

## 'Building a sustainable future together.'

CSR Report - 2023



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#### Chairman's letter

As the Chairman of C.A.T. Group, a leading contracting firm operating across the Middle East and Africa, specializing in the construction of pipelines, roads, industrial plants, and infrastructure, I reflect on 2023 as a year that underscored the critical role of our industry in navigating the complexities of modern development and infrastructure challenges. While 2023 had its unique set of global dynamics, including economic fluctuations and continuing efforts for sustainable development, it reaffirmed our commitment to resilience, innovation, and responsibility in every project we undertake.

#### Our CSR report elaborates on these commitments:



**Environment:** Our projects are designed with sustainability in mind, aiming to minimize environmental impact while enhancing the resilience of the infrastructure we build. Our dedication to eco-friendly practices and technologies is a testament to our commitment to the planet.



**Marketplace:** Integrity, quality, and transparency remain the cornerstones of our interactions with clients, partners, and suppliers. Our commitment to these values strengthens our marketplace presence and drives positive change in the industry.



**Workplace:** We prioritize the health, safety, and professional growth of our employees, fostering an inclusive and supportive culture that encourages innovation and excellence.



**Society:** Our impact on communities is profound, as we engage in initiatives that contribute to their well-being, reinforcing our role as a responsible and contributing member of society.

Our efforts in sustainability and resilience planning are aligned with the global movement towards reducing environmental risks and enhancing the sustainability of critical infrastructure. Our projects, whether they involve constructing roads or industrial plants, are undertaken with a keen awareness of their long-term impact on communities and the environment.



2023 also saw us intensifying our focus on sustainable operations, seeking innovative solutions to reduce our carbon footprint. Our leadership in corporate integrity and ethical practices continues to be recognized, reflecting our unwavering dedication to doing business responsibly.

As we move forward, C.A.T. Group remains committed to leveraging our expertise to support the development of infrastructure that is not only functional and efficient but also sustainable and resilient. Our work is a testament to our belief in building a better future through responsible contracting practices.

In 2023, C.A.T. Group further embedded Corporate Social Responsibility (CSR) into our operational ethos, focusing on the environment, marketplace, workplace, and society — the pillars that guide our CSR endeavours.

Ghassan Hasbani Chairman

#### **Building futures**

The title "Building Futures" was chosen because it encapsulates the essence of C.A.T. Group's CSR efforts, highlighting its dual commitment to both environmental sustainability and the betterment of communities. "Building Futures" signifies not just the physical infrastructure projects the company is renowned for, but also its role in creating sustainable, positive impacts for future generations. It acknowledges the comprehensive approach the company takes towards CSR—encompassing energy efficiency, workplace excellence, ethical business practices, and more. This title reflects the company's forward-looking approach, emphasizing its dedication to innovation, environmental preservation, and social welfare, laying a foundation for a sustainable and inclusive future.







#### About C.A.T.

Since its inception in 1937, C.A.T. Group has become a leading force in the engineering and construction industry, renowned for its innovative projects worldwide, commitment to quality, and dedication to sustainability. Our rich legacy is rooted in integrity, and as we move forward, we remain focused on delivering sustainable solutions that exceed community expectations and shape tomorrow's infrastructure.



#### About this report

This CSR report highlights C.A.T. Group's commitment to Corporate Social Responsibility, showcasing our efforts in key areas:

- **Environmental Conservation:** Initiatives aimed at reducing our carbon footprint and promoting sustainable resource use.
- **Social Equity:** Programs designed to support community welfare, employee well-being, and equitable practices.
- **Economic Growth:** Strategies that drive sustainable economic development and long-term profitability.
- **Ethical Business Practices:** Our commitment to integrity, transparency, and ethical conduct in all operations.
- **Innovation and Responsibility:** Emphasizing our focus on pioneering sustainable solutions and responsible business practices.

This document serves as both a reflection of our achievements and a roadmap for future CSR activities, underlining our dedication to making a positive impact through business.





#### Elevating Environmental Consciousness

"Green today, greener tomorrow."

This point underscores our dedication to enhancing awareness around sustainable practices, both within our operations and the broader community. It reflects our commitment to not just implement, but also educate and advocate for environmental stewardship as a core value.



## Fostering Fulfilment in the Workplace

"Building more than structures; building dreams."



This emphasizes our commitment to creating an enriching and fulfilling work environment for our employees. It highlights the importance of ensuring that every member of the team finds purpose and satisfaction in their contributions, underlining the belief that a meaningful work life is the foundation of personal and professional growth.

#### Cultivating Collaborative Synergies



"Together, we build stronger foundations." This point highlights the significance of our strategic alliances with other organizations, NGOs, and stakeholders. It showcases our belief in the power of collaboration to achieve common goals, particularly in advancing sustainability and community development efforts.

#### Aligning with Global Sustainability Standards



"Committing to a global promise for a sustainable future." This focuses on our alignment with the United Nations Global Compact, demonstrating our commitment to upholding the Compact's principles in areas such as human rights, labour, environment, and anti-corruption. It underscores our dedication to being a responsible business that acts as a force for good in the world.

## **1** Environmental Sustainability Initiatives

C.A.T. Group has consistently championed environmental sustainability as a core aspect of its operations, integrating a myriad of initiatives aimed at conserving resources, promoting energy preserving the natural efficiency, and environment. These efforts span across various operational areas, demonstrating comprehensive approach to sustainable development.

Sustainability is not just a practice; it's our promise to the next generation.

#### **Energy Efficiency**

- **Toolbox Meeting Campaigns:** Initiatives include encouraging employees to switch off lights and electronic appliances when not in use, emphasizing energy conservation as a routine practice.
- **LED Lighting:** Transitioning to LED lighting within offices and premises significantly reduces energy consumption, aligning with global standards for energy efficiency.
- Implementation of an IVMS: To optimize fuel use and decrease vehicle idle times, we have implemented an In-Vehicle Monitoring System (IVMS) across C.A.T.'s fleet. This step forwards our goal of efficient energy use.
- Adoption of Solar Power: We're advancing our sustainability efforts by integrating solar energy solutions for lighting C.A.T.'s offices, demonstrating our dedication to minimizing our carbon footprint and adopting renewable energy. Additionally, we've introduced solar-powered sheds at our sites, offering shade and cool mist to our construction teams during the warmer seasons.



Solar carport powering KSA HQ lights





Solar powered sheds used on site, with integrated mist system and cooler.

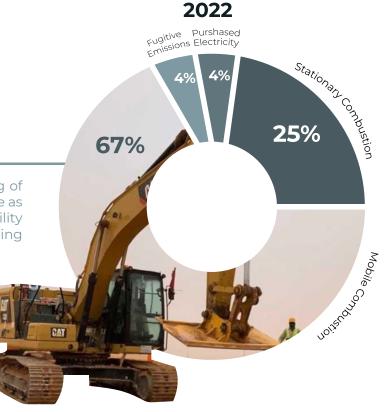


#### Calculating CO<sub>2</sub>e emissions scope 1 & 2

218,042

tCO2e in 2022

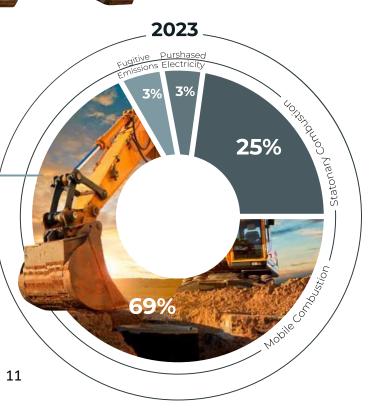
In 2022, C.A.T. Group initiated the tracking of our CO<sub>2</sub>e emissions, establishing a baseline as part of our comprehensive sustainability strategy, aimed at measuring, and enhancing our environmental performance.



## 207,594

tCO<sub>2</sub>e in 2023

Between 2022 and 2023, there was a 5% reduction in our  $CO_2e$  emissions, translating to a decrease of 10,448 t $CO_2e$ . This achievement stems from enhanced plant maintenance and operation efficiency, optimized electricity usage, and the adoption of hybrid vehicles within our fleet, underscoring our dedication to sustainability.





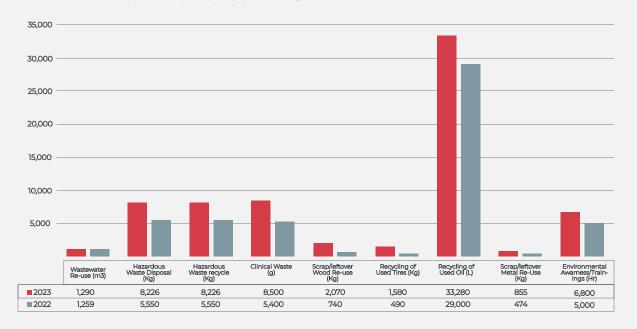
#### **Optimizing Design**

 Road Design Optimization: The company employs optimal alignment and slope in road design to minimize earthworks and cut-off and-fill operations, effectively reducing soil disturbance and fragmentation. Measures such as erosion control blankets are incorporated to mitigate erosion and sedimentation, reflecting a commitment to sustainable construction practices.

#### **Environmental Compliance**

- **Vegetation Preservation:** Efforts to minimize deforestation and habitat destruction are evident in the preservation of existing vegetation along road corridors, aiding in biodiversity maintenance, soil erosion prevention, and carbon sink preservation.
- **Dust Control Measures:** Regular watering of highly dusty environments is conducted to control dust, addressing potential inhalation hazards, and promoting a healthier work environment.
- **Yearly Environmental Audits:** Conducting environmental compliance audits ensures adherence to environmental protection standards.
- Oil Spillage and Leakage Control: Measures are in place to manage and prevent oil spillages and leakages, protecting local ecosystems.
- **Sanitation Facilities:** Provision of mobile toilets and portable waste bins enhances sanitation and hygiene.
- **Designated Smoking Areas:** Establishing designated smoking areas minimizes environmental health risks.

#### **Environmental initiatives in KSA**









Greening Our Grounds: Plantation Initiatives Across Our Operations.

#### **Use of Sustainable Materials**

• Local and Sustainable Sourcing: Locally sourced and sustainable materials for road, pipeline construction, i.e. steel formwork for bridges and retaining walls, are preferred to minimize carbon footprints associated with transportation and extraction.

#### **Community Engagement**

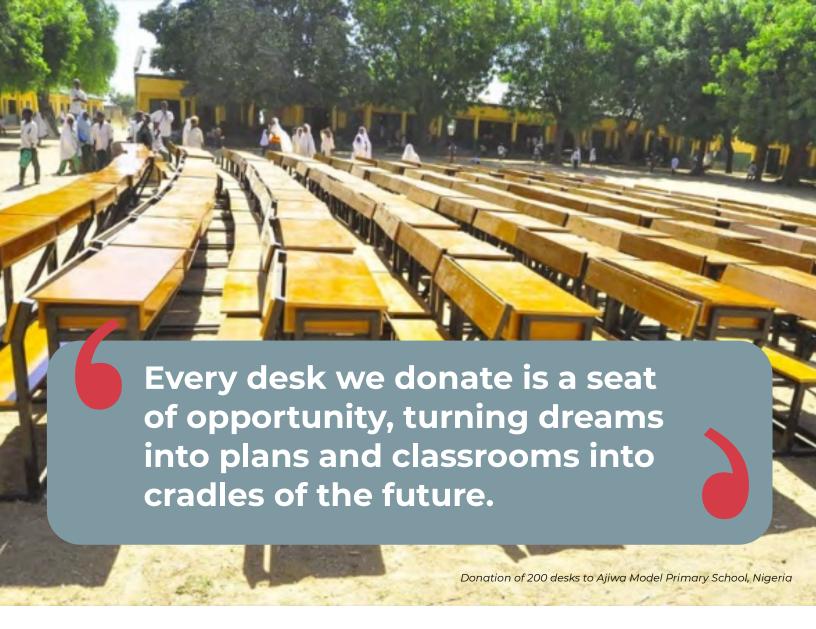
- **Liaison and Education:** Engagement of Community Liaison Officers fosters a connection with local communities, complemented by initiatives to promote environmental education and awareness.
- **Supporting Local Authorities:** Donating equipment to local government authorities for environmental sanitation underscores community support.

## 2,000+ trees planted in KSA in 2023









#### **Waste Management**

• **Segregation and Recycling:** Implementing waste segregation policies at construction sites emphasizes recycling and reusing materials like concrete and asphalt debris, contributing to landfill diversion and sustainable materials management.

Through these initiatives, C.A.T. Group not only demonstrates its commitment to environmental stewardship but also sets a benchmark for sustainable practices in the construction industry, ensuring that operations are conducted with minimal environmental impact while contributing positively to the communities served.

## 2 Social Responsibility Activities

C.A.T. Group has embedded social responsibility into its corporate ethos, undertaking a variety of activities that underscore its commitment to supporting and enriching the communities within which it operates. These activities reflect a deep-seated belief in giving back and fostering positive social impact.

#### **Community Support and Development**

- End of Year Donations: Annual distributions of rice, furniture support, and road maintenance work demonstrate tangible support to local communities, especially during critical times of need.
- Flood Relief Efforts: In response to the 2022 floods in Bayelsa (Nigeria), C.A.T. Group provided essential aid by distributing rice to affected families, showcasing responsiveness to emergency situations.
- **Monthly Stipends:** Regular financial support to communities underlines a sustained commitment to contributing to their economic stability.
- Event Sponsorships: Supporting spelling bees and participating in community events like marriages. A training agreement with NITI was signed to sponsor 200 Saudi nationals in 2022 & 2023 for the safety in

construction Diploma program at NITI institute. Through these initiatives, C.A.T. Group reinforces its role as an integral part of the social fabric.

• Educational and Employment Opportunities: Including community members in training programs, internships, and staffing initiatives, the Group fosters educational advancement and employment opportunities, aiding in community development.

Empowering communities is at the heart of what we do. Together, we build more than just structures; we build futures.









- Assistance to Public Authorities: Ongoing support to the DPO (District Police Officer), CLO (Community Liaison Officer), Immigration, and other governmental institutions—whether through financial means or sanctioned favours—exemplifies a strong partnership with public bodies to ensure community welfare and safety.
- Dammam Gate Beautification Project: C.A.T. Group has undertaken the rehabilitation of roundabouts as a gesture of our enduring presence in the communities we serve. This initiative, aimed at beautifying public spaces, underscores our deep-rooted commitment to enhancing the everyday lives of citizens in regions where we have operated for many years.



Through these multifaceted social responsibility activities, C.A.T. Group not only contributes to the immediate needs of communities but also invests in their long-term development. By supporting families during disasters, contributing to the local economy through stipends, enhancing community infrastructure, and providing educational and employment opportunities, the Group actively participates in building resilient and thriving communities. These efforts highlight C.A.T. Group's dedication to social stewardship and its role as a catalyst for positive change within society.



## **3** Workplace Excellence Program

C.A.T. Group's commitment to creating an exemplary workplace is evident in its comprehensive Workplace Excellence Program. This program is designed to foster a culture of diversity, inclusion, health, wellness, safety, and continuous improvement, reflecting the organization's dedication to its employees' professional and personal growth.

#### **Diversity and Inclusion**

- **Diversity and Inclusion Workshops:** Regular workshops on diversity cover critical topics such as cultural sensitivity, unconscious bias, and the creation of an inclusive workplace. These sessions encourage open dialogue and employee participation, aiming for understanding and respect among all staff.
- Cross-Cultural Training: The Group organizes programs to foster effective communication and collaboration amona diverse teams, enhancing teamwork and productivity by offering cultural insights into norms. communication styles, conflict and resolution strategies.

#### **Recognition and Rewards**

- Mabrouk Award: An initiative by C.A.T. to acknowledge and reward employees for their innovative contributions achievements in Health, Safety, and Environment.
- CEO HSE Award: Presented to employees outside of the department to foster a culture of mutual responsibility for safety.



66 Diversity drives us forward. It's not just about including different voices; it's about listening to them.





Establishing a Borehole in Tsintsiya Village, Nigeria, to Provide Access to Clean Water

- Employee of the Month Award: This accolade recognizes outstanding employees, motivating staff by acknowledging their hard work and contributions.
- Non-Accident Bonus: Rewards for drivers maintaining an accident-free record throughout the year underscore the company's emphasis on safety.
- Long Service and Safety Milestone Awards: These awards appreciate employees' commitment, loyalty, and contributions to maintaining a safe work environment.
- End of Year Celebrations: Celebratory events and essential supplies donations at year's end foster a sense of community and appreciation among employees.





#### **Health and Wellness Initiatives**

- Health Maintenance Organization (HMO)
   Enrolment: Enrolling staff in HMO plans ensures they have access to comprehensive healthcare services.
- Health and Wellness Programs: C.A.T. has rolled out programs designed to enhance work-life harmony, manage stress effectively, and boost overall employee well-being. Dedicated well-being officers have been appointed to oversee employee wellness, happiness levels, coordinate events, celebrate significant holidays, and conduct workshops to foster creativity and joy.
- Onsite Fitness Access: Offering onsite fitness sessions as part of the 'Pep-Talks' every Saturday encourages physical wellbeing among employees.
- Intercompany Championships: Reflecting its diverse workforce, C.A.T. Group organizes various sports tournaments, including basketball, cricket, and football, to promote team spirit and healthy competition among its employees.







"Safety isn't a policy; it's a commitment to our family of employees."



#### **Safety Training and Awareness**

- **Comprehensive Training:** Offering a range of training sessions—including but not limited to MS Applications, ITF, Seminars, HSSE, Firefighting, First Aid, and Daily Toolbox Talks—ensures employees are well-prepared for their roles, emphasizing a safety-first culture.
- **Health and Safety Meetings:** Regular meetings, hazard assessments, and emergency response drills are conducted to mitigate workplace accidents and injuries.

#### **Employee Resource Groups and Communication**

- **Employee Resource Groups (ERGs):** ERGs for staff from diverse backgrounds, including women and minorities, provide a platform for networking, mentorship, and advocacy, promoting a sense of belonging within the organization.
- Open Communication Channels: Establishing transparent communication channels keeps employees informed about project updates, company policies, regulatory changes, and organizational developments.

#### **Continuous Improvement Initiatives**

- Orientation and Onboarding Programs: Ensuring new employees are well-integrated into the company culture from the start.
- **Skills Development Workshops:** Offering workshops for ongoing professional development.

C.A.T. Group's Workplace Excellence Program is a testament to its investment in creating a supportive, inclusive, and safe working environment. By focusing on diversity, recognition, health and wellness, and continuous improvement, the Group not only enhances its organizational culture but also sets a high





### 4 Ethical Business Practices

C.A.T. Group has established itself as a leader in ethical business practices within the construction industry, guided by a mission to promote community well-being while upholding the highest ethical standards across all projects. The foundation of these practices is built on a comprehensive approach to legal compliance, ethical conduct, and community impact, ensuring the organization's operations not only meet but exceed regulatory and societal expectations.

#### **Commitment to Ethics and Compliance**

- Guiding Principles: C.A.T. Group commits to adhering to legal standards and ethical business guidelines, which includes conducting thorough environmental impact assessments and adhering to safety regulations. This commitment protects both employees and the surrounding environment, ensuring projects contribute positively to community wellbeing.
- **Aspirations for Leadership:** The Group aspires to remain an industry leader, recognized for creative and sustainable building solutions and an unwavering commitment to ethical business practices. This vision encompasses encouraging open dialogue and mutual respect among employees, fostering an inclusive and transparent workplace culture.

#### **Ethical Standards and Values**

- **Integrity and Transparency:** C.A.T. Group practices the highest standards of integrity, engaging in transparent communication with stakeholders. This transparency is evident in regular project updates and financial reporting, ensuring all dealings are open and honest.
- **Accountability:** The organization encourages employees to report concerns anonymously, fostering an environment where accountability is valued and promoted.
- **Compliance and Legal Standards:** A dedication to compliance is at the heart of C.A.T. Group's operations, ensuring that every aspect of its work adheres to legal standards and regulations.
- Anti-Corruption: The Group has instituted a zero-tolerance policy towards corruption, embodying its commitment to ethical practices across all levels of operation.



• **Community Impact:** Beyond compliance and internal ethics, C.A.T. Group actively contributes to community development, improving the quality of life in the regions it operates. This involves not only direct support through projects and initiatives but also engaging in practices that benefit the broader society.

Through its ethical business practices, C.A.T. Group sets a benchmark for integrity, transparency, and community engagement in the construction industry. By embedding these principles into its corporate DNA, the Group ensures that its projects not only achieve technical and aesthetic excellence but also contribute meaningfully to the societal and environmental landscape, reflecting a deep-seated commitment to doing business responsibly and ethically.

## Ethical business is our foundation. On this, we build everything else.



## "We're not just constructing buildings;

we're crafting the infrastructure for tomorrow's societies."



WORLD Day for Safety.

And Albert Meable Work

Sofety first:

Tost a Message

coun your life

But your forcely in Con

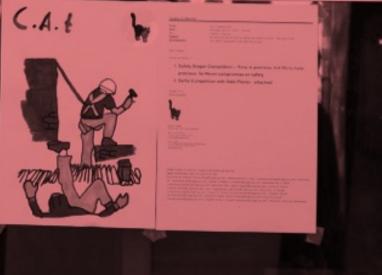
"Hoge"

your family at Time.

Sofety Should be your choice.

By chance.





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## **5** Success Stories and Achievements

C.A.T. Group has achieved remarkable success and made significant contributions to the construction industry through its commitment to excellence, innovation, and sustainable practices. The Group's notable achievements underscore its status as a leader in the field, with a proven track record of delivering projects that meet the highest standards of quality, safety, and environmental stewardship. Here are some of the highlights:

#### Infrastructure Development and Renovation

- Facilities, Office, and Accommodation Renewal: Initiatives such as the renewal of Port Harcourt Offices, Warri Offices, Dammam camp, Shaybbah camp and offices and expatriate accommodations demonstrate C.A.T. Group's commitment to providing high-quality working and living conditions for its employees, reflecting the importance it places on worker welfare and operational excellence.
- MOF Jetty 2 Extension: The successful completion of the MOF JETTY2 EXTENSION for LIQUIFIED NATURAL GAS (LNG) on Bonny Island stands out as a testament to the Group's engineering prowess and project management capabilities. Delivered with excellence, on time, and with zero recorded accidents, this project showcases C.A.T. Group's commitment to safety and efficiency.

#### 40,482,730 Manhours

LTI\*-free for the month of May 2023 to February 2024



#### **Equipment and Technology Upgrades**

- Refurbishment of PMV Fleet: The strategic renewal of the Plant, Machinery, and Vehicle (PMV) fleet, including the acquisition of new batching plants, transit mixers, and excavators, underscores the Group's dedication to maintaining high operational standards and reducing the environmental footprint of its activities.
- Adoption of Eco-friendly Transportation solutions: Elevating our operational sustainability, we've augmented our fleet with hybrid vehicles and electric forklifts for warehouse operations. Additionally, we've



adopted Euro 3 compliant trucks, excavators, and loaders, all outfitted with cutting-edge technology to diminish emissions.

#### **Workplace Environment and Culture**

- **Promotion of a Non-discriminatory Environment:** C.A.T. Group has achieved a workplace free from racial, religious, cultural, colour, sexual, or gender discrimination, fostering an inclusive and respectful work environment for all employees.
- Empowering Women within Our Organization: In a significant stride toward gender diversity, we have successfully trained women in specialized roles traditionally dominated by men, including welding in structural and piping projects. Achievements include a female QC inspector becoming the first woman within our organization to receive prestigious certification and secure full approval as a QC Civil Inspector. Additionally, we celebrated the accomplishment of another female colleague who became the first woman to be recognized as a Project Welder, setting a precedent for female empowerment and inclusion in our operations.
- Sponsoring Saudi Women in the Leading National Academy: C.A.T. Group is proud to support KSA Vision 2030 by sponsoring 15 Saudi women in the LNA in Administrative Assistant, HSE Officer, QC Inspector and Procurement Assistant.





- **ERP Implementation:** The effective and ongoing implementation of Enterprise Resource Planning (ERP) across HR, Cost Control, Procurement, and Stores departments has enhanced organizational efficiency and transparency, streamlining operations and improving decision-making processes.
- Localisation efforts: C.A.T. Group has earned accolades from Aramco for surpassing Saudization benchmarks, demonstrating a strong commitment to a long-term Saudization strategy, and providing extensive training programs aimed at the professional development of Saudi Arabian workers.

#### **Safety and Recognition**

- **Non-Accident Bonus and Awards:** The introduction of a non-accident bonus program for drivers and the achievement of a No Lost Time Injury Award at the NLNG MOF Jetty 2 project highlight the Group's outstanding safety record and its proactive approach to promoting a safety-first culture among its workforce.
- Recognition for Safety Excellence in KSA: C.A.T. Group was honoured with a recognition certificate for achieving 20,000,000 LTI (Lost Time Injury) free safe man-hours in the Kingdom of Saudi Arabia, underlining our commitment to creating a safe work environment.





- **Long Service Awards:** Recognizing the commitment and loyalty of its staff, C.A.T. Group's end-of-year long service awards ceremony celebrates the contributions of its long-standing employees, strengthening the sense of community and belonging within the organization.
- **Highest Overall IKTVA Performance:** C.A.T. Group was the proud receiver of the Aramco IKTVA 2022 Excellence Award.
- **Taleed Awards:** C.A.T. Group was recognised as one of the first adopters and participants of the National Vocational Apprenticeship program, as well as the National On-Demand Workforce, at the launch of Aramco's Taleed program.

Through these achievements, C.A.T. Group has not only demonstrated its operational and technical capabilities but also its commitment to ethical business practices, employee welfare, and sustainability.





## **6** Future Goals and Initiatives

C.A.T. Group is not resting on its laurels; it is already looking ahead, planning to expand its influence, innovate further, and enhance its contributions to the construction industry, the environment, and society. The Group's future goals and initiatives are designed to address emerging challenges, capitalize on new opportunities, and drive sustainable growth. Here's an overview of the key areas of focus:

#### **Embracing Diversity and Inclusion**

• **Promoting Diversity:** C.A.T. Group intends to further its diversity initiatives, focusing on recruiting and promoting individuals from varied backgrounds, including community members and underrepresented groups such as women and minorities. The aim is to foster an inclusive and welcoming work environment that encourages every employee to achieve their full potential.

#### **Community Education and Engagement**

• **Educational Programs:** The Group plans to launch educational programs for communities in the areas surrounding their projects. These programs will cover vital topics such as safety awareness, construction-related skills, waste management, and safe driving practices, empowering communities with knowledge and skills that can improve their quality of life.

#### **Advancing Environmental Sustainability**

- **Solar Power Implementation:** To reduce energy consumption and carbon emissions, C.A.T. Group is looking to implement solar-powered streetlights in its yards, workshops, and offices. Additionally, the Group plans to use high-combustible diesel as part of its strategy to reduce CO2 emissions, showcasing its commitment to environmental stewardship.
- Waste Recycling & Segregation: The Group is set to enhance its waste management practices by implementing comprehensive recycling and segregation programs. This initiative aims to recycle and segregate materials such as asphalt, concrete, steel, and wood,



demonstrating C.A.T. Group's dedication to responsible waste management in the construction sector.

#### **Talent Development**

• Strategic Investment in Personnel Training: Recognizing the importance of continuous learning and development, C.A.T. Group plans to invest strategically in the training and development of its personnel. This initiative will address performance evaluation objectives and employee requests, ensuring that the workforce is equipped to meet the evolving demands of the construction business and assuring the company's long-term growth.



## Thank You

