

BASIS OF REPORTING

ENVIRONMENTAL, SOCIAL &
GOVERNANCE (ESG) REPORT 2024



Scope of reporting

The KPIs (Key Performance Indicator) presented in this report covers ADNOC Distribution’s KPIs included during the 2024 fiscal year (1 January – 31 December 2024) within United Arab Emirates. ADNOC Distribution has ensured yearly in inclusion of operational and organizational boundary which reflects its growth in UAE.



Basis of reporting GHG metrics

For the reporting period 1 January – 31 December 2024, ADNOC Distribution GHG data is aligned to the guidance in The Greenhouse Protocol (GHG) based on GRI (Global Reporting Initiative) standards.

ADNOC Distribution report GHG emissions in tonnes of carbon dioxide equivalent (tCO2e), a measure used to compare the emissions from various greenhouse gases based upon their global warming potential (GWP).

Organizational Boundary

For 2024 GHG accounting, our reporting covers ADNOC Distribution operations in the UAE. ADNOC Distribution report its GHG emission based on operational control approach. The Scope 1 and 2 emissions are reported independent of any offsets, and allowances.

Operational boundary

We report emissions arising from activities for which we are responsible. Our GHG reporting currently report only scope 1 and 2 emissions.

Scope 1 GHG emissions

Scope	Emission from Vehicles owned which is used in ADNOC Distribution operations. For the reporting year ended 31 December 2024, only mobile combustion (i.e., emissions from vehicle owned) is taken into account. Instead of fuel consumption data, the company is using IVMS (in-vehicle management system) to convert into vehicle miles to US Gallons as per US Environmental Protection Agency (EPA) Calculator tool, and thereafter emission factor as per US EPA Calculator tool used to convert this consumption to emissions reported in tCO2e.
Method	<p>Collect data on owned vehicles; for heavy-duty vehicles using biodiesel (fuel blend of B20), data for fuel consumption is captured via the Smart Fill platform, which employs RFID (Radio-Frequency Identification) technology to record fuel consumption at the time of filling of the fuel tank of the said vehicles; and</p> <p>Collect data on controlled vehicles; for vehicles running on diesel and gasoline, the Company uses the In-Vehicle Management System (IVMS) to track distance travelled in kilo meters. The distance in kilo meters is converted into US gallons based on fuel efficiency as per US EPA 2018 version. Emissions are subsequently calculated in tonnes of CO2 equivalent (tCO2e) using emission factors from the US EPA Calculator tool. The segregation of vehicles are made based on the vehicle type used by ADNOC Distribution during the reporting period each of which utilizes specific type of fuel (gasoline or diesel).</p> <p>Biodiesel consumption is recorded in litres through the Smartfill platform. This consumption is converted to US gallons and an emission factor pertaining to the B20 blend from US EIA is applied to calculate CO2 emissions from biodiesel.</p> <p>The Scope 1 emissions are reported independent of any offsets, trades or allowances. Bio diesel is being disclosed as part of total diesel consumption.</p>

Scope 2 GHG emissions

Scope	Emissions from electricity consumed by our assets at the premises it operates from the emissions generated from the use of electricity in the service stations, owned or rented properties, depots, offices where we hold the supply contract directly with the local utility providers in the UAE. We have no district heating and / or cooling systems and has no steam procured from an external source.
Method	<p>Scope 2 GHG emissions cover electricity consumption across ADNOC Distribution’s operational sites, including service stations, depots, offices, and other owned or leased properties where the Company holds a direct electricity supply contract with local utility providers in the UAE. ADNOC Distribution does not procure district heating, district cooling, or steam from external sources. ADNOC Distribution is reporting grid electricity net of onsite solar generation under the GHG Protocol’s Scope 2 market-based method, supported by power purchase agreement.</p> <p>Gather electricity consumption data from:</p> <ul style="list-style-type: none">• Utility bills for all ADNOC Distribution’s locations within the reporting boundary; and• Electricity purchased from ADNOC Refinery <p>ADNOC Distribution uses emission factor for purchased grid electricity, based on guidance from EAD, in alignment with UAE national protocols.</p> <p>For internal GUP plants, internal emission factor used is based on types of fuel used and related efficiency of the plant.</p> <p>The Scope 2 emissions are reported independent of any offsets, trades or allowance except as mentioned above.</p>

GHG emission intensity reduction per site

Scope	Total emissions in tCO2 equivalent / number of sites in the UAE i.e. Scope 1 and Scope 2 emissions divided by the number of petrol stations, industrial facilities and HQ buildings.
Method	<p>Scope 1 and 2 greenhouse gas emissions reduction. Emissions reduction is on an intensity basis. Scope 1 emissions refer to direct emissions that are the result of mobile combustion (i.e., company owned or controlled vehicles). Scope 2 emissions refer to purchased electricity for the company’s own use).</p> <p>The company is calculating GHG emissions intensity value based on total GHG emissions divided by the number of petrol stations, industrial facilities and HQ (Head Quarters) buildings.</p>

Basis of reporting Energy KPIs

Energy Consumption

Scope	Energy consumed for ADNOC Distributions facility in the service stations, owned or rented properties, depots, offices.
Method	<p>ADNOC Distribution reports energy consumed based on Gigajoule’s converting energy consumed from the utility providers and fuel consumed in owned vehicles based on conversion factor.</p> <p>For fuel, the company convert from km to Giga Joules (GJ) and for electricity kwh to GJ based on US EPA tool.</p> <p>ADNOC Distribution received the PV Solar energy consumption data from the relevant contractors.</p>

Energy Intensity

Scope	Energy Intensity based on which is gigajoule per UAE gross profit per million AED.
Method	ADNOC Distribution reports energy intensity based on gross profit for UAE. The comparative output factor used has been changed to Gross Profit in UAE for 2022, 2023 and 2024 from Revenue. This is to align with internal strategic objectives as gross profit is considered a more relevant performance driver for tracking energy usage efficiency. Types of energy include only fuel and electricity. Ratio uses energy consumed within the organization.

Renewable energy sources for own consumption

Scope	Absolute value of MWh of renewable energy from the PV installed in our service stations
Method	<p>The Company introduced photo-voltaic solar panels at its selected service stations to increase the volume of renewable energy.</p> <p>ADNOC Distribution received the PV Solar energy consumption data from the relevant contractors.</p>

Basis of reporting Occupational Health and Safety KPIs

Number of Fatalities as a result of Work-Related Injury and Rate of recordable work related injuries	
Scope	The scope covers fatalities and total recordable work related injuries.
Method	<p>ADNOC Distribution report fatality cases.</p> <p>Fatality in ADNOC Distribution is defined as a death of an individual that is determined to be Work-Related regardless of the time intervening between the incident and death. Cases that involve one or more people who died as a result of a work-related incident.</p> <p>ADNOC Distribution receives the number from incident report by various asset owners for both employees and contractors.</p>

For the reporting period our scope covers the following:

Legal Entity	Assets	Number of Locations
Abu Dhabi National Oil Company for Distribution PJSC (“ADNOC Distribution” or the “Company”)	Service Stations and Retails - UAE	551
	ADNOC Distribution Offices (Sharjah and Al Ain)	2
	Supply Chain Depots	6
	Production Plants Division; LPG (liquefied petroleum gas) Plants	2
	AV – Civil airports	6
	CNG Mother stations under PPD located next to Retail stations	3





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