



SUSTAINABILITY REPORT 2021

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



AD PORTS GROUP



ENVIRONMENTAL

Our 2021 Environmental, Social & Governance (ESG) Performance Report captures the past, present and future of our sustainability strategy.



SOCIAL



GOVERNANCE



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H. E. Falah Mohammad Al Ahbabi
Chairman

CHAIRMAN'S STATEMENT

I am delighted to present the 2021 edition of AD Ports Group's Sustainability Report.

This report reveals how our strategy for sustainability is being successfully integrated into every segment of our operations. We can be proud in the knowledge that the responsible growth of our Group in turn advances the sustainable development of our Emirate.

In a year where the United Nations branded the threat of climate change as 'code red,' the importance of integrating sustainability into our operations cannot be understated.

Thanks to our strategic approach, in addition to maintaining national supply lines during the global pandemic, AD Ports Group has achieved sustainable business growth through good governance.

This involved implementing robust policies and procedures to manage our environmental and social impact. Furthermore, we have created a dedicated taskforce to implement sustainability initiatives as per the recommendation of our Sustainability Committee.

We also conducted extensive consultation with our internal and external stakeholders to align our strategy for sustainability with their expectations.

“Our stakeholder consultation process ensures that the values of everyone affected by our operations are considered in our sustainability strategy.”

By implementing this strategy, we have bolstered our efforts to support the Sustainable Development Goals (SDGs) through initiatives promoting clean energy, sustainable growth, vibrant ecosystems, and circular resource use.

It gives me immense pride to report that, in 2021, international bodies and organisations endowed us with an array of accolades and accreditations that substantiate the contribution our strategy makes to sustainable development.

None of the above would be possible without our customers, partners, and people. Their ongoing dedication to sustainable growth fills me with confidence that we will continue to rise to the challenges of embedding sustainability into our operations throughout 2022 and beyond. For which I extend my gratitude.

GCEO'S STATEMENT

The easing of the challenges of the COVID-19 pandemic in 2021 enabled us to re-focus our attention on promoting sustainable economic growth of the maritime trade and logistics sector.

“As our Group continues to grow economically, so does our determination to deliver innovative and forward-thinking solutions that promote environmental protection and ensure the wellbeing of our customers and employees.”

Whilst reading our Sustainability Report for 2021, you will discover that our sustainability strategy has developed and matured in line with our expansion and growth. This is reflected in the multitude of accolades received by teams across our Group from global authorities in recognition of their innovations and initiatives.

We achieved significant economic growth in 2021 when we issued USD 1 billion of bonds, which were listed on the Abu Dhabi Securities Exchange.



Additionally, we have focused our attention on furthering our sphere of influence to strategic markets, such as Turkey, Jordan, Bahrain, Egypt, and Iraq.

This included reaching a series of agreements with the Aqaba Development Corporation under which we will jointly collaborate to establish a state-of-the-art cruise terminal in Aqaba, tourism and leisure facilities, an advanced Port Community System, a multi-purpose port and the development of King Hussein International Airport.

Alongside this expansion and growth, we are always conscious of strengthening our commitment to safeguarding the environment. One noteworthy achievement has been our Economic Cities and Free Zones' Cluster entering into an agreement to establish a green ammonia processing facility in KIZAD. The facility will have capacity to produce 200,000 tonnes of carbon-free ammonia annually. This will be achieved through renewable energy delivered by an onsite 800 Mega Watt peak (MWp) solar plant. Furthermore, we initiated the integration of renewable energy into our operations, where two of our warehouses currently under construction at Khalifa Port, and our KIZAD

Headquarters building, will benefit from clean energy delivered by photovoltaic panels. Mugharraq Port is also to be partially solar powered upon completion of the ongoing expansion project at the site.

The continued sustainable growth of our business would not be possible without meeting the needs of our people. Therefore, it gives me immense pleasure to report that in 2021, we have achieved an Emiratisation rate of 67 percent and maintained job satisfaction at an impressive 85 percent.

Furthermore, our CSR department executed 85+ initiatives that have positively impacted the lives of more than 51,565+ people.

Due to the dynamic nature of the environmental, economic, and social systems that we operate within, our journey towards sustainability is perpetual. Accordingly, we are committed to investing in the ingenuity of our people year-on-year to drive continuous improvement of our sustainability performance.

I humbly thank everyone in our Group whose dedication and hard work has contributed to our achievements in 2021.

Mohamed Juma Al Shamisi
Managing Director & Group CEO, AD Ports Group

KEY ACHIEVEMENTS



International CSR Excellence Award - By The Green Organisation



CSR World Leaders Award - By The Green Organisation



Port & Terminal Operator Award, Sea-trade Maritime Awards



Investors in People Platinum Level Accreditation



Most Valuable Corporate Response to COVID-19 - ZonesCorp, Silver Stevie Awards



USD 1 Billion

Bonds Listed



41%

Increase in Revenues Generated



2,144

Innovative Ideas Received Through Ibtikar Programme



72%

Increase in Community Investments



22%

Increase in TEUs handled



105%

Increase in the General Cargo Handled

51,565+

Lives Positively Impacted by CSR Activities

71%

Increase in Women Employees

63%

Increase in Total Training Hours

Note: Throughout the Sustainability Report 2021, the current year performance has been compared with that of 2019.



Translocation of Spiny Tailed Lizards



32% Decrease in Fuel Consumption Intensity per TEU



37 Tonnes of Marine Debris Removed



Coral Relocation Monitoring



Ambient Air Quality Compliance



Seawater Quality Compliance



Solid Waste Recycled



Decrease in Hazardous Waste Landfilled

67%

Emiratization

16,736

Employee Volunteering Hours

85+

CSR Initiatives



AD PORTS GROUP AT A GLANCE

Since its inception in 2006, AD Ports Group has enjoyed great success, and grown rapidly. Today, our Group manages a diverse assortment of Digital, Economic Cities & Free Zones, Logistics, Maritime, and Ports Clusters.







AD PORTS GROUP AT A GLANCE



AD Ports Group is the region’s premier facilitator of logistics, industry, and trade, as well as a bridge linking Abu Dhabi to the world.

We are a resilient trade community of five business clusters – Digital, Economic Cities & Free Zones, Logistics, Maritime, and Ports.

With a global network of partners, our Clusters forge long-term contracts to provide end-to-end logistics solutions that generate stable performance, consistent growth, and high-quality revenue.

Sustainability is embedded into our strategy for expansion and growth.

In 2021 we issued USD 1 billion 10-year bonds under a Euro Medium Term Note Programme, which we jointly listed on the London Stock

Exchange (LSE) and Abu Dhabi Securities Exchange (ADX).

This is representative of our major contributions to the diversification of Abu Dhabi’s economy away from dependence on fossil fuels towards clean, sustainable economic growth.

“The overarching purpose of our five Clusters is to provide the exemplary infrastructure and services that are necessary to promote a diverse, global, vibrant, and sustainable economy for our Emirate.”



Located at an intersection of four continents, we command an enviable strategic advantage that enables us to serve multiple time zones. Furthermore, our first-rate infrastructure and extensive portfolio of services facilitate the swift and efficient movements of goods globally.



PORTS CLUSTER

Our Ports Cluster oversees the operation of our ten ports and terminals across the UAE. Through their multi-purpose functionality, we can offer a suite of diverse services.



MARITIME CLUSTER

Our Maritime Cluster hosts SAFEEN, Abu Dhabi Maritime Academy, OFCO, and Abu Dhabi Maritime. It is SAFEEN's responsibility to deliver maritime and ancillary quayside services across all our ports. Additionally, the next generation of mariners learn their craft at Abu Dhabi Maritime Academy, which also sits under the Cluster.

Furthermore, the Maritime Cluster is home to Abu Dhabi Maritime, the guardian of our waterways and regulator of the Maritime sector. Moreover, through OFCO the Maritime Cluster takes care of transshipment and offshore services to the oil, gas, and construction industries.



ECONOMIC CITIES & FREE ZONES CLUSTER

KIZAD and ZonesCorp, our fully integrated trade and logistics hub, offers industrial and economic solutions for businesses located in Abu Dhabi.



LOGISTICS CLUSTER

Supply chain and freight solutions to local and international clients are provided by our Logistics Cluster.



DIGITAL CLUSTER

Our Digital Cluster is home to our innovators who deliver advanced, smart solutions, including PCS, to our trade and port communities.



PORTS CLUSTER

With their integrated technologies, the ten multi-purpose ports and terminals operated by our Ports Cluster are amongst the most advanced in our region.





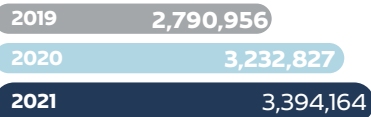


PORTS CLUSTER

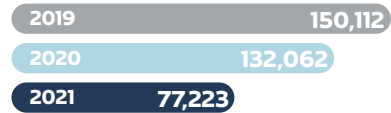


The rapidly increasing trade they facilitate through innovation and expansion plays a key role in driving growth of the UAE's non-oil GDP, and hence sustainable development.

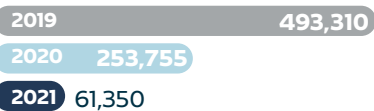
No. of TEUs handled



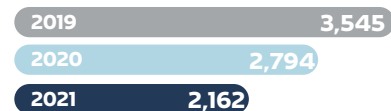
No. of RoRo units handled



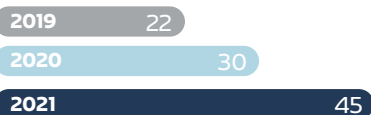
No. of cruise passengers



No. of international vessels called



General Cargo (million tonnes)





Our Ports Cluster is driving AD Ports Group's growth through the forging of local and global partnerships and expansion of its facilities".

Furthermore, our Ports Cluster is committed to protecting the precious and sensitive marine environment that it operates within.

The Cluster's key initiatives in 2021 included Coral Relocation and Monitoring, Mangrove Compensation,

and continued assessments of seawater quality parameters. We describe these initiatives in the 'Safeguarding the Environment' section of this report.

Khalifa Port

The flagship of our Ports Cluster, Khalifa Port, is the Region's first semi-automated container port.

It currently supports general cargo, container, roll-on-roll-off (RoRo), and break-bulk activities and is diversifying into other sectors such as commercial storage for liquid & gas and grain storage.

Khalifa Port's situation between the Eastern and Western hemispheres provides a strategic advantage to serve the region's largest markets and accelerate global trade.

It services approximately one hundred international hubs, connects intermodal transport networks via air, sea, and land, and serves over twenty-five shipping lines.

In 2021, we significantly enhanced Khalifa Port's capacity through transformative international partnerships and expansion of its facilities. We signed a 35-year concession agreement with CMA CGM to grow Khalifa Port's container business through joint construction of an AED 570 million terminal.

The venture will elevate Khalifa Port to elite status by providing it with the capacity to host three of the world's four largest shipping companies: MSC, COSCO and CMA CGM.

Additionally, the Ports Cluster will soon complete construction of its fully operational South Quay at Khalifa Port, a flagship, deep-water facility for bulk and general cargo handling.

Zayed Port

Having been Abu Dhabi's city-centre port since 1972, Zayed Port plays a crucial role in supporting cruise tourism and cargo operations. With its connections to land, sea and air transport networks, Zayed Port is also a premier regional hub for general and bulk cargo services.

Abu Dhabi Cruise Terminal

Opened in 2015, Abu Dhabi Cruise Terminal was Abu Dhabi's first dedicated permanent cruise hub. Its world-class terminal operations and services have increased in popularity with international cruise lines and passengers, year-on-year.

In 2021, we leased the terminal to Abu Dhabi Health Services to support the national vaccination drive during the pandemic. This mitigated the negative financial impacts of suspended cruise operations, which began to resume towards the end of 2021.

Sir Bani Yas Cruise Beach

One of the UAE's prime natural and cultural landmarks, Sir Bani Yas Cruise Beach, is the region's only dedicated cruise beach. In 2021, we opened a new jetty at the island which will double cruise passenger traffic capacity, promoting future growth and enhancing customer experience.

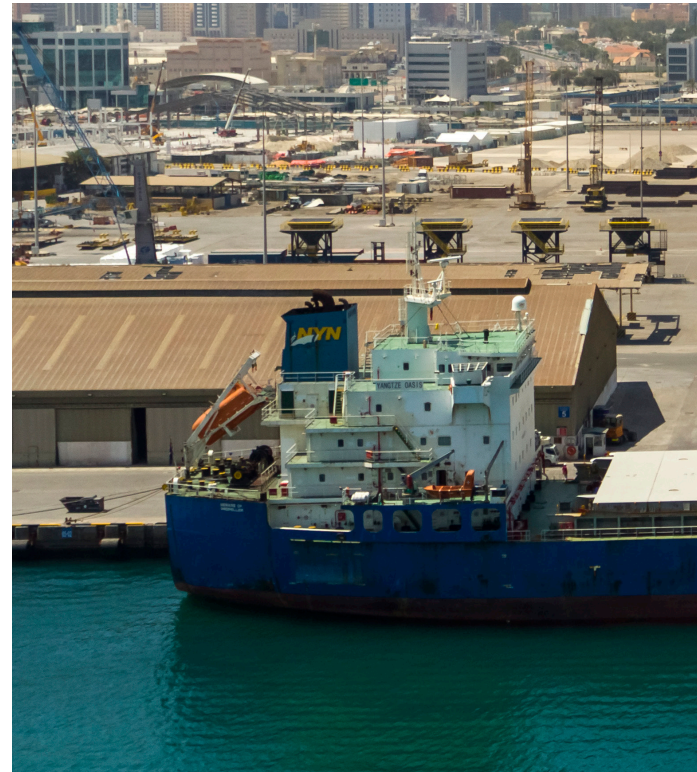
Mugharraq Port

Mugharraq Port primarily serves the offshore oil and gas industries within the Al Dhafrah Region. It also supports the local community through general cargo handling, ferry, and logistics support.

Its infrastructure makes it competitive with the region's best to serve the oil and gas industry and will be crucial to the Hail and Ghasha Islands development. In 2021, it gained certification as an international port, opening a wealth of opportunities for our Group to expand into new markets.

Musaffah Port

Musaffah Port accommodates the Musaffah industrial area to service the steel, dredging, and ship-building industries. The port lies in the 53 km Musaffah Channel, one of the world's busiest waterways.



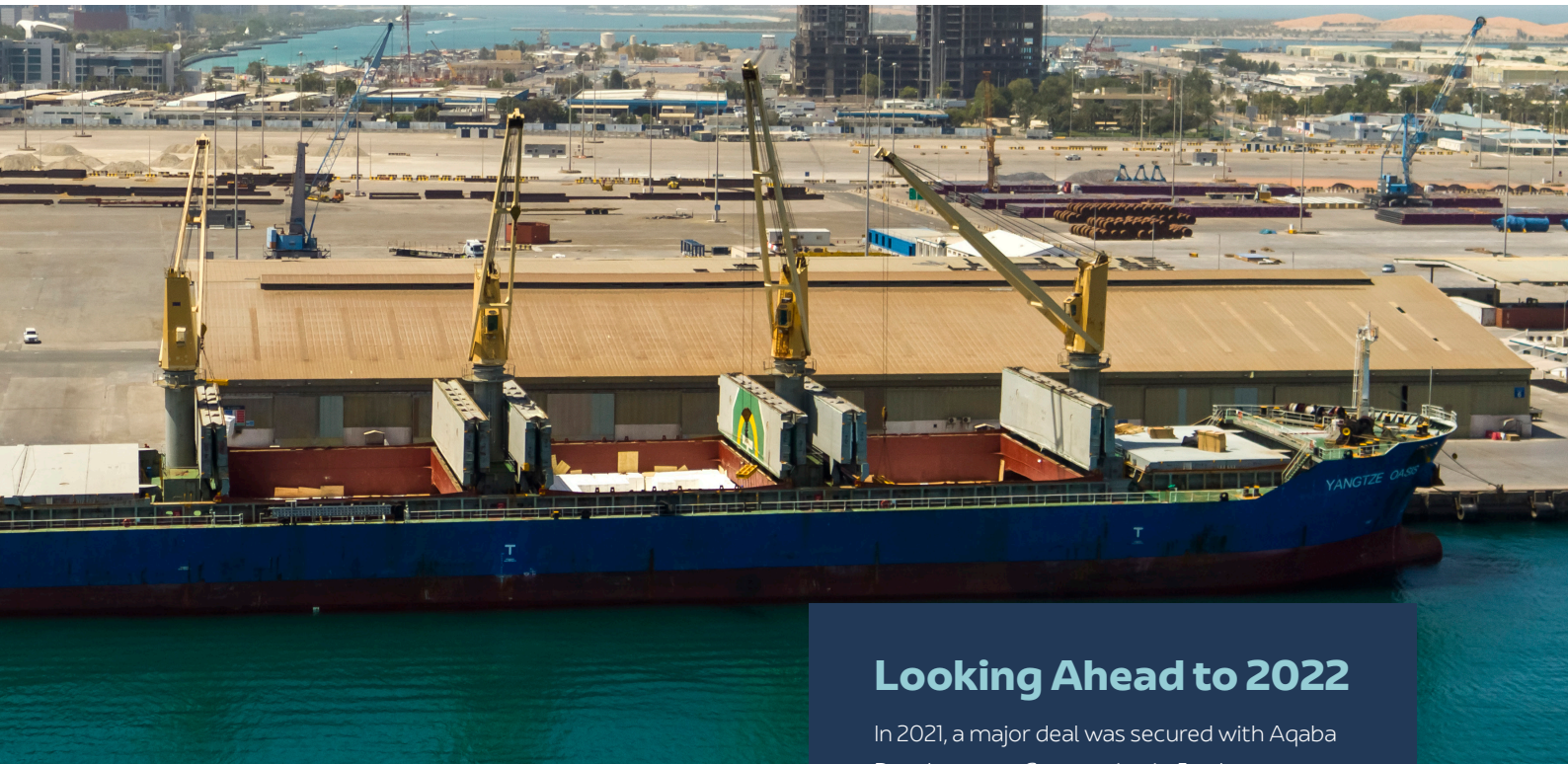
Free Port

Since its establishment in 1978, Free Port has been improving cargo, logistics, and recreational facilities on the UAE's smaller islands. Its specialisation enables it to handle chemical and petroleum cargo in general and bulk capacities.

Fujairah Terminals

Fujairah Terminals, formed from a concession agreement with Fujairah Port, continues to be the only multi-purpose facility on the UAE's eastern seaboard. In 2021, we completed major expansion works including extending the quay wall, deepening the approach, and increasing the size of the container terminal and multipurpose area for general and other types of cargo.

The expansion enables the handling of larger vessels and increases capacity, enhancing the service offering for customers particularly on the East-West Indian Ocean routes.



Looking Ahead to 2022

In 2021, a major deal was secured with Aqaba Development Corporation in Jordan to revitalise and operate the multipurpose port and create a new cruise passenger terminal in Aqaba, positioning the Group's expansion into the Red Sea area.

From 2022 and beyond, the Ports Cluster's strategy for growth will focus on securing opportunities for trade locally, regionally and internationally.

Community Ports

The provision of general cargo handling, support logistics, and passenger ferry connections our Community Ports provide is vital to our local islands' fishing industries and economies.

Al Mirfa Port

Al Mirfa is primarily a terminal for fishing and leisure vessels, but it also offers shopping and a commercial area for local enterprises.

Shahama Port

Our mixed-purpose port, Shahama, attracts leisure mariners.

Delma Port

Delma Port is a multi-purpose facility located in the Al Dhafra region, it handles general cargo, passenger ferries, and fishing vessels.

Al Sila Port

Al Sila Port keeps local communities connected to the mainland by supporting local fishing industries and providing cargo services and recreational activities. In the near future, the addition of general cargo handling infrastructure will support both local industry and oil and gas development in the region.



MARITIME CLUSTER

AD Ports Group's Maritime Cluster facilitates maritime operations while ensuring safety and sustainability across its services.





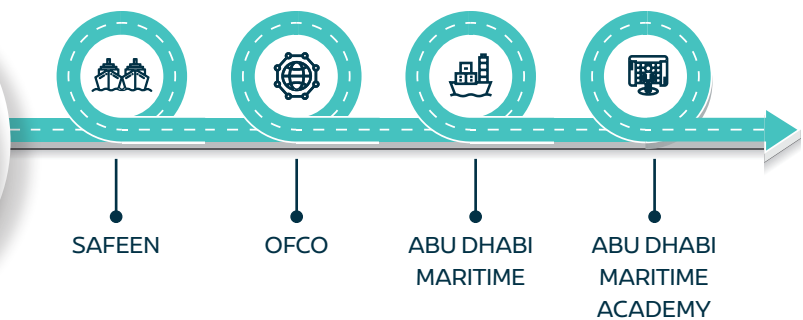


MARITIME CLUSTER



AD Ports Group's Maritime Cluster is recognised as a global player in the maritime industry. The Cluster provides AD Ports Group's clients with integrated shipping and maritime solutions along a full value chain that reduces risk and is economically efficient.

The business lines that form the Maritime Cluster are:



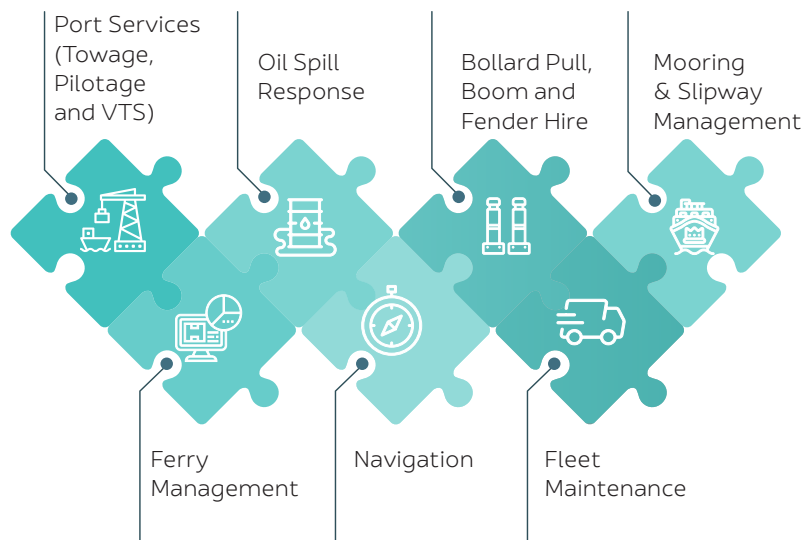
The Cluster is committed to providing best-in-class services and infrastructure as a top tier provider in each of its business segments in terms of size, efficiency, and economy.



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

**SAFEEN
Marine Services**

SAFEEN provides a wide range of marine services including, but not limited to,



SAFEEN's fleet comprises of Tugboats, Mooring Tugs, Pilot and Speed Boats besides managing Buoy Maintenance vessels, Bulk vessels, Barges, Landing Crafts and Ferries. Operated by more than 250 high professional marine experts, SAFEEN's fleet provides integrated and tailor-made marine services and solutions for customers in the UAE and other key regional markets.

This provides AD Ports Group with the capacity to handle ships with a length overall (LOA) exceeding 400 metres, and vessels with deadweight tonnage (DWT) of up to 150,000 DWT. SAFEEN is committed to providing safe, secure, and sustainable marine services in compliance with global best practices and maintaining certification of ISM, ISPS, ISPO and ISO standards.

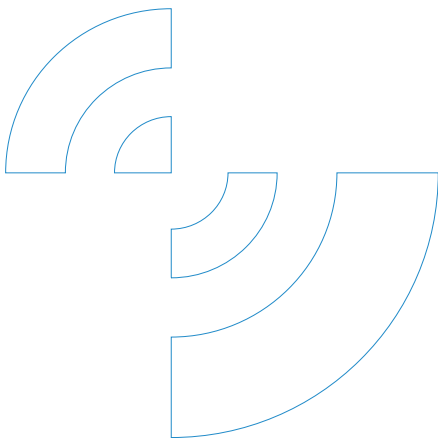
SAFEEN Feeders

The Cluster established SAFEEN Feeders in 2020 to meet the demands from the Group’s mainliner shipping clients by offering increased connectivity and optimised shipping costs.

Operating a fleet of seven container vessels, of which six the Cluster owns, SAFEEN Feeders has introduced two feeder services:

One connecting Abu Dhabi and the UAE’s coastal ports; and another connecting Abu Dhabi, Saudi Arabia, Iraq, India, and Pakistan.

SAFEEN Feeders complies with all international emissions regulations, and ballast water treatment requirements.



Transshipment

Transshipment provides tailor-made logistics solutions for dry bulk commodities. In 2021, the Cluster implemented measures to reduce its vessels’ impacts on the environment.

The Cluster achieved this by engineering the vessels with solutions that improve energy-efficiency and prolong their working life.

OFCO

Offshore International (OFCO) is the GCC region’s leading provider of integrated onshore and offshore marine logistics services. It is a joint venture between Allianz Marine & Logistics Services (AMLS) and SAFEEN Marine Services.

Equipped with a fleet of support vessels, crew boats, landing crafts and tugs, as well as multi-use storage space, they deliver bespoke solutions to customers, offshore drilling, pipe and cable lay support, and oil spill response.





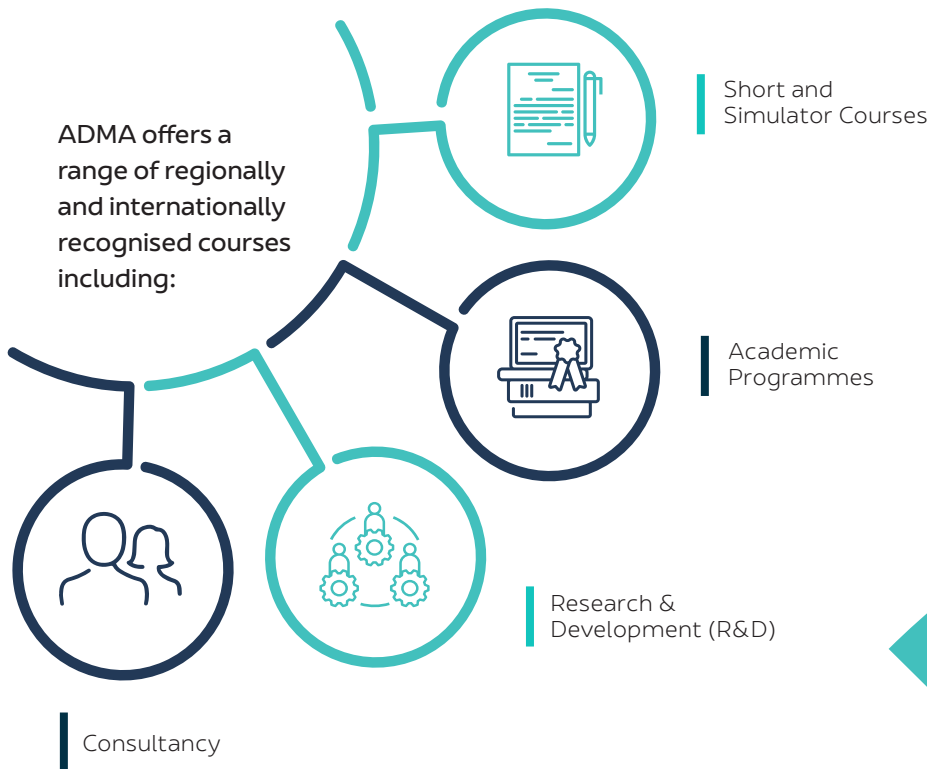
Abu Dhabi Maritime Academy (ADMA)

Abu Dhabi Maritime Academy (ADMA) is the region's first one-stop shop for all types of maritime training, academics, consultancy, research and development. It is a one-of-a-kind centre of excellence dedicated to develop world-class national, regional, and international maritime cadres.

Our training teams have internationally recognised qualifications, certifications, experience, and competencies. They bring their extensive maritime industry experience and technical expertise in the classrooms, workshops, and simulator areas. We are proud to have the most advanced, fully equipped, region's first multidiscipline Maritime Simulator Centre

through which our highly experienced instructors provide our students with the training and insight to face potential industry challenges and an in-depth understanding of mitigating possible risks.

Dedicated to excellence, ADMA emphasizes on maritime knowledge dissemination by delivering academic programmes, training programmes and courses of the highest quality which is accredited locally or internationally (MCA (U.K.), MOEI (UAE), MOE (UAE), LR, Tasneef-RINA, FMA, ICS, FIATA, CILT, CII, MTA & PMI) and attracts school leavers and professionals into the sector that are pivotal to the Cluster's plan to position Abu Dhabi as a global maritime hub.



ADMA has also established programmes that accelerate development and fill job vacancies within the Maritime Sector in six months to one year to provide dynamic responses to the maritime industry's needs. These courses include 73 Short and Simulator Courses, 13 Professional Certificate Courses, 4 Academic Courses and 4 PMI Courses. ADMA has more than 600+ students enrolled and certified annually.

Abu Dhabi Maritime

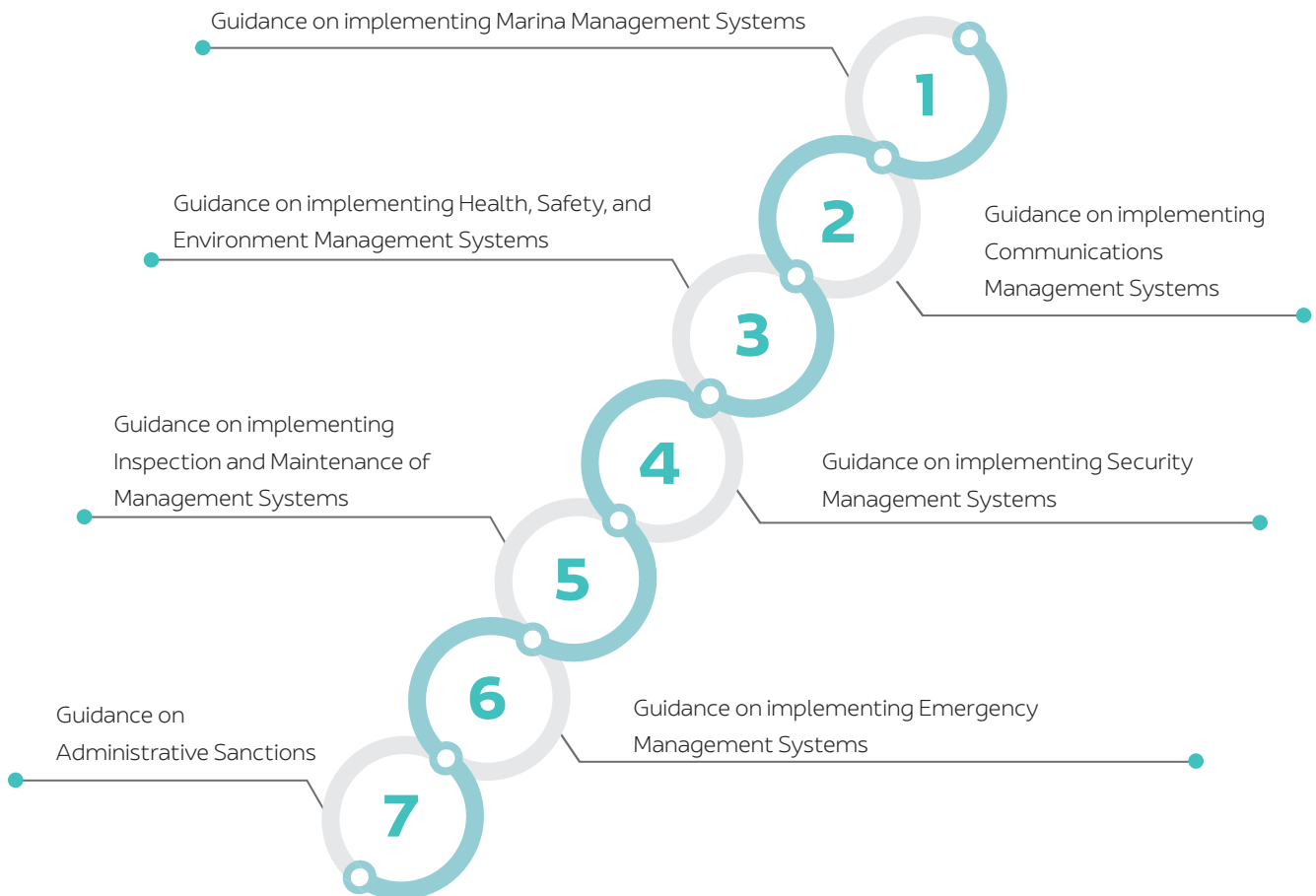
Since its establishment in 2020, Abu Dhabi Maritime has been the custodian of Abu Dhabi’s waterways and Maritime sector with the purpose of elevating Abu Dhabi’s standing to a global maritime capital.

In collaboration with the Department of Municipalities and Transport, and operating under AD Ports Group, Abu Dhabi Maritime performs its roles of governing and regulating Abu Dhabi’s maritime sector by developing its strategy, creating and updating maritime regulations, and providing first-rate maritime services.

The entity also upholds impeccable standards of health, safety, environment, and quality standards whilst issuing permits, licensing maritime assets, and building and regulating public maritime infrastructure.

In 2021, a flagship project of Abu Dhabi Maritime was the publication of its ‘Code of Practice for Marina Operations in Abu Dhabi’.

The Code of Practice stipulates the seven main environmental health and safety considerations required of Marina operators during commercial activities:



Key Initiatives Undertaken

Abu Dhabi Maritime Safety Map

Another contribution Abu Dhabi Maritime made to the safety of Abu Dhabi waterways in 2021 was the publication of our 'Abu Dhabi Maritime Safety Map'.

The map clearly illustrates what areas of waters are open to who, and the rules they should observe. It serves as a

reference point for routes, speed limits anchorage areas, restricted areas, and passthrough areas.

Its publication enables everyone from leisure to commercial users to observe Abu Dhabi's waterway regulations correctly and safely.

Digital Slipway Portal

In 2021, Abu Dhabi Maritime launched a Digital Slipway Portal exclusively for leisure mariners. The Portal streamlines the booking of ramps for boats and jet skis, whilst easing congestion at peak times.

Jet Ski Licencing Service

In 2021, AD Maritime launched Jet Ski licencing services to ensure adherence to the best maritime safety practices. The service ensures that the jet skis operating in Abu Dhabi's waterways comply with applicable regulations and requirements through inspections, issuance and renewal of jet ski licences.



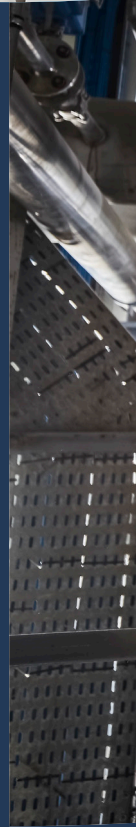


ECONOMIC CITIES & FREE ZONES CLUSTER

World-class infrastructure with a hassle-free regulatory environment and turnkey amenities allows start-ups and large investors to establish and grow, with power substations, natural gas feedstock, primary water networks, and discharge systems, all available within our Economic Cities & Free Zones Cluster.



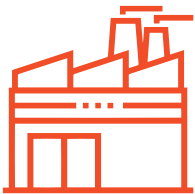
**ECONOMIC CITIES
& FREE ZONES**







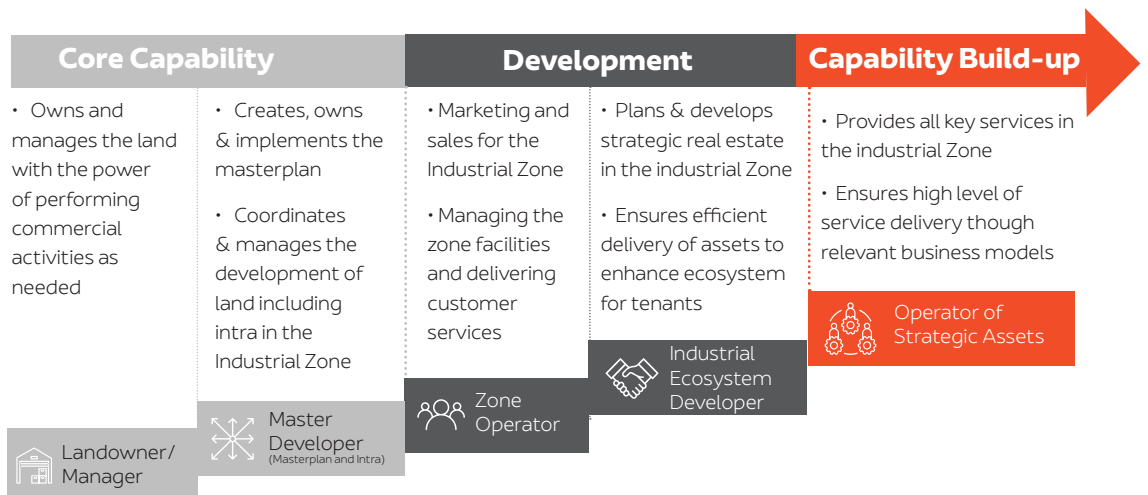
ECONOMIC CITIES & FREE ZONES CLUSTER



The Economic Cities & Free Zones Cluster oversees the operations of KIZAD and ZonesCorp.

KIZAD is the largest integrated trade, logistics and industrial hub in the region; ZonesCorp is the largest operator of purpose-built economic zones and workers residential cities in the UAE. Leveraging its land bank of more than 550 km², the Cluster continued to expand and solidify its

market position in 2021, making up 55% of UAE industrial zones and 12% of industrial zones in the Gulf Cooperation Council (GCC). We are in the process of widening our service offerings by building new capabilities and honing our current core abilities.





It is testimony to our commitment towards the safety and well-being of our employees and customers, that we can proudly announce to have won Silver Stevie Awards in two categories – Most Valuable Corporate Response to COVID-19 and Most Valuable Government Response to COVID-19.”

Sustainability and low carbon transformation is at the core of our strategy for growth, and we reflect this through multiple initiatives including:



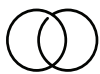
An agreement to establish a green ammonia processing facility in KIZAD powered by an onsite 800 Mega Watt peak (MWp) solar plant



Developing “Hubs” that ease business and reduce environmental impact by bringing multiple supply chain actors of similar industries together



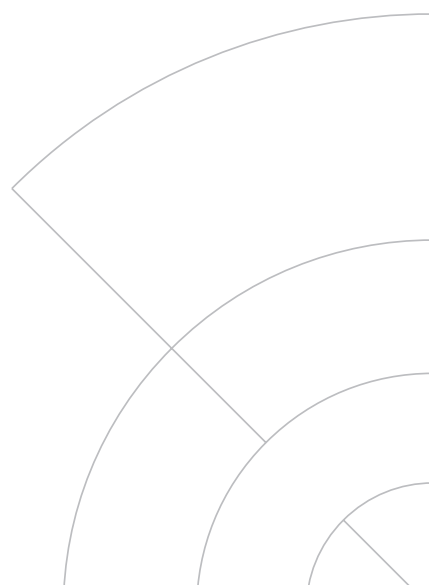
Green buildings and warehouses as per Estidama requirements



Hosting multiple industries working on waste recycling



Rolling out energy-efficient infrastructure



KIZAD

Established in 2010, and spread over 410 km², KIZAD is a port-integrated industrial zone with both free zone and domestic industrial zone solutions for land lease, pre-built warehouses, and offices.

KIZAD hosts over six hundred companies cutting across industrial sectors such as:



Food



Logistics



Automotive



Polymers



Metals

KIZAD in Numbers

Leasable area - land	(km ²)	30.5
Leased area - land	(km ²)	26.10
Leasable area - warehouses	(m ²)	229,084
Leased area - warehouses	(m ²)	220,728

KIZAD Free Zone

KIZAD Free Zone offers a world-class business environment and a meticulously designed industry ecosystem that makes it easier to set up and conduct business in Abu Dhabi.

The Zone provides Investors with an array of business set-up services that streamline their registration and licensing processes.

KIZAD also offers Investors executive offices, flexible workstations, and dedicated desks to complement its overall value proposition.



ZonesCorp

ZonesCorp, a dynamic industrial zone, was launched in 2004, and merged with AD Ports Group in 2020. It is the largest operator of purpose-built industrial zones in the United Arab Emirates. Since its inception, ZonesCorp has helped shape Abu Dhabi's industrial landscape by developing fully integrated industrial zones spanning 145

km² of prime investment land in the cities of Abu Dhabi and Al Ain.

ZonesCorp currently houses more than nine hundred manufacturing facilities and is home to many of the world's leading global industrial players in various sectors.

Key Sectors at ZonesCorp



Chemicals & Plastics



Heavy Metal Industry



Machinery & Equipment



Building Materials



Food & Pharma

ZonesCorp in Numbers

Leasable area - land	(km ²)	49.7
Leased area - land	(km ²)	31.7
Leasable area - warehouses	(m ²)	73,205
Leased area - warehouses	(m ²)	59,657



Accelerating Growth and Reducing Environmental Impacts Through Development of Industry Hubs

Our industrial hubs bring both upstream and downstream industrial sectors together at one location so they can benefit from each other and reduce supply chain-related environmental impacts.



Regional Food Hub - Abu Dhabi

We are developing a mega regional food hub and marketplace in partnership with Ghassan Aboud Group and in collaboration with Rungis that will spread over more than 3 km² and will bring together all stakeholders in the Food value chain.

Life Science Park

The Life Science Park is a pioneering, purpose-built zone dedicated to the Life Sciences industry providing spaces for product manufacturing, logistics, research and development, and education.

Rahayel

Rahayel is an ecosystem underdevelopment commodating a full range of auto-related businesses and supporting services such as showrooms, service centres and workshops, auction houses, sector-based regulatory and governing bodies, lifestyle retail, and entertainment outlets.

The integrated Hub will cover 12 km² and will be the first of its kind in the region.



Speciality Chemicals Hub

We are establishing our Speciality Chemicals Hub at KIZAD to serve the rapidly transforming Chemicals sector.

Strategically located between Abu Dhabi and Dubai, the Hub will offer competitive utility rates in the UAE, making it a cost-efficient location for downstream manufacturing activities in the Chemicals sector.



Truck Plaza

The Truck Plaza at KIZAD will offer refuelling and recreational facilities covering an area of more than 87,000 square metres.

Additionally, it will include a first-of-its-kind, dedicated, ADNOC distribution service station for trucks, a community centre, several retail outlets, and a mosque.





LOGISTICS CLUSTER

Since its establishment in 2018, AD Ports Group's Logistics Cluster has handled the expanded scope of logistics and is driving end-to-end solutions.



LOGISTICS







LOGISTICS CLUSTER



The acquisition of MICCO in 2020 allowed the Logistics Cluster to expand its end-to-end solutions to both domestic and international customers. In 2021 alone, our Logistics Cluster moved over 4.9 million tonnes of goods across 42.7 million kilometres.

With an extensive transportation fleet of 400+ vehicles, temperature-controlled warehousing facilities, and services which, among others, include, land transportation, storage, stevedoring, freight management, overseas consolidation, and final mile delivery, the Cluster can serve multiple sectors, including healthcare, polymers, F&B, e-commerce, logistics & cargo networks, heavy lift, industrials, and others.

Working with the HOPE Consortium partners, the Cluster has continued to dedicate its advanced cold and ultra-cold medical warehouse, which is one of the largest of its

kind in the region, to serve as a hub for storage and delivery of essential COVID-19 vaccines and other essential healthcare products. In 2021, the Logistics Cluster, alongside its partners, helped handle and dispatch over 250 million doses of the COVID-19 vaccine across 60 countries around the globe.



“

We believe that reducing our carbon emissions and improving the efficiency of our operations goes hand in hand. With this in mind, we are implementing exciting technological solutions that will help electrify and automate our transport fleet, significantly improve our fuel efficiency and optimise our delivery operations.”

Looking into the near term, our healthcare business will see significant growth, particularly in the areas of integrated healthcare, vaccine, hospital, and pharma logistics, while at the same time, we will expand our polymers business by developing and operating an advanced polymers storage hub in KIZAD for one of our long-term industry partners.

The hub, which at 180,000 sqm is one of the largest of its type in the world, will serve the global polymers export markets thanks to its close proximity to Khalifa Port.

In addition, we are in the early stages of pursuing a pilot project that would evaluate the feasibility of delivering medical supplies using drones.

Expanding our capabilities to this sphere would greatly enhance our final mile capacities in terms of speed, efficiency, and emissions reductions.

The Cluster understands that greenhouse gas (GHG) emissions are significantly detrimental to the environment, and is committed to mapping, managing, and reducing its GHGs. Some of the initiatives taken towards this goal include replacing older vehicles with more efficient models, trialing the use of fuel additives to increase fleet efficiency and converting some of our existing cargo vehicles from diesel to electric power.

Read more about the GHG reduction initiatives in the 'Safeguarding the Environment' section of the report.





DIGITAL CLUSTER

AD Ports Group has built a robust digital infrastructure to bolster trade and logistics business interactions across all our entities and operations.



DIGITAL



Set Us {free}

بوابة المقطع
MAQTA GATEWAY

Innovation
Transformation
Collaboration
Leadership
Empowerment
Sustainability
Digital
Disruption
Global
Connectivity
Data
Analytics
Cloud
Security
Agility
Resilience
Customer
Experience
Partnership
Ecosystem
Future
Ready
Scalable
Adaptability
Innovation
Transformation
Collaboration
Leadership
Empowerment
Sustainability
Digital
Disruption
Global
Connectivity
Data
Analytics
Cloud
Security
Agility
Resilience
Customer
Experience
Partnership
Ecosystem
Future
Ready
Scalable
Adaptability





DIGITAL CLUSTER



The Digital Cluster delivers advanced, intelligent, and innovative digital solutions catering to trade and logistics stakeholders.

Much of the Digital Cluster’s activity is undertaken in the service of each of AD Ports Group’s Clusters, where it enhances effective service delivery through technological innovations that improve our Group’s overall productivity.

The technological innovations delivered by the Digital Cluster are crucial to the low-carbon transformation of our business. The digital solutions developed by the Cluster have increased the efficiency and productivity of business interactions, fostering transparency and access to real-time information for all stakeholders.

Maqta Gateway

Established in 2016, Maqta Gateway a wholly owned subsidiary of AD Ports Group is a facilitator of advanced digital solutions for trade and logistics sectors, designed to enable integrated digital global trade.

Since its establishment, Maqta Gateway has efficiently processed more than fifty-one million transactions with full traceability.

Maqta Gateway supports AD Ports Group in its strategy of digitalisation and is spearheading the digital mandate of Abu Dhabi’s maritime, trade, and government services.

As a founding partner of the Abu Dhabi-led HOPE Consortium, Maqta Gateway is leveraging its digital technology and supply-chain expertise to facilitate the Emirate’s drive to deliver enormous quantities of COVID-19 vaccines around the world.



Looking to 2022 and beyond, the Digital Cluster will continue to play a pivotal role in driving our sustainable growth by leveraging technology for the benefit of our entire business ecosystem."

Advanced Trade Logistics Platform (ATLP)

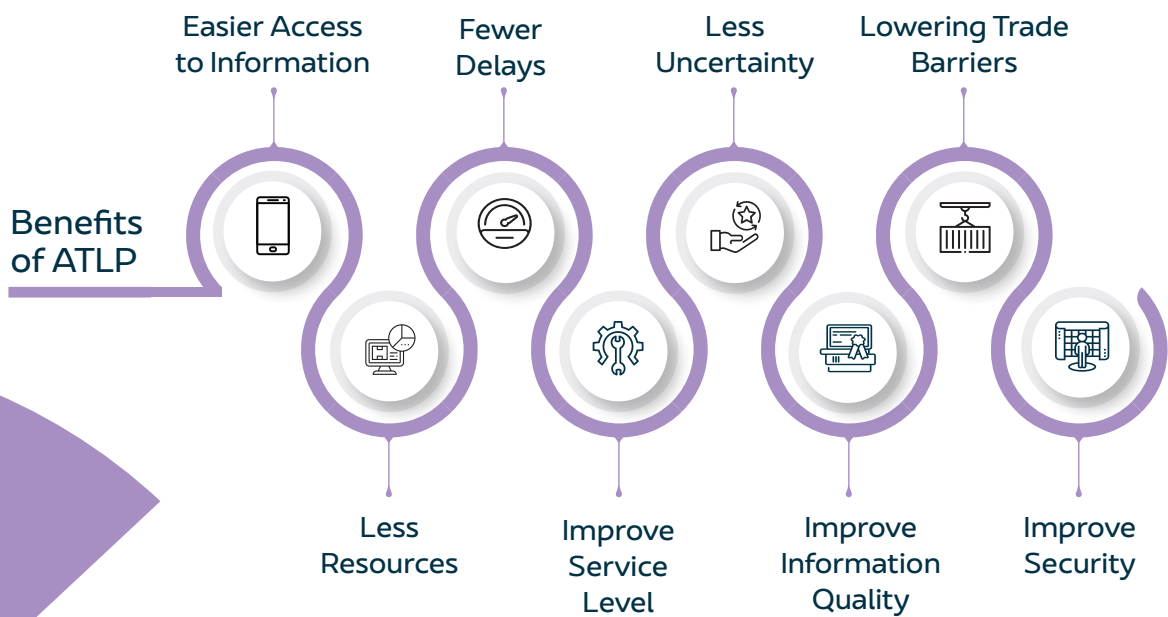
In 2021, Maqta Gateway developed and launched the Advanced Trade Logistics Platform (ATLP).

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

It is a platform for unifying payments and applications, and helping stakeholders better manage resources. It will serve as Abu Dhabi's

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

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





SAFEGUARDING THE ENVIRONMENT



AD PORTS GROUP







CLIMATE ACTION



We are growing rapidly and are on a mission to decouple our economic growth from carbon emissions. Through innovation and harnessing solar power, we are improving our energy efficiency, shifting away from fossil fuels, and hence mitigating the Greenhouse Gas (GHG) emissions associated with our growth.

In its recent report, the Intergovernmental Panel on Climate Change (IPCC) described climate change as ‘widespread, rapid, and intensifying’. In response, we are aligning our operations to ‘UAE Net Zero 2050’, a national drive to achieve Net Zero emissions by 2050.

This year, we commissioned a study to identify measures to reduce our GHG emissions across our operations; the purpose of the study is to enable us to define a Group-wide low-carbon transformation strategy.

We have also implemented a comprehensive energy management system to capture all significant energy usage across our Clusters. Optimisation of water consumption is an important pillar of our sustainability strategy, as the majority of our operations occur in water-stressed areas where the production of potable water results in GHG emissions.



We underpin our journey towards a low-carbon transformation through energy optimisation and moving away from fossil fuels through the integration of renewable energy across our operations."

These activities provide us with a deeper understanding of our energy consumption patterns, and help us reduce emission intensity of our two major energy consumption hotspots:

1 Electricity consumption at our ports, offices, and warehouses

2 Fuel consumption of our equipment and fleet

This has enabled us to target mitigation measures where they are most effective, resulting in a steep decline and stabilisation of our energy consumption and the associated GHG emissions. The graphs below reflect our achievements since 2017.

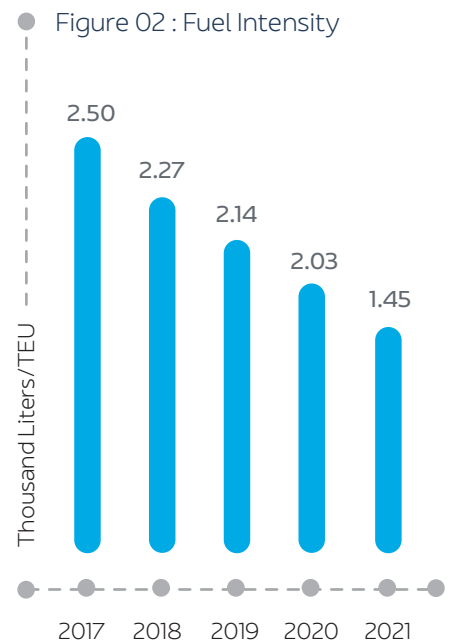
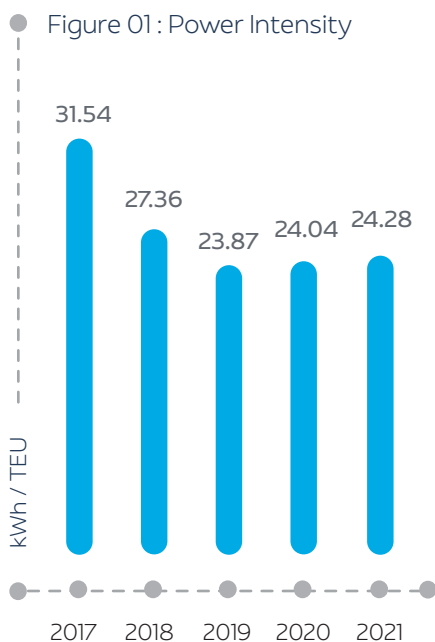
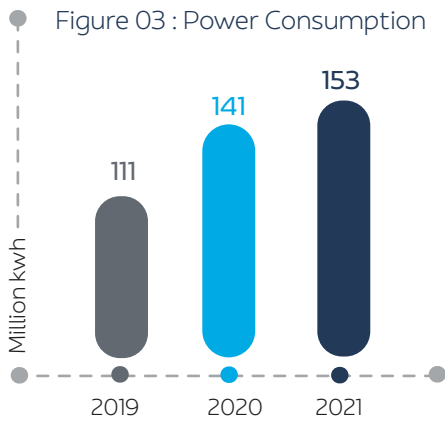


Figure 03 : Power Consumption



In 2021, our TEU volumes increased by almost 5%, and we also initiated our transshipment operations, which has resulted in an increase in our absolute energy consumption. We are conscious of this increase and are committed to stabilising our energy consumption intensity and implementing measures to reduce it further through our low-carbon transformation pathway.

Figure 04 : Fuel Consumption (Diesel and Gasoline)

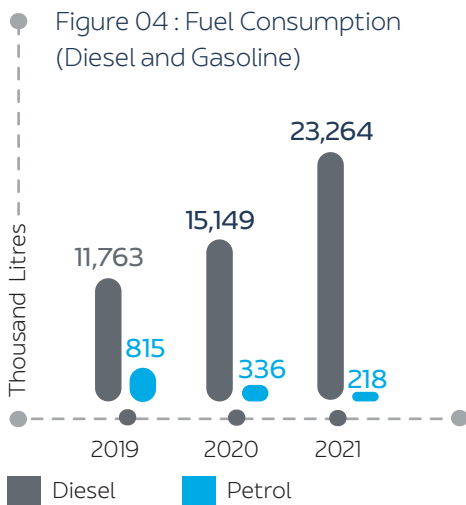
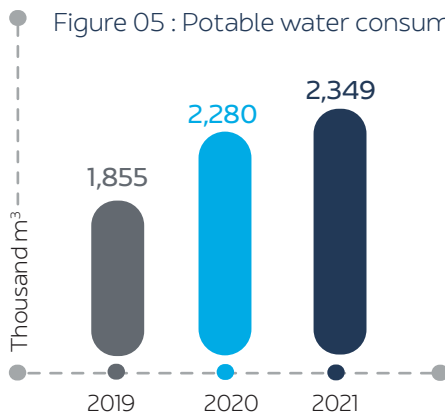


Figure 05 : Potable water consumption



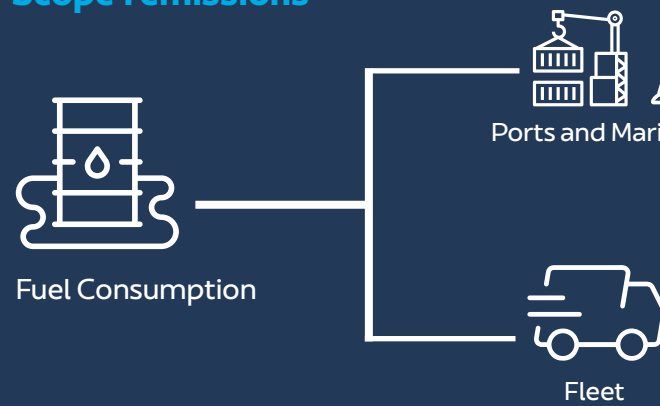
GRI: 302-1, 303-5

Our Low Carbon Transformation

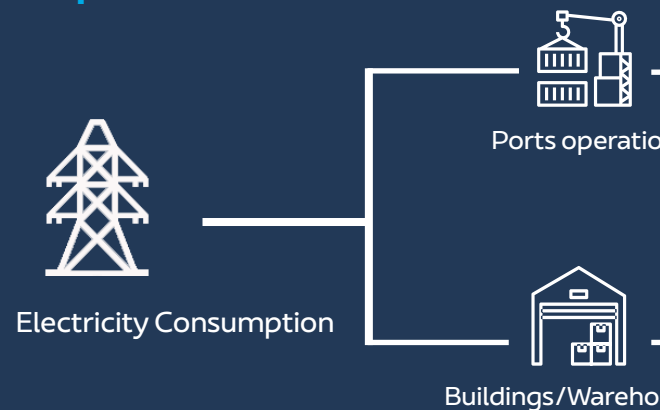
Our low-carbon transformation strategy aims to reduce direct (Scope 2) from our operations. Most of our direct emissions are from the use of fossil fuels to operate our ports' equipment, tugboats, and fleet.

We are working towards electrification of our port equipment and fleet, which is resulting from their fuel consumption. We realise that switching our Scope 1 emissions to Scope 2. However, this would lead to an increase in our UAE grid's emission intensity is projected to significantly reduce our commitment to NetZero by 2050. We plan to mitigate the indirect

Scope 1 emissions



Scope 2 emissions



Current Scenario



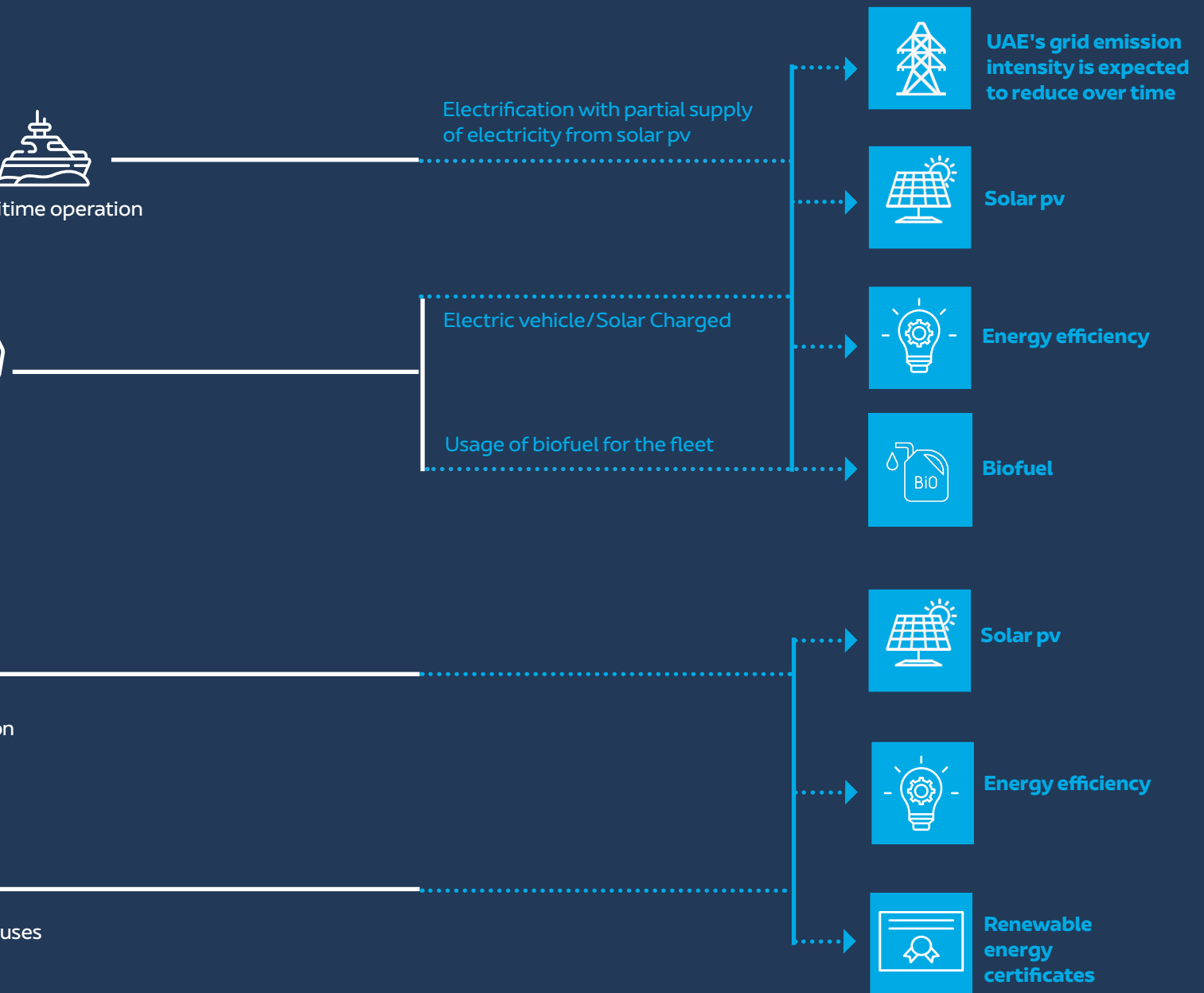
Transformation Pathway

(Scope 1) and indirect emissions emanate from the combustion of fossil

increased grid electricity consumption by implementing energy efficiency measures, installing solar PV, and offsetting any remaining carbon emissions through Renewable Energy Certificates.

and fleet to reduce the GHG emissions. Switching from fuel to electricity shall move overall emission reductions as the due to its alignment with the UAE's net zero emissions generated from our

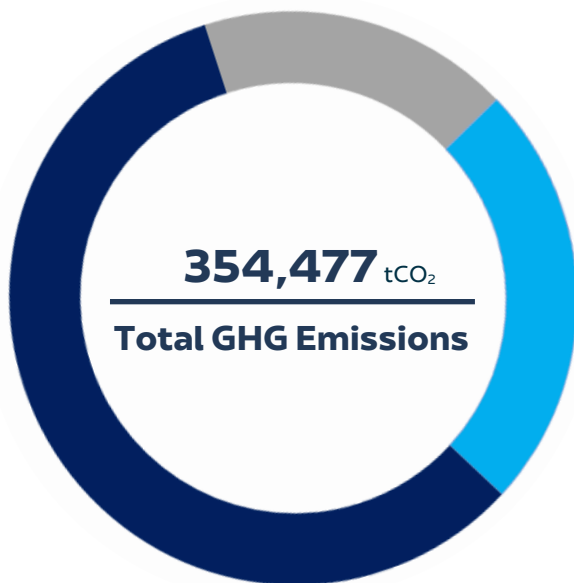
We are also looking into the usage of biofuel and electric vehicles for our fleet to reduce our emissions further. Multiple energy efficiency initiatives are also in progress to reduce our overall energy consumption intensity, thereby reducing the related carbon emissions. The visiting vessels are the major source of scope 3 emissions, we plan to provide shore power facilities and to incentivise green vessels to reduce these emissions. The graphic below summarises our Low-Carbon Transformation Pathway for scope 1 and 2 emissions.



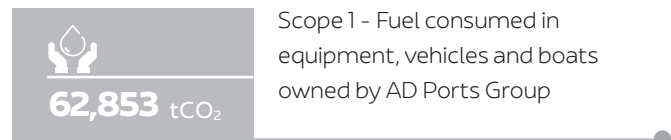
Mapping Our GHG Emissions

We have developed a framework to identify the most significant emissions sources and estimate volumes of emissions across all Clusters. We disclose our Scope 1, 2, and 3 emissions in alignment with the 'GHG Protocol

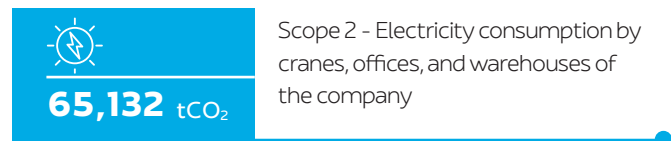
Corporate Standard'. The emissions are calculated using locally established emissions factors where possible, and IPCC factors where local factors are unavailable.



Scope 1



Scope 2



Scope 3

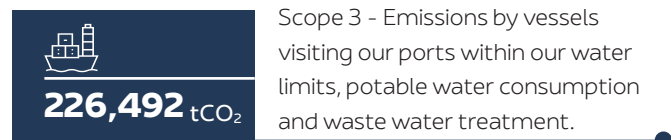
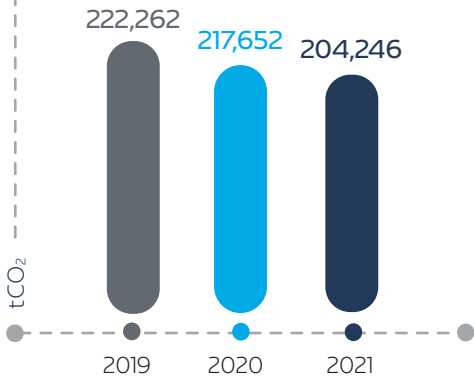


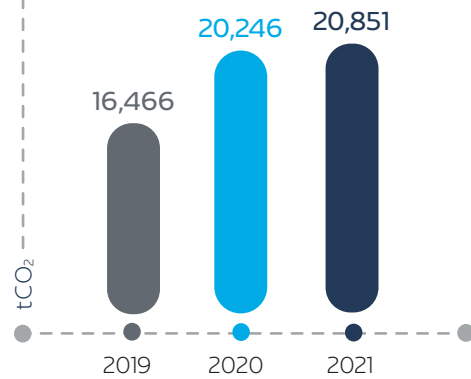


Figure 06 : GHG Emissions from Ocean Going Vessels



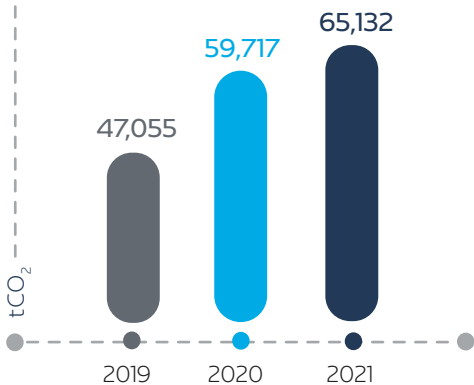
Due to the pandemic, the number of vessels visiting our ports decreased marginally in 2021, resulting in a slight decrease of GHG emissions from the visiting vessels.

Figure 07 : GHG Emissions from Potable Water Consumption



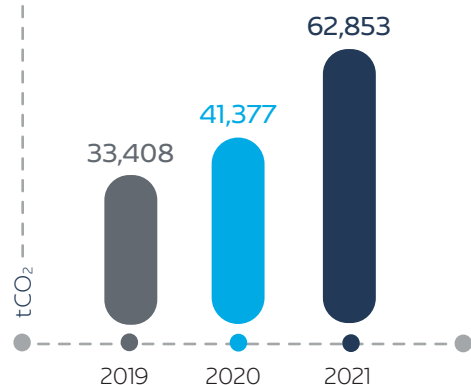
In 2020, we expanded the scope of water disclosure to include CSP Abu Dhabi Terminal, Autoterminal Khalifa Port, MICCO and ZonesCorp, resulting in increased water consumption as well as corresponding emissions in comparison to 2019.

Figure 08 : GHG Emissions from Electricity Consumption



This year, we initiated transshipment operations, and have included the fuel consumption of the same within the disclosure, which has resulted in a significant increase in emissions from fuel consumption.

Figure 09 : GHG Emissions from Fuel Consumption (diesel & gasoline)



Improving Efficiency of Our Fleet

Fuel Additive to Improve Efficiency

To reduce the Scope 1 emissions from our fleet, our Logistics Cluster trialled the BOOSTplus fuel additive. BOOSTplus acts as a lubricant that reduces the engine’s operating temperature and prevents clogging from carbon deposits.

Furthermore, it combines with the fuel’s hydrocarbons and improves combustion rates by up to 23%. The trial indicated a 16% to 30% fuel reduction might be possible through BOOSTplus. This would result in significant emission reduction and a substantial reduction in fuel spending when applied across our fleet. Due to this potential, the Logistics Cluster is exploring the feasibility of employing the additive at scale.

Retiring Inefficient Vehicles

In addition to incorporating BOOSTplus, the Logistics Cluster is retiring old vehicles and replacing them with newer, more efficient models, thereby increasing the overall fuel efficiency of the fleet while reducing the operation and maintenance cost.

Autonomous Vehicles

Another significant project that the Logistics Cluster is piloting is the application of autonomous trucks. The benefits of such vehicles potentially include improved fuel consumption, enhanced efficiency due to longer hours of operation, greater safety, and reduced vehicle wear and tear. Should the concept prove itself, we intend to incorporate it on a broader scale, once the necessary traffic safety regulatory environment is introduced.

Electric Vehicles

The Logistics Cluster plans to electrify some of the existing cargo vehicles. This would be done by converting internal combustion engines of the vehicles to a battery powertrain using a specialised kit. The powertrain comes with advanced software to optimise vehicle performance and improve fleet management operations, resulting in reduced operational costs, and CO₂ emissions.

The conversion shall begin in the third quarter of 2022, with two vehicles earmarked for the pilot. Upon successful conversion of these two vehicles, we aim to convert at least fifty vehicles to run purely on electric power.





Fuel Optimisation Through Telematics

To further improve fuel efficiency, the Logistics Cluster has introduced telematics for fleet management. Telematics drives the fleet's efficiency by:



Monitoring fuel consumption



Monitoring driver habits



Delivering route optimisation

All of the above initiatives will help us reduce Scope 1 emissions by significantly improving the fuel efficiency

of our fleet, while driving operational performance and business competitiveness.



GRI: 302-4, 305-5

Embracing Renewable Energy

Supporting Clean Energy Projects

KIZAD continues to attract companies that invest in clean and sustainable technologies. This year, Helios Industry, a privately-owned special project vehicle company (SPV), announced an investment of over AED 3.67 billion for the construction of a green ammonia facility at KIZAD.

The facility is projected to produce 200,000 tonnes of green ammonia from 40,000 tonnes of green hydrogen. Once the facility is commissioned, it is anticipated to reduce 600,000-tonnes of carbon dioxide, a significant contribution to the UAE Net Zero 2050 strategy.





Integrating Solar Energy Across Our Operations

To reduce Scope 2 emissions, we are capitalising on the abundant, clean solar energy that is available to us. In 2021, we began installing solar panels at the South Quay Warehouses 1 & 2, which we expect will produce 1,836,982 kWh of energy annually from September 2022.

We also initiated plans to install panels at our Mugharraq Port warehouse, which will deliver another 1,900,000 kWh of clean electricity annually from March 2023.

Through the Green Ports study, we are also exploring the opportunity to retrofit the existing buildings and warehouses with rooftop solar PVs.

Solar Project at South Quay Warehouse 1 and 2



1,836,982 kWh

Annual Generation

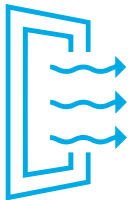


781 tCO₂e

Emission reduction



AIR AND WATER QUALITY



AD Ports Group continuously monitors the air quality and meteorological data at 7 monitoring stations located within KIZAD, Khalifa Port, Al Ain & 4 stations within ZonesCorp (EST, HFM, Mobile and NFF). These locations were selected as potential sources of air emissions exist in the surrounding areas.



95%
Average Compliance for All
Criteria Pollutants

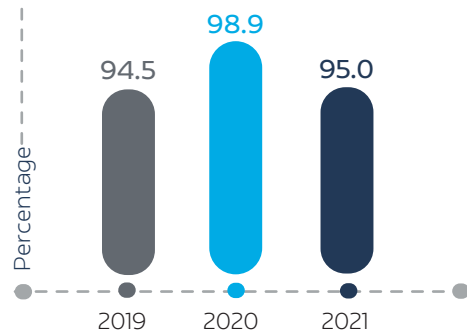


97%
Data
Capture

Compliance with the Ambient Air Quality Standard

The average air quality compliance for SO₂, NO_x, CO, Ozone, and PM₁₀ was 95% this year. The graph represents the same for the last three years.

Figure 10 : Ambient Air Quality Compliance



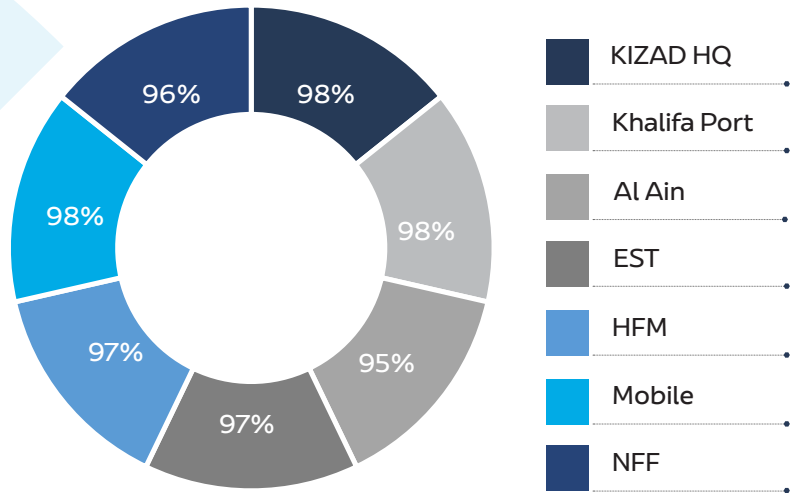


To protect public health and maintain ambient air quality, we have set up a state-of-the-art air quality monitoring system."

Data Capture

The success of any monitoring plan depends on the quality and quantity of data captured.

Our goal for this year was to achieve a data capture rate of 90% and above for the criteria air pollutants. We achieved an average data capture rate of 97% across all seven monitoring stations.



We establish the compliance of criteria air pollutants with the national air quality standard limits and identify exceedances. The percentage compliance in 2021 for SO₂, NO_x, and CO was 100% at all the locations. The percentage compliance for Ozone and PM₁₀ were 98% and 78%, respectively.



Water Quality

We initiated our seawater quality monitoring programme in 2015 to measure critical seawater quality parameters. The seawater quality monitoring is undertaken through online continuous Water Quality Monitoring Stations (WQMS) located at three different zones named ambient, discharge, and mixing zone within the vicinity of the

Khalifa Port basin. We selected each location based on the discharge points and sensitive areas in the Khalifa Port harbour limits. The WQMS helps us to monitor the compliance with the requirements and standards of the Environmental Agency-Abu Dhabi (EAD) and to measure the impact of our activities on the marine environment.



99%

Average Sea Water Quality Compliance at Mixing Zone



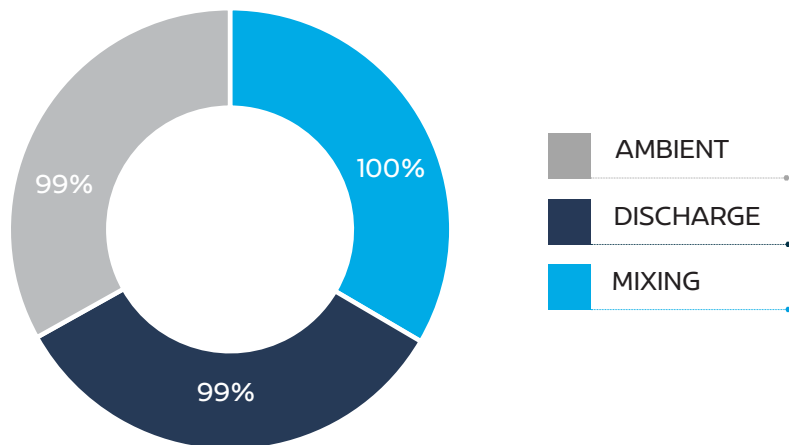
99%

Data Capture

Data Capture

Our state-of-the-art WQMS acquires data every 15 minutes and stores it locally within the data logger. The AD Ports Group's online web portal allows for near real-time viewing of water quality data derived from the stations.

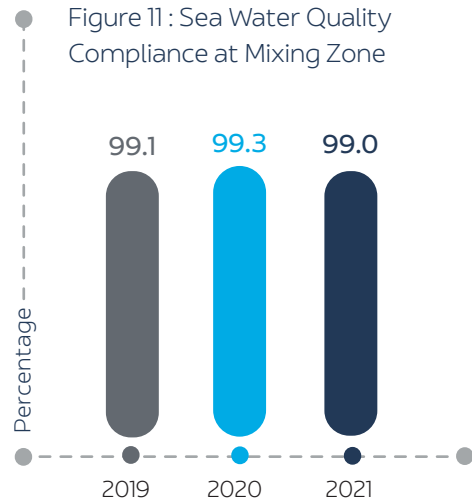
We achieved a high data capture rate of 99.94% from the three different monitoring stations.





Seawater Quality Compliance at the Mixing Zone

The average seawater quality compliance for temperature, pH, Turbidity, Dissolved Oxygen (DO), and Salinity was 99% at the mixing zone this year. The compliance rate has been above 99% for last three years.



Through the monitoring station, compliance with the EAD standards is assessed and exceedances are reported. The percentage compliance in 2021 for temperature, pH, Turbidity, and Dissolved Oxygen (DO) was 100%. The percentage compliance for Salinity was 95%.





PROMOTING CIRCULARITY

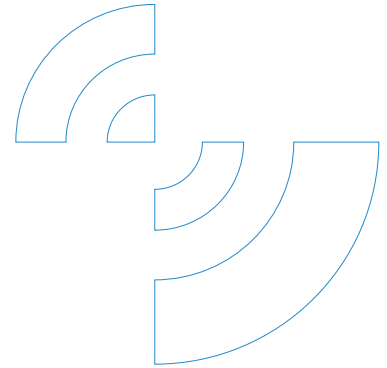


We recognise that climate change, biodiversity loss, and pollution are threatening our planet’s life-support systems, and it is our responsibility to mitigate these issues through proper management and disposal of our waste.

Under our sustainability strategy, we have prioritised action on Sustainable Development Goal (SDG) 12, which sets the target of achieving ‘the environmentally sound management of chemicals and all wastes throughout their lifecycle, and significantly reduce their release to air, water and soil to minimise their adverse impacts on human health and the environment.’



We have developed a comprehensive waste management plan covering all types of waste generated across our operations."



We have characterised waste according to its physical and chemical properties (hazardous or non-hazardous), toxicity potential, and potential for us to reuse or recycle.

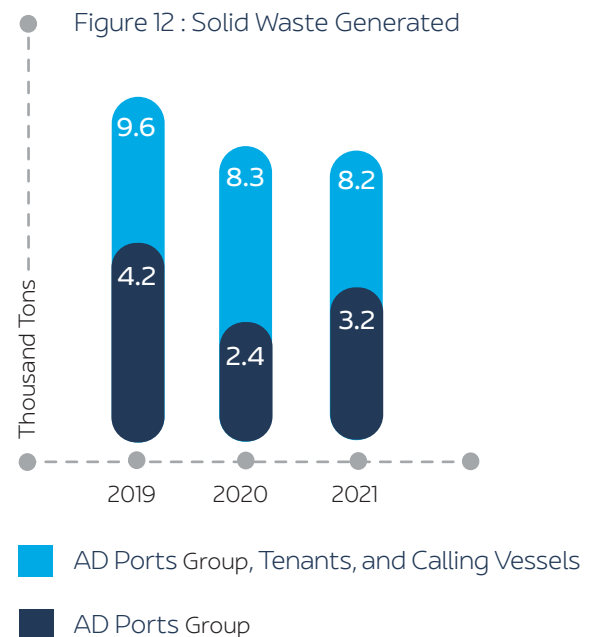
Based on the above, we have contracted with waste recyclers, treatment, and disposal companies.

We ensure that we use, treat, or dispose of our waste as per local regulatory requirements.

Our team also conducts periodic audits to ensure compliance with the waste management plan.

In 2021, there was a 24% decrease in solid waste generated for AD Ports Group and 15% decrease including the tenants and calling vessels. The decrease in waste generation can be partly attributed to the reduced site activity during the pandemic and also to the relentless efforts we have put in over the years towards promoting circularity within AD Ports Group.

Figure 12 : Solid Waste Generated

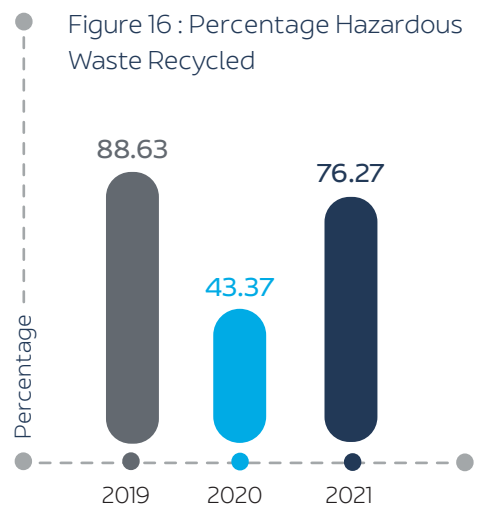
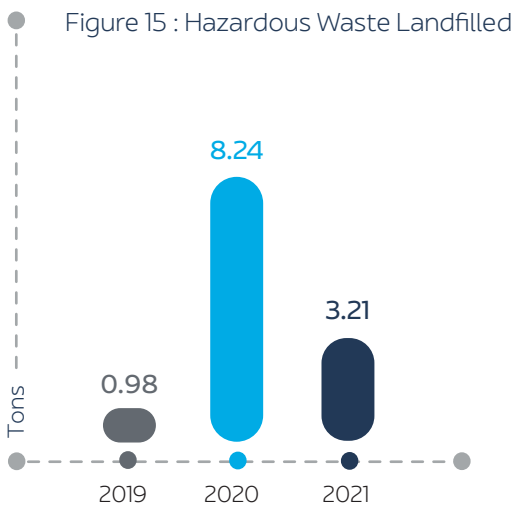
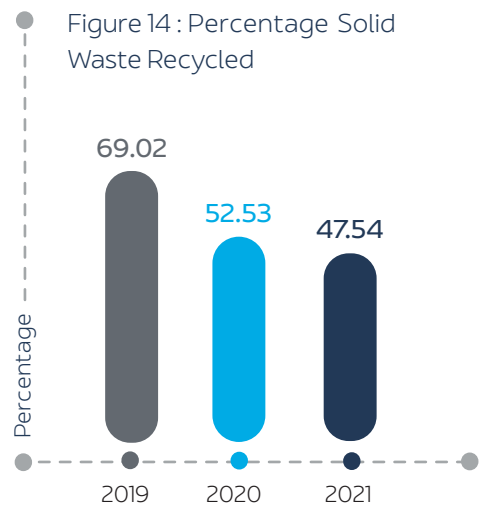
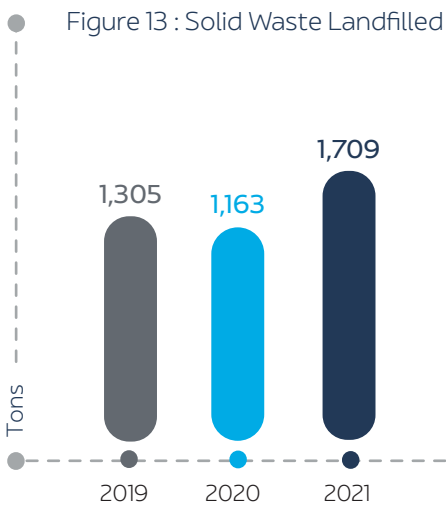


Waste Performance Disclosures

AD Ports Group

Due to the pandemic, we consumed large volumes of single-use material across our operations, which has resulted in a significant increase in the quantity of waste landfilled and a decrease in % recycled.

The graphs below depict the solid waste and hazardous waste landfilled and recycled from AD Ports Group for the last three years.





AD Ports Group, Tenants, and Calling Vessels

We kept pushing our efforts towards recycling hazardous waste, which resulted in a decrease in the quantity of hazardous waste sent to the landfill while increasing the recycling percentage.

The graphs below depict the solid waste and hazardous waste landfilled and recycled from AD Ports Group, its tenants and calling vessels combined for the last three years.

Figure 17 : Solid Waste Landfilled

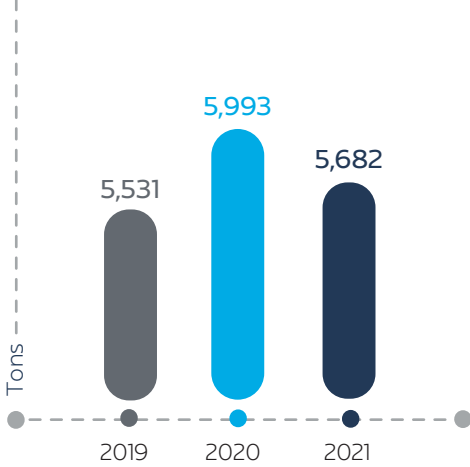


Figure 18 : Percentage Solid Waste Recycled

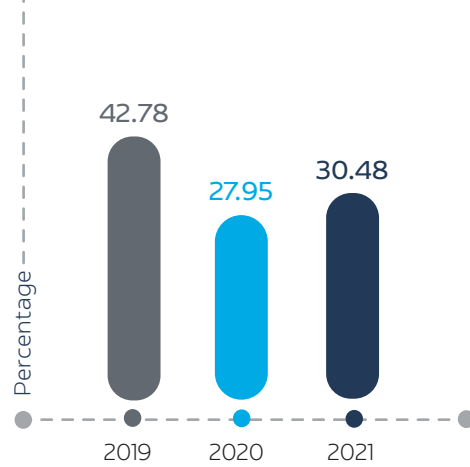


Figure 19 : Hazardous Waste Landfilled

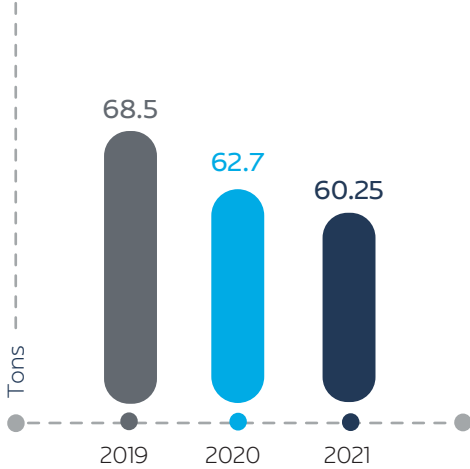
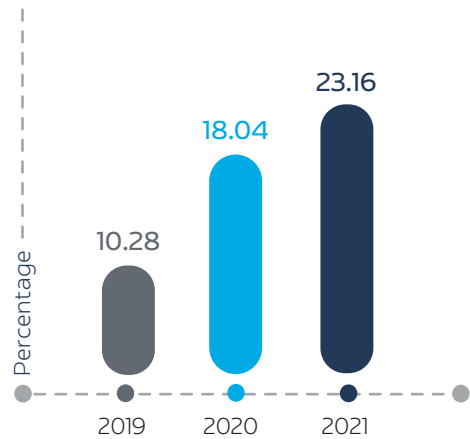
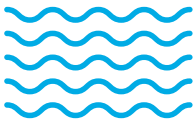


Figure 20 : Percentage Hazardous Waste Recycled





BIODIVERSITY CONSERVATION



With a 70% decline in the populations of mammals, birds, fish, reptiles, and amphibians since 1970, biodiversity is declining faster than at any time in human history. Moreover, according to the International Union for Conservation of Nature (IUCN) Red List, almost a quarter of all species are at risk of extinction.

We have undertaken several initiatives to preserve Ras Ghanada, the largest coral reef in the GCC region.

The entire design of Khalifa Port was configured to protect Ras Ghanada, which houses vibrant marine life, and ensures that natural water currents continue to flow to-and-from the reef. We built an environmental breakwater at the cost of billions of Dirhams to safeguard the coral reef.



“

We are aware of the importance of conserving marine and terrestrial biodiversity across our operations. Multiple initiatives have been implemented and many are in the pipeline to preserve the rich biodiversity our nation is blessed with.”

The Breakwater has been successful in avoiding contamination of marine life and minimising the flow of fine sediments through the extensive use of sediment curtains and environmentally conscious construction management practices. Khalifa Port is the only port in the world with such features to protect adjacent coral reefs and seagrass meadows.

Since its construction, AD Ports Group has implemented an ecological monitoring programme, which conducts three annual assessments. Our latest underwater survey shows that the breakwater and port revetment appear to provide a conducive environment and new habitat for all marine life

and is successfully preserving fish biomass, with endangered species such as the ‘Hammour’ grouper seen on the reef.

The learnings and experience from building the first port island and our ecological monitoring programme will be vital to the construction of two additionally planned port islands at Khalifa Port as well as other similar projects in the region.

The major activities we undertook in 2021 to protect habitat and preserve biodiversity are presented in this section.



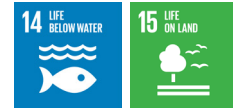
Coral Relocation Monitoring

AD Ports Group is committed to protecting the Ras Ghanada coral reef and our continued monitoring of it will be key to the success of the conservation efforts.

them from the development footprint of Khalifa Port. In 2021, we collaborated with the research team of a local university to monitor the relocated corals.

In 2020, we successfully relocated healthy corals to the environmental breakwater near Ras Ghanada to protect





Mangrove Compensation Project

As part of our environmental commitment to offset the impacts of our development projects, we have planned to undertake a mangrove compensation strategy and mammal migration study to compensate for the loss of marine habitat from the construction of the Al Fiyay marine facility.

Mangrove compensation will improve the biodiversity of the area while the mammal migration study will provide valuable data on the movement and migration patterns of mammals in the area, including dugongs and dolphins.



Spiny Tailed Lizard Relocation

In collaboration with the Environment Agency Abu Dhabi, we have commenced a two-year relocation project for spiny-tailed lizards, which the IUCN list classifies as vulnerable due to their declining population. We identified the species within KIZAD’s future development footprint during the environmental impact assessment study.

We plan to relocate the lizards to a dedicated conservation area to compensate for the loss of habitat from future developments within KIZAD. The project will continue monitoring these lizards for a two-year period to gain insight into their behaviour and ecology. The project would also contribute to the development of a relocation best practice manual for lizards to aid in future conservation efforts.

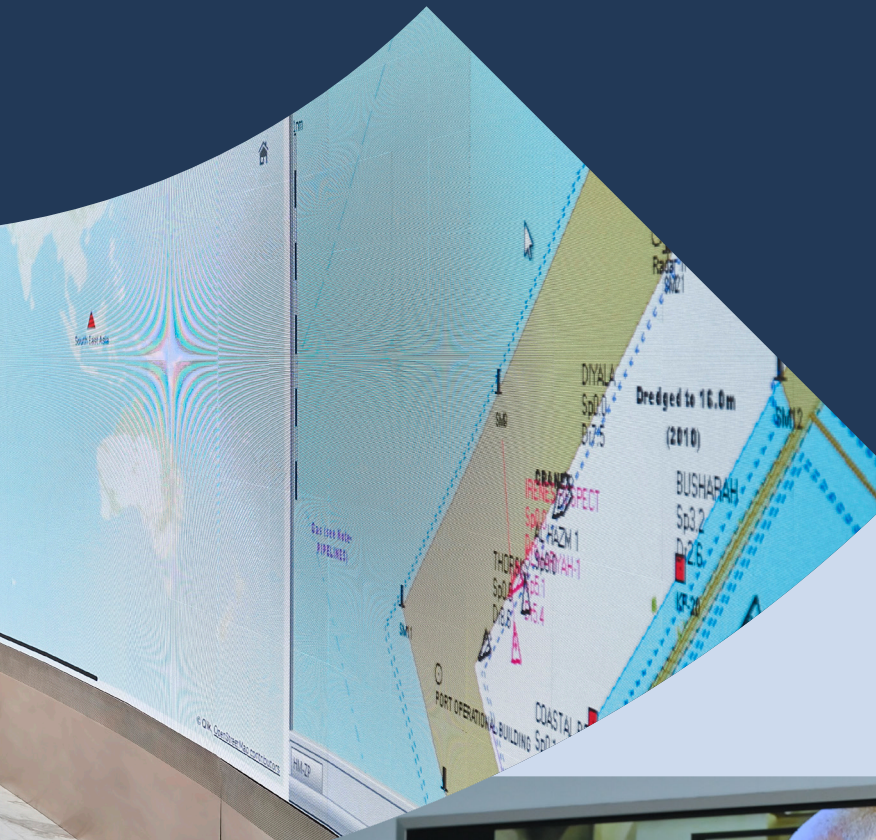


OUR PEOPLE



AD PORTS GROUP







OUR PEOPLE OUR STRENGTH



As an operator of one of the world's fastest growing ports, industrial development, and logistics hubs, we understand that our growth, and our employees' growth are interdependent.

We believe in directly investing in our employees to create a healthy culture of diversity, inclusion, equality, and strength within the workplace.

Due to this ethos, female representation within AD Ports Group has increased by 88% since 2018, and the diversity of non-Emirates we employ has risen by 21% over the same period.

We are mindful that job satisfaction plays a key role in bringing out the best in our employees. We therefore conduct an annual employee satisfaction survey to determine where we can do better, and in 2021, the survey revealed 85% employee satisfaction.

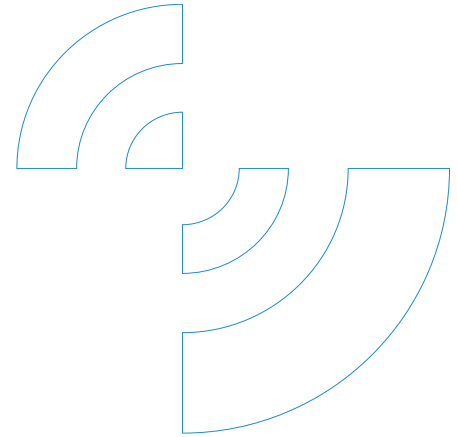
Our People Management Framework concentrates on three key areas of development: Emiratisation, Diversity and Training.

“We are delighted that we have retained our Investors in People Platinum (IIP) accreditation, the highest accolade internationally for people management”





We are committed to our employees’ personal and professional development, to achieve sustainably elevated levels of job satisfaction and contentment across our Group."



Nurturing Personal Development

Training is one of the key principles of our People Management Framework. We systematically assess our employees’ training needs through our in-house “Training Need Analysis” process.

This is instigated by our business units, and by each Cluster head, and then filtered into the rest of our Group.

Policies and Procedures for Wellbeing of Employees

The wellbeing of our employees is meticulously managed through policies and procedures that are reviewed regularly.



●

L&D policy and manual



●

Free accessible online training



●

L&D procedure



●

LMS

Figure 21 : Number of employees

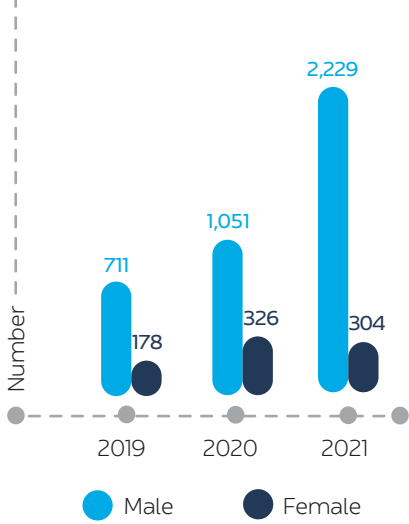
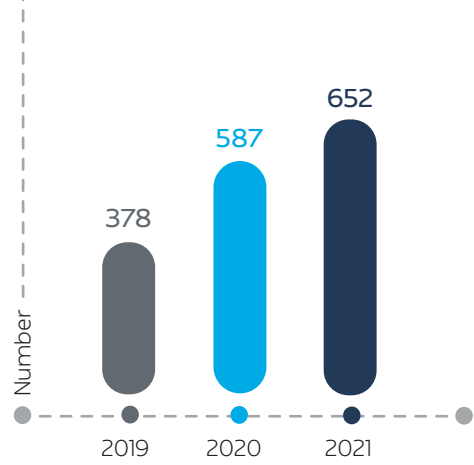


Figure 22 : Number of local employees



With the merger of ZonesCorp with AD Ports Group, the number of our employees increased significantly.

Figure 23 : Employee turnover

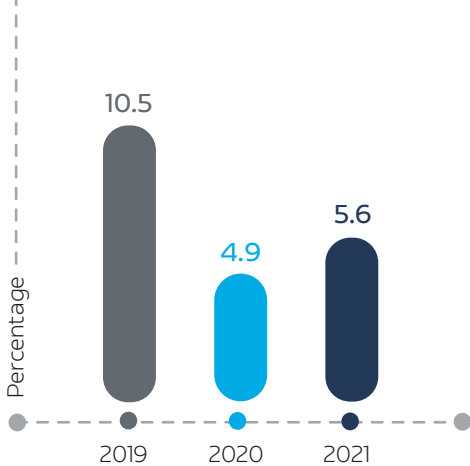
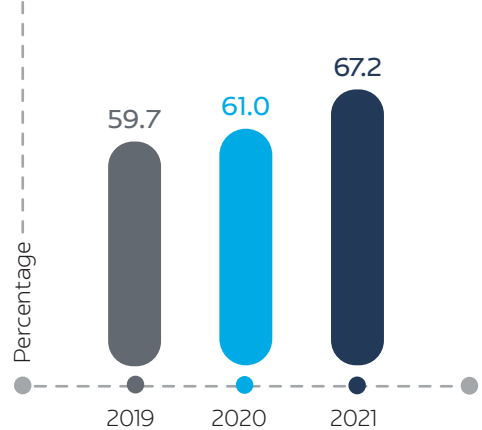
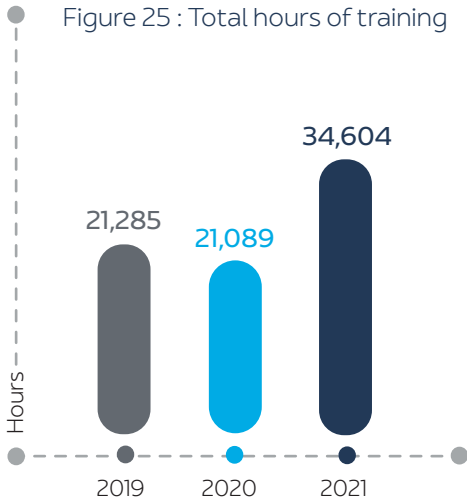
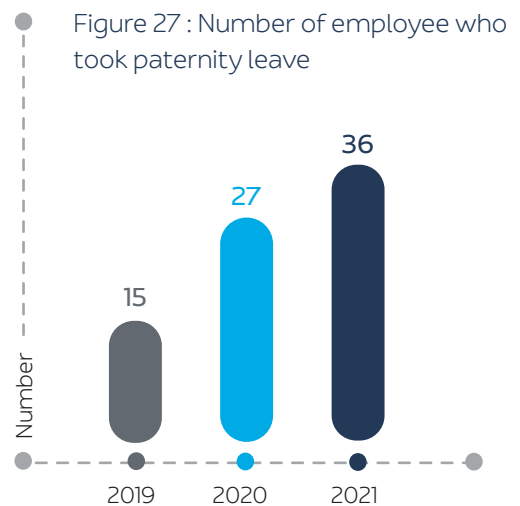
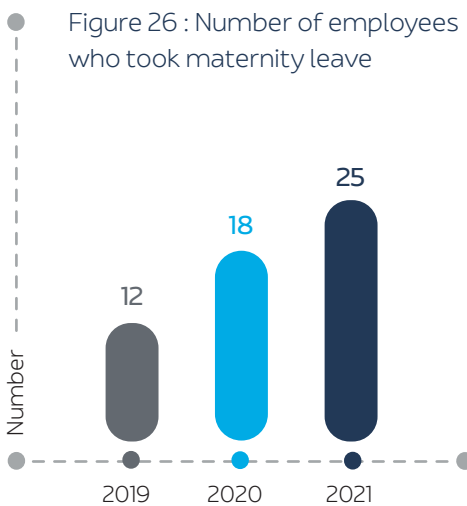


Figure 24 : Percentage of local employees (Excluding blue collar)





Emiratization, Diversity and Training are the key priorities of our people management framework.”



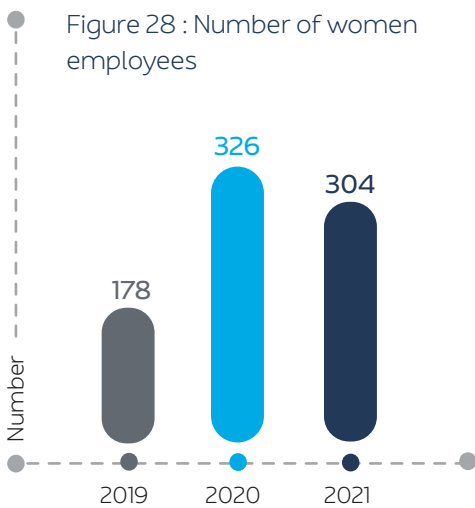
We believe that time off for parenthood is a right and responsibility of both parents. Which is why, as per local

regulations, we support all of our employees to take the maternity, or paternity leave they are entitled to.

Diversity and Inclusion

In line with the United Nations’ Sustainable Development Goals and Global Compact, we weave diversity and inclusion into our sustainability strategy.

At present, we have 304 women employed within AD Ports Group. The following chart depicts the number of women employees over a 3-year period.



Women employees also comprise 13% of senior management positions and we are committed to improving the gender diversity at AD Ports Group and, in the coming years, would strive to improve the percentage of women across all clusters.

Our Gain Leadership Opportunities for Women (GLOW) and Advanced Trade and Logistics Graduates (ATLG) initiatives exemplify our approach.



GLOW Initiative

Led by Maitha Al Murar, Vice President of Human Capital & Emiratisation, and developed in partnership with Aurora 50, our nine-week GLOW initiative accelerates the careers of Emirati women within the Group. Under GLOW, we give female executive Emirati employees at managerial level or above the opportunity to realise their full potential to become our future leaders.

Women leave the programme endowed with the skills to strategically plan and maximise their career development and opportunities using design-thinking tools.



Advanced Trade & Logistics Graduates Initiative

Launched under the patronage of Her Highness Sheikha Fatima bint Mubarak, the Mother of the Nation, ATLG supports rising female talent in the sector of technology.

The initiative is open to Emirati females who have recently graduated or are final-year undergraduates.

In 2021 we celebrated the graduation of the second cohort of young female talent to complete intensive training under the initiative.

This year's Graduates were given the opportunity to join our Digital Cluster for a three-month internship, where they contributed to the deliverables of the Advanced Trade and Logistics Platform (ATLP).

The Graduates left the programme with first-hand experience of developing innovative technology that is advancing Abu Dhabi's trade and logistics sector.



CARING FOR OUR COMMUNITIES



At AD Ports Group, we care about our people and the environment we live in. Through our innovative yet considerate ideas, we have become a leader of sustainable growth in the UAE.

Our CSR activities have been part of that growth and are created beneath a framework of six key focus pillars: Health, Employee Welfare & Development, Environment, Supporting Our Communities, Equal Opportunities and Philanthropy. Under these pillars, we conduct CSR initiatives that also align with the Sustainable Development Goals (SDGs) and the United Nations Global Compact (UNGC) principles, to assist in the sustainable improvement of our community's health and wellbeing.



85+
CSR Initiatives



51,565+
Lives Impacted



Year-on-year the activities delivered under the five pillars of our CSR framework, have led to AD Ports Group being recognised as an ethical business both locally and internationally."

Our CSR department has gained international recognition for its socially responsible efforts and initiatives. We were the first Middle Eastern company to be awarded the Gold Accreditation for Excellence in Corporate Social Responsibility (CSR) in 2020, from the UK-based CSR Accreditation (CSRA). We won the International CSR Excellence award and CSR World Leader award in 2021. The award ceremony was held in the Houses of Parliament, London, UK in November 2021.

Our CSR approach to each of these pillars is presented below.

Health

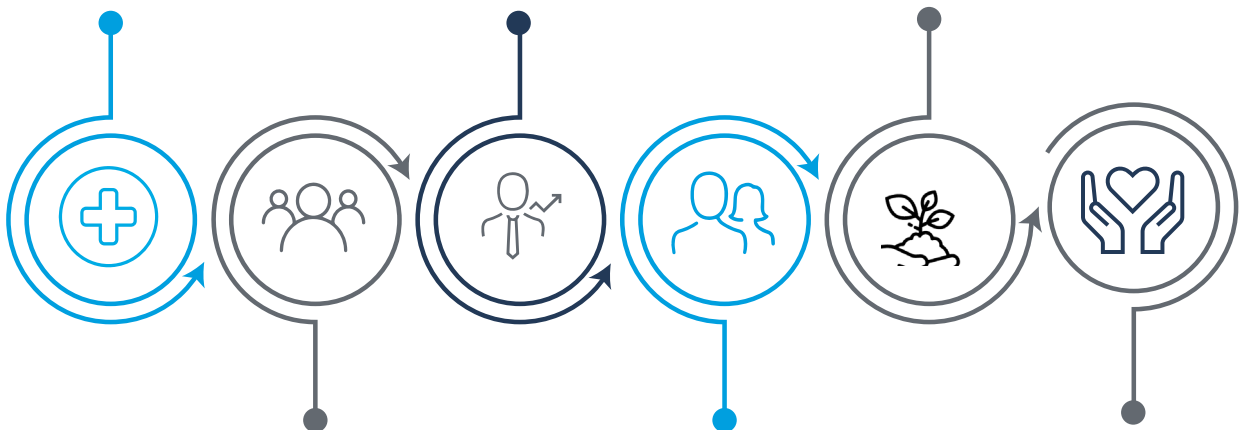
Our health campaigns help to raise awareness on the prevention of disease and support those in recovery from chronic health issues, such as cancer patients and those who need blood transfusions.

Employee Welfare & Development

We encourage our employees to volunteer in charitable activities and build a better sense of community welfare and development by engaging them through purpose.

Environment

Our environmental campaigns encourage ecological conservational efforts toward climate change and the preservation of biodiversity.



Supporting Our Communities

AD Ports Group benefits the communities it operates within through educational campaigns that promote skill development and by providing course scholarships, development programmes and career guidance.

Equal Opportunities

AD Ports Group has undertaken activities to protect or promote equality for all, amongst its employees as well as the communities irrespective of gender, ethnicity, disability etc.

Philanthropy

Every year we invest in our community by donating and collaborating with non-profit organisations and charities in the UAE.

CSR Activities

Abu Dhabi Maritime Academy (ADMA) Summer Programme

Through seven consecutive programmes at ADMA, fourteen local secondary students gained world-class maritime education and training during their 2021 summer holidays.



MoU Signing with National Ambulance

As health and safety in the workplace is paramount to the health and wellbeing of its people, we signed an MoU in partnership with National Ambulance, to develop awareness on how best to assist in emergency responses within the workplace.

Moreover, AD Ports Group and National Ambulance have agreed to further collaborate on raising awareness of cardiopulmonary resuscitation, external defibrillation, first aid emergencies, and emergency medical services available in the UAE.



MoU Signing with Zayed Higher Organization

As part of our commitment to making our services accessible to all, we have signed an MoU with the Zayed Higher Organization (ZHO) for People of Determination (PoD). Under this agreement, AD Ports Group will provide retail space at Marsa Mina, Abu Dhabi to ZHO, for PoD to sell their commercial products.

ZHO will also be training our team in sign language and will print sales brochures in braille. This will improve the lines of communication between our team members, our customers, and PoD.



Assisting People of Determination (PoD)

We are committed to helping those less fortunate, including PoD from families in need. In 2021, we supported two PoD students from families in need, by offering sponsorships for study.

AD Ports Group also encourages PoD to participate in national and international events. In 2021 this included the 50th National Day of the United Arab Emirates, which was attended by 16 PoD.

Safety in Heat Campaign

In 2021 AD Ports Group launched its 8th Annual Initiative. In conjunction with the annual “Safety in the Heat” programme launched by the Abu Dhabi Public Health Centre, our HSE team held lectures and webinars about the risks and symptoms of heat stress.

The initiative raises the awareness of heat stress management and how to stay safe whilst working in extremely hot weather. In total, 9,336 of our employees, stakeholders and customers attended 568 training awareness webinars, under this initiative.



Seabed Clean-Up Campaign, Khalifa Port

Ocean pollution and marine debris are huge threats to marine life, marine vegetation, and in turn the environment.

In 2021 we launched a seabed clean-up initiative entitled Dive Together! During the activity, a group of divers removed 30 kg of debris from the seabed in Khalifa Port.

Paperless Initiative

World Paper Free Day is an annual campaign that aims to reduce the amount of paper generated by humans on a daily basis.

In collaboration with the Association for Information and Image Management, AD Ports Group encouraged its employees to go paperless for the day. The participation of 42 of our people saved approximately 135 kg of paper.



IT Equipment Donation to Emirates Red Crescent Charity

For certain members of our community IT equipment can be too expensive to purchase.

A lack of access to IT equipment limits opportunities for education, training, and employment.

So, in cooperation with IT Management, AD Ports Group donated 571 pieces of IT equipment including laptops, monitors, printers, and desktop PCs to Emirates Red Crescent to benefit digitally excluded members of our communities.

Furniture Donation to Emirates Red Crescent Charity

In cooperation with Asset Management, we donated redundant sets of office furniture, such as tables, chairs, and drawers to the Emirates Red Crescent for the benefit of those in need.

The 337 pieces of furniture donated, provided needy families with a more comfortable home.



NURTURING A SAFE WORKPLACE



‘Safe, secure & sustainable’ operations are fundamental to our values and critical to our sustainability strategy. We operate under a robust value system, that we instill in all our employees to promote a culture of excellence.

Maintaining an absolute focus on safety while operational efficiency is key to our growth. ISO 45001:2018 - Occupational Health & Safety is one of the twelve management systems we have incorporated and implemented across operations into our Integrated Management System (IMS). By managing health and safety in this manner, we ensure that we protect every

individual and asset within AD Ports Group operations through stringent and standardised health and safety measures.

Furthermore, the integration of our management systems delivers multiple efficiency benefits including:

- 

Streamlined procedures
- 

Improved efficiency
- 

Standardised risk assessment and mitigation plans
- 

Improved communication



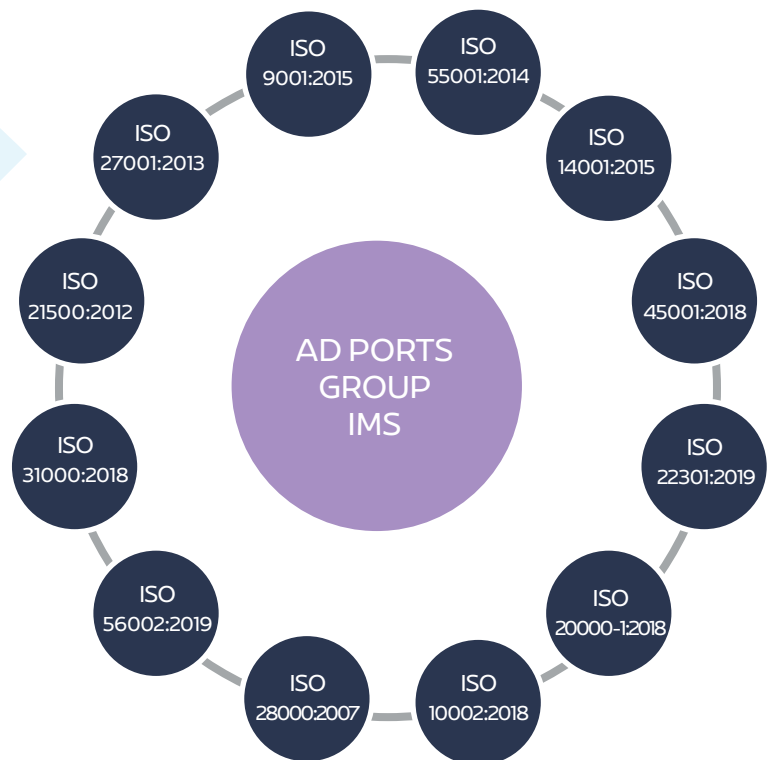
“

AD Ports Group ensures that those personnel within health and safety roles have the relevant expertise required and that their responsibilities are communicated across the organisation, as well as documented.”

Both employees and contractors take responsibility for the health and safety aspects of our IMS, over which they have control.

Through these stringent policies and procedures within the management system, we can proactively and systematically identify, prioritise, and control our health and safety risks and opportunities.

We follow a set of established risk assessment techniques and risk tolerability criteria that form the basis for identifying hazards and assessing associated risks across our operations and activities.



GRI: 403-1, 403-2



We ensure health and safety management within our IMS is fit for purpose through periodic reviews of the policies and procedures.

Our reviews include Health, Safety, and Environmental audits, reporting on non-conformities, communicating

HSE targets and objectives to all clusters and corporate units, delivering HSE training programmes, and regular Management Review Meetings.

The table below provides a summary of our safety performance in 2021.

KPI	Performance
Land incidents	84
Marine incidents	50
Serious injuries	4
Lost time injury	4
LTI frequency rate	0.54
Man-hours worked (million hours)	7.45
Man-hours worked without LTI (million hours)	1.73
HSE observations	10,493
Total recordable injury	9



In 2021, we initiated 12 internal audits and two third party audits alongside 1,956 inspections, and 202 incident investigations. To ensure that the Group's contractors are

operating according to our health and safety standards, we also reviewed and approved EHS procedures of 770 contractors.



We reflect on the learnings from incidents occurred in the past and strive to achieve zero-incidents on site and in offices.”



Figure 29 : Land incidents

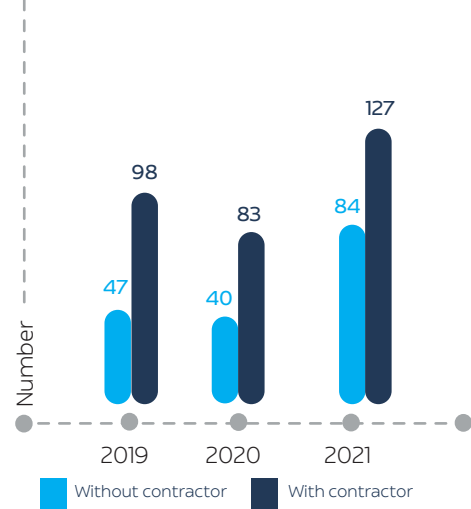


Figure 30 : Marine incidents

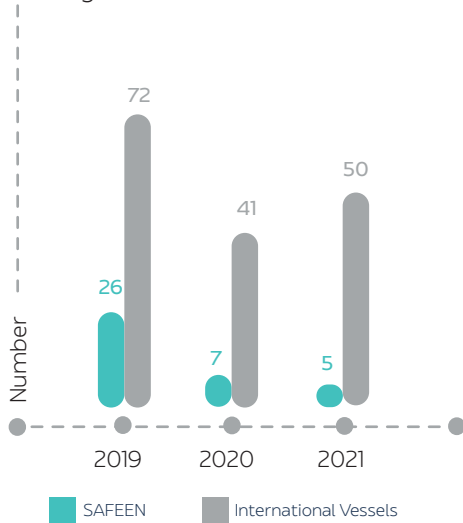


Figure 31 : Environment incidents

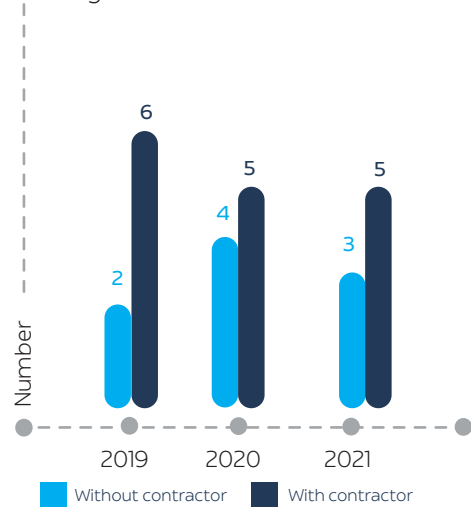


Figure 32 : LTI frequency rate

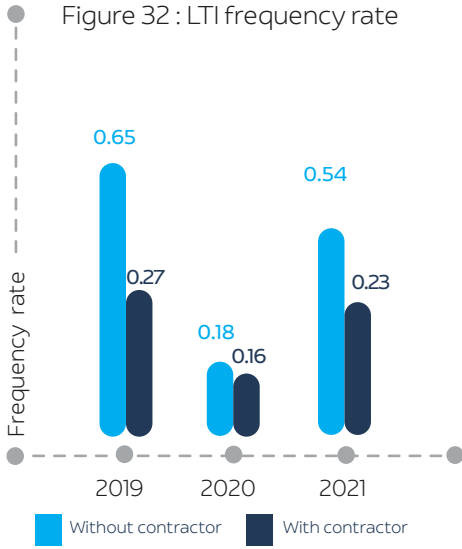


Figure 33 : Lost time injury

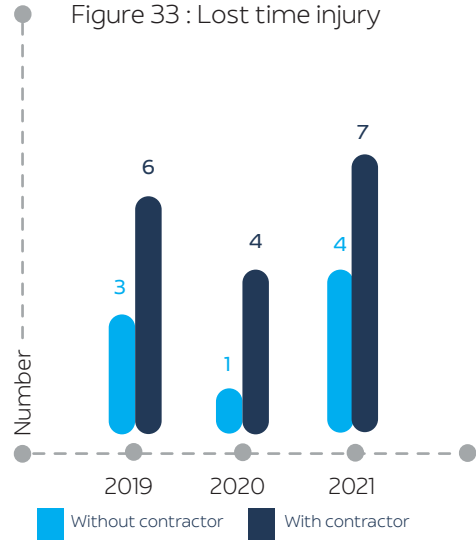


Figure 34 : Serious injuries

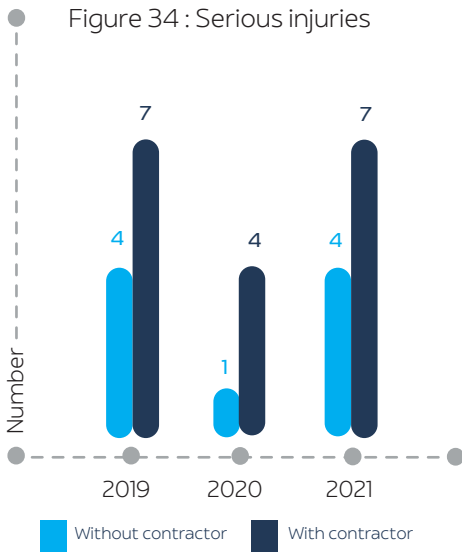


Figure 35 : Total recordable injury

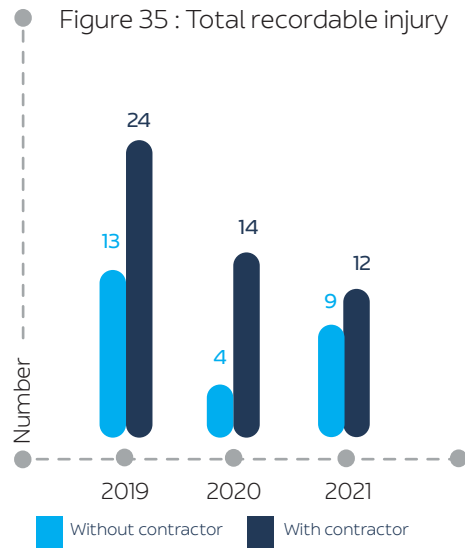




Figure 36 : Total Recordable Injury Rate

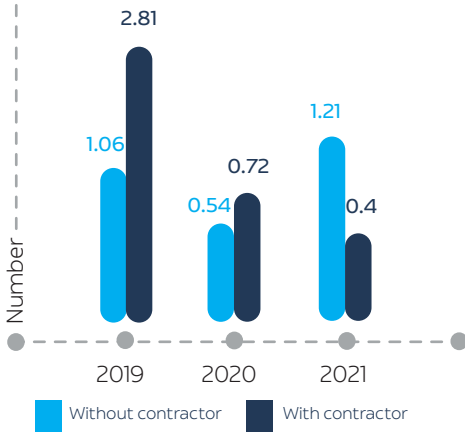


Figure 37 : HSE observations

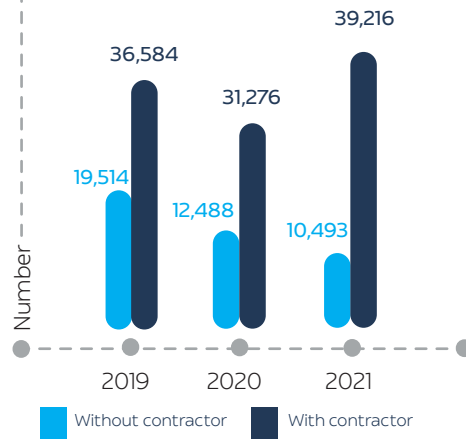


Figure 38 : Man-hours worked

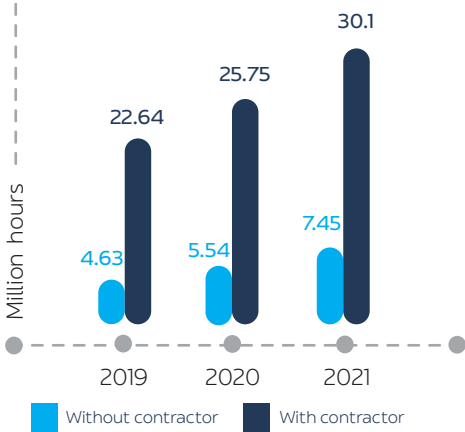
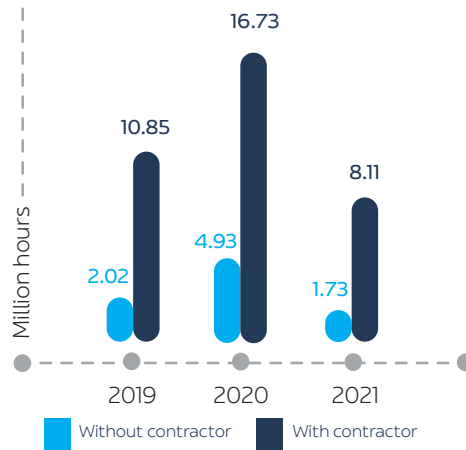


Figure 39 : Man-hours without LTI



The man-hours worked have increased year-on-year since 2019. In 2021, the number of man-hours worked increased by 33% in comparison to 2019. However, due to a health

and safety incident, the man-hours worked without LTI has decreased to 8.11 million hours in 2021, in comparison to 10.85 million hours in 2019.

Awards & Recognition

At AD Ports Group, we recognise and reward responsible health and safety behaviour through our NEESHAN Awards.

NEESHAN celebrates the contributions of individuals, government, private entities, and our partners that have improved our HSE performance with the purpose of promoting HSE excellence.

Individual award categories include:

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

We award the winners of each category with a certificate of appreciation and an honorary plaque. Continuing with

NEESHAN is based on a set of key indicators that measure and monitor the performances of the participants. Our NEESHAN Committee selects winners by evaluating individuals and entities' efforts against the indicators.

While the Business Units awards include:

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

last year's format, we held the fourth cycle of the awards virtually on October 2021.





Awareness Campaigns and Trainings

Throughout 2021, trainings and campaigns were organised and conducted by the HSE teams of each Cluster. Where

applicable, we also included participants from other business units and contractors in the sessions.



13,007

Individuals Trained



53,616

HSE Toolbox Talk Attendees



29,319

HSE Training Hours

Health and Safety in the Heat Campaign

In 2021, AD Ports Group launched its 8th annual initiative named ‘Safety in Heat’. In conjunction with the annual ‘Safety in the Heat’ programme launched by the Abu Dhabi Public Health Centre, our HSE team held lectures and webinars about the risks and symptoms of heat stress.

The initiative raised our employees’ awareness on heat stress management, and how to stay safe while working in the extreme summer temperatures. A total of 9,336 employees attended 568 webinar training awareness sessions under the campaign.

Emergency Drills

Our Incident Command Operations Centre (ICC) ensures that employees understand how to manage emergency scenarios occurring at AD Ports Group through standardised emergency drills. In 2021, a total of eight drills were conducted at our busiest hubs; Khalifa Port, KIZAD and Zayed Port.

We conduct drills including Fire Incident, Rescue and Medical, HAZMAT, Business Continuity, and Tabletop, in which approximately 95 employees participated.

GRI: 403-3, 403-4, 403-5



Business Continuity Management System

The COVID-19 pandemic gave most businesses limited time to prepare for the disruptions it created. This highlighted the importance of effective internal occupational health and safety systems, and their role in steering the organisation through uncertain times.

Consequently, AD Ports Group has set up a Business Continuity Management System to manage significant

disruptions to our operations and future growth plans. We have designed all our business continuity procedures with the intention of providing clear operational guidance during uncertain periods and restoring the Group’s ability to service customers according to advice from subject matter experts.

The steps that AD Ports Group has taken include:





Due to these proactive measures and the resilience provided by our management systems, our Group is now well prepared to manage the impacts of any future unforeseen disruptions to business.

We are also committed to preserving stakeholder interests in the event of disasters by learning from our internal and external environments and developing capabilities related to emergency and crisis responses.

In 2021, the Business Continuity Management (BCM) team conducted 130 business continuity related trainings

involving more than 2300 participants. The objective was to help employees anticipate, prepare, and respond to crises, as well as provide guidance for recovery under different scenarios threaten business continuity.

The combination of our IMS and Business Continuity Management Systems ensures that AD Ports Group has the necessary resilience for safe and sustainable growth, regardless of unforeseen future shocks.





SUSTAINABILITY STRATEGY & GOVERNANCE



AD PORTS GROUP





STRATEGY AND GOVERNANCE FOR INTEGRATING SUSTAINABILITY



Our Mission

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



Our Vision

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



Our Values



Ready to respond



Eager to collaborate



Safe, secure & sustainable



Innovative for excellence



Fair & committed

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



The fostering of sustainability is dependent upon good governance; our leaders have the skills and expertise to build the necessary structures that support our robust sustainability strategy".



The building of robust governance structures enables us to implement sustainability strategy across our Clusters whilst managing performance, strengthening relationships with external stakeholders, and ensuring overall accountability.

At a supervisory level, AD Ports Group is overseen by a Board of Directors, four male and one female, whose members, except for the Group Chief Executive Officer, are independent.

Alongside a responsibility to deliver financial stability and growth, the Board is accountable for the identification and management of the impacts our operations have on our local environment and communities.

Our Board members are strategically selected executives and leaders from key businesses

and ministries that work closely with AD Ports Group.

The collective expertise held by the Board in areas including real estate development, mergers and acquisitions, environmental protection, waste disposal and energy, empowers us to implement the robust governance structures that are necessary to integrate sustainability into our business strategy.

Our Board is supported by three committees:

The Audit and Risk Committee (ARC)

The ARC provides a structured, systematic oversight of our governance, risk management, and internal control practices.

Through the ARC we determine the adequacy of the processes that govern our business, and our compliance with laws and regulations.

The ARC also deals with matters raised by external auditors, and our performance against our sustainability strategy.

Remuneration and Human Resource Committee (RHRC)

The purpose of the RHRC is to assist the Board in discharging its corporate governance responsibilities to exercise due care and diligence in ensuring oversight of the nomination and selection process of the Board.

It also oversees succession planning of senior management, and governs the administration of our compensation and benefits plans, and People, Culture and Performance framework and practices.



Strategy and Investment Committee (SIC)

The SIC oversees the implementation of AD Ports Group's strategy, and investments approved by the Board.

It reviews and endorses AD Ports Group's strategy, annual budget, business plan, mergers & acquisitions, and material treasury activities.



Managing the Sustainability Agenda at AD Ports Group

There are multiple Management-level Committees set up at AD Ports Group to support the day-to-day activities of the organisation.

One such Committee is the Sustainability Committee, which oversees the implementation of the policies, strategies and activities that drive our sustainable growth.

Executives of eight departments from across our Group sit on the Committee, ensuring we integrate sustainability into every aspect of our operations. To maintain the momentum of our sustainability projects, the Committee meets quarterly to review progress and plan for future activities.

Risk and Ethics

The management of risk and ensuring ethical behaviour are integral to our business strategy.

Corporate Governance, Risk and Compliance Framework

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

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

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

Our Code of Conduct

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

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

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



STAKEHOLDER CONSULTATION & MATERIALITY ASSESSMENT



To promote sustainable growth, organizations must consider their impact on many economic, environmental, and social issues.

Moreover, due to limited resources, decisions must be made regarding what issues should be tackled first, and what action is most impactful. Thus, it is vital that we establish which courses of action regarding our sustainability strategy have potential to be most effective and aligned to our stakeholders' values.

This year we undertook an assessment where we engaged with key internal and external stakeholders.

Our key internal and external stakeholders included our employees, government organisations, customers, suppliers and

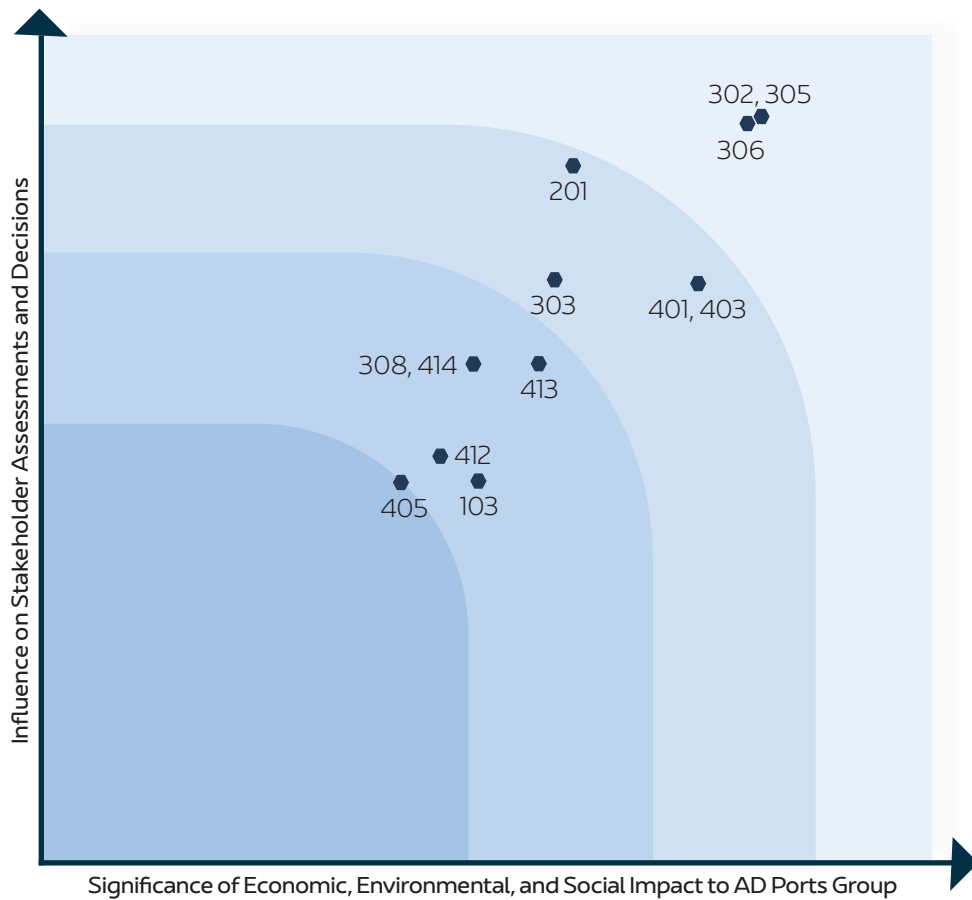
communities. Throughout the year, we engage with them through multiple modes of communication like surveys, meetings, workshops, publications, social media channels and others.

The gleaning of insight into our Group's sustainability activities were primarily through surveys and workshops capturing quantitative and qualitative information on our teams' contributions to sustainability in 2021.

We also asked each team to complete a materiality survey ranking which of our sustainability aspects were most important to them.

However, we are conscious that it is necessary to remain current with our external stakeholders' values and needs. So, the process of developing our sustainability report for 2022 will involve an extensive consultation of both internal and external stakeholders.

The information that we gathered from our stakeholder consultation and materiality survey has enabled us to objectively identify our Group's sustainability priorities. This is represented in the materiality matrix below.



Environmental

- GRI 302: Energy
- GRI 303: Water and Effluents
- GRI 305: Emissions
- GRI 306: Effluents and Waste
- GRI 308: Supplier Environmental Assessment

Economic

- GRI 201: Economic performance

GRI: 102-21, 102-47

Social

- GRI 401: Employment
- GRI 403: Occupational Health and Safety
- GRI 405: Diversity and Equal Opportunity
- GRI 412: Human Rights Assessment
- GRI 413: Local Communities
- GRI 414: Supplier Social Assessment



INNOVATING FOR SUSTAINABLE GROWTH



We are driving the sustainable development of our industry through our agile multi-faceted Innovation Strategy that promotes considerate use of natural resources and respect for nature and society.

The purpose of AD Ports Group's Innovation Strategy is to continually seek out new innovations that foster leadership and drive long-term growth in five focus areas across its Clusters:

Innovation Areas

SMART TECHNOLOGY

Implementation of technology that enables our Group's ports to be the most advanced in the MENA region

FUTURE TRADE & LOGISTICS

Investing in expansion across our value chain to actively lead the fields of logistics, trade, and manufacturing

PORTS-EMIRATE DUALITY

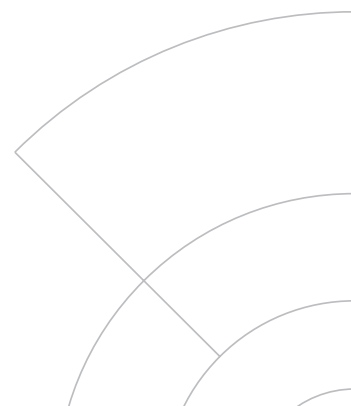
Forging collaborations to positively impact our Group and its communities

SPACE LOGISTICS

Investments that support our long-term business diversification through space technology

GREEN PORT

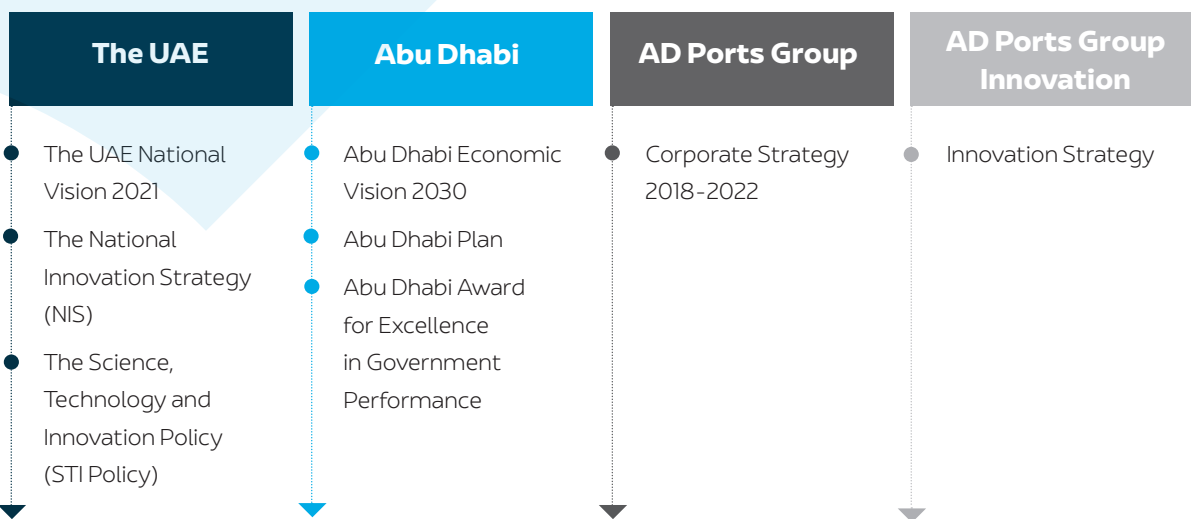
Transformation of AD Ports Group to become a leader in sustainable practices in the core clusters of activity internationally.





Industry leaders recognise AD Ports Group as a worldwide hub for ports and logistics innovation, incubating the most futuristic products and ideas."

We have aligned our strategy with the UAE Vision and initiatives and the Abu Dhabi Plan.



Our Innovation Strategy promotes a culture where innovation is a process that is open to all our stakeholders including employees, port users, tenants, shipping lines, service providers, industries, universities, equipment manufacturers, and government entities.

This surmounts to powerful contributions to the achievement of the United Nations Sustainable Development Goals, whilst ensuring full compliance with applicable legislation as well as our commitments to the UAE National Innovation Strategy.

Under our strategy we implement innovative solutions that are steering transformation of our sector towards modes of business that promote healthy economies, environments, and communities.

IBTIKAR

AD Ports Group attracts the best creative talent to positions across its Clusters. The ideas our employees produce often have the potential to make a difference to our Group, and the world, in the form of revenue generation, cost savings, design, and engineering.

They also put forward simple suggestions for improving day-to-day living. Since 2013, our innovation platform, IBTIKAR, has enabled our employees to bring such ideas to life. IBTIKAR is a cornerstone of innovation, supporting and influencing various other employee engagement programmes across the Group.

2021 was a record year for input into the programme with 2,144 ideas submitted.



2,144

IBTIKAR ideas Submitted



18

Innovative Ideas Implemented



48

Sustainability Related Ideas



IBTIKAR AWARDS

 مجموعة موانئ أبوظبي
AD PORTS GROUP



Awards and Accreditations

We strive for excellence in the arena of innovation through innovation-related trainings, domestic and global benchmarking exercises; and seeking out third party accreditations.



Key Innovations in 2021

In 2021, the development and approval of our Innovation Strategy enabled the creation and capture of new value across our Clusters.

MANHAT Water Production Project

Water conservation and supporting local entrepreneurs are both key to AD Ports Group's Sustainability Strategy. As such, we are delighted to share news of AD Ports Group's Innovation department's collaboration with Abu Dhabi based deep tech start up MANHAT.

Together they are evaluating MANHAT's innovative solutions that produce freshwater through a distillation process that captures natural condensation from the water cycles of large waterbodies.

Historically, water purification has been energy-intensive and expensive, MANHAT's solutions harness clean, free solar energy to produce water pure enough to drink.

This means MANHAT's innovations have potential to offer sustainable freshwater production with zero

electricity use, zero CO₂ emissions, and zero brine that is suitable for industrial and agricultural uses as well as human consumption.

A collaborative team from AD Ports Group led by members from Innovation, Facility Management, SAFEEN and many others are providing MANHAT with the facilities and support in installation and monitoring to evaluate three of their prototypes on our premises at Freeport, Zayed Port and Khalifa Port.

With MANHAT, we hope to realise the potential of their innovation to tackle freshwater scarcity and contribute to the UAE Water Conservation Strategy 2036 and Sustainable Development Goal 6.

Saving Energy Through Innovative Coatings

We have formed an international alliance with German company SICC GmbH, provider of Superior Innovative Climate Coatings (SICC), whose specialised patented coatings reduce buildings' energy consumption by controlling heat transfer.

Following successful proof-of-concept in 2020, in partnership with SICC GmbH, we conducted a research and development exercise to evaluate the effectiveness of their coatings for reducing energy expenditure on cooling.

The exercise will result in the development of an AI tool, that will allow users to self estimate the energy consumption of their premises.

This research is ground-breaking because all competing tools currently on the market are designed for energy-saving applications in cold climatic conditions, meaning they do not accurately capture the impact of solar irradiation.

The data that we collected in the study from approximately one million points is of excellent quality and provides a solid foundation for an AI-based modelling tool we are developing that will enable the accurate projections of energy savings delivered.

We envisage significant potential for this project to deliver impact on global and local carbon reduction goals because approximately 70% of the UAE's energy demand is cooling-related.

We and SICC GmbH intend to offer the custom-made state-of-the-art AI tool as a free to use online application to all potential clients through a simple interface that we will share via our website.



RFID for Supply Chain Automation

We are making significant investments into IoT technology that is driving sustainable economic growth.

Our Logistics Cluster explored the potential for Radio Frequency Identification (RFID) technology, which is twenty-five times faster than barcode scanning, to monitor, track and trace, assign, follow-up on workflows,

and contribute towards automating entire supply chains with the intention of re-defining the future of logistics throughout the industry.

At our leading healthcare supply chain facility in KIZAD deployment of this technology is increasing efficiency as presented below.



The implementation of smart innovations of this kind to trade and ports communities are a catalyst for development and trade.





SUSTAINABLE ECONOMIC GROWTH



AD PORTS GROUP





SUSTAINABLE ECONOMIC GROWTH



AD Ports Group delivered a record revenue and profit growth in 2021 and completed a USD 1 billion issue of 10-year bonds listed on the Abu Dhabi Securities Exchange (ADX) and The London Stock Exchange (LSE).



Revenue (AED)
3.910 Bn



Net Profit (AED)
853 Mn



Community Investment (AED)
2.23 Mn



Total Assets (AED)
28.149 Bn



Public Credit Rating
A+

We also signed multiple long-term partnerships with major global players such as Mainline Shipping Company, CMA CGM, and Shandong Holdings Group of China.



As we expand our presence, we recognise the importance of maintaining sustainability within our business and revenue models. Our overarching goal is to increase value to our stakeholders whilst positively impacting our environment and communities."

We provide details of our financial performance in the charts below:

Figure 40 : Annual gross profit

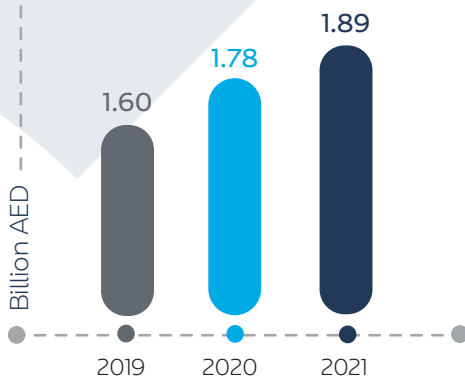


Figure 41 : Direct economic value generated

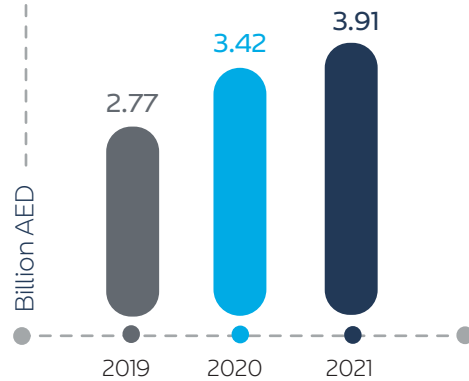
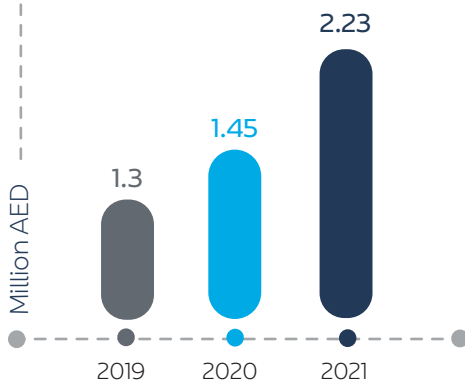


Figure 42 : Community investments



Our commitment to the welfare of our employees and communities is quantified through a 72% increase in community investment and a 47% increase in employee wages and benefits during 2021.

Figure 43 : Direct operating costs

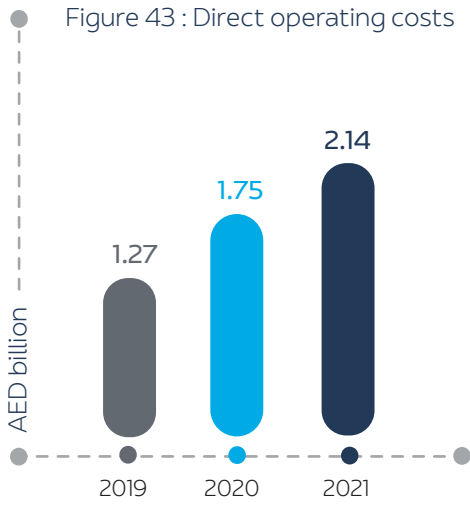


Figure 44 : Total Assets

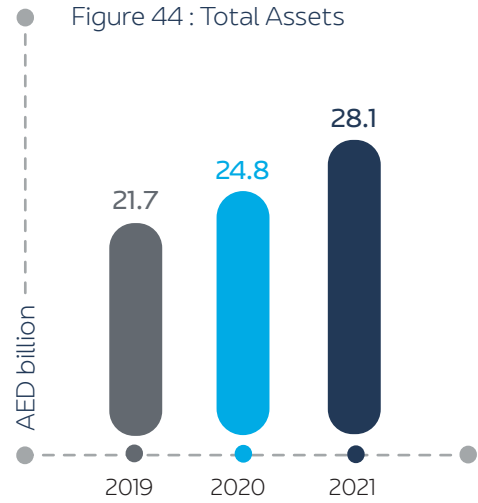


Figure 45 : Payment to governments

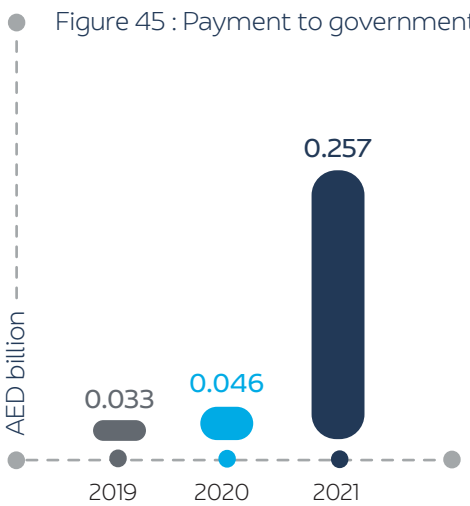
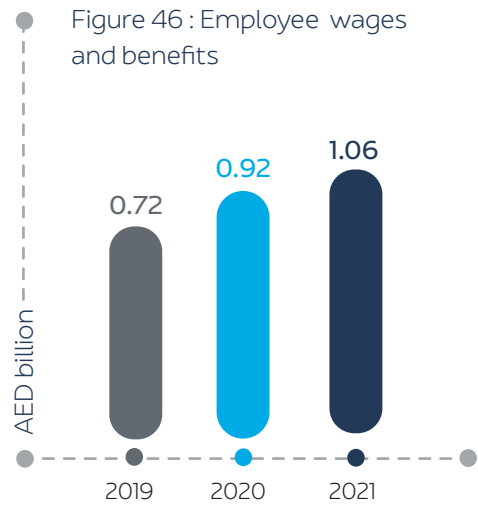
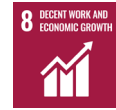


Figure 46 : Employee wages and benefits





Bolstering Financial Governance

In 2021, we became the first organisation in the Middle East within the Ports, Logistics, and Industrial sectors to be MSI 2000 accredited.

The certification process investigated two significant aspects of our financial operations:

Criteria for MSI Certification

Financial Solidity



Liquidity Management



Asset Management



Liability Management



Risk Management



Human Resources Management

Financial Performance



Operational Profitability



Commercial Profitability



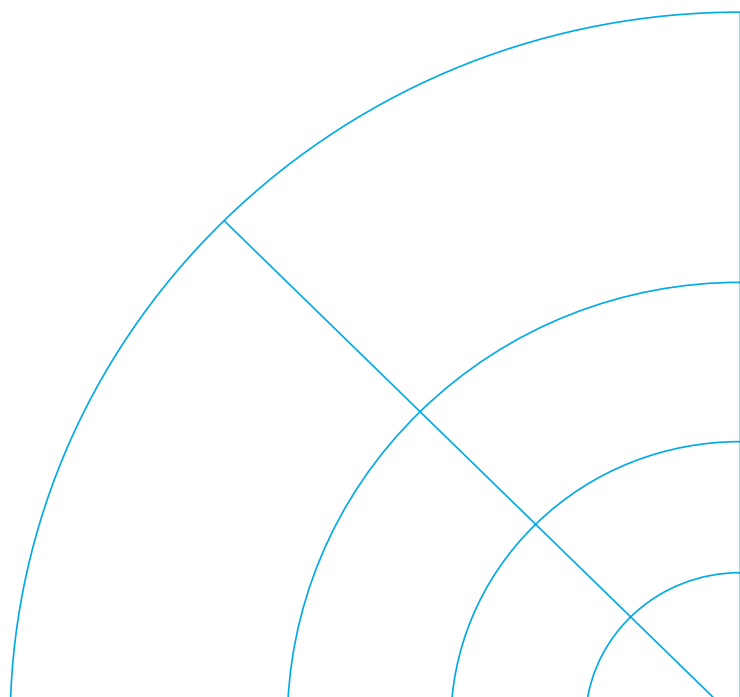
Economic Profitability



Financial Profitability



Operating Profitability





STRENGTHENING OUR LOCAL ECONOMIES



We prioritise local and sustainable procurement of goods and services for the operations of all our clusters and corporate units. Local procurement yields reduced environmental impact, shorter delivery and lead times, and reduces logistical costs.

Each year, we conduct a Supplier Survey to address concerns and assess overall satisfaction. In 2021, the supplier satisfaction score stood at 86%, which exceeded our target of 82%.

Furthermore, we have formed an advisory body, the Tender Board, to ensure that we follow our procurement our procedures correctly, including compliance with the provisions of our Procurement Policy.

Adherence to the Group's Procurement Policy, and our rigorous vetting procedures ensures

efficient purchases, cost-effectiveness, and enables customer-centricity.

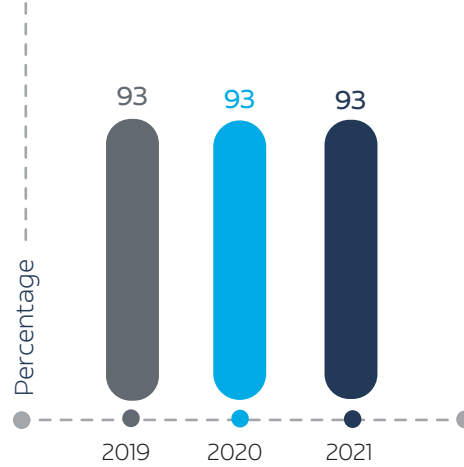
During our supplier registration process and awarding of contracts, we require our contractors to explicitly comply with local labour and environmental regulations

We also maintain strong and symbiotic relationships with our suppliers to foster a culture of trust and transparency.



All the goods and services that we procure are scrutinised through a lens of ethics and sustainability."

Figure 47 : Percentage of local suppliers



The number of our suppliers varies year-on-year depending on our ongoing projects and the need for external support. The data in the charts demonstrates that, typically, more than 90% of our procurement is local.

Figure 48 : Number of suppliers

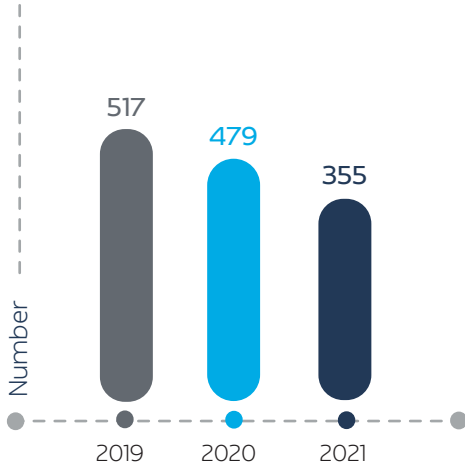
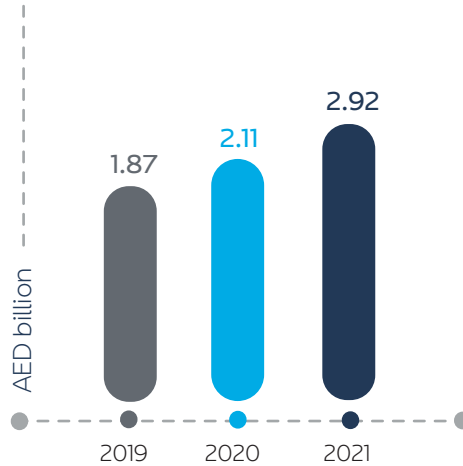


Figure 49 : Annual spend on suppliers



GRI CONTENT INDEX

GRI

**MATERIALITY
DISCLOSURES SERVICE**

2022

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answer	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016	Organisational profile				
	102-1 Name of the organisation	AD Ports Company PJSC			
	102-2 Activities, brands, products, and services	12, 13			
	102-3 Location of headquarters	12			
	102-4 Location of operations	UAE, Guinea			
	102-5 Ownership and legal form	Government owned			
	102-6 Markets served	12, 13			
	102-7 Scale of the organisation	12, 72			
	102-8 Information on employees and other workers	72			
	102-9 Supply chain	112, 113			
	102-10 Significant changes to the organisation and its supply chain	There are no significant changes to AD Ports Group and its supply chain as compared to the previous year.			
	102-11 Precautionary principle or approach	66, 67			
	102-12 External initiatives	78, 79			
	102-13 Membership of associations	"International Port Community System Association."			
	Strategy				
	102-14 Statement from senior decision-maker	5, 6, 7			
	Ethics and integrity				
	102-16 Values, principles, standards, and norms of behavior	94, 95			
	Governance				
	102-18 Governance structure	96, 97			
	102-21 Consulting stakeholders on economic, environmental, and social topics	98, 99			
	102-22 Composition of the highest governance body and its committees	96, 97			
	102-23 Chair of the highest governance body	95			

Note : For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English version of the report.

GRI 102: General Disclosures 2016	Stakeholder engagement					
	102-40 List of stakeholder groups	98				
	102-41 Collective bargaining agreements	98				
	102-42 Identifying and selecting stakeholders	98				
	102-43 Approach to stakeholder engagement	98				
	102-44 Key topics and concerns raised	98				
	Reporting practice					
	102-45 Entities included in the consolidated financial statements	Specialized Economic Zones Company (ZonesCorp) Sole Proprietorship LLC MICCO Logistics Sole Proprietorship LLC Abu Dhabi Marine Services Safeen LLC Khalifa Industrial Zone Company LLC Abu Dhabi Free Zone LLC Al Awaid Project Management & Property LLC (Al Awaid) Al Howaitha General Contracting & Logistics LLC (Al Howaitha) Al Yaher General Trading Ltd (Al Yaher) Maqta Gateway LLC Fujairah Terminals Operating Co – Fujairah Terminals LLC Abu Dhabi Ports Operating and Logistic Company LLC Auto terminal Khalifa Port LLC Abu Dhabi Maritime Academy – Sole Proprietorship LLC OFCO Offshore support – & Logistics services LLC				
	102-46 Defining report content and topic boundaries	120				
	102-47 List of material topics	99				
	102-48 Restatements of information	Some of the information has been restated, and are spelled out in the respective sections of the report				
	102-49 Changes in reporting	None				
	102-50 Reporting period	January to December 2021				
	102-51 Date of most recent report	September 2021				
	102-52 Reporting cycle	Annual				
	102-53 Contact point for questions regarding the report	customerservice@adports.ae				
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI standards : Core Option				
	102-55 GRI content index	114				
	102-56 External assurance	119				

Material Topics					
GRI 200 Economic Standard Series					
Economic Performance					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	108, 109			
	103-2 The management approach and its components	108, 109			
	103-3 Evaluation of the management approach	111			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	109			
GRI 300 Environmental Standards Series					
Energy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	46, 47			
	103-2 The management approach and its components	46, 47			
	103-3 Evaluation of the management approach	46, 47			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	47, 48			
	302-3 Energy intensity	47			
	302-4 Reduction of energy consumption	52, 53			
Water					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	46			
	103-2 The management approach and its components	46			
	103-3 Evaluation of the management approach	46			
GRI 303: Water and Effluents 2018	303-5 Water consumption	48			
Emissions					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	46, 50			
	103-2 The management approach and its components	46, 50			
	103-3 Evaluation of the management approach	46, 50			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	50			
	305-2 Energy indirect (Scope 2) GHG emissions	50			
	305-3 Other indirect (Scope 3) GHG emissions	50			
	305-5 Reduction of GHG emissions	52, 53, 55			
Waste					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	60, 61			
	103-2 The management approach and its components	60, 61			
	103-3 Evaluation of the management approach	60, 61			

Waste					
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	62			
	306-2 Management of significant waste-related impacts	60, 61			
	306-3 Waste generated	61			
	306-4 Waste diverted from disposal	62, 63			
Supplier Environmental Assessment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	112			
	103-2 The management approach and its components	112			
	103-3 Evaluation of the management approach	112			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	112			
GRI 400 Social Standards Series					
Employment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	70			
	103-2 The management approach and its components	70, 71			
	103-3 Evaluation of the management approach	70			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	72			
	401-3 Parental leave	73			
Health and Safety					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	82, 83			
	103-2 The management approach and its components	84			
	103-3 Evaluation of the management approach	84, 85			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	83			
	403-2 Hazard identification, risk assessment, and incident investigation	82, 83			
	403-3 Occupational health services	89			
	403-4 Worker participation, consultation, and communication on occupational health and safety	89			
	403-5 Worker training on occupational health and safety	89			

Health and Safety					
	403-9 Work-related injuries	86, 87			
	403-10 Work-related ill health	86, 87			
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	70			
	103-2 The management approach and its components	70			
	103-3 Evaluation of the management approach	70			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	74			
	405-2 Ratio of basic salary and remuneration of women to men	1:1			
Local Communities					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	76, 77			
	103-2 The management approach and its components	76, 77			
	103-3 Evaluation of the management approach	76, 77			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	78-81			
Supplier social assessment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	112			
	103-2 The management approach and its components	112			
	103-3 Evaluation of the management approach	112			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	112			

QSZ CERTIFICATION SERVICES

كيو اس زيت لخدمات اصدار الشهادات

(CONTACT UNIT OF QS ZURICH AG, SWITZERLAND)

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Tel : +971 43 817388 Email : info@qsgulf.com Website : www.qsgulf.com

To,
AD Ports Group.
Abu Dhabi, UAE.

Subject: Conformity Audit on sustainability performance disclosures verification of AD Ports Sustainability Report 2021 version dated 13Jul2022.

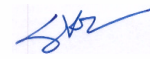
This has reference to the above said audit which was conducted by auditor of QSZ Certifications Services on sustainability performance disclosures verification of AD Ports Sustainability Report 2021 version dated 13Jul2022 for the reporting period 1st January to 31st December 2021.

As per the audit report (ver1.0 dated 1Aug2022), we confirm the conformity of verification of all sustainability performance disclosures reported for the year 2021. Details of the assessment are incorporated in the audit report. Corrective action on all findings raised during the audit has been closed.

Should there be any further question/s please feel free to contact undersigned.

With warm regards,

For QSZ Certifications Services.



Regional Director
(Dr. Sameer Kumar)
Date: 10th Aug 2022
Ref No.: QSZCS/2022/ADP/072



Note: The Audit was focused only on evidence cross verification and adequacy of various Data fields as per AD Ports Sustainability Report 2021. Subjective fields are not audited during this process.



Reporting Standard and Principles

AD Ports Group's Sustainability Report 2021 has been prepared in accordance with GRI Standards: Core option. Throughout the report we publicly disclose our sustainability performance to our stakeholders.

During the preparation of the report, AD Ports Group has adhered to the following principles to ensure quality: Accuracy, Comparability, Balance, Reliability, Clarity, and Timeliness.

AD Ports Group has also abided by the following reporting principles to define the content:

Stakeholder Inclusiveness

Identifying stakeholders and understanding their reasonable expectations and interests.

Completeness

Covering material topics across boundaries, to reflect the Environment, Social, Governance, and Economic impacts.

Sustainability Context

The report presents AD Ports Group's performance in the wider context of sustainability covering environmental, social, governance and economic considerations.

Materiality

Reflecting significant Environment, Social, Governance, and Economic Impact and influence the assessments and decisions of stakeholders.

