

# 4 Human Resources

Empowering National Talent in Operational Sectors

Human Resources Management

Developing Specialized Training Programs for Our Employees

Investing in Digital and Technical Skills





# Empowering National Talent in Operational Sectors



Our employees are the driving force behind nadec’s success, and we take pride in employing some of the most talented professionals in the Kingdom. Recognizing human capital as a top priority, we align our efforts with Saudi Vision 2030 by focusing on attracting, retaining, and developing national talent as a fundamental pillar of our long-term growth.

Nadec has established a comprehensive set of policies & procedures that guide all human resource activities, ensuring alignment with our values, strategy, and corporate objectives. These policies & procedures provide a framework for a professional work environment, efficient talent management, employee development, and overall business success, enabling us to attract and retain top talent.

## Attracting and Developing Talent

Nadec is committed to recruiting highly skilled males and females with strong technical expertise and academic qualifications. To expand our talent pool, we combine in-house recruitment efforts with partnerships through specialized hiring agencies, ensuring that every employee has the opportunity to build a rewarding and successful career. We continuously invest in the resources and tools needed to support their professional growth and development.

Empowering national talent remains a key priority in our operational sectors, driving nadec to adopt innovative hiring and development strategies designed to attract and prepare both male and female professionals for leadership positions and specialized roles. We also cultivate an engaging and growth-focused work environment by offering specialized training pro-

grams and forging partnerships with leading educational and professional institutions to enhance skills and build future capabilities.

Nadec has launched initiatives to support Saudization and align with Saudi Vision 2030, aiming to increase the participation of national talent across various operational sectors, from production and manufacturing to distribution and logistics. The company believes that empowering local professionals not only enhances its competitiveness but also contributes to the sustainable economic and social development of the Kingdom.

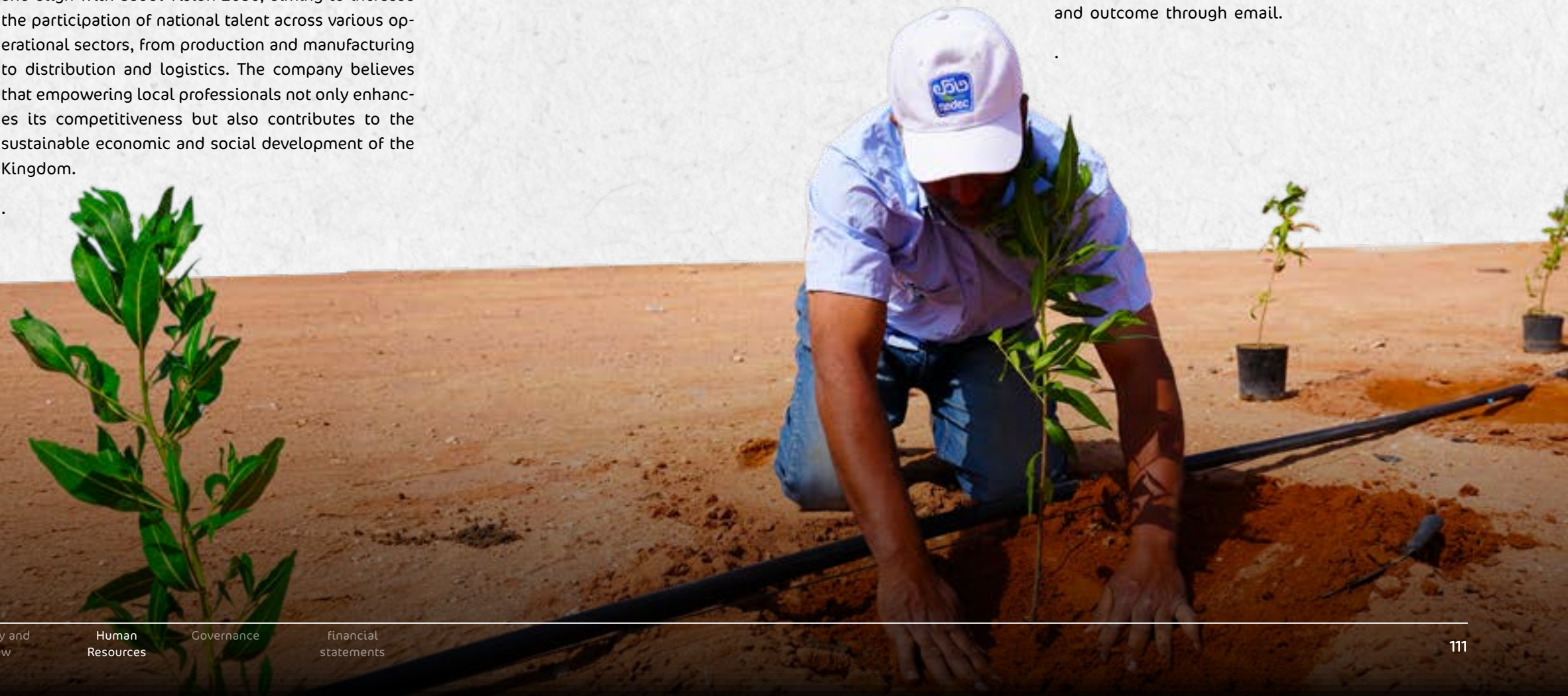
## Addressing to Our Employees’ Suggestions

Nadec is committed to creating a fair and inclusive work environment where every employee can share ideas and insights on company decisions with full transparency. To support this, we have implemented a structured policy for managing employee suggestions, ensuring a clear and effective process for collecting and addressing feedback. Employees can submit their proposals through a dedicated email channel, ensuring their voices are heard and actively considered in the company’s ongoing improvement initiatives.

## DAAM Committee (Support Committee)

The DAAM Committee is responsible for reviewing employee inquiries, suggestions, and concerns. Its scope includes evaluating employee grievances, its assessments, and workplace enhancements to ensure a fair and transparent work environment.

In addition to addressing direct employee submissions, the committee also reviews matters referred by company management. Employees can submit their concerns through a dedicated committee email or by directly communicating with a committee member. Upon receiving a proposal or complaint, the committee conducts a thorough review, evaluates its feasibility, and informs the employee of the decision and outcome through email.





# Human Resources Management

## Recruitment and Selection Strategy

Over the past year, nadec has placed significant focus on managing its human resources by implementing advanced recruitment and selection strategies to attract top talent. This builds on the key improvements made in the previous year, optimizing human resource management to support our operational sectors effectively:

Nadec’s HR strategy has been structured around the following priorities:

- 1- Proactive workforce planning.

2- Ongoing assessment of recruitment needs across operational sectors.

3- Expanding Talent Reach Through Digital Platforms
- 4- Showcasing Employee Engagement to Attract Top Talent

5- Streamlining International Recruitment Through Saudi-Based Agencies

6- Enhancing Saudization by Improving the Quality of Recruitment.



### 1. Proactive Workforce Planning

Our proactive workforce planning focuses on identifying actual staffing needs, defining job types and required numbers based on nadec’s strategic plans. We have also restructured hiring priorities to direct efforts toward the most critical roles for business success. This approach prevents random hiring and ensures that resources are allocated efficiently, optimizing workforce management for long-term sustainability.

### 2. Ongoing Assessment of Recruitment Needs across Operational Sectors

To ensure a dynamic and responsive hiring process, nadec holds weekly strategic meetings across departments to review workforce requirements, address recruitment challenges, and align hiring priorities with business objectives. This structured approach enhances collaboration between HR and operational teams, streamlines decision-making, and accelerates the recruitment cycle, ensuring that talent acquisition keeps pace with the company’s evolving needs.

### 3. Expanding Talent Reach Through Digital Platforms

Recognizing the power of digital recruitment, nadec has strategically enhanced its presence on digital platforms, to attract top talent. By leveraging this presence, we have significantly broadened our reach, connecting with highly skilled professionals and increasing the volume and quality of job applications. This initiative aligns with our commitment to building a strong national workforce, ensuring fair access to opportunities, and maintaining transparency in our hiring processes across all business sectors.

### 4. Showcasing Employee Engagement to Attract Top Talent

Nadec actively leverages its employee engagement initiatives to highlight its positive workplace culture and dynamic environment. By regularly organizing interactive activities and events, we create opportunities for employees to connect and collaborate. Sharing these moments on social media enhances our reputation as an employer of choice, positioning nadec as an attractive destination for top talent and encouraging skilled professionals to join our team.

### 5. Streamlining International Recruitment Through Saudi-Based Agencies

To save time and enhance efficiency in attracting international talent, nadec has partnered with specialized recruitment agencies with a local presence in Saudi Arabia. These partnerships simplify and accelerate the international hiring process by managing visa applications, travel arrangements, and residency procedures. This approach ensures a clear and structured recruitment framework, making it easier and faster to bring in top global talent.

### 6. Enhancing Saudization by Improving the Quality of Recruitment

As part of nadec’s commitment to boosting Saudization, we have strategically restructured our recruitment approach to focus on quality hiring for key roles. To achieve this, certain high-turnover, lower-level positions have been outsourced to contracted companies, allowing us to prioritize the recruitment of Saudi nationals in core and strategic roles. This initiative not only strengthens our Saudization efforts but also enables our HR team to concentrate on hiring top talent for critical positions, ensuring long-term workforce stability and excellence.



## Performance Management at Nadec

Nadec has implemented a comprehensive performance management system designed to enhance both individual and team performance while aligning employee contributions with the company's strategic objectives. This system is built on several key components that drive continuous improvement and organizational success.

### Performance Management Structure

Employee performance is assessed, and personal goals are set through a structured performance management system comprising three key stages:

#### Stage 1: Goal Setting:

At the start of the evaluation period, typically conducted annually, clear and measurable goals are established for each employee in collaboration with their direct manager. These goals are designed to align with both departmental and company-wide objectives, ensuring a unified approach to performance and growth.

**Mid-Year Review: A periodic performance review** is conducted halfway through the evaluation cycle to assess progress toward goals, identify any challenges or obstacles, and provide the necessary support and guidance to employees.

**Year-End Review:** At the end of the evaluation period, a comprehensive performance assessment is conducted to review goal achievement, provide final performance ratings, identify strengths and areas for improvement, and establish future development plans.

#### Stage 2: Linking Performance to HR Activities:

At nadec, performance evaluation results are directly connected to key HR activities, including training and development, promotions, and rewards. This integration allows us to identify opportunities for enhancing employee performance and ensures that evaluation outcomes are effectively utilized to support employee growth, motivation, and career progression.

**Training and Development to Enhance Performance** nadec offers specialized training programs designed to develop the skills and knowledge needed to improve employee performance. These programs are tailored based on performance evaluation results and the individual and team development needs, ensuring continuous professional growth and enhanced operational efficiency.

**Enhancing the Performance Management System** nadec has introduced key improvements to its performance management system, focusing on three core areas:

- **Refining Performance Indicators:** Performance metrics have been enhanced to ensure greater accuracy, clarity, and measurability, providing a more precise reflection of each employee's contribution to the company's objectives.
- **Aligning Indicators with Corporate Strategy:** Performance indicators are now directly linked to nadec's strategic goals, ensuring that employee efforts are aligned with the company's long-term vision and priorities.
- **Leadership Development Programs:** Specialized training programs have been introduced to develop leadership capabilities in performance management, equipping company leaders with the skills to effectively manage their teams, drive performance, and inspire excellence.

### Talent Management Strategy

Nadec has adopted a comprehensive strategy to attract and retain highly qualified talent across its operational sectors. This approach includes key initiatives such as:

#### Expanding the Succession Planning Program:

Nadec is currently expanding its succession planning program, which focuses on identifying and developing future leadership talent within the company. This initiative ensures a strong leadership pipeline, fostering long-term organizational growth and stability.

#### Enhancing Workplace Quality and Employee Experience:

Nadec places great emphasis on employee well-being by fostering a supportive and engaging work environment that offers professional development opportunities and competitive benefits. The company is committed to effective performance management, utilizing a structured system that includes goal setting, regular performance reviews, integration with HR activities, and tailored training programs. Additionally, nadec prioritizes attracting and retaining top talent while investing in leadership development to ensure long-term organizational success.





# Developing Specialized Training Programs for Our Employees



Nadec’s training and development program provides employees at all levels with opportunities to enhance their skills and professional growth. Our capacity-building initiatives are strategically aligned with nadec’s long-term objectives, fostering a dynamic culture of knowledge-sharing and innovation while developing a strong talent pipeline to meet both current and future business needs.



In 2024, we made significant investments in workforce training and development, delivering a total of 32,960 training hours across our organization. Employees benefited from a diverse range of training and development programs, including:

- **Management Training:** Focused on developing leadership skills, strategic thinking, and decision-making capabilities.
- **Technical Training:** Role-specific training to ensure employees stay up to date with the latest industry practices and technologies.
- **Safety Training:** Developing programs to train our employees on safety protocols, as part of our strategy to implement procedures and practices that align with the highest global safety standards.
- **Online Learning and E-Learning:** Providing a wide range of courses through e-learning platforms such as LinkedIn, covering professional development, technical skills, and soft skills.
- **Learning Management System (LMS):** Offering flexible and continuous access to training materials for ongoing skill development.
- **Nadec Project Training Program:** Hosting regular awareness sessions on key company projects, including Haradh, Al-Jouf, and Hail.
- **Co-op Training Program:** Bridging the gap between academic learning and practical industry experience.
- **English Language Academy:** Delivering comprehensive English training programs, covering business English, communication skills, and technical writing.

## 2024 Training and Development Achievements

At nadec, we place great emphasis on enhancing employee performance through comprehensive and diverse training programs. Our commitment to investing in workforce development ensures that employees continuously improve their skills, stay up to date with industry advancements, and enhance their capabilities. This approach directly contributes to the company’s overall success and long-term strategic goals.



# Nadec's Employee Development Strategy

## Diverse Training Programs

In 2024, nadec delivered 820 specialized training programs, reflecting a wide range of topics and disciplines designed to support employee growth. This extensive selection allows employees to choose programs that align with their professional development needs, ensuring they gain relevant skills that enhance their expertise and career progression.

## Expanding Training Participation

In 2024, 2,271 employees participated in nadec's training programs, reflecting a strong culture of learning and development across the company. This high level of engagement underscores our employees' commitment to enhancing their skills and professional growth. By fostering continuous learning, we ensure that our workforce remains equipped with the expertise needed to drive nadec's long-term success and operational excellence.

## Investing in Training and Development

In 2024, nadec delivered a total of 32,960 training hours, reflecting the company's commitment to investing in workforce development. This substantial investment underscores our dedication to enhancing employee capabilities by providing the necessary time, resources, and structured training programs to support continuous growth and professional excellence.

## Participation in the Tamheer Program

Nadec, in collaboration with the Human Resources Development Fund (HRDF), announced its participation in the Tamheer on-the-job training program. The program, launched in Riyadh, provided 32 trainees with hands-on experience to enhance their skills and prepare them for the job market. nadec's involvement in this initiative reflects its commitment to workforce localization and the development of national talent, reinforcing its role in supporting Saudi graduates as they transition into professional careers.

## Employment Through the Tamheer Program

As a result of the Tamheer program's success, nadec offered permanent employment opportunities to 13 trainees, transitioning them into full-time roles within the company. This achievement highlights the program's effectiveness in bridging the gap between training and employment, enabling participants to become valuable contributors to nadec's workforce.

## Cooperative Training Programs

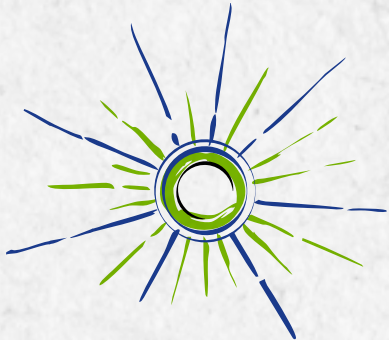
Nadec also provided cooperative training opportunities to 64 students, allowing them to gain hands-on experience and apply their academic knowledge in a real-world work environment. These programs play a crucial role in preparing students for the job market, equipping them with the skills and practical insights needed for a successful transition into their careers.

# Training Program Quality

Nadec's training programs achieved a 92% satisfaction rate, reflecting their effectiveness, quality, and impact on employee development. This high rating highlights the strength of the training content, delivery methods, and alignment with organizational goals. It also underscores nadec's commitment to providing comprehensive learning opportunities that cater to various professional levels. Beyond internal development, nadec actively contributes to national workforce growth through initiatives such as the Tamheer program and cooperative training programs, reinforcing its role in preparing talent for the job market and supporting broader community development.

## Company-Wide Training Initiatives

As part of its commitment to knowledge sharing and professional development, nadec expanded its employee mentorship and learning programs by organizing over 18 company-wide training events. These initiatives focused on transferring expertise from senior employees to new team members through workshops and interactive sessions. With an 80% participation rate, these events played a key role in enhancing collaboration, fostering knowledge exchange, and strengthening nadec's culture of continuous learning and development.





# Investing in Digital and Technical Skills

## Empowering Employees with Digital and Technical Capabilities

In 2024, nadec set a clear roadmap for digital transformation, expanding digital integration across its workforce. This initiative aims to position the company at the forefront of technological advancements in the food industry by accelerating continuous improvement, innovation, and automation across all key business sectors.

Nadec’s investment in digital and technical skills is focused on the following key objectives:

### Streamlining Processes

Enhancing and simplifying internal procedures to improve efficiency for nadec employees.

### Integrating New Technologies

Expanding the adoption of cutting-edge technologies across various business functions.

### Advancing Automation

Increasing reliance on automated systems to boost efficiency and minimize errors.

### Strengthening Business Partnerships

Building strong collaborations with business partners and fostering cross-functional engagement to enhance service delivery and operational support.

### Aligning with nadec’s “New Dawn”

Strategy In 2024, nadec’s technology and digital sector underwent significant expansion, driven by strategic growth initiatives, technological advancements, and digital transformation efforts aimed at enhancing operational efficiency. This expansion aligns with nadec’s “New Dawn” strategy, introduced in 2022, reinforcing our long-term commitment to innovation and progress.

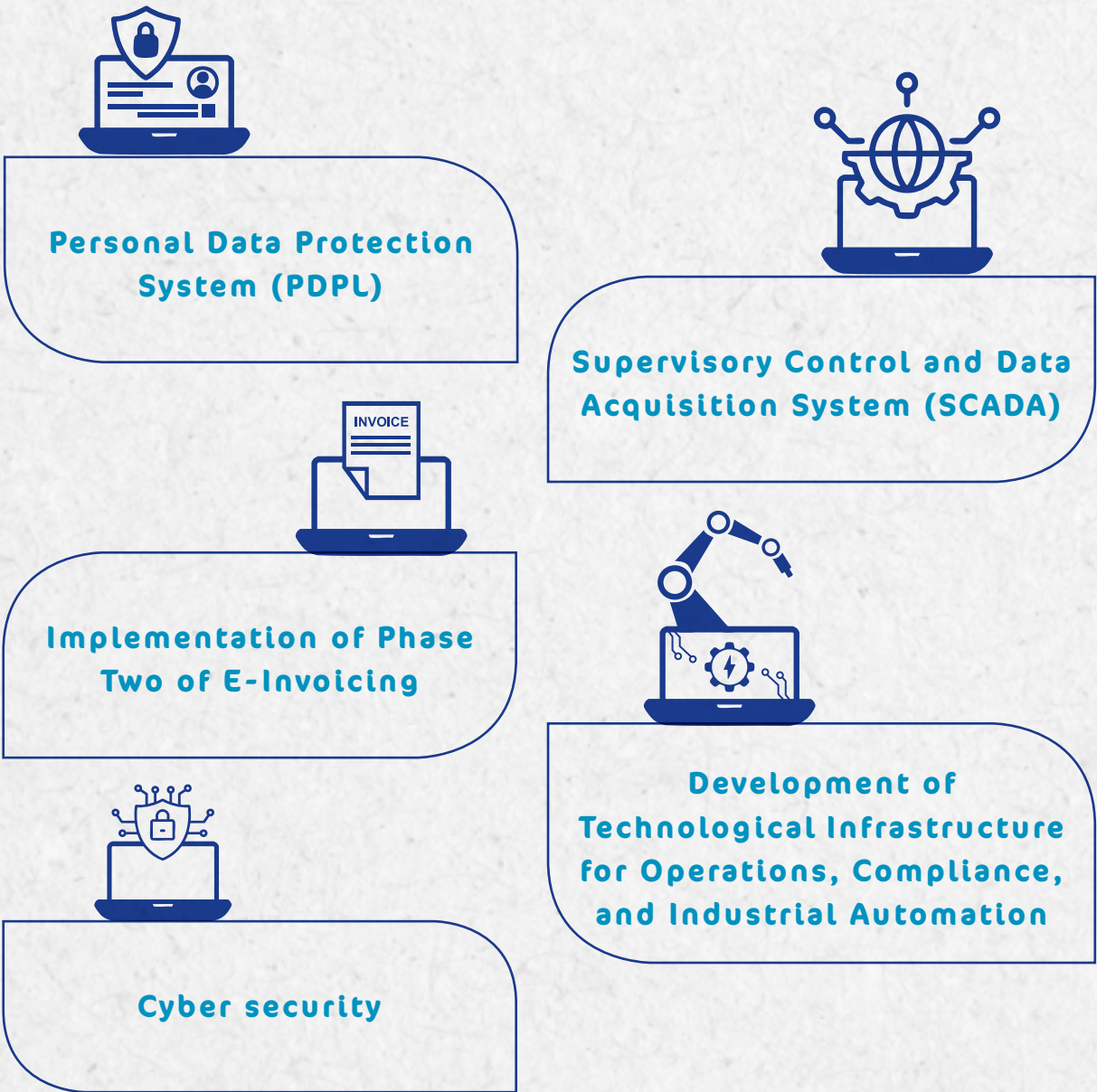
## Nadec’s Digital Transformation in 2024: Enhancing Employee Services

In 2024, nadec successfully implemented over 120 digital transformation projects aimed at optimizing operational efficiency and enhancing employee services. A key initiative was the enhancement of the SAP S/4HANA system, which introduced advanced digital tools and process improvements across various business functions. These upgrades streamlined operations in finance, procurement, warehousing, production, quality control, sales, transportation, and plant maintenance, driving greater efficiency and ensuring seamless workflow integration across the organization.

Nadec’s digital transformation project aimed to establish a unified information source to streamline business operations and enable seamless process integration. This initiative provided real-time data access for transactions and inventory management across multiple departments, enhancing decision-making and operational efficiency. The transformation efforts also focused on enterprise resource planning (ERP) and the development of a comprehensive roadmap for continuous improvements and strategic enhancements in business operations.

Nadec’s digital transformation included the implementation of advanced process optimization solutions, such as Signavio Process Insights, SAP Signavio Process Manager, and Signavio Process Collaboration Hub. These tools played a key role in streamlining business operations, enhancing collaboration, and improving process efficiency. Additionally, they contributed to the development of a comprehensive and precise roadmap for ongoing improvements and strategic enhancements across nadec’s business operations.

## Technologies Empowering Employees in Monitoring Compliance at nadec:



To enhance regulatory compliance, nadec has adopted modern supervisory technologies to support employees in streamlining financial processes, minimizing inefficiencies, and improving overall efficiency. These advancements have simplified workflows across departments while integrating operations with government portals, ensuring adherence to international standards and regulatory compliance.





## Key Technologies Supporting Our Employees

In 2024, nadec focused on enhancing technology adoption to support its employees while strengthening relationships with both customers and suppliers through two major initiatives:

### Customer and Employee Communication Support Applications

#### 1- B2B (Business-to-Business) Application

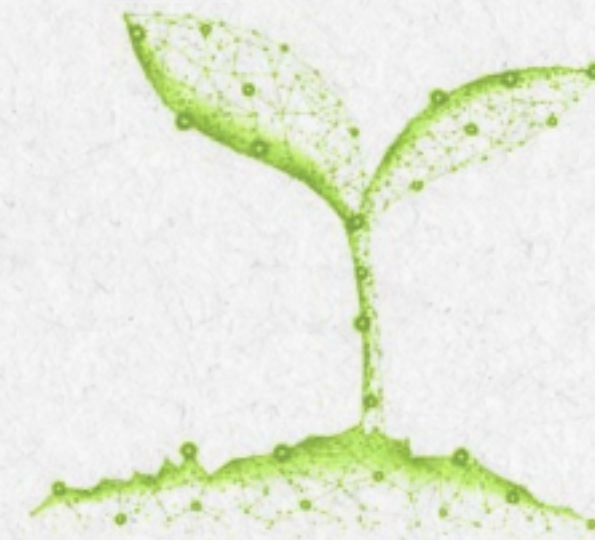
Designed to facilitate commercial transactions between nadec and its distributors and wholesalers, along with the establishment of a dedicated contact center to handle their inquiries.

#### 2- Ariba SLP (Supplier Lifecycle and Performance) System

Implemented to assist employees in managing supplier lifecycle and performance, enabling better assessment of supplier capabilities and compliance with standards.

#### These initiatives have contributed to supporting our employees by:

- Enhancing cost monitoring for better financial oversight.
- Improving cash flow management for greater efficiency.
- Increasing transparency by enabling financial tracking and ensuring compliance with contract terms.



## 2024 Achievements in Workforce Investment and Digital Transformation at nadec

- ISO 27001 Certification – Awarded in April 2024 for information security management in food manufacturing activities.
- ISO 9001 Certification (QMS) – Received for quality management systems in nadec's technology and digital division, recognizing the company's commitment to quality control, process management, and service excellence at the highest standards.
- Best Achievement in Business Process Management – Awarded as part of the BTOES (The Business Transformation & Operational Excellence Awards), recognizing nadec's success in empowering business users and enhancing operational excellence.