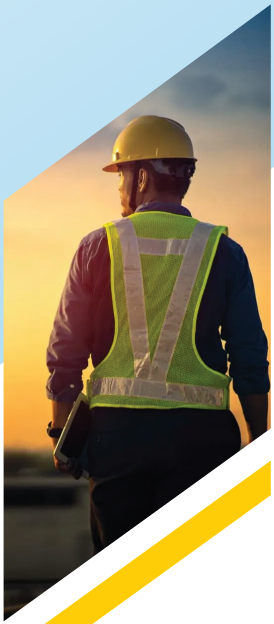


INTEGRATED REPORT **2024**

ONE GROUP, ONE VISION:
BUILDING SUSTAINABLE VALUE TOGETHER

CONTENTS

1 ABOUT THIS REPORT

(GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, G7, G8, G9)

WHAT TO EXPECT FROM THIS REPORT

This Integrated Report for NMDC Group provides an update on our financial and sustainability strategies, practices, and performance for 2024. It aims to present an integrated perspective on how our business model supports operational resilience, economic growth, and sustainable practices. The report consolidates our progress, initiatives, impacts, and lessons-learned across Environmental, Social, and Governance (ESG) aspects of our business, including a financial overview of our performance, providing our stakeholders with a clear understanding of our operations.

REPORTING SCOPE AND BOUNDARY

In this report, the scope of financial disclosures covers NMDC Group including its subsidiaries, collectively referred to as “NMDC Group” or “the Group”, while the ESG disclosures focus on the primary business units within the UAE, which collectively contribute 99% of the Group’s total revenue and reflect the geographical scope of our core business including:

BUSINESS UNIT	SERVICE OFFERING
NMDC Dredging & Marine	Dredging and reclamation, marine construction, geotechnical works, marine logistics, port contracting, and project survey services.
NMDC Energy	Engineering, procurement, and construction within the energy sector including oil and gas and renewable energy infrastructure.

As such, all ESG KPIs included in this report refer specifically to our UAE operations unless specified otherwise.

Further included in this report are the directors’ report, management discussion and analysis, audited financial statements for the fiscal year 2024, and our corporate governance report.

The covered timeframe extends from January 1 to December 31 of the fiscal year 2024, unless specified otherwise.

REPORTING FRAMEWORKS AND STANDARDS

This report is prepared in accordance with the International Integrated Reporting Framework (IIRF) and the corresponding Integrated Reporting principles. The International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB) under the International Financial Reporting Standards (IFRS) Foundation are incorporating the principles of the framework to support the alignment between the reporting required by the IASB and that required by the ISSB. This approach ensures that our stakeholders receive consistent, comparable, and holistic information on NMDC Group’s financial and non-financial activities. This report has also been developed in accordance with the Global Reporting Initiative (GRI) Standards and in alignment with the Abu Dhabi Securities Exchange (ADX) ESG disclosure metrics, the Sustainable Development Goals (SDGs), and Abu Dhabi Vision 2030. By adhering to these international and local standards and frameworks, we seek to ensure our disclosures are relevant, meaningful, and actionable.

ASSURANCE

Our financial statements for the fiscal year 2024 have been independently audited by Deloitte & Touche – M.E., while the sustainability content has undergone internal control processes and reviews by the relevant departments to ensure accuracy and credibility.

BOARD RESPONSIBILITY

The Board of Directors recognizes its duty to uphold the integrity of this report and affirms that the disclosed information faithfully reflects NMDC Group’s status and performance and accurately references both the IIRF and the GRI Standards within the report.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding our strategy, expectations, and outlook which inherently entail uncertainty due to the multitude of external factors that may influence the company’s operating environment. NMDC Group undertakes no obligation to publicly update these statements throughout the upcoming fiscal year, except as required by applicable laws and regulations.

COMMUNICATION AND FEEDBACK

This report is developed through a collaborative effort involving internal stakeholders across the Group. We welcome all constructive feedback and suggestions to help enhance future reports. For feedback submission or any inquiries, please feel free to reach out to us at: integrated_report@nmdc.ae.

2 KEY GROUP HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Revenue AED **26.26 billion**	Net Profit Margin **12%**
Net Profit AED **3.11 billion**	Total Assets AED **33.20 billion**
EBITDA **4.2 billion**	Net Assets AED **12.63 billion**
Earnings per share **AED 3.55**	Capital Expenditure AED **2.25 billion**
NMDC Energy Initial Public Offering (IPO) oversubscribed 31.3 times with AED **3.2 billion** generated for the Group	

SUSTAINABILITY HIGHLIGHTS

MSCI Provisional ESG RATINGS (p) AA As of Aug 2024 Achieved an **AA** MSCI provisional ESG rating – NMDC Group a Leader in ESG risk management[1]	Sustainability Strategy with 8 core objectives and 25 initiatives across 5 key pillars: 1. Environmentally Conscious Operations 2. Energy Transition Enablement 3. Community & Stakeholder Engagement 4. Health & Safety Ownership 5. Transparency and Accountability
Built NMDC Group's first comprehensive GHG Inventory for 2023 (baseline) and 2024 including Scopes 1, 2 & 3 in accordance with the GHG protocol	**100%** of suppliers screened in accordance with the Business Partner Code of Conduct **66%** of total procurement spending allocated to local suppliers
32.72% Women Employee Hiring Rate **10.2%** Emiratization Rate **8.36%** Employee Turnover Rate	Over **107 million** Worked Hours **1,032,171** OHS Training Hours
The Falcon Program, an in-house transformation programme, piloted 30 initiatives across the Group in 2024 resulting in cost savings and operational benefits	

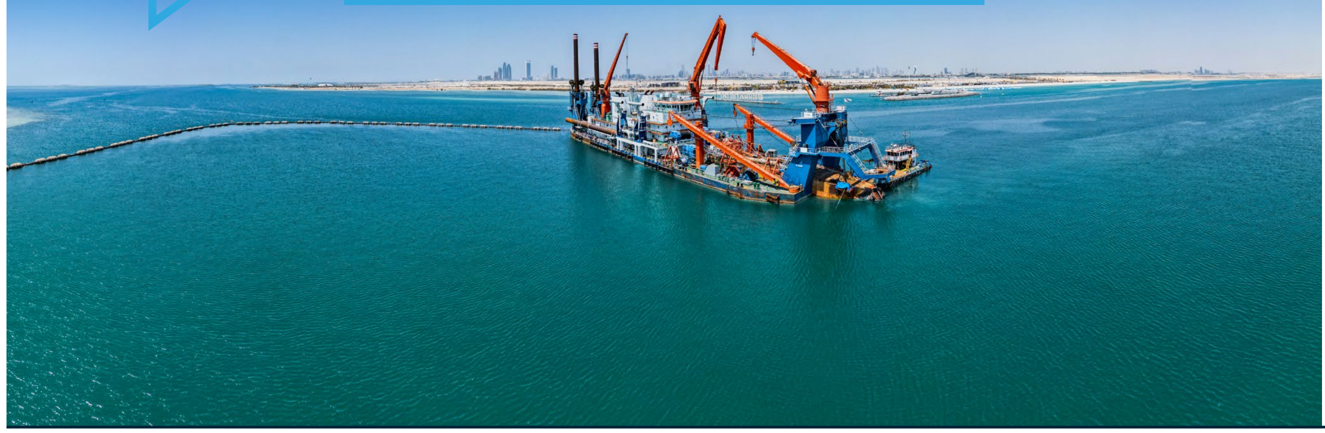
1 IMPORTANT NOTICE AND DISCLAIMER: The MSCI Provisional ESG Rating and related research (1) were prepared by MSCI ESG Research for compensation; (2) are not a credit rating or equity research report; (3) are made available for informational purposes without any warranty or guaranty of accuracy, quality, completeness or usefulness; (4) are current only as of the date first issued and are subject to modification and withdrawal; (5) do not, and are not intended to, constitute investment promotion, or an offer or recommendation to purchase or sell any securities; (6) are based in whole or in part on information provided to MSCI ESG Research by or on behalf of the rated company (which MSCI does not validate for reliability, truthfulness, accuracy, completeness or otherwise and some of which may be non-public); and (7) may not be copied or redistributed without the express written permission of MSCI ESG Research. MSCI ESG Research shall have no liability with respect to the rating and related research or any use thereof, which are subject to each of the additional provisions of the disclaimer located at: msci.com/legal/provisional rating.

AWARDS

Forbes Middle East Top 100 Listed Companies 2024 – **Ranked # 57**

Forbes Middle East Sustainability Leaders 2024 – Yasser Zaghloul **Ranked # 1** in the Manufacturing & Industrials Category

Forbes Middle East Top CEOs 2024 – Yasser Zaghloul **Ranked # 17**



3 MESSAGE FROM THE GROUP CHAIRMAN

(GRI 2-2)

"Our sustainability journey reached a new milestone in 2024, when the Group was awarded a AA (Leader) ESG rating by MSCI, one of the highest received within the UAE's Construction & Engineering sector"

I am delighted to present NMDC Group's Integrated Report for the year 2024, which highlights another year of forward momentum for the Group characterized by financial and operational successes and a significant milestone on our sustainability journey.

NMDC Group reported a robust financial performance in 2024, underpinned by a healthy project backlog, continued strategic expansion across the Group's divisions, as well as NMDC Energy's successful Initial Public Offering (IPO). The offering significantly strengthens the Group's balance sheet and positions it for future expansion.

NMDC Group achieved significant growth in profitability and revenue in 2024, reflecting strong performance. The company delivered a substantial increase in net profit compared to the previous year, alongside a marked improvement in return on equity and earnings per share. These results are a testament to our robust performance and strategic expansion into new projects and markets. Bolstered by our strong financial position, the NMDC Group will look to consolidate its position in core markets such as the Middle East and North Africa, while scouring the market for new opportunities to expand vertically into new activities and horizontally into new geographies. Projects such as Taiwan's Yunlin offshore wind farm are proof of our agility as an organization and our ability to grasp emerging opportunities.

NMDC Group sees fast developing regions in Asia as fertile ground for new opportunities and we will continue to build our presence in those regions including core energy transition markets such as Southeast Asia and Europe where the Group can provide installation and construction services primarily to offshore wind. In October, NMDC Group expanded further into Southeast Asia by signing a preliminary agreement with Vietnam-based Vingroup to undertake large-scale coastal protection and land reclamation projects.

At the same time, we will balance these moves by capitalizing on our pre-eminent position in the UAE where we will continue to play a key role in the country's rapid economic transformation through the successful execution of major infrastructure projects.

As we expand at home and overseas, our growth will be underpinned by substantial investments in cutting-edge technology and innovation as well as our responsible approach to managing our environmental and social impacts. Our sustainability journey reached a new milestone in 2024, when the Group was awarded a AA (Leader) ESG rating by MSCI, one of the highest received within the UAE's Construction & Engineering sector. We are immensely proud to have achieved the rating, which is a testament to NMDC Group's implementation of a comprehensive sustainability strategy and initiatives that support the energy transition, develop our human capital, set the highest standards of operational safety, and harness advanced technology, among many others.

None of this would be possible without the dedication and hard work of our employees, whose expertise, resilience, and commitment drive NMDC Group's continued success. Their efforts are instrumental in ensuring that we not only achieve our financial and operational goals but also advance our sustainability ambitions.

Furthermore, the rating demonstrates NMDC's commitment to aligning with the UAE's sustainability ambitions, while supporting our clients in realizing their objectives. We will continue to embed sustainable practices across our operations and provide innovative solutions as we collectively work with our partners to build a better future for all.

Our ability to adapt, innovate, and lead reflects the dedication of our people, the trust of our partners, and the strength of our vision. We remain confident that the path we are forging will not only sustain our growth but also create long-term value for all our stakeholders.

H.E. MOHAMED THANI MURSHED AL RUMAITHI
Chairman

4 THE GROUP CEO REVIEW

> NMDC Group reported a 44% increase in annual net profit after tax to AED 3.11 billion in 2024 from AED 2.15 billion in 2023 while revenue for the period increased by 57% to AED 26.26 billion from AED 16.7 billion a year earlier.

I am delighted to present NMDC Group's 2024 Integrated Report, showcasing the Group's robust performance, strategic expansion, and continued progress on our sustainability journey.

The merger in 2021 of NMDC Dredging & Marine with NMDC Energy (formerly NPCC) was a strategic move that has been instrumental in enabling us to address complex challenges, leveraging our capabilities to capitalize on evolving regional and global market shifts. In 2024, NMDC Group reported a 44% increase in annual net profit after tax to AED 3.11 billion in 2024 from AED 2.15 billion in 2023 while revenue for the period increased by 57% to AED 26.26 billion from AED 16.7 billion a year earlier. Return on average equity reached 30% while earnings per share increased by 36% to AED 3.55.

In addition to the success of the Initial Public Offering (IPO) of shares in NMDC Energy in September, NMDC Group can reflect on a number of operational highlights during the year. The project backlog at the end of the year 2024 amounted to AED 71 billion. Major projects secured during the year included a contract for marine dredging, reclamation and ground improvement works in Abu Dhabi. The addition of these contracts highlights the continued confidence of our clients in the Group's capabilities.

In 2024, we developed NMDC Group's integrated sustainability strategy that echoes our commitment to sustainability as a core element of our corporate strategy:

> "Driven by our vision, mission, and values, NMDC Group is committed to facilitating the energy transition, prioritizing safety and social responsibility and ensuring responsible business practices, supported by AI.""

This exercise was part of a larger sustainability program conducted across the Group's functions and business units. The program enabled us, through collaborative efforts, stakeholder engagements, and third-party consultations, to review NMDC Group's materiality assessment, ensuring that we are focused on environmental, social, and governance topics that are paramount to NMDC Group's long-term success and continued positive impact. Our strategy addresses these critical issues through 25 key initiatives across five core pillars: Environmentally Conscious Operations, Energy Transition Enablement, Community & Stakeholder Engagement, Health & Safety Ownership, and Transparency & Accountability.

Our respect for the environment is underscored by some of the major projects we have carried out in Abu Dhabi, such as those on Al Maryah Island and Yas Island Beach, which involved meticulous environmental planning and execution, adapting dredging techniques and construction methods to protect delicate marine ecosystems. In addition, NMDC Group is gradually establishing a greater presence in the renewable energy sector, particularly wind power, where we are engaged in the development, construction, and maintenance of wind power facilities.

Our people remain the driving force behind all our operations, and the Group will continue to put their health and safety above all else, while investing in their training and development.

As part of our sustainability strategy, the NMDC Group has developed its baseline Greenhouse Gas (GHG) emissions inventory including Scopes 1, 2 and 3 emissions, marking the first step in its climate accounting journey. This foundational effort aims to enhance our understanding of emissions sources, paving the way for a deeper collaboration across the value chain for continuous data enhancement. The insights generated will guide the Group in setting clear targets and creating initiatives to minimize emissions across operations and throughout the value chain.

Our commitment to sustainability has been recognized by MSCI, one of the world's leading ESG ratings agencies, which awarded the NMDC Group with a provisional AA ESG rating in October, reflecting the progress we have made to identify and manage our material ESG factors. This milestone provides a platform for future actions that will create value for all our stakeholders and the communities we serve. The sustainability strategy will guide our actions as we continue to refine our approach.

Over the past decade, NMDC Group has achieved remarkable growth driven by a series of bold and successful strategic initiatives. As we move forward, we will remain faithful to this approach to expansion and diversification, exploring opportunities to branch out both vertically and horizontally.

We will do so while accelerating the digitalization of our operations. The Group is already witnessing the transformative power of digital technology, leveraging real-time data and AI-driven insights to optimize our operations, drive efficiency, and minimize our environmental impacts.

NMDC Group's commitment to excellence, innovation, and people shows that, more than ever, the Group is well positioned to shape the landscapes and redefine the skylines of the future.

ENG. YASSER ZAGHLOUL
Group Chief Executive Officer

5 NMDC GROUP AT A GLANCE

(GRI 2-1, GRI 2-6, GRI 2-7, GRI 2-8, GRI 2-28)

5.1 OVERVIEW

NMDC Group stands as a global leader in the dredging, marine, and energy sectors, uniquely positioned to drive growth and innovation with extensive industry expertise and world-class assets. With 50 years of experience in Engineering, Procurement, and Construction (EPC) and marine dredging, NMDC Group delivers turnkey solutions for both onshore and offshore projects across energy (oil & gas and renewables), environment, seaborne trade, urban development, and tourism industries. The Group's capabilities extend across a diverse portfolio of leading companies, each excelling in their respective fields and, together, they uniquely position the Group as an industry leader with invaluable know-how across the full EPC value chain.

By leveraging its deep industry network and distinctive competencies, NMDC Group consistently raises the benchmark for excellence in project delivery. The Group's proven track record of financial performance reflects its commitment to driving value for shareholders, while its extensive knowledge and strategic core assets position the Group for continued growth—expanding into new sectors and geographies. From delivering large-scale marine dredging projects to high-profile EPC solutions, NMDC Group is the trusted partner for complex, high-scope projects, consistently setting new standards across the Middle East and North Africa (MENA) region and beyond.

NMDC Group, with a total workforce of over 25,000 employees,[2] operates through five main business units: **NMDC Dredging & Marine (D&M), NMDC Energy, NMDC Engineering, NMDC Construction, NMDC Logistics & Technical Services (LTS).** These units complement one another through sharing knowledge, expertise, and resources, enabling the Group to continue delivering high-quality, tailored solutions that are aligned with international standards. This collaborative approach allows us to stay at the forefront of quality and innovation, effectively addressing the diverse needs of the MENA region and beyond.

BUSINESS UNIT	BUSINESS FUNCTION
NMDC DREDGING & MARINE	Marine Dredging, Reclamation, and Construction
NMDC ENERGY	EPC solutions, offshore and onshore energy services
NMDC ENGINEERING	Coastal and marine engineering consultancy including marine, civil, hydraulics, geotechnical, and environmental engineering
NMDC CONSTRUCTION	Construction technology and Precast Solutions
NMDC LTS	Logistics and technical services operator including marine support vessels, EPC and marine dredging technical expertise, and equipment

2 This figure reflects all NMDC Group employees across all subsidiaries and countries of operations.

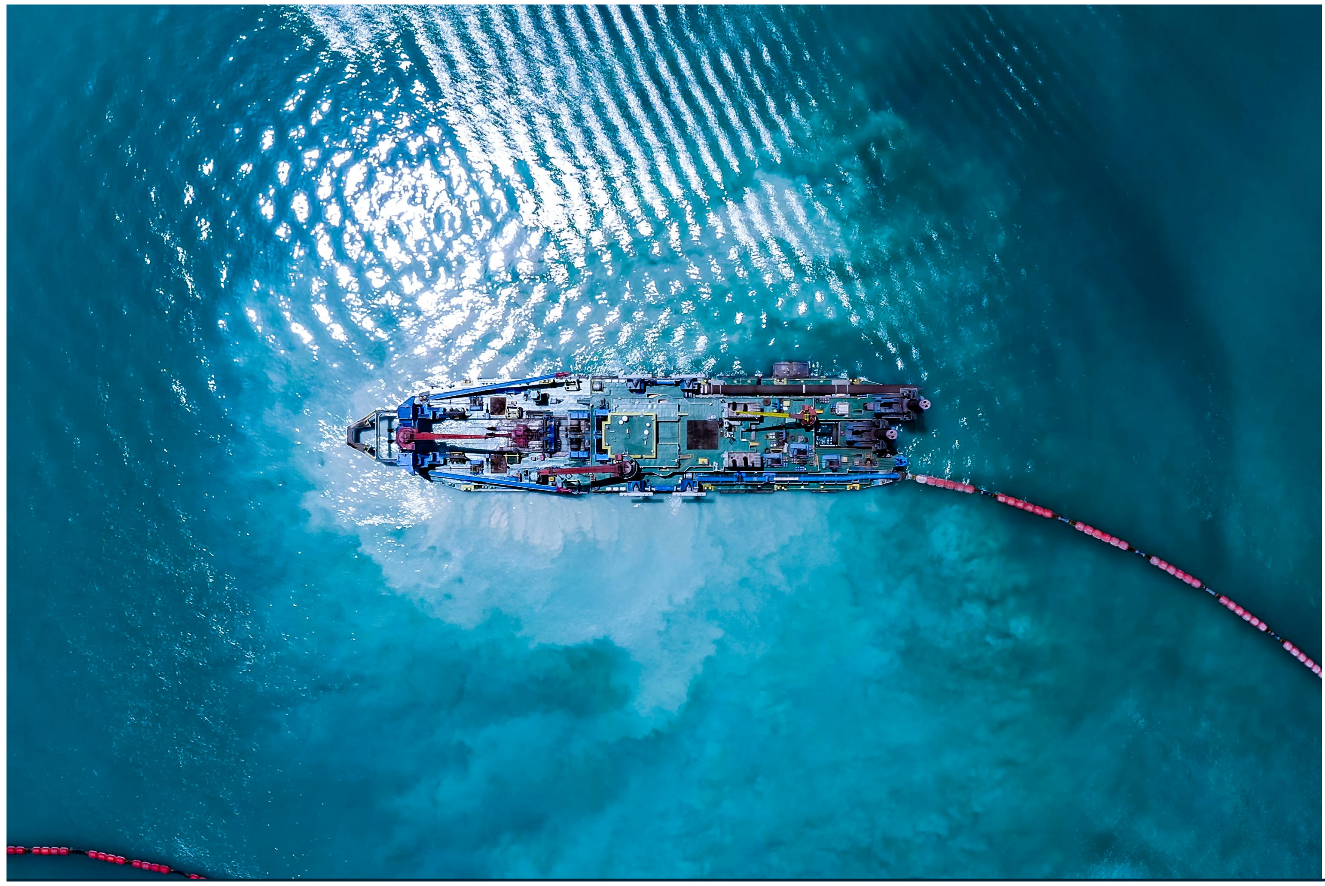
More about our main business units:

NMDC DREDGING & MARINE

Established as an independent shareholding entity in 1979 and listed on the Abu Dhabi Securities Exchange (ADX) in 2000, NMDC D&M has emerged as a leading figure in marine dredging and construction, consistently raising industry standards and establishing a global reputation for excellence. Originally founded as a subsidiary of Abu Dhabi National Oil Company (ADNOC) in 1976, NMDC D&M has grown to become an independent powerhouse within the NMDC Group, recognized for its advanced capabilities in dredging, reclamation, and marine construction. Today, with a workforce of over 3,600 skilled employees, the company plays a vital role in supporting diverse sectors such as energy, tourism, and urban development, as well as in conducting environmental rehabilitation and preservation work in collaboration with local authorities.

NMDC D&M boasts an impressive fleet of 36 vessels ranging from heavy duty Cutter Suction Dredgers (CSDs) to Watermaster dredgers, enabling it to deliver a wide range of dredging, reclamation, marine construction, and geotechnical services efficiently. The company has developed a significant portfolio of marine construction projects, from jetties and marinas to breakwaters and man-made islands, all marked by superior craftsmanship and structural integrity. The Marine Civil Works division handles all aspects of marine construction, including the erection of gravity quay walls, diaphragm walls, and complex piling works, utilizing advanced construction methods and materials to ensure durability and quality.

Complementing these core capabilities, NMDC D&M also provides comprehensive geotechnical and marine logistics services. The company specializes in ground improvement, using advanced techniques like vibro compaction and stone column installation to enhance soil stability and reduce liquefaction potential, ensuring cost-effective solutions for clients. Additionally, NMDC D&M's Dredging and Reclamation division conducts detailed hydrographic and geophysical surveys to guide projects from start to finish. The marine logistics services, backed by a diverse fleet of tugs and barges, offer innovative and sustainable solutions for transporting cargo, equipment, and rock, further enhancing the Group's ability to deliver end-to-end marine and construction services across the MENA region and globally.



NMDC ENERGY

Founded in 1973, NMDC Energy has evolved into a leading provider of EPC solutions for both onshore and offshore oil and gas sectors. As part of NMDC Group, the company has expanded its capabilities over the years, starting with the establishment of a large fabrication yard and launching offshore operations in 1978. This growth, combined with an unwavering commitment to meeting industry challenges, has positioned NMDC Energy as a key player in delivering complex projects across the UAE and globally. In 2024, this culminated to the company undergoing an Initial Public Offering (IPO) that was oversubscribed by 31.3 times underscoring the market's trust in NMDC Energy's long-term growth prospects.[3] NMDC Energy continues to ramp up its efforts to support the energy transition through its renewable energy and infrastructure projects as well as ventures and collaborations with global and regional industry partners.

NMDC Energy's unique capabilities are underpinned by a workforce of over 18,000 employees[4] and its state-of-the-art assets and modern fleet of 19 offshore vessels. Equipped with advanced technology, these vessels are capable of shallow and deepwater operations, enabling the company to meet exacting client demands. Among them notable is the DLS 4200, which features a 10-point mooring system and a powerful derrick crane, supporting large-scale operations such as lifting structures of up to 4,200 tons and laying subsea pipes.

By leveraging cutting edge technologies, employing a highly skilled workforce, and fostering strategic partnerships, NMDC Energy continues to innovate and set industry benchmarks for quality, safety, and performance. Building on a successful track record of over five decades, the company's continued investment in technology, such as advanced fabrication facilities and equipment for sour gas projects and pipeline coatings, reinforces its ability to take on challenging EPC projects and adapt to the industry's dynamic requirements.

3 Additional information about NMDC Energy's IPO and an overview of the company can be found in NMDC Energy's stand-alone Integrated Report 2024.
4 This figure reflects all NMDC Energy employees across all subsidiaries and countries of operations.

NMDC ENGINEERING

NMDC Engineering, established in 2012, is a premier Coastal & Marine Engineering Consultancy based in the UAE, known for delivering innovative and sustainable engineering solutions to meet the unique challenges of coastal and marine environments. As part of NMDC Group, NMDC Engineering offers specialized expertise across a range of disciplines including marine, civil, hydraulics, geotechnical, and environmental engineering. From initial concept design through to final implementation, the company provides design and consulting services that support both internal NMDC projects and external clients, ensuring all work adheres to the highest standards of quality, safety, and sustainability.

With a workforce of 26 employees and a significant footprint across the Arabian Gulf and the wider Middle East, NMDC Engineering has played a key role in some of the region's most prominent infrastructure projects, including marine, waterfront, and oil & gas developments. The company's comprehensive capabilities encompass maritime infrastructure, port planning and design, and maritime structure development such as jetties, quay walls, breakwaters, and offshore platforms. In addition, NMDC Engineering specializes in geotechnical analysis, focusing on the stability and safety of coastal and marine structures, as well as the design of efficient sea intake and outfall systems that minimize environmental impact.

In its commitment to advancing sustainable development and responsible environmental management, NMDC Engineering also provides a wide array of environmental consultancy services. The company assists a diverse group of stakeholders—developers, master planners, architects, and public clients—by offering specialized studies, data collection, feasibility assessments, and project management consultancy to optimize performance and ensure the success of complex coastal and marine engineering projects.

NMDC CONSTRUCTION

NMDC Construction, established in 2006, has become a leader in precast concrete production and general construction services. With over 17 years of experience, the company specializes in delivering a diverse portfolio of structural and architectural components, including breakwater units, quay blocks, and a wide range of high strength and durability precast solutions. Equipped with a state-of-the-art precast production line consisting of two major plants and two batching units, NMDC Construction has a daily production capacity of 1,000 cubic meters of precast and 800 square meters of hollow core—enabling the company to efficiently meet the complex needs of its clients across the region. NMDC Construction has earned a reputation for delivering high-quality, cost-effective construction projects, completing over 700 projects to date, ranging from luxury villas and resorts to sports arenas, schools, and industrial facilities. With a robust team of around 720 skilled employees, the company operates as an EPC contractor for a variety of civil and turnkey projects, providing end-to-end services from conceptual design and planning to procurement and construction. The focus on innovation and technical excellence has enabled NMDC Construction to develop sustainable marine products, such as artificial reefs that enhance marine biodiversity, while also meeting the growing demand for environmentally responsible construction solutions.

Through continual investment in technology and advanced processes, NMDC Construction remains committed to pushing the boundaries of innovation in precast technology. NMDC Construction's dedication to adopting the latest advancements and maintaining a client-focused approach reinforces its position as a trusted leader in the construction industry across the Middle East.

NMDC LOGISTICS & TECHNICAL SERVICES

NMDC LTS was founded in 2024 to drive NMDC Group's growth strategy and consolidate its position as the UAE's largest marine fleet owner and vessel charterer. The Group's fifth business division boasts a multi-purpose fleet of 90 owned and 200 chartered vessels.

NMDC LTS will be instrumental in expanding the Group's reach into marine logistics and in building wider global networks to drive its entry into new markets. It will also support growing regional demand within the sector, with vessel utilization and charter rates set to rise in the coming years.

NMDC LTS will be focused on streamlining marine vessel chartering services to better service NMDC's operations. Through offering services such as implementing electronic systems for dynamic management of crew, logistics operations, and utilization monitoring, NMDC LTS aims to leverage the strength of the Group and its fleet to support local, regional and international clients alike.

OUR BUSINESS PRINCIPLES

OUR VISION

To deliver innovative solutions shaping the future

OUR MISSION

We leverage the talent and experience of our people and provide opportunities to build successful and rewarding careers.

We serve our clients through delivering EPC solutions and beyond, that are environmentally conscious, safe and cost efficient.

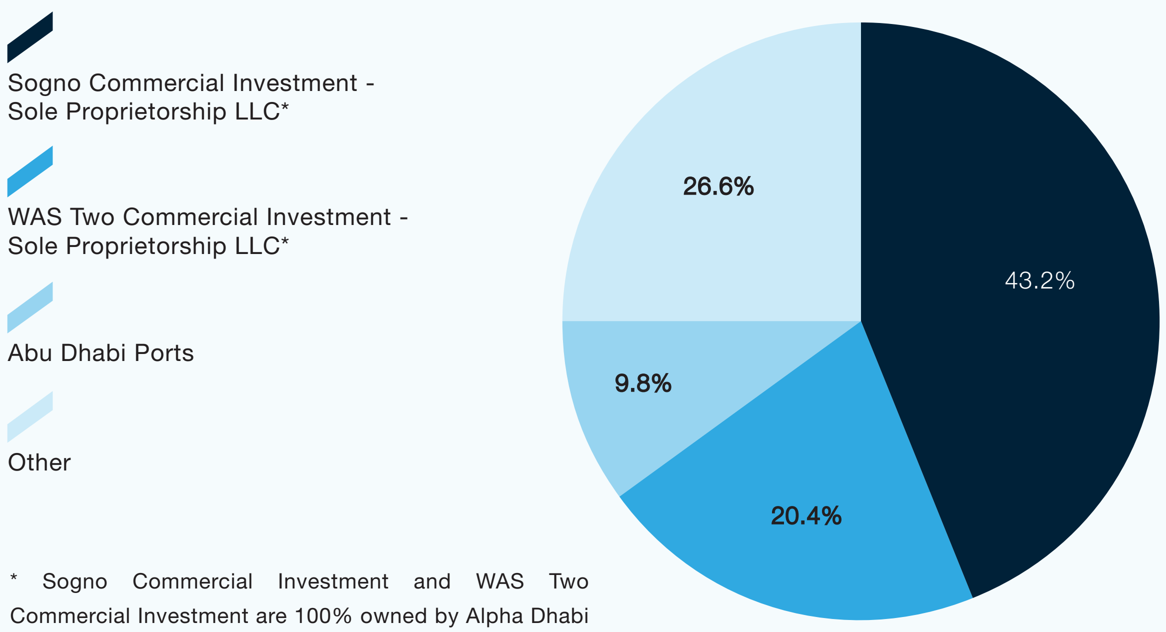
We generate exceptional returns for our shareholders.

OUR VALUES

At NMDC Group, we place great emphasis on our responsibilities as a business, taking care to integrate sustainable business practices into everything we do, and deliver value to our stakeholders. We operate under the following core values:

- KNOWLEDGE
- ACCOUNTABILITY
- MORALITY
- ALLIANCE
- LEADERSHIP

OUR OWNERSHIP STRUCTURE



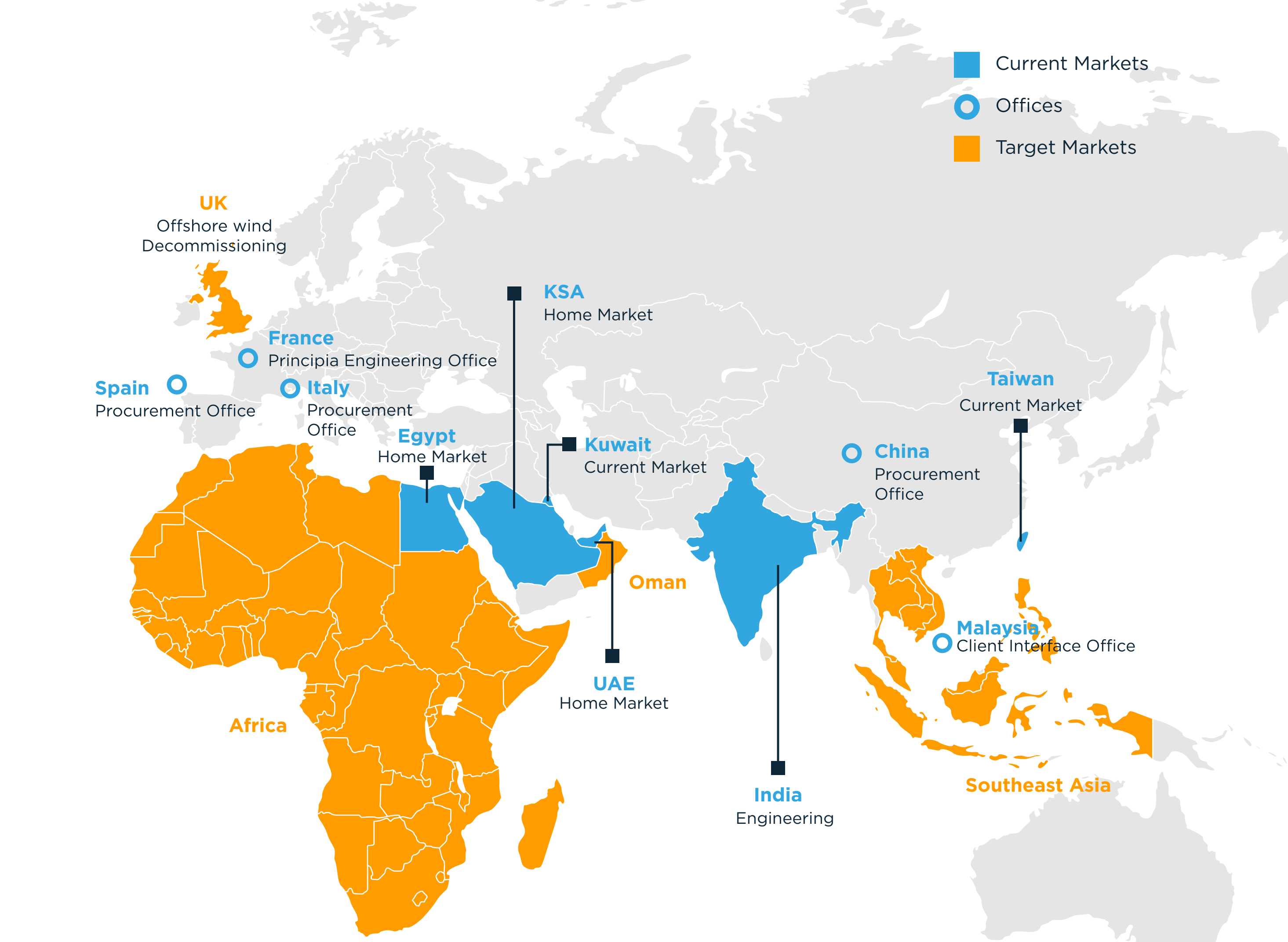
* Sogno Commercial Investment and WAS Two Commercial Investment are 100% owned by Alpha Dhabi Holding PJSC

5.2 GLOBAL FOOTPRINT

NMDC Group has strategically expanded its international presence, establishing itself in key markets across the Middle East, North Africa, South Asia, and Southeast Asia. Our operations are designed to meet diverse regional requirements, leveraging a deep understanding of local conditions and challenges. With a robust fleet of dredgers, marine vessels, and offshore assets, we are uniquely positioned to take on complex projects across a range of industries, from energy to urban development.

Our global operations are not just about physical presence but also about cultivating strong, collaborative relationships with stakeholders and partners across borders. The scale of our projects, whether expanding ports, constructing offshore platforms, or enabling energy transitions, highlights our ability to support the strategic goals of our clients while maintaining high standards of quality and safety and managing environmental impacts.

NMDC Group has strong operational bases in its home markets of the UAE, KSA, and Egypt, while also operating in markets like Kuwait, Taiwan, and India. The Group also maintains several procurement, engineering, and client interface offices in Asia and Europe, such as Malaysia, China, Italy, France, and Spain. Looking forward, NMDC Group is actively working to expand its operations in target markets such as Africa, Southeast Asia, and offshore wind decommissioning in the UK. This growing international presence underlines NMDC's focus on future sustainable growth, leveraging its expertise in engineering and construction to enter and develop in emerging markets, while solidifying its reputation in established home markets.



Note: The depiction of Africa in NMDC Group's global footprint reflects a strategic approach focused on select coastal markets. Market engagement is guided by feasibility, stability, and sector potential.

5.3 FLEET AND EQUIPMENT

NMDC Group maintains an extensive portfolio, consisting of more than 200 marine equipment and vessels including a fleet of 165 vessels, along with over 480 pieces of land-based equipment, collectively enabling its subsidiaries to carry out their operations efficiently. Below is the list of vessels operated by NMDC D&M and NMDC Energy. Moving forward and following the inception of NMDC LTS, marine equipment and vessels may be consolidated under NMDC LTS's resource pool and will be disclosed accordingly in coming years.

NMDC DREDGING & MARINE	NMDC ENERGY
TOTAL 36 VESSELS	TOTAL OF 19 VESSELS
Beavers (18)	Floating Construction Vessels (8)
Cutter Suction Dredgers (15)	Jack-up Barges (4)
Hopper Dredgers (2)	Tugs & Transportation Cargo Barges (7)
BackHoe Dredgers (1)	

5.4 PRIMARY 2024 CLIENTS

NMDC D&M and NMDC Energy each maintain an extensive portfolio of clients, featuring prominent port authorities and global leaders in energy and marine development. This distinguished list of partners underscores NMDC Group's leadership in providing solutions for complex energy and marine infrastructure challenges.

ADNOC

ARAMCO

WPD OFFSHORE

MODON

ABU DHABI PORTS

SUEZ CANAL AUTHORITY

6 VALUE CREATION

(GRI 2-2)

6.1 OUR VALUE CREATION MODEL

INPUT | BUSINESS MODEL | OUTPUT & OUTCOME | SDG ALIGNMENT

INPUT

FINANCIAL CAPITAL

- AED 2.25 billion in capital expenditure
- Group assets increased by 59% compared to 2023 reaching AED 33.2 billion
- NMDC Energy Initial Public Offering (IPO) oversubscribed 31.3 times

HUMAN CAPITAL

- A working environment based on a shared commitment to safety, wellbeing, human rights, mutual respect, and collective development.
- A workforce of over 25,000 employees*
- A total of 104,908 training hours conducted across the Group
- Formalization of DEI and Human Rights policies across the Group

* This figure reflects all NMDC Group employees across all subsidiaries and countries of operations

SOCIAL & RELATIONSHIP CAPITAL

- Strong presence in industry and community events to promote collaboration and socioeconomic development
- Continued commitment to local procurement
- Increased attention to supply chain sustainability practices

INTELLECTUAL CAPITAL

- Employee and institutional empowerment with a strategic focus on digitization, clean technology and innovation, and adaptive learning
- AED 10,915,683 invested in enhancing the Group's IT systems

NATURAL CAPITAL

- Increased focus on leveraging Group expertise to contribute to climate efforts and clean energy transition
- Operational GHG emissions and energy management under the spotlight
- Continued efforts to preserve biodiversity and optimize resource use

BUSINESS MODEL

VISION

Deliver innovative solutions shaping the future

MISSION

We leverage the talent and experience of our people and provide opportunities to build successful and rewarding careers.

We serve our clients through delivering EPC solutions and beyond, that are environmentally conscious, safe and cost efficient.

We generate exceptional returns for our shareholders.

VALUES

KNOWLEDGE

ACCOUNTABILITY

MORALITY

ALLIANCE

LEADERSHIP

SUSTAINABILITY STRATEGY

Statement: Driven by our vision, mission, and values, NMDC Group is committed to facilitating the energy transition, prioritizing safety and social responsibility and ensuring responsible business practices, supported by AI

Pillars:

- Environmentally Conscious Operations
- Energy Transition Enablement
- Community & Stakeholder Engagement
- Health & Safety Ownership
- Transparency and Accountability

BUSINESS UNITS

NMDC DREDGING & MARINE | NMDC ENERGY | NMDC ENGINEERING | NMDC CONSTRUCTION | NMDC LTS

OUTPUT & OUTCOME

FINANCIAL CAPITAL

- AED 3.11 billion in net profit, a 44% increase from 2023
- Revenue: AED 26.26 billion
- Earnings Per Share: AED 3.55
- NMDC Energy IPO generated AED 3.2 billion for the Group

SDG alignment: 8 Decent work and economic growth; 9 Industry, innovation and infrastructure

HUMAN CAPITAL

- Turnover rate: 8.36%
- Women employee hiring rate: 32.72%
- Emiratization Rate: 10.2%
- Group HSE training hours target exceeded by 175%
- Increase in HSE observation reporting by 50% compared to the previous year

SDG alignment: 3 Good health and well-being; 8 Decent work and economic growth; 5 Gender equality; 10 Reduced inequalities

SOCIAL & RELATIONSHIP CAPITAL

- Total investment in community outreach reached AED 23 million
- 100% of suppliers screened in accordance with the Group's Business Partner Code of Conduct
- 66% of total procurement spending (Corporate Procurement, NMDC D&M and NMDC Energy) allocated to local suppliers

SDG alignment: 8 Decent work and economic growth; 11 Sustainable cities and communities; 12 Responsible consumption and production; 16 Peace, justice and strong institutions

INTELLECTUAL CAPITAL

- NMDC Academy for technical and soft skills training coming soon to NMDC Group
- The Falcon Program piloted 30 initiatives across the Group in 2024
- AED 100 million committed in 2024 to repowering vessels in-house
- NMDC GPT, NMDC Group's in-house generative AI for increased operational efficiency

SDG alignment: 7 Affordable and clean energy; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure

NATURAL CAPITAL

- Expansion plans into renewable energy and offshore wind projects
- MOU with VinGroup for coastal protection in Vietnam
- 406 Kilowatt in solar energy production capacity at remote worker accommodation site
- NMDC Group's first comprehensive GHG inventory for 2023 and 2024 with a clearer understanding of emission hotspots

SDG alignment: 6 Clean water and sanitation; 7 Affordable and clean energy; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action; 14 Life below water; 15 Life on land

6.2 GROUP STRATEGY

NMDC Group's strategy reflects a transformative approach aimed at securing sustainable growth, diversifying capabilities, and reinforcing the Group's leadership in the marine and energy sectors. Central to the strategy is leveraging the strength of NMDC Group's foundational elements – People, Processes, Systems, Assets, and Culture – which set the stage for long-term success. NMDC Group's strategic objectives are structured around three key dimensions: **revenue growth** through continuing to support home markets while driving diversification in new verticals and geographies, **relationship building** with our government partners, clients, investors, and suppliers across the value chain, and **capability enhancement** through improving core operations, portfolio management, and commitment to sustainability. As part of this commitment, NMDC Group holds an annual strategy event, reinforcing leadership alignment, fostering collaboration, and ensuring a shared vision for the future. In 2024, 160 employees participated, reflecting strong engagement across business units. The Group will continue to build on this initiative, strengthening its strategic direction and fostering a culture of continuous improvement.

STRATEGIC OBJECTIVES AND FOUNDATIONS

NMDC Group's strategic objectives are enabled by a set of foundational elements that form the bedrock of how the Group aims to achieve operational excellence.

Motivated and Skilled People: NMDC Group recognizes that its workforce is a pivotal part of the company's continued success. The Group's strategy focuses on aligning human resources initiatives with the company's strategic objectives through a structured approach. This approach covers talent attraction and development, embedding a culture of health, safety, and wellbeing across the organization, tracking and measuring employee performance, and facilitating organization design and change management to better support growth.

Best Practice Processes: NMDC Group prioritizes standardized and optimized workflows to enhance efficiency, improve planning accuracy, and strengthen enterprise risk management. The Group's integrated project controls and enterprise risk frameworks enable better resource allocation and operational effectiveness across business units. By refining its internal processes, NMDC Group ensures a structured approach to managing risks, optimizing performance, and maintaining high operational standards.

AI-Enabled Technology & Systems: To support these processes, NMDC Group is implementing a single Enterprise Resource Planning (ERP) platform with integrated services, ensuring streamlined operations and a unified approach across business units. The Group also capitalizes on emerging digital transformation and artificial intelligence tools to enhance decision-making, reduce costs, drive innovation, and maintain market competitiveness. By leveraging advanced technology, NMDC Group strengthens its ability to adapt to market demands while driving continuous improvement across its operations.

Fit-for-Purpose Assets: Ensuring the availability and optimization of fit-for-purpose assets is crucial for enabling NMDC Group's revenue growth and meeting the demands of an expanding market. The focus on maintaining a robust asset base allows the Group to scale operations and capture new opportunities in both established and emerging markets. To further support this approach, NMDC Group launched NMDC LTS, an entity that will aim to leverage the Group's buying power to establish long-term agreements for support vessels, equipment, and external contractors. Managing the Group's resource pool maximizes utilization, facilitates cross-movement between projects, and provides synergistic opportunities for sharing resources. In addition to ensuring fit-for-purpose assets, NMDC Group is also evaluating asset investments aligned with future energy market needs. This proactive approach ensures the Group remains a dominant player in evolving energy markets by securing capabilities that support industry transitions and long-term growth.

Open and Collective Culture: NMDC Group is committed to building an open and collective culture that fosters collaboration, innovation, and shared success across business units in line with the Group's values: Knowledge, Accountability, Morality, Alliance, and Leadership. To support this, several efforts have been implemented, including recognizing individuals and teams who demonstrate exceptional ownership of projects, promoting ethical standards across departments, and encouraging cross-group collaboration through strategic projects. Cultural elements have been integrated into performance reviews to reinforce alignment with NMDC Group's values and promote a strong collective performance. Continuous learning is facilitated through monthly knowledge-sharing sessions, open learning days, and transparency in team Key Performance Indicators (KPIs). Additionally, team-building activities and leadership mentoring programs help strengthen unity and foster cross-functional understanding. These collective efforts promote an environment of openness, accountability, and teamwork that is vital for both internal cohesion and building strong external relationships.

SUSTAINABILITY STRATEGY

In 2024, NMDC Group reinforced its commitment to sustainability through the development of an integrated sustainability strategy that aligns closely with the Group's broader business objectives. By embedding sustainability across all facets of operations, NMDC Group aims to adequately manage ESG-related risks, proactively address key market drivers, and capitalize on emerging opportunities within the industry. The Group's sustainability strategy introduces 25 initiatives across five core pillars: Environmentally Conscious Operations, Energy Transition Enablement, Community & Stakeholder Engagement, Health & Safety Ownership, and Transparency and Accountability.

The sustainability strategy includes internal initiatives aimed at improving sustainability practices and considerations throughout NMDC Group's operations, as well as an outward-facing aspect that leverages these improvements to capture emerging market opportunities. Macro outlook factors, such as heightened environmental awareness and the impacts of climate change, present new growth opportunities for the Group such as energy transition projects. Rising concerns around climate-related risks underscore the importance of resilient coastal infrastructure and sustainable dredging and marine services—areas where the Group is well-positioned to lead. As part of its vertical expansion, NMDC Group aims to grow in sectors like environmental rehabilitation, marine infrastructure improvements, offshore wind, and water management solutions, leveraging its extensive experience in the marine and dredging and marine sectors. High standards of sustainability will serve as a competitive advantage in entering new markets, particularly in regions where environmental and social considerations are critical. This focus on sustainability is key to supporting the Group's diversification goals while fostering long-term, resilient growth.

LOOKING AHEAD

NMDC Group remains focused on expanding its operations into new verticals and geographies, ensuring sustained growth and diversification. The Group plans to strengthen its capabilities in renewable energy, particularly in offshore wind and other energy transition solutions, which will further enhance its role in supporting the global shift toward sustainable energy. NMDC Group also intends to broaden its operations by expanding into several new verticals. This includes module fabrication, tunnelling projects in partnership with other EPC contractors, expanding into Mechanical, Electrical, and Plumbing (MEP), including pipeline supply and installation, and topside scopes within civil construction, and vertical expansion into ground improvement solutions such as conducting Merger and Acquisition (M&A) activities in the UAE market. Additionally, NMDC Group plans to expand its activities in the subsea rock installation market for offshore wind, offshore rigs, breakwater construction, and subsea pipeline protection. These expansions will enhance the Group's ability to serve diverse project requirements through value chain integration.

Geographically, NMDC Group is actively pursuing opportunities to expand its footprint in select European regions and emerging markets, with a strategic emphasis on Africa and Southeast Asia, as well as expansion of permanent presence in key countries like the Kingdom of Saudi Arabia (KSA), India, and Oman. The Group's International Office and Business Development department will spearhead this expansion, identifying key opportunities and establishing partnerships that will allow NMDC Group to effectively penetrate these new markets.

6.3 KEY RISKS & OPPORTUNITIES

NMDC Group recognizes that its long-term success depends on a proactive approach to identifying, managing, and capitalizing on key risks and opportunities across its operations and strategic initiatives. The Group has developed a clear framework to ensure that these factors are addressed in a structured manner, focusing on mitigating risks while seizing opportunities that align with NMDC Group's core strategy and expansion plans.

KEY RISKS

- **Talent and Workforce Risks**: Attracting and retaining a motivated and skilled workforce remains challenging in a competitive labor market. Increased vacancies and challenges in attracting talent are key concerns. NMDC Group's focus on continuous learning and development programs, as well as its commitment to health, safety, and well-being, are key strategies to address these risks and maintain a high-quality workforce.
- **Market Dynamics and Geopolitical Risks**: The volatility of regional and global markets, including changes in oil prices, geopolitical tensions, and supply chain disruptions, presents significant risks to NMDC Group's operations. Geopolitical instability, inflation, higher cost of raw materials, and fluctuations in oil and gas prices further complicate market conditions. To address these uncertainties, NMDC Group continuously monitors market trends and maintains a flexible business model to adapt to rapid changes.
- **Environmental and Climate Change Risks**: Increasing environmental regulations and the growing impacts of climate change present both regulatory and operational risks for NMDC Group. Rising sea levels and extreme weather events could affect project timelines and operational costs. NMDC Group mitigates these risks by integrating climate resilience measures into its projects and adhering to stringent environmental standards.
- **Operational Risks and Project Execution**: The complexity of NMDC Group's projects, particularly in the offshore and marine sectors, poses risks related to project execution, including safety, equipment reliability, and workforce capabilities. Inconsistent project delivery and limited investment in new technologies add to these challenges. The Group's commitment to enhancing project controls, risk management frameworks, and ensuring the availability of fit-for-purpose assets aims to minimize these operational risks.
- **Risk Associated with Technology and Digital Transformation**: As NMDC Group moves forward with its digital transformation initiatives, the Group faces risks associated with the implementation of new technologies, cybersecurity, and data integrity. To mitigate these risks, NMDC Group focuses on developing robust Information Technology infrastructure, investing in cybersecurity measures, and ensuring that employees are adequately trained in new digital tools and processes.
- **Client and Market Risks**: High client concentration and competitiveness in international markets pose significant risks. Local content requirements in other markets (similar to In-Country Value (ICV) requirements) may further complicate NMDC Group's ability to expand internationally. The Group is actively working on diversifying its client base and enhancing market competitiveness to mitigate these risks.
- **Contractual and Regulatory Risks**: Changing regulatory environments and onerous contract terms and conditions present additional challenges to NMDC Group's operations. The Group focuses on enhancing contract negotiation processes and ensuring compliance with evolving regulations to manage these risks effectively.

STRATEGIC OPPORTUNITIES

- **Geographic and Vertical Expansion**: NMDC Group is actively pursuing opportunities to expand its geographic footprint in emerging markets such as Africa, Southeast Asia, and in select European regions. Additionally, the Group's vertical expansion into new areas, including tunnelling, ground improvement, and subsea rock installation for offshore wind projects, presents significant opportunities for growth and diversification.
- **Sustainability and Renewable Energy Transition**: The increasing emphasis on sustainability and renewable energy presents substantial opportunities for NMDC Group. By enhancing its capabilities in offshore wind and renewable energy projects, the Group is well-positioned to benefit from the global transition towards cleaner energy sources and capitalize on new market demands.
- **Infrastructure Development and Market Growth**: Expanding infrastructure needs across the MENA region and other target markets present opportunities for NMDC Group to leverage its expertise in marine construction, dredging, and EPC services. Strategic projects, such as port development, coastal rehabilitation, and urban expansion, align well with NMDC Group's existing capabilities, opening avenues for continued growth.
- **Digital Transformation and Operational Efficiency**: NMDC Group's ongoing investment in digital tools, Artificial Intelligence, and an integrated ERP system presents opportunities to enhance operational efficiency, reduce costs, and improve decision-making processes. Digital transformation efforts are expected to provide a competitive advantage by optimizing project execution and enabling more data-driven business strategies.
- **Strategic Partnerships and Collaborations**: NMDC Group sees opportunities to capitalize on joint ventures and partnerships, strengthening relationships with key government partners, clients, investors, and suppliers. Leveraging these relationships will allow NMDC Group to enhance its market position, access new technologies, and expand its service offerings. Additionally, fostering acquisitions and leveraging synergies across the Group could significantly bolster NMDC Group's ability to diversify and expand its capabilities.
- **Increased Focus on O&G Opex Spend**: With the current outlook on oil and gas Capital Expenditure (CapEx) levels expected to decline, NMDC Group has identified opportunities in increasing its focus on Operational Expenditure (OpEx) support services for oil and gas clients. This focus on maintenance, upgrades, and operational efficiency within existing facilities offers a stable source of revenue and aligns with client needs.

By carefully managing risks and actively pursuing opportunities, NMDC Group aims to position itself as a resilient, agile, and forward-thinking leader in the marine, energy, and construction sectors while maintaining a strong commitment to sustainability and value creation for all stakeholders.

6.4 CORPORATE BEHAVIOUR AND GOVERNANCE

(GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-20, GRI 2-21, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 2-27, GRI 205-1, GRI 205-2, GRI 205-3, S1, S9, S10, G2, G3, G5, G6)

Ethical business practices, strong governance, and accountability are the foundation upon which NMDC Group continues to deliver value for all stakeholders and ensures long-term success. By establishing clear structures and ensuring consistent oversight, the Group aims to mitigate risks, maintain transparency, and foster trust among stakeholders. The Group's governance structure, led by the Board of Directors as the highest governing body at the organization, is responsible for charting the strategic direction of the company, overseeing risk management, ensuring compliance, and promoting integrity throughout the organization. This underpins the Board's commitment to drive strong risk-adjusted returns for shareholders, strengthening the Group's long-term resilience, and promoting sustainable value creation for internal and external stakeholders.

In 2024, NMDC Group enhanced its governance practices with a focus on reinforcing structural frameworks and strengthening oversight across all business units. This effort included implementing proactive policy enhancements that align the organization's actions with its core values and strategic goals. The Group updated and introduced several key policies, ensuring they apply consistently at the group level across all subsidiaries. This unified approach is crucial for maintaining high governance standards and fostering a culture of integrity and accountability throughout the Group's operations. In alignment with best practices and to further enhance transparency and stakeholder confidence, we ensured that policy statements and codes of conduct are publicly accessible on the Group's website. The Board of Directors approves and oversees the implementation and compliance with key policies including those introduced this year. More details on corporate governance and business ethics policies can be found at the end of this section.

For further information on our governance structure and practices, please refer to the Corporate Governance Report included in section 13 of this report.

BOARD COMPOSITION

We uphold the highest standards of corporate governance, aligning with relevant regulations and international best practices. Recognizing the importance of a strong governance structure to our values and culture, we continuously review and refine our practices to maintain their effectiveness.

In 2024, NMDC Group's Board of Directors welcomed two new members, Dr. Aaesha Ali Hashem and Mr. Abdulla bin Dasmal Al Suwaidi, adding to the Board's wealth of experience and know-how across sectors that are key to the Group's continued success. The addition of Dr. Aesha also marks a significant milestone in the Group's commitment to enhance diversity, particularly in leadership roles, aligning with our belief that diverse perspectives enrich governance effectiveness.

Currently, the Board of Directors is comprised of seven members, all of whom are non-executives. For more details on the Board of Directors and committee memberships, please refer to the Group's 2024 Corporate Governance Report.

BOARD COMMITTEES

Board Committees play an essential role in maintaining high standards of governance. In line with corporate best practices, NMDC Group has established several committees to support the Board in executing its responsibilities effectively. Each committee is tasked with specific oversight and advisory roles, ensuring thorough governance across key areas. Below are the Group's committees and their mandates:

- **Audit Committee:** Assists the Board in fulfilling its oversight responsibilities related to the financial reporting process, internal controls, audit functions, and compliance with legal and regulatory requirements. Its primary goal is to ensure transparency, accuracy, and reliability in the organization's financial reporting.
- **Nomination & Remuneration Committee**: Facilitates the nomination and remuneration processes for directors and senior executives. The committee ensures transparency in board appointments and executive compensation.

MANAGEMENT COMMITTEES

NMDC Group's management committees play a critical role in driving the development and execution of the Group's business and sustainability strategies, ensuring effective management practices and resilient operational frameworks. The contributions of the following committees are essential in maintaining seamless operations and aligning all activities with the Group's strategic goals:

- **Strategy Committee**: Reviews, approves, and aligns both short- and long-term business strategies, business plans and special projects including investments, mergers and acquisitions (M&A), and divesture opportunities. The committee also reviews, refines, and endorses matters regarding business performance, innovation and knowledge management, and business plan annual review as well as other strategic matters.
- **Sustainability & ESG Committee**: Comprehensively evaluates and enhances NMDC's performance in environmental, social, and governance (ESG) matters. This involves recommending strategies for seamlessly integrating ESG considerations into the broader business strategy, evaluating and addressing ESG-related risks and opportunities, reviewing and endorsing sustainability initiatives, monitoring performance against predefined goals and industry benchmarks, and ensuring accurate and transparent ESG disclosures in alignment with reporting frameworks and regulations, including effective stakeholder engagement on ESG issues.
- **Business Continuity & Risk Management Committee**: Drives and enforces the implementation of the Business Continuity Management Program (BCMP) across the Group and oversees related policies, procedures, and strategic initiatives to ensure that any BCMP is "fit-for-purpose" and conforms with UAE government related standards. The committee also oversees Enterprise Risk Management policies to ensure the effectiveness of risk management practices and compliance with internal and external requirements.
- **People & Culture Committee:** Oversees employee recognition, career development, Emiratization targets, and annual bonuses to promote a culture of appreciation and growth.
- **Disciplinary Committee**: Plays a crucial role in maintaining a fair and transparent disciplinary process within the organization. Tasked with investigating alleged violations of NMDC Group's code of conduct and disciplinary policies, the committee ensures a fair, transparent, and impartial disciplinary process, adhering to due process and legal guidelines throughout investigations. The committee's mandate includes recommending appropriate disciplinary actions, such as warnings, suspensions, or terminations, in accordance with the People & Culture Manual.
- **Digital Transformation Committee**: Facilitates alignment between IT and business operations and oversees the implementation of strategic IT plans as part of NMDC Group's broader initiative to embed digitalization and technology in its operations.
- **CSR Committee**: Shapes the company's Corporate Social Responsibility (CSR) activities and oversees the implementation of NMDC Group's CSR framework. The committee is also responsible for identifying, implementing, and measuring the impact of all social programs as well as approving budgets and assigning resources for related initiatives.
- **Group Procurement Committee**: Oversees non-business unit-related procurement activities, focusing on common items, consumables, and generic items handled at the group level. The committee's purview extends to orders according to the approved delegation of authority.
- **Operational Synergies Committee**: Reviews and identifies opportunities for collaboration, optimization, procurement synergies, and efficient resource use between business units within NMDC Group and its subsidiaries. The committee's goal is to enhance overall operational efficiency through strategic alignment and effective resource allocation.
- **Ethics and Compliance Committee**: Responsible for overseeing fraud prevention and detection and ensuring the appropriate response measures. The committee provides insight into and guidance on implementing and strengthening anti-fraud measures within the Group and assists the Board in implementing whistle-blower procedures and mechanisms. The committee also implements ongoing monitoring of other Fraud Management and Control policies and advises on disciplinary matters.
- **Insider Trading Supervision Committee**: Responsible for the register of insiders including monitoring, following up, supervising and managing dealings of all insiders, registering their dealings and ownership in the Register as well as reporting all such matters to the Abu Dhabi Securities Exchange (ADX).

CORPORATE BEHAVIOUR

NMDC Group remains unwavering in its commitment to uphold the highest ethical standards across its global operations. In 2024, we strengthened our policies on accountability, transparency, and compliance across all operations and subsidiaries to reinforce our dedication to corporate governance and ethical business conduct.

Key Policies and Ethical Standards

1. **Business Code of Conduct:** The Business Code of Conduct upholds NMDC Group's values of knowledge, accountability, morality, alliance and leadership. This comprehensive code enforces zero-tolerance for anti-bribery & corruption, fraud, and any misconduct. Upon joining, new employees complete a declaration form to acknowledge the Business Code of Conduct. On the other hand, existing employees are required to acknowledge any updates to the Business Code of Conduct.
2. **Business Partner Code of Conduct:** The Business Partner Code of Conduct sets stringent standards for ethical practices among all NMDC Group partners, requiring compliance with human rights, fair labor practices, environmental stewardship, and anti-bribery & corruption laws. Rigorous due diligence on business partners reinforces our commitment to integrity and compliance across the supply chain.
3. **Anti-Bribery & Corruption Policy:** NMDC Group maintains a zero-tolerance approach to bribery and corruption, reflected in a robust Ethics and Compliance Program. Aligned with international and UAE anti-bribery and corruption laws, including the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act, our Anti-Bribery and Corruption Policy outlines the definitions, prevention mechanisms, and corrective measures for bribery and corruption incidents. Key elements include prohibitions on facilitation payments, unauthorized donations or political contributions, and clear guidance on sponsorships and lobbying. Ethics & Compliance is enforced through oversight, regular training and a strong culture of reporting and accountability.
4. **Fraud Control Policy:** NMDC Group's Fraud Control Policy provides a structured approach to identifying, preventing, and addressing fraud risks. Responsibilities for maintaining strong internal controls are defined to protect the Group's financial integrity and establish a proactive culture of vigilance. No material instances of fraud were reported in 2024, demonstrating the efficacy of this approach.
5. **Speak Up Policy:** The Speak Up Policy provides a secure, confidential, and, if desired, anonymous mechanism for employees, business partners, and other stakeholders to report wrongdoings, with protection from retaliation. This policy encourages reporting of unethical behaviours such as bribery & corruption, fraud, and human rights violations, ensuring they are addressed through a structured investigation process managed by Ethics & Compliance.
6. **Conflict of Interest Policy:** NMDC Group identifies and mitigates conflicts of interest through employee disclosures guided by a Conflict-of-Interest Policy. Employees are required to disclose any conflicts of interest ,through the conflict of interest disclosure form, upon joining and when necessary.
7. **Gifts, Hospitality & Entertainment (GHE) Policy:** NMDC Group identifies and manages GHE through employees disclosures guided by a GHE policy. Employees are required to disclose any GHE through the GHE disclosure form, when necessary.
8. **Executive Compensation Policy:** This policy balances incentives for growth with responsible executive remuneration, linking rewards to long-term value creation, operational performance, and key ESG objectives. Shareholders are engaged through "say-on-pay" provisions, and accountability is emphasized with clawback clauses for policy breaches.

Ethics & Compliance Program and Risk Management Framework

NMDC Group's Ethics & Compliance Department administers a comprehensive Ethics & Compliance Program based on prevention, detection, and remediation. This framework ensures that anti-bribery & corruption and ethical practices are ingrained in every level of our operations:

- **Prevention**: Our commitment to integrity starts with a "Tone at the Top" set by Directors and Senior Executives, who lead by example in compliance. NMDC Group has instituted a comprehensive training program that provides practical insights into recognizing and addressing corrupt practices. Employees in higher-risk roles receive specialized, scenario-based training. New joiners and joint venture business partners also undergo onboarding sessions focused on the Business Partner Code of Conduct and anti-bribery principles.
- **Detection:** NMDC Group actively encourages reporting through our Speak Up channels, which maintain confidentiality and offer anonymity options for disclosers. Regular compliance audits, monitoring, and risk assessments allow NMDC Group to detect and mitigate risks proactively. The implementation of internal controls and compliance clauses in all contracts ensures that unethical practices are promptly identified and addressed.
- **Remediation**: NMDC Group enforces strict disciplinary actions and implements tailored mitigation plans for breaches of policy, ensuring that our ethics & compliance standards are maintained without compromise. Record-keeping practices support transparency, with all transaction records maintained and regularly reviewed by Ethics & Compliance.

Anti-Corruption Training and Awareness

In 2024, NMDC Group provided a total of 11 targeted anti-bribery & corruption training sessions to employees in Saudi Arabia, Egypt, India, and the UAE, covering both Finance and Internal Audit teams including 76 employees at NMDC Group's corporate office. Joint venture business partners also received training to ensure alignment with NMDC Group's Code of Conduct and anti-bribery & corruption principles. Training sessions included practical scenarios and real-world examples to strengthen participants' ability to identify and report potential bribery & corruption risks effectively.

Incidents of Corruption

NMDC Group tracks and reports anti-corruption incidents across all operations as part of its commitment to transparency and accountability. The following tables summarize the quantitative outcomes of our anti-corruption program:

Confirmed Incidents of Corruption

Year	Number of Confirmed Incidents of Corruption
2022	0
2023	0
2024	0

Employee Dismissals or Disciplinary Actions for Corruption

Year	Total Number of Confirmed Incidents
2022	0
2023	0
2024	0

Business Partner Contracts Terminated or Not Renewed Due to Corruption Violations

Year	Total Number of Confirmed Incidents
2022	0
2023	0
2024	0

* No material instances of bribery & corruption.

Key Anti-Bribery & Corruption Measures

NMDC Group's Ethics & Compliance Department administers a comprehensive Ethics & Compliance Program based on prevention, detection, and remediation. This framework ensures that anti-bribery & corruption and ethical practices are ingrained in every level of our operations:

1. **Internal Controls & Audit**: NMDC Group maintains strict internal controls to ensure compliance, including compliance clauses in all contractual agreements. Our Ethics & Compliance Program includes preventive controls like due diligence on business partners and auditing mechanisms to maintain a secure and transparent operational environment.
2. **Due Diligence and Risk Assessments**: Due diligence processes on business partners and external entities are integral to NMDC Group's risk management. Regular compliance risk assessments, due diligence on high-risk engagements, and continuous monitoring support our commitment to mitigating bribery & corruption risks.
3. **Speak Up Mechanism**: NMDC Group has established a whistleblowing mechanism, referred to as Speak up, which allows anyone to confidentially report any concern. Speak up guarantees protection against retaliation for those who speak up.
4. **Training and Awareness**: Ethics and Compliance provides regular training and awareness, keeping employees informed on policies, legal requirements and ethical standards.
5. **Record-Keeping Standards**: Ethics & Compliance records, including Speak Up concerns and investigation processes, are meticulously maintained by Ethics & Compliance. These records support transparency and enable NMDC Group to monitor and respond to ethical concerns promptly.
6. **Policy Review and Continuous Improvement**: Ethics & Compliance periodically reviews NMDC Group's anti bribery & corruption policies, with updates made as required to align with evolving regulatory standards and best practices. Continuous improvement initiatives ensure the Group remains a competitive and compliant actor in all regions of operation.

Through these initiatives, NMDC Group demonstrates its steadfast commitment to maintaining a workplace environment devoid of corrupt practices. Our comprehensive ethics & compliance framework not only supports ethical business conduct but also builds trust among stakeholders, positioning NMDC Group as a responsible and transparent leader in the industry.

7 SUSTAINABILITY ACROSS OUR CAPITALS

(GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-22, GRI 2-29, GRI 3-1, GRI 3-2)

7.1 SUSTAINABILITY APPROACH

NMDC Group is dedicated to responsible stewardship, positioning sustainability as a core element of our business model. Our strategic focus aims not only to achieve operational excellence but also to drive long-term value creation that benefits all stakeholders. Aligned with the Abu Dhabi Vision 2030 and committed to supporting national Net Zero goals, we integrate ESG principles across our operations, enhancing our role in the MENA region's environmental, social, and economic resilience. Guided by our vision, mission, and values, NMDC Group enables the energy transition, prioritizes safety and social responsibility, and upholds responsible business practices.

EMBEDDING ESG INTO OUR OPERATIONS

NMDC Group's approach to ESG is both holistic and integrative, embedding sustainability across our projects and decision-making processes. In 2024, the Group undertook a six-month sustainability program that engaged all business units and required cross-departmental collaboration and extensive stakeholder engagement. Central to this effort was a comprehensive review of NMDC Group's ESG materiality, ensuring that our focus on environmental, social, and governance topics and management of associated risks remains relevant, future-oriented, and supportive of sustained positive impact. The materiality assessment resulted in identifying 11 material topics across environmental, social, and governance matters.

The program culminated in the development of NMDC Group's sustainability framework, founded on a shared vision of sustainable growth and progress. This framework is structured around five key pillars, comprising eight core objectives and 25 initiatives across the Group, designed to enhance ESG impact while complementing the Group's corporate strategy and strengthening the management of both traditional and emerging ESG-related risks.

MSCI's provisional AA ESG rating of NMDC Group is a testament of our ongoing efforts to integrate sustainability into our operations. MSCI ESG Ratings measure a company's resilience to long-term, financially relevant ESG risks by evaluating a company's exposure to and management of such risks, placing NMDC Group as "Leader" in that regard for the Engineering & Construction industry. The Group aims to further its leadership in sustainability and is working towards achieving an AAA rating.

MSCI
Provisional
ESG RATINGS

(p) AA

(p) CCC	(p) B	(p) BB	(p) BBB	(p) A	(p) AA	(p) AAA

As of Aug 2024

Driven by our vision, mission, and values,
NMDC Group is committed to facilitating the energy transition,
prioritizing safety and social responsibility and ensuring responsible
business practices, supported by AI

Environmental		Social		Governance
Environmentally Conscious Operations	Energy Transition Enablement	Community & Stakeholder Engagement	Health & Safety Ownership	Transparency and Accountability

Commitment to Climate Action and Biodiversity

NMDC Group is actively addressing the global climate crisis by investing in carbon capture, storage, and renewable energy projects. We continue to engage in carbon capture and storage initiatives and adapt our infrastructure to reduce environmental impacts, enhance climate resilience, and meet green standards. Our efforts toward biodiversity preservation are ongoing. We work to protect natural habitats and minimize wildlife disturbance through projects like the Habitat Compensation Island and other biodiversity initiatives, including the planting of 350,000 mangrove seedlings to support coastal ecosystems.

Sustainable Waste Management

In line with responsible waste management, NMDC Group aims to minimize the environmental footprint of its operations. By implementing project-specific waste management plans, investing in waste reduction systems, and providing extensive training for our teams, we manage waste sustainably and support circular economies wherever feasible.

STRATEGIC INITIATIVES AND VERTICAL EXPANSION

Aligned with our goals to enable the energy transition and support renewable energy growth, NMDC Group is pursuing vertical expansion and strategic initiatives to broaden our impact in various sectors, including:

Renewable Energy and Offshore Wind

Recognizing the potential of renewable energy, NMDC Group has strategically expanded capabilities in offshore wind, marked by the acquisition of a Dynamic Positioning (DP) vessel for offshore wind projects. This move is set to propel annual revenue beyond AED 1 billion, reinforcing our position as a leader in the renewable energy sector. We also plan to enter international markets for subsea rock installation, targeting offshore wind, rigs, breakwaters, and subsea pipeline protection.

Energy Transition and NT Energies

Our involvement in NT Energies, a joint venture created by Technip Energies and NMDC Energy, represents a strategic approach to the energy transition, particularly as market opportunities within the Gulf Cooperation Council (GCC) are projected to exceed AED 50 billion over the next five years. This partnership is positioned to strengthen NMDC Group's financial outlook and contribute significantly to clean energy progress in the region.

Decommissioning Sector

NMDC Group's energy division is exploring entry into the decommissioning sector. By either building in-house capabilities or pursuing acquisitions, we aim to support the sector's evolving needs and align with environmental considerations in asset lifecycle management and safe dismantling practices.

NMDC Energy is actively advancing its presence in the renewable energy sector, with a strong focus on offshore wind. As part of NMDC Group's broader sustainability efforts, the company has already taken significant steps to reduce environmental impact. This includes a partnership with Byrne Equipment Rental to implement solar energy systems at the Sir Bani Yas Island residential camp, cutting CO_2 emissions by 475 tons annually and improving air quality for workers.

Building on this momentum, NMDC Energy is playing a key role in the development, construction, and maintenance of offshore wind farms, including Taiwan's Yunlin Offshore Wind Farm. To further strengthen its capabilities, NMDC Energy is planning to expand its fleet with multiple Dynamic Positioning (DP) vessels specifically designed for offshore wind projects. These world-class vessels will enhance installation efficiency while minimizing environmental impact.

Additionally, NMDC Energy is in discussions with several of the world's largest offshore wind developers to provide installation solutions that leverage these advanced vessels, offering both technical excellence and sustainable operations.

Beyond offshore wind, NMDC Energy is also developing carbon capture capabilities, where its core expertise can play a pivotal role in this evolving market. With carbon capture activity increasing across the Middle East and Southeast Asia, NMDC Energy is well-positioned to support large-scale projects that contribute to global decarbonization efforts.

Further strengthening its position in sustainable infrastructure, NMDC Group signed a Memorandum of Understanding (MoU) with Vingroup in October 2024. This collaboration will focus on large-scale coastal protection, land reclamation, and offshore renewable energy projects in Vietnam—initiatives that will contribute to environmental resilience, economic growth, and job creation.

Through these initiatives, NMDC Energy is positioning itself as a key player in the energy transition, driving innovation and supporting the shift toward a more sustainable future.

SUSTAINABILITY GOVERNANCE

Underlining sustainability governance as a cornerstone of our approach, NMDC Group has implemented a robust governance structure to ensure the effective integration of ESG principles throughout the organization. The Sustainability & ESG Committee plays a pivotal role in shaping the company's sustainability strategy and performance, while a dedicated Sustainability Task Force ensures the governance framework's implementation across departments. This approach is further reinforced by designated Sustainability Champions in every department, who act as critical links between strategy and action.

Moving forward, NMDC Group aims to enhance its sustainability governance by establishing a clear governance structure with defined roles and responsibilities across all levels—from top executives to employees' company-wide. The Group is also exploring the introduction of a dedicated Sustainability Team to sustain our efforts in driving impactful ESG performance.

STAKEHOLDER ENGAGEMENT

Collaboration with stakeholders is central to NMDC Group's sustainability approach. We engage continuously with stakeholders, integrating their feedback into our strategic and operational decisions. This approach helps us meet evolving needs and reinforces our position as a trusted partner. Through this ongoing engagement, we create lasting value for all stakeholders, addressing critical issues and exploring opportunities that support mutual growth and resilience.

OUR STAKEHOLDER ENGAGEMENT MATRIX:

KEY STAKEHOLDER	METHODS OF ENGAGEMENT	KEY TOPICS OF DISCUSSION
CLIENTS	• Performance evaluation surveys • Day-to-day interactions & meetings • Website • Marketing material (e.g., annual reports, sustainability reports, social media, etc.) • Exhibitions and conferences • Business Development efforts • Networking events	• Client wellbeing • Privacy & security • Responsiveness to their requirements • Quality, safety, and cost • Business ethics • Company impact on the environment
SHAREHOLDERS	• Annual general meeting • Periodic meetings • Corporate regulatory disclosures	• Economic performance • Capital allocation • Successful strategy implementation • Business ethics • National employment • ESG issues • Environmental impact • Regulatory issues
BOD MEMBERS	• BOD & related committees' meetings • Periodic meetings • Company events • Press releases	• Economic performance • Business ethics • ESG performance • Emiratization • Successful strategy implementation • Capital allocation • Digital transformation
EMPLOYEES	• Employee engagement surveys • Performance reviews • Internal communication • Company events • Succession planning & development • Policies & procedures • Exit interviews	• Employee wellbeing • Business ethics • Diversity & inclusion • Health & safety • Training & development • Sustainable workplace • Compensation • Succession planning
COMMUNITY	• Local initiatives and volunteering activities • Society surveys • Donations and sponsorship	• Environmental impact • Community Wellbeing • Industry practices
GOVERNMENT ENTITIES	• Direct engagement through on site licensing department • National development plans and programs • Audits • Press releases • Local forums	• Environmental compliance • Alignment with national development plans & programs • Regulatory compliance • Labor practices • Transparency • Community wellbeing • National employment
SUPPLIERS & BUSINESS PARTNERS	• Supplier code of conduct • Supplier assessment and audit • Regular meetings with key suppliers and subcontractors • In-Country Value Score • Supplier satisfaction survey	• Procurement practices • Fair practice • Business ethics • Environmental impact • Terms and conditions • Cost negotiation
ESG RATING AGENCIES	• Meetings • Indirect engagements through third party consultants • Website • Marketing material (e.g., annual reports, sustainability reports, social media, etc.)	• Material ESG issues for construction & engineering companies

OUR MATERIAL TOPICS

At NMDC Group, our dedication to transparency and accountability forms the foundation of our stakeholder engagement strategy. Recognizing the significant impact that specific issues hold on both our stakeholders and our business operations, we have refined our approach to identifying and reporting on topics of material importance. This year, our materiality assessment has undergone a comprehensive update, aligning with best practices and industry standards from renowned frameworks like MSCI and the Sustainability Accounting Standards Board (SASB) part of the IFRS Foundation. These standards are tailored to aspects that are unique to the construction and engineering sector and value chain, in accordance with the Global Industry Classification Standard (GICS) and the Sustainable Industry Classification System (SICS).

To ensure our material topics are both relevant and impactful, we have further refined our alignment through close collaboration with internal stakeholders and key industry players. Our engagement process, guided by the IIRF, GRI, and the AA1000 Stakeholder Engagement Standard, helps us stay attuned to our stakeholders' evolving priorities. By adhering to these industry-leading practices, we've identified a well-defined set of material topics that reflect the issues most critical to our stakeholders and our business. This approach enhances our ability to manage, report, and respond effectively to key economic and ESG factors, reinforcing NMDC Group's commitment to sustainable, stakeholder-focused business practices.

NMDC GROUP TOPICS AND ALIGNMENT WITH GRI AND ADX

	MATERIAL TOPICS	GRI STANDARDS	ADX DISCLOSURES
Environmental	GHG Emissions & Energy	GRI 302 – Energy GRI 305 – Emissions GRI 307 - Environmental Compliance	E1: GHG Emissions E2: Emissions Intensity E3: Energy Usage E4: Energy Intensity E5: Energy Mix E7: Environmental Operations E8: Environmental Oversight E9: Environmental Oversight
	Biodiversity & Land-Use	GRI 304 - Biodiversity	
	Circularity & Waste Management	GRI 306 - Waste	E7: Environmental Operations
	Opportunities in Clean Technology	GRI 201 - Economic Performance GRI 203 - Indirect Economic Impacts	E10: Climate Risk Mitigation
	Water Stress	GRI 303- Water and Effluents	E6: Water Usage
Social	Health & Safety	GRI 403 - Occupational Health & Safety	S7: Injury Rate S8: Global Health & Safety
	Community Welfare	GRI 413 - Local Communities	S12: Community Investment
	Human Capital Management & Development	GRI 202 - Market Presence GRI 401 – Employment GRI 404 - Training and Education GRI 405 - Diversity and Equal Opportunity GRI 406 - Non-discrimination	S2: Gender Pay Ratio S4: Gender Diversity S6: Non-Discrimination S9: Child & Forced Labor S10: Human Rights S11: Nationalization G1: Board Diversity
	Quality Management	GRI 416: Customer Health and Safety GRI 417: Marketing and Labeling	
Governance	Corporate Behavior and Governance	GRI 205 - Anti-Corruption	S1: CEO Pay Ratio S2: Gender Pay Ratio G2: Board Independence G3: Incentivized Pay G5: Ethics & Prevention of Corruption G6: Data Privacy
	Supply Chain Management	GRI 204 - Procurement Practices GRI 308- Supplier Environmental Assessment GRI 414- Supplier Social Assessment	G4: Supplier Code of Conduct E7: Environmental Operations

8 OUR FINANCIAL CAPITAL

Our Alignment

Material Topics

Opportunities in Clean Technology

GRI Standards

- GRI 201 - Economic Performance
- GRI 203 - Indirect Economic Impacts

Abu Dhabi رؤية 2030 Vision

- Establishing a resilient monetary and financial market environment with manageable levels of inflation
- Enabling financial markets to become the key financiers of economic sectors and projects

SDGs

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

FINANCIAL PERFORMANCE

NMDC Group recorded significant growth in net profit and revenue in 2024, supported by the expansion of its operations and a strong performance across its business units.

Net profit for the year reached AED 3.11 billion, reflecting an increase of 44% compared to AED 2.15 billion in 2023. Revenue rose by 57% to AED 26.26 billion, up from AED 16.7 billion in the previous year.

The Group's cash and bank balance grew by 34% to AED 4.99 billion, reinforcing its capacity to pursue new opportunities in both local and international markets. Total assets increased to AED 33.2 billion in 2024, marking a 59% rise from AED 20.8 billion in 2023.

NMDC Group's project backlog stood at AED 71 billion, at the end of 2024, highlighting the Group's ability to secure and deliver on substantial future projects.

For a detailed breakdown of our financial performance in 2024, we encourage you to review our audited financial statements.

NMDC Group	2022	2023	2024
Total Revenues (AED bn)	10.69	16.70	26.26
Net Profits (AED bn)	1.30	2.15	3.11
Total Assets (AED bn)	16.05	20.80	33.20
Earnings per Share (AED)	1.58	2.61	3.55
Total Expenses (AED bn)	9.34	14.51	22.81
Employee Wages and Benefits (AED bn)	1.69	2.19	2.74
Payments to providers of capital (AED bn) *	0.00	0.62	2.00**
Payments to government by country (VAT or tax payments) (AED bn)***	0.155	0.164	0.471

* Payments to shareholders in the form of dividends or to other capital providers including payment related to issued Sukuks or other.
** AED 701 million in final dividends was proposed by the Board and is subject to Shareholders approval in the AGM.
*** UAE VAT payments

ECONOMIC VALUE CREATION

NMDC Group remains steadfast in its mission to drive economic prosperity and enhance community well-being. By focusing on the generation and equitable distribution of economic value, the organization aims to benefit all stakeholders and contribute positively to society at large.

At the heart of the Group's operations is a commitment to providing fair and competitive compensation for employees, ensuring their financial security, and enabling them to support their families and plan for a stable future. Through this approach, NMDC Group aims to empower its workforce which is the key driver of the Group's continued success.

NMDC Group also understands the vital role our tax contributions play in strengthening public sector capabilities. By fulfilling its tax obligations, the Group contributes to the development of essential public services and infrastructure, reinforcing the communities where it operates.

Additionally, the Group's procurement practices further extend the local economic impact of its operations by prioritizing sourcing from local suppliers wherever possible. This approach not only supports local businesses but also fosters resilient local economic ecosystems, ensuring the Group's activities contribute to the growth and prosperity of the regions it serves.

NMDC Group continues to make significant investments to drive technological advancement and innovation. Following a total of AED 22,734,000 (1.90% of total capex) invested in technology and innovation in 2023, NDMC Group invested an additional AED 10,915,683 in 2024, representing 0.49% of total capital expenditures, to enhance the Group's IT systems including the ongoing implementation of the Oracle Fusion system. This reflects the Group's commitment to digitalizing operations and optimizing business processes.

Ultimately, NMDC Group's ability to create and distribute economic value is a testament to its success and serves as a guiding principle for our operations. We continue to strive toward a future where economic growth is harmonized with social progress and technological innovation, ensuring long-term value for all stakeholders.

Total Amount Invested in Technology and Innovation

NMDC Group	Total Amount in AED'000	Percentage of Total Capex	Please describe briefly the nature of the most significant investments
2022	2,690	0.33%	Implementation of Oracle Fusion system
2023	22,734	1.90%	Implementation of Oracle Fusion system
2024	10,916	0.49%	Implementation of Oracle Fusion system

9 OUR HUMAN CAPITAL

Our Alignment

Material Topics

Health & Safety
Human Capital Management & Development

GRI Standards

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

- Building an open, efficient, effective, and globally integrated business environment
- Driving significant improvement in the efficiency of the labour market
- Developing a highly skilled, highly productive workforce

SDGs

3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

9.1 HUMAN CAPITAL MANAGEMENT & DEVELOPMENT

BUILDING ONE CULTURE ACROSS SUBSIDIARIES

NMDC Group's human capital management and development strategy focuses on building a cohesive culture that unifies employees across all subsidiaries, aligning practices with the Group's strategic goals and core values. This unified culture is centered around the Group's values – Knowledge, Accountability, Morality, Alliance, and Leadership – fostering a foundation of trust and respect throughout the organization. Employees are encouraged to engage in thoughtful analysis, provide honest feedback, and model leadership behaviors, which collectively contribute to overcoming barriers, breaking down silos, and enhancing collaboration and decision-making. By emphasizing these cultural values, NMDC Group aims to create an environment where innovation thrives, and continuous improvement is a natural outcome.

The Group's Code of Conduct plays a crucial role in promoting these values by guiding employee behaviors and ensuring consistency in standards and expectations across global operations. This comprehensive code reinforces integrity, transparency, and adherence to ethical practices, ensuring that every employee, regardless of their location, embodies NMDC Group's principles. To ensure a safe and respectful work environment, NMDC Group has also established clear non-discrimination and anti-harassment policies. These policies reinforce the Group's commitment to maintaining an inclusive workplace, where all employees feel valued and empowered to contribute. Reporting mechanisms are in place to address incidents, supported by training to promote awareness and understanding of the policies.

NMDC Group is committed to respecting human rights and is a proponent of the human rights and labour principles of the United Nations Global Compact (UN Global Compact), and the International Labor Organization (ILO) conventions on human rights. In 2024, the Group developed a Human Rights policy that further solidifies the Group's stance on upholding labor rights in compliance with local laws and international standards, including prohibiting child labor, forced labor, and ensuring equitable treatment for all employees.

Employee Breakdown by Business Unit**

	NMDC D&M	NMDC Energy	NMDC Construction	NMDC Engineering*
2022	2,550	9,358	447	N/A
2023	3,134	14,526	668	N/A
2024	3,688	16,281	709	28

* Number of employees for NMDC Engineering in 2024 is reported separately as opposed to previous years where the number was reported under NMDC D&M.
** All employees are on a full-time basis. NMDC Group Corporate office employees are included under NMDC D&M.

Employee Breakdown by Gender (number and rate)

	NMDC D&M		NMDC Energy		TOTAL			NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male	Total	Female	Male	Female	Male	Female	Male
2022	128	2,422	112	9,246	240	11,668	11,908	5.02%	94.98%	1.20%	98.80%	2.02%	97.98%
2023	141	2,993	243	14,283	384	17,276	17,660	4.50%	95.50%	1.67%	98.33%	2.17%	97.83%
2024	178	3,510	308	15,973	486	19,483	19,969	4.83%	95.17%	1.89%	98.11%	2.43%	97.57%

Permanent Employee Breakdown by Gender (number and rate)

	NMDC D&M		NMDC Energy		TOTAL			NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male	Total	Female	Male	Female	Male	Female	Male
2022	16	799	112	9,246	128	10,045	10,173	1.96%	98.04%	1.20%	98.80%	1.96%	98.04%
2023	14	762	243	14,283	257	15,045	15,302	1.80%	98.20%	1.67%	98.33%	1.68%	98.32%
2024	0	0	0	0	0	0	0	-	-	-	-	-	-

* As of 2024 and as per recent changes in the UAE labor law, all employee contracts are now temporary subject to renewal.

Temporary Employee Breakdown by Gender (number and rate)

	NMDC D&M		NMDC Energy		TOTAL			NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male	Total	Female	Male	Female	Male	Female	Male
2022	112	1,623	0	0	112	1,623	1,735	6.46%	93.54%	-	-	6.46%	93.54%
2023	127	2,231	0	0	127	2,231	2,358	5.39%	94.61%	-	-	5.39%	94.61%
2024	178	3,510	308	15,973	486	19,483	19,969	4.83%	95.17%	1.89%	98.11%	2.43%	97.57%

* As of 2024 and as per recent changes in the UAE labor law, all employee contracts are now temporary subject to renewal.

Grievances data

	Number of Grievances filed in the reporting period	Number of these grievances addressed or resolved	Number of grievances filed prior to the reporting period that were resolved during the reporting period
2022	22	22	0
2023	33	33	0
2024	31	30	0

Total number of incidents of discrimination

	NMDC D&M	NMDC Energy
2022	0	0
2023	0	0
2024	0	0

EMPLOYEE RECRUITMENT AND RETENTION

NMDC Group's approach to employment is grounded in industry best practices, focusing on equal opportunity, job creation, and employee welfare. To attract top talent, NMDC Group implements a strategic hiring approach that includes competitive compensation, career progression opportunities, and a supportive working environment. The recruitment process is merit-based, ensuring fairness through structured interviews and skill-based assessments, thereby promoting transparency and equal opportunity.

Aligned with the Group's broader growth objectives, recruitment efforts target both expansion into new markets and the enhancement of existing capabilities. The Group has established a robust agency network in targeted countries to recruit skilled talent and develop specialized expertise particularly in relation to local taxation laws, labor laws, mobilization practices, and market rates. A Mobility Policy is also in place to facilitate the seamless integration of talent across borders, ensuring NMDC Group is well-positioned to meet future workforce needs in line with growth projections.

The Group is committed to building capabilities that align with its strategic growth areas, such as attracting skills related to onshore capabilities. The Fresh Graduate program also plays a key role in supporting Emiratization efforts, which contributes to a unique industry differentiator for NMDC Group. The Group fosters a culture of "growing from within" through structured succession planning aimed at identifying and developing future leaders capable of sustaining long-term growth.

Employee retention at NMDC Group is a key focus area supported by several initiatives designed to maintain high engagement levels. Mentorship programs, Individual Development Plans (IDPs), career development training, competitive compensation packages, and employee benefits are integral to this strategy. Additionally, the Group offers flexible work arrangements and fosters a positive work environment that emphasizes respect and belonging. Leadership development is also prioritized, with targeted initiatives aimed at cultivating future leaders and ensuring a seamless talent pipeline. Regular feedback sessions are conducted to understand employee needs and offer ample career advancement opportunities, all contributing to long-term employee engagement and satisfaction.

New Hires by Gender

Total New Hires (Number)						
	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	1	33	35	625	36	658
2023	34	577	164	857	198	1,434
2024	55	646	104	3,279	159	3,925

Total New Hires (Rate)						
	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	0.78%	1.36%	31.25%	6.76%	15.00%	5.64%
2023	24.11%	19.28%	67.49%	6.00%	51.56%	8.30%
2024	30.90%	18.40%	33.77%	20.53%	32.72%	20.15%

New Hires by Age Group

	NMDC D&M			NMDC Energy			TOTAL		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	10	41	11	76	521	63	86	562	74
2023	117	494	-	230	705	86	347	1,119	86
2024	132	518	51	913	2,363	107	1,045	2,881	158

Total New Hires (Rate)									
	NMDC D&M			NMDC Energy			TOTAL		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	5.00%	2.09%	2.81%	12.79%	7.08%	4.47%	10.83%	6.03%	4.11%
2023	50.43%	20.46%	0.00%	11.13%	6.55%	5.07%	15.09%	9.10%	3.94%
2024	57.14%	18.32%	8.11%	42.52%	19.64%	5.08%	43.94%	19.39%	5.78%

Total Employees that left by Gender

Total Employees that left (Number)						
	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	2	87	21	144	23	231
2023	15	164	33	197	48	361
2024	10	139	43	1,478	53	1,617

Total New Hires (Rate)						
	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	1.56%	3.59%	18.75%	1.56%	9.58%	1.98%
2023	10.64%	5.48%	13.58%	1.38%	12.50%	2.09%
2024	5.62%	3.96%	13.96%	9.25%	10.91%	8.30%

Total Employees that left by Age Group

	Total Employees that left (Number)								
	NMDC D&M			NMDC Energy			TOTAL		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	5	40	24	15	129	21	20	169	45
2023	21	119	39	50	158	22	71	277	61
2024	6	77	31	299	1,107	115	305	1,184	146

	Total Employees that left (Rate)								
	NMDC D&M			NMDC Energy			TOTAL		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	2.50%	2.04%	6.12%	2.53%	1.75%	1.49%	2.52%	1.81%	2.50%
2023	9.05%	4.93%	8.01%	2.42%	1.47%	1.30%	3.09%	2.10%	2.80%
2024	2.60%	2.72%	4.93%	13.93%	9.20%	5.46%	12.83%	7.97%	5.34%

Total Hiring & Turnover Rates

	Total Hiring Rate			Total Turnover Rate		
	NMDC D&M	NMDC Energy	TOTAL	NMDC D&M	NMDC Energy	TOTAL
2022	1.33%	7.05%	5.83%	3.49%	1.76%	2.13%
2023	19.50%	7.03%	9.24%	5.71%	1.58%	2.32%
2024	19.01%	20.78%	20.45%	4.04%	9.34%	8.36%

LEARNING, DEVELOPMENT, AND SKILLS UPGRADING

NMDC Group recognizes that continuous learning and skills development are critical to maintaining a competitive and competent workforce. The Group has established a formal Employee Training and Development Policy to support employees at every stage of their career. This policy ensures that all employees have access to the resources needed for professional growth and skill enhancement, including workshops, certifications, and e-learning opportunities.

To effectively assess and address skill gaps, NMDC Group conducts regular Training Needs Assessments to identify areas where employees require further development. This targeted approach ensures that training programs are aligned with both individual career aspirations and organizational objectives. The Group's Performance Development System also integrates annual performance reviews, which include skills improvement discussions, personal development plans, and an outline for future career opportunities.

The training programs at NMDC Group are diverse and designed to cater to a wide range of professional needs:

- **Succession Planning:** Ensuring bench strength for core roles by identifying and preparing talent for future leadership and critical positions to maintain business continuity.
- **Internal Training Programs:** Workshops focusing on leadership skills, technical competencies, and compliance topics are conducted to enhance employee expertise.
- **External Training:** Employees are encouraged and supported to attend certifications and industry-specific courses delivered by external training providers, thereby expanding their knowledge base and bringing back valuable industry insights.
- **E-Learning Platforms:** NMDC Group offers access to an extensive e-learning platform featuring a broad range of courses on professional and technical topics, allowing employees to enhance their knowledge flexibly.
- **Innovation Lab:** This internal program is aimed at fostering creativity and developing innovative solutions to challenges, encouraging employees to think outside the box and contribute to Group-wide problem solving.
- **Mentorship and Job Rotation:** The Group offers mentorship programs where experienced leaders guide junior employees, and job rotation opportunities to allow employees to gain broader skills and understanding of various business functions.
- **Leadership Development Programs:** Employees identified as future leaders are enrolled in advanced training, coaching, and shadowing senior executives.
- **Cross-Departmental Projects and Personalized Learning Pathways:** Employees are encouraged to participate in cross-departmental projects, which facilitate collaboration, skill-sharing, and expanded expertise.

This structured approach to learning and development ensures that NMDC Group's workforce remains adaptable, engaged, and prepared to meet evolving business challenges. The emphasis on continuous improvement, feedback-driven development, and leadership cultivation contributes to the Group's sustained success and growth.

Total Training Hours by Gender

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	4,066	41,966	1,573	17,719	5,639	59,685
2023	3,717	52,124	6,434	35,609	10,151	87,733
2024	3,922	58,725	10,442	31,819	14,364	90,544

Average Training Hours per Employee by Gender

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	31.77	17.33	14.04	1.92	23.50	5.12
2023	26.36	17.42	26.48	2.49	26.43	5.08
2024	22.03	16.73	33.90	1.99	29.56	4.65

Total Training Hours by Employee Category

	NMDC D&M				NMDC Energy				TOTAL			
	Labour	Entry Level	Mid-Level	Senior Manager	Labour	Entry Level	Mid-Level	Senior Manager	Labour	Entry Level	Mid-Level	Senior Manager
2022	7,339	6,206	17,891	14,597	N/A	11,667	6,688	937	7,339	17,873	24,579	15,534
2023	2,040	25,054	23,429	5,318	N/A	20,912	18,743	2,388	2,040	45,966	42,172	7,706
2024	1,343	23,277	31,345	6,683	3,098	16,988	15,413	6,762	4,441	40,265	46,758	13,445

Average Training Hours per Employee by Employee Category

	NMDC D&M				NMDC Energy				TOTAL			
	Labour	Entry Level	Mid-Level	Senior Manager	Labour	Entry Level	Mid-Level	Senior Manager	Labour	Entry Level	Mid-Level	Senior Manager
2022	9.34	8.63	20.49	70.18	N/A	10.26	5.68	5.93	0.96	9.63	11.99	47.07
2023	7.42	16.49	20.32	28.44	N/A	13.14	11.96	17.30	0.18	6.72	15.50	23.71
2024	7.99	12.28	22.57	28.44	0.23	11.11	13.75	14.09	0.33	11.76	18.63	18.80

PERFORMANCE EVALUATIONS

NMDC Group ensures that employees understand and are motivated by NMDC's growth strategy, regularly communicating how individual contributions align with the broader goals of the Group. The performance evaluations emphasize NMDC Group's ONE Culture, ensuring that the right employee behaviours are fostered and that employees live the Group identity and values every day.

The Group employs a rigorous enterprise performance management system that evaluates the organization against a carefully defined set of KPIs each quarter. These KPIs are developed in collaboration with respective management teams to ensure both relevance and rigor, and they include metrics for Health, Safety, and Environment (HSE) that are assessed across all verticals, functions, and projects. This alignment ensures that the contribution of individual staff members is considered within the overall context of organizational success, fostering a culture of commitment to excellence and continuous improvement throughout NMDC Group.

The performance appraisal process also includes structured reviews aimed at providing actionable feedback, promoting career advancement, and enhancing skills. Annual appraisals incorporate competency evaluations and objective assessments, particularly for middle and senior management roles, reinforcing NMDC Group's commitment to growth, quality, and safety.

COMPENSATION AND LINKS TO SUSTAINABILITY

Compensation at NMDC Group is closely linked to both performance and sustainability objectives. The Executive Compensation Policy outlines executive management remuneration practices, which may consist of basic salaried remuneration, allowances, pensions, fixed and variable components, and other benefits as applicable. The Policy balances driving business growth and profitability through competitive remuneration while ensuring alignment with Group value. NMDC Group also complies with UAE labour laws and other host country regulations to ensure transparency in remuneration, which includes provisions for end-of-service benefits and adherence to local benchmarks. The policy also outlines say-on-pay practices where the Group's Nomination and Remuneration Board Committee is presented with executive remuneration proposals for their consideration and approval.

Variable pay, including bonuses and incentives, is determined based on individual performance, contribution to sustainability initiatives, and overall organizational success. By integrating ESG criteria into compensation structures such as variable pay, NMDC Group establishes a clear link between individual responsibilities and corporate sustainability goals that are key for the Group such as health and safety performance. The Group continues to explore further expanding ESG integration into performance-based remuneration particularly as additional sustainability targets are put in place. The Executive Compensation Policy further outlines the Group's recognition program further complements the performance appraisal process by rewarding exceptional contributions, particularly those related to HSE performance. By embedding sustainability in its reward mechanisms, NMDC Group encourages employees to contribute meaningfully to the Group's broader ESG commitments.

DIVERSITY, INCLUSION, AND EQUAL OPPORTUNITY

NMDC Group is committed to creating a diverse and inclusive workplace that embodies equality, respect, and social responsibility. The Group actively recruits individuals from diverse backgrounds, focusing on the inclusion of underrepresented groups such as women, people of determination, and individuals from varied racial and ethnic backgrounds. This commitment is supported by comprehensive policies and targeted initiatives designed to promote diversity and ensure equal access to growth and advancement opportunities for all employees.

In 2024, NMDC Group introduced its first Diversity, Equity, and Inclusion (DEI) Policy, establishing a strong foundation for building an inclusive culture across all business units. Guided by international standards such as the ILO conventions, this policy informs recruitment, employee development, and workplace practices that ensure fairness and equal opportunity. The DEI Policy outlines commitments to equitable employment practices, diversity metrics, and initiatives promoting work-life balance.

NMDC Group's DEI approach also aligns with the ILO Convention No. 111 on non-discrimination in employment, ensuring equality of opportunity and treatment for all employees in line with local legal requirements. The Group's hiring process is merit-based, emphasizing skills and qualifications while actively promoting diversity by increasingly introducing initiatives focused on underrepresented groups, including women and people of determination. To track progress, KPIs have been established to monitor diversity metrics, such as gender representation, diverse recruitment, DEI training participation, and compensation equity assessments. Flexible working arrangements are also offered to support employees with caregiving responsibilities and other personal needs, reflecting the Group's commitment to an inclusive workplace.

To further demonstrate its dedication to diversity, NMDC Group has implemented several initiatives to support the recruitment, retention, and development of female talent. These initiatives include targeted recruitment campaigns, leadership development programs, and mentorship from senior women leaders, fostering an environment that encourages career growth and development for women.

Total Employees by Employee Category and by Gender (number)

NMDC D&M								
	Labour		**Entry-Level**		**Mid-Level**		**Senior Management**	
	Male	Female	Male	Female	Male	Female	Male	Female
2022	775	11	654	65	829	44	164	8
2023	262	13	1,454	65	1,101	52	176	11
2024	154	14	1,810	86	1,324	65	222	13

NMDC Energy								
	Labour		**Entry-Level**		**Mid-Level**		**Senior Management**	
	Male	Female	Male	Female	Male	Female	Male	Female
2022	6,886	0	1,091	46	1,112	65	157	1
2023	11,230	0	1,423	168	1,494	73	136	2
2024	13,150	1	1,293	236	1,060	61	470	10

TOTAL								
	Labour		**Entry-Level**		**Mid-Level**		**Senior Management**	
	Male	Female	Male	Female	Male	Female	Male	Female
2022	7,661	11	1,745	111	1,941	109	321	9
2023	11,492	13	2,877	233	2,595	125	312	13
2024	13,304	15	3,103	322	2,384	126	692	23

Total Employees by Employee Category and by Gender (rate)

	NMDC D&M							
	Labour		Entry-Level		Mid-Level		Senior Management	
	Male	Female	Male	Female	Male	Female	Male	Female
2022	98.60%	1.40%	90.96%	9.04%	94.96%	5.04%	95.35%	4.65%
2023	95.27%	4.73%	95.72%	4.28%	95.49%	4.51%	94.12%	5.88%
2024	91.67%	8.33%	95.46%	4.54%	95.32%	4.68%	94.47%	5.53%

	NMDC Energy							
	Labour		Entry-Level		Mid-Level		Senior Management	
	Male	Female	Male	Female	Male	Female	Male	Female
2022	100.00%	0.00%	95.95%	4.05%	94.48%	5.52%	99.37%	0.63%
2023	100.00%	0.00%	89.44%	10.56%	95.34%	4.66%	98.55%	1.45%
2024	99.99%	0.01%	84.57%	15.43%	94.56%	5.44%	97.92%	2.08%

	TOTAL							
	Labour		Entry-Level		Mid-Level		Senior Management	
	Male	Female	Male	Female	Male	Female	Male	Female
2022	99.86%	0.14%	94.02%	5.98%	94.68%	5.32%	97.27%	2.73%
2023	99.89%	0.11%	92.51%	7.49%	95.40%	4.60%	96.00%	4.00%
2024	99.89%	0.11%	90.60%	9.40%	94.98%	5.02%	96.78%	3.22%

Total Employees by Employee Category and by Age Group (number)

	NMDC D&M											
	Labour			**Entry-Level**			**Mid-Level**			**Senior Management**		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	67	596	123	86	542	91	47	692	134	0	128	44
2023	46	205	24	122	1,169	228	64	909	180	0	132	55
2024	24	130	14	169	1,413	314	38	1,124	227	0	161	74

	NMDC Energy											
	Labour			**Entry-Level**			**Mid-Level**			**Senior Management**		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	472	5,545	869	91	826	220	31	920	226	0	64	94
2023	1,794	8,412	1,024	235	1,070	286	38	1,225	304	0	57	81
2024	1,832	9,940	1,379	300	897	332	13	937	171	2	255	223

	TOTAL											
	Labour			**Entry-Level**			**Mid-Level**			**Senior Management**		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	539	6,141	992	177	1,368	311	78	1,612	360	0	192	138
2023	1,840	8,617	1,048	357	2,239	514	102	2,134	484	0	189	136
2024	1,856	10,070	1,393	469	2,310	646	51	2,061	398	2	416	297

Total Employees by Employee Category and by Age Group (rate)

NMDC D&M

	Labour			Entry-Level			Mid-Level			Senior Management		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	8.52%	75.83%	15.65%	11.96%	75.38%	12.66%	5.38%	79.27%	15.35%	0.00%	74.42%	25.58%
2023	16.73%	74.55%	8.73%	8.03%	76.96%	15.01%	5.55%	78.84%	15.61%	0.00%	70.59%	29.41%
2024	14.29%	77.38%	8.33%	8.91%	74.53%	16.56%	2.74%	80.92%	16.34%	0.00%	68.51%	31.49%

NMDC Energy

	Labour			Entry-Level			Mid-Level			Senior Management		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	6.85%	80.53%	12.62%	8.00%	72.65%	19.35%	2.63%	78.16%	19.20%	0.00%	40.51%	59.49%
2023	15.98%	74.91%	9.12%	14.77%	67.25%	17.98%	2.43%	78.17%	19.40%	0.00%	41.30%	58.70%
2024	13.93%	75.58%	10.49%	19.62%	58.67%	21.71%	1.16%	83.59%	15.25%	0.42%	53.13%	46.46%

TOTAL

	Labour			Entry-Level			Mid-Level			Senior Management		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2022	7.03%	80.04%	12.93%	9.54%	73.71%	16.76%	3.80%	78.63%	17.56%	0.00%	58.18%	41.82%
2023	15.99%	74.90%	9.11%	11.48%	71.99%	16.53%	3.75%	78.46%	17.79%	0.00%	58.15%	41.85%
2024	13.93%	75.61%	10.46%	13.69%	67.45%	18.86%	2.03%	82.11%	15.86%	0.28%	58.18%	41.54%

Total Number of Nationalities

	NMDC D&M	NMDC Energy
2022	60	65
2023	62	68
2024	67	69

Female to Male Median Compensation Ratio

	NMDC D&M				NMDC Energy			
	Labour, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level	Labour, if applicable	Entry-Level	Mid-Level	Senior Management
2022	1.30	1.38	1.35	1.23	-	1.00	1.67	0.97
2023	1.39	1.67	1.30	1.08	-	2.22	1.54	1.11
2024	1.24	1.83	1.15	1.22	4.16	1.92	1.44	1.39

EMIRATIZATION AND LOCAL HIRING

NMDC Group actively supports Emiratization, prioritizing the recruitment of local talent to contribute to the socio-economic development of the UAE. Through various initiatives, the Group has successfully attracted and retained local talent, thereby enhancing the representation of UAE nationals in its workforce. The Group also extends similar local hiring initiatives to other markets where it operates, ensuring that its presence contributes meaningfully to the socio-economic growth of local communities.

To further enhance its Emiratization rate and support the personal and professional development of local employees, NMDC Group has introduced several targeted initiatives:

- **University Work Placement Program**: This program provides university students with practical experience and professional exposure through a structured placement program, enabling them to gain valuable insights into the workplace and develop essential skills.
- **Career Fair Engagement**: NMDC Group actively participates in career fairs and university exhibitions to identify and recruit talented individuals, strengthening its pipeline of local talent.
- **Student Training and Development**: Tailored training programs are offered to students during internships and industrial visits, fostering skill development and hands-on learning opportunities that align with the needs of the industry.
- **Masar Program for UAE Nationals**: This exclusive program offers a career-stage-based leadership journey designed specifically for UAE Nationals, enhancing their professional growth and leadership capabilities.
- **ADQ Game Changer Program**: Through this initiative, NMDC Group recruits 50 high-potential candidates across ADQ companies to embark on an ambitious personal transformation journey, aimed at cultivating future leaders within the Group and its affiliated organizations.
- **Mahara Program**: A two-year development initiative for UAE nationals with a bachelor's degree and no prior experience, equipping them with essential skills, hands-on experience, and structured training through the Masar Development Journey to shape future leaders and specialists within the organization.

UAE Nationals by Gender

	NMDC D&M				NMDC Energy				TOTAL			
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
2022	49	109	31.01%	68.99%	60	140	30.00%	70.00%	109	249	30.45%	69.55%
2023	41	97	29.71%	70.29%	176	159	52.54%	47.46%	217	256	45.88%	54.12%
2024	50	105	32.26%	67.74%	236	208	53.15%	46.85%	286	313	47.75%	52.25%

UAE Nationals by Employee Category (number)

	NMDC D&M				NMDC Energy				TOTAL			
	Labor, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level	Labor, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level	Labor, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level
2022	8	86	53	11	0	54	134	12	8	140	187	23
2023	10	58	58	12	0	200	124	11	10	258	182	23
2024	7	72	59	17	0	325	80	39	7	397	139	56

UAE Nationals by Employee Category (rate)

	NMDC D&M				NMDC Energy				TOTAL			
	Labor, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level	Labor, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level	Labor, if applicable	Entry-Level	Mid-Level	Senior-to-Executive Level
2022	5.06%	54.43%	33.54%	6.96%	0.00%	27.00%	67.00%	6.00%	2.23%	39.11%	52.23%	6.42%
2023	7.25%	42.03%	42.03%	8.70%	0.00%	59.70%	37.01%	3.28%	2.11%	54.55%	38.48%	4.86%
2024	4.52%	46.45%	38.06%	10.97%	0.00%	73.20%	18.02%	8.78%	1.17%	66.28%	23.21%	9.35%

Emiratization Rate

	NMDC Group
2022	8.50%
2023	7.68%
2024	10.20%

Note: The Emiratization rate calculation does not include the Labor employee category as part of the computation.

EMPLOYEE ENGAGEMENT AND WELL-BEING

NMDC Group understands that employee well-being is crucial to overall productivity and organizational success. The Group has developed a range of initiatives and programs to support physical, mental, and emotional health, ensuring employees feel supported in all aspects of their well-being. NMDC Group provides:

1

NON-OCCUPATIONAL HEALTHCARE BENEFITS WITH COMPREHENSIVE MEDICAL COVERAGE

2

MATERNITY AND PATERNITY LEAVE WITH PROTECTION AGAINST DISCRIMINATION DURING AND AFTER PREGNANCY

3

FINANCIAL COUNSELING AND RETIREMENT PLANNING FOR EMPLOYEES APPROACHING RETIREMENT (to be implemented in 2025)

4

DEFINED CONTRIBUTION PENSION PLANS BASED ON EMPLOYEE TENURE AND SALARY

5

MENTAL HEALTH SUPPORT THROUGH COUNSELING SERVICES

6

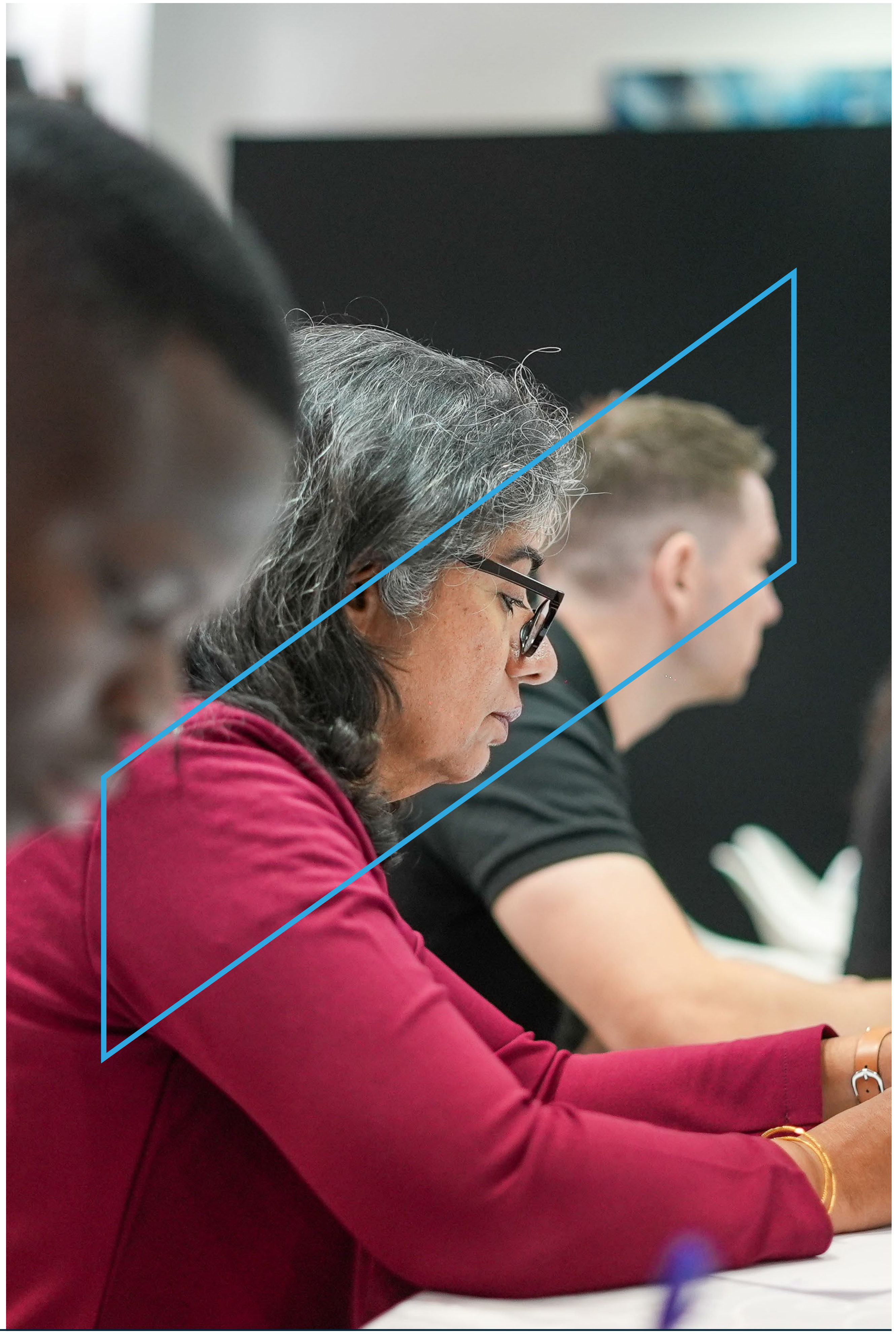
SA'ADA PROGRAM OFFERING FITNESS CHALLENGES, MENTAL HEALTH AWARENESS, NUTRITIONAL TIPS, AND MINDFULNESS PRACTICES

7

OUTPLACEMENT SERVICES IN CASES OF TERMINATION TO HELP THEM SECURE NEW EMPLOYMENT, INCLUDING RESUME WRITING, INTERVIEW PREPARATION, AND CAREER COUNSELING (to be implemented in 2025)

Additionally, NMDC Group actively fosters employee engagement to enhance workplace satisfaction and productivity. As part of these efforts, the Group launched the 'Great Place to Work' Pulse Survey, designed to gather valuable insights and improve workplace engagement across all levels of the organization.

These benefits and initiatives reflect the Group's commitment to fostering a healthy, engaged, and productive workforce enabling employees to succeed both professionally and personally.



Note: As per UAE law, employees are entitled to a parental leave of 5 working days from the day of the birth of their child to six months. The parental leave is a paid leave that can be applied for by both mother and father of the baby and is different from maternity leave. Female employees are additionally entitled to a maternity leave of 60 days, out of which 45 days are fully paid leave and 15 days are half-paid leave. In 2023, disclosures on maternity leave were reported under parental leave. In this report a distinction is made between parental leave and maternity leave disclosures given the difference in benefits each of these leaves offer.

Total Number of Employees That Were Entitled to Parental Leave

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	79	2,240	54	1,851	133	4,091
2023	81	2,500	102	2,505	183	5,005
2024	92	2,761	126	2,729	218	5,490

Total Number of Employees That Took Parental Leave

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	1	30	0	40	1	70
2023	2	38	1	53	3	91
2024	1	61	6	91	7	152

Total Number of Employees That Took Maternity Leave

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	10	-	11	-	21	-
2023	8	-	11	-	19	-
2024	8	-	12	-	20	-

Total number of employees that returned to work after parental leave ended

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	1	30	0	40	1	70
2023	2	38	1	53	3	91
2024	1	61	6	91	7	152

Total number of employees that returned to work after maternity leave ended

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	9	-	10	-	19	-
2023	7	-	8	-	15	-
2024	8	-	12	-	20	-

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	0	10	0	37	0	47
2023	1	29	0	33	1	62
2024	2	35	1	43	3	78

Total number of employees that returned to work after maternity leave ended that were still employed 12 months after their return to work

	NMDC D&M		NMDC Energy		TOTAL	
	Female	Male	Female	Male	Female	Male
2022	3	-	14	-	17	-
2023	9	-	8	-	17	-
2024	7	-	6	-	13	-

Return to Work from Parental Leave Rate

	NMDC D&M		NMDC Energy	
	Female	Male	Female	Male
2022	100.00%	100.00%	-	100.00%
2023	100.00%	100.00%	100.00%	100.00%
2024	100.00%	100.00%	100.00%	100.00%

Retention Rate after Parental Leave

	NMDC D&M		NMDC Energy	
	Female	Male	Female	Male
2022	-	83.33%	-	84.09%
2023	100.00%	93.55%	-	82.50%
2024	100.00%	92.11%	100.00%	82.69%

9.2 HEALTH AND SAFETY

At NMDC Group, maintaining a culture of health and safety is not just about compliance—it's about ensuring that every person involved in operations is safe, valued, and supported. This unwavering commitment underpins all activities at NMDC Group, from designing safety processes and providing robust training to fostering well-being and proactive involvement among employees, contractors, and partners. By embedding health and safety into the corporate culture, NMDC Group aims to uphold high standards, reduce risk, and support the holistic well-being of the workforce and broader community.

COMMITMENT TO HEALTH, SAFETY, AND LEADERSHIP

Occupational health and safety protection is a foundational principle at NMDC Group, overseen by the Senior Group QHSE Director, who reports directly to the Group CEO. The QHSE policy, endorsed by the Group CEO and implemented through a dedicated QHSE department, establishes a unified commitment to safe and sustainable practices across the entire organization.

A key pillar of NMDC Group's safety culture is employee involvement. Employees at all levels actively contribute to the development, implementation, and evaluation of health and safety initiatives. The QHSE department works closely with employees to gather feedback, encourage safety reporting, and identify areas for improvement. In 2024, there was a 50% increase in hazard reporting, reflecting enhanced employee engagement and proactive identification of risks. This environment of active participation and leadership commitment helps maintain NMDC Group's high safety standards.

HEALTH AND SAFETY MANAGEMENT SYSTEM

NMDC Group employs a certified ISO 45001:2018 Health and Safety Management System (HSMS), covering 100% of all operations, which serves as the foundation for health and safety practices across all business units. This system provides a systematic approach to managing workplace risks, ensuring comprehensive safety measures and adherence to internationally recognized standards covering all the Group's workplaces and workers.

The Group's HSMS encompasses regular audits, both internal and external, to assess the effectiveness of health and safety practices across business units and identify areas for improvement. In 2024, NMDC Group conducted 173 internal and 26 external audits, reflecting its commitment to maintaining stringent oversight of health and safety measures. Employees and contractors are encouraged to report incidents through INTELEX, an incident reporting system designed to facilitate transparency and swift response. This formalized reporting mechanism protects the confidentiality of employees, supports open communication, and ensures that incidents are investigated promptly to determine root causes and establish preventative measures.

In 2024, NMDC Energy experienced a tragic incident resulting in a worker fatality. The company responded with the utmost seriousness, adhering to established incident management protocols designed to handle major events with rigor and transparency. Upon notification, senior management appointed a multidisciplinary investigation team comprising subject matter experts to conduct a comprehensive review. Utilizing industry-recognized methodologies such as the TapRooT® root cause analysis technique, the team systematically identified both immediate and underlying causes. Preventive actions were promptly implemented to address any identified gaps, reinforcing NMDC Energy's commitment to continuous improvement and the highest standards of health and safety.

Breakdown of work-related injuries

The rate of injuries is calculated by 1,000,000 hours worked

NMDC D&M (Employee Data)

	Number of Lost Time Injuries	Number of Workdays Lost Due to Injury	Number of Fatalities	Rate of Fatalities	Number of high-consequence work-related injury	Rate of high-consequence work-related injury	Number of recordable work-related injury	Rate of recordable work-related injury	Main types of work-related injury	Number of Other Occupational Injuries	Number of High Potential Incidents	Number of Near Miss Incidents	Total Recordable Injury Rate	Number of Hours Worked
2022	5	320	0	0.00	5	0.22	7	0.31	Slip & Trips	31	4	100	0.53	22,575,190
2023	2	10	1	0.03	1	0.03	12	0.36	Caught in/ between hazards	46	11	97	0.42	33,116,019
2024	0	0	0	0.00	0	0.00	11	0.31	Caught in/ between hazards	0	5	69	0.31	35,915,154

NMDC Energy (Employee Data)

	Number of Lost Time Injuries	Number of Workdays Lost Due to Injury	Number of Fatalities	Rate of Fatalities	Number of high-consequence work-related injury	Rate of high-consequence work-related injury	Number of recordable work-related injury	Rate of recordable work-related injury	Main types of work-related injury	Number of Other Occupational Injuries	Number of High Potential Incidents	Number of Near Miss Incidents	Total Recordable Injury Rate	Number of Hours Worked
2022	0	0	0	0.00	0	0.00	2	0.09	Slip & Trips	17	1	172	0.09	23,062,865
2023	2	241	0	0.00	2	0.04	14	0.29	Caught in/ between hazards	19	2	24	0.33	47,976,178
2024	4	199	1	0.01	0	0.00	21	0.30	Caught in/ between hazards	0	10	39	0.30	71,165,216

Contractors & Subcontractors

	Number of Lost Time Injuries	Number of Workdays Lost Due to Injury	Number of Fatalities	Rate of Fatalities	Number of high-consequence work-related injury	Rate of high-consequence work-related injury	Number of recordable work-related injury	Rate of recordable work-related injury	Main types of work-related injury	Number of Other Occupational Injuries	Number of High Potential Incidents	Number of Near Miss Incidents	Total Recordable Injury Rate	Number of Hours Worked
2022	N/A	N/A	0	0.00	5	0.11	9	0.20	Slip & Trips	48	5	272	0.31	45,638,055
2023	N/A	N/A	1	0.01	3	0.04	26	0.32	Caught in/ between hazards	65	13	121	0.37	81,092,197
2024	0	0	0	0.00	0	0.00	3	0.07	Caught in/ between hazards	0	3	7	0.07	40,549,092

Breakdown of Work-related ill health

NMDC Group (employee data for NMDC D&M and NMDC Energy)

	Number of Fatalities as a Result of Work-Related Ill Health	Number of Cases of Recordable Work-Related Ill Health	Main types of work-related ill-health
2022	0	0	N/A
2023	0	0	N/A
2024	0	0	N/A

Contractors & Subcontractors

	Number of Fatalities as a Result of Work-Related Ill Health	Number of Cases of Recordable Work-Related Ill Health	Main types of work-related ill-health
2022	0	0	N/A
2023	0	0	N/A
2024	0	0	N/A

H&S Performance Indicators

The table below outlines key H&S performance indicators for the reporting period against 2024 targets set by the Group, detailing worked hours, incidents, and safety frequencies across business units.

Metric	Unit	2024 Targets (for both NMDC D&M and NMDC Energy)	Performance Against Targets	
			NMDC D&M	NMDC Energy
Total Hours Worked (Million)	number	-	35.92	71.17
Average Employees Worked	number	-	7,670	-
Fatality	number	0	0	1
Total Lost Time Injuries	number	-	0	4
LTIFR	FR	0.2	0	0.07
TRIFR	FR	1.15	0.31	0.30
Lost Days	FR	-	0	2.78
Behavioural Safety Audits	FR	150	407	135
HSE Observation Reporting	FR (per million worked hours)	600	1,343	708
Critical Environmental Incidents	number	0	0	0
High Profile Tours	number	-	231	242
HSE Training hours	FR (per million worked hours)	3,000	20,586	4,113
HSE Campaigns	number	5	9	13

TRAINING, AWARENESS, AND ENGAGEMENT PROGRAMS

Training and awareness initiatives are critical elements of NMDC Group's approach to health and safety, ensuring that all personnel are well-informed, prepared, and capable of identifying hazards, implementing preventive measures, and adhering to the highest safety standards. Training is delivered through:

INDUCTION TRAINING:

New employees undergo health and safety induction sessions to familiarize them with safety protocols and procedures.

TOOLBOX TALKS:

Regular toolbox talks reinforce safety messages, create awareness of ongoing risks, and promote open discussions on safety practices among teams.

IN-HOUSE TRAINING:

Specialized training sessions are conducted by QHSE and Human Resources Learning and Development (HR L&D) departments, ensuring employees are well-equipped with safety knowledge.

EXTERNAL TRAINING:

Collaboration with third-party trainers for specific health and safety courses provides comprehensive skill development.

EMERGENCY PREPAREDNESS DRILLS:

Regular emergency response drills prepare employees and contractors for various emergency situations, enhancing overall preparedness and response awareness.

The training curriculum and awareness campaigns cover critical topics such as emergency response procedures, hazard identification, Personal Protective Equipment (PPE) usage, and safety protocols for various job functions for both employees and contractors. In 2024, NMDC Group delivered a total of 1,358,399 hours of health and safety training, reflecting its dedication to building competencies and ensuring safety awareness among the workforce and contractors. Beyond internal training, suppliers and contractors are also aligned with the Group's requirements through compliance checks and health and safety workshops.

OHS Employee Training

NMDC D&M

	Number of OHS Employee Training Hours				
	HSE Induction	Safety Group Meeting	Toolbox Talks (TBT)	HSE In-house Training	External / 3rd Party Training
2022	N/A	N/A	N/A	N/A	N/A
2023	12,504	48,643	180,214	130,296	39,783
2024	10,710	74,037	568,640	116,927	19,341

NMDC Energy

	Number of OHS Employee Training Hours	
	Safety Group Meeting	Toolbox Talks (TBT)
2022	N/A	N/A
2023	119,202	476,810
2024	185,818	743,275

	Number of Employees who received OHS Training		
	HSE Induction	HSE In-house Training	External / 3rd Party Training
2022	N/A	N/A	N/A
2023	10,908	36,024	4,445
2024	13,670	57,745	9,027

HEALTH AND WELLBEING INITIATIVES

NMDC Group takes a holistic approach to employee well-being, offering initiatives that go beyond occupational health. The Group provides access to regular health check-ups, vaccinations, mental health support, and counselling services. Wellness programs are designed to foster a balanced lifestyle, with initiatives such as fitness challenges and stress management workshops aimed at promoting both physical and mental health.

The Group's approach also includes comprehensive ergonomic assessments to evaluate the interaction between employees and their work environment, thereby improving comfort, productivity, and overall well-being. NMDC Group remains committed to protecting the confidentiality of employee health information, using it strictly for occupational health purposes, and ensuring it is only accessible to authorized personnel involved in health and safety management.

CONTRACTOR SAFETY MANAGEMENT

NMDC Group approaches significant negative OHS impacts related to its operations and business relationships through stringent contractor management and collaboration. The organization ensures that subcontractors comply with their QHSE policies and actively participate in health and safety initiatives. This alignment of safety practices across business units and contractors demonstrates the Group's commitment to maintaining high safety standards.

SAFETY CULTURE REINFORCEMENT AND CONTINUOUS IMPROVEMENT

A strong safety culture is a hallmark of NMDC Group's operations. This culture is continually reinforced through recognition programs that reward outstanding contributions to health and safety. Incentive schemes and awards acknowledge the efforts of both employees and subcontractors, motivating them to maintain a high level of commitment to safety practices. In 2024, incentives led to a significant increase in hazard reporting by non-HSE employees, underscoring the effectiveness of NMDC Group's approach in fostering proactive safety engagement.

Continuous improvement is at the core of NMDC Group's health and safety practices, with regular management review meetings and updates to programs driven by employee feedback and industry best practices. NMDC Group will continue to innovate in its approach to protecting its workforce, aiming to leverage best-in-class health and safety management tools and work environment safety monitoring technologies. Additionally, introducing HSE behavioral indicators to our Competency Framework and promoting recognition programs further foster a culture of excellence in health and safety, creating a positive feedback loop that drives consistent performance.

10 OUR SOCIAL & RELATIONSHIP CAPITAL

Our Alignment

Material Topics

- Community Welfare
- Quality Management
- Supply Chain Management

GRI Standards

- GRI 204 - Procurement Practices
- GRI 205 - Anti-Corruption
- GRI 308 - Supplier Environmental Assessment
- GRI 413 - Local Communities
- GRI 414- Supplier Social Assessment
- GRI 416: Customer Health and Safety
- GRI 417: Marketing and Labeling

Abu Dhabi رؤية 2030 Vision

- Building an open, efficient, effective, and globally integrated business environment

SDGs

10.1 COMMUNITY WELFARE

NMDC Group's approach to community welfare centers on building lasting and impactful relationships with local entities and organizations. By fostering these connections, NMDC Group actively contributes to improving social and environmental conditions within the communities in which it operates. The Group's Corporate Social Responsibility (CSR) strategy emphasizes offering employment opportunities for UAE nationals, supporting local suppliers, and launching a range of initiatives aimed at community enrichment. NMDC Group also strives to enhance employee engagement through diverse volunteering opportunities that allow staff members to contribute directly to local social and environmental projects.

OUR CORPORATE SOCIAL RESPONSIBILITY

NMDC Group acknowledges its responsibility towards the environment and community well-being and has therefore established a dynamic CSR strategy to address environmental and social challenges, foster meaningful connections with local entities, and actively contribute to the betterment of society. This strategy is a natural extension of the Group's core values: Knowledge, Accountability, Morality, Alliance, and Leadership. NMDC Group's CSR efforts are constantly evolving, ensuring that they remain relevant and effective in addressing emerging community needs, stakeholder expectations, and changes within the business landscape. NMDC Group participates in local community investments in marine conservation, tree planting, beach clean-ups, and health awareness campaigns, as well as fostering employment opportunities for UAE nationals and prioritizing local suppliers. The CSR committee oversees these initiatives, ensuring that they align with business objectives, sustainability goals, and community needs. NMDC Group runs impactful community support initiatives such as mangrove planting, blood donation campaigns, Meer Ramadan charity drives, Kiswat Eid programs, and health-related projects that promote awareness and well-being. These efforts demonstrate NMDC's commitment to contributing to the community while also advancing the United Nations Sustainable Development Goals (SDGs).

NMDC Group is proud to have invested a total of AED 22,915,373.31 in community contributions in 2024.

Amount invested

	Total Amount in AED
2022	2,273,087
2023	2,894,917
2024	22,915,373

NMDC Group, including NMDC D&M and NMDC Energy, has participated in number of community outreach initiatives and has established key partnerships of environmental and social benefits for the communities where it operates:

- **Emiratization and Career Development:** Participated in Tawdheef x Zaheb 2024 as a Gold Sponsor, hosting recruitment platforms, conducting interviews, and promoting career opportunities for Emirati talent.
- **Sustainability Leadership Summit**: Organized the Forbes Middle East Sustainability Leaders' Summit, fostering collaboration on innovative sustainable solutions.
- **Industrial Leadership**: Sponsored the Make it in the Emirates Forum, showcasing advanced technologies and reinforcing NMDC Group's role in the UAE's industrial development.
- **Sustainability Showcase**: Participated in The Egypt Petroleum Show to promote collaboration and highlight technological contributions to economic growth.
- **Marine Infrastructure Leadership**: Sponsored and participated in the International Ports & Marine Development Conference, sharing expertise on sustainable port advancements.
- **Economic Contributions**: Reinjected 17 billion AED into the UAE's local economy and achieved a high ICV score, emphasizing support for local suppliers and economic diversification.
- **HSE Alignment:** Conducted Contractor and Offshore Subcontractor HSE Forums to ensure alignment with safety and excellence standards.
- **Community Engagement**: Supported the International Running Race in Saudi Arabia, highlighting CSR and community involvement.
- **Employment Creation**: Signed a 50-year agreement with KEZAD Group to establish a $100M manufacturing facility, creating 3,000 jobs and enhancing industrial capacity.
- **Environmental Recognition**: Won the 2024 IPLOCA Environmental Award for planting 20,001 mangroves under the Blue Carbon Initiative, capturing 246 tons of CO2 annually.
- **Renewable Energy Integration**: Partnered with Byrne Equipment Rental to power the Sir Baniyas Island residential camp with solar energy, reducing CO2 emissions by 475 tons annually and limiting pollution exposure for workers.
- **Sustainable Coastal Development**: Signed an MOU with Vingroup for large-scale coastal protection, land reclamation, and offshore renewable energy projects in Vietnam and is expected to generate thousands of jobs for local communities, driving economic growth in Vietnam's coastal regions.
- **Artificial Reef Deployment**: Coordinated with EAD to deploy 100 artificial reef domes as part of the Al Nouf Artificial Island Project, enhancing marine biodiversity and sustainability.

CASE STUDY: PROMOTING WELLNESS AND COMMUNITY ENGAGEMENT THROUGH SPORTS

BUILDING STRONGER COMMUNITIES THROUGH SPORTS

NMDC Group recognizes the vital role that sports play in fostering well-being, teamwork, and community engagement. As part of its Corporate Social Responsibility (CSR) strategy, the Group has developed a comprehensive sports program that promotes an active lifestyle both internally among employees and externally within the broader community.

ENCOURAGING EMPLOYEE WELL-BEING AND TEAMWORK

Within NMDC Group, the internal sports program is designed to enhance employee wellness and collaboration through regular tournaments and sports initiatives. The company organizes internal competitions in football, basketball, padel, cricket, and chess, fostering camaraderie and team spirit among employees. To support ongoing participation, NMDC Group provides access to dedicated sports facilities, including courts for football, basketball, padel, and cricket, ensuring employees have the resources needed to maintain an active and healthy lifestyle.

SUPPORTING THE WIDER COMMUNITY THROUGH SPONSORSHIPS

Beyond its internal initiatives, NMDC Group extends its commitment to sports by supporting local and corporate sporting events, reinforcing its role as a community partner. The company sponsors professional teams and grassroots initiatives, contributing to the development of local talent and sports infrastructure. NMDC Group has actively sponsored tournaments such as the Football Corporate League and the Hudayriyat Corporate Games, which bring together corporate teams to promote fitness, networking, and healthy competition.

IMPACT AND LONG-TERM COMMITMENT

By integrating sports into its CSR strategy, NMDC Group not only strengthens its workplace culture but also creates positive social impact by encouraging healthier lifestyles and strengthening community ties. These initiatives align with NMDC Group's broader sustainability vision, which emphasizes employee well-being, social engagement, and fostering an inclusive and active community. Looking ahead, the company remains committed to expanding its involvement in sports-driven community initiatives, reinforcing its role in promoting wellness, teamwork, and social cohesion.

10.2 QUALITY MANAGEMENT

At NMDC Group, quality management is a core focus of our operations. By implementing a Quality Management System (QMS) certified under ISO 9001:2015, the Group ensures that all business units operate consistently and effectively. This system is designed to maintain high standards, improve processes, and enhance customer satisfaction across projects and services. Through a structured approach, NMDC Group seeks to meet client needs reliably while adapting to new challenges and opportunities.

The Group's QMS is central to delivering services, helping us monitor and maintain the Project Quality Index. This index measures the quality of project outcomes, reflecting our ability to meet contractual and client requirements. By adhering to defined quality standards and continuously reviewing our performance, we ensure that our services align with customer expectations and industry benchmarks.

The Group-level QHSE Policy, signed by the Group CEO, provides the framework for how the Group manages quality and customer satisfaction. This policy is a commitment to integrating customer feedback into our quality management processes, ensuring concerns are adequately addressed and improvements are achieved where needed. It also reinforces the Group's commitment to aligning operational practices with global standards, ensuring consistent service delivery across all business units.

Delivering quality services depends on the skills and commitment of the Group's workforce. To support this, the Group conducts regular training programs focused on quality management and customer service excellence. These programs enhance employees' abilities to implement quality assurance processes effectively and handle client interactions professionally. By building a knowledgeable and capable team, the Group bolsters its ability to meet customer needs and maintain trust.

TRAINING OFFERED TO EMPLOYEES ON QUALITY MANAGEMENT:

- IRCA Certified (A17955) ISO 9001:2015 Lead Auditor
- ISO 9001:2015 Lead Auditor Course (CQI & IRCA Certified)
- American Society of Mechanical Engineers (ASME) Boiler & Pressure Vessel Code (BPVC) training (ASME Sec VIII Div. 1 & 2 Codes)
- ISO 17025:2017 training on the general requirements for the competence of testing and calibration laboratories.

CUSTOMER FEEDBACK AND ONGOING IMPROVEMENTS

The Group actively uses the feedback received through our QMS to drive improvements. For example, customer feedback is analyzed to identify areas where processes can be enhanced, ensuring that the Group continues to deliver quality in accordance with the highest industry standards. This approach ensures a continued focus on practical changes that directly address client priorities and challenges.

Continuous improvement is a key principle in the Group's quality management approach. By regularly reviewing and updating QMS procedures, the Group's processes remain effective and relevant. This includes adopting best practices, leveraging employee insights, and addressing client feedback promptly. These efforts contribute to the Group's ability to adapt to changing requirements while maintaining high levels of service reliability.

10.3 SUPPLY CHAIN MANAGEMENT

NMDC Group manages its supply chain through a multi-layered structure where the Group-wide Resource Pool department oversees procurement for the Group and shared resources across subsidiaries including marine and onshore fleet, equipment, support crafts, outsourced workforce, and early market engagement procurement. Given the Group's subsidiaries' unique operations, NMDC D&M and NMDC Energy also have their own procurement departments.

To ensure that procurement activities align with NMDC Group's values and strategic goals, the Group's approach to supply chain management is built upon the principles of sustainability, transparency, and collaboration. By embedding these core values across procurement practices, NMDC Group aims to create a resilient and responsible supply chain that supports the Group's broader business objectives.

ESG INTEGRATION IN PROCUREMENT ACROSS THE GROUP

At NMDC Group, our procurement activities are guided by ESG considerations, aiming to align our supply chain with sustainable and responsible practices to the greatest extent possible. In 2024, the Group continued its efforts on a Group-level procurement policy, currently under review, that embeds ESG principles at the heart of procurement operations. This policy outlines clear processes and employee responsibilities in procurement, ensuring a consistent approach across the Group. This approach builds on existing policies and protocols established at NMDC Energy, expanding these standards to cover all subsidiaries under NMDC Group and further cement knowledge sharing on good practices.

BENEFITS OF ESG INTEGRATION:

Risk Mitigation: Strengthens NMDC Group's resilience by reducing exposure to unethical practices and environmental risks.

Driving Supply Chain Sustainability: Fosters a greener and more ethical supply chain by supporting and partnering with suppliers who prioritize sustainability.

Alignment with Client Requirements: Improves NMDC Group's positioning as the partner of choice with increasing client project requirements including sustainable supply chains.

Commitment to Responsible Stewardship: Reinforces NMDC Group's proactive role in leading responsible and reputation for sustainable procurement practices.

The evaluation of suppliers based on ESG criteria helps mitigate risks associated with unethical practices and environmental non-compliance, while also contributing to the long-term sustainability of our supply chain. Moreover, integrating ESG factors into procurement decisions strengthens the Group's brand reputation among stakeholders by demonstrating a commitment to sustainability and social responsibility. However, NMDC Group recognizes the challenges, such as higher costs when sourcing more eco-friendly products that may be in more early stages of development compared to traditional alternatives. Limitations in identifying suppliers that meet high standards across all ESG criteria in markets where sustainability practices are not as mature also makes advancements in this regard slower. Despite these challenges, NMDC Group remains dedicated to integrating ESG considerations into procurement as a key component of our operations. The Group manages these challenges by carefully balancing cost efficiency with environmental priorities, engaging in continuous dialogue with suppliers to support capacity building, and actively seeking partnerships that align with our ESG values.

SUPPLIER ENGAGEMENT

Supplier engagement is a vital component of NMDC Group's supply chain management strategy. NMDC Group's supplier engagement plan is designed to foster collaboration and compliance, encouraging suppliers to align with the Group's values and expectations. This involves regular training sessions and workshops aimed at educating suppliers on the Group's ESG requirements, as well as conducting assessments to evaluate their adherence to these standards. To maintain an open and collaborative relationship with the Group's suppliers, NMDC Group has established several channels for engagement and feedback:

- **Forums and Summits**: Regular forums where suppliers can provide feedback, discuss projects, and align on expectations. These events build relationships and support a unified approach in achieving high standards.
- **Annual Surveys**: Annual surveys to gather supplier feedback on procurement practices and better understand environmental and social practices across the supply chain. Insights help shape the Group's policies and improve collaboration across the supply chain.
- **Direct Communication Channels**: Suppliers can communicate through dedicated email addresses and phone lines for real-time support, fostering a transparent relationship.

BUSINESS PARTNER CODE OF CONDUCT AND ESG CRITERIA

The Business Partner Code of Conduct is central to NMDC Group's supply chain governance, encouraging vendors to uphold high standards of integrity, legal compliance, and social accountability, including anti-bribery and anti-corruption regulations. In 2024, 100% of vendors across NMDC Group corporate procurement as well as NMDC D&M's and NMDC Energy's procurement signed a mandatory declaration affirming their full compliance with the Group's Business Partner Code of Conduct. Additionally, all suppliers across operations are obligated to acknowledge and accept all terms and conditions, including General Purchasing Conditions that ensure supplier adherence to ethical conduct. This approach aims to build a Group-wide supply chain on a foundation of ethical business practices, transparency, and accountability.

NMDC Group has also embedded environmental and social considerations into its procurement process to promote sustainability, support a circular economy, and ensure socially responsible practices. The Group reinforces these principles mainly through the Business Partner Code of Conduct requiring all suppliers to uphold high environmental standards including reducing the use of virgin raw materials, prolonging product lifespans, repurposing and reuse of materials, and materials recovery practices. The code of conduct also requires suppliers to declare their commitment against forced labor and child labor, adhering to high standards of labor rights, fair working conditions, and minimum working age standards. This code requires suppliers to declare their commitment to avoiding practices such as forced or child labor and to adhere to the minimum working age standards.

While the Business Partner Code of Conduct serves as the foundation on which the Group promotes a sustainable and ethical supply chain, NMDC Group further ensures accountability against the Group's principles through:

- **Pre-qualification Assessments**: During the supplier pre-qualification process, quality, health and safety, and environmental KPIs are assessed to encourage suppliers to meet the Group's sustainability standards.
- **Contractual Obligations**: Contractual agreements with suppliers include terms and conditions that ensure compliance with local labor and environmental laws to promote accountability in the supply chain.
- **Performance Evaluation**: Suppliers performance is evaluated every six months through post-award contract management where the Group assess supplier adherence to social standards and safety requirements.

LOCAL PROCUREMENT

NMDC Group has a long-standing commitment to local sourcing. The Group's corporate procurement in 2024 stood at around AED 2,874 million with just over 82% of spending remaining with local vendors, an increase from 78% in 2023. This not only fosters local economic growth but also minimizes environmental impact through reduced transportation emissions, aligning procurement activities with the Group's sustainability goals.

In 2024, local procurement spending for NMDC D&M and NMDC Energy decreased compared to the previous year. NMDC D&M saw a slight decrease from 81.83% to 75.74% due to the limited availability of locally sourced specialized dredgers and marine vessels, and the inability of the local supply chain to meet the company's increased demand. As a result, NMDC D&M had to source these assets from outside the UAE. Additionally, the shift of general purchase items from subsidiary procurement to the Group's corporate procurement has led to further decrease in the subsidiaries' local procurement leading to a similar decrease in NMDC Energy's local spending from 84.63% in 2023 to 58.15% in 2024.

Local Procurement Data During Reporting Period

Reinstatement of Information: The procurement-related figures for 2023 have been revised in this report following the restructuring of procurement across the Group, the implementation of enhanced measurement methodologies, and the correction of previously identified errors. As a result, the figures in this report have been restated. In case of any discrepancies with previously reported figures, the data presented in this report should be regarded as the most accurate and reliable.

	NMDC Group - Corporate Procurement*			NMDC D&M			NMDC Energy		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total number of suppliers hired	3,921	3,537	4,061	104	117	170	920	1,055	990
Number of suppliers assessed against sourcing code of conduct	-	-	465	104	117	170	920	1,055	990
Total number of local suppliers hired	3,182	2,658	2,989	101	105	131	613	697	655
Percentage of local suppliers hired	81.15%	75.15%	73.60%	97.12%	89.74%	76.26%	66.63%	66.07%	66.16%
Total procurement spending (AED m)	6,065.77	2,548.79	3,483.00	902.14	3,354.98	2133.24	3,814.92	2,448.52	3,497.98
Procurement spending on local suppliers (AED m)	3,712.00	1,987.63	2,874.00	882	2,745.38	1615.64	1,709.91	2,072.13	2,034.20
Percentage of spending on local suppliers (%)	61.20%	77.98%	82.51%	97.81%	81.83%	75.74%	44.82%	84.63%	58.15%

* NMDC Group Corporate Procurement is a shared service function across the Group and is not an aggregate of NMDC D&M and NMDC Energy Procurement.

11 OUR INTELLECTUAL CAPITAL

Our Alignment

Material Topics

- Opportunities in Clean Technology

GRI Standards

- GRI 201 - Economic Performance
- GRI 203 - Indirect Economic Impacts

Abu Dhabi رؤية 2030 Vision

- Enabling financial markets to become the key financiers of economic sectors and projects
- Adopting a disciplined fiscal policy that is responsive to economic cycles
- Developing a sufficient and resilient infrastructure capable of supporting anticipated economic growth

SDGs

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

DRIVING INNOVATION THROUGH RESEARCH AND DEVELOPMENT AND CLEAN TECHNOLOGIES

NMDC Group views Research and Development (R&D) as a vital tool for addressing sector-specific challenges while positioning itself as a leader in dredging, marine, and energy solutions. The Group's focus on Clean Technology initiatives exemplifies its commitment to transforming operations in a sustainable manner—focusing on minimizing environmental impacts, reducing emissions, and advancing energy efficiency. By continuously exploring and investing in emerging technologies, NMDC Group is setting new industry benchmarks and fostering innovative, sustainable solutions for its projects.

One of the key drivers of innovation at NMDC Group is the Falcon Program. Driven by the Group's Strategy department, the Falcon Program is designed to enhance operational efficiency, reliability, and transparency across the organization by encouraging employees to submit and pilot initiatives that address challenges they face in their respective departments through solutions that can be scaled and adopted across the Group. Initiative leads develop business cases for each proposal, which are then presented to the department sponsor for budget allocation to support piloting. The Falcon Program's initiatives span three main pillars – Engineering, Procurement, and Construction – reflecting a collaborative effort across all business units and different functions across the Group. By focusing on strengthening engineering collaboration, optimizing procurement through supplier partnerships, and improving construction processes, the Falcon Program exemplifies NMDC Group's commitment to operational excellence. This approach enables the Group to not only meet industry challenges but also seize opportunities for sustainable growth.

In 2024, the Falcon Program received 87 employee submissions and successfully piloted 30 innovative initiatives across various Group departments. These efforts generated considerable operational cost savings alongside significant non-monetary advantages. Key outcomes included reductions in carbon footprint and emissions, enhanced material efficiency and waste minimization, environmental and ecological improvements, streamlined operations, lifecycle optimization for equipment sustainability, and advancements in digital transformation.

NMDC Group's strategic focus on Clean Technology encompasses multiple areas, including waste treatment systems, renewable energy sourcing, industrial automation systems, and innovative energy-saving measures. The Group is actively integrating cleaner energy solutions into its operations such as resource optimization technologies and advanced energy management systems aimed at reducing waste and emissions.

NMDC Group has invested over AED 33.45 million over the past three years to bolster clean technology projects and in-house R&D capabilities through a number of initiatives across key areas:

- **In-house Design, Engineering, and Advanced Manufacturing Capabilities**: The Group continues to leverage its Digital Twin platform, an integrated design and engineering platform, to streamline processes, reduce resource allocation, and eliminate inefficiencies throughout projects. The Group aims to continue scaling the use of this platform across business units to optimize structural designs and reduce resource use and operational inefficiencies. The Group also continues to advance its in-house fabrication processes such as Computer Numerical Control (CNC) machining, sheet metal fabrication, and module fabrication to increase self-sufficiency, reduce project lead time, and lower procurement-related emissions.
- **Energy Management**: After the successful deployment of an energy efficiency plan by NMDC Energy that has resulted in significant energy and cost savings, the Group is working on scaling this initiative across the organization. NMDC Energy has allocated a budget of AED 8.1 million for efficiency upgrades as part of its plan to achieve 25-30% in energy savings by 2027. The company was able to reduce operating costs from the use of diesel generators by 40-50% with a subsequent 60-80% reduction in associated carbon emissions. NMDC D&M has also partnered with Byrne Equipment Rental, a leading provider of rental equipment, to build solar-powered worker accommodation designed to with a capacity to host 500 personnel on Sir Baniyas Island. The accommodation includes 700 solar panels, each generating 580 watts fulfilling 60% of the daytime power requirements through green energy leading to a reduction in CO2 emissions of 475 tons annually.
- **Repowering and Conversion of Vessels**: Following a successful project in 2023, where a retired 40-year-old vessel was repowered in-house within four and a half months resulting in an operational and fit for purpose vessel for the next 10-15 years. The project resulted in significant savings of AED 160 million in comparison to acquiring a new vessel. The Group has committed AED 100 million in 2024 to repower additional vessels further contributing to its commitment to circular economies and enhancing local industrial manufacturing capacity.

NMDC ACADEMY FOR BUILDING INTELLECTUAL CAPITAL

To support its intellectual capital, NMDC Group is establishing the NMDC Academy, a comprehensive center dedicated to technical and soft skills training. This initiative aligns with the Group's "Growing Young" philosophy, emphasizing continuous learning and skill development as the core of workforce adaptability and growth. The Academy will offer a comprehensive curriculum covering both technical skills, such as dredging and project management, and soft skills, including leadership and effective communication. Tailored programs will support employees at various stages of their careers, from entry-level to senior leadership, ensuring that NMDC Group remains equipped with a well-rounded and dynamic workforce that continues to innovate and contribute to the Group's successful track record.

The Academy also plays a crucial role in promoting cultural integration within the Group. By offering programs that align with NMDC Group's core values, the Academy helps foster the "Collective Shine Culture", a culture that unites employees under a shared vision of excellence, innovation, and sustainability.

HARNESSING DIGITAL TRANSFORMATION AND AI

A critical aspect of NMDC Group's intellectual capital is its dedication to digital transformation and the integration of AI-enabled tools. These efforts are focused on enhancing organizational connectivity, improving decision-making capabilities, and driving operational efficiency. From Enterprise Resource Planning (ERP) implementation to AI-driven insights, the Group employs digital tools to ensure that processes are not only streamlined but also capable of adapting to evolving industry demands. Key initiatives in 2024 include:

Generative AI: NMDC Group established NMDC GPT, a newly developed in-house system that leverages the power of Large Language Models (LLMs) and Generative AI to transform business operations across the organization. This advanced technology is designed to streamline information retrieval and enhance efficiency through its AI-powered unstructured database Q&A system. By reducing the time spent reviewing and searching documents, such as client standards, contracts, material specifications, and tender scopes, NMDC GPT minimizes human error and ensures critical information is not overlooked. Its impact extends to improving decision-making, reducing costs, fostering innovation, and enhancing our competitiveness in the industry.

Comment Resolution System: The AI-Powered Comment Resolution System (CRS) transforms the review process for any document including engineering and design drawings at NMDC Group by consolidating all comments into a single table for streamlined resolution. This system significantly enhances efficiency, reducing project delivery times while improving client satisfaction through swift and accurate comment processing. By automating routine tasks, CRS allows employees to focus on strategic and rewarding responsibilities, boosting job satisfaction and morale. Its AI-driven accuracy and consistency eliminate errors and ensure uniformity, minimizing risks associated with manual processes. Fully integrated within NMDC's secure local infrastructure, the CRS guarantees complete data control, eliminating reliance on external servers and reinforcing its reliability.

HSE Site Safety Analyzer: The HSE Site Safety Analyzer is an AI-powered system designed to elevate Health, Safety, and Environmental (HSE) compliance across NMDC Group's operations. By providing continuous monitoring of workplace conditions, it identifies potential hazards in real time, issuing alerts to prevent accidents and fostering a safer, more compliant work environment.

This system enhances safety compliance through proactive hazard detection and real-time accident prevention. Automated monitoring reduces the reliance on manual inspections, improving operational efficiency and enabling swift responses to incidents. Accurate data collection supports insightful HSE reporting and predictive analytics for future safety planning. By ensuring a safer workplace, the system promotes employee health and wellbeing, fostering a culture of safety and care.

The HSE Site Safety Analyzer also drives cost reductions by minimizing workplace accidents, insurance claims, and regulatory fines while bolstering NMDC Group's reputation as a responsible, innovative leader. By adhering to the latest HSE standards and simplifying compliance reporting, it strengthens regulatory compliance. This strategic investment not only enhances workplace safety but also positions NMDC Group as a pioneer in leveraging AI for HSE, attracting top talent and reinforcing its industry leadership.

Privacy and Data Protection: NMDC Group is fully committed to safeguarding the privacy and protection of all customer data. The Group's robust approach to privacy and data security is anchored in its Privacy & Security strategy, ensuring compliance with international standards and regulatory requirements. This strategy is guided by a formal Data Privacy Policy signed and endorsed by the GCEO, which is applicable across all employees, third-party staff, contractors, vendors, and external consultants handling NMDC Group information or assets.

The foundation of NMDC Group's data protection framework is the Information Security Management System (ISMS). This system is designed to establish, implement, monitor, and improve the Group's information security practices. The ISMS aligns with international standards, such as ISO 27001 and UAE Information Assurance requirements, reflecting NMDC Group's dedication to global best practices.

The Digital Transformation Committee, chaired by the GCEO, oversees the strategic direction and performance of the ISMS. This committee ensures that enterprise-level risk management is effectively embedded in the Group's operations.

In 2024, NMDC Group introduced significant advancements to its cybersecurity framework to bolster resilience against emerging threats. A new Network Detection and Response (NDR) solution was deployed, enhancing the Group's ability to monitor, detect, and respond to potential security incidents in real-time. The Group also strengthened its Email Gateway security policies, reinforcing protection against phishing and email-based threats.

Additionally, the Group achieved the Cybersecurity Compliance Certificate (CCC+) through an independent audit conducted by Saudi Aramco's audit firm. This certification underscores NMDC Group's adherence to stringent cybersecurity standards, bolstering trust among stakeholders and enhancing its reputation as a secure and reliable partner.

To further protect personal and sensitive data, NMDC Group employs a variety of technical and procedural controls:

- **Data Categorization and Access Control**: Sensitive data is systematically categorized, and access is restricted to authorized personnel only.
- **Cybersecurity Measures:** Continuous investments in next-generation cybersecurity services ensure robust defenses against potential threats.
- **Employee Awareness Programs**: Regular training and awareness initiatives promote a culture of vigilance and compliance across the organization.
- **Incident Management**: The Group has implemented an Information Security Incident Management Procedure, enabling swift detection, analysis, and resolution of any data privacy or security incidents.

NMDC Group actively audits its systems and processes to identify improvement opportunities, ensuring its data protection mechanisms remain resilient against emerging threats. The Group further plans to attain an ISO 27001 certification for its ISMS, furthering reinforcing its commitment to maintaining the highest standards of privacy and security.

The Group maintains an open and proactive approach to privacy, with no recorded data privacy or security controversies. This commitment fosters high levels of trust among stakeholders, reinforcing NMDC Group's reputation as a secure and reliable partner.

NMDC Group	2022	2023	2024
Total number of complaints received from outside parties and substantiated by the organization	0	0	0
Total number of complaints from regulatory bodies	0	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0	0

CASE STUDY: CAISSON APPLICATIONS IN MARINE ENGINEERING

NMDC D&M has adopted precast caissons as a practical and efficient solution for marine infrastructure projects. These gravity-based structures provide a combination of environmental, technical, and economic benefits, offering an effective alternative to traditional methods. By minimizing underwater operations, reducing material usage, and improving project efficiency, precast caissons address key challenges in marine engineering while enhancing sustainability.

Construction and Installation Process

The implementation of caissons follows a staged and systematic process:

1. **Fabrication**: The caisson base slab and walls are constructed using a Gantry Hydraulic Slip-Form System on a floating dock or dry dock, ensuring consistent quality and precision. Reinforced concrete partitions form internal cells, providing stability and space for infill materials.
2. **Launch and Towing**: Once construction reaches the required height, the caisson is floated and towed to the project site using tugboats.
3. **Installation**: At the site, the caisson is ballasted with seawater until it settles on a prepared bedding layer. The internal cells are then filled with dredged sand for additional stability.

This process minimizes underwater operations, ensures accurate placement, and improves overall project efficiency.

Results and Impact

The adoption of precast caissons has delivered significant benefits across environmental, technical, and economic aspects of NMDC D&M's marine engineering projects. Off-site fabrication has improved production timelines and quality control while reducing risks associated with underwater construction. By repurposing dredged materials as infill, the process reduces concrete usage and minimizes environmental impact. Transporting caissons via marine routes further lowers CO_2 emissions and pollution compared to land-based logistics.

These advantages ensure durable, reliable structures with minimal maintenance requirements, making caissons a scalable and sustainable solution for marine infrastructure challenges. NMDC D&M's approach highlights a careful balance between operational efficiency and environmental responsibility, addressing the needs of modern marine engineering.

12 OUR NATURAL CAPITAL

Our Alignment

Material Topics

GHG Emissions & Energy
Biodiversity & Land-Use
Circularity & Waste Management
Water Stress

GRI Standards

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

AbuDhabi رؤية 2030 Vision

- Developing a sufficient and resilient infrastructure capable of supporting anticipated economic growth
- Building an open, efficient, effective, and globally integrated business environment

SDGs

12.1 GHG EMISSIONS & ENERGY

As a key player in the energy and marine construction sectors, NMDC Group recognizes the pivotal role it can play in contributing to regional and global climate change efforts. In response, the Group increasingly focused on positioning itself as a partner that can support climate goals at home and in the regions where it operates. Strategic joint ventures and regional partnerships have allowed NMDC Group to expand its business' service offerings in clean energy and environmental protection. To build on these efforts, NMDC Group has worked to ensure that its flagship projects that are essential to regional energy security, urban development, and economic growth also integrate climate action to minimize harm and promote sustainability. In 2024, the Group underwent an extensive effort to align climate change management across business units through a Sustainability Strategy that aims to identify, support, and scale sustainable practices already being implemented across different business units. The Sustainability Strategy also represented an important stocktaking exercise where the Group deepened its understanding of its environmental and climate impact, helping it forge a clear path to achieving its sustainability goals.

NMDC Group operates under a formal QHSE Policy, signed by the Group CEO on behalf of the Board of Directors, which outlines commitments to environmental stewardship, including pollution prevention, minimizing environmental impact, conserving energy, reducing adverse environmental impacts from the Group's operations, and ensuring compliance with regulatory standards. The QHSE Policy is applicable across business units and forms the guiding principles for the Group's initiatives on climate change management, including energy and emissions management, as well as efforts pertaining to biodiversity protection, circularity and waste management, and water conservation.

To oversee the implementation of strategic environmental and climate change initiatives, NMDC Group has established an HSE Committee. This committee includes key executives, such as the CEO, COO, QHSE Director, and VPs. The committee Chairman is responsible for spearheading the corporate QHSE strategy, while the Vice Chairman oversees the approval, endorsement, and review of QHSE initiatives.

ENERGY MANAGEMENT

NMDC Group's approach to energy management is guided by its ISO 14001:2015-certified Environmental Management System, which supports energy optimization and efficiency initiatives across all operations. Business units continue to implement initiatives that increase cleaner energy usage, renewable energy sourcing, and energy efficiency across operations through:

- Electrification of operations to replace traditional diesel-based energy generation by connecting yard fabrication sites and shore power for idle barge at jetty areas to the grid, as well as the electrification of various power units and equipment.
- Deployment of solar panels and solar glass in new office buildings, yard sites, and worker accommodations to enhance renewable energy share through partnerships with third-party experts.
- Increasing energy efficiency across operations by scaling NMDC Energy's Energy Management Plan, targeting a 25-30% energy efficiency improvement by 2027. Notably, the plan has already achieved up to 50% energy savings from specific measures such as lighting retrofitting and heating and cooling system upgrades at NMDC Energy, relative to the energy consumption of these upgraded sources.

Energy Consumption Data

Reinstatement of Information: The energy-related figures for 2023 have been revised in this report as part of the work undertaken to develop the Group's baseline GHG inventory. This includes the implementation of enhanced measurement methodologies, the adoption of updated definitions, and the correction of previously identified errors. As a result, the figures in this report have been restated. In case of any discrepancies with previously reported figures, the data presented in this report should be regarded as the most accurate and reliable.

	Amount of Energy Consumed (GJ)	
	2023	2024
NMDC D&M	**6,536,410.51**	**8,559,259.02**
Scope 1	**6,504,007.69**	**8,528,725.90**
Diesel (100% mineral diesel)	1,028,925.08	309,675.14
Fuel oil	19,015.66	0.00
Marine fuel oil	365,232.50	0.00
Marine gas oil	4,985,750.32	8,116,725.29
Petrol (100% mineral petrol)	105,084.13	102,325.47
Scope 2	**32,402.81**	**30,533.12**
District cooling	5.80	0.00
Electricity	32,397.02	30,533.12
NMDC Energy	**2,158,618.63**	**4,937,804.49**
Scope 1	**1,873,813.35**	**4,721,246.85**
Diesel (100% mineral diesel)	146,121.79	51,003.85
Marine fuel oil	1,596,086.41	0.00
Marine gas oil	111,626.84	4,668,145.50
Petrol (100% mineral petrol)	19,978.32	2,097.49
Scope 2	**284,805.28**	**216,557.64**
Electricity	284,805.28	216,557.64
NMDC Construction	**55,574.77**	**34,065.00**
Scope 1	**43,499.93**	**23,336.49**
Diesel (100% mineral diesel)	43,499.93	23,336.49
Scope 2	**12,074.84**	14,149.66
Electricity	12,074.84	14,149.66
NMDC Engineering	**278.75**	**N/A**
Scope 1	**0.00**	**N/A**
Scope 2	**278.75**	N/A
Electricity	278.75	N/A
NMDC Group		
Scope 1	**8,421,320.98**	**13,273,309.24**
Scope 2	**329,561.69**	**261,240.43**
Grand Total	**8,750,882.66**	**13,534,549.66**

EMISSIONS MANAGEMENT AND GHG INVENTORY

In 2024, NMDC Group underwent an extensive exercise to build a comprehensive GHG emissions inventory which included the calculation of 2023 and 2024 emissions using 2023 as the baseline year. The Group's GHG inventory was calculated in accordance with the GHG Protocol and covers emissions across all business units, including Scope 1 direct emissions, Scope 2 indirect emissions from purchased electricity and district cooling, and Scope 3 emissions from sources not owned or controlled by the Group.

Following the development of its GHG inventory, NMDC Group has taken proactive steps to better understand its emissions profile, identifying key hotspots and evaluating viable reduction opportunities. This exploration into emissions reduction measures is focused on assessing the potential impact of various initiatives, with an emphasis on identifying practical, high-impact actions that the Group can implement to progressively lower emissions over time. By aligning these efforts with broader climate objectives, NMDC Group aims to make meaningful progress while maintaining operational flexibility.

GHG Emissions Data

Reinstatement of Information: The GHG-related figures for 2023 have been revised in this report as part of the work undertaken to develop the Group's baseline GHG inventory. This includes the implementation of enhanced measurement methodologies, the adoption of updated definitions, and the correction of previously identified errors. As a result, the figures in this report have been restated. In case of any discrepancies with previously reported figures, the data presented in this report should be regarded as the most accurate and reliable.

	GHG Emissions (tC02e) NMDC Group*		
Scope	Category	2023	2024
Scope 1	Stationary Combustion	51,996.00	17,302.05
	Mobile Combustion	535,183.00	907,762.25
	Fugitive Emissions	26,294.00	15,411.66
Scope 2	Purchased Electricity (location-based)	37,700.00	27,431.10
	Purchased Electricity (market-based)	37,700.00	27,431.10
	Purchased District Cooling (location-based)	0.30	N/A
	Purchased District Cooling (market-based)	0.30	N/A
Scope 3	Purchased Goods and Services [X, Y]	1,338,576.00	922,080.00
	Capital Goods [X]	90,794.00	149,077.79
	Fuel- and Energy Related Activities Not Included in Scope 1 or Scope 2	140,205.00	330,826.08
	Upstream Transportation and Distribution (WTW)**	1,650.00	4,349.58
	Waste Generated in Operations	4,727.00	5,444.29
	Business Travel (WTW)***	2,422.00	3,062.51
	Employee Commuting (WTW)	34,044.00	N/A
	End-of-Life Treatment of Sold Products****	389.00	N/A
	Investments	47.00	N/A
TOTAL		**2,264,027.00**	**728,501.27**

	GHG Emissions (tC02e) NMDC D&M		
Scope	Category	2023	2024
Scope 1	Stationary Combustion	42,014.00	13,072.28
	Mobile Combustion	400,414.00	552,519.56
	Fugitive Emissions	2,412.00	1,617.54
Scope 2	Purchased Electricity (location-based)	3,403.00	3,206.84
	Purchased Electricity (market-based)	3,403.00	3,206.84
	Purchased District Cooling (location-based)	0.30	0.00
	Purchased District Cooling (market-based)	0.30	0.00
Scope 3	Purchased Goods and Services [Y]	805,652.00	182,020.00
	Capital Goods	34,062.00	98,311.34
	Fuel- and Energy Related Activities Not Included in Scope 1 or Scope 2	101,413.00	309,106.96
	Upstream Transportation and Distribution (WTW)**	1,220.00	1,374.95
	Waste Generated in Operations	2,170.00	2,210.74
	Business Travel (WTW)***	845.00	1,705.08
	Employee Commuting (WTW)	4,783.00	N/A
	End-of-Life Treatment of Sold Products	Not Applicable	Not Applicable
	Investments	Not Applicable	Not Applicable
TOTAL		**1,398,389.00**	**429,350.77**

	GHG Emissions (tC02e) NMDC Energy		
Scope	Category	2023	2024
Scope 1	Stationary Combustion	9,279.00	3,796.29
	Mobile Combustion	132,234.00	353,865.00
	Fugitive Emissions	22,626.00	12,583.44
Scope 2	Purchased Electricity (location-based)	32,998.00	22,738.55
	Purchased Electricity (market-based)	32,998.00	22,738.55
	Purchased District Cooling (location-based)	0.00	0.00
	Purchased District Cooling (market-based)	0.00	0.00
Scope 3	Purchased Goods and Services [Y]	531,911.00	740,060.00
	Capital Goods	56,732.00	50,766.45
	Fuel- and Energy Related Activities Not Included in Scope 1 or Scope 2	37,827.00	21,719.12
	Upstream Transportation and Distribution (WTW)**	333.00	2,974.63
	Waste Generated in Operations	2,453.00	2,581.66
	Business Travel (WTW)***	1,550.00	1,357.42
	Employee Commuting (WTW)	28,097.00	N/A
	End-of-Life Treatment of Sold Products	Not Applicable	Not Applicable
	Investments	Not Applicable	Not Applicable
TOTAL		**856,041.00**	**1,212,442.56**

	GHG Emissions (tC02e) NMDC Construction		
Scope	Category	2023	2024
Scope 1	Stationary Combustion	703.00	433.48
	Mobile Combustion	2,536.00	1,377.69
	Fugitive Emissions	1,256.00	1,210.68
Scope 2	Purchased Electricity (location-based)	1,268.00	1,485.71
	Purchased Electricity (market-based)	1,268.00	1,485.71
	Purchased District Cooling (location-based)	0.00	0.00
	Purchased District Cooling (market-based)	0.00	0.00
Scope 3	Purchased Goods and Services [X Y]	-	-
	Capital Goods	-	-
	Fuel- and Energy Related Activities Not Included in Scope 1 or Scope 2	960.00	N/A
	Upstream Transportation and Distribution (WTW)**	96.00	N/A
	Waste Generated in Operations	98.00	651.89
	Business Travel (WTW)***	2.00	N/A
	Employee Commuting (WTW)	1,127.00	N/A
	End-of-Life Treatment of Sold Products	389	N/A
	Investments	Not Applicable	Not Applicable
TOTAL		**8,435.00**	**5,159.46**

	GHG Emissions (tC02e) NMDC Engineering [Z]		
Scope	Category	2023	2024
Scope 1	Stationary Combustion	0.00	N/A
	Mobile Combustion	0.00	N/A
	Fugitive Emissions	0.00	N/A
Scope 2	Purchased Electricity (location-based)	31.00	N/A
	Purchased Electricity (market-based)	31.00	N/A
	Purchased District Cooling (location-based)	0.00	N/A
	Purchased District Cooling (market-based)	0.00	N/A
Scope 3	Purchased Goods and Services [X Y]	-	-
	Capital Goods	-	-
	Fuel- and Energy Related Activities Not Included in Scope 1 or Scope 2	5.00	N/A
	Upstream Transportation and Distribution (WTW)**	1.00	N/A
	Waste Generated in Operations	5.00	N/A
	Business Travel (WTW)***	24.00	N/A
	Employee Commuting (WTW)	36.00	N/A
	End-of-Life Treatment of Sold Products	Not Applicable	Not Applicable
	Investments	Not Applicable	Not Applicable
TOTAL		**101.00**	**N/A**

* The inventory provides an overview of our emissions at the Group level, with a breakdown per business unit where possible. A geographic breakdown is not feasible due to the nature of our projects. Therefore, the figures reflect the emissions of all our activities and operations in 2023 and 2024.

** Upstream Transportation and Distribution covers emissions associated with upstream transportation and distribution by road

*** Business Travel (WTW) only covers emissions associated with flights taken by NMDC Group employees.

**** Emissions associated with the end-of-life treatment of the concrete products sold by NMDC Construction.

[X] Activity data for Scope 3 (Category 1 & 2) calculations for NMDC Construction & NMDC Engineering is included under NMDC D&M.

[Y] Only material- and G&A costs can be disaggregated among NMDC D&M and NMDC Energy. Thus, some spending data is accounted for at the group level.

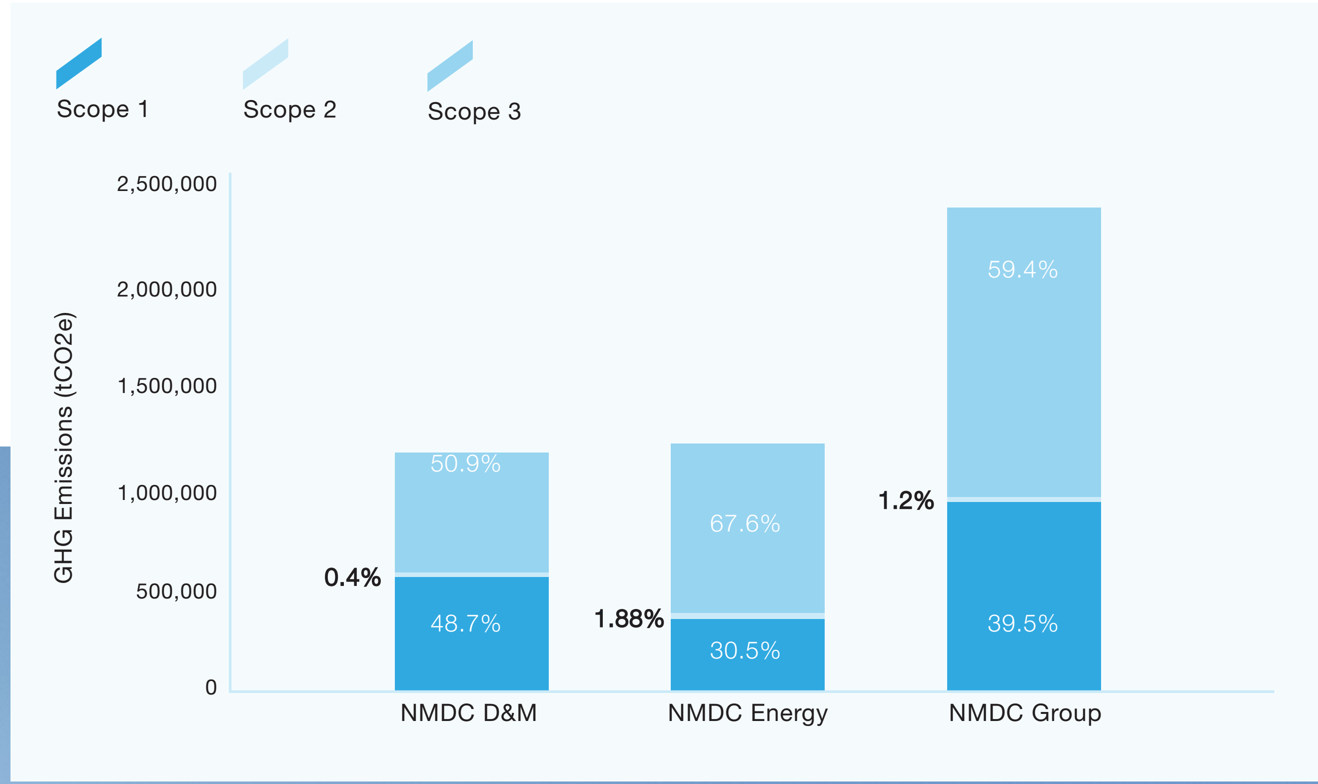
[Z] The 2024 GHG inventory for NMDC Engineering was not available at the time this report was published.

GHG Emissions Data Summary

Scope	Unit	2023	% contribution	2024	% contribution
			NMDC GROUP		
Scope 1		613,474.00	27.11%	940,475.97	39.47%
Scope 2	$MTCO_2e$	37,700.30	1.67%	27,431.10	1.15%
Scope 3		1,611,838.00	71.23%	1,414,840.24	59.38%
			NMDC D&M*		
Scope 1		449,335.00	31.94%	570,231.24	48.73%
Scope 2	$MTCO_2e$	4,702.30	0.33%	4,692.55	0.40%
Scope 3		952,888.00	67.73%	595,380.96	50.87%
			NMDC Energy		
Scope 1		164,139.00	19.17%	370,244.73	30.54%
Scope 2	$MTCO_2e$	32,998.00	3.85%	22,738.55	1.88%
Scope 3		658,903.00	76.97%	819,459.28	67.59%

*The NMDC D&M figures encompass the activities of both NMDC Construction and NMDC Engineering, as these entities are consolidated within the D&M segment for financial reporting purposes.

2024 GHG Emissions Data Summary



GHG Emissions Intensity Data

NMDC D&M		
Total Emissions Intensity (tCO_2e/ Revenue AED'000)	2023	2024
Scope 1 Intensity	0.0512	0.0482
Scope 2 Intensity	0.0005	0.0004
Scope 3 Intensity	0.1086	0.0504

*The NMDC D&M Intensity figures encompass the activities of both NMDC Construction and NMDC Engineering, as these entities are consolidated within the D&M segment for financial and reporting purposes.

NMDC ENERGY		
Total Emissions Intensity (tCO_2e/ Revenue AED'000)	2023	2024
Scope 1 Intensity	0.0207	0.0256
Scope 2 Intensity	0.0042	0.0016
Scope 3 Intensity	0.0831	0.0567

NMDC GROUP		
Total Emissions Intensity (tCO_2e/ Revenue AED'000)	2023	2024
Scope 1 Intensity	0.0367	0.0358
Scope 2 Intensity	0.0023	0.0010
Scope 3 Intensity	0.0965	0.0539
TOTAL EMISSIONS INTENSITY	**0.1355**	**0.0907**

ENVIRONMENTAL COMPLIANCE MANAGEMENT

NMDC Group is committed to strict adherence to environmental laws and regulations, emphasizing a proactive approach to minimize risks of non-compliance. NMDC Group has not incurred any fines or non-monetary sanctions for non-compliance with environmental laws or regulations, a testament to the Group's dedication to environmental stewardship and regulatory alignment in markets where it operates.

Environmental Compliance Records

Non-compliance with Environmental Laws and Regulations			
	Total Monetary Value of Significant Fines (in AED)	Total Number of Non-Monetary Sanctions	Cases Brought through Dispute Resolution Mechanisms
2022	0	0	0
2023	0	0	0
2024	53,750	N/A	N/A

As a result of the fine received in 2024, an Environmental Action Plan (EAP) was submitted to the Environment Agency Abu Dhabi (EAD) indicating the mitigation and corrective actions taken to prevent recurrence.

NMDC Group is committed to sustainable operations and environmental stewardship through a robust compliance management system that emphasizes proactive risk mitigation, policy adherence, and team awareness. This comprehensive system includes:

Risk Mitigation:
QHSE teams at the Group and business unit levels continuously monitor and evaluate environmental risks across projects to address and reduce compliance-related challenges.

Internal Audits and Assessments:
Regular audits ensure that NMDC Group's activities comply with environmental regulations and internal standards, fostering accountability and continuous improvement.

Employee Training and Awareness:
Through workshops, induction programs, and annual training, business units ensure all employees understand and adhere to the Group's environmental policies, fostering a culture of environmental responsibility.

At the heart of the Group's environmental governance framework is the HSE Manual. This document provides detailed protocols on environmental protection, including waste management, pollution prevention, and resource optimization. The manual serves as a reliable reference for employees and subcontractors, reinforcing our commitment to regulatory compliance and sustainable practices.

To maintain high standards in environmental performance, NMDC Group regularly assesses training needs and provides targeted programs to empower operational teams in environmental stewardship. The Environmental Induction Training Program ensures that every team member is aware of their role in maintaining a safe and sustainable environment, contributing to NMDC Group's compliance goals and sustainability objectives.

Looking ahead, NMDC Group remains committed to enhancing our environmental compliance framework, incorporating emerging regulations, and fostering a culture of environmental awareness. NMDC Group's ongoing efforts in environmental training, policy updates, and compliance management will continue to drive sustainable outcomes and reinforce the Group's leadership in environmental responsibility.

CASE STUDY: ADVANCING CLEAN ENERGY SOLUTIONS FOR SITE OFFICES AND REMOTE OPERATIONS

NMDC D&M has initiated practical steps toward cleaner energy by integrating solar power into its operations at site offices and remote sites. By addressing the environmental and logistical challenges of traditional diesel-based systems, NMDC D&M is gradually reducing its carbon footprint and improving energy efficiency. Two projects, the Solar-Diesel Hybrid System at the Al Fattan site office and Rooftop Solar Panels at the Sir Bani Yas Island accommodation camps, demonstrate the company's efforts to adopt renewable energy in a measured and effective manner.

1. Solar-Diesel Hybrid System at Al Fattan

This pilot project introduced a hybrid system combining solar energy with diesel generators to power the site office.

Key Features:

- Aimed to achieve CO_2 savings of approximately 254 tonnes over two years.
- Implemented a monitoring system to track energy use and emissions reductions.
- Developed a scalable model for potential future applications across similar sites.

2. Rooftop Solar Panels at Sir Bani Yas Island Camps

Rooftop solar panels were installed at the accommodation camps to reduce reliance on diesel generators and mitigate challenges such as weather-related delays in fuel delivery.

Key Features:

- Offset diesel usage by 480 Liters per month, contributing to cost savings of approximately AED 35,000 per month.
- Utilized available roof space efficiently for solar energy generation.
- Reduced exposure to risks from fuel price fluctuations and logistical delays.

Outcomes and Future Direction

Together, these projects have contributed to meaningful environmental and operational benefits:

- **Carbon Emissions Reduction**: Achieved substantial CO_2 savings, with 254 tonnes avoided over two years at Al Fattan and 475 tons of annual emissions reduction at Sir Bani Yas.
- **Cost Efficiency**: Reduced fuel costs, including AED 35,000 in monthly savings at Sir Bani Yas and lower diesel consumption across both sites.
- **Operational Resilience**: Improved energy reliability in remote locations while mitigating logistical and fuel price risks.
- **Scalable Solutions**: Established practical, replicable models for integrating renewable energy into similar settings.

These initiatives reflect NMDC D&M's commitment to measured and effective sustainability practices. By piloting these systems, NMDC D&M has demonstrated how renewable energy can reduce environmental impact and improve operational outcomes, providing a foundation for broader adoption of clean energy solutions across its operations.

12.2 BIODIVERSITY & LAND-USE

NMDC Group is committed to protecting biodiversity and managing natural resources responsibly, with a focus on minimizing the ecological footprint of operations across business units and supporting conservation initiatives. Guided by the Group's QHSE Policy, business units uphold stringent procedures to protect species and habitats, mitigate environmental impacts, and engage in restoration efforts. The Group's biodiversity strategy emphasizes proactive environmental management across all project sites, ensuring compliance with regulatory requirements in the regions of operations.

NMDC Group's commitment to environmental protection includes pollution prevention, energy conservation, and minimizing adverse impacts on ecosystems. This policy drives the sustainable management of resources and raw materials and is embedded across all operations and business units under a centralized framework.

To mitigate biodiversity risks, the Group adheres to rigorous Environmental Impact Assessments (EIAs) performed by approved and credible consultants. These assessments cover marine and terrestrial ecosystems, ensuring detailed surveys of sensitive species and habitats. The EIAs are reviewed and approved by regulatory authorities, such as the Environment Agency of Abu Dhabi (EAD), before any project initiation. The Group also establishes and implements Control Plans to minimize environmental impacts during construction, with regular audits and performance monitoring to maintain biodiversity preservation standards.

SUSTAINABLE PRACTICES AND EXTERNAL VERIFICATION

NMDC Group's Environmental Management System (EMS) is ISO 14001:2015 certified, incorporating both internal and external audits. Independent audits conducted by Bureau Veritas verify NMDC Group's adherence to international environmental standards, covering a substantial percentage of the Group's operations and reinforcing the commitment to sustainability.

MINIMIZING DISTURBANCES FROM OPERATIONS

NMDC Group takes a proactive approach to minimizing operational impacts on biodiversity, embedding advanced planning and strict operational controls throughout the Group's projects, including:

- **Use of Geographic Information System (GIS) Tools:** NMDC Group utilizes GIS tools to precisely identify dredging disposal sites within project boundaries, effectively minimizing disturbances to marine ecosystems and ensuring the protection of sensitive habitats.
- **Dynamically Positioned (DP) Vessels**: DP vessels replace traditionally moored vessels that require seabed connections and additional fleet of anchor handling vessels, reducing congestion from supporting anchoring vessels and minimizing disruptions to seabed.
- **Eco-Friendly Operational Standards**: Business units incorporate eco-friendly dredging lubricants, spill kits, and rigorous wastewater discharge controls that align with international guidelines, reducing contamination risks.
- **Fuel Quality Standards**: In compliance with UAE mandates, NMDC Group uses low-sulfur fuels across its fleet, reducing sulphur dioxide emissions and enhancing air quality.

Additionally, the fleet is equipped with emergency response systems to address potential incidents, while detailed risk registers and biodiversity impact assessments guide the Group's mitigation strategies. NMDC Group reports that no major incidents affecting biodiversity have occurred over the last decade, demonstrating the effectiveness of the Group's proactive measures.

HABITAT RESTORATION AND RECLAMATION EFFORTS

As part of its commitment to environmental restoration, NMDC Group undertakes several projects aimed at compensating for and restoring impacted habitats:

- **Mangrove Planting Initiatives:** As part of the Habitat Compensation Island project, NMDC Group planted 350,000 mangrove seedlings to support ecosystem restoration, improve coastal resilience, and contribute to carbon sequestration. In addition, NMDC Energy recently planted over 20,000 mangrove seedlings in support of ADNOC's pipeline project, further enhancing coastal habitats.
- **3D-Printed Artificial Reefs:** To promote coral regeneration and provide habitats for marine life, NMDC Group launched a pilot project deploying 3D-printed reefs over 70 kilometers of dredged areas. These artificial reefs are specifically designed to foster marine biodiversity in impacted zones.
- **Enhanced Marine Habitats:** The Group studies the effects of dredging on water flow and has tested innovative quay wall pockets that retain water to create favourable environments for marine life, ensuring ongoing habitat enhancement.

RESTORATION DURING OPERATIONS

Restoration is not limited to the completion phase of projects; NMDC Group integrates restoration practices even during active operations to mitigate environmental impacts:

- **Reclamation Area Management**: The Group continuously removes unsuitable materials, conducts compaction, and levels reclaimed areas to ensure land stability and suitability, minimizing long-term ecological impacts.
- **Environmental Monitoring**: Regular testing of reclamation materials and strict adherence to the Construction Environmental Management Plan (CEMP) help maintain compliance and ensure that reclamation meets environmental standards.
- **Water Quality Improvements**: NMDC Group partners with the Environment Agency Abu Dhabi (EAD) to monitor and enhance water quality within marine habitats, ensuring that the surrounding ecosystems remain healthy throughout operational activities.

NMDC Group approaches biodiversity with a focus on minimizing harm through advanced planning and collaboration. The Group works closely with regulatory bodies like EAD to integrate ecosystem management into its operational strategy. The Group continues to explore options to mitigate environmental impacts and preserve natural ecosystems by leveraging advanced technology, eco-friendly operational standards, and restoration projects while maintaining the operational efficiency required for successful project delivery.

12.3 CIRCULARITY & WASTE MANAGEMENT

NMDC Group is dedicated to proactive waste management strategies that minimize environmental impact, ensure regulatory compliance, and reinforce the Group's sustainability practices. Guided by principles of circularity and resource efficiency, NMDC Group's approach to waste management is rooted in pollution prevention, environmental protection, and responsible resource optimization, including the use and reuse of materials across all operations.

Responsible waste management is a key component of NMDC Group's operational strategy. Recognizing the environmental implications of the Group's EPC activities and marine construction operations, business units have established robust processes for precise waste classification, sorting, and separation. These practices are critical in ensuring safety, regulatory compliance, and adherence to both local and international environmental standards.

The Group's waste management framework is governed by the Group QHSE Policy and supported by an ISO 14001:2015-certified EMS, which covers all business units. To ensure cohesive and effective waste management, business units are actively updating related policies and integrating them through a new ERP system. This system facilitates continuous improvement, annual policy reviews, and allows the Group to respond swiftly to regulatory and environmental changes.

Business units, including NMDC D&M and NMDC Energy, have already implemented several initiatives to reduce waste generation. These initiatives include optimized procurement, effective waste segregation, and the reuse and recycling of materials. However, the Group acknowledges the need for greater visibility into upstream and downstream waste prevention measures. Ongoing efforts are focused on enhancing waste management policies and procedures at the business unit level, tailored to the unique types of waste generated by each subsidiary.

The Group remains committed to exploring more comprehensive waste reduction practices along the value chain. This includes identifying opportunities for reusing waste and reintroducing it into the value chain, thus bolstering circularity practices and introducing new revenue streams for the organization. By embedding the latest best practices and aligning with global standards, NMDC Group aims to continuously improve its waste management performance, contribute to a circular economy, and enhance sustainable resource use throughout its operations.

Waste Generation Data

Reinstatement of Information: Given the work undertaken to develop the Group's baseline inventory in 2023 including the implementation of enhanced measurement methodologies, the adoption of updated definitions, and the correction of previously identified errors, waste-related figures are only reported from 2023 onwards. As a result, the figures in this report for 2023 have been restated. In case of any discrepancies with previously reported figures, the data presented in this report should be regarded as the most accurate and reliable.

NMDC D&M

	Non-Hazardous (MT)										Hazardous (MT)
Waste Type	Commercial & Industrial Waste	Scrap Metal	Construction	Plastics	Plastics: PS *	Tyres	Household Residual Waste	Organic: Mixed Food and Garden Waste	Wood	Paper and Board	Mineral Oil
2023	3,335.21	2,741.57	1,256.25	245.59	15.22	12.85	653.00	499.66	1,128.54	11.65	514.36
2024	3,232.93	2,015.50	2,026.95	42.52	0.00	0.00	0.00	719.79	3,462.63	0.00	343.17

* Polystyrene (PS), including any types of polystyrene products that are formed, shaped, or molded during manufacturing or construction processes

	Non-Hazardous Weight (MT)	Hazardous Weight (MT)
2023	9,899.54	514.36
2024	11,500.31	343.17

NMDC Energy

	Non-Hazardous (MT)											Hazardous (MT)			
Waste Type	Commercial & Industrial Waste*	Metal**	Construction	Plastics	Cables	Plaster-board	Concrete	Organic†	Wood	Paper & Board	Aggregates ¶	Batteries	Commercial & Industrial Waste‡	Metal§	WEEE ǀ
2023	3,533.04	11,504.86	6,229.72	73.99	152.07	54.84	1,110.58	30.35	3,143.94	79.64	1,116.00	35.22	473.78	116.75	0.87
2024	3,857.16	9,884.16	0.00	177.76	567.11	0.00	0.00	0.00	2,365.77	177.76	0.00	354.30	626.26	19.17	N/A

* Includes general waste and mixed waste
** Includes scrap metal, mixed cans and steel cans
† Includes mixed food and garden waste
¶ Hard, inert materials used in construction
‡ Includes hazardous liquid and solid waste
§ Includes welding electrodes
ǀ Includes mixed Waste Electrical and Electronic Equipment (WEEE)

	Non-Hazardous Weight (MT)	Hazardous Weight (MT)
2023	27,029.03	626.62
2024	17,029.71	999.73

Waste Diverted from Disposal in MT: Recycling and Composting

NMDC D&M

	Non-Hazardous (MT)										Hazardous (MT)
Waste Type	Commercial and Industrial Waste	Scrap Metal	Construction	Plastics	Plastics: PS *	Tyres	Household Residu-al Waste	Organic: Mixed Food and Garden Waste	Wood	Paper and Board	Mineral Oil
Treatment by 3rd Party	-	Recycling	Recycling	Recycling	Recycling	Recycling	-	Composting	Recycling	Recycling	Recycling
2023	0.00	2,741.57	1,256.25	245.59	15.22	12.85	0.00	491.30	1,128.54	11.65	514.36
2024	N/A	2,015.50	0.00	0.00	0.00	0.00	0.00	719.79	0.00	0.00	343.17

* Polystyrene (PS), including any types of polystyrene products that are formed, shaped, or molded during manufacturing or construction processes

	Non-Hazardous Weight (MT)	Hazardous Weight (MT)
2023	5,902.97	514.36
2024	2,735.29	343.17

NMDC Energy

	Non-Hazardous (MT)											Hazardous (MT)			
Waste Type	Commercial & Industrial Waste*	Metal**	Construction	Plastics	Cables	Plaster-board	Concrete	Organic†	Wood	Paper & Board	Aggregates ¶	Batteries	Commercial & Industrial Waste‡	Metal§	WEEE ǀ
Treatment by 3rd Party	-	-	Recycling	-	-	-	Recycling	-	-	-	Recycling	Recycling	-	Recycling	-
2023	0.00	11,480.36	6,229.72	73.99	152.07	0.00	1,110.58	0.00	3,131.64	75.24	634.00	35.22	0.00	116.75	0.00
2024	0.00	9,884.16	0.00	177.76	567.11	0.00	0.00	0.00	2,365.77	177.76	0.00	354.30	0.00	19.17	0.00

* Includes general waste and mixed waste
** Includes scrap metal, mixed cans and steel cans
† Includes mixed food and garden waste
¶ Hard, inert materials used in construction
‡ Includes hazardous liquid and solid waste
§ Includes welding electrodes
ǀ Includes mixed Waste Electrical and Electronic Equipment (WEEE)

	Non-Hazardous Weight (MT)	Hazardous Weight (MT)
2023	22,887.60	151.97
2024	13,172.55	373.47

Objective and Implementation

The primary goal of the waste compactor was to address the challenges posed by high waste volumes generated across the project's offices, accommodation camps, vessels, and sea debris collection. The compactor works by compressing waste using hydraulic force, significantly reducing its volume. Waste is collected in dedicated skips, transferred to the compaction area, and processed before being stored and sent to onshore treatment facilities.

This systematic approach has yielded tangible benefits. For example, plastic bottle waste has been reduced from 500 CBM to 125 CBM, while general waste and cardboard/paper waste experienced similar reductions. This volume reduction has streamlined the waste removal process and reduced landfill dependency.

CASE STUDY: WASTE COMPACTION INITIATIVE AT PROJECT NISI

NMDC Group has implemented a waste compactor at its Project NISI site to enhance waste management efficiency and minimize environmental impact. This initiative reflects a practical approach to reducing landfill use, emissions, and operational costs associated with waste disposal, aligning with NMDC Group's broader sustainability objectives.

Impact

The compactor's introduction has led to a 75% reduction in waste volume, enabling a drop in the number of required waste skips from 250 to just 62. This efficiency has reduced vessel trips for waste transport by two-thirds, saving approximately AED 60,000 per month. These operational improvements have also lessened emissions from vessel and vehicle movements, contributing to NMDC's broader environmental goals.
The financial outcomes are equally significant. Waste disposal costs have decreased from AED 215,000 to AED 91,000 per month, with the compactor's installation and operational costs recovered within six months.

Benefits and Future Potential

The waste compactor at Project NISI is a practical example of how NMDC Group is enhancing sustainability within its operations. By cutting waste volumes and logistical demands, the project has reduced environmental strain and created a scalable model for future waste management improvements across other sites.

12.4 WATER STRESS

Recognizing the importance of responsible water management, particularly in the MENA region where water stress is a critical concern, NMDC Group recognizes that the conservation and efficient use of water resources not only has regional implications but also impacts the Group's long-term success and its ability to continue delivering operational excellence.

NMDC Group has implemented a range of water-saving initiatives to mitigate the environmental impact of its operations. Offshore construction vessels are equipped with water makers, which convert seawater into freshwater for crew use. This reduces reliance on shore-based water sources, lowering both costs and emissions by decreasing the need for supply boat runs to deliver fresh water. Additionally, the Group utilizes water recycling technologies to treat wastewater from air conditioning systems and hydrotesting of pipelines, equipped with advanced collection and filtration systems. Treated greywater is repurposed for on-site irrigation and dust suppression, contributing to more efficient water use during manufacturing and construction activities.

The Group is advancing structured water management practices with a focus on establishing clear measurement mechanisms and setting specific water-use objectives. This approach will support broader environmental goals while enhancing operational efficiency.

NMDC Group is also updating its water management policies to align with the ongoing ERP system rollout, which will facilitate centralized policy updates and ensure consistency across business units. This integration will allow for annual reviews and timely adjustments to reflect any regulatory or sustainability requirements. By leveraging technology and aligning practices with industry best practices in water management, NMDC Group aims to proactively address water stress in its areas of operation, contributing to the sustainable use of this critical resource in the water-scarce MENA region.

Water Consumption Data

Reinstatement of Information: Given the work undertaken to develop the Group's baseline inventory in 2023 including the implementation of enhanced measurement methodologies, the adoption of updated definitions, and the correction of previously identified errors, water-related figures are only reported from 2023 onwards. As a result, the figures in this report for 2023 have been restated. In case of any discrepancies with previously reported figures, the data presented in this report should be regarded as the most accurate and reliable.

	NMDC D&M		**NMDC Energy**	
	2023	2024	2023	2024
Water Consumption (m^3)	703,135.3	2,311,389	739,566.3	1,006,010
Consumption Intensity (m^3/ Employee)	224.4	626.7	50.9	61.79

CASE STUDY: TRANSITION TO AN ACID-FREE CONCRETE WASTEWATER TREATMENT SYSTEM

In 2024, NMDC Group implemented an acid-free concrete wastewater treatment system in parts of its operations, incorporating advanced dual-gas processing technology. This initiative replaces traditional methods with a sustainable solution that eliminates harmful chemicals, reduces environmental discharge, and generates treated water for reuse in irrigation, vehicle washing, and dust control measures. The project, led by NMDC Construction, aims to pilot new technologies that can be scaled and adopted in the future in other operations across the Group.

Objective and Approach

The transition aimed to minimize the environmental impact of concrete wastewater treatment by eliminating acid-based processes and introducing eco-friendly alternatives. The system utilizes a patented gas treatment technology alongside sedimentation, filtration, and advanced chemical dosing to neutralize harmful substances and reduce Total Dissolved Solids (TDS) without relying on Reverse Osmosis (RO).

Results and Environmental Impact

- The acid-free system has delivered significant improvements compared to traditional methods. Key outcomes include:
- **Eco-Friendly Treatment:** Replaced harmful acids with unharmful, acid-free substances, ensuring safer processing.
- **Water Quality Enhancements:** Key parameters such as Total Suspended Solids (TSS) were reduced from 264 mg/L to 5 mg/L, turbidity decreased from 100 NTU to 1.21 NTU, and aluminum and chromium concentrations significantly lowered, all exceeding Department of Environment (DOE) limits.
- **CO_2 Neutralization:** Integrated processes actively neutralized CO_2 emissions, contributing to NMDC's climate goals.
- **Water Reuse:** Produced treated water suitable for operational reuse, reducing reliance on fresh water and preventing direct discharge into the environment.

Benefits and Operational Advantages

The new system has reinforced NMDC Group's commitment to sustainability and operational efficiency. The treated water's quality allows for direct reuse in dust suppression, concrete truck washing, and irrigation, reducing resource wastage and operational costs. By eliminating the need for an RO process, the system also lowers energy consumption, further supporting environmental stewardship, ensuring regulatory compliance, and setting a benchmark for sustainable wastewater management in the construction industry.

13 2024 CORPORATE GOVERNANCE REPORT

01) PREAMBLE

Corporate governance in the UAE encompasses the frameworks and processes that govern and control corporate entities, ensuring a balance between the interests of shareholders, management, and broader societal stakeholders.

NMDC Group's governance practices are meticulously designed to uphold transparency, accountability, and the creation of sustainable long-term value for its stakeholders. The Group adheres to the highest corporate governance standards, with a focus on Board oversight and structure, unwavering commitment to transparency, the protection of shareholder rights, and the implementation of comprehensive risk management frameworks. NMDC Group fosters a culture of integrity and compliance with legal and regulatory requirements while ensuring the integration of environmental, social, and governance (ESG) factors into its strategic direction.

NMDC Group recognize and acknowledge that the dynamic regulatory and governance environment in which we operate presents challenges. However, the Group remain confident that our unwavering commitment to best corporate governance practices, coupled with our strong corporate culture and core values, establishes a solid foundation for sustained success. This ensures that both the Board of Directors (the "Board") and the Group fulfill their responsibilities to shareholders and stakeholders effectively.

H.E. MOHAMED THANI MURSHED AL RUMAITHI
Chairman of the Board of Directors

MR. ABDULLAH BIN DASMAL AL SUWAIDI
Audit Committee Chairman

MR. MOHAMED IBRAHIM AL HAMMADI
Nomination & Remuneration Committee Chairman

MR. KASHIF NAWAZ SHAIKH
Group Internal Audit Director

COMPANY BRIEF

NMDC Group (hereinafter referred to as the "Company" or the "Group") stands as a global leader in the dredging, marine, and energy sectors, uniquely positioned to drive growth and innovation with extensive industry expertise and world-class assets. With 50 years of experience in Engineering, Procurement, and Construction (EPC) and marine dredging, NMDC Group delivers turnkey solutions for both onshore and offshore projects across energy (oil & gas and renewables), environment, seaborne trade, urban development, and tourism industries. The Group's capabilities extend across a diverse portfolio of leading companies, each excelling in their respective fields and, together, they uniquely position the Group as an industry leader with invaluable know-how across the full EPC value chain.

The Group's proven track record of financial performance reflects its commitment to driving value for shareholders, while its extensive knowledge and strategic core assets position the Group for continued growth—expanding into new sectors and geographies.

02) CORPORATE GOVERNANCE PRACTICES

2.1 Governance Brief

NMDC Group acknowledges its responsibility as a corporate entity and is fully committed to adhering to best practices and the highest standards of corporate governance. This commitment is demonstrated through transparent business ethics and a strong sense of accountability to all stakeholders. All operations are executed in strict compliance with established corporate governance frameworks, with a continuous focus on enhancing these practices. The Group recognizes that robust governance structures enable management to efficiently oversee and direct the organization's affairs, thereby ensuring the achievement of its objective to optimize value for its stakeholders.

The Group remains steadfast in its commitment to identifying and pursuing avenues for sustainable growth and expansion. Through strategic investments in emerging sectors, the Group aims to diversify its revenue streams, mitigate exposure to market volatility, align with global sustainability trends, and ensure compliance with evolving environmental regulations.

The Group is committed to achieving its vision by leveraging its resources and adhering to core values of transparency, integrity, honesty, and accountability. A strong foundation in corporate governance and ethical business practices enables the Company to compete effectively and maximize its potential. The Leadership is guided by integrity, with oversight from the Board of Directors. The Group also prioritizes shareholder and stakeholder engagement, creating long-term value through responsible business practices, corporate social responsibility, and a focus on health, safety, and environmental stewardship.

NMDC Group is focused on enhancing governance and compliance standards. The Group's strong internal control system is designed to not only meet legal requirements but also to exceed them. By collaborating effectively with our employees and clients, the Company aim to foster a culture of continuous improvement in compliance, paving the way for a more secure future together.

2.1.1 Corporate Governance Rules

NMDC Group Board of Directors (the "Board") is committed to the implementation of corporate governance that involves the establishment of policies, structures, and practices that ensure transparency, accountability, and ethical conduct throughout the organization. It includes defining roles and responsibilities at all levels of the Company, ensuring compliance with applicable laws and regulations, and fostering a culture of integrity and responsibility.

The corporate culture of NMDC Group is driven by:

- An informed and effective Board of Directors responsible for guiding the Group's direction and establishing its strategic objectives.
- Clearly defined roles and responsibilities for the Board of Directors, its members, Committees, and key officers and executives within the Group.
- Formulation and execution of strategic initiatives, alongside proactive risk management.
- Appropriate delegation and diligent oversight of responsibilities to Management, ensuring accountability.
- Transparent and timely disclosures to meet the needs and interests of stakeholders.
- Full adherence to regulatory compliance requirements.
- Effective management and control of the Group's performance and financial reporting through a robust internal control system.
- Active and constructive engagement with the community.
- Upholding the highest ethical standards and practices across the Group, its officers, and employees.

The Board of Directors is responsible for the Group's overall performance, ensuring that Management effectively balances achieving short-term goals and fostering long-term growth.

2.2 Corporate Governance Procedures

In the context of commitment to the corporate governance system for PJSC companies, the Group has taken the following steps as part of the Corporate Governance plan for 2024.

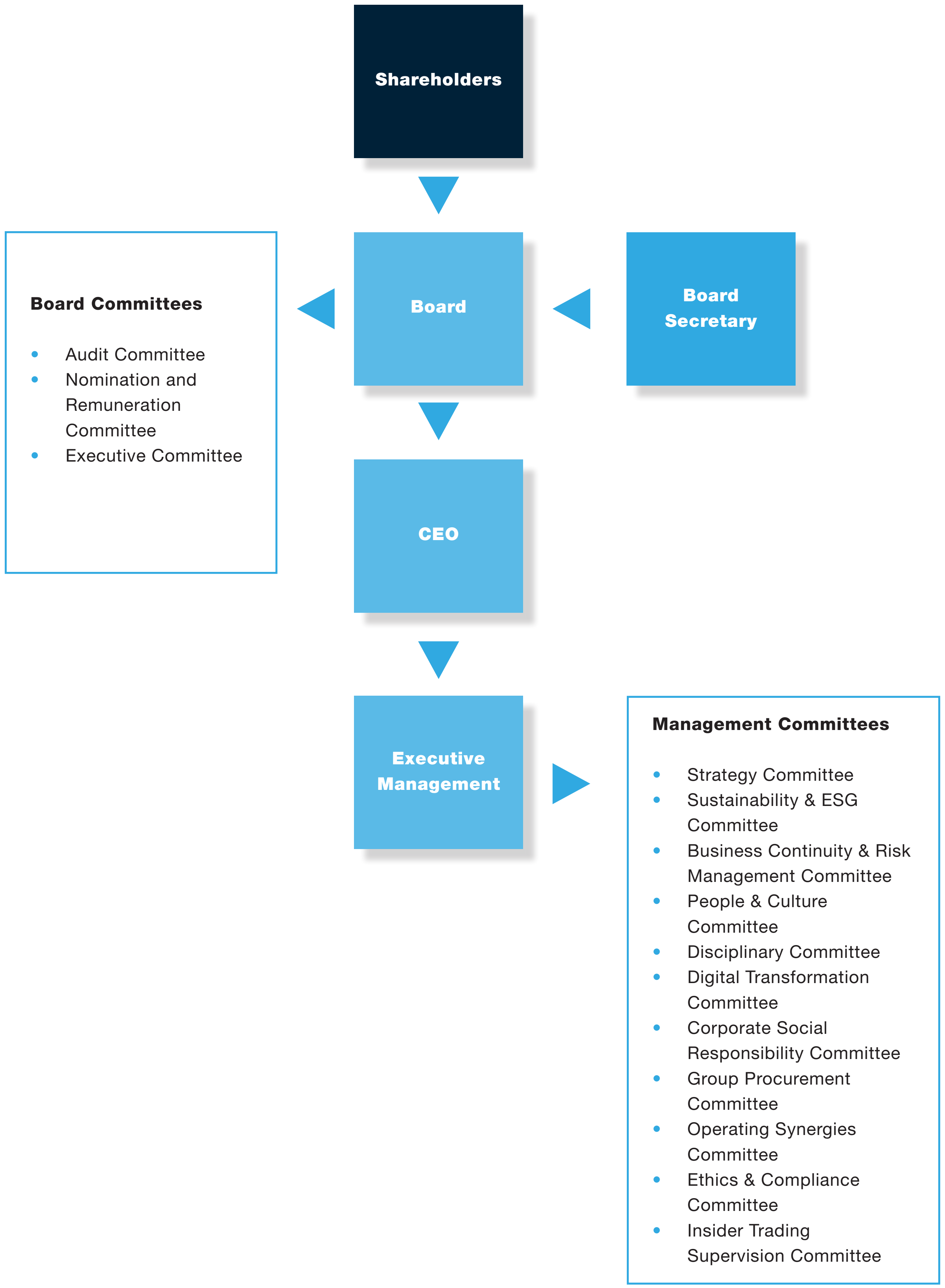
1. Restructuring of the Board committees in accordance with the conditions and the membership type stipulated in the governance system during the board meetings.
2. Restructuring of the Board of Directors with the inclusion and election of the women Board member, hence the Group committed to Corporate Governance laws and requirements to follow SCA new clause of representation of the women in the Board.
3. In 2024, the Company's Board oversaw the activities of the Nominations and Remuneration Committee and the Audit Committee in accordance with established governance rules and regulatory requirements.
4. The Board / Audit Committee received reports from internal control, risk management and internal audit department during the year in accordance with the objectives, requirements and controls that govern the work of the internal control department as per the SCA regulations for Corporate Governance.
5. The performance of the Investor Relations section was reviewed to ensure compliance with legal requirements.
6. The Insider Follow-up and Supervision Committee oversaw transactions involving directors, employees, and other relevant parties in accordance with Corporate Governance rules and regulations.
7. The Company ensured completion of the annual integrated report, the corporate governance report, Audit Committee report and the financial statements to present in the General Assembly Meeting for the review and decisions of the shareholders.
8. The Board acknowledge the transparency controls required from SCA and Corporate Governance report and have declared independency through signed declarations.

2.3 Governance Legalization

On behalf of the Board of Directors of NMDC Group, we are pleased to present the 2024 Corporate Governance Report (the "Report"). This Report has been prepared in compliance with the requirement of our market regulator, the United Arab Emirates ("UAE") Securities and Commodities Authority ("SCA"), as set out in its Chairman's Decision No. (03/R.M) of 2020 on the Joint Stock Companies Governance Guide (the "Governance Guide"). In addition to the above the new amendments to the Chairman Decision No. (02/R.M) of 2024 from SCA have also been taken into consideration for the preparation of this report.

2.4 Governance Framework

An overview of the governance structure of the Company is set out below:



In conjunction with the Articles of Association and relevant regulations, the Board of Directors of NMDC Group has formally approved a Broad array of codes, policies, and meticulously defined organizational structures and processes. These frameworks serve to document decisions, delegations, and effectively govern the operations and oversight activities of the Company and its subsidiaries. Additionally, the Board has articulated a set of overarching principles of conduct and behavior, to which all directors and employees are held accountable, both individually and collectively.

2.5 Disclosure Practices

The Company is dedicated to fulfilling all its disclosure obligations, including those to the SCA, ADX, and its shareholders, ensuring informed market trading. In 2024, the Company made regular disclosures to ADX, including updates on Board meetings and decisions, the Annual Financial Report, Corporate Governance Report, Sustainability Report, and other key financial or operational matters. These disclosures were made available and updated on the Company's website.

2.6 Delegation of Authority

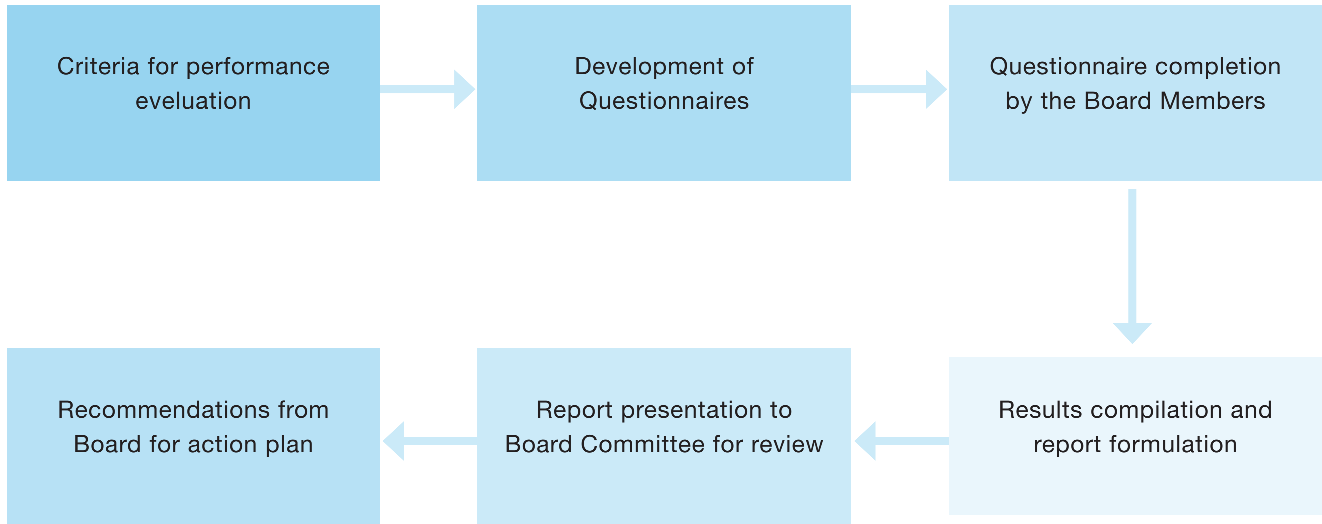
The Board of Directors holds ultimate responsibility for the Company's operations. In accordance with the Articles of Association, UAE Companies Law, and approved corporate policies and procedures, the Board has the authority to delegate its powers to committees and senior management. In 2023, the Board approved the latest version of the NMDC Group Delegation of Authority, which defines the authority limits delegated to the Board, Board Committees, Executive Management, and employees to manage the Company's operations both in the UAE and internationally.

2.7 Board Evaluations:

To ensure robust performance measurement, accountability, and continual enhancement of governance practices. A comprehensive Board Assessment and Evaluation procedure will be carried out by the Nomination and Remuneration Committee. This procedure delineates explicit performance expectations and provides a systematic framework for evaluating the Board's effectiveness in discharging its duties and responsibilities.

The evaluation will examine critical performance indicators, including the effectiveness of individual Board members in fulfilling their roles, their diligence, responsiveness to the Board's strategic directives, and alignment with the organization's long-term objectives, all in strict adherence to the regulatory requirements established by SCA.

Overview of the Board's evaluation process



The outcomes of this evaluation, including any action plans for improvement, will be submitted to the Board for review. The implementation of these action plans will be actively monitored to ensure their timely and effective execution, thereby driving enhanced performance and governance standards across the Board and Committees.

The detailed plan for executing this performance evaluation is currently being finalized. The results, along with the necessary disclosures, will be made publicly available on the Company's website before the General Assembly Meeting or by the end of March 2025, ensuring transparency and adherence to governance best practices.

2.8 Business Code of Conduct

The Company understands the significance of defining and upholding fundamental values and principles in its business operations and have approved new Business Code of Conduct during 2024. NMDC Group is dedicated to ensuring the highest level of ethics in all its activities, guided by a detailed Business Code of Conduct.

2.9 Board of Director's Induction Policy

The Company's director induction policy mandates that all new Board members participate in an induction program. This program includes presentations from Management to acquaint new directors with the Company's objectives, strategic plans, operations, business units, departments, and key personnel. The aim is to provide essential information to ensure new Board members fully understand their duties and responsibilities under applicable laws, the Company's corporate governance framework, and its operational policies.

2.10 Share Dealing Policy

The objective of the Company's Share Dealing Policy is to ensure that the Board of Directors, employees and their connected persons do not engage in trading or transactions involving the Company's securities, or those of its subsidiaries or affiliate companies, based on non-public material information or in circumstances that may lead to a conflict of interest.

In accordance with this policy, no Board member or employees of the Company (or any subsidiary or controlled entity) is permitted to trade in the Company's securities while possessing information that could have a material impact on the security's price and which has not been disclosed to ADX. Board members who are not in possession of such information may only execute trades in the Company's securities with prior written consent from the Chairman (or, in the Chairman's absence, the Vice-Chairman). Employees who find themselves in a similar position may engage in trading only with the prior written consent of the Group Chief Executive Officer.

This policy does not alleviate the obligation to obtain the requisite consent from the ADX Board of Directors prior to trading in the Company's securities. Furthermore, it strictly prohibits any Director or employee from trading during designated Blackout Periods as defined in the Company's Corporate Governance Manual. This policy is supplementary to, and does not supersede, any legal requirements to comply with applicable laws and regulations. Members of the Board of Directors and employees retain personal liability for non-compliance with these legal obligations.

2.11 Insider Trading Supervision Committee

2.11.1 Acknowledgment

Mr. Kashif Nawaz Shaikh recognizes his responsibilities concerning the oversight and supervision of the insider transaction follow-up system within the Company. He is committed to reviewing its operational mechanisms and ensuring its overall effectiveness.

2.11.2 Function and Duties

The objective of the Company's share dealing policy is to safeguard against the trading of securities issued by the Company or its subsidiary and sister companies based on undisclosed confidential information or potential conflicts of interest. The policy stipulates that no member of the Board of Directors or employee of the Company (or any subsidiary or other entity controlled by the Company) may engage in transactions involving the Company's securities while in possession of any information that could influence the price of said securities. This policy is designed to promote transparency and integrity in all trading activities related to the Company.

The roles & responsibilities of the Committee are as follows:

a. Monitor, follow up and supervise the transactions of the insiders and their properties and maintain their register;
b. Prepare a comprehensive register for all insiders, including persons who may be considered as temporary insiders with access to the Company internal information prior to publication;
c. Record insiders dealings and ownership in the register;
d. Notify the SCA and the Market of an updated list of insiders at the beginning of each fiscal year and any amendments during the fiscal year;
e. Provide a copy of the insiders Register to the Authority upon request;
f. Comply with any other requirements specified by the SCA

2.11.3 Committee members and roles

The Insider Trading Supervision committee includes the following members:

No.	Name	Position	Role
1	Mr. Kashif Nawaz Shaikh	Group Internal Audit Director	Committee Head
2	Mr. Mohammed Al Falahi	Procurement & Stores Director	Committee Member
3	Ms. Shaima Ali	Investor Relation Manager	Committee Member
4	Ms. Rhea E. Sevilla	Senior Administrative Assistant	Secretary

In 2024, the Committee systematically conducted regular reviews and updated the register of insiders. Additionally, in accordance with ADX regulations and NMDC Group Corporate Governance Manual, timely notifications regarding blackout periods were disseminated to all insiders.

2.11.4 Transactions in Company's Securities by the Members of the Board

The Board of Directors, along with Company Management, recognizes their obligations concerning disclosure requirements related to transactions involving NMDC Group securities. They are committed to maintaining compliance with all regulations established by the SCA and the ADX.

The table below details transactions involving NMDC Group securities and balances as of 31 December 2024, conducted by current Board of Directors members and their immediate family, including wives, sons, and daughters.

Name	Position/ Relationship	Share held as at 31/12/2024	Total Sales Transaction	Total Purchase Transaction
Mr. Abdul Ghafar Abdul Khaleq Al Khouri	Member	6,624,798	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Daughter	3,199	-	-
	Son	19,724	-	-

03) BOARD OF DIRECTORS

The Board of Directors of NMDC Group is accountable to shareholders for creating and delivering sustainable long-term value. This responsibility encompasses:

Strategic Leadership: Providing strategic direction, setting ambitious yet achievable long-term goals, and approving significant corporate transactions, including mergers and acquisitions, divestitures, and capital allocation decisions.

Management Oversight: Rigorously monitoring the performance of senior management, evaluating their strategic leadership, operational effectiveness, and compliance with ethical and legal standards. This includes assessing management's ability to identify, mitigate, and respond to emerging risks.

Risk Oversight: Establishing and overseeing a robust risk management framework, ensuring the identification, assessment, and mitigation of all material risks facing the Company, including financial, operational, reputational, and regulatory risks.

Corporate Governance: Championing a strong corporate governance framework, ensuring transparency, accountability, and ethical business conduct. This includes upholding high standards of integrity, promoting diversity and inclusion, and ensuring compliance with all applicable laws, regulations, and best practices.

Financial Stewardship: Exercising oversight over the Company's financial performance, reviewing financial statements, monitoring key financial metrics, and ensuring the prudent allocation of capital.

Stakeholder Engagement: Fostering constructive relationships with key stakeholders, including shareholders, employees, customers, suppliers, and the community, ensuring that the Company operates in a socially responsible and sustainable manner.

The Board operates within a well-defined framework outlined in the Company's Corporate Governance Manual, which delineates the Board's powers, authorities, and decision-making processes. While delegating appropriate operational responsibilities to management, the Board retains ultimate accountability for the Company's overall performance and long-term growth.

3.1 Formation of the Board

NMDC Group P.J.S.C. Board comprises of 7 Directors who collectively bring a diverse range of perspectives and expertise. Out of them, five members are independent and hold non-executive positions, underscoring the Board's commitment to independent oversight. Notably, majority of the Directors meet the criteria for independence as outlined in the Corporate Governance Guide, ensuring that their decisions are free from any conflicts of interest.

Each member on our Board has been selected for their unique qualifications and extensive experience, equipping them to contribute significantly to the Board's functions. This collective knowledge and skill set enable the Board to engage in comprehensive discussions, make informed decisions, and implement effective strategies that align with the organization's goals and governance standards. Through this structure, we strive to maintain high standards of accountability, transparency, and overall effectiveness in our leadership.

Pursuant to NMDC Group P.J.S.C. Articles of Association, each Director serves for a term of three years and may be re-elected to serve for new period(s).

3.1.1 Board of Directors Qualification, Experience and other board Memberships

H.E. MOHAMED THANI MURSHED AL RUMAITHI
CHAIRMAN, NON-EXECUTIVE BOARD MEMBER
Appointed as Chairman of the Board in 2007

H.E. Mohamed Thani Mushed Al Rumathi is a businessman who has been serving as the Chairman of the Board of Directors of NMDC Group since 2007. He also serves as the Chairman of Alpha Dhabi Holding and Thani Murshed Uniliver, and Board Member of First Abu Dhabi Bank. Previously, H.E. Al Rumaithi served as a Chairman of Abu Dhabi Chambers of Commerce and Industry.

H.E. Al Rumathi holds a Bachelor Degree in Business Administration.

MR. MOHAMED IBRAHIM AL HAMMADI
VICE CHAIRMAN, NON-EXECUTIVE INDEPENDENT BOARD MEMBER
Appointment as Board member in 2021
Appointed as Vice Chairman in 2024

Mr. Mohamed Ibrahim Al Hammadi serves as Managing Director and Chief Executive Officer of Emirates Nuclear Energy Corporation. He also serves as a Board Member of Barakah One Company, Nawah Company and Abu Dhabi Ports.

Mr. Mohamed Al Hammadi holds a Master Degree in Engineering Management, Bachelor Degree in Electrical Engineering and Honorary Doctorate

ENG. HAMAD SALEM MOHAMMED AL AMERI
NON-EXECUTIVE BOARD MEMBER
Appointed as Board member in 2021

Eng. Hamad Salem Mohamed Al Ameri serves as a Managing Director and Chief Executive Officer of Alpha Dhabi. He serves as Vice Chairman in Pure Health Holding and also serves as a Board Member in ALDAR, ADC Acquisition Corporation and Mawarid Holding Investment.

Eng. Al Ameri holds a Master Degree in Business Management and a Bachelor Degree in Civil Engineering.

MR. YASER SAEED AL MAZROUEI
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
Appointed as Board Member in 2021

Mr. Yaser Saeed Al Mazrouei serves as the Executive Director, People, Commercial & Corporate Support Directorate– ADNOC.

Mr. Yaser Al Mazrouei holds a Master Degree of Petroleum Engineering.

MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI
NON-EXECUTIVE BOARD MEMBER
Appointed as Board Member in 2007

Mr. Abdul Ghafar Abdul Khaleq Al Khouri is a self-made businessman who serves as a Chief Executive Officer of Abdul Khaleq Abdulla Khouri and Sons, and Managing Director of Milipol International. He previously acted as a Council Member of Abu Dhabi Municipality and a Board Member of Al Khazna Insurance Company.

DR. AESHA ALI HASHEM
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
Appointed as Board Member in 2024

Dr. Aaesha Hashem, Vice President of Sustainability and ESG at ADNOC Gas, has over 20 years of experience in sustainability, environmental management, and occupational health in the oil and gas industry. She has been instrumental in setting high professional standards and advancing operational risk management and social sustainability.

Aaesha Hashem, a consultant physician in occupational medicine, specializes in workplace risk mitigation. As President of the Emirates Society of Occupational Medicine, she contributes to industry standards. She holds a Doctorate in Medical Science and two Master's degrees from leading UK and Ireland institutions.

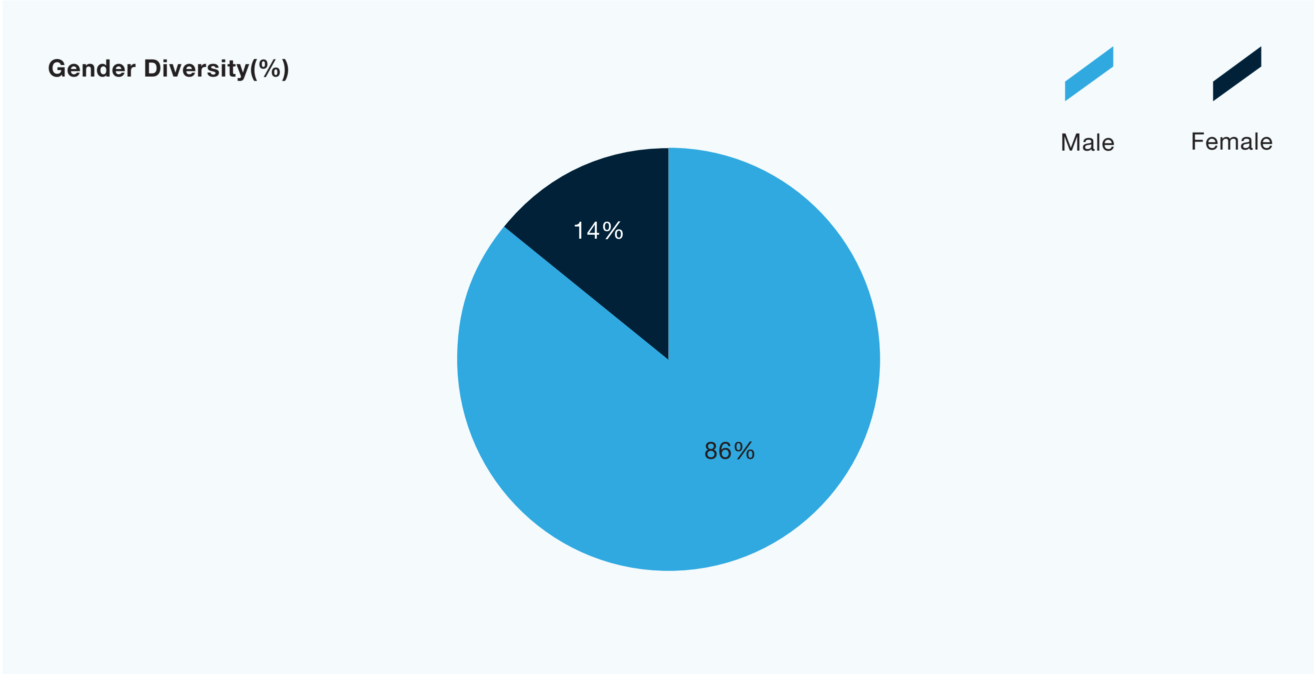
MR. ABDULLAH BIN DASMAL AL SUWAIDI
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
Appointed as Board Member in 2024

Mr. Abdullah is an entrepreneur and seasoned executive with expertise in strategic leadership, operational management, and organizational optimization. He excels in setting policies, driving efficiency, and fostering innovation. A Board member of Al Maryah Community Bank, he previously served as Deputy Director at the Office of H.H. Sheikh Hamdan Bin Zayed Al Nahyan.

Mr. Abdullah has attended HCT Abu Dhabi for Bachelor of Business Administration.

3.2 Gender Diversity

NMDC Group supports the inclusion and participation of women in business. The Company believes in gender diversity and inclusion for effective governance, and female representation on the Board is 14% of the total. This ensures the requirements of SCA for female representation as well as remain relevant from a pragmatic perspective progressively to reach the desired percentage.



3.3 Board of Directors Remunerations

The annual remuneration of the Board of Directors is determined by the Company's General Assembly. As outlined in the Company's Articles of Association and Corporate Governance Guide, the Board's remuneration is limited to 10% of the Company's net profits, after accounting for depreciation and statutory reserves.

Aside from the compensation mentioned below, no other payments or stipends were provided to Board members for attending Board meetings or for serving on committees established by the Board of Directors in 2024.

The Nomination and Remuneration Committee, responsible for conducting an annual review of the proposed compensation for the Board of Directors, in their roles as Board members or as members of Board Committees, had presented recommendations to the Board as deemed necessary.

In 2024, the Board of Directors were paid remuneration of AED 19.8 million in respect to financial year 2023. As at 31 December 2024, the Company is carrying a provision of AED 186.8 million towards Board of Directors remuneration and employee bonuses.

3.4 Board of Directors Meetings

The Board of Directors held six (6) meetings during 2024 on the following dates:

No.	Name	Meeting No. 1 12-02-24	Meeting No. 2 13-03-24	Meeting No. 3 02-05-24	Meeting No. 4 24-07-24	Meeting No. 5 23-08-24	Meeting No. 6 25-10-24
1	H.E. Mohamed Thani Murshed Al Rumaithi (Chairman)	P	P	P	P	P	P
2	Mr. Mohamed Ibrahim Al Hammadi*(Vice Chairman)	P	P	P	P	P	P
3	Mr. Abdul Ghaffar Abdul Khaleq Al Khouri	P	P	P	P	P	P
4	Mr. Hamad Salem Mohammed Al Ameri	P	P	P	P	P	P
5	Mr. Yaser Saeed Al Mazrouei	P	P	P	P	P	P
6	Dr. Aaesha Ali Hashem	Note 1	P	P	P	P	P
7	Mr.Abdullah bin Dasmal Al Suwaidi	Note 2	Note 2	Note 2	Note 2	P	P
8	Mr. Mohamed Ahmed Bandouq Al Qamzi	P	Note 1	Note 1	Note 1	Note 1	Note 1
9	Mr. Ahmed Amer Omar Saleh Omar	P	P	P	P	Note 2	Note 2

P refers to present A refers to absent

Note 1: At the Board of Directors meeting held on 13 March 2024, the membership of the Board of Directors was revised, resulting in the departure of Mr. Mohamed Al Qamzi and the appointment of a new member, Dr. Aaesha Ali Hashem.

Note 2: At the Board of Directors meeting held on 23 August 2024, Mr. Ahmed Omar Saleh Omar resigned as a member of the Board of Directors and Board appointed Mr. Abdullah Bin Dasmal Al Suwaidi to complete his term.

Major decisions passed during the year 2024 comprises of the following:

1. Election of Chairman and Vice Chairman of the Board of Directors,
2. Constitution of Board Committees and appointment of their members,
3. Approved a related party transaction,
4. To enlist NMDC Energy as a separate PJSC company on ADX,
5. NMDC LTS, a subsidiary of NMDC Group, has agreed to acquire a 70% stake in Emdad, a leading oil and gas services provider.

3.5 Board Secretary

The position of Board of Directors Secretary is held by an external consultant. Allen and Overy, an international law firm which was appointed in 2012. A global law firm that helps the world's leading businesses to grow, innovate and thrive. The firm has 38 years of experience in the region and over 5600 employees, 90 lawyers, 23 partners and over 40 offices in different countries. Statement of their duties during the year were the following:

- Preparing and sending invitations for Board of Directors meetings;
- Distributing Board of Directors Meeting Agenda;
- Taking minutes of meetings during Board of Directors meetings; and
- Providing legal advisory to the Board of Directors where required.

3.6 Duties and Competencies of the Board of Directors performed by Board Members or Executive Management

1) The Board of Directors, by virtue of a duly executed Power of Attorney, has delegated specific authorities to the Chairman and Vice Chairman. This delegation empowers them to exercise these authorities (i) jointly; or (ii) in conjunction with another member of the Board. The delegation's validity, as stipulated within the Power of Attorney, extends from November 30, 2021 to November 29, 2024 and has been recently renewed with notarization in process.

- Oversee all matters pertaining to the Company and its subsidiaries, encompassing the full spectrum of their business operations. To represent the Company before Governmental and Local Departments, fulfilling all necessary obligations and interactions with relevant authorities.
- Represent the Company and its subsidiaries in all matters pertaining to their legal and regulatory status, including the authority to execute and sign all relevant and required documents related to any amendment, waiver, or change (of any nature) to the Company's or its subsidiaries' legal status, capital structure, management, employee structure, or any other constitutional or corporate matter.
- Manage the Company's financial affairs, including the authority to open, withdraw from, administer, and close bank accounts, as well as accounts with other financial institutions, trusts, and funds, on behalf of the Company or any of its subsidiaries, both within and outside the United Arab Emirates.
- Receive on behalf of the Company any certificates or documents pertaining to such amendments or changes. To engage in all aspects of business development, including the authority to negotiate, conclude, sign, and deliver all contracts or agreements related to the acquisition and ownership of other companies or associations, both within and outside the United Arab Emirates, encompassing due diligence, drafting and reviewing relevant documentation, and closing transactions.
- Represent the Company and its subsidiaries in all legal proceedings, including but not limited to enforcing, protecting, and defending the interests of the Company and its subsidiaries in all legal suits or other legal proceedings, engaging with legal counsel, managing all aspects of legal proceedings.

2) The Board of Directors has formally nominated, appointed, and authorized Eng. Yasser Nassr Zaghloul, Group Chief Executive Officer, to oversee and manage the day-to-day operations of NMDC Group. This delegation of authority is effective from 9 March 2022 through 8 March 2025.

3.7 Related Parties Transactions

The Company has conducted transactions with entities that qualify as related parties pursuant to the Corporate Governance Guide and International Accounting Standard (IAS) 24: Related Party Disclosures. These transactions pertain to the Company's normal business operations, and comprehensive details are disclosed in Note 29 of the Company's audited financial statements for the year 2024.

3.8 Board Resolutions by Circulation

No.	Date	Description
1	2 Aug 2024	To invite the General Assembly of the Company, to convene on a date to be agreed with SCA, to consider a related party transaction, after completing the necessary valuations by an independent valuer as required by the applicable regulations.
2	8 Aug 2024	To approve the intention to offer a portion of the Company's shares in NMDC Energy PJSC (previously, National Petroleum Construction Company-NPCC) for public subscription.

04) BOARD OF DIRECTORS COMMITTEES

The Board of Directors Committees have been established by a resolution of the Board of Directors, and comprise of non-executive/ independent members of the Board of Directors.

The Company has adopted formal Charters for each of these Board of Directors Committees, which details the composition, duties, and responsibilities of each committee, amongst other things. These Charters are also compliant with requirements of the Corporate Governance Guide.

The following conditions govern relationship between the Board of Directors and its committees as per the Company's Corporate Governance Manual:

Reporting to the Board: Each committee will report regularly to the Board of Directors about their activities and the exercise of their powers. This includes updating the Board of Directors at each Board meeting of all decisions and resolutions passed by the committees since the last Board of Directors meeting;

Annual Evaluation: Each committee will evaluate its workings under its relevant Charters on an annual basis, with a view of improving workings of the relevant committee or its relationship with the Board of Directors;

Board Follow-up: The Board of Directors will follow up the operations of the committees to ensure that they are adhering to their Charters.

4.1 Audit Committee

The Audit Committee supports the Board in fulfilling its responsibilities related to financial reporting, external and internal audits, and controls. This includes overseeing the integrity of the Company's financial statements, reviewing and monitoring the scope of non-audit services provided by external auditors, advising on the appointment of external auditors, managing the relationship with the external auditors, evaluating the effectiveness of the external audit process, and assessing the performance of the internal control review function. Ultimately, the responsibility for reviewing and approving the annual report and accounts resides with the Board. The Audit Committee ensures compliance with the relevant laws and regulations of UAE, SCA, and ADX.

4.1.1 Acknowledgment

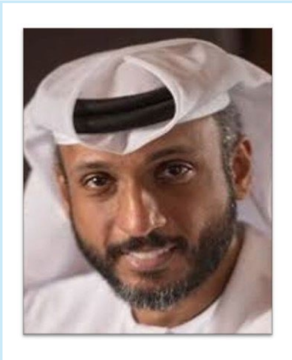
Mr. Abdullah Bin Dasmal Al Suwaidi acknowledges responsibility for discharging the Committee's mandate in the Company including, review of its work mechanism and ensuring its effectiveness in line with approved charter of the Audit Committee.

The role of the Audit Committee is to review the Company's financial and accounting policies and procedures, monitor integrity of the Company's reports and financial information, implement policy for selection of Company auditor and provide recommendation to the Board of Directors, review and assess internal control and risk management systems, set up rules to enable confidentially reporting of violations, and ensure implementation of Business Code of Conduct.

4.1.2 Audit Committee Members and Role

MR.ABDULLAH BIN DASMAL AL SUWAIDI
Chairman

MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI
Member



ENG. HAMAD SALEM AL AMERI
Member

DR. AAESHA ALI HASHEM
Member

4.1.3 Functions and Duties:

The duties and responsibilities of the Audit Committee are in line with the Corporate Governance Guide and are specified in the approved Audit Committee Charter. In particular, the Audit Committee has following key duties and responsibilities:

- Overseeing integrity of and reviewing the Company's financial statements including quarterly and annual reports;
- Developing and applying the policy for selection of external auditors, and following up and overseeing qualifications, independence and performance of the external auditor;
- Overseeing qualifications, independence and performance of the Company's internal audit staff, and approving the annual audit plan prepared by internal auditors;
- Reviewing the external and internal auditors' management letters, reports and recommendations, and management responses, and overseeing the implementation of action plans recommended;
- Reviewing the Company's financial control, internal control and risk management systems;
- Overseeing scope of the Company's compliance with its Business Code of Conduct and its various legal and regulatory obligations;
- Review or investigate any allegations of fraud or theft, which are brought to the Audit Committee's attention, which are made by or against Directors or employees, and make appropriate recommendations to the Board of Directors.

4.1.4 Audit Committee Meetings

The Audit Committee held seven (7) meetings during the year 2024 to discharge the duties as entrusted to them by the Board of Directors and the Corporate Governance Guide. Following are the details of meetings held during 2024:

Name	Meeting No.1	Meeting No. 2	Meeting No. 3	Meeting No. 4	Meeting No. 5	Meeting No. 6	Meeting No. 7
	08/02/2024	06/03/2024	29/04/2024	27/06/2024	24/07/2024	24/10/2024	13/12/2024
Mr. Ahmed Amer Omar Saleh Omar (Chairman)	P	P	P	P	P	Note 2	Note 2
Mr. Mohamed Ahmed Bandouq Al Qamzi	P	P	Note 1	Note 1	Note 1	Note 1	Note 1
Mr. Abdul Gaffar Abdul Khaleq Al Khouri	P	P	P	P	P	P	P
Mr. Mohamed Ibrahim Al Hammadi	P	P	Note 1	Note 1	Note 1	Note 1	Note 1
Dr. Aaesha Ali Hashem	Note 1	Note 1	P	P	P	P	P
Eng. Hamad Salem Al Ameri	Note 2	Note 2	Note 2	Note 2	Note 2	P	P

P refers to present A refers to absent

Note 1: At the Board of Directors meeting held on 13 March 2024, the membership of the Audit Committee was revised, resulting in the departure of Mr. Mohamed Al Qamzi and Mr. Mohamed Al Hammadi from the committee and the appointment of a new member, Dr. Aaesha Ali Hashem.

Note 2: Mr. Ahmed Amer Omar Saleh Omar resigned from Board on 23 Aug 2024, and Eng. Hamad Salem Al Ameri was appointed to the committee.

Note 3: Mr. Abdullah Bin Dasmal Al Suwaidi has been recently appointed to the Audit Committee.

4.1.5 Annual Audit Committee Report:

The Committee has effectively discharged its responsibilities and obligations in accordance with its mandated functions and duties. The annual Audit Committee Report for 2024, which constitutes a key section of the Corporate Governance Report is presented in the final segment of this document.

4.2 Nomination and Remuneration Committee

4.2.1 Acknowledgment

Mr. Mohamed Ibrahim Al Hammadi, Chairman of the Nomination & Remuneration Committee, acknowledges his responsibility for overseeing the Committee's mandate, including reviewing its work mechanisms and ensuring their effectiveness in alignment with the approved charter.

4.2.2 Committee Members and Role

MR. MOHAMED IBRAHIM AL HAMMADI

Chairman

MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI

Member

MR. YASER SAEED AHMED AL MAZROUEI

Member

4.2.3 Functions and Duties

The Committee is tasked with developing and implementing policies and regulations governing the nomination process for Board of Directors and executive management positions. It is also responsible for defining the criteria and frameworks for the allocation of bonuses, privileges, incentives, and remuneration for both the Board members and employees. Furthermore, the Committee supervises the formulation and oversight of other relevant human resources policies.

The duties and responsibilities of the Nomination & Remuneration Committee are consistent with the Corporate Governance Guide and are defined in the formally approved Nomination & Remuneration Committee Charter. In particular, the Committee is entrusted with the following key duties and responsibilities:

- Organizing and following up the Board of Directors nomination procedures in line with requirements of applicable laws and regulations and the SCA Corporate Governance Guide, in addition to determining the Company's needs for qualified staff at the level of Senior Management and the basis for their selection;
- Verifying the continued independence of independent Board of Director members; Reviewing and approving, in consultation with the Chairman of the Board of Directors and/or the Group Chief Executive Officer, the terms and conditions of the service contracts of Executive Directors and Senior Management employees;
- Reviewing at least annually, remuneration (comprising of basic salary, other allowances, and any performance related element of salary or bonus) of the Company's employees, including the Senior Management team, and remuneration proposed to be paid to the Board Directors; and
- Preparing a succession plan for the Board of Directors and its committees, the Chief Executives, and key members of Management

4.2.4 Nominations and Remunerations Committee Meetings

Name	Meeting No.1 21-02-24	Meeting No.2 3-01-24	Meeting No.3 10-06-24	Meeting No.4 24-06-24
Mr. Mohamed Ibrahim Al Hammadi	P	P	P	P
Mr. Yaser Saeed Ahmed Al Mazrouei	P	P	P	A
*Mr. Ahmed Amer Omar Saleh Omar *(Resigned)*	P	P	P	P

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* Mr. Ahmed Amer Omar Saleh Omar resigned from Board on 23 Aug 2024, and Mr. Abdul Ghaffar Khaleq Al Khouri was appointed to the committee.

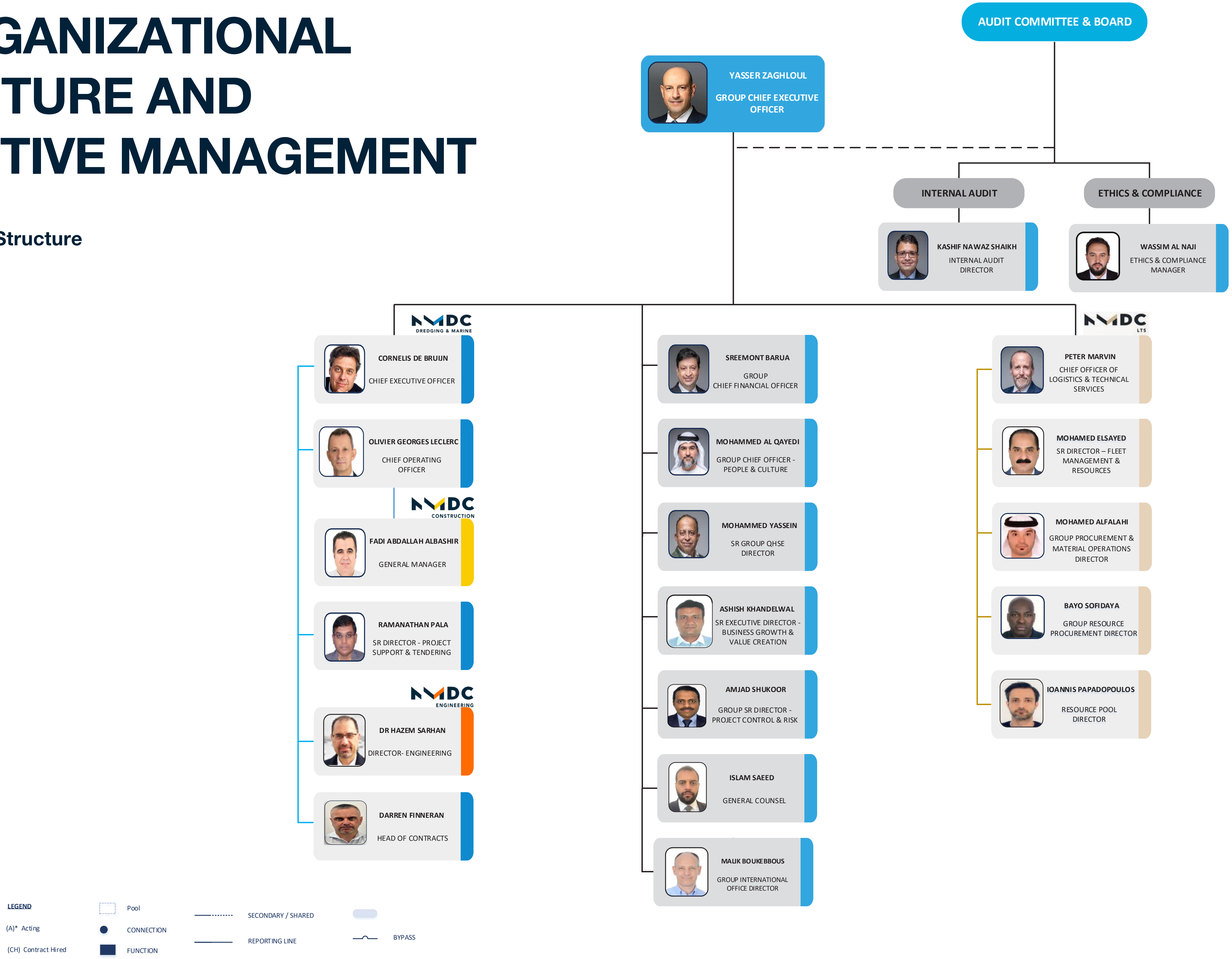
4.2.5 Committee Accomplishments

The Nomination and Remuneration Committee has completed the following:

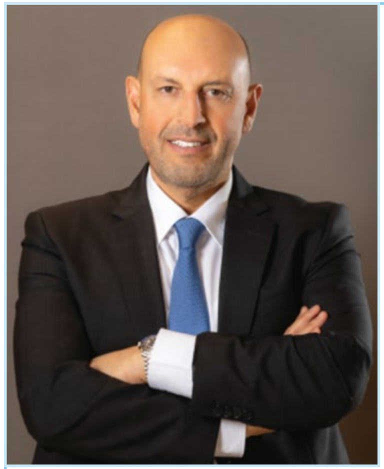
- Bonus Scheme–NMDC Dredging & Marine & Energy 2023
- N-1 & N-2 Bonus payout recommendation
- Review Long Term Incentive Plan
- Salary review for C - level members

05) ORGANIZATIONAL STRUCTURE AND EXECUTIVE MANAGEMENT

5.1 Organization Structure



5.2 Executive Management



ENG. YASSER NASSR ZAGHLOUL
NMDC GROUP CHIEF EXECUTIVE OFFICER

Eng. Yasser Nassr Zaghloul is the Group Chief Executive Officer of NMDC Group, Chairman of The Challenge - the Egyptian Emirates Marine Dredging Company, and a member of the Abu Dhabi Chamber of Commerce and Industry Board of Directors, appointed by His Highness UAE President Sheikh Mohammed bin Zayed Al Nahyan.

In 2009, Eng. Yasser took over as Chief Executive Officer of NMDC, with the goal of expanding the Company and entering new markets. Under his leadership, NMDC merged to form NMDC Group, which includes subsidiaries such as NMDC Energy (formerly known as NPCC & now a listed company), NMDC Construction (formerly known as Emarat Europe), and NMDC Engineering.

Several other leadership and advisory positions are held by Eng. Yasser including members of the World Organization of Marine Construction and Dredging, situated in Brussels, the General Board of Control of Water UAE, and the World Conference of CEDA in Brussels and Abu Dhabi, which encompasses over 60 countries globally, are among his affiliations.

Eng. Yasser graduated from the University of Helwan with a Bachelor's Degree in Engineering and a Master's Degree in Strategic Management from Cambridge College Global. Forbes Middle East named him one of the Top 100 CEOs in the Middle East for the years 2022 and 2023.

ENG. NIELS DE BRUIJN
NMDC DREDGING & MARINE CHIEF EXECUTIVE OFFICER

Eng. Niels de Bruijn serves as Chief Executive Officer of NMDC Dredging & Marine in November 2023. He has over 35 years of experience in the Dredging & Marine Industry and distinguished himself through various leadership roles, including Chief Commercial Officer and Dredging Director. Before joining NMDC D&M, he was an Executive Board member of Van Oord Dredging and Marine Contractors.

He was also a Supervisory Board member of several international organizations such as European International Contractors (EIC), and International Association of Dredging Companies (IADC).

Mr. de Bruijn holds a Master of Science in Civil Engineering from the Technical University of Delft in The Netherlands and attended several Executive Leadership programs at the IMD Business School in Switzerland.

5.3 Executive Management Remuneration

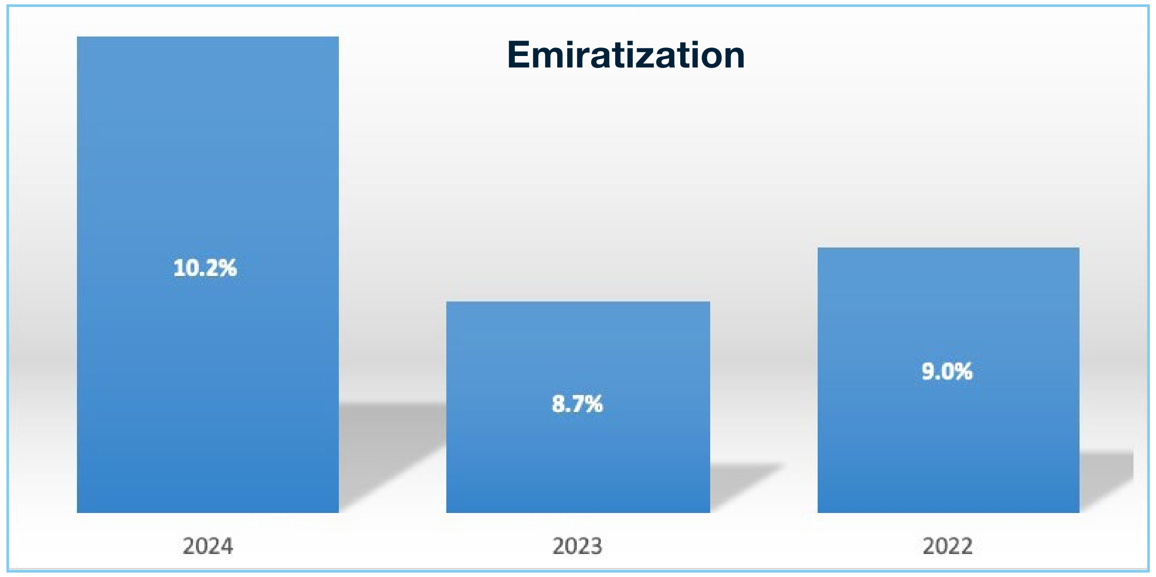
No.	Position	Appointment date	Total salaries and allowances paid in 2024 (AED)	Total bonuses/ paid for 2023 (AED)*	Any other cash/ in-kind benefits for 2024
1	Group Chief Executive Officer	29-Jul-21	5,032,850	6,500,000	-
2	Chief Executive Officer (Dredging and Marine)	28-Nov-23	2,493,178	-	-
3	General Counsel	14-Aug-24	428,828	-	-
4	Chief Officer of Logistics & Technical Services	29-Jul-21	1,511,635	250,000	-
5	Group Chief Financial Officer	29-Jul-21	1,439,214	400,000	-
6	Group Chief Officer - People & Culture	29-Jul-21	1,588,120	450,000	-
7	Corporate Sr Executive Director - Business Growth & Value Creation	07-May-24	1,112,302	-	-
8	Sr Group QHSE Director	30-Nov-22	925,084	80,000	-
9	Group Sr Director - Project Control & Risk	15-May-23	1,152,620	289,864	-
10	International Business Director	18-Oct-23	1,503,929	-	-

*Bonuses for 2024 that are payable in 2025 are yet to be determined, however, as at 31 December 2024, the Company is carrying provision of AED 186.8 million towards Board of Directors remuneration and employee bonuses.

5.4 Emiratization 2024

Emiratization is a key performance indicator of NMDC Group vision and mission for the past years and surely for year 2024 across all its business units.

NMDC Group provides opportunities to Emiratis across the group, be it in office-based roles; or project-based role, onshore & offshore. The Group is always striving to ensure Emiratization efforts are across all levels in the organization.



06) MANAGEMENT COMMITTEES

NMDC Group's management committees play a critical role in driving the development and execution of the Group's business and sustainability strategies, ensuring effective management practices and resilient operational frameworks. The contributions of the following committees are essential in maintaining seamless operations and aligning all activities with the Group's strategic goals:

6.1 Strategy Committee

This committee reviews, approves, and aligns both short- and long-term business strategies, business plans and special projects including investments, mergers and acquisitions (M&A), and divesture opportunities. The committee also reviews, refines, and endorses matters regarding business performance, innovation and knowledge management, and business plan annual review as well as other strategic matters.

6.2 Sustainability & ESG Committee

This committee comprehensively evaluates and enhances NMDC's performance in environmental, social, and governance (ESG) matters. This involves recommending strategies for seamlessly integrating ESG considerations into the broader business strategy, evaluating and addressing ESG-related risks and opportunities, reviewing and endorsing sustainability initiatives, monitoring performance against predefined goals and industry benchmarks, and ensuring accurate and transparent ESG disclosures in alignment with reporting frameworks and regulations, including effective stakeholder engagement on ESG issues.

6.3 Business Continuity & Risk Management Committee

This committee drives and enforces the implementation of the Business Continuity Management Program (BCMP) across the Group and oversees its related policies, procedures, and strategic initiatives to ensure that any BCMP is "fit-for-purpose" and conforms with UAE government related standards. The committee is also overseeing the Enterprise Risk Management policies to ensure the effectiveness of risk management practices and compliance with internal and external requirements.

6.4 People & Culture Committee.

This committee is responsible for employee recognition, including promotions/ career development/ yearly bonuses, and Emiratization target and annual bonuses to promote a culture of appreciation and growth.

6.5 Disciplinary Committee

This committee plays a crucial role in maintaining a fair and transparent disciplinary process within the organization. Tasked with investigating alleged violations of NMDC Group's code of conduct and disciplinary policies, the committee ensures a fair, transparent, and impartial disciplinary process, adhering to due process and legal guidelines throughout investigations. The committee's mandate includes recommending appropriate disciplinary actions, such as warnings, suspensions, or terminations, in accordance with the People & Culture Manual.

6.6 Digital Transformation Committee

Facilitates alignment between IT and business operations and oversees the implementation of strategic IT plans as part of NMDC Group's broader initiative to embed digitalization and technology in its operations

6.7 Corporate Social Responsibility Committee

The CSR committee oversees the implementation of NMDC Group's CSR framework. The committee is also responsible for identifying, implementing, and measuring the impact of all social programs as well as approving budgets and assigning resources for related initiatives

6.8 Group Procurement Committee.

Oversees non-business unit-related procurement activities, focusing on common items, consumables, and generic items handled at the group level. The committee's purview extends to orders according to the approved delegation of authority.

6.9 Operating Synergies Committee

Reviews and identifies opportunities for collaboration, optimization, procurement synergies, and efficient resource use between business units within NMDC Group and its subsidiaries. The committee's goal is to enhance overall operational efficiency through strategic alignment and effective resource allocation.

6.10 Ethics & Compliance Committee

This committee is responsible for overseeing fraud prevention and detection and ensuring the appropriate response measures. The committee provides insight into and guidance on implementing and strengthening anti-fraud measures within the Group and assists the Board in implementing whistle-blower procedures and mechanisms. The committee also implements ongoing monitoring of other Fraud Management and Control policies and advises on disciplinary matters.

6.11 Insider Trading Supervision Committee

Responsible for the register of insiders including monitoring, following up, supervising and managing dealings of all insiders, registering their dealings and ownership in the Register as well as reporting all such matters to the Abu Dhabi Securities Exchange (ADX).

07) EXTERNAL AUDITOR

7.1 Appointment

Deloitte & Touche – M.E. has been NMDC Group external auditor for 2024.

Deloitte & Touche is one of the world's largest professional services firms. They have served as trusted advisors for clients in the Middle East for the past 95 years. Deloitte offers practices globally related to Audit, Consulting, Tax & Legal, Enterprise Risk Services and Financial Advisory.

The Audit Committee, after consideration and evaluation recommended the appointment of Deloitte & Touche as the External Auditors for 2024.

7.1.1 External Auditor Independence

The Company upholds a policy ensuring the independence of its external auditors, which stipulates that the external auditor, while engaged in auditing the Company's financial statements, shall not perform any technical, administrative, or consultative services that could compromise its objectivity and independence. Additionally, the external auditor is prohibited from providing any services or performing any work that, in the discretion of SCA, is deemed inappropriate.

The Company's policy includes measures to ensure the external auditors' independence, including the following:

- The Board of Directors nominates the external auditor, generally upon the recommendation of the Audit Committee;
- The appointment of the external auditor is made by a resolution of the Company's Annual General Meeting, for a period of one year renewable;
- The external auditor should be independent from the Company and its Board of Directors and may not be a partner, agent or a relative, even of the fourth degree, of any founder or director of the Company; and
- Review and approval by the Audit Committee for any proposed additional services from the external auditors.

Management ensures the independence of the appointed external audit firm by directly inquiring with the firm regarding the independence of the audit engagement team. This assurance of independence is further reaffirmed by the auditors during their quarterly presentations to the Audit Committee and the Board.

7.2 External Auditor Details

Name of auditing firm	Deloitte & Touche – M.E
Name of audit partner	Mr. Mohammad Khamees Al Tah
Number of years spent as the Company external auditor	3 Years (including 31 Dec 2024)
Number of years the partner auditor spent auditing the Company's accounts	3 Years (including 31 Dec 2024)
Total value of audit fees for 2024	AED 1,675,400

7.2.1 Services received from other external audit firms in 2024 include:

Details & nature of other services provided by the Company auditor	AED
ICV Certification	97,975
Services related to IPO of NMDC Energy PJSC	617,374
Certificate for Share Capital Increase of NMDC Group PJSC (In relation to Acquisition of Assets from Golden Falcon as approved by AGM in the year 2023)	75,000

Services received from other External Audit Firms	AED
EY	**236,170**
ICV Certification	11,550
Taxation services	101,224
Services related to IPO of NMDC Energy PJSC	123,396
KPMG	**1,003,858**
Services related to IPO of NMDC Energy PJSC	521,207
M&A related advisory services	367,250
Taxation services	115,401
PwC	**5,440,377**
Taxation services	296,885
M&A related advisory services	5,143,492

7.3 External Auditors' Opinions

The Company's external auditor did not have any qualification in the opinions issued by the on the interim and annual financial statements of 2024.

08) INTERNAL CONTROL SYSTEM

8.1 Acknowledgment

The Board of Directors acknowledges and assumes full responsibility for the Company's internal control system, including its oversight, evaluation, and effectiveness.

8.2 Work Mechanism

This system is meticulously designed to support the Board and Management in achieving strategic business objectives while safeguarding the interests of shareholders and stakeholders. It aims to mitigate key risks such as fraud, unauthorized activities, inaccurate financial reporting, uninformed decision-making, and breaches of legal or contractual obligations. Additionally, it ensures the delivery of exceptional quality standards within a secure and sustainable operational framework.

In accordance with the approved Corporate Governance Manual, the Board of Directors is responsible for ensuring the implementation of a robust internal control system that encompasses the following key functions, which are managed by the respective heads as outlined below:

8.3 Group Internal Audit Director Qualifications

Department	Designation	Date of Appointment	Qualification	Experience
NMDC Group - Internal Audit	Mr. Kashif Nawaz Shaikh (Group Internal Audit Director)	12-Oct-2021	- Chartered Certified Accountant - Certified Internal Auditor - Cost and Management Accountant - Cost and Management Accountant	Over 20+ years of professional experience in the fields of Internal Audit, Statutory Audit, Risk Management, Corporate Governance and Business Process reviews.

8.4 Independent Assessment of Internal Control System

Internal control systems are strategically implemented to mitigate significant risks, acknowledging that absolute risk elimination is unattainable. These systems provide a framework that ensures a reasonable level of assurance against material misstatement, omission, error, or loss. This is accomplished through a comprehensive approach that includes the identification, evaluation, and continuous monitoring of risks. The structure incorporates robust decision-making and oversight mechanisms, complemented by assurance and control functions such as External Audit, Internal Audit, Ethics & Compliance, Risk Management, and QHSE (Quality, Health, Safety, and Environment) management. Each component plays a critical role in maintaining the integrity and effectiveness of the internal control framework, thereby fostering an environment of accountability and transparency within the organization.

The following are the key highlights of the Internal and External Assurance activities for 2024:

- **External Audit**: Deloitte & Touche conducted the annual external audit and interim reviews of the financial statements, including a comprehensive assessment of internal controls over financial reporting.
- **External Audit Reporting:** A detailed management letter was presented to the Audit Committee, outlining identified control deficiencies and ensuring the implementation of timely and effective corrective actions.
- **Internal Audit:** Internal Audit executed process reviews of core and support functions based on a risk-based audit plan, delivering 24 detailed reports to the Board of Directors.
- **Internal Audit Reporting:** Regular reports were submitted to the Audit Committee, addressing control recommendations, significant control breaches, and material incidents to enhance oversight and accountability.
- **Management Responsibility:** Management holds the responsibility for implementing and monitoring robust internal financial controls, ensuring the deployment of qualified personnel, proper segregation of duties, and regular independent reviews.
- **Corrective Actions:** All identified control deficiencies were thoroughly reviewed with Management and the Audit Committee, with corrective measures proposed and their implementation monitored on a periodic basis.

8.5 Ethics and Compliance

The Ethics and Compliance function, integral to the Internal Audit and Compliance Department, is responsible for ensuring the Group's full compliance with relevant legal and regulatory requirements.

The Group has developed and implemented a comprehensive Ethics and Compliance Program, encompassing policies such as the Business Code of Conduct, Anti-Bribery & Corruption, Whistleblowing, Conflict of Interest, Fraud Control, and Investigations. These policies are strategically designed to uphold the highest ethical standards and provide employees with a secure and confidential means to report, in good faith, any unethical or improper conduct within the organization.

8.5.1 Group Ethics & Compliance Manager

Department	Head of Department & Designation	Date of Appointment	Qualification	Experience
Ethics and Compliance	Mr. Wassim Khalid Al Naji (Group Ethics & Compliance Manager)	24-Oct-2024	Certified Compliance & Ethics Professional – International (CCEP-I) - Certified Fraud Examiner (CFE) - Certified Board of Directors Secretary (Hawkamah) - Certified Compliance Professional (CCP)	Over 14+ years of professional experience in the fields of Ethics & Compliance, Corporate Governance, Risk Assurance and Fraud Investigations.

8.6 Risk Management

In light of escalating global risks driven by geopolitical uncertainties and emerging security challenges associated with technological advancements, the NMDC Group's Risk Management framework is steadfast in ensuring business sustainability and operational continuity. This is achieved through the implementation of robust mechanisms designed to proactively identify, assess, manage, and mitigate risks, while strategically capitalizing on potential opportunities.

Enterprise Risk Management (ERM) is a foundational element in aligning the NMDC Group's strategic objectives, ensuring operational resilience, and safeguarding the interests of all stakeholders. Risk management practices are systematically integrated across strategic, corporate, and project levels, enabling a comprehensive and cohesive approach to risk governance throughout the organization.

NMDC Group has always enhanced its risk management capabilities by revising its ERM framework and policy, alongside the establishment of a dedicated Group Project Control & Risk Management Department at the corporate level. These enhancements, formally approved by executive management, further strengthen the Group's ability to effectively identify and address risks.

The revised ERM framework is structured into two primary components: Enterprise Risk Management at the corporate and business unit portfolio level, and Project Risk Management. The newly established department ensures a uniform and systematic approach to risk management, encompassing risk identification, analysis, and evaluation, mitigation, monitoring, and reporting at all organizational levels.

The Project Control & Risk Management Department is responsible for defining the Group's risk profile, establishing Key Risk Indicators (KRIs), and developing risk management plans to maintain risk exposure within acceptable limits. These processes undergo regular review by the Group Executive Committee and are subsequently presented to the Audit Committee and Board of Directors for oversight and approval.

8.6.1 Senior Director Project Control & Risk Qualification

Department	Head of Department & Designation	Date of Appointment in this Designation	Qualification	Experience
Project Control & Risk Management	Mr. Amjad Abdul Shukoor (Sr. Director Project Control & Risk)	02-Jun-2023	- Certified Portfolio Management Professional - Certified Risk Management Professional - Certified Project Management Professional - BE. Civil Engineering - Certified Practicing Engineer - Dept. of Municipalities & Transport - UAE for Managing an Engineering Facility	Over 25 Years of professional experience in the fields of Corporate Project Controls, Planning, Cost Control, Enterprise & Portfolio Risk management functions.

8.7 Quality, Health, Safety and Environment

NMDC Group is committed to a health and safety culture that goes beyond compliance, prioritizing the well-being of all stakeholders. This commitment is embedded in rigorous safety protocols, comprehensive training, and proactive engagement with employees, contractors, and partners. By integrating health and safety into its corporate ethos, NMDC Group upholds the highest standards, mitigates risks, and promotes overall well-being across the organization and the broader community.

A cornerstone of NMDC Group's safety culture is active employee involvement. Employees at all levels play a crucial role in shaping, implementing, and assessing health and safety initiatives. The QHSE department collaborates closely with employees to gather feedback, promote safety reporting, and identify opportunities for improvement. In 2024, hazard reporting increased by 164%, demonstrating heightened employee engagement and proactive risk identification. This culture of participation, reinforced by strong leadership commitment, continues to uphold NMDC Group's high safety standards.

NMDC Group operates under a certified ISO 45001:2018 Health and Safety Management System (HSMS) and ISO 9001:2015 Quality Management system encompassing 100% of its operations. The Group's QMS is central to delivering services, helping us monitor and maintain the Project Quality Index, which has consistently remained above 93%. These systems serve as the cornerstone of Quality, health and safety practices across all business units, ensuring a standardized and comprehensive approach to workplace safety.

NMDC Group's Health and Safety Management System (HSMS) incorporates a robust audit framework, including both internal and external assessments, to evaluate safety protocol effectiveness and drive continuous improvement. In 2024, 75 internal and 34 external audits were conducted, reinforcing the Group's commitment to rigorous oversight and compliance with safety standards. Additionally, incidents are reported through INTELEX, an advanced incident management system that ensures transparency, real-time reporting, and prompt corrective actions.

8.7.1 Senior Group QHSE Director Qualifications

QHSE is a fundamental priority at NMDC Group, overseen by the Senior Group QHSE Director and reinforced by the HSE Committee, which includes key leadership figures. Guided by a CEO-endorsed QHSE policy and executed through a dedicated department, the Committee, led by its Chairman, drives the corporate QHSE strategy, while the Vice Chairman ensures alignment with broader corporate objectives.

Department	Head of Department & Designation	Date of Appointment in this Designation	Qualification	Experience
Quality, Health Safety and Environment	Mr. Mohamed Yassein Mohamed (Snr. Group QHSE Director)	30-Nov-2022	BS. Civil Engineering - Construction Management Diploma - MBA - ISO 9001:2015 Certifed Lead Auditor - Nebosh International Certifcate	Over 30 years of experience in Quality, HSE and Constructions

NMDC Group strategically defined and executed initiatives to strengthen organizational capacity, aligning with stakeholder expectations. These efforts drive continuous business improvement and contribute to the Group's overall financial performance.

8.7.2 Key Achievements:

Awards & Recognitions:

- MSCI ESG Rating: NMDC Group achieved an AA "leader" rating for its commitment and efforts in ESG, as recognized by MSCI, a global provider of ESG indexes
- NMDC Group was ranked 57 among the Top 100 Listed Companies, as rated by Forbes Middle East
- NMDC Group was awarded the British Safety Council's prestigious Sword of Honor Award that rewards organizations that have reached the pinnacle of health, safety, wellbeing and environmental management
- NMDC Group subsidiary NMDC Energy was recognized as the leading EPC contractor among 25 Companies by Oil & Gas Middle East 2024 for the third consecutive year
- NMDC Group subsidiary NMDC Energy was officially recognized and certified as an Industry 4.0 Digital Leader by the MoIAT
- NMDC Group subsidiary NMDC Construction was awarded the Abu Dhabi Quality and Conformity Council (ADQCC) certificate for precast concrete products

ISO Certifications:

All business units within NMDC Group successfully passed surveillance audits for ISO 14001, ISO 45001, ISO 9001, and OSHAD-SF, with zero Non-Conformances (NCRs).

Emissions Initiatives:

Updated inventory to focus on Scope 1, 2, and 3 emissions.

Projects:

- **Artificial Reef Deployment:** 100 domes in Borrow Area 3 (ADNOC Project).
- **Mangrove Planting:** 20,001 seedlings capturing 246 tons CO2 annually.
- **Solar Panels:** Pilot project for renewable energy on off-grid sites.

Other Achievements:

- NMDC Group commemorated Environment Day 2024 by organizing beach cleaning in collaboration with Environment Agency Abu Dhabi (EAD), as well as tree planting initiatives across various business units and project sites.
- NMDC Dredging & Marine launched 700 solar panels in a camp designed to accommodate 500 personnel on Sir Baniyas Island.

8.7.3 Training and Awareness

NMDC Group delivered 1,358,399 hours of health and safety training to enhance competencies and safety awareness across its workforce, suppliers, and contractors. In addition to internal training, contractors undergo compliance assessments and workshops to align with the Group's standards. These initiatives are integral to the Group's strategy, ensuring personnel are equipped to identify hazards, implement preventive actions, and comply with safety protocols.

List of QHSE Training Programs

- IRCA Certified (A17955) ISO 9001:2015 Lead Auditor
- ISO 9001:2015 Lead Auditor Course (CQI & IRCA Certified)
- American Society of Mechanical Engineers (ASME) Boiler & Pressure Vessel Code (BPVC) training (ASME Sec VIII Div. 1 & 2 Codes)
- SO 17025:2017 training on the general requirements for the competence of testing and calibration laboratories.

NMDC Group addresses significant negative OHS impacts through rigorous contractor management and collaborative efforts.

NMDC Group implements a holistic employee well-being strategy, encompassing health check-ups, mental health support, wellness programs, and ergonomic assessments. The Group ensures the confidentiality of health information, utilizing it exclusively for occupational health purposes and restricting access to authorized personnel.

09) COMPANY CONTRIBUTION

NMDC Group acknowledges the potential impact of its activities on the marine environment if not effectively managed. In recognition of this, the Group has implemented a comprehensive Corporate Social Responsibility (CSR) strategy that addresses both environmental and social challenges, while fulfilling the expectations of its stakeholders. This strategy is closely aligned with NMDC Group's core values—Knowledge, Accountability, Morality, Alliance, and Leadership—and focuses on the strategic objective of executing initiatives that provide meaningful benefits to the broader community.

The CSR strategy is subject to regular reviews and updates to ensure its relevance in light of changes in the business landscape and evolving stakeholder expectations. In parallel, the Group's QHSE policy reaffirms its commitment to safeguarding people, property, and the environment, preventing pollution, conserving energy, and mitigating the environmental impacts of its operations. Furthermore, the policy emphasizes strict compliance with customer-specific requirements, as well as adherence to applicable laws, regulations, industry standards, and recognized best practices.

NMDC Group identifies and prioritizes CSR initiatives that align with its policies and strategic objectives, with the goal of creating value across four key areas:

9.1 Corporate Social Responsibility Initiatives

- **Donations:** The Group supports initiatives that foster its active participation in community life.

- **Internal NMDC Group Customers:** NMDC Group promotes initiatives that ensure safe and healthy working conditions, enhance work-life balance, and increase employee engagement.

- **Business Partners and Authorities:** NMDC Group collaborates with business partners and authorities to contribute to the achievement of the Abu Dhabi Urban Planning and Economic Vision 2030, fostering long-term partnerships with vendors and sharing knowledge and insights with CEDA and IMCA members.
- **HSE and Marine:** The Group supports initiatives that minimize environmental impacts and enhance overall environmental performance.

9.2 Local Community Contribution Development

NMDC Group conducts societal surveys to assess its CSR performance and identify areas for improvement in the management of its CSR policies, strategies, and initiatives.

In 2024, the Group undertook several key activities and sponsorships, including:

Emiratization and Career Development: As a Gold Sponsor at Tawdheef x Zaheb 2024, NMDC Group facilitated recruitment platforms, conducted interviews, and actively promoted career opportunities for Emirati talent.

Sustainability Leadership Summit: Organized the Forbes Middle East Sustainability Leaders' Summit to foster collaboration and drive the development of innovative sustainable solutions.

Industrial Leadership: Sponsored the Make it in the Emirates Forum, showcasing cutting-edge technologies and reinforcing NMDC Group's pivotal role in the UAE's industrial advancement.

Sustainability Showcase: Participated in The Egypt Petroleum Show, emphasizing collaborative efforts and highlighting technological contributions to economic development.

Marine Infrastructure Leadership: Sponsored and contributed to the International Ports & Marine Development Conference, sharing expertise on sustainable port advancements.

Economic Contributions: Reinvested 17 billion AED into the UAE's economy and achieved a high ICV score, underscoring the Group's commitment to supporting local suppliers and driving economic diversification.

HSE Alignment: Organized Contractor and Offshore Subcontractor HSE Forums to ensure alignment with NMDC Group's stringent safety and excellence standards.

Community Engagement: Supported the International Running Race in Saudi Arabia, demonstrating the Group's commitment to corporate social responsibility and community involvement.

Employment Creation: Secured a 50-year agreement with KEZAD Group to establish a $100M manufacturing facility, generating 3,000 jobs and enhancing industrial capacity.

Environmental Recognition: Recipient of the 2024 IPLOCA Environmental Award for planting 20,001 mangroves as part of the Blue Carbon Initiative, capturing 246 tons of CO_2 annually.

Renewable Energy Integration: Partnered with Byrne Equipment Rental to supply solar energy to the Sir Baniyas Island residential camp, reducing CO_2 emissions by 475 tons annually and minimizing environmental impact for workers.

Sustainable Coastal Development: Signed an MOU with Vingroup for large-scale coastal protection, land reclamation, and offshore renewable energy projects in Vietnam, expected to generate significant local employment and drive economic growth.

Artificial Reef Deployment: Collaborated with EAD in deploying 100 artificial reef domes as part of the Al Nouf Artificial Island Project, supporting marine biodiversity and sustainability initiatives.

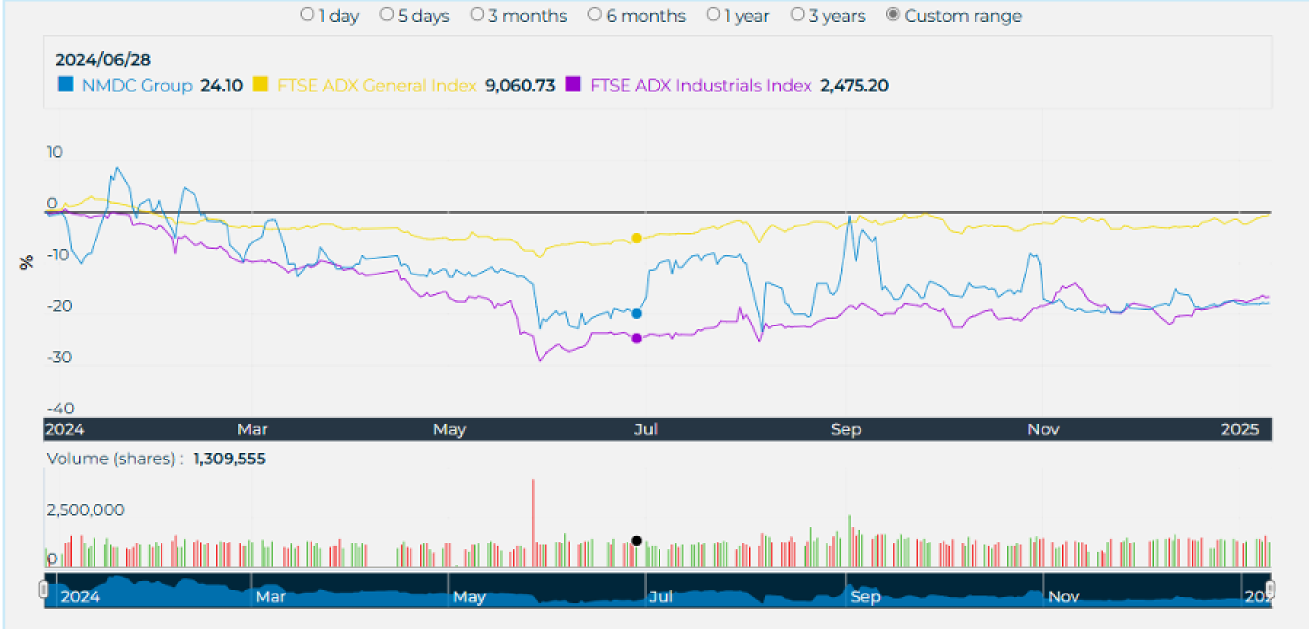
10) GENERAL INFORMATION

10.1 Monthly Price of the Company's Share as Compared to General and Sector Index:

Statement of the Company's share price in the market (closing price, highest price and lowest price), General Market Index and Sector Index at the end of each month during 2024 were as follows:

Security Trading Summary 2024									
Regular Trades									
Month	Open (AED)	Close (AED)	High (AED)	Low (AED)	Value (AED)	Volume	Trades	Change	Change (%)
Jan.	31.2	30.2	33.0	27.0	772,279,129	26,054,508	5,288	0.400	1.342
Feb.	30.0	28.1	32.2	27.0	768,257,070	26,242,109	3,694	(2.100)	(6.954)
Mar.	28.1	26.8	29.9	26.0	639,700,353	23,149,214	4,120	(1.300)	(4.626)
Apr.	26.8	26.7	28.0	26.2	506,169,638	18,875,924	2,558	(0.140)	(0.522)
May	26.6	23.7	27.1	22.6	691,125,231	26,620,751	2,566	(3.000)	(11.253)
Jun.	23.7	24.1	24.7	22.5	559,987,366	23,380,487	3,307	0.440	1.860
Jul.	24.3	27.1	27.7	23.6	723,050,321	26,714,119	5,434	3.020	12.531
Aug.	27.1	26.0	27.9	23.0	780,382,981	30,923,565	9,226	(1.100)	(4.056)
Sep.	26.2	25.7	31.7	24.3	893,631,352	33,333,760	12,717	(0.300)	(1.153)
Oct.	25.7	27.0	28.5	24.8	745,327,672	28,754,698	7,326	1.280	4.977
Nov.	25.0	24.4	25.1	24.0	612,153,137	24,988,595	6,517	(2.600)	(9.630)
Dec.	24.2	24.7	25.8	24.2	689,718,498	27,847,467	5,130	0.320	1.311
Total					**8,381,782,748**	**316,885,197**	**67,883**		

10.2 Chart of the comparative performance of the Company share with General Index and Company's Sector IndexCompany share with General Index and Company's Sector Index



10.3 Shareholders Distribution as of 31 December 2024

Statement of the Company's share price in the market (closing price, highest price and lowest price), General Market Index and Sector Index at the end of each month during 2024 were as follows:

Shareholder classification	Percentage of owned shares			
	Individuals	Companies	Government	Total
Local	6.65	90.88	0.64	**98.2**
Arab	0.12	0.07	0.002	**0.2**
Foreign	0	1.53	0.11	**1.6**
Total	**6.77**	**92.48**	**0.752**	**100**

10.4 Shareholders who hold 5% or more of the Company's capital as of 31 December 2024

Name	Number of owned shares	Percentage of shares owned in the Company's capital
Sogno Commercial Investment - Sole Proprietorship LLC	364,649,990	43.19
WS TWO Commercial Investment - Sole Proprietorship LLC	172,500,000	20.43
Abu Dhabi Ports	82,500,000	9.77

10.5 Shareholders Distribution by the size equity as of 31 December 2024

Ownership of the shares (share)	Number of shareholders	Number of owned shares	Percentage of shares owned from the capital
Less than 50,000	4496	14,695,462	1.75
From 50,000 to less than 500,000	182	27,460,135	3.25
From 500,000 to less than 5,000,000	26	31,946,597	3.78
More than 5,000,000	12	770,277,459	91.22
Total	**4716**	**844,379,653**	**100.00**

10.6 Investor Relation Details

Ms. Hanzada Nessim is the Group Head of Investor Relations & Financial Communications.

Furthermore, the Company website i.e. https://www.nmdc-group.com/en/investor-relations/fact-sheet/, has a dedicated page for investors, which includes information related to Investor Relations, Board of Directors Reports, Financial Statements, Annual Reports, Corporate Governance Reports, and Annual General Meeting.

Contact Information of Investor Relations Head
Email: hanzada.nessim@nmdc-group.com
ir@nmdc-group.com
Office No.: +971 2 566 4316

10.7 Special Resolutions in General Assembly Meeting

Special Resolutions approved in the Annual General Assembly are:

- Articles of Association Amendment: The amendment to Article No. (2) of the Articles of Association regarding the Company's name change to "NMDC Group" was approved.
- Board Authorization: The Board was authorized to adopt any resolution or take necessary actions to implement both ordinary and special resolutions, including any changes requested by the SCA or other authorities.
- Approve a transaction with a related party involving the purchase of commercial land and transferring shares in a subsidiary.
- Approved the listing of NMDC Energy PJSC on ADX and the sale of a portion of the Company's shares in NMDC Energy PJSC through public subscription. On approval NMDC energy is now a listed company.

10.8 Statement of the Significant Events Encountered by the Company

1. NMDC Group has signed a Memorandum of Understanding with Vingroup in Vietnam.

This partnership focuses on:

- Large-scale coastal protection.
- Land reclamation projects.
- Development of offshore wind and renewable energy.
- The collaboration will leverage advanced marine engineering solutions to promote environmental sustainability and strengthen coastal resilience in Vietnam.

2. New Business Unit NMDC LTS

Purpose:
Diversify NMDC Group's portfolio into the logistics and technical services sector.

Significance:

- Supports the Group's expansion and growth objectives.
- Consolidates NMDC's position as one of the UAE's largest marine fleet operators.
- Creates a platform for offering NMDC Group's technical services to the market.

3. Key Functions of NMDC LTS:

Internal Support:
Enhancing operations across the NMDC Group.

External Services:

- Provide logistics and technical solutions to third-party clients.
- Focus on construction and technical operations sectors.

Leverage Group Assets:
Utilize NMDC's asset base and extensive experience for synergies and market opportunities.

10.9 Innovative Projects and Initiatives

- NMDC Group became the first entity in the UAE to use caisson construction technology, which involves pre-casting, moving and sinking large, watertight cylinders into the ground, with the purpose of using them as a stable foundation for structures. This technology uses eco-friendly materials, reduces environmental impact, and taps into markets such as renewable energy and coastal protection.
- The NMDC Group Health, Safety and Environment team introduced its state-of-the-art ROV (remotely operated vehicle) to assess marine habitats, collect data and samples, and monitor artificial reefs. The ROV's AI capabilities also allow for real-time adjustments and data analysis.

10.10 Details of the Violations Committe

- No violation has been committed during the year 2024

11) AUDIT COMMITTEE REPORT 2024

The Audit Committee is pleased to provide the annual report on the activities of the Audit Committee for the year 2024. The Committee is dedicated to ensuring robust governance, internal controls, risk management, and financial and operational compliance to support NMDC Group's long-term success and strategic objectives.

The Audit Committee conducted seven (7) meetings in 2024 with full attendance from all members to effectively discharge its responsibilities in accordance with the regulatory obligations and played a crucial role in ensuring financial reporting integrity, overseeing internal controls, and strengthening governance in 2024. The Audit committee also regularly updated the Board about its activities through annual and quarterly reports.

Task Description	Meeting No. 1	Meeting No. 2	Meeting No. 3	Meeting No. 4	Meeting No. 5	Meeting No. 6	Meeting No. 7
Financial Performance, Results and External Audit							
Review of Group Financial Results and External Auditor's Report	√		√		√	√	
Review of External Audit Fees	√						
Internal Audit							
Independence Declaration	√						
Quarterly Reporting on Internal Audit and Compliance		√		√		√	
Internal Audit Reports		√		√			√
External Quality Assessment of Internal Audit Function						√	√
Internal Audit Plan Status 2024				√		√	√
Approval of risk based Internal Audit Plan 2025							√
Internal Audit Follow-up Status				√		√	√
Internal Audit Strategic Plan		√					
Internal Audit Performance and KPI's	√						√
Ethics and Compliance							
Ethics and Compliance Plan 2024		√		√		√	√
Whistleblowing Cases Update		√		√		√	√
Approval of Ethics and Compliance Plan and KPI's 2025							√
Compliance Policies Harmonization		√	√	√	√		
Governance							
Amendment of Corporate Governance Guidance by SCA for 2024	√						
Corporate Governance Report 2023	√						
Audit Committee Report to Board	√					√	
Status monitoring of Audit Committee Decisions				√			
Other Assurance Activities							
Group Key Performance Indicator (KPI's)						√	
Risk Management						√	
HSE Performance						√	
ERP Implementation (ERTIQAA)						√	

FINANCIAL REPORTING & EXTERNAL AUDITORS

The Audit Committee is responsible for ensuring the accuracy and integrity of the Company's financial reporting. To fulfill this responsibility, the Committee works closely with the external auditors, who provide assurance on the accuracy of financial reporting and the effectiveness of internal control processes.

Deloitte & Touche (M.E.) were appointed to provide external audit services to NMDC Group based on Audit Committee's proposal and the Board endorsement. The Audit Committee ensured the independence of the External Auditor and the effectiveness of the audit process. The external audit fees were reviewed by the Audit Committee, as per the annual process, and recommendations were submitted for the Board endorsement. The committee reviewed audit approach, accounting matters, audit adjustments and related party transactions to ensure compliance with IFRS.

The revenue recognition and valuation of trade receivables and contract assets of the Company was highlighted by the external auditor as key audit matters, i.e. the matter of most significance in audit of consolidated financial statements of the audit period (FY 2024) and included as part of external audit opinion. Procedures performed by the external auditor in addressing these key audit matters along with other significant matters were reviewed by the Audit Committee. The Audit Committee had independent access to the external auditors and reviewed the non-audit services provided by the external auditors to ensure that they were free of any conflicts.

INTERNAL AUDIT

Internal controls were a key focus, with the committee reviewing risk management frameworks, audit findings, compliance measures, and fraud prevention mechanisms. Internal Audit and Compliance functions operated under an independent reporting model, with Mr. Kashif Nawaz Shaikh leading Internal Audit for NMDC Group and serving as the secretary to the Audit Committee, and Mr. Wassim Khalid Al Naji leading the Ethics and Compliance for NMDC Group. The Internal Audit Department's independence was reinforced through annual declarations, and the committee approved the department's Strategic Plan, and KPIs.

The 2024 audit plan's progress was monitored, and the 2025-2027 Internal Audit plan was approved based on risk assessments, organizational changes, and management concerns. Furthermore, an external quality assessment was recently concluded for the Internal Audit activity, which awarded a 'Generally Conforms' rating, the highest possible under the IIA's (The Institute of Internal Auditors) rating system. This achievement reflects Internal Audit Department's commitment to excellence, professionalism, and value delivery to the NMDC Group.

In 2024, twenty-six (26) internal audits were conducted, identifying 428 observations (105 high, 280 medium, and 43 low-risk findings). Out of total due management actions arising out of these observations, 94% of the due actions were addressed by Q4 2024, and the balance actions pending have an ageing of less than 90 days. The Audit Committee reviewed the Internal Audit function's comprehensive evaluation of the organization's operations and control systems based on significance ranking, control ranking and mapping of the recommendation to the Company's strategic pillars. The committee closely monitored follow-up actions, supported by an escalation procedure and a Power BI dashboard for tracking implementation.

ETHICS AND COMPLIANCE

Ethics and Compliance oversight included approval of the 2025 Ethics & Compliance Plan, monitoring whistleblowing cases, and ensuring anti-fraud frameworks were in place. The committee also reviewed key oversight matters, including updated Business Code of Conduct and related policies.

ASSURANCE ACTIVITIES

The Audit Committee enhances its assurance through quarterly reporting on Company KPIs, Risk Management, HSE and ERP implementation.

The Audit Committee also reviewed the ERM framework, risk appetite, and significant business risks, and ensured that audit priorities aligned with risk assessments.

2025 PRIORITIES

The Audit Committee's schedule in 2025 will include a minimum of seven (7) meetings focused on, amongst other things, the integrity of NMDC Group's financial statements, governance practices, emerging risks, assessment and oversight of the activities and performance of Internal Audit and Compliance functions as well as the performance of NMDC Group's External Auditor. The committee is committed to maintaining transparency, accountability, and compliance while adapting to emerging risks and business priorities.

14 2024 AUDITED FINANCIAL STATEMENTS

NMDC GROUP PJSC (FORMERLY NATIONAL MARINE DREDGING COMPANY PJSC)

Reports and consolidated financial statements for the year ended 31 December 2024

NMDC Group PJSC (formerly National Marine Dredging Company PJSC)

Reports and consolidated financial statements
for the year ended 31 December 2024

NMDC Group: Directors' Report

For the year ended 31 December 2024

The Board of Directors of NMDC Group PJSC ("NMDC" or "Group") have the pleasure of presenting the 2024 Directors' Report along with the audited consolidated financial statements as at and for the year ended 31 December 2024.

Financial Performance:

NMDC Group has reported exceptional results for the financial year 2024, concluding a historic year marked by strategic international expansion, a healthy project pipeline, and the successful completion of an Initial Public Offering (IPO) of one its subsidiaries, NMDC Energy PJSC.

The Group achieved a 58% year-on-year growth in net profit before tax to AED 3.46 bn and 44% year-on year growth in net profit after tax to AED 3.11 bn. Revenues amounted to an exceptional AED 26.3 bn with a year-on-year increase of 57%, driven by consistent progress in ongoing projects and healthy project order books. 76% (2023: 77%) of the revenues were generated from the UAE and 24% (2023: 23%) from international markets (Saudi Arabia, Egypt and India).

The Group's total assets reached a value of AED 33.2 bn in 2024 from AED 20.8 bn in 2023, coupled with an extensive order backlog valued at AED 71 bn. These figures are a testament to the Group's robust development initiatives and strategic geographic expansion, further enhancing its leadership in dredging, marine construction and engineering, procurement and construction.

Furthermore, the Group's total equity increased by 47% to AED 12.6 bn from AED 8.6 bn in 2023, primarily due to the net profit achieved, net of dividends paid to shareholders during the year.

Following the Group's exceptional performance during the year, the Board of Directors have proposed a total cash dividend of AED 844 million for the financial year ended 31 December 2024, representing a cash dividend per share of AED 1. The 27% dividend pay-out is subject to shareholders approval at the Group's General Assembly Meeting.

Landmark Listing

NMDC Energy began trading on the Abu Dhabi Securities Exchange (ADX) following an Initial Public Offering (IPO) that was oversubscribed by 31.3 times. The offering of 1.15 billion shares in NMDC Energy, representing 23% of the total share capital, was made available to eligible investors at AED 2.8 per share. Final allocations were approximately 0.17% to Retail investors and 6% to Institutional investors. NMDC Energy's listing served as an exceptional achievement that will define the pace for the sector's engineering, procurement and construction business in Abu Dhabi and beyond.

Fleet

NMDC Group currently owns a marine fleet of more than 170 vessels consisting of:

- THIRTY-THREE dredgers & THREE floating booster stations
- FOUR* Dynamic Positioning (DP2/DP3) Derrick / Pipelaying barges (with 4,200t -2,000t lifting capacity & more than 300 pax accommodation each)
  Note1: DLS4200, DELMA2000, SHUJAA2000**, SAFEEN3000
  **Note2: DELMA and SHUJAA are 1600 tons
- THREE towed Derrick / Pipelaying barges
- FOUR self-elevating platforms & self-propelled work barges
- ONE DP3 cable lay and hook up floating vessel: UmmShaif
- TWO as anchor handling tugs: YAS and SAADIYAT
- ONE diving support vessel: AL MARYAH
- THREE cargo barges & TWO launching/float over barges
- 116+ other support crafts (including tugs, barges, multicats, accommodation barge) out of which FOUR multicats and TEN Barges are new built vessels
- An extensive range of land -based equipment (including excavators, cranes, generators)

Following the merger, cross utilization of the fleet between the main business units is a key element of the Group's fleet management strategy to ensure the maximization of utilization and cost-effective work execution on the portfolio of projects. To further progress this strategy, the group has registered a new entity during the year, NMDC LTS, which will focus on streamlining the Groups fleet management and resource procurement activities.

Information Technology

In 2024, NMDC Group's IT Department achieved several key milestones, where the initial phase of ERTIQAA was launched and became operational for end users. The team also introduced numerous AI-driven solutions to drive innovation and efficiency across its operations.

Strategic projects undertaken throughout 2024 include:

1. Domain Migration and Unification: NMDC Dredging & Marine and NMDC Energy users now operate under a unified domain and email system.

2. Predictive Maintenance System: Beyond its function as a maintenance tool, this technology is essential for achieving operational efficiency and safety. It helps extend equipment lifespan, maximize return on investment, and minimize costly failures.

Information Technology (continued)

The IT Department has also begun implementing AI-powered software across various departments:

- AI-Powered Structured Database Q&A Systems: This system offers seamless information retrieval with NMDC GPT, harnessing the power of artificial intelligence to significantly reduce the time spent reviewing and searching through documents such as client standards, contracts, material specifications, and client tender scopes of work.
- HR Agent: This tool intelligently assesses candidates based on CVs, job descriptions, and specific criteria, representing a major advancement in talent acquisition. It provides rapid, accurate, and precise analysis of a candidate's suitability.
- NMDC Meeting Mate: An advanced AI-powered application that automatically generates Minutes of Meetings (MOM), key points, and actionable items for Teams meetings. This tool is specifically designed to address common challenges encountered during and after meetings.
- AI-Powered Virtual Agents (Wadeema & Salem): These intelligent virtual agents convert voice commands and queries into actionable insights, exclusively utilizing NMDC's internal data systems. They offer real-time data access and interactive querying for NMDC staff, partners, and stakeholders.

NMDC Energy was also officially recognized and certified as an Industry 4.0 Digital Leader by the Ministry of Industry and Advanced Technology (MoIAT).

Sustainability

With NMDC Group recently receiving an AA 'leader' rating from MSCI, it continues to make significant strides in its business to build robust ESG considerations across its operations. NMDC Energy plays a prominent role in the renewable energy sector, particularly wind power, where it actively participates in the development, construction, and maintenance of wind power facilities, and facilitates the transition of energy companies to clean and renewable sources. Furthermore, the company continuously evaluates activities and programs to restore operational areas and protect natural ecosystems.

Achievements:

- NMDC Group built its first comprehensive GHG Inventory for 2023 (baseline) and 2024 including Scopes 1, 2 & 3 in accordance with the GHG protocol.
- The Group partnered with Byrne Equipment Rental to implement solar energy systems at the Sir Bani Yas Island residential camp, cutting CO_2 emissions by 475 tons annually and improving air quality for workers.
- Artificial Reef Deployment: NMDC Group coordinated with EAD to deploy 100 artificial reef domes as part of the Al Nouf Artificial Island Project, enhancing marine biodiversity and sustainability.
- NMDC Energy has planted 20,001 mangrove seedlings, which can capture 246 tons of CO2 annually.

Sustainability (continued)

Achievements: (continued)

- The company launched a "Turtle Nesting" awareness campaign, where potential turtle nesting areas are identified and demarcated with appropriate signage for the protection of turtles during nesting and hatchling periods.
- NMDC Energy collaborated with many government and private entities such as the Environment Agency of Abu Dhabi (EAD) and Abu Dhabi National Oil Company (ADNOC) to promotes a sustainable environment within the UAE.
- NMDC Energy was awarded a prestigious EPC contract by Taiwan Power Company (Taipower) for pipeline installation, shore approach works and dredging for the Tung-Hsiao Power Plant 2nd Stage Renewal Project. This strategic involvement is expected to significantly boost revenue while solidifying NMDC's leadership in sustainable energy solutions.
- NMDC Energy's involvement in NT Energies: a joint venture created by Technip Energies and NMDC Energy, represents a strategic approach to the energy transition.

Awards & Recognitions

- Environmental Recognition: Won the 2024 IPLOCA Environmental Award for planting 20,001 mangroves under the Blue Carbon Initiative, capturing 246 tons of CO2 annually.
- Forbes: 'Top' Companies in Arab World –No.1 in Service Category
- Forbes: Top 100 CEOs in the Middle East 2024 - Yasser Zaghloul

Operational Efficiencies & Economic Contributions

- Thirty improvement initiatives piloted across the Group in 2024, aiming to bring down costs, promote sustainability and wellness, and increase efficiency.
- The Group invested over AED 4 million during 2024 to enhance IT systems, with a focus on digitalization, clean technology, innovation, and adaptive learning .
- The Group continues to leverage its Digital Twin platform, an integrated design and engineering platform, to streamline processes, reduce resource allocation, and eliminate inefficiencies throughout projects.
- The Group also continues to advance its in-house fabrication processes such as Computer Numerical Control (CNC) machining, sheet metal fabrication, and module fabrication to increase self-sufficiency, reduce project lead time, and lower procurement-related emissions
- HSE Training: 554,279 HSE in-house and external training hours.
- Economic Contributions: Reinjected AED 17 billion into the UAE's local economy and achieved a high ICV score, emphasizing support for local suppliers and economic diversification
- Employment Creation: Signed a 50-year agreement with KEZAD Group to establish a USD 100 million manufacturing facility, creating 3,000 jobs and enhancing industrial capacity.

Competitive Strengths

NMDC Group's business strategy is driven by strategic operational and geographical expansion, group-wide diversification, and an active project pipeline.

Vertical and horizontal expansion

NMDC Group expanded further into East & Southeast Asia with a preliminary agreement for large-scale coastal protection projects with Vietnam's Vingroup, in addition to being awarded a large EPC contract for a subsea pipeline in Taiwan. In KSA, NMDC Energy inaugurated an advanced fabrication yard in Ras Al Khair, Saudi Arabia.

Furthermore, the Group launched NMDC LTS to focus on the regional demand in logistics and services. This was closely followed by the strategic announcement that NMDC Group would acquire a controlling stake in Emdad LLC, making the first entry into oilfield services.

Future proofing the business

NMDC Group has worked hard to implement several organizational initiatives to future proof its business. The Group has introduced AI-powered initiatives throughout its operations to enhance safety and efficiency, as well as boost its environmental performance.

Key projects

NMDC Group won a contract worth more than $200 million from the Abu Dhabi National Oil Company (ADNOC) for LNG Growth Project Marine Dredging Works T2.

Furthermore, NMDC Energy continued to maintain its leadership role in driving key EPC projects, accelerating innovation and achieving significant progress that underscores its commitment to excellence. The company has been strategically focused on major projects including Hail & Ghasha, Estidama, MERAM, and Aramco CRPOs. NMDC Group's backlog of projects are worth AED 71 billion.

Strategic Objectives

The mission of the NMDC Group is to leverage the talent and experience of our people and provide opportunities to build successful and rewarding careers, while serving our clients through delivering sustainable solutions and beyond, and always maintain to focus on generating exceptional returns.

Our strategy is underpinned by strategic objectives which consequently are each supported by many underlying initiatives:

- Cherish current markets
- Diversify vertically, horizontally, and geographically
- Strengthen government, clients, investors, partners and suppliers
- Improve core operations
- Manage portfolio
- Commit to sustainability
- Focus on Safety

Strategic Objectives (continued)

These strategic objectives can only be accomplished when we assure that our internal operations are state-of-the-art from all aspects, therefore we will focus for the coming year on the following strategic enablers:

1. Motivated and skilled people
2. Best practice processes
3. AI-enabled technology and systems
4. Fit-for-purpose assets
5. Open and collective culture

Internal control systems and their adequacy

NMDC Group's internal control system is established to ensure that the Board and Management are able to achieve their business objectives in a prudent manner, safeguarding interests of the Company's shareholders and other stakeholders, whilst at the same time minimizing key risks such as fraud, unauthorized business activity, misleading financial statements, un-informed risk-taking, or breach of legal or contractual obligations, and also ensuring highest quality achieved in a safe and sustainable environment.

The guidelines for design and implementation of the internal control systems is provided by the Group's approved Corporate Governance Manual and applicable regulations. The Board and its Committees provide oversight on the systems, and the Management is responsible for ensuring that adequate internal controls (both financial and operational) are in place and applied to safeguard and manage the assets of the Group, in an effective and efficient manner.

The Group's internal control is designed to mitigate, not eliminate, significant risks faced. It is recognized that such a system provides reasonable, but not absolute, assurance against material error, omission, misstatement or loss.

This is achieved within the Group through a combination of risk identification, evaluation and monitoring processes, appropriate decision and oversight forums, assurance and control functions such as External Audit, Internal Audit, Ethics & Compliance, Risk Management, Quality and HSE. These ongoing processes, which comply with leading practices and the Corporate Governance Guide, were in place throughout the year under review and up to the date of approval of the annual report and financial statements.

During the year 2024, the Group was subject to the following independent assessments and improvement initiatives on its internal control system:

- ✓ Annual external audit and interim reviews of NMDC Group consolidated financial statements through Deloitte, a professional services firm. The external audit work covers obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Internal control systems and their adequacy (continued)

- ✓ Process reviews of NMDC Group business processes and projects through the Internal Audit Function, according to an Internal Audit Plan approved by the Audit Committee. The scope of internal audit for the year 2024 covered both core and support processes, and were prioritized in accordance with Risk Analysis Methodology.

- ✓ Compliance program was further strengthened by adopting revised code of conduct and related policies in line with best practices, conducting fraud awareness workshops for employees across the company and via internal communications on code of business conduct and whistleblowing awareness.

- ✓ Enterprise Risk Management practice is a crucial pillar for achieving NMDC Group's desired business objectives, maintaining sustainability, and protecting all stakeholders interests efficiently and effectively, and therefore Risk Management practice is applied at the strategic level, corporate level and project levels across the entity. While global risks are intensifying with geopolitical tensions combined with technology driving new security risks, NMDC Group Risk Management Practice aims to enforce business sustainability and continuity by providing the means and mechanism to proactively manage and control threats and opportunities.

The Board met its internal control responsibilities in 2024 by reviewing presentations on independent assessments that were conducted, discussing control issues at Board meetings and reviewing the detailed reports from Board Committees, and found that the internal control environment was satisfactory for 2024. During 2024, the Company did not face any major issue requiring disclosure in any report or to the market.

Emiratization

NMDC Group is committed to nurturing national talent and fostering future Emirati leaders. It has launched a number of programs that were instrumental in promoting Emiratization within one of its most strategic sectors. In 2024, NMDC Group encompassed 607 Emiratis, with an Emiratization rate of 10.2%.

ACKNOWLEDGMENT

On behalf of the Board, I wish to express our appreciation for the support and cooperation of the financial institutions, suppliers, subcontractors, business associates and government authorities and expect the same in future for sustaining the Group's growth rate. The Board would like to place on record its appreciation of the hard work, commitment and unstinting efforts put in by the Group's employees at all levels.

Mohammed Thani Murshed Al Rumaithi
Chairman

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
NMDC Group PJSC (formerly NATIONAL MARINE DREDGING COMPANY PJSC)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of NMDC Group PJSC (formerly National Marine Dredging Company PJSC) (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group reported revenue of AED 26,264 million during the year ended 31 December 2024. Revenue recognition is considered to be a key area of focus given there are multiple revenue streams associated with the Group which come from various decentralized operational locations. The Group's business involves entering into contractual relationships with customers to provide a range of services with a significant proportion of the Group's revenues and profits derived from long term contracts. Revenue is quantitatively significant to the consolidated financial statements and requires management to apply significant judgements and make significant estimates when determining the amount of revenue to be recognized. The significant judgements applied and estimates made in applying the Group's revenue recognition policies to long-term contracts entered into by the Group include determining the stage of completion, the timing of revenue recognition and the calculation of the percentage of completion. The nature of these judgements results in them being susceptible to management override with a consequential impact of revenue being recognised in an incorrect period. Consequently, we considered revenue recognition to be a key audit matter. The Group's revenue recognition accounting policy is included in note 3 to the consolidated financial statements. Details about key estimates and judgements relating to revenue are disclosed in note 23 to the consolidated financial statements.	We performed the following procedures, inter alia, in respect of revenue recognition: • We obtained an understanding of the business process flow and performed walkthroughs to understand the key processes and identify key controls; • We assessed the key controls over revenue to determine if they had been designed and implemented appropriately and tested these controls to determine if they had been operating effectively throughout the year; • We performed audit procedures which included inspecting a sample of contracts, reviewing for variation orders, retrospectively reviewing estimated profit and costs to complete and enquiring of key personnel regarding potential contract losses; • For material contracts identified, we reviewed the contract terms and verified assumptions made in determining the amount of revenue to be recognised, including consideration of discounts, performance penalties and other cost implications of the contract; • We performed analytical procedures by comparing the gross margins for the projects to the prior year. If we identified an unexpected margin, we carried out more focused testing on those projects; • We reperformed the mathematical accuracy of the calculations used to determine revenue recognised under the percentage of completion method ; • We reconciled the list of the actual cost for the current year to the total cost of project under the percentage of completion. • We performed test of details for the actual costs related to the contracts. • We performed procedures to assess whether the revenue recognition criteria adopted by Group is appropriate and is in accordance with the Group's accounting policy and the requirements of IFRS Accounting Standards; • We performed testing over manual journal entries posted to revenue to assist us in identifying unusual or irregular transactions; and • We assessed the disclosure in the consolidated financial statements relating to revenue recognition against the requirements of IFRS Accounting Standards.

Key audit matters (continued)

Key audit matter	**How our audit addressed the key audit matter**
Carrying amount of trade and retention receivables and contract assets Gross trade and retention receivables and contract assets as at 31 December 2024 were AED 9,631 million and AED 4,544 million respectively, against which expected credit loss ("ECL") allowances of AED 78 million and AED 25 million were recorded. These assets represent 42.7% of the total assets presented in the consolidated statement of financial position and include balances of AED1,283 million which had been outstanding trade receivables for more than 180 days from the reporting date. Further, contract assets include AED 444 million which represents revenue recognised based on unsigned or verbal contracts. The Group assesses at each reporting date whether the financial assets carried at amortised cost are credit-impaired. Management has applied the simplified approach for measurement of ECL allowances relating to trade receivables and contract assets whereby the ECL allowance is measured at an amount equal to lifetime expected credit losses. The ECL model involves the use of various assumptions, macro-economic factors and study of historical trends relating to the Group's trade collections experience. Management applies significant judgement and makes significant estimates when determining how much to record as the ECL allowance. Consequently, together with the significant delays in collecting trade receivables, we have considered the carrying amount of trade receivables and contract assets to be a key audit matter. The Group's disclosures relating to this matter are included in notes 3 and 4 to the consolidated financial statements.	We performed the following procedures in relation to the allowance for ECL: • We obtained an understanding of the process of measurement of the allowance for ECL and identified the key controls in this process; • We assessed these controls to determine if they had been designed and implemented appropriately; • We compared the ECL model developed by management against the requirements of IFRS Accounting Standards and reviewed the methodology against accepted best practice; • We reperformed the arithmetical accuracy of the model; • We tested key assumptions, such as those used to calculate the likelihood of default and the subsequent loss on default, by comparing to historical data. We also considered the incorporation of forward-looking factors to reflect the impact of future events on expected credit losses; • We agreed the results of the output of the ECL model developed by management to the amounts reported in the consolidated financial statements; and • We assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
NMDC Group PJSC (formerly NATIONAL MARINE DREDGING COMPANY PJSC) (continued)

Other Information

The Board of Directors are responsible for the other information. The other information comprises the Directors' report, which we obtained prior to the date of this auditor's report, and the Group Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we will read the Group's Annual Report, if we conclude that there is material misstatement therein, we will be required to communicate the matter to those charged with governance and consider whether a reportable irregularity exits in terms of the auditing standards, which must be reported.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
NMDC Group PJSC (formerly NATIONAL MARINE DREDGING COMPANY PJSC) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
NMDC Group PJSC (formerly NATIONAL MARINE DREDGING COMPANY PJSC) (continued)

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. (32) of 2021, we report that for the year ended 31 December 2024:

- we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021, and the Company's Articles of Association;
- the Group has maintained proper books of account;
- the financial information included in the Directors' report is consistent with the books of account and records of the Group;
- investments in shares and stocks are included in note 9 and 10 to the consolidated financial statements and include purchases and investments made by the Group during the year ended 31 December 2024;
- note 31 reflects the disclosures relating to related party transactions and the terms under which they were conducted;
- Notes 1 and 27 to the consolidated financial statements discloses that the Group has made any social contributions during the financial year ended 31 December 2024; and

Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021; or of its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024.

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah
Registration No. 717
___ February 2025
Abu Dhabi
United Arab Emirates

Consolidated statement of financial position as at 31 December 2024

	Notes	2024 AED'000	2023 AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	**5**	**6,799,058**	5,137,916
Investment properties	**6**	**322,000**	40,000
Right-of-use assets	**7**	**478,609**	330,097
Goodwill	**8**	**5,057**	5,057
Investments in equity accounted investees	**9**	**507,120**	282,389
Deferred tax assets	**22**	**3,751**	6,465
Retention receivables		**1,139,988**	222,548
Total non-current assets		**9,255,583**	6,024,472
Current assets			
Inventories	**11**	**718,482**	598,679
Trade and other receivables	**12**	**13,060,295**	5,315,075
Contract assets	**13**	**4,518,985**	4,691,691
Financial assets at fair value through profit or loss	**10**	**640,857**	461,750
Derivative financial assets	**34**	**12,056**	24,602
Cash and bank balances	**14**	**4,993,493**	3,730,932
Total current assets		**23,944,168**	14,822,729
Total assets		**33,199,751**	20,847,201

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of financial position as at 31 December 2024 (continued)

	Notes	2024 AED'000	2023 AED'000
EQUITY AND LIABILITIES			
Equity			
Share capital	**16**	**844,379**	825,000
Share premium	**16**	**605,421**	-
Merger reserve	**17**	**765,000**	765,000
Other reserves	**18**	**(141,186)**	33,303
Retained earnings		**9,346,417**	6,976,897
Equity attributable to the shareholders of the Company		**11,420,031**	8,600,200
Non-controlling interests	**29**	**1,205,088**	3,915
Net equity		**12,625,119**	8,604,115
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits	**19**	**507,577**	441,352
Borrowings	**15**	**735,700**	1,078,046
Deferred tax liabilities	**22**	**16,120**	-
Derivative financial liabilities	**34**	**15,222**	-
Lease liabilities	**7**	**394,591**	330,266
Total non-current liabilities		**1,669,210**	1,849,664
Current liabilities			
Trade and other payables	**20**	**14,045,318**	9,457,067
Contract liabilities	**21**	**4,060,865**	479,830
Derivative financial liabilities	**34**	**11,375**	9,790
Income tax payable	**22**	**358,114**	93,718
Borrowings	**15**	**342,346**	342,346
Lease liabilities	**7**	**87,404**	10,671
Total current liabilities		**18,905,422**	10,393,422
Total liabilities		**20,574,632**	12,243,086
Total equity and liabilities		**33,199,751**	20,847,201

To the best of our knowledge, the financial information included in the report fairly presents in all material respects the financial condition, results of operation and cash flows of the Group as of, and for, the periods presented in these consolidated financial statements.

Mohammed Thani Murshed Al Rumaithi	Yasser Nasr Zaghloul	Sreemont Prasad Barua
Chairman	Group Chief Executive Officer	Group Chief Financial Officer

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of profit or loss for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Revenue from contracts with customers	23	**26,263,949**	16,707,980
Contract costs		**(22,647,366)**	(14,546,350)
Gross profit		**3,616,583**	2,161,630
Share of net results of equity account investees, net	9	**37,104**	52,647
General and administrative expenses		**(338,954)**	(265,889)
Finance income	24	**176,956**	134,032
Finance costs	25	**(270,054)**	(119,926)
Foreign currency exchange loss		**(55,979)**	(38,847)
Fair value gain on financial assets at fair value through profit or loss	10	**179,107**	200,265
Other income, net	26	**113,965**	64,076
Profit before tax		**3,458,728**	2,187,988
Income tax expenses	22	**(350,393)**	(33,640)
Profit for the year	27	**3,108,335**	2,154,348
Profit attributable to:			
Shareholders of the Company		**2,960,352**	2,153,513
Non-controlling interests	29	**147,983**	835
Profit for the year		**3,108,335**	2,154,348
Basic and diluted earnings per share (in AED) attributable to equity holder of the Company	28	**3.55**	2.61

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Profit for the year		**3,108,335**	2,154,348
Other comprehensive income			
Items that may be subsequently reclassified to the consolidated statement of profit or loss in subsequent periods:			
Fair value (loss)/gain arising on hedging instruments during the year		**(29,353)**	20,301
Exchange differences arising on translation of foreign operations		**(162,852)**	(111,140)
Other comprehensive loss for the year		**(192,205)**	(90,839)
Total comprehensive income for the year		**2,916,130**	2,063,509
Profit attributable to:			
Shareholders of the Company		**2,776,926**	2,062,674
Non-controlling interests	29	**139,204**	835
Total comprehensive income for the year		**2,916,130**	2,063,509

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
for the year ended 31 December 2024

	Share capital AED'000	Share premium AED'000	Merger reserve AED'000	Other reserves (Note 18) AED'000	Retained earnings AED'000	Equity attributable to the shareholders of the Company AED'000	Non-controlling interest AED'000	Net equity AED'000
Balance at 1 January 2023	825,000	-	765,000	(7,786)	4,955,312	6,537,526	3,080	6,540,606
Profit for the year	-	-	-	-	2,153,513	2,153,513	835	2,154,348
Other comprehensive income	-	-	-	(90,839)	-	(90,839)	-	(90,839)
Total comprehensive (loss)/income for the year	-	-	-	(90,839)	2,153,513	2,062,674	835	2,063,509
Transfer to legal reserve (note 18)	-	-	-	131,928	(131,928)	-	-	-
Balance at 1 January 2024	825,000	-	765,000	33,303	6,976,897	8,600,200	3,915	8,604,115
Profit for the year	-	-	-	-	2,960,352	2,960,352	147,983	3,108,335
Other comprehensive loss	-	-	-	(183,426)	-	(183,426)	(8,779)	(192,205)
Total comprehensive income for the year	-	-	-	(183,426)	2,960,352	2,776,926	139,204	2,916,130
Dividend paid (note 30)	-	-	-	-	(2,618,750)	(2,618,750)	-	(2,618,750)
Addition during the year (note 16)	19,379	605,421	-	-		624,800	-	624,800
Partial disposal of investment in subsidiary (note 1)	-	-	-	(753)	2,037,608	2,036,855	1,061,969	3,098,824
Transfer to legal reserve (note 18)	-	-	-	9,690	(9,690)	-	-	-
Balance at 31 December 2024	**844,379**	**605,421**	**765,000**	**(141,186)**	**9,346,417**	**11,420,031**	**1,205,088**	**12,625,119**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows
for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Cash flows from operating activities			
Profit before tax		**3,458,728**	2,187,988
Adjustments for:			
Depreciation of property, plant and equipment	5	**582,991**	394,160
Depreciation of right-of-use assets	7	**51,181**	14,666
Gain on disposal of property, plant and equipment	26	**(5,901)**	(6,314)
Fair value gain on financial assets at fair value through profit or loss	10	**(179,107)**	(200,265)
Provision for slow moving and obsolete inventories	11	**1,383**	1,440
Share of net results of equity accounted investees	9	**(37,104)**	(52,647)
Provision for expected credit losses		**52,207**	(22,255)
Provision for onerous contracts		**58,512**	75,000
Finance income		**(176,956)**	(134,032)
Finance costs		**273,987**	119,926
Provision for employees' end of service benefits	19	**91,092**	66,875
		4,171,013	2,444,542
Income tax paid	22	**(56,501)**	(30,767)
Income tax refund	22	**-**	11,838
Employees' end of service benefit paid	19	**(24,867)**	(28,971)
Operating cash flows before movement in working capital		**4,089,645**	2,396,642
Change in inventories		**(121,186)**	(134,597)
Change in trade and other receivables		**(8,782,125)**	(788,418)
Change in contract assets		**112,117**	(1,675,469)
Change in contract liabilities		**3,581,035**	17,453
Change in trade and other payables		**4,455,855**	3,057,243
Net cash generated from operating activities		**3,335,341**	2,872,854

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows
for the year ended 31 December 2024 (continued)

	Notes	2024 AED'000	2023 AED'000
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(1,621,999)	(1,196,618)
Payment for investment properties	6	-	(21,615)
Proceeds from disposal of property, plant and equipment		8,454	8,464
Additional investment in equity accounted investee	9	-	(49,077)
Dividend received from equity accounted investees	9	2,645	1,337
Investment in financial assets at fair value through profit and loss	10	-	(228,959)
Disposal of investments in financial assets at fair value through profit and loss	10	-	2,009
Movement in term deposit with original maturity more than three months	14	(88,807)	(515,538)
Interest received		176,956	134,032
Proceeds from partial disposal of interest in subsidiary, net		2,819,531	-
Net cash (generated from)/used in investing activities		1,296,780	(1,865,965)
Cash flows from financing activities			
Repayment of term loans	15	(342,346)	(342,346)
Repayment of lease liabilities	7	(76,115)	(25,504)
Dividends paid		(2,618,750)	-
Interest paid		(256,507)	(107,177)
Net cash from used in financing activities		(3,293,718)	(475,027)
Net increase in cash and cash equivalents		1,338,403	531,862
Cash and cash equivalents at 1 January		3,215,394	2,783,732
Effect of foreign exchange rate changes		(164,649)	(100,200)
Cash and cash equivalents at 31 December	14	4,389,148	3,215,394
Non-cash transactions			
Issuance of new shares	16	19,379	-
Acquisition of investment properties (land)	6 & 30	282,000	18,385
Acquisition of property, plant and equipment	5 & 16	624,800	-
Additional contribution in equity accounted investee	9	199,026	-

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements
for the year ended 31 December 2024

1 General information

National Marine Dredging Company ("NMDC" or the "Company") is a public shareholding Company incorporated in the Emirate of Abu Dhabi. The Company was incorporated by Law No. (10) of 1979, as amended by Decree No. (3) and (9) of 1985 issued by His Highness Sheikh Khalifa Bin Zayed Al Nahyan, who was then the Deputy Ruler of the Emirate of Abu Dhabi. The registered address of the Company is P.O. Box 3649, Abu Dhabi, United Arab Emirates.

These consolidated financial statements include the financial performance and position of the Company and its subsidiaries, joint venture and branches (collectively referred to as the "Group"), details of which are set out below.

During 2020, the Company's shareholders accepted an offer from Abu Dhabi Development Holding Company ("ADQ") (an existing shareholder and an entity fully owned by the Government of Abu Dhabi) and other minority shareholders of National Petroleum Construction Company PJSC ("NPCC"), to acquire 100% of the shareholding of NPCC, in exchange for the issuance of 575,000,000 equity shares in the Company to ADQ and the other shareholders of NPCC. This transaction received regulatory approvals on 11 February 2022, and consequently, the Company's share capital stands increased to AED 825,000,000 from that date. As a result of this transaction, the Government of Abu Dhabi became the majority holder of the Company's shares. Subsequently, in May 2022, out of its total shareholding of 58.48% in the Company, ADQ transferred 44.2% to entities in the Alpha Dhabi Holding PJSC ("Alpha") group, a subsidiary of International Holding Company. With this transaction and along with its previous equity shareholding in the Company, Alpha became the majority shareholder of the Company.

On 8 March 2024, during the Annual General Meeting of National Marine Dredging Company PJSC, the shareholders approved the amendment to Article No. (2) of the Articles of Association of the Company relating to the Company's name to be "NMDC Group PJSC", which is subsequently approved by Securities and Commodities Authority.

The Company is primarily engaged in the execution of engineering, procurement and construction contracts, dredging contracts and associated land reclamation works in the territorial waters of the UAE, principally under the directives of the Government of Abu Dhabi (the "Government"). The Group also operates in other jurisdictions in the region including Bahrain, Egypt, Saudi Arabia and India through its subsidiaries, branches and joint operations.

During the year ended 31 December 2024, the Group has made AED 22.9 million (2023: AED 2.9 million) as a social contribution (note 27).

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

1 General information (continued)

The Company has investments in the following subsidiaries, branches, joint venture, associates and joint operations:

Name	*Country of incorporation*	*Percentage holding 2024*	*2023*	*Principal activities*
Subsidiaries of NMDC				
NMDC Energy PJSC (Formerly "National Petroleum Construction Company PJSC")	UAE	**77%****	100%	Engineering Procurement and Construction.
Emarat Europe Fast Building Technology System Factory L.L.C. (Emarat Europe)	UAE	**100%**	100%	Manufacturing and supply of precast concrete.
National Marine Dredging Company (Industrial)	UAE	**100%**	100%	Manufacturing of steel pipes and steel pipe fittings and holding 1% investment in the Group's subsidiaries to comply with local regulations.
ADEC Engineering Consultancy L.L.C.	UAE	**100%**	100%	Consultancy services in the fields of civil, architectural, drilling and marine engineering along with related laboratory services.
Abu Dhabi Marine Dredging Co S.P.C.	Bahrain	**100%**	100%	Offshore reclamation contracts, services for fixing water installation for marine facilities and excavation contracts.
National Marine Dredging Company	Saudi Arabia	**100%**	-	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
National Marine and Infrastructure India Private Limited	India	**100%**	100%	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
NMDC LTS - L.L.C - S.P.C	UAE	**100%**	-	Construction, transportation, and logistics services. Including renting heavy machinery, vehicles, ships, and equipment, along with warehousing, water distribution, waste transport, and dry dock management. Additionally, marine operations, labor accommodation, and lifting/loading services for industrial and commercial purposes.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

1 General information (continued)

Name	*Country of incorporation*	*Percentage holding 2024*	*2023*	*Principal activities*
Subsidiaries of NMDC Energy Formerly "National Petroleum Construction Company PJSC")				
National Petroleum Construction Co. (Saudi) LTD.	Saudi Arabia	**100%**	100%	Engineering Procurement and Construction.
NPCC Engineering Limited	India	**100%**	100%	Engineering.
ANEWA Engineering Pvt. Ltd.	India	**80%**	80%	Engineering.
NPCC Service Malaysia SDN*	Malaysia	**100%**	100%	Engineering Procurement and Construction.
Al Dhabi for Construction Projects*	Iraq	**100%**	100%	Engineering Procurement and Construction.
NMDC Marine Services L.L.C. S.P.C*	UAE	**100%**	100%	Marine Logistics Services
Branches of NMDC				
National Marine Dredging Company	Egypt	**Branch**	Branch	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
National Marine Dredging Company	Maldives	**Branch**	Branch	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
National Marine Dredging Company	Abu Dhabi	**Branch**	Branch	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
National Marine Dredging Company	Dubai	**Branch**	Branch	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
Subsidiary of Emarat Europe				
Emarat Europe General Contracting - L.L.C - O.P.C	UAE	100%	100%	General contracting and construction

*dormant entities

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

1 General information (continued)

Name	*Country of incorporation*	*Percentage holding* 2024	2023	*Principal activities*
Joint Venture				
The Challenge Egyptian Emirates Marine Dredging Company	Egypt	**49%**	49%	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.
NT Energies L.L.C	UAE	**51%**	51%	Engineering and Consultancy
Associates				
Principia SAS	France	**33.33%**	33.33%	Onshore and offshore oil and gas fields and facilities services; and Engineering consultancy.
Safeen Survey and Subsea Services LLC	UAE	**49%**	49%	Marine services related to oil industries.
Joint Operations of NPCC				
Saipem – NPCC - Hail and Ghasha		**50%**	50%	Engineering, Procurement and Construction.
Technicas – NPCC - Meram		**50%**	50%	Engineering, Procurement and Construction
Technip – NPCC - Satah Full Field		**50%**	50%	Engineering, Procurement and Construction.
NPCC – Technip - UZ-750 (EPC-1)		**40%**	40%	Engineering, Procurement and Construction.
NPCC – Technip UL -2		**50%**	50%	Engineering, Procurement and Construction.
NPCC – Technip AGFA		**50%**	50%	Engineering, Procurement and Construction.
NPCC – Technip JV – US GAS CAP FEED		**50%**	50%	Engineering, Procurement and Construction.
TJN JV- Ruwais LNG		**20%**	-	Engineering, Procurement and Construction.

**During the year, the Group has diluted 23% of the shareholding of its subsidiary, NMDC Energy PJSC, through Initial Public Offering (IPO). The shares were allotted and the listing procedures were completed on 11 September 2024.

As per IFRS, the transaction was accounted for as change in ownership interest in a subsidiary without loss of control and treated as equity transaction. Thus, the Group will continue to consolidate NMDC Energy PJSC, and the changes in ownership interest have been reflected in the equity through the transfer of corresponding net assets value to the non-controlling interest.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

1 General information (continued)

Reduction in shareholding (%)	23%
	AED'000
Consideration	3,103,000
Less: carrying value of the shareholding disposed-off	(1,061,969)
Less: transaction costs paid	(4,176)
Difference recognised in retained earnings and other reserves	**2,036,855**

Consideration includes certain plots of land located in Abu Dhabi, United Arab Emirates recognised at AED 282 million in exchange for equity shares. The legal procedures for the transfer of ownership of the land were on-going as of 31 December 2024.

2 Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs)

2.1 New and revised IFRSs applied with no material effect on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements
- Amendment to IFRS 16 Leases - Lease Liability in a Sale and Leaseback

2.2 New and revised IFRSs in issue but not yet effective

New and revised IFRSs	**Effective for annual periods beginning on or after**
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates)
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates)

2 Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs) (continued)

2.2 New and revised IFRSs in issue but not yet effective (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendment to IAS 21 - Lack of Exchangeability	1 January 2025
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

The above stated new standards and amendments are not expected to have any significant impact on these consolidated financial statements of the Group.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on these consolidated financial statements of the Group.

3 Material accounting policy information

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and applicable provisions of the Federal Decree law no 32 of 2021.

Functional and presentation currency

These consolidated financial statements are presented in United Arab Emirates Dirhams (AED) which is the functional and presentation currency of the Group and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and financial assets at fair value through profit or loss, that have been measured at fair value.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has:

- power over the investee;
- is exposed, or has rights, to variable returns from its involvement; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not it's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

3 Material accounting policy information (continued)

Basis of consolidation (continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent company.

Revenue recognition

IFRS 15 establishes a five-step model that applies to revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The five steps are:

Step 1 Identify contract(s) with a customer;
Step 2 Identify performance obligations in the contract;
Step 3 Determine the transaction price;
Step 4 Allocate the transaction price to the performance obligations in the contract; and
Step 5 Recognise revenue when (or as) the Group satisfies a performance obligation.

3 Material accounting policy information (continued)

Revenue recognition (continued)

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The Group's performance does not create an asset with an alternate use to the Group and the Group has as an enforceable right to payment for performance completed to date.
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described above. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Contract revenue

Contract revenue comprises revenue from execution of contracts relating to lump-sum engineering, procurement and construction project services, dredging activities and associated land reclamation works. Lump-sum engineering, procurement and construction project execution services contracts contain distinct goods and services that are not distinct in the context of the contract. These are therefore combined into a single performance obligation.

The Group recognises revenue from its lump-sum engineering, procurement and construction project execution services contracts over time as the assets constructed are highly customized for the customers' needs with no alternative use and the Group has right to payment for performance completed to date.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, and incentive payments, to the extent that it is probable that they will result in revenue, they can be measured reliably and will be approved by the customers. Claims are recognised when negotiations have reached an advanced stage such that it is probable that the customer will accept the claim and the amount can be measured reliably. Contract revenue also includes revenue from securing the award of significant projects for dredging and reclamation works. These amounts are recognised when all significant service obligations arising from the related services have been discharged.

3 Material accounting policy information (continued)

Revenue recognition (continued)

Contract revenue (continued)

If the outcome of a contract can be estimated reliably, contract revenue is recognised in the consolidated statement of profit or loss in proportion to the stage of completion of the contract. Based on the method that most reliably measures the actual work performed on each contract, the stage of completion is determined either on the basis of surveys of work performed or in the proportion of the contract costs incurred for work performed to date as compared to the estimated total contract costs. Losses on contracts are assessed on an individual contract basis and a provision is recorded for the full amount of any anticipated losses, including losses relating to future work on a contract, in the period in which the loss is first foreseen.

In case of contracts, where revenue is recognised on the basis of surveys of work performed, revenue is measured by applying contractual rates, or the minimum recoverable rates expected, to the actual quantities dredged or the related works performed. Revenue is adjusted subsequently based on final customer approval if rates approved are different from those originally used.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; and contract costs should be recognised as an expense in the period in which they are incurred.

Warranty Obligations

The Group generally provides warranties for general repairs of defects that existed at the time of sale, as required by law. As such, all warranties are assurance-type warranties under IFRS 15, which the Group accounts for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Significant financing component

For lump sum engineering, construction and procurement projects, if there is a difference in the timing of when the Group receives the advance and progress payments and when it recognises the contract revenue, the Group implies the existence of implicit significant financing component and adjusts transaction price to include the effects of time of value of money. The Group records interest on the delayed payments as interest income. For other contracts generally, the Group receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

3 Material accounting policy information (continued)

Revenue recognition (continued)

Variation orders and claims

Variation orders and claims are only included in revenue when it is probable that these will be accepted and can be measured reliably. The Group provides for liquidated damages claims where the customer has the contractual right to apply liquidated damages and it is considered probable that the customer will successfully pursue such a claim.

Liquidated damages and penalties

Liquidated damages, penalties and similar payments, price concession (discounts) or deductions are accounted for as variable considerations. When management concludes on the existence of variable consideration, the Group estimates the amount of variable consideration at contract inception by using either (i) the expected value approach or (ii) the most likely amount. The Group use the method that best predicts the amount of consideration to which it will be entitled based on the terms of the contract. This would also apply to contractual incentive payments or early completion bonuses, if any.

Cost to obtain and costs to fulfil a contract

The Group applied the practical expedient to immediately expense contract acquisition costs when the asset that would have resulted from capitalising such costs would have been amortised within one year or less. The Group does not incur any costs to obtain a contract and costs to fulfil a contract that are eligible for capitalisation.

Other income

Sale of scrap
Income from the sale of scrap is recognized at the time customers take delivery and risk and rewards are transferred to customers as per agreed terms and conditions.

Dividend income
Dividend income is recognised in the consolidated statement of profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Insurance claim
Insurance claims is recognised in the consolidated statement of profit or loss on the date the Group receives the claim value.

Finance income
Finance income comprises interest income on bank deposits. Interest income is recognised as it accrues in the consolidated statement of profit or loss.

3 Material accounting policy information (continued)

Property, plant and equipment

Include Recognition and measurement
Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Cost also may include transfer from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency for purchase of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs
The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. Vessel overhaul and dry-docking costs are capitalised as a separate component of dredgers when incurred. The costs of day to day servicing of property, plant and equipment are recognised in the consolidated statement of profit or loss as incurred.

Depreciation
Depreciation is recognised in the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Vessel overhaul and dry docking costs are depreciated over the period up to next dry-docking, which is generally four years. The estimated useful lives for other items of property, plant and equipment for the current and comparative years are as follows:

	Years
Building and base facilities	25
Dredgers	5 - 30
Barges, support vessels, plant, pipelines and vehicles	1 - 40
Office equipment and furniture	3 - 5

Depreciation methods, useful lives and residual values are reviewed at each financial year end, with the effect of any changes in estimate accounted for on a prospective basis. Management has reviewed the estimated useful lives of property and equipment in accordance with IAS 16 “Property, Plant and Equipment”, and has adjusted the useful lives of certain vessels, barges and vehicles based on the expected usage/future economic benefit (effective from 1 January 2023).

3 Material accounting policy information (continued)

Property, plant and equipment (continued)

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Capital work in progress
The Group capitalises all costs relating to the construction of tangible fixed assets as capital work-in-progress, up to the date of completion of the asset. Such costs are transferred from capital work-in-progress to the appropriate asset category upon completion, and are depreciated over their estimated useful economic lives from the date of such completion.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Insurance claim proceeds, if any, against an insured item of property, plant and equipment are recognised in “other income” in profit or loss.

Investment properties

Investment properties, which is property held to earn rental income and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. Land is not depreciated.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or CGU’s fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3 Material accounting policy information (continued)

Impairment of non-financial assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held-for-sale, in which case it is accounted for in accordance with IFRS 5.

3 Material accounting policy information (continued)

Investments in associates and joint ventures (continued)

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in consolidated statement of profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

In addition, the Group accounts for all amounts previously recognised in consolidated statement of comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in consolidated statement of comprehensive income by that associate or joint venture would be reclassified to consolidated statement of profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to consolidated statement of profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed of.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to consolidated statement of profit or loss the proportion of the gain or loss that had previously been recognised in consolidated statement of comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to consolidated statement of profit or loss on the disposal of the related assets or liabilities.

Notes to the consolidated financial statements

3 Material accounting policy information (continued)

Investments in associates and joint ventures (continued)

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operations; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses.
When a Group entity transacts with a joint operation in which a group entity is a joint operator (such a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operations, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of asset), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

Inventories

Inventories comprise stores and consumable spares and are measured at the lower of cost and net realisable value. The costs of inventories are based on the weighted average method, and include expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

3 Material accounting policy information (continued)

Inventories (continued)

Provision for slow moving and obsolete inventories is established based on expected usage as assessed by management.

Employee benefits

Accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of reporting period.

Provision is made for the full amount of end of service benefits due to employees in accordance with the UAE Labour Law and other applicable laws as per the jurisdictions of the relevant subsidiaries, for their period of service up to the end of the reporting period.

Pension contributions are made in respect of UAE national employees to the UAE General Pension and Social Security Authority in accordance with the UAE Federal Law No. (2), 2000 for Pension and Social Security. Such contributions are charged to profit or loss during the employees' period of service.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and reclassified to the consolidated statement of profit or loss when the qualifying asset affects it. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

Equity-settled share-based payments

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3 Material accounting policy information (continued)

Foreign currencies

Transactions in foreign currencies are translated to AED at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to AED at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between the amortised cost in AED at the beginning of the year, adjusted for effective interest and payments during the period and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are retranslated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to AED at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognised in the consolidated statement of profit or loss, except for the exchange differences arising on the retranslation of equity instruments at fair value through OCI and qualifying cash flow hedges to the extent the hedge is effective, which are recognised in other comprehensive income. Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into AED using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserves.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3 Material accounting policy information (continued)

Provisions (continued)

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Warranties

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, to settle the Group's obligation based on past experience of the Group.

Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in note 14. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash.

Leases

The Group as a lessee

The Group assesses whether contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

3 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the consolidated statement of financial position.

3 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the ‘Property and equipment’ policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line ‘Other expenses’ in the consolidated statement of profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

Financial instruments

Financial assets and financial liabilities are recognised in the Group’s consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

(i) Amortised cost and effective interest method (continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "finance income" (note 24).

(ii) Debt instruments classified as at FVTOCI

The corporate bonds are classified as at FVTOCI. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds had been measured at amortised cost. All other changes in the carrying amount of these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not being reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch’) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

(iv) Financial assets at FVTPL (continued)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘other gains and losses’ line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event (see (ii) above);
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IAS 17 Leases.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables and due to related parties, classified as 'financial liabilities', are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis, except for short term liabilities when the recognition of interest is immaterial.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Derecognition of financial liabilities (continued)

The Group enters into derivative financial instruments to manage exposure to variable interest rate fluctuations. Further details of derivative financial instruments are disclosed in note 34.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in consolidated statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in consolidated statement of profit or loss depends on the nature of the hedging relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the consolidated financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

3 Material accounting policy information (continued)

Hedge accounting (continued)

Note 34 sets out details of the fair values of the derivative instruments used for hedging purposes.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in consolidated statement of comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in consolidated statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to consolidated statement of profit or loss in the periods when the hedged item affects consolidated statement of profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect consolidated statement of comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to consolidated statement of profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in consolidated statement of comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to consolidated statement of profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to consolidated statement of profit or loss.

Taxation

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3 Material accounting policy information (continued)

Current tax (continued)

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3 Material accounting policy information (continued)

Deferred tax (continued)

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the ‘sale’ presumption set out in the amendments to IAS 12 is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of the investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4 Critical accounting judgments and key sources of estimation uncertainty

While applying the accounting policies as stated in note 3, management of the Group has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgments and estimate made by management are summarised as follows:

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.1 Critical judgments in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Revenue recognition

Management considers recognising revenue over time, if one of the following criteria is met, otherwise revenue will be recognised at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Contract variations

Contract variations are recognised as revenue only to the extent that the Group is confident of realising the economic benefits of the variation in accordance with its interpretation of the underlying circumstances. The Group considers prior experience, application of contract terms and the relationship with the customers in making its judgement.

Contract claims

Contract claims are recognised as revenue only when the Group is confident of realising the economic benefits of the claim in accordance with its assessment of the underlying circumstances. The Group reviews judgments related to these contract claims periodically and adjustments are made in the future periods, if assessments indicate that such adjustments are appropriate.

Determining whether unsigned (verbal) agreements meet the definition of contract under IFRS 15

Certain projects for the Government of Abu Dhabi, its departments or related parties, and for customers in Egypt, are executed on the basis of verbally agreed terms (including estimates of total project cost and timelines) in line with the Group's historical business practice. Management has determined such unsigned verbal agreements meet the definition of a 'contract with customer' under IFRS 15 on the basis of external legal opinions. Based on legal opinions, management considers such unsigned verbal agreements to meet the definition of a 'contract with customer' under IFRS 15 since the Group and the customer agree upon the essential elements of a contract and any other lawful conditions, though matters of detail are left to be agreed upon at a later date, and the contract is deemed to be made and binding even in the absence of agreement on these matter of detail. In addition, under Article 132 of the UAE Civil code and under the Supreme Administrative Court Ruling in Case no. 134 of 42 Judicial Year dated 22 July 1997 a contract can be oral or written and a contract can also result from acts which demonstrate the presence of mutual consent between the relevant parties.

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.1 Critical judgments in applying the Group's accounting policies (continued)

Joint arrangement

For assessing joint control, the Group has considered the contractual agreement of sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. For the purpose of assessing whether a joint arrangement is a joint venture or joint operation, the Group has considered whether it has joint control on the rights to the net assets of the arrangements, in which case these are treated as joint ventures, or rights to the assets and obligations for the liabilities relating to the arrangement, in which case these are treated as joint operations.

Merger reserve

Judgment is needed to determine whether a financial instrument, or its component parts, on initial recognition is classified as a financial liability, a financial asset or an equity instrument in accordance with IAS 32. In making its judgment, the Group considered, in particular, whether the instrument includes a contractual obligation to deliver cash or another financial asset to another entity and whether it may be settled in the Group's own equity instrument. Accordingly, it was concluded that merger reserve should be part of equity.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Contract revenue

Revenue from construction contracts is recognised in the consolidated statement of profit or loss when the outcome of the contract can be reliably estimated. The measurement of contract revenue is affected by a variety of uncertainties (including cost estimation and surveys of work performed) that depend on the outcome of future events.

As stated in note 3 to the consolidated financial statements, contract revenue is recognised in the consolidated statement of profit or loss on the basis of stage of completion of the contracts. The stage of completion can be measured by various methods. The management uses one of the following methods that measure reliably the actual work performed on the contract, depending on the nature of the contract:

- surveys of work performed; or
- the proportion that costs incurred to date bear to the estimated total costs of the contract.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

The above estimates often need to be revised as events occur and uncertainties are resolved. Therefore, the amount of contract revenue recognised may increase or decrease from period to period.

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of inventories

When inventories become old or obsolete, an estimate is made of their net realisable value. Inventory items are categorised based on their movements during the year, their physical condition and their expected future use, and accordingly, different proportions of the value of each category are recognised as an allowance for impairment of slow moving and obsolete inventories. Based on the factors, management has identified inventory items as slow and now moving to calculate the allowance for slow moving inventories. Revisions to the allowance for slow moving inventories would require if the outcome of these indicative factors differ from the estimates. Allowance for slow moving inventories at 31 December 2024 AED 54,788 thousand (31 December 2023: AED 53,405 thousand.

Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. The Group uses estimates for the computation of loss rates.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Calculation of loss allowance (continued)

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. As per ECL model, the impairment loss allowance for trade and retention receivables and contract assets required as at 31 December 2024 is AED 77,877 thousand (2023: AED 27,747 thousand) and AED 25,456 thousand (31 December 2023: AED 23,379 thousand), respectively.

Useful lives and residual values of property, plant and equipment

The useful lives and residual values of the property and equipment are based on management's judgement of the historical pattern of useful live and the general standards in the industry.

Taxation provisions

The income tax positions taken are considered by the Group to be supportable and are intended to withstand challenge from tax authorities. However, it is acknowledged that these positions are uncertain and include interpretations of complex tax laws which could be disputed by tax authorities. Evolving insights, for example following final tax assessments for prior years, can result in additional tax burdens or benefits, and new tax risks may arise.

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Taxation provisions (continued)

The Group judges these positions on their technical merits on a regular basis using all the information available (legislation, case law, regulations, established practice, authoritative doctrine as well as the current state of discussions with tax authorities, where appropriate). A liability is recorded for each item that is not probable of being sustained on examination by the tax authorities, based on all relevant information. The liability is calculated taking into account the most likely outcome or the expected value, depending on which is thought to give a better prediction of the resolution of each uncertain tax position in view of reflecting the likelihood of an adjustment being recognised upon examination. These estimates are based on facts and circumstances existing at the end of the reporting period. The tax liability and income tax expense include expected penalties and late payment interests arising from tax disputes. Further, tax implications on unremitted earnings from foreign subsidaries are not considered material to the group as management currently don't intend to have remittances from its foreign operations.

Legal claims and contingencies

When assessing the possible outcomes of legal claims and contingencies, the Group rely on the opinions of the legal counsel. The opinions of the Group's legal counsel are based on their professional judgment and take into consideration the current stage of proceedings and legal experience accumulated with respect to various matters. As the results of the claims may ultimately be determined by courts or otherwise settled, they may be different from such estimates.

Warranty provision

Management has estimated contract warranty costs expected to arise on projects, based on management's best estimates, past experience and expected future maintenance costs.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

5 Property, plant and equipment

	Building and base facilities AED'000	Dredgers AED'000	Barges support vessels, plan and pipelines and vehicles AED'000	Office equipment and furniture AED'000	Capital work-in-progress AED'000	Total AED'000
Cost						
At 1 January 2023	611,425	1,440,025	5,822,084	131,615	260,279	8,265,428
Additions	1,598	10,457	432,605	11,390	740,568	1,196,618
Transfers	40,151	(1,066)	553,212	728	(593,025)	-
Disposals	-	(106)	(11,864)	(922)	-	(12,892)
Exchange differences	-	-	(1,482)	(211)	-	(1,693)
At 1 January 2024	**653,174**	**1,449,310**	**6,794,555**	**142,600**	**407,822**	**9,447,461**
Additions	**2,963**	**638,738**	**753,682**	**13,302**	**838,114**	**2,246,799**
Transfers	**494**	**24,537**	**153,839**	**141**	**(179,011)**	**-**
Disposals	**(12,119)**	**(2,442)**	**(26,601)**	**(996)**	**-**	**(42,158)**
Exchange differences	**-**	**-**	**-**	**(404)**	**-**	**(404)**
At 31 December 2024	**644,512**	**2,110,143**	**7,675,475**	**154,643**	**1,066,925**	**11,651,698**
Accumulated depreciation						
At 1 January 2023	395,233	162,402	3,259,477	109,701	-	3,926,813
Charge for the year	24,523	99,794	258,535	11,308	-	394,160
Disposals	-	-	(10,529)	(214)	-	(10,743)
Exchange differences	-	(369)	(238)	(78)	-	(685)
At 1 January 2024	**419,756**	**261,827**	**3,507,245**	**120,717**	**-**	**4,309,545**
Charge for the year	**23,441**	**111,840**	**436,956**	**10,754**	**-**	**582,991**
Disposals	**(10,611)**	**(2,418)**	**(26,034)**	**(542)**	**-**	**(39,605)**
Exchange differences	**-**	**-**	**-**	**(291)**	**-**	**(291)**
At 31 December 2024	**432,586**	**371,249**	**3,918,167**	**130,638**	**-**	**4,852,640**
Carrying amount						
At 31 December 2024	**211,926**	**1,738,894**	**3,757,308**	**24,005**	**1,066,925**	**6,799,058**
At 31 December 2023	233,418	1,187,483	3,287,310	21,883	407,822	5,137,916

a. Certain items of property, plant and equipment with a carrying value of AED 2,013 million (2023: AED 2,143 million) have been pledged to secure the borrowings of the Group (see note 15). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.
b. Property, plant and equipment includes fully depreciated assets of AED 2,471 million (2023: AED 2,274 million).
c. Building and base facilities are located in Mussafah, Abu Dhabi, UAE on leased land.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

6 Investment properties

	31 December 2024 AED'000	31 December 2023 AED'000
At 1 January	**40,000**	-
Additions during the year (note 6.1 & 31)	**282,000**	40,000
At reporting date	**322,000**	40,000

6.1 As further explained in note 1, under the IPO process, the Group acquired certain plots of land, located in Abu Dhabi, United Arab Emirates, from a related party, recognized at AED 282 million, in exchange for equity shares of NMDC Energy PJSC (note 31). As of reporting date, based on management best estimate carrying value is equal to the fair value.

7 Leases

Right-of-use assets

	Lands AED'000	Equipment AED'000	Total AED'000
As at 1 January 2023	340,127	-	340,127
Addition during the year	4,636	-	4,636
Depreciation expense	(14,666)	-	(14,666)
As at 1 January 2024	**330,097**	**-**	**330,097**
Addition during the year	**-**	**199,693**	**199,693**
Depreciation expense	**(16,216)**	**(34,965)**	**(51,181)**
As at 31 December 2024	**313,881**	**164,728**	**478,609**

The Group leases includes lands and equipment with the average lease term is 2-30 years (2023: 20-30 years).

7 Leases (continued)

Lease liabilities

	AED'000
As at 1 January 2023	349,054
Addition during the year	4,638
Interest expense	12,749
Payments	(25,504)
As at 1 January 2024	**340,937**
Addition during the year	**199,693**
Interest expense	**17,480**
Payments	**(76,115)**
As at 31 December 2024	**481,995**

Lease liabilities is disclosed in the consolidated statement of financial position as follows:	**2024 AED'000**	2023 AED'000
Current liabilities	**87,404**	10,671
Non-current liabilities	**394,591**	330,266
Total	**481,995**	340,937

Following are the amounts recognised in the consolidated statement of profit or loss:

	2024 AED'000	2023 AED'000
Depreciation on right-of-use assets		
Direct costs	**34,964**	-
General and administrative expenses	**16,217**	14,666
	51,181	14,666
Interest expense on lease liabilities		-
Direct costs	**3,934**	
Finance costs (note 25)	**13,546**	12,749
	17,480	12,749

7 Leases (continued)

	2024 AED'000	2023 AED'000
Maturity analysis		
Less than 1 year	**112,600**	24,479
More than 1 year to 5 years	**185,667**	89,517
Later than 5 years	**407,818**	429,897
	706,085	543,894
Less: unearned interest	**(224,090)**	(202,957)
	481,995	340,937

8 Goodwill

Acquisition of subsidiary
During the year 2015, the Group acquired 80% stake in ANEWA Engineering Pvt LTD through one of its subsidiary NPCC Engineering Limited, India.

Acquisition date fair values of the identifiable assets and liabilities of the subsidiaries were determined as follows:

	Total AED'000
Fair value of net assets acquired	**12,749**
Consideration paid	**7,692**
Goodwill on acquisition	**5,057**

Impairment testing of goodwill
Goodwill acquired through business combination of AED 5,057 thousand is allocated to individual cash generating units for impairment testing.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. During the year no impairment was noted and recorded on goodwill.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

9 Investment in equity accounted investees

The carrying amounts of the Group's investments in equity accounted investees at 31 December are as follows:

	2024 AED'000	2023 AED'000
NT Energies LLC	**77**	77
Safeen Survey and Subsea Services LLC	**465,644**	236,642
Principia SAS	**22,818**	24,057
The Challenge Egyptian Emirates Marine Dredging Company	**18,581**	21,613
	507,120	282,389

The movements in investment in equity accounted investees are as follows:

	2024 AED'000	2023 AED'000
At 1 January	**282,389**	191,933
Acquisition during the year (note 9.1)	**199,026**	49,077
Dividend received during the year	**(2,645)**	(1,337)
Foreign exchange movement	**(8,754)**	(9,931)
Share of profit for the year, net	**37,104**	52,647
At 31 December	**507,120**	282,389

9.1 During the year, the Group made a contribution to the joint venture, Safeen Survey and Subsea Services LLC (Safeen) with an amount of AED 199 million for a vessel (the contribution represents 49% of the value of the vessel). During the prior year, the Group made an additional cash contribution of AED 49 million to Safeen.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

10 Financial assets at fair value through profit or loss

	2024 AED'000	2023 AED'000
Investment in quoted UAE equity securities	**640,857**	461,750

Movement on in the financial assets at fair value through profit or loss;

	2024 AED'000	2023 AED'000
At 1 January	**461,750**	34,535
Acquisition during the year	**-**	228,959
Disposal during the year	**-**	(2,009)
Change in fair value	**179,107**	200,265
	640,857	461,750

The fair value of the quoted UAE equity securities at the reporting date is based on the quoted market prices at 31 December 2024 as per Level 1 valuation (note 34).

11 Inventories

	2024 AED'000	2023 AED'000
Spare parts, fuel and consumables	**773,270**	652,084
Less: allowance for slow moving and obsolete inventories	**(54,788)**	(53,405)
	718,482	598,679

Movement in the allowance for slow moving inventories:

	2024 AED'000	2023 AED'000
At 1 January	**53,405**	51,965
Charge during the year	**1,383**	1,440
At 31 December	**54,788**	53,405

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

12 Trade and other receivables

	2024 AED'000	2023 AED'000
Trade receivables	**9,172,376**	2,534,329
Retention receivables	**584,047**	310,584
Less: allowance for expected credit losses	**(77,877)**	(27,747)
	9,678,546	2,817,166
Deposits and prepayments	**412,077**	587,002
Advances paid to suppliers	**2,225,831**	1,195,606
ICV retention receivables	**424,724**	214,924
VAT and GST receivables	**148,206**	38,682
Advances paid to employees	**45,606**	31,852
Development work in progress	**-**	147,329
Other receivables	**125,305**	282,514
	13,060,295	5,315,075

The average credit period to the customer is 60 days (2023: 60 days). No interest is charged on outstanding trade receivables.

Receivables, net are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables and the vast majority are, therefore, unsecured.

Allowance for expected credit losses
The Group recognises lifetime expected credit loss (ECL) for trade and retention receivables using the simplified approach. To determine the expected credit losses all debtors are classified into four categories:

- Category I – billed receivables and unbilled receivables from governments and related companies;
- Category II – private companies with low credit risk;
- Category III – private companies with high credit risk; and
- Category IV – debtors at default.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

12 Trade and other receivables (continued)

As at 31 December 2024

	Categories				
	I AED'000	**II AED'000**	**III AED'000**	**IV AED'000**	**Total AED'000**
Expected credit loss rate	**0% to 2%**	**2% to 3%**	**3% to 99%**	**100%**	
Estimated total gross carrying amount	**9,561,250**	**175,877**	**-**	**19,296**	**9,756,423**
Provision for expected credit losses	**(54,084)**	**(4,497)**	**-**	**(19,296)**	**(77,877)**
Net trade and retention receivables	**9,507,166**	**171,380**	**-**	**-**	**9,678,546**

As at 31 December 2023

	Categories				
	I AED'000	II AED'000	III AED'000	IV AED'000	Total AED'000
Expected credit loss rate	0% to 2%	2% to 3%	3% to 99%	100%	
Estimated total gross carrying amount	2,771,351	50,771	-	22,791	2,844,913
Provision for expected credit losses	(3,457)	(1,499)	-	(22,791)	(27,747)
Net trade and retention receivables	2,767,894	49,272	-	-	2,817,166

These are adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money, where appropriate.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. Trade receivables are considered past due once they have passed their contracted due date. Management has not recognised an expected credit loss in respect of delays in recovery of receivables expected to be recovered in full in the future as these are expected to be recovered in the short term and therefore no discounting adjustment is required.

12 Trade and other receivables (continued)

Ageing of trade and retention receivables

The ageing of non-impaired trade and retention receivables is as follows:

	2024 AED'000	2023 AED'000
Not past due	**3,751,437**	1,714,769
Past due (1 day-90 days)	**3,918,431**	612,892
Past due (91 days–180 days)	**725,510**	106,374
Past due (above 180 days)	**1,283,168**	383,131
	9,678,546	2,817,166

Movement in the provision for expected credit losses on trade and retention receivables is as follows:

	2024 AED'000	2023 AED'000
At 1 January	**27,747**	45,823
Provision/(reversal) during the year	**50,130**	(18,076)
At 31 December	**77,877**	27,747

13 Contract assets

	2024 AED'000	2023 AED'000
Construction contracts	**4,544,441**	4,492,198
Less; allowance for expected credit losses	**(25,456)**	(23,379)
	4,518,985	4,468,819
Work in progress	**-**	222,872
	4,518,985	4,691,691

Amounts relating to contract assets are balances due from customers under construction contracts that arise when the Group receives payments from customers in line with a series of performance related milestones. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

13 Contract assets (continued)

The management always measure the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience, the nature of the customer and where relevant, the sector in which they operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for the amounts contract assets.

	2024 AED'000	2023 AED'000
Changes in contract assets during the year		
At 1 January	**4,468,819**	2,554,624
Add: revenue recognised during the year	**26,263,949**	16,707,980
Add/less: (charge)/reversal in expected credit loss provision	**(2,077)**	4,179
Less: progress billings	**(26,211,706)**	(14,797,964)
At 31 December	**4,518,985**	4,468,819

Construction contracts, net of allowance for expected credit losses and discount, are analysed as follows:

	2024 AED'000	2023 AED'000
Verbal contracts		
Government of Abu Dhabi and its related entities	**436,531**	444,813
Equity accounted investees	**-**	27,698
Other entities	**6,998**	27,954
	443,529	500,465
Signed contracts		
Government of Abu Dhabi and its related entities	**2,097,307**	1,531,952
Equity accounted investees	**298,846**	115,335
Other entities	**1,679,303**	2,321,067
	4,075,456	3,968,354
	4,518,985	4,468,819

13 Contract assets (continued)

Allowance for expected credit losses

The Group recognises lifetime expected credit loss (ECL) for construction contracts using the simplified approach. To determine the expected credit losses all debtors are classified into four categories:

- Category I – billed receivables and unbilled receivables from governments and related companies;
- Category II – private companies with low credit risk;
- Category III – private companies with high credit risk; and
- Category IV – debtors at default.

As at 31 December 2024

	Categories I AED'000	II AED'000	III AED'000	IV AED'000	Total AED'000
Expected credit loss rate	**0 to 2%**	**2 to 3%**	**3 to 99%**	**100%**	**0 to 2%**
Estimated total gross carrying amount	**4,237,242**	**306,359**	**-**	**840**	**4,544,441**
Provision for expected credit losses	**(15,872)**	**(8,744)**	**-**	**(840)**	**(25,456)**
Net contract assets	**4,221,370**	**297,615**	**-**	**-**	**4,518,985**

As at 31 December 2023

	Categories I AED'000	II AED'000	III AED'000	IV AED'000	Total AED'000
Expected credit loss rate	0% to 2%	2% to 3%	3% to 99%	100%	
Estimated total gross carrying amount	4,448,462	38,185	-	5,551	4,492,198
Provision for expected credit losses	(16,671)	(1,157)	-	(5,551)	(23,379)
Net contract assets	4,431,791	37,028	-	-	4,468,819

Movement in the provision for expected credit losses on contract assets is as follows:

	2024 AED'000	2023 AED'000
At 1 January	**23,379**	27,558
Charge/(reversal) during the year, net	**2,077**	(4,179)
At 31 December	**25,456**	23,379

14 Cash and cash equivalents

	2024 AED'000	2023 AED'000
Cash in hand	**3,344**	3,283
Cash at banks:		
Current accounts	**2,090,612**	919,321
Short term deposits	**2,899,537**	2,808,328
Cash and bank balances	**4,993,493**	3,730,932
Less: short-term deposit with original maturity more than three months	**(604,345)**	(515,538)
Cash and cash equivalents	**4,389,148**	3,215,394

Cash and cash equivalents comprise of short-term deposits having original maturities of three months or less. Major deposits, carry interest in the range of 2.4%-6.8% per annum (2023: 3.15%-6.20% per annum).

Included in cash and bank balances are amounts of AED 3,135 million (31 December 2023: AED 2,794 million) held with a related party as disclosed in note 31. Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective jurisdiction. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL.

15 Borrowings

	2024 AED'000	2023 AED'000
Non-current portion of term loans	**735,700**	1,078,046
Current portion of term loans	**342,346**	342,346

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

15 Borrowings (continued)

The term loans comprise of the following:

Term loan 1:

A drawdown from a syndicated loan agreement amounting to USD 500 million carrying an effective interest rate of Term SOFR + 0.90% (2023: Term SOFR + 0.90%). The total syndicated loan agreement consists of two portions; Conventional amounting to USD 167 million, and Islamic amounting to USD 333 million. In accordance with the terms of the agreement, the loan is repayable in quarterly instalments which commenced from June 2020 and is expected to be fully repaid by March 2027. The loan is secured against mortgage of five (5) vessels. The outstanding balance of the loan facility at 31 December 2024 is AED 580 million (2023: AED 845 million).

Term loan 2:

A term loan of AED 249 million obtained in December 2021, with a 5 years tenor which carries an interest rate of 1 month EIBOR + 1.15% per annum. The loan is repayable in quarterly instalments commencing from March 2022 and is expected to be fully repaid by December 2026. This loan is secured against mortgage of a Hopper Dredger. The outstanding balance of the loan facility at 31 December 2024 is AED 153 million (2023: AED 185 million).

Term loan 3:

During 2022, a term loan of AED 459 million was obtained in June 2022, with a 10 years tenor and an interest rate of 1 month EIBOR + 0.88% per annum. The loan is repayable in quarterly instalments commencing from August 2023 and is expected to be fully repaid by May 2032. The outstanding balance of the loan facility at 31 December 2024 is AED 345 million (2023: AED 390 million). This loan is secured against mortgage of a Dredger.

The Group has complied with the financial covenants as of the reporting period.

The contractual repayment schedule of the term loans is as follows:

	2024 AED'000	2023 AED'000
Less than one year	**342,346**	342,346
1 to 5 years	**620,914**	1,078,046
5 years and above	**114,786**	-
At 31 December	**1,078,046**	1,420,392

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

15 Borrowings (continued)

Movement in the term loans:

	2024 AED'000	2023 AED'000
At 1 January	**1,420,392**	1,762,738
Loan repayments	**(342,346)**	(342,346)
At 31 December	**1,078,046**	1,420,392

16 Share capital

	2024 AED'000	2023 AED'000
Authorised, issued and fully paid		
844,379,653 (31 December 2023: 825,000,000) ordinary shares of AED 1 each	**844,379**	825,000

At the Annual General Meeting of the Company held on 28 April 2023, the Shareholders approved the purchase of certain assets through issue of shares, valued at AED 624.8 million, in exchange for mandatory convertible bonds, convertible into 19,379,653 new equity shares of the Company, at AED 32.24 per share. Upon the issuance of these new shares, the total issued share capital of the Company increased to AED 844,379,653. The amendment to the Articles of Association of the Company was approved by Securities and Commodities Authority on 16 July 2024.

The 19,379,653 new shares are recorded in the books at the nominal value of AED 1 per share with the difference between the nominal value (AED 1 per share) and the agreed value (AED 32.24 per share) accounted for as share premium of AED 605,421 thousand.

17 Merger reserve

In accordance with IFRS 3 and per the principles of reverse acquisition, the equity structure appearing in these consolidated financial statements reflects the capital structure (number of shares) of the Accounting Acquiree (NMDC), including the shares issued by NMDC to NMDC Energy PJSC (NMDC Energy) to effect the business combination. This results in the creation of a 'Merger reserve'. The Merger reserve of AED 765,000 thousand is calculated as the difference between:

(a) Sum of purchase consideration AED 1,490,000 thousand and the share capital of NPCC prior to the merger of AED 100,000 thousand; and
(b) Post-merger share capital of the Company of AED 825,000 thousand (825,000,000 shares at par value of AED 1).

The retroactive adjustment of AED 475,000 thousand is the difference between the value of new shares, which NMDC issued to obtain 100% of NMDC Energy and the value of NMDC Energy outstanding shares pre-merger.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

18 Other reserves

	Legal reserve AED'000	Other AED'000	Hedging reserve AED'000	Foreign currency translation reserve AED'000	Total AED'000
At 1 January 2023	280,572	1,291	(5,489)	(284,160)	(7,786)
Transfer of 10% of current year profit	131,928	-	-	-	131,928
Fair value gain on revaluation of hedging instruments	-	-	20,301	-	20,301
Cumulative translation adjustment on foreign operations	-	-	-	(111,140)	(111,140)
At 1 January 2024	**412,500**	**1,291**	**14,812**	**(395,300)**	**33,303**
Transfer of 10% of current year profit	**9,690**	**-**	**-**	**-**	**9,690**
Fair value gain on revaluation of hedging instruments	**-**	**-**	**(21,903)**	**-**	**(21,903)**
Cumulative translation adjustment on foreign operations	**-**	**-**	**-**	**(161,523)**	**(161,523)**
Transfer to non-controlling interests	**-**	**-**	**(4,106)**	**3,353**	**(753)**
At 31 December 2024	**422,190**	**1,291**	**(11,197)**	**(553,470)**	**(141,186)**

Legal reserve

In accordance with UAE Federal Law No. (32) of 2021, 10% of the annual profit of the Group is transferred to a non-distributable legal reserve. Transfers to this reserve are required to be made until such time as it equals 50% of the paid-up share capital of the Company.

19 Provision for employees' end of service benefits

	2024 AED'000	2023 AED'000
At 1 January	**441,352**	403,448
Charge for the year	**91,092**	66,875
Paid during the year	**(24,867)**	(28,971)
At 31 December	**507,577**	441,352

During the year, the Group has contributed a total amount of AED 25,713 thousand (2023: AED 20,640 thousand) towards the Abu Dhabi Pension and Retirement Benefits Fund.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

20 Trade and other payables

	2024 AED'000	2023 AED'000
Trade payables	**2,364,576**	1,890,540
Project and other accruals	**6,642,123**	4,166,625
Advances from customers (note 20.1)	**3,630,013**	2,576,831
Provisions (note 20.2)	**606,611**	444,910
Retentions payable	**284,454**	177,448
VAT payables	**460,151**	67,354
Other payables	**57,390**	133,359
	14,045,318	9,457,067

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. No interest is payable on the outstanding balances.

20.1 Advances from customers

These represent amounts received in advance from customers for certain projects which will be adjusted against future billing during the course of the projects as per contractual terms.

20.2 Provisions

	2024 AED'000	2023 AED'000
Provision for unused vacations	**128,358**	101,594
Provision for liquidated damages	**11,887**	11,887
Provision for board remuneration and employee bonus	**186,639**	137,174
Provision for future losses	**185,629**	97,987
Provision for warranty	**9,500**	14,093
Other provisions	**84,598**	82,175
	606,611	444,910

21 Contract liabilities

	2024 AED'000	2023 AED'000
Contract liabilities	**4,060,865**	479,830

The above amount represents deferred revenue arising from construction contracts. These contracts have performance obligations (unsatisfied or partially unsatisfied) which is expected to be recognised as revenue over the remaining tenor of these contracts.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

22 Taxation

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No.47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime became effective for accounting periods begun on or after 1 June 2023. Generally, UAE businesses is subject to a 9% rate CT rate. A rate of 0% will apply to taxable income not exceeding AED 375,000. The Law is now considered to be enacted from the perspective of IAS 12 – Income Taxes. The UAE entities are subject to CT commencing 1 June 2023.

	2024 AED'000	2023 AED'000
Current income tax		
Current income tax charge – net	**347,655**	44,727
Prior year adjustment	**(13,382)**	(11,397)
Total current tax	**334,273**	33,330
Deferred tax		
Deferred income tax charge	**16,120**	310
Total income tax expense recognised in consolidated income statement	**350,393**	33,640

Tax rates differ between jurisdictions in which the Group operates in. The tax rate applicable in the UAE is 9% (2023: 0%) for taxable profits exceeding AED 375,000. The overall effective tax rate for the Group, including all applicable jurisdictions, is 10 % (2023: 1.5%).

Movement of the income tax payable is as follow:

	2024 AED'000	2023 AED'000
At 1 January	**93,718**	84,784
Charge for the year	**347,655**	45,037
Prior year adjustments	**(13,382)**	(11,397)
Refund during the year	**-**	11,838
Movement in deferred tax	**(2,715)**	(2,003)
Exchange difference	**(10,661)**	(3,774)
Payments during the year	**(56,501)**	(30,767)
At 31 December	**358,114**	93,718

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

22 Taxation (continued)

The movement in deferred tax assets is as follows:

	2024 AED'000	2023 AED'000
At 1 January	**6,465**	8,468
Credited to profit or loss for the year	**-**	(310)
Other temporary and translation differences	**(2,714)**	(1,693)
At 31 December	**3,751**	6,465

The difference between the applicable tax rate and the Group's effective tax rate arises due various adjustments being made in accordance with the corporate tax law which are stated below:

	2024 AED'000	2023 AED'000
Profit before tax	**3,458,728**	2,187,987
Prima facie tax expense at 9% (2023: 0%)	**311,286**	-
Tax effect of difference:		
Tax effect on taxable dividend from KSA subsidiary	**58,500**	-
Tax effect of application of UAE tax law	**14,053**	
Tax effect of different tax rate of subsidiaries operating in foreign jurisdiction*	**(20,867)**	45,037
Others	**803**	-
Income tax expense	**363,775**	45,037
Prior year adjustment	**(13,382)**	(11,397)
Total income tax charge – net	**350,393**	33,640

*The tax results from operations in India, Kuwait, Egypt and Saudi Arabia and is calculated in accordance with taxation laws in the respective countries.

As of year-end, the Group is liable to pay tax in United Arab Emirates, Egypt, India, Kuwait and Saudi Arabia. The income tax assessments for certain periods are pending finalisation in some countries in which the Group operates. The Group has no significant deferred tax assets or liabilities in the foreign jurisdictions at the reporting date.

Charge for the year is accrued based on the management best estimate of expected future tax liabilities.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

22 Taxation (continued)

Litigation

The Company has an ongoing tax litigation in India relating to whether a Permanent Establishment existed in India in the fiscal years 2006/07 until 2021/22. The Company has already received several decisions supporting its position including at the Delhi high court where the action of the Indian tax authorities was quashed. The case is currently pending adjudication at the Supreme Court of India.

In the opinion of the Company's tax advisors in India, the chances of the Company winning the litigation in the Supreme Court of India are more likely than not. The tax advisors have estimated the Company's tax liability for this matter in the probable scenario to be approximately AED 44 million including interest up to 31 December 2024. On this basis, an amount of AED 44 million is recorded as part of the Group overall tax provision at 31 December 2024.

Applicability of Pillar Two

The Organisation of Economic Cooperation and Development (OECD) has published GloBE Model Rules, which include a minimum 15% tax rate by jurisdiction ("Pillar Two"). Various countries have enacted or intend to enact tax legislation to comply with Pillar Two rules. As of the reporting date, Pillar Two legislation has not been substantively enacted in the UAE. The Group is in the process of an assessment of its impact on its future earnings.

23 Revenue from contracts with customers

23.1 Revenue by activity

	UAE AED'000	International AED'000	Group AED'000
31 December 2024			
Dredging, reclamation and marine construction	**11,271,257**	**552,586**	**11,823,843**
Engineering, procurement and construction	**8,691,092**	**5,749,014**	**14,440,106**
Total	**19,962,349**	**6,301,600**	**26,263,949**
31 December 2023			
Dredging, reclamation and marine construction	8,284,618	492,897	8,777,515
Engineering, procurement and construction	4,634,465	3,296,000	7,930,465
Total	12,919,083	3,788,897	16,707,980

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

23 Revenue from contracts with customers (continued)

23.2 Timing of revenue recognition

	2024 AED'000	2023 AED'000
Services transferred over time	**26,263,949**	16,707,980

23.3 Other information

The following table provides information relating to the Group's major customers who individually contribute more than 10% of Group revenue:

	Dredging and Marine AED'000	Engineering Procurement & Construction AED'000	Total AED'000
31 December 2024			
Customer 1	**-**	**8,262,974**	**8,262,974**
Customer 2	**995,727**	**5,426,569**	**6,422,296**
Customer 3	**6,889,365**	**-**	**6,889,365**
Customer 4	**1,626,670**	**-**	**1,626,670**
	9,511,762	**13,689,543**	**23,201,305**
31 December 2023			
Customer 1	-	3,208,864	3,208,864
Customer 2	713,806	3,979,917	4,693,723
Customer 3	3,901,601	-	3,901,601
Customer 4	1,864,526	-	1,864,526
	6,479,933	7,188,781	13,668,714

23.4 Unsatisfied performance obligation

The transaction price allocated to (partially) unsatisfied performance obligations at 31 December 2024 and 31 December 2023 are as set out below:

	2024 AED'000	2023 AED'000
Within one year	**30,302,207**	20,834,214
More than one year	**40,576,842**	33,221,463
	70,879,049	54,055,677

24 Finance income

	2024 AED'000	2023 AED'000
Interest income	**176,956**	134,032

Finance income comprises income from short term deposits, which carry interest at variable market rates.

25 Finance costs

	2024 AED'000	2023 AED'000
Interest expense on term loans	**131,224**	107,177
Interest expense on lease liabilities	**13,546**	12,749
Discounting of long-term retention receivables	**125,284**	-
	270,054	119,926

26 Other income, net

	2024 AED'000	2023 AED'000
Insurance claim	**8,628**	6,206
Income from scrap sales	**29,934**	36,404
Gain on sale of property, plant and equipment	**5,901**	6,314
Dividend income	**16,358**	4,909
Reversal of prior years' accruals	**21,524**	-
Miscellaneous income	**31,620**	10,243
	113,965	64,076

27 Profit for the year

Profit for the year is stated after:

	2024 AED'000	2023 AED'000
Salaries and other benefits	**2,738,831**	2,191,681
Depreciation of property, plant and equipment (note 5)	**582,991**	394,160
Depreciation of right-of-use assets (note 7)	**51,181**	14,666
Social contributions	**22,915**	2,895

28 Earnings per share

Basic earnings per share has been computed by dividing the profit for the year attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

	2024	2023
Profit attributable to the shareholders of the Company (AED'000)	**2,960,352**	2,153,513
Weighted average number of ordinary shares ('000)	**833,075**	825,000
Earnings per share attributable to the shareholders of the Company (AED)	**3.55**	2.61

Diluted earnings per share as of 31 December 2024 and 31 December 2023 are equivalent to basic earnings per share.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

29 Non-controlling interests

Summarised financial information in respect of the Group's subsidiary, NMDC Energy PJSC, having material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

NMDC Energy PJSC	2024 AED'000	2023 AED'000
Current assets	**12,616,626**	9,663,142
Non-current assets	**3,918,164**	3,357,156
Current liabilities	**10,318,114**	7,283,201
Non-current liabilities	**997,573**	1,138,496
Equity attributable to the shareholders of the Company	**5,213,042**	4,594,686
Non-controlling interest	**1,205,088**	3,915
Contract revenue	**14,440,106**	7,940,568
Direct costs	**(13,033,856)**	(7,160,144)
Profit for the year	**1,406,250**	780,424
Profit attributable to the shareholders of the Company	**1,258,267**	779,589
Profit attributable to the non-controlling interests	**147,983**	835
Profit for the year	**1,406,250**	780,424
Other comprehensive income attributable to the shareholders of the Company	**(183,426)**	(90,839)
Other comprehensive income attributable to the non-controlling interests	**(8,779)**	-
Other comprehensive loss for the year	**(192,205)**	(90,839)
Total comprehensive income attributable to owners of the parent company	**1,074,841**	688,750
Total comprehensive income attributable to the non-controlling interests	**139,204**	835
Total comprehensive income for the year	**1,214,045**	689,585

29 Non-controlling interests (continued)

	2024 AED'000	2023 AED'000
Net cash generated from operating activities	**2,836,426**	2,223,527
Net cash used in investing activities	**(566,296)**	(1,056,259)
Net cash used in financing activities	**(1,137,174)**	(349,427)
Net cash generated	**1,132,956**	817,841

30 Dividend

At the annual general meeting held on 8 March 2024, the shareholders approved a dividend of AED 0.75 per share for a total dividend amounting to AED 618,750 thousand, relating to the year ended 31 December 2023 (2022: nil).

At the meeting of the Board of Directors of the Company, held on 25 October 2024, the Board approved distribution of interim special dividends of AED 2,000,000 thousand (AED 2.37 per share).

31 Related party transactions and balances

Related parties include majority Shareholders, equity accounted investees, Directors and key management personnel, management entities engaged by the Group and those enterprises over which majority Shareholders, Directors, the Group or its affiliates can exercise significant influence, or which can exercise significant influence over the Group. In the ordinary course of business, the Group provides services to, and receives services from, such enterprises on terms agreed by management.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

31 Related party transactions and balances (continued)

Balances with related parties included in the consolidated statement of financial position are as follows:

	2024 AED'000	2023 AED'000
Due from/to equity accounted investee for project related work:		
Trade and other receivables	**193,822**	499,864
Trade and other payables	**120,214**	429,900
Contract assets	**298,747**	147,803
Due from/to other related parties:		
Trade and other receivables	**5,572,937**	63,429
Contract assets	**159,397**	38,143
Trade and other payables	**2,591,862**	33,010
Bank balances	**3,134,668**	2,793,662
Borrowings	**497,760**	575,671

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

31 Related party transactions and balances (continued)

Transactions with related parties included in the consolidated statement of profit or loss are as follows:

	2024 AED'000	2023 AED'000
Other related parties		
Material and services purchased / received	**125,647**	97,310
Revenue earned	**5,770,453**	-
Acquisition of investment properties against disposal of shares of a subsidiary (note 6)	**282,000**	-
Net interest income (cost)	**22,239**	23,743
Equity accounted investee		
Revenue earned	**504,000**	390,643
Sub-contract costs	**661,524**	391,636
Charter of vessel	**108,011**	38,264

Transactions with key management personnel

Compensation of key management personnel is as follows:

	2024 AED'000	2023 AED'000
Salaries and other short-term benefits	**13,021**	10,943
Employees' end of service benefits	**727**	717
	13,749	11,660
Number of key management personnel	**5**	4

32 Interest in joint operations

The consolidated financial statements include the following amounts as a result of proportionate consolidation of its interests in joint operations:

	2024 AED'000	2023 AED'000
Total assets	**3,318,965**	1,577,073
Total liabilities	**(3,180,599)**	(1,520,028)
Net assets	**138,366**	57,045
Total revenue	**3,085,056**	71,049
Profit for the year	**288,365**	36,475

33 Contingencies and commitments

	2024 AED'000	2023 AED'000
Bank guarantees	**17,405,605**	13,350,209
Letters of credit	**263,289**	289,220
Capital commitments	**365,986**	188,303
Purchase commitments	**6,185,651**	5,378,558

The above letters of credit and bank guarantees issued in the normal course of business.

34 Financial risk management objectives and policies

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk, equity risk and credit risk. The Group's management reviews and agrees policies for managing each of these risks which are summarised below.

34 Financial risk management objectives and policies (continued)

Credit risk

The Group seeks to limit its credit risk with respect to customers by dealing with good reputation and financially sound customers and monitoring outstanding receivables. Of the trade receivables at 31 December 2024, 91% is due from the Group's five largest customers (31 December 2023: 79%). The maximum exposure is the carrying amount as disclosed in note 12 to the consolidated financial statements.

With respect to credit risk arising from the other financial assets of the Group, including cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group manages its credit risk with respect to banks by only dealing with reputable banks.

Liquidity risk

The Group seeks to limit its liquidity risk by ensuring bank facilities are available. As at 31 December 2024, the Group has AED 1,034,500 thousand (2023: AED 1,124,500 thousand) of un-utilised credit facilities from banks.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December, based on contractual payment dates and current market interest rates:

	On demand AED'000	**Less than 1 year AED'000**	**1 to 5 years AED'000**	**More than 5 years AED'000**	**Total AED'000**
At 31 December 2024					
Trade and other payables*	-	**3,773,181**	-	-	**3,773,181**
Lease liabilities	-	**112,600**	**185,667**	**407,817**	**706,085**
Term loans	-	**403,485**	**695,043**	**123,983**	**1,222,511**
Total	**-**	**4,289,266**	**880,710**	**531,800**	**5,701,777**
At 31 December 2023					
Trade and other payables*	-	2,807,329	-	-	2,807,329
Lease liabilities	-	23,603	89,518	429,897	543,018
Term loans	-	426,047	1,043,944	178,568	1,648,558
Total	-	3,256,979	1,133,462	608,465	4,998,905

*Trade and other payables exclude contract accruals and advances received from customers.

34 Financial risk management objectives and policies (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include bank deposits and equity investments.

Interest rate risk

The Group is mainly exposed to interest rate risk on bank overdrafts and term loans.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit for one year.

	Effect on profit/equity AED '000
2024	
+100 increase in basis points	**(10,780)**
-100 decrease in basis points	**10,780**
2023	
+100 increase in basis points	(14,204)
-100 decrease in basis points	14,204

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt and the cash flow exposures on the issued variable rate debt. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at reporting date and the credit risk inherent in the contract, and is disclosed below.

The average interest rate is based on the outstanding balances at the end of the financial year.

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the 3 months Term SOFR rate. The Group will settle the difference between the fixed and floating interest rate on a net basis.

34 Financial risk management objectives and policies (continued)

The following tables detail the unrealized gain and remaining terms of interest rate swap contracts outstanding as at the end of the reporting year. Notional value of interest rate swap contracts as of 31 December 2024 is AED 290,144 thousand (2023: AED 422,338 thousand):

	USD'000	***AED'000***
2024		
Instrument I: outstanding receive floating pay fixed Term SOFR 3M (0.8%)	**3,283**	**12,056**
2023		
Instrument I: outstanding receive floating pay fixed Term SOFR 3M (0.8%)	6,700	24,602

Foreign currency risk

Foreign currency risk is the risk that financial instrument will fluctuate due to change in foreign exchange rates. Assets are typically funded in the same currency as that of the business being transacted to eliminate exchange exposures.

The Group is exposed to exchange rate fluctuations related to the Euro, Egyptian Pound, Indian Rupees and Sterling Pound denominated as assets and liabilities. Other currencies are pegged to AED, and hence no currency fluctuation risks exist for them.

	2024		2023	
	Liabilities AED'000	**Assets AED'000**	Liabilities AED'000	Assets AED'000
Egyptian Pound	**1,422,045**	**1,503,852**	197,286	684,687
Euro	**1,249,540**	**628,562**	272,622	153,192
	2,671,585	**2,132,414**	469,908	837,879

Based on the sensitivity analysis to a 5% increase/decrease in the AED against the relevant foreign currencies (assumed outstanding for the full year):

(a) there is AED 4,090 thousand (2023: AED 24,370 thousand) net revaluation gain/ loss on the Egyptian Pound outstanding balances.

(b) there is AED 31,049 thousand (2023: AED 5,972 thousand) net revaluation gain/ loss on the Euro outstanding balances.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

34 Financial risk management objectives and policies (continued)

Equity price risk

The Group's listed equity securities are susceptible to market price arising from uncertainties about future values of the investment securities. The Group manages equity price risk through diversification and placing limits on individual and total equity investments. The Group's management reviews and approves all investment decisions.

The following demonstrates the sensitivity of the cumulative changes in fair value to reasonably possible fair value changes in equity prices, with all variables held constant. The effect of the decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

Investments carried at fair value through profit or loss

2024	***AED'000***
5% change in variables	**32,043**
2023	*AED'000*
5% change in variables	23,088

Forward foreign exchange contracts

It is the policy of the Group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. The Group also enters into forward foreign exchange contracts to manage the risk associated with anticipated sales and purchase transactions out to six months. Basis adjustments are made to the carrying amounts of non-financial hedged items when the anticipated sales or purchase transactions take place.

The following table details the forward foreign currency contract outstanding at the end of the reporting period:

	Foreign currency	Notional amount AED'000	Fair value AED'000	Unrealised losses AED'000
2024				
Forward contract	**EUR, GBP & JPY**	**559,390**	**532,793**	**(26,597)**
2023				
Forward contract	EUR&GBP	164,255	154,465	(9,790)

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023. Capital comprises share capital, reserves, retained earnings, and is measured at AED 11,420,031 thousand as at 31 December 2024 (2023: AED 8,600,200 thousand).

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

34 Financial risk management objectives and policies (continued)

Fair value of financial instruments

Fair value measurement recognized in the consolidated statement of financial position

The fair values of the Group's financial assets and liabilities as at 31 December 2024 and 31 December 2023 are not materially different from their carrying values at that reporting date.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities which are measured at fair value as at 31 December 2024 and 31 December 2023:

	Total AED'000	Quoted prices in active markets (Level 1) AED'000	Significant observable inputs (Level 2) AED'000	Significant unobservable inputs (Level 3) AED'000
As at 31 December 2024				
Derivative financial assets	**12,056**	-	**12,056**	-
Derivative financial liabilities	**(26,597)**	-	**(26,597)**	-
Financial assets at fair value through profit or loss (FVTPL)	**640,857**	**640,857**	-	-
Investment properties	**322,000**	-	-	**322,000**
As at 31 December 2023				
Derivative financial assets	24,602	-	24,602	-
Derivative financial liabilities	(9,790)	-	(9,790)	-
Financial assets at fair value through profit or loss (FVTPL)	461,750	461,750	-	-
Investment properties	40,000	-	-	40,000

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

35 Segment information

Geographical segment information

The Group has aggregated its segments into Dredging & Marine and Energy.

The following table shows the Group's segment analysis:

	Dredging & Marine AED'000	**Energy AED'000**	**31 December 2024 Group AED'000**
Segment revenue	**12,182,783**	**14,440,106**	**26,622,889**
Intersegment revenue			**(358,940)**
Revenue			**26,263,949**
Segment gross profit	**2,092,688**	**1,523,895**	**3,616,583**
Share of net results of equity accounted investees			**37,104**
General and administrative expenses			**(338,954)**
Finance income			**176,956**
Finance cost			**(270,054)**
Foreign currency exchange loss			**(55,979)**
Fair value gain on financial assets at fair value through			**179,107**
Other income, net			**113,965**
Profit before tax for the year			**3,458,728**
Income tax charge	**(176,079)**	**(174,314)**	**(350,393)**
Profit after tax			**3,108,335**
Total assets	**16,699,324**	**16,500,427**	**33,199,751**
Total liabilities	**9,590,877**	**10,983,755**	**20,574,632**

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

35 Segment information (continued)

	Dredging & Marine AED'000	Energy AED'000	31 December 2023 Group AED'000
Segment revenue	8,849,285	7,940,568	16,789,853
Intersegment revenue	-	-	(81,873)
Revenue			16,707,980
Segment gross profit	1,241,202	920,428	2,161,630
Share of net results of equity accounted investees			52,647
General and administrative expenses			(265,889)
Foreign currency exchange loss			(38,847)
Fair value gain on financial assets at fair value through profit or loss			200,265
Finance income			134,032
Finance costs			(119,926)
Other income, net			64,076
Profit before tax for the year			2,187,988
Income tax charge	(8,858)	(24,782)	(33,640)
Profit after tax			2,154,348
Total assets	8,842,732	12,004,469	20,847,201
Total liabilities	4,598,212	7,644,874	12,243,086

36 Subsequent events

Proposed dividend

During the meeting held on 11 February 2025, the Board of Directors proposed a divided of AED 700,835 thousand representing AED 0.83 per share for the year ended 31 December 2024.

37 Approval of consolidated financial statements

The consolidated financial statements were approved by management and authorised for issue on 11 February 2025.

15 APPENDIX

APPENDIX

(GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, G7, G8, G9)

GRI/ADX CONTENT INDEX

GRI 1: FOUNDATION 2021			
Statement of Use	NMDC Group has reported the information cited in this GRI content index for the period 1 January – 31 December 2024 in accordance with the GRI Standards		
GRI 2: GENERAL DISCLOSURES			
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE PAGES
The Organization and its Reporting Practice			
2-1	Organizational details	-	14-19
2-2	Entities included in the organization's sustainability reporting	G7: Sustainability reporting G8: Disclosure Practices	4-5
2-3	Reporting period, frequency, and contact point	-	4-5
2-4	Restatements of information	-	108, 121, 123, 138, 144
2-5	Reporting period, frequency, and contact	G9: External Assurance	4-5
Activities and workers			
2-6	Activities, value chain and other business relationships	-	14-19
2-7	Employees	-	52-67
2-8	Workers who are not employees	-	52-67
Governance			–
2-9	Governance structure and composition	G1: Board Diversity	26-37
2-10	Nomination and selection of the highest governance body	G2: Board Independence	26-37
2-11	Chair of the highest governance body		26-37
2-12	Role of the highest governance body in overseeing the management of impacts	-	26-37
2-13	Delegation of responsibility for managing impacts	-	26-34
2-14	Role of the highest governance body in sustainability reporting	-	26-37
2-15	Conflicts of interest	G6: Ethics & Anti-Corruption	26-37

2-16	Communication of critical concerns	-	26-37	
2-17	Collective knowledge of the highest governance body	-	26-37	
2-18	Evaluation of the performance of the highest governance body	-	26-37	
2-19	Remuneration policies	G3: Incentivized Pay	26-37	
2-20	Process to determine remuneration	-	26-37	
2-21	Annual total compensation ratio	S1: CEO Pay Ratio	Not Disclosed	
		S2: Gender Pay Ratio	82-83	
-	-	G6: Data Privacy	114-116	
Strategy, policies, and practices				-
2-22	Statement on sustainable development strategy	G8: Sustainability reporting G9: Disclosure Practices E8 & E9: Environmental Oversight	38-45	
2-23	Policy commitments	-	26-37	
2-24	Embedding policy commitments	-	26-37	
2-25	Processes to remediate negative impacts	-	26-37	
2-26	Mechanisms for seeking advice and raising concerns	-	26-37	
2-27	Compliance with laws and regulations	G5: Ethics & Anti-Corruption	26-37	
Stakeholder engagement				-
2-29	Approach to stakeholder engagement	-	42	
GRI 3: MATERIAL TOPICS				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE PAGES	
3-1	Process to determine material topics	-	43-44	
3-2	List of material topics	-	43-44	
3-3	Management of material topics	-	43-44	

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GRI 201: Economic Performance 2016			
GRI 201 Topic Specific			
3-3	Management Approach	-	46-49
201-1	Direct economic value generated and distributed	-	46-49
GRI 202 Market Presence 2016			
GRI 201 Topic Specific			
3-3	Management Approach	-	47-90
202-2	Proportion of senior management hired from the local community	S11: Nationalisation	84-85
GRI 203: Indirect Economic Impacts 2016			
GRI 203 Topic Specific			
3-3	Management Approach	-	46-49
203-2	Significant indirect economic impacts	E10: Climate Risk Mitigation	46-49
GRI 204: Procurement Practices 2016			
GRI 204 Topic Specific			
3-3	Management Approach	-	105-109
204-1	Proportion of spending on local suppliers	-	105-109
GRI 205: Anti-Corruption 2016			
GRI 205 Topic Specific			
3-3	Management Approach	-	26-37
205-1	Operations assessed for risks related to corruption	G5: Ethics & Prevention of Corruption	26-37
205-2	Communication and training about anti-corruption policies and procedures	G5: Ethics & Prevention of Corruption	26-37
205-3	Confirmed incidents of corruption and actions taken	G5: Ethics & Prevention of Corruption	26-37

GRI 300: Environmental Standard Series			
GRI 302: Energy 2016			
GRI 302 Topic Specific			
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302-2	Energy consumption outside of the organization	E3: Energy Usage	120-130
302-3	Energy Intensity	E4: Energy Intensity E5: Energy Mix	120-130
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GRI 303 Topic Specific			
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303-2	Management of water discharge related impact	-	144-145
303-3	Water withdrawal	E6: Water Usage	144-145
303-5	Water Consumption	E6: Water Usage	144-145
GRI 304: Biodiversity			
GRI 303 Topic Specific			
3-3	Management Approach	-	135-136
GRI 305: Emissions 2016			
GRI 305 Topic Specific			
3-3	Management Approach	-	120-130
305-1	Direct (Scope 1) GHG emissions	E1: GHG Emissions	123-129
305-2	Energy indirect (Scope 2) GHG emissions	E1: GHG Emissions	123-129
305-3	Other indirect (Scope 3) GHG emissions	E1: GHG Emissions	123-129
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305-5	Reduction of GHG emissions	E1: GHG Emissions	120-130

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GRI 306 Topic Specific			
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306-3	Waste generated	E7: Environmental Operations	137-143
GRI 307: Environmental Compliance 2020			
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3-3	Management Approach	-	131-132
307-1	Non-compliance with environmental laws and regulations	E7: Environmental Operations E8 & E9: Environmental Oversight	131-132
GRI 308: Supplier Environmental Assessment 2016			
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GRI 401: Employment 2016			
GRI 401 Topic Specific			
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GRI 403 Topic Management Disclosures			
3-3	Management Approach	-	91-97
403-1	Occupational health and safety management system	S8: Global Health & Safety	91-97

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403-3	Occupational health services	-	91-97
403-4	Worker participation, consultation, and communication on Occupational health and safety	-	91-97
403-5	Worker training on occupational health and safety	-	91-97
403-6	Promotion of worker health	-	91-97
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-	91-97
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403-8	Workers covered by an occupational health and safety management system	S8: Global Health & Safety	91-97
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406-1	Incidents of discrimination and corrective actions taken	S6: Non-Discrimination S9: Child & Forced Labor S10: Human Rights	52-57
GRI 413: Local Community 2016			
GRI 413 Topic Specific			
3-3	Management Approach	-	100-103
413-1	Operations with local community engagement, impact assessments, and development programs	S12: Community Investment	100-103
GRI 414: Supplier Social Assessment 2016			
GRI 414 Topic Specific			
3-3	Management Approach	-	105-107
414-1	New suppliers that were screened using social criteria	G4: Supplier Code of Conduct	105-107
GRI 416: Customer Health and Safety 2016			
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3-3	Management Approach	-	104
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