

Environmental, Social, and Governance (ESG) Management



Protecting the environment and ensuring sustainable development are critical issues. With the ever increasing population and consumption of resources, environmental degradation is inevitable unless coordinated efforts are made to mitigate the negative impact on the planet. Nadec is committed to a sustainable future by implementing sustainable practices throughout its supply chain.

The concept of sustainability represents a clear direction in Nadec's strategy in all its activities and operations. The company is committed to designing and building working environments that deliver responsible social, business, and environmental performance. Going beyond contractual performance and regulatory compliance, the company exerts efforts to maintain sustainable operations that benefit its customers, partners, employees, and the local communities in which it operates. This is achieved by embracing

a culture of sound health, safety, and environmental management throughout its operations, supply chains, and partnerships.

In line with the Kingdom's goals of achieving net-zero emissions, decarbonizing the economy, and transitioning to a more sustainable future, Nadec has launched an ambitious investment strategy. As part of this strategy, it has initiated the development of a solar photovoltaic energy park, the first of its kind in the Kingdom. The project has a 25-year power purchase agreement with French company ENGIE and has a capacity of 30 megawatts. The solar park features 75,000 dual-axis tracking photovoltaic units, linear inverters, and a fully automated cleaning system, utilizing the latest technologies to increase production capacity and reduce costs. The project is expected to reduce carbon emissions by 53 million kilograms per year.



Planning, Implementing, Improving... Realizing a Sustainable Environment

Environmental Management at Nadec

The ISO 14001 Environmental Management System adopted by Nadec is a set of international standards developed by the International Organization for Standardization (ISO) to boost the environmental performance and management of companies and organizations. The ISO 14001 system enables organizations to develop a structured and effective approach to managing and improving their environmental performance. The following are some key points about the ISO 14001 Environmental Management System implemented by Nadec.

Scope of Application:

The ISO 14001 system applies to all Nadec activities that may affect the environment.

The system can be implemented in a wide range of organizations, including industrial and service companies.

System Structure:

The ISO 14001 system is based on the PDCA (Plan-Do-Check-Act) model for improving environmental performance, and requires the establishment of an environmental policy, the setting of goals and a plan to achieve them, the implementation of these plans, the monitoring of results, and the improvement of processes based on assessments.

Documentation and Evaluation:

Nadec has developed detailed documentation covering all aspects of the environmental management system (EMS), including periodic performance evaluations and compliance checks to ensure continuous improvement.

Environmental Impact Analysis:

Nadec identifies and evaluates the environmental aspects of its activities and products. This involves assessing emissions, consumption and potential environmental impacts.

Regulatory Compliance:

The ISO 14001 system requires the organization to comply with local and national environmental legislation and regulations.

Encouraging Participation and Communication:

The system encourages the active participation of employees and facilitates internal and external communication on environmental issues.

Continuous Improvement:

The ISO 14001 system promotes continuous improvement of Nadec's environmental performance by analyzing data and taking necessary actions. By implementing the ISO 14001 Environmental Management System, Nadec can achieve a number of benefits, including reduced environmental impact, improved regulatory compliance, and an enhanced reputation for environmental responsibility.

Declared Company Commitments

The following are the key environmental initiatives undertaken by Nadec:

Environmental Initiative	Importance
Sustainable Energy	<ul style="list-style-type: none"> Reducing dependence on fuel consumption Activating the renewable energy and energy efficiency plan
Environment	<ul style="list-style-type: none"> Implementing food waste reduction plans Reducing the environmental impact of agricultural activities
Safety	<ul style="list-style-type: none"> Reducing material loss or damage to people and property Establishing a secure system
Water Treatment and Consumption	<ul style="list-style-type: none"> Reducing water consumption Establishing wastewater treatment for Nadec
Waste Management	<ul style="list-style-type: none"> Ensuring treatment of all sources of waste

Ongoing Sustainable Investment Efforts

Nadec Community Investment Initiatives

First: Community Contribution Principles

Nadec is committed to initiating impactful programs as an integral part of its ongoing efforts to engage with its community and customers in various events that contribute to their support, in line with its ethical values. The company strives to instill and act upon these values in all its internal and external activities, recognizing the significance of its role in society through participation, sponsorship, and more. This commitment fulfills one of the goals outlined in the Kingdom’s Vision 2030: “Enhancing Corporate Social Responsibility.”

Second: Initiatives to Realize the Company’s Social Investment Objectives

M	Initiative	Location
1	500 food products for the National Center for Palm and Dates	Al-Hofuf
2	400 food products for the Innovation Forum	Riyadh
3	6,000 food products for the Khobar Festival	Al-Kharj
4	650 food products for the Inaiza International Date Forum	Al-Qassim
5	80 food products for the Abdullah bin Rawahah Mosque	Riyadh
6	400 food products for the Suleiman Al-Rajhi Mosque	Riyadh
7	250 food products for the Lubabah bint Al-Harith School	Riyadh
8	150 food products for the Saad bin Abada School	Riyadh
9	540 food products for the Saudi Charitable Society for Diabetes	Riyadh
10	2,160 food products for the Sons of Medical Summer Forum for the Disabled	Madinah

M	Initiative	Location
11	245 food products for School 134	Riyadh
12	Participation in National Day celebrations and provision of 24,000 food products	Riyadh, Jeddah, Eastern Region
13	14 food products for the Civil Development Association	Riyadh
14	350 food products for Almenbar School	Riyadh
15	180 food products for the Mnarat Alsharq School	Dammam
16	600 food products for School 287	Riyadh
17	100 food products for the Shams School	Riyadh
18	200 food products for the Knowledge Research Center	Riyadh
19	250 food products for Islamic Education Schools	Riyadh
20	1,080 food products for the Center for Human Studies Research	Riyadh
21	250 food products for the Rawdh Society	Riyadh
22	800 food products for the “Cat Walk” event	Riyadh
23	250 food products for Al-Rayan College	Riyadh
24	3,350 food products for the Wafa Charitable Society	Riyadh
25	510 food products for School 175	Riyadh
26	540 food products for School 64	Riyadh

M	Initiative	Location
27	500 food products for King Khalid Hospital	Riyadh
28	1,305 food products for the Saudi Gymnastics Union in the Girls Gymnastics Championship	Riyadh
29	550 food products for the First Secondary School	Madinah
30	360 food products for the Fifth Intermediate School	Madinah
31	400 food products for King Saud University	Riyadh
32	510 food products for Al-Anwar Schools	Dammam
33	250 food products for the Sciences Advancement School	Riyadh
34	400 food products for the Civil Development Association	Riyadh
35	609 food products for the Sons Nursery	Riyadh
36	160 food products for the Women's Development Society	Qassim
37	1,680 food products for the Rawafed Summer Forum	Riyadh
38	Sponsorship of the "R7" Running Club event	Riyadh
39	Sponsorship of the Prince Sultan Medical Military City campaign "Awareness of Mental Health"	Riyadh
40	Sponsorship of King Faisal Specialist Hospital event "World Cup Matches"	Riyadh
41	Winter Clothing Initiative	Riyadh



The number of beneficiaries from Nadec's social initiatives has reached

50,573

people in various regions of the Kingdom

Nadec Responsible Marketing Management

In keeping with the framework and methodology of responsible marketing to which Nadec is committed, we ensure compliance with the prevailing regulations in the Kingdom of Saudi Arabia. These regulations involve various laws and policies governing business operations and marketing practices, including those of Nadec. We conduct our activities with a focus on safeguarding consumers and contributing to the improvement of product quality. The following points outline the provisions of responsible marketing regulations in the field of marketing in the Kingdom that form the basis of Nadec's strategy.

01 Consumer Rights Regulations:

This regulation underscores the definition of consumer rights and the corresponding obligations of companies. These include providing accurate and transparent information about products and services and ensuring fair and secure transactions with customers.

02 Personal Information Protection Laws:

These laws help ensure the security and protection of customer information and control the collection and processing of personal data in accordance with local laws and regulations.

03 Marketing through Social Media:

Rules are established for marketing Nadec's products on social media platforms, emphasizing fairness, transparency, and compliance with intellectual property rights laws.

04 Advertising Laws:

Establishing standards for advertisements related to Nadec, ensuring compliance with laws and ethical principles. Emphasis is placed on avoiding deceptive advertisements or those that may harm consumers.

05 Pricing Policies:

These policies govern the pricing of our products, prohibiting price manipulation and ensuring transparency in the display of prices. Misleading advertisements about discounts are also prohibited.

06 Compliance with Quality Standards:

Adherence to these standards ensures that Nadec's products and services meet specified quality and safety standards in accordance with the regulations and standards of relevant regulatory bodies.

07 E-commerce Marketing:

E-commerce marketing at Nadec is regulated to ensure customer protection from illegal practices, with defined rights and obligations for online transactions.

08 Television Advertising Standards:

Television advertising standards are set to prevent consumer deception and ensure compliance with broadcasting and advertising laws.

09 Intellectual Property Rights:

Laws protecting the intellectual property rights of companies regulate the use of trademarks and logos in accordance with the law.

10 Defining Nadec's Responsibilities:

These responsibilities include ensuring the safety of Nadec's products, providing warranties to customers, and complying with certain legal standards.

Positive Contribution to Environmental Protection and Quality of Life

Nadec Energy Management

Embracing Clean and Green Energy

Implementing Nadec's energy policy in accordance with established guidelines, the adoption of clean and green energy is a key component of Nadec's strategy. This commitment seeks to contribute to environmental protection and promote sustainable development. Nadec has outlined various steps and policies to realize this objective:

01 Energy Needs Analysis:

Conducting an analysis of current energy consumption and understanding future needs.

Evaluating existing energy sources and identifying areas for improvement.

02 Development of Clean Energy Plan:

Formulating a strategic plan to increase reliance on clean and green energy.

Set time-bound goals and targeted efficiencies to reduce carbon emissions.

03 Investment in Clean Energy Technology:

Supporting investments in renewable energy technologies such as solar and wind.

Considering the upgrading of equipment, systems, and energy-efficient technologies.

04 Raising Awareness Among Nadec Members:

Conducting awareness campaigns on the environmental significance of adopting clean energy.

Encouraging members to take personal measures to conserve energy.

05 Strategic Partnerships:

Collaborating with companies and institutions that specialize in clean energy technologies.

Exploring opportunities for partnerships with renewable energy providers.

06 Compliance with Legislation and Standards:

Committing to comply with local and international legislation related to the environment and energy.

Improving compliance with environmental standards and submitting regular reports.

07 Evaluation and Improvement:

Regularly monitoring performance and assessing the impact of implemented measures.

Making adjustments and improvements based on periodic evaluations.

These measures underscore Nadec's commitment to sustainability and its positive contribution to environmental protection and the improvement of quality of life.



Commitment and Care in Nadec's Policies and Approach

Human Rights at Nadec

In the Kingdom of Saudi Arabia, Nadec implements its human rights policies by taking into account local and international laws and regulations, which it adheres to in its policies and approach. Adherence to human rights is an important concern in Nadec's business operations, especially in a vital sector such as the food and dairy industry.

01 Equality and Non-Discrimination:

Nadec is committed to ensuring equality between all workers and employees without discrimination on the basis of gender, race, religion, or any other grounds.

02 Employee Rights:

Nadec guarantees the rights of its employees, including the right to work in a safe and healthy environment, providing training and development opportunities, and respecting the rights of the organizational framework in which Nadec operates.

03 Community Collaboration:

Nadec promotes community collaboration and implements social initiatives that contribute to improving living conditions and promoting sustainable development in society.

04 Compliance with Human Rights Laws:

Nadec is committed to all local and international laws and regulations related to human rights and ensures compliance with these laws and regulations in all aspects of its operations.

05 Transparency and Disclosure:

Nadec adheres to a policy and approach of transparency in transactions and reporting, providing accurate and comprehensive information about the company's activities and their impact on human rights.

06 Combating Discrimination and Exploitation:

Measures are taken to combat discrimination and exploitation in all of Nadec's activities, emphasizing its non-involvement in any activities that violate human rights.

Nadec Provides Care and a Healthy Environment Based on International Standards for Animal Rights

Animal Welfare at Nadec

Nadec is recognized as a leader in the food and dairy industry and is committed to high standards of animal welfare. The company recognizes the importance of respecting and caring for animals and strives to provide a healthy and comfortable environment for them based on the following international animal rights principles:

01 Freedom of Movement:

Nadec strives to ensure that all animals involved in production operations have adequate and appropriate space to roam and move freely within the barn, while providing them with a comfortable and clean environment.

02 Freedom of Behavioral Expression:

At Nadec, we are devoted to providing a natural environment in which animals can express their natural behaviors, whether by providing ample space to move around or by encouraging social interaction between the animals.

03 Freedom from Malnutrition:

Nadec takes a strict approach to ensure that all animals are provided with sufficient and effective food and water, along with rich and balanced nutrition to ensure their health and well-being. Nadec believes that good nutrition is a contributing factor in the production of high-quality food products, and we therefore strive to ensure the highest level of quality. The company's strategy emphasizes the importance of providing proper nutrition to its animal chain to ensure the quality of the food products produced on our farms.

04 Freedom from Injury and Disease:

Nadec places special emphasis on reducing the risk of injury and disease by providing sustainable healthcare and effective vaccination programs. Necessary medical care is also provided when necessary to provide good veterinary care for the animal chain, thereby increasing their productivity and the efficiency of the disease prevention programs.

05 Freedom from Stress:

Nadec carefully designs animal environments to minimize sources of stress and fear, including keeping surroundings calm and providing safe isolation areas when necessary. This is based on the understanding that animals always require environments that help to reduce stress or the expenditure of vital energy, which helps to increase the efficiency of our products during the operational stage.

Nadec's strong commitment to animal rights is reflected in its realization of the five global freedoms, demonstrating its dedication to social and environmental responsibility in all aspects of its work.