



SUSTAINABILITY REPORT 2023

Towards a Sustainable
and Resilient Future





ABOUT THIS REPORT

This ADNOC L&S Sustainability Report is intended to set out the Company’s sustainability framework, materiality topics, overarching objectives and alignment with requisite regulatory and global best practices. The report, which covers the operations of ADNOC L&S, including subsidiaries and joint venture companies, has been prepared in alignment with the Global Reporting Initiative (GRI).

ADNOC L&S is deeply committed to maintaining the highest standards of sustainability, aligning with ADNOC Group’s guidelines while contributing to national Net Zero objectives and many of the critical ambitions emanating from the United Nations’ Sustainable Development Goals (SDGs).

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OUR DECARBONIZATION JOURNEY

Decarbonization is a technology-led imperative with a crucial role to play in driving an ADNOC L&S sustainability roadmap, that goes beyond regulations and compliance to secure the UAE's role as a global leader in sustainability. Aligning with ADNOC Group's 2030 sustainability strategy and supporting ADNOC Group's Net Zero by 2045 ambition and the UAE 2050 target.



- Aligned with the Paris Agreement, ADNOC L&S' decarbonization journey is a fundamental part of its wider sustainability strategy.
- The decarbonization journey is driven by ADNOC Group's Net Zero by 2045 ambition and UAE's 2050 target and the norms of the International Maritime Organization (IMO).
- ADNOC L&S is committed to complying with the latest IMO targets, including the Energy Efficiency Index and Carbon Intensity Indicator.
- New EU regulations - such as the inclusion of shipping into the EU ETS and the FuelEU initiative - are soon to come into force.

- As a recognized hard-to-abate sector, the evolving regulatory environment poses a challenge to all shipping companies. Most of ADNOC L&S's emissions come from its ocean-going fleet of crude carriers, product tankers, Gas carriers and dry-bulk carriers.
- Exacerbating the challenge is the fact that many alternative fuel technologies are still in the development and testing stages.
- ADNOC L&S has invested heavily in leading eco and environmentally-efficient vessels. Four dual-fuel VLCCs were delivered in 2023 alongside five state-of-the-art new-build very VLGCs and six Long Range 2 (LR2) tankers.

- Looking ahead, the ADNOC L&S fleet modernization program includes six new-build LNG carriers with class-leading emissions profiles.
- The Company has agreed to a long-term charter agreement for four eco new-build methanol-ready medium-range (MR) tankers. This will also mark the Company's entry into low-carbon fuels markets.
- These initiatives have led to a reduction in the Energy Efficiency Operational Indicator (EEOI) of 24% since 2020.

Spearheading the green transition in the shipping industry, the IMO is a significant force in the development of policy and regulations. In 2023, two major sets of obligations emerged from the IMO: the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII). The former is a new tool for assessing a vessel's energy efficiency compared to a specific reference value - and is mandatory for all ships to calculate.

The CII refers to the annual reduction factor that must be applied to achieve a continuous decrease in a ship's operational carbon intensity and is applicable to vessels over 5,000 gross tonnage.

These two new regulations alone signify that the green transition is accelerating. Furthermore, the shipping industry will soon be required to meet a series of new complex emissions regulations and policies, such as the inclusion of shipping into the EU ETS and the Fuel EU initiative.

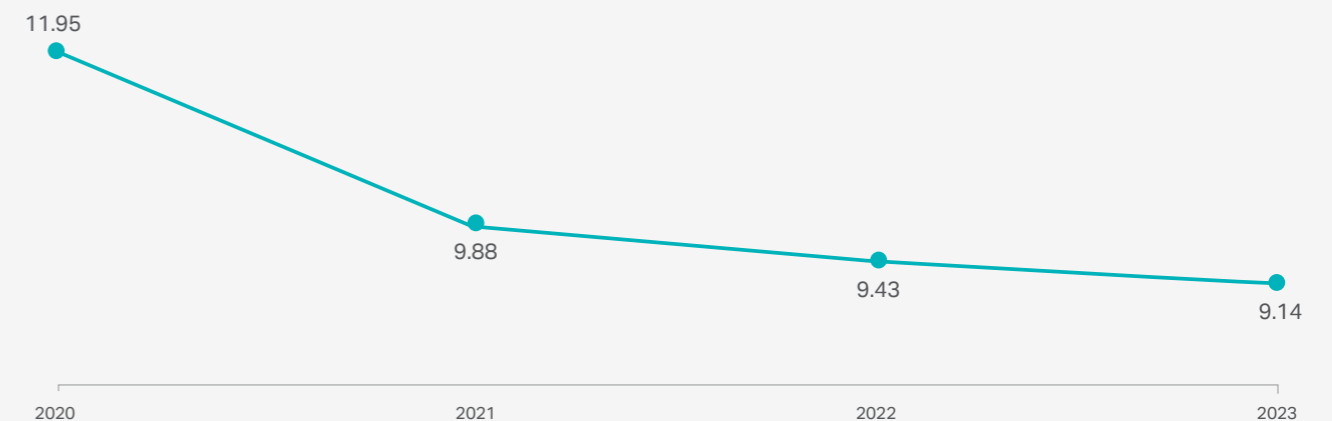
This report demonstrates that together - through collaboration and investment - ADNOC L&S can make a difference as it works to achieve ADNOC Group's 2045 net-zero goal, protect our oceans, and champion sustainability in the UAE's maritime and logistics ecosystem.

United Nations Sustainable Development Goals Relevant to Decarbonization



Between 2020 and 2023 our operational energy efficiency improved by **24%**

24% improvement in energy efficiency¹ across the Company's shipping fleet.



¹ measured as Energy Efficiency Operating Index (EEOI)

BUSINESS OVERVIEW

Building upon nearly 50 years of history in shipping and maritime logistics services, ADNOC L&S was established in 2016 through the integration of several ADNOC Group entities operating in Integrated Logistics, Shipping, and Marine Services.



ABOUT US

ADNOC L&S, a subsidiary of the ADNOC Group, serves as a dedicated logistics services provider for ADNOC Group and the UAE while also providing a range of shipping and offshore services to international customers. It offers essential and specialized services throughout the energy supply chain. ADNOC L&S was established in 2016 through the integration of several ADNOC entities operating in integrated logistics, shipping and marine services, with the Company's heritage tracing back to the formation of the Abu Dhabi National Tanker Company in 1975.

WHAT WE DO

ADNOC L&S is a fully integrated global energy maritime logistics leader that operates across three key segments. With a total fleet of 233 owned vessels (by year-end 2023) and an additional 600 chartered every year, ADNOC L&S provides services to more than 100 customers in over 50 countries.

Driven by next-generation technologies, a talent base of over 7,000 people (including crew on vessels and outsourced manpower) and a steadfast commitment to decarbonization, ADNOC L&S offers secure, dependable, and efficient maritime and logistics solutions across the entire energy value chain.

OUR PURPOSE



ADNOC GROUP

Continue to provide end-to-end integrated logistics, shipping, and marine services to ADNOC Group and beyond.



UAE

To promote the growth of the UAE maritime economy and act as a key facilitator of global maritime trade.



NET ZERO

Continue to pioneer low-carbon solutions in the energy maritime logistics sector, supporting ADNOC Group's Net Zero by 2045 ambition and the UAE 2050 target.

A fully integrated global energy maritime logistics leader.

OUR THREE KEY BUSINESS SEGMENTS



Integrated Logistics

End-to-end logistics services

The Company's Integrated Logistics segment provides end-to-end services for the transportation of people, materials, equipment, fuel and water. Integrated Logistics (not ILSP) services include diving support, container terminal operations, jetty services and operations, and warehousing and material management, all of which are critical to the energy supply chain.



Shipping

Commercial shipping and chartering services

ADNOC L&S' Shipping segment provides market-leading commercial shipping and ship management solutions, in addition to chartering services for the transport of crude oil, refined products, dry-bulk, and both liquified petroleum gas (LPG) and liquified natural gas (LNG).



Marine Services

Petroleum ports operations, Oil Spill and Hazardous & Noxious Substances (OS & HNS) response

ADNOC L&S' Marine Services segment is comprised of two key business lines: specialist marine terminals' operations, covering all petroleum port operations in the Emirate of Abu Dhabi, and OS & HNS response operations, where it is one of the largest service providers in the UAE.

With a maritime heritage that traces back to the formation of the Abu Dhabi National Oil Tanker Company in 1975, ADNOC L&S serves as a critical logistics enabler of ADNOC Group and the UAE.



ADNOC L&S aims to be a global leader in the decarbonization of the shipping and maritime logistics industry, supporting the energy transition by investing in hydrogen product carriers and low-carbon fuel vessels.

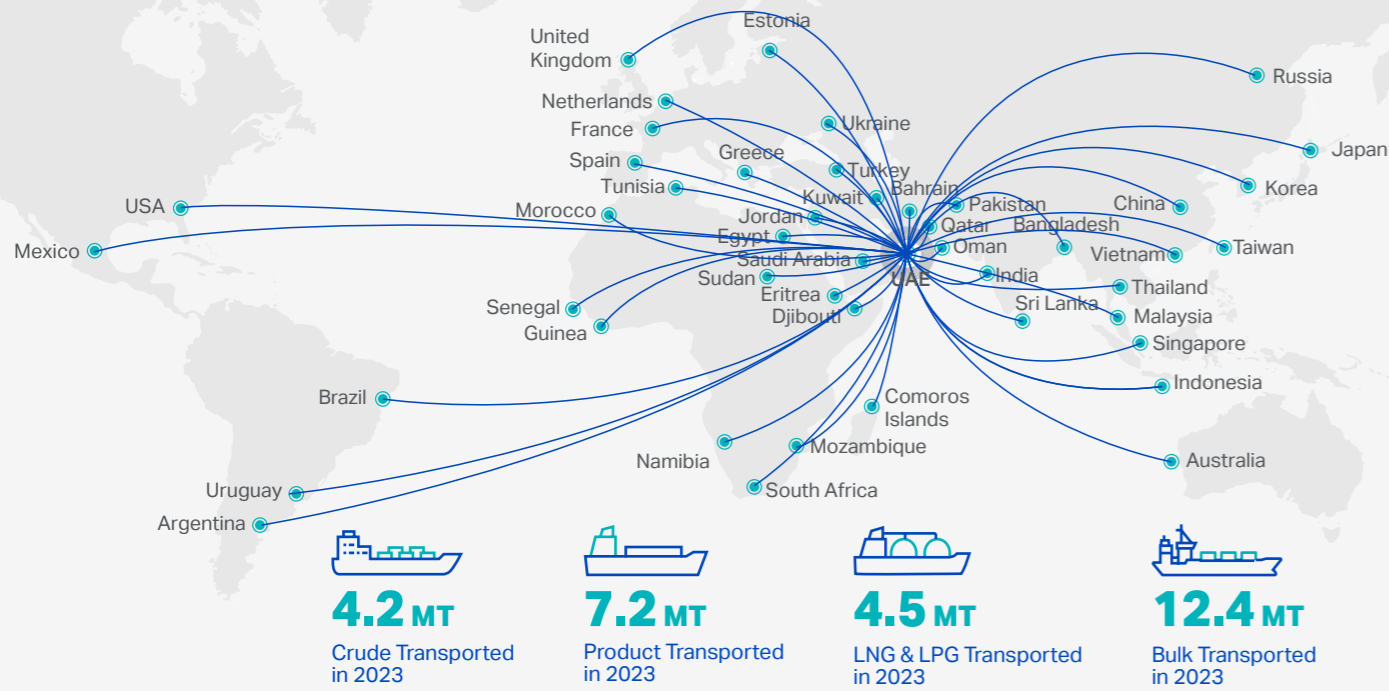
GLOBAL AND DOMESTIC COVERAGE

ADNOC L&S ensures a reliable supply of gas, crude, products, and industry feedstock to local and international customers. The Company has penetrated key growth markets around the world supported by strategic partnerships that increase its global reach, accelerate innovation, optimize operations, and reinforce the Company's continued role in creating value for Abu Dhabi and the UAE.

High-quality assets serving an international blue-chip customer base.

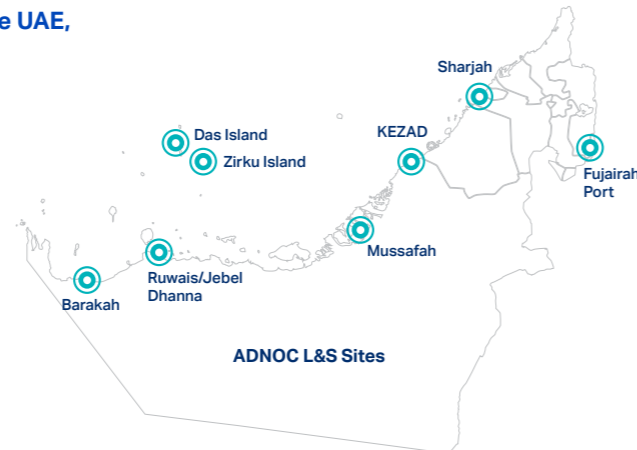
Key Clients	Tankers	Gas	Dry Bulk
ADNOC	Reliance Industries Limited	AG&P	aldahra
TRAFIGURA	TotalEnergies	wison	OCPC
enoc	Vitol	Jera	Borouge
Marubeni	bp	WANHUA	
الاسكو السعودية Saudi Aramco			

Today, our ADNOC L&S fleet has global reach and will grow by 100% to support ADNOC Group's accelerate 100x targets.



From its logistics bases and warehouses across the UAE, ADNOC L&S covers the entire offshore network

- Mussafah Base
- Ruwais Industrial City
- Das Island
- Zirku Island
- KEZAD
- Fujairah
- Sharjah
- Barakah



STRATEGY

To deliver sustainable long-term growth, ADNOC L&S aims to become the leading global energy maritime logistics company. It will continue to play a pivotal role in the UAE energy sector by expanding its services across the value chain, widening its global footprint, and supporting the energy transition through decarbonization and innovative energy solutions.

OUR STRATEGIC AREAS AND STRATEGY IN ACTION



Continuing to support the growth of the UAE energy sector and playing a pivotal role in the shipping and logistics value chain.

1

ADNOC L&S will continue to support the growth of the energy sector in the UAE and assisting ADNOC Group's expansion plans and associated growth in volumes of crude, gas, LNG, and chemicals. The Company will also support ADNOC Group's work in transporting innovative energy products and molecules as part of its strategic focus on sustainable and innovative energy solutions.

ADNOC Group and the UAE have made significant investments in the energy sector and expect to continue to do so, with ADNOC Group announcing in late 2022 its \$150 billion investment program for the five years 2023 to 2027 (inclusive). It is expected that this will serve as a major growth catalyst for ADNOC L&S, providing numerous opportunities for the business both directly and indirectly.

The Company intends to make additional investments targeted at supporting ADNOC's Group volumes, ADNOC's exports of hydrogen derivatives, and expanding the ADNOC L&S maritime service solutions. Further opportunities within the ADNOC Group of companies are also possible through the expansion of the ADNOC L&S Integrated Logistics Services Platform "ILSP" and the transformation of Group-side warehouse and logistics management operations.

Outside of ADNOC Group, ADNOC L&S recognizes significant potential in further leveraging and strengthening relationships with its existing clients and expanding the scope of its services to new clients. The Company aims to capture new growth areas by partnering with and supporting EPC contractors with offshore services, in particular through its jack-up barges, which are required across all stages from development to decommissioning of a field, including dredging and construction of artificial islands.

Strategy in Action

UAE Energy Value Chains

CREATING IN-COUNTRY VALUE

ADNOC L&S is pursuing an agenda that catalyzes In-Country Value by building on the capabilities of local suppliers and attracting investment to Abu Dhabi – helping to reduce reliance on imported goods and services. The Company supports the 'Make it in the Emirates' program by localizing critical supplies to ADNOC L&S' operations to create long-term benefits for the UAE and ADNOC Group.

The contribution that ADNOC L&S has made to Abu Dhabi in 2023 has proven to be widespread and impactful, supporting national value chains and aiding the development of ADNOC Group's production capacity goals.

In recognition of its role, ADNOC L&S received four awards at The Maritime Standard magazine's 2023 TMS Awards ceremony in November. The Company was awarded in the categories of Maritime Energy, Oil and Gas, Transportation and Logistics, Tanker Operator of the Year, and Ship Owner/Operator of the Year.



HAIL AND GHASHA

ADNOC L&S secured a contract valued at \$681 million for the provision of offshore logistics and marine support services as part of ADNOC Group's contract with the Hail and Ghasha development project, which is part of the Ghasha Concession – the world's largest offshore sour gas development.

The concession agreement is a key component of ADNOC Group's integrated gas master plan and an enabler of gas self-sufficiency for the UAE – and in serving growing global demand. The \$681 million contract awarded is for Phase 1 of the Hail and Ghasha project.

Looking ahead and following the project's receipt of FID approval from ADNOC Group, ADNOC L&S now has the opportunity to target Phase 2 of the project in the 2024-2025 period.





Expanding our services portfolio and extending the geographical footprint of ADNOC L&S.

2

ADNOC L&S will expand its services portfolio and provide end-to-end logistics solutions to its clients, increasing market share in existing markets such as Saudi Arabia and Qatar while also targeting new markets. Since 2020, the Company has increased its global gas shipping services through AW Shipping Limited while its jack-up barges fleet operates in KSA, Qatar, and Iraq.

The Company will continue to pursue its growth strategy aimed at enlarging its geographic footprint and operations outside of the UAE opportunistically and in line with its targeted expansion plans – all while leveraging the long-standing and mutually beneficial relationship with ADNOC Group companies.

The Company recognizes the growing opportunities to service offshore energy exploration in North Africa and the GCC region, including Morocco, Egypt, Sudan, Jordan, Saudi Arabia, and Qatar. This creates the potential for rising demand for jack-up barges and offshore marine and other services in those and other regions - including China and the Far East.

Strategy in Action Services and Geographical Expansion

ACHIEVING DIVERSIFICATION

ADNOC L&S is pursuing service diversification and operational growth by enlarging its geographic footprint and operations outside of the UAE. The transformative ZMI Holdings Acquisition was a significant move forward in accelerating the Company's geographic reach. The size of the ZMI fleet has significantly strengthened ADNOC L&S' position as one of the largest shipping and integrated energy logistics companies in the world.

Through the pursuit of new opportunities across the value chain, ADNOC L&S is succeeding in serving a wider range of clients, including EPC contractors, with a range of offshore services. In particular, ADNOC L&S can serve contractors with its fleet of vessels, including jack-up barges, which are required across all stages from development to decommissioning of a field, including dredging and construction of artificial islands.

As one of the largest owners and operators of self-propelled, self-elevating jack-up barges and as a leading provider of offshore support vessels and subsea services in the GCC region, ADNOC L&S is exceptionally well-placed to serve EPC contractors across multiple geographies. The Company has been awarded six EPC projects since the end of 2021 with a total value of \$1.2 billion, including a contract signed with Samsung C&T to provide end-to-end logistics services to offshore islands. ADNOC L&S has a significant pipeline of other projects at various stages of the tender process.



Commitment to decarbonization and the energy transition.

3

ADNOC L&S is actively exploring new business verticals, including services relating to decarbonization, creating growth opportunities for the Company's businesses right across the value chain. The Company is pursuing this growth opportunity through various strategies and investments, including owning and operating green carriers, such as methanol and ammonia, as carrier for low-carbon fuels. ADNOC L&S pursues opportunities to advise clients on decarbonization, emissions abatement, and other solutions with a view to growing the Company's renewable energy services while supporting the broader decarbonization agenda.

ADNOC L&S will explore further opportunities and investments in the hydrogen vessels, storage, and distribution sectors by leveraging UAE's position as a leader in hydrogen in emerging international markets.

ADNOC Group embraces the energy transition and our important role in providing the low-carbon energy the world needs today, while building the low-carbon energy system of tomorrow. We recognize that global energy systems must be transformed by reducing our emissions while providing the secure and reliable energy the world needs to drive progress.

Strategy in Action Powering the Energy Transition

DELIVERING CLEANER FUELS

Global demand for methanol, ammonia and hydrogen could grow exponentially if selected to decarbonize the shipping industry.

ADNOC L&S investment program aims to deliver transformative steps to make the lower carbon intensity energy that the world requires available today while investing in the clean energies of tomorrow. This includes the innovation and production of transformative lower-carbon fuel alternatives such as methanol, ammonia and hydrogen.

This growth strategy will be pursued by focusing on owning and operating a modern, technologically advanced fleet to transport emerging fuels, such as methanol, ammonia, and hydrogen. The Company will also continue to explore further opportunities and investments in low-carbon powered vessels using methanol, ammonia, and hydrogen as fuel, storage, and bunkering facilities.

Reflecting its aim to reduce its carbon intensity by 25% by 2030 and to reach net zero carbon emissions by 2045, ADNOC Group has allocated \$23 billion (AED84.4 billion) of capital for investments that grow the company's domestic and international carbon management platforms.



CEO MESSAGE

At ADNOC L&S, sustainability is a core operational and strategic priority. Many of the material topics, values, and programs that form the Company's Sustainability Framework are designed to not only protect our people, assets, economy, and the natural world – but to safeguard and enrich our nation's rich maritime heritage.

Our seafaring heritage

The Company's critical responsibility as a custodian of the nation's proud seafaring heritage is, therefore, deeply held within the DNA of the ADNOC L&S sustainability strategy. Furthermore, as a major actor in global energy value chains, we are mindful of our inherent responsibility to encourage sustainable practices in our policies, operations, supply chains, and communities. We have also aligned our strategic priorities to create sustainable value for all our stakeholders — our clients, our employees, our communities and our shareholders.

We have also worked to ensure that the ADNOC L&S sustainability vision is fully aligned with ADNOC Group's ESG strategy. As a key provider of maritime energy logistics and services to ADNOC Group, ADNOC L&S is a sustainability leader for the UAE's shipping, maritime and logistics ecosystem.

Supporting energy efficiency through decarbonization

As we build upon the robust materiality matrix and sustainability framework developed in 2023, we are committed to the continual improvement of our sustainability performance across all our business activities and have already achieved significant progress in our priority areas. Furthermore, we will continue to invest in driving further improvements, all of which are underpinned by our unwavering focus on health and safety, environmental responsibility, decarbonization, and in-country value.

Right across the ADNOC L&S ecosystem of business units, corporate headquarters, value chain, and operations, the Company will seek to deliver sustainable growth that adds value to all its stakeholders, respects the natural world, safeguards communities, and creates sustainable value for its shareholders. ADNOC L&S also has a fundamental role to play in supporting ADNOC Group's strategy for increasing the production of cleaner fuel alternatives by investing in a highly energy-efficient fleet of vessels capable of exporting green energy solutions to the world.

By promoting new energy sources, investing in sustainable assets, adopting environmentally efficient technologies and training its personnel, ADNOC L&S will succeed in making an exponential contribution to ADNOC Group's Net Zero by 2045 ambition and the UAE's Net Zero 2050 strategy.

The Company is also aligned with the International Maritime Organization (IMO) strategy for greenhouse gas emissions (GHG) reduction across its fleet of ships. Furthermore, ADNOC L&S is committed to the IMO net-zero GHG emissions 2050 ambition and a 40% reduction in CO₂ emissions intensity by 2030.



During a pivotal year of growth for ADNOC L&S, the Company institutionalized a comprehensive sustainability framework that supports the evolution of the energy landscape and the long-term objectives of ADNOC Group.

CAPTAIN ABDULKAREEM AL MASABI
CHIEF EXECUTIVE OFFICER



CERTIFICATIONS AND RECOGNITIONS

ADNOC L&S has a proud history of winning recognition for its leadership, capabilities, innovation, HSE, technology, and sustainable performance, which contribute to UAE-based national value chains, enhancing socio-economic impact.

Setting New Standards of Excellence

In 2023, ADNOC L&S was recognized for its leadership, capabilities, innovation, HSE, technology, and green / sustainable performance, which contributed to UAE-based national value chains.

The company's CEO was recognized for his leadership by the MENA Stevie Awards as Thought Leader of the Year and at the Gulf Intelligence Silkroad Awards as New Silkroad CEO of the Year Award. In 2023, Offshore Jack Up Middle East recognized ADNOC L&S' excellent track record in Health and Safety for all-round excellence in the Health Safety Environment and by IdeasUK for the Health and Safety Award for the Company's breast cancer awareness campaign.

The Company's leadership in green shipping and sustainability was recognized by ShipTek Awards, naming ADNOC L&S as the winner of the Green Shipping Award for committing to invest over \$2 billion in environmentally efficient vessels and technology. The MENA Stevie Awards also recognized the Company for Decarbonizing Offshore Fleet by using OPSEALOG, Smart vessels and bio-fuels.

HSE Recognition

ADNOC L&S also demonstrated its commitment to achieving 100% compliance with HSE standards in 2023 and was honored with an International Marine Contractors Association (IMCA) Award for Safety for its "Smart Vessels" in Q2 2023. This award recognizes ADNOC L&S for its successful implementation of the "Smart Vessels" initiative, which uses advanced Artificial Intelligence systems on

more than 80 offshore vessels, harnessing the capabilities of CCTVs, sensors, and intelligent video analytics to bolster safety protocols and elevate the level of monitoring and control onboard.

The IMCA award follows multiple HSE awards over recent years. In 2022, Lloyd's Register handed ADNOC L&S the award for 'Outstanding HSE Performance' in recognition of its consistent delivery of high-level HSE performance over multiple audits onboard its fleet and onshore.

Lloyd's Register also named ADNOC L&S as the winner of its 'Top Performing Ship Manager/Owner in 2022 in recognition of the Company's proven ability to demonstrate consistently high standards and excellent controls during a time of strong fleet growth and challenging operating conditions.












ADNOC L&S also won the Health and Safety Award from ideasUK for its AI-enabled Breast Cancer Health Analytix and was named runner-up for the People and Wellbeing Award for the Company's HSE Podcast.

The Company's Guinness World Record for "Most Zero Lost Time in Manhours - Marine Industry" remains unbroken.

Energy Management and Innovation

In 2023, ADNOC L&S achieved Gold Level Accreditation from ideasUK, an international organization that assists companies in developing and implementing innovation management frameworks. In its audit review, ADNOC L&S scored 86% for its innovation program, endorsing ADNOC L&S' innovative culture, which fosters new ideas and innovation to make the Company more resilient and sustainable.

2023 Awards

	Marine Passenger Terminal critical offshore operations won the Best HSE Performance award category at the NEESHAN HSE Awards		New Records of Excellence (4) Awards from The Maritime Standards
	Corporate Social Responsibility Award at the Offshore Jack-Up Middle East (OJME), demonstrating ADNOC L&S' strong presence and contribution to the Abu Dhabi community		International Recognition Offshore Support Journal (OSJ) "Shipowner of the Year award"
	Offshore Jackup Middle East (OJME), Innovation in Operational Excellence Award		IdeasUK Idea of the Year, Health & Safety Award, for "HSE Podcast"
	Offshore Jackup Middle East (OJME), Excellence in Health Safety Environment Award		IdeasUK Idea of the Year People & Wellbeing Award for "AI-enabled Breast Cancer Health Analytix."
	Global International Marine Contractors Association (IMCA) Safety Award "Smart Vessels"		Achievement in Product Innovation BRONZE STEVIE® WINNER: ADNOC Logistics & Services for "Decarbonizing the Offshore Fleet"
			Thought Leader of The Year SILVER STEVIE® WINNER: ADNOC Logistics & Services for Capt. Abdulkareem Al Masabi, Shipping Excellence & Innovation



Accreditations and Certifications

- Oil Spill Removal Organization Accreditation from Nautical Institute
- Nine vessels from ADNOC L&S Shipping fleet have received the QUALSHIP 21 certification for sailing in the United States waters

Memberships

- BIMCO (Baltic and International Maritime Council)
- Emirates Shipping Association
- IBIA (International Bunker Industry Association)
- INTERTANKO (International Association of Independent Tanker Owners)
- MACN (Maritime Anti-Corruption Network)
- OCIMF (Oil Companies International Marine Forum)
- RightShip
- SIGTTO (Society of International Gas Tanker and Terminal Operators)

SUSTAINABILITY AT ADNOC L&S

OUR COMMITMENT TO SUSTAINABLE PROGRESS

Sustainability remains the foundation of our strategic focus and successful operations, reflecting our deep-seated commitment to key areas that include decarbonization, energy efficiency, marine environment, client service, and regional socio-economic growth.

Building upon the foundations that have been built upon the findings of a comprehensive materiality assessment, ADNOC L&S has developed a framework of Sustainability Strategy that incorporate global best practices and a stakeholder-centered approach to building an impact-led strategy. Through strategic themes and their associated targets, ADNOC L&S tasks itself to become the UAE's sustainability

leader for the maritime & logistics ecosystem, safeguarding the nation's rich maritime heritage and contributing to the realization of UAE and global net-zero ambitions.

Governed by a new Sustainability Committee, ADNOC L&S now operates a robust, accountable, and transparent sustainability strategy that ensures that the Company remains aligned with and in accordance with all mandated regulatory requirements, standards, and accreditations. Accordingly, ADNOC L&S's sustainability strategy now benefits from an institutionalized approach to the design, development, implementation, oversight and measurement of its sustainability policies and initiatives.

SUSTAINABILITY GOVERNANCE

The separate ADNOC L&S Sustainability Report 2023, will be the first to be published and prepared in reference to the Abu Dhabi Securities Exchange (ADX) Environmental, Social, and Governance (ESG) Guidelines. The report is aligned with ADNOC Group's Sustainability Strategy and the United Nations Sustainable Development Goals (SDGs).

The ADNOC L&S Sustainability Report will be published annually, and its publications are overseen by the Sustainability Committee and approved by Executive Management and the Board of Directors. Upon completion, it is distributed at the Annual General Meeting (AGM) to share information about the Company's sustainability framework, performance, and data.



The Sustainability Committee's work will contribute to shaping the company's sustainability roadmap, initiatives, projects, and reporting to enhance ADNOC L&S' position as a global leader in sustainability.

Omar Baobaid
VP Strategy and Excellence

Sustainability Committee

The Sustainability Committee has been established with a primary mandate to review, evaluate, and recommend decisions that will accelerate the deployment of ADNOC L&S's sustainability strategy. Additionally, the committee will focus on other key objectives that will significantly contribute to shaping the company's decarbonization roadmap, initiatives, projects, and reporting to enhance the Company's position as a global leader in sustainability.

Additional key objectives can be summarized as follows:

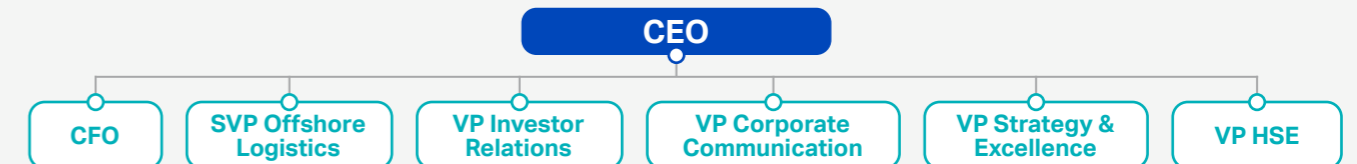
- Review and approve the company's sustainability policies, targets, and performance indicators
- Monitor and evaluate the company's sustainability risks and opportunities
- Ensure the company's compliance with relevant sustainability standards and regulations
- Communicate and engage with internal and external stakeholders on sustainability matters

The Sustainability Committee is expected to meet at least quarterly or as required by the CEO. The committee members are expected to:

- Attend and actively participate in the committee meetings and activities
- Review and provide feedback on the committee's agenda, minutes, and reports
- Contribute their expertise and insights to the committee's discussions and decisions
- Advocate and promote the company's sustainability vision and values across the organization
- Stay informed and updated on the latest sustainability trends and best practices

Sustainability Committee Structure

The Sustainability Committee comprises the following Company executives (each a 'Member'):



ADNOC GROUP ALIGNMENT

Our industry - primarily through our ocean-going shipping fleet - contributes to global GHG emissions, and our operations have a direct impact on our climate and marine environment. We operate a sharp focus on reducing the carbon intensity of our shipping fleet through our fleet modernization program - four dual-fuel Very Large Crude Carriers (VLCCs) were delivered in 2023 alongside two state-of-the-art new-build Very Large Gas Carriers (VLGCs) and six Long Range 2 (LR2) tankers. We continually invest in all forms of energy efficiency technologies for our existing fleets. Looking ahead, the ADNOC L&S order book is defined by a focus on highly efficient new build and LNG carriers, in tandem with plans for the long-term charter of methanol ready chemical tankers. ADNOC L&S also has a fundamental role to play in supporting ADNOC Group's

target for a 25% reduction in its carbon emissions intensity by 2030. By promoting new energy sources, investing in sustainable assets, adopting environmentally efficient technologies, and training its personnel, ADNOC L&S will continue to succeed in making an exponential contribution to ADNOC Group's Net Zero ambition and the UAE's Net Zero 2050 strategy. We are on a journey of transformation, placing decarbonization and sustainability at the heart of our strategy. Our actions today supply the world with the energy that it needs, deliver tangible progress towards the energy transition, and future-proof our business. ADNOC is committed to integrating best-in-class Health, Safety and Environment (HSE) standards across our operations, giving back to communities, supporting sustainable economic development and investing in cleaner new energies.

BUILDING OUR SUSTAINABILITY FRAMEWORK

In the development of its sustainability framework, ADNOC L&S carried out a comprehensive materiality assessment as our first step to identify the Company's core sustainability priorities. This process allowed for the development of a materiality matrix comprising 15 material topics that have been identified as the Company's highest priorities for sustainability and reporting – these can be found underneath each of the five Sustainability themes.

Three main steps were followed in the development of the ADNOC L&S sustainability framework:



MATERIALITY ASSESSMENT

To create a stakeholder-specific matrix of sustainability value propositions, multiple internal stakeholders from the Company's Strategy and Business Development teams engaged in a series of benchmarking and materiality analysis exercises spread over five linear phases. Additionally, surveys were conducted across various parts of the Company's operations at executive and senior leadership levels, in addition to engagement with the ADNOC L&S Youth Committee.

Phase 1

Based on a benchmarking exercise (with 14 company peers) and a schedule of brainstorming sessions, a preliminary list of priorities or potential material topics was listed following certain mandates and strategic considerations.

Phase 2

As part of its Phase 1 stakeholder engagement program, multiple internal stakeholders from across the Strategy and the Business Development teams were consulted to help build a matrix of sustainability-related value propositions that was then developed in alignment with the United Nations Sustainability Development Goals (SDGs). Through its materiality assessment and within the DNA of its Sustainability Framework is a set of value propositions delineated for the Company's five primary stakeholders:

Value proposition to our stakeholders

In line with SDG

<p>Government & Regulatory</p>	Increasing ICV	Government agenda support	Operational compliance	Sustainability agenda	Business continuity	ESG compliance		
<p>Shareholders/Investors/Financial providers</p>	Climate change	Increasing confidence	Financial positioning	Innovation & technology	Funding access	Continuous improvement	Value creation	
<p>Customers</p>	Business performance	Time & efficiency	Quality & high standards	Company's capabilities	Value & Costs			
<p>Employees</p>	ESG & D&I disclosure	Training programs	Promotions & talent retention	Sustainable organization	Career perspectives	Health & safety		
<p>Business Partners/Supplier & vendor</p>	HSE culture & awareness	Business continuity	Ethic & transparency	Expectation on suppliers	Expertise & collaboration	Reliability on execution		

07 Materiality Assessment continued

Phase 3

As part of Phase 3, the ADNOC L&S communications team carried out a series of surveys across the Company's executive leadership. The ADNOC L&S Youth Committees and other relevant stakeholders were also consulted and surveyed, helping to identify, refine, and assess numerous potential environmental, social, and governance issues that could affect the ADNOC L&S business and its stakeholders.

To develop the allocation and ranking of potential ADNOC L&S material topics, internal stakeholders considered an extensive list of topics. They included a range of critical areas of focus, including:

- Influence on the business success
- Importance to internal & external stakeholders

Following a rigorous survey of multiple internal, an extensive list of material topics was formulated. Those included climate and ocean health, non-discrimination policies, diversity, inclusion, HSE culture, strong governance, anti-corruption

policies, in-country value, and a wide range of material topics in areas such as supply chain transparency, decarbonization and risk management.

Phase 4

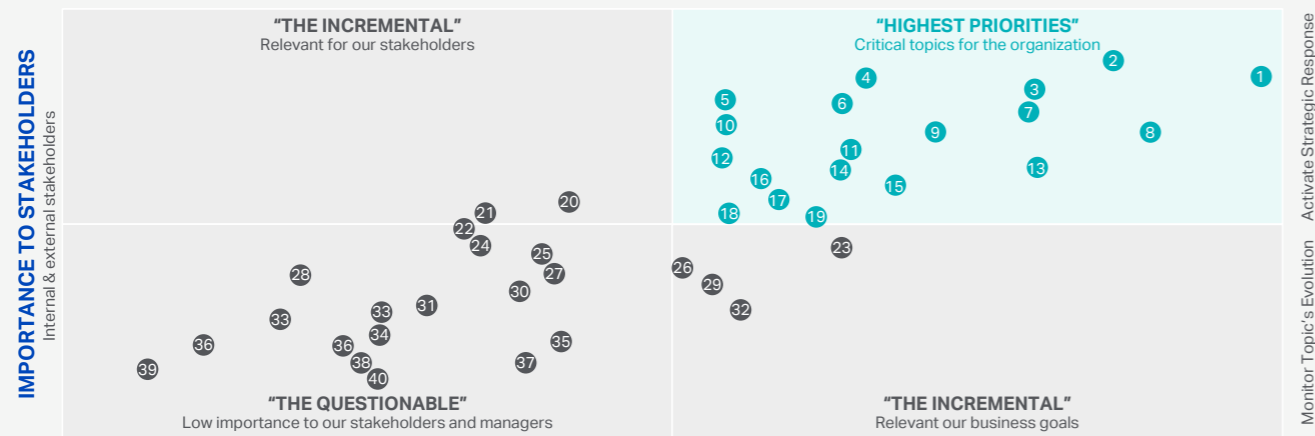
Following the collation and presentation of the findings of the materiality analysis, a full materiality matrix was developed, providing a clear roadmap of the 15 highest priority material topics that were then used to develop the ADNOC L&S sustainability plan – as illustrated in the matrix below.

Phase 5

Following the production of the materiality matrix and priorities, meetings with CEOs and other SMEs were held to complete and calibrate the materiality exercise before developing strategic themes for each materiality topic and their place within the ADNOC Sustainability Pillars. This process led directly to the creation of the ADNOC L&S Sustainability Framework.

L&S Materiality Matrix

15 Material topics were identified as our highest priorities for the sustainability plan & reporting



- | | | | |
|------------------------------------|---------------------------------------|-----------------------------------|---------------------------------|
| 1 HSE culture | 12 Climate & ocean health | 23 Digitalization | 34 Human Rights |
| 2 Customer satisfaction | 13 Employee satisfaction & well being | 24 Environmental performance data | 35 Non-discrimination |
| 3 New business opportunities | 14 Operational efficiency | 25 Responsible supply chain | 36 Employee balance & wellbeing |
| 4 Fuel transitioning | 15 Energy efficiency & emissions | 26 Environmental policy | 37 Natural resource use |
| 5 Training & education | 16 ICV | 27 Diversity & inclusion | 38 Career perspective |
| 6 H2 transportation | 17 Stakeholder engagement | 28 Procurement practices | 39 Circular economy |
| 7 Business continuity & risks | 18 Anti-corruption policies | 29 Emiratisation | 40 Local communities |
| 8 Economic performance | 19 Governance & value | 30 Waste management | 41 Training development |
| 9 Ethic & compliance | 20 New energy mix | 31 Climate change | 42 Water consumption |
| 10 Diversity & equal opportunities | 21 Supplier code of conduct | 32 Employee satisfaction | |
| 11 Collaboration with partners | 22 Regulatory framework | 33 Marine biodiversity | |

Source: Survey L1, L2 & YC Team - February/March 2022

08 Strategic Themes

STRATEGIC THEMES

Right across its operations, ADNOC L&S's overriding objective is to deliver responsible, inclusive, and sustainable growth that adds value to all its stakeholders, respects the natural world, safeguards communities, and creates sustainable value for its shareholders. These objectives underpin the ADNOC L&S materiality topics and the Company's Sustainability Framework. All of this is underlined by two core ambitions upon which the entire ADNOC L&S sustainability framework is built.



ADNOC L&S Ambition #1

Being a leader in the UAE's sustainable marine and logistics ecosystem while protecting our heritage.



ADNOC L&S Ambition #2

Committing to achieving net-zero ambitions through technology-led marine decarbonization and a reduction in shipping¹ carbon emissions intensity across our operations.

These two core ambitions inform the development of five Sustainability strategic themes, which set out a granular approach to the Company's sustainability objective, priorities and actions. Through its five strategic themes, the Company will lead the decarbonization of the shipping and integrated logistics industry in the UAE and deliver sustainable solutions to its community and global stakeholders.

The five core sustainability themes outlined below represent the principle framework for ADNOC L&S' sustainability approach and priorities. This provides the Company with a robust set of foundations from which to integrate a comprehensive set of initiatives, policies, and regulations. Furthermore, ADNOC L&S' sustainability goals support ADNOC Group's vision to become a leader in maritime decarbonization while maximizing value for the UAE.



To reduce our operational environmental footprint and promote new sources of energy.

1



To maintain a strong HSE and asset integrity culture.

2



To promote local talent, in-country value and collaboration.

3



To secure integrity and responsible supply chain management.

4



To improve economic performance and minimize risks.

5

¹ 'Shipping' refers to ADNOC L&S' fleet of cargo-carrying ocean-going vessels, not its OSV and marine vessels.

08 Strategic Themes continued

Illustrative overview of Sustainability strategy to ADNOC L&S

STRATEGIC THEMES #5

To improve economic performance and minimize risks



STRATEGIC THEMES #4

To secure integrity and responsible supply chain management



STRATEGIC THEMES #3

To promote local talent, in-country value and collaboration



L&S AMBITION #1

Being a leader in the UAE's sustainable marine and logistics ecosystem while protecting our heritage.

L&S AMBITION #2

Committing to achieving net-zero ambitions through technology-led marine decarbonization and a reduction in shipping¹ carbon emissions intensity across our operations.

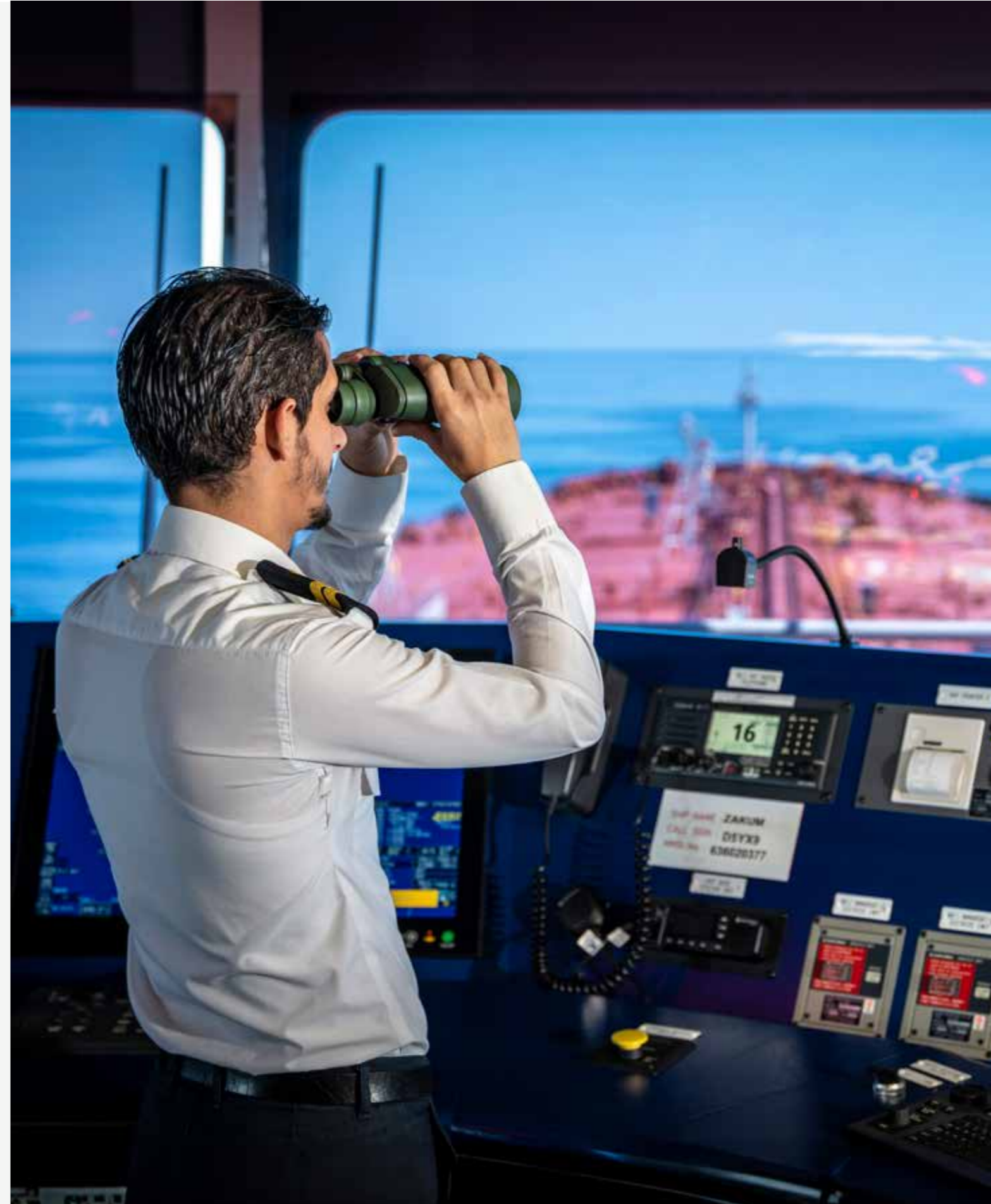
STRATEGIC THEMES #1

To reduce our operational environmental footprint and promote new sources of energy



STRATEGIC THEMES #2

To maintain a strong HSE and asset integrity culture



¹ 'Shipping' refers to ADNOC L&S' fleet of cargo-carrying ocean-going vessels, not its OSV and marine vessels.

2023 HIGHLIGHTS

This report provides a detailed assessment of ADNOC L&S' sustainability achievements in 2023, with insights on the Company's progress against its own material topics and ambitions.

A Record-Breaking Year

During a year of record-breaking financial outcomes, ADNOC L&S was listed on the ADX, giving it a market capitalization of \$4.05 billion at the time of listing. The Company was the second-largest IPO in the region in 2023 and the sixth ADNOC Group subsidiary to list on the ADX. Following the listing, the Company's share price appreciated by as much as 90% within only a few months. This outstanding performance demonstrates not only the strength of the business in the eyes of investors and analysts but also the vast potential that ADNOC L&S possesses as a leading enabler of the global flow of energy products.

The Company's financial strength leaves it well placed to deliver sustainable growth through investments in technologies, vessels and systems that support decarbonization and the growth of alternative fuels and molecules such as ammonia. Throughout 2023, the Company achieved many environmental milestones that point towards its steady progress in decarbonization as it sets out to reduce its emissions intensity.

Financial and Sustainability Highlights

Carbon intensity
30%
 decrease
 in carbon intensity of shipping operations since 2020

Committed to building environmentally-efficient vessels
\$2
 billion
 for delivery between 2023 - 2026

In-country value
86%
 in 2023

Emiratization rate
48.5%
 in 2023

Vessels using Bio-fuel
13
 since 2020

Total revenues
\$2,755
 million
 41% increase Y-o-Y

Net profit
\$620
 million
 138% increase Y-o-Y

EBITDA
\$876
 million
 93% increase Y-o-Y

Lost Time Incident Frequency Rate (LTIF)

Through the implementation of a comprehensive 100% HSE culture across all operations and assets, ADNOC L&S achieved a long-term reduction in its LTIF rate, falling by 71% between 2017 and 2023.



Total Recordable Incident Rate (TRIR)

Similarly, the Company's TRIR dropped by 72% between 2017 and 2023, which is one of the lowest rates in the region. This comes despite ADNOC L&S building greater scale into its operations as a result of the 2022 ZMI acquisition, strong organic growth and other investments.



10 Strategic Execution - Environment



TO REDUCE OUR OPERATIONAL ENVIRONMENTAL FOOTPRINT AND PROMOTE NEW SOURCES OF ENERGY

- Climate Change and Decarbonization
- 2023 Decarbonization Progress
- Environment



Objectives

- Reduce the Company's shipping¹ carbon emissions intensity by 40% by 2030 (from the 2020 baseline), in line with the IMO target
- Support clients in their energy transition, providing logistics and shipping solutions to transport low-carbon fuels
- Execute the fleet renewal program to increase energy efficiency and minimize risks
- Accelerate pathways to fuel transitioning

Material areas of focus

- Energy efficiency and emissions
- Hydrogen / Hydrogen derivatives transportation
- Fuel transitioning



2023 Achievements

- 4 LNG dual-fuel VLCCs delivered in 2023
- Cold Ironing deployment in Musaffah and Ruwais set to save 11,000 TCO₂e per year
- 315 water-saving aerator taps at 71 marine and port asset locations, reducing water consumption by 85% over previous installations
- 13 vessels using bio-fuels since 2020



ADNOC L&S' decarbonization ambitions are in line with ADNOC Group's ambition of 25% emissions intensity reduction by 2030 and ADNOC Group's Net Zero ambition by 2045, and the UAE Net Zero by 2050 Strategic Initiative. In addition, ADNOC L&S is actively investing in new technologies and infrastructures that are lowering its annual greenhouse gas (GHG) emissions.

In 2023, the Company reduced the carbon intensity of its owned shipping fleet by 30% from 2020 and is on track to meet IMO's GHG emissions reduction targets. Furthermore, the Company has used bio-fuels in its fleet and land-based operations since 2020.

Driving further improvements in efficiency and emissions reduction, we have invested and committed approximately \$2 billion in environmentally friendly vessels – including four dual-fuel Very Large Crude Carriers (VLCCs) that were delivered in 2023, five state-of-the-art new build very large gas carriers (VLGCs) and six Long Range 2 (LR2) tankers.

In 2023, ADNOC L&S Invested \$2 billion in environment-efficient, new-build vessels.

CLIMATE CHANGE AND DECARBONIZATION

ADNOC L&S's decarbonization process is an essential part of its overall sustainability journey, which includes moving towards net zero and minimizing the effects of climate change.

Decarbonization also supports the Company's ability to compete globally and leverage the opportunities inherent in the fuel transition and cleaner fuel alternatives.

A critical focus for ADNOC L&S has been the deployment of smart vessel technologies that reduce environmental impact. Such vessels use fewer polluting fuels, leaving a smaller environmental footprint.

A big step forward on this path is the Company's completion of a \$2 billion investment in more energy-efficient vessels in 2023.

Tackling Shipping Abatement

Through these investments, ADNOC L&S is demonstrating through action that it is serious about tackling the challenge of carbon emissions within shipping.

Through its significant investments and strategic commitment to decarbonization, ADNOC L&S will be able to further reduce CO₂, NO_x, and SO_x emissions, building on its previously successful path to lower its carbon emissions intensity even further.

The Company's operations are also strategically aligned with the 2050 greenhouse gas emissions (GHG) targets set out by the International Maritime Organization (IMO) – in addition to the target to reduce CO₂ emissions by 40% by 2030.

In addition to ADNOC L&S' crucial focus on shipping – which represents the majority of the Company's GHG emissions - ADNOC L&S is also active in reducing its emissions across the integrated logistics and marine services value chains.



24% improvement in energy efficiency² across the ADNOC L&S shipping fleet since 2020.

¹ Shipping¹ refers to ADNOC L&S' fleet of cargo-carrying ocean-going vessels, not its OSV and marine vessels.
² On an EEOI basis

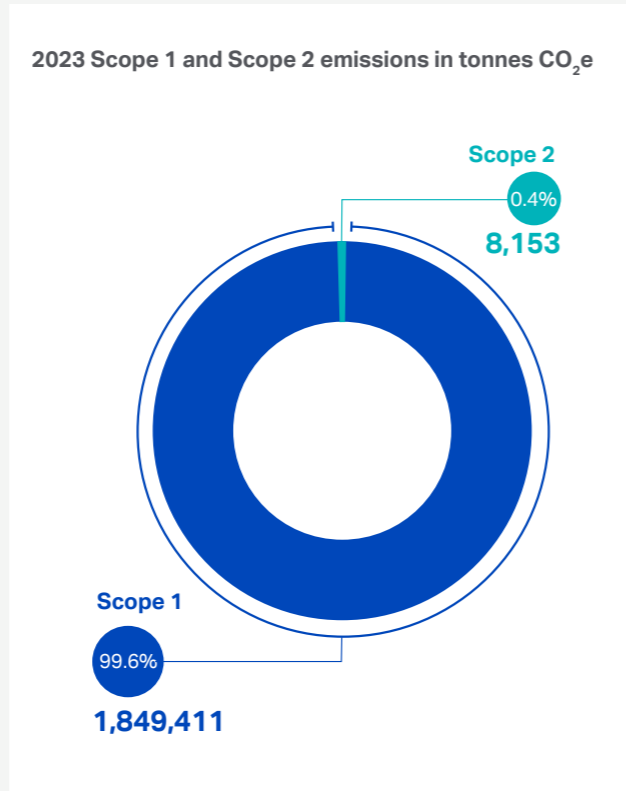
2023 DECARBONIZATION PROGRESS

Significant progress was made across the ADNOC L&S shipping fleet in 2023. A total of four new dual-fuel very large crude carriers (VLCCs) were delivered in 2023 to support ADNOC L&S' smart growth strategy, taking the total to eight by year-end, comprising four conventional and four dual-fuel.

Dual-fuel VLCCs offer multiple benefits over traditional, conventionally fuelled VLCCs - largely because of their ability to operate on both traditional marine fuels and liquified natural gas (LNG).

Key benefits include a combination of environmental, operational, economic and market advantages:

- Significant Emissions Reduction
- Lowering of Greenhouse Gas Emissions
- Operational Flexibility
- Lower Operational Costs
- Market Competitiveness
- Greater Potential for Future-Proofing



Shipping will continue to invest in dual-fuel and alternative fuel vessels to support sustainable growth over the long term and the UAE's decarbonization and Net Zero agendas.

Bio-fuels

To support the Company's alignment with these targets, ADNOC L&S has studied the potential positive impact of bio-fuels across its operations and has used bio-fuels in its fleet and land-based operations since 2020.

As a result of these investments – in addition to the Company's investments in areas such as cold ironing – ADNOC L&S has achieved a consistent year-on-year reduction in total carbon emissions, reduction in carbon intensity, showing a 24% fall between 2020 and 2023.

Bio-fuels have been used in 13 ADNOC L&S small vessels since 2020.



Cold Ironing (Shore Power)

ADNOC L&S' Shore Power Project will create a seamless 'shore-to-ship' power connection that directly connects the onshore national grid to berthed ships. The project – which also requires the modification of vessels from marine diesel or heavy fuel oil to electric – is an emission-free solution for safe and reliable power transfer. The Company's shore power project is an important representation of ADNOC L&S' commitment to reducing emissions while ships are at port.

The system, which progressed through initial planning stages in 2023, offers a complete, seamlessly integrated shore-to-ship power solution for safe and reliable power transfer from the local electric power grid to the ship while in port. Once up and running, yearly CO₂ emissions will fall by up to 11,000,000 kg, and annual NO_x emissions will come down by up to 215,500 kg.

Project Background



Electrical infrastructure in ports

engineered and integrated system solutions



Connection and control solutions

to ensure personnel safety and seamless power transfer



Electrical infrastructure

on ships-retrofits or new installations



Cold ironing provides ADNOC L&S with low emission solutions for berthed ships using the shore-side electrical grid - equivalent to 2,500 cars being removed from the road.

Khalid Al Shehhi
ADNOC L&S Chief Engineer

10 Strategic Execution - Environment continued

Meeting Growing Demand: LNG Newbuild Project

One of ADNOC L&S' most important ongoing investment programs is the purchase of six new-build LNG vessels that are due for delivery in 2025 and 2026. Each of the 175,000 cubic meter vessels – which are being constructed at the Jiangnan Shipyard in China – has a significantly greater capacity than the current fleet, each carrying enough LNG to power 45,000 homes for a year. The acquisition of these new energy-efficient vessels allows ADNOC L&S to continue to meet growing demand while improving the environmental footprint of its fleet.

The new vessels' engine technology will cut emissions (CO₂, NO_x, and SO_x), which, along with an innovative air lubrication system, further reduces fuel consumption by 5-10%.

Industry-leading specifications and technologies

Air lubrication System (ALS)

5-10%

net fuel burn and CO₂ emissions reduction

Shaft Generator Power take-off (PTO)

2-5%

expected efficiency gains

Mark III Flex Containment System (CCS)

0.10-0.085%

enhanced performance of CCS BOG

WIN GD iCer technology

~8%

improvement in fuel consumption in gas mode by

~6%

improvement in consumption in diesel fuel mode

50%

methane slip can be reduced

High efficiency propeller

3-7%

estimated range of potential benefits with a high-efficiency propeller

Significant improvement compared to past designs

36%

improved energy efficiency compared to the previous steam-driven designs

6%

improvement against standard LNGC designs

Environmental Benefits of LNG Vessels

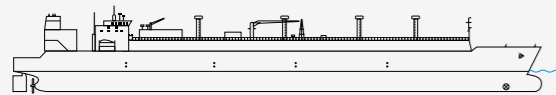
Saving

3,376 CO₂ tons/year



=

734 vehicles/year



Fuel Consumption Savings

25t/day

Due to engine technology and Air Lubrication System, there is an estimated 25t/day saving between XDF 1.0 and Jiangnan NB

\$5m/vessel

Estimated annual savings

Adaptation for Alternative Fuels

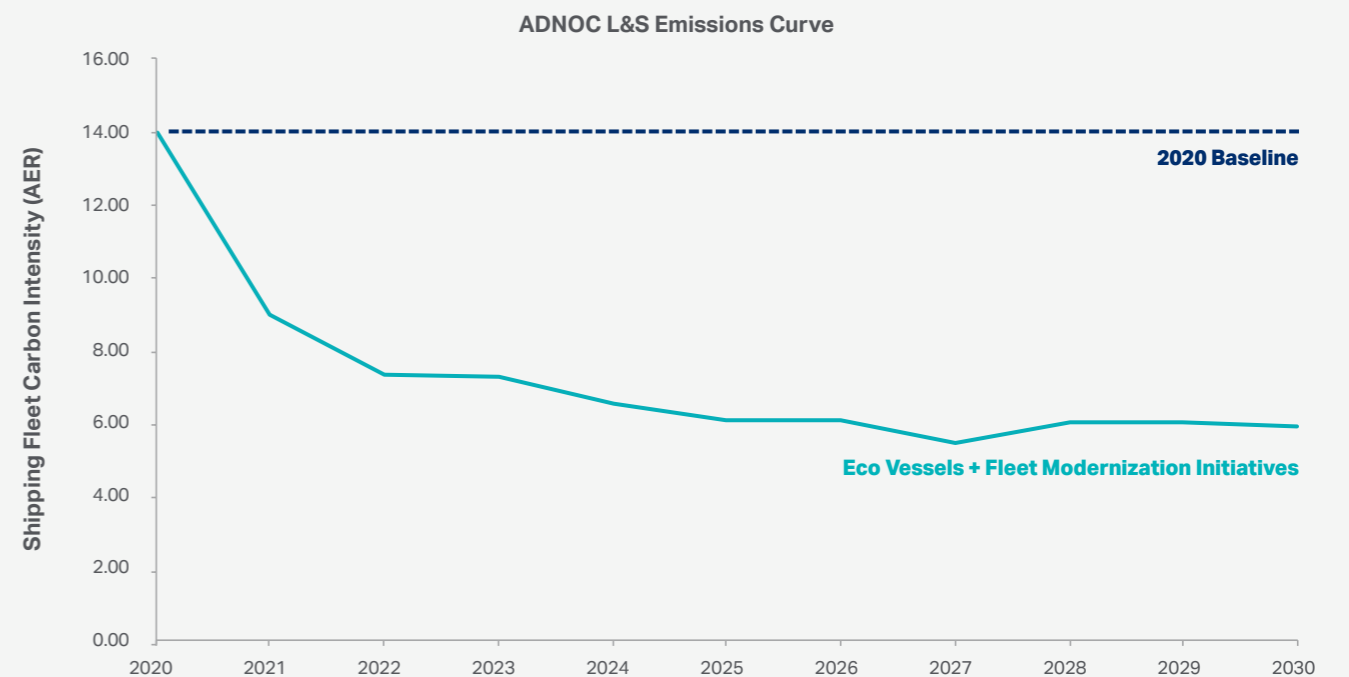
Marking its increased participation in the hydrogen-derivatives value chain, ADNOC L&S entered into four long-term charters for eco-newbuild medium-range tankers to capture the increasing trade of methanol in 2023.

The charter agreement includes the optionality of Ta'ziz methanol volumes when it starts exporting from 2026 onwards, and the vessels are planned to be 'methanol-ready', enabling them to be modified and retrofitted in the future to run on methanol as a low-carbon fuel. Global demand for methanol as a fuel is forecast to rise over the next three years and is expected to play an ever-increasing role as export trade gathers pace steadily and consistently.

Investing In Future Decarbonization

The chart below highlights the ADNOC L&S interim carbon intensity pathway to 2030. The key abatement projects included in this forecast are Eco vessels (dual-fuel HFO and LNG carriers), redeployment of LNG vessels as FSUs, air lubricating systems on six LR2s, propulsion power controllers on six existing LNG vessels, propeller and Mewis Duct energy efficiencies devices across 24 ships.

These - in addition to hybrid storage, ammonia fuel switching and cold ironing - indicate that the Company is making significant progress in surpassing the IMO emissions intensity reduction target of 40% by 2030.



Case Studies for Future Decarbonization and Investments

Case Study

LOW CARBON RESEARCH AND DEVELOPMENT

Underscoring its dedication to driving innovation and research in support of its sustainability goals, ADNOC Logistics & Services (ADNOC L&S) and Khalifa University set in motion plans to collaborate on research and development (R&D) programs to advance low-carbon technologies and solutions.

This collaboration, which was scheduled for announcement in January 2024, is expected to accelerate R&D efforts in critical technology areas such as clean energy, greenhouse gas emission reduction, low-carbon solutions for offshore vessels, ocean protection, information technologies, and carbon capture and utilization.



Case Study

TELEOPERATED LCT

Teleoperated vessels, known as remotely operated vessels (ROVs), are ships that are controlled by operators from a remote location (Shore Control Center). The concept of teleoperated vessels has improved as technological advancements have made it possible to control ships from great distances.

Teleoperated vessels can be equipped with a variety of sensors and cameras, providing operators with a better view of their surroundings, and allowing them to make more informed decisions. They can also increase efficiency. By eliminating the need for crew members to be physically present on board, vessels can be operated around the clock without the need for breaks or rest periods. This can reduce operating costs and increase productivity.



High level of **redundancy** with DP2 Compliant Design



25% Reduced Fuel Consumption for Functionalities (payload and speed)



30% Weight reduction compared to a manned LCT

Case Study

HYBRID POWER SOLUTION

ADNOC L&S is currently moving through the planning phase of a pilot project for a hybrid power solution for one of the company's offshore PSVs (platform supply vessels).

Benefits

Optimized engine operation

- Energy storage supports the operation of engines at optimal specific fuel consumption
- Reduced maintenance costs

Reduced engine transients

- Energy storage will be used to reduce transient loads in engines. Transients will increase fuel consumption and emissions
- Maintenance costs will be reduced

Redundant and efficient operations

- Power redundancy requirements require engines to run at low loads
- Energy storage is accepted as redundant power. The engine will operate more efficiently on higher loading and secure back-up in case of the trip of the engine

Perhaps even more importantly, teleoperated vessels are more environmentally friendly than traditional manned vessels. Because they are operated remotely, there is no requirement for a superstructure, which will reduce the overall weight of the vessel and improve fuel efficiency. Additionally, because teleoperated vessels can be more precisely controlled, they can operate more efficiently and with less waste.

ENVIRONMENT

As a key marine services provider, ADNOC L&S adopts a critical role as a steward of the nation's coastlines and marine environment. It operates in full alignment with all requisite HSE accreditations and certifications and, through technologies and crisis readiness, is able to respond rapidly to emerging environmental threats. ADNOC L&S has acquired critical HSE accreditations, including:



ISO 14001

Developed by the International Organization for Standardization (ISO), this accreditation provides ADNOC L&S with a framework for the integration of environmental considerations into its business management, helping it to achieve cost savings, safeguard the environment and natural resources, and protect the Company's reputation.



ISO 50001

ISO provides ADNOC L&S with a set of standards for designing, implementing, and maintaining an energy management system to help improve energy use, reduce costs, and minimize greenhouse gas emissions over time.

Oil Spill Removal Organization (OSRO) Accreditation

In 2023, ADNOC L&S attained a landmark accreditation from the Oil Spill Removal Organization (OSRO). The Company is the first organization outside of the UK and USA to receive this prestigious accreditation, which stands as a powerful testament to ADNOC L&S' commitment to excellence and environmental responsibility. The accreditation not only highlights the Company's dedication to upholding the highest standards but also underscores its collective ability to respond effectively and responsibly to oil spill incidents. It also signifies ADNOC L&S' readiness to meet industry standards and its dedication to environmental protection. Furthermore, the recognition positions the Company

as a leader in its field, showcasing its commitment to safeguarding the environment.

The Company's purpose-built oil spill response (OSR) capabilities place it as one of the largest oil spill responders in the UAE, with the ability to act rapidly to environmental incidents with a multitude of standby facilities. They include detection, monitoring, and forecast technologies, extensive booms, and a dedicated wide base of specialized manpower.

By improving the speed and effectiveness of its spill response vessels, ADNOC L&S has significantly minimized the environmental impact of oil spills. Rapid response times and advanced technologies translate to quicker containment and mitigation, protecting local ecosystems and wildlife. Furthermore, the positive recognition and accolades received by the Company for its spill response capabilities can inspire others to adopt similar sustainable practices, creating a ripple effect that benefits the local environment on a broader scale.

In addition to its practical response capabilities, ADNOC L&S employees are trained to participate as active stakeholders in the Company's environmental responsibilities. Through ADNOC Group centers of excellence and specialized awareness training programs, the Company ensures that its entire workforce understands its collective responsibility to protect the natural world.



Safeguarding the UAE's Maritime Heritage

At ADNOC L&S, environmental protection is deeply connected to the UAE's rich cultural heritage as a seafaring nation whose communities and livelihoods are connected to the ocean.

For centuries, the people of the UAE have assumed a natural destiny as an outward-looking nation with a maritime heritage that is inherently linked to economic activities such as pearling, fishing, boatbuilding, and trading. These have been vital to the economy and national character for hundreds of years. In the modern age, the seas and coastlines of the UAE remain integral to the nation's maritime industries and the country's role as a global leader in shipping and marine logistics and services.

Now, by leveraging modern technologies and through the adoption and integration of best-in-class operating models, standards and accreditations, ADNOC L&S is proud to act as the custodian of the UAE's maritime heritage.

Water and Waste Management

Water is a precious commodity in the Middle East region, where fresh water is scarce and utility bills are rising. For ADNOC L&S, being able to conserve water by limiting its consumption is increasingly important. Conservation of water not only helps the Company to reduce its utility bills, but is central to its role as an environmental steward to preserve the gift of water for future generations.

In line with its commitment to the responsible use of natural resources, ADNOC L&S' has developed a series of policies and programs to minimize waste and reduce water consumption. Solutions include the introduction of 315 water-saving aerator taps at 71 marine and port asset locations. The new nozzles optimize water use by up to 7.7 liters per minute.

Environmentally Responsible Supply Chains

ADNOC L&S' environmental stewardship reaches across its entire operations and supply chains. The Company's suppliers and partners must share the same commitment and deliver it effectively with respect to their own operations. Suppliers and Partners should also protect their personnel from over-exposure to chemical, biological

The sea is, in many ways, the economic lifeblood of the UAE national economy and a symbol of the nation's rich maritime heritage. To protect our environment is to protect our heritage and livelihoods.

and physical hazards in the workplace and any company-provided living quarters. Furthermore, emergency planning should be undertaken, and environmental response procedures implemented.

ADNOC L&S also expects its suppliers and partners to operate in an environmentally responsible manner and comply with all applicable environmental laws and regulations. All required environmental permits and licenses must be obtained, and their operational and reporting requirements must be followed. Furthermore, all suppliers, contractors and partners are mandated to minimize any waste of energy, water, or other resources.

As part of its work with contractors and partners, ADNOC L&S hosted 150 contractors at the 4th annual ADNOC L&S Marine Partners Leadership HSE Forum in Mussafah Base. The forum exemplifies ADNOC L&S' commitment to boosting the levels of environmental safety across different fields.

The 2023 forum saw participation from experts from ADNOC L&S and its partners - including Middle East Regional Commercial & Business Development, American Bureau of Shipping, Bureau Veritas, International Marine Contractors Association and Det Norske Veritas.

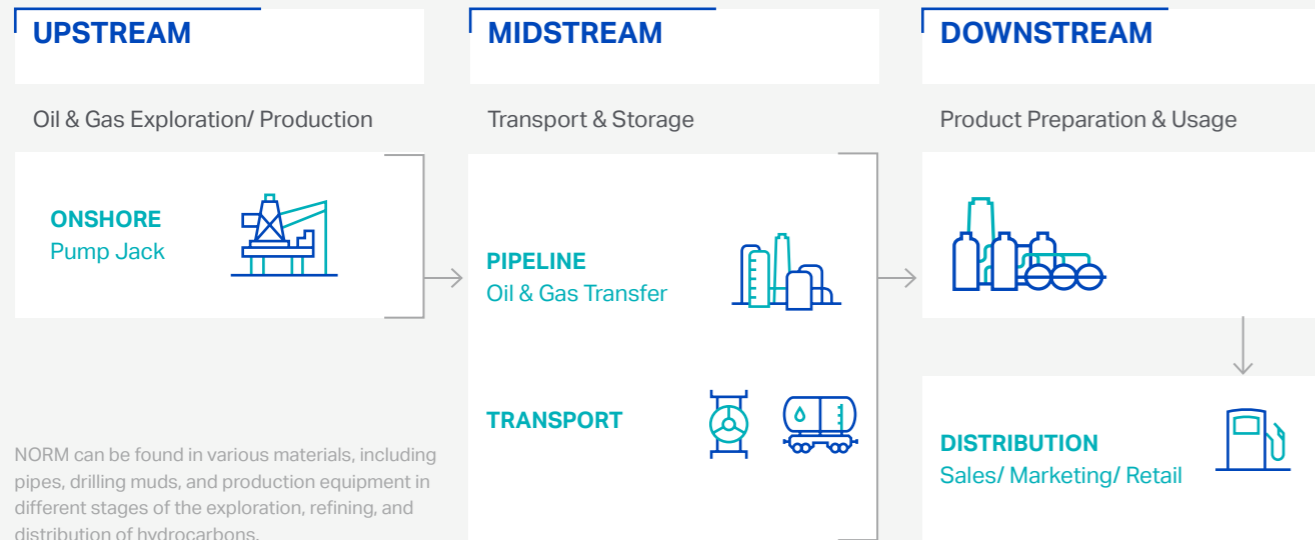
Multiple critical HSE issues were covered, including IMO regulatory updates, decarbonization and sustainability, competence and training and their impact on safety and AI application within the marine industry. The forum also included a recognition ceremony for ADNOC L&S' marine partners, who contributed to fostering a 100% HSE culture across all operations.

10 Strategic Execution - Environment continued

Radioactive Waste Management

The safe transportation of Naturally Occurring Radioactive Material (NORM) represents a critical responsibility for ADNOC Group companies. NORM can contain carcinogenic materials such as uranium, meaning that prolonged exposure to it could increase the risk of cancer.

Additionally, uncontrolled discharges of NORM can severely disturb surrounding ecosystems, worsening ADNOC's operational environmental footprint. Tackling this complex issue requires strategic foresight and resilience due to the considerable health and safety risks. Addressing the safe management and disposal of NORM is not just a technical challenge; it's a commitment to protecting both human health and the environment.



NORM can be found in various materials, including pipes, drilling muds, and production equipment in different stages of the exploration, refining, and distribution of hydrocarbons.

The Challenge of NORM



For nearly two decades, NORM has been embedded in materials such as drilling and processing equipment and has been accumulating on ADNOC sites. This accumulation, due to a lack of a clear removal strategy, has posed significant safety and environmental hazards across the ADNOC Group.

The diligent removal of longstanding NORM waste is pivotal in protecting the environment, particularly in preventing accidental contamination of the surrounding ecosystems. Over time, exposed to harsh conditions,

NORM waste containers have become extremely eroded, increasing the risk of containment breach and potential environmental harm.

Transitioning from these traditional methods of long-term site storage, which lacked any clear removal and processing plan, to a cutting-edge project that aligns with the highest levels of regulatory and engineering compliance, ADNOC Logistics & Services has resolved a complex issue that persisted for almost twenty years.

The Solution

To address the formidable challenge of nearly two decades' accumulation of radioactive waste, ADNOC L&S took an innovative and original approach, beginning with the task of securing approval and licensing from the Federal Authority for Nuclear Regulation (FANR). This milestone represented a groundbreaking advancement within the ADNOC group, establishing a new regional benchmark for logistics companies.

Following the attainment of regulatory approval, ADNOC L&S then began to vet potential strategic technical partners – a process that incorporated key aspects such as the development of comprehensive project HSE Plans, detailed Interface/bridging documentation, emergency response plans, verification of HSE certification and the formulation of

formal risk assessments. Additionally, the qualifications of all key personnel, including partner leadership teams, HSE officers and Radiation Protection Officers, were meticulously reviewed, with interviews and approvals ensuring that only the most capable and qualified were involved in the project.

The project also required careful planning of Transport Management, as well as the establishment of clear hierarchical and organizational structures, complemented by a comprehensive Welfare Management Plan. This approach was designed to ensure operational excellence, adherence to safety standards, and support for all team members involved in the project. Following this work, ADNOC L&S then embarked upon three key processes to transform the handling, transportation and safe disposal of NORM.

By prioritizing safe and responsible waste management, ADNOC L&S is fulfilling its responsibility for environmental stewardship across the marine environment - protecting the natural world and safeguarding our rich maritime heritage for future generations.

Mohamed Al Maflahi
VP HSE

10 Strategic Execution - Environment continued

The challenge of NORM, The Solution continued



Site Sampling

The sampling of NORM waste was conducted with the utmost precision and care. Each sample, upon receiving approval, was meticulously labelled, with critical information such as weight, collection date, location, and surface dose rate being diligently recorded.

At the laboratory, gamma measurements of the received samples were carried out in accordance with international standards to ensure robust visibility and control along the supply chain and compliance with the Federal Authority for Nuclear Regulations



Onshore

Onshore waste container drums, which were disintegrating to the touch, posed a significant hazard when handled. To mitigate this risk, the contents of each drum were manually emptied, analysed and redistributed before transportation.

The NORM waste was successfully and safely loaded for transport to BeAAT, where it underwent secure processing and disposal. This operation resulted in a thoroughly cleared storage area, now entirely free of NORM, ready to be handed back to the site.



Offshore

The offshore NORM storage areas housed a substantial quantity of radioactive scale and waste, which was in an extremely deteriorated and damaged condition. Handling this material posed a significant risk of uncontrolled dispersion into the offshore ecosystem.

To safely transport waste from offshore sites to the mainland, ADNOC L&S carefully segregated and repackaged NORM into 18 specialized hermetically sealed containers before lifting them onto vessels for shipment. These containers are the first in the UAE.

The Results

ADNOC L&S' NORM project has achieved remarkable success, captured the attention of the industry, and paved the way for new, fruitful collaborations. This achievement has particularly resonated with non-ADNOC offshore companies, who are now seeking the specialized expertise of ADNOC L&S to address their NORM waste challenges. Responding to the requirements of ADNOC L&S is poised to offer a range of customized services, creating promising opportunities for new revenue streams.

Furthermore, ADNOC L&S will provide a variety of Federal Authority of Nuclear Regulation (FANR) approved transportation containers designed to handle different types of NORM waste. These containers will be carefully loaded onto ADNOC vessels, shipped, and transited onshore.

The journey concludes with the road transport of the waste to BeAAT for disposal. This holistic and strategic solution underlines ADNOC L&S' dedication to offering comprehensive, end-to-end NORM waste management services.

These new ventures not only demonstrate the capability and expertise of ADNOC Logistics & Services in managing intricate NORM-related challenges - but also represent a strategic expansion in its business operations.

By offering these specialized services, the Company is set to further its growth and solidify its standing as a pioneer in innovative and sustainable NORM waste management solutions.



11 Strategic Execution - Health & Safety



TO MAINTAIN A STRONG HSE AND ASSET INTEGRITY CULTURE



- Overview
- Health
- Safety

OVERVIEW

As a critical marine services provider, ADNOC L&S has a special responsibility as a steward of the natural environment. Through alignment with HSE accreditations and certifications and its purpose-built oil spill response (OSR) capabilities, the Company has the largest oil response capability in the UAE.

ADNOC L&S operates with the ability to act rapidly to environmental incidents with a multitude of standby facilities – including detection, monitoring, and forecast technologies, extensive booms and other equipment, and a dedicated wide base of specialized manpower.

In addition to regulatory alignment and technological response capabilities, ADNOC L&S works to ensure that its employees participate as stakeholders in the Company's environmental responsibilities. The Company is passionate about developing its people through ADNOC Group centers of excellence and training programs, while the ADNOC L&S health and safety management system focuses on operational excellence and safety.

At ADNOC L&S, the well-being, safety, and security of our workforce stand as a primary concern and are crucial for our continued shared prosperity: our workforce is a fundamental pillar of operational and financial sustainability.

Our unwavering dedication is, therefore, focused on upholding the highest Health, Safety, and Environment (HSE) standards while placing the utmost importance on the safety of our team, the communities we operate in, the environment, and our assets.

Through ongoing vigilance, evaluation, and enhancement of our practices, alongside consistent training and technological advancements, our goal is to carry out our operations in the safest and most sustainable manner possible.

ADNOC L&S has also implemented a world-class artificial intelligence solution, Smart Vessel, to autonomously detect HSE hazards and incidents onboard its fleet, drastically enhancing the detection and resolution of unsafe conditions.

Objectives

- Achieve TRIR and all the HSE KPIs in accordance with high HSE standards
- Promote HSE awareness program

Material areas of focus

- HSE culture, rules and awareness
- Climate and ocean health



2023 Achievements

- New HSE Podcasts platform
- AI based Breast Cancer Screening for employee well-being
- Beat the Heat Cooling Wearables
- Four new build oil spill response vessels
- Gold Level Global Rating with 86% for Excellence in Ideas Management and Innovation

HSE Governance

ADNOC L&S's emphasis on ensuring the health and safety of its people is reflected in its comprehensive governance and management strategies. At the forefront of this work is a dedicated management that oversees health and safety risk management across the business. Furthermore, the management has a proactive approach to identifying risk and mitigating it, playing a critical role in maintaining high safety standards. Central to ADNOC L&S' health and safety governance is strict adherence to ADNOC Group's unified HSE Policy, which aligns with the latest global standards and is regularly reviewed and updated to ensure it remains effective and relevant. The Company's goal is to achieve an incident-free organization, a target that drives continuous efforts in safety. ADNOC L&S is committed to identifying potential

hazards, implementing preventive measures, and fostering a culture of safety. This commitment involves engaging personnel at all levels and increasing their awareness of risks and hazards through regular training, workshops, and safety drills. Furthermore, the Company places a strong emphasis on individual ownership and responsibility.

We encourage all employees to adhere strictly to health and safety guidelines, fostering a sense of collective responsibility. This approach is vital in maintaining a safe and secure working environment and is a key component of the Company's overarching strategy to ensure the health and safety of everyone involved in its operations.



The introduction of a special health and safety podcast series - and the provision of AI-based breast cancer screening - represents our commitment to the physical and mental wellbeing of employees.

Nancy Macwan
Specialist, HSE

HEALTH

In line with its HSE policies, adherence to HSE accreditations, and alignment with ADNOC Group HSE guidelines, ADNOC L&S pursued an ongoing program of health, safety, and security initiatives in 2023.

These included the development of a series of special podcasts focusing on a range of themes pertaining to wellbeing, safety and health. The Company also carried out pilot health initiatives to safeguard the physical wellbeing of its employees and raise awareness of critical health issues.

HSE Podcasts

The 60-Second Podcast has a new theme every time, focusing on promoting HSE Culture Transformation in the company. Topics included People and Wellbeing, Health and Safety, and Sustainability. The HSE Podcasts commenced in May 2023 and are now shared across Digital Platforms.

Beat the Heat Cooling Wearables

A pilot Cooling Wearables program for workers in Ruwais, Mussafah Base, and KEZAD was carried out in 2023 to help employees avoid the effects of heat stress, stay outdoors longer, and stay safe while at work. The wearables are part of the "Beat the Heat Campaign."

AI-based Breast Cancer Screening for Employee Wellbeing

This is a novel, radiation-free patented technology from an external partner utilizing thermal screening and AI for breast cancer detection. Based on the Pilot Campaign completed in 2022, the results were outstanding. Using this Innovative technology for the first time in the Middle East region. Integration with HSE plan 2024-2025 for L&S and Group.

SAFETY

Throughout 2023, ADNOC L&S made progress in enhancing its HSE outcomes through the implementation of new technologies, policies, and awareness-raising initiatives. By instilling a comprehensive 100% HSE culture across all operations and assets, the Company has achieved a reduction in Lost Time Incident Frequency (LTIF) and Total Recordable Incident Rates (TRIR) of 71% and 72%, respectively, between 2017 and 2023. The Company maintains one of the lowest incident rates in the region.

It is notable that the Company has successfully reduced its LTIF and TRIR rates significantly despite the significant impact that the ZMI acquisition had on the number of man hours, which increased from 39 to 49 million man hours after the acquisition.



Case Study

SAFETY THROUGH ARTIFICIAL INTELLIGENCE

In 2023, the care of people took center stage through investments in personal well-being, health and safety technologies, and new communications strategies. Supported at the Board level by senior management and leaders across the business, new policies and infrastructures have been integrated into ADNOC L&S' operations to safeguard the physical and mental wellbeing of the entire workforce.

In 2023, the introduction of cameras on 88 vessels across the Gulf – all of which are connected to central HQ – is now used to monitor health and safety compliance. Their installation makes it possible for ADNOC L&S to measure HSE outcomes, protect the physical safety of employees and raise awareness of the importance of adherence to HSE policies.

To maximize the impact of onboard cameras, artificial intelligence (AI) smart video analytics were integrated in 2023, making it possible for non-compliance or accidents to be detected on camera automatically and in real time. The technology, which was developed in collaboration with a third-party business, bolsters safety protocols, removes room for human error and maximizes the efficacy of HSE policies.

Additionally, all ADNOC Employees and their families have access to the 'Employee Assistance Program (EAP),' a 24/7 well-being, health, and safety hotline that provides them with support for mental health, social issues, personal development concerns, financial hardship, or professional challenges. A globally recognized third-party partner manages the hotline, and employees are guaranteed confidentiality.

Asset Integrity

As part of its approach to employee safety and wellbeing, the company is spearheading an AI-based digital transformation strategy to unlock value and enhance efficiencies and performance; examples of such technologies include:



Smart Ship

AI-based maritime predictive maintenance solution for planning optimization, operational efficiency, improving overall fleet performance and asset reliability.



Smart Vessel

AI-based maritime solution for health and safety, and over 80 vessels have been converted.



Real-time Data Analytics

For risk management and asset optimization, maintenance and cost optimization and increased equipment uptime.

11 Strategic Execution - Health & Safety continued

SMARTShip Project

As part of its work in maintaining maximum asset integrity, ADNOC L&S has developed a predictive maintenance solution program called the SMARTShip Project. The solution provides real-time insights, detects failures early and prescribes maintenance actions using continuous monitoring technologies, machine learning, and predictive analytics.

SMARTShip Benefits



Key Features

- Dynamic alert mechanism
- Advanced anomaly detection
- Calculates risk of failure
- Provides remaining useful life (RUL) estimation
- User friendly interface for asset information



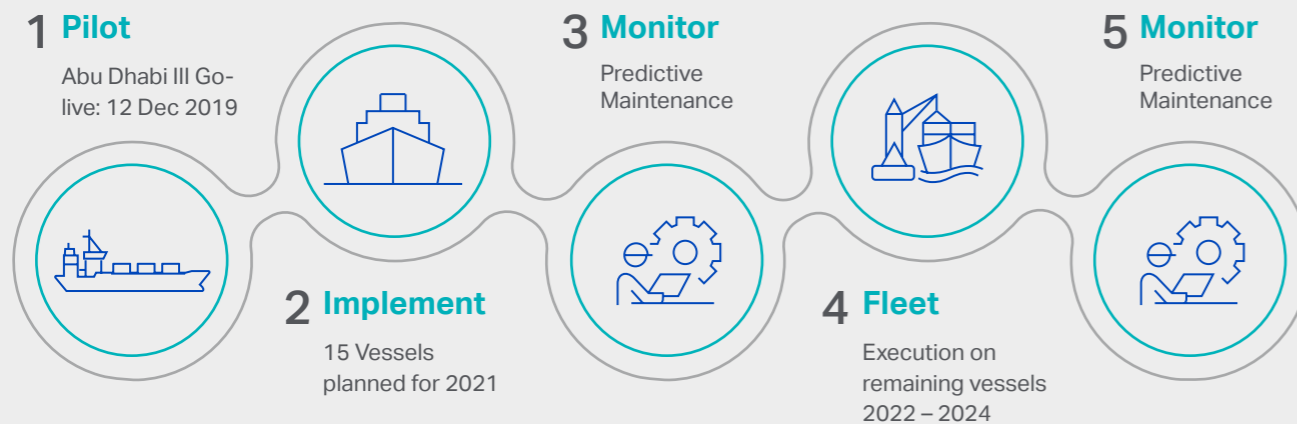
Benefits

- Increase asset reliability and availability
- Optimize maintenance costs
- Mitigate operational risks
- Reduce total cost of ownership (TCO)
- Provide continuous visibility of asset condition

SMARTShip Project Timeline

Having commenced the SMARTShip pilot project in 2019, the program has moved through a series of phases, including implementation, monitoring, and fleet execution, which commenced in 2023.

SMARTShip Project Timeline



HSE Recognition

In 2023, the Company's HSE work was widely recognized by external bodies through the receipt of industry awards and certifications. ADNOC L&S also won the Health and Safety Award from ideasUK for its AI-enabled Breast Cancer Health Analytix and was named runner-up for the People and Wellbeing Award for the Company's HSE Podcast.

- ideasUK Idea of the Year, Health & Safety Award, for "HSE Podcast"
- ideasUK Idea of the Year People & Wellbeing Award for "AI-enabled Breast Cancer Health Analytix"
- Offshore Jackup Middle East (OJME), Excellence in Health Safety Environment Award
- Global International Marine Contractors Association (IMCA) Safety Award "Smart Vessels"
- New Records of Excellence (4) Awards from The Maritime Standards

As part of its deep commitment to maintaining a 100% HSE culture, ADNOC L&S continues to engage with its contractors and partners to enhance and uphold 100% HSE standards throughout its operations and across value chains.



Innovation Program Accreditation

The Innovation Program Accreditation is an assessment of the ADNOC L&S Innovation Program and Processes in alignment with ISO 56001. On 10th November 2023, ADNOC L&S achieved Gold Level Global rating agency ideasUK with an 86% Score, a recognition for excellence in Ideas Management and Innovation.



HSE indicators for work-related injuries and illnesses	2020	2021	2022	2023
1 Total recordable incident rate (TRIR)	0.54	0.38	0.18	0.18
2 Fatality rate	0	0	0	0
3 Near miss frequency rate (NMFR)	10.5	17.1	3.21	2.65
4 Total vehicle incident rate (TVIR)	0	0	0	0
5 Health, safety, and emergency response training (Hours)		13,777	7,473	11,152
■ For full-time employees (Average Hours)		11917	6901	10566
■ For contract employees (Average Hours)		1860	572	586

12 Strategic Execution - People



TO PROMOTE LOCAL TALENT, IN-COUNTRY VALUE AND COLLABORATION



- In-Country Value Creation
- Localization of Supply Chains
- Promoting Local Talent: OurPeople-First Culture
- Employee Engagement and Wellbeing

Objectives

- Achieve employment engagement rate of 83%
- Achieve ICV contribution by 70%

Material areas of focus

- Employee satisfaction & well-being
- Training and education
- Diversity & equal opportunities
- Promote ICV



2023 Achievements

- Achieved 86% ICV in 2023, improvement over 2022 at 71%
- Continued success in the sponsoring of the female cadet program, with 15 female cadets having successfully graduated in 2023
- In 2023, we initiated a culture program to further develop our high performance and accountable culture.
- Leadership Site Visit Programs have fostered enhanced engagement and a commitment to continuous improvement in our operations

ADNOC L&S is committed to the 'Make it in the Emirates' initiative, which is a national campaign to support the UAE's industrial strategy aimed at boosting the country's industrial sector and encouraging local and international investors to benefit from the country's advanced industrial facilities.



Employees

+2,083*



Seafarers

5,000+

(18 female seafarers)



Emiratization rate

48.5%*



In-country value

86%

* Related to Direct Hire FTE only

IN-COUNTRY VALUE CREATION

ADNOC L&S continues to explore opportunities to deliver in-country value creation (ICV) by supporting the 'Make it in the Emirates' program and localizing critical supplies to the company's operations.

As the company accelerates the delivery of its growth plans, ADNOC L&S pursues sustainable sourcing locally and continues to create long-term benefits for the UAE and ADNOC Group.

The contribution that ADNOC L&S has made to Abu Dhabi in 2023 has proven to be widespread and impactful, supporting national value chains and aiding the development of ADNOC Group's production capacity goals.

In recognition of its role, ADNOC L&S received four awards at The Maritime Standard magazine's 2023 TMS Awards ceremony in November. The Company was awarded in the categories of Maritime Energy, Oil and Gas, Transportation and Logistics, Tanker Operator of the Year, and Ship Owner/Operator of the Year.



Creating ICV through the Integrated Logistics Services Platform (ILSP)

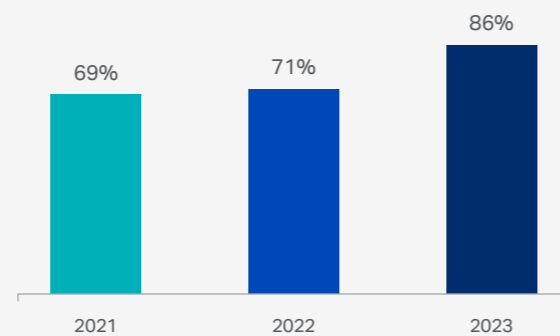
ADNOC L&S created the ILSP model as part of its ongoing commitment to supporting the continued growth of the region's energy sector. ILSP is one of the largest turnkey offshore logistics offerings in the world that enables coordinated end-to-end management of logistics and maritime operations at its base in Mussafah, Abu Dhabi.

As part of the launch of the ILSP project, ADNOC L&S signed a \$2.6 billion contract with ADNOC Offshore to provide integrated logistics services.

The agreement runs for five years, with the option of a five-year extension, and includes the provision of port services, warehouse operations, heavy lifting, material handling and shipping, rig and barge moves, marine terminal operations and waste management services.

Over 80% of the contract value will flow back into the UAE's economy through ADNOC's successful In-Country Value (ICV) program.

In-country Value 2021-2023

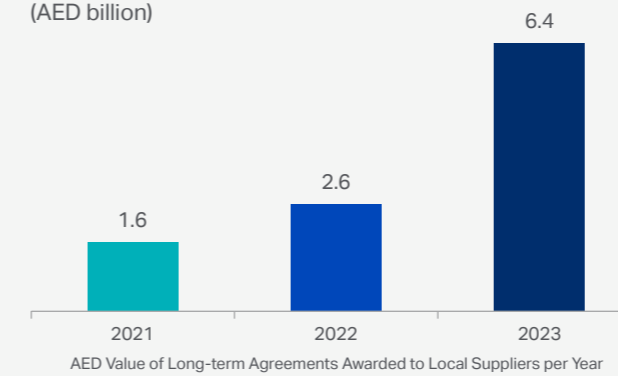


LOCALIZATION OF SUPPLY CHAINS

Our ICV commitment is a success story of which we are immensely proud. We have exceeded our in-country target of spending 60% of our procurement spend locally, and throughout the program, the local component of our overall 2023 expenditure across our supply chain stood at 86% (compared to 72% in 2022 and 69% in 2021).

During the year, ADNOC L&S entered into over 140 agreements with an estimated value of \$ 1.8 billion to build long-term collaborative relationships with strategic local suppliers.

Localization of Agreements (AED billion)



Committed to economic diversification, development, and stabilization of our local suppliers, and following the supply chain challenges faced during the COVID-19 outbreak, ADNOC L&S is pursuing an agenda that catalyzes In-Country Value through building the capabilities of local suppliers and attracting investment to Abu Dhabi and ultimately reducing reliance on imported goods and services. The aim is not to fully replace globalization with localization, but rather combine both strategies to form a balance that considers not only economic effects but also sustainability aspects. With a procurement-led initiative, we have launched a pilot Supplier Development Program that aims to introduce our international OEMs to local suppliers, providing them with guidance and advice to finding local partners/agents/distributors, providing both parties with potential new business opportunities, building a competitive and resilient economy.

This can offer substantial mutually beneficial opportunities to our foreign and domestic suppliers that will promote production efficiency, sustainable economic growth, and technological and market diversification to both parties. The objective is to attract investors to the local economy, prioritizing, promoting, establishing, and expanding the local facilities, widening the base of the local market, and reducing dependence on imports.



The localization of supply chains provides ADNOC L&S with the ability to transform national value chains, stimulate domestic innovation and reduce reliance on imports. This is integral to the development of a resilient, sustainable and vibrant national economy.

Noura Attia
Procurement Officer



PROMOTING LOCAL TALENT: OUR PEOPLE-FIRST CULTURE

The ADNOC L&S People-First strategy reflects its commitment to developing a diverse, inclusive, and highly skilled national workforce across the national maritime ecosystem. From seafarers to engineers and corporate professionals, training and development is integral to talent development and retention.

Through highly targeted succession planning strategies, diversity frameworks, and robust career development programs, the Company is succeeding in building capabilities not just for ADNOC L&S – but for the nation itself.

Seafarers of the Future

ADNOC L&S has played a pivotal role in nurturing the UAE's maritime trailblazers and future seafarers. Annually, cadets dedicate 12-18 months to gaining sea experience aboard our shipping fleet, honing essential skills and knowledge to pave the way for their careers in the field. A multitude of our former cadets have ascended to prestigious roles within the UAE's maritime sector after their tenure with the company.

Furthermore, we extend learning and training opportunities to school and university students at our facilities, enriching their comprehension of our industry and motivating them to embark on careers in maritime and logistics.

Training and Education

ADNOC L&S assumes an important role as a catalyst for the UAE's economic and industrial growth, supporting the development of a highly skilled workforce and ADNOC Group's goal to drive \$48.5¹ billion back into the UAE economy over the next five years, building on its \$11.2 billion generated through its in-country value (ICV) program in 2023.

In 2023, the Company's People-First strategy focused sharply on retention through the continual review of compensation and through ongoing training and development to nurture specific areas of expertise. The business continues to focus on increasing the number of female employees, particularly female seafarers so that the entire business – including in logistics and services – can benefit from a diversity of outlooks, attitudes, and experiences.



Employee engagement, training and internal communications support ADNOC L&S' commitment to nurturing local talent and the seafarers of the future. The UAE has a rich and vibrant seafaring heritage - a legacy we work hard to protect and preserve.

Maryam Alameeri
VP Corporate
Communications



Emiratization remained a core focus for the business in 2023, with the Company providing paid scholarships and training contracts to help Emirati talents discover their passions and skills and help steer them toward a fulfilling career. Such opportunities represent a fast-track approach for Emirati nationals and graduates into the business and the sector – helping ADNOC L&S to contribute to the evolution of a highly skilled workforce in the national maritime ecosystem.

Whether it involves guiding a vessel into port or deftly managing millions of tons of cargo each year, our comprehensive training and development programs equip our employees with the essential skills and experience to navigate any scenario that may arise, ensuring safety and confidence at every step. This readiness empowers us to seamlessly tackle whatever lies ahead.

EMPLOYEE ENGAGEMENT AND WELLBEING

ADNOC L&S is committed to attracting, developing, and retaining outstanding talent right across the Company. As a critical asset, the Company's employees are fundamental to its ability to deliver financial, operational, and customer excellence. Furthermore, the Company's work in nurturing its talent contributes to the development of a highly skilled national workforce and in-country value.

reporting lines, the Employee Engagement Action Plan acts as a clear roadmap for the sustainable management of a diverse and motivated workforce.

Employee Engagement Score

The results of the 2023 ADNOC L&S Employee Engagement Survey show an Employee Engagement score has improved from 55% in 2019 to 82% in 2023.

Employee Engagement Action Plan

The establishment and implementation of a new Engagement Action Plan in 2023 provided ADNOC L&S with a series of priority focus areas. These incorporate specific strategic targets relating to career development, learning and development, diversity and inclusion, job security, rewards and recognition, supervision, and performance management. Through the establishment of policies and the setting of goals, communications channels and managerial

82%
Employee Engagement
Survey Score



¹ UAE President Chairs ADNOC Board of Directors Meeting - ADNOC - Jan 2024

Human Capital Strategic Business Partner (HCSBP)

The HCSBP program was introduced in 2021. The assigned team, "HC Strategic Business Partners," endeavors to bridge a strong business relationship with individual business lines by understanding their operational needs and translating them into people solutions, HC Policies and procedures catered to meet the requirements.

ADNOC L&S Culture Transformation

Integral to ADNOC L&S' ability to deliver for its customers is the maintenance of a strong culture of employee engagement, strong leadership, a 100% HSE culture and a workforce that is aware of its responsibilities. The following five strategic themes provide the Company and its operations with a series of objectives and tactics for the realization of a corporate culture that is agile, engaging, responsible and empowering for the individual.

Employee Engagement & Communication

- Smart campaigns that enhance awareness of high-risk activities with the robust learning from incidents and proactive interventions toolbox that allows the organization to continuously improve itself and learn from past experiences
- Strong engagement and partnership with our clients and business partners to foster a strong HSE culture with leadership commitment that supports the company and growth plan

Behavioral Safety

- Implemented a system that has a robust monitoring and intervention process
- A very robust program that promotes interaction within the workforce to identify best practices, intercept unsafe practices, and promote a culture of care
- Using technologies (Virtual Reality) to enhance safety practices and awareness

Visible Leadership

- Supercharged the engagement & leadership across all levels
- Increased in total commitment from Sr. level down to Supervisory level
- Introduced a robust and effective rewards & recognition program

HSE Functional Support

- Robust HSE culture among the business partners and stakeholders
- Promote and support compliance with HSE standards and regulations


Effective Management System

- Automated electronic system to ensure the safety of all operations and a much more efficient and easier-to-manage system across all operations
- An electronic system for defensive driving, the system has robust monitoring and proactive intervention

Culture Renovation: A Strategy for Skills and Learning

As part of its employee skills development and succession planning strategy, ADNOC L&S created a new culture renovation program in 2023. Designed to enhance the Company's high performance and culture of accountability, the culture renovation program is rooted in ADNOC Group's values and behaviors as it shifts to its leading role as a global, advanced, progressive energy company. The ADNOC L&S Culture Renovation program sets out four core objectives:

- Capable Leaders
- Engaged & Empowered Employees
- Continuous Learning
- Mobile & Agile Environment



To build upon the Cultural Renovation objectives, the Company has formulated a holistic approach that informs the operating model, employee behaviors and mindsets, business processes and policies. This approach – as illustrated – sets out to achieve a clear set of culture renovation deliverables.

Vivek Seth
SVP Marine Services

Diversity, Equity and Inclusion

The development of a culturally rich and inclusive workforce is integral to ADNOC L&S' sustainability agenda. Through its 'People-First' agenda, the Company sets out to provide equal opportunities for all men, women and people of determination¹. Fundamental to this approach is an understanding that diversity brings a multitude of attitudes, perspectives, and skills – and is critical to business success.

To support its Diversity, Equity, and Inclusion approach, ADNOC L&S has established a Youth Committee and actively participates in ADNOC Group's Gender Balance Committee. ADNOC L&S has also rolled out a specialized 'Woman in Leadership' Program to promote female representation in leadership roles. Reflecting its importance, the Youth Committee is personally overseen by the ADNOC L&S CEO.

The Youth Committee has worked hard to ensure that the youth demographic has been listened to, engaged, and empowered through special projects, inclusion in managerial meetings, site visits and participation across the business. Young people represent a significant portion of the overall workforce, and because of their potential as future business leaders, they are actively encouraged to contribute to events, support the facilitation of programs, and conduct their own business strategy workshops to provide them with an opportunity to make a meaningful contribution to the Company's future.

Succession Planning

ADNOC L&S takes its responsibility towards building a national highly-skilled workforce seriously. Succession planning is an integral part of this commitment. In 2023, the ADNOC L&S People-First strategy accelerated its succession planning activities by selecting 92 employees to join the Succession Pool. Over past years, a majority of the Company's Leadership has identified successors, and some have been successfully placed into Leadership Roles, all of which are governed transparently by the Succession Pool Committee. The Succession Pool Committee's role is to collaborate with leaders from across the business to identify individuals with the potential to succeed in Leadership Roles.

The Committee works throughout the year to assess the efficacy of the Succession Pool, identify gaps and track the development of individuals. This work makes it possible for the business to assess the individual suitability of each employee for progression and provide tailored developmental support in areas such as leadership, communications, technical skills, and managerial capabilities. Those who are selected to participate in the Succession Pool are assessed periodically during the year to analyze their respective progress and identify gaps in knowledge and skills. In doing so, ADNOC L&S is making significant progress in retaining its best and brightest talents, incentivizing hard and loyalty, and safeguarding the sustainability of the C-suite positions.

¹The UAE refers to the people with disabilities as 'people of determination' in recognition of their achievements in different fields.

13 Strategic Execution - Supply Chain



TO SECURE INTEGRITY AND RESPONSIBLE SUPPLY CHAIN MANAGEMENT



- Integrity: Ethics and Compliance
- Responsible Supply Chains
- Customer Satisfaction: Net Promoter Score (NPS)

At the core of ADNOC L&S' operations is a commitment to maintaining responsible and sustainable operational excellence – right across the value chain. The Company's values ensure that it can sustainably build on its existing high levels of asset reliability across its operations while creating value for its shareholders transparently and ethically.

To safeguard the well-being of its employees and contractors, the Company maintains high operational reliability through regular and timely maintenance programs, HSE policy alignment and robust asset management policies and procedures across its entire operations.

- We strive to conduct our business activities responsibly, efficiently, transparently, and with integrity and respect towards stakeholders.
- We promote a culture of performance, collaboration and responsibility
- We demand minimum standards of compliance and ethical practices from each of our partners and suppliers

INTEGRITY: ETHICS AND COMPLIANCE

The ADNOC L&S Ethics and Compliance function is one of the Company's essential components of good governance, helping to ensure that it operates with integrity and transparency. The Ethics and Compliance function at ADNOC L&S is responsible for the development and implementation of an ethics and compliance program for the entire Company.

Its goal is to establish a strong, robust, and cohesive culture throughout the organization through a framework designed to prevent, detect, and respond to ethics and compliance matters.

This helps to ensure that the Company remains committed to the highest standards of ethical conduct. Additionally, the Ethics & Compliance function reports to the Audit Committee of the Board of Directors on a quarterly basis. This helps provide transparency and accountability for the ethics and compliance program.

Objectives

- Ensure full adherence with ADNOC compliances, IMO
- Promote collaboration with stakeholders and clients to achieve an NPS score of 30

Material areas of focus

- Ethics & compliance
- Governance & value
- Customer satisfaction
- Stakeholder management- collaboration with partners
- Anti-corruption policies



2023 Achievements

- In 2023, general training was provided to all employees on the code of conduct and conflict of interest
- Targeted training was provided on Sanctions, Maritime Integrity Due diligence, Competition Law, Merger Controls, and Insider Dealings
- In 2023, ethics and compliance policies were effectively rolled out for subsidiaries, including ZMI, so as to align subsidiary governance mechanisms
- Effective compliance communications were implemented in line with the approved compliance communication plan, achieving an effective flow of information among all the different internal stakeholders

Overarching Policies and Procedures

- The Ethics and Compliance function effectively implemented the compliance policies which are founded on the Code of Conduct, including but not limited to Insider dealing policies, Conflict of Interest, Gifts & Entertainment, Anti Bribery & Corruption, Anti-Money Laundering, Integrity Due Diligence, International Trade Sanctions, and Competition Compliance, amongst others.
- The company has comprehensive third-party monitoring tools to continuously monitor and review the standing of its partners in terms of exposure to sanctions, corruption, and other business risks.
- Ethics & Compliance training is provided to all employees in accordance with the approved annual compliance training plans and based on their roles and responsibilities. This ensures that everyone has the knowledge and skills to conduct themselves ethically and responsibly.
- In addition to general training, targeted trainings are offered to employees who are exposed to higher business risks in order to equip them with the knowledge and tools they need to navigate potentially challenging situations.



RESPONSIBLE SUPPLY CHAINS

ADNOC Logistics & Services recognizes that there is a social contract between our Company and the society within which it operates. ADNOC Logistics & Services interacts with a range of stakeholders to ensure that their perspectives are considered in the development of our business plans, sustainability plans, and objectives, from project planning to execution, long-term operations, and, of course, customer service.



RESPONSIBLE SUPPLY CHAIN A SUSTAINABILITY INITIATIVE

Responsible management of ADNOC Logistics & Services' supply chain can have significant positive impacts on the company's environmental footprint. In harmony with ADNOC's 2030 Agenda for smart growth and to help further the company-wide goals of sustainability, the Procurement Team is working in partnership with selected vendors to develop new strategies to achieve sustainable growth.

We have set ourselves the ambitious goal of creating a Responsible Supply Chain, designed to build on our current procurement and logistics processes and drive improved sustainability throughout our supply chain.

To help focus our sustainability strategy, we will be conducting a sustainability baseline analysis that will allow us to identify issues that have the greatest impact on our business targets and are the most important for our stakeholders.

Based on these efforts we will create a new set of sustainability rules and guidelines on responsible procurement practices that will help realize measurable environmental and economic benefits, this will then be shared with employees through the intranet and dedicated training sessions.

We are committed to sharing our vision and principles with our vendors, stakeholders and business partners to ensure adoption. We will be sharing further updates with you throughout the development of this project.

International Marine Purchasing Association's IMPA ACT Sustainable Maritime Suppliers

To further enhance our commitment to sustainability, we have entered into long-term agreements with suppliers registered with IMPA ACT, a global initiative for responsible supply chain management in the global maritime industry.

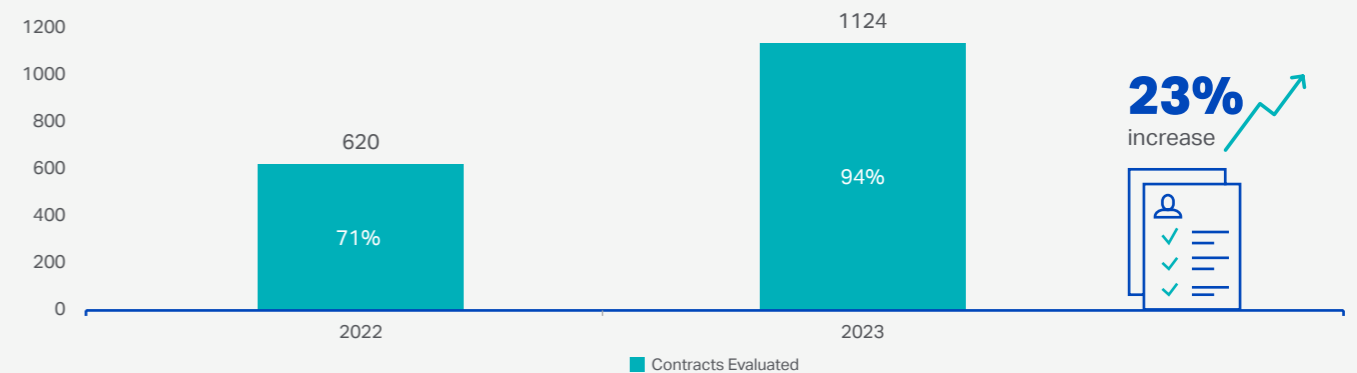
IMPA ACT aims to improve the social, economic and environmental performance of suppliers by aligning them with the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's core conventions

By partnering with these suppliers, that have in place a comprehensive process of regular due diligence across their operational impacts on human (including labor) rights, environment and climate, and anti-corruption principles, we are able to drive sustainable improvements throughout our value chain, reduce risks, increase efficiency, and promote transparency and accountability.



Supplier Performance Reviews

The following number of supplier performance evaluations were conducted in 2022 and 2023, demonstrating a significant 23% increase in approved supplier performance evaluations between the two years.



Supplier and Partner Code of Ethics

In addition to our Code of Conduct, our Supplier & Partner Code of Ethics provides more details on the standards we expect our suppliers to conform to in relation to sourcing, labor conditions and human rights.

To mitigate the risk of any of our suppliers falling short of our values, we require all suppliers to sign the 'Supplier Declaration Form', which they certify and declare compliance with the ADNOC Group Supplier and Partner Code of Ethics Code of Conduct.

The Code of Conduct sets out commitments to prohibiting any kind of child and forced labor and enforces compliance with applicable laws related to working and living conditions, minimum wages, and working hours.

Over the past years, all our suppliers have agreed to compliance by signing the 'Declaration Form', which requires ADNOC suppliers to comply with all applicable labor laws and regulations relating to labor rights, such as ensuring everyone working for our Suppliers and Partners must be paid no less than the prescribed minimum wage in a timely manner, and given holidays, leave and medical cover in accordance with applicable laws.

Engagement in Supply Chain Disruption and Business Continuity

In 2022, ten critical suppliers were identified and engaged in business continuity awareness activities. This number rose to 35 critical suppliers in 2023, raising awareness towards business continuity to avoid supply chain disruption.

CUSTOMER SATISFACTION: NET PROMOTER SCORE (NPS)

Utilizing the Net Promoter Score (NPS) for customer satisfaction, ADNOC L&S customers were surveyed in 2023 to ascertain how likely they would be to recommend the Company as a business.

2023 NPS Results Summary

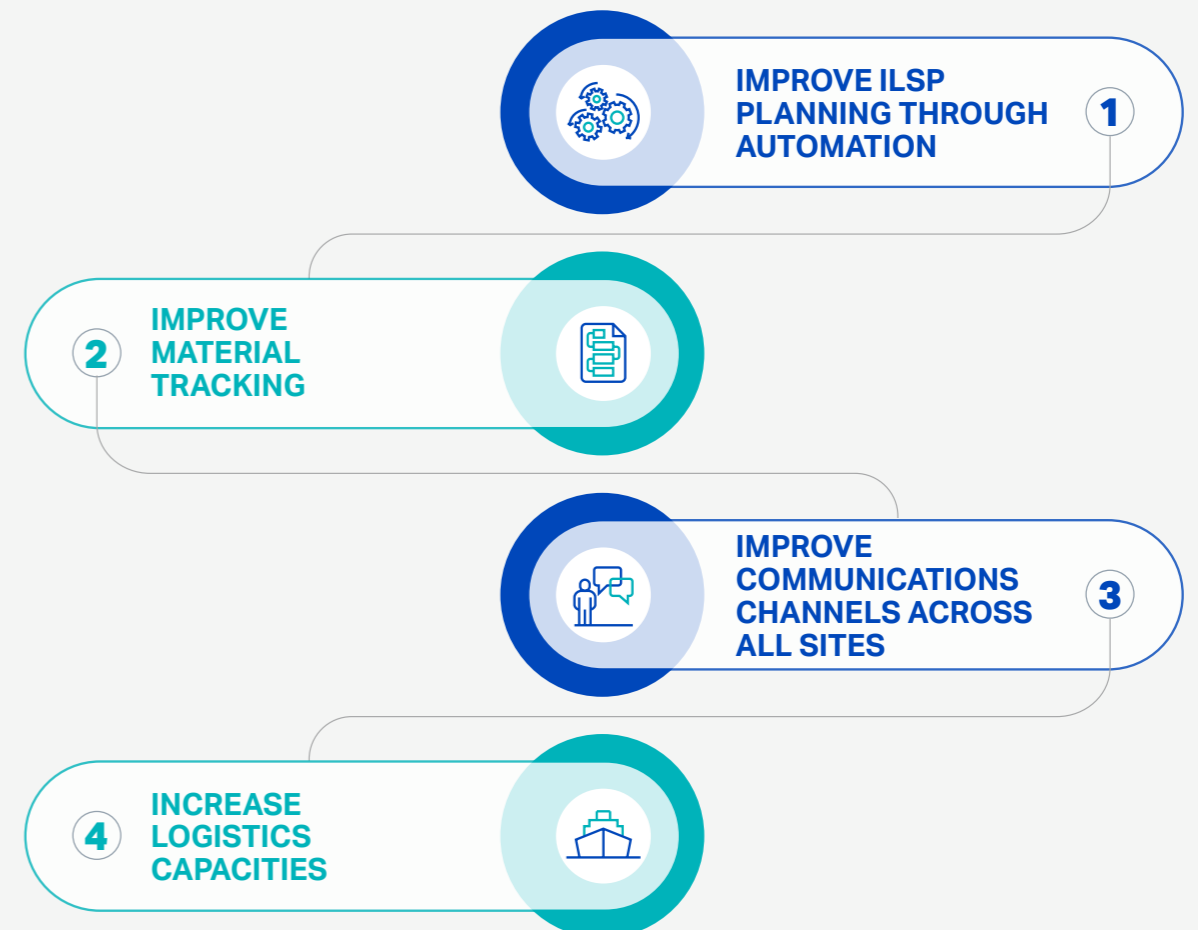
In 2023, the Company achieved a final NPS score of 24 in 2023 – up from 13 in 2022 and higher than the industry benchmark. Right across the business and its verticals, overall sentiment showed that many Clients and Vendors expressed satisfaction with L&S Services. In particular, the cooperative and timely responsiveness of ADNOC L&S, on-time shipping, and overall excellence were highlighted, indicating a good level of satisfaction.

ADNOC L&S exceeded the benchmark NPS score of its industry peers in 2023 with 'overall excellence' highlighted.



Areas for Improvement

Stakeholder feedback highlighted four critical areas that require the Company's attention in 2024 and beyond. These include the need to improve planning processes within the ILSP and increase collaboration between ADNOC L&S and ADNOC Offshore.



Key Policies

ADNOC L&S' operations internally and across its supply chains are governed and guided by a series of critical codes of conduct (local and international) to ensure that it remains in full compliance with international law, domestic laws and regulations, global standards and best practice in areas such as whistleblowing and conflicts of interest.

- ADNOC Group Code of Conduct EN
- Anti Bribery and Corruption Standard
- Anti-Money Laundering Standard
- Competition Compliance Standard
- Conflicts of Interest Standard
- Ethics and Compliance Standard
- Gifts and Entertainment Standard
- Inside Information and Insider Dealing Standard
- Sanctions and International Trade Controls Standard
- Supplier and Partner Code of Ethics
- Whistleblowing and Non-Retaliation Standard



14 Strategic Execution - Economic Performance



TO IMPROVE ECONOMIC PERFORMANCE AND MINIMIZE RISKS

- Financial and Operational Highlights
- Improving Economic Performance



Objectives

- Create new business segments and value creation solutions – such as the jack-up barges business
- Integrate Warehouse Management (WM), and global Supply Chain Management (SCM) for Borouge
- Initiate new market penetration



2023 Achievements

- ADNOC L&S completed its initial public offering (IPO) on the Abu Dhabi Securities Exchange (ADX), raising approximately \$769 million – the second-largest IPO in the MENA region at the time of listing
- Secured the first mega-EPC contract (worth \$975 million) for the development of an offshore artificial island at Lower Zakum
- Delivery of eight additional Jack-up barges (JUB), reinforcing status as worlds largest owner and operator of JUBs, with one of the new barges serving the Iraqi market for the first time

Material areas of focus

- Economic performance
- Business continuity & risk management
- New business opportunities
- Operational efficiency



FINANCIAL AND OPERATIONAL HIGHLIGHTS

Financial Highlights

2023 Historic Revenue

\$2,775

million

EBITDA

\$876

million

Net Profit

\$620

million

2023 Revenue by Operating Segment

\$1,739

million

Integrated Logistics

63%

\$407

million

Tankers

15%

\$174

million

Gas Carriers

6%

\$258

million

Dry-Bulk and Containers

9%

\$177

million

Marine Services

6%

Year-on-Year increase

Operational Highlights

Owned Vessels*

239

50

Shipping

67

Offshore

49

Marine

67

ZMI

CAPEX

\$875

million

Projected CAPEX (2024)

>\$1.0

billion



* 6 LNG Vessels Under Construction

Through responsible financial controls, a risk-adjusted investment strategy, and a sharp focus on shareholder value, the Company aims to deliver sustained improvements in its financial performance over the long term.

Additionally, through its growth, ADNOC L&S will make an ongoing contribution to societal economic development and stability.



IMPROVING ECONOMIC PERFORMANCE

Leveraging Alternative Cleaner Fuels for Economic Growth

As well as an important part of its growth strategy, the demand for alternative fuels such as ammonia are a fundamental part of the fuel transition journey and a powerful contributor to economic growth in the UAE. ADNOC L&S recognizes significant growth opportunities related to the innovation of cleaner fuels within the ADNOC Group.

Globally, the demand for fuels such as green ammonia is driving ever-greater demand for VLGCs and VLACs. Additionally, demand for clean methanol is expected to rise as a clean energy carrier – forecast to reach 16 MTPA by 2030 and 100 MTPA by 2050 – driven in part by the use of clean methanol for sustainable aviation fuel (SAF). By owning and operating green carriers, such as methanol and low-carbon ammonia, as carrier fuels for clean hydrogen, ADNOC L&S is well-positioned to support services in low-carbon ammonia production in the UAE. It will also continue to explore further opportunities and investments in hydrogen vessels, storage, and distribution sectors by leveraging UAE's position as a leader in hydrogen in emerging international markets.

Integrated Logistics Services Platform

ADNOC L&S created the ILSP model as part of its ongoing commitment to supporting the continued growth of the region's energy sector. ILSP is one of the largest turnkey

offshore logistics offerings in the world that enables coordinated end-to-end management of logistics and maritime operations at its base in Mussafah, Abu Dhabi. As part of the launch of the ILSP project, ADNOC L&S signed a \$2.6 billion five-year (with a five-year extension) contract with ADNOC Offshore for the provision of port services, warehouse operations, heavy lifting, material handling and shipping, rig and barge moves, marine terminal operations and waste management services. Over 80% of the contract value will flow back into the UAE's economy through ADNOC's successful In-Country-Value (ICV) program. ILSP provides significant opportunities for growth as the Company replicates its success with regional and international clients.

Engineering, Procurement and Construction (EPC) Projects

ADNOC L&S aims to capture new growth areas by partnering with and supporting EPC contractors with offshore services, in particular through its jack-up barges, which are required across all stages from development to decommissioning of a field, including dredging and construction of artificial islands. The Company is one of the largest owners and operators of self-propelled, self-elevating jack-up barges, a leading provider of offshore support vessels and subsea services in the GCC region, with operations across the UAE, KSA, Qatar, and China. As a result, ADNOC L&S is well-positioned to add significant value to EPC contractors, given its experience, existing infrastructure, and asset base.

ZMI

The transformative ZMI Holdings Acquisition was an important part of ADNOC L&S' strategic value creation and growth program and reinforced its commitment to delivering growth and driving investment in the UAE. The size of the ZMI fleet of high-quality jack-up barges and owned offshore support and passenger transport vessels significantly strengthened ADNOC L&S' position as one of the largest shipping and integrated energy logistics companies.

Additionally, ZMI provides ADNOC L&S with growth opportunities both in the UAE and internationally. The Company expects to derive continuous and significant synergies from ZMI's services as part of ADNOC L&S' Integrated Logistics business unit.

Expand Service Provision to the ADNOC Group

ADNOC Group and the UAE have made significant investments in the energy sector and expect to continue to do so, with ADNOC Group announcing in late 2022 its \$150 billion investment program for the five years 2023 to 2027 (inclusive).

The Company expects this to serve as a major growth catalyst for ADNOC L&S, providing numerous opportunities both directly and indirectly. ADNOC Group's sizable investment program aims to deliver transformative steps to make the lower carbon intensity energy that the world requires available today while investing in the clean energies of tomorrow.

Hail and Gasha

ADNOC L&S secured a contract valued at \$681 million for the provision of offshore logistics and marine support services as part of ADNOC Group's contract with the Hail and Gasha development project, which is part of the Gasha Concession – the world's largest offshore sour gas development. The concession agreement is a key component of ADNOC Group's integrated gas master plan and an enabler of gas self-sufficiency for the UAE – and in serving growing global demand. The \$681 million contract awarded is for Phase 1 of the Hail and Gasha project. Looking ahead and following the project's receipt of FID approval from ADNOC Group, ADNOC L&S now has the opportunity to target Phase 2 of the project in the 2024-2025 period.

ADNOC Group Production capacity

ADNOC Group is also aiming to meet upstream growth ambitions through the expansion of oil production capacity (expected to increase from four million barrels per day to up to five million barrels per day by the end of 2027), the development of new (including unconventional) non-associated gas reservoirs (such as Hail and Gasha) and the continuous exploration of new hydrocarbon prospects. This has so far resulted in ADNOC Group identifying an additional two billion barrels of oil and one trillion cubic feet of natural gas reserves in 2022 alone.

In addition, ADNOC Group is targeting to increase its refining capacity to more than one million barrels per day, double its petrochemical capacity by 2030, further increase

14 Strategic Execution - Economic Performance continued

its LNG exports by up to 9.6 million tons by 2027 and its green hydrogen production of one million tons per year. Furthermore, ADNOC has earmarked \$15 billion for landmark decarbonization projects by 2030, including carbon capture, electrification, new CO₂ absorption technologies, and enhanced investments in hydrogen and renewables.

As an important logistics and maritime service provider to the ADNOC Group and its companies, ADNOC L&S believes that it is well-positioned to benefit from ADNOC Group's growth strategy. In particular, the Company is targeting a two-fold increase in ADNOC Group's production volumes to be transported by ADNOC L&S by 2030 while growing its share of ADNOC Group's increased exports in the future. The Company strategy envisages maximizing its share of ADNOC Group's targeted logistics spend, hence increasing volumes, services, and its owned fleet in order to deliver added operational efficiencies. ADNOC L&S also intends to make additional investments targeted at supporting ADNOC Group's exports of hydrogen derivatives, in addition to expanding its marine services solutions.

The Company has been awarded four EPC projects since the end of 2021 with a total value of \$1.2 billion, including a contract signed with Samsung C&T to provide end-to-end logistics services to offshore islands. ADNOC L&S has a significant pipeline of other projects at various stages of the tender process.

The demand for jack-up barge services is expected to grow in the future as a result of anticipated demand growth for rig-less operations, higher levels of planned oil production, as well as ongoing and new EPC projects. In particular, the UAE, Saudi Arabia, and Qatar, which have historically utilized jack-up barge services to a significant extent, are expected to contribute further to the increase in demand for such services. Furthermore, as the global offshore wind farms sector grows due to the ongoing transition to renewable energy sources and increased focus on offshore wind capacity, the Company expects the demand for jack-up services to increase correspondingly because of their critical role in setting up and maintaining offshore wind farms.

Transformation of Group-Wide Warehouse and Logistics Management

ADNOC L&S manages approximately 40% of ADNOC Group's warehouse capacity. As a result, through the implementation of its ILSP model and services provided at KEZAD Gateway, the Company has established a track record of delivering value across the supply chain. ADNOC L&S recognizes the significant opportunities for it to leverage ADNOC Group's 40+ facilities catering to warehousing and logistics across its network, with more companies in the ADNOC Group expected to require warehouse space and logistics going forward.

AW Shipping

AW Shipping provides ADNOC L&S with significant opportunities to increase its global gas shipping services. The joint venture will also solidify ADNOC L&S' position as the largest fully integrated logistics and shipping company in the UAE and pave the way for the Company to leverage growing market demand.



INDICES

DATA PERFORMANCE TABLES

Material Topic and Key Performance Indicators	2020	2021	2022	2023
Climate, Emissions and Energy				
Gross Scope 1 emissions (Metric Tons of CO ₂ e)	724,991	1,343,139	1,341,608	1,849,411
Gross Scope 2 emissions (Metric Tons of CO ₂ e)	7,756	395	6,732	8,153
Total energy consumption from non-renewable sources (GJ)	12,020,171	15,545,093	17,529,133	22,422,773
Total energy consumption from renewable sources (GJ)	0	0	0	0
Air Emissions and Quality				
Total air emissions (Metric Tons)	2,314	-	13	22
Biodiversity and Ecological Impact				
Number of hydrocarbon spills	5	1	1	1
Water and Wastewater Management				
Total water withdrawn (Mega Liter) by source	-	66	1,450	673
Total water consumption (Mega Liter)	0	56	1,450	238
Total water recycled (Mega Liter)	0	0	0	0

Material Topic and Key Performance Indicators	2020	2021	2022	2023
Waste Management and Circularity				
Total hazardous waste generated (Metric Tons)	494.3	75.0	424.0	525.0
Total waste diverted from disposal (Metric Tons)	0.1	0.0	1.8	0.0
Total waste diverted to disposal (Metric Tons)	1,130	1,212	2,886	10,011
Occupational Health and Safety				
Total recordable incident rate (TRIR)	0.54	0.38	0.18	0.18
Fatality rate	0	0	0	0
Near miss frequency rate (NMFR)	10.5	17.1	3.21	2.65
Health, safety, and emergency response training (Hours)	0	13,777	7,473	11,152
Total number hours worked in the year	25,459,990	28,705,499	38,572,535	49,100,000
Human Capital Development¹				
Total number of new employees hired during the year	224	339	187	129
Total number of employee turnover during the year	81	163	698	290
Diversity, Equal Opportunity and Inclusion¹				
Total number of employees in each of the following diversity categories				
(a) Total male employees	2,434	2,607	2,105	1,935
(b) Total female employees	145	148	139	148
(c) Employees under 30 years old	325	318	204	167
(d) Employees between 30-50 years old	1,855	1,992	1,659	1,547
(e) Employees over 50 years old	399	445	381	369
Total number of individuals within the organization's governance bodies by diversity categories				
(a) Male	0	0	0	18
(b) Female	0	0	0	6

¹Applicable to Direct Hire FTE's and does not include Seafarers and outsourced positions.

INDEX - GRI AND ADX

GRI Standard	GRI DISCLOSURES	ADX ESG Guidelines Reference Number	Location / Statement	Omission
GRI 2: General Disclosures 2021	2-1 Organizational details		4-6	
	2-2 Entities included in the organization's sustainability reporting	G7. Sustainability Reporting	1	
	2-3 Reporting period, frequency and contact point	G8. Disclosure Practices	1	
	2-4 Restatements of information			No restatements listed as this is the first published sustainability report of the company
	2-5 External assurance	G9. External Assurance		External assurance has not been sought for this report, but will be sought for subsequent publications
	2-6 Activities, value chain and other business relationships		4-6	
	2-7 Employees	S5. Temporary Worker Ratio	S 5.1) 0% S 5.2) 13%	
	2-8 Workers who are not employees		66-67	
	2-9 Governance structure and composition			Available in the Corporate Governance Report
	2-10 Nomination and selection of the highest governance body			Available in the Corporate Governance Report
	2-11 Chair of the highest governance body			Available in the Corporate Governance Report
	2-12 Role of the highest governance body in overseeing the management of impacts	E8. Environmental Oversight (Management) E9. Environmental Oversight (Board) G2. Board Independence	E8 - 16-17 G 2.1) Yes G 2.2) 0%	

GRI Standard	GRI DISCLOSURES	ADX ESG Guidelines Reference Number	Location / Statement	Omission
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	E8. Environmental Oversight (Management)	16-17	
	2-14 Role of the highest governance body in sustainability reporting	E8. Environmental Oversight (Management)	16-17	
	2-15 Conflicts of interest		58	
	2-16 Communication of critical concerns			Available in the Corporate Governance Report
	2-17 Collective knowledge of the highest governance body			The Sustainability Committee will be responsible for ensuring the collective knowledge of the Board pertaining to Sustainable Development
	2-18 Evaluation of the performance of the highest governance body			Available in the Corporate Governance Report
	2-19 Remuneration policies	G3. Incentivized Pay	2.-19 – 58 G.3) Sustainability is a defined theme of the company performance management system. Executive bonuses are linked to the company performance management system.	
	2-20 Process to determine remuneration			Available in the Corporate Governance Report
	2-21 Annual total compensation ratio	S1. CEO Pay Ratio		This data is currently unavailable
	2-22 Statement on sustainable development strategy		8 & 21	
	2-23 Policy commitments		8 & 21	
	2-24 Embedding policy commitments		16-17	

15 Indices continued

GRI Standard	GRI DISCLOSURES	ADX ESG Guidelines Reference Number	Location / Statement	Omission
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts		54	
	2-26 Mechanisms for seeking advice and raising concerns			Available in the Corporate Governance Report
	2-27 Compliance with laws and regulations		54	
	2-28 Membership associations		14-15	
	2-29 Approach to stakeholder engagement		19-20	
	2-30 Collective bargaining agreements			
Material topics	3-1 Process to determine material topics		19-20	
	GRI 3: Material Topics 2021		19-20	
GRI 3: Material Topics 2021	3-3 Management of material topics		19-20	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions	E1. GHG Emissions	66-67	
	305-4 GHG emissions intensity	E2. Emissions Intensity	2-3	E2.2) No non-GHG emissions per scaling factor is reporting by L&S
GRI 302: Energy 2016	302-1 Energy consumption within the organization	E3. Energy Usage	66-67	
		E4. Energy Intensity	66-67	
	302-1 Energy consumption within the organization	E5. Energy Mix	66-67	
GRI 303: Water and Effluents 2018	303-2 Management of water discharge related impacts 303-5 Water consumption	E6. Water Usage E7. Environmental Operations	66-67	

GRI Standard	GRI DISCLOSURES	ADX ESG Guidelines Reference Number	Location / Statement	Omission
GRI 3: Material Topics 2021	3-3 Management of material topics	E7. Environmental Operations	19-20	
			E7.1) ISO 14001	
			E7.2) ADNOC L&S IMS system	
		E7.3) ISO 50001		
		E10. Climate Risk Mitigation	\$2 billion	
		S2. Gender Pay Ratio	For Emirati employees : 1:0.84 For Expatriate employees : 1: 0.81	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	S3. Employee Turnover	66-67	S3.2) This data is currently unavailable S3.3) This data is currently unavailable
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	S4. Gender Diversity		S3.2) This data is currently unavailable S3.3) This data is currently unavailable
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	S7. Injury Rate	40-45	
GRI 3: Material Topics 2021	3-3 Management of material topics	S8. Global Health & Safety	3-3 - 19-20	
			S8 - 40-45	
		S9. Child & Forced Labor	S 9.1) The company is aligned with UAE Labor Laws to protect against child and/or forced labor. S9.2) Yes, in our 'Supplier and Partner Code of Ethics', we state suppliers and partners must not use, employ, or seek to exploit in anyway the services of child, under-aged, slave or trafficked labor	

15 Indices continued

GRI Standard	GRI DISCLOSURES	ADX ESG Guidelines Reference Number	Location / Statement	Omission
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	S10. Human Rights	S10.1)The company is aligned with the UAE Labor Laws to protect workers' rights that cover recruitment, pay, housing and health and the principles of justice and equality and respect for human rights. S 10.2) - 58	
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	S11. Nationalisation	48.52%	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	S12. Community Investment	47	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	G1. Board Diversity	G.1.1) 14.3% G 1.2) 33.3%	
	3-3 Management of material topics	G4. Supplier Code of Conduct	3-3 - 19-20 G4 – 58	
		G5. Ethics & Prevention of Corruption	G5.1) 58 G5.2) 71%	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	G6. Data Privacy	58	

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million (19.5% of the population).

There is a growing awareness of the need to address the needs of older people, and the Government has set out a strategy for the 21st century in the White Paper on *Ageing Better: Our Future Together* (Department of Health, 2000). This sets out a vision of a society in which older people are able to live well, and to contribute to their communities. It also sets out a number of key objectives for the Government, including:

- to improve the health and well-being of older people;
- to ensure that older people are able to live independently and to participate in their communities;
- to ensure that older people are able to access the services and support that they need.

The White Paper also sets out a number of key principles for the Government, including:

- *Choice and control* – older people should be able to choose where they live, how they live, and who they live with;
- *Independence* – older people should be able to live independently and to participate in their communities;
- *Well-being* – older people should be able to live well and to enjoy a good quality of life.

The White Paper also sets out a number of key actions for the Government, including:

- to improve the health and well-being of older people by promoting healthy living and preventing illness and disability;
- to ensure that older people are able to live independently and to participate in their communities by providing them with the services and support that they need;
- to ensure that older people are able to access the services and support that they need by improving the way that services are delivered.

The White Paper also sets out a number of key challenges for the Government, including:

- *Health and well-being* – older people are more likely to be in poor health and to have long-term conditions, and this is likely to increase in the future;
- *Independence and participation* – older people are more likely to be living alone and to be socially isolated, and this is likely to increase in the future;
- *Access to services and support* – older people are more likely to be in need of services and support, and this is likely to increase in the future.

The White Paper also sets out a number of key messages for the Government, including:

- Older people are a valuable resource and should be able to contribute to their communities;
- Older people should be able to live well and to enjoy a good quality of life;
- The Government will continue to work to improve the health and well-being of older people, to ensure that they are able to live independently and to participate in their communities, and to ensure that they are able to access the services and support that they need.

The White Paper also sets out a number of key actions for the Government, including:

- to improve the health and well-being of older people by promoting healthy living and preventing illness and disability;
- to ensure that older people are able to live independently and to participate in their communities by providing them with the services and support that they need;
- to ensure that older people are able to access the services and support that they need by improving the way that services are delivered.