
ESG Report

2022



Building Sustainability

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FROM OUR MANAGING DIRECTOR



Welcome to NMSI's inaugural ESG Report. As with other sectors of the modern economy, the built environment produces a fundamental paradox:

improving the social foundation required for human dignity and well-being also has the potential to threaten planetary boundaries. NMSI's projects in the social infrastructure sector deliver both transformative change and enhance the social foundation. We are proud of the contribution our projects have made to date and are excited about sharing our work towards sustainability here in our first ESG Report.

NMSI has an important leadership role to play in the markets in which we operate, which are facing some of the most acute sustainability challenges globally. From poverty and inadequate access to healthcare, to precipitous biodiversity loss and being at the sharp end of climate change effects, these issues impact the daily lives of communities across sub-Saharan Africa.

NMSI is also mindful to 'practice what it preaches', so the way that we operate as a company must also reflect the challenges of the world in which we conduct our business. Whilst there is much work still to do, this report will also demonstrate our progress in addressing our aspirations as a company across a range of issues, from health and safety (H&S), environmental compliance, aligning our supply chain with our sustainability goals and ensuring we have a governance structure fit for a 21st century business.

Our ESG Report shows NMSI's performance as a reflection of global progress towards sustainability. The imperatives and challenges are becoming ever



more acute, but so too are the opportunities and solutions for creating a better world to live in.

NMSI's long-term aspirations and goals are clear, as is the direction of travel to reach them. What is needed now is the ambition to drive this change as quickly as is practical and possible and to incrementally implement improvements, which, combined, will be transformative. We will never be the finished article because that indicates an end point. NMSI has the ambition, not just to reflect society's progress, but to lead it towards its future, through new technologies, new ways of doing business, new products, and bold initiatives, 'Building Sustainability' wherever we can.

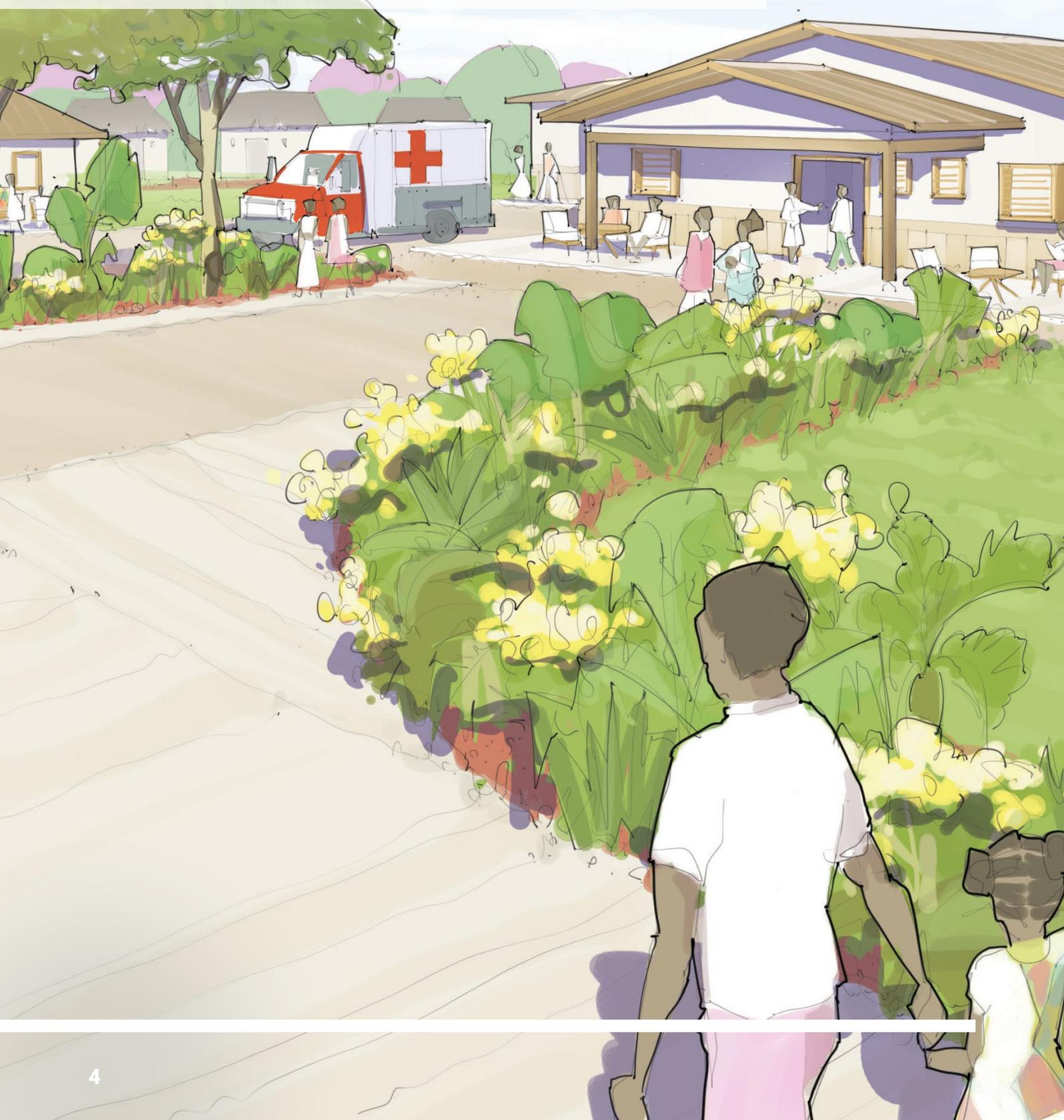
A handwritten signature in dark ink, appearing to read 'Matt Jordan'. The signature is stylized and includes a horizontal line extending to the right.

Matt Jordan

Managing Director

SECTION 1

NMSI AND SUSTAINABILITY



1.1 ABOUT NMSI

NMSI is a privately owned company operating as an integrated engineering, procurement, construction and finance managing contractor delivering turnkey social infrastructure projects internationally.

We have capabilities for the delivery of projects across the healthcare, education, housing, agriculture and infrastructure sectors. As a specialist in the delivery of bespoke project solutions, NMSI has successfully delivered infrastructure and structured finance across the African continent.

Projects are delivered through a combination of core management teams operating in the UK and

South Africa, and project delivery teams based in the project countries. This structure strategically combines local know-how with international expertise, applying creative engineering and structured solutions from project conception to operation to deliver high-quality, thoughtful infrastructure.



NMSI Purpose Statement:

“To provide sustainable turnkey healthcare, education and agricultural infrastructure solutions that enhance the lives of those living in the rural communities of Africa”

Our Current Projects

Zambia

- 115 Mini Hospitals
- 5 District Hospitals

Project value:
● €300 million

Ghana

- 3 District Hospitals
- 1 Staff Accommodation

Project value:
● \$175 million

Côte d'Ivoire

- 2 Regional Hospitals
- 2 Regional Hospitals (Reduced Capacity)
- 2 General Hospitals

Project value:
● \$326 million

Zimbabwe

- Delivery ongoing: 8 Health Centres
- Under contract: a further 22 Health Centres and 5 District Hospitals

Project value:
● \$210 million

1.2 FROM THE NARROW PATH TO 'BUILDING SUSTAINABILITY'

Human societies in the 21st century must travel an increasingly narrow path to long-term sustainability.

This path must navigate between the **social foundation** required for human dignity and well-being and **planetary boundaries**, which are the physical and ecological limits of planet Earth.



As with other sectors of the modern economy, the built environment produces a fundamental paradox: improving the social foundation threatens planetary boundaries. To achieve sustainability, the challenge for all sectors of the economy is to decouple human dignity and well-being from planetary destruction. This challenge is particularly formidable in the built environment sector, but at the same time, it is a sector

that includes some of the greatest opportunities to drive a sustainable future.

NMSI's building blocks for sustainability are our **projects** and the **international standards** we deliver them to. We live in an unfinished global project to achieve sustainability. NMSI is determined to play a leading role to deliver this ultimate project, which we call **Building Sustainability**. This ESG Report provides a progress update on this project – our most challenging and exciting to date.

GENERATING HEADROOM WITHIN OUR PLANETARY CEILING



Supply Chain Engagement ↑ Local Employment ↑ Access to Finance ↑ H&S Management ↑

PROVIDING A FIRM SOCIAL FOUNDATION

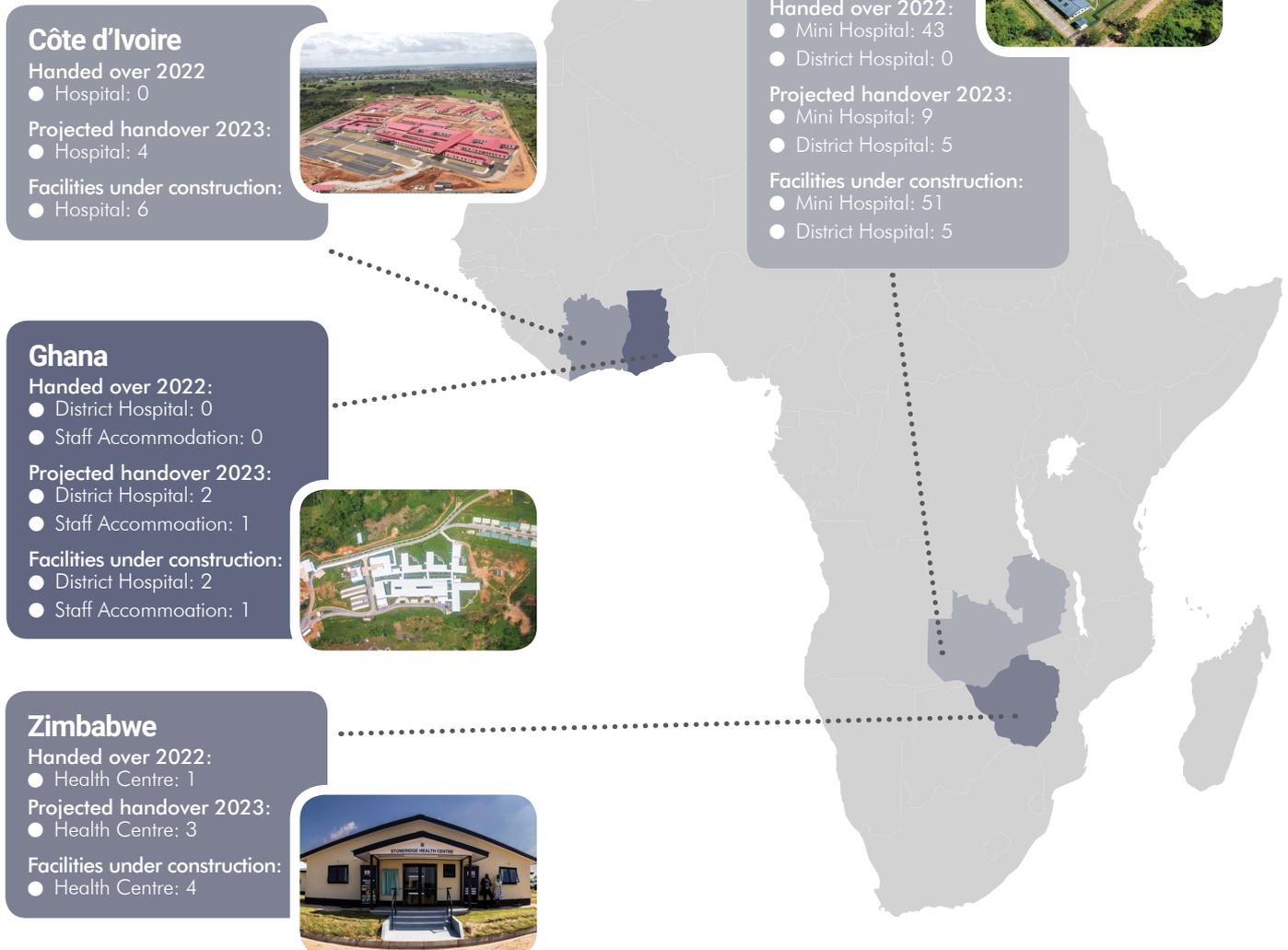
1.3 PURPOSE OF ESG REPORT 2022

For NMSI, ESG performance is integral to the company’s performance as a whole.

That’s why we report our performance within the same reporting time frame as the company’s financial year, (ending 31 October) and annual reporting. This ESG Report corresponds to performance from 1 November 2021 to 31 October

2022 across all facilities where work was delivered. Because it is our first ESG Report, we have also included some insights from our work during 2020 where we felt the stories needed telling.

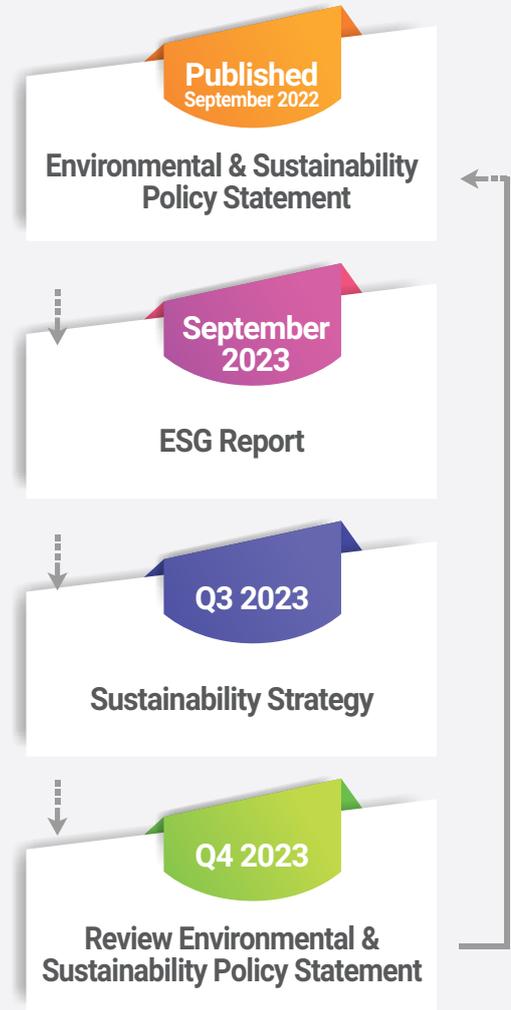
Our Annual Progress



1.4 REVIEWING AND REPORTING: DEFINING OUR STRATEGY

This ESG Report will be used as the launchpad for the Sustainability Strategy.

The Sustainability Strategy will include time-bound goals for each material topic, with progress reported in future ESG reports. The key outcomes from both the ESG Report and the Sustainability Strategy will be used to review the Environmental & Sustainability Policy Statement to align with our commitment to continual improvement.



1.5 STANDARDS, COMMITMENTS AND THEME SELECTION

NMSI integrates environmental and social (E&S) responsibility into the design, delivery and operation of all our projects.

All E&S management activities are in full compliance with:

- International standards, such as the IFC Performance Standards (2012).
- National and local environmental standards.

We joined the UN Global Compact in August 2022, committing to advancing the Sustainable Development Goals (SDGs) as well as incorporating the ten principles, covering human rights, labour, the environment and anti-corruption into our business operations.

As we make progress integrating sustainability deeper into our business, the sustainability topics that are most important to NMSI may evolve. We look forward to reporting on this in 2024 alongside the insights generated by our Sustainability Strategy.

WE SUPPORT



Topics covered in this ESG Report



Environment

- Environmental Compliance
- Climate Change
- Biodiversity and Land Use Change
- Building Design



Social

- Occupational Health and Safety Performance
- Community Development
- Economic Benefits
- Project Stakeholder Engagement
- Giving Back
- Capacity Building and Training



Governance

- Policies
- Modern Slavery
- Due Diligence and Risk Assessment
- Roles and Structure

SECTION **2**

ENVIRONMENTAL

2.1 AT A GLANCE

- 1 MW - Total installed solar power capacity at Mini Hospitals in Zambia, which represents 1% of the country's installed solar power
- 13 - Sites delivered in accordance with NMSI's Vegetation Retention Technical Guidance Note
- 4 - Protected tree species to be planted at hospital sites in Côte d'Ivoire
- 9 - Areas of business activity measured for the 2022 carbon footprint
- 436 - Tonnes of CO₂e emissions offset through Gold Standard verified credits

SDGs Progressed



IFC Performance Standards Met



2.2 ENVIRONMENTAL COMPLIANCE

This year, the NMSI in-house Sustainability Team produced a suite of E&S compliance documents in accordance with the IFC Performance Standards for projects in Côte d’Ivoire, Ghana, Zambia and Zimbabwe.



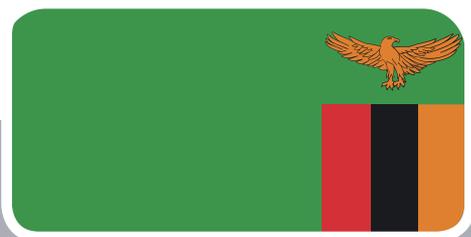
Côte d’Ivoire

- Environmental and Social Impact Assessment: 6
- Construction Environmental and Social Management Plan: 6
- Operational Environmental and Social Management Plan: 0
- Bi-Annual Monitoring Report: 2



Ghana

- Environmental and Social Impact Assessment Gap Analysis: 3
- Addendum to Construction Environmental and Social Management Plan: 3
- Operational Environmental and Social Management Plan: 3
- Bi-Annual Monitoring Report: 2



Zambia

- Environmental and Social Impact Assessment: 2
- Site-Specific Annex to Environmental and Social Project Brief: 10
- Construction Environmental and Social Management Plan: 2
- Operational Environmental and Social Management Plan: 5
- Bi-Annual Monitoring Report: 4



Zimbabwe

- Environmental Management Plan: 2

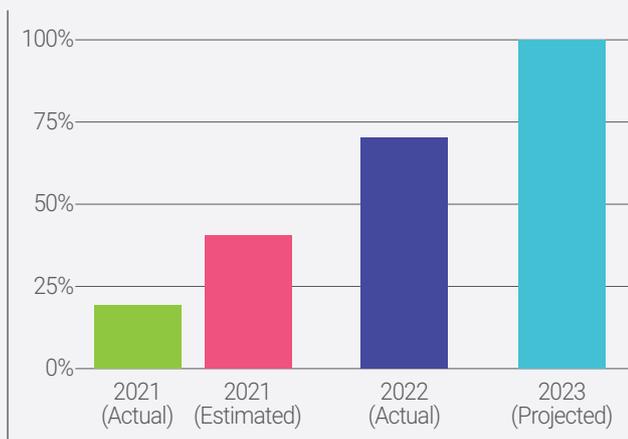
2.3 CARBON

Despite the milestone agreements under the UNFCCC at Paris 2015 and Glasgow 2021, the world is not currently on course to achieve the targets set by those accords: to reduce greenhouse gas emissions and limit the average global temperature rise to 1.5°C compared with the pre-industrial era.

Action on greenhouse gas emissions starts with understanding the problem by calculating an organisation’s carbon footprint. With just 11% of UK businesses calculating their carbon footprint, NMSI is committed to calculating and offsetting the carbon emissions of our business operations on an annual basis¹.

Establishing a carbon footprint means undertaking a carbon accounting process. Using the UK government’s guidance, which is based on best practice from the Greenhouse Gas Protocol, NMSI completed our first carbon accounting exercise for 2021 and undertook an improved process for 2022.

Carbon Accounting Emissions Factors Included, UK Operations 2020-23



Carbon emissions

Scope 1 emissions: direct emissions from owned or controlled sources

Scope 2 emissions: indirect emissions from the generation of purchased energy

Scope 3 emissions: all indirect emissions that occur across the value chain

Scopes and Emissions Factors

An organisation’s carbon footprint is comprised of three ‘scopes’, which broadly correspond to the level of control the organisation holds over the emissions generated by their activities.

Calculating a carbon footprint involves the collection of ‘activity data’ across the business, which feed into ‘emissions factors’ as defined by the UK government. Carbon accounting should capture as much of an organisation’s emissions as possible, so the first phase of NMSI’s action on carbon is to identify and obtain all activity data required.

This process began in 2021 and improved during 2022. It is expected to be completed for the 2023 carbon footprint, when all relevant emissions factors for NMSI’s UK operations will be included in our carbon accounting process.

For 2021, limited activity data were available for some of NMSI’s offices, so estimations were made on a pro-rata square metre basis using the activity data that were available (see 2021 Estimated in the adjacent Figure). For the 2022 carbon footprint, a significantly greater amount of activity data was collected covering nearly three quarters of the emissions factors relevant to the business. Methodologies for carbon accounting improve over time, and NMSI is determined that our process will be no different, with a progressive improvement in the quality and scope of data captured each year. Our ultimate aim is to develop and implement a carbon reduction plan approved by the Science Based Targets initiative by 2030.

¹British Chambers of Commerce (2021) Carbon footprint a mystery to 9 out of 10 small businesses.

2020–2022 Performance

The nature of the process NMSI is undertaking to expand the areas of the business included in the carbon accounting exercise means that calculated absolute emissions are expected to rise over the 2020–2023 period.

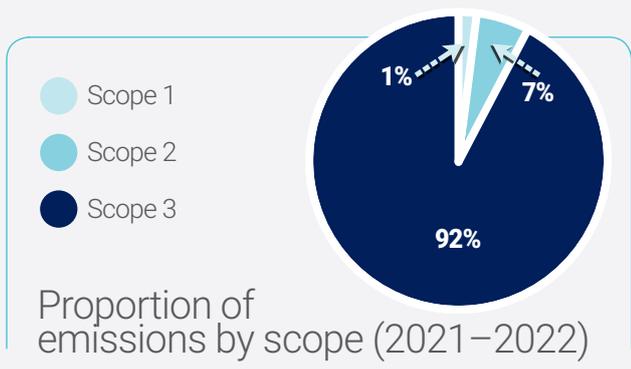
The greenhouse gas emissions captured in 2021 increased by 41% from 436 to 613 tonnes in 2022. The number of emissions factors captured rose by 86% in this time, partially accounting for this rise. The rise is also attributable to an increase in business activity associated with project life cycles and the easing of Covid-19 restrictions.

NMSI’s footprint for UK operations consists primarily of Scope 3 emissions (92% of total emissions), with hard-to-abate areas such as air travel (73% of total emissions) that are fundamental to NMSI successfully conducting its business, posing a significant challenge.

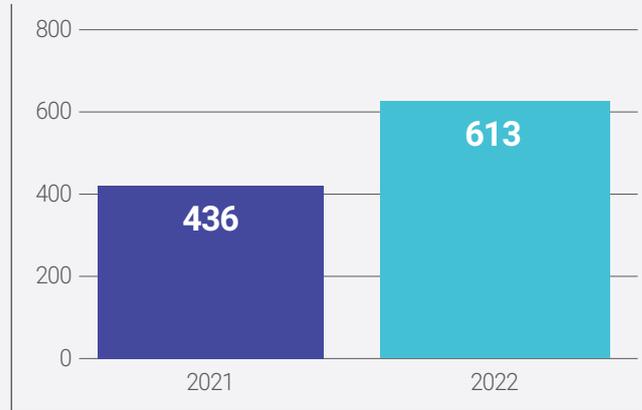
8.2 tonnes of CO₂e emissions per employee in 2021

8.2 tonnes of CO₂e emissions per employee in 2022

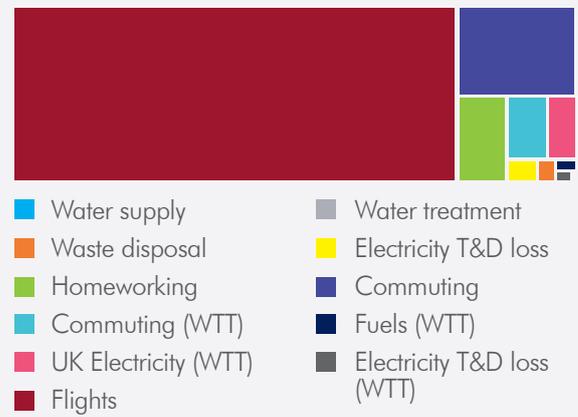
Despite these challenges, NMSI’s carbon emissions intensity remained flat across the two years, with each employee generating 8.2 tonnes CO₂e on average for both years. Targeting the reduction of NMSI’s emissions intensity will provide a pathway to achieving NMSI’s long-term decarbonisation goals following the sustainability strategy exercise.



NMSI UK Operations Carbon Footprint (CO₂e)



Scope 3 Emissions



Carbon Offsetting

Carbon offset credits, verified by Gold Standard, compensating the 436 tonnes of CO₂e emitted for 2021, were purchased at a price of £6.50/tonne through the climate action platform, Ecologi. Projects provided by Ecologi avoid future carbon emissions. NMSI purchased credits to support a hydropower and a wind power project. Ecologi maintains a robust and transparent inventory of all carbon offset credits. To contribute towards net zero by 2050, our purchase of carbon offset credits is not enough by itself – our responsibilities as an organisation require us to deliver against a carbon reduction plan, and this work will follow further improvements in our carbon accounting process planned for next year. In light of recent media criticism of specific carbon offset credit products, while unrelated to those purchased by NMSI, we will continually review the best way NMSI can support climate finance to contribute towards the race to net zero.



2.4 BIODIVERSITY AND LAND USE CHANGE

One of the key drivers of biodiversity loss is land use change.

NMSI's project sites are often on green field rather than brown field sites, and we therefore have a responsibility to reduce our biodiversity impacts wherever possible. Through careful site selection, with stipulations on biodiversity protection embedded into our contracts; thoughtful design, through the positioning of buildings and development of landscaping; and the Construction Environmental & Social Management Plans, which define management and mitigation measures to govern each project, NMSI works to reduce the negative impacts of its projects on biodiversity.

We have established firm roots from which to explore and incorporate the latest developments in the field, from novel techniques for the quantification of biodiversity value and the use of drone technology for data collection to concepts such as biodiversity net gain, the burgeoning biodiversity offset credits market and the outcomes from the COP15 Kunming-Montreal agreement. By harnessing these, we see an opportunity to play

The Vegetation Retention Technical Guidance Note

In 2022, NMSI developed the Vegetation Retention Technical Guidance Note (TGN). This TGN builds on the good practice management measures in NMSI's CESMPs to provide practical, detailed, step-by-step guidance on the site clearance process to prepare efficiently for construction activities while retaining biomass wherever possible, both flora above ground and microbial life in the soil. The TGN was issued to NMSI's sub-contractors across Zambia, Zimbabwe and Côte d'Ivoire for implementation at 13 sites covering an area of 22 hectares.

a leadership role in our markets, recognising our responsibilities operating in a region with some of the world's most spectacular biodiversity assets.



2.5 BUILDING DESIGN

NMSI Design Principles & Sustainability

During 2022, NMSI is proud to have delivered seven healthcare facility designs, ranging from health centres to regional hospitals, currently under construction from Zimbabwe to Côte d'Ivoire, which incorporate our building principles.

Acknowledging NMSI's innovative design methods, in 2022, the Institution of Civil Engineers awarded Peter Marks, NMSI's Programme Director and Group Board member, the International Medal for the Zambian Mini Hospital Programme, with praise for NMSI's "design and engineering solutions [which] are helping to decarbonise the health sector".

NMSI Building Design Principles



CASE STUDY: Sustainable Design Principles in Action

Replacing concrete drainage channels with soft landscaping to form natural swales for surface water management on the Zambia Healthcare Facilities Programme has led to:

- Improvements in attenuation and infiltration, allowing **local aquifer recharge**.
- Approximately 500 cubic metres of concrete saved on each Zambia District Hospital site. This is the **equivalent of 791 tonnes of CO2e avoided**.
- **Improved biodiversity outcomes**, as grassed swales provide a habitat for insects while improved surface water attenuation reduces habitat degradation.



Designing for Climate Change

NMSI Adaptation & Mitigation Efforts:

ADAPTION

Surface water drainage designed in consideration of exceptional rainfall events and single-storey 'pavilion-type' buildings reduces wind loading, improving storm resistance.



Natural ventilation and an insulated walling system create natural cooling within buildings to better cope with heat waves.



Landscaping, including the retention of trees, re-vegetation of brownfield areas and use of indigenous species, delivers nature-based solutions for infrastructure and ecosystem resilience.



MITIGATION

Engineered steel frame walling design reduces the building weight without compromising on strength.



Local factory manufacturing of engineered steel walling system reduces waste and logistics volumes.



Use of solar energy technology for electricity at all off-grid health centre sites in Zambia and to provide hot water to all health centre sites across Zambia and Zimbabwe.



Over 75% of building area is **naturally ventilated**, reducing the operational energy requirements of NMSI health facilities.



CASE STUDY: Renewable Energy Provision

The Mini Hospitals delivered for the Zambian government are in rural areas where there is often no access to mains electricity. NMSI has designed and delivered off-grid facilities powered by solar photovoltaic array with a battery backup storage system.

Installed capacity per off grid Zambia Mini Hospital: **20.52KW**

Number of off-grid Mini Hospitals to date: **42**

Total installed capacity of solar on the Mini Hospital programme: **861.84 KW (0.86 MW)**

Contribution to overall energy provision in Zambia: **0.03%**

Contribution to solar energy provision in Zambia: **1%**

The NMSI programme shows how innovative projects and design can contribute to the decarbonisation of energy across the African continent.



NMSI's approach to building design recognises that the implementation of green building principles across our projects is not sufficient if the benefits are not measurable. We need to be able to better quantify the successes we have achieved so far and drive ambitious performance goals in our building

design. To help us achieve this, NMSI plans to work with Excellence in Design for Greater Efficiencies (EDGE) to deliver certified green buildings demonstrating reductions across energy, water and embodied carbon.

Timeline to EDGE Certification



Excellence in Design for Greater Efficiencies (EDGE)

EDGE is the IFC's green building certification system. It aims to empower emerging markets to scale up resource-efficient buildings in a fast, easy and affordable way.



SECTION 3

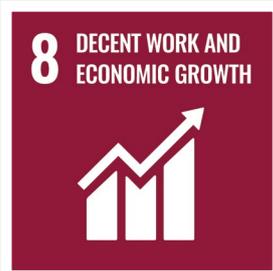
SOCIAL



3.1 AT A GLANCE

- 1,500 - Workers with access to basic primary healthcare services on-site during the construction of hospitals in Côte d'Ivoire
- 97% - Proportion of the on-site workforce during construction of the Mini Hospitals in Zambia who were Zambian nationals
- 27% - Proportion of women in NMSI's project offices in Zambia, Côte d'Ivoire and Ghana
- 13 - Lost time injuries across more than six million man-hours worked
- 169 - Emergency response drills
- 4 - Principal subcontractors who have received best practice Technical Guidance Notes on concrete waste management, waste management, vegetation retention and noise monitoring

SDGs Progressed



IFC Performance Standards Met



3.2 OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE

NMSI prioritises the safety and welfare of our workforces and the communities where we work.

We combine highly experienced, Institution of Occupational Safety and Health (IOSH)-chartered UK staff with local H&S professionals to ensure that local knowledge remains at the

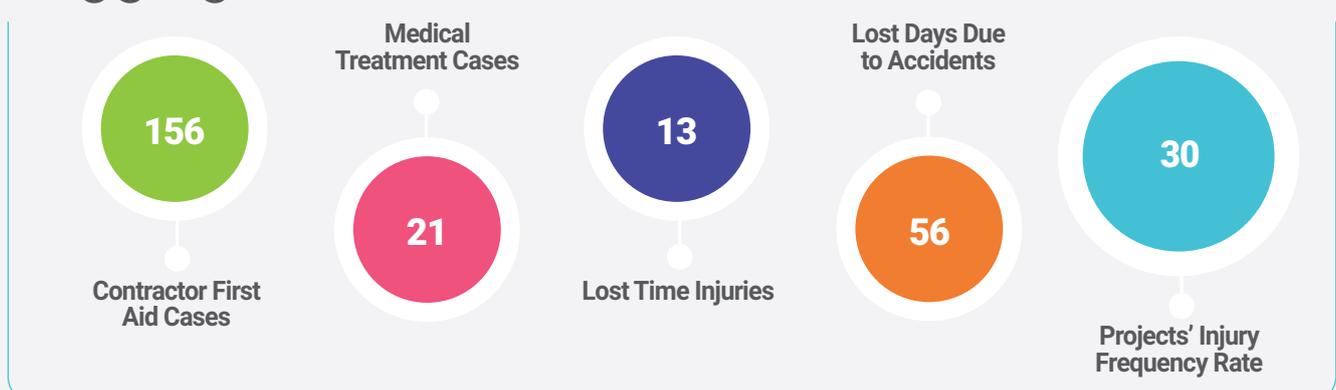
forefront while developing expertise throughout our projects. Six project health, safety and environment (HSE) personnel also became certified by the IOSH during the year.

Summary of H&S Statistics

Leading indicators



Lagging indicators



3.3 BENEFITS TO COMMUNITIES

Once operational, the social infrastructure NMSI builds for its clients leads to a range of positive development outcomes in some of the world’s most vulnerable countries. During construction, NMSI also ensures the well-being of the on-site workforce of its contractors.

CASE STUDY: Healthcare provision to on-site workers – Côte d’Ivoire Hospital Programme

We work with our contractors to provide additional benefits during construction. In Côte d’Ivoire, five of the six sites have their own infirmary with a trained nurse on-site. This provides an important first aid facility as well as encouraging the use of primary health care services. At the sixth site, the management have partnered with a nearby health centre. NMSI, working with our subcontractors, is also making sure that all on-site workers have an annual medical check-up, at no cost to themselves.

By looking after the health of nearly 1,500 workers, NMSI is increasing access to, and engagement with, primary health care services, even before any of the new hospitals are up and running.



CASE STUDY: Impact of operational Mini Hospitals, Zambia

NMSI last collected data on operational Mini Hospitals we delivered in Zambia in Q3 2022 to further understand the positive social impacts since the first Mini Hospitals were handed over in November 2019.

Patients

392,000 patients were treated across all operational Mini Hospitals as of Q3 2022.

Maternal Healthcare

Between November 2019 and September 2022, **5,809 births** were recorded, with no reported maternal deaths at Mini Hospitals. This shows a drastic improvement on the 213 deaths per 100,000 live births (2018), which was the benchmark national health indicator.

Covid-19

The Mini Hospitals also proved important in battling the Covid-19 pandemic; **11 facilities** were designated as specialist centres to treat Covid-19 patients. Over 10,000 Covid-19 patients were also treated at Mini Hospitals not formally designated as Covid-19 facilities.

3.4 ECONOMIC BENEFITS

The national scale projects NMSI helps deliver provide direct and indirect employment opportunities both during construction and once operational. We help to reduce poverty by prioritising local labour wherever possible.

In addition to employing local labour, NMSI recognises that women’s participation is a business imperative, and whilst increasing gender diversity is a work in progress, the gender breakdown across NMSI’s offices is as follows:

97% of employment opportunities are going to Zambian nationals on Mini Hospital sites

NMSI Office	Gender breakdown (% women)
Zambia	25
Côte d’Ivoire	23
Ghana	32
UK (including London, Market Harborough and Poole)	41

CASE STUDY: Local employment - Luana Mini Hospital, Zambia

During construction, 28 out of the 42 workforce on-site were from the immediate area. Many of these individuals had not worked in the construction industry previously so were taught new skills they can take forward to future employment opportunities.



3.5 PROJECT STAKEHOLDER ENGAGEMENT

Stakeholder engagement is an umbrella term encompassing a range of activities and interactions over the life of a programme. The stakeholder engagement activities undertaken for NMSI’s projects have been divided into six key components:



CASE STUDY: Community Stakeholder Engagement – Mini Hospitals, Zambia

Stakeholder engagement was a monthly focus for the Mini Hospitals in Zambia from October 2021 to February 2022. With



oversight from NMSI, a stakeholder engagement questionnaire was drafted by the on-site contractor to guide the stakeholder engagement. The exercise was attended by NMSI’s environmental engineer and the contractor’s environmental assistant. HSE advisors led the stakeholder engagement process, communicating in Tonga, one of the seven official regional languages of Zambia, ensuring ease of understanding for the local community.

CASE STUDY: Katiola Regional Hospital, Côte d’Ivoire Hospital Programme

In compliance with the Stakeholder Engagement Plans for the Côte d’Ivoire Hospital Programme, the NMSI Environmental Team carried out stakeholder engagement with the project affected persons as well as with members of the local community in September and October 2022. A total of nine stakeholder engagement interviews were completed for the Côte d’Ivoire Hospital Programme.



3.6 GIVING BACK



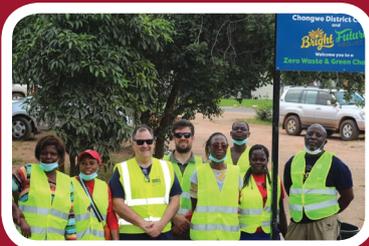
NMSI is committed to making a positive difference through its projects and services. NMSI has developed a 'Giving Back' initiative that reflects the company's work ethos. NMSI, its employees and

project partners have together delivered several successful projects that leverage skills and experience to deliver tangible benefits to local communities.

Recent examples of Giving Back activities undertaken by NMSI and its project partners are as follows:

NMSI Sponsor Lusaka Youth Rugby Tournament:

With NMSI's Zambian office based in Lusaka, the in-country management decided to sponsor the Kondwani Dimitry Sakala Youth Rugby Tournament as part of our 'Giving Back' programme. Held locally in April 2021, the tournament honoured the life of the late Kondwani Dimitry Sakala. The tournament brings together youth rugby teams from across Zambia. It provides a platform for local youth to showcase their talent to rugby union leaders and an opportunity for young Zambians to progress with the sport. Seven different teams were represented, with a total of 145 male and female players present between the ages of 11 and 16.



NMSI Sponsor Clean Up in Lusaka, Zambia:

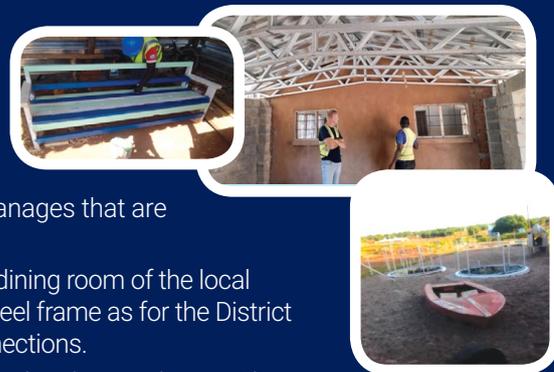
In March 2021, NMSI, together with The Bright Future Project, sponsored a community-led clean-up day in Chongwe, Lusaka. NMSI provided a contribution under its 'Giving Back' programme that allowed for the purchase of roofing sheets, gravel, heavy-duty gloves, bin liners, trees and plants, all of which were used by a team of community volunteers, including NMSI staff, who spent the day litter picking and cleaning up their local area. An array of plants and trees were also planted.

Community Initiatives Carried Out by Our Contractor in Zambia:

During the construction of the district hospitals in Zambia, NMSI encourages our principal contractor, Velos, to assist local communities whenever possible. Velos has formed relationships with neighbouring stakeholders, especially orphanages that are particularly vulnerable.

At Mambwe District Hospital, Velos renovated the kitchen and dining room of the local orphanage. This included fixing the roof using the same light steel frame as for the District Hospital itself as well as installing plumbing and electrical connections.

At Mwansabombwe District Hospital Velos also supported a local orphanage by providing sand as a base for the playground, painting swings and slides and fixing and painting benches.



3.7 CAPACITY BUILDING AND TRAINING

NMSI carries out capacity building and training with customers, contractors and employees.

Customers

OESMP

As part of the handover process, NMSI develops Operational Environmental and Social Management Plans (OESMPs) for its customers, outlining the mitigation measures for operational phase E&S impacts.

End-User Training

NMSI provides end-user training on the operation of the hospital equipment, which includes theory and practical exercises. At the end of the training, the hospital staff are provided with a comprehensive training package that includes all necessary manuals, operating instructions and training notes.

Contractors

Upskilling the Local Workforce

- NMSI drives the transition to contractor-led HSE management during project delivery.
- NMSI views the headhunting of staff by organisations in our project countries as testament to the effective skills transfer during project delivery.
- NMSI encourages our contractors to obtain professional qualifications and memberships, such as HSE supervisors joining the IOSH.

Technical Guidance Notes

NMSI has created a suite of TGNs to disseminate good international industry practice on a range of environmental and social matters to subcontractors in our supply chain. During the year, TGNs were released to four principal subcontractors across Zambia, Zimbabwe and Côte d'Ivoire. The TGNs covered the topics of:

- Vegetation Retention
- Noise Monitoring
- Concrete Waste
- Waste Management

Employees

Employee Internal Training

The NMSI induction process includes the following:

- Training on the Bribery Act 2010, which explains what constitutes bribery as well as the prime offences.
- Training on the Modern Slavery Act 2015, which explains what a company needs to know about the Act and do to prevent the occurrence of modern slavery.
- Training on the NMSI Code of Conduct, which sets out the behaviour and conduct expected from staff working for NMSI and highlights the main responsibilities of employees.

Employee External Training

NMSI recognises the value of employees participating in external training. During the year, NMSI provided the opportunity for employees to participate in the following:

- Business Entrepreneurship Degree
- Level 4 Diploma, Association of Accounting Technicians
- FIDIC Training
- Certification, Chartered Institute of Management Accounts
- Training Course, Association of Corporate Treasurers
- Level 4 Diploma, Chartered Institute of Procurement and Supply
- Digital Photography Course
- First Aid Training

SECTION 4

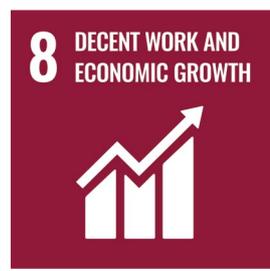
GOVERNANCE



4.1 AT A GLANCE

- First Modern Slavery Statement published
- Environmental and Sustainability Policy updated
- First Five-Year Business Plan published
- New Executive Management Board founded
- Six new functional Directors appointed
- Introduction of a Yellow Card/Red Card H&S disciplinary system
- New Africa hub office opened in Johannesburg

SDGs Progressed



IFC Performance Standards Met



4.2 POLICIES AND PROCEDURES

NMSI is committed to strong governance and a robust attitude to risk and compliance. This is supported by policies to ensure that we apply, at all times, high levels of personal and professional integrity.

We have in place policies covering the following topics:



NMSI currently reviews policies, procedures and codes of conduct on an ad hoc basis. During 2022, the following key reviews of our policies took place:

Environmental & Sustainability Policy

In 2022, we conducted a comprehensive review of our Environmental Policy. Previously geared towards environmental management best practice on our project sites, the review considered the importance of the company's interaction with the environment across all our business activities. NMSI's aims for the environment are to preserve, enhance and sustain, and these cannot be achieved in isolation from NMSI's business activities as a whole, including our social and economic impacts and our entire value chain. As a result of the review, the policy was reformulated and renamed as our 'Environmental & Sustainability Policy'. This document was made publicly available, and, for the first time, formally defined NMSI's approach to sustainability, articulating our long-term goals and vision.

H&S Policy

The H&S of our workforce, be it office based, on-site construction or indirectly through our supply chain, is our number one priority. We introduced a Yellow Card/Red Card H&S disciplinary system for unsafe practices applicable to both NMSI staff and the contractors comprising the on-site workforce.

As standard practice, NMSI carries out a review of our H&S policy each year, most recently in August 2022, to make sure the commitments we have outlined are up-to-date and being met, and that the policy complies with H&S law. We will also conduct a review if the Group Board make changes to our business. This includes any altering of our work procedures, such as processes that employees must follow to carry out certain tasks, the creation of a new position, team or department, significant changes to our offices, or the start of a new service.

4.3 MODERN SLAVERY

NMSI is aware that the nature of its business operations poses a heightened risk of instances of bribery and corruption. However, no known instances of bribery or corruption occurred during the reporting year. Each new employee, both in the UK and

overseas, receives training on the 2010 Bribery Act and the 2015 Modern Slavery Act as part of their onboarding process. All employees, contractors and suppliers are also expected to follow the company's Anti-Bribery and Corruption Policy.

NMSI Publishes its First Modern Slavery Statement in 2022

During our 2021 Financial Year, NMSI met the criteria set out in the Modern Slavery Act 2015, which requires organisations with an annual turnover of £36 million or more to publish an annual modern slavery statement.

The first Modern Slavery Statement for NMSI was published publicly in 2022, covering our 2021 Financial Year.

The statement confirms that NMSI prioritises trading ethically, sourcing responsibly and working to prevent modern slavery and human trafficking throughout the organisation and supply chain. The statement sets out the steps we have taken and are continuing to take to ensure that slavery and human trafficking are not taking place in any of our supply chains or within our business.



4.4 DUE DILIGENCE AND RISK ASSESSMENT

NMSI updated our supplier questionnaire during the year as part of its due diligence process. All new and existing suppliers are requested to complete the questionnaire. The questionnaire contains questions covering the suppliers' ISO certifications and policies related to sustainability, anti-bribery and

corruption, modern slavery and human trafficking. Our purchasing team will continue to have new suppliers complete the due diligence questionnaire alongside requesting updated responses from long-term suppliers.

67% of suppliers responding to questionnaire in 2022 had ISO-9001 certification

50% of suppliers responding to questionnaire in 2022 had ISO-14001 certification

33% of suppliers responding to questionnaire in 2022 had an anti-bribery and corruption policy and/or a modern slavery and human trafficking policy

NMSI aims to form longstanding partnerships with its suppliers by continuing to work with a specific supplier once a task or project has been completed successfully. This longstanding partnership allows for

an alignment of company values and trust between both parties, allowing for queries and suggestions regarding policies to be raised.



4.5 ROLES AND STRUCTURE

As NMSI has grown, we have continued to make sure our personnel and structure are capable to meet the requirements of delivering multiple programmes across Africa. This has included the creation of an Executive Management Board (EMB) in October 2022, which is tasked with the daily operations and the strategic direction of NMSI. The EMB reports to our Managing Director and the Group Board.

The EMB is comprised of the following roles:

- Chief Financial Officer
- Director of Project Controls
- Director of Legal and Contractual Services
- Director of Purchasing, Logistics and Healthcare Technology
- Director of Sustainability and ESG
- Director of Projects
- Director of People and Culture

All of these individuals are responsible for ESG-related topics. With these diverse roles on the EMB, the importance of NMSI’s sustainability performance is communicated downwards to all employees.

To enhance the provision of our services to our customers in sub-Saharan Africa, we have also opened a Johannesburg office headed up by NMSI’s Director of Projects and the Director of Project Controls.



NMSI's recently opened Johannesburg office



4.6 STRATEGIC BUSINESS PLAN

In 2021, NMSI introduced its first Five-Year Strategic Business Plan. As our product offering diversifies, the aim over the next five years is for NMSI to be a stable, profitable business that operates professionally with a 'steady state' project portfolio such that:

- We are undertaking three to four major project programmes at any one time.
- We have transparency and oversight over our project pipeline. To this end, we introduced a new Stage Gate system such that every project opportunity has a defined road map and approval procedure via the Group Board and Executive Management Board.
- Each project programme will be \$200 MM to \$300 MM in size with a funding mechanism that has advance payment provisions to source working capital over a funding delivery cycle of 30 to 48 months.
- Appropriate strategic partnerships are maintained and developed with relevant external organisations to supplement and extend NMSI's delivery capacity and capability.
- We continue to develop and manage a qualified project pipeline sufficient to provide one new project at financial effectiveness into delivery each 12 to 15 months.
- We ensure that long-term business viability is secured, delivering sustainable value to all stakeholders and shareholders.









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