NESMA INSIDER >>>

Bringing our Nesma community closer through shared communications • Issue No. 9: September 2014



FROM THE COMMUNITY

FEATURED

GROUP NEWS



ABOUT NESMA INSIDER

Nesma Insider is part of Nesma's commitment to the integration of the Nesma Group of companies with news, announcements, stories, articles and more. The newsletter encompasses all the countries in which Nesma operates: Saudi Arabia, Egypt, Turkey, the United Arab Emirates, and beyond.

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From the President & CEO



n the occasion of the 84th National Day of the Kingdom of Saudi Arabia, I wish all of you in the Nesma family peace, health, and good fortune. When Nesma was established in 1979, it was a time of significant growth and opportunity in the Kingdom. Today we continue to witness remarkable economic and social development. Critical to our country's prosperity is the continued effort to provide jobs for our citizens.

We have always believed at Nesma that we must create jobs for Saudi citizens; employing nationals has been central to the success and growth of our company. Today we must continue to build on these efforts. This does not mean that we should replace our non-Saudi staff- Nesma has hundreds of examples of employees from all nationalities who have started with us in junior assignments and who are now responsible for critical functions. It is the responsibility of every CEO and business leader to make sure that Saudis are given the same opportunities for employment, training, and career advancement at Nesma.



Thank you all for your dedication to achieving the Nesma Holding vision, which is to be the most respected diversified company in all our countries of operation. I encourage you to continue to live the Nesma values in your relationships with customers, employees, and all members of our society.

Saleh Ali Al-Turki President, Nesma Holding Company

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Saudization at Nesma

n the occasion of Saudi National Day, which Nesma celebrated this month, the Nesma Insider met with Naif Al-Obaidi, Nesma Holding Executive Manager, to understand the vision for integrating Saudi nationals in the Nesma Group.

Nesma: Naif, you're a Saudi Executive with over 10 years of experience at Nesma. Please share with us Nesma Holding's view on Saudization.

Naif: First, we believe that as a Saudi company that operates in Saudi Arabia, we must employ Saudi hands to help us grow and to have a sustainable platform. Second, we believe that Saudis are reliable and when they are given the chance, they prove themselves similar to other nationalities. We already have many examples of this at Nesma. Third, the Saudi government has made Saudization a priority, and so this is no longer optional. It has already announced that certain positions must be filled by Saudis only, which is the base that we cannot go below. In addition, the Ministry of Labor has introduced different company categories (Red, Yellow, Green, and Platinum) that dictates the percentage of Saudis required in each company. Alhamdulillah, when the Ministry applied this system 90% of our companies were already in the green or platinum zones,

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which proves there was a belief at Nesma from the beginning that Saudization is crucial, and so we didn't have to do a lot to comply with the law. Honestly speaking, this belief came from the President of the company and has trickled down from him to all grades.

Nesma: We all know the challenges of Saudization, so why do you think Nesma has been successful?

Naif: I strongly believe that our culture at Nesma will help any nationality to be retained and to stay with us. There is no difference between Saudis and non-Saudis in this matter. When Saudi nationals join Nesma and find that we have a culture that empowers everyone, they become like other nationalities in their commitment to the company and their determination to be successful. What makes Nesma unique is that we work on empowering employees as well as on creating a healthy organizational culture. We need to continue in this direction by having proper systems in place and helping employees to see and understand what their rights are.

Nesma: What can we do to make sure that Saudis are in productive jobs and are not just hired to comply with basic government regulations?

Naif: The worst thing we can ever do as a company is to give an employee a salary and ask them to stay at home. I call this "fake Saudization" and it is harmful to Saudi society and to business. Promoting productive jobs is a culture that every company leader in the Nesma Group must believe in at the CEO and General Manager level. This is a key element that must be emphasized across all of the organization. In Nesma Holding, we introduced the position of Zakat and GOSI Manager, which is led

by Mr. Ehab Harasani. It is Ehab's role to check that Saudization percentages are maintained in keeping with labor regulations, and to explain to Nesma subsidiaries the rules that can help to support Saudization. In the near future, we will start to arrange meetings with HR and Personnel Managers to make sure that the Saudization strategies are followed and well understood. The HR Division of Nesma Holding is already helping companies to recruit qualified Saudis. Saudization is not just a business requirement, it is a business priority.

My Career: Naif Al-Obaidi, Nesma Holding Executive Manager

I began my career with Nesma on March 1st, 2003 having joined as a junior accountant in Nesma Holding, Jeddah. I spent one and a half years in my position until I was able to independently close monthly and year-end financial statements during the absence of the Accounts Manager.

In 2004, I got the chance to travel to the United Kingdom to study English. The original plan was to study in Brighton, UK for one year. I went with Abdullah Al-Shahrani who is now the Nesma Holding Corporate Affairs Manager. When we completed our year, Sh. Saleh Al-Turki [Nesma President] asked Faisal Al-Turki [Vice President of Nesma Holding] to meet us in Brighton for lunch. Faisal asked us a straight question, "Do you want to do your Master's?" The answer was a straight "Yes." We only had 2 months to prepare for it. We started looking for a university and Abdullah and I got accepted at Hull University. I studied business management and graduated in 2007.

Abdullah and I then came back to Nesma, where I became an Accounts Manager and then moved to the Human Resources Department as the Manager of Nesma Training Center until 2011. I then got promoted to Administration Manager,



after which I became the Executive Manager of Nesma Holding from December 2013 until today. My responsibilities include administration for the Nesma Group, procurement and maintenance for Nesma Holding and select subsidiaries, overseeing Nesma Real Estate and guiding the Zakat & GOSI Department. I'm also responsible for monitoring and controlling the Nesma Holding budget, including challenging department budgets.

Nesma Renews Support for the Fishing Community in Makkah Region



esma Holding signed a new agreement with the Fishermen's Cooperative Society in the Makkah Region as a continuation of ongoing support to the organization. Saeed Al-Mushref, Corporate Social Responsibility Manager at Nesma Holding explains, "Nesma's latest agreement with the Fishermen's Society is to establish a factory for producing ice in the port of Qunfutha (Makkah Region). The factory will operate commercially and provide a source of income for the Fishermen's Society, allowing it to further its goals." Under this agreement, Nesma commits to providing a loan of SR 500,000 to purchase two ice-making units and to establish the necessary infrastructure for the project. All profits after repayment of the loan will return to the fishermen's cooperative society.

The fishermen's cooperative society was established five years ago under the Ministry of Social Affairs for the purpose of rejuvenating the fishing industry and supporting the continuity of fishing as a source of livelihood for communities

by the coast. Prior to the discovery of oil in the Kingdom of Saudi Arabia, the fishing industry was an important vocation for many communities living along both the Red Sea and the Arabian Gulf. Nesma's efforts to support the local fishing community are in line with the Company's interest to support Saudi nationals to earn worthwhile incomes from a variety of trades and vocations.

In the past, Nesma has acted as a guarantor for the Fishermen's Society to enable them to purchase two fishing boats for the high seas for a total value of SR 6 million (a photo of this boat is shown here). Other forms of support from Nesma include conducting a feasibility study to assess the viability of establishing local fisheries, as well as financial support to the fishermen to pay off their debts and renew their boat licenses. Future projects currently under review include the establishment of the aforementioned fisheries and establishment of a maintenance workshop in Jeddah to repair and maintain fishermen's boats.

My Career: Mustafa Al-Shehabiyah, Admin & Logistics Manager at Spacemaker Saudi Arabia

SPACEMAKER

started my working life at the age of 22 by joining Nesma & Partners as a trainee. The company sponsored my training at a private institute where I completed a diploma as an executive secretary, which also included project management. The beginning of my success came during my studies, when I was selected among the 3 best trainees out of 100 Saudis, and we were chosen for a job interview with the HR Manager of Nesma & Partners.

After the interviews and as I was heading home, the Company called me and told me, "You will start working tomorrow at Nesma Trading as an Executive Secretary/Project Support. I was the only one who was immediately accepted, while the other trainees waited about a month. I made a promise to myself in that moment that I must continue by my own achievement and get to know everything about the company's operations. One year later, I was promoted to Accounts Officer. In 2008, I was honored to receive the Outstanding Employee Award from Sh. Saleh Alturki, Dr. Marwan Gholmieh, and Eng. Imad Gholmieh, among 10 employees from all across Nesma Trading.

Alhamdulillah I worked hard and attended training courses and attained different positions gradually. In 2012, and in the same year that I received the Award for Employee of the Year at Nesma Trading, I was assigned to Spacemaker Saudi Arabia as an Administration & Logistics Manager.



Today at the age of 31, I am very proud of my successes, which I attribute to the following factors: First and foremost, God's blessings, then being a dutiful son and receiving my parents' prayers, and of course my personal determination, ambition, training, and importantly the work environment at Nesma which supports employees to succeed. The advice I give to all my colleagues is to work hard and to take advantage of the opportunities you see at Nesma because this is a great company and your progress is in your hands.

GROUP NEWS

NT&T Signs Agreement with Calzavara

Nesma Telecom & Technology, represented by CEO Ousama Najjar, signed an agreement with Calzavara to become the exclusive distributer of their solutions. products and services in Saudi Arabia. Established in 1979, Calzavara operates on the domestic and international markets in the telecommunications and energy fields. For telecommunications, Calzavara is a system integrator with traditional and innovative services and products for networks relative to fixed, wireless, cellular and broadcasting, TV, radio, surveillance radar and the broadband market in general. Calzavara also offers "turnkey" and innovative services for alternative and renewable energies. Additional Information about Calzavara can be found at Calzavara's website (www.calzavara.it).



Nesma Trading Achieves Abgaig Plant Project Milestone

Nesma Trading successfully completed the first phase of the Upgrade Control System Project for Saudi Aramco's Abqaiq Plant, which was awarded to the Technical System Division in September 2012. This important milestone two years down the line includes the full engineering design, construction and commissioning of Phase One.

The Abgaiq Plants facility is considered one of the world's largest oil processing plants and crude stabilization facilities, with a daily production capacity of 7 million barrels. The project scope awarded to Nesma Trading is to replace the 25year old control systems with the latest Emerson Delta V



System, which consists of key components like the Distributed Control System, Emergency Shutdown, as well as the Burner Management system (BMS) at the Abgaig Plants. This replacement is critical to enable the plant to maintain sufficient

crude oil and gas production levels.

The 3-year Upgrade Control System Project is scheduled to be completed by November 2015.

GROUP NEWS continued

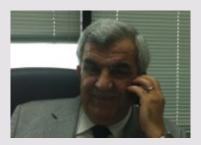
Nesma Airlines Reaches New Heights

Nesma Airlines received its much awaited approval from the Egyptian Civil Aviation Authority to add new capabilities to its approved maintenance organization. This approval will allow Nesma Airlines to add nondestructive tests to its brake and wheel shop, a new type of life vests to its life vests shop, and a new structure repair, composite repair shop, and battery shop including paint jobs to its existing capabilities. Earlier this month, Nesma Airlines also renewed its Air Operator Certificate for the fourth consecutive year, thereby solidifying its name and reputation as an exemplary Egyptian company that is a role model in terms of its compliance with international regulations and inspections.

Nesma Holding Hosts Induction Programs

Nesma Holding hosted three simultaneous induction programs in Jeddah (hosted by Sara Trabulsi), Riyadh (Housam Ibrahim Basha) and Alkhobar (Noura Alturki) for new joiners. There were a total 70 attendees across all 3 cities.





Musa Demirkazik, Vice President Strategic Planning & Business Development represented Nesma & Partners as a panel speaker in the the Saudi Mega Transport & Infrastructure Projects Conference, which took place at Al-Faisaliya Hotel in Riyadh on 15-17 September. Demirkazik spoke on the Construction Leaders' Panel, which showcased the contractors behind Saudi Arabia's world-class projects and provided perspectives on the Kingdom's construction sector.



Jabal Omar Development Project launched its **1st Winter Outdoor** Tournament, which also included employees from Nesma Trading Deportee Camp project. The sports included basketball and volleyball.





From the Community







LETTERS FROM THE COMMUNITY

"It was a very nice gesture from your side to celebrate the other countries independence days. I am out of my country from almost last thirty years. In any foreign country it was the first that I was honored for this opportunity"— Tariq Shamshad, Mawaddah

"India Independence Day was a wonderful experience as we all had immense pleasure and it reminded many of us the celebrations we used to enjoy during our school/college days." - Mr. Iqbal Khan, Nesma Holding

A surprising message was sent to the Nesma Insider Team from Kamal Nahhas, Commercial Manager in the Technical Systems Division (TSD) of Nesma Trading. "We played football yesterday. We were 12 people from TSD.... 3 or 4 players were injured. A lesson learned to play safe when not physically fit." We wish the injured a quick recovery and remind everyone that your health is much more important than winning a match!

EMPLOYEE NEWS



Congratulations to **Amr Essawy** Aly, IT. Manager at Nesmal Investment Egypt for graduating with a Masters of Business Administration degree from Arabic Academy for Science Technology & Maritime University in Egypt

Congratulations to Yogaraj Natarajan, Manager-SAP/Dispatch at Nesma & Partners who received his certification as a Project Management Professional (PMP) from Project Management Institute, USA

Congratulations to two members of the Nesma Holding Finance Team: Mohammad Nasser on his marriage and Sadiq Awad on the birth of his baby girl



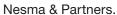
Congratulations to Ms. Nahla Akhdar for her selection as Employee of the Month at Nesma Telecom & Technology

National Day Celebrations

Three national day celebrations took place at Nesma: Malaysia on August 31, Vietnam on September 2 and Saudi Arabia on September 23. Commenting on Saudi national day, Wassim El Hajj, HR Coordinator at Nesma & Partners wrote from the Nylon 6.6 project that "all staff enjoyed the gathering that took place, where we shared together with our Saudi brothers the lovely moments, wished them all good and hoped to meet again the next year to commemorate the Kingdom's National Day with the same joy and happiness." Similar celebrations were hosted across Nesma including stickers, cake cutting, speeches, and group photos. Eng. Riyadh Al-Shehri, Safety Engineer at Nesma Electric utilized the break time from 9:30 am to 9:45 am in the KAUST project to greet all employees, distribute Saudi Arabian flags, and wish everyone prosperity and peace. Reporting from the Fab Shop in Dhahran, Mohammad Waheed, Fabrication Manager (Steel Division, Nesma & Partners) said, "It was a remarkable and auspicious occasion wherein each one thanked and remembered Custodian of the Two Holy Mosques King Abdullah and Crown Prince Salman for the nation's great achievements."









Nesma Trading.



Nesma Trading, Riyadh.



Nesma Trading, HVAC.





National Port Services (NPS).



National Port Services (NPS).



National Port Services (NPS).



Nesma Trading, Deportee Center.



Namma Cargo



Nesma Security.



Nesma Security, KAEC.



Nesma Security, Madinah Airport.



Mawaddah.



Nesma & Partners.



Nesma & Partners, JODP.



Nesma Trading, KAUST.



Nesma & Partners, METRO.



Nesma & Partners, NYLON.



Nesma & Partners, SADARA-SPC.



Nesma Water & Energy, Dawadmi.



Nesma Water & Energy, Jeddah.



Nesma Water & Energy, Riyadh.



Nesma Trading, Mecca.



Nesma Electric, KAUST.



Nesma Electric, KAUST.

TRAVEL SUPPLEMENT

Hajj Travel Advice from Nesma Trading QHSE Department

We pray for the safety and wellbeing of all who will travel to Makkah for the Hajj this holiday.

- Hajj pilgrims should stay well hydrated, wear sunscreen, and seek shade when possible. Some rituals may also be performed at night to avoid daytime heat.
- Drink water and beverages that are sealed or known to have been purified, and eat food that is served piping hot or fruit that you have peeled yourself.
- Wash your hands frequently with soap and water or alcohol-based hand cleanser.
- At the end of Hajj, Muslim men shave their heads. Be aware that unclean shaving blades can

transmit blood-borne viruses, such as hepatitis B, hepatitis C, and HIV.

- Take extra care when crossing roads and always wear a seatbelt when travelling in motor vehicles.
- Use a face-mask, especially in crowded places, and change it every now and then.

UPDATE for 2014:

The Saudi Arabia Ministry of Health recommends that certain groups should postpone the performance of Hajj this year, including: Elderly people, pregnant women and children, and people with chronic diseases (such as heart disease, kidney disease, diabetes, or respiratory disease, or immune deficiency).

