

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)  
REPORT 2024

# FUELING PROGRESS, SUSTAINING TOMORROW





# FUELING PROGRESS, SUSTAINING TOMORROW

At ADNOC Distribution, sustainability is integral to how we operate, grow, and create value for all stakeholders. Our 2024 ESG Report reflects the continued progress we have made on our environmental, social, and governance commitments, aligned with the UAE's national sustainability goals and our long-term strategy. From advancing net zero to empowering lives, we remain focused on delivering responsible growth while supporting the transition to a lower-carbon future.





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# OVERVIEW

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- ▶ ESG highlights
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- ▶ A message from the CEO
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# About our 2024 reporting

ADNOC Distribution's 6<sup>th</sup> annual Environmental, Social, and Governance (ESG) report showcases our progress on sustainability throughout 2024. This report serves as a testament to our dedication to transparency, stakeholder engagement, and aligning our operations with global sustainability standards.

This report covers the period from January 1 to December 31, 2024, encompassing data and insights across ADNOC Distribution's UAE operations. Prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, this report integrates key principles from the International Integrated Reporting Council (IIRC) and the United Nations Sustainable Development Goals (UN SDGs).

Our report also underwent a limited assurance engagement conducted by KPMG which verified selected ESG data in adherence to the International Ethics Standards Board for Accountants (IESBA) Code of Ethics. KPMG's assurance provides confidence in the integrity of our disclosed data.



2030 Vision  
& Net Zero ambition:

**25%**  
reduction in scope 1 and 2  
emissions intensity by 2030

Net Zero by 2045 ambition

## Our sustainability approach

This report is structured around ADNOC Distribution's six key sustainability pillars:



**Climate,  
Emissions,  
& Energy**

Advancing net zero



**Local  
Environment**

Protecting nature  
and biodiversity



**Economic  
& Social  
Contribution**

Creating lasting  
socioeconomic  
impact



**Workforce  
Diversity  
& Development**

Empowering lives



**Health,  
Safety,  
& Security**

Keeping our  
people safe



**Business  
Sustainability**

How we operate



## Key highlights

### Alignment with global standards

Fully compliant with GRI Standards 2021 and mapped against the UN SDGs.



We publish a separate Annual Integrated Report aligned with ADX ESG Index.

### Stakeholder engagement and materiality assessment

Insights gathered through collaboration with internal and external stakeholders and a fresh materiality assessment was conducted.

### Performance tracking

Detailed updates on progress towards 2030 Agenda for Sustainable Development.

### Improvement

Emphasis on innovation and excellence across sustainability initiatives.

### Feedback and transparency

Stakeholders are encouraged to provide feedback and inquiries about the report via email at [ir@adnocdistribution.ae](mailto:ir@adnocdistribution.ae). Your input is invaluable as we continue our sustainability journey.



## Key features of this report

### Accuracy

The information in this report aligns with ADNOC Distribution's ESG performance, providing measured or estimated data points and methodologies.



### Clarity

Comprehensive outlines and disclosures ensure transparency and understanding.



### Sustainability context

Highlights key initiatives and their implications in relation to global SDGs and national sustainability frameworks.



### Balance

An unbiased and equitable portrayal of our ESG performance throughout the reporting period.



### Completeness

Enables a thorough assessment of ADNOC Distribution's impacts during the reporting period.



### Timeliness

The 6th annual ESG report emphasizes our dedication to delivering timely ESG data to stakeholders.





# OUR 2024 ESG HIGHLIGHTS



Economic  
and Social  
Contribution

## 100%

of our UAE fleet operates on biofuels, achieving an annual emissions reduction of **1,468 tCO<sub>2</sub>e**

## 100%

of energy distributed for EV chargers are clean and renewables based

## 5,083 MWh PV Solar Energy

generated on the rooftops of stations in Dubai and Abu Dhabi

**Best Solar Project of the Year**  
at Solar Week

## 31 service stations

equipped with solar photovoltaic panels (PV) across ADNOC Distribution's network in the UAE

## 220 fast and super-fast EV

charging points now installed in the UAE

## Launched the second phase

of the Company's **H<sub>2</sub>GO** pilot green hydrogen refueling station to power a fleet of hydrogen-powered buses operated by Abu Dhabi Mobility



Climate,  
Emissions,  
& Energy



Local  
Environment



## > 25,000 mangroves seeds

were planted by allowing our customers to adopt them through the ADNOC Distribution app

## > 5.8 million

bottles were collected via Reverse Vending Machines (RVM), creating a positive impact on community and **28,200 users** of RVM facilities

## 561 tCO<sub>2</sub>e

emissions abatement by Fleet management system. It enables real-time fleet monitoring and route optimization to improve fuel efficiency and reduce emissions

## 2,071,008 m<sup>3</sup>

Total water consumed in the organization including potable water and municipal water supplies

## 80%

of the total water used in car wash operations is treated recycled water

## ZERO negative impacts

or fines on biodiversity have been recorded in the Health, Safety and Environment Impact Assessment (HSEIA) studies in 2024

## Regular HSE Impact Assessments and Environmental Impact Identification (ENVID) evaluations

to identify and mitigate environmental impact

## 71.4%

**In-Country-Value contribution**  
of the total contracts

## AED 3.86 billion EBITDA,

the highest since the Company's IPO  
**+5%** compared to 2023

## AED 35.45 billion revenues,

**+2.4%** compared to 2023

## AED 3.98 million

invested in CSR and related sponsorship initiatives

## >550 service stations

building and expanding the largest retail fuel infrastructure in UAE

## Increased recruitment of experienced UAE National professionals

ensuring national economic development

## 96%

**Customer satisfaction score**

## 75%

**Net Promoter score**  
showcased customer loyalty



# OUR 2024 ESG HIGHLIGHTS (Cont.)



## Workforce Diversity and Development

Diverse workforce of **77 nationalities** and in 2024, we recruited over **3,805 new employees** representing more than **15 nationalities**

**7%**

increased **women representation** in top management positions

**14%**

women representation in STEM-related positions

**20%**

women representation in junior management positions

**>62%**

Emiratization rate

**958**

**unique training courses**, covering various categories such as leadership, functional & technical skills, business & behavior, culture transformation & HSE

**22 People Connect sessions**

conducted with the CEO and **30+** Town Halls and leadership engagement sessions

**>900**

or 70% Corporate employees have completed ESG awareness, including classroom training for senior management

**142,211 hours**

of Total Training Hours for employees

**65**

dedicated well-being initiatives under 100X Your Wellbeing program

## AI – Fatigue Management System

Implemented a system that prevents fatigue and alerts the driver in case of risk

**Zero Fatalities,**

zero high consequence work-related injuries and **0.04** Total Recordable Injury Rate (TRIR)

**Zero**

Catastrophic Events

**Zero**

IVMS (Information Vehicle Management System) Violations (Heavy)

**+1,200**

HSE Recognitions

Launched ADNOC Distribution's **first Health Day** and **Global Ergonomics month** across the company

**46**

Health, Safety, and Environmental (HSE) Management System Audits,

**267** HSE contractor audits

**39** camp welfare audits,

**33** marine service station audits



## Health, Safety, & Security



## Business Sustainability

## ESG Subcommittee established,

under the Board's Executive Committee to drive the Company's ESG agenda

**Robust business model** with consistent cash flow generation, backed by a solid regulatory framework, industry-leading profit margins, and minimal exposure to fluctuations in oil prices

## ISO 22241 certification

successfully completed for ADNOC Blue, which is a high-purity diesel exhaust fluid (DEF) designed for vehicles with Selective Catalytic Reduction (SCR) technology that reduce harmful emissions

**A sustainability-linked loan (SLL)** linking financing objectives with sustainability performance. In 2024, we successfully achieved the two KPIs under the SLL

## ZERO INCIDENTS

of discrimination, human rights grievances, non-compliance with laws, and number of data privacy incidents reported in 2024

**100%**

employees received training and communication on code of conduct, ethical practices, and anti-corruption

**Certified with ISO 50001:2018 on Energy Management**





### 2024 ESG ratings recognition

#### ESG Label

Achieved 94.45% in the Responsible Business scoring by Dubai Chamber of Commerce.

#### Enhanced ESG ratings

- ESG leader by Bloomberg
- Top quartile of Bloomberg S&P Global, London Stock Exchange Group, and FTSE Russell Ratings



### Inclusion in prestigious ESG-linked Indices

● FTSE4Good Index

● FTSE ADX ESG Screened Index

● FTSE Emerging ESG Index

● FTSE Emerging ESG Low Carbon Select

● MSCI ACWI ESG Screened Index

● MSCI ACWI Climate Change Index

● MSCI ACWI ESG Universal Index



# A note from the Chairwoman, ESG Subcommittee

**At ADNOC Distribution, we believe that sustainability is not just a responsibility—it is an opportunity to drive long-term value for our stakeholders. ADNOC Distribution is focused on furthering efforts towards achieving a sustainable business model, allowing us to deliver our financial objectives whilst making a positive impact on the communities we serve and preserving natural resources.**

Our approach to sustainability is aligned with the UAE's vision, the broader sustainability strategy outlined by ADNOC Group, and global sustainability standards. As we expand internationally and accelerate growth, we are focusing our efforts to integrate sustainable practices across our business, advancing progress towards achieving Net Zero, protecting nature and biodiversity, empowering our people, and driving prosperity.

As the Chairwoman of ADNOC Distribution's ESG Subcommittee, and an Independent Non-executive Director, I am proud to witness the progress we are making towards embedding ESG at the core of our business strategy, reinforcing our position as a mobility and convenience retail sustainability leader.

2024 marked a pivotal year for ADNOC Distribution's ESG agenda, as we established an ESG Subcommittee at the Board level. The ESG Subcommittee, which reports to the Executive Committee and, ultimately, the Board of Directors, ensures that sustainability is at the heart of strategic decision-making at the highest levels.

Through the ESG Subcommittee, we drive forward initiatives that accelerate the delivery of ESG outcomes by integrating risks and opportunities, investor and stakeholder expectations, and regulatory compliance and disclosure requirement changes into the development and management of all business strategies.

We have taken decisive steps to advance environmental stewardship, enhance resource efficiency, and deepen our social impact. The first act of the ESG Subcommittee was to initiate assessment of ADNOC Distribution's ESG strategy, targets and overall approach, and identify opportunities and risks associated with accelerating our

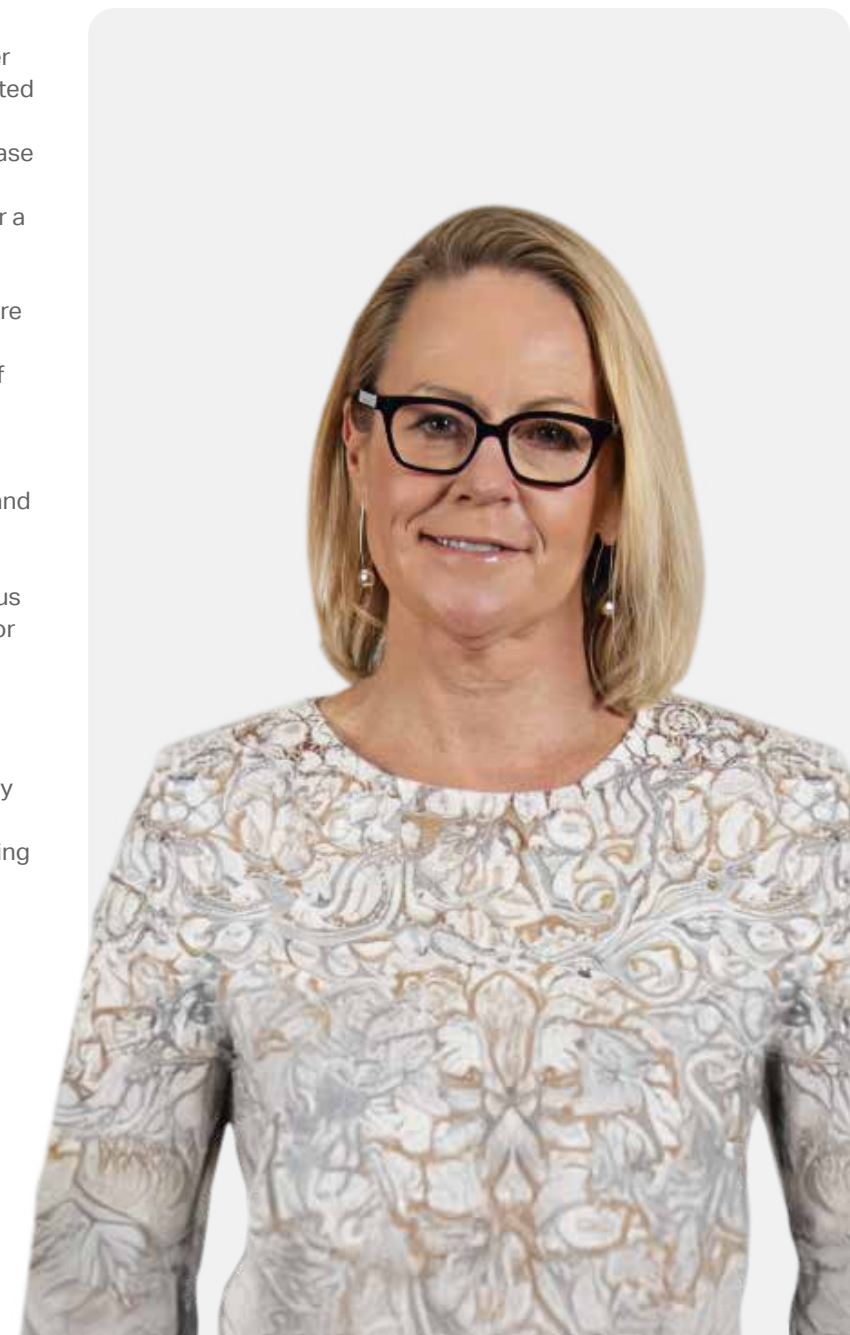
sustainability journey. In parallel, we reviewed feedback from relevant ESG rating agencies to understand further opportunities for improvement. These exercises prompted ADNOC Distribution to adopt additional environmental protection initiatives around waste and water and increase our corporate focus on social governance. ADNOC Distribution values diversity and actively works to foster a culture of equity and opportunity.

With over 14,800 employees from 77 nationalities, we are committed to enhancing efforts to promote workplace equity and inclusion, as we recognize the importance of a diverse workforce and creating a workplace where all employees feel valued and empowered.

Our ESG approach also acts as a driver for innovation, and so far, it has created opportunities for decarbonization, the development of circular economies, and the introduction of sustainable products, all of which allow us to engage our customers in our sustainability journey for the benefit of our society as a whole.

Looking ahead, ADNOC Distribution is well-positioned to navigate the evolving sustainability landscape. By aligning with international best practices and proactively addressing emerging risks and opportunities, we will continue to create value for our stakeholders while driving meaningful impact. Sustainability is fundamental to a resilient tomorrow, and I am confident that through our collective efforts, we will shape a more sustainable future for the generations to come.

● **Paula Disberry**  
Chairwoman, ESG Subcommittee  
ADNOC Distribution





# A message from the CEO

**As we reflect on 2024, I am proud to share the remarkable strides ADNOC Distribution has made in our ongoing commitment to sustainability, innovation, and responsible growth.**



**AED  
3.9 million**

We spent through our CSR community engagements in 2024



**220**

fast and super-fast EV charging points in the UAE

This year, we have seen our actions come to life by reaching tangible milestones. We excelled in HSE performance with industry-leading practices, improving the safety and welfare of our employees and preserving our environment. Our in-country value score of 71%, reflects on our ongoing commitment to fostering economic growth and strengthening our position as a forward-thinking mobility and convenience retail leader.

2024 marks a significant year in our ESG journey. We have expanded our electric vehicle (EV) charging network to 220 fast and super-fast charging points installed—quadrupling our reach from 50+ in 2023.

This expansion supports the UAE's transition to cleaner energy and makes sustainable mobility more accessible than ever. Additionally, we have integrated over twenty AI-driven projects across our value chain to enhance both sustainability and operational performance. These AI-driven solutions are integral to our efforts towards reducing operational carbon intensity by 25% by 2030.

Our commitment to our workforce and the communities we serve remains the foundation of everything we do. We spent AED 3.9 million through our CSR community engagements in 2024, and invested 142,211 man-hours to training across various courses—empowering our people with the skills they need to lead and innovate.

By prioritizing leadership development and technical expertise, we continue to build a culture of excellence. Our Emiratization rate of 62.4% reflects our dedication to nurturing local talent and their contributions to the UAE's socio-economic growth.

In 2024, we took decisive steps to enhance our governance framework by establishing an ESG Subcommittee reporting to the Executive Committee of our Board. This ensures that environmental, social, and governance considerations are at the forefront of every decision we make. Our commitment to transparent and

responsible governance drives us to remain a leader in our sector—one that balances business growth with long-term sustainability.

We significantly enhanced our ESG ratings, achieving the status of an ESG leader by Bloomberg with significant ratings increases from Bloomberg, S&P Global, the London Stock Exchange Group, Sustainalytics, ISS ESG, MSCI, and FTSE Russell.

Additionally, ADNOC Distribution is listed in the FTSE ADX ESG-linked Index, FTSE4GOOD Index, FTSE Emerging ESG Low Carbon Select, FTSE Emerging ESG, MSCI ACWI Climate Change Index, MSCI ACWI ESG Screened Index, and the MSCI ACWI ESG Universal Index, all part of the Sustainable Investment Series.

The journey ahead is one of transformation. As we continue to innovate, collaborate, and drive sustainability across all facets of our business, ADNOC Distribution is primed to meet the mobility challenges of tomorrow. Together, with our dedicated teams and partners, we are building a future that embraces both the well-being of our planet and the communities we serve.

● **Eng. Bader Saeed Al Lamki**  
Chief Executive Officer  
ADNOC Distribution





# A message from the CSTSO

**As we continue to evolve and drive transformative change, ADNOC Distribution's commitment to sustainability remain at the heart of our strategic vision.**



## 25,000

mangrove trees adopted with ADNOC Rewards points

In 2024, we advanced our sustainability efforts with a heightened sense of responsibility and a clear path forward, ensuring we lead by example for our sector.

We have implemented a decarbonization roadmap as a part of our commitment to reduce carbon footprint and improve environmental performance. Our goal is to reduce the carbon intensity of our operations by 25% by 2030 and accelerate Net Zero by 2045, aligning with the ADNOC Group's vision. Making this commitment a reality, in 2024 we generated 5,083 MWh of solar energy to power our service stations in the UAE and converted our entire UAE delivery fleet to use B20 biofuel, a significant milestone in our decarbonization journey.

Our focus on sustainable energy has reached new heights with the successful expansion of our hydrogen infrastructure. We accelerated clean mobility with our H2GO green hydrogen refueling station, which now powers a test fleet of Abu Dhabi buses to help build the future of sustainable mobility in the city. This initiative supports the UAE's clean energy objectives and positions us at the forefront of the energy transformation.

Sustainability extends beyond our operations through our initiatives to protect biodiversity. This includes our mangrove adoption program, which allows our customers to engage directly with environmental conservation efforts. Through this initiative, we planted 25,000 mangrove seedlings across the UAE in 2024, reinforcing our dedication to environmental stewardship and a greener future.

Our reverse vending machines recycled over 5.8 million items over the year, reflecting our commitment to a circular economy and showcasing the power of community participation towards achieving environmental goals.

In 2024, we remained focused on delivering long-term value for our stakeholders, reinforcing our role as an energy transformation leader. We trained more than 70% of our corporate employees on ESG awareness, including classroom training for senior management. We also achieved a sustainable financing milestone by delivering against the performance indicators attached to our AED 5.5 billion Sustainability Linked Loan.

Through innovation, collaboration, and relentless efforts, we are helping shape a sustainable and resilient future for the UAE and beyond. Together, we will continue to move forward, transforming challenges into opportunities for growth, sustainability, and prosperity.

● **Athmane Benzerroug**  
Chief Strategy, Transformation, and Sustainability Officer  
ADNOC Distribution





# SUSTAINABILITY AT ADNOC DISTRIBUTION

- ▶ ADNOC Distribution's ESG agenda
- ▶ Strategy overview
- ▶ Sustainability strategic framework
- ▶ About ADNOC Distribution
- ▶ Alignment with global and national priorities
- ▶ Stakeholder engagement
- ▶ What matters most: key material topics
- ▶ Value creation model: delivering responsible growth



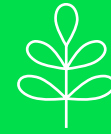


# ADNOC Distribution's ESG agenda

**ADNOC Distribution executes its long-term strategies capitalizing on the opportunities created by the energy transformation to evolve into a multi-energy, convenience and mobility leader with leadership in sustainability efforts and customer experience.**

We strive to become the brand of choice for customers, integrating sustainability across the supply chain through best practices. The Company envisions a future characterized by sustainability, innovation, AI integration and customer focus. As part of the efforts to enhance its sustainability performance and dedication, ADNOC Distribution has created a decarbonization roadmap aiming to cut its operational carbon intensity by 25% by 2030, setting the path to Net Zero by 2045.

The Company focuses on a balanced transformation, reinforcing its commitment to sustainable growth supported by cleantech in new energy and mobility solutions, which aligns with the UAE's Net Zero strategy and ADNOC's Net Zero by 2045 ambition. ADNOC Distribution is working toward future-proofing its business through leadership in sustainable mobility as demonstrated by its fast and super-fast EV charging points installed in the UAE. Beyond EV charging, the Company is increasing the use of other clean fuels, such as Hydrogen, and Biofuel.





# Strategy overview

## Vision

To become a leading customer-centric, international mobility retailer



## Purpose

Provide world-class customer experience through compelling fuel & non-fuel offerings, digital integration, and innovation to transform ADNOC Distribution stations as a destination-of-choice



## Pillars

### Deliver profitable domestic growth



#### Retail

enhance returns from core assets

- ▶ Leverage on highly attractive and growing core UAE energy market
- ▶ Reallocate capital towards convenience and mobility to transform our stations as destinations of choice



#### Commercial

continue to grow market share while driving enhanced margins

### Build international platforms



#### Fuel retail

expand assets

- ▶ **KSA:** accelerate growth
- ▶ **Egypt:** maximize earnings potential and drive value creation
- ▶ **Global:** Invest in new value accretive markets with attractive long-term fundamentals



#### Lubricants & LPG

scale-up business to create new growth verticals

### Future-proofing & new revenue streams



#### Electric vehicles

access premium-margin on-the-go EV charging value pool



#### Alternative fuels

develop biofuel propositions & pilot hydrogen



#### Decarbonization

achieve 25% reduction in emissions intensity by 2030



#### New revenue streams

Extend core capabilities into new business models, e.g. vehicle servicing, fleet solutions, Quick Service Restaurants



## Enablers



#### People



#### Robust operating model



#### Strong free cash flow & balance sheet



#### OPEX & CAPEX optimization



#### Ai & technology



#### Business transformation



#### Station network & land bank



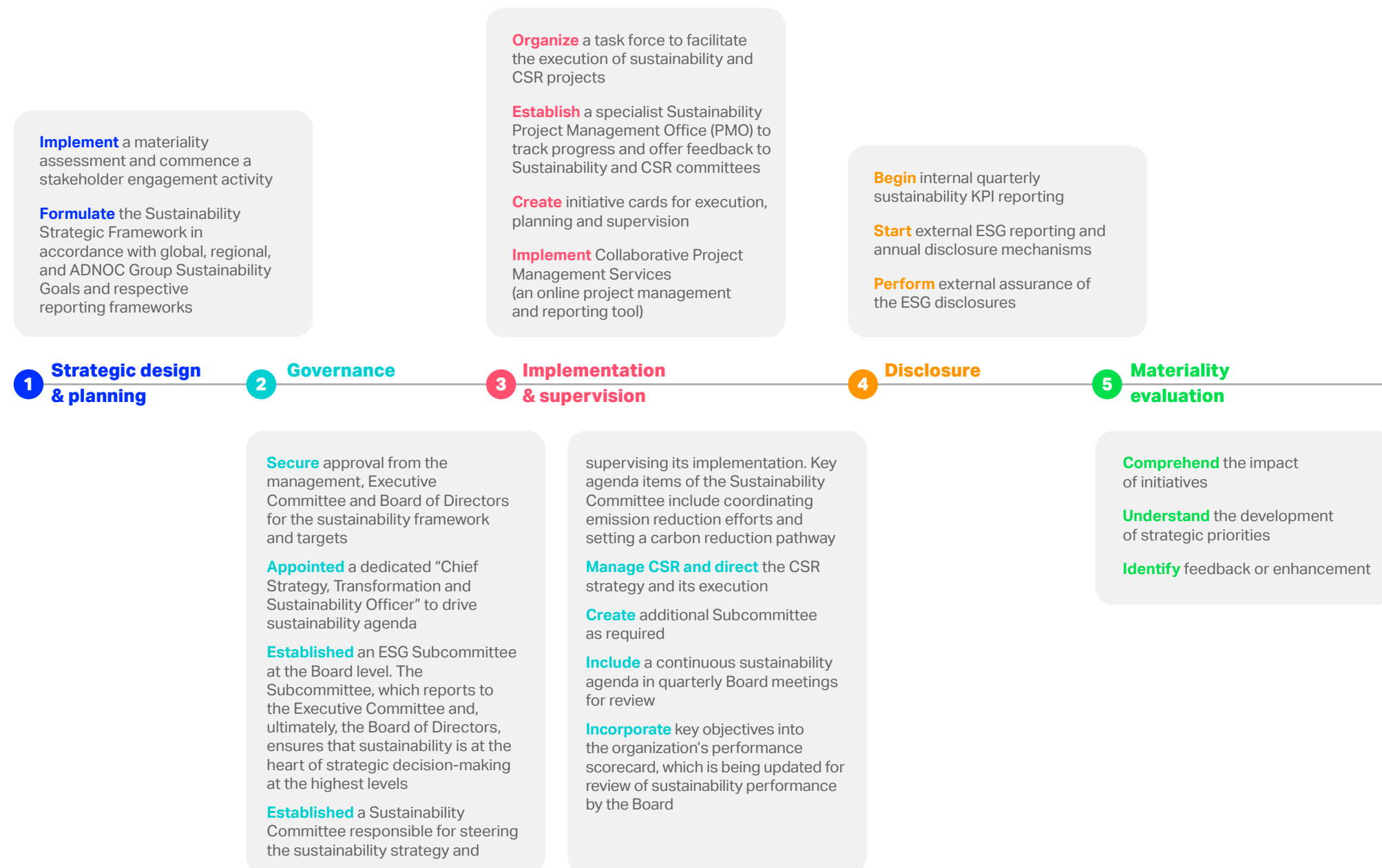
# Sustainability strategic framework

ADNOC Distribution's Sustainability strategic framework aligns with ADNOC Group's sustainability strategy, reinforcing a shared commitment to the providing responsible, lower-carbon energy. This commitment is pivotal to ensuring sustainable value creation for the UAE, its people, and its businesses.

Sustainability is at the core of ADNOC Distribution's strategy and is integrated across the organization. The Company is committed to incorporating top-tier Health, Safety and Environment (HSE) standards within its operational framework, contributing to local communities, fostering sustainable economic progress, and channeling investments toward cleaner, cutting-edge energy solutions.

To fulfill its sustainability commitments, ADNOC Distribution has developed a set of goals and objectives to be achieved over the short, medium, and long term.

ADNOC Distribution's extensive sustainability goals contribute to the UAE's strategic vision and align with ADNOC Group's enduring commitment to integrating best-in-class HSE standards across operations, supporting sustainable economic development, giving back to communities, and investing in cleaner new energy solutions.





## Impact SDGs

The objectives of the Sustainability Strategic Framework are classified under six pillars spread across ESG domains and in alignment with **13 UN SDGs** within the framework:



## Climate, emissions, and energy

ADNOC Distribution advanced its sustainability strategy by achieving key milestones in 2024 stated under the Decarbonization Roadmap.

- **Biofuel:** converted 100% of its own fleet into biofuel resulting in the reduction of scope 1 emission by 1,468 tCO<sub>2</sub>e
- **Electric Vehicles Charging:** advanced its electric vehicle charging infrastructure by further expanding the network to 220 installed charging points across the UAE, compared to 50+ at the end of 2023. The Company is on track to have 500+ charging points by 2028
- **Hydrogen:** launched the second phase of H2GO green hydrogen refueling station to power a fleet of hydrogen-powered buses operated by Integrated Transport Centre (Abu Dhabi Mobility). This is part of a one-year pilot program to gauge the viability of hydrogen power for mass transport in the Capital. H2GO, located in Masdar City, was the region's first green hydrogen refueling facility at launch in 2023
- **Sustainable Design:** integrated energy-efficient systems and implementation of optimized building designs to enhance sustainability (via MEP, HVAC, retail, and service equipment), supported to reduce the emission to 433 tCO<sub>2</sub>e
- **Solarization:** install solar panels on additional ADNOC Distribution stations in 2025 and beyond to increase power sourced by renewable energy and contribute to the reduction of emissions. As energy efficiency is core to our sustainable strategy, we are diligently implementing projects to transform our operations into a sustainable ecosystem
- **Artificial Intelligence:** integrating Artificial Intelligence (AI) and advanced technology in our operations is currently our key focus. In 2024, we developed an AI-based workforce smart model that optimizes operational cost of service stations by matching fuel sales demand with staff shift rosters; whilst enhancing customer service



## Local environment

Sustainable business transformation is core to our strategy, as we uphold our responsibility to biodiversity protection.

- **Mangrove planting:** in 2024 we planted over 25,000 Mangrove seeds across four Emirates (Abu Dhabi, Dubai, Ajman and Ras Al Khaimah). After planting the Mangroves, these trees are recorded through a blockchain system, allowing our customers to adopt them through the ADNOC Distribution app. A total of 75 million ADNOC Rewards points were redeemed by customers for this purpose. The initiative contributes to ADNOC Groups goal of planting 10 million mangroves by 2030
- **Waste and Water Management:** efficient management of waste, effluents, and water include solutions such as recycling water from car wash facilities, installation of aerators across all washrooms, and mosque ablution areas. In addition, Reverse Vending Machines for waste recycling across 25 service stations and 2 offices of ADNOC Distribution. This initiative contributed to recycling 5.8 million bottles and cans, preventing the release of nearly 850,000 kg of CO<sub>2</sub>e emissions
- **Circularity:** the Uniform Recycling Initiative at ADNOC Distribution is a pilot project launched in cooperation with Grace Preservation of the Red Crescent. It aims to recycle Company's uniforms and upcycle them into products that can be used by the local community





## Economic social contribution

We prioritize national economic development and community welfare by implementing initiatives that benefit our operations, businesses, and the local community.

### Highlights:

- **AED 35.45 billion** revenue, 2.4% increase compared to 2023
- **AED 3.86 billion** EBITDA, the highest since Company's IPO, +5% compared to 2023
- **AED 3.98 million** total community investment expenditure made during 2024

### Our initiatives:

- **Pink caravan** – the Pink Caravan initiative was conducted in partnership with the Friends of Cancer Patients Group to raise awareness about breast cancer screening
- **LPG donation** – in partnership with the Khalifa bin Zayed Al Nahyan Foundation, ADNOC Distribution participated in the 'National Families' initiative by donating LPG gas cylinders during the month of Ramadan to families across Abu Dhabi
- **Local community and youth employment:** while expanding both locally and internationally, we have created many jobs at different levels to support economic growth. To promote nationalization and youth empowerment, the Company focused on recruiting experienced UAE National professionals from the local market, empowering youth by hiring fresh UAE National graduates, providing internship opportunities to local talent, and collaborating with ADNOC on youth change-maker initiatives and the youth committee to build a strong future workforce



- **Mobility infrastructure:** is improved through seamless mobility and customer journeys by operating the largest Fuel retail network in the UAE of 551 service stations. In 2024, ADNOC Distribution added 22 service stations and installed 167 new fast and super-fast EV charging points across the UAE
- **Local procurement:** in 2024, we achieved a 71.4% In-Country-Value contribution of the total contracts during the year. Additionally, 950 local suppliers engaged with nearly 2,100 contracts awarded



## Health, safety, and security

We give highest priority to the safety and wellbeing of our employees, suppliers, and customers.

- **Asset Integrity and Process Safety (AIPS):** involves systematic identification, assessment, and mitigation of risks that may impact all ADNOC Distribution operations (terminals and service stations)
- **Joint safety campaign:** in collaboration with ENOC, EMARAT, the Ministry of Interior (MOI), and the Ministry of Education (MOE), ADNOC Distribution has launched a joint safety campaign aimed at raising awareness of safe fueling practices. The initiative emphasizes the importance of maintaining speed limits, preventing nozzle pull incidents, and adhering to UAE safety regulations

## Workforce, diversity, and development

One of our sustainability strategy pillars emphasizes sustainable social transformation of ADNOC Distribution's culture, ensuring a promising and resilient future.

- **Human capital and youth award:** in 2024, ADNOC Distribution received prestigious awards for its steadfast commitments in workforce diversity and development. We are proud to be recognized at the 2024 GCC Government HR and Youth Awards, a prestigious platform for highlighting excellence in leadership and innovation
- **Women empowerment award:** our women leaders have been accoladed with prestigious awards for their exemplary contributions in leadership and women empowerment. Amna Al Hammadi, Manager, Talent Acquisition, was awarded the "People First" Leader Award and Shireen Ali, Human Capital Business Partner, led efforts to win the "Organization of the Year for Women Empowerment" award
- **Culture diversity:** We strongly believe that diversity is our strength, and that inclusivity leads us forward. Our workforce proudly represents 77 nationalities. In 2024, we recruited over 3,805 new employees from more than 15 nationalities. Additionally, we are contributing to UAE's National Employment Strategy 2031 by ensuring a strong Emiratization representation of >62% across our organization
- **Gender diversity:** ADNOC Distribution established a Gender Balance Committee chaired by the CEO, to promote the gender balance agenda. Our strategic approach included strengthening gender representation, pay parity and adopting gender centric policies. In 2024, we increased women representation of 7% in top management positions, 14% in Science, Technology, Engineering and Mathematics (STEM) related positions and 20% in junior management positions. In 2024, we achieved 1:1 gender pay ratio (median total male compensation compared to median female compensation, including all bonus payments and incentives)
- **Employee satisfaction:** achieved employee experience score of 78%, reflecting our ongoing commitment to fostering a positive and engaging workplace environment

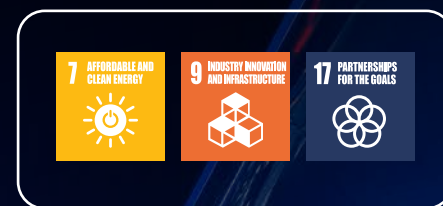


## Business sustainability

We strongly believe a sustainable future is built on a strong governance framework.



- **Ethics and Compliance:** adopt global best practices of management and reporting systems. Aligned with our sustainability strategy, our governance is guided by a comprehensive framework that incorporates policies such as the Code of Conduct, Anti-Bribery and Corruption Policy, Gifts and Entertainment Policy, and Conflicts of Interest Policy, among others
- **Sustainability Governance:** implement a comprehensive sustainability governance framework. In 2024, our Executive Committee established an ESG Subcommittee to support ADNOC Distribution's ESG Agenda
- **Sustainable Finance:** we have achieved a significant milestone in sustainable financing by converting an existing AED 5.5 billion loan into a sustainability-linked loan (SLL), underscoring our commitment to environmental responsibility and financial prudence. In 2024, we have successfully achieved the two KPIs linked to this SLL
- **Information Technology (IT) Transformation:** enhanced integration of AI and advanced technologies, modernizing and digitalizing the IT landscape to act as a critical enabler of growth and efficiency. In 2024, we launched ARIF, our AI-enabled chatbot dedicated to investor relations, to provide answers to financial, operational and ESG related questions about the Company 24/7
- **Futureproofing:** Our strategy aimed at proactively adapting to the energy transformation, sustainable mobility, digital disruption, and the impact of climate change on the business. In line with our sustainability strategy, we have carried out an annual materiality assessment to better align ourselves with significant industry trends. Our sustainability performance is recorded in accordance with GRI Standards, the UN Sustainable Development Goals, and the requirements of the Abu Dhabi Securities Exchange. Transitioning to sustainable operations supports ADNOC Distribution in achieving Net Zero ambition, aligned with UAE's vision





# About ADNOC Distribution

## Our business operations and capacity

ADNOC Distribution has evolved since 1973 into a leading mobility retailer in the UAE. We have a large network of 896 service stations, including 551 stations across the UAE, 100 in Saudi Arabia, and 245 in Egypt.

Our operations span fuel distribution, convenience retail, and sustainable mobility solutions. As a non-fuel retail leader, ADNOC Distribution has 373 ADNOC Oasis convenience stores, 35 vehicle inspection centers, and offers services like car wash, lube change, and 220 fast and super-fast EV charging points across the UAE. It also manages retail space within its stations.

Additionally, ADNOC Distribution is the leading marketer and distributor of fuels to commercial, industrial, and government customers in the UAE and markets its ADNOC Voyager lubricant line in 46 countries. The Company aims to become the mobility retailer of choice, enabler of sustainable mobility, and provider of exceptional customer experiences.

## How we integrate sustainability

Embedding sustainability into the core of our business, we are proactively steering our operations toward a lower-carbon future. From expanding electric vehicle charging points, and capitalizing on biofuel, to adopting hydrogen refuelling infrastructure and leveraging solar energy, ADNOC Distribution is paving the way for sustainable energy solutions.

Our decarbonization roadmap targets a 25% reduction in Scope 1 and 2 emissions intensity by 2030, supporting ADNOC's Net Zero by 2045 ambition, and the UAE's Net Zero by 2050 strategy. (Please refer to [page 33](#) for further information on our [decarbonization roadmap](#).)

## Products and services portfolio

ADNOC Distribution offers a comprehensive range of fuel products, such as gasoline (91, 95, 98 octanes), diesel, CNG, and LPG, alongside premium lubricants under the ADNOC Voyager brand. ADNOC Oasis convenience stores and our non-fuel services - such as car washes and lube changes - cater to diverse customer needs. Additionally, we operate refuelling services at key airports, solidifying our reputation as a trusted fuel partner for aviation clients.



## Our Values

### Progressive

Our **Progressive** approach ensures that we remain at the forefront of innovation, evolving to meet emerging trends and customer needs.

### Collaborative

By cultivating a **Collaborative** spirit, we work with partners, communities, and stakeholders to deliver mutually beneficial outcomes and solidify our leadership in the global energy transformation.

### Respectful

Through **Respectful** engagement, we cultivate a culture of inclusivity and mutual respect, upholding the highest professional and ethical standards in all our operations. This commitment underpins our dedication to community development and environmental responsibility, ensuring that our growth supports broader societal progress.

### Responsible

We are committed to future-proofing our business by embracing **Responsible** practices that prioritize sustainable and environmental stewardship. Through investments in alternative fuels and innovative technologies we are committed in operational efficiency and enabling cleaner, more sustainable energy solutions.

### Efficient

Our focus on **Efficient** drives us to maximize value for our people, local community, partners, and the nation by contributing to the UAE's vision for growth innovation, and environmental protection, while maintaining a sharp focus on delivering superior customer experiences.



# Alignment with global and national priorities

## Global commitments

### United Nations Sustainable Development Goals

#### GOALS

- Institute a developmental framework comprising 17 wide-ranging topics, including affordable and clean energy, as well as climate action
- Direct organizations in reporting their performance on each topic's indicators

#### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Aligned UN SDGs with ADNOC Distribution's key performance indicators (KPI), objectives, and sustainability strategy
- Leverage disclosures, like the annual ESG Report, to promote UN SDGs among stakeholders

## National contributions

### Abu Dhabi Securities Exchange (ADX) guidelines

#### GOALS

- Enhance ESG performance through transparent and robust disclosures
- Ensure disclosures comply with leading standards like GRI, UN SDGs, WFE, verified by independent third party for accuracy
- Instruct the disclosure of 31 key ESG indicators to maintain global benchmarks

#### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Published annual ESG reports following GRI Standards and ADX 31 ESG indicators
- Obtained limited assurance from independent third-party on ESG disclosures

### Abu Dhabi Economic Vision 2030

#### GOALS

- Building an open, efficient, effective and globally integrated business environment
- Developing a sufficient and resilient infrastructure capable of supporting anticipated economic growth
- Developing a highly skilled, highly productive work force
- Adopting a disciplined fiscal policy that is responsive to economic cycles

#### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Developed and invested in sustainable mobility infrastructure including EV, Hydrogen, Biofuel.
- Increased employment opportunities for the local workforce, and increased In-Country-Value contribution

### Environment Vision 2030 (Abu Dhabi)

#### GOALS

- To preserve and enhance Abu Dhabi's natural heritage in the efficient use of resources and contributing to a better quality of life for all. Solidify and unify local responses to sustainability through focused action on climate change, air and noise pollution, and waste management
- Capability for sustainability across environmental, and societal sectors

#### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Enhanced the Sustainability strategic framework to elevate overall performance in this regard
- Formulated a path to decarbonization to expedite progress and set a goal to decrease operational carbon emission intensity by 25% by 2030
- Evaluating potential risks and opportunities related to climate change





## Demand Side Management and Energy Rationalization Strategy (DSM)

### GOALS

- Plan to cut electricity use by 22% and water use by 32% in Abu Dhabi by 2030
- Raise awareness about water and energy conservation and adopting recycling initiatives across operations

### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Promoted awareness and training on waste, water and energy preservation through numerous campaigns and the mandatory ESG training and about implementation of water-saving and recycling programs in all operations and assets, including using recycled water at service stations
- Integrated energy and water efficient systems and implementation of optimized building designs to reduce the emissions

## UAE Energy Strategy 2050

### GOALS

- Triple the contribution of the renewable energy and invest AED 150 to AED 200 billion by 2030 to meet the country's increasing demand for energy as a result of a rapidly growing economy
- To reduce emissions from the water and energy sectors to ensure the achievement of net zero by 2050

### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Reduce the carbon footprint by amplifying the contribution of renewable energy through Solarization and utilization of Biofuel
- The Company is executing initiatives aimed at optimizing energy usage to moderate energy consumption



## National Climate Change Plan of the UAE 2017-2050

### GOALS

- Manage greenhouse gas (GHG) emissions while sustaining economic growth minimize risks
- Improve capacity of adaptation to climate change
- Enhance the UAE's economic diversification agenda through innovative solutions

### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Devised a decarbonization road map aimed at reducing operational carbon intensity by 25% by 2030, thereby paving the way to achieving Net Zero ambition by 2045
- Established Sustainability framework and a Board-level ESG Subcommittee for precise identification and management of climate related risks across the Company

## UAE Net Zero by 2050

### GOALS

- Attain Net Zero emissions by the year 2050
- Align with international decarbonization plans, such as the Paris Agreement

### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Formulated a decarbonization strategy and pathway to steer a successful shift towards a decarbonized economy
- Expanded the business line to sustainable mobility to contribute to UAE's Net Zero ambition with clean energy electric vehicle charging stations and introducing Biofuel in own fleet.
- Developed low-carbon and green products such as CNG, ADNOC Blue, and other green ADNOC Voyager lubricants

## UAE Centennial 2071

### GOALS

- Empowering the next generation through skill development and enhancing local employment opportunities
- Raising productivity of the national economy

### ADNOC DISTRIBUTIONS IMPACT AND CONTRIBUTIONS

- Implemented forward-thinking learning and development programs, enhance employment opportunities for UAE nationals, and support ongoing social endeavours in the UAE
- Implemented local community engagement initiatives and programs



# Stakeholder engagement

At ADNOC Distribution stakeholder engagement remains central to our sustainability strategy and commitment. The Executive Leadership Team actively engages with stakeholders to identify and address stakeholder concerns. We evolve our operations to align with our stakeholder expectations and drive long-term sustainable growth. The Team meets monthly through the Executive Committee Meetings of the Board of Directors and quarterly through Board Meetings.

## Guiding principles

Our approach to stakeholder engagement is governed by these key principles:

- **Transparency:** Regular, clear, and accessible communication with stakeholders
- **Inclusivity:** Engaging a diverse range of stakeholders across all touchpoints
- **Responsiveness:** Implementing solutions aligned with stakeholder needs and interests





## Engagement mechanisms

We leverage tailored mechanisms to address the unique priorities of our key stakeholder groups:



### Employees

#### HOW WE ENGAGE

Culture & Employee Wellbeing Initiatives | People Connect Sessions | Employee Engagement Surveys | Employee Wellbeing Program | ESG Engagement Survey | Ask HC Portal | Email Communications | Training and Workshops | Physical and Virtual Town Halls and Awareness Sessions

#### KEY CONCERNS RAISED/TOPICS OF INTEREST

- ▶ Targeted employee engagement and wellbeing initiatives
- ▶ Promoting gender diversity, inclusion and equality
- ▶ Updates on policies, engagement plans, career progression, and rewards
- ▶ Employees' suggestions in the Employee Engagement Surveys and People Connect sessions requiring actions

#### HOW ADNOC DISTRIBUTION ADDRESSES THESE CONCERNS

- ▶ Launched a comprehensive employee culture and wellbeing strategy for 2024, with outcomes being reviewed monthly
- ▶ Assigned "people champions" in every division to reinforce the desired culture and behaviors
- ▶ Reactivated the various employee engagement committees (Sport, Gender Balance, Youth) to ensure long-term sustainability
- ▶ Regular communication via internal newsletter, emails, Yammer platform, virtual and physical town halls, and CEO updates on key topics
- ▶ Addressing employee feedback from engagement surveys and People Connect sessions
- ▶ Supported flexible remote work to promote Work-life balance

#### HOW WE CREATE VALUE FOR THIS STAKEHOLDER GROUP

- ▶ Talent Growth: Offers career development, digital upskilling, and role rotations
- ▶ Inclusive Culture: fostering an inclusive, high-performance, and values-driven culture that supports people's development and strengthens their retention
- ▶ Wellbeing Support: Provides programs addressing various wellbeing dimensions: people, work, social & environmental
- ▶ Leadership Engagement: Enhance leadership visibility through town halls and people connect sessions
- ▶ Global Competitiveness: Attracts and retains top talent worldwide



### Customers

#### HOW WE ENGAGE

ESG Engagement Survey | Point of Sales | Social Media | Corporate Website and application | Customer Call Centers | Customer Satisfaction Surveys

#### KEY CONCERNS RAISED/TOPICS OF INTEREST

- ▶ Ensuring the health and safety of customers
- ▶ Improving the quality of products and service
- ▶ Enhancing the diversity of the workforce at stations and convenience stores

#### HOW ADNOC DISTRIBUTION ADDRESSES THESE CONCERNS

- ▶ In line with leading practices, work towards improving and implementing health and safety management systems
- ▶ Expanded the network of stations, EV charging services, convenience stores and car care facilities and offerings to enhance customers' convenience and fuel their journeys through best-in-class services
- ▶ Identifying and addressing customer needs and expectations by implementing a robust quality management system, and utilizing AI to offer hyper-personalized offerings that satisfy customer preferences
- ▶ Enhance customer interactions and service levels through workforce talent and professional development programs

#### HOW WE CREATE VALUE FOR THIS STAKEHOLDER GROUP

- ▶ Safety and Quality: Prioritizes customer health, safety, and product excellence
- ▶ Personalized Services: Leverages AI for tailored offerings that meet diverse customer needs
- ▶ Enhanced Experience: Invests in workforce development to improve service levels and interactions
- ▶ Innovation: Improve management systems to exceed customer expectations





## Investors & shareholders

### HOW WE ENGAGE

ESG Engagement Survey | General Assembly Meetings | Investor Roadshows | Physical and Virtual Meetings | Investor Feedback Survey | Participation in Equity Conferences | Annual Reports | The Quarterly Earnings materials | Quarterly Results Conference Calls | Press Releases | SMS Distribution | Email distribution | Social Media | ARIF, AI-chatbot

### KEY CONCERNS RAISED/TOPICS OF INTEREST

- ▶ Visibility on the Company's growth plans and dividend sustainability
- ▶ Focus on extracting value from Company's assets in UAE, including non-fuel business potential
- ▶ International expansion growth targets and efficient capital allocation
- ▶ EV strategy and economics
- ▶ Impact of UAE corporate income tax

### HOW ADNOC DISTRIBUTION ADDRESSES THESE CONCERNS

- ▶ Communicated new five-year growth strategy during the investor day in Feb 2024, and disseminated information about long-term strategic growth targets during regular investor roadshows and investor meetings
- ▶ Provide annual guidance and outlook on the Company's key performance indicators
- ▶ Future-proof business by launching a sustainability roadmap to decarbonize the Company's operations and investing in electric vehicle charging solutions in a disciplined manner to meet the current needs of EV customers nationwide
- ▶ Efficient capital allocation towards growth and investing in value-accretive M&As
- ▶ Updating regular progress against the Company's annual guidance and long-term growth targets, including energy transformation and adopting low-carbon products
- ▶ Set a new five-year dividend policy, offering higher visibility on shareholder expected returns and upside potential from future earnings growth

### HOW WE CREATE VALUE FOR THIS STAKEHOLDER GROUP

- ▶ Deliver sustainable earnings growth
- ▶ Strategic growth and efficient capital allocation
- ▶ Transparency: Provide annual guidance and progress updates on strategic goals
- ▶ Enhanced Returns: deliver sustainable attractive dividend, offering visibility on returns and growth potential



## Suppliers and partners

### HOW WE ENGAGE

ESG Engagement Survey | Bids and Tenders | Supplier Portals | Post-Award Communications | Periodical Engagement Meetings

### KEY CONCERNS RAISED/TOPICS OF INTEREST

- ▶ Ensuring availability and supplies of products in ADNOC Distribution's portfolio
- ▶ Enhancement in the tendering process
- ▶ Timely response to supplier queries
- ▶ Communication on new procedures related to supplier performance evaluation and in-country value
- ▶ Regularly meeting with suppliers to discuss SAP ARIBA system issues, Suppliers' Profile updates at ADNOC, Suppliers' Performance, ICV Improvement Plan, and Certification

### HOW ADNOC DISTRIBUTION ADDRESSES THESE CONCERNS

- ▶ Continual assessment and improvement of supply chain management and inventory management
- ▶ Enhancement of tendering process through regular updates in SAP modules
- ▶ Updating internal guidelines to respond to all supplier queries within approved timelines and making centralized announcements and communication to all suppliers
- ▶ On-time replies to suppliers during meetings and through email communications

### HOW WE CREATE VALUE FOR THIS STAKEHOLDER GROUP

- ▶ Efficient Processes: Improve supply chain management and inventory systems
- ▶ Transparency: Enhance tendering processes with regular updates in SAP modules
- ▶ Effective Communication: Provide timely responses to supplier queries and ensures clear communication of new procedures
- ▶ Collaborative Engagement: Host regular meetings to address performance, system issues, and in-country value initiatives





## Government (federal and local governments) and regulatory authorities

### HOW WE ENGAGE

Annual and Quarterly Reports | Public Reporting | Virtual and Face-to-Face Meetings

### KEY CONCERNS RAISED/TOPICS OF INTEREST

- ▶ Contribution of the organization to building and supporting the local economy, increase in customer convenience, employment opportunities, environment, and community development
- ▶ Commitment to strengthening the regulatory framework governing the sector and supporting national policies

### HOW ADNOC DISTRIBUTION ADDRESSES THESE CONCERNS

- ▶ Investing in expanding the country's networks, EV charging infrastructure, and renovating the convenience store network to contribute to national infrastructure development, increased employment opportunities, and higher access to fueling and convenience services
- ▶ Providing and developing low carbon and green energy products such as compressed natural gas (CNG), lubricants for hybrid engines, green lubricants, and premium products offering improved engine efficiencies such as Octane-98 gasoline
- ▶ Investing in digital solutions to offer greater customer convenience, such as contactless payments, digital ordering, online ordering, self-service checkouts, etc.
- ▶ Comply with all regulatory requirements

### HOW WE CREATE VALUE FOR THIS STAKEHOLDER GROUP

- ▶ Economic Growth: Support local economies by expanding infrastructure, creating jobs, and enhancing community development
- ▶ Sustainability: Provide low-carbon and green energy solutions, including EV charging and environmentally friendly products
- ▶ Innovation: Invest in digital solutions for convenience, such as contactless payments and online services
- ▶ Compliance: Adhere to all regulatory requirements and strengthens the industry's governance framework



## Local communities

### HOW WE ENGAGE

ESG Engagement Survey | Employee Volunteering | Community Program Sponsorships | CSR Events

### KEY CONCERNS RAISED/TOPICS OF INTEREST

- ▶ Initiatives that support, build, and create an overall impact on local employment, social development, health, and safety of people and environment

### HOW ADNOC DISTRIBUTION ADDRESSES THESE CONCERNS

- ▶ 71% in-country value contribution of the Company's overall contracts
- ▶ Undertook various CSR initiatives such as
  - Pink Caravan Campaign
  - Breaking fast with local communities during Ramadan
  - Investing in communities through charitable contributions
  - Engaging customers within environmental protection. We launched reverse vending machines at ADNOC service stations across Abu Dhabi and integrated an option on the ADNOC Distribution app to "Adopt a Mangrove", extending sustainability efforts to our customers

### HOW WE CREATE VALUE FOR THIS STAKEHOLDER GROUP

- ▶ Community Support through CSR initiatives
- ▶ Environmental Impact
- ▶ Social Development: Invests in local employment and health-focused initiatives to uplift communities





# What matters most: key material topics

ADNOC Distribution consistently displays exceptional proficiency across its ESG domains. The sustainability materiality assessment process followed a structured four step methodology:

- 1. Identification:** Developing an initial list of material topics based on:
  - Prevailing industry trends
  - ESG reports of peer companies
  - Standards outlined by Sustainalytics, Bloomberg, LSEG, MSCI, ISS, S&P, and FTSE Russel
  - ESG disclosures guidelines such as ADX ESG Guide and GRI standards
- 2. Engagement:** Engaging internal and external stakeholders through specialized surveys to ensure diverse input.
- 3. Analysis:** Assessing stakeholder feedback to understand the impact, influence, and relevance of each topic.
- 4. Validation:** Finalizing material topics with the ESG Subcommittee and Sustainability Committee to ensure alignment with ADNOC Distribution's priorities.

A comprehensive review of these findings was conducted in 2024 to reflect the latest stakeholder expectations and align with updated GRI Standards (2021).

## Material topics by priority

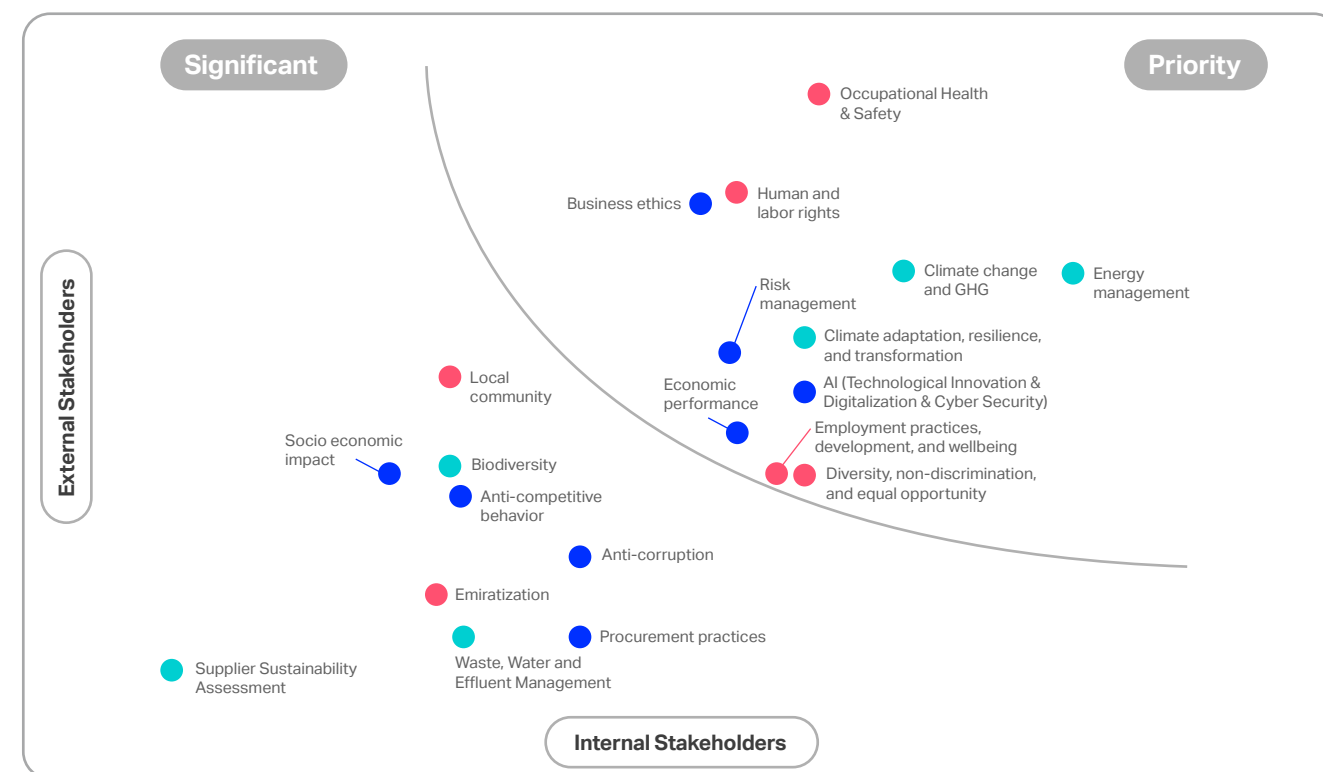
The topics are prioritized into two categories: **Priority** and **Significant** within each of the **Environmental, Social, and Governance** pillars.

### Priority

- Occupational, Health & Safety
- Climate Change & GHG
- Climate Adaptation, Resilience, and Transition
- Human & Labour Rights
- Economic Performance
- Business Ethics
- Energy Management
- AI (Technological Innovation & Digitalization & Cyber Security)
- Risk Management
- Employment Practices, Development and Wellbeing
- Diversity, Non-Discrimination and Equal Opportunity

### Significant

- Local Community
- Anti-Competitive Behaviour
- Socio Economic Impact
- Procurement Practices
- Emiratization
- Anti-Corruption
- Biodiversity
- Supplier Sustainability Assessment
- Waste and Water Effluent Management



### Environment

01. Climate change and GHG
02. Energy management
03. Waste, Water and Effluent Management
04. Climate adaptation, resilience, and transformation
05. Biodiversity
06. Supplier Sustainability Assessment

### Social

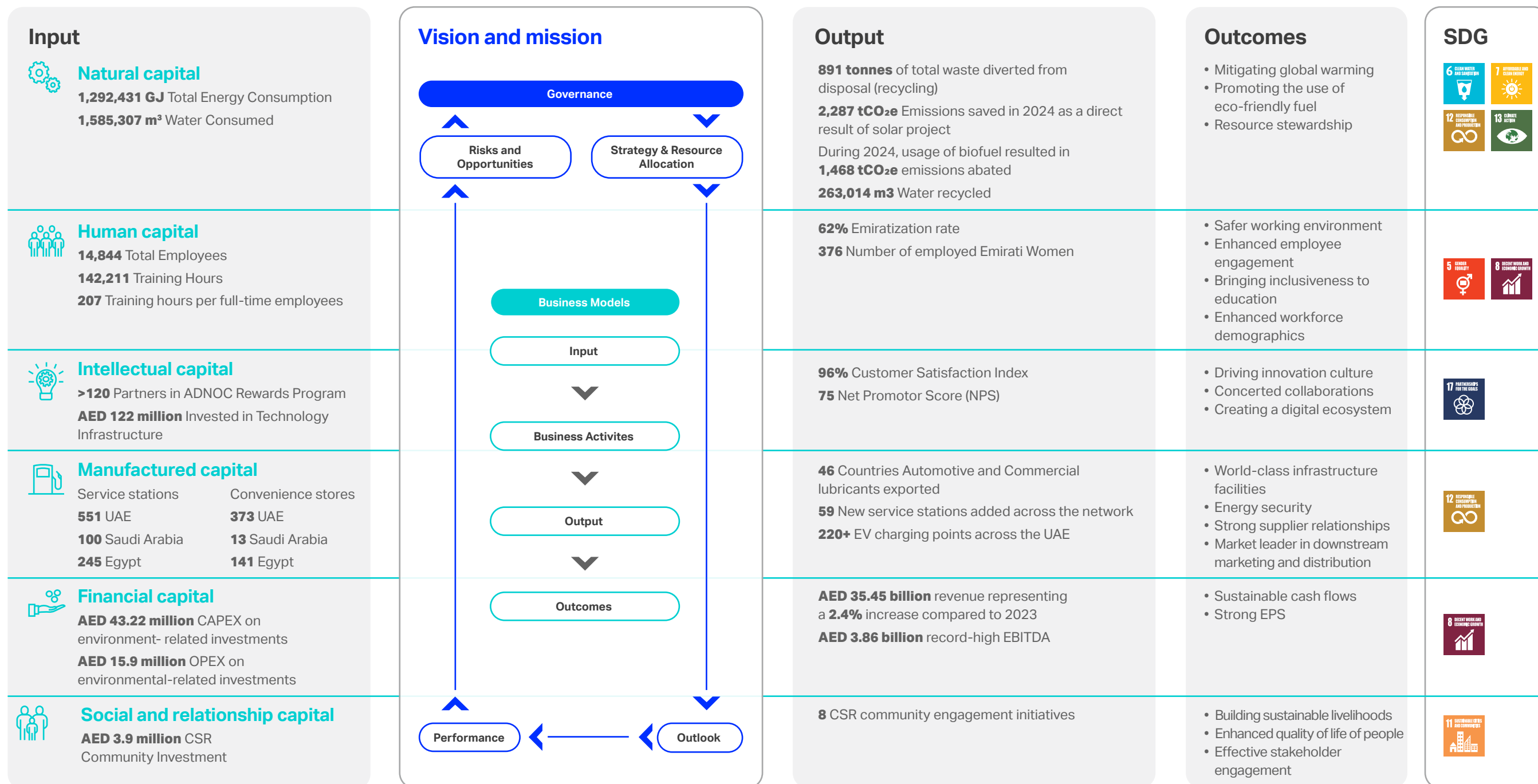
07. Occupational Health & Safety
08. Employment practices, development, and wellbeing
09. Human and labor rights
10. Local community
11. Emiratization
12. Diversity, non-discrimination, and equal opportunity

### Governance

13. Economic performance
14. Anti-corruption
15. Business ethics
16. Risk management
17. Socio economic impact
18. Anti-competitive behavior
19. AI (Technological Innovation & Digitalization & Cyber Security)
20. Procurement practices



# Value creation model: delivering responsible growth





# ADVANCING NET ZERO

- ▶ Global climate context
- ▶ Our approach to climate risk and decarbonization
- ▶ Emissions
- ▶ Energy



# Global climate context

**Climate change continues to drive global efforts toward decarbonization, with industries facing increasing expectations to manage climate-related risks.**

Particularly, the energy sector, given its role in global emissions, is under scrutiny. In response, companies are aligning with international frameworks such as the Paris Agreement and national Net Zero strategies to enhance resilience and meet evolving regulatory expectations.

ADNOC Distribution's comprehensive sustainability goals contribute to the UAE's strategic vision and ADNOC Group's long-standing commitment to environmental and social stewardship.





# Our approach to climate risk and decarbonization

**ADNOC Distribution recognizes the physical and transition risks and opportunities posed by climate change and is progressing efforts towards developing a systematic process to identify and assess these risks.**

This process will enable informed decision making to address potential challenges and capture future opportunities. The Company's commitment to decarbonization focuses on reducing operational emissions intensity, improving energy efficiency through proactive initiatives, whilst integrating climate risk considerations into decision-making processes and strategy.

## Climate risk mitigation and adaptation

- **Climate risk governance:** The ESG Subcommittee, reporting to the Board's Executive Committee, oversees climate risk management, ensuring alignment with ADNOC Group's sustainability policies and global best practices
- **Risk integration:** We are embedding climate risk assessments into enterprise risk management, allowing us to proactively identify and mitigate potential business impacts
- **Operational resilience:** Adaptation strategies include energy efficiency enhancements, water conservation measures, and transition planning to meet evolving regulatory requirements



### Climate related existing measures

The company has implemented the following preemptive measures prior to formal climate risk assessment, representing current operational adaptations:

#### RISK

### Water management

#### IMPACT

Excessive water use strains local resources, especially in arid regions. Non-compliance with water use regulations can lead to legal penalties. Without water-saving measures, operational costs may rise, and resource managements would become inefficient.

#### ACTIONS TAKEN

#### Storm water and conservation methods:

- Tailored watershed management is incorporated into station designs based on rainfall patterns and runoff rates
- Permeable paving and controlled drainage systems help reduce pooling and flood risks
- Oil separators are used to prevent contamination of stormwater discharge
- Regular system inspections are conducted to ensure functionality ahead of peak rainfall seasons

#### RISK

### Coastal infrastructure

#### IMPACT

Facilities in coastal areas face risks from rising sea-levels and extreme weather, which can disrupt operations and impact marine ecosystems. Climate-resilient infrastructure and coastal conservation efforts need to mitigate these risks.

#### ACTIONS TAKEN

#### Marine and coastal station adaptation:

- Flood-proofing measures include elevated fuel tanks and waterproof barriers
- Contingency plans and oil spill response protocols are in place with trained personnel for rapid response



## HAZARDS

## Flooding

## IMPACT

Service stations in flood-prone areas require elevated designs to ensure business continuity and protect employees and customers. Preventative infrastructure planning needs to be integrated to reduce long-term risks.

## ACTIONS TAKEN

## Floodproofing and drainage improvements:

- Regular inspections and preventative maintenance are conducted on storage tanks and drainage systems
- In high-precipitation areas, drainage systems are upgraded to manage excess water flow efficiently

## HAZARDS

## Heat exposure

## IMPACT

Prolonged heat exposure affects worker safety and accelerates material degradation. ADNOC Distribution has introduced shading and cooling measures at high-risk locations.

## ACTIONS TAKEN

## Heat and employee safety measures:

- Heat stress management includes providing water, shaded rest areas, and awareness campaigns for outdoor workers







### Climate adaptation initiatives include:

- Installing high-efficiency equipment and systems (air conditioning, LED lighting, motion sensors, and water-efficient systems) to reduce energy consumption
- Enhancing building resilience through high-performance materials, insulated facades, reflective roofs, and light-colored structures to reduce heat absorption
- Expanding renewable energy integration, with solar panels installed on station rooftops for a reliable and clean energy supply



### Climate risk governance and strategic direction

ADNOC Distribution is integrating climate risk considerations into its Enterprise Risk Management (ERM) framework to assess and mitigate both physical and transition risks. This process includes:

1. Conducting comprehensive risk assessments
2. Managing climate risks within the current business portfolio
3. Identifying and leveraging climate-related opportunities
4. Evaluating potential risks and opportunities related to climate change
5. Develop climate resilience strategy to address the risks
6. Establishing monitoring and reporting systems

The next phase involves establishing processes, enabling actions, and tracking their effectiveness to build robust climate risk systems and monitoring frameworks.

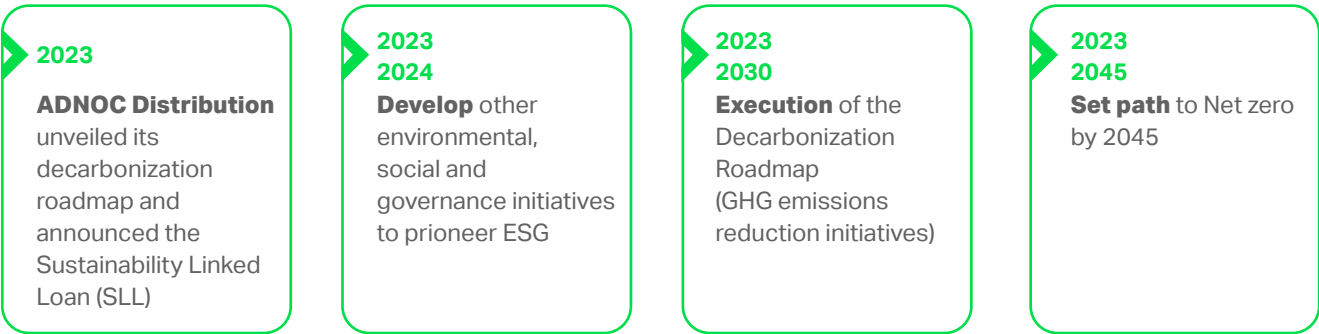
ADNOC Distribution applies specific metrics to measure the impact of sustainability and climate-related material matters, guiding mitigation and management strategies:

- 25% greenhouse gas (GHG) emissions intensity reduction by 2030
- Aim to achieve 90% diversion and management of hazardous waste

Based on our materiality assessment, climate risks and adaptation have been classified as high-priority areas, prompting targeted actions to address these challenges. In 2021, we completed a GHG emissions baseline assessment and developed a decarbonization roadmap to mitigate key climate risks. The effectiveness of these actions is regularly measured, with external verification, and publicly disclosed in our annual ESG report.

### Decarbonization roadmap

ADNOC Distribution is executing a decarbonization roadmap as a part of its commitment to reduce environmental footprint, and operational GHG emissions, help reduce energy, measure future emissions and improve environmental performance across all operations.



UAE Net Zero 2050 strategy refers to the balance between the amount of GHG that is produced and the amount that is removed from the atmosphere. It can be achieved through a combination of emission reduction and emission removal.

ADNOC Distribution’s strategy aims at absolute GHG reduction, leading to 25% operational carbon emissions intensity reduction by 2030.

It is in alignment with ADNOC Group’s ambition for Net Zero by 2045. We are planning on achieving this objective through higher energy efficiency, clean energy and fuels.

Initiative
PV Solar
Biofuel
Energy Intensity Optimization
Vehicle Fleet Management





## Decarbonization initiatives

ADNOC Distribution's decarbonization strategy aims to reduce operational greenhouse gas (GHG) emissions, enhance energy efficiency, and integrate renewable energy into operations. ADNOC Distribution is targeting a 25% reduction in Scope 1 and 2 emissions intensity from the baseline year 2021 by 2030. ADNOC Distribution implemented a verified methodology for its 2021 energy and emissions data through an external independent consultant and conducted a comprehensive Study of Emissions, Water and Waste management.

### Scope 1 emissions reduction

ADNOC Distribution is reducing direct emissions by converting its fleet to low-carbon fuels and implementing operational optimizations:

#### Fleet decarbonization

100% of ADNOC Distribution's UAE heavy fleet operates on biofuels, achieving an annual emissions reduction of 1468 tCO<sub>2</sub>e and also employs a real time fleet management system. The Company is evaluating hydrogen and electric vehicle (EV) technologies for future fleet enhancements.

### Scope 2 emissions reduction

To reduce indirect emissions, we are scaling up renewable energy adoption and enhancing energy efficiency:

#### Solar energy integration

ADNOC Distribution is solarizing service stations across the UAE. By the end of 2024, 31 service stations were equipped with solar photovoltaic (PV) panels with the aim to continue the installations throughout 2025 and beyond.

#### Energy intensity optimization

ADNOC Distribution is optimizing energy consumption through LED lighting upgrades, high-efficiency HVAC systems, optimizing building designs, retrofit existing building, and automated energy management technologies. We identify Energy Conservation Opportunities and monitor Energy Conservation at the Company's facilities and services to reduce the overall energy consumption.

## Sustainability linked loan

ADNOC Distribution's sustainability commitments aligns with financial objectives as the Company converted a AED 5.5 billion term loan into a Sustainability Linked Loan (SLL), showcasing its dedication to sustainable finance and environmental stewardship. The Company have set two Sustainability targets for Sustainability Linked Loan through two KPIs.

### KPI 1

Reduction of GHG emission intensity per site (computed as Scope 1 and 2 (tCO<sub>2</sub>e) divided by the number of sites).

### KPI 2

Utilization of renewable energy sources for the Company's own consumption (measured as MWh consumption per year).

In 2024, ADNOC Distribution successfully achieved its target for the year for two KPIs under the Sustainability Linked Loan. The Company's commitments towards Sustainability Targets under the SLL received a favourable second party opinion.

## Customer decarbonization

The Customer Neutralization Project aims to mitigate GHG emissions from the energy sold by ADNOC Distribution. The first phase has been completed, focusing on neutralizing the energy used for EV charging.

This initiative underscores the Company's commitment to offsetting customer carbon emissions and promoting low-carbon solutions through high-quality renewable energy sourcing.

In 2024, approximately 4 MWh (3,985 KWh) of energy was distributed for EV charging purposes. All energy sold has been neutralized with renewable (solar) energy certificates, resulting in over 1,800 tCO<sub>2</sub>e of emissions offset that benefitted over 13,000 EV users.





# Emissions

**ADNOC Distribution recognizes the importance of reducing operational GHG emissions through a comprehensive decarbonization roadmap that underpins its policies, procedures, objectives, and initiatives.**

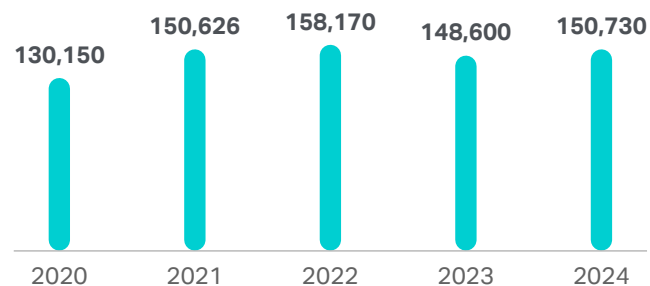
The Company utilizes the US Environmental Protection Agency (EPA) GHG emissions calculator and applies the relevant grid emission factor to calculate Scope 2 emissions, sourcing these factors from the Emirates Water and Electricity Company (EWEC) and TAQA Distribution (formerly Abu Dhabi Distribution Company). For fugitive emissions of volatile organic compounds (VOCs), the Company uses estimation factors from Australia's National Pollutant Inventory.

To manage GHG emissions, ADNOC Distribution launched a range of strategic, tactical, and operational initiatives throughout 2024, helping reach compliance with applicable legal and regulatory standards and best practices.

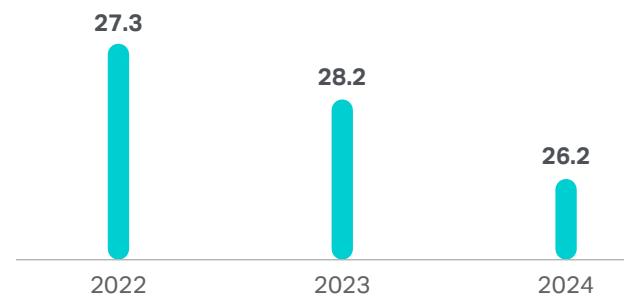
Since 2019, we have consistently reduced our emissions intensity across UAE operations, based on gross profit, achieving 26.2 tCO<sub>2</sub>e/million AED in 2024 compared to 27.3 tCO<sub>2</sub>e/million in 2023.

The Company achieved a significant reduction in direct emissions in 2024, primarily as a result of the strategic adoption of biofuels across our heavy vehicle fleet and optimized vehicle usage. ADNOC Distribution has successfully exceeded its 2024 emission reduction target of 189,289 tCO<sub>2</sub>e.

Total emissions for scope 1 and Scope 2

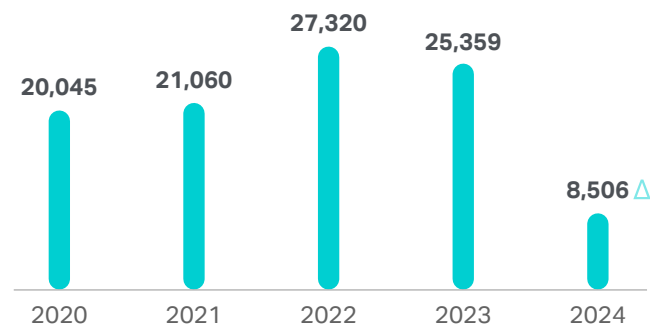


Emission Intensity over the years (tCO<sub>2</sub>e/million AED gross profit UAE)

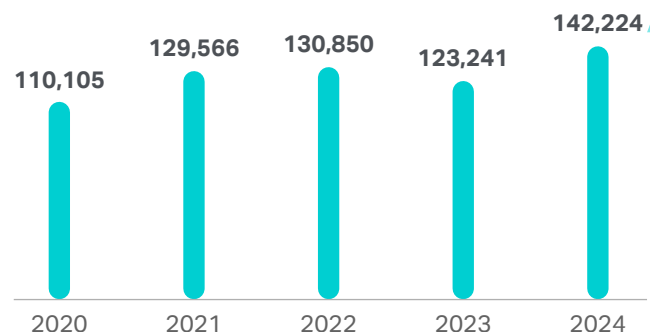


Note: Recalculated based on UAE Gross Profit

Direct Emissions (tCO<sub>2</sub>e) over the years

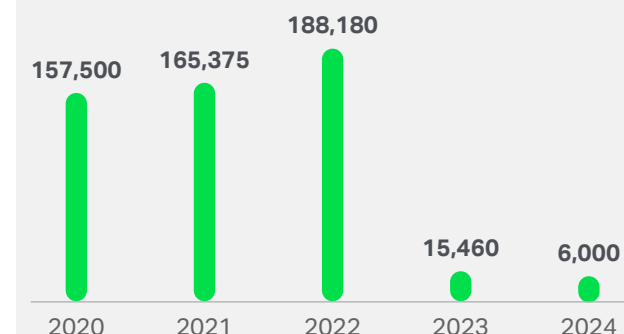


Indirect Emissions (tCO<sub>2</sub>e) over the years

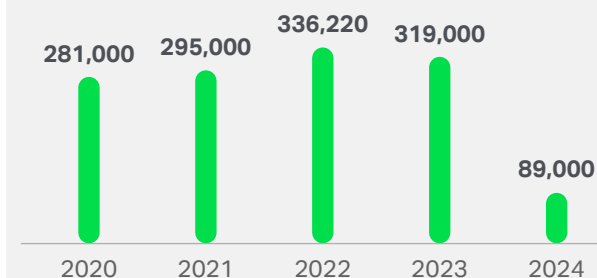


In 2024, NO<sub>x</sub> and SO<sub>x</sub> emissions continued to show significant decline. The notable decline in SO<sub>x</sub> values was primarily attributed to the substitution of traditional fuel with Biodiesel in the Company's heavy vehicle fleet, and accordingly, the subsequent change in calculation methodology for 2023 to reflect the specific sulphur content in fuel of 10 ppm to reflect our local fuel specifications.

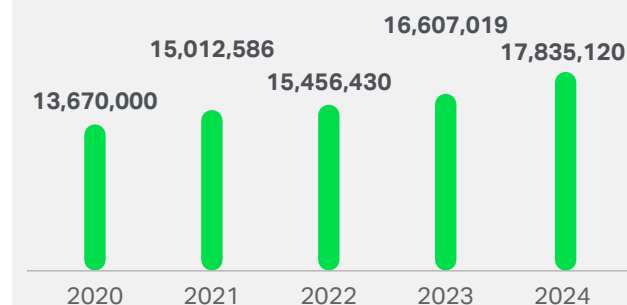
SO<sub>x</sub> emissions (kg)



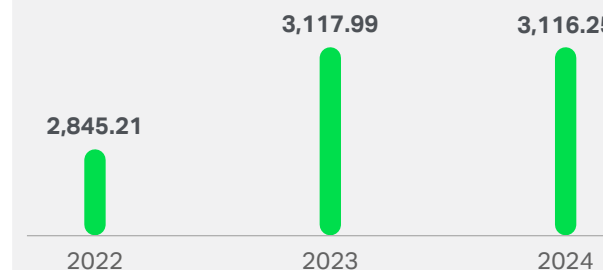
NO<sub>x</sub> emissions (kg)



Volatile Organic Compounds (kg)



Non GHG Emission Intensity based on Gross Profit (Kg/Million AED)



ADNOC Distribution strictly avoids using chlorofluorocarbons (CFCs) or other ozone-depleting substances (ODS).



# Energy

**Embracing a commitment to sustainability, ADNOC Distribution is transforming into a sustainable energy mix and integrating renewable energy. The Company aligns its energy efficiency strategies, programs, initiatives and strategic energy management approach with relevant national visions and strategies, like the UAE Energy Strategy 2050.**

## Energy management and policy

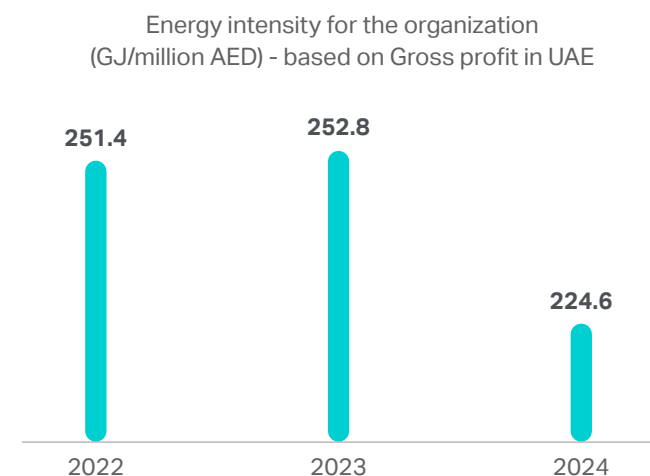
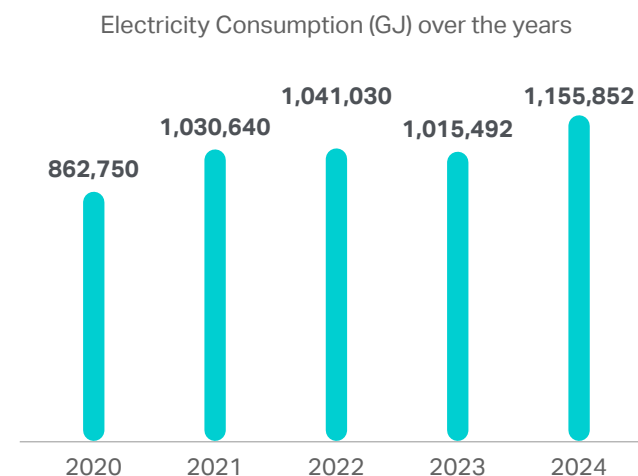
ADNOC Distribution has implemented an energy policy which classifies its energy usage into two groups - Direct Energy and Indirect Energy. Direct Energy relates specifically to the Company's transport, including fleet and pool vehicles, while Indirect Energy encompasses the electricity used from the main power supply grid. To help the Company keep track of its energy usage, monitoring is conducted on a monthly basis. The Energy Management System is compliant with ISO 50001 standards. ADNOC Distribution monitors energy performance monthly by aligning its physical assets in line with international best practices and standards. It operates its energy policy in line with ADNOC Group policy and the Energy Management System, aligned

with ISO 50001, environmental regulations, and international best practices.

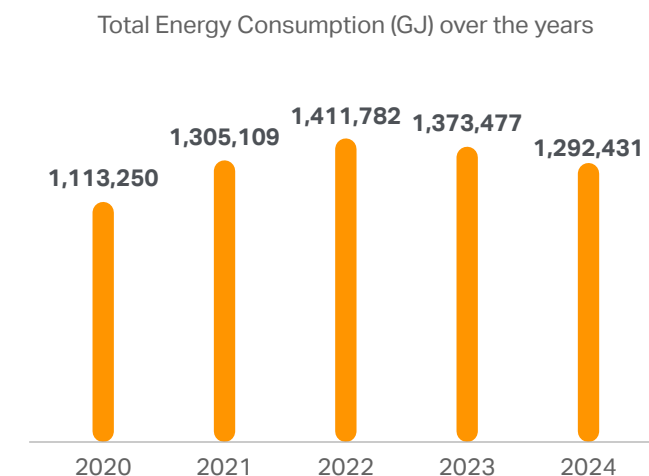
ADNOC Distribution's upholds an ISO 50001: Energy Management System to optimize energy consumption, control energy performance, and identify, manage and control potential risks and opportunities related to energy consumption, in compliance with preset requirements.

The Company manages its energy performance through a stringent and recurrent audit process, complemented by annual verification by an external third party. ADNOC Distribution promotes improvement of its energy performance. The efficiency of the measures implemented in relation to energy management is monitored through the Energy Management System.

	2022	2023	2024
Direct Energy consumed (GJ)	370,753	357,985	136,579
Indirect Energy (Electricity Consumption) (GJ)	1,041,030	1,015,492	1,155,852
Total Energy Consumption within the Organization (GJ)	1,411,782	1,373,477	1,292,431 <span>△</span>
Energy Intensity based on UAE Gross Profit (GJ/ Million AED)	251.40	252.80	224.60 <span>△</span>



Recalculated based on UAE Gross Profit due to change in output factor used in the methodology



## Energy data with Total Primary Energy Requirement (TPER)

Energy Usage with TPER	Total amount of energy directly consumed	136,579 GJ
	Total amount of Energy Indirectly consumed (Electricity Consumption)	2,860,351 GJ
	Total Energy Consumption within the Organization	2,996,930 GJ
Energy Intensity with TPER	Energy Intensity based on Gross Profit	520.9 GJ/Million AED

In 2024, ADNOC Distribution achieved its energy intensity target. This was supported by an improved energy efficiency within the Company's operations, services, and assets, through innovative energy optimization solutions and enhancing the energy efficiency of physical assets like smart metering and energy-demand side initiatives. The Company aims to commence Level 1 Energy Audits to assess actual negative impacts and track energy intensity KPIs. These measures support ongoing monitoring and reporting on energy consumption and savings.

ADNOC Distribution held energy conservation training sessions across the organization, to promote energy efficiency improvements. It also launched awareness projects and campaigns directed at its key stakeholders, including the Company's employees.



PV solar

The Company has installed solar panels on the roofs of its service stations to reduce reliance on grid electricity.

In 2024, ADNOC Distribution has successfully achieved its target for the year for utilization of renewable energy sources for the Company’s own consumption, by generating 5,083 MWh solar energy at the rooftop of stations in Dubai and Abu Dhabi. In 2025, the Company aims to generate 7,747 MWh for its operations. Currently, 31 ADNOC Distribution service stations are equipped with solar panels. This initiative supports the Company’s decarbonization plans and emission reduction targets by generating renewable, zero-emission energy on-site.

Key innovations include bifacial modules, integrated monitoring systems, and net metering, ensuring efficient energy production even under varying conditions. The project has also contributed to ADNOC Distribution’s emissions reductions, with 2,287 tCO<sub>2</sub>e abated in 2024.

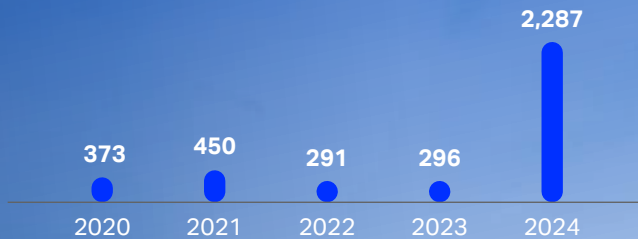


Energy Mix  
1.56%

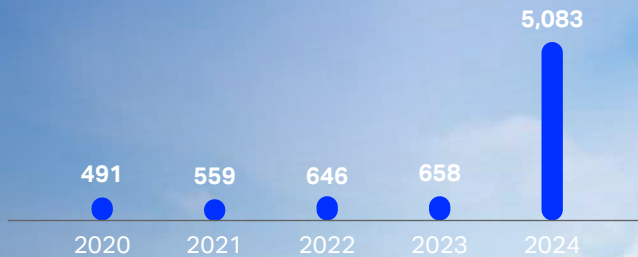
Solar Energy percentage in total indirect energy based on tCO<sub>2</sub>e



GHG Emission avoided by Solar Energy consumption (tCO<sub>2</sub>e)



Renewable energy consumption from Solar (MWh)



Energy intensity optimization

ADNOC Distribution continues to identify Energy Conservation Opportunities (ECOs) across its facilities. The includes retrofitting existing building services (MEP, HVAC, retail, and service equipment) to reduce overall energy consumption. Future developments will integrate energy-efficient systems and optimized building designs to enhance sustainability. In 2024, the initiative resulted in an emissions reduction of 433 tCO<sub>2</sub>e.

The Company partnered with Emerge to bring solar energy to our Abu Dhabi service stations, building on the successful solarization. Incorporating solar power into ADNOC Distribution’s energy mix is just one facet of its strong commitment to sustainability, upholding broader ADNOC Group and UAE Net Zero ambition.



# Innovating for clean energy and sustainable mobility

The shift to clean mobility is essential for reducing transport-related emissions and enhancing energy efficiency. the Company’s clean mobility strategy and investment focuses on biofuel adoption, a vehicle fleet management system, electric vehicle charging infrastructure, green hydrogen, and natural gas for vehicles (NGV).

The Company is developing over 20 AI-focused projects to create a smart station model and expand its EV charging infrastructure, aiming to increase the number of fast and super-fast EV charging points to at least 500 by 2028.



## Biofuel

ADNOC Distribution uses waste cooking oil to produce biofuel for its own vehicle fleet, aiming to reduce CO<sub>2</sub> emissions by 15%. In 2024, the Company successfully converted its entire owned fleet to biofuel. The biofuel adoption led to an emissions reduction of 1,468 tCO<sub>2</sub>e during the year.



AED  
43.22 million

In 2024, the Company invested AED 43.22 million capital expenditures (CAPEX) projects, focusing on environmental management, and infrastructure improvements.



## EV charging

The ‘On-the-Go’ EV charging service offers fast and super-fast charging for customers. Through the disciplined rollout of fast and super-fast EV charging points across its UAE network, the Company aims to establish over 500 such stations by 2028.



## Natural Gas for Vehicles (NGV)

Since 2018, ADNOC Distribution has reduced its CO<sub>2</sub> footprint by supplying compressed natural gas to NGVs, offering a low-carbon alternative to conventional fuels. The Company’s clean mobility objective includes setting up CNG service stations and conversion centres offering professional vehicle conversion to CNG and reducing emission from the transportation sector.



## Vehicle fleet management

This system enables real-time fleet monitoring, tracking, and route optimization to improve fuel efficiency and reduce emissions. In 2024, this initiative resulted in an emissions abatement of 561 tCO<sub>2</sub>e. ADNOC Distribution utilizes a system that continuously monitors driver behaviours, both live and offline, analysing the data on a daily, weekly and monthly basis, aiming to prevent certain parameters, such as Harsh Braking (HB) and Harsh Acceleration (HA), that significantly contribute to increased emissions.



## Green Hydrogen

In 2024, ADNOC Distribution launched the second phase of its H<sub>2</sub>GO hydrogen refueling station to power a fleet of hydrogen-powered buses operated by Abu Dhabi Mobility, part of a year-long pilot program to gauge the viability of hydrogen power for mass transport in the Capital. In a partnership with local and international collaborators. H<sub>2</sub>GO, located in Masdar City, was the region’s first green hydrogen refueling facility launched in 2023. The initiatives signal a commitment to the pioneering technologies shaping the future of sustainable mobility and aids in realizing the UAE National Hydrogen Strategy and sustainable energy goals.



## Sustainable chemical additives

ADNOC Distribution deploys cleaner chemical additives to refine the combustion process and improve fleet management. The Company implemented an automated replenishment system across the retail lube network, reducing inventory gaps. This innovative approach helps improve operational efficiency and ensures consistent supply. The Company introduced ADNOC BLUE, manufactured from a superior-quality Virgin Urea Solution, reflecting ADNOC Distribution’s dedication to excellence in sustainable product offerings.



## Sustainability related investments

Our strategies are aimed at capitalizing on opportunities presented by the shift to a low-carbon energy future, enhancing business resilience, and including investing in R&D projects to explore greener fuel products and promote decarbonization strategies. ADNOC Distribution is committed to actively supporting energy transformation and climate change mitigation. also, focusing on the environmental assessment, audit, water, and waste management.



## CASE STUDY

**ADNOC Blue**

ADNOC Blue is a high-purity diesel exhaust fluid (DEF) designed for vehicles with Selective Catalytic Reduction (SCR) technology that reduce harmful emissions. It consists of 32.5% synthetically manufactured technical grade urea in de-mineralized water, which is injected into the exhaust system to convert nitrogen oxides (NOx) into harmless nitrogen and water, reducing diesel engine environmental impact. ADNOC Blue is produced in compliance with ISO 22241, ensuring high quality and effective NOx emission reduction, potentially by up to 90%. Additionally, ADNOC Distribution has partnered with Emirates Steel Arkan to support steel manufacturing in the UAE. The company supplies high-performance lubricants made in the UAE and exporting a full range of lubricants to 46 countries.



## CASE STUDY

**ADNOC e-Cool LL 50%**

ADNOC e-Cool LL 50% is a ready-to-use product. It provides frost protection down to -38°C. It was developed to protect engines against corrosion, overheating and frost damage. It provides a high degree of corrosion protection to engine components such as radiators, cylinder blocks/ heads, water pumps and heat exchangers and avoids deposits. It is recommended for Heavy/ Light Duty Diesel Engines, Petrol/Gasoline engines as well as Hybrid (HEV/PHEV) and Electrical (BEV) Vehicles that use indirect cooling system.

**Commitment to clean energy**

ADNOC Distribution has established short, medium, and long-term goals to manage its commitments. The Company's goal is to help raise the percentage of clean energy in the UAE's total energy mix from 25% to 50% by 2050.

**Short-term**

- To increase the energy efficiency of the Company's operations and assets
- Deliver training and promote awareness amongst employees and customers

**Medium-term**

- Increase contribution of clean energy through solar power and other clean energy solutions
- Increase investment in clean technologies across ADNOC Distribution stations
- Provide sustainable mobility solutions

**Long-term**

- Strive to transform into a leading multi-energy, convenience and mobility retailer



## CASE STUDY

**ADNOC e-Brake Fluid DOT 5.1**

ADNOC e-Brake Fluid DOT 5.1 is a premium, fully synthetic, glycol-based brake fluid known for its high performance and improved heat resistance. It contains inhibitors to prevent corrosion of metallic brake components and reduce oxidation at elevated temperatures. With high wet and dry boiling points, it ensures safe braking under severe conditions. This brake fluid is suitable for electric and hybrid vehicles due to its high boiling points and lower conductivity.



# PROTECTING NATURE AND BIODIVERSITY

- ▶ Water
- ▶ Waste
- ▶ Protecting biodiversity
- ▶ Environmental policy, management systems
- ▶ Oil spill response



# Water

**ADNOC Distribution is committed to optimal water usage across our operations, including initiatives to reduce freshwater consumption, and avoiding discharge of effluents into water bodies to help conserve natural resources and lower GHG emissions by decreasing the energy needed for desalination processes.**

Discharged water that meets the domestic sewage parameters is directly discharged to the municipal sewage network. The HSE guidelines support initiative that sewage discharges are kept within the legal limits throughout the Company.

Health, Safety, and Environmental Impact Assessments (HSEIA) studies function as a reference to gauge the environmental impacts of water consumption and suggest suitable control measures to help prevent any lasting effects. Whereas, if the water exceeds these parameters, it is treated as a hazardous effluent and is safely transported to a licensed third-party treatment facility for appropriate treatment. This includes the water from the cylinder wash at ADNOC's LPG plants. These studies also help with verifying and monitoring the on-site water recycling facilities.

ADNOC Distribution aims to make water usage more efficient by recycling water from car washes and using sensor-activated taps at selected service stations. Water used for washing cylinders in LPG plants, which contain TSS and BOD, is considered hazardous waste and sent to licensed treatment facilities. Meanwhile, car wash water from service stations is treated on-site in treatment plants and then reused.

The Company's critical water related data for constituents of discharged water (including water from Cylinder washing) are verified through BOLISATY, an integrated waste database in Abu Dhabi managed by Tadweer. Functionality of car wash water treatment plants is verified during HSEMS audits. The Company has also put in place preventive maintenance contracts for treatment plants with third parties. All other water related data are also verified through BOLISATY.

## Water consumption areas:

- Company's offices
- Service stations
- Terminals
- Car wash facilities
- Vehicle inspection centers



During 2024 the total water consumed in the organization was 2,071,008 m<sup>3</sup> which includes potable water and municipal water supplies.





## Water saving initiatives

Our approach to water conservation includes small initiatives with big impacts on water resource optimization and promoting sustainability. These initiatives include the measures to reduce water consumption such as the installation of aerators across all washrooms and mosque ablution areas, on-site water recycling, and recycling water from car wash facilities, service stations, offices, and other sites.

In alignment with its Health, Safety, and Environment Management System (HSEMS), the Company strives to optimize water use throughout its operations. These on-site water recycling facilities are regularly monitored and verified during HSEMS audits.

Specific targets include recycling 80% of the total water used in car washing operations and achieving a reduction in freshwater consumption by 2025 in line with ADNOC sustainability targets.

The volume of water recycled by ADNOC Distribution has been consistently increasing, mainly driven by own on-site vehicle wash recycling facilities. These initiatives help raise awareness about water conservation, promote responsible water use, and support sustainability goals. They also enhance the company's reputation as a responsible corporate citizen committed to environmental stewardship.



**263,013.79 m<sup>3</sup>**

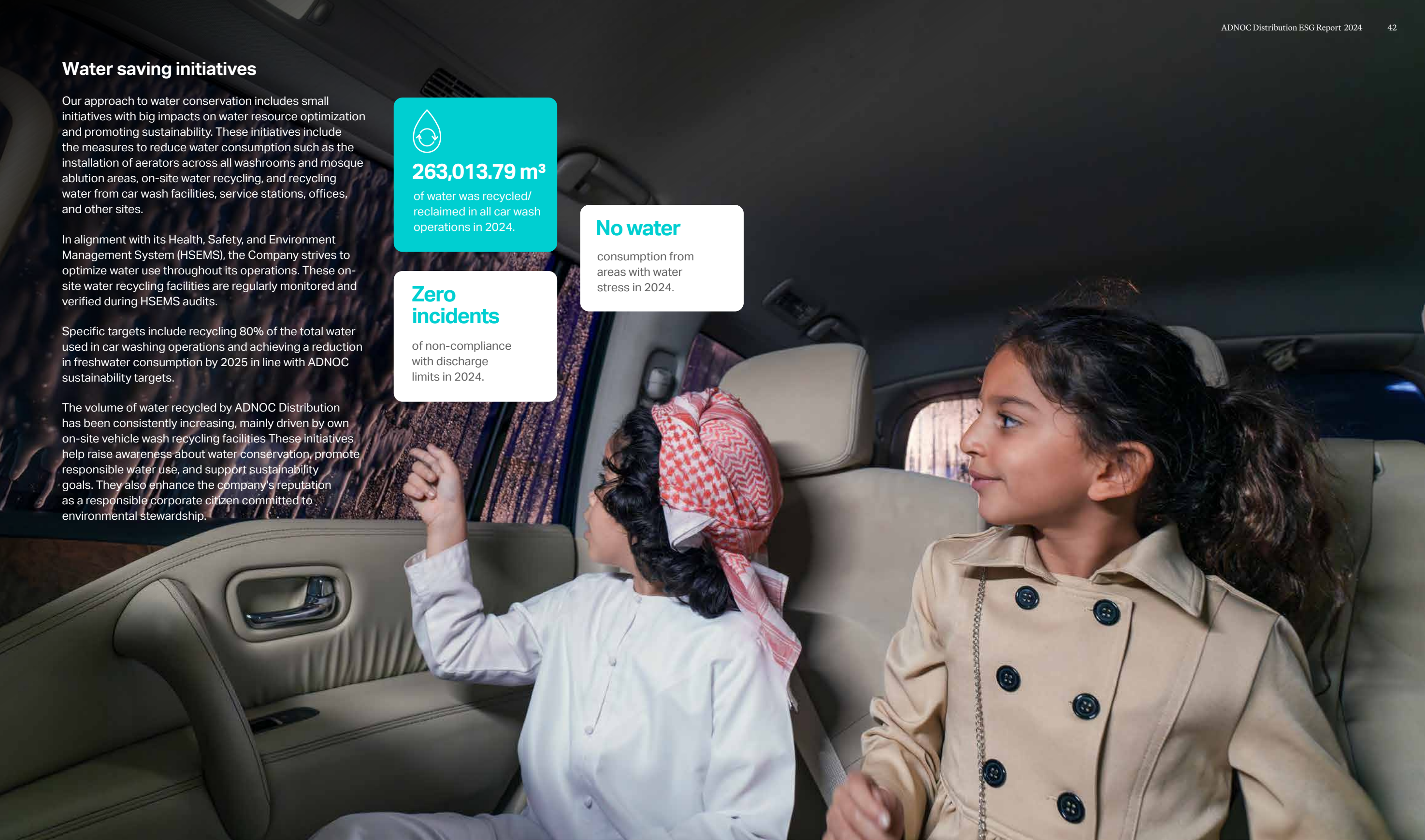
of water was recycled/  
reclaimed in all car wash  
operations in 2024.

**Zero  
incidents**

of non-compliance  
with discharge  
limits in 2024.

**No water**

consumption from  
areas with water  
stress in 2024.





# Waste

**Environmental protection is integral to ADNOC Distribution's operational philosophy. We follow ADNOC Group's HSE Management System guidelines for waste management, in compliance with the regulations set by Abu Dhabi Waste Management Centre (Tadweer) and Dubai Municipality.**

ADNOC Distribution is registered with Tadweer's BOLISATY system, which tracks all waste-related data from generation to disposal. All waste transportations are conducted by third-party Environmental Service Providers, approved by Tadweer, who are obliged to adhere to all relevant legal rules in Abu Dhabi. Yearly waste reports highlight waste generation trends, reinforcing the company's commitment to sustainable waste management and recycling initiatives that contribute to a circular economy.

ADNOC Distribution has engaged a third-party service provider to conduct environmental evaluations and assess the waste generated by its customers to understand the environmental impact stemming from the waste produced. The Company also monitors its contractors' compliance levels by conducting audits and utilizing Tadweer's BOLISATY waste monitoring portal.

## Waste Reduction and Recycling Initiatives

At ADNOC Distribution, we have introduced a range of initiatives to improve waste segregation and recycling across its operations. These include:

- Education and awareness: Training programs for cleaning staff, retail shop employees, and food truck personnel to encourage the implementation of the 3Rs (Reduce, Reuse, Recycle) and effective waste segregation
- Recycling stations: Establishment of recycling stations at service stations to facilitate waste separation
- Partnerships: Collaboration with Sparklo and other stakeholders to enhance waste management efficiency

## ADNOC Distribution is committed to:



**Improve** its waste performance across all service stations, terminals, and other assets.



**Adopting** initiatives such as introducing Reverse Vending Machine recycling service at 25 locations across Abu Dhabi.



**Adhere** to 'Reduce, Reuse and Recycle' hierarchy and conserve natural resources to minimize waste generation.



**Comply** with legal requirements and adopt global best practices to dispose any generated hazardous waste safely.

## Activities, Services where waste is generated:

Supply chain activities including logistics, storage and supply of fuel products



Fuel station network operations



Convenience stores



Car wash and lube change centers



Fueling and refueling services at airports



Vehicle inspection centers



Lube blending plant



Head office and branch office operations



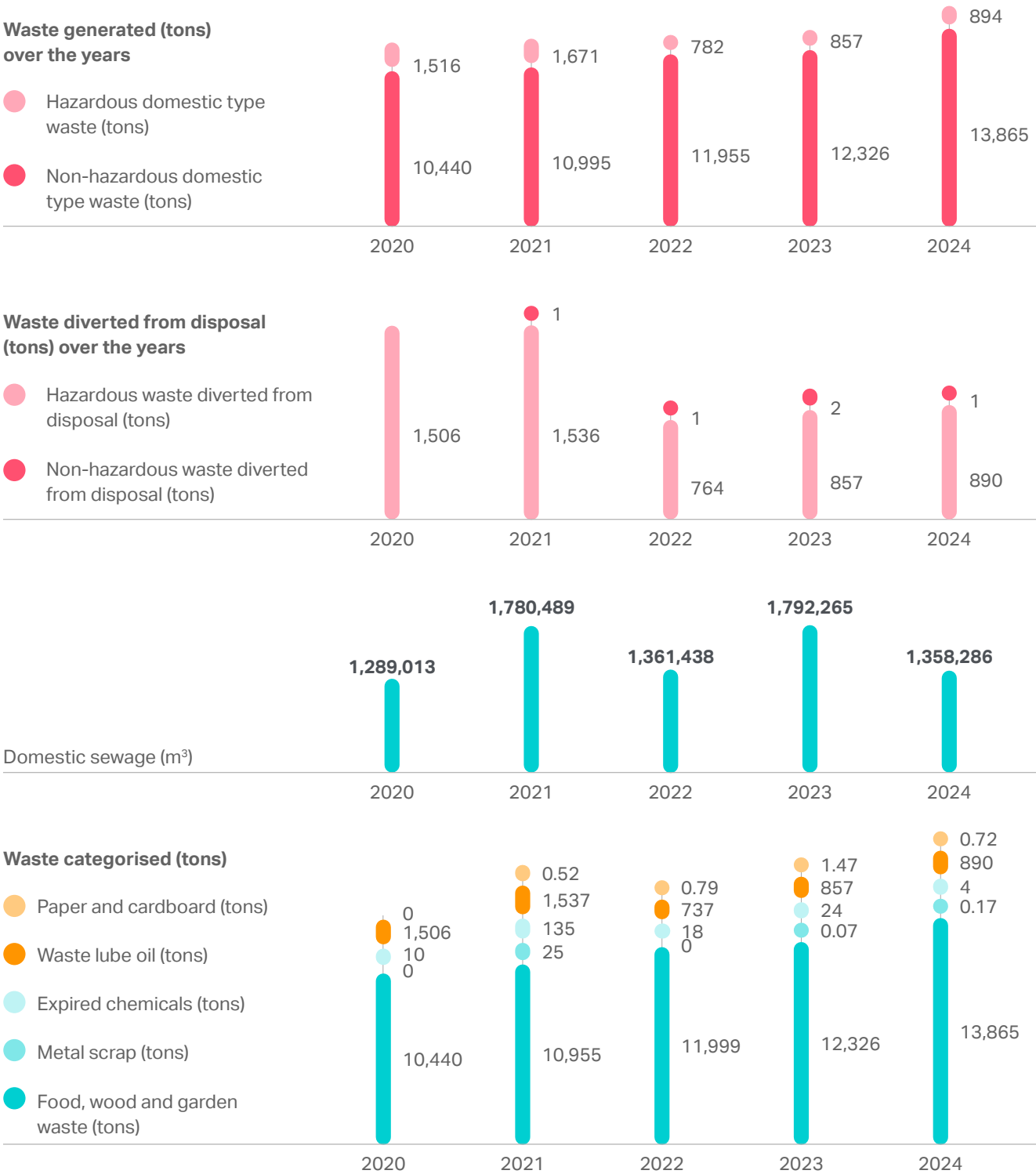
LPG bottling plant and distribution





“**Reduce, Reuse, and Recycle**” is the motto by which ADNOC Distribution goes by when it comes to waste disposal. Hazardous solid waste is sent to the Central Environmental Protection Facility (BeAAT) for treatment, we achieved a 90% recycling rate during 2024 . Non-hazardous domestic waste is sent to landfills. Lube oils are recycled along with solid wastes such as paper and cardboard.

The business conscientiously monitors its inventory levels and enlists external third-party contractors, who follow relevant legal waste disposal regulations, to dispose of solid waste and expired chemicals, including firefighting foam. The Company’s commitment in adopting the principles of circularity are reinforced by the key recycling metrics adopted for 2024, with an emphasis on the recyclability of all plastic packaging waste as a percentage of the total recorded weight of plastic packaging.





## Uniform Recycling Project

The Uniform Recycling Project, launched in partnership with Grace Preservation of the Red Crescent, is a pilot initiative to recycle and upcycle used Company uniforms into reusable products such as floor mats. This initiative addresses textile waste and promotes sustainable resource use.

The project aims to recycle 27,000 uniforms, reducing landfill waste and supporting community engagement. It raises awareness about textile waste and promotes responsible resource use. It also supports community engagement by providing upcycled products that can be used by the public.





# Protecting biodiversity

**ADNOC Distribution pledges to protect the biodiversity of the local environment, with an emphasis on safety and integrity across our operations to attain our goal of harming no local species.**

The Company's Health, Safety, and Environmental (HSE) protocols consist of a risk-based framework, which includes detailed monitoring, reviewing, sampling, testing, and scientific analysis throughout project stages, with assessments such as HSEIA and Environmental Impact Identification (ENVID) studies. This supports our goal of ensuring ongoing and proposed operations do not alter the local biodiversity profile or impact endangered species.

The Company does not operate in any protected zones and adhere to ADNOC Group's HSE Standard on Biodiversity, latest legislation pertaining to biodiversity and environmental survey methods.

ADNOC Distribution observes the rules set by the Abu Dhabi Environment Agency (EAD) in Abu Dhabi to protect biodiversity from any potential harm from its proposed activities. For any depot or service station, the Company obtains a No Objection Certificate (NOC) from the Environment Agency - Abu Dhabi (EAD) to ensure that its proposed operations do not adversely affect biodiversity.

## Adopt a mangrove program

In 2024, ADNOC Distribution planted over 25,000 mangroves across four Emirates (Abu Dhabi, Dubai, Ajman, and Ras Al Khaimah), with each tree recorded in a blockchain system. Customers and local community can adopt these trees through the ADNOC Distribution app for 5,000 reward points. The ADNOC Distribution Forest project aims to sequester 5.4 million tons of CO<sub>2</sub> over its lifetime and has safeguarded 4.5 hectares of land. Additionally, the Company partnered with Ajman Municipality to plant mangroves in Al Zorah Reserve during the Ajman Environment Conference, receiving recognition from the Ministry of Climate Change for its contributions to the national carbon sequestration initiative.

## Zero negative impacts

or fines on biodiversity have been recorded in the HSEIA studies in 2024.





# Environmental policy, management systems

**ADNOC Distribution's business functions and services are shaped by a commitment to environmental conservation, with the goal of protecting and maintaining the local environment and addressing any potential environmental repercussions from the Company's operations and activities.**

ADNOC Distribution designs and preserves strong and innovative environmental policies, practices, reporting, and monitoring management systems under the corporate-level Sustainability Committee chaired by the CEO to ensure the following:

- Oversee, assess, and evaluate the environmental impacts of its operations, encompassing waste, water, and biodiversity management;
- Adhere to the guidelines set by regulatory bodies like the Environment Agency of Abu Dhabi and the Ministry of Climate Change and Environment; and
- Manage and reduce any adverse environmental impacts resulting from its activities, and operations. Incorporate corrective actions to stimulate continual improvement.

## Environmental compliance

ADNOC Distribution is dedicated to managing potential environmental impacts by adhering to internationally recognized standards and local regulations. The company's assets undergo regular HSEIA and ENVID evaluations to identify and mitigate current and potential environmental impacts, manage emissions, and climate risks.

These assessment and monitoring of environmental impacts are reviewed and overseen by the HSE department under the management level sustainability committee led by the CEO to ensure the effectiveness of control plans.

The Company regularly monitors and reviews HSE Impact Assessment studies to measure the effectiveness of the proposed control plans. Separate responsibilities and roles for handling environmental issues are assigned within the Company.

ADNOC Distribution is committed to managing and enhancing its environmental performance, remaining in full compliance with applicable laws and regulations, and globally recognized HSE best practices. It develops various systems and processes in accordance with leading standards and frameworks to strive towards environmental leadership.

## Zero monetary value

of significant fines, sanctions, or cases were recorded in 2024.

### ADNOC Distribution complies with necessary environmental policies and procedures.

Key standards include:

#### ISO 45001

ADNOC Distribution's Health and Safety system aims to enhance employee safety and reduce workplace risks. ADNOC Distribution's Health and Safety systems adhere to ISO 45001 standards, with the main aim to improve the safety of employees, reduce risks in the workplace, and establish safer, better working conditions for our staff members.

#### ISO 14001

The Company has implemented an effective environmental management system aligned with ISO 14001 across the organization.

#### ADNOC Distribution's American Petroleum Institute (API) Certification

ADNOC Distribution has adhered to API's environmental standards since becoming a member in 1993, ensuring alignment with best practices in environmental safety performance and practices.





# Oil spill response

**ADNOC Distribution is dedicated to safeguarding the environment and ensuring the safety of its employees and the local community. Acknowledging the serious consequences of oil spills, the Company takes proactive actions to implement preventive measures and remains prepared to respond in the rare occurrence of an oil spill.**

ADNOC Distribution prioritizes zero incident policy and employs programs under Health, Safety, Environmental Management System (HSEMS) to ensure fail-safe measures and safety across operations.

The Company implements safety measures at all terminals and service stations by maintaining readily available spill kits for immediate incident remediation. It executes periodic assessment of the integrity of assets, training the employees, utilizing leading risk management and safety monitoring technologies. In the event of any spills, the Company has efficient response plans that enable expeditious mitigation. The HSEMS processes target mitigating the impacts of hazardous chemicals causing environmental degradation and contamination.

Significant spills are the spills resulting in liability in the organization as defined by GRI. Minor oil, which are Tier 1 spills are immediately contained by implementing the efficient measures under HSEMS ensuring no harmful environmental impact.

The company had zero Tier 2 and 3 spills in 2024. ADNOC Distribution aims for zero incidents and 100% safety of its employees through maintaining robust safety measures and systems across operations.

**Zero  
significant  
oil spill**

with environmental  
impact.





# CREATING LASTING SOCIOECONOMIC IMPACT

- ▶ Community development and engagement programs: driving socioeconomic prosperity
- ▶ Economic impact
- ▶ In-Country Value Program (ICV)
- ▶ Respecting human rights
- ▶ A sustainable supply chain
- ▶ Local procurement



# Community development and engagement programs: driving socioeconomic prosperity

## ADNOC Distribution's commitment to community development is reflected in the diverse and impactful programs that we support and lead.

In 2024, the Company's total community investment expenditure reached AED 3.98 million, focusing on initiatives that promote safety, environmental preservation, and social well-being, empowering individuals and fostering positive change across the UAE. ADNOC Distribution is committed to regularly engaging with local communities to prioritize the engagement initiatives and formally consult communities in delivering sustainable solutions to enhance their quality of living. The guiding principle of community responsibility is captured in the value "We are Responsible," which shapes the decision-making process as outlined in the Code of Conduct.

Our CSR strategy is further shaped by the values of collaboration and respect to the local community. It serves through its Corporate Social Responsibility (CSR) Strategy. ADNOC Distribution's CSR charter to direct its CSR actions. The Company has introduced various operational policies intended to boost its efforts as a socially responsible business, meeting both stakeholder and local community expectations through consultation. Local community engagement and development, including CSR, is a standing agenda in the Sustainability committee chaired by the CEO. Local communities can utilize ADNOC Distribution's 24-hours available communication mechanism to raise and address complaints and grievances.



### Recycling program – Reverse Vending Machines (RVM)

In 2023, ADNOC Distribution launched the first Reverse Vending Machine as a part of its commitment to promote recycling and educate consumers and local community on environmental preservation.

This innovative initiative allows customers and the local community to recycle plastic and metal bottles and cans while earning ADNOC Rewards points.

The initiative also promoted community awareness campaigns in schools and public spaces to promote recycling habits.

By 2024, the program had expanded to 27 locations, with 28,200 participants from customers and local community with more than 5.8 million items recycled. The machines are made locally in UAE contributing to the make it in the Emirates initiative.

### Supporting charitable causes via ADNOC rewards

As part of ADNOC Distribution's ongoing efforts to boost awareness and donations for charitable organizations, we facilitate donation of Rewards points for customers to donate to various charitable organizations using the ADNOC Distribution application. This initiative is part of ADNOC Distribution's commitment to promote charitable participation beyond the standard cash donation boxes already located at all ADNOC Oasis convenience stores across the UAE. In 2024, ADNOC Distributions Rewards points donation drives resulted in combined donations of over 350,000 USD to the Emirates Red Crescent, the Reach Campaign, and the Department of Awqaf.

### Pink caravan – breast cancer awareness month

For the fourth consecutive year, ADNOC Distribution supported the Pink Caravan initiative, in partnership with the Friends of Cancer Patients Group to raise awareness about breast cancer screening. In October, during Breast Cancer Awareness Month, ADNOC Distribution facilitated free breast cancer screenings and health consultations at our service stations.

We provided volunteers to staff mobile centers that offered free consultations and health screenings to members of the public and ADNOC employees. Additionally, the Company supported the mobile screening truck with free fuel to ensure it could reach communities across the UAE.







### LPG donation – ramadan initiative

As part of the Company's ongoing partnership with the Khalifa bin Zayed Al Nahyan Foundation, ADNOC Distribution participated in the 'National Families' initiative by donating LPG gas cylinders to families in Abu Dhabi during Ramadan that are involved in cooking and distributing free meals across the UAE during the holy month. The Company also collaborated with Emirates' Red Crescent, and through employee volunteers, distributed Iftar boxes across our network helping customers break their fast in local communities.

### Specialized resting facilities for delivery drivers

In 2024, ADNOC Distribution opened its first dedicated rest area for delivery drivers, designed to provide relief during the summer heat. Located at service station #766 in Khalifa City, Abu Dhabi, the facility offers air-conditioned rooms, ergonomic seating, mobile charging ports, dedicated motorcycle parking, televisions, and chilled water dispensers.

During 2024, around 38,000 riders have used the facility, impacting local communities. With the successful delivery of the pilot, ADNOC Distribution currently has three rest zones and plans to expand to a total of 10 sites by the end of 2025.

### Liwa Moreeb dune festival – promoting emirati culture

ADNOC Distribution proudly supported the annual Liwa Moreeb Dune festival in the Al Dhafra region, one of the UAE's largest cultural celebrations. As part of community engagement, the Company provided significant infrastructure and community facilities.

The contribution included providing mobile fuel and car services fleet, free-to-enter fan zone with family-friendly facilities, restrooms, food, and entertainment activities.

This sponsorship highlights ADNOC Distribution's pride and support for Emirati culture, fostering community engagement across the UAE.



# Economic impact

## ADNOC Distribution aims to contribute to the UAE's economic growth through strategic initiatives that contribute to both the local and national economy.

The recruitment of experienced UAE national professionals and the empowerment of youth through graduate programs and internships help develop a resilient workforce, position ADNOC Distribution as an enabler of sustainable economic growth in UAE. Through succession planning, ADNOC Distribution promotes local talent into leadership positions, ensuring a continued investment in the UAE's future workforce. Regular communication and engagements are done with customers, and local community enable the Company to prioritize its stakeholder needs.

ADNOC Distribution's infrastructure investments also make a significant contribution to the UAE economy. With the largest fuel retail network in the UAE, comprising of 551 service stations, the Company promotes tangible initiatives in sustainable mobility to future-proof the business through promoting alternative mobility solutions and unlocking new revenue streams created by the energy transformation, such as investing in EV charging services, hydrogen, biofuels and broadening CNG fueling network. Serving over 650,000 retail customers daily, ADNOC Distribution enhances the UAE's business environment by providing reliable fuel access, promoting economic activity across various sectors. We aim to launch new initiatives that focus on local businesses in the upcoming years.

We are supporting the UAE's transformation into a greener economy. The Company's development of the EV charging infrastructure, with 220 EV charging

points across strategic locations, directly supports the growing demand for sustainable transportation options, facilitating the adoption of electric vehicles and reducing the nation's reliance on fossil fuels. This reinforces ADNOC Distribution critical contribution to the long-term sustainability of the UAE's economy.

The Company's efforts are intended to align with global sustainability frameworks, including the UN SDGs, ensuring that ADNOC Distribution's actions are in line with the UAE's national economic objectives. By setting measurable ambitions such as Net Zero by 2045, ADNOC Distribution is not only enhancing its own long-term business prospects but also committed in contributing to the broader economic transformation of the UAE, ensuring a sustainable future for generations to come.

Key Metrics	Unit	2024
Percentage of employees hired from local communities	%	54%
Approximate percentage of local procurement spend	%	71%
Average wages compared to national or industry standards	Compa Ratio	UAE National Compa Ratio 129% (Above Industry Median) Expat Compa Ratio 134% (Above Industry Median)
Number of people trained through capacity-building programs	#	94 (by leadership program)
Percentage of increase in skills or certifications among local communities	#	25%

Note: Compa-ratio is a measurement of pay that compares an employee's salary to the median compensation for similar positions within a company or a target market.





# In-Country Value Program (ICV)

**The In-Country Value Program (ICV) is a procurement-led initiative where local suppliers undertake the ICV certification process to verify ethical and sustainable alignment with the presence of its ESG requirements. The ICV program is designed to achieve the optimum value from our nation's oil and gas resources.**

The program delivers In-Country value by focusing on three main objectives:

- GDP diversification through increased expenditure on a growing variety of local goods and services
- Emiratization and personal development opportunities for UAE Nationals in the private sector
- The localization of strategic capabilities for critical supply chain functions in the oil and gas industry

ADNOC Distribution's procurement procedures are central to supporting every division of the company. The strategy ensures the timely provision of goods and services that meet business objectives while mitigating supply chain risks.

Vendors, contractors, and suppliers must adhere to the ADNOC Distribution Supplier and Partner Code of Ethics during registration, prequalification, and tendering processes.

The Company's procurement practices align with the ADNOC Group Procurement Policy and Procedures, maintaining integrity in ethics and compliance through mandatory adherence to the Supplier and Partner Business Code of Ethics.

All suppliers undergo Integrity Due Diligence (IDD) review prior to entering any business dealings or partnerships with the Company.

In 2024, ADNOC Distribution reached an ICV performance of 71.4%. The ICV program, adopted by the Ministry of Industry and Advanced Technologies (MolAT), aims to attain the program's three objectives by enhancing its ICV percentage through active engagement with local market suppliers, boosting local spending, job creation, and expanding the company's local supplier network.





# Respecting human rights

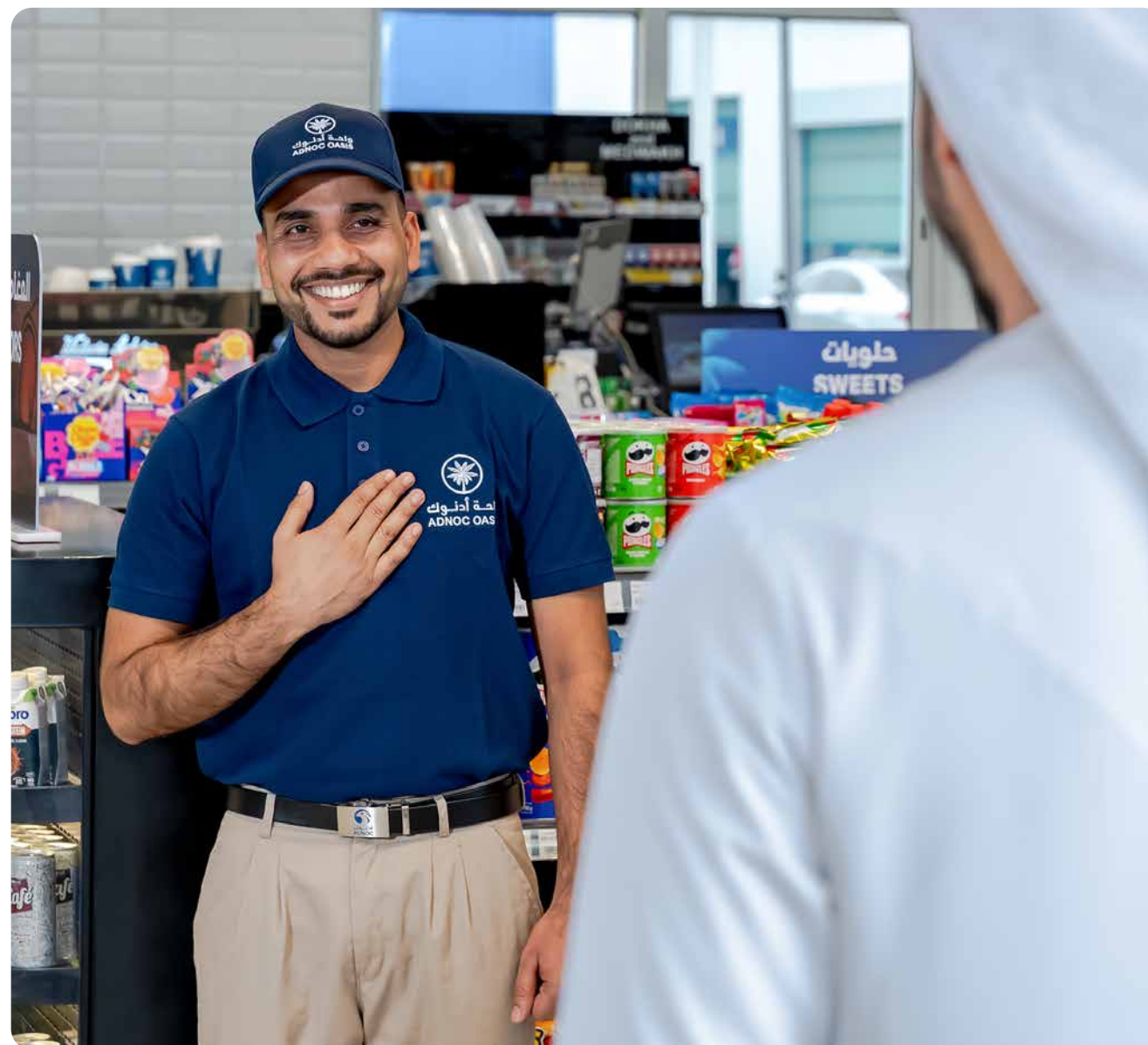
**ADNOC Distribution is committed to upholding internationally recognized human rights principles across its operations, supply chain, and business relationships.**

The Company's commitment to human rights is based on its values, which are set out in its Code of Conduct, reflected in its policies, standards and processes, and are applicable to all its employees and suppliers.

ADNOC Distribution is guided by the UN Global Compact principles regarding human rights, labor, environmental sustainability, and anti-corruption. With mechanisms in place such as Takallam which is an anonymous reporting platform to raise integrity related concerns.

ADNOC Distribution endeavors to promote a culture of respect and awareness throughout its business. The Company delivers training on its values and raise awareness among employees, and it expects every leader across its business to be exemplary in promoting an ethical culture that respects the dignity and equality of all people.

Takallam, the Company's ethics helpline provides a confidential channel for reporting concerns, reinforcing ADNOC Distribution's commitment to transparency and integrity.



## Human rights policy statement

At ADNOC Distribution, we are committed to respecting human rights. Acting with integrity is essential to how we conduct our business, and complements our core company values of being Collaborative, Respectful, Responsible, Efficient and Progressive. These Values inspire the way we do business, inform our behavior and conduct and guide our decision making. We expect our suppliers, contractors, business partners and other stakeholders to share our commitment to human rights and to adhere to ADNOC Distribution Supplier and Partner Code of Ethics. We review and update our human rights policy statement periodically and provide training and awareness programs for our employees and relevant stakeholders.

We have an anonymous reporting system to raise integrity related concerns called Takallam (which means "to speak" in Arabic). Takallam is managed by an independent third party to ensure complete confidentiality and effective reporting within ADNOC Distribution.



## Trainings on human rights principles

Employees receive training centered around human rights policies and ethos such as our code of conduct, Speak Up/ Whistle blowing, Non-discrimination

## Zero cases

of human rights grievances reported in 2024.



## Labor rights

ADNOC Distribution is committed to fair labor practices, safe and healthy workplaces, and compliance with applicable labor laws. Our Supplier and Partner Code of Business Ethics sets clear expectations for minimum wages, working hours, leave entitlements, and proper living conditions. We conduct annual labor welfare audits with employees, contractors, and suppliers to monitor compliance and address any concerns.

We also conduct ESG engagement surveys to gain employee insights on labor-related issues and provide the Takallam platform for reporting grievances confidentially. By maintaining oversight and working with responsible suppliers, we promote workplace fairness and protect labor rights across our operations and supply chain. As a part of employee awareness and engagement, the Company communicate policies and updates to ensure full awareness and understanding through: townhalls, virtual meetings and internal channels.

### Human rights protection

The company upholds the UAE Constitution to prohibit forced labor, child labor, compulsory labor, torture, unwarranted detention.



### UAE labor law commitment

- Adhere to nine ILO conventions to protect workers' rights and enforce labor laws across the private sector
- Ensure fair labor dispute resolution and uphold workers' rights in all workplaces



### Zero tolerance for discrimination and harassment

Ensure policies for employees, suppliers, and contractors to prevent discrimination, harassment, retaliation are in compliance with UAE employment Law through regular evaluation.





# A sustainable supply chain

**ADNOC Distribution's commitment to sustainability extends into key focus areas of its supply chain. In 2024, the Company conducted comprehensive Supplier Sustainability Assessments, providing it with valuable insights into suppliers' strengths and areas for improvement.**

These evaluations foster open discussions with suppliers on enhancing their sustainability performance. By understanding potential supplier risks and reinforcing our supply chain requirements, we ensure the Company's operations remain sustainable. Procurement procedures are implemented as a centralized function that assists our business sectors.

This is achieved by purchasing goods and services from suppliers who strictly follow relevant regulations and laws regarding environmental and social management. Through these efforts, ADNOC Distribution continues to uphold our high standards and drive positive change across our supply chain.

## Social assessment of suppliers at ADNOC Distribution

ADNOC Distribution implemented a Centralized Registration system to assess our suppliers' compliance with the ADNOC Suppliers Declaration, which encompasses relevant rules and regulations, both within and beyond the UAE. All Suppliers are expected to adhere to anti-corruption laws and improper payment rules, ensuring all their employees strictly follow the ADNOC Group Supplier and Partner Code of Ethics.

As part of the Company's agreement execution, our suppliers undergo a biannual Health, Safety, and Environment evaluation. It is mandatory to agree to ADNOC Distribution's stringent HSE standards during the tendering process. A key focus of these evaluations is the health and wellbeing of the suppliers' staff, reinforcing our commitment to ethical and responsible business practices.



**100%**

of new suppliers were screened using social criteria in 2024.



**100%**

of suppliers were assessed for social impacts in 2024.

## Environmental assessment of suppliers at ADNOC Distribution

In 2024, ADNOC Distribution rigorously evaluated its suppliers' compliance with environmental, health and safety standards at every stage, from registration, tendering to agreement execution. The Company's thorough process included initial reviews (Gate 1), bid assessments (Gate 2), and performance evaluations alongside Health, Safety, and Environment audits (Gate 3).

Our evaluation report highlighted that suppliers were actively addressing sustainability issues. The Company includes compliance requirements with safety in contractual agreements. The Company pre-screens suppliers and contractors for safety performance and risks. Areas for improvement in sustainability performance are identified, with a commitment to enhancing these controls in 2025. This ongoing commitment ensures that our suppliers align with our environmental goals and contribute to a sustainable future.



**100%**

of new suppliers that were screened using environmental criteria for 2024.



**100%**

of suppliers assessed for environmental impacts for 2024.





# Local procurement

**ADNOC Distribution views procurement procedures as a core function to support its business sectors. Through the purchase of goods and services from suppliers who adhere to environmental and social management laws and regulations, in which a screening on Green ICV is undertaken during the supplier assessment.**

Procurement activities at ADNOC Distribution are strictly guided by established policies and procedures. These guidelines enhance value throughout the procurement chain, optimize working capital management, and ensure that decisions are driven by commercial considerations. ADNOC Distribution is committed to minimizing supply chain risks while ensuring the delivery of goods and services that align with its business objectives. Additionally, the Company strives to maximize value for the national fuel distribution industry.





# EMPOWERING LIVES

► Empowering lives and driving prosperity



# Empowering lives and driving prosperity

## 2024 Achievements



### Pay and recognition

**1,900**

corporate reward actions, reinforcing Company's commitment to career growth and talent recognition.

**Designed a cost optimization initiative/framework** for operational roles, creating a separate grading and salary structure.

**Pioneered pay segmentation against peer groups** and achieved pay consolidation based on credible market benchmarks.

**Introduced an executive Long-Term Incentive (LTI)** scheme aligned with market standards for executive retention.

**10,000+**

blue-collar workers received Sales Incentives



### Recruitment and diversity

**10+**

recruitment campaigns executed for service stations and corporate roles.

Increased women representation by **7%** in top management positions, **14%** in STEM-related positions, and **20%** in junior management positions

Diverse workforce of **77** nationalities, **over 15+** different nationalities represented in new hires to promote diversity in 2024.

**700+**

employees onboarded in a single month (June 2024), setting a record

**3,000+**

service station employees onboarded



**150+**

corporate staff hired

**30**

fresh graduates were mobilized and **71 youths** have completed their internship program

**Over 270**

internal mobility were made across the organization, including **137** UAE Nationals **38** UAE Nationals received better career path through TAQADAM program (exclusive for UAE Nationals) and **77** cross posting





# 2024 Achievements (Cont.)



## Wellbeing and engagement

**65**

wellbeing and engagement initiatives delivered, with 16 physical and sports activities.

**10,000+**

employees engaged in activities related to various wellbeing dimensions.

**2**

major engagement events organized, including the Culture and Diversity Festival and Olympiad.

**22**

People connect sessions conducted with the CEO for direct employee engagement.

**30+**

Town halls and leadership engagement sessions held across the UAE, Egypt, and KSA.

**1**

wellbeing program launched, including the "Sanad" employee discount initiative.



**5,000+**

employees recognized through the "ADNOC Distribution Tamayaz Recognition Program."

**3**

external recognition awards received at the GCC Government HR and Youth Summit 2024.



## People development

**15**

participants attended the in-person instructor-led Leadership Program conducted for the KSA team.

**85**

participants attended the Basic Sign Language Program implemented for frontline colleagues.

**138**

leaders attended the ADNOC Culture Masterclass hosted.

**2**

C-Suite executives participated in the Finance for Executives training delivered.

**8**

participants attended the Tax Training provided for the Tax Division.

**23**

participants completed the ISO 9001:2015 Internal Auditor training conducted.

**5,000+**

participants took part in the Basic Fire Fighting training organized.

**1,100+**

participants attended the Food Safety training delivered.

**6,000**

employees trained under ADNOC Distribution Academy across 15 diverse program

**Over**

**350**

successors were identified for leadership and critical positions.

**19**

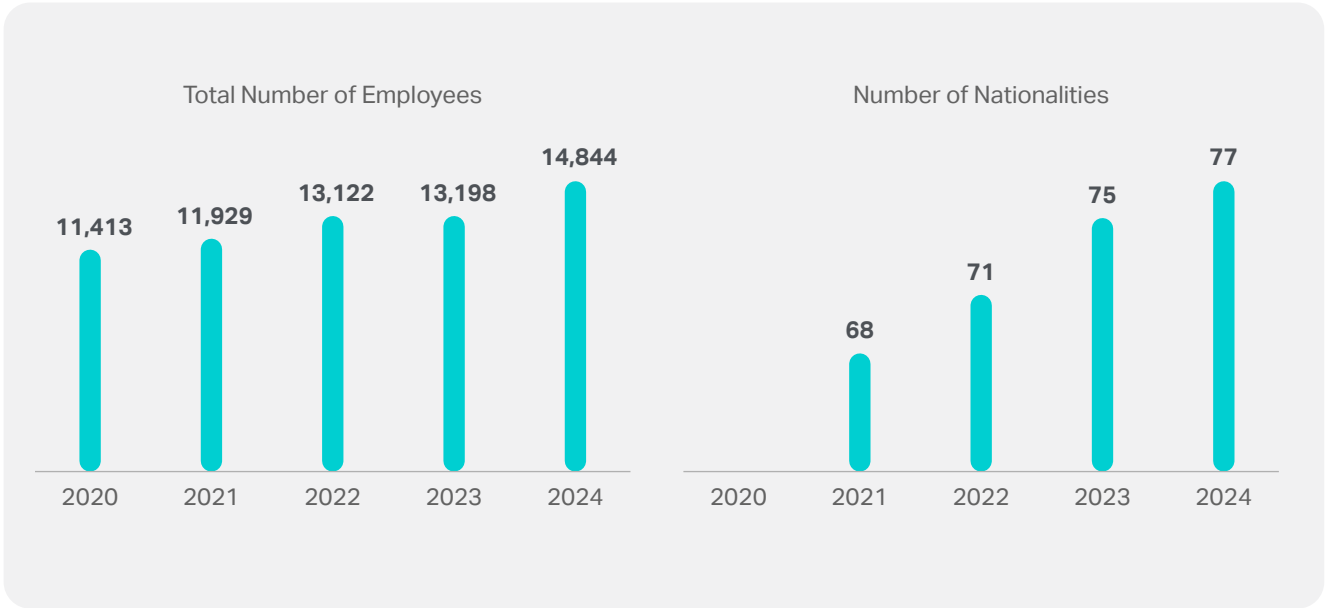
employees were identified as part of HIPO (High Potentials) program, and 54 leaders and 2 ADNOC Future Leaders Program participants attended comprehensive leadership programs.



## Strength in diversity

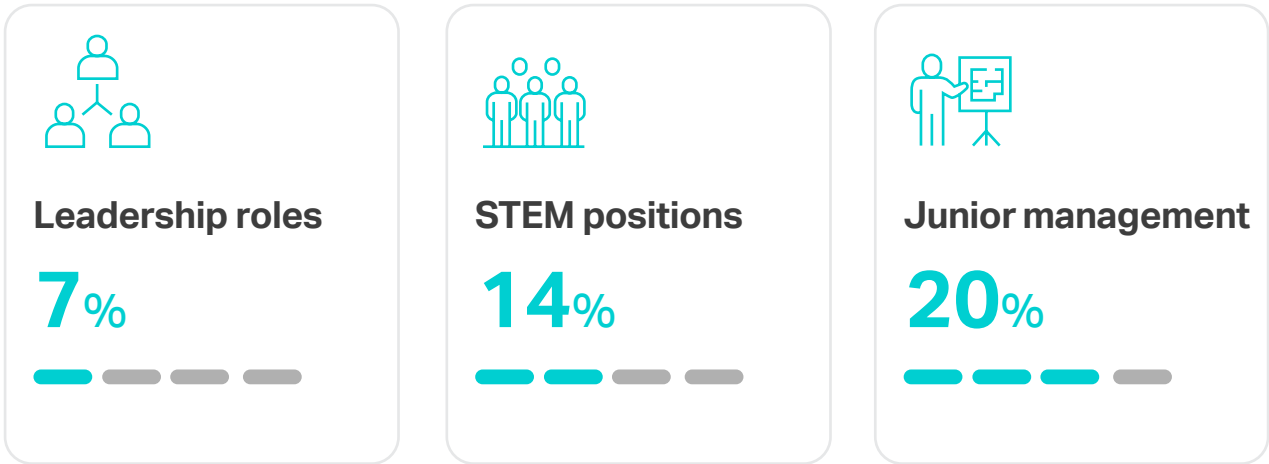
Diversity is essential for innovation and inclusion at ADNOC Distribution. With a workforce representing 77 nationalities, ADNOC Distribution is committed to creating equal opportunities. The company believes that its strength lies in the diverse backgrounds irrespective of their age, gender, nationality, cultural background, ethnicity, race, disability, or religion. To action this the Company prioritized employee engagement to foster a culture of inclusivity. In 2024, over 22 “People Connect” sessions and 30+ town halls were held across the UAE, Egypt, and KSA, encouraging open dialogue. In 2024, The Company’s Tamayaz Recognition Program celebrated the contributions of over 5,000 employees, reflecting an inclusive workplace culture. Tamayaz awards were also given for project excellence, women empowerment, youth “changemakers”, leadership excellence in an annual gathering. Beyond growing in numbers, ADNOC Distribution aims to create an inclusive ecosystem that nurtures talent and drives change.

As the Company expands, diversity remains a key element of its human capital strategy, with over 3,805 new employees recruited in 2024 from more than 15 nationalities. To promote gender diversity, ADNOC Distribution established a Gender Balance Committee chaired by the CEO, to promote a gender balanced agenda, empower women across the organization and monitor and address potential biases in hiring. The Company aims to continue its efforts to provide that all individuals are treated equitably during its sourcing, interview, and selection processes, prioritizing internal applicants and UAE nationals. To amplify its focus on employee diversity and equal opportunity, the Company developed and implemented a gender diversity policy in 2022. Along with updated recruitment guidelines, an interview matrix that determines panel/candidate diversity at various levels was introduced. The Gender Diversity Policy primarily aims to promote gender equality across our organizational levels. To this end, ADNOC Distribution’s efforts were recognized at the GCC Government HR and Youth Summit for contributions to women’s empowerment.



## Women empowerment

ADNOC Distribution has established and supported women by providing programs that create opportunities professionally. In 2024, it made progress in increasing female representation in leadership, Science, Technology, Engineering, and Mathematics (STEM) fields, and frontline operations. Women hold senior positions within these roles, reflecting the Company’s efforts to reshape the industry and prioritize gender balance in its ecosystem.



Female Representation (%)

## Women on the frontline

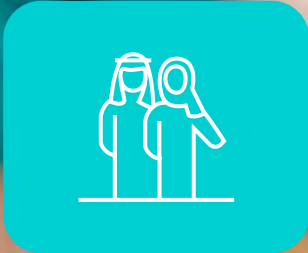
The presence of women at the forefront and in operational roles has historically been minimal in the energy sector. However, ADNOC Distribution supports women empowerment through recruiting, training, and encouraging female employees to take on challenging, dynamic roles across its operations. The Company has increased female participation in service station roles, engineering functions, and operations. Through mentorship, structured career paths, and leadership exposure, ADNOC Distribution intends to continue its efforts to ensure that women are equally represented in both corporate and operational environments.





Key Metrics	2023	2024
Percentage of women in junior management positions, i.e. first level of management (as % of total junior management positions)	15.3%	20.0%
Percentage of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	6%	7%
Percentage of women in STEM-related positions (as % of total STEM positions)	2%	14%
Percentage of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	9%	7%
Women/men Executive level (base salary only)	1.07	1.01
Women/men executive level (base salary + other cash incentives)	0.59	0.95
Women/men management level (base salary only)	1.11	1.10
Women/men management level (base salary + other cash incentives)	1.09	1.04
Women/men non-management level (base salary only)	1.12	1.12
Median male compensation to median female compensation (total compensation including bonuses)	1.00	1.02
Percentage of global staff with a disability	Less than 1% (only 2 employees)	Less than 1% (2 employees)

STEM: Science, Technology, Engineering, and Mathematics



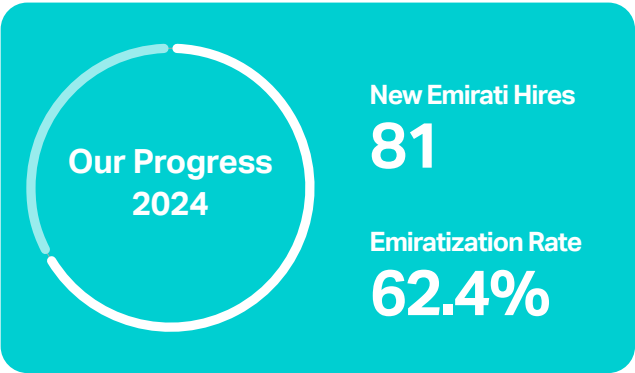


Emiratization

Emiratization is not just a strategic goal; it is a commitment to the UAE’s vision for national workforce development and economic diversification aligned with the National Employment Strategy 2031. By investing in local talent and providing structured career pathways, the Company empowers UAE Nationals to take on key roles across various sectors. ADNOC Distribution’s approach focuses on hiring, leadership development, and collaboration with academic institutions, providing for a sustainable and competitive workforce. Below are key metrics and initiatives that highlight the Company’s progress in Emiratization. In 2024, ADNOC Distribution accomplished and surpassed its target by achieving 62.4% of Emiratization rate reflecting one of its community development target.

Emiratization framework key areas

- **Hiring and retaining emirati talent:** Expanding recruitment pipelines for corporate, technical, and operational roles
- **Leadership development:** Structured career pathways for UAE Nationals in leadership positions
- **Academic and industry collaborations:** Partnerships with universities and training centers to prepare future leaders
- **Upskilling and reskilling:** Specialized training programs to enhance Emirati employees’ capabilities



Developing future emirati leaders

ADNOC Distribution’s leadership development programs are tailored to equip Emirati employees with the skills, experience, and industry knowledge needed to thrive in executive and managerial roles.

- **TAQADAM program:** An initiative to promote UAE Nationals to leadership positions, with over 38 internal promotions in 2024, more than 50% of whom advanced to higher grades.
- **Talent mobility program:** A structured career growth initiative that facilitated over 137 Emiratis in internal job movements, enhancing cross-functional expertise.
- **Succession planning framework:** Identified 357 successors for key roles, including 101 candidates for Vice President and above positions.



Ensuring fair and equitable compensation

ADNOC Distribution believes that employees should be rewarded based on their skills and contributions to ensure equal opportunity. In 2024, the Company implemented structured compensation frameworks aligned with global best practices, ensuring minimal pay disparities and clear career progression.

The data-driven approach includes regular salary audits and benchmarking, resulting in a balanced female-to-male pay ratio across employment levels. The Company also emphasizes performance-linked pay, with over 1,900 corporate promotions and salary increases, reinforcing ADNOC Distribution’s culture of rewarding excellence.

The performance driven culture is complemented by a strategic total rewards and recognitions framework which includes a systematic approach and design of fixed pay and variable pay. This includes performance schemes like incentives plans and sales incentives schemes for core business frontliners with a variety of supplementary benefits. Employees received performance and career development reviews on 2024.

Category	Unit	2024
Performance appraisal frequency	Quarterly	Continuous performance management check-in done on quarterly basis

Category	Female-to-Male Pay Ratio	
Senior management	1.01:1	
Middle management	1.10 :1	
Staff	1.12 :1	

CEO Total Compensation to median Full Time Equivalent (FTE) total compensation:	
2022	15.2:1
2023	15.3:1
2024	16.8:1



## Youth and senior programs

ADNOC Distribution ensures that employees at every career stage, from fresh graduates to seasoned professionals, have opportunities to grow and succeed. As the UAE transition to a knowledge-based economy, the Company empowers young talent with essential skills while leveraging the experience of senior professionals to mentor future leaders.

This dynamic collaboration between youth and experienced employees keeps our workforce innovative and future ready. In 2024, the Company implemented key initiatives to support both young and senior professionals to ensure that all employees contribute to the company's success.



### Youth inclusion initiatives

- ▶ **Youth committee** to increase the exposure of the youth
- ▶ **30** fresh graduates onboarded
- ▶ **71** interns participated
- ▶ **Launched youth** Development Programs



### Senior workforce inclusion initiatives

- ▶ **Mentorship opportunities** established for knowledge sharing
- ▶ **Extended career opportunities** and enabled flexible roles for nearing retirement
- ▶ **Implemented inclusive** workplace policies

## Talent acquisition

ADNOC Distribution is dedicated to attracting, developing, and retaining top talent in the energy and mobility sector.

Our talent acquisition strategy aligns with business growth and operational excellence, utilizing advanced digital recruitment tools and a strong employer value proposition.

In 2024, the Company successfully hired over 3,805 employees, reinforcing its commitment to diversity, inclusion, and national talent development.

### Talent acquisition metrics



**3,805**

Total new hires



**150+**

Corporate employees hired



**3,000+**

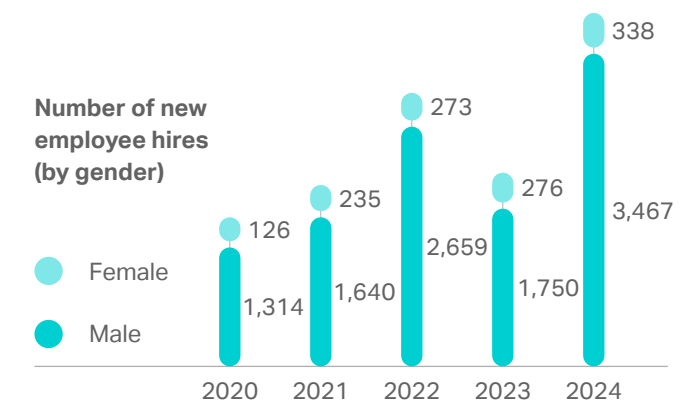
Service station employees hired



**54%**

Local Community Hires

Category	Unit	2024
Total number of new employee hires	Count	3,805
Percentage of open positions filled by internal candidates (internal hires)	Percentage	33%
Average hiring cost/FTE Currency	AED Monthly	4,185



**To enhance recruitment efficiency,** the Company has fully digitized its hiring and onboarding processes through the One ERP system. This system supports seamless tracking of applications, automated compliance checks, and data-driven decision-making, improving operational efficiency and candidate experience. The largest onboarding wave occurred in June 2024, with more than 700 employees hired simultaneously.



## Employee benefits

At ADNOC Distribution, we understand that employee benefits are essential in cultivating a motivated and dedicated workforce. These benefits not only help us attract top talent but also ensure we retain the invaluable employees who drive our success.

The Company's comprehensive benefits package, available to full-time employees, includes life insurance, healthcare, disability and invalidity coverage, paid leave, paid parental leave, and retirement provisions. Additionally, ADNOC Distribution's recognition award program celebrates outstanding contributions, further enhancing employee satisfaction and engagement.

### Full-Time Employee Benefits



#### Loans/financial assistance

- ▶ Personal loan
- ▶ Educational assistance
- ▶ Car purchase loan



#### Medical benefits as per company policy

- ▶ Medical health/life and accident insurance



#### Employee allowances (as applicable)

- ▶ General allowance
- ▶ Social allowance
- ▶ Statutory children's allowance
- ▶ Furniture allowance
- ▶ Remote area allowance
- ▶ Shift allowance
- ▶ Site transportation allowance
- ▶ Telephone allowance
- ▶ Duty travel allowance
- ▶ Duty transportation allowance
- ▶ Meal allowance
- ▶ Supplemental allowance



#### Other benefits as per company policy

- ▶ Professional membership
- ▶ Statutory pension scheme
- ▶ Farewell gifts
- ▶ End-of-service benefits – long term incentive
- ▶ Parental leave

The specific benefits offered depend on the type of employment contract and location, in accordance with Company policy. The workforce is composed entirely of full-time and contract-based individuals, with zero part-time employment.

By providing these robust benefits, ADNOC Distribution is committed to supporting its employees' well-being and fostering a positive, productive work environment.

Parental Leave	2020	2021	2022	2023	2024
Number of female employees entitled to parental leave	930	1,239	1,295	545	518
Number of male employees entitled to parental leave	12,563	13,027	11,920	5,514	4,883
<b>Employees who took parental leave</b>					
Female	82	75	81	71	108
Male	155	202	249	249	351
<b>Employees who took parental leave and returned to work after leave ended</b>					
Female	82	75	79	71	104
Male	155	202	249	249	351
<b>Employees who took parental leave and returned to work after leave ended, who are still employed 12 months later</b>					
Female	82	66	72	67	63
Male	149	146	198	153	242





## Employee wellbeing

ADNOC Distribution is committed to employee wellbeing through its people strategy, promoting a healthy, motivated, and engaged workforce essential for operational excellence. The Company’s holistic wellbeing framework addresses physical, mental, social, and financial dimensions, offering innovative health programs and career development opportunities.

In 2019, a dedicated function was established to enhance employee engagement, leading to the launch of a holistic wellbeing strategy in 2024 that promotes a balanced approach to health. Our strategic approach to employee wellbeing culminated in our 100X Your Wellbeing program, which was first established in 2022. As a part of ADNOC Distribution’s 100X Your Wellbeing program, the Company implemented over 65 wellbeing and engagement initiatives and 16 physical activities, reaching more than 10,000 employees. These programs address various dimensions of wellbeing, supported by discount programs like “Sanad” and offers such as Fazaa and Mazaya. Activities include social events like amusement park visits and cultural festivals, mental health sessions on stress management, financial workshops, and physical health campaigns such as breast cancer awareness and diabetes education.

### Wellbeing initiatives overview

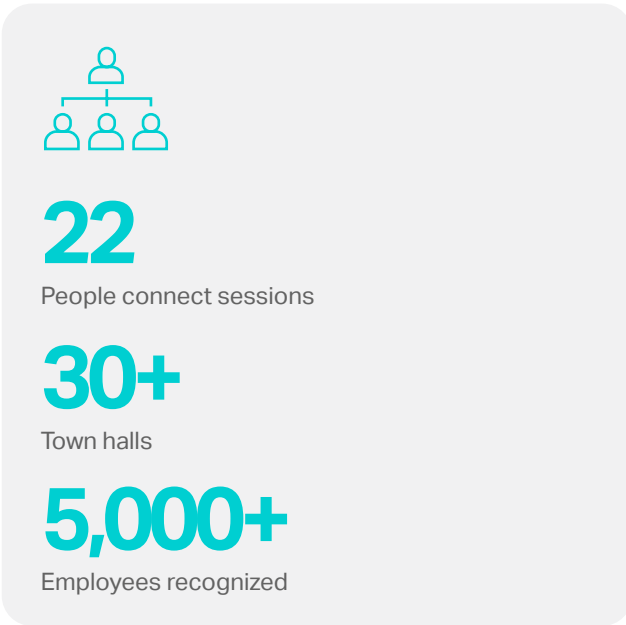


This approach includes programs promoting physical health, access to mental health support, and financial stability through competitive compensation structures. Health and safety are prioritized, introducing initiatives such as health awareness workshops and sports activities, promoting a culture of wellness and work-life balance.

## Employee engagement

ADNOC Distribution aims for a culture of connection, recognition, and growth, believing that engaged employees are empowered employees. The engagement strategy focuses on open communication, recognition of contributions, and professional development opportunities. In 2024, we enhanced engagement through interactive programs, town halls, and structured recognition initiatives.

### Employee engagement highlights



## Employee engagement programs

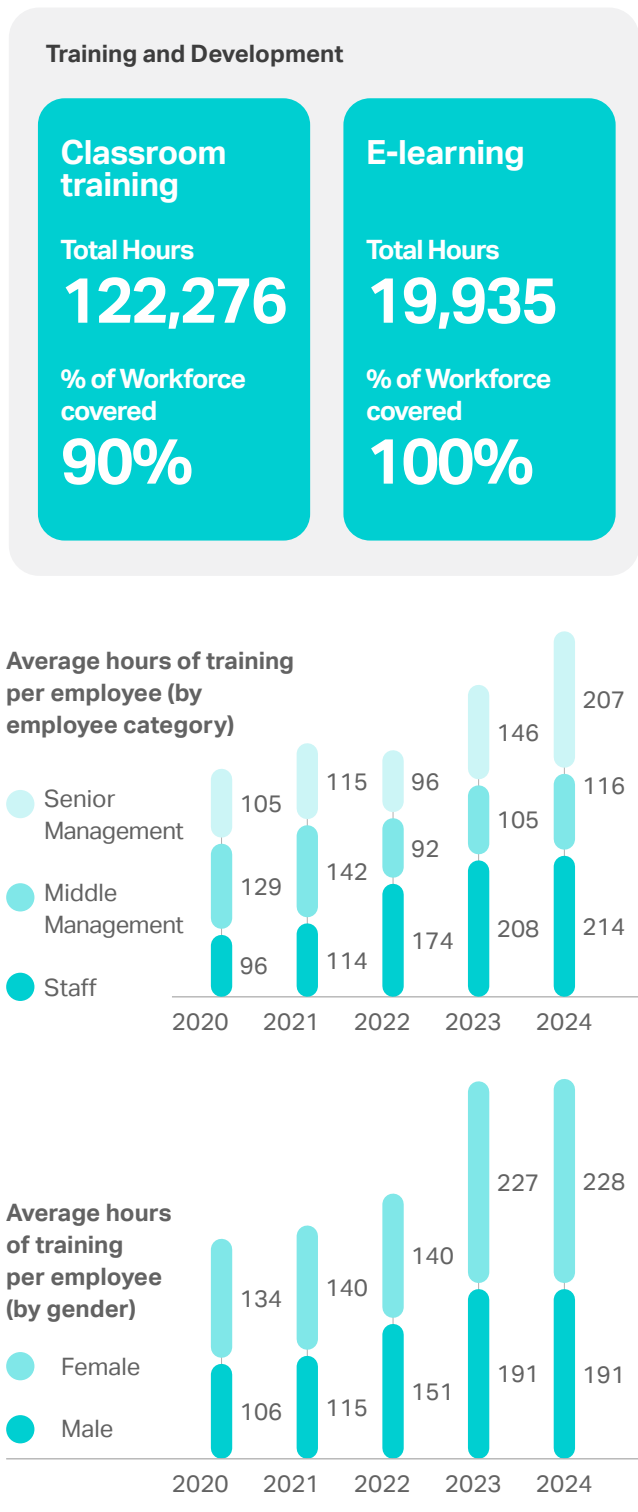
Beyond compensation and promotions, ADNOC Distribution actively fosters a workplace that strengthens relationships, encourages teamwork, and enhances overall employee satisfaction through engagement initiatives.

### Key engagement initiatives in 2024:

- Culture and diversity festival & olympiad:** A vibrant company-wide event that promotes inclusion, cultural appreciation, and team spirit.
- Sports and team-building activities:** 16 corporate sporting events to promote healthy competition and camaraderie.
- ADNOC Distribution's 'Ask HC'** portal was initiated to manage employee concerns, deliver services to Company employees, and resolve any queries. The Human Capital team regularly interacts with Company employees through the Virtual Majlis to keep them updated on the latest company policies.

## Employee engagement survey

ADNOC Distribution maintains dynamic communication with all its employees. It seeks their feedback through yearly employee engagement surveys. the Company’s Employee Experience score in 2024 stood at 78%, reflecting a consistent and noteworthy improvement over the past years. Through employee engagement program, ADNOC Distribution subsequently generates action plans with targets, dedicated resources, and timelines that are monitored and managed during the engagement cycle. The primary contributors were increased employee interaction and continuous feedback, skill development, rewards and recognition programs, and enhanced access to training and development opportunities. the Company aims to improve labor-management performance in 2025 by amplifying the communication of Human Capital initiatives and policies, applying excellence in HC services, and by improving employee engagement.





Training and development are essential for building a skilled, adaptable workforce. ADNOC Distribution’s training framework focuses on technical training, leadership development, and career progression. In 2024, the Company delivered 142,211 training hours, ensuring employees are equipped with the necessary skills for future challenges. The learning and development process involves identifying educational needs, developing and refining training programs, and then implementing and assessing their effectiveness. Evaluation includes meeting ad-hoc requirements and training targets using blended learning methods like learning management systems (LMS), coaching, and exposure. During 2024, 69% of the target plan was achieved meeting KPIs crucial for business goals. The company allocated AED 8,447,900 specifically for training and development activities.



## Specialized training programs: investing in excellence

ADNOC Distribution has launched several high-impact training programs to develop expertise across various areas, which reinforce our commitment to excellence. We identified 357 successors for key leadership roles, ensuring a strong talent pipeline.

### Key Training Programs in 2024:

#### SAM upskilling graduation program

- Focused on leadership development, service station finance, and operational excellence
- Participants underwent classroom training, e-learning, and on-the-job coaching

#### ADNOC culture masterclass

- **138 leaders** engaged in corporate values alignment, leadership best practices, and strategic planning

#### Basic sign language training

- **85 frontline** employees trained to better serve People of Determination, reinforcing inclusivity

#### ISO 9001:2015 internal auditor training:

- **23 employees** certified in quality management system audits, ensuring compliance with global standards

#### Finance for executives & senior leaders

- **2 C-suite executives** participated in this high-level training to enhance financial decision-making capabilities

#### Tax training for the tax division

- **8 employees** received specialized tax compliance and financial planning training

## Training commitments and policies

At ADNOC Distribution, we value our employees. We work towards enhancing their skills and potential, by offering in-house training courses and workshops.

The Company leverages strategic partnerships to provide further development opportunities for employees, aligning with its ambitious 100x Your Wellbeing goal. The Company implements SAP success factors’ Personal Development Plan (PDP) to guide employees in setting and achieving personal goals.

ADNOC Distributions training policy requires all employees to have a PDP to refine their knowledge, skills, and abilities, under the guidance of their respective line managers.

PDP has an effective system in suitable languages, including Arabic and English.

The Talent and Development Department (TDD) oversees critical functions such as identifying learning needs, developing training programs, and assessing their impact. Monthly training progress reports are provided to business heads to ensure transparency and promote continual improvement.

A unique method used by TDD is the issuance of “BCO” (Behavior Change Observation) forms to Service Station employees 30, 60, and 90 days after course completion. This approach helps bridge knowledge gaps and ensures successful knowledge transfer and retention.

Training programs including leadership and managerial development training, programs are extended to all workers, including part-time, contractors, and temporary workers, with agency contract employees being part of the Leadership/Supervisor Skills program.

All newly hired employees are required to complete an online HSE Induction Training Program, provided to third-party security personnel.





## CASE STUDY

## Embedding sustainability into corporate culture

ADNOC Distribution has cultivated a culture of sustainability within our organization, exemplifying our steadfast commitment to sustainable practices. ADNOC Distribution took a bold step toward embedding sustainability into its corporate culture by mandating all newly joined employees to complete an induction program focused on sustainability since 2024.

The initiative reflected the Company's commitment to achieving its ambitious targets in water and waste saving, energy reduction, and emissions management. New hires learned not only about global environmental challenges but also ADNOC Distribution's specific contributions, from reducing water consumption at fuelling stations to implementing energy-conservation technologies across operations.

Simultaneously, the company celebrated a major milestone: in 2024, over 890 employees had successfully completed Stage 1 Sustainability training titled "Building Strategic Commitment to Sustainability" with 2 executive leaders completed in-class trainings on ESG. This program equipped participants with knowledge on climate-positive practices and strategic thinking required to support ADNOC Distribution's long-term goals.

The team have joined the Task Force on "Just Transition" and "Climate Adaptation: Strategies for Resilient Business" with UN Global Compact, a 16-hour program that builds capacity on related subjects as a part of company's signatory to United Nations Global Compact. At ADNOC Distribution, we believe that every employee can become a champion for sustainability. This alignment between personal awareness and corporate commitments set the stage for a greener and more sustainable future.

## 2025 Commitments

ADNOC Distribution aims to improve overall employee experience through strategic improvements in compensation and workplace culture. The Company aims to work on refining both fixed and variable pay across all employee segments, establishing a robust pay-for-performance culture that recognizes and rewards our talented workforce based on market insights.

The Company's focus on employee experience will encompass several key areas. This includes prioritizing engagement, diversity and inclusion, recognition, and collaboration with communities. By developing capable leaders and empowering our employees, ADNOC Distribution aims to foster a dynamic environment that encourages continuous learning and adaptability.

Wellbeing will be a central theme in our initiatives. The Company will continue to promote a culture that prioritizes physical and mental health, intellectual growth, digital well-being, and financial resilience. Strengthening social connections within families and communities will enhance overall quality of life.

The Human capital policies foster job satisfaction through flexible working hours, remote working arrangements, career development opportunities, and meaningful recognition, all while upholding ADNOC Distribution's commitment to diversity and inclusion. The Company's dedication to sustainability will guide it in implementing eco-friendly practices that reduce its environmental impact.

Additionally, the Company aims to introduce initiatives focused on Women Leader Development, AI Awareness, and ADNOC Culture Transformation. An improved employee wellbeing program will be implemented, alongside the continuation of the ADNOC Distribution awards and the ADNOC Distribution Tamayaz recognition

program. We will refine our performance management system and develop an employee development plan that offers more learning opportunities. Finally, we will actively promote women empowerment through impactful leadership initiatives.





# KEEPING OUR PEOPLE SAFE



► Health and safety at ADNOC Distribution



# Health and safety at ADNOC Distribution

**ADNOC Distribution places a high priority on safety as a core value. It utilizes the ADNOC Group's Health, Safety, and Environmental Management System (HSEMS) to ensure the well-being of employees, contractors, and third parties.**

The HSEMS framework is central to ADNOC Distribution's operations, guiding programs, procedures, and building a safety culture at all organizational levels. The Company aims to enhance the quality of life and productivity by promoting both physical and mental health within the workforce. HSEMS is structured through performance indicators and procedures that comply with national and international laws. This HSEMS comprised of 82 HSE Standards covering HSE governance, occupational health, environment, operational safety, risk management and crisis management and emergency response, asset integrity and process safety, and business continuity. It includes HSE standards for occupational health framework, hazards, occupational health risk management, case management & rehabilitation, health screening & surveillance, food & water safety, contractor welfare management, physical health hazards, chemical hazards, biological hazards, ergonomic hazards, indoor air quality and psychosocial hazards.

The HSEMS is regularly monitored, reviewed and updated by ADNOC Distribution's HSE Division along with internal audit function. It covers depots, service stations, vehicle inspection centers, aviation fueling facilities, and project sites, ensuring operational areas meet strict safety standards. However, suppliers and services to strategic partners fall outside the scope of this system. Data regarding the health and safety performance of the Company and contractors is regularly gathered, evaluated, and reported to set objectives and targets in this area.

ADNOC Distribution's operations are certified with ISO 9001 and ISO 50001. The Company's service station network is constructed in accordance with approved global health, safety, and environment standards such as ISO 45001 and ISO 14001. The HSEMS forms an essential part of the Integrated Management System (IMS).





CASE STUDY

Sustainable decommissioning of Sas Al Nakhl lube and grease plant

After over 40 years of operation, ADNOC Distribution made a strategic decision to decommission and demolish its lube and grease plant on Sas Al Nakhl Island, Abu Dhabi. This initiative was executed with a commitment to environmental and social responsibility.

Approach

ADNOC Distribution adopted a systematic and comprehensive approach to ensure responsible and transparent decommissioning and rehabilitation activities. A Demolition Front-End Engineering Design (FEED) study laid the groundwork, followed by multiple assessments:

- **Environmental Impact Assessment (EIA)**  
Identified potential environmental risks and developed mitigation strategies to protect local ecosystems
- **Soil contamination analysis**  
Assessed and addressed soil contamination to restore safe, usable land
- **Health, Safety, and Environmental Impact Assessment (HSEIA)**  
Ensured the highest safety standards for workers and the community during demolition activities

Measures

The contractor implemented the applicable recommendations, including soil replacement and the disposal of hazardous and non-hazardous waste through approved channels, adhering to regulatory mandates.



Outcome

The decommissioning and rehabilitation of the Sas Al Nakhl Island plant were completed successfully and responsibly. ADNOC Distribution’s careful planning, rigorous assessments, and proactive measures ensured compliance with environmental, social, and regulatory standards. This project underscores ADNOC Distribution’s dedication to sustainable operations, leaving a positive legacy for future generations.

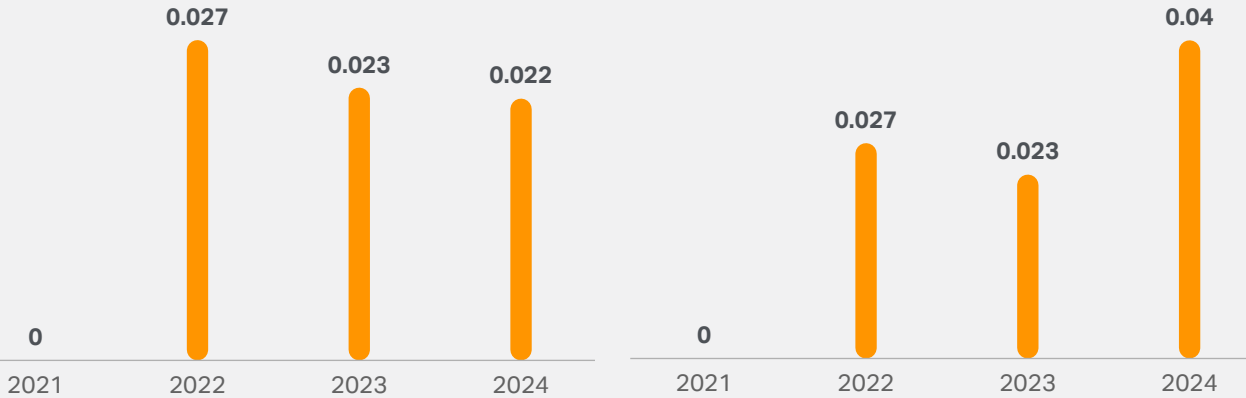
ADNOC Distribution health day pilot

Launched on September 4, 2024, the ADNOC Distribution Health Day initiative was designed to promote the health and well-being of employees and contractors. The event featured interactive sessions with health professionals, providing personalized advice to attendees, including leadership from the Chief Executive Officer and Chief Operating Officer. A total of 91 participants received health checks that assessed various medical indicators, with nine individuals identified for further treatment due to abnormal findings. Both employees and contractors were invited to attain broad participation across ADNOC Distribution. Additionally, the initiative supported the Company’s sustainability goals by fostering a safer and healthier work environment, contributing to the SDG #3: Good Health and Well-being.

Hazard identification and risk assessment

Lost Time Injury Frequency (LTIF):  
number of LTIs/million man hours

Rate of recordable  
work-related injuries



Metric	2023	2024
100% of significant product and service categories were assessed for improvement of health and safety impacts	100%	100%
Incidents of non-compliance with regulations resulting in a fine or penalty for health and safety impact of products and services in 2024	0	0
Incidents of non-compliance with regulations resulting in a warning for health and safety impact of products and services	0	0
Incidents of non-compliance with voluntary codes for health and safety impact of products and services in 2024	0	0
Product Recall incidents reported in ADNOC Distribution stores during the reporting period	0	0



ADNOC Distribution emphasizes HSE management through a comprehensive Risk Assessment Matrix and the newly implemented AIPS Risk Management system. The company conducts regular inspections and reviews of its assets, including service stations, utilize qualitative and quantitative tools such as QRA, HAZOP, HAZID JSAs, and implements other globally recognized risk frameworks including IOGP, Energy Institute, UK HSE, and US OSHA. Skilled HSE inspectors conduct monthly oversight to attain compliance with standards, while quarterly Occupational Health Risk Assessment and Occupational Health Identification assessment validate safety actions.

KPIs for occupational health, safety, and process safety are reported and monitored monthly. Reports on HSE progress, measures, and compliance status are shared with ADNOC Distribution’s executive leadership, in addition to a comprehensive annual HSE performance report. The HSE Assurance Program is part of a broader HSE culture transformation initiative, covering 19 focused areas with corresponding sub-KPIs. The program engages internal stakeholders to drive desired HSE performance outcomes. In the event of incidents, thorough investigations and root cause analysis are conducted to prevent recurrence.

The AIPS Risk Register is a vital tool for systematically identifying, assessing, and mitigating risks, helping to control potential HSE, financial, and reputational impacts. It also contributes to a safer working environment and supports sustainability by minimizing environmental risks.

At ADNOC Distribution, we prioritize process safety through an interdisciplinary engineering approach focused on the prevention and management of large-scale fires, explosions and chemical accidents at our facilities. The Company also addresses asset integrity and critical incident management, aiming to prevent and control incidents that could lead to fatalities, injuries, adverse health effects, environmental harm, or damage to local communities and infrastructure.

Total process safety event rate	Number /Million Man Hours (Operations)	0.04
Process safety event tier (1) Rate	Number /Million Man Hours (Operations)	0.04
Process safety event tier (2) rate	Number /Million Man Hours (Operations)	0
Process safety event tier (1) (API754)	Number	1
Process safety event tier (2) (API754)	Number	0



The Operational Risk Management System (Archer) automates workflows and centralizes data, allowing employees to report health and safety hazards through the One Enterprise Resource Planning (ERP) system.

This enables swift identification and execution of health and safety risk measures and corrective action.

ADNOC Distribution’s lost time injury frequency and rate of recordable work-related injuries include contractors’ data, ensuring comprehensive approach to performance tracking. In 2024, ADNOC Distribution recorded zero fatalities and no severe work-related injuries, highlighting the effectiveness of its HSE Management System (HSEMS).

This robust system, supported by continuous awareness campaigns, demonstrates a commitment to maintaining a safe and healthy work environment.

Health, Safety, and Environmental (HSE) policy

ADNOC Distribution is committed to strict adherence to health and safety protocols to prevent accidents and health complications. The Company strives to have staff at service stations comply with safety hazard guidelines and cautionary signs, supported by an annual audit program to review and monitor the Health, Safety, and Environmental Management System (HSEMS). The results of all audits conducted are logged and followed up using an action tracking system.

ADNOC Distribution’s HSE Policy supports the successful implementation and continuous improvement of its HSEMS. This policy is shared with stakeholders, including Company’s employees, suppliers and contractors, and is implemented across all levels of the organization.

The Company also complies with ADNOC HSE Standards for risk mitigation and hazard monitoring.

The HSEMS is monitored regularly, and any deviations from safety standards are addressed through swift corrective actions.

Emergency preparedness and response

At ADNOC Distribution, we prioritize safety, reliability, and efficiency through robust emergency response and preparedness measures. Guided by the principles of Incident Command System (ICS) for emergencies, we test various scenarios outlined in our site Emergency Response Plans.

In 2024, the Company conducted 140 emergency drills across depots, airports, and service stations, involving civil defence, police, ambulances, and hospitals. For Community Engagement, the emergency drills were controlled via National Emergency Crisis and Disaster Management Authority (NCEMA) Government Department.

Each drill generated a post-exercise report, and a consolidated action plan based on recommendations, monitoring continuous improvement.

Stakeholders can report any incidents through ADNOC Distribution’s 24-hour response center in its Mafraq Auto Serve Center.

Our HSEMS framework is vital for managing emergencies, covering areas such as oil spill response, fire and rescue operations, crisis management, cyber attacks, extreme weather events, and Emergency Response Plans. We have updated our Emergency Response Plans (ERPs), Crisis Management Process (CMP), Business Continuity Strategy, and separate Business Continuity Plans (BCPs) to enhance our preparedness.

Looking ahead to 2025, ADNOC Distribution has a comprehensive exercise plan for its depots, airports, and selected service stations, reinforcing its initiative to maintaining a safe and resilient operational environment.



## 2024 HSE training and awareness

ADNOC Distribution has made strides in health and safety training and awareness. In 2024, the Company delivered 139 HSE training courses through various channels. This included classroom sessions, web-based platforms, virtual formats, hybrid models, on-the-job training, and e-learning. Regular surveys were conducted to gather employee feedback on health and safety conditions, promoting continuous improvement of our HSE Management System. This system was enhanced through meetings, feedback forms, opportunity sharing, and leadership site visits.

In 2024, ADNOC Distribution conducted 169 HSE leadership site visit program for all Chiefs and VPs at service stations, terminals, plants and vehicle inspection centers. The program enhanced the leaderships direct involvement in HSE and welfare issues at site level.

To promote HSE awareness, ADNOC Distribution provided materials and standards on its intranet portal and distributed printed copies. Data accessibility remained a key factor in the Company's overall safety performance, allowing teams to stay informed. The Company issued HSE alerts detailing lessons learned from incidents and practical safety measures to help foster a culture of safety.

Furthermore, targeted training courses were offered based on training matrix guidelines, covering essential topics such as basic firefighting, food safety, first aid, defensive driving, accident handling, ADNOC Life

Saving Rules, ADNOC WMS full package, and advanced firefighting. Additionally, discussions on critical HSE topics were held with executive leadership, including the CEO, during the Executive Management Forum. Customized training programs were also developed for Burger King franchise employees, helping them meet mandatory HSE certification requirements. All new hires, including contract employees, are required to complete the online HSE Induction Training Program before being deployed to work location.

Overall, training was provided to 10,742 employees, underscoring the importance of health and safety.

## Customer health and safety

ADNOC Distribution's commitment to customer and local communities' health and safety is evident in its operations. The Company utilizes rigorous hazard control measures and initiatives to help us attain no significant negative consequences for customers. Additionally, ADNOC Distribution adheres to the regulations of the Abu Dhabi Agriculture and Food Safety Authority (ADAFSA) regarding food and beverage sales.

As part of its efforts to raise awareness, ADNOC Distribution participates in the nationwide safety awareness campaign "Five for Your Safety"- a national awareness campaign for security and safety at petrol stations. ADNOC Distribution aims to maintain HSEMS audits and customer and public health and safety compliance during 2025.

### CASE STUDY

## Joint safety campaign with ENOC, EMARAT, MOI and MOE

In collaboration with ENOC, EMARAT, the Ministry of Interior (MOI), and the Ministry of Education (MOE), ADNOC Distribution has launched a joint safety campaign aimed at raising awareness of safe fueling practices. The initiative emphasizes the importance of maintaining speed limits, preventing nozzle pull incidents, and adhering to UAE safety regulations.

This campaign targets both the public and ADNOC Distribution's customers, as well as employees and contractors. The campaign addresses various safety risks associated with fueling, such as improper use of jerry cans and marine safety issues, and promotes safe fueling, emergency response, and compliance with regulations.

### Impact

Joint Safety has successfully increased public awareness of safety practices at service stations, underlining the importance of prioritizing human life and safety. It also addresses environmental concerns, such as fuel spills, by encouraging attentiveness during fueling activities, with the aim of minimizing environmental impact and contributing to a cleaner, safer environment.

100%  
HSE



# HOW WE OPERATE

- ▶ Governance and resilience
- ▶ Resilience through strategic risk management
- ▶ Ethical business practices
- ▶ Artificial Intelligence (AI) at ADNOC Distribution: powering possible
- ▶ Looking ahead to 2025 and beyond
- ▶ ESG performance index
- ▶ TCFD index
- ▶ GRI content index
- ▶ Independent assurance letter
- ▶ Abbreviations





# Governance and resilience

## Building governance for a resilient future

More than a compliance mechanism, governance is a keystone for sustainable and resilient growth. ADNOC Distribution's governance system complies by the Corporate Governance Rules issued by the UAE Securities and Commodities Authority (SCA) and regulations applicable to public companies listed in the United Arab Emirates (UAE). By aligning its corporate policies with national priorities and international standards, the Company ensures that its operations reflect ethical and responsible practices with transparency and accountability.

## About the Board of Directors

The ADNOC Distribution Board of Directors is responsible for directing and supervising its corporate governance framework.

In 2024, ADNOC Distribution's Board of Directors comprised seven Directors elected by the General Assembly at our annual meeting on March 27, 2024. All Directors are independent non-executive directors as defined by the Corporate Governance Rules and subject to the exemption granted by the SCA, dated March 4, 2024, regarding Paragraphs one and nine of Article 19 (Lack of Board Member Independence). Pursuant to the Company's Articles of Association, each Director serves a three-year term, after which a director may be elected to a successive term or terms. The General Assembly of shareholders elects the Board members by secret cumulative voting. In accordance with the Company's Articles of Association, it is not permitted for the same person to contemptuously hold the position of the Chairperson of the Board and managing director or any other executive position in the Company.

The Board is responsible for focused oversight across key areas of our business.



**100%**  
Independent Directors



**7**  
Board Meetings conducted



**95%**  
Board Meeting Attendance



**14%**  
Female Member representation of the Board

The General Assembly may dismiss all or any of the Board Directors and open the nomination for Board membership and elect new Board Directors in accordance with the Corporate Governance Rules. Dismissed or removed Board Directors may not be renominated or be proposed as a Board Director candidate within three (3) years from the date of dismissal or removal. All the Directors are experts from the industry with experience finance and risk management.





The Board is also tasked with overseeing corporate governance frameworks that are in line with regulatory organizational objectives

## Leadership at ADNOC Distribution

Our Board of Directors embodies the values of transparency and accountability to support the seamless integration of sustainability into the Company's corporate strategy. The Board is also tasked with overseeing corporate governance frameworks that are in line with regulatory organizational objectives. In 2024, the Board comprised the following members, bringing diverse expertise to guide our governance frameworks.

- **H.E. Dr. Sultan Ahmed Al Jaber (Chairman)**  
An accomplished leader holding multiple high-profile roles, including Minister of Industry and Advanced Technology and the UAE's special climate envoy
- **H.E. Ahmed Jasim AlZaabi (Deputy Chairman)**  
Chairman of Abu Dhabi Department of Economic Development and Abu Dhabi Global Market (ADGM)
- **Mr. Khaled Salmeen**  
Chief Executive Officer of Downstream at ADNOC, driving performance, maximizing efficiency, and delivering strong, sustainable growth across all stages of the downstream sector
- **Mr. Khaled Alalkeem Al Zaabi**  
Group Chief Financial Officer of ADNOC, with extensive experience in financial planning and governance
- **Mr. Marwan Naim Nijmeh**  
Chief Legal Officer of ADNOC, overseeing legal operations and governance structures
- **Mr. Saif Al Falahi**  
Executive Vice President of Group Business Support & Special Tasks at ADNOC, driving operational excellence
- **Ms. Paula Disberry**  
Independent Non-Executive Director, bringing global expertise in the industry, governance and strategy

## Committees

To enhance operational efficiency and uphold governance principles, ADNOC Distribution has established the following key committees:

- **Audit Committee (Board Committee)**  
The Audit Committee assists the Board of Directors in discharging its responsibilities with regard to the oversight role related to corporate governance, risk management, internal control, internal and statutory audits, financial reporting and compliance. For more details refer [page 97 of ADNOC Distributions 2024 Annual Report](#)
- **Nomination and Remuneration Committee (Board Committee)**  
Our Nomination and Remuneration Committee manages Board structure, composition, and performance. It is responsible for evaluating the balance of skills, knowledge, experience, size, structure and composition of the Board of Directors and its committees. It also monitors the independence status of the independent non-executive directors and responsible for periodically reviewing the Board of Directors' structure and identifying potential candidates to be appointed as directors or committee members as the need may arise. It sets policy for nomination of members of the board and endorsement of Executive Management appointments, ensuring duties are discharged in the interests of the Company and shareholders approves, and oversees reward design, and ensures that reward is appropriate and consistent with the company's culture, business, risk strategy, performance, control environment, legal and regulatory requirements. For more details refer [page 99 of ADNOC Distributions 2024 Annual Report](#)
- **Executive Committee (Board Committee)**  
The Executive Committee assists the Board in the discharge of its duties, acting on behalf of the Board during the intervals between scheduled Board meetings so that matters that require Board approval during such intervals can be dealt with in a timely and efficient manner. Additionally, the Executive Committee provides recommendations to the Board on matters that require Board approval. For more details refer [page 100 of ADNOC Distributions 2024 Annual Report](#)
- **ESG Subcommittee**  
The ESG Subcommittee advises the Executive Committee in relation to developing the Company's ESG and climate strategy and overseeing delivery of the Company's ESG and climate related targets and practices
- **Sustainability Committee (Management Committee)**  
The Sustainability Committee oversees and monitors the management of ESG topics, climate risk mitigation, and climate adaptation, including the management of climate-related risks and opportunities relevant to ADNOC Distribution
- **Investment Committee (Management Committee)**  
Reviews, evaluates, and advises on investment proposals which help to enhance and sustain value for ADNOC Distribution
- **Insider Dealing Committee (Management Committee)**  
Monitors adherence to the Insider Dealing Policy and Share Dealing Code across all business activities and operations
- **Gender Balance Committee (Management Committee)**  
We have established a Gender Balance Committee, which champions initiatives aimed at fostering an equitable and empowering workplace for all employees. The committee continually ensures our female employees receive all prerequisite training and developmental resources to realize their full potential, consistent with the high-performance standards we demand from all our employees, irrespective of their gender

## Board annual performance evaluation and review

In 2024, the Board of Directors conducted the evaluation of its performance, and the performance of its members and committees, for the year 2023.

This was performed by an independent professional party in accordance with the Corporate Governance Rules.



## Board diversity

As part of its continued efforts to empower women and amplify their role on the board, ADNOC Distribution has a target of having at least one female on the Board of Directors.

On March 27, 2024, the shareholders appointed a new Board of Directors, including Ms. Paula Disberry. In case of any Board vacancies, ADNOC Distribution will pursue qualified female candidates, while simultaneously considering eligible applicants regardless of their gender. We acknowledge that the authority to appoint directors fundamentally lies with the shareholders of ADNOC Distribution.

- Percentage of total Board seats occupied by women

14%

- Percentage of total Board seats occupied by men

86%

- Percentage of Board committees' chairs occupied by women

33%

- Percentage of Board committees' chairs occupied by men

66%

## Embedding sustainability within governance

The Board of Directors of ADNOC Distribution is responsible for monitoring and reporting on sustainability, climate, and ESG initiatives across the Company and throughout the supply chain. The Board ensures alignment of sustainability goals and targets with relevant local, national, regional, and international guidelines. The Board is ultimately tasked with approving the Company's sustainability strategy and overseeing its execution.

## ESG Subcommittee to Executive Committee

In September 2024, the Executive Committee formed an ESG Subcommittee to support the Company's Environmental, Social & Governance (ESG) agenda. The ESG Subcommittee advises the Executive Committee in relation to developing the Company's ESG strategy and overseeing delivery of the Company's ESG-related targets and practices.

The ESG Subcommittee is required to have at least four members at all times and all members are required to have expertise and competence in areas that serve the Subcommittee's field of work .

2024 ESG Subcommittee members are:

Ms. Paula Disberry (Chairperson)  
Mr. Ibrahim N Al Zubi  
Mr. Ayman Dabash  
Mrs. Thuraya Al Maskari

The members of the ESG Subcommittee may be non-executive directors or other persons, provided that the Subcommittee includes at least one independent and non-executive director.

The ESG Subcommittee met in October 2024 to, among other things, review and discuss the Company's sustainability strategy, decarbonization and energy management update, Scope 3 activities and 2025 activities planning. The ESG Subcommittee intends to hold quarterly meetings.

## Sustainability committee

The Sustainability Committee, a management level committee comprising members from our executive management, spearheads the implementation of our ESG strategy including water and waste, climate related risks, local community engagement, CSR, sustainability policies and procedures. Meeting monthly or as required, the committee ensures that our sustainability goals are systematically integrated across operations and implementation of sustainability initiatives and framework. The committee aims to create proactive systems to integrate sustainability throughout the value chain and aids in identifying, assessing and monitoring all elements, ranging from strategies to material risks that could impact the Company's sustainable performance.



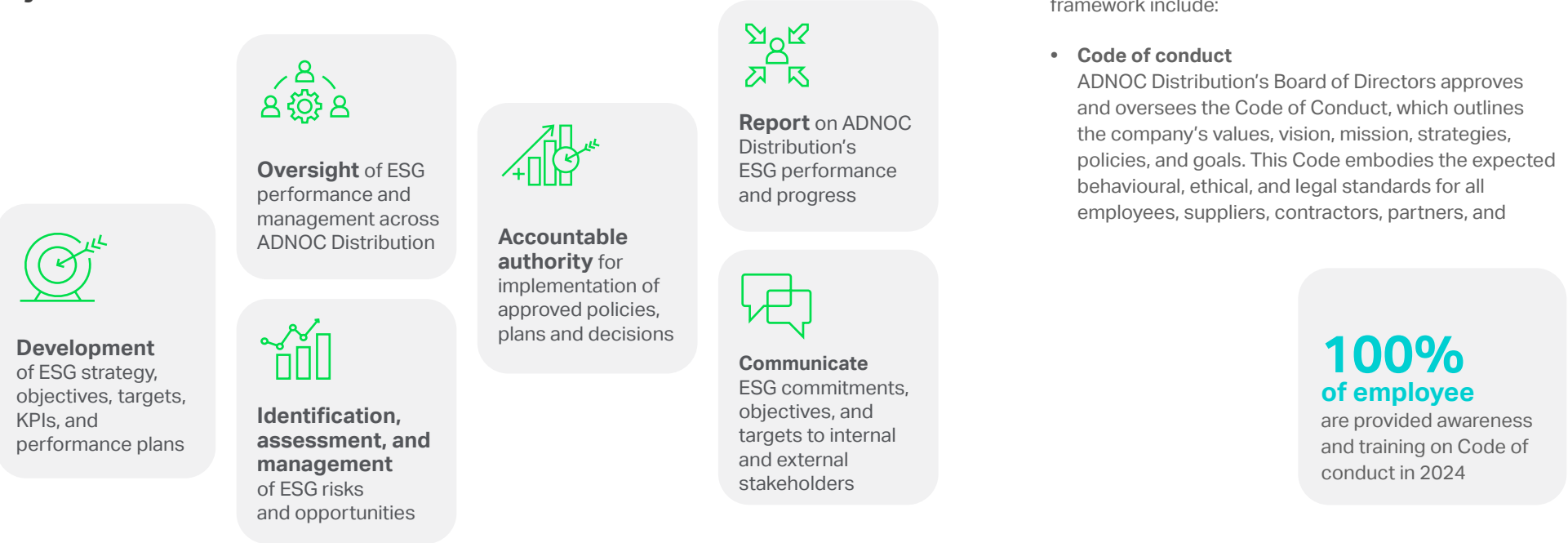


The Chief Executive Officer of ADNOC Distribution oversees formulating and executing a Company-wide Sustainability Strategy and reporting on the advancement of key initiatives in the economic, environmental, and social spheres. The CEO delegates part of these responsibilities to certain members of the Executive Management team to help drive the Company’s sustainability strategy and assist in the implementation, tracking, and reporting of key initiatives.



ADNOC Distribution further enhanced its sustainability governance with Chief Strategy, Transformation, and Sustainability Officer, Athmane Benzerroug, to direct, coordinate, and keep track of the implementation of sustainability initiatives and to cultivate a sustainability-focused culture within the Company and its stakeholders.

Key objectives of the committee



Implementation and evaluation of the framework

To monitor and assess crucial indicators within the framework, ADNOC Distribution has established an Organizational Performance Scorecard. The firm has incorporated key sustainability objectives such as reducing greenhouse gas emissions, energy intensity, enhancing health and safety performance, fostering employee engagement, embedding artificial intelligence, increasing customer satisfaction, endorsing Emiratization, contributing to in-country value, and corporate governance into its yearly performance scorecard.

Sustainability and climate risk issues are a standing agenda item at the quarterly Board of Directors meetings and monthly Executive Committee meetings, which are attended to evaluate the sustainability performance and advance initiatives.

Policies that guarantee assurance

Our governance policies reflect our dedication to ethical conduct and resilience. These policies are complemented by systems for data privacy and compliance investigations. Key elements of our governance framework include:

- Code of conduct**  
ADNOC Distribution’s Board of Directors approves and oversees the Code of Conduct, which outlines the company’s values, vision, mission, strategies, policies, and goals. This Code embodies the expected behavioural, ethical, and legal standards for all employees, suppliers, contractors, partners, and

stakeholders. The organization reviews the code annually and conducts regular training sessions, including mandatory training for employees and suppliers, who must affirm their adherence to the Code annually

- Anti-bribery and corruption policy**  
We are committed to doing business lawfully, ethically and with integrity, and we expect all of our employees and representatives to act accordingly. Consistent with this commitment, we take a zero-tolerance approach to fraud, bribery, money laundering, and all other forms of corruption
- Whistleblowing policy**  
Our Whistleblowing Policy urges our employees to voice their concerns regarding unethical conduct related to our business operations, by ensuring the confidentiality of whistleblowers and safeguarding well-intentioned whistleblowers from any form of retaliation, even if their allegations turn out to be unfounded. Employees can report any whistleblowing concerns though an anonymous reporting system called Takallam
- Supplier and partner code of ethics**  
In alignment with its commitment to uphold integrity in all its operations, ADNOC Distribution has established the Supplier and Partner Code of Ethics. Suppliers and partners are required to adhere to the Supplier and Partner Code of Ethics, ensuring ethical alignment across the supply chain. The Code lays out fundamental rules and standards for conducting business with ADNOC Distribution in an ethical and compliant manner. All suppliers or partners intending to do business with the Company are expected to adhere to this code
- Conflicts of interest policy**  
Our Conflicts of Interest Policy outlines the requirements for avoiding and managing potential conflicts of interest arising from various activities, including situations that appear to pose a conflict. According to this policy, any conflicts of interest must be disclosed promptly to ensure that appropriate actions are taken to safeguard ADNOC Distribution’s interests



- **Gifts and entertainment policy**

In alignment with ADNOC Distribution's ethical standards, the Gifts and Entertainment Policy provides a framework to managing the exchange of gifts and entertainment within a business setting. While legitimate gifts and entertainment can foster business relationships, improper offerings may constitute a breach of the Code of Conduct and tarnish the organization's reputation. Employees are obligated to declare any gifts or entertainment offered or received and report any instances of non-compliance to their line managers, ethics and compliance officials, or via the Takallam platform. Furthermore, periodic trainings on gifts, entertainment, and conflicts of interest has been delivered to all employees and targeted trainings on managing declarations have also been delivered to senior management who have subsequently cascaded these guidelines to their respective departments and teams

- **Energy management policy**

Prioritizes energy efficiency across all operations to maximize the value of its resources while minimizing environmental impact for the welfare of people, communities and the nation. This policy aligns with the company's core values and focuses on optimizing energy consumption to enhance profitability, strengthen market position, and provide high-quality services to our employees, the environment, customers and community we operate

- **Human rights policy statement**

Committed to respecting human rights in all its operations, aligning with the UN Global Compact and expecting its suppliers and partners to adhere to its ethical code, with an anonymous reporting system available for any concerns

- **Related party transactions policy**

Ensures that all transactions with related parties, are conducted on arm's-length terms and require approval from the Board of Directors or shareholders based on the transaction's value. Transactions with ADNOC and its subsidiaries require approval from the Board of Directors, including a majority of independent directors, subject to certain thresholds

In accordance with this policy, we may not enter a related party transaction unless it has been approved by:

- Our Board of Directors, where the transaction's value does not exceed 5% of the value of our share capital; or
- Our shareholders at a General Assembly, where the transaction's value exceeds 5% of our share capital

- **Non-discrimination**

In accordance with the Company's Code of Conduct, ADNOC Distribution upholds a zero-tolerance policy for discrimination and harassment in the workspace and across its operations. The company's policy promotes a respectful and inclusive work environment for all stakeholders, including employees, clients, contractors, partners, and suppliers. The guidelines on non-discrimination, reflected in its policies, processes, and activities actively fosters equality and diversity through various initiatives. The topic of Behavior Change has been incorporated into all our Customer Service Training sessions. This includes explicit instructions to all employees regarding the prevention of discrimination and harassment in the workplace

- **Sustainability related compensation and incentive schemes**

The Annual performance scorecard incorporates ESG KPIs into its executive compensation structure, linking variable pay to performance on environmental, social, and governance objectives. The significant KPIs include reducing greenhouse gas emissions, energy intensity, enhancing health and safety performance, fostering employee engagement, embedding artificial intelligence, increasing customer satisfaction, endorsing Emiratization, contributing to in-country value, and corporate governance. The variable compensation of the executive management is determined by the Remuneration Committee of the Company's Board of Directors, based on the score of the annual performance scorecard. The performance scorecard includes predefined corporate performance indicators on efficiency, operation, peoples, finance, and sustainability



- **Data privacy policy and systems**

ADNOC Distribution adheres to strict data privacy policies, and measures, prioritizing customer data protection, cyber security, and employing sound security systems, guaranteeing responsible handling of personal information. The Company's Privacy Policy establishes the foundations upon which personal data is gathered, provided and assures it is processed with utmost protection, fairness, and transparency. The Company employs an Information Security Management System (ISMS) and is committed to fulfilling the objectives of the UAE's Personal Data Protection Law

- **Gender diversity policy**

ADNOC Distribution is dedicated to promoting gender diversity and equality, including efforts to increase female representation in leadership roles and provide equal opportunities for career advancement for all employees. Gender Diversity Policy encompasses both Board level nominations and a comprehensive approach to gender diversity and equal opportunity within the Company. ADNOC Distribution aims to include at least one female member on the Board of Directors, a requirement for listed firms by SCA

- **Dividend policy**

ADNOC Distributions Dividend Policy sets out the clear and transparent criteria and method for the distribution of our profits such that the distribution of our profits serves the interests of both ADNOC Distribution and its shareholders

The payment of dividends is subject to consideration of:

- the cash management requirements of the Company for operating expenses, interest expense, and anticipated capital expenditures;
- market conditions, the then-current operating environment in our markets, and the outlook for the business of the Company

In addition, any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, at the discretion of the Board of Directors and approval of the Shareholders.

Under our Articles of Association, the Company may distribute quarterly, semi-annual and/or annual dividends to shareholders from operating profits and/or accumulated profits of the Company. The Company currently intends to pay a dividend twice each fiscal year, with an initial interim payment in October of that year and a second payment in April of the following year.

- **Insider dealing policy**

The requirement to have fair and transparent dealings in our securities is of paramount importance to us and we take a zero-tolerance approach to any activities which would prevent this requirement from being properly implemented. Accordingly, we have implemented an Insider Dealing Policy to ensure that the obligations and responsibilities of our employees, officers and directors with respect to dealings in our securities are clearly defined. In accordance with the Insider Dealing Policy, we have an Insider Dealing Committee to oversee the ongoing implementation of this policy. In accordance with ADX and SCA regulations, ADNOC Distribution maintains an Insider List which is managed and reviewed by the Ethics and Compliance Department to ensure that the list is up to date and includes all insiders, preventing insider trading.

- **Quality policy statement**

ADNOC Distribution is committed to providing high-quality products and services to customers. Through robust partnerships, innovation, and optimizing resources. We emphasize a culture of quality, health, safety, security, and environmental responsibility

- **Compliance investigations policy**

Our dedication to conducting business with integrity entails probing into any allegations of ethical misconduct when necessary. Our Compliance Investigations Policy, along with its supplementary

procedures, outlines our strategy for investigating alleged breaches of:

- ethical business practices
- integrity in our dealings and agreements with third parties
- pertinent laws, regulations, policies, and procedures related to ethical business practices and integrity

This policy mandates all our staff members to collaborate with all investigations fully and honestly and to abstain from certain activities that could possibly disrupt an investigation. ADNOC Distribution did not face any legal actions towards infringement of the Compliance Investigations Policy in 2024. The compliance systems are periodically reviewed by internal and external auditors.





# Resilience through strategic risk management

## Enterprise Risk Management (ERM): a framework for resilience

ADNOC Distribution's ERM program is foundational for safeguarding stakeholder value and promoting sustainable growth by establishing a mindset for proactive risk assessment and management. We address uncertainties arising from global trends, environmental realities, and unanticipated scenarios by embedding ERM into core business segments. Our ERM framework and policy aligns with national and international standards, including ISO 31000 which outlines best practices in risk governance including the authority structure and the diverse roles and responsibilities of the Board of Directors, the audit committee, the management team, the ERM function, and the audit and assurance function.

## Governance and oversight

The ERM program is deeply embedded across our organization, with the Board of Directors playing an essential role for overseeing the company's risk management objectives, ensuring transparency, and holding the management team accountable. The Board monitors risk management effectiveness and holds management accountable for adhering to established policies and processes across the organization.

Regular training and awareness sessions are conducted for the Board of Directors and executive management to continuously strengthen their expertise in risk management. The Board supervises the risk-management system and receives comprehensive quarterly risk reports. The Board of Directors plays a crucial role in the implementation of the Company's risk management objectives. They support transparency across the organization regarding the risk-management policies and processes. The Board makes sure that substantial business risks are recognized, gauged, and navigated to appropriate levels as per the risk tolerance and appetite.

Key governance structures include:

- **Board of Directors:** Supervises and ensures effectiveness of risk management processes with organizational objectives and strategies
- **Audit Committee:** Reviews comprehensive risk reports and provides oversight
- **ERM Function:** Manages the implementation, administering, observing, monitoring, and reporting of risk management





## ERM's strategic objectives

The objective of ERM is to safeguard and escalate value for stakeholders by promoting a comprehensive culture of risk management and assessment within the organization. Additionally, integrating ESG and climate risk considerations into the ERM process helps enable long-term sustainability and value creation for stakeholders.

In 2024, the ERM carried out risk evaluations for various departments within the Company. The results of these assessments were documented in risk registers that detailed identified risks, controlling measures, risk rating, and action plans for risk mitigation. These risk-reducing strategies are linked with corporate KPI's constantly evaluated and reviewed with individual departments each month, enabling us to monitor advances made and confirm successful implementation. The Company also integrates risk management metrics into its financial incentive structures to promote a culture of safety and responsibility.

The primary goals of ADNOC Distribution's ERM include:

- **Strengthening resilience** to enhance our ability to navigate market disruptions and evolving business practices
- **Enhance corporate performance** by embedding risk awareness to drive greater efficiency and control focus
- **Risk identification** through detailed assessments of potential risk impact on the organization
- **Informed strategic planning** by identifying and managing key strategic, functional, investment and project risk. Identifies any new risks emerging from the Business Plans
- **Mitigate sustainability** related risk factors to enhance value creation
- **Facilitate action** to mitigate risk and identify business opportunities

## Risk perception

The risk perception is usually expressed in terms of risk sources, potential events, causes and consequences.

### Risk perception at ADNOC Distribution:

#### Enhancing decision-making

Understanding the various risks associated with the retail fuel mobility business, such as supply chain disruptions, environmental regulations, climate, market volatility, and technological changes, ADNOC Distribution can make strategic decisions that mitigate these risks effectively.

#### Strengthening stakeholder confidence

Transparent communication of risk perception to strengthens confidence of stakeholders, including customers, employees, and investors.

#### Facilitating proactive risk management

Understanding risk terminology — such as risk sources, potential events, causes, and consequences — enables a proactive approach to risk management. By identifying potential risks early, ADNOC Distribution can implement measures to prevent or mitigate their impact, ensuring continuous and safe operations.

#### Aligning with best practices

Aligning risk perception with industry best practices, such as those outlined in the ISO 31000:2018 standard to manage both anticipated and unanticipated risks in the industry

#### Promoting a risk-aware culture

Promoting a culture of risk awareness and training across all operational sectors helps in recognizing and addressing risks promptly.

## ERM process: Integration of ESG and Climate mitigation and adaptation risk

The ERM process commences with identifying and assessing current and emerging risks, followed by evaluating their possible significant impacts on our business operations, considering short, medium, and long-term contexts. Each regulation or incident, including those related to ESG and climate risks, is examined, considering its potential impact, likelihood of occurrence, and uncertainties and risk sources. Communication and consultation are key priorities in ADNOC Distribution's risk management practice. We are committed to keeping stakeholders informed of our risk drivers, including potential impacts on our personnel, local community, business partners, and the environment, thereby ensuring efficient and sustainable management of our operations. This is particularly important for ESG and climate risks, where stakeholder engagement and transparency are critical for long-term sustainable value.

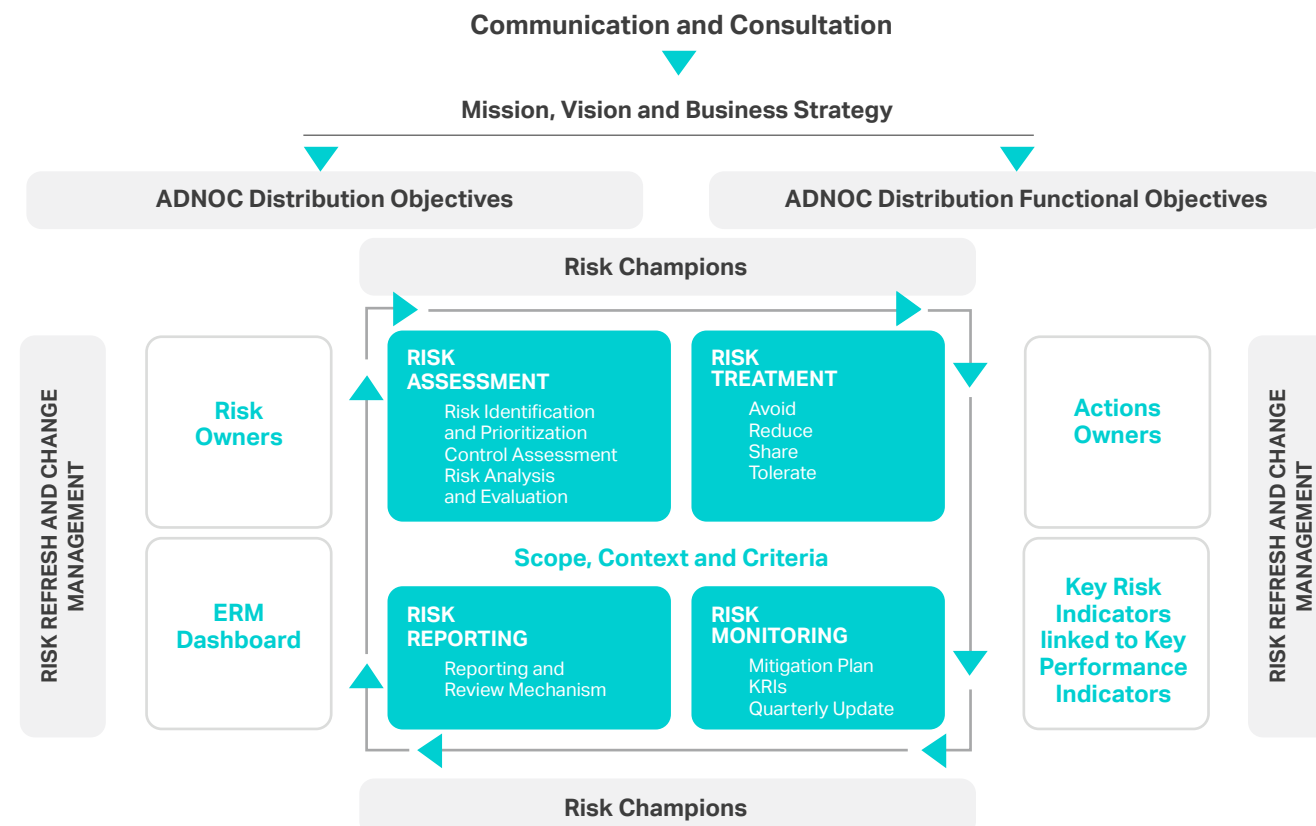
To mitigate ESG risks, we have implemented a thorough risk identification process that includes these specific concerns, and for climate risks, we are developing a systematic approach to identify and assess these risks. This helps us spot potential threats and opportunities related to ESG factors, and assess their impact on our operations, financial performance, legal outlook, market presence, and reputation. The Company has identified transformation to clean energy and decarbonization as a significant long term emerging risks and initiated mitigation through renewable energy investments, implementing energy efficient initiatives and sustainable partnerships. We've woven ESG and climate risk evaluation into our overall risk assessment process, which involves analyzing the likelihood and potential impact of these risks.

Incorporating ESG and climate risk considerations into our ERM process enables us to identify, assess, and manage these risks more effectively, ensuring long-term sustainability and value creation for all our stakeholders. We remain committed to continuously improving our ERM process and will continue to prioritize ESG and climate risk management in our strategic planning and decision-making.





 <b>Scope, context, and criteria</b> Defining the internal and external risk environment	 <b>Risk evaluation</b> Prioritizing risks based on their significance to organizational objectives
 <b>Risk identification</b> Pinpointing potential risks, including ESG and climate-related factors	 <b>Risk treatment</b> Implementing measures such as avoidance, reduction, sharing, or tolerance
 <b>Risk analysis</b> Assessing the likelihood and impact of identified risks	 <b>Monitoring and review</b> Continuously evaluating mitigation strategies and their effectiveness



## ERM governance

Risk management is incorporated into decision-making processes, ADNOC Distribution conducted a new maturity assessment of the ERM framework based on emerging trends and needs and developed an improvement plan to enhance risk management practices. Key initiatives included:

- Conducting risk awareness workshops with executive management team, including the CEO, across business units to identify emerging risk and mitigate current risk
- Preparing opportunity assessment framework, risk maturity assessment, risk culture survey, and Key Risk Indicators (KRIs) linked to organizational KPIs
- Establishing frameworks for ESG and climate risk assessments
- Implementing a risk quantification tool to refine evaluation processes
- Monitoring, and continuous improvement of ERM effectiveness across ADNOC Distribution & Update ERM System

The primary aim of ADNOC Distribution's enterprise risk management and governance procedures is to foster sustainable growth and enhance business performance. Our focus is on improving decision-making, strategic planning, and mitigating the highest priority risk areas, all aimed at increasing shareholder value. The Enterprise Risk Management structure includes the Board of Directors, the Audit committee, the Chief Executive Officer (CEO), the Executive Leadership Team (ELT), the Enterprise Risk Management Team, the Audit and Assurance Function, along with ERM Champions. The responsibilities and roles of various business units are integrated across all operational hierarchies to ensure risk assessment is linked with the process of managerial decision-making. The ERM reporting structure contains elements like internal audit, crisis management, business continuity management, and strategic business planning.



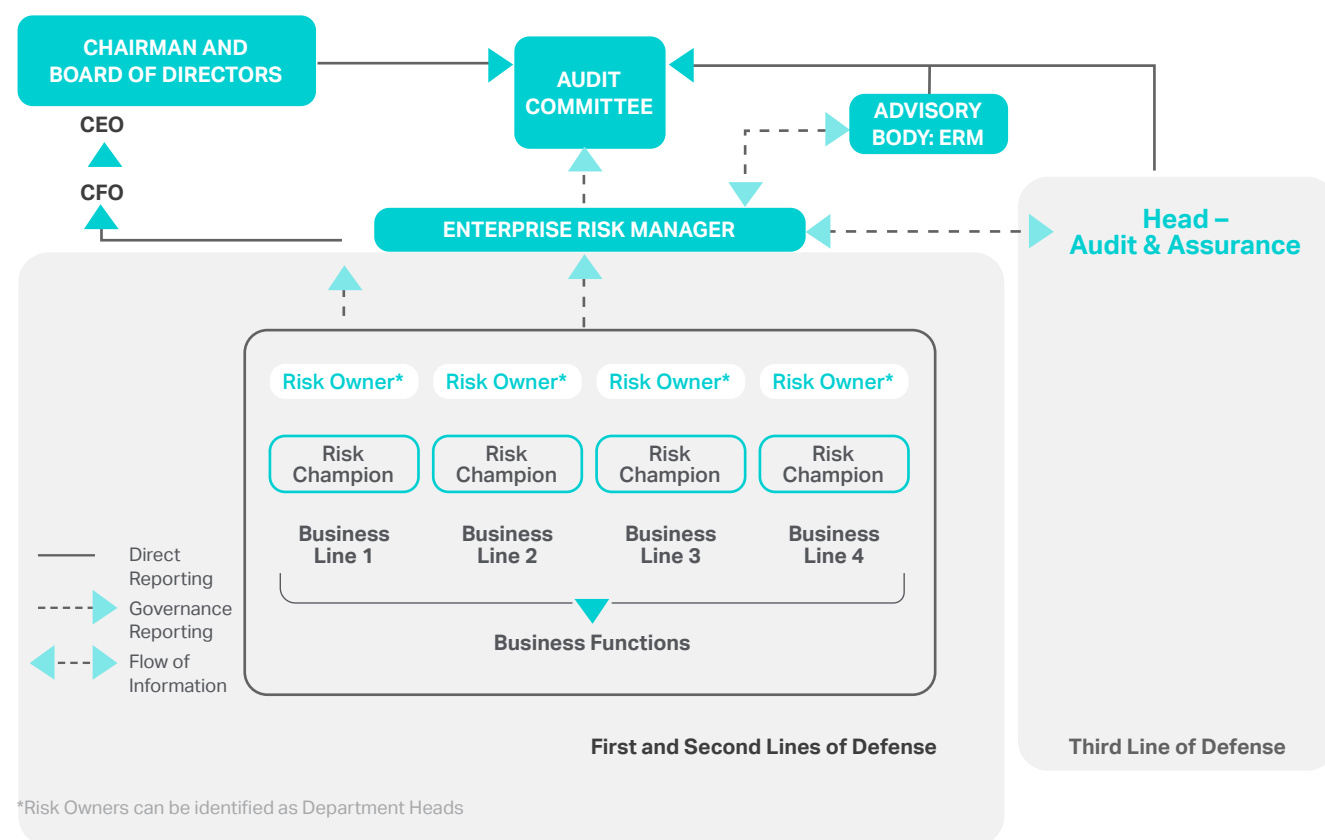


## Roles and responsibilities

The ERM structure includes the Board of Directors, the Audit Committee, the Chief Executive Officer (CEO), the Executive Leadership Team (ELT), the Enterprise Risk Management Team, the Audit and Assurance Function, along with ERM Champions.

- **Risk owners:** Responsible for managing specific risks within their departments

- **ERM champions:** Ensure adherence to risk management practices and promote a culture of risk awareness. The ERM training ensures that all employees are aware of the risks associated with their roles and the measures needed to mitigate them
- **Audit and assurance:** Provide independent evaluation of the ERM framework



## Assurance coordination

The ERM team have a systematic approach of aligning and integrating various assurance activities within an organization. These activities include risk based annual internal audits, compliance checks, risk assessments, and performance reviews. The goal is to ensure that all assurance functions are working together efficiently to provide a comprehensive view of the organization's risk landscape, thereby fostering informed decision-making and strategic

planning. We conduct Business Impact Analysis (BIA), Crisis Management, and Business Continuity Management (BCM).

## Continuous improvement

Our ongoing efforts to refine the ERM system highlight our dedication to resilience and value creation. By utilizing best practices and focusing on proactive risk management, ADNOC Distribution remains persistent in attaining sustainable growth and operational excellence.



# Ethical business practices

**ADNOC Distribution ensures every aspect of its operations reflects the high standards of integrity, transparency, and responsibility. This ethos underpins our reputation as a trusted and responsible energy provider. Which is why we stringently embed ethical conduct across our policies, operations, and interactions with stakeholders.**

## Framework and values

Our governance is guided by a comprehensive framework that incorporates policies such as the Code of Conduct, Anti-Bribery and Corruption Policy, fraud risk management policy, Anti-money laundering policy, Gifts and Entertainment Policy, and Conflicts of Interest Policy. These policies are implemented to prevent policy violation and non-compliance among employees, suppliers, contractors, and other representatives maintain exemplary standards in all engagements. ADNOC Distribution actively educates its staff members on Anti-bribery and Corruption Practices through various communication channels such as newsletters and group emails. These communications focus on highlighting potential issues that may contribute to corruption and reiterating our obligations under the Anti-Bribery and Corruption policy. Any breaches of this policy are taken seriously within the Company and are subject to disciplinary action.

## Anti-corruption and fraud management

ADNOC Distribution enforces a zero-tolerance policy towards bribery and corruption, as detailed in its Anti-Bribery and Corruption Policy. Additionally, the Fraud Risk Management Policy ensures rigorous oversight and controls to prevent fraudulent activities. Integrity Due Diligence (IDD) assessments are conducted for third-party engagements, underscoring the company's diligence in maintaining ethical transactions.

In 2024, the Company has also performed a detailed risk assessment of corruption-related risks within its operation. The risk assessment encompassed bribery, fraud, falsification of data, manipulation, business ethics, improper use of employee and customer data, kickbacks, unauthorized disclosure of confidential information, money laundering, among other issues. The audit was conducted by an independent external consultant.





## Reporting mechanisms and whistleblower protections

The Takallam platform, governed by the Whistleblowing and Non-Retaliation Policy, provides employees and stakeholders with a confidential channel to report unethical behavior. This mechanism promotes transparency and encourages reporting on issues such as financial misconduct, bribery, fraud, falsification of data, manipulation, improper use of employee and customer data, kickbacks, unauthorized disclosure of confidential information, and money laundering. The platform ensures safe, confidential, and retaliation-free reporting.

Critical issues are communicated to the highest governance body during monthly Executive Committee meetings and quarterly Board meetings. In addition to using the Takallam portal, employees can report ethical violations directly to their supervisors or the compliance department. There is also a register for logging received gifts and entertainment, which is reviewed collectively by line managers and the Compliance Department. Line managers approve conflict of interest, gift, and entertainment declarations based on advice from the Ethics and Compliance department.

When a potential violation is raised, the Ethics and Compliance team appoints an investigation focal point and lead investigator based on the nature of the complaint. A fact-finding exercise is conducted to determine the root cause of the issue. If required, a full investigation is launched. An Investigation Committee, led by Ethics and Compliance and comprising relevant stakeholders, reviews the case, interviews witnesses and suspects, and creates an investigation report. This report is presented to the Investigation Review Board (IRB), which reviews the findings and makes disciplinary recommendations and corrective actions to the CEO. The Ethics and Compliance team then follows up with the relevant business units to ensure implementation of the corrective actions.

## Ethical marketing and advertising

ADNOC Distribution adopts ethical principles in all marketing and advertising activities by providing accurate information and abstaining from disinforming customers. In 2024 there were zero incidents of non-compliance, warning, fine, penalty, with marketing regulations or voluntary codes, demonstrating the organization's adherence to transparency and honesty in its communications.

### Anti-competitive behavior

The Competition Compliance Policy ensures ADNOC Distribution's operations adhere to local and international anti-competitive laws, establishing a fair marketplace.

The pricing in the Company's commercial business is based on global and regional market trends. Given the presence of multiple operators in the UAE commercial fuel sector which is governed by UAE's Ministry of Energy and Infrastructure, there is minimal scope for anti-competitive conduct.

ADNOC Distribution diligently considers the impact of relevant competition laws on its daily operations. Although its primary base is in the UAE, the Company has expanded into international jurisdictions. Consequently, we have implemented measures to ensure compliance with the competition laws and regulations in these new regions.

Refresher courses are provided to ensure all employees of ADNOC Distribution are knowledgeable about competition compliance policies and adhere to both local and international competition laws. Specific employees, who are directly involved in or can significantly impact competitive strategies, receive focused compliance training, which can be completed either in-person or via e-learning.

## Tax: a commitment to transparency, compliance, and sustainable growth

At ADNOC Distribution, we recognize that taxation is more than just a financial obligation; it is a crucial pillar of responsible corporate governance, economic contribution, and sustainable business growth. Our approach to taxation is deeply rooted in integrity, compliance, and strategic alignment with our business objectives. We strive to uphold the highest standards of tax governance, ensuring that our policies and practices reflect our unwavering commitment to fairness, transparency, and regulatory adherence.

### A strategic tax framework built for resilience

Our tax strategy is designed to be resilient and adaptable, aligning with the dynamic nature of global tax laws and the evolving business landscape of ADNOC Distribution. Our tax strategy is an integral part of our internal governance framework, providing clear directives on compliance, risk management, and stakeholder engagement.

The CEO and CFO are entrusted by our Board of Directors with the responsibility of overseeing the Company's tax strategy and compliance, as per the Delegation of Authority (DOA). Under their leadership, our tax strategy is reviewed annually, ensuring it remains robust, effective, and aligned with business objectives.

### Embedding tax into business decisions

Our Tax Department actively engages with cross-functional teams to ensure that tax implications are assessed at every stage of business planning, including mergers and acquisitions (M&A), contract reviews, and organic business expansions.

To maintain and strengthen tax awareness across the organization, we conduct regular tax training sessions, ensuring that employees remain well-informed about regulatory updates, compliance obligations, and best practices in tax governance.

## Commitment to compliance and fair tax practices

ADNOC Distribution is committed to complying with the letter and spirit of tax laws in all jurisdictions where it operates. The Company's four-pillar tax framework ensures a structured approach to tax governance:

- **Regulatory compliance**  
 We meet all tax filing and reporting obligations in the UAE and globally, ensuring full adherence to legal requirements.
- **Risk management**  
 Our tax planning is conducted within the boundaries of our overarching tax policy, ensuring alignment with economic substance and commercial reality.
- **Governance and control**  
 Tax controls are implemented, documented, and reviewed annually by our Internal Control over Financial Reporting (ICOFR) team and external auditors.
- **Stakeholder engagement**  
 We foster cooperative relationships with tax authorities, responding proactively and transparently through formal procedures and channels.

To strengthen compliance further, we maintain a tax risk register, available to the CFO, which is regularly monitored and reviewed by our ERM and internal audit teams. Periodic Tax Health Checks are conducted to proactively identify and mitigate risks.





## Ensuring tax transparency and ethical conduct

Transparency is at the heart of our tax governance framework. Our commitment to ethical tax conduct is reflected in several key policies:

- No Transfer of Value to Low-Tax Jurisdictions – We do not shift value to low-tax jurisdictions for tax avoidance purposes
- Adherence to the Arm's Length Principle – Related-party transactions comply with OECD and local tax authority guidelines, ensuring fair and market-based pricing
- No Use of Secrecy Jurisdictions or Tax Havens – ADNOC Distribution does not engage in tax avoidance schemes involving secrecy jurisdictions or tax havens

- Responsible Tax Planning – Our tax planning aligns with commercial substance, avoiding artificial tax structures that lack genuine business purpose

To reinforce ethical tax behavior, any concerns related to tax conduct can be reported through our “Whistleblowing and Non-Retaliation Speak Up Takallam” channel, ensuring accountability and integrity across the organization

## External assurance and independent verification

Ensuring the accuracy and credibility of our tax disclosures is paramount. Our tax data undergoes independent verification as part of ADNOC Group's external financial statement audit process. Where there are material uncertainty on application of tax law related to key tax expertise are required, the relevant tax advice is obtained from external tax advisors, as applicable.

## Employee and partner engagement

ADNOC Distribution emphasizes training and awareness to embed ethical practices across its workforce and partnerships. The Company routinely organizes workshops and training sessions, focusing on anti-bribery and corruption, in all their departments. Our Anti-Bribery and Corruption Policy sets forth our requirements to ensure that none of our employees, suppliers and partners or representatives engage in any of these activities. All employees, executive leadership team, Board members and senior management have all received communication on annual code of conduct training course, anti-bribery and corruption policies.

## 2024 results and recognition



### Zero incidents

of pending or completed anti-competitive behavior, anti-trust violations, monopoly legislation



### Zero incidents

in which employees were dismissed or disciplined for corruption



### 100% of operations

assessed for risks related to corruption



### 100% percentage

of employees received policies and procedures training and awareness on anti-corruption, counterfeiting fraud, gifts and entertainments, conflict of interest scenarios, and anti-bribery (including Government body members, all Senior management, middle management, and staffs)



### Zero incidents

of corruption or bribery



### Zero public legal

cases related to ethical violations and corruption



### Zero Monetary

value of financial and in-kind political contributions/ lobbying/ trade associations made directly and indirectly by the organization by country and recipient/ beneficiary



### Zero incidents

where contracts with business partners were terminated or not renewed due to violations related to corruption



## Integrity and ESG due diligence on M&A

The Company performs Integrity Due Diligence (IDD) on third-party transactions. Our M&A activities consistently include thorough IDD assessments focusing on integrity as well as environmental, social, and governance criteria. ADNOC Distribution has been vigilant in completing necessary Anti-Trust filings within pertinent jurisdictions. This action highlights the Company's dedication to transparency throughout these transactions and ensures compliance with Anti-Trust regulations, which is essential for successful M&A deals.

## Integrated Management System (IMS)

The Integrated Management System certifications of ADNOC Distribution encompass areas such as environmental management, data collection for maintenance, business continuity management, occupational health and safety management, energy management, and asset management. The implementation of the IMS is a Company-wide project focusing on all functional processes within the Company by following set of ISO Standards:

### ISO 14001

Environmental management

### ISO 55000 and ISO 55001

Asset management

### ISO 19650

Building Information Modelling – BIM

### ISO 45001

Occupational Health and Safety

### ISO 14224

Collection and maintenance of data

### ISO 17025

Testing & calibration laboratories

### ISO 50001

Energy management

### ISMS ISO 27001

Information security management systems

### ISO 22241

Diesel engines — NOx reduction agent AUS 32

### ISO 22301

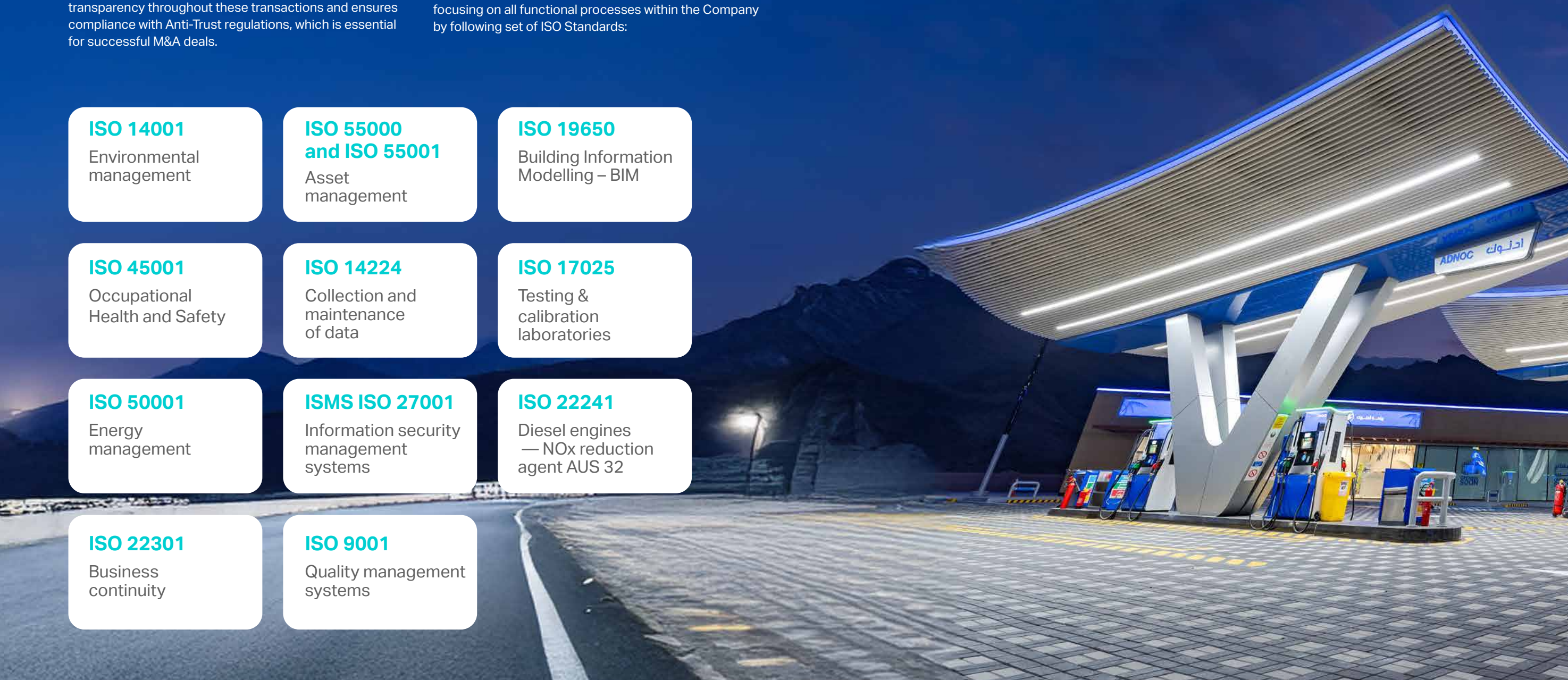
Business continuity

### ISO 9001

Quality management systems

## Future plans

By adopting emerging global standards and harnessing technology for governance, ADNOC Distribution continues to strengthen its foundation of ethical practices. Committed to a culture of accountability, we ensure our growth aligns with the highest ethical benchmarks. Looking ahead, our plans include advanced training on evolving ethical challenges, enhanced reporting mechanisms, and a deeper integration of ethical considerations across all aspects of our operations.





# Artificial Intelligence (AI) at ADNOC Distribution: powering possible

The digital era is revolutionizing the future of sustainability by introducing technologies and data-driven solutions that enhance environmental stewardship. To facilitate the shift towards AI, we developed a governance system that supports operational excellence through the AI Strategy.

Our AI strategy is focused on four key strategic pillars:



Driving growth



Enhancing efficiency



Elevating customer experience



Future-proofing the business

## AI ethics policy

- Thoughtful use of AI focused on business purposes**
- Confidentiality**  
 Limited to updating only public information on AI language model platforms
- Decision making**  
 To be leveraged as an instrument only but not as a core factor for critical decisions
- Monitoring and enforcement**  
 Ensure complete oversight of AI implementation and utilization





# Principles of AI ethics policy



Transparency



Explainability



Accountability



Fairness and non-discrimination



Confidentiality



Privacy and data protection



Human-centeredness



Robustness



Safety and security



Environmental and social sustainability

# 2024 highlights of achievements in AI



Received 'best ai achievement in energy & utilities'

at the Global AI Show 2024, showcasing leadership in AI-driven customer solutions.



Robotic arm fueling pilot

We introduced a robotic fueling pilot during UAE Innovation Month, enhancing customer experience through AI-driven solutions.



AI initiative

Lube Automation: Implemented an automated replenishment system across the retail lube network, reducing inventory gaps.



AIDT innovations at GITEX 2024

Demonstrated cutting-edge AI tools, including robotic arms, EV charging solutions and AI Self-checkout, showcasing its technological advancements at the exhibition.







## AI solutions for ESG

### AI for environmental management

ADNOC Distribution aims to utilize AI technologies to enhance its performance in environmental management across various areas, including biodiversity, climate, energy consumption, water management, waste management, and the development of sustainable products and services. Our AI centric sustainability initiatives ensure improved efficiency and reduced emissions:

- Dashboard permitting management to access vast amounts of precise information about sustainability across the entire organization
- **AI-driven predictive analytics** and automation optimize fuel supply management
- **AI Fleet Monitoring**



### We are further integrating AI

into Sustainable Customer Journey by enabling hyper-personalized green offerings, promoting customer engagement in circular energy and waste programs, and encouraging adoption of eco-friendly solutions. These initiatives reflect how we leverage AI for sustainability purposes, supporting our broader environmental goals.

### AI for People Impact

We, at ADNOC Distribution, prioritize the wellbeing of our customers and workforce. Therefore, we leverage AI in advancing our social dimensions by focusing on customer satisfaction and employee well-being while simultaneously improving efficiency and productivity through the following:

- **Hyper-personalization:** An AI-based model that suggests tailored offers for customers to increase their life-time value and brand loyalty. Our most profitable customer facing AI initiative will take into consideration eight key AI solutions aimed at hyper personalized targeting for our customers:
  - NFR (Non-Fuel Retail) Customer Acquisition C-store (real-time)
  - Customer Segmentation
  - NFR Customers Acquisition C-store (Batch)
  - Predictive Refueling
  - Personalized Customer Offers
  - NFR Customer Acquisition (Car Wash & Lube)
  - RFM Customer Segmentation
- **Human capital development and smart workforce management:** AI optimizes staff allocation at fuel stations, reducing costs, balancing workloads, and improving employee well-being in a human-centered way. We developed an AI-based model that optimizes operational cost of service stations by matching fuel sales demand with staff shift rosters, whilst maintaining and improving customer service. We are currently planning to adapt this AI initiatives also to C-stores, Lube centers and Car Washes
- **Innovation hub:** Drives a culture of AI integration across all verticals, fostering collaboration, ethical AI use, and upskilling employees

- **Active Fatigue & Distraction Detection (AFDD) and Journey Management Plan (JMP) implementation:** Both programs strengthen occupational health and safety by detecting risks and safeguarding the company's drivers

- Impact significant improvements in drivers' behavior and reduction in IVMS violations

● **100%**

Installation on 70 ADNOC Distribution heavy vehicles carrying flammable products.

● **47%**

of detected events are microsleeps and yawning.



## AI for good governance

ADNOC Distribution integrates AI into governance practices by enhancing reporting, transparency, supply chain efficiency, risk management, and product quality and safety.

- **AI executive dashboard:** To support decision making, we developed a dashboard that will consolidate real-time data across functions, providing management with actionable insights to optimize operations and ensure informed governance. The dashboard will permit management to access vast amounts of precise information across entire organization. Improved user experience, adoption and business decisions, fast access to data and insights
- **Supply chain optimization:** AI is actively used for fuel demand prediction, enabling precise fuel supply management to avoid runouts, and the lube automation self-ordering system ensures consistent availability of retail lubricants by proactively managing stock levels and preventing out-of-stock situations:
  - **Fuel demand prediction:** AI-based model that identifies product associations for potential attractive combo deals and co-location planogram changes at C-Store to improve sales and profitability. This reduced our run-out-rate for out of fuels at stations from 1% to 0.02%, creating output gains for the company
  - **Lube automation:** This Initiative is aimed at ensuring lube is in stock and increase lube sales through predictive analysis and optimized inventory management
  - **F&B prediction:** AI model to forecast baking cycles across all ADNOC Bakeries. The model focuses on the proper management of F&B perishables at C-stores and the right amount of inventory levels

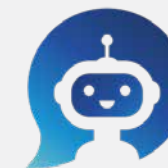
- **Transparency and communication, ARIF investor relations AI chatbot:** An AI-powered investor relations chatbot, which enhances investor engagement by delivering real-time, accurate insights into the company's strategy and financials based on ADNOC Distribution public information

## Cybersecurity and data privacy

Our cybersecurity principles aim to safeguard AI systems from cyber threats. Security controls are tailored to each asset's risk profile, covering systems, applications, APIs, data sources, and the broader AI ecosystem. The policy aligns with the Cybersecurity Management Standard and our information security management system, reinforcing the resilience of AI systems against vulnerabilities.

At ADNOC Distribution, cybersecurity and data privacy are integral to our digital transformation. We implement stringent controls to protect our enterprise infrastructure, ensuring data confidentiality, integrity and availability. Guided by established policies, we address cybersecurity and data privacy risks proactively, while maintaining transparency in how information is collected, analyzed, and used responsibly.

- Our Privacy Policy sets out the basis on which any personal data is collected, or provided, and will be processed to ensure it is protected and processed in a fair, transparent, and lawful way
- Our Information Security Management System (ISMS), certified to ISO 27001, reinforces our commitment to protecting customer and company information while fully complying with the UAE Personal Data Protection Law (PDPL)



# +5,500

questions asked on  
ARIF since its launch on  
December 12<sup>th</sup>, 2024



## Key cyber security highlights:



**Upgraded Payment Card Industry Data Security Standard (PCI DSS)**  
certification to version.



**Multi-factor authentication (MFA)**  
for strengthening customer password protocols to enhance data protection.



**Operational Technology (OT)**  
and Industrial Control System (ICS) Cybersecurity Assessments to identify vulnerabilities and implementing protective measures to secure critical infrastructure.



**Enhanced threat intelligence by conducting real-time**  
monitoring and improving incident response capabilities.



**Expanded employee training programs**  
by including phishing simulations and cybersecurity awareness initiatives, reinforcing our first line of defense against cyber threats.

For Digital Incident Response ADNOC Distribution has business continuity and contingency plans and incident response procedures. It tests the system once a year. ADNOC Distribution perform External Verification and Vulnerability Analysis, long with the Payment Card Industry Data Security Standard (PCI DSS) compliant to ensure IT compliance. The IT infrastructure and information security management systems have been audited by external auditors every fiscal year. ADNOC Distribution performed penetration testing and conducted simulated hacker attacks as part of third-party vulnerability analysis. The Company has also implemented a preventive control to assess new projects that would involve the processing of data subjects' personal data via Data Protection Impact Assessment (DPIA). In relation to the customer's data privacy, the Company also provides opt in and opt out option for customers online.

Information technology (IT) security and risk governance is vital to ensure monitoring and oversight of the company's cybersecurity strategy implementation, proactive protection of information assets, preparedness to potential incidents and establishment of safe and resilient infrastructure. Our cybersecurity and IT is under the supervision and leadership of Saeed Al Ahbabi, Chief Shared Services & Technical Officer.

ADNOC Distribution continues to advance cybersecurity resilience, adapt to evolving threats, and enhance governance frameworks. By investing in cutting-edge technologies and best practices, we promise the security of our digital assets while maintaining the trust of our customers, employees, and stakeholders.



**Zero cases**  
of cyber security/information security breaches, leaks, thefts, or losses of customer data in 2024.



**Zero cases**  
of substantiated complaints received concerning breaches of customer privacy in 2024.



**Zero cases**  
of clients, customers and employees affected by the breaches in 2024.



**100% of employees**  
provided with digital, cyber security, and privacy awareness in 2023.





# Looking ahead to 2025 and beyond

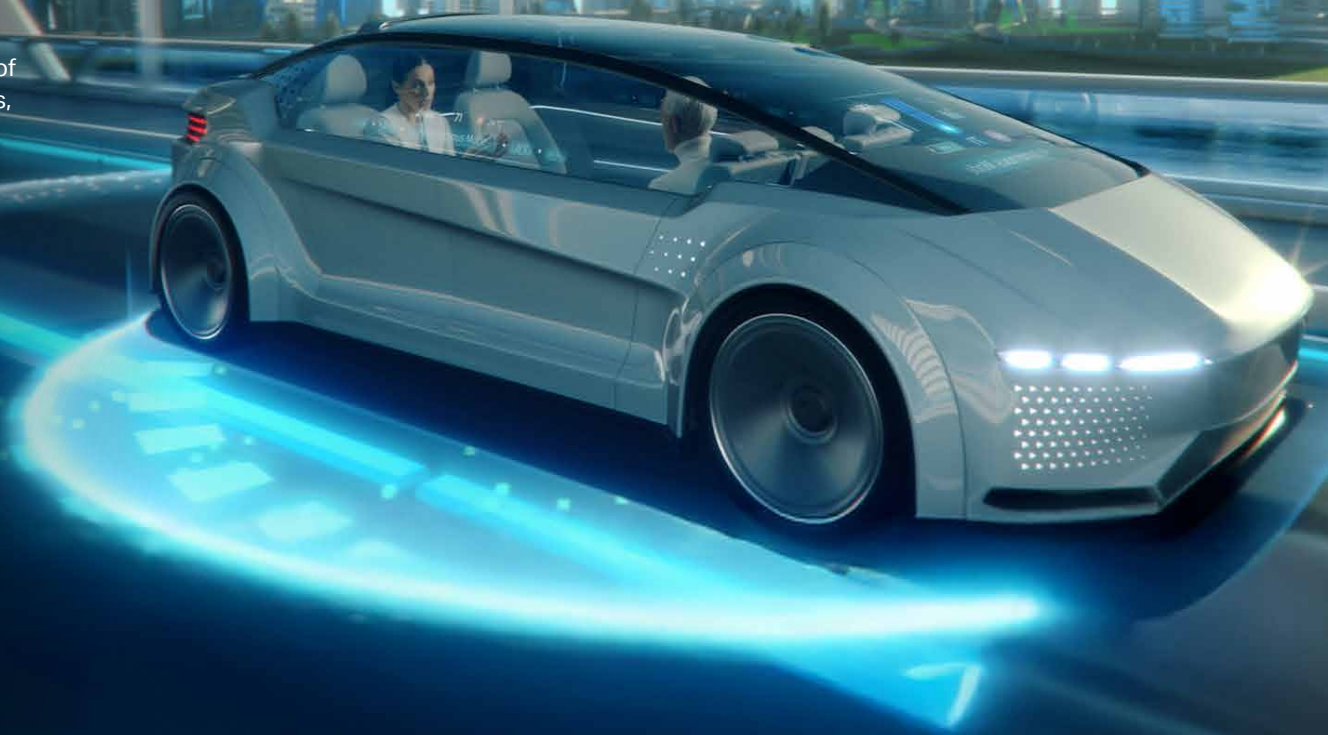
ADNOC Distribution is driving a new era of sustainable energy. We are contributing to the future of mobility by redefining the role of fuel and convenience retail in a low-carbon world. As we advance our sustainability efforts, we embed environmental and social principles in our strategy, not as an obligation but as an opportunity to lead with impact.

We are aligning our decarbonization efforts with the UAE's vision, ADNOC Group's 2030 sustainability strategy, and global sustainability standards. As we expand internationally and accelerate growth, sustainable practices are instilled across our operations. This helps us advance to Net Zero, while protecting nature and biodiversity, and empowering our people to drive prosperity.

We have taken decisive steps to advance environmental stewardship, enhance resource efficiency, and deepen our social impact. Feedback from rating agencies sharpened our priorities to target initiatives in waste and water management, as well as the greater focus on diversity, equity, and inclusion. 3,800 employees from 15 nationalities are onboarded this year and were encouraged to develop their skills and taken on growth opportunities in a safe and positive environment here at ADNOC Distribution.

Technology is a key enabler of our transformation. we are leveraging artificial intelligence integration to enhance energy efficiency and sustainable operations, with over nine AI-driven projects already deployed. Our commitment to decarbonizing is translating to tangible action, through expanding the use of biofuels in our fleet, scaling hydrogen refueling, and accelerating the deployment of solar panel network across our service stations. The efforts align with our Decarbonization Roadmap aimed at reducing operational carbon intensity by 25% by 2030 and ADNOC's vision for a Net Zero by 2045.

Beyond 2025, we will continue to push boundaries of innovation. Aligned with international best practices, we are well-equipped to contribute to a sustainable and carbon-neutral future. Sustainability at ADNOC Distribution is fundamental to a resilient tomorrow.





# ESG performance index

Type	2020	2021	2022	2023	2024
<b>ENVIRONMENT</b>					
<b>ENERGY CONSUMPTION</b>					
Total Electricity Consumption (GJ)	862,750	1,030,640	1,041,030	1,015,492	1,155,852
Total Electricity Consumption (MWh)	239,653	286,289	289,175	282,081	311,748
Total Energy Consumption within the Organization (GJ)	1,113,250	1,305,109	1,411,782	1,373,477	1,292,431 <span>Δ</span>
Energy Consumption from Solar Energy (GJ)	1,768	2,014	2,327	2,369	18,298
GHG Emission avoided by Solar Energy consumption (tCO <sub>2</sub> e)	373	450	291	296	2,287
Renewable energy consumption from Solar Energy (MWh)	491	559	646	658	5,083
Diesel (L) (including biofuel)* *Removed third party fleet data from 2024	6,843,370	6,739,925	9,077,117	8,145,801	2,990,285
Gasoline (L)	672,641	997,066	1,206,470	993,398	834,778
<b>ENERGY INTENSITY</b>					
Energy intensity for the organization (GJ/million AED) – based on Gross profit in UAE	-	-	251.4	252.8	224.6 <span>Δ</span>
<b>EMISSIONS INTENSITY</b>					
Emissions intensity for the organization (tCO <sub>2</sub> e/million AED) – based on Gross profit in UAE	-	-	28.20	27.30	26.2
<b>GREENHOUSE GAS EMISSIONS</b>					
Direct GHG Emissions (tCO <sub>2</sub> e)	20,045	21,060	27,320	25,359	8,506 <span>Δ</span>
Indirect GHG Emissions (tCO <sub>2</sub> e)	110,105	129,566	130,850	123,241	142,224 <span>Δ</span>
<b>NON – GHG EMISSIONS</b>					
NOx emissions (kg)	281,000	295,000	336,220	319,000	89,000
SOx emissions (kg)	157,500	165,375	188,180	15,460	6,000
Particulate Matter PM (kg)	-	-	-	-	2,000
Volatile Organic Compounds (kg)	13,670,000	15,012,586	15,456,430	16,607,019	17,835,120
Total Non GHG Emission			15,980,830	16,941,479	17,930,120

Type	2020	2021	2022	2023	2024
Non GHG Emission Intensity based on Gross Profit			2,845	3,118	3,116
<b>MATERIALS USED</b>					
Non-renewable materials used (Tons)	-	-	-	2,560	2,487
Renewable materials used (Tons)	-	-	-	455	389
% of reclaimed products and their packaging materials for each product category	-	-	-	8	8
Wood/Paper Fiber packaging (Tons)	-	-	-	380	331
Metal (e.g. aluminium or steel) packaging (Tons)	-	-	-	1,652	1783
Total weight of all plastic packaging (Tons)	-	-	-	983	762
% of recyclable plastic packaging (as a % of the total weight of all plastic packaging)	-	-	-	100	100
% of recycled content within your plastic packaging (as a % of the total weight of all plastic packaging)	-	-	-	8	8
Coverage (as a % of cost of goods sold)	-	-	-	13	13
<b>WASTE GENERATED (SOLID WASTE)</b>					
Hazardous Domestic Type Waste (Tons)	1,516	1,671	782	857	894
Non-Hazardous Domestic Type Waste (Tons)	10,440	10,995	11,955	12,326	13,865
Paper and cardboard (Tons)	NA	0.52	0.79	1.47	0.72
Waste Lube Oil (Tons)	1,506	1,537	737	857	890
Expired Chemicals (Tons)	10	135	18	24	4
Metal Scrap (Tons)	NA	25	0	0.07	0.17
Tires (Number)	NA	1,360	1,801	1,120	1,512
Food, wood and garden waste (Tons)	10,440	10,955	11,999	12,326	13,865
Batteries (Number)	NA	215	316	235	453



Type	2020	2021	2022	2023	2024
Hazardous Waste diverted from disposal (Tons)	1,506	1,536	764	857	890
Non-Hazardous Waste diverted from disposal (Tons)	NA	1	1	2	1
Non-Hazardous Waste directed to disposal: Landfilling (Tons)	10,440	10,955	11,999	12,326	13,865
Hazardous Waste directed to disposal: Other disposal operations (Tons)	10	135	18	-	4
WASTE GENERATED (LIQUID WASTE)					
LPG Cylinders Washing Water (m³)	1,506	2,330	2,436	1,746	2026
Wastewater from car wash activities (m³)	1,355	221,013	231,359	210,763	263,014
Domestic Sewage (m³)	1,289,013	1,780,489	1,361,438	1,792,265	1,863,907
WATER					
Water consumption including portable water (m³)	1,288,943	1,755,852	2,032,157	1,792,265	2,071,008
Total volume of water withdrawn (m³)	1,288,943	1,755,852	2,032,157	1,792,265	2,071,008
Water discharged into municipality sewage (m³)	1,288,943	1,755,852	2,032,157	1,792,265	1,863,907
Water recycled (m³)	1,355	221,013	231,359	210,763	263,014
AMOUNT INVESTED IN AED ON CLIMATE MITIGATION					
Environmental Assessment and Audit Cost	910,303	385,800	128,060	1,571,476	637,531
Wastewater Management	704,533	3,000,000	3,000,000	2,270,796	6,942,975
Waste Management	4,357,574	4,622,199	4,622,199	4,690,482	5,435,420
Vapour Recovery	2,300,000	1,400,000	3,500,000	2,130,000	820,000
ECONOMIC					
DIRECT VALUE GENERATED					
Direct Economic Value Generated (Revenues) (AED million)	16,132	20,921	32,111	34,629	35,454
Operating Costs (AED million)	11,018	16,462	26,987	29,263	29,788

Type	2020	2021	2022	2023	2024
Employee Wages and Benefits (AED million)	1,772	1,423	1,674	1,461	1,588
Payments to Providers of Capital (AED million)	2,691	2,756	2,851	3,056	3,071
WORKFORCE DIVERSITY AND DEVELOPMENT					
Total Number of Employees	11,413	11,929	13,122	13,198	14,844
NUMBER OF PERMANENT EMPLOYEES BY GENDER					
Female	927	1,042	1,172	1,266	1,427
Male	10,464	10,865	11,387	11,396	13,417
NUMBER OF TEMPORARY EMPLOYEES BY GENDER					
Female	0	3	5	2	0
Male	19	47	1	0	0
PART-TIME EMPLOYEES					
Total enterprise headcount held by part-time employees	0	0	0	0	0
WORKERS WHO ARE NOT EMPLOYEES					
Workers who are not employees	633	526	560	536	527
Total enterprise headcount held by contractors or consultants	16.2%	17.4%	17.9%	4.06%	3.55%
NATIONAL EMPLOYEES AS A PERCENTAGE OF EMIRATIZABLE POSITIONS					
Emiratization Rate	72.0%	67.6%	63.9%	62.5%	62.4%
EMIRATI EMPLOYEES					
Male Emirati Employees	1,565	1,470	1,445	1,386	1,333
Female Emirati Employees	402	412	404	393	376
RATE OF NEW HIRES BY EMPLOYEE CATEGORY					
Senior Management	0.1%	0.1%	0.1%	10.2%	7.3%
Middle Management	0.1%	0.1%	0.1%	3.8%	3.8%
Professional, Operational, and administrative positions	12.4%	15.6%	22.2%	15.6%	26.1%
RATE OF NEW HIRES BY GENDER					
Female Employees	1.1%	1.1%	2.0%	2.1%	2.3%
Male Employees	11.5%	13.8%	20.3%	13.3%	23.4%



Type	2020	2021	2022	2023	2024
RATE OF NEW HIRES BY AGE GROUP					
Age Group: 18-30	9.4%	11.5%	14.7%	11.3%	18.4%
Age Group: 31-50	3.1%	4.3%	7.5%	4.0%	7.2%
Age Group: 51-60	0.0%	0.0%	0.1%	0.1%	0.0%
In ADNOC Distribution's workforce	85%	84%	86%	100%	100%
In Entry and Mid-level positions	85%	84%	86%	100%	100%
In Senior and Executive Level Positions	93%	93%	95%	100%	100%
FEMALE REPRESENTATION IN ADNOC DISTRIBUTION'S WORKFORCE					
In ADNOC Distribution's workforce (Female Representation)	15%	16%	9%	10%	10%
In Entry and Mid-level positions (Female Representation)	15%	16%	15%	10%	10%
In Senior and Executive Level Positions (Female Representation)	7%	7%	5%	6%	5%
MALE REPRESENTATION IN ADNOC DISTRIBUTION'S WORKFORCE					
In ADNOC Distribution's workforce (Male Representation)	85%	84%	91%	90%	90%
In Entry and Mid-level positions (Male Representation)	85%	84%	85%	90%	90%
In Senior and Executive Level Positions (Male Representation)	93%	93%	95%	94%	95%
AVERAGE HOURS OF TRAINING PER EMPLOYEE (BY GENDER)					
Female	134	140	140	227	228
Male	106	115	151	191	191
AVERAGE HOURS OF TRAINING PER EMPLOYEE (BY EMPLOYEE CATEGORY)					
In Senior Management Positions	105	115	96	146	207
In Middle Management Positions	129	142	92	105	116
In Professional, Operational, and Administrative Positions	96	114	174	208	214
EMPLOYEES WHO RECEIVED PERFORMANCE AND CAREER DEVELOPMENT REVIEW					
Female	63%	87%	100%	100%	100%
Male	79%	91%	100%	100%	100%

Type	2020	2021	2022	2023	2024
TURNOVER					
Total Number of Employees Leaving Employment During the Reporting Period	1,141	1,117	1,764	2,004	1,988
TURNOVER BY EMPLOYMENT CATEGORY					
Senior Management Positions	0.1%	0.1%	22.0%	8.2%	22.0%
Middle Management	0.1%	0.2%	8.0%	6.1%	8.0%
Professional, Operational, and Administrative Staff	9.7%	12.5%	14.0%	15.4%	13.50%
TURNOVER BY GENDER					
Female Employees	0.6%	0.6%	1.5%	1.4%	1%
Male Employees	9.2%	11.3%	12.5%	13.8%	12%
TURNOVER BY AGE GROUP					
Turnover by Age Group: 18-30	2.0%	3.3%	4.7%	5.5%	6%
Turnover by Age Group: 31-50	7.0%	8.8%	8.4%	7.8%	7%
Turnover by Age Group: 51+	0.9%	0.6%	0.4%	6.7%	0
PARENTAL LEAVE					
Number of Female Employees Entitled to Parental Leave	930	1,239	1,295	545	518
Number of Male Employees Entitled to Parental Leave	12,563	13,027	11,920	5,514	4,883
EMPLOYEES WHO TOOK PARENTAL LEAVE					
Female	82	75	81	71	108
Male	155	202	249	249	351
EMPLOYEES WHO TOOK PARENTAL LEAVE AND RETURNED TO WORK AFTER LEAVE ENDED					
Female	82	75	79	71	104
Male	155	202	249	249	351
EMPLOYEES WHO TOOK PARENTAL LEAVE AND RETURNED TO WORK AFTER LEAVE ENDED THAT STILL EMPLOYED 12 MONTHS AFTER					
Female	82	66	72	67	63
Male	149	146	198	153	242



Type	2020	2021	2022	2023	2024
AVERAGE ANNUAL COMPENSATION (AED)					
Female					82,965
Male					83,178
SAFETY					
TOTAL NUMBER OF HOURS WORKED					
Number of Hours Worked (million-man hours)	35.4	32.2	25.6	27.2	28.47
The Number of Hours Worked by Workers, Not Employees but by Work or Workplace is Controlled by the Organization (million-man hours)	10.5	8.4	11	15.3	15.24
TOTAL NUMBER OF EMPLOYEE FATALITIES AS A RESULT OF WORK-RELATED INJURY					
Number of Fatalities	0	0	0	0	0 <span>▲</span>
Near Miss Frequency Rate (NMFR) for Direct Employees					0.035
Lost Time Injury Frequency (LTIF) (million manhours)	0.03	0.03	0.027	0.023	0.022
Rate of Recordable Work-Related Injuries	0.06	0.01	0.007	0.023	0.046 <span>▲</span>
Number of Recordable Work-Related Injuries	2	0	1	1	2 <span>▲</span>
Number of High-Consequence Work-Related Injuries (excluding fatalities)	0	0	0	0	0
TOTAL NUMBER OF EMPLOYEE FATALITIES AS A RESULT OF WORK-RELATED ILL HEALTH					
Number of Fatalities	0	0	0	0	0
WORKERS COVERED BY OCCUPATIONAL HEALTH AND SAFETY SYSTEM					
Number of All Workers Covered by the Occupational Health and Safety (OHS) System	4,190	2,655	3,613	5,112	4,774
Percentage of All Workers Covered by the OHS System	26%	18%	14%	38%	32%

Type	2020	2021	2022	2023	2024
WORK-RELATED INJURIES FOR ALL WORKERS WHO ARE NOT EMPLOYEES BUT WHOSE WORK OR WORKPLACE IS CONTROLLED BY THE ORGANIZATION					
Number of Fatalities for Work-Related Injuries (Workers Not Employees)	0	0	0	0	0 <span>▲</span>
Near Miss Frequency Rate (NMFR) for Contract Employees					0.19
Rate of Recordable Work-Related Injuries (Workers Not Employees)	0	0	0	0	0
Number of Recordable Work-Related Injuries (Workers Not Employees)	0	0	0	0	0
Number of High-Consequence Work-Related Injuries (Workers Not Employees)	0	0	0	0	0
Number of Fatalities for Work-Related Ill Health (Workers Not Employees)	0	0	0	0	0
Rate of Recordable Work-Related Ill Health (Workers Not Employees)	0	0	0	0	0
Number of Recordable Work-Related Ill Health (Workers Not Employees)	0	0	0	0	0
PRODUCTS AND SERVICES					
Percentage of Products and Services for Which Health and Safety Impacts Are Assessed	100%	100%	100%	100%	100%
BUSINESS SUSTAINABILITY					
Revenue (million AED)	16,132	20,921	32,111	34,629	35,454
Net Profit (million AED)	2,432	2,252	2,748	2,601	2,420
Total Assets (million AED)	12,404	13,779	7,820	10,078	9,939
Total Equity (million AED)	3,477	3,202	3,445	3,796	3,181

ADNOC Distribution appointed KPMG Lower Gulf to perform limited independent assurance over selected sustainability metrics, marked with the symbol ▲. The limited assurance engagement was planned and performed in accordance with the 'International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB)' . A limited assurance opinion was issued and is available at our website. No other information in this ESG Report has been subject to this external limited assurance.



Type	Description
CORPORATE GOVERNANCE	
Number of board positions the CEO, or equivalent, holds at other public, actively traded companies	Zero
Age range of the members from the youngest director to the oldest director on the company board.	39 to 57
Total Option Awards Given to CEO and Equivalent	Zero
Total Stock Awards Given to CEO and Equivalent	Zero
Total Option Awards Given to Executives	Zero
Total Stock Awards Given to Executives	Zero
Percentage of shares pledged as collateral by company executives or directors	Zero
Shareholders have an advisory vote on prospective pay decisions, i.e. the remuneration policy	Yes
Frequency of Say on Pay votes for shareholders of the company in most recent Annual General Meeting (AGM)	Annual
Do the shareholders have the right to call a board special meeting or an extraordinary general meeting	Yes
Specifies the right to act by written consent the company provides shareholders with, in lieu of a meeting	Yes, we adhere to the written consent rights mentioned in the SCA regulation
Does the company requires a supermajority of shareholder support in order to amend the company's bylaws or articles of incorporation	Yes
Does the company prohibit facilitation payments	Yes
Does the company prohibit the CEO from serving as a board chair?	Yes
Did shareholder dissent exceeded 30 percent of the total votes cast recorded against board recommendations during 2 recent AGM's	No





# TCFD index

Tcfd recommendation	Tcfd recommended disclosure	Where reported
<b>Governance</b> Disclose the organization's governance around climate-related issues and opportunities.	<div>a. Describe the board's oversight of climate-related risks and opportunities.</div> <div>b. Describe management's role in assessing and managing climate-related risks and opportunities.</div>	<div>a. Governance and Resilience (Page 75-77)</div> <div>b. Embedding sustainability within governance (Page 77)</div>
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy and financial planning where such information is material.	<div>a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</div> <div>b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</div> <div>c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</div>	<div>Sustainability at ADNOC Distribution (Page 13-28 )</div> <div>Our Approach to Climate Risk and Decarbonization (Pages 31-39) Sustainability at ADNOC Distribution (Page 13-28 )</div> <div>Sustainability at ADNOC Distribution (Page 13-28 ) Our Approach to Climate Risk and Decarbonization (Page 31-39)</div>
<b>Risk management</b> Disclose how the organization identifies, assesses and manages climate-related risks.	<div>a. Describe the organization's processes for identifying and assessing climate-related risks.</div> <div>b. Describe the organization's processes for managing climate-related risks.</div> <div>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</div>	<div>ADNOC Distribution is in the process of developing a systematic process to identify and assess these risks Advancing Net Zero (Page 29-39)</div> <div>Resilience through Strategic Risk Management (Page 81-84)</div>

Tcfd recommendation	Tcfd recommended disclosure	Where reported
<b>Metrics and targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<div>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</div> <div>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.</div> <div>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</div>	<div>Advancing Net Zero (Page 29-39) Performance Data for KPI's on ESG metrics (Page 95)</div> <div>Emissions (Page 35 )</div> <div>Approach to sustainability (Page 13-28 ) Resilience through Strategic Risk Management (Page 81-84)</div>



# GRI content index

Statement of use	Abu Dhabi Department of Economic Development has reported in accordance with the GRI Standards for the period January 1 <sup>st</sup> to December 31 <sup>st</sup> , 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1 Organizational details	About ADNOC Distribution	
	2-2 Entities included in the organization’s sustainability reporting	About the Report	G7. Sustainability Reporting
	2-3 Reporting period, frequency and contact point	About the Report	G8. Disclosure Practices
	2-4 Restatements of information		
	2-5 External assurance	Independent Assurance Letter	G9. External Assurance
	2-6 Activities, value chain and other business relationships	Our Business	
	2-7 Employees	ESG Performance Data	S5. Temporary Worker Ratio
	2-8 Workers who are not employees	ESG Performance Data	
	2-9 Governance structure and composition	Corporate Governance: A Strategic Imperative	
	2-10 Nomination and selection of the highest governance body	Corporate Governance: A Strategic Imperative	
	2-11 Chair of the highest governance body	Leadership at ADNOC Distribution	

Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance: A Strategic Imperative	E 8. Environmental Oversight G2. Board Independence
	2-13 Delegation of responsibility for managing impacts	Embedding sustainability within governance	E9.Environmental Oversight
	2-14 Role of the highest governance body in sustainability reporting	Embedding sustainability within governance	
	2-15 Conflicts of interest	Conflicts of Interest Policy	
	2-16 Communication of critical concerns	Reporting Mechanisms and Whistleblower Protections	
	2-17 Collective knowledge of the highest governance body	Governance and Resilience	
	2-18 Evaluation of the performance of the highest governance body	Governance and Resilience	
	2-19 Remuneration policies	Sustainability Related Compensation and Incentive Schemes	G3. Incentivized Pay
	2-20 Process to determine remuneration	Committees	
	2-21 Annual total compensation ratio	Ensuring Fair and Equitable Compensation	S1. CEO Pay Ratio
	2-22 Statement on sustainable development strategy	Sustainability Strategic Framework	
	2-23 Policy commitments	Our Core Values	
	2-24 Embedding policy commitments	Our Core Values	
	2-25 Processes to remediate negative impacts	Reporting Mechanisms and Whistleblower Protections	
	2-26 Mechanisms for seeking advice and raising concerns	Reporting Mechanisms and Whistleblower Protections	



Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	2-27 Compliance with laws and regulations	Compliance Investigation Policy	
	2-28 Membership associations	American Petroleum Institute (API), International Air Transport Association (IATA), Joint Inspection Group (JIG), International Association for Stability, Handling and Use of Liquid Fuels (IASH).	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	What Matters Most: Key Material Topics	
	3-2 List of material topics	Material Topics by Priority	
ECONOMIC PERFORMANCE			
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic Social Contribution Climate Risk Research and Development	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Social Contribution Economic Impact	
GRI 202: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Economic Impact	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Economic Impact Economic Social Contribution Climate Risk Research and Development Community Development and Engagement Programs: Driving Socioeconomic Prosperity	
PROCUREMENT PRACTICES			
GRI 3: Material Topics 2021	3-3 Management of material topics	Local Procurement ICV Value Program	
GRI 205: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Local Procurement ICV Value Program	

Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
ANTI-CORRUPTION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Anti-Corruption and Fraud Management	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Corruption and Fraud Management	
	205-2 Communication and training about anti-corruption policies and procedures	Employee and Partner Engagement	
	205-3 Confirmed incidents of corruption and actions taken	Reporting Mechanisms and Whistleblower Protections	
ANTI-COMPETITIVE BEHAVIOR			
GRI 3: Material Topics 2021	3-3 Management of material topics	Anti-Competitive Behavior	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-Competitive Behavior	
TAX			
GRI 3: Material Topics 2021	3-3 Management of material topics	Tax	
GRI 207- Tax 2019	207-1 Approach to Tax	Tax: A Commitment to Transparency, Compliance, and Sustainable Growth	
	207-2 Tax governance, control, and risk management	Tax: A Commitment to Transparency, Compliance, and Sustainable Growth	
	207-3 Stakeholder engagement and management of concerns related to tax	Tax: A Commitment to Transparency, Compliance, and Sustainable Growth	
ENERGY MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy	E7. Environmental Operations
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management and Policy	E3. Energy Usage E5. Energy Mix



Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	302-2 Energy consumption outside of the organization		E4. Energy Intensity
	302-3 Energy intensity	Energy Management and Policy	
	302-4 Reduction of energy consumption	Energy Management and Policy	
WATER MANAGEMENT			
GRI 303: Water and Effluents 2018	3-3 Management of material topics	Water	
	303-1 Interactions with water as a shared resource	Water	
	303-2 Management of water discharge-related impacts	Water	E6. Water Usage E7. Environmental Operations
	303-3 Water withdrawal	Water	
	303-4 Water discharge	Water	
	303-5 Water consumption	Water	E6. Water Usage
BIODIVERSITY			
GRI 304: Biodiversity 2016	3-3 Management of material topics	Protecting Biodiversity	
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Protecting Biodiversity	
	304-2 Significant impacts of activities, products and services on biodiversity	Zero negative impacts or fines on biodiversity have been recorded in the HSEIA studies.	
	304-3 Habitats protected or restored	No habitat areas protected or restored	

Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Zero number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization across all levels of extinction risk.	
EMISSIONS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions	E1. GHG Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions	E1. GHG Emissions
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity	Emissions	E2. Emission Intensity
	305-5 Reduction of GHG emissions	Emissions	
	305-6 Emissions of ozone-depleting substances (ODS)	Emissions	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emissions	
WASTE MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste	
	306-2 Management of significant waste-related impacts	Waste	
	306-3 Waste generated	Waste Reduction and Recycling Initiatives	



Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	306-4 Waste diverted from disposal	Waste	
	306-5 Waste directed to disposal	Waste	
ENVIRONMENTAL COMPLIANCE			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Compliance	E7. Environmental Operations
GRI 307- Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	Zero cases of non-compliance recorded.	
EMPLOYMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Empowering Lives	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Emiratisation ESG Performance Data	S3. Employee Turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits	
	401-3 Parental leave	Employee Benefits ESG Performance Data	
GRI 3: Material Topics 2021	3-3 Management of material topics	Empowering Lives	
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Employee Wellbeing	
OCCUPATIONAL HEALTH & SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety at ADNOC Distribution	S8. Global Health and Safety
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety at ADNOC Distribution	

Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	403-2 Hazard identification, risk assessment, and incident investigation	Hazard Identification and Risk Assessment	
	403-3 Occupational health services	Employee Benefits Employee Wellbeing	
	403-4 Worker participation, consultation, and communication on occupational health and safety	2024 HSE Training and Awareness	
	403-5 Worker training on occupational health and safety	Emergency Preparedness and Response 2024 HSE Training and Awareness	
	403-6 Promotion of worker health	2024 HSE Training and Awareness	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Hazard Identification and Risk Assessment	
	403-8 Workers covered by an occupational health and safety management system	Hazard Identification and Risk Assessment	
	403-9 Work-related injuries	Hazard Identification and Risk Assessment	S7. Injury Rate
	403-10 Work-related ill health	Hazard Identification and Risk Assessment	
TRAINING & EDUCATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Training and Development	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development	
	404-2 Programs for upgrading employee skills and transition assistance programs	Training commitments and policies	



Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Performance Data	
DIVERSITY & EQUAL OPPORTUNITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Strength in Diversity	
	405-1 Diversity of governance bodies and employees	Strength in Diversity, Emiratization	S1. CEO Pay Ratio S2. Gender Pay Ratio
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Strength in Diversity	S4. Gender Diversity G1. Board Diversity
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Non-Discrimination	
LOCAL COMMUNITIES IMPACT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Creating Lasting Socioeconomic Impact	
CUSTOMER HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Health and Safety	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Customer Health and Safety	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health and Safety	
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	Reporting Mechanisms and Whistleblower Protections	

Gri standard/ Other source	Disclosure	Location and/ or direct answer	Alignment with ADX
NATIONALIZATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Emiratization	S11. Nationalization
EMPLOYEE ENGAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Engagement	
RISK & CRISIS MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Resilience through Strategic Risk Management	
BUSINESS ETHICS, HUMAN RIGHTS AND INTEGRITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance Policy and Code of Conduct	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures		
BOARD OVERVIEW			
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance and Resilience, Corporate Governance: A Strategic Imperativwe, Leadership at ADNOC Distribution	
DIGITIZATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Artificial Intelligence at ADNOC Distribution	
SPILLS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Oil Spill Response	
CLIMATE RISK MITIGATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate Risk Mitigation and Adaptation	E10. Climate Risk Mitigation



# Independent assurance letter



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**Independent Practitioners’ Limited Assurance Report**

**To Abu Dhabi National Oil Company for Distribution PJSC**

**Limited assurance report on selected sustainability metrics for the year ended 31 December 2024 for Abu Dhabi National Oil Company for Distribution PJSC (“ADNOC Distribution”)**

**Conclusion**

We have performed a limited assurance engagement on whether the subject matter information (“SMI”) of Abu Dhabi National Oil Company for Distribution PJSC (“ADNOC Distribution”) for the year ended 31 December 2024 has been prepared in accordance with the ADNOC Distribution’s Basis of Reporting (“Applicable Criteria”) as set out on pages 2 to 4 and published on <https://www.adnocdistribution.ae/en/corporate/sustainability>.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the SMI of the ADNOC Distribution for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the Applicable Criteria.

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI and our report (hereafter referred to as “other information”). We have not performed any procedures with respect to the other information.

**Subject Matter Information (“SMI”)**

The Subject Matter Information for our limited assurance engagement were the selected sustainability metrics (“the Indicators”) as detailed in Appendix 1 of this report and as set out in ADNOC Distribution’s Environmental, Social & Governance (ESG) Report 2024 (“Annual ESG Report”) for the year ended 31 December 2024, as prepared and presented by the ADNOC Distribution.

The Indicators are based on the reporting boundary developed by the ADNOC Distribution which consists of ADNOC Distribution’s UAE operations under operational control as detailed on page 4 of Applicable Criteria.

**Basis for conclusion**

We conducted our engagement in accordance with *International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and *International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statement* issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standard are further described in the “Our responsibilities” section of our report.



**Basis for conclusion (continued)**

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

**Restriction on use or distribution**

Our report is intended solely for the use of ADNOC Distribution in connection with the SMI and is not intended to be and should not be used by any other party. It will be released to ADNOC Distribution on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the ADNOC Distribution’s own internal purposes) or in part, without our prior written consent.

Our report is designed to meet the agreed requirements of ADNOC Distribution determined by ADNOC Distribution needs at the time. Our report should not, therefore, be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than ADNOC Distribution for any purpose or in any context. Any party other than ADNOC Distribution who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any party, other than ADNOC Distribution, for our work, for the assurance report we will issue, and for the conclusions we reach.

**Use of our assurance report on a website**

We have consented to the publication of our report on the ADNOC Distribution’s website at <https://www.adnocdistribution.ae/en/corporate/sustainability> for the purpose of the ADNOC Distribution showing that it has obtained an independent limited assurance report in connection with the SMI.

**Responsibilities for the SMI**

ADNOC Distribution is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the SMI that are free from material misstatement, whether due to fraud or error;
- selecting or developing suitable Applicable Criteria for preparing the SMI and appropriately referring to or describing the Applicable Criteria used;
- preparing and properly calculating the SMI in accordance with the Applicable Criteria;
- making the Applicable Criteria available to intended users;
- ensuring compliance with law, regulation or applicable contracts;
- making judgments and estimates that are reasonable in the circumstances;
- identifying and describing any inherent limitations in the measurement or evaluation of information subject to assurance in accordance with the Applicable Criteria;
- preventing and detecting fraud;





#### Responsibilities for the SMI (continued)

- selecting the content of the SMI, including identifying and engaging with intended users to understand their information needs;
- establishing targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- documenting and retaining underlying data and records to support the SMI;
- informing us of other information that will be included with the SMI;
- ensuring that the staff involved with the preparation of the Applicable Criteria and calculation of the SMI are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units; and
- supervision of other staff involved in the preparation of the SMI

Those charged with governance are responsible for overseeing the reporting process for the entity's SMI.

#### Inherent limitations

For the purposes of this limited assurance engagement, we have not performed any procedures around:

- The nature of non-financial information, the absence of a significant body of established practice on which to draw, and the methods and precision to be used to determine non-financial information allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time;
- We will not seek to establish the reliability of sources of information by reference to evidence independent of the ADNOC Distribution;
- Our procedures did not include assessment of accuracy or completeness of the Reporting boundary and operating boundary determined by management
- Verifying the completeness or accuracy of the information within the ADNOC Distribution's IT systems or agreeing data to the underlying source documentation. Where ADNOC Distribution made use of third-party within the emissions calculation, our work has been restricted to agreeing a selection of data back to the third-party information, as opposed to confirming the underlying accuracy of the third-party data; and
- Our procedures did not include evaluating compliance of the SMI against any required targets which remains the responsibility of management of ADNOC Distribution.

#### Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI are free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained. The conclusion expressed above relates solely to the SMI; and
- reporting our conclusion to ADNOC Distribution.



#### Our responsibilities (continued)

##### Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- Obtaining understanding of the Applicable Criteria and their suitability used by the entity in preparing the SMI;
- Conducting interviews with ADNOC Distribution's management to obtain an understanding of the key processes, systems, and controls in place over the preparation of the SMI;
- Performing recalculation of relevant formulae used in manual calculations and assessed whether the data has been appropriately consolidated;
- Performing selected limited testing, including agreeing a selection of the input data used to calculate the SMI to corresponding source documentation or third-party data where applicable;
- Considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- Reperforming a selection of carbon conversion factor calculations and other unit conversion factor calculations;
- Assessing the reasonableness of assumptions used in management's estimates, if any; and
- Reading the narrative in the Annual ESG Report with regard to the Applicable Criteria and for consistency with our findings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

KPMG Lower Gulf Limited

Date: 08 May 2025

Abu Dhabi, United Arab Emirates





Appendix 1

The selected sustainability metrics ("the Indicators") covered by our limited assurance engagement are:

The Indicators (FY 2024)	ADNOC Distribution's Environmental, Social & Governance (ESG) Report 2024 *
Direct (Scope 1) GHG Emissions (tCO2e)	35, 95
Indirect (Scope 2) GHG Emissions (tCO2e)	35, 95
Number of Recordable Work-Related Injuries	98
Number of Fatalities for work-related injuries (employees and non-employees whose work or work place is controlled by the Company)	98
Rate of Recordable Work-Related Injuries	98
Total Energy Consumption within the Organization (GJ)	36, 95
Energy intensity for the organization (GJ/million AED) – based on Gross profit in UAE	36, 95

\* The above Selected Sustainability Metrics over which independent limited assurance is performed are marked with the symbol Δ in ADNOC Distribution's Environmental, Social & Governance (ESG) Report 2024.



# Abbreviations

Abbreviation	English full word
ACWI	All Country World Index
ADNOC	Abu Dhabi National Oil Company
ADNOCDIST	ADNOC Distribution
ADX	Abu Dhabi Securities Exchange
AED	United Arab Emirates Dirham
AI	Artificial Intelligence
API	American Petroleum Institute
ARIBA	SAP Ariba (Procurement Software)
AWS	Amazon Web Services
BCM	Business Continuity Management
BeAAT's	Central Environmental Protection Facility
BIA	Business Impact Analysis
bn	Billion
BP	Business Plan
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
CFC(s)	chlorofluorocarbons
CFO	Chief Financial Officer
CSTSO	Chief Strategy, Transformation, and Sustainability Officer
CNG	Compressed Natural Gas
CO <sub>2</sub>	Carbon Dioxide
CO <sub>2</sub> e	Carbon Dioxide Equivalent
CSR	Corporate Social Responsibility
DEF	Diesel Exhaust Fluid
DSM	Demand-Side Management
E <sub>2</sub> GO	A joint venture between ADNOC Distribution and TAQA to operate electric vehicle charging points in UAE
EAD	Environment Agency Abu Dhabi
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
ECO	Energy Conservation Opportunities
ELT	Executive Leadership Team
EMS	Environmental Management System
ENVID	Environmental Impact Identification
EPA	Environmental Protection Agency

Abbreviation	English full word
EPS	Earnings per share
ERM	Enterprise Risk Management
ERP	Enterprise Resource planning
ESG	Environmental, Social and Governance
EV	Electric Vehicle
EWEC	Emirates Water and Electricity Company
FTE	Full Time Equivalent
FTSE	Financial Times and the London Stock Exchange
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
H <sub>2</sub> GO	Hydrogen to Go (Hydrogen Refueling Station)
HA	Harsh Acceleration
HAZID	Hazard Identification
HAZOP	Hazard and Operability Analysis
HB	Harsh Braking
HC	Hydrocarbon
HC	Human Capital
HIPO	High Potentials
TRIR	Total Recordable Incident Rate
HSEIA	Health, Safety and Environment Impact Assessment
HSEMS	Health, Safety, and Environment Management System
ICAS	International Competitions and Assessments for Schools
ICV	In-Country Value
IDD	Integrity Due Diligence
IESBA	International Ethics Standards Board for Accountants
IIRC	International Integrated Reporting Council
ILO	International Labor Organization
IMS	Integrated Management System
IPO	Initial Public Offering
IPTC	International Petroleum Technology Conference

Abbreviation	English full word
I-REC	International Renewable Energy Certificates
ISMS	Information Security Management System
ISO	International Oragnization of Standards
ISS	Institutional Shareholder Services
IT	Information Technology
IVMS	Information Vehicle Management System
JSA	Job Safety Analysis
KPIs	Key Performance Indicators
KPMG	Klynveld Peat Marwick Goerdeler (Audit Firm)
KSA	Kingdom of Saudi Arabia
LCNG	Liquified Compressed Natural Gas
LEED	Leadership in Energy and Environmental Design
LPG	Liquified Petroleum Gas
LTIF	Lost Time Injury Frequency
M&A	Merger and Acquisition
m <sup>3</sup>	Cubic Meter
MFA	Multi-Factor Authentication
MOE	Ministry of Education
MOI	Ministry of Interior
MolAT	Ministry of Industry and Advanced Technology
MSCI	Morgan Stanley Capital International
MWh	Megawatt Hour
NFR	Non-Fuel Retail
NGV	Natural Gas for Vehicles
NOC	No Objection Certificate
NOX	Nitrogen Oxides
NPS	Net Promoter Score
ODS(s)	Ozone Depleting Substance(s)
OEM	Original Equipment Manufacturer
OHS	Occupational Health and Safety
OPEX	Operating Expenditure
PCI-DSS	Payment Card Industry Data Security Standard

Abbreviation	English full word
PDCA	Plan-Do-Check Act
PDP	Personal Development Program
PMO	Project Management Office
ppm	Parts per Million
PV	Photo Voltaic
QRA	Quantitative Risk Assessment
R&D	Research and Development
RCF	Revolving Credit Facility
RVM	Reverse Vending Machine
SAP	Systems, Applications, and Products in Data Processing
S&P CSA	Standards and Poors Corporate Sustainability Assessment
SCA	Securities and Commodities Authority
SCR	Selective Catalytic Reduction
SDG	Sustainable Development Goal
SKUs	Stock Keeping Units
SLL	Sustainability Linked Loan
SOX	Sulphur Oxides
SSEI	The Sustainable Stock Exchanges initiative
STEM	Science, Technology, Engineering, and Mathematics
SVP	Senior Vice President
TAQA	Abu Dhabi National Energy Company
TCFD	Task Force on Climate-related Financial Disclosures
tCO <sub>2</sub> e	Tons on Carbon Dioxide Equivalent
TPER	Total Primary Energy Requirement
UAE	United Arab Emirates
ULG	Unleaded Gasoline
UN	United Nations
UN SDGs	United Nations Sustainable Development Goals
VOC(s)	Volatile Organic Compound(s)
VP	Vice President
WFE	World Federation of Exchanges