesma & Partners collaborated with Misk Foundation, a renowned organization dedicated to empowering Saudi youth, to initiate a job shadowing program. This program aimed to provide valuable work experience to students by allowing them to shadow our team of experts in their respective fields of interest. Through this opportunity, students had the chance to explore their talents, gain insights into various job functions, and deepen their understanding of the associated skills. The program, spanning several months, also included coaching sessions designed to assist students in developing their career plans. By engaging in this initiative, Nesma & Partners and Misk Foundation jointly fostered the growth and career exploration of Saudi youth, ensuring they are equipped with the necessary knowledge and guidance to pursue their professional aspirations.



Mentorships

We recognize the importance of relationship-based development in facilitating knowledge transfer, enhancing career opportunities, and promoting employee engagement. For this reason, we offer mentorship opportunities. In 2022, our mentorship program included 32 mentors who were selected according to their years of experience and seniority. After providing them with appropriate training, they were matched with 81 mentees.



Excellerate Program

In 2022, we launched the Excellerate training program designed specifically for newly graduated Saudi engineers. The objective of this program is to equip young engineers with the necessary skills to successfully embark on their engineering careers and contribute effectively to Nesma & Partners. Twenty-two employees participated in the program, which included a combination of workshops and practical assignments to help young engineers apply their knowledge in real-world scenarios. The content covered topics such as technical skills, industry standards, project management, teamwork, communication, and professional ethics.



Empowering Tomorrow's Leaders

The youth population in Saudi Arabia and the broader Middle East is one of the largest in the world and the challenge of meeting their career aspirations is becoming evident. At Nesma & Partners, we realize that Saudi Arabia is undergoing profound developments that can only be realized through the determination and potential of young people and ushered by programs that allow for their extensive access and integration in the workplace. As such, the Nesma & Partners Youth Council was launched in 2022 to empower and engage young professionals, promote their development and growth, and foster a culture of inclusivity and innovation across the company. The Youth Council provides a platform for young employees to voice their opinions, ideas, and concerns and create opportunities for them to actively participate in decision-making processes.



Nesma High Training Institute (NHTI)



+2,800

Saudi trainees graduated from NHTI in 2022.

An integral part of our dedication to Saudization is the Nesma High Training Institute (NHTI), which was established in 2011 under the supervision of the Technical Vocational Training Corporation and in compliance with Quality Certification ISO 9001:2015. At NHTI, our mission is to strengthen Saudi human resource capacities by offering technical and vocational training programs that are responsive to the evolving demands of the labor market, thereby empowering individuals with the necessary qualifications.



NHTI's Key Achievements in 2022:

- 406 graduates of vocational training programs, equipped with valuable skills in various disciplines such as safety, pipefitting, steel fixing, scaffolding, and welding.
- An authorized training provider for OSHA Academy, allowing us to deliver high-quality training programs that meet the industry-leading standards of the Occupational Safety and Health Administration (OSHA).
- A dedicated NHTI for NEOM projects that fosters the professional growth of our workforce through ongoing training and development initiatives.
- As an authorized training partner of the Project Management Institute (PMI), 35 employees received project management professional (PMP) training and 12 achieved PMP certification.

Testimonials Echoing Our Commitment



Wijdan Alsanea

Senior Accountant

I am happy and proud to have been part of Nesma & Partners' family for more than 15 years. I have learned a lot while working with Nesma & Partners. Words cannot describe my gratitude for Nesma & Partners' impact on my professional growth.

I am grateful for the support and development opportunities I received throughout my tenure.



Sahar Abdullah

Design Team Leader Structure

Culture is created in any organization either by default or by design. It's revealed in our beliefs, values, attitudes, and behaviors.

Positive culture and strong values in Nesma & Partners reflect the company's mission. All these are driven by employees' engagement, meaning that employees are generally more content, and therefore, staff retention is improved. A happy and satisfied workforce results from having a meaningful workplace culture and being motivated to perform better.

I continued my service at Nesma & Partners for over 15 years due to a comfortable work environment, the family culture, and the appreciation of working women and teamwork that helps me to work positively and productively.



Mohammed Al Dakhil

Expediting Manager

I started as a local purchaser for a short period when the procurement manager recognized that I was an excellent worker succeeding in every mission I was assigned. My management moved me to the Expediting Team to support my career development. I was then promoted to unit head and then to manager.

Why did I stay at Nesma & Partners for 20 years? Many reasons encouraged me to stay, such as the family culture, the growth path, involvement, and the support of my direct manager and everyone in the company.



Ariel Manago

Senior CAD Operator Arch\ Civil

Nesma & Partners has been my second home for almost three decades, and I would say it is my pleasure. I am honored to have served and watched the company grow throughout the years. Nesma & Partners definitely played a massive part in my professional growth while also nurturing me to become a better individual.

I have been working in the Engineering Department as a Draftsman, which is a challenging path with many walls to break through. Still, all the challenges I had to overcome and the hardships I have endured helped me develop my talents by learning something new every day and made me the successful person I had always aimed to be.

Admittedly, being a foreigner/ex-pat, the language barrier and cultural differences made me struggle. Still, Nesma & Partners were very accommodating and did their best to make me feel comfortable, which made me choose to stay loyal and do my best to add value to the company.



Muqdad Al Misbah

Construction Manager - Industry

I graduated from King Fahad University of Petroleum and Minerals with a bachelor's degree in mechanical engineering. I have been in Nesma & Partners for 13 years, starting as a site piping engineer and currently holding an industrial construction manager position on one of Aramco's projects.

I have learned many skills such as leadership and management skills, effective communication, and experiences from my successful long-term journey at Nesma.

Nesma & Partners provides a diverse and friendly culture where employees feel like they work among a family, in addition to its efforts to improve its employees through enormous training opportunities, which is what I have loved and keep me sustained with this fantastic company. Many thanks to my inspiration, VP of Industrial/Oil & Gas, Mike Fakhoury, who taught, guided, encouraged, and motivated me to succeed.

Mr. Imad left us with a promise that it is upon all of us at Nesma & Partners to continue to fulfill, which is "Together, We Build Excellence."



Eman Alghonaim

Assistant Unit Head Payables

I am privileged to be a part of Nesma & Partners' sustainability path. Being a member of a dedicated and collegial Finance Department work team has provided me with professional development during this period. I contribute to establishing a positive atmosphere of value with my coworkers to accomplish our goals and be a part of our success.



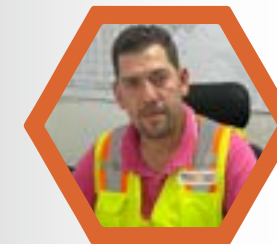
Heba Al Mohsen

Architect Team Leader

Over the past seventeen years, I have been employed by several construction projects where I have worked on a variety of residential, commercial, and retail mixed-use projects in the industrial and healthcare sectors. Since working on those projects, I have managed projects from the initial design stage to completion.

Why did I stay at Nesma & Partners for 17 years?

The main reason is that Nesma is one of the best companies in the relations between employees and the spirit of teamwork.



Mohamad Assaad

Civil Site Manager

Nesma & Partners is growing and classified as the leading contracting company in KSA. The contribution to its diverse rush projects and the challenges in achieving the milestones framed an excellent chance for me to utilize my skills, enhance my knowledge, and broaden my experience.

Nesma & Partners provides an encouraging environment led by inspiring leaders who are tangible role models for any ambitious and hard-working person who dreams of progressing in his career. I started my career as a civil supervisor in 2007 and left the company in 2009 to pursue higher studies (Bachelor of Science in Civil Engineering). Upon graduation in 2012, Nesma & Partners allowed me to rejoin the company as a civil engineer. I rejoined and received several promotions that inspired me a lot and motivated me to exercise my skills meanwhile learning about the challenging projects the company is managing. Currently, after almost 15 years, I am working as a site manager.

Besides practical experience in the field, Nesma & Partners has provided me with opportunities to strengthen my knowledge through certifications and training, which led me to perform my tasks more efficiently and encouraged me to re-apply for another master's degree in engineering management.

To conclude, I would say that I am blessed to be part of such an esteemed organization and wish Nesma & Partners plenty of success and glory in the coming years.



Health and Safety

The corporate mission of Nesma & Partners is grounded in the principle of safety, meaning that the health and well-being of our people is of utmost importance to us. Our unwavering commitment to creating a safety culture extends throughout our organization, encompassing all operations across offices and construction sites. We ensure that safety is meticulously planned in every task, and we always prioritize the well-being of our employees.

HSE Integrated Management System:

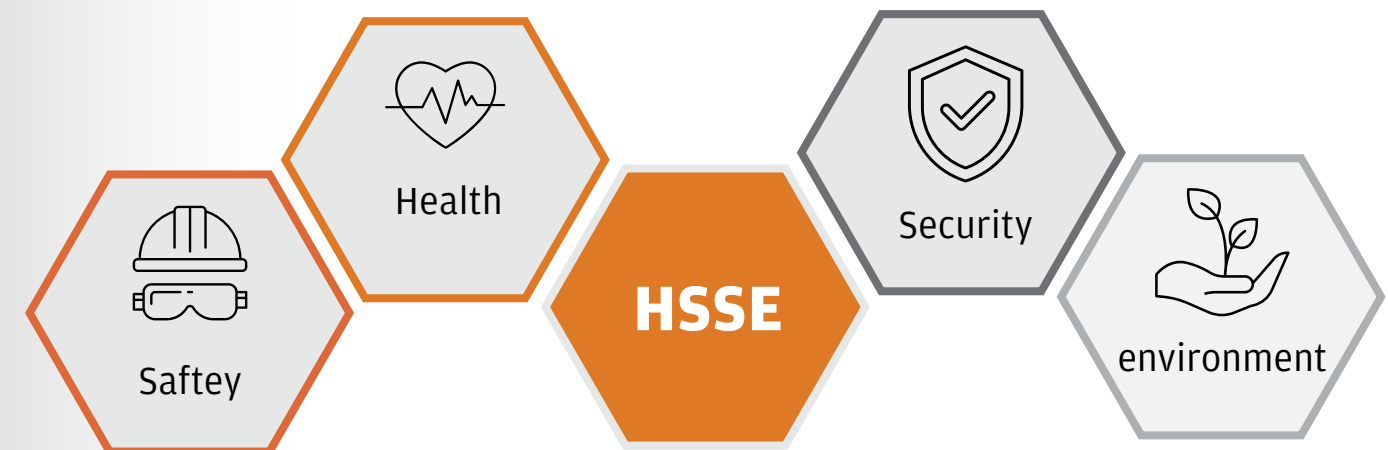
Considering the nature of our business operations combined with our commitment to corporate values, HSE is a matter of significant importance and an enduring priority for us. To ensure safe working conditions, we have established a meticulously structured HSE Management System that fully aligns with market-leading international standards (ISO 45001, ISO 14001) and national legislative requirements. The Nesma & Partners integrated HSE management system has been designed to embed health, safety, and environmental considerations into all aspects of our operations and decision-making processes. This systematic approach integrates various HSE elements, such as policies, programs, roles and responsibilities, training, and performance indicators, into a cohesive structure to effectively manage risks and promote a safe and sustainable work environment.

HSE Management Policy:

Our policy is a consistent framework for efficient and effective HSE management across our organization. It is designed to support continuous improvement efforts and undergoes review every two years, or as needed, to make necessary amendments and updates. As our top priority is workplace health and safety, our HSE policy outlines specific principles and expectations to guide our project teams in achieving our objectives. These include:

1. Ensure adherence to laws, regulations, and international standards of occupational health and safety, and maintain compliance at all times.
2. Incorporate HSE-related requirements into procurement processes for materials, services, vendors, and subcontract agreements to eliminate workplace hazards.
3. Engage employees in hazard identification, risk assessment, and risk mitigation processes, encouraging their active participation and input.
4. Ensure that employees are provided with appropriate Personal Protective Equipment (PPE) where necessary and provide thorough instruction on its proper use and maintenance.
5. Develop and implement an effective Emergency Preparedness and Response Plan for the workplace. Provide appropriate training to personnel and conduct regular drills to ensure effective evacuation and response to workplace emergencies.
6. Adhere to instructions from relevant authorities such as the Ministry of Health (MOH), Ministry of Interior (MOI), and others during a health crisis such as a pandemic. Provide necessary means and training to employees to ensure compliance with health and safety measures related to health emergencies.

The success of our HSE Integrated Management System is based on robust support from senior management, employees, and stakeholders and the well-defined criteria of ISO 45001:2018 OHSMS and ISO 14001:2015 EMS.



HSE Integrated System:



Leadership
Commitment.



Policy and
Procedures.



Employee
Participation.



Communication
and Training.

HSE Structure:

Our Health, Safety, Security and Environment (HSSE) Division is responsible for overseeing occupational health and safety throughout our operations and driving company-wide strategies and programs to effectively manage our overall safety performance. Nesma & Partners safety professionals are an integral part of our project and site operations, playing a crucial role in supporting the implementation of our safety program and ensuring compliance.

Our HSE procedures are comprehensive and encompass all employees and company activities. It is the responsibility of every employee to adhere to the policies, regulations, and other requirements that are relevant to their respective activities. Our unified approach to ensure our HSE procedures are communicated company-wide and across stakeholders such as partners and clients includes toolbox talks, briefings, online courses, leaflets, internal publications, management reports, meetings, and presentations.

In accordance with government regulations, our safety practitioner-to-worker ratio in 2022 remained unchanged at one (1) safety practitioner for every 50 workers. This has allowed us to maintain a robust and rigorous process in upholding high standards for our health and safety management, with a Saudization ratio of 70%.

As part of our commitment to comply with the resolution of the Ministry of Labor and Social Development (MLSD) - Ministry of Human Resource and Social Development (MHRSD) to achieve 70% Saudization of occupational health and safety professionals by 2022, we have made significant progress. We have currently achieved a ratio of 70% Saudi nationals and 30% expatriates. In order to further advance our efforts toward localization, we are actively conducting hiring campaigns to recruit 200 more Saudi nationals to strengthen our mandate and promote the development of local talent in the field of health and safety.



We are proud of maintaining a solid record of ZERO fatalities, permanent disabilities, and fire incidents.

INDICATORS	2020	2021	2022
Total worked safe manhours	66,476,458	64,976,987	97,258,449
Number of near misses	1,823	1,814	3,181
Number of permanent disabilities	0	0	0
Number of fatalities	0	0	0
Fire incidents	0	0	0
Number of management-employee health and safety welfare committees	18	25	27

Employee Participation in Health & Safety:

Nesma & Partners has established procedures to encourage and facilitate employee participation and consultation in matters related to safety and health. The Health, Safety, and Welfare Committees are collaborative bodies designed to facilitate communication and cooperation between management and employees, ensuring that health and safety policies, procedures, and practices are effectively implemented and followed. They provide a platform for employees to voice their concerns, share feedback, contribute to the development of safe work practices, and promote a positive safety culture throughout the organization.

Key Achievements in 2022:

The Nesma & Partners CEO Safe Site Award is an internal recognition program that acknowledges outstanding performance and achievements in the field of health, safety, and environment. This quarterly structured award is typically bestowed by the CEO or other top-level executives to project teams for achieving significant milestones and driving a positive safety culture throughout the organization. The award serves as an incentive to inspire continuous improvement and excellence in HSE performance and highlights the importance of prioritizing HSE as a core value within Nesma & Partners.

The winners of the 2022 CEO Safe Site Award, in recognition of their exemplary performance in achieving zero injuries on the job site, are as follows:

- . 1st Quarter: Red Sea Airport Infrastructure (RSAI) Project.
- . 2nd Quarter: Marjan Increment Program Package 7 (MIP-7) Project.
- . 3rd & 4th Quarters:
 - Building Sector - Neom Mountain Base Camp (NMBC).
 - Infrastructure Sector - Al Ula 7 Project.
 - Oil & Gas Sector - Onshore Maintained Potential Project (OMP) SA1.



Women in Health & Safety:

Nesma & Partners HSSE Division currently consists of 33 women, 28 HSE professionals, and five in security departments. Additionally, there is a proposal in progress to hire 10 new employees in HSSE roles. As part of our commitment to fostering an inclusive work environment, we are also working towards building shared infrastructure for women’s welfare facilities to support female site HSE professionals.



HSE Training:

Nesma & Partners employees undergo continuous training to ensure a high level of safety awareness, which combined with our comprehensive HSE Management System, form the building blocks for minimizing risks and developing safe on-site behaviors.

We conduct HSE training both in-house and externally in accordance with IKTVA and HSE KPIs, which are based on internationally recognized standards of ISO 18001:2007 for the Occupational Health and Safety Management System and ISO 14001:2015 for the Environment Management System (EMS).

Our health and safety training generally covers a variety of subjects, which may include:

- . Daily H&S Toolbox Talks.
- . Occupational health and safety regulations, and standards.
- . Fire safety and prevention.
- . Equipment and machinery safety.
- . Incident reporting and investigation.
- . Health and wellness in the workplace .
- . Personal protective equipment (PPE) and its proper use.
- . Chemical safety and hazardous materials handling.
- . Risk mitigation campaigns such as Road Safety, Ergonomic Hazards, and Hand Safety.

In 2022, our work-specific HSE training included additional topics such as introduction to our new Health & Safety Portal (HSP), safety key performance indicators (KPIs), client specific HSE contractual requirements, driver improvement programs, and automatic vehicle locator (AVL) training for all project HSE coordinators.

Each year, we strive for continuous improvement in our training program, and in 2022, we achieved significant progress. We increased training opportunities for our employees and observed a higher level of attendance compared to the previous year.

HSE INDICATORS	2020	2021	2022
Average training hours per employee	2.32	6.38	8.8
Number of toolbox training attendee hours	50,676	68,286	1,224,893*

* The data for the years 2020 & 2021 didn't cover all TBT sessions.

Environmental Stewardship

To be an environmentally responsible company and contribute to the sustainable development of KSA

At Nesma & Partners, we recognize the significant impact that the construction industry can have on our natural resources and the environment. That is why we make it a priority to incorporate environmentally friendly practices into every aspect of our business, from our activities to our policies and procedures.

Committed to meeting national and international standards and protocols, we take pride in the cohesive efforts of each department at Nesma & Partners to minimize or prevent any potential negative impact on the ecosystem associated with our projects, both terrestrial and marine.

With strong leadership and a shared vision, we have scaled our sustainability efforts in completed projects and continue to seek innovative pathways to contribute towards a healthy and resilient future. We display our commitment to the environment through our ISO 14001:2015 Environmental Management System certification, our Environmental Policy, and eight Environmental Procedures, which are communicated throughout our organization to promote awareness and adherence. We will continue to strive for sustainable practices, mindful of our responsibility to protect our natural resources and environmental health.

We also acknowledge the essential role of advancing the Sustainable Development Goals (SDGs) in achieving a sustainable future where both people and the planet can thrive.

Related Sustainable Development Goals:



Environmental Management System (EMS):

The ISO 14001:2015 Environmental Management System (EMS) certification we hold is an important recognition of our commitment to environmentally conscious practices and sustainable resource use. This certification serves as a testament to our proactive approach in managing and minimizing our environmental impact.

Through implementation of this EMS, we have established a framework for identifying and managing environmental risks and opportunities, reducing waste, and enhancing resource efficiency. The EMS also helps us ensure compliance with applicable environmental regulations and laws. Our EMS is an integral part of our sustainability journey and reflects our dedication to promoting environmental stewardship in all aspects of our operations.

Additionally, our Environmental Policy and eight (8) Environmental Procedures serve as our guiding principles for environmental management. These frameworks outline our commitment to strict compliance with national environmental legislation and the objectives set forth by Vision 2030. We ensure that all our employees, subcontractors, and visitors adhere to these policies and procedures, promoting a culture of environmental responsibility and sustainability. By integrating these guidelines into our operations, we aim to minimize our environmental footprint and contribute to the long-term environmental goals of the Kingdom of Saudi Arabia.

Our Health, Safety, and Environment (HSE) Department is tasked with conducting regular internal audits to ensure compliance with the Environmental Policy and Procedures. These audits are an important part of our commitment to maintaining high standards of environmental performance.

To ensure a high level of awareness and adherence to our Environmental Policy and Procedures, we have implemented effective communication strategies. The Environmental Policy is prominently displayed in all our offices, sites, support services areas, and camps. The Environmental Procedures are also effectively communicated as:

- 1. Environmental Risk Assessment Procedure (ERAP)
- 2. Air Quality Management Procedure
- 3. Noise Control Procedure
- 4. Waste Management Procedure
- 5. Chemical and Hazardous Materials Management Procedure
- 6. Water and Wastewater Management Procedure
- 7. Construction Environmental Management Plan Procedure
- 8. Camps and Offices Environmental Management Procedure

Towards a Positive Impact on Climate and Nature

USGBC Silver Member

A significant 2022 milestone in our sustainability journey is our USGBC Silver membership, which resonates with our goal to contribute to the advancement of sustainable construction practices.



We recognize the importance of sustainability in the built environment to improve the quality of life in the communities we serve. By becoming a USGBC member, we are demonstrating our commitment to green buildings and sustainability, and we look forward to working with USGBC to build healthier and more sustainable communities.

ESG Certificate

The ESG certificate we received on 2022 is a testament to our unwavering commitment to sustainability and responsible business practices. This prestigious certificate is not only approved by our valued client Saudi Aramco, but we have also achieved an outstanding score in the following key categories: environment, society, governance, and health and safety.

Our outstanding score was achieved through a combination of factors, including our recent ISO37001 certification, which highlights our dedication to ethical business conduct and anti-corruption practices. Additionally, our new HR policies, focused on our people's well-being and social responsibilities, played a significant role in this accomplishment.

Attaining the highest score among our market peers demonstrates our position as a sustainability leader in the industry. It solidifies our reputation as a responsible and trustworthy partner that is committed to creating long-term value for our stakeholders.



Clean & Green Campaign

Team members of the Onshore Maintain Potential Project initiated the campaign by planting a variety of trees and honoring the Crown Prince's goal to plant 10 billion trees in the Kingdom over the coming decades.

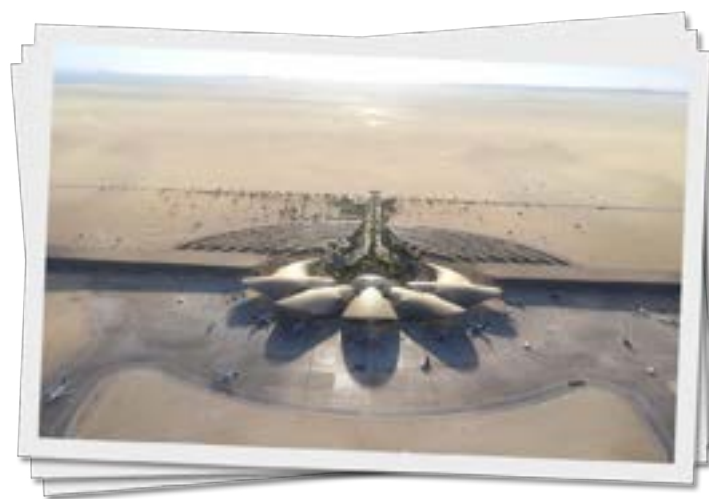
“Go Green” Program

The “Logistics Park Access Road” was commended by the client, NEOM, for the remarkable effort in carrying out a successful planting campaign. The objective was to enhance the environmental sustainability of the project by planting trees and vegetation in the surrounding area. The team demonstrated a strong commitment to environmental stewardship, working diligently to organize and implement the campaign, resulting in a positive impact on the local ecosystem.



Red Sea Airport Project Awarded for Environmental Sustainability

The project team was honored with an environmental award from our client, The Red Sea Development Company. (TRSDC) for its outstanding effort to prioritize sustainability and environmental stewardship. This recognition acknowledges the combined efforts of Nesma & Partners and Al-Mabani in implementing sustainable practices, minimizing environmental impacts, and ensuring compliance with environmental regulations.



Best Project Site

This annual award was presented to the project team of NEOM Tier C Manufacturing in recognition of making a positive impact on the environment. This significant achievement highlights the team's dedication to sustainable practices and its ability to go above and beyond in delivering environmental benefits to the project and the surrounding community.



Best Environmental Performance

Received twice in one year (June and again November), this monthly award set us apart from all other NEOM contractors for contributing to a more sustainable project.



Exceptional Environmental Initiatives

The NEOM Green Beacon Award was presented for implementing eco-friendly initiatives.



Supporting the Ecological Balance

During work on the NEOM Mountain Road Project, 45,000 cubic meters of soil were preserved by implementing proper erosion control measures. This preservation not only protected the natural habitat and biodiversity but also contributed to the long-term viability of the project site by maintaining the soil's nutrient content and moisture retention capacity. In addition, the soil was reused on the project to reinstate various temporary quarries.

Introducing Our Green Building Projects

The green building projects we have undertaken for our valued clients showcase our expertise and commitment to delivering sustainable solutions in the construction industry. These projects incorporate the latest green building technologies and design principles to minimize environmental impact and promote energy efficiency. We are committed to promoting sustainable construction practices and believe that green building projects play a key role in achieving our sustainability goals.

Sindalah (Cluster 1 & 2) – Client: NEOM

Sindalah Island Clusters 1 & 2 have been designed to accommodate NEOM personnel, including engineers, designers, and managers, during the construction of NEOM Mountain Project. These clusters are being developed to meet the stringent standards set by the U.S. Green Building Council's LEED Building Design and Construction (BD+C): New Construction v4.1. The goal is to achieve LEED Platinum Certification, which signifies the highest level of environmental performance and resource efficiency. Nesma & Partners is the main contractor carrying out the construction work.



LEED Certification Strategy

Water Efficiency:

- Reduction of potable water consumption by 50% compared with the baseline requirement.
- Install appliances with certain efficiency standards, to reduce indoor water use.

Energy & Atmosphere:

- A minimum 30% renewable energy contribution within the building.
- Annual energy reduction of 40%.

Materials and Resources:

- Construction waste management plan and 100% of project's construction waste diverted away from landfill for reuse and recycling.

Recycled material

- 20% of used building materials to be recycled.

Environmental Product Declaration

- Maximum use of responsibly sourced materials and with recognized environmental product declaration (EPD).

Certified Wood:

- Wood-based materials and products certified by the Forest Stewardship Council's (FSC) criteria.

¹compared with ASHRAE 90.1-2016 baseline.

Avenues Mall – Client: SHOMOUL

The Avenues Riyadh, Phase 1 Mall project is located at the intersection of King Fahd Road and King Salman Road north of Riyadh. The property is zoned for commercial, residential, office, hospital, and showroom use. The goal is to achieve LEED Gold Certification.



LEED Certification Strategy

Water Efficiency:

- 88.11% savings on annual potable water use by providing efficient water fixtures.
- Greywater systems adopted for indoor water flushing.
- Water-efficient landscaping reduces potable water consumption by 100%.

Materials and Resources:

- Construction waste management plan and 88% of project construction waste diverted away from landfill.
- More than 15% of total materials used will comply with recycled, regional materials.

Recycled material:

- 20% of used building materials to be recycled.

Certified Wood:

- Wood-based materials and products certified by the Forest Stewardship Council's (FSC) criteria.

²upon the availability of recycling facilities

Projects’ Environmental Footprint

For 2022, we have provided environmental data covering twenty-two (22) projects, which include ten (10) projects that are ongoing from previous years and twelve (12) new projects. In 2021, we disclosed the environmental performance for 16 projects, six (6) of which came to completion during the reporting cycle and are not accounted for.

In 2022, we enhanced our reporting procedures for key material topics such as emissions, water and waste to capture more details and improve control over our impacts. For this reason and considering the variety in nature and scope of our projects, our environmental performance does not provide the necessary ground for a direct comparison between 2022 and 2021.

Material Consumption	2020	2021	2022	
			Quantity	LCGPA Score
1. Earthworks				
Fill Materials (m3)			690,518	35%
Gravel (Tons)			255,126	35%
Dune Sand (Tons)			440,550	35%
Sweet Sand (m3)			183,681	35%
2. Concrete Works				
Ready-Mix Concrete (m3)	731,487	360,813	1,080,131	50%
CMU Blocks (no)			1,390,171	50%
PRECAST - Concrete (m2)			237,824	50%
Interlock Concrete (m2)			163,887	50%
Curbstone Concrete (L.M.)			164,585	50%

3. Liquid & Gas System Pipe Lines				
Metallic Pipes (m)	540,728	146,296	97459	5%
Non-Metallic Pipes (m)	268,735	220,735	385510	30%
6. Steel Materials				
Rebar (Tons)	127,880	87,299	172,625	60%
Steel Structure (Tons)	108	7,531	0	

Energy Consumption (Projects Only)	2020	2021	2022
PETROL (Litres) Includes: 1. Used for On-road Vehicles Owned or Leased by the company. 2. Used for Off-road Machinery Owned or Leased by the company. 3. Used for Stationary Machinery or Generators.	5,207,697	5,586,264	10,354,308.32
DIESEL (Litres) Includes: 1. Used for On-road Vehicles Owned or Leased by the company. 2. Used for Off-road Machinery Owned or Leased by the company. 3. Used for Stationary Machinery or Generators.	34,644,523	41,573,428*	50,881,650.00
Electricity Purchased from a Third-Party i.e National Utility Company (in KWH).	2,327,468	456,166	1,087,092.00

*Upon review, this data was mistakenly reported in our 2021 report.

For 2022, we are reporting Scope 3 emissions and energy consumption for the first time. This is an important step in understanding our entire carbon footprint and addressing climate change. Reporting impacts under Scope 3 is significant because they often represent more than 90% of a company's carbon footprint, and it demonstrates our commitment to sustainability, reduces supply chain risks, and drives regulatory compliance.

GHG EMISSIONS (in Tons of CO2e)	2020	2021	2022
Scope 1* (Direct Emissions)	119,168	123,116	159,095
Scope 2** (Indirect Emissions)	1,885	327	618
Total GHG Emissions (Scope 1 & Scope 2)	121,053	123,443	159,712
Total GHG Emissions' Intensity (Per million man-hours)	1,992	2,090	1,770
Scope 3*** (Indirect Emissions)	0	0	4,028

*Scope 1: GHG emissions for Scope 1 have been calculated using the carbon conversion factors published in the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories.

**Scope 2: CO2 emissions are reported following the development of the Kingdom's updated grid emission factor published by the Designated National Authority (DNA), KSA 2021.

***Scope 3: GHG emissions for Scope 3 have been calculated using the carbon conversion factors published in the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories.

Energy Consumption of Projects' Subcontractors	2022
PETROL (Litres) Includes: 1. Used for On-road Vehicles Owned or Leased by the company. 2. Used for Off-road Machinery Owned or Leased by the company. 3. Used for Stationary Machinery or Generators.	224,093.00
DIESEL (Litres) Includes: 1. Used for On-road Vehicles Owned or Leased by the company. 2. Used for Off-road Machinery Owned or Leased by the company. 3. Used for Stationary Machinery or Generators.	1,322,562.05

To enhance our water management practices, during this reporting cycle, we have upgraded our calculation method for water consumption and discharge. This upgraded method allows us to capture more detailed information and provides us with better control over our water usage. Capturing accurate and reliable data on our water use helps us improve efficiency, report transparently, and establish meaningful sustainability goals.

Total volume of water used (m3) - 2022

Water Sources	m³
Potable water	1,083,228.66
Non-Potable water	1,353,484.55
Groundwater (dewatering)	802,374.00
Wastewater (TSE)	27,087.00
Stormwater	0

Total volume of water discharge (m3) - 2022

Water Sources	m³
Potable water (source)	169,962.50
Non-Potable water	470,484.00
Groundwater (dewatering)	1,894,264.00
Wastewater (TSE)	16,006.80
Stormwater	27,359.00

In 2022, we also took a step further with our waste management data to provide more detailed information about our waste management practices. This helps us understand more about our waste streams and identify opportunities for waste reduction and recycling.

Type of Waste	Total waste removed from site
Non-Hazardous waste (Ton)	
General Waste (i.e., non-recyclables)	641,807.29
Plastic (recyclable)	638.56
Cardboard & Paper	483.16
Concrete	8,814.38
Treated Timber (i.e., Plywood)	1,726.99
Untreated Timber	108.00
Metals	351,838.99
Excavated Soil	10,048,209.00
Plasterboard/Gypsum Board	187.80
Steel & Electric Cables /Wires	166.00
Electric Cable Waste	79.00

Hazardous Waste (Ton)	
Chemicals (Adhesives, Sealants)	450.85
Contaminated Sand	769.12
Sewer	21,184.10
Batteries	382.76
Tires	14,945.65
Oil Drums	1,305.38
Paint	232.99



Environmental Footprint Accommodations

For 2022 we have conducted a comprehensive assessment of the environmental performance of our seventeen (17) labor accommodation camps. This data-driven approach allows us to track our progress, set targets, and implement measures to enhance the environmental performance of our labor accommodation facilities. Through continuous monitoring and analysis, we are committed to minimizing our environmental footprint.

INDICATORS	Unit	2020	2021	2022
General Waste	Tons	21,478.03*	30,222.52*	25,003.63
Food Waste	Tons	7,942.55	18,314.13	14,051.27
Medical Waste	Kg	397	335.9	215.3
Volume of Freshwater Withdrawal	m³	575,283	451,687	559,775
Utility Water Purchases from Third-Party (i.e., National Utility Company)	m³	653,297	1,832,980	2,424,456
Diesel Consumption for Generators	Liters	6,132,481	9,035,973	15,852,878
Scope 1** (Direct Emissions)	Tons of CO2e	17,646.62	26,001.60	41,851

*Scope 1: GHG emissions for Scope 1 have been calculated using the carbon conversion factors published in the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories.

** Upon review, this data was mistakenly reported in our 2021 and 2022 reports.

Environmental Footprint Offices

In 2022, we have taken the initiative to capture the environmental footprint of our office buildings for the first time, with a particular focus on water consumption, electricity usage, and Scope 2 emissions. Through this effort, we aim to gain a comprehensive understanding of our environmental impact and drive targeted improvements, paving the way for strategic sustainability measures and a greener future.

Reporting Scope:	2022
Total number of buildings	4
Number of buildings reporting their environmental performance	4

INDICATORS	Unit	2022
Utility Water Purchases from Third-Party (i.e., National Utility Company).	m³	11,916
Electricity Purchased from a Third-Party (i.e., National Utility Company in Kwh).	Kwh	2,905,545
Scope 2 (Indirect Emissions).	Tons of CO2e	1,650.3



Sustainable Procurement

Nesma & Partners’ local supplier development program aims to foster economic growth and support local communities by partnering with and nurturing local suppliers. Through this program, we identify and engage with potential suppliers within the region, providing them with guidance, resources, and training to enhance their capabilities and competitiveness. By promoting local sourcing, we contribute to the development of a robust local supply chain, create job opportunities, and stimulate economic development. This program reflects our commitment to social responsibility and sustainable business practices while strengthening our relationships with local partners and suppliers.

At the heart of our local supplier development program is providing comprehensive training and support to local businesses and suppliers. We support their growth by offering training sessions on various crucial topics such as safety protocols, project control, compliance with regulations, and sustainability practices. By equipping them with the necessary knowledge and skills, we empower local suppliers to meet our high standards and deliver exceptional services. Through this program, we aim to foster a strong culture of safety, efficiency, and sustainability throughout our supply chain, ensuring that our projects are executed to the highest standards while contributing to the development of local businesses and communities.

Local Supplier Development Program Training Topics
Project Cost Management
Compliance to Project Requirements
Introduction to the OH&S Management System
OHS Risk Controlling
Permit to Work System
Risk Management Process
Fraud Management
Anti-Money Laundering
ESG In the Construction Industry

In 2022, Nesma & Partners achieved a local content score of 39.78 % from the Local Content & Government Procurement Authority (LCGPA).

Main material orders from Nesma & Partners are 94% from local vendors and 6% from overseas vendors.

Type of Vendors	Number of Vendors in 2022
Local Vendors	1,612
Overseas Vendors	78

Community Development

The goal of our community development activities is to remain integral to our society by partnering with non-profit organizations in Saudi Arabia. Our Corporate Social Responsibility function complements our business strategy and encourages philanthropy and volunteerism within the organization.

At Nesma& Partners, ensuring our business positively impacts local communities and society at large is a priority. Community development is at the center of our CSR approach, which is fully aligned with our business strategy. Our respect and genuine interest in the needs of the communities we engage with help us build trust and maintain our social license to operate (SLO). We take great pride in our role as an active corporate citizen that works closely with local stakeholders to improve their quality of life and create opportunities for shared value.

N&P CSR Fundamentals:



NGO Partnerships



Business Strategy Alignment



Volunteerism



Social Conscience

Related Sustainable Development Goals:



Our vision is to remain a socially responsible company and develop outstanding CSR initiatives. In our endeavors, civil society is a partner of paramount importance in realizing our CSR objectives, and we develop mutually beneficial partnerships with NGOs in Saudi Arabia who guide us and increase the impact of our initiatives. When engaging with the community, we prioritize programs that focus on specific societal topics such as access to housing, employability and development of young peoples' professional skills, volunteerism, social inclusion, and health and well-being.

We align community development programs with the UN Sustainable Development Goals (SDGs) aiming to act as an enabler of long-term sustainability and growth for people and communities. For this reason, we have listed the specific SDGs that we mostly influence with our practices and long-term investments.

2022 CSR Initiatives

Renovation of Houses

At the core of our CSR approach is the partnership with Tarmeem charity association and a joint commitment to improve homes in underprivileged neighborhoods. Tarmeem, a first-of-its-kind Saudi-based non-profit association registered with the Saudi Ministry of Labor and Social Development, is a charity that helps with the building, repairing and upgrading of low-income family homes in the Eastern Province. For Nesma & Partners, this partnership embodies the CSR objectives of building strategic partnerships with NGOs and promoting corporate volunteerism.

Our cooperation with Tarmeem was established in February 2020 with a

pledge to undertake the repairs for numerous homes and support renovation with volunteers from our Head Office and High Training Institute. In 2022 alone, Nesma & Partners completed the upgrade of 50 houses, a task also achieved thanks to 40 company volunteers. Also, in 2022, a new partnership agreement was signed with Tarmeem pledging further support with digital media and volunteering needs in addition to more renovation projects in the country's Eastern Province.



Our Contribution	
Total Amount of Investment	SAR 2,750,000
Number of volunteering campaigns	9 campaigns led and launched by Rami Alturki, Vice Chairman, Nesma & Partners
Number of volunteers from Nesma & Partners	161 employees From our Head Office and High Training Institute
Number of volunteer hours	1,765
Our Impact	
Location and area covered	The Eastern Province (Dammam, Khobar, Al Ahsa, Al Dhahran, Hafar Al Batin, Khafji, Ain Aldar, Anak, Qatif)
Total Number of Renovated Houses	50
Total Beneficiaries	293 individuals
Beneficiary Details	
Families in need	22
Families of widows and orphans	17
Families with special needs	3
Family of divorced women	8



Supporting Local Value

Nesma & Partners has embedded the principles of Saudi Local Content into its CSR programs and consistently pursues opportunities that promote local value creation.

Local Content & Government Procurement Authority (LCGPA) Partnership

Reiterating our commitment to strengthening the local economy, Nesma & Partners launched a strategic partnership with the Saudi Local Content & Government Procurement Authority (LCGPA) during its annual Local Content Forum. With this agreement, Nesma & Partners declared its full commitment to continue driving domestic value creation through local skill development and prioritizing domestic human resources. The Local Content Forum aims to spread the culture of local content and raise awareness of local content methodologies for measuring and increasing local content across industry sectors.



IKTVA 2022 Platinum Sponsor

Aligned with its strategic priorities, Nesma & Partners supported the Kingdom's leading domestic value-creating mega-event, the IKTVA 2022 Forum, and Exhibition, by participating as a Platinum Sponsor. The In-Kingdom Total Value Add (IKTVA) is a program created by Saudi Aramco to establish, measure, and support increased levels of localization in the Kingdom. The IKTVA annual event is one of the most important programs for promoting local content and localizing technology and industry. The motto of this year's forum was "Paving the Way to Economic Success," showcasing how partnerships with some of the world's leading companies continue to strengthen Saudi Arabia's commercial ecosystem. For Nesma & Partners, increased levels of localization in our supply chain and workforce are an ongoing priority, and we consolidate our efforts towards maximizing local content.



Training Saudi Talent

In partnership with Misk Foundation, an organization supporting the up-skilling of Saudi youth, Nesma & Partners launched a job shadowing scheme. As part of the work placement, students were able to shadow multiple Nesma & Partners experts and receive first-hand experience in their areas of interest. Students were able to discover their talents and understand more about the skills associated with various job functions. The program lasted several months and included coaching sessions to help students develop their career plans.



Career Opportunities for Saudi Youth

Aiming to discover and develop young Saudi talent and reflecting on the commitment to invest in local human capital, Nesma & Partners organized a Career Day hosting more than 40 students from King Fahd University of Petroleum and Minerals (KFUPM) and Prince Mohammad Bin Fahd University (PMU). The purpose of the Career Day was to create a direct communication platform between students and Nesma & Partners, allowing students to receive valuable career advice and learn about the company's operations and internship program.



NEOM Job Fair

Committed to attract, develop, and retain local talent, Nesma & Partners participated in the NEOM 2022 Job Fair, which was organized by NEOM for its partners and contractors. The event was designed to discover and immediately recruit qualified professionals from the region, thereby filling vacancies with suitable candidates and positioning local people in long-term sustainable employment. Nesma & Partners shortlisted candidates for various roles across numerous departments.



Royal Commission of AlUla Job Fair

As part of our commitment to attract local talent and develop their skills, Nesma & Partners participated in the AlUla Job Fair. The objective of the 3-day event held at the AlUla Languages Institute campus was to enable employers to discover and recruit suitable graduates from the Institute's pool of promising students.



Employee engagement, health, and wellbeing

Nesma & Partners has developed a well-rounded CSR framework where employee engagement, health, and well-being are key components of the company's overall approach. Specific programs are carried out to support and engage employees in ways that promote positive social outcomes.

Youth Council Establishment

For the development of the Nesma & Partners Youth Council, an agreement was initiated with Shabab Mujtamaie, a development program for young workers. The purpose of this Council is to act as a communication bridge between company employees and executive management. Initially, Shabab Mujtamaie will assist Nesma & Partners in establishing the Council by analyzing the company's needs, conducting workshops, and selecting nominees. During the later stage, it will provide consultancy services to the company. The initiative seeks to create a positive and supportive environment for employees by raising engagement and productivity and ensuring

inclusivity in the workplace. By developing youth capabilities and equipping them with the skills and knowledge they need, as well as, maintaining dialogue between all concerned parties, the Council will support the Kingdom's Vision 2030.



Breast Cancer Awareness

As part of our commitment to safeguard employee health and well-being, Nesma & Partners held a breast cancer awareness seminar featuring a cancer survivor. During the seminar, employees were encouraged to schedule annual screenings, highlighting the importance of early detection in increasing the chances of making a full recovery.



Annual Iftar Celebration

After two consecutive years of Covid-19 restrictions, Nesma & Partners organized its annual Iftar, celebrating the festive spirit of the holy month of Ramadan. The event also marked the celebration of Nesma & Partner's journey towards excellence. Employees with outstanding service records and those with the company for more than 25 years were commended during the Iftar celebration.



Toastmasters Club

Since 2007, when the Nesma & Partners Toastmasters Club was established, the club has maintained a significant role in developing and improving employee communication and leadership skills. The biweekly meetings combine extensive speaking and communication practice with positive feedback in a safe environment. At the end of each meeting, the audience votes for the best speakers, who are awarded a trophy, certificate, and ribbon.



Member Testimonials



Alex Philip

I joined Toastmasters Club in 2007. From day one, I started learning the art of listening, communication, and leadership. Attending Toastmasters meetings, delivering prepared speeches, impromptu speeches, evaluating speakers, evaluating the meeting, etc., improved my self-confidence and helped me take various leadership positions not only in the club but also at the area, division, and district levels. Currently, I am currently the Annual District Conference Chair, a prestigious conference that was held in May 2023, where contestants from all over District 79 of Saudi Arabia participated. In my 16 years on the Toastmasters journey, I have attended many training activities, and now I train club officers and area and division directors. I have seen that those who regularly participate in Toastmasters Club meetings have improved their communication and leadership skills and have attained personal and professional growth.



Mohamed Fareedul Hasan

Three years ago, one of my friends invited me to a Toastmasters meeting. As soon as I entered the room, the vibe inside was welcoming and full of positivity. During that period, I was a bit shy to speak in front of an audience because I had stage fright; however, the motivation and support given from the members made me attempt to deliver a speech. I had Toastmaster mentors who guided me in the right path. At present I am confident to address a large audience. It is not only about facing the audience, but also being confident while I am speaking to our clients, consultants and any third party we coordinate with.

I am grateful to be a part of this wonderful club, and I thank our company for supporting us in all ways to pursue our learning.



Shekhar Tiwari

My Toastmasters journey began with the first meeting of the club in 2008. I attended different training & educational programs organized by our club. "In It to Win It is my story."

I feel proud to say that I served District 79 as an Area Director in 2017-2018 and Division Director in 2020-2021. This year I am serving as Club Growth Director, 3rd Ranking Service Leader of entire District 79, Saudi Arabia.

I am well equipped with the spirit of teamwork, dedication, and devotion to explore effectively to serve and win in my work environment and Toastmasters fraternity. I am committed to help others to win with the principle "Each One Reaches One, Each One Teaches One."



Deepesh Joshi

From the time I joined Toastmasters, I have developed many skills, that have helped me through my life journey. For me personally, the greatest single benefit has been to be able to think clearly, quickly, and decisively in challenging situations, not only in public speaking but in my personal & professional life as well. Toastmasters has also given me an opportunity to mentor and develop the public speaking skills of newcomers through its very comprehensive education program. The evaluation, judging and organizational skills I have developed through my Toastmasters experience have also proved to be invaluable to me, and I am sure that everyone could benefit greatly from participation.



Vasudeva U. Warriar

Toastmasters has empowered me with the skills, tools, practice, and confidence in public speaking that include speaking clearly to an audience and learning to present my ideas and thoughts in a precise & concise manner. These skills, which are imparted through a learn by doing program, are very effective in enhancing communication & leadership skills. The program has helped me improve my training and presentation skills, which I believe are key to success in today's corporate world. I am passionate about Toastmasters!

Humanitarian Aid Relief

Humanitarian aid relief is a critical part of CSR because it reflects an organization’s broader commitment to sustainable development. For Nesma & Partners, providing humanitarian aid relief is an important part of our CSR because it helps us build trust and goodwill with local communities.

Supporting the Etáam Food Bank

Creating a positive impact in the regions we operate is at the core of our business strategy and CSR. As such, during the holy month of Ramadan in 2022, Nesma & Partners partnered with the Etáam Food Bank to sponsor 160 food baskets for 160 families. This initiative also involved several employees who volunteered at Etáam headquarters to prepare and distribute the food.



Blood Donation

Aiming to provide valuable resources benefitting society, Nesma & Partners successfully organized a blood donation campaign, marking the ‘World Blood Donor Day’. A special thanks to the 32 employees who donated blood.



Credits

We would like to express our sincere appreciation to everyone at Nesma & Partners who contributed to the Sustainability Report. Your valuable insights, data, and support have been instrumental in creating a comprehensive and informative 2022 report. Your dedication and efforts have been crucial in our progress towards a more sustainable future. Thank you for your valuable contributions.

Abdulaziz Ali Alturki

Chairman of the Board of Directors

Rami Alturki

Vice Chairman

Samer Abdul Samad

President & CEO

Richard Ollier

Executive Vice President & Chief Technical Officer

Shawki Gholmie

VP - Strategy & Corporate Development

Serge Maraachlian

Vice President - Projects Control & IT

Dr. Samir Thabet

Corporate Sustainability Manager

Bushra Fathallah

Director - Governance & Compliance

Salam Al Jishi

Director - Corporate Communications

Manayer Al Tihami

Graphic Designer

Ghassan Alrutrut

Sustainability Engineer

Al-Bandari Al-Otaishan

Governance Affairs Officer

Jojo Johnson

Office Manager

Housam Basha

VP & Chief Support Services Officer

Amani Al Ali

Corporate Culture & Training Manager

Carlo Algerre

Senior Support Specialist

Shaher Youssef

I.T. Manager

Khaled Al Dahri

HSSE Corporate Manager

Manuel Bunag

HSE Unit Head

Jean Ghazal

Director - Preconstruction & VDC

Namr Houh

Director - Material Procurement

Ahmed Bakhour

QA/QC Department Manager

Mohammed Al Dakheel

Procurement Manager

Zaher Samrout

Quality Management System Manager

Elie Chedid

Logistics & Accommodation Manager

Hassan Al Mubarak

Content & Media Lead

Vijish Punathil

Sustainability Leader

Elias Khater

Project Director

Bachir William Sebaaly

Project Manager

Walid Abdel Ahad

Project Manager

Mohamad Zaatiti

Sr. Project Engineer

Nasir Luqman

Environmental Coordinator

Abdulla Anwar

Sustainability Lead

Rakan Al Qarni

Environmental Supervisor

Abdullah Al Shehri

Localization Manager

Angela Lopez

Sustainability Manager

Naif Akbar

Environmental Supervisor

Najib Elfakih

Sr. Project Manager

Ahmed Elsayy

Project Manager

Mohammed Abdo

HSSE Manager

Abou Baker Jad El Oun

Sr.QA/QC ENGINEER - CIVIL

Bander Al Khulaifi

Environmental Engineer

Nawaf Al Sugair

Environmental Supervisor

Suha Al Fares

Localization Analyst - SCC Department

Waqas Naeem

Sustainability Engineer

Reda Khedr

Construction Director

Sayed Nematullah

Safety Manager

Joe Sfeir

Project Manager

Sarfraz Ahmed

Safety Manager

Yasmeen Khalifah

Sr.QA/QC Admin


Mohammed Fayaz

Planning Engineer

Mohammed Alkrsawi

Environmental Engineer

GRI Content Index



For the Content Index - Advanced Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for all disclosures are included correctly and aligned with the appropriate sections in the body of the report.

Additionally, our sustainability reporting has been aligned with the Sustainable Development Goals (SDGs), the roadmap to a sustainable future. For the SDG Mapping Add-on, GRI Services reviewed that the GRI disclosures included in the content index are appropriately mapped against the SDGs.

Both services were performed on the English version of the report.

Statement of use	GRI 1 used	Applicable GRI Sector Standard(s)
Nesma & Partners has reported in accordance with the GRI Standards for the period January 1, 2021 to 31 December 31, 2022.	GRI 1: Foundation 2021	- *

* Construction Sector Standard is under development by GSSB (Global Sustainability Standards Board)

GRI Standard/ Standard/ Another source	Disclosure	Page number, URL, and/ or direct response	Omission			GRI Sector Standard Ref.	SDG Linkage
			Requirements Omitted	Reason	Explanation		
GRI 2 - GENERAL DISCLOSURES 2021							
	2-1 Organizational details	12					
	2-2 Entities included in the organization's sustainability reporting	12					
	2-3 Reporting period, frequency and contact point	10					
	2-4 Restatements of information	73, 76					
	2-5 External assurance	10					
	2-6 Activities, value chain and other business relationships	14-15					

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	2-7 Employees	52					
	2-8 Workers who are not employees	During the reporting year, we created job opportunities through several construction projects. Our sub-contractors' staff, who are directly employed and controlled by them, was approximately 1,800. Obtaining an exact number can be challenging due to the potential fluctuations in the workforce throughout the year, varying project durations, and administrative complexities involved with the decentralized nature of subcontractors.					
	2-9 Governance structure and composition	29-32					
	2-10 Nomination and selection of the highest governance body	33					
	2-11 Chair of the highest governance body	The Chairman of the Board holds a non-executive position within the organization.					
	2-12 Role of the highest governance body in overseeing the management of impacts	30					
	2-13 Delegation of responsibility for managing impacts	19					
	2-14 Role of the highest governance body in sustainability reporting	Management oversees and directs overall sustainability strategies and policies. Meanwhile, senior executives drive sustainability across the organization.					
	2-15 Conflicts of interest	36					
	2-16 Communication of critical concerns	35					
	2-17 Collective knowledge of the highest governance body	36					

	2-18 Evaluation of the performance of the highest governance body	33					
	2-19 Remuneration policies	31					
	2-20 Process to determine remuneration	31					
	2-21 Annual total compensation ratio	-	Confidentiality constraints: Due to confidentiality constraints, Nesma & Partners refrains from disclosing the compensation ratio. Disclosing compensation ratios could potentially expose our proprietary compensation strategies, which are strategically advantageous for our organization in the market. We prioritize confidentiality to preserve our competitive standing, safeguard proprietary information, and respect personal privacy. Our compensation structure is shaped by comprehensive wage reviews across the construction sector. We consistently adhere to minimum wage regulations and provide competitive remuneration.				
	2-22 Statement on sustainable development strategy	5					
	2-23 Policy commitments	20					
	2-24 Embedding policy commitments	25					
	2-25 Processes to remediate negative impacts	51					
	2-26 Mechanisms for seeking advice and raising concerns	37					
	2-27 Compliance with laws and regulations	No instances of non-compliance recorded					
	2-28 Membership associations	11					
	2-29 Approach to stakeholder engagement	21					
	2-30 Collective bargaining agreements	-	Not applicable: There is no collective bargaining in the Kingdom of Saudi Arabia, as such there were no collective bargaining agreements in place during the reporting year.				
Material topics							
GRI 3: Material Topics 2021	3-1 Process to determine material topics	21					
	3-2 List of material topics	21					
Indirect economic impacts							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	22-24					Goal 1: No poverty Goal 3: Good health and well-being Goal 8: Decent work and economic growth





Anti-corruption							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	36					Goal 16: Peace, justice and strong institutions
Energy							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 302: Energy 2016	302-1 Energy consumption within the organization	73					Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth
	302-2 Energy consumption outside of the organization	74					Goal 12: Responsible consumption and production
	302-3 Energy intensity	73					Goal 13: Climate action
Water							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	75					
	303-3 Water withdrawal	75					Goal 6: Clean water and sanitation
	303-4 Water discharge	75					Goal 6: Clean water and sanitation
	303-5 Water consumption	75					Goal 6: Clean water and sanitation
Biodiversity							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	69					Goal 15: Life on land

Emissions							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	74					Goal 13: Climate action
	305-2 Energy indirect (Scope 2) GHG emissions	74					Goal 12: Responsible consumption and production
	305-3 Other indirect (Scope 3) GHG emissions	74					Goal 15: Life on land
	305-4 GHG emissions intensity	74					
Waste							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 306: Waste 2020	306-3 Waste generated	75					Goal 3: Good health and well-being
	306-4 Waste diverted from disposal	75					Goal 11: Sustainable cities and communities Goal 12: Responsible consumption and production
Employment							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	50					Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 10: Reduced inequality
Occupational Health and Safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	60					Goal 8: Decent work and economic growth





	403-2 Hazard identification, risk assessment, and incident investigation	61					Goal 8: Decent work and economic growth
	403-3 Occupational health services	62					
	403-4 Worker participation, consultation, and communication on occupational health and safety	62					Goal 16: Peace, justice and strong institutions
	403-5 Worker training on occupational health and safety	64					Goal 8: Decent work and economic growth
	403-6 Promotion of worker health	64					Goal 3: Good health and well-being
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	77					
	403-8 Workers covered by an occupational health and safety management system	61					Goal 8: Decent work and economic growth
	403-9 Work-related injuries	62					Goal 3: Good health and well-being
	403-10 Work-related ill health	62					Goal 16: Peace, justice and strong institutions
Training and education							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	54					Goal 8: Decent work and economic growth
	404-2 Programs for upgrading employee skills and transition assistance programs	55					Goal 8: Decent work and economic growth
Diversity and equal opportunity							

GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	31-32, 34					Goal 5: Gender equality Goal 8: Decent work and economic growth
Non-discrimination							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents in the reporting year					Goal 5: Gender equality Goal 8: Decent work and economic growth
Child labor							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	None identified in the reporting year					Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
Forced or compulsory labor							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None identified in the reporting year					Goal 5: Gender equality Goal 8: Decent work and economic growth
Local communities							
GRI 3: Material Topics 2021	3-3 Management of material topics	25					
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	79-82					





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