

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REVIEW

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ESG at ADNOC Distribution



At ADNOC Distribution, Environmental, Social, and Governance (ESG) principles are deeply integrated into our business strategy, shaping how we operate and create value for all stakeholders. In 2024, we reinforced our commitment to sustainability by aligning our operations with global best practices and supporting the ADNOC's Net Zero by 2045 ambition.

As the leading fuel and convenience retailer in the region, we recognize the critical role we play in advancing energy transformation efforts while ensuring the economic and social well-being of the communities we serve. Our ESG approach is rooted in innovation, operational excellence, and a commitment to driving positive impact across all aspects of our business and communities.

In 2024, we made significant strides in reducing our environmental footprint, fostering inclusive growth, and maintaining robust governance practices. From expanding our EV charging network and introducing energy-efficient technologies to empowering our workforce and promoting diversity, our actions reflect our unwavering dedication to sustainability. Through transparent reporting and consistent engagement with stakeholders, ADNOC Distribution continues to lead by example, demonstrating that growth and sustainability can go hand in hand.

In this report we present a brief summary of our ESG performance in 2024, in alignment with the ADX ESG Guide. A more comprehensive standalone ESG Report that is prepared in accordance with the Global Reporting Initiatives (GRI) standards and assured by an external party, will be published separately on ADX website and ADNOC Distribution's corporate website in 2025.



2024 ESG highlights



5,083 mwh

PV Solar Energy
Generated at
rooftops in Dubai
and Abu Dhabi

100%

of own trucks
operate
on biodiesel
B20. B5 used in
generators

100%

of energy distributed
for EV chargers
is clean and
renewables-based



> 5.8 m

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

>25,000

mangroves seeds
planted with
customers

**ISO
22241**

certification
successfully
completed for
ADNOC Blue



>62%

Emiratization rate

~71%

In-country Value
contribution

100%

HSE performance,
with industry-
leading practices



**ESG
Subcommittee**

Established,
enabling operations
of new governing
body that reports to
Executive Committee
to drive Company's
ESG agenda

>900

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



2024 ESG ratings and recognition

Inclusion in prestigious ESG-linked indices



Best solar project

Best solar project of the year at solar week



Enhanced ESG ratings

ESG leader by Bloomberg enhanced ratings of S&P Global, London Stock Exchange Group, Sustainalytics, MSCI, ISS-ESG and FTSE Russell Ratings



ESG Label

Achieved 94.45% in the responsible business scoring by Dubai Chamber of Commerce

FTSE4Good Index

FTSE ADX ESG Screened Index

FTSE Emerging ESG Low Carbon Select

FTSE Emerging ESG Index

MSCI ACWI ESG Universal Index

MSCI ACWI ESG Screened Index

MSCI ACWI Climate Change Index



Sustainability approach & strategic framework



Sustainability Strategy Framework at ADNOC Distribution is based on ADNOC Group’s sustainability strategy and builds on the shared legacy of responsible lower-carbon energy provision to ensure we create lasting and sustainable value for the UAE, its people, and our business. Sustainability sits at the core of ADNOC Distribution’s strategy, and we ensure it is embedded throughout the Company. We are committed to integrating best-in-class Health, Safety & Environment standards across our operations, giving back to communities, supporting sustainable economic development and investing in cleaner new energies. We have set short, medium- and long-term goals and objectives that enable us to achieve our sustainability targets.

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

Six pillars of sustainability at ADNOC Distribution



● Advancing net zero

Climate, emission and energy



● Protecting nature and biodiversity

Local environment



● Keeping our people safe

Health, safety and security



● Empowering lives

Workforce diversity and development



● Creating lasting socioeconomic impact

Economic and social contribution



● How we operate

Business sustainability

Our material topics

At ADNOC Distribution, our strategy and reporting are guided by comprehensive materiality assessments and through stakeholder engagements to ensure alignment with business objectives and sustainability commitments. In 2024, we conducted an in-depth review of material topics, considering the current state of our operations, regional and global benchmarking, and evolving industry standards. This process allowed us to identify and prioritize a focused list of potential material topics, ensuring that we address the most critical risks, opportunities, and impacts across our operations. Our materiality approach reflects our commitment to addressing stakeholder expectations while advancing

our ESG agenda. As part of this effort, we engaged with internal and external stakeholders through an ESG survey and workshops, enabling us to gain valuable insights and validate our priorities. As a result, 20 topics were identified, spanning environmental, social, and governance (ESG) pillars, covering key areas such as climate change, biodiversity, human rights, community impact, and business ethics. By aligning these topics with global frameworks such as GRI standards and the UAE’s sustainability objectives, we aim to create meaningful value and drive long-term sustainable growth while addressing the evolving needs of our stakeholders.

 Environmental	 Social	 Governance
<ul style="list-style-type: none">• Climate change and GHG• Climate adaptation, resilience, and transition• Biodiversity• Waste, water and effluent management• Supplier sustainability assessment• Energy management	<ul style="list-style-type: none">• Employment practices, development and wellbeing• Occupational health & safety• Human and labor rights• Local community• Emiratization• Diversity, non-discrimination and equal opportunity	<ul style="list-style-type: none">• Economic performance• Socioeconomic impact• Anti-corruption• Business ethics• Risk management• Anti-competitive behavior• AI (technological innovation & digitalization & Cyber-security)• Procurement practices



How we support the United Nations Sustainable Development Goals

At ADNOC Distribution, we are committed to supporting the United Nations Sustainable Development Goals (UN SDGs). As a leading energy retailer and mobility solutions provider, we recognize that our activities contribute to various SDGs. However, our primary focus is on those goals most closely aligned with our operations, strategic priorities, and areas where we can drive the greatest positive impact.



Impact SDGs

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

17 PARTNERSHIPS FOR THE GOALS

SUSTAINABLE DEVELOPMENT GOALS

Environment

Climate, Emissions & Energy

- Adopt Green Liquid Fuels and plant-based renewable products or green lubricants
- Develop low carbon alternative fuels/energy portfolio (EV, Hydrogen, Biofuel, etc.)
- Reduce GHG emissions and energy intensity

Local Environment

- Recycle water used in our operations and reduce in water consumption
- Reduce waste generation and improve waste disposal methods
- Promote the conservation of nature and biodiversity

UN SDG 6

UN SDG 7

UN SDG 12

UN SDG 13

UN SDG 15

Social

Economic & Social Contribution

- Community – support local communities by focusing on social campaigns
- Economy – create shared value with local businesses, and contribute to the country’s economic development by participating in the in-country value (ICV) Program

Workforce Diversity & Development

- Fairness – be a fair and meritocratic employer
- Diversity and inclusion – be a diverse and inclusive organization
- Employee wellbeing – preserve and improve employee wellbeing
- Employee satisfaction – provide and promote a motivating, engaging, and fulfilling working life

Health, Security & Safety

- Planning – implement an HSE five years business plan
- Execution – comply with HSE lifesaving rules
- Safety Culture –implement a safety culture transformation strategy
- Asset Integrity – compliance with asset integrity-related HSE standards

UN SDG 2

UN SDG 3

UN SDG 5

UN SDG 8

UN SDG 10

UN SDG 11

Governance

Business Sustainability

- Corporate Governance – adopt global best practices of management and reporting systems.
- Sustainability Governance - implement a comprehensive sustainability governance framework
- IT Transformation – modernize and digitize the IT landscape to act as a critical enabler of growth and efficiency
- Future-Proofing – strategy to proactively adapt to the energy transformation, mobility trends, digital disruption, and impact of climate change on the business
- Ethics and Compliance – align policies such as anti-bribery and corruption, ethics and compliance, and transparency with global standards

UN SDG 7

UN SDG 9

UN SDG 17

ESG governance^{1 2}

At ADNOC Distribution, we recognize that strong corporate governance is fundamental to achieving our environmental, social, and governance (ESG) commitments. We have established a structured governance model that ensures ESG is embedded across our business strategy, operations, and decision-making processes.



Board and Executive oversight

The Board of Directors plays a pivotal role in overseeing ADNOC Distribution’s sustainability strategy. It is responsible for approving our ESG vision, policies, and goals, ensuring alignment with both shareholder interests and broader national and international sustainability directives. The Company’s Board of Directors approves the Code of Conduct, which outlines ADNOC Distribution’s values. It also approves the Vision, Mission, Strategies, Policies, and Goals of the Company.

Regular training sessions on the Code of Conduct are conducted by the organization for its stakeholders which includes mandatory training for all employees and suppliers to abide by the Code of Conduct, and they are also required to affirm their adherence to it on a yearly basis.³

Sustainability is a standing agenda item in the Board’s quarterly meetings.

Additionally, the Board involves in approving the Company’s sustainability strategy, oversight, improvement and monitoring its implementation.

To further strengthen our governance framework, in 2024, the Executive Committee of the Board formed a dedicated ESG Subcommittee. This Subcommittee, chaired by an Independent Non-Executive Director, advises the Board on ESG-related matters and ensures the effective implementation of our ESG strategy.



100%

Employees

are provided awareness and training on Code of conduct

¹ ADX ESG Guide: E8. Environmental Oversight - Management
² ADX ESG Guide: E9 Environmental Oversight – Board
³ ADX ESG Guide: G5 Ethics & Prevention of Corruption



Executive leadership and management accountability

The Chief Executive Officer (CEO) is accountable for ADNOC Distribution's sustainability strategy, ensuring its integration across all business functions. The CEO has delegated specific responsibilities to senior executive leadership, empowering them to drive ESG initiatives and oversee their implementation.

Our Corporate Sustainability Committee, composed of senior leaders from various functions, plays a critical role in executing our sustainability agenda. Meeting regularly, the Committee ensures that ESG principles are embedded in our business operations, performance management, and risk assessment frameworks. It also develops proactive systems to integrate sustainability across our value chain, identifying risks and opportunities that would affect the sustainable performance of the Company, while aligning with [ADNOC's 2030 Sustainability Strategy](#) and the [Abu Dhabi Economic Vision 2030](#), and other ESG guidelines and requirements moving forward. The Committee acts as a proactive system to integrate sustainability across the value chain, and assists in identifying, evaluating, and monitoring all aspects of our sustainability efforts, from strategies to material risks, that would affect the performance of the Company, as set by our ESG Subcommittee.

Our Chief Strategy, Transformation, and Sustainability Officer is responsible for coordinating and monitoring sustainability initiatives across the Company, fostering a culture of ESG excellence among employees and other stakeholders.

Integration of ESG into business strategy

We have embedded ESG considerations into our corporate governance model, ensuring that sustainability-related issues are factored into business strategy, risk management, and performance evaluation. Our Corporate Performance Scorecard tracks key ESG indicators such as greenhouse gas (GHG) emissions reduction, energy intensity, health and safety performance, employee engagement, Emiratization, customer satisfaction and in-country value contribution.

Each business line is accountable for implementing ESG priorities, with dedicated corporate functions such as HSE, Human Capital, Risk Management, and Compliance providing strategic oversight and advisory support.

Sustainability related compensation and Incentive scheme⁴

Based on the Corporate Performance Scorecard's rating, variable compensation of executive management is determined by the remuneration Committee of ADNOC Distribution's Board of Directors.

Commitment to transparency and continuous improvement

We recognize that sustainability governance must continuously evolve to meet changing stakeholder expectations, regulatory requirements, and emerging ESG risks. To ensure transparency, we actively engage with investors, regulators, and ESG rating agencies, incorporating feedback into our strategy and governance processes.

By reinforcing our sustainability governance framework, ADNOC Distribution remains committed to delivering long-term value for shareholders, advancing national sustainability goals, and driving positive environmental and social impact.

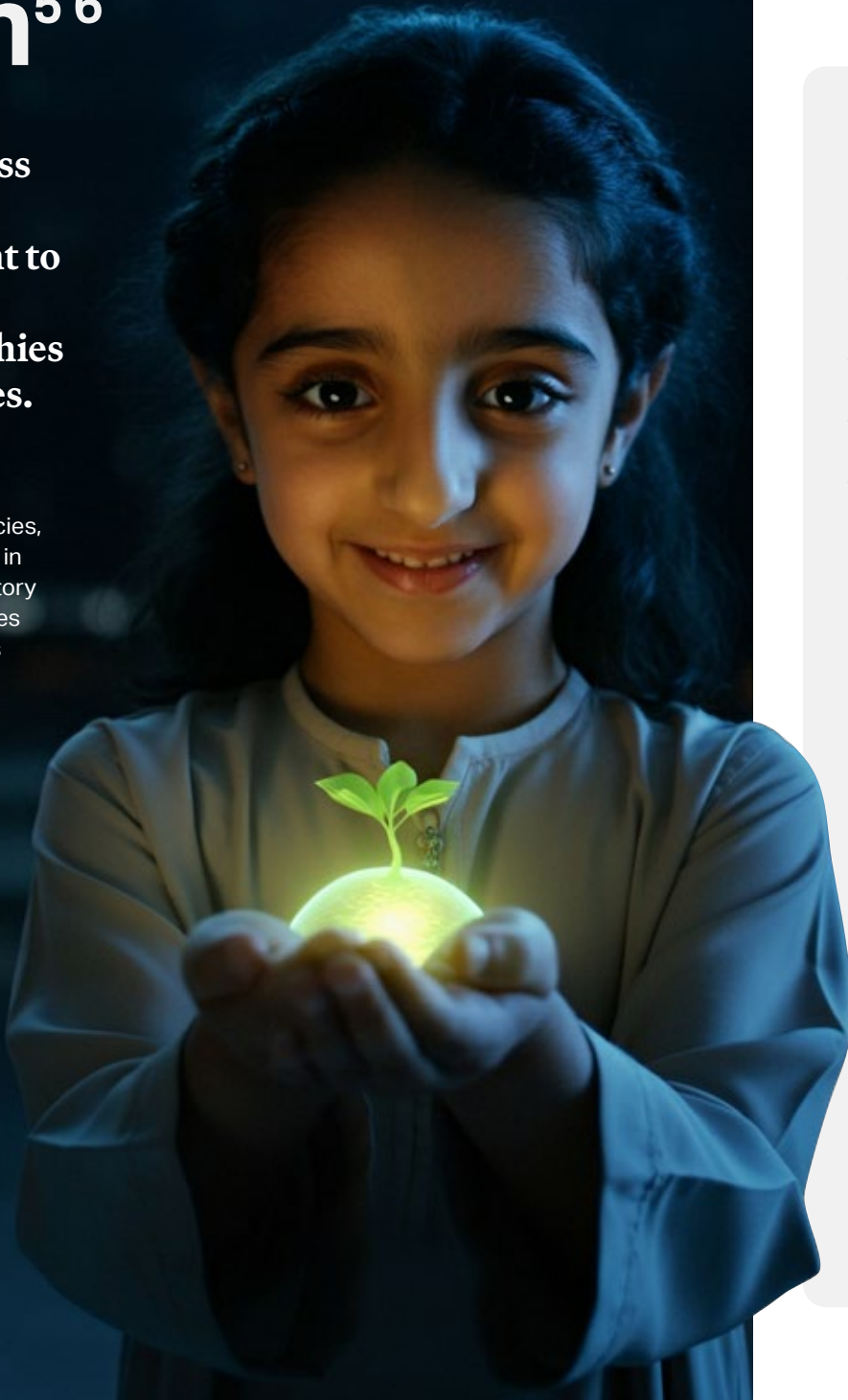
⁴ ADX ESG Guide: G3 Incentivized Pay



Environmental protection^{5 6}

ADNOC Distribution’s business operations and services are underpinned by a commitment to generate a positive impact on the communities and geographies in which the Company operates.

ADNOC Distribution develops and maintains policies, guidelines, processes and management systems in line with leading practices, standards, and regulatory requirements. This ensures the Company mitigates any adverse environmental impacts caused by its business operations.



Climate risk mitigation

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..

Our governance structure is comprised of Board members, Executive Management and working-level Committees to ensure holistic and effective execution of our Sustainability Agenda and future Climate Risk Mitigation & Adaptation plans. The clear allocation of roles and responsibilities enables us to uphold the highest level of integrity and efficiency in our Sustainability Agenda top-down, as well as how it is implemented on an operational level.

The ESG Subcommittee provides leadership from the top to set guiding values and will ensure the future climate risk mitigation and adaptation considerations are incorporated into business priorities and decision-making.

The ESG Subcommittee guides the Executive Committee to accelerate delivery of ESG outcomes by integrating risks and opportunities, investor and stakeholder expectations, and changes in regulatory compliance requirements into the development and management of business-aligned strategies.



Emissions

We minimize GHG emissions caused by our operations through effective measurement, reporting and verification processes, as well as the use of clean energy sources. ADNOC Distribution is actively delivering against its decarbonization roadmap and its 2030 GHG emissions intensity reduction commitment, through PV solar, energy optimization and the use of low carbon fuels. ADNOC Distribution is increasing its share of sustainable infrastructure by increasing its investments in low carbon fuels, EV charging infrastructure, and green hydrogen.




Energy

Management enhances the energy performance of our business operations and services, in line with leading standards to reduce negative environmental impact.

ADNOC Distribution works closely with its partners and suppliers to manage its resource consumption in a responsible manner across its operations, including energy and water consumption, as well as waste management. Ensuring adequate environmental oversight is essential to the Company’s approach. This oversight includes management-level discussions on sustainability, including certified environmental operations, the development of climate risk mitigation tools, and recycling measures. Overall environmental performance is supported by key performance indicators (KPIs) related to energy, emissions, water, and waste.

⁵ ADX ESG Guide: E10 Climate Risk Mitigation
⁶ ADX ESG Guide: E7 Environmental Operations


ADNOC Distribution has achieved ISO 50001 certification, which was successfully renewed in 2024. Our Energy management process is fully aligned with these certification requirements. Energy audits, following ASHRAE standards, were regularly conducted to identify opportunities for improving energy performance.




Decarbonization roadmap

In 2023, ADNOC Distribution developed its decarbonization strategy underpinned by active work to mitigate the impact on climate. In January 2023, the decarbonization roadmap was announced with a target to reduce the Company’s operational GHG intensity by 25% by 2030, by identifying a set of tangible initiatives.

The progress to the targets is reviewed and monitored by the Sustainability Committee and Board level ESG Subcommittee.



⁷ ADX ESG Guide: E3 Energy Usage
⁸ ADX ESG Guide: E4 Energy Intensity
⁹ ADX ESG Guide: E5 Energy Mix



Energy management ^{7 8 9}

As the UAE’s leading mobility retailer, the Company is developing more efficient energy solutions and products, facilitating the global energy transformation to cleaner energy sources (such as electric vehicles), and lowering its organizational energy intensity levels. The Company follows all relevant national visions and strategies, including UAE Energy Strategy 2050, in its energy efficiency policies, programs, and initiatives, as well as its strategic approach to energy management.

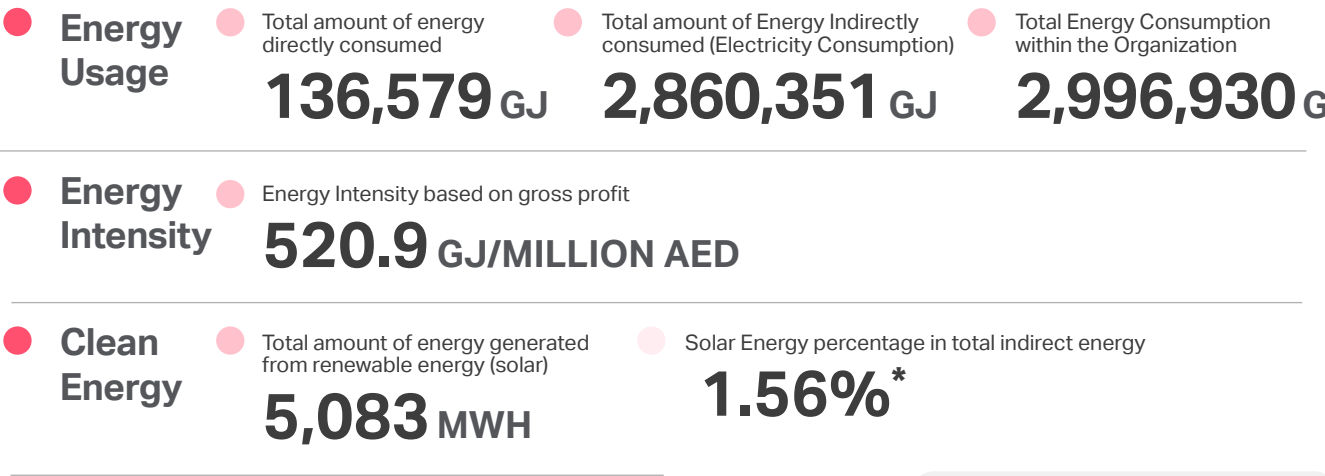
ADNOC Distribution carries out strategic and operational clean energy initiatives to reduce its reliance on conventional energy sources and increase the use of clean energy sources, such as solar energy and carry out energy optimization initiatives. This will support the Company to reach its target of 25% reduction in operational GHG emission intensity by 2030 and helps the Company to meet local, national, and international targets such as UAE’s Net-Zero initiative, and ADNOC’s Net-zero ambition by 2045 and lower its energy costs.

Energy mix

ADNOC Distribution is working on adopting a sustainable energy mix for its fleet of vehicles and using renewable energy in its service stations, in addition to rolling out lower-carbon products for its customers. The approach to a balanced transition underlines ADNOC Distribution’s commitment to driving sustainable growth through constant innovation in new energy solutions. Increasing the consumption of clean energy sources is a critical pillar in the Company’s strategic energy objectives to diversify ADNOC Distribution’s energy mix. To this end, the Company has converted an existing term loan of AED 5.5 billion into a sustainability linked loan (SLL), demonstrating its determination to align its funding objectives with its corporate sustainability strategy. One of the KPIs linked to this loan is the renewable energy sources for own consumption (mwh consumption per year), reinforcing the company’s commitment to increasing the share of renewal and clean energy in its energy mix.

The Company aims to increase the share of renewable energy usage for its operations by installing solar PVs across more service stations, further reducing the Company’s grid electricity energy consumption, and contributing to a reduction in carbon emissions. ADNOC Distribution also aims to optimize energy by identifying Energy Conservation Opportunities (ECOs) at its facilities and retrofitting existing building services. In 2023, ADNOC Distribution partnered with Emerge to install solar panels at its service stations in Dubai as part of a phased approach to solarize its service stations across the UAE. At the end of 2024, the Company has solar photovoltaic panels (PV) installed on 31 of its service stations. The Company aims to install more solar panels on ADNOC Distribution’s stations in 2025 and beyond to increase power sourced by clean energy and contribute to the reduction of emissions.

Below are ADNOC Distribution’s Energy data for 2024:



Energy management systems

An Energy Management System is maintained by ADNOC Distribution to ensure optimization of energy consumption in line with these requirements. The energy performance of the Company is managed through a robust and periodic audit process, and annual external third-party verification. ADNOC Distribution encourages continual improvement in its energy performance by aligning its physical assets in line with international best practices and standards.

*Percentage of Indirect Energy (Electricity Consumption) of 321,070 MWh

ADNOC Distribution is

ISO 50001:2018

certified

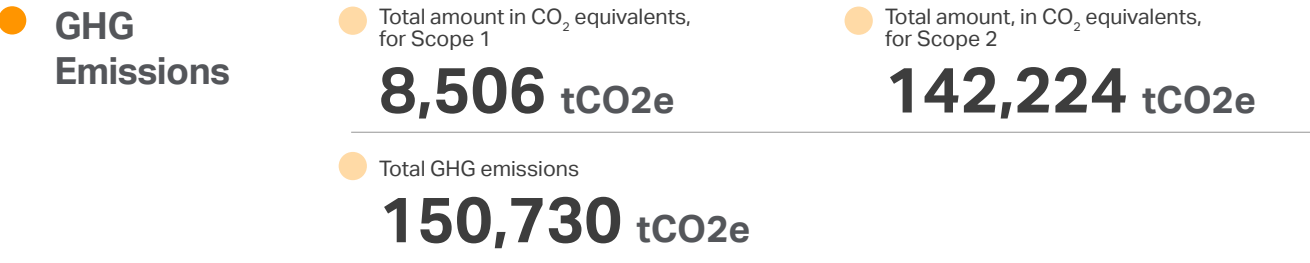
(Energy Management)

Green house gas emissions^{10 11}

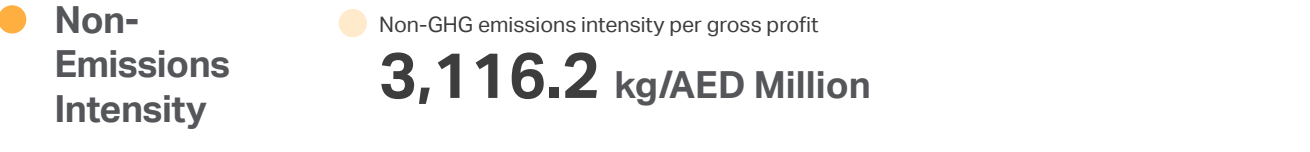
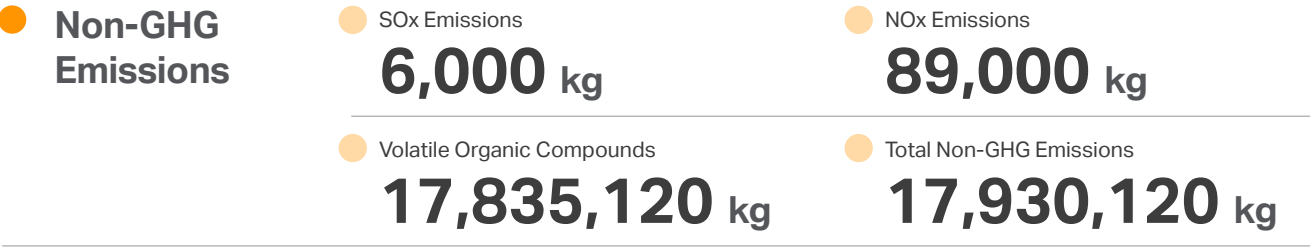
ADNOC Distribution is committed to mitigating the greenhouse gas (GHG) emissions caused by business operations and services, in line with the global, regional, and national climate change plans, including ADNOC’s Net-Zero ambition and the UAE’s National Climate Change Plan 2017-2050. In 2023, the Company launched its decarbonization roadmap with an objective to achieve a 25% reduction in its GHG emission intensity by 2030, demonstrating its commitment to decarbonizing its operations. The Company started the implementation of a set of initiatives to reduce its Scope 1 and 2 emissions, including the use of biofuel in its vehicles: today the Company has 100% of its UAE own fleet powered with biofuel. The Company also partnered with Emerge to install photovoltaic solar panels across service stations in Dubai as part of a phased approach to solarizing our stations in the wider UAE.

Below are ADNOC Distribution data for 2024:

GHG Emissions Data



Non-GHG Emissions Data



¹⁰ADX ESG Guide: E1 GHG Emissions
¹¹ADX ESG Guide: E2 Emissions Intensity

Waste

ADNOC Distribution follows waste management guidelines created by ADNOC Group’s HSE Management System. It also complies with all necessary legal standards for waste management. The Company follows the requirements of several regulatory authorities, including the Abu Dhabi Waste Management Center (Tadweer) and Dubai Municipality. Third-party Environmental Services Providers, approved by Tadweer, transport all waste quantities, and are obliged to comply with applicable legal requirements in Abu Dhabi.

ADNOC Distribution hired a third-party service provider to conduct its environmental assessments and assess the waste produced by its customers to assess the environmental impact resulting from waste generated. ADNOC Distribution is registered with Tadweer’s BOLISATY system, where all waste and related data is tracked from source to destination (place of disposal). Moreover, the Company keeps track of the compliance levels of its contractors by conducting audits and

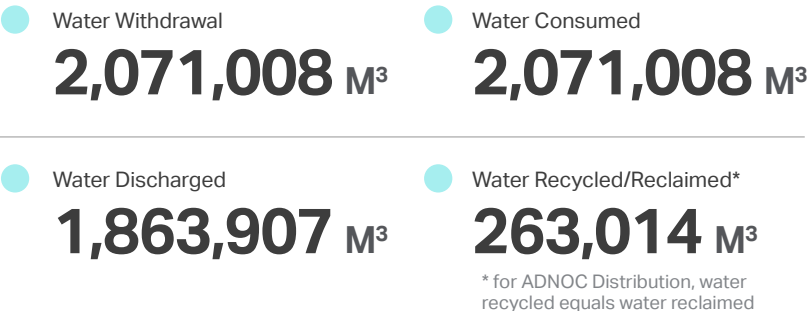
monitoring through Tadweer’s BOLISATY monitoring portal. Additionally, ADNOC Distribution has implemented Reverse Vending Machines (RVMs) at its service stations to facilitate the recycling of plastic bottles and aluminum cans, encouraging public participation in recycling initiatives.

“Reduce, Reuse, and Recycle” is the hierarchy followed by ADNOC Distribution for waste disposal. The business keeps track of its inventory levels and disposes of solid waste and expired chemicals, including firefighting foam, through external third-party contractors who adhere to all relevant legal waste disposal regulations. Additionally, the business periodically audits a list of chosen contractors to ensure compliance. Hazardous solid waste is delivered to Central Environmental Protection Facility BeAAT’s treatment facility, while non-hazardous domestic waste is disposed of in landfills. In addition to recycling used lube oils, the Company also recycles solid waste, including paper and tires through third-party.


Water¹²

ADNOC Distribution is committed to adopting water saving initiatives. This includes installing aerator water savers across all washrooms and mosque ablution areas in service stations, offices, and other sites. The Company also uses treated recycled water to operate its car washing docks, which accounts for 80% of the total water used in this operation.

Below are ADNOC Distribution water data for 2024:



¹²ADX ESG Guide: E6 Water Usage



The total water consumed in 2024 was

1,585,307m³

Our People: empowering talent, driving success



14,844
employees



At ADNOC Distribution, our people are at the heart of our success. As we continue to grow and transform, we remain committed to fostering a high-performance culture, investing in our workforce, and creating an inclusive environment where every employee can thrive.

In 2024, we strengthened our talent development initiatives, enhanced employee well-being programs, and championed diversity, ensuring our workforce remains future-ready and aligned with our company's strategic vision.


Building a diverse and inclusive workforce

diversity and inclusion remain at the core of our people strategy, ensuring we attract, develop, and retain top talent from around the world.

In 2024, ADNOC Distribution welcomed over 3,000 new employees at service stations and 150+ corporate staff from 18 nationalities, reinforcing our multicultural workforce.

Today, we proudly employ professionals from 77 nationalities, reflecting our position as a global employer of choice. As part of our commitment to gender diversity, we continue to promote female representation across technical, leadership, and frontline positions.


Over 140 women now hold leadership roles across corporate and site functions, demonstrating our focus on gender balance. To further drive inclusivity, we have established a Gender Diversity Policy and a Gender Balance Committee, which actively champions initiatives aimed at fostering an equitable and empowering workplace for all employees.



A global family made up of

77
nationalities

underscoring our vision to be an international talent hub



>140
women

in leadership roles across corporate, site and service station functions



Strengthening Emiratization¹³

ADNOC Distribution remains deeply committed to Emiratization, ensuring UAE nationals play a central role in our Company’s growth and leadership. In 2024, we achieved an Emiratization rate of more than 62%, with over 600 UAE national leaders placed in key positions across corporate, service stations, and site levels. We continue to invest in talent mobility programs, promoting UAE nationals internally while also hiring from the local market to build a sustainable national workforce. To further support UAE National talent, we have introduced structured development programs focused on fresh graduate hiring, internships, and mentorship initiatives, with 30 fresh graduates and 51 interns mobilized into impactful career placements. Our partnership with the Youth Committee enables young Emiratis to engage in career-building experiences, while targeted succession planning ensures high-potential Emiratis are developed for VP and senior leadership roles. Additionally, we provide international exposure opportunities, sending local talent to participate in global conferences and leadership programs, equipping them with the skills and insights to thrive in a dynamic business environment.

¹³ ADX ESG Guide: S11 Nationalization

38

Internal promotions for UAE National talent, under TAQADAM program

>600

UAE National leaders at corporate, service stations and site levels

30

UAE National fresh graduates and

51

interns mobilized under our youth empowerment program



62.4%

Nationalization rate in jobs eligible for Emiratization

Investing in talent development & leadership

At ADNOC Distribution, we believe in equipping our employees with the skills and opportunities needed to thrive. Through our ADNOC Distribution Academy, we trained over 6,000 employees across 15 specialized programs, ensuring our workforce remains future-ready. We also facilitated more than 270 talent mobility opportunities, including 60 promotions to team leader roles, 137 UAE national internal mobility placements, and 77 cross-posting attachments, enabling career progression across the organization.

Additionally, we have provided 142,211 total training manhours, including 122,276 classroom manhours and 19,935 e-learning manhours. Our new initiative, TAQADAM, played a pivotal role in accelerating UAE national talent development, with 38 internal promotions under this program, enabling our UAE national talent to take on more senior responsibilities.

Our structured succession planning program identified 357 successors for key leadership positions, with 101 potential candidates for VP-level roles, strengthening our leadership pipeline. Furthermore, 54 senior leaders and 2 ADNOC Future Leaders (AFLs) completed our comprehensive leadership development programs, reinforcing our commitment to internal growth. To further accelerate leadership readiness, we identified 19 high-potential (HIPO) employees and placed them in specialized programs.

● Employees trained in ADNOC Distribution Academy

>6,000

● Talent mobility opportunities

>270

● Successors identified for key leadership positions

>350



142,211

Total Training Manhours

● 958

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

ADNOC Distribution continues to lead in building a workforce that is diverse, inclusive, and future-ready, reinforcing our commitment to both global talent excellence and national workforce development.



Culture renovation and employee well-being

at ADNOC Distribution, we recognize that a strong workplace culture is the foundation of employee engagement, productivity, and long-term success. In 2024, we launched a culture renovation program to shape a high-performance and accountable culture deeply rooted in adnoc values. This initiative aims to foster leadership excellence, enhance employee well-being, and create an inclusive, collaborative environment where every individual feels valued and empowered.

As part of this transformation, we expanded our focus on employee well-being. Leveraging on our 100x your wellbeing program, we rolled out 65 dedicated well-being initiatives that have positively impacted over 10,000 employees. These initiatives cover social, mental, financial, physical health support, fitness programs, and engagement activities, ensuring holistic wellness across our workforce. In parallel, we enhanced flexible work arrangements, introducing flexible hours for corporate employees and implementing a 5/2 shift model tailored for UAE national

females in service stations. These changes have contributed to a more balanced and supportive work environment, aligning with our commitment to employee satisfaction and work-life integration.

To further enrich the employee experience, we revamped the sanad, fazaa, and mazaya discount programs, extending additional benefits to frontline employees and reinforcing our appreciation for their contributions. Engagement remains a priority, with over 30 major employee engagement events, including ceo connect sessions held across UAE, Egypt, and Saudi Arabia, providing a direct platform for leadership interaction and dialogue with employees. We ensure that we enable people to give transparent feedback to drive continuous improvement of our programs and overall employee value proposition.

Through the culture renovation program, ADNOC Distribution continues to build an environment where employees thrive, leadership is strengthened, and engagement is at the core of our success. By prioritizing well-being, flexibility, and inclusivity, we are shaping a workforce that is not only future-ready but also deeply connected to our organizational values and purpose.



65

dedicated well-being initiatives

positively impacted over

10,000 employees



Employee assistant program
24/7 helpline
To protect health and mental wellbeing

Employee periodic medical check up



Introducing flexible work arrangements for corporate employees

Financial wellbeing sessions



Sport tournament

Physical wellbeing activities

Champions challenges

Beach clean-up & kayaking challenge

ADNOC Distribution olympiad



People connect sessions

Beat the Heat (frontliners)



Amusement park visits for our frontliners

Revamped employee discount programs (Sanad, Fazaa, Mazaya)

Back to School giveaway

Fun Days

ADNOC Distribution culture diversity festival



Emirati Women Day & International Youth Day

Implementing a 5/2 shift model for UAE national females in service stations



Recognizing and retaining talent

Recognizing and rewarding our employees' contributions is fundamental to our high-performance culture. In 2024, ADNOC Distribution extended 1,900 promotions, reinforcing our commitment to career growth and talent recognition. Additionally, we introduced a sales incentive program that benefited over 9,000 blue-collar workers, further strengthening our efforts to motivate and retain a highly engaged workforce.

Our performance-driven culture includes a systematic approach and design of fixed pay, variable pay-for-performance schemes like short- and long-term incentives plans and sales incentives schemes for core business frontliners, a variety of supplementary benefits, as well as Tamayaz, our comprehensive corporate recognition platform.

Our dedication to appreciation extends to our Tamayaz Recognition Program, which acknowledged the achievements of over 5,000 employees across various roles. Through structured career development and recognition programs, we continue to empower our employees and strengthen our talent pipeline.



External recognition as employer of choice

our commitment to employee well-being and human capital excellence was celebrated through prestigious awards at the GCC Government HR and Youth Summit 2024, acknowledging our leadership in employee development, diversity, and workplace culture. These accolades reinforce our ongoing efforts to invest in our people, drive innovation in talent management, and create an environment where employees can thrive.

● "People First" Leader Award

● The Organization of the Year for Women Empowerment

● Certificate of Extraordinary Efforts in Learning and Development

Looking ahead

As ADNOC Distribution continues to grow, we remain focused on building a high-performance organization where employees are empowered, engaged, and equipped for success. Through strategic talent development, inclusive leadership, and a strong culture of recognition, we will ensure our people remain at the forefront of our transformation journey. By fostering a dynamic and future-ready workforce, we are positioning ADNOC Distribution as an employer of choice in the region and beyond.



At ADNOC Distribution, our people are at the heart of our success. We are committed to fostering an inclusive, diverse, and dynamic work environment that empowers talent, drives innovation, and supports our long-term growth strategy. By investing in our workforce and championing employee well-being, we are building a strong foundation for a sustainable and thriving future. //

Mohammed Omar
Vice President, Human Capital, ADNOC Distribution

KPIs

Gender Diversity at ADNOC Distribution ¹⁴	2023	2024
Total enterprise headcount held by men (%)	90.00%	90.39%
Total enterprise headcount held by women (%)	10.00%	9.61%
Entry- and mid-level positions held by men (%)	90.30%	90.37%
Entry- and mid-level positions held by women (%)	9.70%	9.63%
Senior- and executive level positions held by men (%)	93.88%	95.12%
Senior- and executive level positions held by women (%)	6.12%	4.88%
Temporary Worker Ratio ¹⁵		
Total enterprise headcount held by part-time employees %	Not Applicable	Not Applicable
Total enterprise headcount held by contractors and/or consultants %	4.06%	3.60%
Annual Employees Turnover ¹⁶		
Year-over-year change for full-time employees %	14.68%	13.91%
Year-over-year change for part-time employees %	Not Applicable	Not Applicable
Year-over-year change for contractors/ consultants %	0.55%	0.25%
Pay Ratios ^{17 18}		
CEO Total compensation to median Full Time Equivalent (FTE) total compensation	15.3:1	16.8:1
Median male compensation to median female compensation	1.02:1	1.00:1

¹⁴ ADX ESG Guide: S4 Gender Diversity
¹⁵ ADX ESG Guide: S5 Temporary Worker Ratio
¹⁶ ADX ESG Guide: S3 Employee Turnover
¹⁷ ADX ESG Guide: S1 CEO Pay Ratio
¹⁸ ADX ESG Guide: S2 Gender Pay Ratio



A robust foundation for health and safety^{19 20}

Prioritizing 100% HSE as a core value

at ADNOC Distribution, the health, safety and well-being of our employees, contractors, customers, and communities remain our utmost priority. We are committed to fostering a culture of excellence in health, safety, and environment (HSE), ensuring that every individual within our operations is protected, empowered, and equipped with the necessary resources to perform their tasks safely. We pursue quality of life and productivity by escalating and defending our people's physical and mental health and overall well-being.

We have adopted ADNOC's HSE Management System (HSEMS) which has a strategic goal and commitment to navigate our programs, practices, and a working culture that promotes safety at each organization's level. ADNOC HSEMS comprises 78 HSE Standards composing HSE governance, Occupational Health, Environment, Operational Safety, Risk Management, Crisis Management, and Emergency Response.

A robust HSE framework

ADNOC Distribution has ISO 9001:2015 (quality management systems). Our HSEMS aligns with globally recognized standards and regulations, including ISO 45001:2018 for occupational health and safety (OHS) and ISO 14001:2015 on environmental management system (EMS). These certifications reflect our commitment to maintaining the highest standards of workplace safety and environmental stewardship.

Compliance with these standards is being verified by the internal Audit and Assurance function periodically. Through regular audits, site inspections, and leadership engagements, we ensure that HSE policies are effectively implemented and continuously enhanced.

ADNOC Distribution is ISO 45001:2018 - Occupational Health and Safety Management (OHSM) and ISO 14001:2015 - Environmental Management System (EMS) certified.

A skilled team of investigators review all the recordable injuries. Root causes are identified, and recommendations are devised to avoid recurrence. To strengthen the incident investigators team, specialized training sessions are arranged.

Annual environmental & occupational health monitoring is in place at our depots and terminals as part of the Company's environmental due diligence strategy.

¹⁹ADX ESG Guide: S7 Injury Rate

²⁰ADX ESG Guide: S8 Global Health and Safety

2024 HSE performance highlights



A culture of continuous improvement

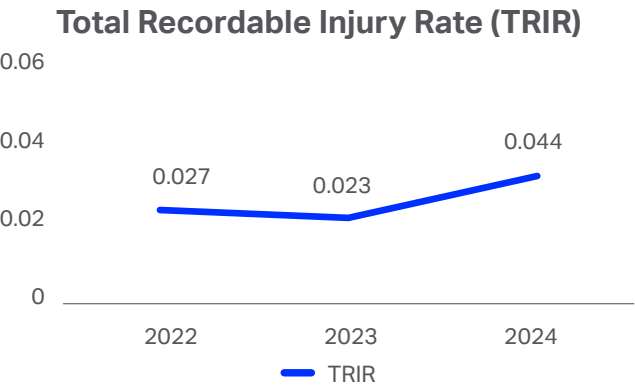
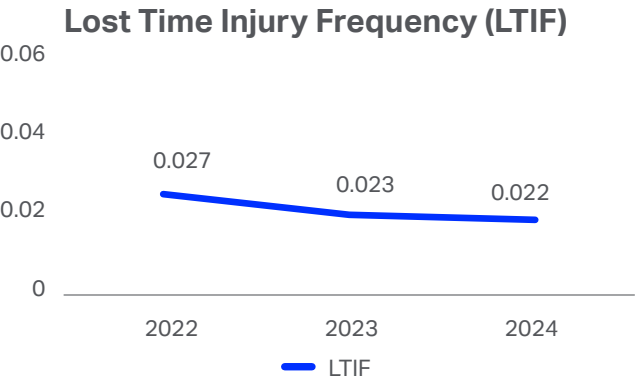
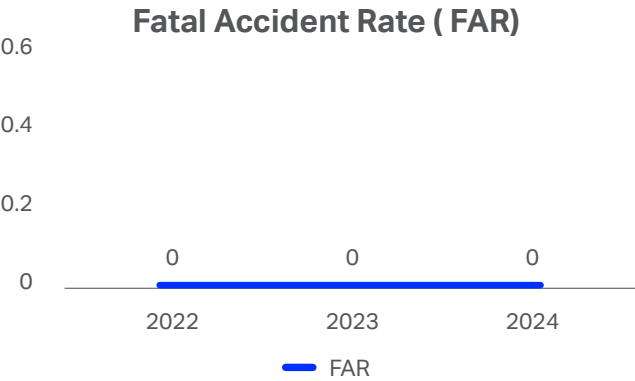
We believe that maintaining a world-class safety culture requires continuous learning, adaptation, and engagement. Through rigorous incident investigations, safety campaigns, and ongoing workforce engagement, we remain committed to enhancing workplace safety, minimizing risks, and fostering a resilient HSE culture.

As we look ahead, ADNOC Distribution will continue to strengthen its HSE initiatives, leveraging innovation, best practices, and global benchmarks to ensure a safer, healthier, and more sustainable future for all.



2024 HSE KPIs

our safety-first culture has delivered exceptional results in 2024, as demonstrated by key performance indicators:



1. FAR: Number of fatalities / 100 Million manhours
2. LTIF: Lost time injury / 1,000,000/man hours
3. TRIR: Recordable injuries* / 1,000,000/man hours
*Recordable incidents are a sum of Loss Time Incidents, Restricted Work Cases and Medical Treatment Cases

At ADNOC Distribution, safety is more than a priority - it is a core value embedded in everything we do.

We are committed to fostering a proactive safety culture, empowering our people with the right tools and training, and continuously enhancing our HSE standards to protect our employees, contractors, and communities. Our goal remains clear: zero harm, operational excellence, and a workplace where safety is a way of life.

Sultan Al Marzooqi
Vice President
Health, Safety & Environment

Case study

Enhancing Driver Safety with AFDD & JMP Implementation

In 2024, ADNOC Distribution implemented the Active Fatigue and Distraction Detection (AFDD) system and the Journey Management Plan (JMP) to prioritize driver safety through advanced AI-driven technologies. This initiative aimed to mitigate risks, improve driver behavior, and reduce fatigue-related incidents.



Objective

The primary goal of the AFDD and JMP initiative was to ensure the safety of ADNOC Distribution's drivers by monitoring and addressing fatigue and distraction. By leveraging AI technology, the system provided real-time insights into drivers' behavior, enabling proactive intervention and improved journey management.



Implementation

The initiative focused on equipping 70 heavy vehicles carrying flammable products with the AFDD system, achieving 100% installation. This innovative technology detected microsleeps and yawning, two critical indicators of fatigue, providing alerts to prevent potential hazards.



Impact

This initiative has contributed to a significant improvement in drivers' behavior, and a noticeable reduction in IVMS (In-Vehicle Monitoring System) violations within six months of implementation. 47% of detected fatigue events involved microsleeps or yawning, demonstrating the system's effectiveness in identifying risks. From July to December 2024, heavy vehicle drivers recorded zero IVMS violations, a remarkable improvement compared to the violations logged throughout 2023.



Conclusion

This initiative highlights ADNOC Distribution's commitment to leveraging cutting-edge technology to enhance operational safety. By proactively addressing driver fatigue and distraction, the AFDD and JMP systems have set a benchmark for safety standards, ensuring the well-being of drivers and the secure transportation of hazardous materials. This case exemplifies the company's dedication to innovation and operational excellence in safety management.



Human rights and labor practices



Human rights²¹

At ADNOC Distribution, we are committed to respecting human rights values in line with the United Nations Global Compact on human rights, labor, environment and anti-corruption. Acting with integrity is essential to how we conduct our business, and complements our core Company values for 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 our 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.



Child and forced labor²²

The UAE federal labor law strictly prohibits any form of forced, compulsory or child labor in the country. At ADNOC Distribution, we abide by all laws of the government and ensure that no such violations occur across any of our workplaces. Suppliers and partners should not deploy any kind of forced labor. Suppliers and partners must not use, employ, or seek to exploit in anyway the services of child, under-aged, slave or trafficked labor. Except to the extent permitted by law, suppliers and partners should not retain employees' identification, work or travel documents, or deposits as a condition of employment.

Non-discrimination²³

In accordance with the Company's [Code of Conduct](#), ADNOC Distribution maintains a zero-tolerance approach to any form of discrimination or harassment at the workplace, and actively promotes and maintains a core value of non-discrimination across its business activities and services, covering all stakeholders, including employees, customers, contractors, and suppliers. The company's policies, processes, and activities regarding nondiscrimination are guided by its core value of 'we are respectful' and direct towards promoting equality and embracing diversity.

Procurement practices²⁴

our procurement processes are a centralized function that supports all Company business lines. Third parties we do business with, including suppliers, customers and strategic partners are expected to comply with ADNOC's [supplier and partner code of ethics](#). The code sets out the basic rules and standards that are necessary to conduct our business in an ethical and compliant manner and in accordance with our values.

We work collaboratively with our partners, suppliers, customers, and government entities to elevate the collective fight against corruption, demonstrating how integrity and we recognize the integral role that ethics and compliance play in the Company's sustainability journey.

In addition, all suppliers, customers and other third parties who work with us are subject to anti-bribery and corruption exposure risk assessments, as part of our integrity due diligence process. We work collaboratively with our suppliers, customers, and strategic partners to mitigate and manage any actual or potential adverse integrity, corruption, and environmental, social and governance related impacts, which we identify in our supply chain.

In addition, with the increase in M&A activities, detailed ESG and Integrity Due Diligence activities are being performed. We also conduct trainings for the stakeholders on the Code of Conduct. Moreover, the Code of Conduct and Supplier and Partner Code of Ethics are made accessible to all suppliers and partners through the website.

In-country value

we follow ADNOC's corporate procurement initiative, which emphasizes the selection of local suppliers and contribution to in-country value (ICV) with the aim of creating additional employment opportunities for Emiratis in the private sector and supporting the UAE GDP diversification through sourcing more goods and services within the UAE.

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. We will continue to identify opportunities to further increase spending on local suppliers and to enhance the ICV contribution.

²¹ADX ESG Guide: S10 Human Rights
²²ADX ESG Guide: S9 Child & Forced Labor
²³ADX ESG Guide: S6 Non-discrimination
²⁴ADX ESG Guide: G4 Supplier Code of Conduct

Cybersecurity and Data Privacy ²⁵

At ADNOC Distribution, cybersecurity and data privacy are fundamental to our digital transformation journey. We implement robust security measures to safeguard our enterprise infrastructure, ensuring confidentiality, integrity, and availability of data. We abide by several policies and initiatives to manage data privacy and cybersecurity issues and believe that our customers have a right to know how their information is gathered, 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 complying with the UAE Personal Data Protection Law (PDPL).

In 2024, we strengthened our cybersecurity framework by enhancing threat intelligence, conducting real-time monitoring, and improving incident response capabilities. To further secure our digital transactions, we successfully upgraded our Payment Card Industry Data Security Standard (PCI DSS) certification to version 4.1, ensuring safe and seamless payment processing. Additionally, we enforced multi-factor authentication (MFA) and strengthened customer password protocols to enhance data protection.

As part of our proactive risk management, we conducted Operational Technology (OT) and Industrial Control System (ICS) cybersecurity assessments, identifying vulnerabilities and implementing protective measures to secure critical infrastructure.

We also expanded our employee training programs, including phishing simulations and cybersecurity awareness initiatives, reinforcing our first line of defense against cyber threats.

Governance of IT security and risks remains a cornerstone to ensure oversight of the Company's cybersecurity strategy implementation, proactive protection of information assets and establishment of safe and resilient infrastructure which empowers the business to thrive. Our cybersecurity and Information technology is under the supervision and leadership of Saeed Al Ahbab, Chief Shared Services & Technical Officer.

Looking ahead, ADNOC Distribution remains committed to advancing cybersecurity resilience, adapting to evolving threats, and enhancing governance frameworks. By continuously investing in cutting-edge technologies and best practices, we ensure the security of our digital assets while maintaining the trust of our customers, employees, and stakeholders.

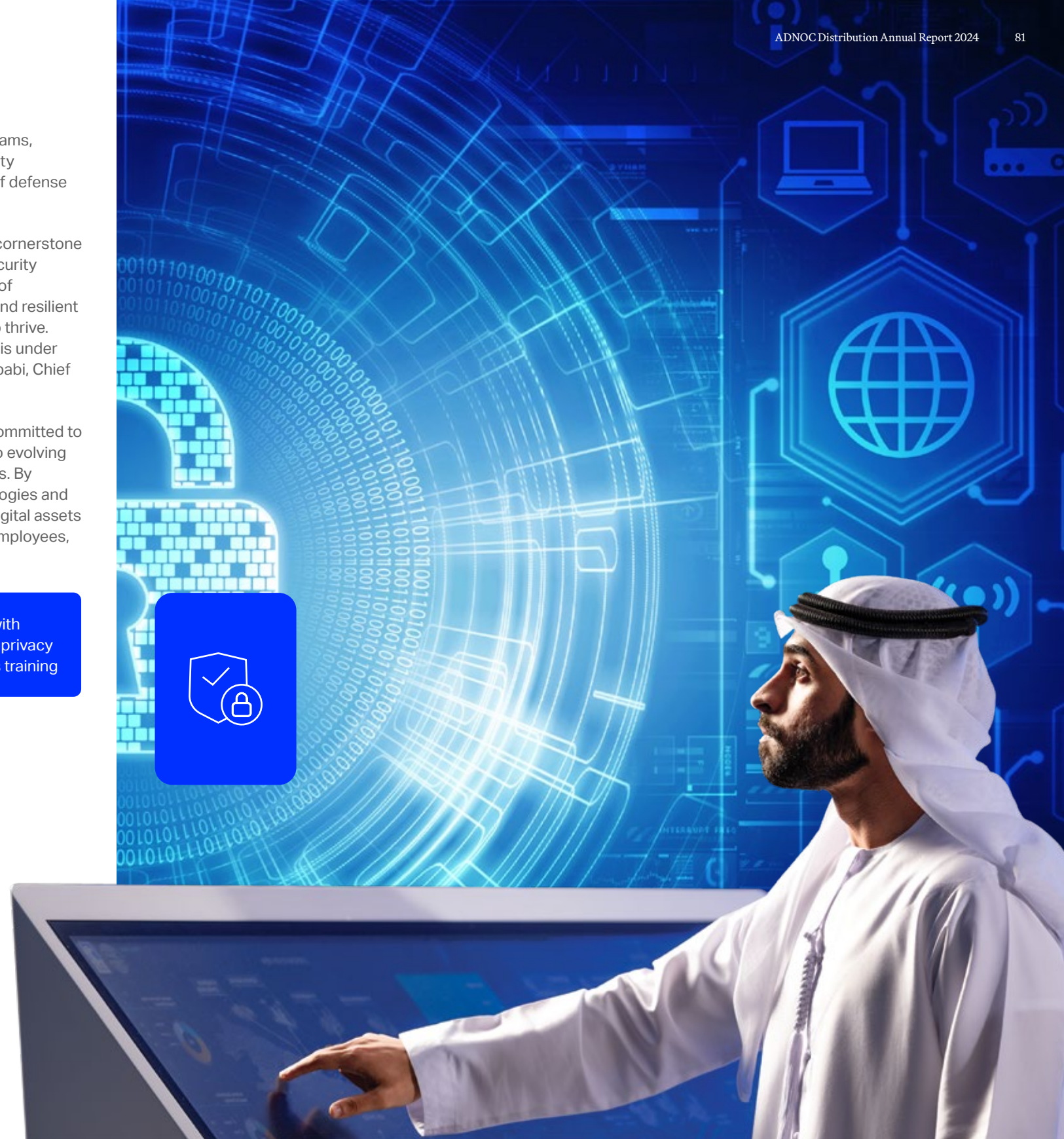


100%
of our
employees

provided with
digital and privacy
awareness training



²⁵ ADX ESG Guide: G6 IT security and data privacy



ESG index

ADNOC Distribution alignment with ADX ESG guide

ADX Guidelines	Disclosure	Section	Page Number(s)	ADX Alignment
Environmental	E1 GHG Emissions Total amount in CO2 equivalents for Scope 1 & 2	Environmental Protection	70	Yes
	E2 Emissions Intensity GHG Emissions intensity per gross profit	Environmental Protection	70	Yes
	Non-GHG Emissions intensity per gross profit	Environmental Protection	69	Yes
	E3 Energy Usage Energy directly consumed	Environmental Protection	69	Yes
	Energy indirectly consumed	Environmental Protection	69	Yes
	E4 Energy Intensity Total energy intensity per gross profit	Environmental Protection	69	Yes
	E5 Energy Mix Energy used by generation type	Environmental Protection	69	Yes
	E6 Water Usage Total amount of water consumed Total amount of water reclaimed/recycled	Environmental Protection	70	Yes
	E7 Environmental Operations	Environmental Protection	68	Yes
	E8 Environmental Oversight – Management	ESG Governance	66	Yes
SOCIAL	E9 Environmental Oversight – Board	ESG Governance	66	Yes
	E10 Climate Risk Mitigation	Environmental Protection	68	Yes
	S1 CEO Pay Ratio	Our People	75	Yes
	S2 Gender Pay Ratio	Our People	75	Yes
	S3 Employee Turnover	Our People	75	Yes
	S4 Gender Diversity	Our People	75	Yes
	S5 Temporary Worker Ratio	Our People	75	Yes
	S6 Non-discrimination	Non-Discrimination	80	Yes
	S7 Injury Rate	Health and Safety	78	Yes
	S8 Global Health and Safety	Health and Safety	76	Yes
	S9 Child & Forced Labour	Child and Forced Labor	80	Yes
	S10 Human Rights	Human Rights	80	Yes
	S11 Nationalization	Our People	72	Yes
	S12 Community Investment Amount invested in the community as a percentage of company revenue	Corporate Social Responsibility	104	0.01%

ADX Guidelines	Disclosure	Section	Page Number(s)	ADX Alignment
GOVERNANCE	G1 Board Diversity 1) Percentage of total Board seats occupied by men and women 2) percentage of Committee chairs occupied by men and women	Board Diversity	92	1) 14% held by women 2) 33% held by women 86% held by men 66% held by men
	G2 Board Independence 1) does company prohibit CEO from serving as Board Chair 2) percentage of total board seats occupied by independent board members	ADNOC Distribution Board of Directors	89	1) Yes 2) 100%
	G3 Incentivized Pay Are executives formally required to perform on sustainability?	ESG Governance	67	Yes
	G4 Supplier Code of Conduct 1) Are the Company’s suppliers required to follow a Code of Conduct? 2) Percentage of suppliers that have formally certified their compliance with the Code	Procurement Practices	80	1) Yes 2) All our suppliers are expected to adhere to our Supplier and Partner Code of Ethics
	G5 Ethics & Prevention of Corruption 1) Does the Company follow an Ethics and/or Prevention of Corruption Policy? 2) Percentage of workforce formally certified for its compliance with the policy	Our Corporate Overview ESG Governance	86 66	1) Yes 2) In 2024, 100% of employees received training and awareness on Code of Conduct
	G6 Data Privacy	Cybersecurity and data privacy	81	Our Information Security Management System (ISMS), certified to ISO 27001
	G7 Sustainability Reporting	ESG at ADNOC Distribution	60	Annual ESG Report
	G8 Disclosure Practices	ESG at ADNOC Distribution	60	The Company publishes a GRI based Annual ESG Report
	G9 External Assurance	ESG at ADNOC Distribution	60	Annual external assurance is being obtained for 2024 ESG report