



ADNOC Logistics & Services



SUSTAINABILITY REPORT 2024

Delivering Energy For Life

DELIVERING ENERGY FOR LIFE



About this report

This ADNOC Logistics & Services (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. Published annually, this report covers the operations of ADNOC L&S, including its subsidiaries and joint venture companies. It has been prepared in alignment with the Abu Dhabi Securities Exchange (ADX) ESG Guidelines, and in accordance with the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB).

ADNOC L&S seeks to meet 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).

This report is intended to highlight some of the Company's sustainability efforts during 2024; it is not a comprehensive description or representation of all of the Company's sustainability activities during that time. All figures provided are approximate and may be rounded. This report reflects management's expectations and beliefs as of the publication date and are subject to change. Figures are provided for the fiscal year ended December 31, 2024 unless otherwise indicated.

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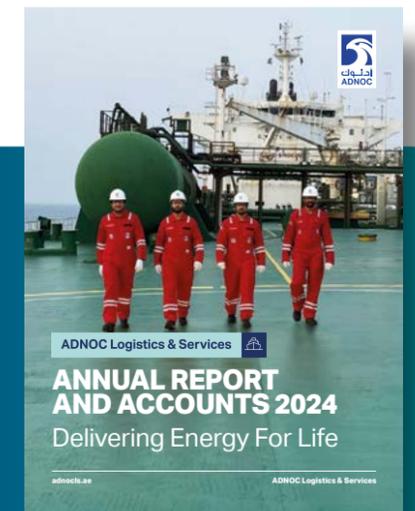
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To find out more please see:



adnocls.ae

[2024 Annual Report](#)



Redefining Sustainable Maritime Logistics



“Our journey at ADNOC L&S is not just about growth but about leading the maritime industry towards a future that is sustainable, resilient, and driven by innovation.”

In today's world, addressing environmental challenges require proactive and decisive action. At ADNOC Logistics & Services, we are rising to this challenge with clear and ambitious sustainability vision. Our initiatives align with both national and global climate goals, positioning us as leaders in transforming the future of maritime logistics.

We have made significant strides in accelerating decarbonization within the maritime logistics sector, and have reduced our ocean-going fleet's carbon intensity by over 11% in 2024 compared to 2023 – and by more than half since 2019. This accomplishment serves as a powerful testament to the company's measurable progress and tangible results.

Preserving our past

As custodians of the UAE's proud seafaring heritage, we are dedicated to safeguarding our nation's maritime legacy, while promoting sustainable practices across our operations, supply chains, and communities. Our efforts are not just about preserving the past but about building a sustainable future.

ADNOC L&S proudly supports the UAE's sustainability agenda, including the national climate change plan and the UAE's energy strategy. We remain dedicated to managing climate risks, optimizing our consumption of materials, energy, and water, all whilst promoting the highest ethical standards and behaviors across our value chain.

We also play a crucial role in supporting ADNOC Group's initiatives to increase the production and use of cleaner fuel alternatives by investing in a highly energy-efficient fleet of vessels capable of exporting low-carbon fuels worldwide. By promoting new energy sources, investing in more sustainable assets, adopting environmentally efficient technologies, and training our personnel, we are making a significant contribution to UAE's Net Zero 2050 strategy and ADNOC Group's Net Zero ambition by 2045.

Additionally, we are aligned with the International Maritime Organization (IMO) strategy for reducing greenhouse gas (GHG) emissions across our fleet, committing to the IMO's Net Zero GHG emissions ambition by 2050 and a 40% reduction in CO₂ emissions intensity by 2030.

Sustainable growth

Our strategic investments are aimed at setting new global benchmarks for sustainable shipping practices, demonstrating ADNOC L&S's leadership in driving the industry towards a greener future. Between 2022-2024 ADNOC L&S had ten dual-fuel vessels delivered, and in 2024, we signed new-build contracts for 21 efficient vessels, including 8 new dual-fuel LNG carriers, 9 dual-fuel Very Large Ethane Carriers (VLECs), and 4 dual-fuel Very Large Ammonia Carriers (VLACs). All of these vessels can operate on fuels that produce considerably fewer emissions than conventional fuel oils, representing the momentum needed to support energy transition efforts.

Integrating AI

ADNOC L&S is at the forefront of integrating AI-enabled technology to revolutionize digital maritime solutions. Our initiatives include developing autonomous and remotely operated vessels designed for versatile and efficient maritime operations. These vessels enhance operational efficiency, reduce the need for multiple specialized vessels, and contribute to a lower environmental footprint that supports ADNOC's sustainability goals. A notable advancement is the enhancement of its Integrated Logistics Management System (ILMS), which is currently being upgraded to be powered by AI-driven tool. This transformation will significantly optimize vessel routes and schedules, enhance decision-making processes, and improve vessel utilization. The ILMS not only enhances decision-making and operational efficiency but also aligns with our sustainability goals by reducing carbon emissions.

Developing talent

We are dedicated to enhancing the skills of our workforce, which comprises over 11,000 individuals and more than 3,400 seafarers. We proudly support the local economy through our In-Country Value Enhancement Programme, contributing over \$260 million in 2024.

As ADNOC L&S continues to expand its influence across global markets, its focus remains unwavering: to lead the transformation of the maritime industry into a model of sustainability, resilience, and innovation, redefining what's possible for generations to come.

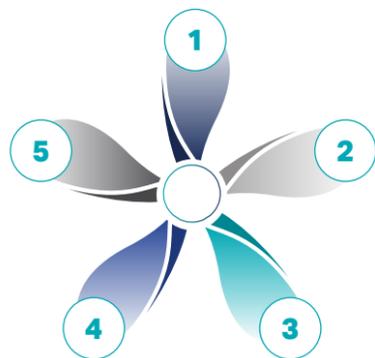
Together, we are not just addressing today's challenges but are proactively shaping a future where sustainability is the cornerstone of our success. Our journey at ADNOC L&S is not just about growth but about leading the maritime industry towards a future that is sustainable, resilient, and driven by innovation.

CAPTAIN ABDULKAREEM ALMESSABI
Chief Executive Officer

Sustainability Highlights

The five core sustainability themes that guide ADNOC L&S' approach and priorities, provide a foundation for initiatives, policies and regulations. These goals align with ADNOC Group's vision to lead in maritime decarbonization and maximize value for the UAE.

➔ For more details see page 35



Climate and Environment



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

Shipping fleet carbon intensity (AER)¹

4.47

Total L&S GHG emissions (tons)²

1.99MtCO₂e

8% increase from 2023 with 1.63 MtCO₂e attributed to shipping

Total L&S Waste (tons)

482.4

Recycled 53.7 (tons)

Oil Spills Exercise and Drills

165

Increase from 160 in 2023

Health, Safety and Asset Integrity



To maintain a strong HSE and asset integrity culture.

Fatalities

0

LTIF

0.11

TRIR

0.21

HSE training (hours)

17,000+

~6,000 hours increase from 2023

People and Community



To promote local talent, In-Country Value (ICV), and collaboration.

Total ADNOC L&S workforce

11,000+

Seafarers

3,400

Next generation seafarers

136

Cadets (on-going program, 19% female)

Emiratization rate⁴

47.7%

Supply Chain and Business Ethics



To ensure integrity and transparency across our supply chain, committing to business ethics.

Code of Conduct Compliance

99%

In-Country Value (ICV)

\$260m

Economic Performance



To improve economic performance and minimize risks.

Total CAPEX committed to LNGCs and dual-fuel ships³

\$6.25Bn

Current no. of ships using dual-fuel engines

10

4 VLCCs, 5 VLGCs, 1 LNGC

New-build order book for LNGCs and dual-fuel ships

26

¹ Annual Efficiency Ratio (AER) measured in gCO₂/dwt.nm, indicates a ship's carbon emissions per unit of cargo capacity over distance traveled.

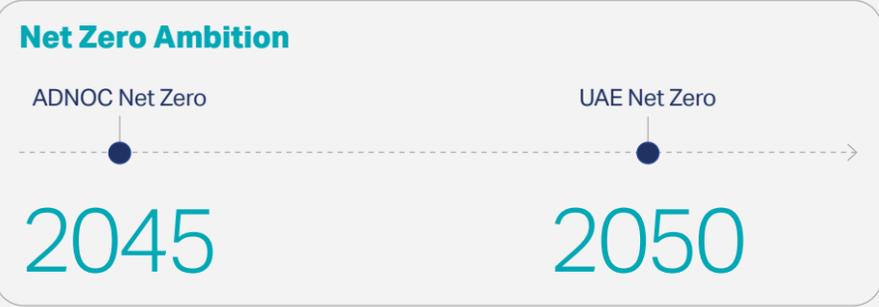
² Scope 1 and 2 only. Increase in emissions due to 100+ new marine assets.

³ \$2.35 B before 2024, and \$3.9 B in 2024.

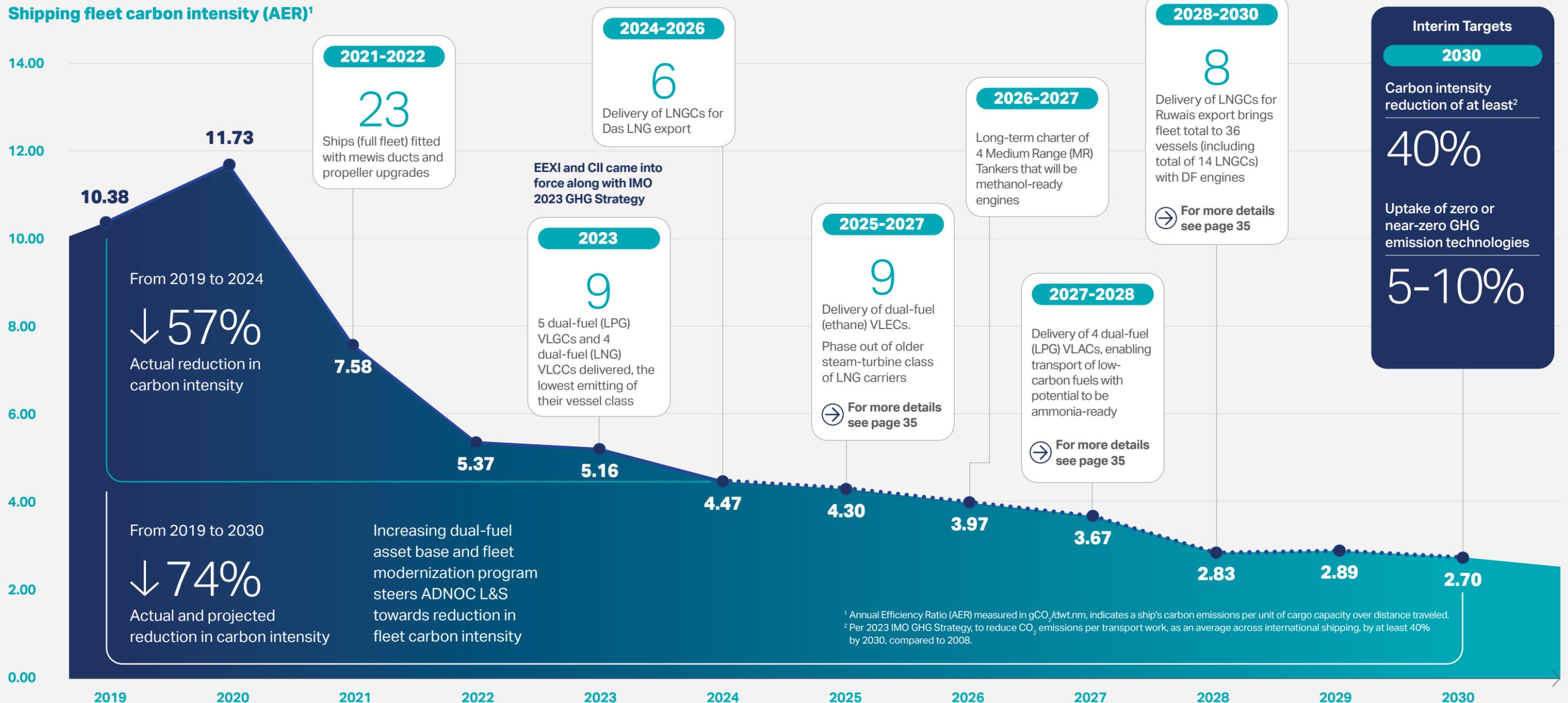
⁴ Measured as % of direct hire employees.

Our Decarbonization Journey

Decarbonization is a technology-led imperative with a crucial role in driving ADNOC L&S' sustainability roadmap, extending beyond regulations and compliance to secure the UAE's position as a global leader in sustainability. This aligns with ADNOC Group's 2030 sustainability strategy and supports ADNOC Group's Net Zero by 2045 ambition and the UAE's Net Zero by 2050 target.



Shipping fleet carbon intensity (AER)¹



Business Overview

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Who We Are

Our vision

To become the leading energy maritime logistics company of choice

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 further 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 330+ 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 11,000+ 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.

Key figures



Established

1975



Workforce¹

11,000+



Seafarers¹

3,400



Owned vessels¹

330+



Operated and chartered vessels¹

600+

¹ Approximate figure as of end 2024.

Integrated Logistics



Delivering comprehensive offshore logistics solutions: transporting people; materials, equipment; fuel and water, and providing diving support; support base and shore-side support services; and materials handling & storage.

Shipping



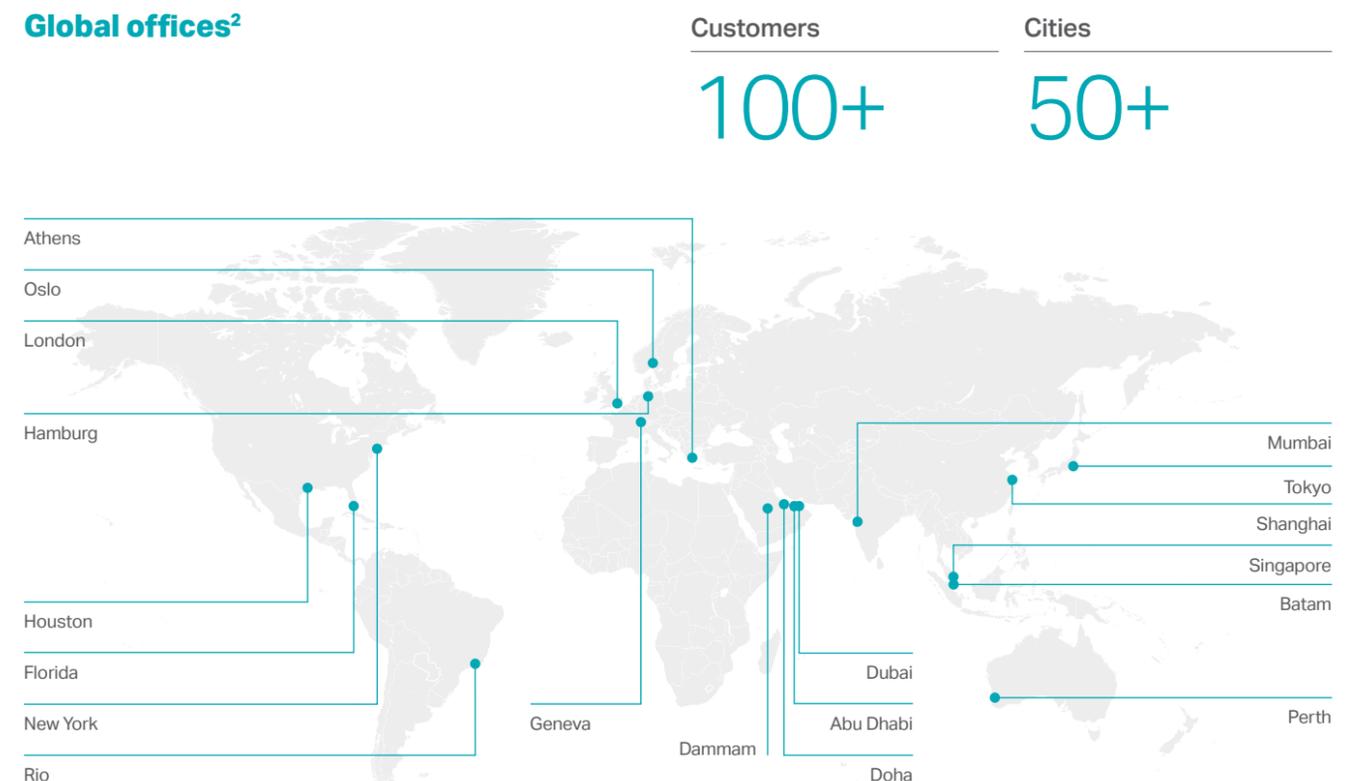
Offering commercial shipping and ship management solutions, including chartering services for crude oil, refined products, Liquefied Petroleum Gas (LPG) and Liquefied Natural Gas (LNG).

Services



Delivering marine and onshore services including terminal operations; warehousing & onshore materials handling; maritime traffic management; petroleum ports operations; oil spill & HNS response; commercial pools management; ship management and bunkering.

Global offices²

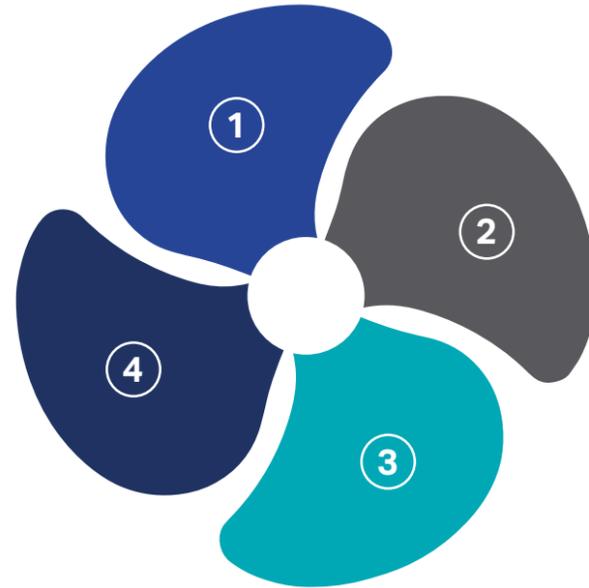


² Includes Navig8 offices.

Our Strategy

At ADNOC L&S, we are building a sustainable business, through sustainable growth. This means honoring our maritime legacy and ensuring its future. We look to support the next generation of seafarers, play our part in the energy transition and bolster our decarbonization efforts.

Our growth strategy is defined by four key levers:



- 1** **Grow with ADNOC: service new growth and expand service offering**

 - Delivering additional value in existing services and maximizing share of ADNOC's logistics spend.
 - Logistics and maritime service provider of choice to ADNOC.
 - Logistically enable ADNOC's growth agenda, including new business areas.
- 2** **Expand service offering to capture additional business with existing clients**

 - Internationalizing integrated logistic services platform (ILSP).
 - Support and partner engineering, procurement and construction (EPC) contractors on offshore operations.
 - International shipping – greater trading activity in dry bulk and increase international scope in tankers and gas business.
- 3** **Extend international activities and blue-chip client base**

 - North Africa and GCC are target markets given growing offshore energy exploration – opportunities lie in LNG import terminal infrastructure, Jack-Up Barges (JUBs) as well as other offshore marine services.
 - Successful in venturing to Asia – well-positioned to capture energy maritime logistics requirements in China and Far East.
 - Able to leverage ADNOC's relationship and existing overseas operations to opportunistically enter new markets.
- 4** **Enter into new and relevant adjacent verticals**

 - Continue to deploy cleaner fuels and emissions reduction projects to deliver equivalent or better outcomes with lower carbon intensity.
 - Explore opportunities in hydrogen vessels, storage and distribution.
 - Advising clients on decarbonization – emissions abatement and other solutions.

Delivering growth



Sustainable Growth

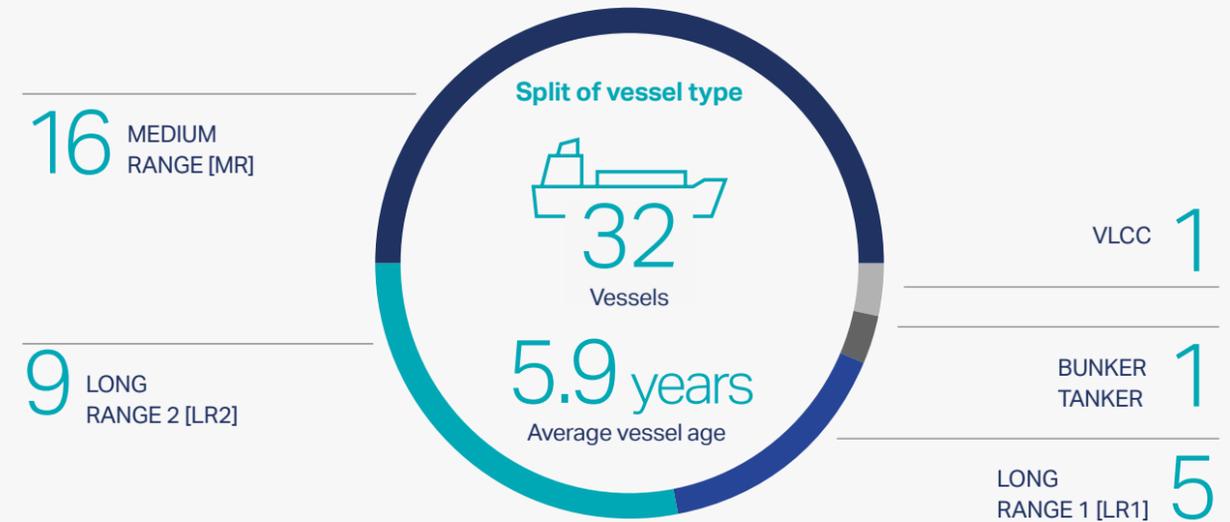
Building on its acquisition of ZMI in 2022, along with organic commercial growth, ADNOC L&S has greatly expanded its international presence. The Navig8 acquisition¹ significantly boosts ADNOC L&S' market presence and customer value proposition, transforming it into a truly global maritime logistics player. This expanded international network, built upon previous organic growth and the ZMI acquisition, leverages Navig8's established commercial management expertise across 15 cities. Combined with consolidated fleet management and Navig8's commercial platform, the acquisition is expected to unlock significant cost synergies, diversify revenue streams, enhance profitability, and drive earnings per share accretion for shareholders.



¹ Navig8 acquisition completed January 8, 2025.

Navig8's commercial platform

Marine Tanker Fleet



Shipping services

Shipping pools

Global shipping commercial pool manager:

- Aframax
- Chemical MR
- Eco MR
- LR1/Panamax
- LR2
- VLCC

Technical management

Ownership interests in Suntech Ship Management and TB Marine Ship Management

Engages in technical ship and crew management services

Bunkering

World-leader in bunker trading and physical supplier to both third party and owned vessels in pools

+850
customers

Navig8 offers several digital solutions for fleet emissions management, including:

ShipWatch:

A marine data analytics platform aimed at improving operational efficiency.

- **CarbonLens:** A software platform that provides live reporting and monitoring for vessel CO₂, NOx, and methane emissions.
- **EmissionsWatch:** Multi-source data enables emissions reporting in real-time, allowing for users to stay on top of their fleets CII performance whilst ensuring environmental compliance.

Engine:

A marine fuels intelligence platform that provides insights and data related to marine fuels, helping to improve operational efficiency and decision-making in the maritime industry.

Awards and Recognitions

ADNOC L&S has a distinguished history of earning recognition for its leadership, capabilities, innovation, health, safety, and environment (HSE), technology, and sustainable performance, contributing significantly to UAE-based national value chains and enhancing socio-economic impact.



Shiptek

Green Shipping Award

Ship Operator of the Year



The Maritime Standard (TMS) Awards 2024

Ship Owner/Operator of the Year Award

Sustainable Shipping Award

Maritime Energy, Oil and Gas Award



2024 IMCA Awards

Finalist Greenhouse Gas Project of the Year



Middle East Business Achievement (MEA) Awards 2024

Strategic Market Expansion Award



Ideas UK 37th International Conference

Platinum Level Accreditation for Excellence in Ideas Management and Innovation

Value for Money Award:
'Innovative Lifting Frame Design' project

Design Category, runner-up:
KOBOT technology for Oil Spill Response

Health and Safety category, runner-up:
Digital Twin project

Sustainability category, runner-up:
Cold Ironing – Shore Power project

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 Overview

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Sustainability at ADNOC L&S

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

Building on the insights from a comprehensive materiality assessment, ADNOC L&S has developed a Sustainability Strategy framework that integrates global best practices and a stakeholder-centered approach to creating an impact-driven strategy. Through strategic themes and associated targets, ADNOC L&S aspires to become the UAE's sustainability leader in the maritime and logistics ecosystem, preserving the nation's rich maritime heritage and contributing to the UAE and global Net Zero ambitions.

Governed by a Sustainability Committee established in 2023, ADNOC L&S now operates a robust, accountable, and transparent sustainability strategy designed to support alignment with applicable mandated regulatory requirements, standards, and accreditations. Consequently, ADNOC L&S' sustainability strategy benefits from an institutionalized approach to design, development, implementation, and oversight.

Sustainability governance

ADNOC L&S is building a robust and comprehensive sustainability governance framework that aligns with the broader goals of the ADNOC Group. This framework integrates sustainability across the Company's operations, fostering a culture of responsibility and environmental stewardship.

The ADNOC L&S Sustainability Report 2024 is the second in our series, prepared in accordance with the Abu Dhabi Securities Exchange (ADX) Environmental, Social, and Governance (ESG) Guidelines. This report aligns with the ADNOC Group's Sustainability Strategy and the United Nations Sustainable Development Goals (UN SDGs), in accordance with the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB), reflecting our commitment to transparency and accountability in our sustainability efforts.

Published annually, the report is overseen by the Sustainability Committee and approved by the Executive Management. Following its completion, it informs stakeholders about our sustainability framework, performance and data.



Driving global leadership, our commitment to a robust sustainability governance aligns with the UAE's and ADNOC Group's goals.

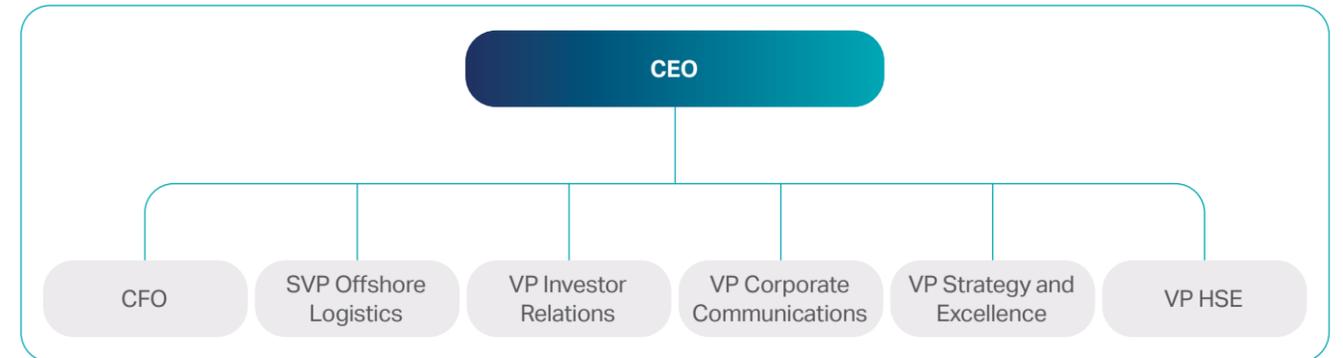
By strategically embedding sustainability into our operations, we foster a culture of responsibility and environmental stewardship."

OMAR BAObAID
VP Strategy and Excellence



Sustainability committee structure

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



Sustainability committee

The Sustainability Committee, established in 2023, plays a pivotal role in advancing the Company's sustainability strategy. Comprising senior management, including the CEO, CFO, VP Strategy and Excellence, VP Health, Safety, and Environment (HSE), VP Investor Relations, VP Corporate Communication, and SVP Offshore Logistics, the committee meets at least quarterly or as required by the CEO.

Key objectives

- Reviewing and approving the Company's sustainability policies, targets, and performance indicators.
- Monitoring and evaluating sustainability risks and opportunities.
- Supporting compliance with relevant sustainability standards and regulations.
- Engaging and communicating with internal and external stakeholders on sustainability matters.

Committee members are expected to actively participate in meetings, contribute expertise, advocate for sustainability across the organization, and stay updated on the latest sustainability trends and best practices.

Sustainability is embedded across various divisions, with designated subject matter experts responsible for advancing specific initiatives. This decentralized approach allows for tailored solutions that address the unique needs of each business unit, aligning sustainability as a shared responsibility across the organization.

Stakeholder engagement is a cornerstone of our sustainability efforts. We maintain open communication with investors, customers, employees, and local communities to gather insights and feedback, aligning our sustainability initiatives with stakeholder expectations and needs.

ADNOC Group alignment

As a leading player in the maritime industry, ADNOC L&S seeks to reduce the carbon intensity of its operations. Our strategy is fully aligned with ADNOC's target to reduce operational emissions intensity by 25% (2019 baseline).

Our strategic approach involves mitigating climate risks, investing in sustainable projects, and adopting environmentally efficient technologies. By embracing the ADNOC Group's sustainability framework, we are committed to providing responsible, lower-carbon energy, contributing to the UAE's strategic vision, and supporting sustainable economic development.

Our comprehensive approach, anchored in well-established HSE standards, guides us in achieving our sustainability goals across short, medium, and long-term horizons, reinforcing our leadership in environmental stewardship.

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.

ADNOC L&S materiality matrix

15 material topics were identified as our focus areas for the sustainability plan and reporting.



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

Phase 1 Benchmarking

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 compiled following certain mandates and strategic considerations.

Phase 2 Stakeholder Engagement

As part of its Phase 2 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 (UN 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:

- Governments and regulatory bodies
- Shareholders/investors/finance providers
- Customers
- Employees
- Business partners, suppliers and vendors

Phase 3 Surveys

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 Committee and other relevant stakeholders were further consulted and surveyed, helping to identify, refine, and assess potential environmental, social, and governance issues that could affect the ADNOC L&S business and its stakeholders.

Phase 4 Heatmap

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.

Phase 5 Sustainability Framework

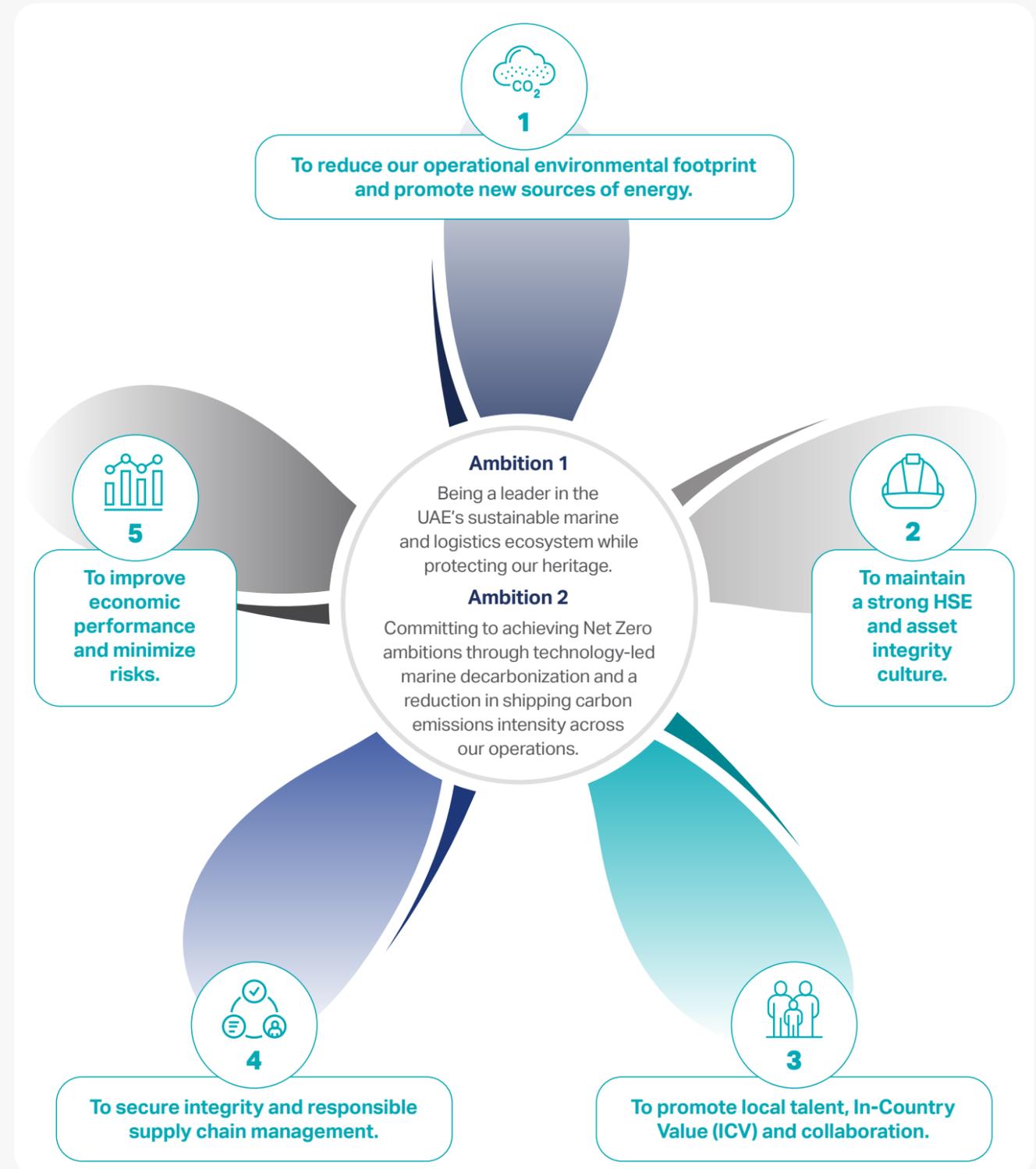
Following the production of the materiality matrix and priorities, meetings with CEOs and other SMEs were held to complete and calibrate the materiality exercise before developing strategic themes for each materiality topic and their place within the ADNOC L&S Sustainability Themes. This process led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

Sustainability Themes

Right across its operations, ADNOC L&S' overriding objective is to deliver responsible, inclusive, and sustainable growth that delivers more value to its stakeholders, respects the natural world, safeguards communities, and creates sustainable value for its shareholders. These objectives form the foundation of the ADNOC L&S materiality topics and the Company's Sustainability Framework. This framework is guided by two core ambitions and five sustainability themes that shape the Company's approach to sustainability.

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 aspires to 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 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 the ADNOC Group's vision to become a leader in maritime decarbonization while maximizing value for the UAE.



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Climate and Environment



To reduce our operational environmental footprint, enhance energy efficiency, and advance decarbonization through new energy sources.



Sustainability goals and commitments

- Align with ADNOC 2045 and UAE 2050 Net Zero ambition, and IMO 2023 GHG Strategy.
- Attain CII compliance across all vessels.
- Support clients with low-carbon fuel solutions and renew fleet for energy efficiency.
- Support transformation of energy systems and pathways to low-carbon fuel.

Material topics

- Energy efficiency.
- Emission reduction.
- Energy transition.
- Low-carbon fuels.
- Ocean health.

2024 achievements

- New build contracts for 21 new energy-efficient vessels in 2024, including LNGCs, VLECs, and VLACs.
- AI-enabled ILMS, a pilot study with ADNOC AI-Labs, predicts enhanced fuel efficiency and optimized operations, with an anticipated 60% reduction in nonproductive time and a reduction in carbon emissions for Integrated Logistics operations after full rollout.
- Predicted reduction of 20% in emissions without fleet reduction for our Petroleum Port Operations, as part of our AI Smart Ports initiative, to be achieved through real-time data analysis for quick resource deployments and instant tracking.

UN SDGs



We believe that climate change and environmental sustainability are critical challenges that require timely and concerted efforts.

ADNOC L&S is committed to addressing these challenges through comprehensive strategies focused on climate change and decarbonization. This section outlines our approach to tackling abatement in the shipping sector, digital decarbonization, and managing climate change risks. By leveraging advanced technologies and innovative solutions, we aim to significantly reduce our carbon footprint and contribute to a more sustainable future.

Our decarbonization efforts are centered around modernizing our fleet, integrating dual-fuel engines, and implementing energy-saving devices. We are further investing in digital platforms that enable real-time data collection and analysis, optimizing ship performance and reducing emissions. Additionally, we are committed to safeguarding the UAE's maritime environment through stringent waste and water management practices. These initiatives align with our goal of achieving ADNOC Group's 2045 Net Zero target and supporting the UAE's national Net Zero ambitions.



Our leadership in maritime decarbonization is demonstrated through our commitment to fleet modernization and the integration of advanced technologies. These strategic actions are essential in reducing our carbon footprint and fostering a sustainable future."

MOHAMED AL ALI
SVP Offshore Logistics

Climate Change and Decarbonization

Shipping is a critical component of global trade, accounting for approximately 80% of trade by volume. However, it is a hard-to-abate sector, contributing nearly 3% of global greenhouse gas (GHG) emissions*. At ADNOC L&S, we recognize that 99% of our emissions are Scope 1, which is why fuel use is material to us. To address this, we are focusing on three key elements: our deep-sea fleet, offshore fleet, and digital decarbonization initiatives.

Shipping

The deepsea fleet is particularly challenging to decarbonize due to its extensive operational range and high energy demands. To meet the International Maritime Organization (IMO) regulations, including EEDI, EEXI, and CII compliance, we have adopted a two-fold strategy. This strategy involves fleet modernization and extensive retrofitting. Our modernization efforts include the integration of dual-fuel engines and energy-saving devices, while our retrofit program focuses on enhancing the efficiency of existing vessels. These initiatives are supported by comprehensive data collection and monitoring systems, which enable us to improve ship performance and reduce emissions.

Integrated Logistics

Our offshore fleet, which includes a diverse range of vessels, is additionally a key focus area for decarbonization. We are implementing an integrated platform to manage and optimize fleet operations. This platform supports the introduction of biofuels and electrification, which are crucial for reducing emissions. Furthermore, we are exploring other initiatives such as AI-enabled Integrated Logistics Management System (ILMS) and route optimization to further enhance efficiency. We have several case studies demonstrating the success of these initiatives, including hybrid vessels, seagliders for fleet electrification, Remotely Operated Vessels (ROVs) and Automated Guided Vehicles (AGVs). These pilots are starting small but show a promising emerging picture for the future.

Digital decarbonization

Digital decarbonization is a cornerstone of our strategy to reduce emissions. By leveraging advanced digital platforms, we collect and analyze data in real-time, enabling informed decisions that drive efficiency and sustainability.

Currently, we are utilizing fleet management systems to enhance our operational efficiency and environmental performance. These innovative tools are playing a crucial role in the shipping industry's transformation towards sustainability.

Along with our recent acquisition of Navig8, these advanced digital platforms have further enhanced our international

shipping fleet operations. These platforms help optimize weather routing and voyages, thereby reducing fuel consumption and emissions. They also provide real-time fleet management and monitoring, enabling proactive decision-making to minimize environmental impact. Additionally, our offshore services fleet benefits from improved operational efficiency through data analytics and performance monitoring, which facilitate energy-saving measures. Together, these technologies are driving the maritime sector towards a greener future.

Additionally, digital solutions support decarbonization in Petroleum Port Operations by offering advanced monitoring and data analysis. By providing real-time insights into port activities, these solutions help optimize the use of resources, reduce idle times, and minimize emissions.

In 2024, we deployed an internal ESG platform to begin reporting a suite of sustainability metrics. This platform enables more comprehensive insights into various ESG parameters. It is utilized by our leadership team to track progress and make data-driven decisions to enhance our sustainability initiatives further. By integrating data from multiple sources, the platform provides a more holistic view of our environmental, social, and governance performance. It supports emissions reduction efforts and tracks performance against commitments. Additionally, it serves as a central repository for ESG data, automating the capture, transformation, and consolidation of disparate sustainability data into a single source of truth, delivering actionable insights.

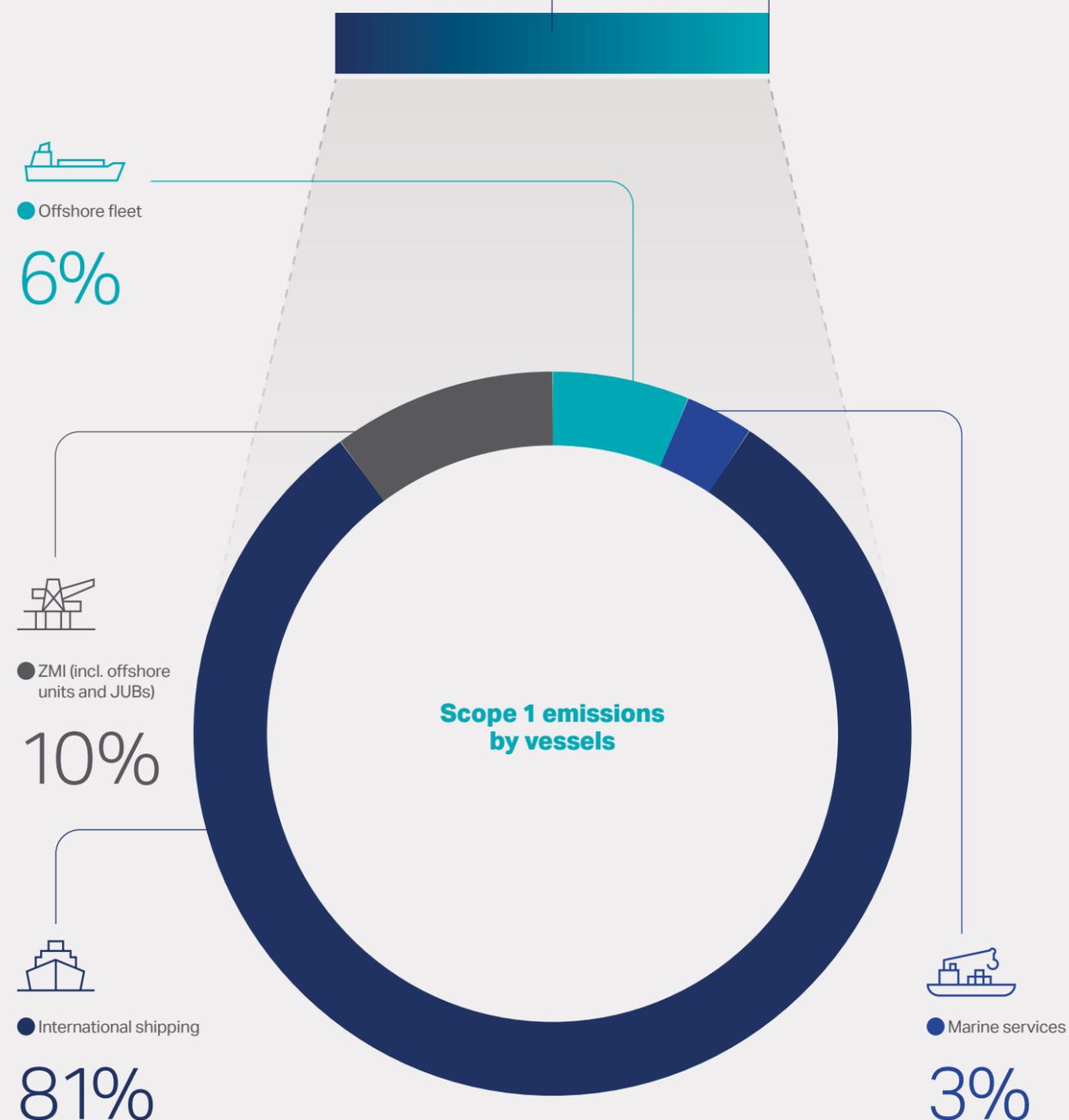
These digital platforms are catalysts for ship performance optimization and decarbonization. Enhancing ship efficiency and promoting low-carbon fuels contribute to a sustainable maritime industry. Data collection and monitoring are key for emissions reduction, with modeling playing a crucial role. Improved awareness of energy consumption allows for better modeling of new measures and processes, leading to effective emissions reduction strategies. Voyage optimization and weather routing further reduce fuel consumption and enhance efficiency. Supported by AI-enabled tools, these measures provide advanced modeling capabilities for planning and performance, bolstering decarbonization efforts.

* Source: UNCTAD's Review of Maritime Transport.

Total emissions (Scope 1 and Scope 2)

1.99 MtCO₂e

● Scope 1 99.7% ● Scope 2 0.3%



Decarbonization: Shipping

Our current ocean-going shipping fleet consists of 56* vessels, including crude and product tankers, LNG carriers, bulk carriers, and container ships. This fleet is responsible for more than 80% of ADNOC L&S's total emissions, making it a primary focus area for our decarbonization efforts.

Reducing emissions in the shipping industry is particularly challenging due to the extensive operational range and high energy demands of vessels. This makes optimizing energy efficiency a critical focus area for us as we strive to reduce our environmental impact and lead the way in sustainable shipping practices.

Fleet modernization and embracing dual-fuel efficiency

Our modernization efforts are centered around integrating dual-fuel engines and energy-saving devices, supported by robust data collection and monitoring systems to help optimize ship performance and reduce emissions. The integration of dual-fuel engines is a critical component of our fleet modernization strategy. These engines offer significant advantages over conventional heavy fuel oil (HFO) engines, including a potential 15-20% reduction in carbon emissions. They can operate on both conventional fuels and lower carbon fuels such as LNG and LPG, providing flexibility and supporting the energy transition. By adopting dual-fuel technology, we are not only reducing our environmental impact in line with IMO regulations such as CII compliance for our fleet, but also aligning with evolving regulatory requirements such as EU ETS and FuelEU.

Retrofitting for energy optimization

In addition to adopting new build dual-fuel vessels, we are actively retrofitting our existing vessels with energy-saving devices. These retrofits include the installation of shaft propulsion limiters, high-performance coatings, and enhancements to hull and propeller designs.

These measures are designed to improve the efficiency of our fleet, reduce fuel consumption, and lower emissions.

Operational measures for energy efficiency

Operational measures play a crucial role in our energy optimization strategy. We are implementing practices such as regular hull cleaning and engine optimizations to enable our vessels to operate at peak efficiency. Hull cleaning helps to reduce drag and improve fuel efficiency, while engine optimizations help our engines run smoothly and efficiently.

In 2025, to further enhance our operational efficiencies, we will leverage advanced digital platforms. These platforms will provide detailed insights and data management for the maritime industry, helping us monitor environmental impact and attain compliance. They will facilitate voyage optimization and weather routing, enabling our fleet to reduce fuel consumption and emissions. Additionally, they will offer monitoring and commercial services, ensuring efficiency, compliance, and operational management.

The Company continues to invest in vessel maintenance and repurposing to increase the longevity of the fleet. Such life extension projects delay carbon-intensive asset replacement projects and extend the profitable life of assets. The company also invests in carbon intensity reduction initiatives on the existing fleet on a case-by-case basis. A recent example of this, in 2024, was the repurposing of our 20-year-old steam turbine LNG carrier 'Ish' which was given a life extension as a Floating Storage Unit (FSU).



“We are steadfast in continually driving energy efficiency. Through the use of advanced fleet management software, regular hull cleaning, and comprehensive crew training, we enhance operational performance and cut down on fuel consumption.”

MOHAMED AL HUNEIDI,
Senior Engineer, Energy Management

* Fleet size as of end 2024.

Existing energy-efficient and dual-fuel fleet



5

Dual-Fuel Very Large Gas Carriers (VLGCs)

- Contracted to AW Shipping.
- Capacity of 86,000 cubic meters. Utilizing dual-fuel engines to operate on liquified petroleum gas (LPG) and conventional marine fuels.
- Among the lowest-emission vessels of its class.



4

Dual-Fuel Very Large Crude Carriers (VLCCs)

- Designed to operate on both conventional marine fuels and liquefied natural gas (LNG).
- Capable of significant emission reductions: 99% in sulphur oxide (SOx), 85% in nitrogen oxides (NOx), 95% in particulate matter, and up to 25% in CO₂ compared to conventional heavy fuel oil (HFO).



6

Dual-Fuel LNG Carrier (Das LNGCs)

- Early delivery of 'Al Shelila' in 2024, with remaining 5 LNGCs to be delivered 2025-2026.
- New build dual-fuel LNG carriers ordered from Jiangnan Shipyard in 2022. With capacity of 175,000 cubic meters, modern XDF 1.0 engines and fitted with Air Lubrication Systems (ALS) for emissions reductions.

Continued strategic investments for 21 new energy-efficient vessels committed to in 2024

9

Duel-Fuel Very Large Ethane Carriers (VLECs)

- Awarded through AW Shipping joint venture, new build contracts with China Shipbuilding Trading and Jiangnan Shipyard. For delivery between 2025-2027, the VLECs will have a capacity of 99,000 cubic meters.
- Utilizing dual-fuel engines to operate on ethane and conventional marine fuels.

4

Duel-Fuel Very Large Ammonia Carriers (VLACs)

- Awarded through AW Shipping joint venture, new build contracts with Jiangnan Shipyard. For delivery between 2025-2027, the VLACs will have a capacity of 93,000 cubic meters.
- Utilizing dual-fuel engines to operate on liquified petroleum gas (LPG) and conventional marine fuels.
- Targeted to serve the emerging low carbon ammonia fuel and transportation markets.

8

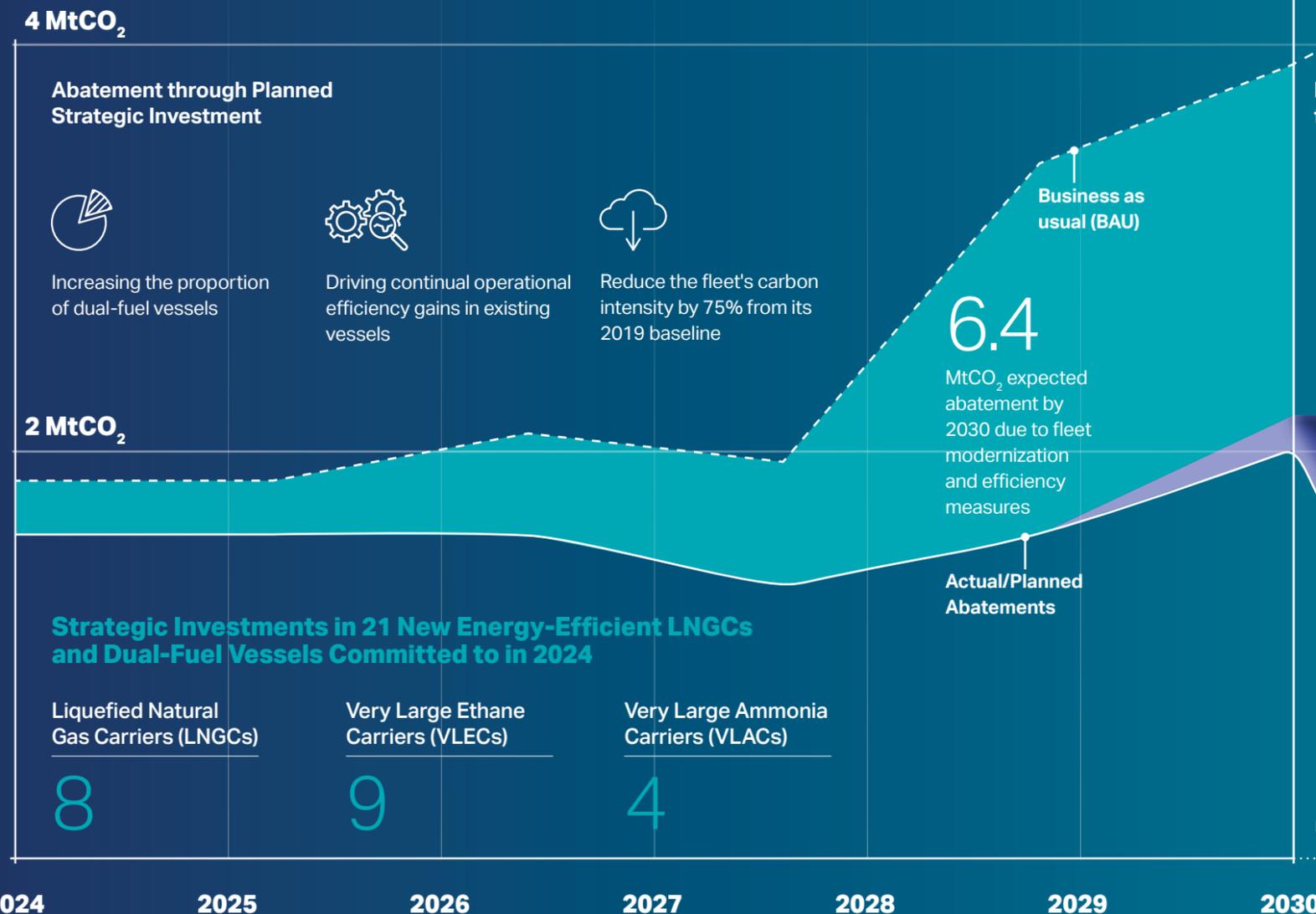
Duel-Fuel LNG Carriers (Ruwais LNGCs)

- Shipbuilding contracts awarded in 2024 to Samsung Heavy Industries and Hanwha Ocean (four each, with option for additional one). Delivery expected in 2028.
- Energy efficient dual-fuel LNG carriers with capacity of 174,000 cubic meters and feature XDF 2.2 engines.
- Expected to produce lowest emissions in the Company's global fleet.

Pathway to Net Zero in the Shipping Sector

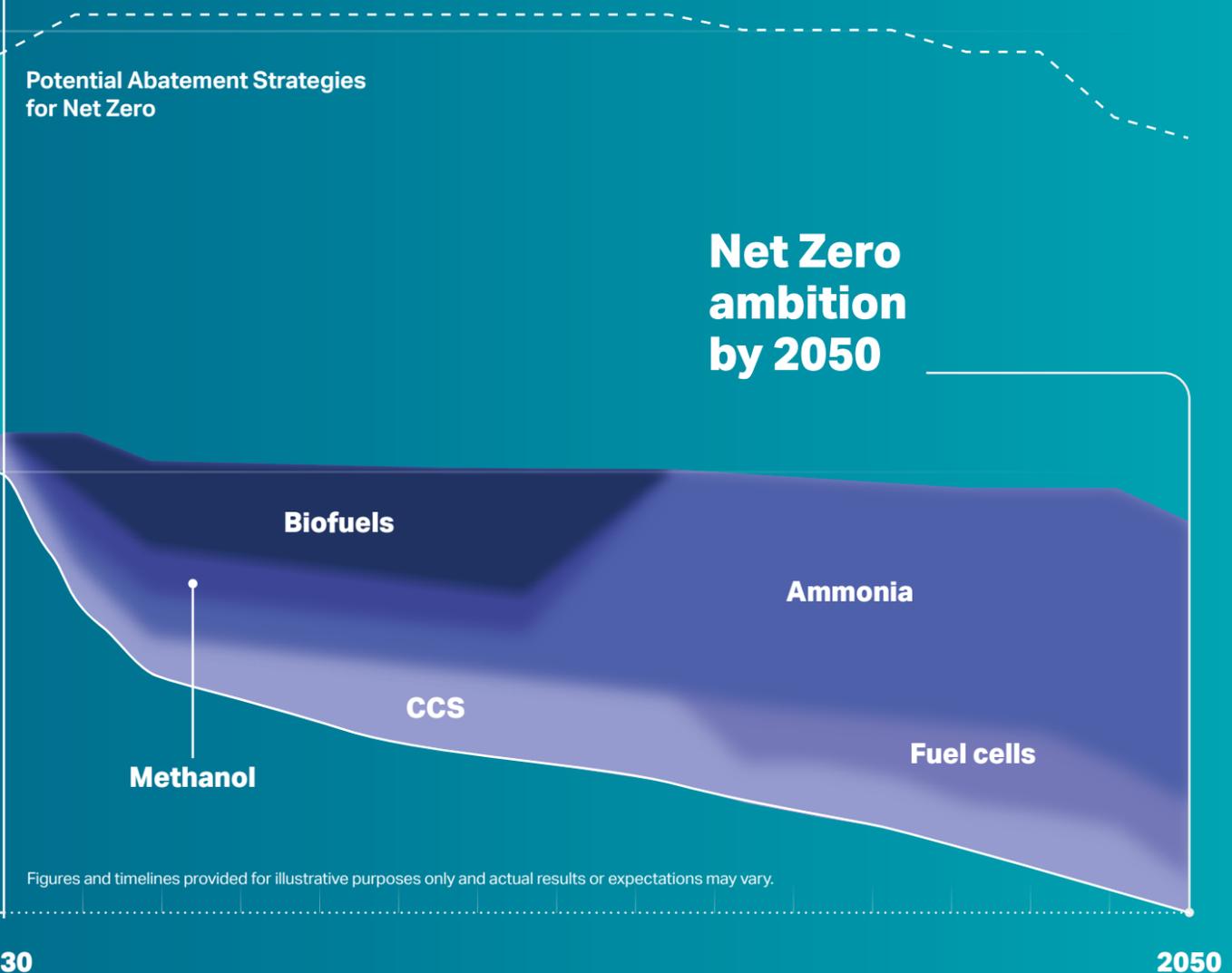
Investing in fleet modernization and energy efficiency to 2030

Increasing asset base of dual-fuel vessels (LNG, LPG & Ethane) as a part of the company's fleet modernization drive to utilize lower carbon fuels and increase fleet efficiency.



...post 2030, moving into low and zero carbon fuels

The shipping sector is on a determined path towards achieving Net Zero emissions. A significant milestone will be reached when low-carbon fuels, alternative propulsion methods, and carbon sequestration technologies become feasible, established, and economically viable.



Figures and timelines provided for illustrative purposes only and actual results or expectations may vary.

- EXECUTIVE SUMMARY
- BUSINESS OVERVIEW
- SUSTAINABILITY OVERVIEW
- SUSTAINABILITY THEMES
- INDICES

Decarbonization: Offshore and Integrated Logistics

The Company is committed to driving sustainability and innovation within our offshore and integrated logistics operations. Our Offshore operations differ significantly from our Shipping fleet, which consists of large cargo-carrying vessels with greater potential for the application of energy-saving devices. In contrast, our Offshore fleet serves a different function in servicing integrated logistics and include a variety of vessels, such as the larger Anchor Handling Tug Supply (AHTS) vessels, Jack-Up Barges, Diving Support

Vessels (DSVs), Platform Supply Vessels (PSVs), Landing Craft Tanks (LCTs), down to smaller tug boats and pilot boats. Each of these vessels requires a tailored approach to decarbonization, considering their unique operational roles and energy requirements.

Our strategic focus is on decarbonizing our fleet through electrification and the use of alternative fuels. By integrating cutting-edge technologies and sustainable practices, we aim to reduce emissions and enhance operational efficiency.

Approach

To implement our decarbonization strategy, we are utilizing an integrated approach to manage and optimize our fleet operations. Our comprehensive approach includes several key initiatives:

- **Biofuels:** We are introducing B5 biofuels to reduce carbon emissions and are looking to scale the use of biofuels more in our offshore fleet.
- **Hybrid vessels:** We are deploying hybrid vessels that combine traditional and electric propulsion systems, offering a balanced approach to reducing emissions while maintaining operational efficiency.

- **Zero emissions transport:** We are exploring zero emissions options to transport workers to offshore islands through electric sea gliders, which supplant the need to send them by ferries or helicopters.
- **Cold ironing:** Implementing cold ironing technology allows our vessels to reduce emissions while docked, contributing to cleaner port environments.
- **Warehouse management solutions:** We are exploring advanced warehouse management solutions at Khalifa Industrial Zone Abu Dhabi (KEZAD) to further streamline our logistics operations and enhance overall efficiency.

Our commitment to sustainability and innovation is evident through several successful case studies.

These pilot projects, though starting on a small scale, present a promising outlook for the future. They underscore our dedication to integrating sustainable practices and innovative solutions into our logistics operations, paving the way for a greener and more efficient future.

Implemented initiatives

B5 Biodiesel for Offshore Vessels

Since 2022, ADNOC Logistics & Services has been exploring the application of biofuels to enhance sustainability in its operations. The company has been operating eight vessels from its Offshore fleet on a B5 biodiesel blend, sourced from ADNOC Distribution. This initiative aimed to evaluate the effectiveness of B5 biodiesel in reducing CO₂ emissions, as well as testing how its usage affects the operational profile of the vessels.

Key highlights:

- Achieved a savings of 484 tons of CO₂ in 2024.
- Plan to roll out B5 biodiesel for use across 42 vessels in 2025, aiming for a CO₂ reduction of 600 tons monthly (7,200 tons annually).
- By 2026, the goal is to include approximately 50 chartered vessels, targeting a CO₂ reduction of 15,000 tons per year for the fleet.

Cold Ironing (Shore Power)

Shore Power Project is a 'shore-to-ship' power connection that directly links the onshore national grid to berthed offshore ships. This project, which involves modifying vessels from marine diesel or heavy fuel oil to electric, provides an emission-free solution for safe and reliable power transfer.

Key highlights:

- Installed in 10 berths at ADNOC Mussafah Base with power supply capacities ranging from 100-350 KVA.
- 27 owned and 11 chartered vessels have been modified to connect to Shore Power. The modification of the remaining 33 dedicated Offshore Supply and Maintenance Services (OSMS) vessels is expected to be completed by 2025.
- 1,500 liters of fuel saved per week, equivalent to 78,000 liters per year.
- 268 tons per year in 2024, forecasted to reach 400 tons in 2025 and 540 tons in 2026.

Hybrid Power PSV

In the 2023, ADNOC L&S announced the planning phase of a pilot project for a hybrid power solution for one of its offshore PSVs (platform supply vessels) A vessel was selected with the technical study starting in 2024.

Key highlights:

- The technical study was completed by Q4-2024, covering stability, power management system, and class endorsement.
- The vessel will be capable of full DP2 operations using battery power for 11 hours.
- The vessel will save 2 tons of CO₂ per hour, equating to 22 tons per day. For 350 operational days, this results in a savings of 7,700 tons of CO₂ annually.
- Battery installation on the vessel will start in June 2025, with completion targeted by December 2025.

Planning phase

Autonomous Landing Craft

The 'SeaOwl' Landing Craft Tank (LCT) is designed as an unmanned remotely operated vessel capable of transporting vehicles, equipment and supplies to and from offshore sites. This vessel combines advanced automation with a hybrid diesel-electric propulsion to enhance operational efficiency and reduce environmental impact.

Key highlights:

- Hybrid diesel electric propulsion.
- With no crew facilities required, vessels are lighter and smaller with potential emissions reduction of 30% compared to conventional LCTs.
- Design to utilize AI systems to control propulsion, dynamic positioning, remote communications and cyber security.
- Construction in 2025 for 2 LCTs as pilot vessels.



Autonomous Container Transporter

The AGV PERFORMANCE is an electric and fully autonomous container transporter designed for brown and green field ports. It facilitates the movement of containers and Cargo Carrying Units (CCU) from warehouse to jetty with zero emissions.

Key highlights:

- Fully electric, enabling near zero-emission operations.
- Improved and quieter working conditions.
- Currently in Engagement Phase.

Case study

Fully Electric Zero-Emission Seaglidors

ADNOC L&S has joined with an Abu Dhabi seaglider operator for pilot studies to introduce REGENT seaglidors into its fleet. ADNOC L&S will use the all-electric seaglidors to transport people to and from offshore oil and gas infrastructure.

Seaglidors will significantly reduce the time, cost, and emissions of offshore energy logistics.

- Reduction of emissions by 15,000 tons of GHG emissions yearly and a 100% reduction in fuel costs compared to conventional transportation.
- Reducing travel time from 2.5 hours to 0.5 hours compared to conventional ferries.
- Reducing travel fatigue by providing quicker and more comfortable travel, thus increasing the efficiency of personnel.
- One glider currently completing pilot testing.

Capable of carrying

12

passengers or 1,600 kg pay load

Operational range

300km

on a single battery charge



Digital decarbonization

Leveraging advanced technologies, we drive sustainability and operational excellence through AI-enabled digital decarbonization. By implementing innovative AI solutions, we can reduce carbon emissions and enhance efficiency in our maritime operations.

Integrated Logistics

Optimizing Vessel Scheduling

We are modernizing our flagship Integrated Logistics Management System (ILMS) and supporting it with advanced artificial intelligence systems. The planned upgrade is designed to optimize vessel scheduling and ensure the timely delivery of materials across ADNOC offshore locations. By incorporating AI-driven algorithms to generate efficient vessel routes and schedules, the enhanced ILMS is projected to improve operational efficiency and reduce the manual workload on our vessel planners. Once fully implemented, this update will enhance productivity and contribute to our sustainability goals by maximizing asset utilization, minimizing unnecessary vessel movements, and reducing carbon emissions.

Optimizing fleet performance

To enhance our offshore fleet operations, we have implemented a 3rd party digital solution that integrates data and analytics. Our web-based fleet management software helps benchmark, manage, and improve fleet performance. Digital logbooks simplify daily reporting, alerts, and data collection. These tools also assist in tracking and reducing emissions, ensuring that activities align with industry standards. By introducing digitalization solutions, we can make our offshore fleet operations more efficient and data-driven.

Petroleum Port Operations

Transforming Petroleum Port Operations

The SmartPort initiative, launched in 2024, represents another significant milestone in our AI transformation journey. This AI-enabled solution automates the planning and deployment of vessels and personnel, reducing the process from hours to under 30 seconds. By utilizing real-time data analysis, the SmartPort initiative enables quick resource deployment and instant tracking through mobile devices. The system leverages machine learning algorithms to optimize routing and scheduling, ensuring efficient utilization of resources. This approach is expected to reduce carbon emissions by over 20% through optimization alone, without requiring any changes to the fleet.

Shipping

Enhancing maritime efficiency

In 2023, we introduced a comprehensive fleet management platform, which was then rolled out to all of our ocean-going vessels in 2024. This platform provides detailed insights and data management for the maritime industry. The dashboard offers in-depth analysis of carbon emissions and efficiency metrics over specific periods, crucial for monitoring environmental impact and regulatory compliance. By integrating both manual and automatic inputs from crew and vessels into a unified data stream, the platform helps us track event and snapshot data, providing aggregate insights essential for decision making and operational efficiency. Key benefits include boosting commercial fleet performance through improved ship-to-shore communication, driving technical performance by integrating voyage, hull and propeller, engine, and systems performance, and delivering environmental performance by ensuring compliance with EU MRV, IMO DCS, and Sea Cargo Charter regulations. Additionally, it simplifies emissions reporting, which is crucial for achieving decarbonization profitably.

Innovative maritime solutions

ADNOC L&S has acquired an 80% stake in Navig8, enhancing its global presence and service offerings. This acquisition aims to position ADNOC L&S as a leading global energy maritime logistics and services company. Navig8 brings expertise in bunkering, technical management, commercial pooling, environmental and digital solutions, and market analytics. Integrating Navig8's tools will improve operational efficiency, fuel consumption, and customer service. ShipWatch offers various monitoring and auditing services, including EmissionsWatch, DataWatch, FuelWatch, VoyageWatch, and HullWatch.

These services enable continuous monitoring and auditing of maritime operations, focusing on efficiency, compliance, and operational management. Integr8 Fuels supports marine fuel procurement and management with innovative solutions. Their global network of traders offers competitive prices and flexibility. Their fuel management solution emphasizes trading, transparency, service, and compliance, while their research and trading intelligence provide expert market insights. The ENGINE Bunker Platform allows users to make informed buying decisions globally, contributing to our digital decarbonization goals.

Satellite Oil Spill Surveillance and Modelling

Our digital sustainability solutions for oil spill response leverage advanced technologies to enhance early detection, rapid response, and precise mitigation efforts. Our OSR coverage is the largest in the UAE, covering Zirku, Ruwais, Mussafah, Sharjah, and Fujairah for Tier 1 and 2 responses. Utilizing high-resolution satellite imagery, we monitor and assess potential oil spill incidents in real-time, providing 24/7 coverage with a 10 NM radius. This enhances our early detection capabilities, allowing for swift and informed response actions. Additionally, our oil spill and chemical spill trajectory modelling systems forecast the potential paths and dispersion patterns of spilled substances. By anticipating and counteracting their movement, these models help us strategically deploy resources to help contain and mitigate the impact, increasing operational efficiency and decreasing environmental damage.

By strategically integrating AI and advanced digital technologies, we're not just innovating; we're establishing new benchmarks for a low-carbon future.

AI-powered digital solutions can enhance efficiency, optimize routes, improve safety, and significantly reduce carbon intensity."

ABHIJITH SUBOYIN
Senior Analyst, Change Management



Climate change risk

Managing climate and transition risks: Building operational resilience

Mariners have long adapted to the unpredictability of the oceans, but climate change is amplifying risks in ways that demand urgent action. Rising sea temperatures, intensifying storms, and shifting weather patterns threaten maritime trade routes, potentially causing disruptions, delays, and – in worst-case scenarios – cargo loss, crew endangerment, and vessel damage.

The UAE’s record-breaking rainfall in 2024, the highest in 75 years, underscored the vulnerability of logistics networks to the potential of severe weather events. While ADNOC L&S’s robust business continuity plans minimized operational disruptions, this event reinforced the need to future-proof our infrastructure against escalating climate threats.

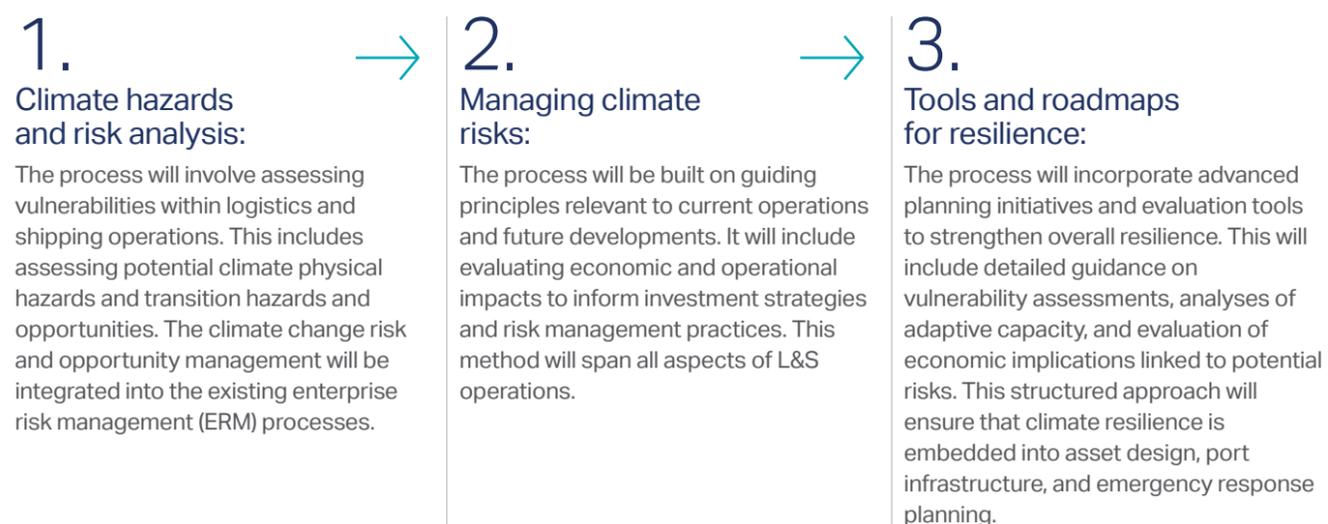
We are transitioning from relying on traditional operational methods to adopting advanced technologies and AI tools to overcome challenges, minimize business disruptions, and

enhance operational efficiencies. These technologies enable real-time adjustments to estimated arrival times and cargo handling schedules, ensuring operational continuity even as weather patterns grow more erratic.

Simultaneously, the global energy transition is reshaping maritime regulations, with compliance now a critical component of risk management. In 2024, the EU Emissions Trading System (EU ETS) expanded to include shipping, requiring vessels to surrender allowances for CO₂ emissions on EU-bound voyages. By 2025, the FuelEU Maritime Initiative will further tighten requirements, mandating progressive reductions in GHG intensity for marine fuels. ADNOC L&S is proactively adapting to these changes. We are investing in fleet modernization, exploring alternative fuels such as LNG and biofuels, and optimizing voyage efficiency to align with carbon pricing mechanisms. Our teams collaborate closely with regulators and industry partners to anticipate policy shifts, ensuring compliance while maintaining competitiveness in a decarbonizing market.

ADNOC L&S’ Approach: A roadmap for resilience

ADNOC L&S recognizes the physical and transition risks and opportunities posed by climate change and is progressing efforts towards developing a systematic process to identify and assess these risks. This process will enable informed decision making to address potential challenges and capture future opportunities.



Environment

As a leading shipping and maritime logistics provider, ADNOC L&S embraces its role as a steward of the nation's coastlines and marine environment. We are committed to aligning with all relevant HSE accreditations and certifications, leveraging advanced technologies and crisis readiness to swiftly address emerging environmental challenges.

Safeguarding the UAE maritime environment

Environmental protection is deeply rooted in the UAE's maritime heritage. By leveraging modern technologies and adopting best-in-class standards, ADNOC L&S acts as a custodian of this heritage. Our commitment to environmental stewardship supports the preservation of the UAE's rich cultural legacy while driving sustainable growth and prosperity. To support this, we offer specialized services, including Oil Spill Removal and Naturally Occurring Radioactive Material (NORM) Management.

Oil spill removal

Our advanced oil spill response (OSR) capabilities, including rapid detection and containment technologies, position us as a leader in the UAE. In 2023, ADNOC L&S became the first organization outside the UK and US to receive the prestigious Oil Spill Removal Organization (OSRO) Accreditation, highlighting our commitment to environmental responsibility and excellence in oil spill response. We are committed to continuing our journey by deploying the latest technologies and AI tools to safeguard our environment.

Managing naturally occurring radioactive material (NORM)

ADNOC L&S is contracted to safely manage and transport NORM, which contains radioactive elements like Uranium-238 and Thorium-232, from ADNOC sites to treatment facilities. Using advanced technologies and strict safety measures, we facilitate the safe handling and disposal of these materials to protect both our workers and the environment.

Our dedication to environmental sustainability is underscored by our achievement of key HSE accreditations, including:

ISO 14001 This accreditation, developed by the International Organization for Standardization (ISO), provides ADNOC L&S with a robust framework for integrating environmental considerations into our business management. It enables us to achieve cost savings, safeguard the environment and natural resources, and enhance our corporate reputation through sustainable practices.

ISO 50001 This ISO standard equips ADNOC L&S with a comprehensive set of guidelines for designing, implementing, and maintaining an effective energy management system. By adhering to these standards, we continue to improve our energy use, reduce operational costs, and minimize GHG emissions, contributing to a more sustainable future.

No of trained candidates in 2024

888

2023: 857

Conducted accredited training courses for Oil Spill Response, Incident Management, and Hazardous Substance spill response.

Refurbished spreader frame

Project overview:

A scrap frame received from offshore sites was refurbished and repurposed into a jumbo bag-lifting frame. This innovative solution not only minimized waste but won the Value for Money Award at the 2024 International Idea of the Year Competition, held during the 37th International Conference by IdeasUK in the United Kingdom.

Challenges:

- Loading onto vessels took 10-12 hours, impacting vessel turnaround times and overall efficiency.
- Existing lifting frames could only handle three bags at a time, leading to prolonged loading times.

Solution implemented:

- Designed and fabricated a new lifting frame capable of lifting eight bags at a time by conducting market research, modifying a scrap frame, and performing engineering, testing, and certification. The new frame was successfully implemented after trials and modifications.

Outcomes:

- Reduced loading time to under 1.5 hours for 100 jumbo bags, increasing productivity by 52%, reducing costs and enhancing customer satisfaction.



We are embedding a culture of innovation at ADNOC L&S, and our global recognition through prestigious awards and accreditations demonstrates our excellence in innovation. For instance, our Onshore Logistics team's innovative lifting frame design reduced loading time for our vessels by 52%, leading to enhanced operational efficiency and reduced costs."

SHISHIR KUMAR
Specialist, Business Excellence (Innovation)



Waste and Water Management

ADNOC L&S is committed to the responsible use of natural resources and the reduction of waste. Our waste and water management strategies are designed to reduce our environmental footprint and promote sustainability. The waste we manage is primarily operational in nature, encompassing materials from our logistics activities, facility maintenance, and site operations.

We have developed and implemented various policies and programs help us to effectively manage and minimize waste across our operations. These initiatives include the adoption of advanced technologies and best practices to ensure that waste is handled, treated, and disposed of in a responsible manner. By prioritizing waste reduction, ADNOC L&S reinforces its commitment to environmental stewardship and sustainable operations.

Repurposed metal bollards

Project overview:

In 2024, our onshore logistic's team embarked on an innovative project to repurpose 20 tons of metal scrap from old car parking shades into new single pole bollards. This onshore logistic's team initiative aims to optimize space utilization, enhance cost efficiency, and contribute to environmental sustainability.

Challenges:

- Managing and repurposing a significant amount of metal scrap.
- Ensuring the new bollards met safety and quality standards.
- Achieving cost savings while maintaining project efficiency.

Solutions implemented:

- Repurposing strategy: The team successfully repurposed 15 tons of metal scrap, transforming it into functional bollards.
- Recycling efforts: An additional five tons of metal were sent for external recycling, reducing the overall waste.

Outcomes:

- Waste reduction: The project achieved an 80% reuse/recycle rate, significantly reducing the amount of waste generated.



Boat refurbishment

A boat that was initially planned for scrapping has been refurbished through our waste management efforts. It is now displayed in front of our main office, showcasing our commitment to circularity and sustainability. However, through our commitment to circularity, the boat was refurbished and installed as a display piece in front of the main office.



Forklift repurposing

Once considered scrap and marked for disposal, this unoperational forklift has been refurbished as a display piece in the logistics operations main office in line with our waste management programs.





Sustainable yard development

Project overview

In 2024, our Musaffah Base Operations undertook a yard redevelopment project with a focus on minimizing waste generated during the process. The project specifically targeted the handling of interlock tile waste to enhance sustainability.

Challenges:

- Managing a large volume of interlock tile waste.
- Implementing effective reuse and recycling strategies.
- Ensuring the redevelopment project remained on schedule and within budget.

Solutions implemented:

- Waste management strategy: The team reused 2250 M³ of interlock tile waste, significantly reducing the amount of waste collected.
- Recycling efforts: The remaining 250 M³ of waste were effectively managed through external recycling.

Outcomes:

- Waste reduction: The project achieved a 90% reuse/recycle rate, demonstrating the effectiveness of the waste management strategy.

The project achieved a

90%
reuse/recycle rate



Crane refurbishment

A deck crane was planned to be scrapped. By securing the necessary approvals and refurbishing the crane, we demonstrated our commitment to waste management and circularity. The crane now serves as a display piece in front of the main office.



Repurposing anchor blocks

Anchor blocks scheduled for disposal were collected from the scrap yard after obtaining the necessary approvals. They were refurbished and installed as a display piece in front of the logistic operations main office, emphasizing our commitment to circularity and waste reduction.



Sustainability Theme 1 – Climate, emissions and environment data

| Indicator | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------------------------------------------------|------------|------------|------------|------------|------------|
| Gross Scope 1 emissions (Metric Tons of CO ₂ e) | 724,991 | 1,343,139 | 1,341,608 | 1,874,984 | 1,987,360 |
| Gross Scope 2 emissions (Metric Tons of CO ₂ e) | 7,756 | 395 | 6,732 | 8,269 | 8,254 |
| Total energy consumption from non-renewable sources (GJ) | 12,020,171 | 15,545,093 | 17,529,133 | 22,422,773 | 27,615,513 |
| Number of hydrocarbon spills (onshore) | 5 | 1 | 1 | 1 | 2 |
| Aggregate volume of hydrocarbon spills (Barrels) | 1.8 | 0.0 | 0.3 | 0.3 | 0.6 |
| Total water withdrawn (Mega Liter) – Municipal Water: | | 66 | 1,450 | 673 | 697 |
| (1) Total hazardous waste generated (Metric Tons) | 494 | 75 | 424 | 525 | 54 |
| (2) Other non-hazardous waste | | | | | 429* |
| (3) Total waste diverted to disposal (Metric Tons) | 1,130 | 1,212 | 2,886 | 10,011 | 347 |

*First year of reporting.

Health, Safety and Asset Integrity



At ADNOC L&S, the health, safety, security and wellbeing of our workforce remain paramount. We are committed to fostering a proactive safety culture that goes beyond compliance, embedding a mindset of continuous improvement and shared responsibility across all operations.



Sustainability goals and commitments

- Achieve total recordable incident rate (TRIR) and all the HSE KPIs in accordance with high HSE standards.
- Promote HSE awareness program.

Material topics

- HSE culture rules.
- Waste management.

2024 achievements

- Achieved TRIR of 0.21.
- Achieved Oil Spill Response (OSR) Accreditation from the Nautical Institute.
- Conducted 165 oil spill exercises and drills in 2024.
- Organized multiple safety workshops and launched NORM management project".

UN SDGs



Our commitment to health, safety, and environment (HSE) is not just a matter of compliance; it is a core value that guides our operations and decision-making. We are dedicated to creating a workplace where every employee feels safe, valued, and empowered to contribute to our shared success.

Our approach to HSE is proactive, focusing on identifying and mitigating risks before they can lead to incidents. We invest in advanced technologies, such as our AI-powered Smart Vessel system, to enhance our hazard detection and incident response capabilities. Additionally, we prioritize the wellbeing of our employees, offering a range of programs and resources to support their physical and mental health. In 2024, we continue to build on our strong foundation, driving further improvements and setting new benchmarks for safety and sustainability.



It is our firm belief that achieving 100% HSE core value is integral to ADNOC L&S' operations. We are dedicated to embedding these principles into every decision and action to ensure worker safety, fostering a culture of transformation, innovation, and excellence."

MOHAMED AL MAFLAHI
VP HSE





HSE governance

Our HSE governance framework ensures that health and safety are integrated into all aspects of our operations. A dedicated management team oversees HSE risk management, ensuring compliance with ADNOC Group's unified HSE Policy and the latest global standards. We are committed to continuous improvement, regularly reviewing and updating our policies and procedures to ensure they remain effective and relevant.

We foster a culture of shared responsibility, encouraging all employees to adhere to our HSE guidelines and to proactively identify and report potential hazards. We also engage with our contractors and partners to ensure that they share our commitment to safety and wellbeing.

Compliance and oversight

All operational sites under ADNOC L&S are required to meet stringent legal requirements, including the establishment of HSE committees comprising management and employee representatives. This structure ensures adherence to health and safety policies, standards, programs, and systems.

Integrated Management System (IMS)

ADNOC L&S' Integrated Management System (IMS) is embedded in the business and to minimize disruptions and enhance operational efficiency. In 2024, ADNOC L&S conducted successful IMS Internal Audits across all sites, achieving zero major non-conformities.

Certifications and standards

The IMS includes seven certifications from Lloyds Register Quality Assurance (LRQA):

- **ISO 14001 EMS:** Environment Management System.
- **ISO 45001 OH&SMS:** Occupational Health and Safety Management System.
- **ISO 9001 QMS:** Quality Management System.
- **ISO 50001 EnMS:** Energy Management System.
- **ISO 55001 AIMS:** Asset Management System.
- **ISO 22301 BCMS:** Business Continuity Management System.
- **ISO 27001 ITMS:** Information Security Management System.

Annual surveillance audits

The annual IMS surveillance audits conducted by LRQA across all ADNOC L&S sites in 2024 also resulted in zero major nonconformities, underscoring the effectiveness and robustness of the IMS.

Health

In line with our 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 2024. These initiatives are designed to promote a holistic approach to employee wellbeing, encompassing both physical and mental health.

These included the continued development of our special podcast series focusing on a range of themes pertaining to wellbeing, safety, and health. The Company further expanded its pilot health initiatives to safeguard the physical wellbeing of its employees and raise awareness of critical health issues, with a focus on preventative care and early detection. In 2024, we were committed to expanding our reach and impact, so all employees had access to the resources and support they need to thrive.

Safety

Throughout 2024, ADNOC L&S made significant 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 an improvement of over 14% in Total Recordable Incident Rates (TRIR) in 2024 compared to 2023, continuing to maintain one of the lowest incident rates in the region.

In 2024, we were committed to further strengthening our safety culture and driving continuous improvement in our HSE performance.

ADNOC L&S' approach to health and safety

Commitment to 100% HSE

At the heart of ADNOC L&S' operations lies an unwavering commitment to Health, Safety, and Environment (HSE). This core value shapes every decision and action, reinforcing the license to operate, bolstering investor confidence, and fostering stakeholder trust.

Cultivating a strong HSE culture

ADNOC L&S believes that a robust HSE culture is essential to its business. It is the Company's duty to ensure a healthy and safe work environment across operational sites for both employees and contractors. Additionally, ADNOC L&S is dedicated to enhancing the physical, emotional, and mental wellbeing of its workforce.

Stakeholder collaboration for HSE excellence

Understanding the importance of strong partnerships in achieving HSE excellence, ADNOC L&S brought together 16 contractor companies to pledge their commitment to health and safety standards. These pledges were made during the Marine Partners Leadership forums, held quarterly at Mussafah Base. These forums serve as a platform for marine partners to enhance their leadership and ownership in HSE by fulfilling agreed commitments and strengthening HSE practices within their organizations.

Strategic HSE planning

To achieve best-in-class HSE performance, ADNOC L&S has developed a comprehensive five-year HSE Plan and Initiatives. This plan is anchored to three key pillars: People, Profitability, and Sustainability. These pillars are fundamental to achieving ADNOC L&S' goal of 100% HSE compliance across all operations.

Culture of CARE (care, accountability, recognition, entrust)

Building a Culture of CARE

ADNOC L&S is dedicated to fostering a Culture of CARE through various initiatives aimed at achieving HSE excellence.

Visible leadership engagements

In 2024, ADNOC L&S launched the Enhanced 100 HSE Days Campaign across all sites, involving senior leaders (SVPs, VPs) and first leaders (Managers, TLs). This campaign, initiated in Q4 2024, significantly boosted year-end HSE performance, surpassing sustainability metrics.

Learning from incidents (LFI)

ADNOC L&S has strengthened its Learning from Incidents (LFI) program, focusing on sharing lessons from incidents and emphasizing procedural compliance to prevent recurrence.

HSE Excellence Journey

Through the AIPS (Asset Integrity and Process Safety) assurance and culture framework, ADNOC L&S has driven improvements in its HSE Excellence Journey. By implementing HSE Leading KPIs and enhancing safety practices, the Company has prevented Tier 1 and Tier 2 incidents, achieving zero incidents over the past three years. The AIPS framework reflects ADNOC's unwavering commitment to operational excellence, protecting people, assets, and the environment.



Asset integrity

ADNOC L&S is advancing its asset integrity management through an AI-driven digital transformation strategy. These initiatives focus on leveraging advanced technologies to promote the reliability, safety, and longevity of assets. By implementing these innovative solutions, the Company aims to enhance operational efficiency, reduce risks, and maintain high standards of performance and sustainability.



Smart Ship

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



SMARTi

AI-enabled computer vision, integrated with CCTV cameras across 86 vessels, enhances safety through real-time hazard detection and continuous 24/7 monitoring.



Real-time data analytics

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

SMARTi Project

We have successfully deployed AIQ's SMARTi intelligent operational safety monitoring solution across 86 of our owned vessels. The solution, which was made in the UAE by AIQ, leverages AI-enabled computer vision technology, big data and analytics to enhance health and safety across ADNOC L&S' operations.

The SMARTi technology processes over 1 billion images daily with more than 90% accuracy, proactively detecting safety hazards in real-time.

SMARTi seamlessly integrates into existing CCTV platforms, enabling rapid and scalable deployment. The solution provides 24/7 monitoring, ensuring continuous safety surveillance on vessels.

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

- Increases asset reliability and availability
- Optimizes maintenance costs
- Mitigates operational risks
- Reduces total cost of ownership (TCO)
- Provides continuous visibility of asset condition

ADNOC L&S beach cleaning campaign

From November 12-25, ADNOC L&S organized multiple beach cleaning campaigns across Sharjah, Fujairah, and Mussafah.

This initiative saw the participation of around 400 volunteers, including ADNOC L&S employees from various business units and external partners such as the Environmental and Health Agency, Hamriyah School,

Fujairah Environmental Authority, Fujairah Port, and valued clients.

The collective efforts of these volunteers resulted in the collection of an impressive 360 kilograms of waste, significantly contributing to social wellbeing and sustainability goals.



At ADNOC L&S, what excites me is how innovation is at the heart of our HSE culture, empowering us to achieve exceptional, safe, and sustainable HSE performance."

NANCY MACWAN
Specialist, HSE





ADNOC Group – leadership visits

ADNOC L&S' Mussafah Base and OSR facilities: This visit showcased the OSR team's achievements, including over 3,200 days without a Lost Time Incident (LTI), and their proactive culture of hunting high-potential incidents (HIPOs) and promoting positive observations and recognition. The OSR team has built in-house capabilities, including accreditation to deliver 21 courses, 888 hours of training and a Hazardous and Noxious Substance (HNS) response capability. In addition, they are piloting several technology and AI applications, such as satellite imagery for spill recognition and modelling, autonomous spill reporting, and an Unsafe Act AI Recognition surveillance system deployed on all support vessels.

- Over 3,200 days LTI-free
- Proactive culture of hunting HIPOs and promoting positive observations
- In-house capabilities: 21 accredited courses and HNS response, 888 hours of OSR training delivered
- Technology and AI applications: satellite imagery, autonomous spill reporting, and AI-enabled CCTV for unsafe act detection on support vessels



2024 safety day

ADNOC L&S hosted an exhibition at the Abu Dhabi Energy Center, themed "SAFETY AI: Innovative. Safety. Together." The event featured contributions from ADNOC L&S, HSE, the Command & Control Center, and AIQ, showcasing innovations and lessons learned. The exhibition emphasized fostering a culture of safety through continuous knowledge sharing, ensuring a safe and sustainable workplace.



EXXON TMSA audit

ADNOC L&S Ship Management successfully completed the EXXON TMSA audit, which reviewed procedures across 13 chapters with nearly 1,200 checkpoints. The audit's successful completion enhances ADNOC L&S' credibility for commercial trade with EXXON and positively impacts its global trade reputation. The achievement reflects the extended support from Ship Management, HR, PSD, and IT teams.



Enhanced 100 safety day campaign

This campaign emphasized the importance of workplace safety through various engagement activities, including a safety quiz competition. The event aimed to address emerging safety challenges, promote mental health, and explore AI trends in safety practices. Team members who excelled in safety practices were recognized and awarded.

In November 2024, ADNOC L&S Ruwais Station conducted culture-building activities. Senior Management emphasized the importance of sharing stories that reflect the organization's values. Participants shared stories, engaged in meaningful conversations, and were appreciated for their contributions. The event reinforced ADNOC's organizational values and culture.



Oil spill exercise at Al Hamriya public beach

An exercise was conducted at Al Hamriya Public Beach to protect fisheries from oil spills. The Sharjah OS & HNS Response team demonstrated their commitment by deploying necessary resources promptly.



Graduation of Public Health Ambassadors

The second cohort of Public Health ambassadors graduated in November 2024. This program, a collaboration between ADNOC and the Abu Dhabi Public Health Center, aims to promote healthy behaviors in workplaces and communities. The ambassadors inspire others through activities like physical exercise and health screenings, fostering a healthier ADNOC community.



Beat The Heat Campaign

ADNOC L&S instituted the 'Beat The Heat Campaign' across 22 locations to mitigate the risks of heat-related illnesses and ensure the safety and wellbeing of personnel.

A swimming competition was organized at Das for ADNOC L&S employees as part of the Wellbeing & Culture Innovation initiative. The event fostered team spirit, community engagement, and a positive work environment.

HSE Offshore Logistics recognized the Hail & Gasha Team for their commitment to workplace health and safety, awarding individuals for outstanding HSE performance, best safe worker, worker of the month, and environmental consciousness. During an HSE Leadership site visit, Subsea management shared updates, showcased facilities, and celebrated top performers. An engagement session at LSP KEZAD focused on HSE, quality, and sustainability in logistics operations, involving Borouge land transporters and LSPs.



Culture moment initiatives

At Das Station, Culture Moment sessions centered on ADNOC's core values and behaviours. These sessions aimed to inspire and motivate employees by sharing their personal stories and fostering team engagement.

HSE leadership visits

HSE leadership site visits at Das Station brought together teams from various departments. The visit emphasized mental health awareness, learning from incidents, and exploring the use of AI in HSE. The day concluded with a team-building activity that showcased teamwork and resilience.



Innovation Program Accreditation

The Innovation Program Accreditation is an assessment of the ADNOC L&S Innovation Program and Processes by ideasUK, in alignment with ISO 56001.

In 2023, ADNOC L&S achieved gold level global rating from the agency, ideasUK, with an 86% score, a recognition for excellence in Ideas Management and Innovation. In 2024, we achieved received the Platinum Level Accreditation (the highest rating that any organization can achieve in ideasUK accreditation) demonstrating our commitment to sustained innovation culture and the excellence in Innovation Management.

Sustainability Theme 2 – Health, safety and asset integrity data

| Indicator | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------------------------------------------|------|--------|-------|--------|--------|
| Fatality rate | 0 | 0 | 0 | 0 | 0 |
| Lost Time Incident Frequency (LTIF) | 0.31 | 0.10 | 0.08 | 0.10 | 0.11 |
| Total recordable incident rate (TRIR) | 0.54 | 0.38 | 0.18 | 0.18 | 0.21 |
| Near miss frequency rate (NMFR) | 10.5 | 17.1 | 3.21 | 2.65 | 0.79 |
| Health, safety, and emergency response training (hours) | | 13,777 | 7,473 | 11,152 | 17,149 |
| For full-time employees (average hours) | | 11,917 | 6,901 | 10,566 | 16,069 |
| For contract employees (average hours) | | 1,860 | 572 | 586 | 1,080 |

People and Community



At ADNOC L&S, our people are our greatest asset. We are committed to fostering a diverse, inclusive, and highly skilled national workforce across the maritime ecosystem.



Sustainability goals and commitments

- Achieve employee engagement rate of 87% by 2024.
- Enhance Youth Committee engagement.

Material topics

- Satisfaction and wellbeing.
- Training and education.
- Diversity and equity.
- Promote ICV.

2024 achievements

- Initiated a culture program to further develop our high performance and accountable culture.
- Increased engagement and contributions from Youth Committee, overseen by the CEO.
- Trained over 136 cadets from 15 nationalities, 19% were female.

UN SDGs



Our 'People-First' strategy reflects our dedication to developing local talent, creating ICV, and building strong collaborative relationships with our partners and communities.

In 2024, we continued to invest in our people, recognizing that their growth and development are essential to our success and the prosperity of the UAE.

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. In 2024, we further enhanced our programs, focusing on leadership development and the creation of opportunities for all employees.



Innovation and growth are at the heart of ADNOC L&S. We are focused on building a skilled and diverse national workforce, empowering roles from seafarers to engineers across the maritime industry."

RASHA SALEH AL HARTHI
Vice President, Human Capital



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. Four such individuals who have gone through the cadet program and risen through the company's ranks are now part of the senior leadership team, including our CEO, Captain Abdulkareem Al Masabi, as well as the Senior Vice Presidents of Ship Management, Offshore, and Shared Services.

To contribute to the evolution of a highly-skilled workforce in the national maritime ecosystem, ADNOC L&S offers on-the-job training to candidates from maritime colleges around the world through cadetships. This vocational training is essential, alongside academic study, to graduate. During 2024, the company offered on-board training to over 136 cadets from 15 nationalities, nearly a fifth of whom were female cadets.

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. Currently, we have two fully qualified on-ship female seafarers.

Training and education

In 2024, 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.

Emiratization remained a core focus for the business in 2024, with the Company providing paid scholarships and training contracts to help Emirati talents discover their passions and skills and help steer them towards 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 are meant to 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 tackle whatever lies ahead. In 2024, we delivered nearly 68,000 hours of training to our employees, significantly enhancing their skills and capabilities. We have also integrated the latest training technologies, including Virtual Data Rooms (VDR) and simulations, into our comprehensive training programs.

Employee engagement and wellbeing

ADNOC L&S is committed to attracting, developing, and retaining outstanding talent 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. In 2024, we further strengthened our commitment to employee engagement and wellbeing, recognizing that a motivated and supported workforce is essential to our success.

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, goal setting, communication channels, and managerial reporting lines, the Employee Engagement Action Plan serves as a clear roadmap for the sustainable management of a diverse and motivated workforce. We have prioritized employee engagement at ADNOC L&S and its subsidiaries. Consequently, we launched an employee engagement program at ZMI in 2024, and in 2025, we are extending the program to include Navig8.

Employee engagement score

The results of the 2024 ADNOC L&S Employee Engagement Survey show an Employee Engagement score improvement from 82% in 2023 to 83% in 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. In 2024, we have further strengthened the HCSBP program, ensuring that our people solutions are aligned with the needs of our business.



Employee engagement survey score

83%

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. In 2024, we have continued to drive our culture transformation, focusing on creating a workplace where all employees feel valued, respected, and empowered to contribute to our shared success.

- Employee engagement and communication
- Behavioural safety
- Visible leadership
- HSE functional support
- Effective management system

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 behaviours 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 and empowered employees.
- Continuous learning.
- Mobile and agile environment.

In 2024, we have made significant progress in implementing our Culture Renovation program, focusing on developing capable leaders, engaging and empowering employees, promoting continuous learning, and creating a mobile and agile environment.

Workforce diversity

The development of a culturally rich and inclusive workforce is integral to the sustainability agenda of the Company.

ADNOC L&S offers on-the-job training to candidates from maritime colleges around the world through cadetships. Through its 'People First' agenda, the Company sets out to provide equal opportunities for all men, women and 'people of determination'¹.

People of determination: ADNOC L&S creates opportunities for people of determination by providing individuals with specialist access to personalized skills development and training opportunities that meet their unique needs.

Women in Leadership Program: ADNOC L&S has rolled out a specialized Women in Leadership Program to promote female representation in leadership roles.

Youth Committee: Young people represent a significant portion of our workforce and hold immense potential as future business leaders. To harness this potential, we actively encourage their meaningful contributions to the Company's future. Established in 2023 and overseen by the CEO, the Youth Committee plays a pivotal role in our organization.

The Youth Committee is essential to our business, fostering a culture of empowered leadership and aspiring innovators while embedding collaboration at the core of our operations.

This initiative is a crucial step in cultivating a dynamic and engaged community within ADNOC L&S. As we continue to execute our transformational growth strategy, this committee will be instrumental in enhancing our unique and efficient services to customers, generating greater returns for shareholders, and adding incremental value to UAE, ADNOC Group and the maritime future.

The Youth Committee will:

- Aid in upskilling both technical and soft skills.
- Engage our youth in the community.
- Recognize talented changemakers.
- Expose youth to various operations within ADNOC L&S.

Our aim is to provide a supportive platform for changemakers to voice their ideas and contribute to shaping the future of our organization.

Key highlights:

- Empowerment of women through the Trainee Program.
- Opportunities for People of Determination.
- Multicultural workforce from over 60 countries.
- Implementation of ADNOC values to support diversity.

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, which are governed 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.



In 2024, we further refined our succession planning process, ensuring that we have a strong pipeline of future leaders.

The Committee works throughout the year to assess the efficacy of the Succession Pool, identify gaps and track the development of individuals. The Committee works year-round to assess the efficacy of the Succession Pool, identify gaps, and track individual development. This ongoing effort enables the business to evaluate each employee's suitability for progression and provide tailored developmental support in areas such as leadership, communication, technical skills, managerial capabilities. Furthermore, they also focus on business and commercial acumen, for enhancing skills in understanding maritime regulations, market analysis, logistics/contract management, and supply chain optimization. Participants in the Succession Pool are periodically assessed throughout the year to monitor their progress and identify any gaps in knowledge and skills. Through these initiatives, ADNOC L&S is making significant strides in retaining its top talents, incentivizing hard work and loyalty, and ensuring the sustainability of C-suite positions. 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 work and loyalty, and safeguarding the sustainability of the C-suite positions.

Key highlights:

- Accelerated succession planning in 2024.
- Selection of high-potential employees for the talent pool.
- Transparent governance by the Succession Pool Committee.
- Annual Learning Demand Planning for functional, behavioural, technical, and future skills, including AI.

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

ADNOC L&S culture renovation taskforce

ADNOC L&S Culture Renovation Taskforce

The ADNOC L&S Culture Renovation Taskforce aims to foster a high-performance culture within the Company by developing the right behaviours, increasing organizational speed and agility, and implementing fit-for-purpose policies and procedures. The taskforce is responsible for planning, executing, and measuring progress on agreed actions, ensuring alignment with the Culture Renovation Plan (CRP), and engaging with stakeholders to facilitate knowledge sharing and monitor progress.

The taskforce has the authority to engage with relevant stakeholders and launch initiatives as part of the approved CRP. It is composed of three streams: Policies and Procedures, Behaviour, and Speed and Agility, each led by designated champion leads and members.

The taskforce provided monthly updates to the ADNOC L&S L1 team and directed recommendations to relevant functions for implementation. Sub-committees were established as necessary, and the taskforce's term was effective until the project's conclusion.

2024 plan

The 2024 action items for SCQA Themes (Group and ALS) are designed to enhance organizational culture, employee wellbeing, and performance. These initiatives are categorized under themes such as Exec and Strategic Communication, Living Our Values, Line Manager Capabilities, Employee Performance and Reward, Hiring and Onboarding, Wellbeing, and Ways of Working.

Each initiative is described in terms of its objective, the cultural shift it aims to achieve, the initiative owner responsible for its implementation, start date, status (ongoing or to commence), frequency of activities (quarterly or regular), and associated culture toolkit.

The initiatives aim to create a positive cultural shift within the organization. For instance, leadership communication of culture and values is intended to apply a purpose and growth mindset, while increasing recognition around 'Creating Trust' and 'Driving Change' aims to promoting a safe and caring environment. Line Manager Capabilities initiatives focus on empowering people at every level, and Employee Performance and Reward initiatives aim to build effective teams. These initiatives are designed to foster a supportive and inclusive work environment, encouraging employees to align with the Company's values and goals.

The status and frequency of these initiatives vary from monthly to quarterly. Some initiatives, such as leadership communication and recognition activities, are ongoing and occur regularly, while others, like the application of solutions from the Culture Toolkit and completion of difficult conversations, are set to commence in specific quarters and occur quarterly. The initiatives are carefully planned to support continuous improvement and engagement throughout the year, with designated owners responsible for their successful implementation and monitoring.

At ADNOC L&S, we foster a high-performance culture through clear communication, integration, support, and proactive measures. Our holistic approach encourages efficiency, innovation, and strategic alignment with our culture renovation goals."

VIVEK SETH
SVP Marine Services, and Culture Renovation Program Lead



Community

ADNOC Logistics & Services hosted a Family Day event at the Arabian Nights Village, attended by over 1,000 employees and their families. The event fostered a sense of community and togetherness, reflecting ADNOC's culture. Leadership shared insights on the Company's growth and

financial performance, and recognized outstanding performers for their contributions in 2023. The day included team-building activities and interactive games, ensuring inclusivity for all participants.



Abu Dhabi Maritime Heritage Festival

ADNOC Logistics & Services (ADNOC L&S) participated in the third edition of the Abu Dhabi Maritime Heritage Festival from February 23 to March 3, 2024. This event provided a platform for ADNOC L&S to engage with the community and highlight the people behind its successful maritime operations spanning over four decades. Visitors interacted with ADNOC L&S' seafarers, cadets, divers, and technical experts, gaining insights into their roles and experiences.

This participation underscores ADNOC L&S' commitment to collaboration, sustainability, responsibility, and efficiency. The festival served as an opportunity to showcase ADNOC L&S' dedication to these values while celebrating maritime heritage.



Town halls

ADNOC Logistics & Services (ADNOC L&S) conducts regular town halls to celebrate the Company's significant growth and achievements throughout the year. These events highlighted ADNOC L&S' accelerated transformational growth strategy, which includes expanding its energy-efficient fleet, increasing its global footprint, and advancing its sustainability journey, all while delivering value to customers and shareholders.

During these events, the CEO and Management team, praised the employees' contributions, emphasizing the importance of growth, customer satisfaction, and maintaining a 100% HSE culture.

The town halls celebrated employees for their contributions to key ADNOC initiatives. In particular, Project Light - a Group-wide program that optimizes CAPEX and OPEX for enhanced efficiency, resilience, and sustainable value creation with full HSE adherence was acknowledged. Likewise, ADNOC++, our agile ideation platform that fuels breakthrough solutions and swift implementation was honored. This event reinforced ADNOC L&S' commitment to being innovative, people-focused, collaborative, efficient and responsible.

Sustainability Theme 3 – People and community data

| Indicator | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|
| Total number hours worked in the year | 25,459,990 | 28,705,499 | 38,572,535 | 49,100,000 | 56,686,466 |
| Total number of direct hire employees in each of the following diversity categories | | | | | |
| (a) Total male employees | 2,177 | 2,400 | 2,150 | 2,022 | 1,814 |
| (b) Total female employees | 2,041 | 2,261 | 2,014 | 1,876 | 1,685 |
| (c) Employees under 30 years old | 136 | 139 | 136 | 146 | 129 |
| (d) Employees between 30-50 years old | 287 | 282 | 199 | 166 | 117 |
| (e) Employees over 50 years old | 1,564 | 1,745 | 1,581 | 1,493 | 1,338 |
| Total number of new employee hired during the year | 326 | 373 | 370 | 363 | 359 |
| Total number of employee turnover during the year | 218 | 385 | 187 | 130 | 95 |
| Total number of Emirati employees | 81 | 162 | 437 | 258 | 303 |
| (a) Male | 645 | 768 | 772 | 768 | 705 |
| (b) Female | 552 | 680 | 684 | 672 | 623 |
| Emiratization Rate (%) | 93 | 88 | 88 | 96 | 82 |
| Total amount spent (AED) on CSR activities | 49% | 50% | 49% | 49% | 48% |
| | | 51,000 | 25,000 | | 700,000 |

Supply Chain and Business Ethics



At the core of ADNOC L&S' operations is a commitment to maintaining responsible and sustainable operational excellence – right across the value chain.



Sustainability goals and commitments

- Achieve ICV contribution of up to 60% in 2024.
- Strengthen collaboration with stakeholders and promote transparency, accounting and reporting.
- Achieve high code of conduct compliance and uphold business ethics and integrity.
- Engage with suppliers on sustainability awareness.
- Attain compliance with the ADNOC Group Supplier and Partner Code of Ethics.

Material topics

- Ethics and compliance.
- Strategic partnerships and collaboration.
- Supplier Code of Conduct.

2024 achievements

- Achieved 41% ICV with US\$260 million spent through the local economy.
- 99% overall compliance to Code of Conduct with 96% compliance rate for seafares and site-based employees.
- On-ground workshops with multi-lingual facilitation, supported by crew management and site coordinators.

UN SDGs



At ADNOC L&S, our commitment to operational excellence extends beyond our immediate operations to encompass the entire value chain, including our supply chain, In-Country Value (ICV) initiatives, and ethical practices. We understand that sustainable growth and stakeholder trust are built on a foundation of responsibility, transparency, and integrity. This section outlines our dedication to maintaining a robust and ethical supply chain, enhancing our ICV to support local economic development, and upholding the highest ethical standards in all our business activities.

Supply chain

ADNOC L&S is committed to maintaining a robust and ethical supply chain that supports our operational goals and aligns with our sustainability initiatives. We strive to conduct our business activities responsibly, efficiently, and transparently, ensuring that our supply chain practices reflect our commitment to integrity and respect all our stakeholders.

Our supply chain management focuses on:

- Ensuring high operational reliability through regular and timely maintenance programs.
- Aligning with HSE policies and robust asset management procedures.
- Ensuring that partners and suppliers adhere to ADNOC's standards of compliance and ethical practices.



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

MUATASEM AL NUAIMI
Vice President, Procurement



Supply chain and ICV

In-Country Value (ICV)

ADNOC L&S is dedicated to enhancing its ICV by fostering local economic growth and supporting local suppliers and partners. Our commitment to ICV includes:

- Promoting a culture of performance, collaboration, and responsibility within our local supply chain.
- Actively working to increase our ICV by supporting local businesses and contributing to the economic development of the UAE.
- Ensuring that our local partners and suppliers adhere to our high standards of compliance and ethical practices.

Supporting local suppliers and economic diversification

In 2024, the local component of our overall expenditure across our supply chain stands at 41%:

- The number of awards and purchase orders issued to local suppliers increased by approximately 22% compared to last year.
- We have achieved an almost 5% increase in the sourcing of new local suppliers, expanding our supply base.

These efforts reflect our ongoing commitment to expanding opportunities for local businesses. ICV calculations for suppliers are primarily based on the value of goods supplied within the UAE. As we provide these small and medium-sized suppliers with new opportunities, they can increase their own ICV scores, which in turn will contribute to raising our overall ICV in the future. This approach aligns with our broader commitment to economic diversification and the long-term development of local suppliers.

Responsible supply chains

ADNOC L&S interacts with a range of stakeholders to incorporate their perspectives into the development of our business plans, sustainability plans, and objectives, from project planning to execution, long-term operations, and customer service. In 2024, we further strengthened our engagement with stakeholders, ensuring that their perspectives are considered in our decision-making processes.

Long-term supply chain management agreement

To further enhance our commitment to sustainability, we have entered into long-term agreements with suppliers registered with the International Marine Purchasing Associations (IMPA) ACT, a global initiative for responsible supply chain management in the global maritime industry. In 2024, we expanded our partnerships with IMPA ACT suppliers, further strengthening our commitment to sustainability.

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 process of regular due diligence across their operational impacts on human (including labour) 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.



Responsible Supply Chain – a sustainability initiative

Responsible management of ADNOC L&S' 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. In 2024, we continued to work with our suppliers 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 dedicated training sessions. We are committed to sharing our vision and principles with our vendors, stakeholders and business partners to promote adoption.



Achieved our in-country target of spending

41%

of our procurement spent locally

Local agreements with an estimated value of

\$260m





Engagement in supply chain disruption and business continuity

In 2022, 10 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. In 2024, we continued to engage with our critical suppliers, to review that they have robust business continuity plans in place.

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. In 2024, we have taken steps to address these areas, and we are committed to further improving our performance in the years to come.

Artificial intelligence policy

In 2024, ADNOC Group has established a dedicated policy on AI to support the responsible and ethical development, deployment, and use of AI technologies within the organization. This policy is a testament to ADNOC Group's commitment to leveraging AI in a manner that aligns with its core values and ethical standards.

The AI policy outlines comprehensive guidelines and principles that govern the use of AI across the ADNOC Group. The policy emphasizes the thoughtful application of AI for business purposes, ensuring confidentiality of information, maintaining records of AI system designs, and enforcing continuous monitoring and education on AI. The policy is designed to foster transparency, accountability, and fairness in AI-related activities.

Policy or commitment aspects: The AI policy encompasses several key principles that reflect ADNOC Group's commitment to ethical AI practices:

- **Transparency:** Ensuring clear communication about AI systems and their implications.
- **Explainability:** Providing understandable information about AI decision-making processes.
- **Accountability:** Establishing traceability and responsibility for AI outcomes.
- **Fairness and non-discrimination:** Preventing biases and ensuring equal treatment for all individuals.

- **Confidentiality, privacy, and data protection:** Adhering to privacy principles and data protection laws.
- **Human-centeredness:** Enhancing human capabilities and maintaining human oversight over AI systems.
- **Robustness, safety, and security:** Ensuring the reliability and security of AI systems.
- **Environmental and social sustainability:** Considering energy efficiency and inclusiveness in AI applications.

The AI policy and its principles are meant to be accessible by all employees, and ADNOC Group personnel receive periodic training and awareness on the ethical use of AI. This helps keep stakeholders informed and engaged in the responsible use of AI technologies.

Supplier engagement and supply chain resilience

A key focus of our supply chain sustainability strategy is the availability and supply of products in our portfolio while maintaining efficient procurement and supplier management practices. Our approach is centered on enhancing supplier engagement, improving procurement processes, and fostering transparency in supplier interactions.

Key supply chain concerns and our approach

We recognize several critical concerns that impact our supply chain operations, including:

1. Ensuring product availability and supply continuity

- We conduct regular assessments of supply chain risks and implement mitigation strategies to support product availability.
- We communicate critical products and services required with identified critical suppliers and ensure they have their own risk mitigation measures in place to address potential supply disruptions.

2. Enhancing the tendering process

- We refine and improve our tendering process by implementing regular updates in SAP and ensuring that tenders are managed efficiently.
- Digitalization through SAP Ariba has streamlined supplier participation, making the process more transparent and accessible.

3. Regular supplier meetings and system updates

- We conduct regular meetings with suppliers to discuss key topics, including:
 - i. SAP Ariba system improvements and updates.
 - ii. Supplier profile and registration updates to maintain accurate records.
 - iii. Supplier performance assessments and corrective action plans.
 - iv. ICV improvement plan strategies and compliance with certification requirements.

These engagements foster a collaborative relationship with suppliers and encourage ongoing improvement.

ADNOC L&S manages supplier performance assessments through a structured pre-award and post-award evaluation framework to determine whether those suppliers meet the company's operational, quality, & HSE standards.

1. Pre-award supplier performance assessment

Before awarding contracts, ADNOC conducts a pre-qualification and evaluation process to assess potential suppliers based on:

- Technical capabilities and compliance with ADNOC's requirements.
- Financial stability and risk assessment to ensure long-term viability.
- HSE standards compliance.
- Previous performance records and industry reputation.

This assessment helps us shortlist reliable and qualified suppliers for tendering and contract awards.

2. Post-award supplier performance assessment

After contract award, we monitor and evaluate supplier performance to ensure compliance with contract terms and performance expectations. This includes evaluation of their ICV improvement plan implementation and continued HSE compliance.

In certain cases, performance reports are shared with vendors and contractors, highlighting performance gaps and areas for improvement. Through this dual-layer assessment process, we ensure high-quality supplier engagement, enhanced procurement efficiency, and strengthened supplier relationships while promoting compliance with operational goals and driving long-term supply chain sustainability.

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
- 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



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 operate 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. In 2024, we continued to enhance our ethics and compliance program, to keep it effective and relevant.

Its goal is to establish a strong, robust, and cohesive compliance 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 and 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. In 2024, we further strengthened our reporting mechanisms, so the Audit Committee is kept fully informed of our ethics and compliance activities.

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 Standard, Conflict of Interest Standard, Gifts and Entertainment Standard, Anti Bribery and Corruption Standard, Ant-Money Laundering Standard, Integrity Due

Diligence Standard, Sanctions and International Trade Control Standard, and Competition Compliance Standard, amongst others.

- The Company has comprehensive third-party monitoring tools to regularly monitor and review the standing of its partners in terms of exposure to sanctions, corruption, and other business risks.
- Ethics and Compliance training is provided to 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 2023, our Company's Code of Conduct training completion was 78%, which was lower than anticipated. This shortfall was largely due to the lack of desk-based access to compliance training programs for our seafarers, marine operators, and many site-based support employees. Recognizing this gap, we made a concerted effort in 2024 to increase compliance through on-ground access workshops. These workshops were scheduled with the support of the crew management team, site coordinators, and compliance team. A significant aspect of these workshops was the multi-lingual facilitation programs to ensure that non-desk-based site employees could understand the Code of Conduct. Briefings were provided to the crew in English, Hindi, and Arabic to cater to the diverse linguistic backgrounds of our employees. This approach helped us make the message more clear and accessible to everyone, regardless of their primary language. As a result of these efforts, our compliance rate

for non-desk-based employees increased to 96% by the end of 2024, demonstrating the effectiveness of the multi-lingual, on-ground training approach.

- 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.

Supplier and partner code of ethics

In addition to our Code of Conduct, our Supplier and Partner Code of Ethics provide more details on the standards we expect our suppliers to conform to in relation to sourcing, labour 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 Logistics & Services PLC's Supplier and Partner Code of Ethics. In 2024, we continued to enforce our Supplier and Partner Code of Ethics, ensuring that all suppliers are aware of our expectations.

The Code of Ethics sets out commitments to prohibiting any kind of child and forced labour 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 labour laws and regulations relating to labour 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.

Ethics

Ethical practices are at the core of ADNOC L&S' operations. We are committed to conducting our business activities with integrity, transparency, and respect towards all stakeholders.

Our ethical framework includes:

- Maintaining high levels of asset reliability and operational excellence through responsible and sustainable practices.
- Creating value for our shareholders transparently and ethically.
- Demanding minimum standards of compliance and ethical practices from each of our partners and suppliers.
- Promoting a culture of responsibility and integrity across our entire value chain.

Sustainability Theme 4 – Supply chain and business ethics data

| Indicator | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| % of procurement budget spent on local suppliers | 79% | 69% | 72% | 86% | 41% |
| Total number of individuals within the organization's governance bodies by diversity categories | | | | | |
| (1) total – male | | | | 18* | 12 |
| (2) total – female | | | | 6* | 6 |
| Total number of incidents of non-compliance with regulations | 0 | 0 | 0 | 0 | 0 |
| Total amount of monetary losses (AED) as a result of legal proceedings associated with price fixing or price manipulation | 0 | 0 | 0 | 0 | 0 |
| % of staff that has completed ADNOC L&S Code of Conduct | | | 64%* | 79% | 99% |
| Percentage of employees covered by trade unions and/or collective bargaining | 0 | 0 | 0 | 0 | 0 |
| Total number of incidents of discrimination | 0 | 0 | 0 | 0 | 0 |
| Number of complaints made by employees and workers | 0 | 0 | 0 | 0 | 0 |

* First year of reporting.



Ensuring integrity and transparency in all our operations is a top priority for us. Our Ethics and Compliance program is designed to monitor, prevent, detect, and respond to any ethical or policy breaches, reinforcing our commitment to the highest standards of conduct."

ANJANA VIPIN
Manager, Compliance



Economic Performance



At ADNOC L&S, we are committed to driving sustainable economic growth while minimizing risks. Our strategic approach focuses on creating new business segments, integrating our operations, and penetrating new markets.



Objectives

- Grow with ADNOC: Service new growth and expand service offering.
- Expand service offering to capture additional business and clients.
- Extend international activities.
- Expand blue-chip client base.

Material areas of focus

- New business opportunities.
- Operational efficiency.
- Customer satisfaction.

2024 achievements

- Announce acquisition of Navig8.
- Strategic fleet expansion.
- AI-enabled growth for Integrated Logistics management.
- The share price has increased by over 178% since IPO.

UN SDGs



To improve economic performance and minimize risks

At ADNOC L&S, we are committed to driving sustainable economic growth while minimizing risks. Our strategic approach focuses on creating new business segments, integrating our operations, and penetrating new markets. We are dedicated to delivering value for our shareholders, customers, and the communities in which we operate.

Outlook – more growth to come

ADNOC L&S remains ambitious in its growth plans. To reflect on our commitment to long-term growth and strategic expansion, we anticipate an additional investment of US\$3 billion+ by 2029, beyond the projects already announced. Our diverse portfolio of assets, capabilities and service offerings supports our strategy of delivering long-term, sustainable growth and returns. With its financial strength, ADNOC L&S remains poised for more value accretive growth opportunities and delivering strong shareholder value. ADNOC L&S is a business that has: an international presence; expanded service offerings and capabilities; a blue-chip customer base; quality assets with long-term contracts; stable revenue, and visibility of cashflows. There is more growth to come. We look forward to delivering on our strategy in 2025 and beyond.

An outstanding year for ADNOC L&S financially, delivering a platform for transformative growth while setting new highs in shareholder value delivery."

NICHOLAS GLEESON
Chief Financial Officer



Financial and operational highlights

In 2024, we continued to focus on delivering strong financial results while further investing in our long-term growth and sustainability. We have achieved a number of significant milestones, including:

- Expansion of our fleet with the addition of new energy-efficient vessels.
- Successful integration of Navig8, enhancing our global shipping capabilities.
- Launch of new logistics services tailored to the needs of our international clients.

Financial highlights 2024

Historic revenue

\$3,549m

EBITDA

\$1,149m

Net profit

\$756m

2024 revenue by operating segment 2024

Integrated logistics

\$2,281m

Tankers

\$517m
27% YoY increase

Gas carriers

\$153m
12% YoY decrease

Dry-bulk and containers

\$287m
11% YoY increase

Marine services

\$312m
10% YoY increase

Operational highlights 2024

Owned vessels

330

CAPEX

\$811m



Financial performance

ADNOC L&S has a strong balance sheet, a prudent leverage policy and has generated free cash flow.

In 2024, we delivered another strong set of financial results. The revenue for ADNOC L&S for the year 2024 was US\$3,549 million, up 29% compared to the year 2023. EBITDA rose by 31% to US\$1,149 million in the same period driven by robust performance across all business segments, sustaining EBITDA margins at 32%. Net profit for the year 2024 was US\$756 million, equating to US\$0.10 per share, an increase of 22% compared to the year 2023.

Transformation of energy systems: We are investing in modern energy-efficient vessels, repurposing existing vessels, maintaining our fleet, and transporting low-carbon energy sources to support the transformation of energy systems.

Visible long-term revenue streams: Our revenue streams are underpinned by agreements lasting up to 25 years with ADNOC Group companies as anchor clients.

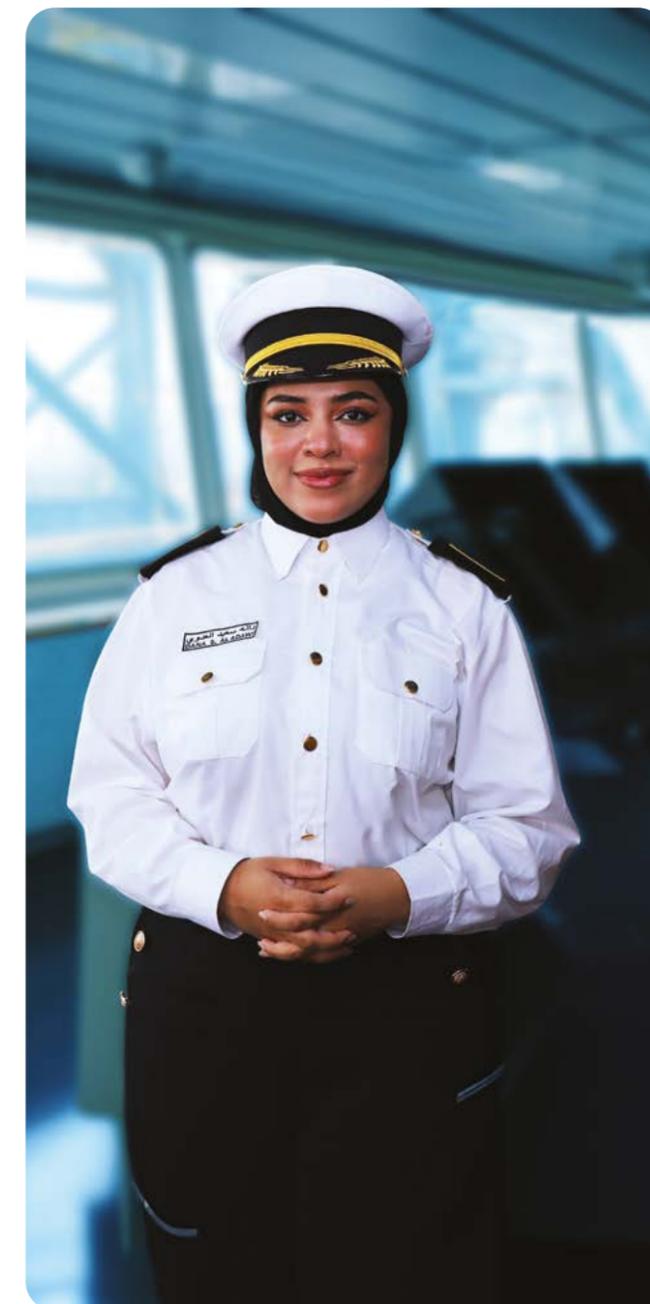
Leverage blue-chip international customer base: With over 100 customers globally, ADNOC L&S extends its service offerings beyond ADNOC, providing solutions and capabilities to a broader client base. This creates multiple channels for continued profitable growth.

Inorganic growth through value-accretive M&A: Since acquiring ZMI in 2022, ADNOC L&S has grown its Jack-Up Barge (JUB) fleet by 25%, demonstrating our capacity to integrate and grow high-quality businesses, delivering strong value-accretion to shareholders.

Strengthened global presence: ADNOC L&S enhanced its global presence with a US\$1 billion acquisition of an 80% stake in Navig8¹. This deal adds a modern fleet of 32 tankers to our fleet and reinforces our position in energy maritime logistics through Navig8's presence in 15 cities across five continents. This value-accretive transaction is expected to boost earnings per share by at least 20% in 2025 compared to 2024, unlocking US\$20 million per annum in synergies from 2026.

Driving economic growth with low-carbon alternative fuels, fleet expansion and strategic investments

Globally, the increasing demand for low-carbon fuels is driving the need for advanced carrier solutions. The demand for cleaner energy carriers is expected to rise significantly in the coming decades, driven by their use in various sustainable applications. By owning and operating cleaner dual-fuel carriers, ADNOC L&S is strategically positioned to support low-carbon fuel production in the UAE and on a global scale. We will also continue to explore further opportunities and investments in the storage and distribution sectors, leveraging the UAE's leadership in emerging international markets.



To support the transformation of energy systems and capture the growing demand for the transportation of low-carbon energy, we have invested in enhancing and modernizing our fleet with new building contracts for 21 new energy-efficient vessels. This includes eight to ten Liquefied Natural Gas Carriers (LNGCs) and, through our joint venture with Wanhua Chemical Group Co. Ltd, AW Shipping Limited (AW Shipping), nine Very Large Ethane Carriers (VLECs) and four Very Large Ammonia Carriers (VLACs).

¹The Navig8 acquisition was completed on January 8, 2025.

Material Contracts

Liquified natural gas carriers

DAS LNG Project

On 25 November 2024, the first of six newbuild LNGCs, modern technology XDF vessels of 175,000 cubic meters ordered from Jiangnan Shipyard in China in 2022 was delivered, with the remaining five expected to be delivered in 2025 and 2026. These vessels are contracted for use in connection with the DAS LNG project from mid-2026. The first vessel to be delivered has been chartered to a top-tier, global energy trader which safely and successfully completed its first loading and delivery operation in the Far East.

Ruwais LNG Project

In July 2024 the Company entered into a vessel supply agreement with ADNOC for the supply of eight newbuild LNGCs, to serve the long-term shipping requirements of the Ruwais LNG Project, through the chartering of the vessels for 20-year periods. In order to service this contract, in July it was announced that ADNOC L&S had awarded South Korean shipyards Samsung Heavy Industries and Hanwha Ocean up to US\$2.5 billion (AED 9.2 billion) of shipbuilding contracts for the construction of eight to ten new LNGCs. These LNGCs are targeted to the assignment under the vessel supply agreement to long-term contracts to transport volumes of the Ruwais LNG Project.

Each of Samsung Heavy Industries and Hanwha Ocean were awarded shipbuilding contracts for the construction of four firm vessels with the option for an additional one.

These LNGCs will employ cutting-edge technology to increase fuel efficiencies and carbon intensity reductions in line with the Company's sustainability goals and will open up new opportunities for customer and geographical expansion while unlocking increased value for our shareholders. The LNGCs will each have a capacity of 174,000 cubic meters and feature XDF2.2 engines, which aims to produce the best fuel economy and lowest emissions in the Company's global fleet. The vessels will also feature state of the art carbon intensity reduction technologies including a cargo conditioning system designed to reduce LNG cargo evaporation while in transit, systems to direct cargo boil-off gas to the engines that is expected to increase fuel efficiency and decrease fuel consumption, a real-time emissions monitoring system, and pioneering cargo containment systems to reduce methane emissions.

These features aim to make the carriers among the most fuel-efficient vessels in the world, strengthening ADNOC L&S' position as a leader in maritime decarbonization and ADNOC Group's 2045 Net Zero target.

Very large ethane carriers

In July 2024, the Company's joint venture, AW Shipping, entered into agreements with China Shipbuilding Trading Co. Ltd and Jiangnan Shipyard (Group) Co. Ltd for the construction of nine newbuild VLECs priced at approximately US\$1.4 billion (AED5.1 billion). These vessels are due to be delivered between 2025-2027 and will be employed on 20-year fixed time charter contracts, thereby securing earnings visibility and derisking the investment. The VLECs have a carrying capacity of 99,000 cubic meters each and can be powered by ethane or conventional fuels.

Very large ammonia carriers

In July 2024 the Company's joint venture company AW Shipping entered into shipbuilding contracts to Jiangnan Shipyard in China for the construction of four VLACs priced at approximately US\$500 million (AED1800 million) in total for delivery in 2025-2027.

The new vessels will be among the world's largest ammonia carriers and run on energy-efficient dual fuel engines. The VLACs have a carrying capacity of 93,000 cubic meters each for ammonia and can be powered by liquefied petroleum gas (LPG) or conventional fuels. They are scheduled for delivery between 2026-2028. The VLACs are not yet contracted and are targeted to serve the emerging ammonia transportation market. Ammonia is considered a likely key contributor to industrial emission reduction.

Acquisition of Navig8

In June 2024 ADNOC L&S entered into an agreement for the acquisition of Navig8 TopCo Holdings Inc. (Navig8), an international shipping pool operator and commercial management company. The acquisition formally completed in January 2025. Under the terms of the agreement, ADNOC L&S acquired 80% of Navig8 for US\$999.3m (AED3.7 billion) with economic ownership transfer effective from 1 January 2024, and further acquire the remaining 20% ownership in 2027 for a deferred consideration of US\$335 million to US\$450 million (AED1.2 billion to AED1.7 billion). ADNOC L&S will unlock significant value through cost saving synergies, with savings targets of over US\$100 million (AED367 million) over the lifespan of the project already identified through optimizing technical management costs and bunker spend. Navig8's global footprint in 15 cities across five continents, and an owned modern fleet of 32 tankers, will greatly enhance ADNOC L&S' international profile and expand its blue-chip customer base. ADNOC L&S' service offering will include pooling, commercial management, bunker trading, technical management and ESG-focused digital solutions.

Musaffah operations

ADNOC Offshore and ADNOC L&S entered into an agreement in January 2024 to cover new services related to the Musaffah Offshore Supply Base, material backload request process, marine terminal operation, and revisions to existing services related to vessel chartering. The scope includes providing onshore facilities, safety and security services, maintenance, utilities, waste handling, fuel and water supply, cargo transfer, harbor operations, terminal services, SPM marine maintenance, oil spill response, and procurement of third-party services. Key performance indicators are monitored monthly to ensure compliance and performance. The work covers the provision of a wide range of services at the Musaffah Offshore Supply Base, including onshore warehouse and office facilities, safety and security services, maintenance services, waste handling, fuel supply and bunkering services, cement handling, and liquid mud plant functions, material backload request process, vessel chartering and related services.



Oil spill services

Pakistan International Oil Limited (PIOL) Service Agreements

PIOL and ADNOC L&S entered into two agreements between April and May 2024. The first agreement signed was for the provision of rental Tier 1 oil spill response packages for a minimum three-month term with automatic monthly extensions.

The two response packages are located onboard vessels operating at PIOL's offshore operations (Block 5 Offshore Abu Dhabi) and remain on standby to be used to initially respond to any local oil spill incident. The second agreement signed was a technical management services agreement for Tier 2 Oil Spill and HNS services for a minimum three-month term with automatic monthly extensions. The agreement provides access to Tier 2 response resources and expertise for PIOL's offshore operations in Block 5 Offshore Abu Dhabi, as well as access to accredited training during the term.

Ras Al Khaimah Ports

RAK Ports and ADNOC L&S entered into an agreement dated October 2024 (effective from August 2024). The agreement signed was an access-based technical management services agreement for Tier 2 OS and HNS services for a three-year term. The agreement provides the client with access to Tier 2 response resources and expertise for each of RAK ports operations in Ras Al Khaimah.

Hail and Ghasha Integrated Logistics Technical Services Agreement

ADNOC and ADNOC L&S has a contract to support offshore oil and gas drilling operations through the provision of marine and logistics service to transport personnel and materials for the duration of eight years, with the option to extend the agreement for additional two years from the end of the initial period.

Under the terms of the agreement, ADNOC L&S provides complete logistics services, including planning and execution of the works; receipt, storage, transportation and handling of all materials/equipment and waste; marine support, including the provision of marine assets and port facilities services; onshore base supply services inclusive of warehousing and storage of goods; onshore island port management services; provision of intra island movements of cargo and personnel; hotel services offshore; provision of passenger transportation by vessel; mobilization of land rigs to offshore islands, mobilization of cement, fluid and bulks plants to offshore islands and coordination of maritime operations offshore. Fees for the performance of services under the agreement remain fixed for its duration.

Indices

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Indices

Data performance tables*

*Our Scope 1 and Scope 2 emissions are reported on a location-based basis, reflecting the emissions generated within specific geographic boundaries.

| Material Topic and key performance indicators (KPIs) | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|
| Climate, emissions and energy | | | | | |
| Gross Scope 1 emissions (metric tons of CO ₂ e) | 724,891 | 1,343,139 | 1,341,608 | 1,874,984 | 1,987,360 |
| Gross Scope 2 emissions (metric tons of CO ₂ e) | 7,756 | 395 | 6,732 | 8,269 | 8,254 |
| Total energy consumption from non-renewable sources (GJ) | 12,020,171 | 15,546,063 | 17,329,123 | 22,422,773 | 27,615,513 |
| Total energy consumption from renewable sources (GJ) | 0 | 0 | 0 | 0 | 0 |
| Air emissions and quality | | | | | |
| Total air emissions (metric tons) | 2,314 | – | 13 | 22 | 11,176 |
| Biodiversity and ecological impact | | | | | |
| Number of hydrocarbon spills | 5 | 1 | 1 | 1 | 2 |
| Water and wastewater management | | | | | |
| Total water withdrawn (mega litre) by source | – | 66 | 1,450 | 673 | 697 |
| Total water consumption (mega litre) | 0 | 56 | 1,450 | 238 | 56 |
| Total water recycled (mega litre) | 0 | 0 | 0 | 0 | 0 |
| Waste management and circularity | | | | | |
| Total hazardous waste generated (metric tons) | 494.3 | 75 | 424 | 525 | 482 |
| Total waste diverted from disposal (metric tons) | 0.1 | 0 | 1.8 | 0 | 54 |
| Total waste diverted to disposal (metric tons) | 1,130 | 1,212 | 2,886 | 10,911 | 347 |
| Occupational health and safety | | | | | |
| Total recordable incident rate (TRIR) | 0.54 | 0.38 | 0.18 | 0.18 | 0 |
| Fatality rate | 0 | 0 | 0 | 0 | 0 |
| Near miss frequency rate (NMFR) | 10.5 | 17.1 | 3.21 | 2.65 | 1 |
| Health, safety, and emergency response training (hours) | 0 | 13,777 | 7,473 | 11,182 | 17,149 |
| Total number hours worked in the year | 25,458,890 | 28,705,499 | 38,572,535 | 49,100,000 | 56,686,466 |
| Human capital development | | | | | |
| Total number of new employees hired during the year | 218 | 385 | 187 | 130 | 95 |
| Total number of employee turnover during the year | 81 | 162 | 437 | 258 | 303 |
| Percentage of total employees who received regular performance and career development review during the reporting period | | | | | |
| (a) Male | 92% | 88% | 91% | 90% | 96% |
| (b) Female | 95% | 88% | 94% | 84% | 74% |
| Percentage of total workers who received regular performance and career development review during the reporting period | | | | | |
| (a) Male | 56% | 52% | 83% | 75% | 99% |
| (b) Female | 85% | 79% | 100% | 100% | 75% |

– No data available.

| Material Topic and key performance indicators (KPIs) | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------------------------------------------------------------------|--------|--------|--------|--------|--------|
| Workforce diversity | | | | | |
| Total number of employees in each of the following diversity categories | 2,177 | 2,400 | 2,150 | 2,022 | 1,814 |
| (a) Total male employees | 2,041 | 2,261 | 2,014 | 1,876 | 1,685 |
| (b) Total female employees | 136 | 139 | 136 | 146 | 129 |
| (c) Employees under 30 years old | 287 | 282 | 199 | 166 | 117 |
| (d) Employees between 30-50 years old | 1,564 | 1,745 | 1,581 | 1,493 | 1,338 |
| (e) Employees over 50 years old | 326 | 373 | 370 | 363 | 359 |
| Number of employees that were entitled to parental leave | 1,540 | 1,725 | 1,491 | 1,467 | 1,342 |
| Total number of employees that took parental leave | 29 | 45 | 60 | 73 | 69 |
| Return to work and retention rates of employees | | | | | |
| (a) Male | 100% | 100% | 100% | 100% | 100% |
| (b) Female | 100% | 100% | 100% | 100% | 100% |
| Ratio of the basic salary and remuneration of women to men | | | | | |
| (a) Employee category 1 | 1:0.9 | 1:0.88 | 1:0.83 | 1:1.1 | 1:0.99 |
| (b) Employee category 2 | 1:0.62 | 1:0.65 | 1:0.73 | 1:0.82 | 1:0.79 |
| Emiratization Rate (%) | 49% | 50% | 49% | 49% | 48% |
| Total number of individuals within the organization's governance bodies by diversity categories | | | | | |
| (a) Male | 0 | 0 | 0 | 18 | 12 |
| (b) Female | 0 | 0 | 0 | 6 | 6 |
| Economic | | | | | |
| % of procurement budget spent on local suppliers | 79% | 69% | 72% | 86% | 41% |
| Ethics | | | | | |
| Total number of incidents of non-compliance with regulations | 0 | 0 | 0 | 0 | 0 |
| Total amount of monetary losses (AED) as a result of legal proceedings associated with | | | | | |
| price fixing or price manipulation | 0 | 0 | 0 | 0 | 0 |
| % of staff that has completed ADNOC L&S Code of Conduct | | | | | |
| | – | – | 64% | 79% | 99% |
| Percentage of employees covered by trade unions and/or collective bargaining | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Total number of incidents of discrimination | 0 | 0 | 0 | 0 | 0 |

INDEX – GRI AND ADX

| GRI content index | |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Statement of use | ADNOC L&S has reported the information cited in this GRI content index for the period 01 Jan 2024 to 31 Dec 2024 with reference to the GRI Standards 2021 |

| Source | Disclosure | Relevant ADX Metric(s) | Location / Answer / Link |
|---------------------------------|----------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| General Disclosures | | | |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | | 1 |
| GRI 2: General Disclosures 2021 | 2-2 Entities included in the organization's sustainability reporting | G8 | 1, 88-95. We currently report in accordance to GRI, SASB Marine Transportation Standard and ADX ESG Guidelines. We currently do not report on progress against SDG Goals and plan to do so in the next Sustainability Report |
| GRI 2: General Disclosures 2021 | 2-3 Reporting period, frequency and contact point | G7 | 1 |
| GRI 2: General Disclosures 2021 | 2-4 Restatements of information | | 1, 20 |
| GRI 2: General Disclosures 2021 | 2-5 External assurance | G9 | This is not currently conducted and is planned in the next Sustainability Report |
| GRI 2: General Disclosures 2021 | 2-6 Activities, value chain and other business relationships | | 12-15, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-7 Employees | S3, S4 | 88-89, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-8 Workers who are not employees | S5 | This is not currently reported and is planned to be reported in the next Sustainability Report |
| GRI 2: General Disclosures 2021 | 2-9 Governance structure and composition | G1, G2 | 88-89, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-10 Nomination and selection of the highest governance body | | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-11 Chair of the highest governance body | G2.1 | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-12 Role of the highest governance body in overseeing the management of impacts | E9, G3 | 20-21, Sustainability performance is a component of the Company performance management system. Executive bonuses are linked to the Company's performance management system |

| Source | Disclosure | Relevant ADX Metric(s) | Location / Answer / Link |
|---------------------------------|----------------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 2: General Disclosures 2021 | 2-13 Delegation of responsibility for managing impacts | E8 | 20-21 |
| GRI 2: General Disclosures 2021 | 2-14 Role of the highest governance body in sustainability reporting | E8 | 20-21 |
| GRI 2: General Disclosures 2021 | 2-15 Conflicts of interest | | 72-29, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-16 Communication of critical concerns | | 72-29, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-17 Collective knowledge of the highest governance body | | The Sustainability Committee will be responsible for ensuring the collective knowledge and expertise in Economic, Social and Sustainable Development Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-18 Evaluation of the performance of the highest governance body | | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-19 Remuneration policies | S1, S2 | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-20 Process to determine remuneration | S1, S2 | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-21 Annual total compensation ratio | S1.1 | Per Company ADGM incorporation this is not reported |
| GRI 2: General Disclosures 2021 | 2-22 Statement on sustainable development strategy | G8.2, G8.3 | 20-25, 29, 53, 63, 73, 81 |
| GRI 2: General Disclosures 2021 | 2-23 Policy commitments | E7.1, S6, G5.1, G6.1 | 54, 78-79, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-24 Embedding policy commitments | | 88-89, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-25 Processes to remediate negative impacts | | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-26 Mechanisms for seeking advice and raising concerns | | Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-27 Compliance with laws and regulations | | 72-29, Annual Report 2024 |
| GRI 2: General Disclosures 2021 | 2-28 Membership associations | | 17 |
| GRI 2: General Disclosures 2021 | 2-29 Approach to stakeholder engagement | | 20-23 |
| GRI 2: General Disclosures 2021 | 2-30 Collective bargaining agreements | | Not permissible as per UAE law |

INDEX – GRI AND ADX continued

| Source | Disclosure | Relevant ADX Metric(s) | Location / Answer / Link |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------|--------------------------------------------|
| Material topics | | | |
| ESG Activity Promotion | | | |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | | 20-25 |
| GRI 3: Material Topics 2021 | 3-2 List of material topics | | 22-23 |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | | 74, 88-89 |
| Community Engagement and Development | | | |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | | 62-71, 88-89, Annual Report |
| GRI 202: Market Presence 2016 | 202-2 Proportion of senior management hired from the local community | | 62-71, 88-89, Annual Report |
| Diversity | | | |
| GRI 3: Material Topics 2021 | Does your company follow non-discrimination policy? | S6 | Yes |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | | Annual Report 2024 |
| Talent Attraction and Development | | | |
| GRI 404: Training and Education 2016 | 404-2 Programs for upgrading employee skills and transition assistance programs | | 62-71, 88-89, Annual Report 2024 |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | S3 | 88-89 |
| Transparency, Credibility, and Investor Security | | | |
| GRI 3: Material Topics 2021 | Does your company follow an Ethics and/or Prevention of Corruption policy? | G5.1 | Yes, 74-79 |
| GRI 205: Anti-corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | G5.2 | 74-79 |
| GRI 205: Anti-corruption 2016 | 205-3 Confirmed incidents of corruption and actions taken | | |
| Environmental Management | | | |
| GRI 306: Waste 2020 | 306-3 Waste generated | | 88-89 |
| GRI 303: Water and Effluents 2018 | 303-5 Water consumption | | 88-89 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | E3, E5 | 88-89 |
| GRI 302: Energy 2016 | 302-3 Energy intensity | E4 | 137 GJ per million transport work for 2024 |
| Climate Change | | | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | E1.1 | 88-89 |
| GRI 305: Emissions 2016 | 305-2 Energy indirect (Scope 2) GHG emissions | E1.2 | 88-89 |
| GRI 305: Emissions 2016 | 305-4 GHG emissions intensity | E2.1 | 8-7 |

| Source | Disclosure | Relevant ADX Metric(s) | Location / Answer / Link |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Well-being and Safety | | | |
| GRI 3: Material Topics 2021 | Does your company follow an occupational health and/or global health & safety policy? | S8 | Yes |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | S7 | 88-89 |
| Cyber security and Privacy | | | |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | | Annual Report |
| Other Relevant Metrics (ADX) | | | |
| Environment | Water Usage E6.1) Total amount of water consumed E6.2) Total amount of water reclaimed | E6 | [E6.1] 88-89 [E6.2] Water reclamation data is not currently reported and is planned to be reported in the next Sustainability Report. |
| Environment | Environmental Operations E7.1) Does your company follow a formal Environmental Policy? E7.2) Does your company follow specific waste, water, energy, and/or recycling policies? E7.3) Does your company use a recognized energy management system? | E7 | [E7.1] Yes; [E7.2] Yes; [E7.3] Yes |
| Environment | Environmental Oversight Does your Board oversee and/or manage sustainability issues? | E9 | No, currently managed at the Executive Management level |
| Environment | Climate Risk Mitigation Total amount invested, annually, in climate-related infrastructure, resilience, and product development | E10 | \$6.25 Bn (approx. AED 22.95 Bn) allocated towards sustainability initiatives through investments in environmentally efficient dual fuel vessels |
| Environment | Emissions Intensity for Non-GHGs E2.2) Total non-GHG emissions per output scaling factor | E2 | [E2.2] Non-GHG intensity is currently not reported |
| Social | CEO Pay Ratio S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation S1.2) Does your company report this metric in regulatory filings? | S1 | [S1.1] Not reported; [S1.2] Not applicable per ADGM incorporation |

INDEX – GRI AND ADX continued

| Source | Disclosure | Relevant ADX Metric(s) | Location / Answer / Link |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Other Relevant Metrics (ADX) continued | | | |
| Social | Employee Turnover S3.1) Percentage: Year-over-year change for full-time employees S3.2) Percentage: Year-over-year change for part-time employees S3.3) Percentage: Year-over-year change for contractors/consultants | S3 | [S3.1] 16.7%; [S3.2] & [S3.3] are not currently reported and is planned to be reported in the next Sustainability Report. |
| Social | Gender Diversity S4.1) Percentage: Total enterprise headcount held by men and women S4.2) Percentage: Entry- and mid-level positions held by men and women S4.3) Percentage: Senior- and executive-level positions held by men and women | S4 | [S4.1] 93% M, 7% F; [S4.2] & [S4.3] are not currently reported and is planned to be reported in the next Sustainability Report. |
| Social | S5. Temporary Worker Ratio S5.1) Percentage: Total enterprise headcount held by part-time employees S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants | S5 | This is not currently reported and is planned to be reported in the next Sustainability Report. |
| Social | Child & Forced Labor (Suppliers) S9.1) Does your company follow a child and/or forced labor policy? S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? | S9 | [S9.1] Yes; [S9.2] Yes. Our Supplier and Partner Code of Ethics covers this. |
| Social | Human Rights (Suppliers) S10.1) Does your company follow a human rights policy? S10.2) If yes, does your human rights policy also cover suppliers and vendors? | S10 | [S10.1] Yes; [S10.2] Yes. Our Supplier and Partner Code of Ethics covers this. |
| Social | Percentage of National Employees | S11 | 89% |
| Social | Community Investment | S12 | <1% of company revenue |
| Governance | Board Diversity G1.1) Percentage: Total board seats occupied by men and women G1.2) Percentage: Committee chairs occupied by men and women | G1 | [G1.1] 86% M, 14% F; [G1.2] 100% M, 0% F |

| Source | Disclosure | Relevant ADX Metric(s) | Location / Answer / Link |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------------------|
| Governance | Board Independence G2.1) Does company prohibit CEO from serving as board chair? G2.2) Percentage: Total board seats occupied by independent board members | G2 | [G2.1] Yes; [G2.2] 100% |
| Governance | Supplier Code of Conduct G4.1) Are your vendors or suppliers required to follow a Code of Conduct? G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code? | G4 | [G4.1] Yes; [G4.2] 100% |
| Governance | Ethics & Prevention of Corruption G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy? | G5 | [G5.1] Yes; [G5.2] 99% |
| Governance | Data Privacy G6.1) Does your company follow a Data Privacy policy? G6.2) Has your company taken steps to comply with GDPR rules? | G6 | [G6.1] Yes; [G6.2] No |
| Governance | Disclosure Practices G8.1) Does your company provide sustainability data to sustainability reporting frameworks? G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? G8.3) Does your company set targets and report progress on the UN SDGs? | G8 | [G8.1] Yes; [G8.2] Yes; [G8.3] No |

SASB – Marine Transportation

| Disclosure requirement | Description | 2024 | Unit of measure | Code |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|-----------------|
| Greenhouse Gas Emissions | Gross global Scope 1 emissions (shipping fleet-only) | 1,656,722 | metric tons (t) CO ₂ -e | TR-MT-110a.1 |
| | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | Refer to Climate Change and Decarbonization Page 30-49 | n/a | TR-MT-110a.2 |
| | Total energy consumed | 23,003,677 | Gigajoules (GJ) | TR-MT-110a.3 |
| | Percentage heavy fuel oil | 64 | Percentage (%) | TR-MT-110a.3 |
| | Percentage renewable fuels | 0 | Percentage (%) | TR-MT-110a.3 |
| | Average Energy Efficiency Design Index (EEDI) for new ships | 3.21 | grams of CO ₂ per ton-nautical mile | TR-MT-110a.4 |
| | Air Quality | NOX | 74 | metric tons (t) |
| SOx | | 5,246 | metric tons (t) | TR-MT-120a.1 |
| Particulate Matter (PM10) | | 1,521 | metric tons (t) | TR-MT-120a.1 |
| Ecological Impacts | Shipping duration in marine protected areas or areas of protected conservation status | 0 | Number of travel days | TR-MT-160a.1 |
| | Percentage of fleet implementing ballast water exchange | 12 | Percentage (%) | TR-MT-160a.2 |
| | Percentage of fleet implementing ballast water treatment | 88 | Percentage (%) | TR-MT-160a.2 |
| | Number volume of spills and releases to the environment | 0 | Number | TR-MT-160a.3 |
| | Aggregate volume of spills and releases to the environment | 0 | cubic metres (m ³) | TR-MT-160a.3 |
| Workforce Health & Safety | Lost time incident rate (LTIR) | 0.11 | Rate | TR-MT-320a.1 |
| Business Ethics | Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index* | 122 | Number | TR-MT-510a.1 |
| | Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption | 0 | Presentation currency | TR-MT-510a.2 |

| Disclosure requirement | Description | 2024 | Unit of measure | Code |
|--------------------------------------------|--------------------------------------------------|-----------|--------------------------|--------------|
| Accident & Safety Management | Number of marine casualties | 0 | Number | TR-MT-540a.1 |
| | Percentage classified as very serious | 0 | Percentage (%) | TR-MT-540a.1 |
| | Number of Conditions of Class or Recommendations | 0 | Number | TR-MT-540a.2 |
| | Number of port state control detentions | 0 | Number | TR-MT-540a.3 |
| Activity Metrics | Number of port state control deficiencies | 55 | Number | TR-MT-540a.3 |
| | Number of shipboard employees | 2,080 | Number | TR-MT-000.A |
| | Total distance traveled by vessels | 3,241,632 | Nautical miles (nm) | TR-MT-000.B |
| | Operating days | 231 | Days | TR-MT-000.C |
| | Deadweight tonnage | 5,290,980 | Thousand deadweight tons | TR-MT-000.D |
| | Number of vessels in total shipping fleet | 52 | Number | TR-MT-000.E |
| | Number of vessel port calls | 2,108 | Number | TR-MT-000.F |
| Twenty-foot equivalent unit (TEU) capacity | 5,158 | TEU | TR-MT-000.G | |

Glossary

| EN | Full Form |
|-------------------|---------------------------------------------------------------------------------|
| AED | Arab Emirates Dirhams |
| US\$ | United States Dollar |
| ABC | Anti-Bribery and Corruption |
| ADDA | Abu Dhabi Accounting Authority |
| ADGM | Abu Dhabi Global Markets |
| ADSB | Abu Dhabi Ship Building |
| ADNOC | Abu Dhabi National Oil Company |
| ADNOC L&S | ADNOC Logistics and Services PLC |
| ADX | Abu Dhabi Securities Exchange |
| AGM | Annual General Meeting |
| AW Shipping | Joint Venture Company Between ADNOC L&S and Wanhua Chemical Group |
| Bn | Billion |
| CASH or cash | Cash, Cash Equivalent and Liquid Investments |
| CAPEX or capex | Capital Expenditure |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| CO ₂ e | Carbon Dioxide Equivalent |
| CSR | Corporate Social Responsibility |
| DD&A | Depreciation, Depletion and Amortization |
| DOA | Delegation of Authority |
| EBTIDA | Earning Before Tax, Interest, Depreciation & Amortization |
| EPC | Engineering, Procurement, Construction |
| ESG | Environmental, Social, and Governance |
| EU | European Union |
| EU ETS | European Union Emission Trading System |
| FID | Final Investment Decision |
| FSU | Floating Storage Unit |
| FY | Full Year |
| G&A | General and Administration |
| GCC | Gulf Cooperation Council |
| GDP | Gross Domestic Product |
| GHG | Greenhouse Gas |
| HNS | Hazardous and Noxious Substances |
| HSE | Health, Safety, and Environment |
| HSES | Health, Safety, Environmental and Security |
| IAS | International Accounting Standards |
| ICV | In-Country Value |
| IESBA | Ethics Standards Board for Accountants |
| IFRS | International Financial Reporting Standards |
| ILSP | Integrated Logistics Services Platform |
| IMF | International Monetary Fund |
| IMO | International Marine Organization |
| IPIECA | The Global Oil and Gas Industry Association for Environmental and Social Issues |
| IPO | Initial Public Offering |
| ISA | International Standards of Auditing |
| ISM | International Safety Management |

| EN | Full Form |
|--------------------|-------------------------------------------------------------|
| ISO | International Organization for Standardization |
| IWM | Integrated Warehouse Management |
| JOC | Joint Operating Company |
| JUB | Jack-Up Barge |
| JV | Joint Venture |
| k | Thousands |
| Km | Kilometer |
| km ² | Square Kilometer |
| KPI | Key Performance Indicators |
| LNG | Liquefied Natural Gas |
| LNGC | Liquefied Natural Gas Carriers |
| LOPC | Loss of Primary Containment |
| LPG | Liquefied Petroleum Gas |
| LTI | Lost Time Injury |
| LTIFR | Lost Time Injury Frequency Rate |
| LTIP | Long Term Incentive Plan |
| m | Million |
| M&A | Mergers and Acquisitions |
| MENA | Middle East and North Africa region |
| NAV | Net Asset Value |
| OCF | Operating Cash Flow |
| OMS | Operations Management System |
| OS | Oil Spill |
| OSR | Oil Spill Response |
| OSV | Offshore Service Vessels |
| Opex | Operational Expenditure |
| PP&E | Property, Plant and Equipment |
| PSC | Production Sharing Contract or Production Sharing Agreement |
| SCM | Supply Chain Management |
| SDGs | Sustainable Development Goals |
| Shares | Ordinary Shares |
| SOLAS | Safety of Life at Sea |
| TCFD | Task-Force for Climate-related Financial Disclosures |
| TCO ₂ e | Tonnage of Carbon Dioxide Equivalent |
| TOR | Terms of Reference |
| TRIR | Total Recordable Incident Rate |
| TSR | Total Shareholder Return |
| UAE | United Arab Emirates |
| UK | United Kingdom |
| US | United States of America |
| VLAC | Very Large Ammonia Carrier |
| VLCC | Very Large Crude Carrier |
| VLEC | Very Large Ethane Carrier |
| VTIS | Vessel Traffic Information Service |
| YTD | Year-to-date |
| ZMI | Zakher Marine International |
| 1H | First Half |

