



SUSTAINABILITY REPORT 2022

Accelerating Growth While Ensuring
Environmental Stewardship, Social
Well Being & Ethical Governance



**Our 2022 Environmental
Social & Governance
(ESG) Report illustrates
the performance of our
sustainability strategy**

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INTRODUCTION

AD Ports Group is elated to share the 2022 edition of our annual Sustainability Report.

We are committed to openly share our performance with our stakeholders. While we publish our current performance, we also embrace the future challenges to achieve our ambition as a global sustainability leader.

We demonstrate our contribution to, and alignment with, the global UN Sustainable Development Goals (SDGs) and the UAE and Abu Dhabi Emirate's sustainability objectives. By enhancing our working relationships with many committed partners and stakeholders, we collectively, achieve more together.

ASSURANCE

Our report, performance data and claims are verified and assured by independent third parties.

SUSTAINABLE DEVELOPMENT GOALS



REPORTING PRINCIPLES

We prepare and publish our Sustainability Report in full compliance with the internationally recognised Global Reporting Initiative (GRI) Standards and Principles.



Accuracy



Balance



Clarity



Comparability



Completeness



Sustainability Context



Timeliness



Verifiability

CHAIRMAN'S STATEMENT



H. E. Falah Mohammad Al Ahabbi

Chairman



I am delighted to present our 2022 edition of AD Ports Group's Sustainability Report.

This report exemplifies our ongoing and unwavering commitment to successfully integrate sustainability into every aspect of the organisation's overall strategy, as well as throughout our operations, business practices and culture.

In light of the UAE's declaration of 2023 as the Year of Sustainability, we are proud to have laid solid foundations in 2022 on which to build and enhance our sustainability efforts.

This will enable us to make further strides towards embedding Sustainable Development Goals (SDGs) into our business practices.

At AD Ports Group, we firmly believe that sustainability is a key driving force for business growth and opportunities. We understand that rising to the challenge of global and regional sustainability issues, including tackling climate change, requires all of us at AD Ports Group to embrace innovation and continuously challenge ourselves to aim higher. In order to ensure that social and environmental benefits remain a

crucial focus, we must not only prioritise our present success, but also the long-term performance of AD Ports Group.

I extend my gratitude to our wise leaders, who provide us with the vision and guidance we need to succeed. We are also grateful for the support we receive from our employees, customers, partners and wider stakeholders.

Addressing sustainability challenges and achieving new opportunities, requires building meaningful relationships founded on trust and shared ambitions. This report is a testament to that.

We are privileged to have a dedicated and talented workforce, with the energy to consistently commit to the success of our sustainability strategy and the Group as a whole. Their efforts and ambitions have been instrumental in driving our progress forward. Together, with our stakeholders, we are working as one for greater impact and shared value.

We can all take pride in the progress we have made in furthering the resilient growth of our Group, while facilitating the sustainable development of our Emirate.

As we move into the future, we will continue to challenge ourselves to strive for excellence in order to achieve enduring sustainable and positive impacts for all.

Thank you.

GROUP CEO'S STATEMENT



Captain Mohamed Juma Al Shamisi

Managing Director & Group CEO,
AD Ports Group



We recognise that sustainability is directly contributing to AD Ports Group's impressive financial and operational performance

It is unlocking new business opportunities, stimulating innovation, fostering partnerships, providing progressive employment pathways and positively impacting our communities and the environment.

Thanks to the continuous support of our wise leadership, 2022 proved to be an exceptional year for AD Ports Group demonstrating the effectiveness of our ambitious growth strategy and focus on delivering on our promises to our shareholders and stakeholders.

Embedding sustainability and decarbonisation into future Green Ports developments is progressing at pace. Our

decarbonisation roadmap includes energy efficiency initiatives, electrification, renewable energy transition and sustainable infrastructure.

AD Ports Group is also exploring alternative energy sources, such as hybrid vessels to use dual fuel, hydrogen or methanol fuel systems and conversion of our existing fleet to greener fuels.

Our commitment to forward-thinking and innovation is enabling new sustainability opportunities, business relationships and partnerships. We are working with leading European ports on clean hydrogen energy handling and transport.

Additionally, we have delivered proof of concepts in hydrogen powered energy supply, net-zero desalination and sustainable logistics using drone delivery and carbon capture for synthetic carbon neutral fuel production.

Our employees and diverse workforce consist of 56 different

nationalities contributing to the Group's unique and rich cultural diversity. We have achieved a 114% increase in full-time female employees in senior management, and a 68% Emiratisation rate, securing new local employment opportunities.

CSR activities in and with local communities continue to address health, community support, environmental quality, welfare and development, and equal opportunities. This year, we undertook over 61 CSR initiatives that benefited over 100,000 people.

I am very pleased to see, and share, tangible evidence that our impactful sustainability approach is a fundamental part of all that we do.

I extend sincere appreciation to everyone in our Group who collectively contributed to our successes in 2022. Your commitment, energy and talent are an inspiration to us all and a true reflection of AD Ports Group's culture, values and ambition.

KEY SUCCESSES



Investors In People (IIP) Platinum Level Accreditation 'We Invest in People'



Ideas UK - Continuous Improvement Award 2022 Winner and Judges Special Achievement 2022 Award Winner



International Maritime Award - 17 Ecological Concrete Mattresses at Saadiyat Ferry Terminal



Gold Award - Digital Process Automation Solution : Advanced Trade Logistics Platform (ATLP)



Gold Award - Best Community Involvement During CSR Programme Corporate Engagement Awards 2022



11%

Increase in Community Investments



41%

Increase in Revenues Generated



175%

Increase in SAFEEN Feeders Container Vessels



39%

Increase in Annual Gross Profit



28%

Increase in TEUs Handled



286%

Increase in Cruise Passengers



18%

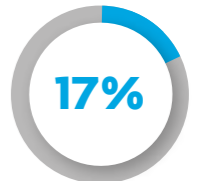
Increase in International Vessels Calling



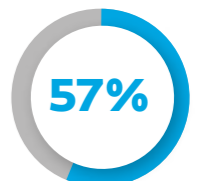
Decrease in Electricity Consumption Intensity for Container Terminals



Decrease in Fuel Consumption Intensity per TEU



Decrease in GHG Emission Intensity per TEU



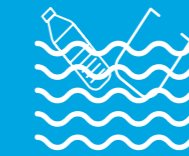
Solid Waste Recycled



His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE, being briefed on the Khalifa Port expansion project by Capt. Mohamed Juma Al Shamisi.



Coral Relocation Monitoring



68 Tonnes of Marine Debris Removed

114%

Increase in Female Employees in Senior Management

11%

Increase in Employee Total Training Hours

68%

Emiratization Rate

100,000+

Beneficiaries Positively Impacted by CSR Activities

61+

CSR Initiatives

84%

Job Satisfaction

65%

Decrease in LTI Frequency Rate (without contractors)

5,000+

Employee Volunteering Hours



AD PORTS GROUP - AT A GLANCE

Strategic trade gateway to the UAE, the GCC's
fastest-growing economy.



AD PORTS GROUP - AT A GLANCE



Exclusive developer and regulator of ports and related infrastructure in Abu Dhabi.

OVERVIEW

AD Ports Group is a vertically integrated trade enabler, providing strategic access to the United Arab Emirates ('UAE'), one of the Middle East's fastest growing economies, and turning Abu Dhabi into a trade hub to serve the world.

The company's five business clusters; Economic Cities & Free Zones, Ports, Maritime, Logistics and Digital make up a resilient trade community bonded by strong partnership which generate stable performance and consistent growth.



Key Facts

One of the world's fastest-growing vertically integrated ports and logistics groups.

High-quality revenue generated by long-term contracts.



OUR 5 CLUSTERS



ECONOMIC CITIES & FREE ZONES

Under the Economic Cities & Free Zones Cluster, the KEZAD Group is the UAE's largest operator of fully integrated economic zones, business services, staff accommodation and industrial real estate solutions.



LOGISTICS

Our Logistics Cluster provides end-to-end supply chain and freight solutions to local and international clientele. We are implementing the latest technologies to boost supply chain resilience and efficiency through integrated logistics solutions with digital enablement.



PORTS

Our Ports Cluster is focused on achieving sustainable growth, forging partnerships with local and global market leaders, with the goal of diversifying and expanding capacity to meet the growing and diverse needs of customers while solidifying Abu Dhabi as a global trade and logistics hub. It owns and operates 10 technologically advanced ports and terminals in the region.



DIGITAL

Our Digital Cluster provides advanced, smart and innovative digital solutions to stakeholders within trade and logistics communities. Our solutions have increased the efficiency and productivity of maritime business interactions, fostering transparency and access to real-time information.



MARITIME

Our Maritime Cluster includes SAFEEN Group which serves three key areas – shipping & transshipment, offshore and subsea solutions and marine services. The Cluster also delivers world-class maritime education & training courses under ADMA, and governs and regulates Abu Dhabi's maritime sector via Abu Dhabi Maritime.

Publicly listed company from 8 February 2022 (Ticker: ADPORTS on Abu Dhabi Securities Exchange).

Khalifa Port, a world-class deep-water port accommodating the largest ships at sea.

ECONOMIC CITIES & FREE ZONES CLUSTER



KEZAD Group, under AD Ports Group's Economic Cities & Free Zones Cluster, is an enabler of maritime trade businesses.

KEZAD Group provides vital set-up, transportation convenience and services, and hosts more than 1,850 clients from 17 industrial sectors e.g. Food Processing, AgTech, Life Science, Speciality Chemicals, Plastics & Polymers, Metals, Retail & Logistics, Pharmaceuticals, Hi-Tech & Green Energy, Building Materials, Oil & Gas and Automotive.

Our KEZAD Communities subsidiary provides over 40 staff accommodation complexes with a capacity of over 420,000 beds.



We are committed to decarbonising our energy consumption and strive to host and support responsible manufacturers who are increasing sustainability measures across industries.

SUSTAINABILITY INNOVATION DRIVING RESILIENT ECONOMIC GROWTH

KEZAD Group now hosts several significant sustainability innovation companies and ventures.



DGrade facility that recycles plastic into sustainable clothing. The facility currently processes up to 1 billion plastic bottles a year into recycled plastic flake for the company's Greenspun yarn, and material for local packaging manufacturers.



NWTN is an electric vehicle assembly plant that will initially operate a 25,000-square-metre manufacturing, research and development, vehicle testing and logistics facility.



"ReedBox® Sustainable Wastewater Treatment plant eliminates off-site sewage removal by tankers and uses recovered grey water for irrigation.



In 2021, AD Ports Group signed a major agreement with Helios Industry for an AED 3.67 billion hydrogen energy production facility in KIZAD that will produce green ammonia using an 800MW solar plant.

SUSTAINABILITY SUCCESSES AND RECOGNITION

Clean Energy Certificate (CEC) received from EWEC in the category of "CEC Based on Solar". The CECs are being used to decarbonize our energy consumption and redeemed against the ADDC bills to obtain clean status on our energy usage.

Achieving a 2 Pearl Rating for new KEZAD HQ & KEZAD Logistics Park (KLP) - Estidama Sustainability Initiative.

Installing SMART Metering in the new KEZAD HQ building & KLP are already lowering our energy consumption.

Installing roof mounted solar panels on all new KLP.

Deploying skylights for natural lighting and well-being in new KLPs reducing electricity consumption from lighting.

PORTS CLUSTER



The Ports Cluster owns and operates 10 ports and terminals in the UAE, facilitating trade and building capacity whilst connecting Abu Dhabi to the world.

The Ports Cluster is focused on achieving sustainable growth by forging partnerships with local and global market leaders. The goal is to diversify and expand capacity to meet the growing and diverse needs of customers, while solidifying Abu Dhabi as a global trade and logistics hub.



TEUs handled (Million)



Cruise passengers



RoRo units handled



International vessels called



General Cargo (Million Tonnes)



Ports Cluster is committed to protecting our precious and sensitive marine environment that we operate within.

SUSTAINABILITY SUCCESSES AND RECOGNITION



Coral Relocation (500 corals) and Monitoring in a partnership research study with NYUAD. Exploring global best-practice for coral relocation with staff training.



Installation of an innovative Sea Water Cooling and Desalination System reducing energy consumption.



Continual core environmental monitoring and assessment of seawater quality.



Zayed Port implemented the treatment and reuse of wastewater from the washing bay.



Khalifa and Mugharraq Ports infrastructure have been designed to reduce carbon emissions by providing shore-to-ship power (cold ironing). This enables offshore vessels to switch off their engines when berthed.

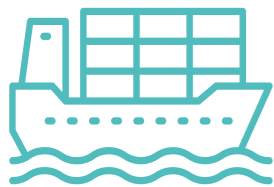


A new Hydraulic Oil Recycling System now extends the oil lifecycle used in our machinery by up to six years, which is equivalent to 3 life cycles.



Our warehouses in Khalifa Port and Mugharraq Port are now powered by solar energy.

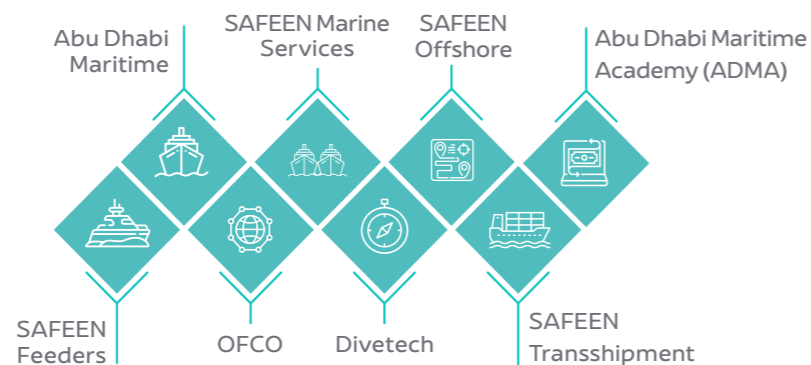
MARITIME CLUSTER



The Maritime Cluster facilitates maritime operations while ensuring safety and sustainability across its services.

Maritime Cluster, is the driving force behind AD Ports Group's Marine operations, and the largest diversified provider of maritime services in the region including merchant shipping, transshipment, offshore and subsea solutions. We acquired 80% stake in Global Feeder Shipping (GFS), positioning AD Ports Group as the largest pure feeder operator in the region.

Maritime Cluster is committed to optimise all our facilities to work as sustainably as possible and are constantly seeking innovative ways to lessen the industry's impact on the marine environment. The 8 business lines under Maritime Cluster are presented below:



The Maritime Cluster is crucial to ensuring convenient and safe operations across all our ports and marine infrastructure. Waterways are the lifeline of trade in our region, and the Maritime Cluster is committed to providing best-in-class services and infrastructure.

SUSTAINABILITY SUCCESSES AND RECOGNITION



Installation of 17 ecological concrete mattresses at Saadiyat Ferry Terminal which won an International Maritime Award.



Marine Oil Spill management training and installation of oil-spill kits at sensitive locations.



Al Aliah Island Beach clean up campaign.



Using locally sourced biofuel (recycled cooking oil) in Feeder Vessels achieving 20% carbon emissions reduction.



Al Sader Beach and underwater clean up campaign.



Exploring hybrid vessels to use dual fuel, hydrogen or methanol fuel systems for tugs and planning for the conversion of existing tugs to greener fuels.



Solar powered information boards.



Implementing hydrogen refuelling infrastructure and Fleet conversion under an MoU with ADNOC.



Single use plastic ban SAFEEN Feeder vessels.



Commenced carbon emission reporting of client chartered vessels.



LOGISTICS CLUSTER



The Logistics Cluster provides integrated end-to-end supply chain and freight solutions to local and international customers.

AD Ports Logistics is implementing the latest technologies to boost supply chain resilience and efficiency through integrated logistics solutions with digital enablement.

The Cluster understands that greenhouse gas (GHG) emissions from logistic operations can be significant, but we are determined to manage and reduce our GHG emissions.



We are focused on integrating digital automation to optimise logistics operations and we are determined to control and reduce our GHG emissions.



SUSTAINABILITY SUCCESSES AND RECOGNITION



Integrating digital automation to optimise logistics operations and reduce energy and fuel use.



Recycling of water for fleet washing/cleaning.



Using fuel additives to reduce carbon emissions from our diesel fleet.



Deploying innovative passive technology (Phase Change Material) for pharmaceutical distribution which reduces the need for electric cooling.



Conversion of existing cargo vehicles from diesel to electric power.



Phasing out and replacing fuel inefficient vehicles.



Using drones for the local delivery of medical supplies.



Achieved ISO 13485 certification for medical devices, rendering the Logistics Cluster one of few organisations in the Middle East to hold this distinction.

DIGITAL CLUSTER



AD Ports Group has invested significantly in technology and world-class infrastructure.

We believe that digital transformation is a driver to accelerate the transition of business towards sustainable operations. Our Digital Cluster delivers advanced, smart and innovative digital solutions catering to trade and logistics stakeholders.

Our solutions have increased the efficiency and productivity of maritime business interactions, fostering transparency and access to real-time information.



We believe that digital transformation is a driver to accelerate the transition of business towards sustainable operations.



SUSTAINABILITY SUCCESSES AND RECOGNITION

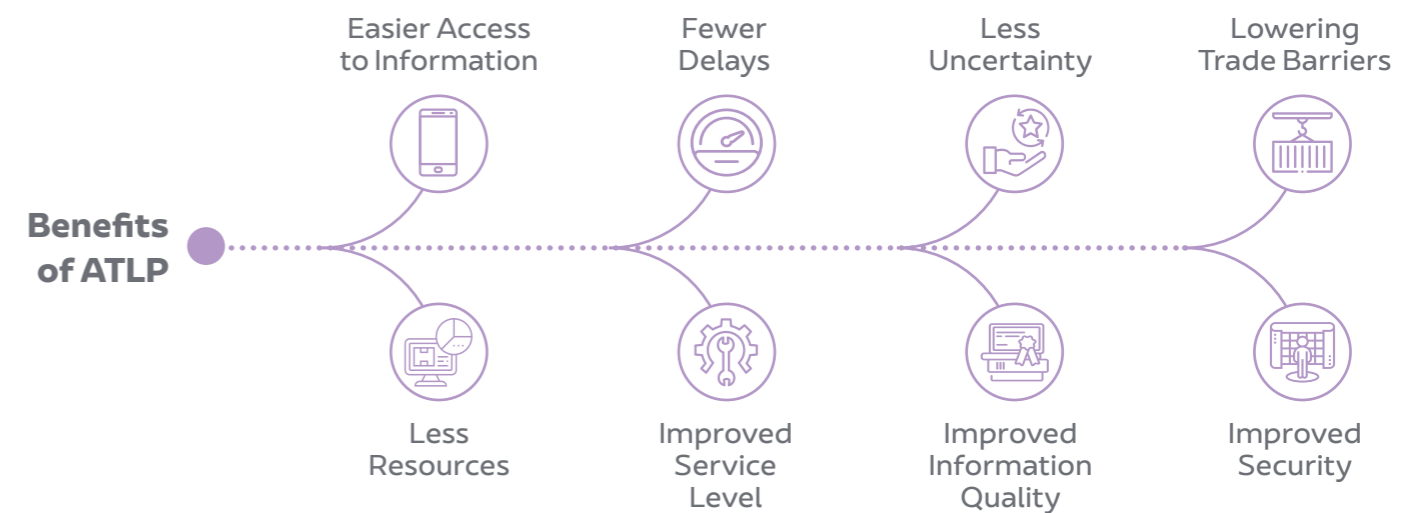
The Cluster's key sustainability successes are primarily delivered through the Advanced Trade Logistics Platform (ATLP).

ATLP is an innovative solution that facilitates the global exchange of goods and the movement of people while contributing to Abu Dhabi's sustainable development.

It is a platform for unifying payments and applications, and helping stakeholders better manage resources.

It serves as Abu Dhabi's single window trade platform for all economic operators via sea, land, air, industrial and free zones, in addition to enhancing the customer experience within the trade and logistics sectors.

By encouraging paperless trade, ATLP is enabling organisations to conduct their business with fewer physical visits, improved government and customer efficiency, and a substantial reduction in CO₂ emissions.





AUTHENTIC LEADERSHIP AND GOVERNANCE

Creating a trusted sustainability leadership and governance culture through accountable people, structures, processes, transparency, and partnerships.



ستعيش الأجيال القادمة
في عالم يختلف تماما عن ذلك الذي اعتدنا
عليه، لذا فمن الضروري أن نعدّ أنفسنا
وأولادنا لذلك العالم الجديد
الشيخ



AUTHENTIC LEADERSHIP AND GOVERNANCE



Our ambition is to be the sustainability leader for the global maritime trade and logistics sector.

This journey to excellence will be long and challenging but we are well placed to succeed.

While we are proud of the significant legacy we have already delivered, we are committed and energised for the future challenges, innovations and opportunities our approach will secure for all our stakeholders and partners.

Success requires authentic leadership and robust governance. Authentic leadership is founded on transparency, genuineness and honesty. We will continue to build genuine relationships with all stakeholders and partners, inspire trust and create shared value.

Our leadership will maintain focus on our long-term ambition, celebrate our achievements, share and learn with others and collectively inspire greater success.



The integration of sustainability into the realisation of our mission, vision and values requires robust governance structures.



OUR MISSION

Our mission is to position Abu Dhabi at the frontier of global trade, by managing world-class global logistic value chains, driving operational excellence by leveraging digital technologies, meeting stakeholders' dynamic needs, forging relationships, and maximising shareholder value.



OUR VISION

Our vision is to drive global trade through an integrated portfolio of world-class ports, industrial zones, and logistics supply chains.



OUR VALUES



Ready to respond



Eager to collaborate



Safe, secure & sustainable



Innovate for excellence



Fair & committed



STRATEGY AND GOVERNANCE

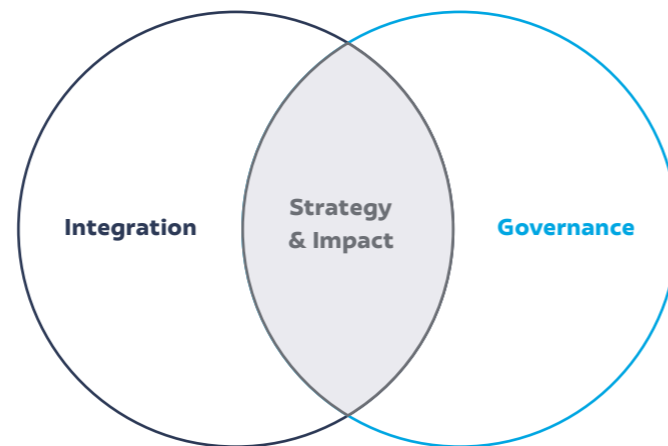
Our approach and strategy are founded on two fundamental enabling principles,

Integration – embed and weave a sustainability culture throughout our internal processes, policies, strategies, and initiatives.

We aim to unlock and create additional shared value for our stakeholders and partners using all our resources.

Governance – build robust governance structures that provide oversight and scrutiny and effective processes across our five business clusters (Digital, Economic Cities & Free Zones, Logistics, Maritime and Ports).

We aim to manage performance for impact, strengthen employee and stakeholder relationships and ensure overall accountability, transparency, for trust.



Sustainability Strategy Enabling Principles



INTEGRATION

To help us articulate and embed sustainability throughout our business and operations we have created an Integrated Sustainability Model.

Our model recognises a holistic systems view.

It is outcome based to reflect the desired change and impact we wish to make.



AD Ports Group Integrated Sustainability Model

Resilient Economic Growth

Enabling resilient growth through innovation, economic diversification, supply value chains and adaptability to changing global, national and local market opportunities.

Nurturing People and Communities

Enabling our talented people and local communities to thrive by providing safe, inclusive and diverse high-quality employment opportunities.

Safeguarding the Environment

Enhancing our global and local environment through exemplary environmental management, biodiversity conservation, circular resource use and climate action.

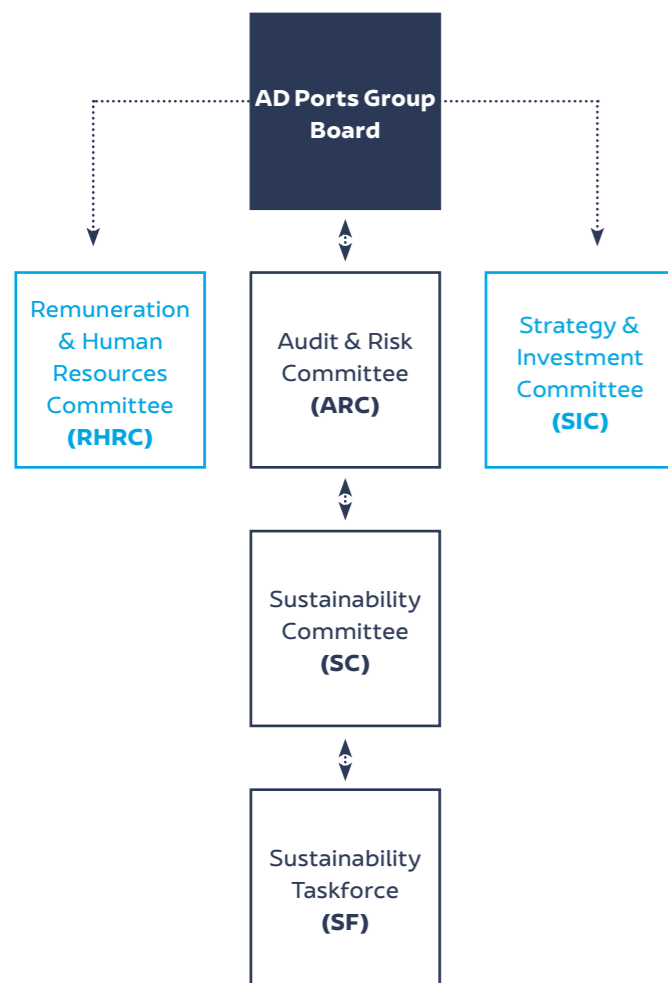
Authentic Leadership and Governance

Creating a trusted sustainability leadership and governance culture through accountable people, structures, processes, transparency, and partnerships.



GOVERNANCE

Our robust governance structures, enable us to implement our sustainability strategy throughout our five business clusters while enhancing performance, strengthening trusted relationships with our stakeholders, and ensuring overall accountability.



AD Ports Group Sustainability Governance Organogram

AD Ports Group Board

Provides Executive and Director level leadership, oversight, scrutiny and supervision.

Ultimate accountability for the identification and management of our impacts.

AD Ports Group Sustainability Committee (SC)

Fulfils, plans and co-ordinates our strategy, commitments, objectives, policies and practices. Membership is matrixed with representation from all departments to ensure broad ownership and deep integration throughout AD Ports Group.

Accountability for articulating and developing our strategy with empowered oversight of all initiatives throughout AD Ports Group's clusters and corporate units. Coordinates and advises on integration.

Remuneration and Human Resources Committee (RHRC)

Provides corporate governance for Board selection process, succession planning and enables our People, Culture and Performance framework, policies and processes.

Audit and Risk Committee (ARC)

Provides oversight, governance, risk management, internal controls and legal compliance.

Accountability for strategy performance and the Corporate Governance, Risk and Compliance Framework

Strategy and Investment Committee (SIC)

Implements, reviews and endorses AD Ports Group's Corporate Strategy, budgets, business plan, mergers, and investments.

Sustainability Taskforce (STF)

Provides technical implementation support to the Sustainability Committee. Composed of subject matter experts including CSR, Environment, Occupational Health & Safety, Human Resources, Procurement, Finance, Business Continuity and Operations.

Accountability for monitoring and reporting of initiatives progress and performance to the Sustainability Committee.

The Group Board has established the Board Nomination Policy for the 2022 term in cooperation with the Remuneration and Human Resources Committee. The policy details the steps taken when a candidate for the Board is nominated, selected, elected, and re-elected. Candidates for election or reappointment to the Board of Directors are to be chosen based on merit and objective criteria, as acknowledged by Board Remuneration Policy, best to serve the interests of the group and its stakeholders.



CODE OF CONDUCT AND ETHICAL BEHAVIOUR

We are committed to acting ethically and professionally across everything we do; this commitment is embraced across the organisation and applies to all those with whom we interact and do business with.

Our Code of Conduct governs critical issues including social responsibility, anti-corruption, protection of assets, conflict of interest, dealing with contractors, equal opportunity, ethics, communication, risk management, harassment, and violence.

The Board of Directors charge AD Ports Group's senior management with ensuring that our Code of Conduct and the Company's Corporate Policies govern all business activities of the Company without exception.



CORPORATE GOVERNANCE, RISK AND COMPLIANCE FRAMEWORK

As a large organisation operating across five clusters, AD Ports Group's operations are exposed to many risks.

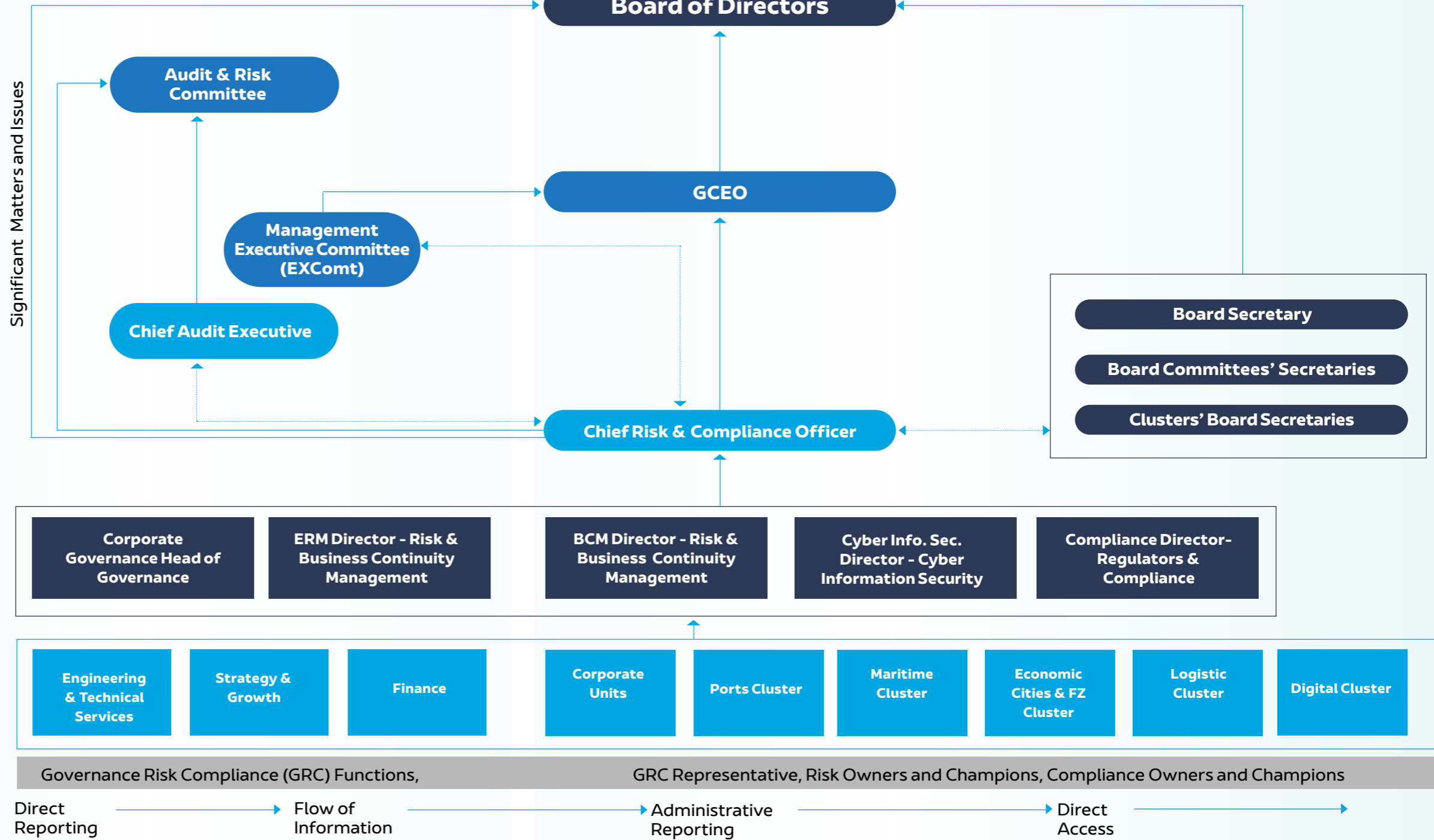
Our Corporate Governance, Risk and Compliance framework enables us to identify the risks inherent to our operations and the appropriate mitigation measures to manage them, which include:

- Exposure to legal penalties
- Financial forfeiture
- Material loss
- Reputational impact

The Group's corporate governance structure aims to clearly define the distribution of rights and responsibilities among different stakeholders and related subsidiaries, such as the Group Board, Senior Management, Shareholders, and other Stakeholders. It establishes the rules and procedures for decision-making at group-level corporate affairs and subsidiaries by their respective boards. This structure is through which the Group objectives are set and the means of attaining those objectives and monitoring performance.

The ultimate responsibility of the governance of the Subsidiaries lies at the Group level. Depicted in this section is the operating model of the Group's subsidiary governance structure.

Governance, Risk And Compliance Operating Model



STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT



We recognise our business interfaces with multiple internal and external stakeholders at local, regional and global levels.

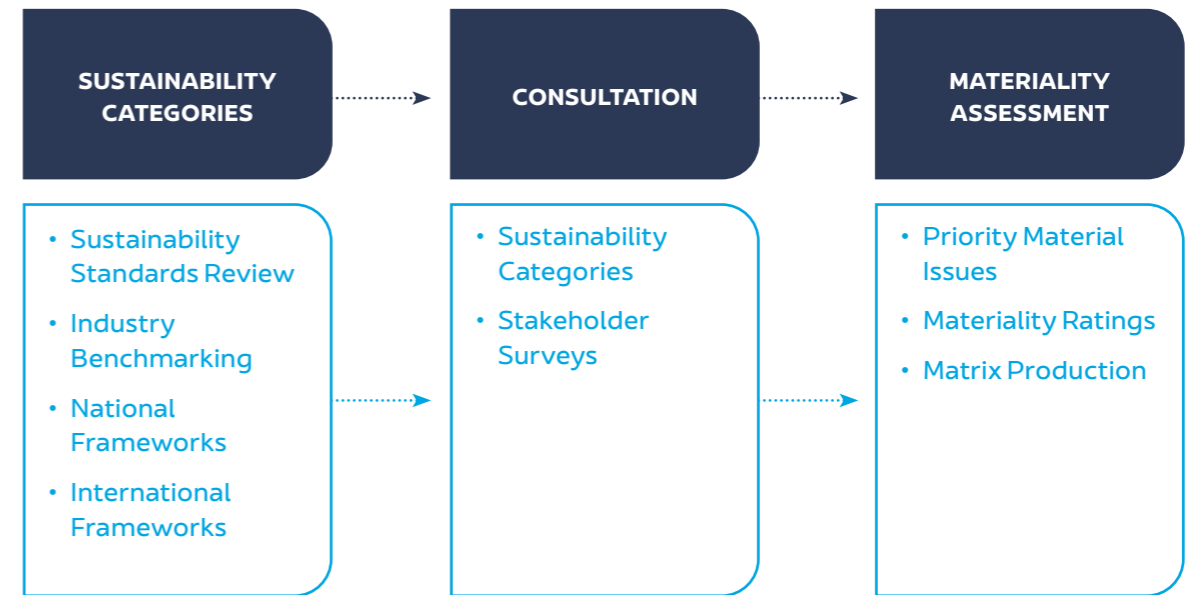
AD Ports Group does not exist or operate in isolation. Genuine, open and authentic stakeholder relationships is critically important to the success of our business. Understanding what matters to our stakeholders is a fundamental and valuable business undertaking.

Importantly in our pursuit of shared value, we implicitly support the potential co-benefits AD Ports Group's business and operations can collectively secure. Our sustainability strategy enables this.

LISTENING TO OUR STAKEHOLDERS TO IDENTIFY OUR PRIORITIES

To help inform, guide and prioritise our sustainability strategy, we undertook a detailed stakeholder engagement and materiality assessment exercise in 2022.

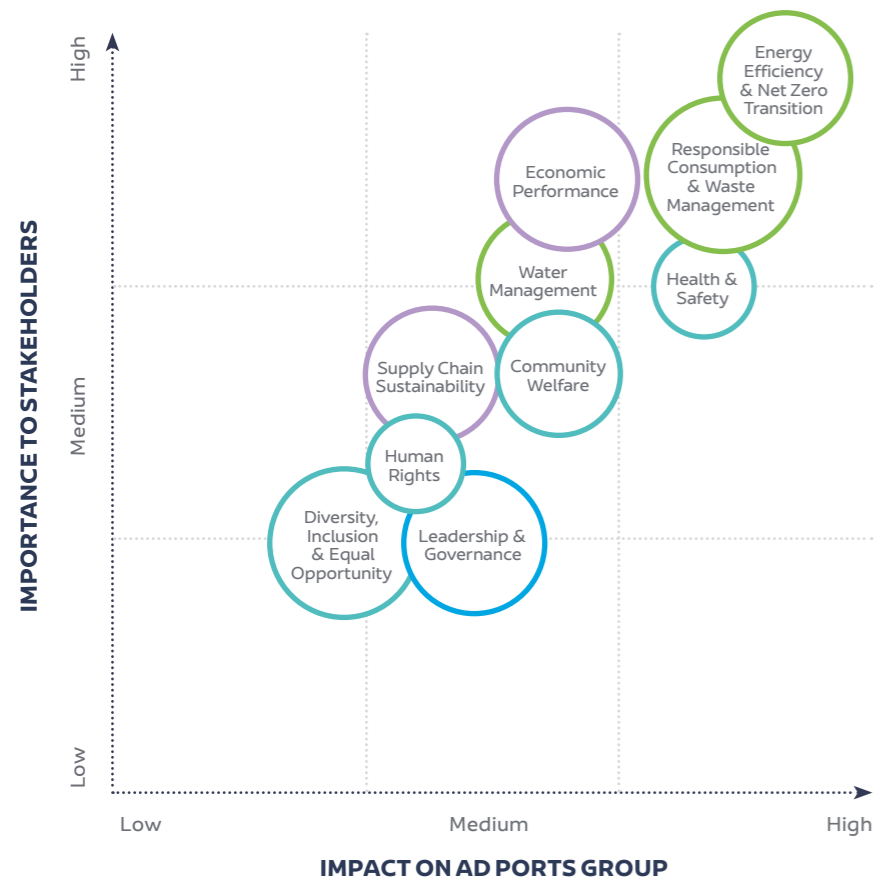
This exercise engaged with all our employees, and key government bodies, customers, suppliers and contractors.



Stakeholder Engagement and Materiality Assessment Process



The information from the stakeholder engagement exercise enabled us to identify the priority material issues relevant to our business and operational context. These were rated according to their importance to our stakeholders and the potential impact on our business,



AD Ports Group Materiality Matrix



INTEGRATION, TRANSPARENCY AND DISCLOSURE

To integrate the priority material issues into our strategy we mapped them to the four themes of our Integrated Sustainability Model. This will ensure these materiality issues are prioritised for focused action. The table below also identifies the relevant Global Reporting Initiative (GRI) disclosure standard for each priority material issue.

Model Theme	Material Issue	GRI Standards Reference
AUTHENTIC LEADERSHIP & GOVERNANCE	Leadership & Governance	GRI 202-18, 20, 27, 29, 31, 32, 33
	Energy Efficiency & Net Zero Transition	GRI 302, 305
SAFEGUARDING THE ENVIRONMENT	Water Management	GRI 303
	Responsible Consumption & Waste Management	GRI 306
NURTURING PEOPLE & COMMUNITIES	Health & Safety	GRI 403
	Community Welfare	GRI 413
	Diversity, Inclusion & Equal Opportunity	GRI 405
	Human Rights	GRI 415
RESILIENT ECONOMIC GROWTH	Economic Performance	GRI 201
	Supply Chain Sustainability	GRI 308, 414

AD Ports Group Material Issues and GRI Disclosure Standards





**RESILIENT
ECONOMIC GROWTH**



RESILIENT ECONOMIC GROWTH



Enabling resilient growth through innovation, economic diversification, supply value chains and adaptability to changing global, national and local market opportunities.

In 2022 AD Ports Group delivered record financial performance reporting a 41% Revenue Growth (AED 5.5 billion) and 51% Net Profit (AED 1.3 billion). On February 8, 2022, the Group's shares began trading on the Abu Dhabi Securities Exchange (ADX), returning over 80% in their first trading year. This ranked AD Ports Group stock in the top three best performers among new listings in the region.

Our Group's strong results were driven by the performance of the Maritime and Ports Clusters as well as several significant acquisitions and new partnerships. In total, the Group inked seven M&A transactions totalling AED 5.9 billion.

In 2022, AED 5.5 billion was invested into growth-oriented CapEx as we continued to press ahead with our organic capital investment plans.



Operationally, in the Ports Cluster, container throughput grew to 4.33 million TEUs (twenty-foot equivalent units) representing a +28% increase year-on-year. Ro-Ro and Cruise Passenger volumes rebounded strongly after the COVID-19 pandemic.

The Ports Cluster also completed the acquisition of a 70% stake in TCI in Egypt, one of the two entities in the International Associated Cargo Carrier (IACC) acquisition in Egypt.

In the Maritime Cluster, all operational indicators including vessel fleet, port calls, container feeding volumes, transshipment volumes, and marine services activities, recorded strong growth.

The Maritime Cluster added four new companies to its portfolio: Divetech Marine Engineering Services, Alligator Shipping Container Line, Transmar in Egypt, one of the two entities in the IACC acquisition, and SAFEEN Surveys and Subsea Services.

In the Logistics Cluster, the key success was the acquisition of 100% ownership of Noatum, a logistics services provider with presence in 26 countries across five continents.

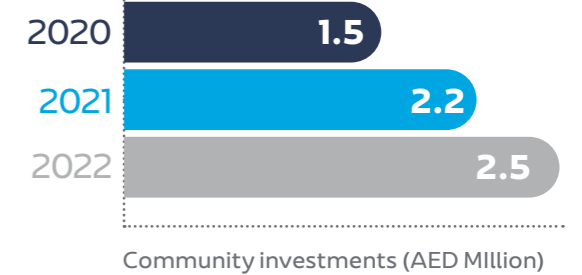
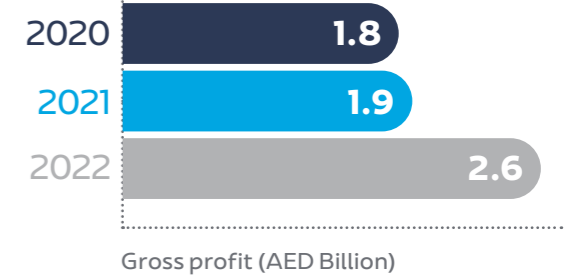
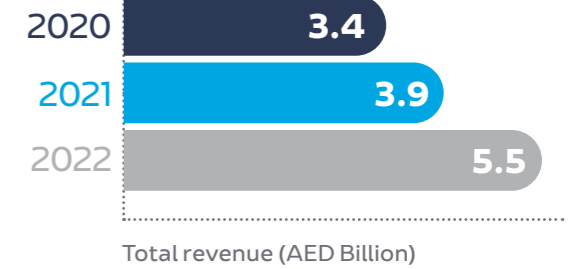
ECONOMIC PERFORMANCE KEY SUCCESSES

41% Growth in total revenue

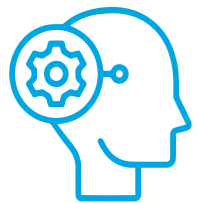
39% Increase in gross profit

80% Stock performance returns in the first year of trading

Multiple Reaffirmations of A+ credit ratings (by both S&P Global and Fitch) post-listing and post-acquisition announcements



INNOVATION



AD Ports Group has a long-standing reputation for thought leadership, ideas management and innovation.

Our approach recognises that innovation amplifies our reputation, creates business opportunities and unleashes new employee skills and experiences.

IDEAS AND INNOVATION MANAGEMENT

Our innovation philosophy is designed to enable 'breakthroughs' in technological, organisational, cultural, and strategic processes and solutions. This is enabled through our Innovation Strategy which prioritises five areas across our Clusters.

Our Innovation Strategy is managed by our Innovation Department and is enabled through the IBTIKAR Innovation Platform. IBTIKAR, which comes from the Arabic word for 'innovation', operates as an advanced, digitised, company-wide, brain-storming session, where employees across AD Ports Group's integrated Clusters can submit proposals for new ideas that can lead to improved business operations, and better results for stakeholders and employees.



In 2022, we progressed our strategy through several significant, Group wide, ideas and innovation initiatives, these included:



Initiated discovery and proof of concept exercises with external stakeholders and partners.



Extended access to external stakeholders to attend our fortnightly Innovation Exploration sessions.



Activated direct engagement and collaboration with companies under the Abu Dhabi Developmental Holding Company's (ADQ) portfolio in innovation training and research and development activities.



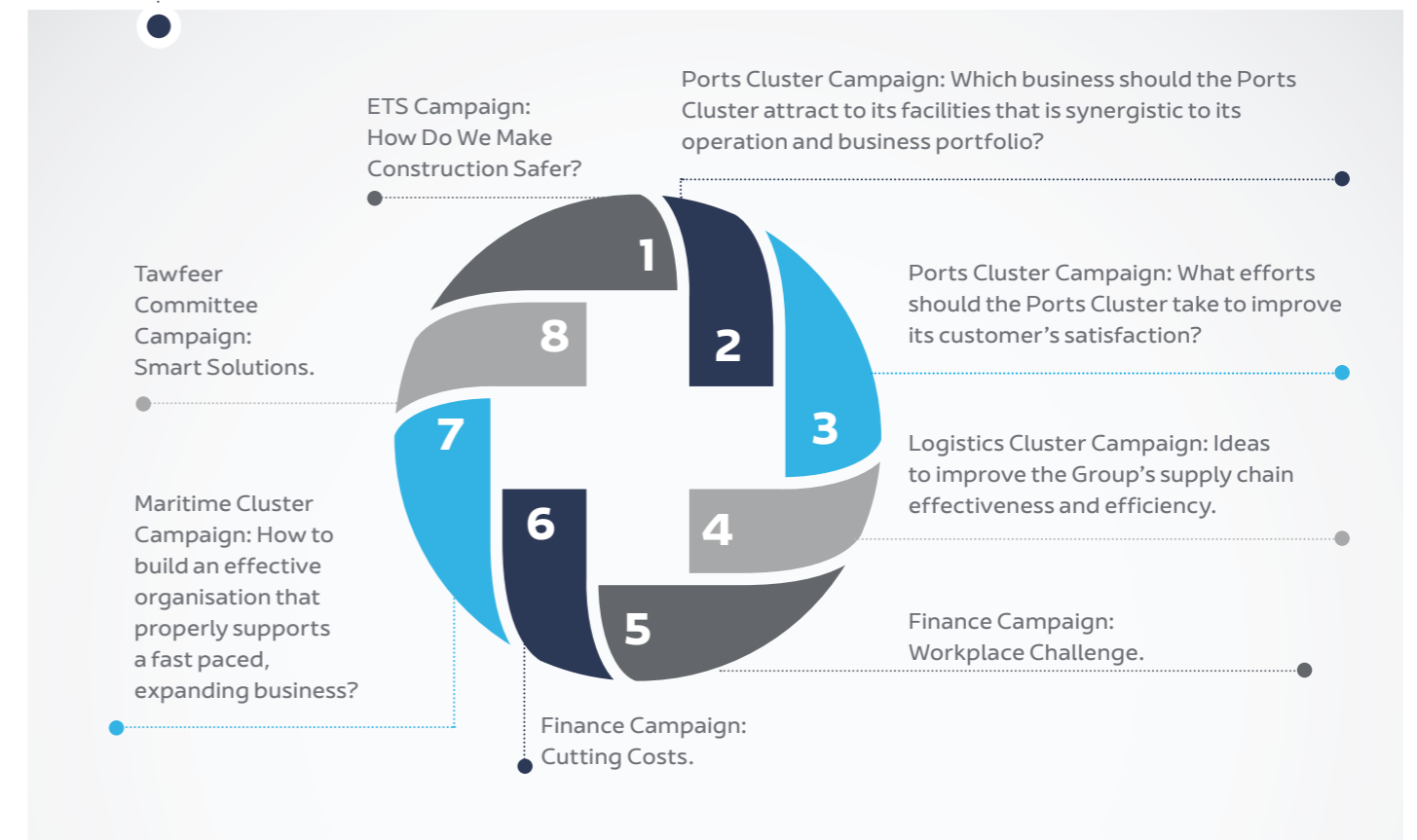
Developed an initial operational scope for our new research and development function including a research grants management process.



Co-ordinated and launched 8 innovation campaigns that improved service delivery, procedures, customer satisfaction, and Group profitability:

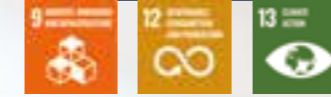
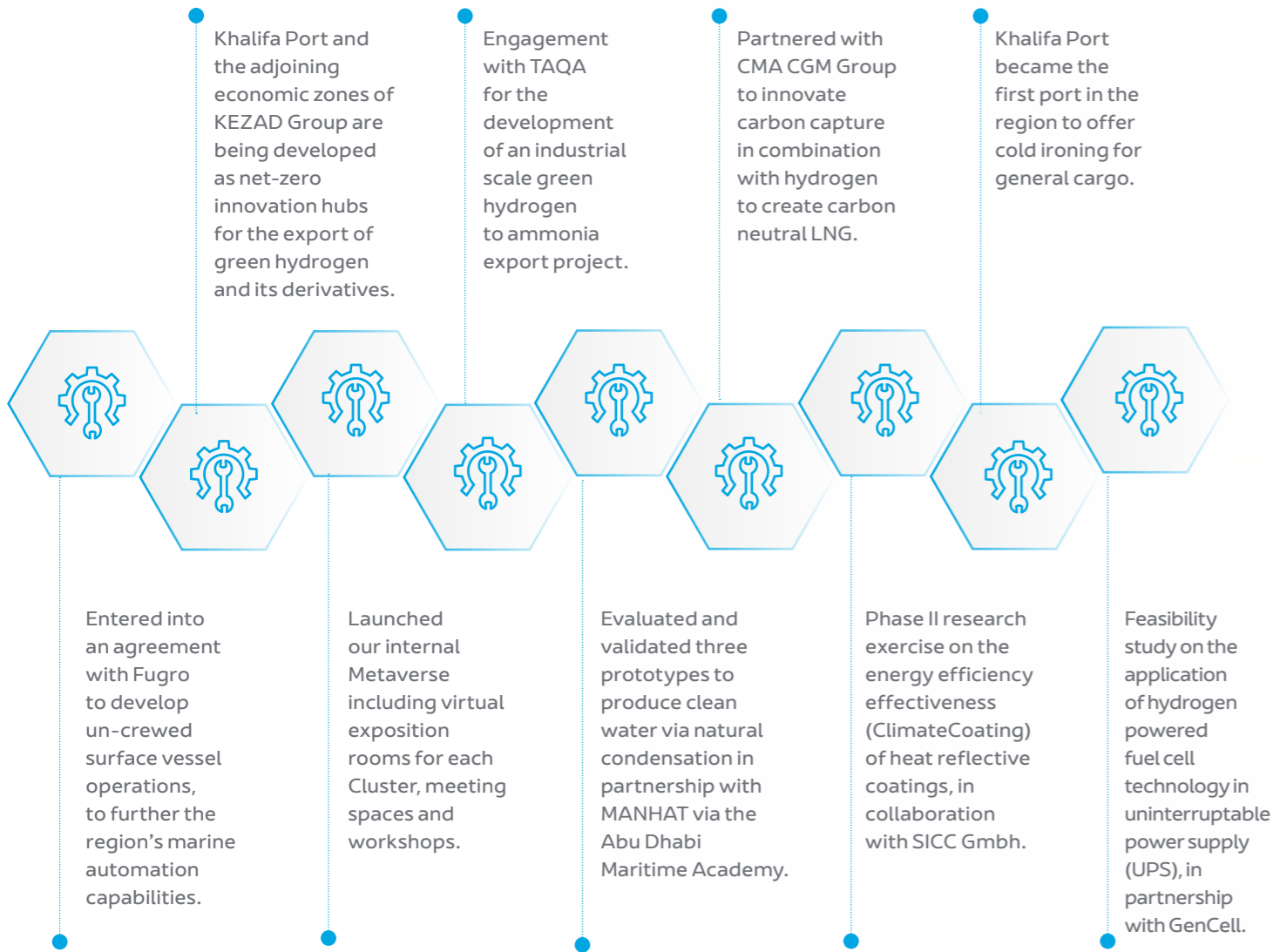


Continued the financial incentivisation innovation employee award scheme for ideas captured through IBTIKAR.





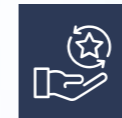
INNOVATION SUCCESSES



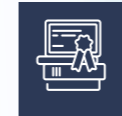
AWARDS AND RECOGNITIONS



UK Ideas – Recognising Excellence in Ideas Management and Innovation Platinum accreditation – 100% (6 years).



ISO 56002:2019 Innovation Management.



Celebrated the 10th anniversary of IBTIKAR.

KEY ACHIEVEMENTS

45

Innovation ideas implemented

AED 106,000

Employee innovation award scheme

2,341

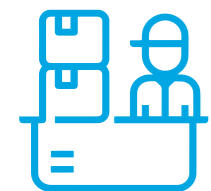
Ideas received through IBTIKAR

2,229

Employees innovation training



SUPPLY CHAIN SUSTAINABILITY



As a rapidly growing company, AD Ports Group has a significant annual procurement spend across services, commodities and products.

This investment, plus our appetite for innovations and new market prospects, brings both responsibility and considerable opportunity. Not only in 'what' we consume and procure but more importantly in 'how' we utilise our procurement activity to create a sustainability value chain.

We recognise that our procurement is critical, to not only secure value for money and efficiencies, but also to leverage multiple co-benefits with our suppliers and partners.

These include:

- Localisation of economic (and social) benefits using local suppliers e.g. local economic multiplier effect.
- Enabling a diverse (and resilient) supply chain, attracting innovative companies, in turn creating business opportunities and employment.
- Embedding sustainability criteria into our own procurement procedures and encouraging adoption and flow-down into other companies within the supply chain.



SUPPLY CHAIN SUSTAINABILITY SUCCESSES



Total supplier compliance with our Code of Business Conduct.



Embedding mandatory environmental criteria into procurement categories with non-compliance a potential exclusion risk.



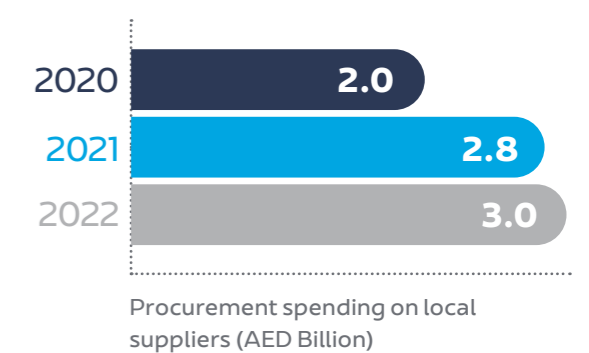
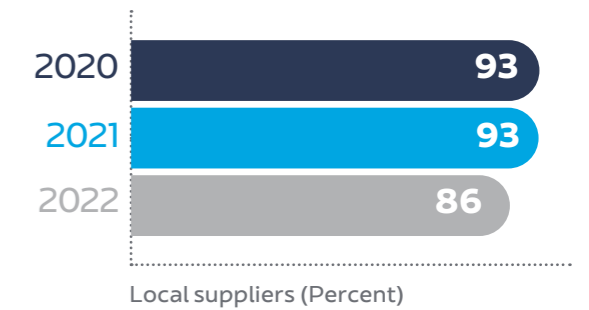
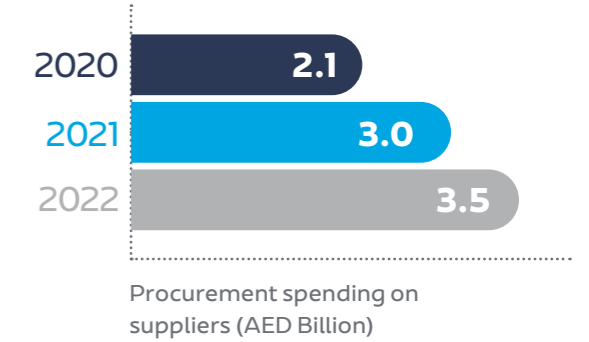
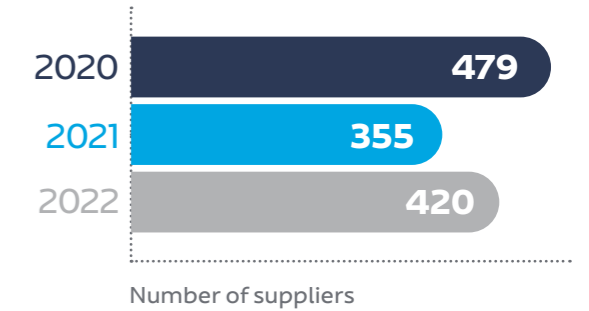
Achieving 100% supplier environmental screening for Engineering and Construction services.



Ensuring preference to ADQ and Khalifa Fund companies to support local companies and social initiatives.



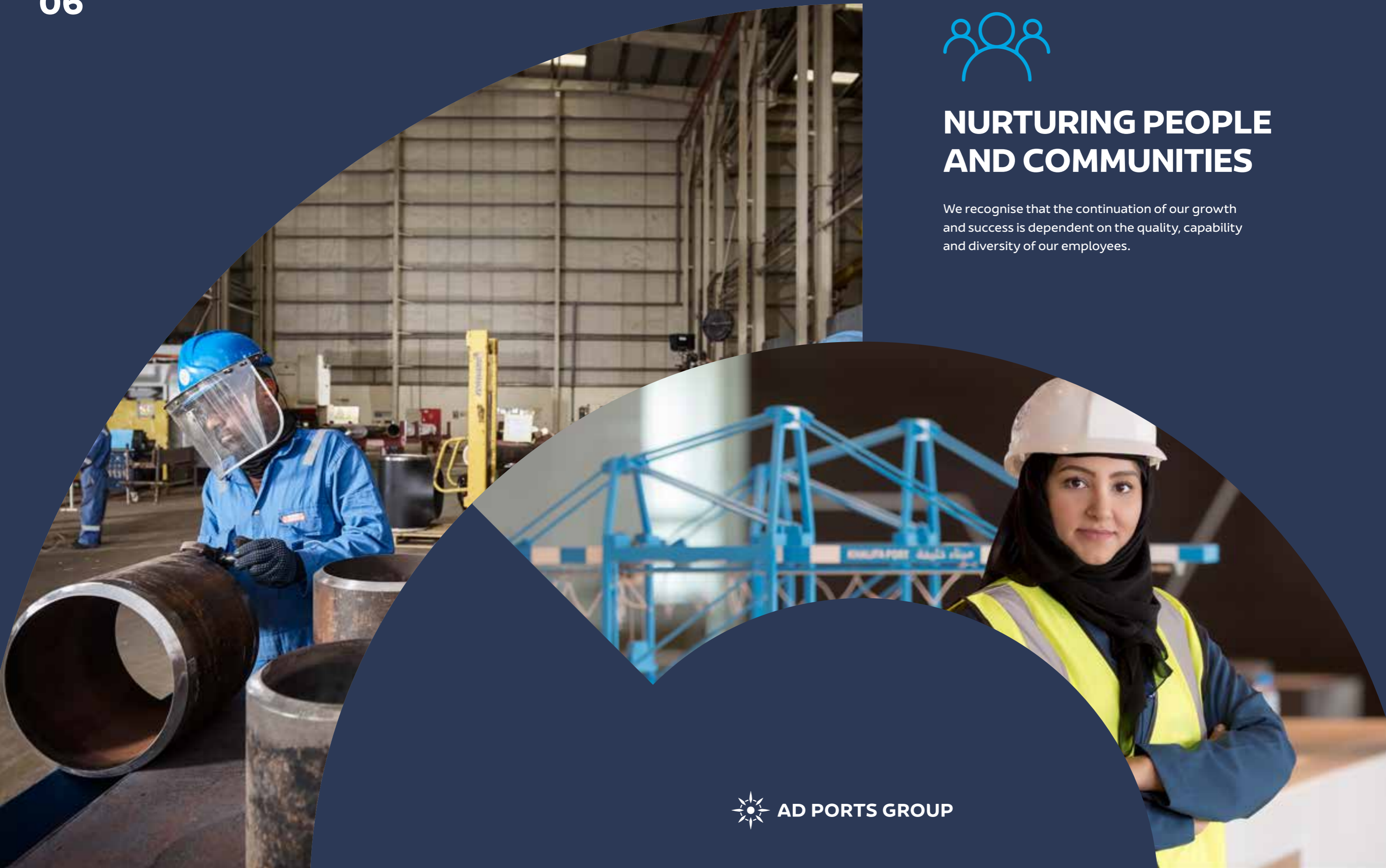
Specifying ESTIDAMA green building requirements into AD Port Group's design and construction of the built environment.





NURTURING PEOPLE AND COMMUNITIES

We recognise that the continuation of our growth and success is dependent on the quality, capability and diversity of our employees.



HEALTH AND SAFETY



We are more productive while managing our risk and achieving effective H&S performance.

AD Ports Group has a diverse range of high to low risk working operations including large scale port facilities, marine services, maritime operations, construction activities, logistics movements to general office environments.

Our business is growing at pace, scale and reach, increasing employee's health and well-being needs, and the quantity and variety of service users, contractors and suppliers.

This unique operational context requires collective responsibility to ensure a world class Health and Safety culture of excellence is ingrained into everything we do together.



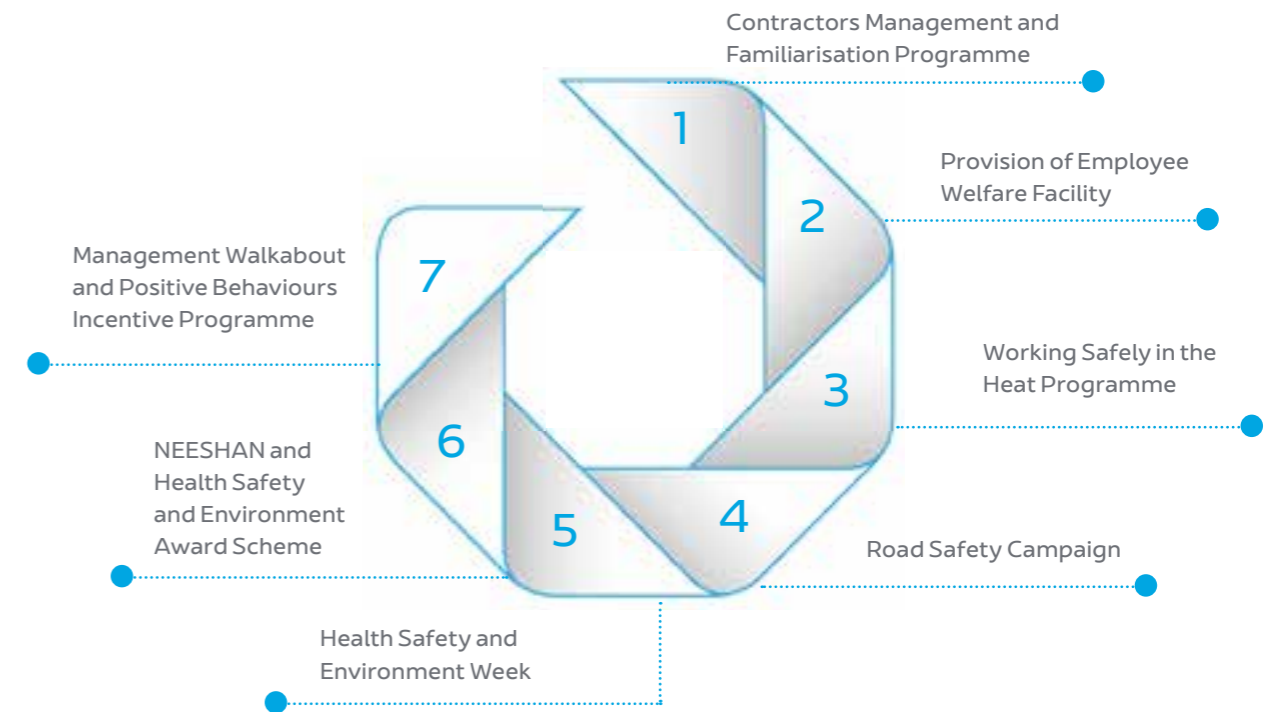
HEALTH AND SAFETY INTEGRATED MANAGEMENT SYSTEM

AD Ports Group is certified to ISO 45001:2018 – Occupational Health and Safety. This is implemented throughout all operations as part of our Integrated Management System (IMS).

The IMS includes specific Health and Safety Policies, Risk Assessment processes, performance

monitoring and targets, inspections and compliance audits, permitting, incident management, and employee/contractor/supplier engagement activities, education, training and awareness.

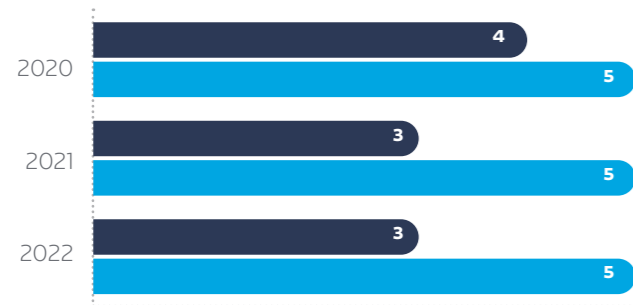
HEALTH AND SAFETY SUCCESSES



HEALTH AND SAFETY KPIs

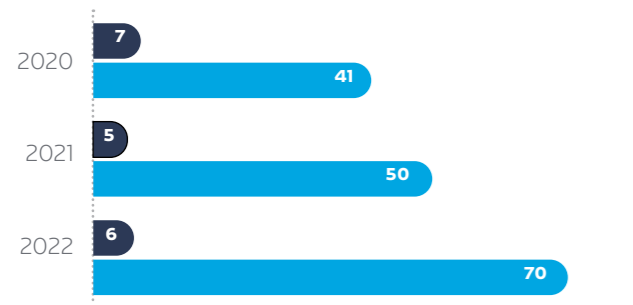
Doing more work, managing out risk and effective H&S performance.

In 2022, although the “Total person-hours worked” increased significantly, by approximately 100%, we were successful in either improving (3 KPIs) or managing to maintain proportionate H&S performance (4 KPIs).



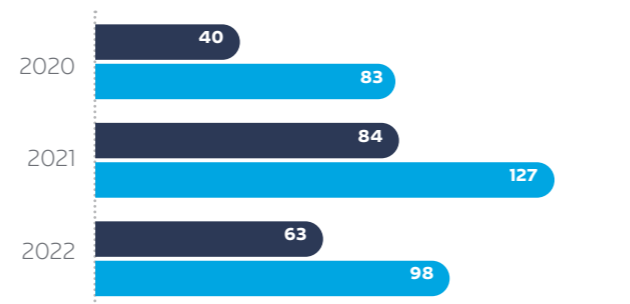
Environment Incidents

■ Without contractor
■ With contractor



Marine Incidents

■ SAFEEN
■ International vessels



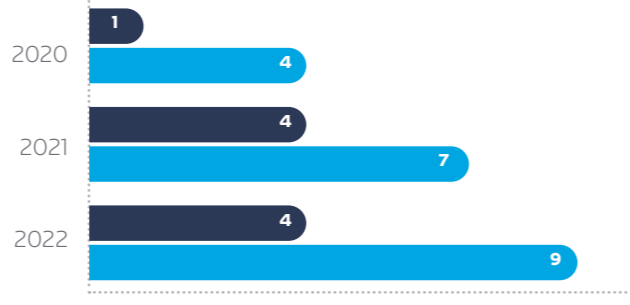
Land Incidents

■ Without contractor
■ With contractor



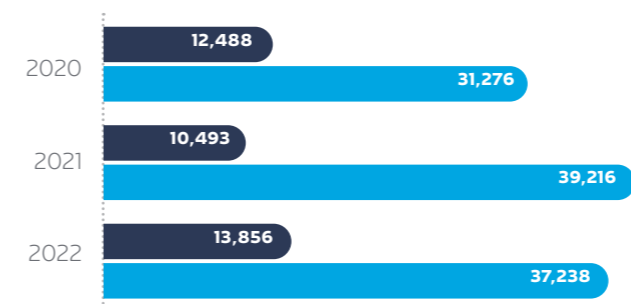
Lost Time Injuries

■ Without contractor
■ With contractor



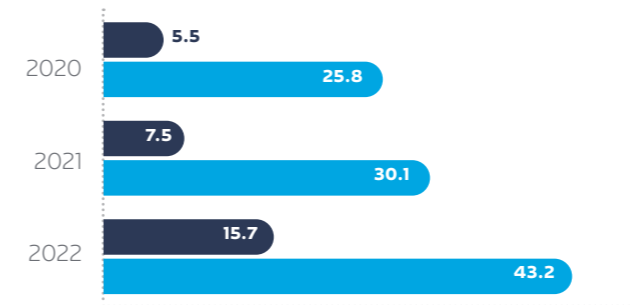
Serious Injuries

■ Without contractor
■ With contractor



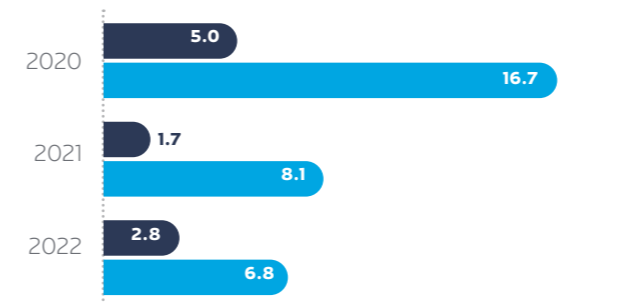
HSE Observations

■ Without contractor
■ With contractor



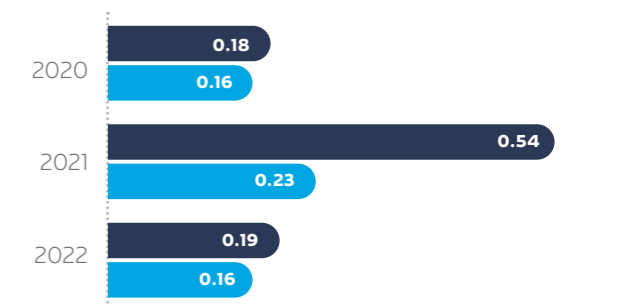
Man-Hours Worked (Million Hours)

■ Without contractor
■ With contractor



Man-Hours Without LTIs (Million Hours)

■ Without contractor
■ With contractor



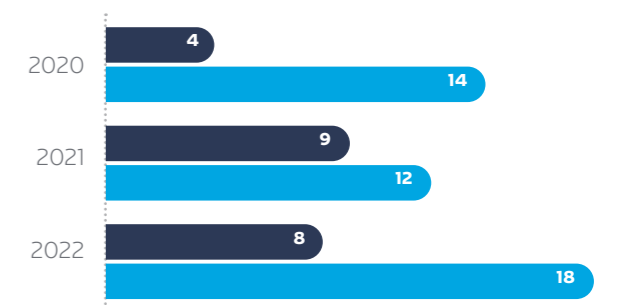
LTI Frequency Rate

■ Without contractor
■ With contractor



Total Recordable Injury Rate

■ Without contractor
■ With contractor



Total Recordable Injuries

■ Without contractor
■ With contractor



SAFETY IN HEAT CAMPAIGN

In 2022, and for the 9th consecutive year, AD Ports Group held a “Safety in the Heat” Campaign in partnership with the Ministry of Human Resources and Emiratization and the Abu Dhabi Public Health Center (ADPHC).

As part of the Campaign, held by our HSE team, there were several initiatives and workshops including e-training and awareness sessions related to heat stress prevention, symptoms detection and emergency measures to enhance safety and safeguard public health.



NEESHAN AWARD

At AD Ports Group, we recognise, promote and reward excellence in health and safety behaviour through the annual NEESHAN Awards.

NEESHAN recognises the outstanding efforts and exemplary contributions by members of Abu Dhabi’s business community in promoting, adopting, and advancing global best practices in the areas of health, safety, the environment and sustainability.

At AD Ports Group we evaluate and select individual and Business Unit NEESHAN Award nominations against a set of H&S exemplary performance criteria.

Individual Award Categories

- Best HSE Performance for Supervisory & Non-Supervisory
- Best HSE Observation Reporter
- Best HSE Representative
- Best HSE Auditor

Business Unit Awards

- Best HSE Performance
- Best Contractor Management
- Best Risk Management
- Best Management of Change
- Best Environmental Performance
- Best Sustainability Performance
- Best HSE Innovation

KEY PERFORMANCE INDICATORS



Lost Time Incidents (LTIs)

Target : 0 Performance % : 100%



Management Walkabout

Target : 12 Performance % : 350%



Welfare Inspections and Site Tours

Target : 90 Performance % : 236%



ENRICHING LIVES



Our goal is to positively impact 1.2 million lives by 2030. To achieve this, our Corporate Social Responsibility (CSR) Strategy highlights six key CSR focus areas:

During 2022, we significantly increased efforts to enhance our social impact on the communities where we conduct our operations, outlining social impact achievements and future objectives.

We acknowledge the challenges within our community and are committed to taking appropriate action to address them.



AD PORTS GROUP CORPORATE SOCIAL RESPONSIBILITY STRATEGY

Health

Promoting the health and wellbeing of our employees including the communities surrounding our operations. We collaborate with not-for-profit organisations and encourage employee volunteerism for emergency response initiatives.

Employee Welfare and Development

Nurturing employee welfare, job satisfaction and career progression and improving policies and procedures.

Equal Opportunities

Embedding initiatives to safeguard and promote equal treatment for all. This includes the implementation of policies and procedures aimed at ensuring that equal opportunities are provided, regardless of an individual's gender, ethnicity, or disability.

Supporting Our Community

Comprising measures, activities, and projects that aim to benefit the society in which we operate. This includes collaborating with local communities, not-for-profit organisations, educational institutions, and other relevant stakeholders.

Environmental Activities

Delivering initiatives that address environmental enhancement, waste reduction, renewable energy, and biodiversity conservation.

Philanthropy

Providing charitable donations and sponsorships to support social causes, including meal donations, community event sponsorships, and charitable organisations.



CSR IMPACT AND KEY SUCCESSES



UAE NATIONAL DAY

AD Ports Group commemorated the unity of the seven Emirates by observing the UAE National Day. The festivities were attended by a significant number of company's employees and we promoted several SME's during the UAE National Day.



SCHOLARSHIPS

Abu Dhabi Maritime Academy continues to make significant strides in advancing maritime education and training. In the past year, we are proud to have served over 600 students through our comprehensive range of programmes and courses. Additionally, we had the opportunity to host 54 school students for an insightful tour of the AD Ports Group HQ, Logistics and Maritime Clusters, and Khalifa Port. Furthermore, 360 school students were able to participate in the highly acclaimed Sir Bani Yas tour programme, which allowed them to gain first-hand experience in the maritime

industry. Moreover, 15 students actively participated in the challenging Delma drill, where they showcased their skills and learned essential techniques in the field. Lastly, the Innovation Summer Campaign provided a platform for 20 students to engage in unique learning experiences, thus enhancing their skills and knowledge. Overall, these achievements demonstrate our commitment to providing a dynamic learning environment and shaping future leaders in the maritime industry.



HERO'S OF HOPE GYM FOR PEOPLE OF DETERMINATION

In collaboration with MAAN, AD Ports Group opened the "Hero's of Hope" gym at Abu Dhabi Cruise Terminal, which is operated by Desert Shield, with diverse and inclusive sports activities and an active programme of community events. The gym is the first facility of its kind in the UAE and will provide an ideal venue for People of Determination to develop their sporting, social and interpersonal skills.

AD Ports Group aligns with the Group's commitment to supporting People of Determination through this CSR initiative as its social role. We aim to support and develop the capabilities of the community to enable them to contribute further, in accordance with the directions of our wise leadership, aimed at strengthening Abu Dhabi's position globally.



TRAINING PROGRAMME FOR STUDENTS (ATLG)

Under the patronage of Her Highness Sheikha Fatima bint Mubarak, Mother of the Nation, Maqta Gateway, and the General Women's Union collaborated to launch the ATLG initiative in 2020. The aim of this initiative is to empower women in Emirati society by providing them with a rigorous three-month training course. This course is designed to

certify national cadres in their respective fields, equip them with the necessary skills to meet future occupational demands, and create opportunities for them to participate in key initiatives that enhance national competitiveness. To date, four batches have been completed, benefiting 80 individuals directly and over 90,000 indirectly.

110
Direct Beneficiaries

90K+
Indirect Beneficiaries





IFTAR MEAL DONATIONS

In line with the spirit of giving and generosity during the holy month of Ramadan, AD Ports Group continued its tradition of supporting those in need by contributing to the Iftar meals. This initiative was carried out in collaboration with the Red Crescent, with the aim of providing meals to employees who were in need. This effort was a reflection of the Emirati culture of generosity, a value that was instilled by the late H.H. Sheikh Zayed bin Sultan Al Nahyan and is still cherished by the people of the UAE.



WISH COME TRUE FOR CRITICALLY ILL CHILDREN

We fulfilled the wishes of two children battling illness. This inspiring concept, aimed at improving the quality of life for sick children, has been the driving force behind all the activities of Make-A-Wish Foundation.

DONATION TO MAYSAA

In March 2022, Maysaa, a 4-year-old girl, was diagnosed with high-risk neuroblastoma. We provided financial assistance for her treatment to restore her health.



BLOOD DONATION CAMPAIGN

AD Ports Group places a high priority on community support and regularly organises blood donation campaigns. In partnership with the blood bank, we believe in the value of assisting the government and commercial institutions in helping give blood when supplies are low. The employees had the opportunity to contribute to this life-saving cause.



AL SAMHA HERITAGE EVENT

In fulfilment of the corporate responsibility towards community engagement and preservation of cultural heritage, the AD Ports Group has announced its sponsorship of the Al Samha Heritage Festival. This highly anticipated event celebrates the rich history, culture, and society of the region, providing a unique opportunity for the community to come together and foster social cohesion.

AD Ports Group's involvement in this festival serves as a testament to its unwavering dedication to preserving the unique identity of the community and promoting cultural diversity. The Al Samha Heritage Festival is geared towards safeguarding the cultural, heritage, social, entertainment, and sports events of the Samha area, ultimately bringing together its people in an unforgettable celebration of the region's vibrant cultural tapestry.



BEACH CLEAN-UP CAMPAIGNS

AD Ports Group’s commitment to the protection of the marine ecosystem is demonstrated through its periodic seabed and beach cleaning projects.

A total of 153 volunteers participated, contributing a total of 587 hours of volunteering time. AD Ports Group remains committed to preserving the marine ecosystem

and will continue to engage volunteers in future seabed cleaning projects.

 **825**
Beneficiaries



EARTH HOUR

During Earth Hour, AD Ports Group demonstrated its commitment to reducing its environmental impact by turning down the lights, power panels, and electrical equipment at various locations. As a result, the Group was able to conserve a total of 1,975 kWh of energy. This effort was aimed at raising awareness of the impacts of global climate change and the importance of sustainable practices.

AD Ports Group remains dedicated to reducing its environmental footprint and promoting responsible energy use.

 ***6K+**
Impacted



CLEAN-UP ARABIA

AD Ports Group is dedicated to participating in Clean-up Arabia. These projects are made possible with the help of altruistic volunteers who share the same concern.

During the reporting period, the group covered a land area of 68,994 m² or 0.07 km² with a perimeter of 1073.76 m or 1.07 km, collecting 65Kg of debris. Additionally, they covered a sea area of 3,918 m², collecting 71Kg of debris.

A total of 73 volunteers participated, contributing a total of 292 hours of volunteering time. There were a total of 13 dives with a bottom time of 45 minutes, totaling 65 hours. The average diving time was 45 minutes. The grand total volunteering hours for the period was 357 hours.

 **86**
Beneficiaries

 **73**
Volunteers

 **357**
Volunteering hours*

OUR SROI APPROACH

AD Ports Group has initiated its first Social Return on Investment (SROI) measurements. These measurements are designed to evaluate the long-term effects of the Group’s Corporate Social Responsibility (CSR) projects, enabling us to assess the effectiveness of our initiatives in achieving our social and environmental objectives.

With this analysis, we can make data-driven decisions on resource allocation, ensuring that our efforts have the greatest possible impact. Measuring the social and environmental impact of our CSR initiatives is crucial in conveying our progress to stakeholders.

We remain committed to promoting sustainable practices and making a positive impact on the communities we serve. Our dedication to these goals is reflected in our use of SROI analysis as an essential tool in achieving our sustainability.

CSR AWARDS AND RECOGNITIONS

Gold Accreditation for Excellence: CSRA Accreditation

Gold Winner: Best Community Involvement During CSR Programme Corporate Engagement Awards 2022



DIVERSITY, INCLUSION & EQUAL OPPORTUNITY



AD Ports Group is a growing and progressive enterprise with a talented and diverse workforce. We recognise that the continuation of our evolution and success is dependent on the quality, capability and diversity of our employees.

Our commitment to support and invest in the continual professional development of our employees and the provision of an inclusive culture, ensures high employee satisfaction (84%) and retention rates (88%).

Our People Management Framework addresses three key personal development areas; Emiratisation, Personal Development & Training, and Diversity & Inclusion.



EMIRATISATION

We have a clear Emiratisation Strategy incorporating a 5-year Emiratisation target which is being implemented across the Group and overseen by the Emiratisation Committee.

Successes

- 01** Our educational and leadership Emirati graduate development programme, 'Voyage of Discovery' continues to offer bespoke development for high calibre students.
- 02** Achieved an increased uptake of the SANAD Mentoring programme which is a two-way development initiative for established AD Ports Group employees to mentor UAE National professionals. This also enables Emirati professionals to achieve Institute of Leadership and Management (ILM) accreditations.
- 03** Continued the NWRUS programme designed specifically for UAE high school graduates to increase their capabilities and effectiveness in operational positions.
- 04** Continued the Advanced Trade & Logistics Graduates (ATLG) Initiative for recently graduated or final year female Emirati undergraduates. ATLG supports rising female talent in the technology sector through intensive training. ATLG also includes an internship opportunity that enables female graduates to gain practical work experience.
- 05** Maintained the increasing trend of percentage of local employees (68%)

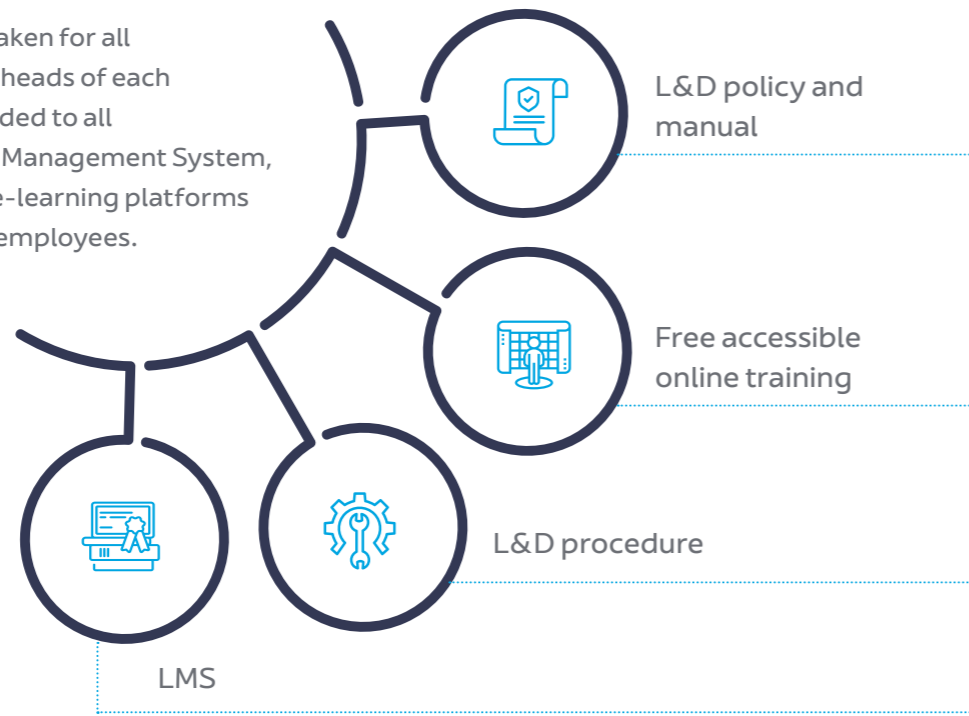


Percentage of local employees (Excluding blue collar)



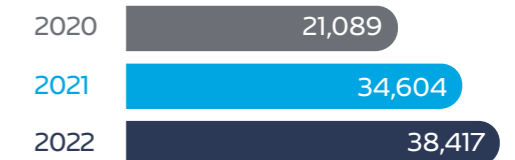
PERSONAL DEVELOPMENT AND TRAINING

A Training Needs Analysis is undertaken for all employees. This is managed by the heads of each business unit and Cluster and cascaded to all organisational levels. Our Learning Management System, including policies, procedures and e-learning platforms are applicable and accessible to all employees.



Successes

- 01** Retained our Investment in People Platinum accreditation.
- 02** Achieved 30401:2018 - Knowledge Management.
- 03** Updated our Talent Management Policy.
- 04** Provided a new e-training platform (via LinkedIn).
- 05** Launched a new VOD programme to support recent graduates.
- 06** Extended our SANAD Mentoring programme and certified new mentors.
- 07** Launched 'LEAP To Success' providing skills for new or potential leaders.
- 08** Adopted a new 70-20-10 model for learning and development. This brings together multiple active, passive and cooperative learning methods and enables employees to gain a broad perspective of their role and potential role, within the business.
- 09** Achieved a 11% increase in total training hours provided.

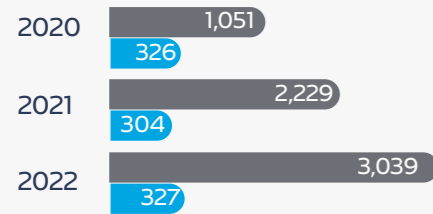
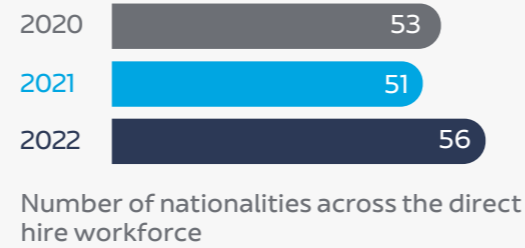


Total hours of training



DIVERSITY & INCLUSION

AD Ports Group has an incredibly diverse workforce, comprising over 56 different nationalities. This range of cultures, religions and values is fundamental to our continued success.



Number of direct hires by gender

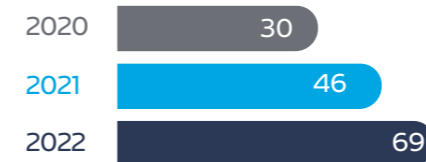
■ Male ■ Female

Currently, nearly 10% of our workforce is female.



We are committed to increasing gender diversity at all levels, particularly female representation in senior management positions.

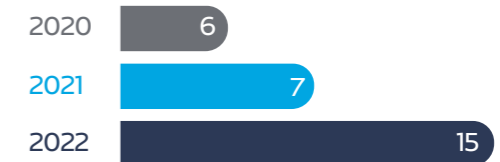
Gender/Governance Bodies Position



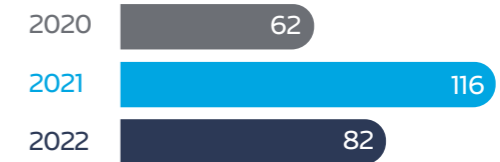
Full time male employees in senior management



Full time male employees in middle management



Full time female employees in senior management



Full time female employees in middle management

Successes

- 01** Maintained a high level of female representation in our workforce.
- 02** Continued our Gain Leadership Opportunities for Women (GLOW) initiative which accelerates the careers of Emirati women within the enterprise. GLOW is specifically designed to enable female executives to realise their full potential and become our future leaders.
- 03** Continued the Advanced Trade & Logistics Graduates (ATLG) Initiative for recently graduated or final year female Emirati undergraduates.
- 04** Recorded an employee satisfaction score of 84%.

HUMAN RIGHTS



AD Ports Group expects the highest standards of ethical conduct and behaviours from all employees, contractors, and suppliers, throughout business operations, transactions, and relationships.

Operating a global centre for goods and vessels within a geographically diverse, complex, and multi-tiered supply chain, presents the potential risk of Human Rights violations.

We acknowledge that these threats exist, and consequently maintain robust Human Rights risk management procedures and processes, that apply, without exception, across our organisation.



HUMAN RIGHTS RISK MANAGEMENT

Human Rights Law and Legislation

We maintain regulatory compliance with existing local and federal Human Rights laws and legislations (e.g. UAE Labour Law). This is enabled by our Regulation and Compliance Policy with control, oversight and scrutiny from our Legal Division. AD Ports Group Board provide the highest level of governance.

AD Ports Group - Code of Business Conduct

This Code is applicable to all our employees, suppliers and contractors. We expect full compliance of the Code as a non-negotiable condition of employment and commercial contractual relationships. Compliance monitoring, administration and potential Human Rights violations are overseen by our Legal Division. Routine training and announcements relating to the Code, (as part of our Ethical Programme) are communicated to all current employees, and included within the induction of all new employees.

HUMAN RIGHTS KPIS

AD Ports Group provides Human Rights awareness and training sessions for our employees. This new Group-wide initiative was launched in Q3/Q4 to our UAE based employees.

Each session informed participants of our Code of Business Conduct, legal compliance, Group policies, internal procedures and our platform for the confidential reporting of any potential Human Rights violations or concerns.



1,650

Number of Hours of Training



220

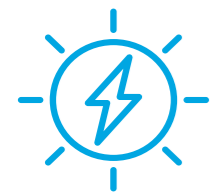
Number of Employees Trained



SAFEGUARDING THE ENVIRONMENT



ENERGY EFFICIENCY & NET ZERO TRANSITION



The electrification of our port equipment and fleet is accelerating, as we seek to reduce GHG emissions resulting from their fuel consumption.

OUR LOW CARBON TRANSFORMATION PATHWAY

We recognise that the Climate Emergency requires an urgent response. The Intergovernmental Panel on Climate Change (IPCC) have described climate change as ‘widespread, rapid, and intensifying’. Consequently, we are aligning our operations with the ‘UAE Net Zero 2050’ national initiative, which aims to achieve net-zero emissions by 2050.

Our strategy net-zero transformation focuses on reducing direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions from our operations. The majority of our direct GHG emissions result from the combustion of fossil fuels used to operate our equipment, tugboats and fleet.

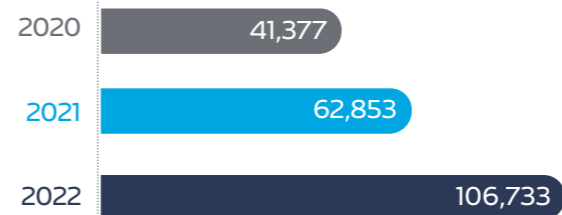
While transitioning from fossil fuels to grid electricity for our transport and equipment (e.g. cranes) will increase our Scope 2 emissions, we expect it to result in overall emission reductions. This is because the UAE grid’s carbon intensity is projected to decrease significantly, thanks to the country’s commitment to achieving net zero by 2050.



OUR 2022 GHG EMISSIONS SCOPE WISE

Scope 1

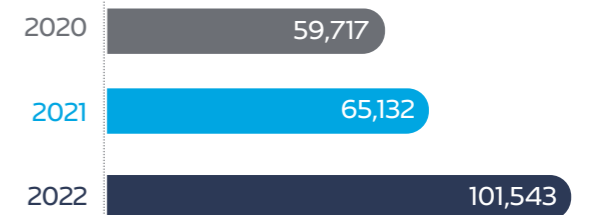
Fuel consumed in equipment, vehicles and boats owned by AD Ports Group



GHG emissions from fuel consumption (diesel and gasoline) (tCO₂)

Scope 2

Electricity consumption by equipments, offices, and warehouses



GHG Emissions from electricity consumptions for AD Port Group

Scope 3

Emissions by vessels visiting our ports within our water limits, potable water consumption and wastewater treatment



GHG emissions from potable water consumption (tCO₂)



GHG Emission from ocean going vessels (Thousands tCO₂)

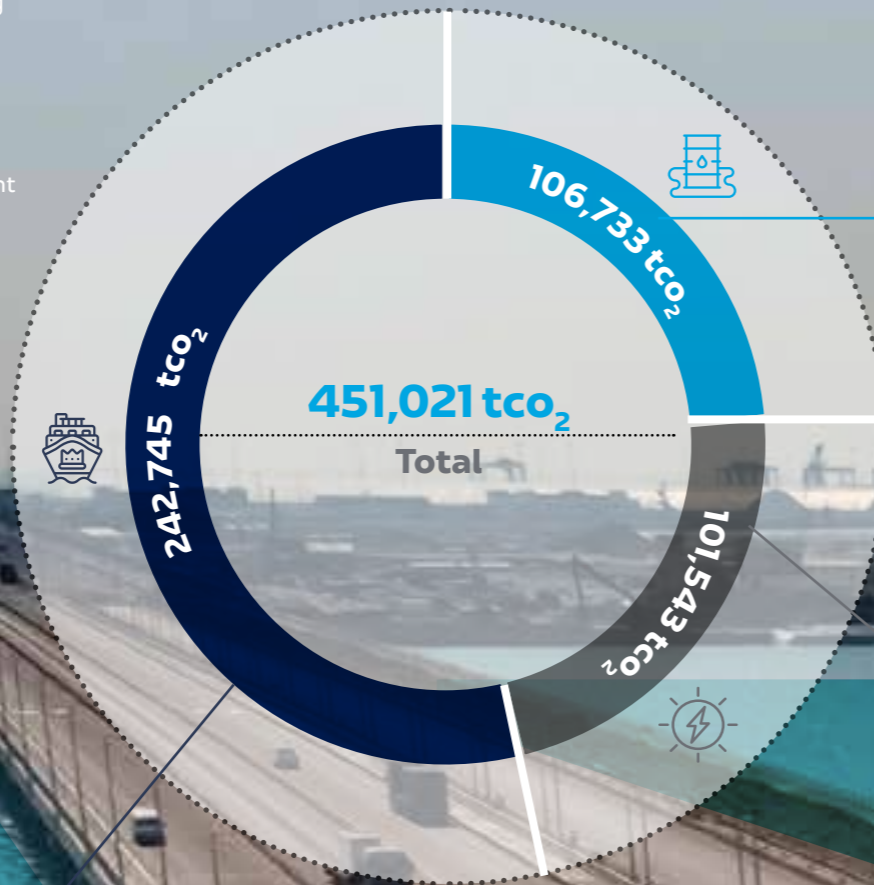




OUR 2022 GHG EMISSIONS

To mitigate the indirect GHG emissions generated from our increased grid electricity consumption, we are already taking measures to boost energy efficiency, adopting sustainable building standards and installing renewable energy technologies e.g. solar PV. In addition, we will explore the possibility of purchasing Renewable Energy Certificates and offsetting any residual GHG emissions arising from our operations.

We disclose our Scope 1, 2, and 3 emissions in alignment with the 'GHG Protocol Corporate Standard'. The emissions are calculated using locally established emission factors where possible, and IPCC factors where local factors are unavailable.



Scope 1*

Fuel consumed by AD Ports Group equipment, vehicles and boats

Note: This excludes emissions from SAFEEN Feeders



- 18% Ports Cluster
- 32% Logistics Cluster
- 1% EC&FZ Cluster
- 49% Maritime Cluster
- Digital Cluster

Scope 3

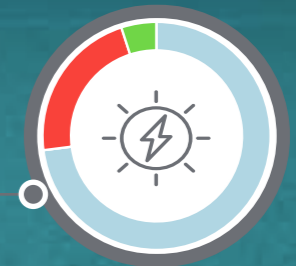
Emissions from vessels visiting our ports within our water boundaries, potable water consumption and wastewater treatment



- 97% Ports Cluster
- 1% Logistics Cluster
- 2% EC&FZ Cluster
- Maritime Cluster
- Digital Cluster

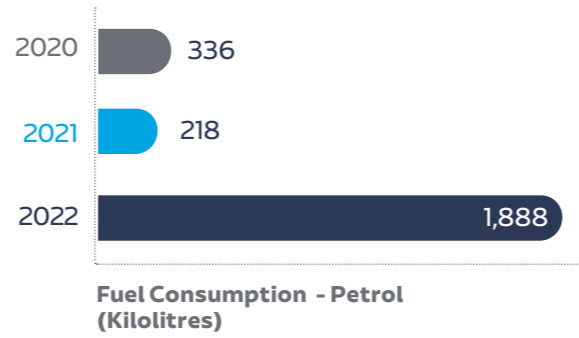
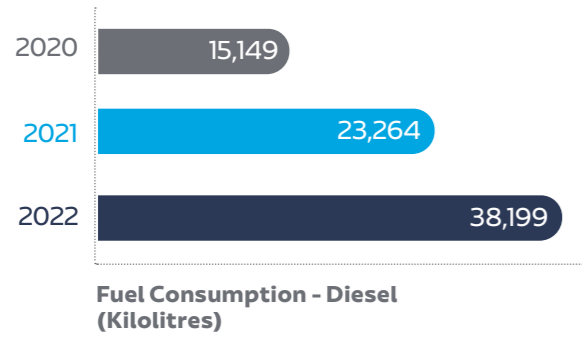
Scope 2

Electricity consumption by cranes, offices, and warehouses.

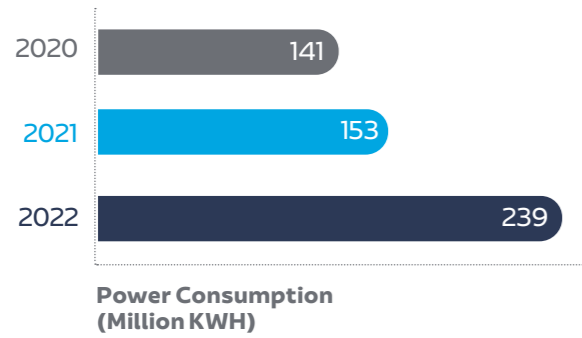


- 73% Ports Cluster
- 5% Logistics Cluster
- 22% EC&FZ Cluster
- Maritime Cluster
- Digital Cluster

ENERGY CONSUMPTION



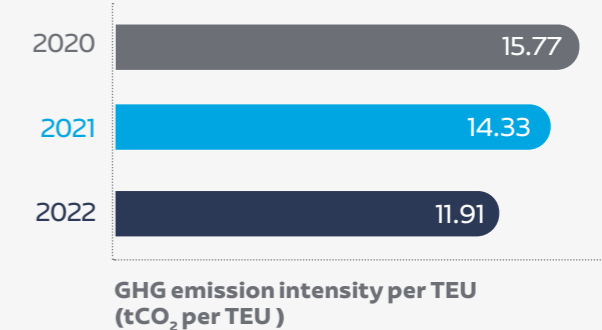
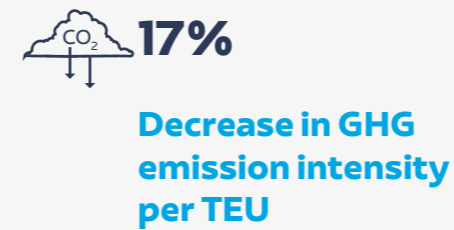
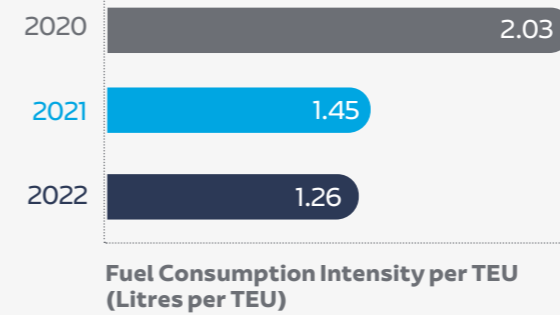
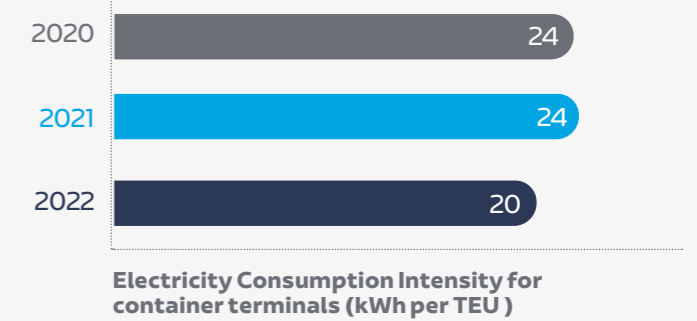
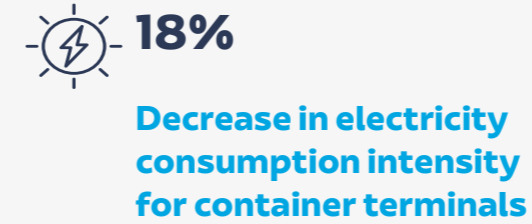
Petrol consumption figure for the year 2022 includes the consumption from the logistics and Maritime Cluster's general services department. These two sources were not accounted for in the year 2020 and 2021 therefore a significant increase is seen in petrol consumption for the year 2022.



The electricity consumption has increased primarily due to 28% increase in TEUs handled.



Successes





NET ZERO ADMINISTRATION BUILDING

In 2022, we completed the design of our admin building to achieve Net Zero status and registered the project with EDGE for certification review in 2023. The project is on track to receive net-zero certification and Estidama 3-Pearl rating, and includes several sustainability features, such as:



850 KW Renewable Energy System



Eleven EV Charging Stations



Efficient Air Conditioning System



Efficient Energy Star Equipment



Building Management System with Sensors



High Performance Building Envelope and Glazing System



EMBODIED CARBON CALCULATOR/ DESIGN CAPABILITY

In 2022, we began using OneClick LCA and energy modelling tools to quantify embodied carbon and operational energy consumption for various alternative design configurations. Our goal was to optimise designs from both cost and carbon perspectives while supporting AD Ports Group's overall ESG mandate.



GREEN CONCRETE AND RECYCLABLE MATERIAL CONSUMPTION

We are committed to integrating sustainable materials into our construction of new buildings and infrastructure. Some of the materials we have been exploring will help us

reduce the embodied carbon and environmental impact of our construction activities. Green concrete and recyclable material consumption in new/upcoming projects include:

- Ground Granulated Blast-furnace Slag (GGBS) Concrete for topside Infrastructure at Khalifa Port Shamal Project, KEZAD Gate, KEZAD HQ and KEZAD's North Boulevard and Area 9 projects. GGBS is a byproduct of the iron and steel industry.
- Recycled aggregates and Geogrids have been used in KEZAD's North Boulevard and Area 9 projects.



RENEWABLE ENERGY CREDITS

Renewable Energy Credits (RECs) represent energy generated by renewable energy sources. In 2022, KEZAD purchased approximately 200 GWh of RECs from EWEC. These certificates will be used as part of our 2023 project-specific net-zero strategies.



SUSTAINABLE DESIGN GUIDELINES

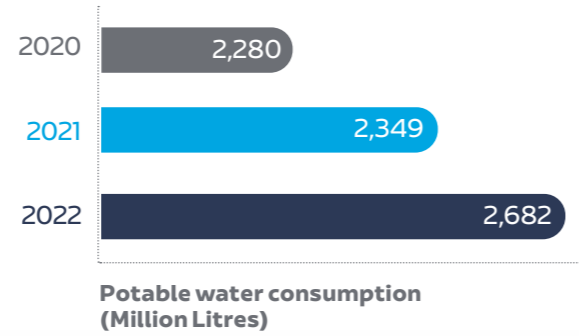
In 2022, we created a preliminary draft of the AD Ports Group Engineering and Technical Services (ETS) Sustainable Design Guideline, which will be used by our consultants before the end of 2023.

This guideline aims to standardise the sustainability-focused design process for our consultants from a sustainability perspective and maximise environmental benefits.

The guidelines incorporate high-level objectives such as energy reduction, water consumption, material usage optimisation, waste generation, and biodiversity promotion.

WATER CONSUMPTION

In 2022, AD Ports Group consumed 2.7 million litres of desalinated water supplied by the utility company of Abu Dhabi. We witnessed a 14% increase in water consumption, primarily due to increased operations across all clusters.



CLUSTER WISE POTABLE WATER CONSUMPTION (MILLION LITRES)



2,045	Ports Cluster
44	Logistics Cluster
593	EC&FZ Cluster
-	Maritime Cluster
-	Digital Cluster



We have undertaken several measures to optimize water consumption, some of these are highlighted below:



Piloted

Atmospheric Water Generation (AWG)



100%

Of our effluent is treated at our KEZAD sewage treatment plant with the treated water then used for irrigation



Implemented

We have implemented stringent guidelines for the discharge of effluent from calling vessels. All effluent is to be preferably treated onboard the vessel or if discharged must comply with our wastewater standard



Low Flow

Faucets and fixtures installed across our offices and warehouses



Sub-Metering

Of water consumption to understand hot spots and reduction measures undertaken

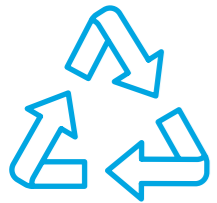


Reusing

Treated water wherever possible



RESPONSIBLE CONSUMPTION & WASTE MANAGEMENT



We responsibly utilise resources and foster innovations through new business partnerships to advance circularity in our waste streams.



The management, control and effective reduction of resource use and waste production is a crucial part of our sustainability strategy.

To achieve this, we adhere to our Waste Management Standard Procedures, which cover all waste streams, including non-hazardous and hazardous waste generated by operations, tenants and visiting vessels.



57%

Solid Waste Recycled at AD Ports Group



36%

Solid Waste Recycled by AD Ports Group Tenants/Calling Vessels



OUR RESOURCE USE AND WASTE MANAGEMENT PRINCIPLES ARE AS FOLLOWS:



Encourage the efficient use of resources in accordance with sustainable development principles (avoid-reduce-reuse-recycle) and legal compliance.



Implement waste segregation at the source to facilitate recycling and waste management controls.



Continuously minimise waste generation and improve waste management.



Safely recycle waste that can be recycled and dispose of waste that cannot be recycled through licensed disposal contractors.



Provide Good Waste Management Practice training and waste minimisation awareness campaigns to employees and stakeholders.



Continuously improve waste management performance through monitoring, target setting, audits, corrective actions, lessons learned and best practices.



Offer specific support and guidance on waste avoidance, reduction, reuse and recycling to operational teams, such as construction materials design standards.



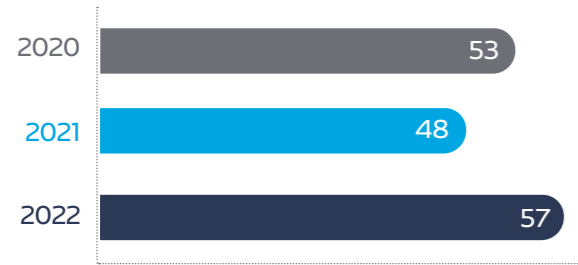
ENABLING THE CIRCULAR ECONOMY

In 2022, DGrade, a UAE-based company known for transforming plastic into sustainable clothing, opened a 4,000 square metre recycling factory in AD Ports Group's Khalifa Economic Zone Abu Dhabi (KEZAD).

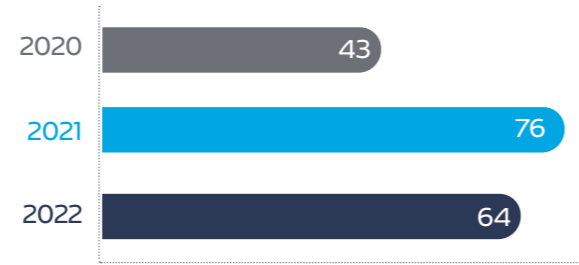
The facility has the capacity to process up to 1 billion plastic bottles annually, converting them into recycled plastic flake for the company's Greenspun™ yarn, and supplying material to local packaging manufacturers.

AD Ports Group now partners directly with DGrade to send all our PET plastic bottles separated from our waste streams to the company.

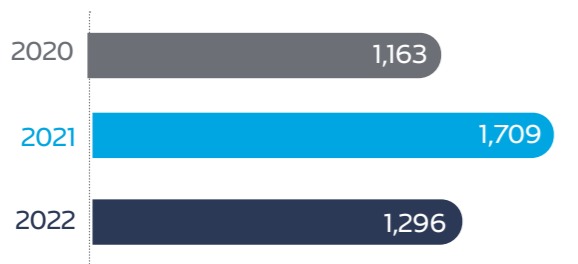
This collaboration exemplifies AD Ports Group's commitment to attracting and supporting new innovative sustainable businesses, while addressing sustainability challenges.



Solid waste recycled at AD Ports Group (Percentage)



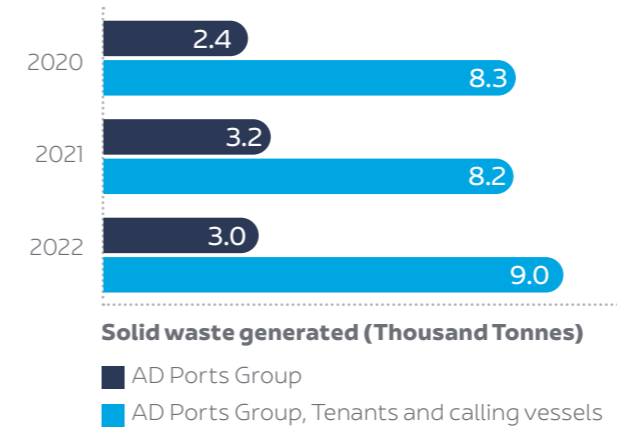
Hazardous waste recycled at AD Ports Group (Percentage)



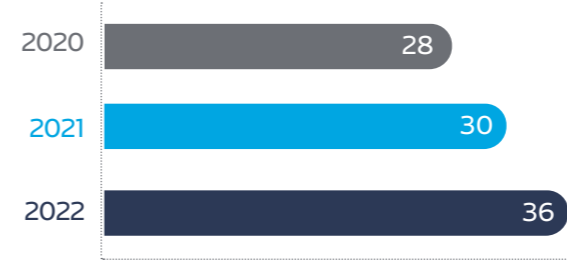
Solid waste land filled at AD Ports Group (Tonnes)



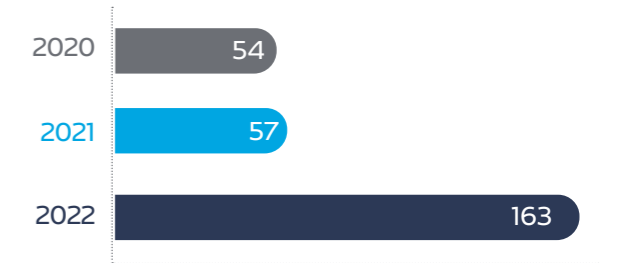
Hazardous waste landfilled/treated at AD Ports Group (Tonnes)



Solid waste generated (Thousand Tonnes)



AD Ports Group tenants and calling vessels solid waste recycled (Percentage)



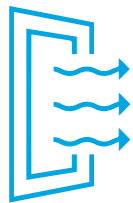
AD Ports Group tenants and calling vessels Hazardous waste landfilled/treated (Tonnes)



AD Ports Group tenants and calling vessels Solid Waste land filled (Tonnes)

This year, the hazardous waste treated by AD Ports Group tenants and calling vessels increased significantly, as we started treating hazardous waste from all vessels and cruise ships at the newly operational Waste Treatment Plant in Abu Dhabi.

ENVIRONMENTAL PERFORMANCE



Environmental management and monitoring are conducted in accordance with our group-wide environmental procedures, which sit within the AD Ports Group Integrated Management System (IMS).

Surveillance audits are carried out at six months intervals with a re-certification audit undertaken every three years.

No major non-conformances have been observed in the surveillance and recertification audits.



92%
Average Compliance to the National Ambient Air Quality Standard



92%
Average Data Capture



AIR QUALITY

In compliance with the requirements of Environmental Agency Abu Dhabi (EAD), we operate seven ambient air quality and meteorology monitoring stations: 4 at EST, HFM, Mobile, and NFF, 1 at Al Ain, KEZAD HQ and Khalifa Port. The stations monitor a range of air quality determinants to assess our compliance to the National

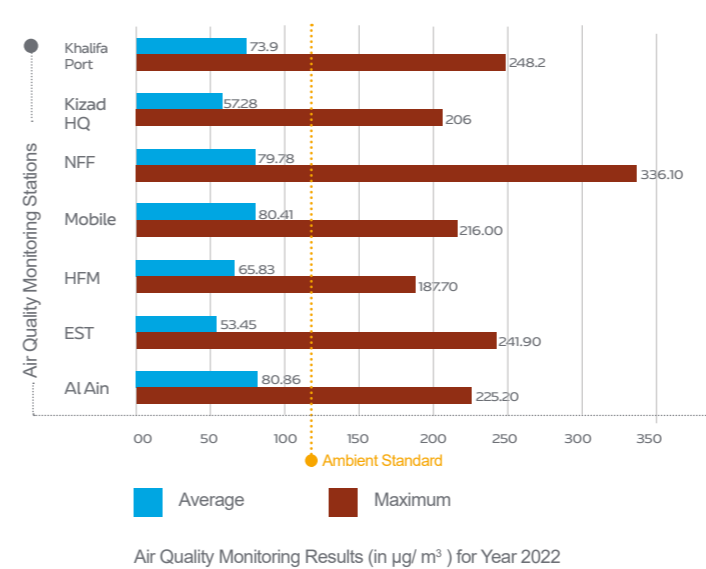
Ambient Air Quality Standard. We achieved a 92% data capture rate for the criteria air pollutants.

In 2022 we achieved over 92% average compliance to the National Ambient Air Quality Standard.

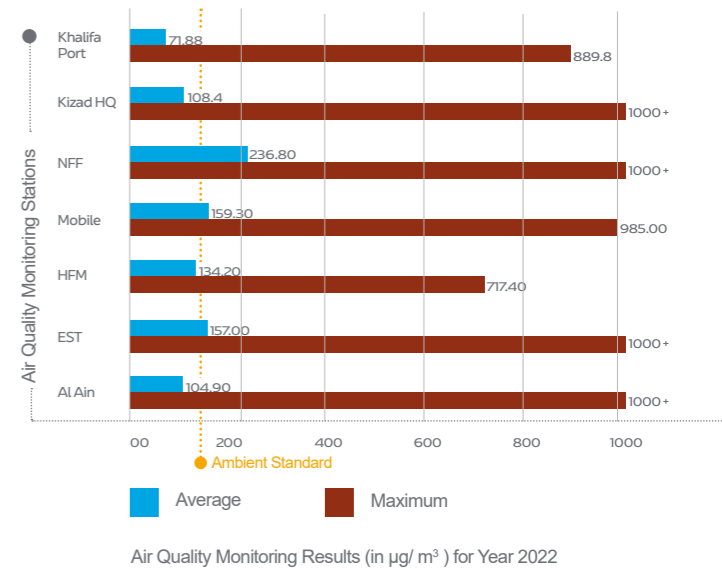
The following infographic illustrates our average compliance with the National Ambient Air Quality Standard, for specific air quality determinants.



Ambient air quality compliance for Ozone (µg/ m³) at different Stations



Ambient air quality compliance for PM10 (µg/ m³) at different Stations



WATER MANAGEMENT

AD Ports Group's seawater monitoring programme has been operational since 2015. These are located at three specific water zones (ambient, discharge and mixing) within the ecologically sensitive Khalifa Port basin.

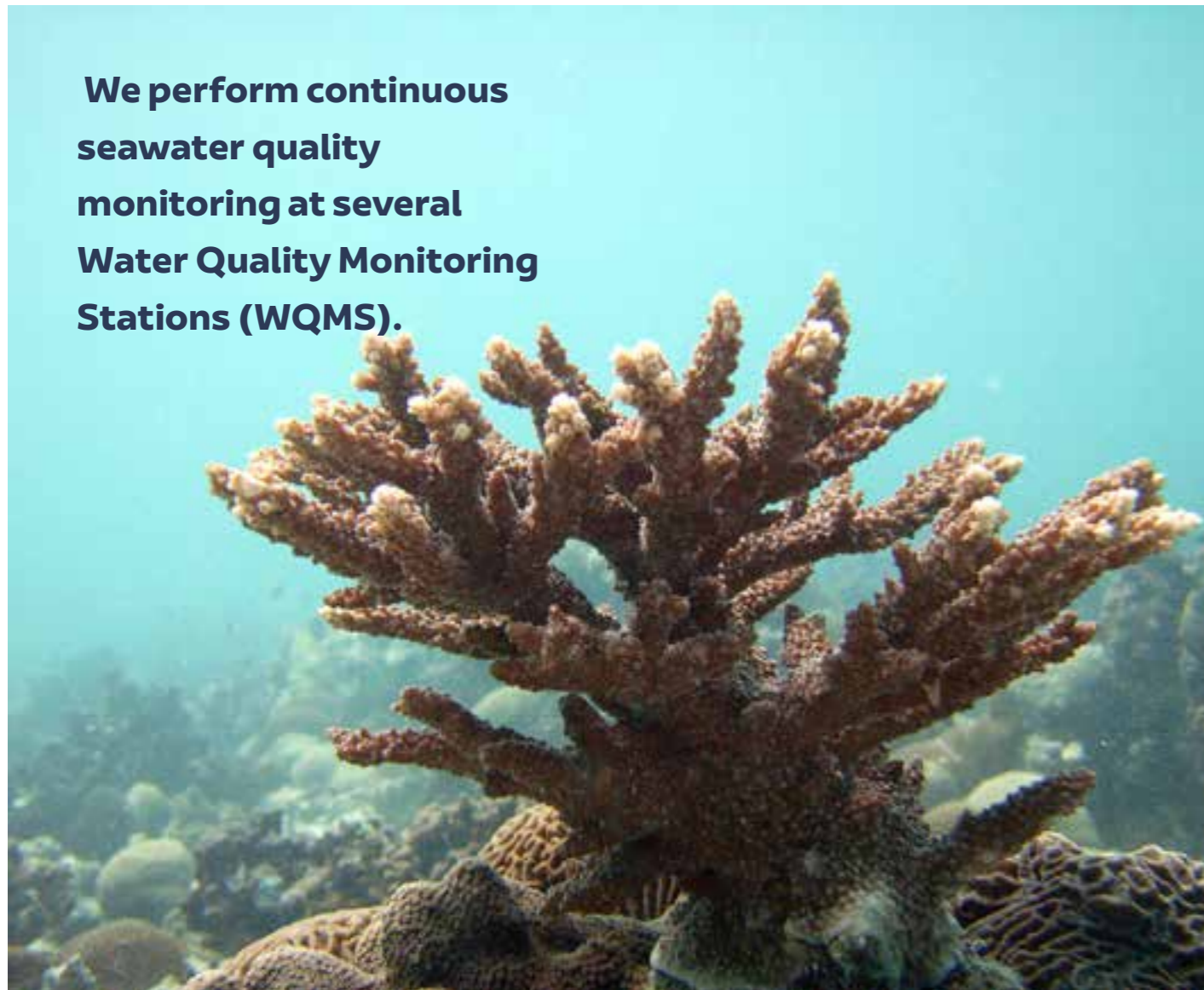
The WQMS comply with the water quality standards of the Environmental Agency-Abu Dhabi (EAD).



96%
Average Seawater Quality Compliance at Mixing Zone



99%
Average Data Capture



We perform continuous seawater quality monitoring at several Water Quality Monitoring Stations (WQMS).

DATA CAPTURE

The WQMS monitor seawater quality at 15 min intervals using telemetric sensors linked to data loggers. The data is then passed to an on-line portal to enable real-time visualisation of water quality for any potential non-compliance issues.

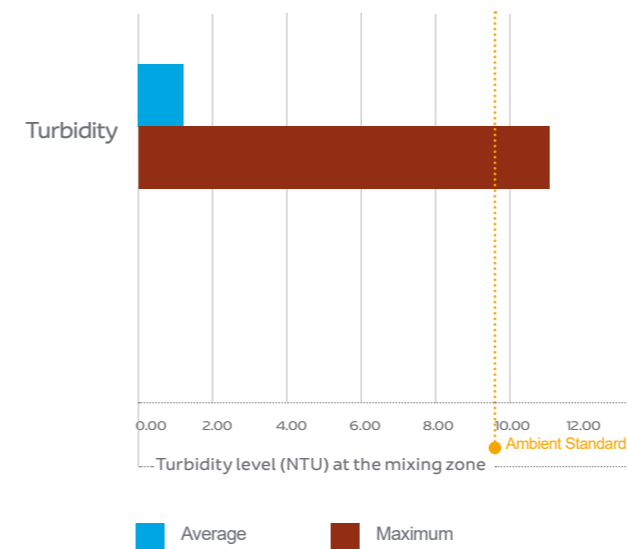
We achieved a high data capture rate of 99% from the three WQMS.

SEAWATER QUALITY COMPLIANCE AT THE MIXING ZONE

In 2022, the average seawater quality compliance for temperature, pH, Turbidity, Dissolved Oxygen (DO), and Salinity was 96% at the mixing zone.

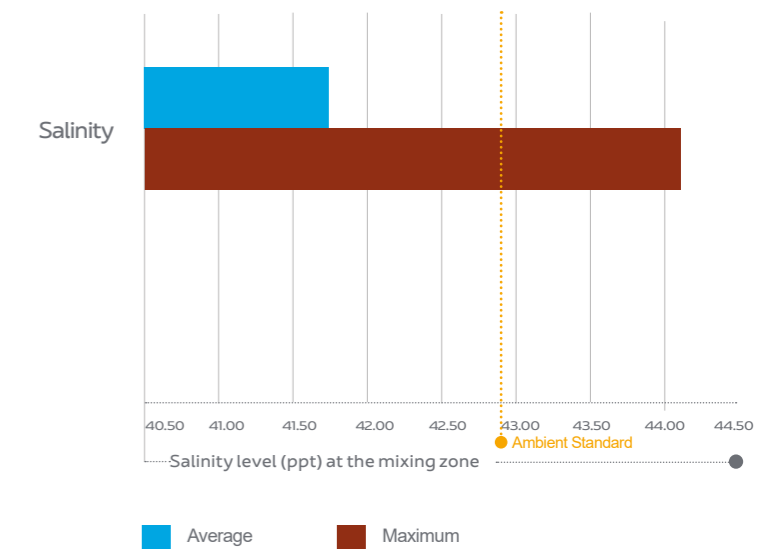


Turbidity compliance at the mixing zone



Water Quality Monitoring Results for Year 2022

Salinity compliance at the mixing zone



Water Quality Monitoring Results for Year 2022

BIODIVERSITY MANAGEMENT



Environmental Protection Breakwater

AD Ports Group has invested AED 880 million to construct an award-winning, 8km Environmental Protection Breakwater to safeguard one of the UAE’s most valuable marine ecosystems, Ras Ghanada Reef, which houses vibrant marine life. The entire design of Khalifa Port was configured to protect Ras Ghanada, to ensure that natural water currents continue to flow to-and-from the reef.

Khalifa Port is the only port in the world with this feature, enabling the protection of adjacent coral reefs and sea grass meadows in the area.

Our Marine Ecological Monitoring Programme ensures the marine ecosystem, including coral reef and other habitats, are not impacted from operational activities. We conduct three surveys every year in January, May and September at 85 ecological monitoring stations. Our recent survey indicated that the breakwater and port revetment are providing an attractive environment and new habitat for marine life and is successfully preserving fish biomass, with endangered species such as the ‘hammour’ grouper now also seen in the reef.

In 2020, we successfully relocated healthy corals to the environmental breakwater near Ras Ghanada to protect them from the development footprint of Khalifa Port. In 2022, we continued monitoring the translocated corals. Recurrent monitoring is a key part of the evaluation of the potential for coral relocation as a viable ecological mitigation intervention.

Aqaba Marine Ecosystems Collaborative Workshop

In October 2022, as part of our intent to help protect the marine ecosystem of the Red Sea, specifically its coastal coral reefs, representatives of AD Ports Group, conducted a capacity-building workshop entitled “Coastal defence infrastructure: Barren rocks or novel ecosystems?” in Aqaba.

The workshop, which was attended by the environmental department of the Aqaba Special Economic Zone Authority and professors from the Marine Science Station (MSS), an inter-university research institute owned by the University of Jordan and Yarmouk University, explored the latest research carried out by New York University Abu Dhabi and MSS for a better understanding of the current status of Aqaba’s marine environment.



ADQ Research Proposal – Eco Seawalls

AD Ports Group was nominated by ADQ to participate in an 18-month research project for a new eco seawall on existing infrastructure. ADQ provided an opportunity for us to engage Archireef, a provider of eco-engineering solutions for ocean ecosystem restoration, to design and construct eco seawalls on existing marine structure.

Archireef is proposed to design eco wall panels to provide better refuge for inter-tidal marine species and provide shade and moisture retention to allow organism growth. The aim is to improve biodiversity abundance in and around selected sites. The project will be executed in 2023.



Awards/Successes



68 Tonnes
Of marine debris removed



No Significant
Chemical or oil spills were recorded



10 Turtles
Rescued under the turtle conservation programme



IBJ Awards
Environmental Protection Award, the 2022 IBJ Awards in Rotterdam, Netherlands



DISCLOSURE ASSURANCE



GRI CONTENT INDEX

Statement of use		AD Ports Group has reported in accordance with the GRI Standards for the period January to December 2022 .						
GRI used		GRI 1: Foundation 2021						
Applicable GRI Sector Standard(s)		Not applicable						
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	UNGC Principles	UN SDGs
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION			
General disclosures								
GRI 12: General Disclosures 2021	2-1 Organisational details	14,15	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.					
	2-2 Entities included in the organisation's sustainability reporting	14,15						
	2-3 Reporting period, frequency and contact point	January to December 2022; 106						
	2-4 Restatements of information	None						
	2-5 External assurance							
	2-6 Activities, value chain and other business relationships	14-25, 48,49						
	2-7 Employees	70,71						
	2-8 Workers who are not employees			Information unavailable/ incomplete				
	2-9 Governance structure and composition	32,33,34,35						
	2-10 Nomination and selection of the highest governance body	32						
	2-11 Chair of the highest governance body	32,33						
	2-12 Role of the highest governance body in overseeing the management of impacts	34,35						
	2-13 Delegation of responsibility for managing impacts	34, 35						
	2-14 Role of the highest governance body in sustainability reporting	34,35						
	2-15 Conflicts of interest	33						



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	UNGC Principles	UN SDGs
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION			
GRI 12: General Disclosures 2021	2-16 Communication of critical concerns	34, 35						
	2-17 Collective knowledge of the highest governance body	33						
	2-18 Evaluation of the performance of the highest governance body	34						
	2-19 Remuneration policies	32, 33						
	2-20 Process to determine remuneration	33						
	2-21 Annual total compensation ratio				Confidentiality constraints			
	2-22 Statement on sustainable development strategy	6, 7, 8, 9						
	2-23 Policy commitments							
	2-24 Embedding policy commitments							
	2-25 Processes to remediate negative impacts	33, 34, 35						
	2-26 Mechanisms for seeking advice and raising concerns	34,35						
	2-27 Compliance with laws and regulations							
	2-28 Membership associations				Information unavailable/ incomplete			
	2-29 Approach to stakeholder engagement	36,37						
	2-30 Collective bargaining agreements				Not applicable			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	UNGC Principles	UN SDGs
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION			
Material topics								
GRI 3: Material Topics 2021	3-1 Process to determine material topics	36, 37	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.					
	3-2 List of material topics	38, 39						
Economic performance								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 305: Emissions 2016	201-1 Direct economic value generated and distributed	43						
	201-2 Financial implications and other risks and opportunities due to climate change	45,46						
	201-3 Defined benefit plan obligations and other retirement plans			Information unavailable/incomplete				
	201-4 Financial assistance received from government			Information unavailable/incomplete				
Energy								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 302: Energy 2016	302-1 Energy consumption within the Organisation	80						
	302-2 Energy consumption outside of the Organisation			Information unavailable/incomplete				
	302-3 Energy intensity	78,79						
	302-4 Reduction of energy consumption	81						
	302-5 Reductions in energy requirements of products and services	84,85						
Water and effluents								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	86,87						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	UNGC Principles	UN SDGs
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION			
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	78,79						
	303-3 Water withdrawal	86						
	303-4 Water discharge	86,87						
	303-5 Water consumption	86						
Emissions								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	77,78,79						
	305-2 Energy indirect (Scope 2) GHG emissions	77,78,79						
	305-3 Other indirect (Scope 3) GHG emissions	77,78,79						
	305-4 GHG emissions intensity	78,79						
	305-5 Reduction of GHG emissions	81-85						
	305-6 Emissions of ozone-depleting substances (ODS)	92,93,94,95						
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	92,93,94,95						
Waste								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	88,89						
	306-2 Management of significant waste-related impacts	88,89						
	306-3 Waste generated	89,90,91						
	306-4 Waste diverted from disposal	90,91						
	306-5 Waste directed to disposal	90,91						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	UNGC Principles	UN SDGs
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION			
Supplier environmental assessment								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	48,49						
	308-2 Negative environmental impacts in the supply chain and actions taken	48,49						
Environmental Compliance - Water and effluents								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	70,71						
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	67,68,69						
	401-3 Parental leave			Information unavailable/incomplete				
Occupational health and safety								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	52,53						
	403-2 Hazard identification, risk assessment, and incident investigation	53						
	403-3 Occupational health services	52,53,56						
	403-4 Worker participation, consultation, and communication on occupational health and safety	52,53,56,57						
	403-5 Worker training on occupational health and safety	56						
	403-6 Promotion of worker health	57						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	UNGC Principles	UN SDGs
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION			
	403-6 Promotion of worker health	57						
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	53						
	403-8 Workers covered by an occupational health and safety management system	52,53						
	403-9 Work-related injuries	54,55						
	403-10 Work-related ill health	54,55						
Diversity and equal opportunity								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	70,71						
	405-2 Ratio of basic salary and remuneration of women to men			Confidentiality constraints				
Local communities								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	58,59						
	413-2 Operations with significant actual and potential negative impacts on local communities	60, 61, 62, 63, 64, 65						
Supplier social assessment								
GRI 3: Material Topics 2021	3-3 Management of material topics	38,39						
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	48,49						
	414-2 Negative social impacts in the supply chain and actions taken	48,49						

Get in touch



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