



Sustainable Investing Report

2023/2024

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About ADQ

Established in 2018, ADQ is an active global sovereign investor with a focus on critical infrastructure and supply chains. As a strategic partner to the Government of Abu Dhabi, ADQ invests in the growth of business platforms anchored in the Emirate that deliver value to local communities and long-term financial returns to its shareholder. ADQ's expanding portfolio has a total book value of USD 225 billion (as at 30 June 2024) and encompasses companies across numerous core sectors of the economy, including energy and utilities, transport and logistics, food and agriculture, and healthcare and life sciences.

Economic clusters

7

Portfolio companies

25+

Employees across the portfolio

86k+

Geographical footprint

130+

Women on boards¹

17%

YoY Emissions reduction²

7%

YoY improvement in ESG maturity score³

11%

ADQ's Portfolio

ADQ's well-diversified portfolio encompasses seven economic clusters. The operations of its over 25 portfolio companies span more than 130 markets.

ADQ's economic clusters

-  **Energy & Utilities**
-  **Sustainable Manufacturing**
-  **Food & Agriculture**
-  **Financial Services**
-  **Healthcare & Life Sciences**
-  **Real Estate Investments**
-  **Transport & Logistics**

¹By boundaries of reporting for (2023/2024)

²By scope 1 and scope 2

³According to ADQ assessment criteria



ADQ's Approach and Impact

ADQ adopts a structured and holistic approach to delivering sustainable financial returns and driving transformational change across its portfolio. At the core of its strategy lies a commitment to support critical government initiatives, enhance operational excellence, and transform assets into globally competitive leaders.

How We Do It

Strategic Portfolio Management:

By prioritizing the growth and development of its assets, ADQ takes a collaborative approach to optimizing portfolio performance.

Leveraging Synergies Through Clustering:

Through a cluster-based strategy, ADQ creates opportunities for its portfolio companies to collaborate and benefit from collective strengths.

Mergers and Acquisitions:

ADQ maintains a disciplined approach to acquisitions, divestments, and portfolio alignment to maximize value.

Unlocking Value Creation:

By embedding a culture of performance excellence and adopting best practices, ADQ supports its companies in realizing their full potential.

What We Do

Deliver Sustainable Financial Returns:

ADQ ensures that its financial activities generate long-term value for its shareholder, the Government of Abu Dhabi.

Drive Top-Quartile Performance:

Through collaboration and focused execution, ADQ helps its portfolio companies achieve excellence and maintain competitive performance.

Support Critical Government Initiatives:

By aligning with policy priorities, ADQ contributes to strengthening the UAE's resilience and self-sufficiency.

Accelerate Asset Transformation:

ADQ guides its portfolio companies on their journey to becoming global leaders in their respective sectors.

Our Impact

Enhancing Quality of Life:

ADQ focuses on the reliable delivery of essential services like water, power, food, and healthcare to improve people's lives.

Fostering Knowledge Economies:

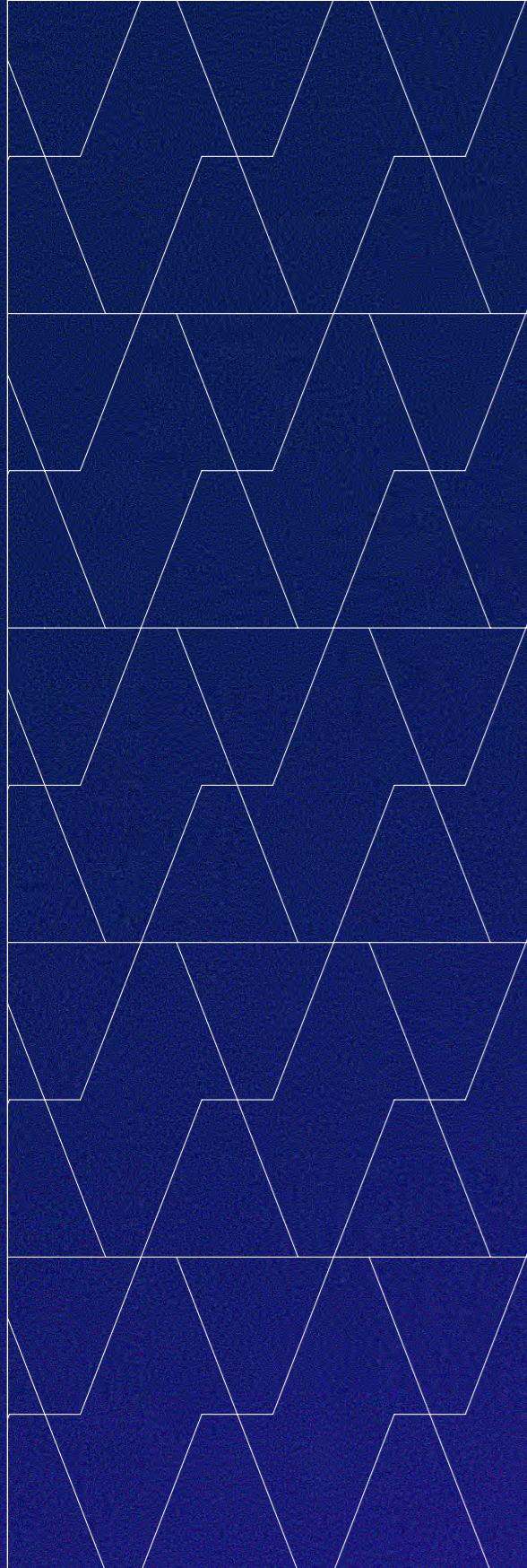
By developing critical sectors at the heart of a diversified economy, ADQ contributes to a thriving knowledge-based society.

Driving Decarbonization:

The organization leads initiatives that promote environmental sustainability and reduce the carbon footprint of key economic sectors.

Making a Positive Social Impact:

ADQ promotes healthier and more inclusive communities through initiatives that encourage active lifestyles and well-being.



Incorporating sustainable investing principles into our investment strategy has enabled us to effectively manage risks, capitalize on opportunities and deliver sustainable value for our stakeholders.

Sustainability considerations act as strategic enablers, playing a key role in driving long-term value and resilience across ADQ. This approach positions us as a catalyst for innovation and sustainable development, while driving Abu Dhabi's economic growth and prosperity.”



Hamad Al Hammadi
Deputy Group Chief Executive Officer



Sustainable
Investing Journey

Key Milestones

ADQ has made significant progress in its journey as a sustainable investor, marked by key milestones that demonstrate its commitment to environmental, social, and governance (ESG) principles. Each year reflects the organization's strategic actions to embed sustainability into its operations and investment decisions.

Laying the Foundation

- ESG Maturity Assessment:**
Conducted a comprehensive third-party evaluation of ADQ's ESG maturity to identify areas for improvement.
- Strategy Development:**
Created an ESG strategy and implementation roadmap to guide sustainable practices across the organization.
- Policy Publication:**
Introduced an ESG policy, setting the foundation for ADQ's sustainable investment approach.

2021

Building Frameworks and Tools

- Center of Excellence Activation:**
Established the ESG Center of Excellence to integrate ESG considerations into ADQ's operations and decision-making processes.
- ESG Performance Metrics Development:**
 - ▼ Introduced a Group Sustainable Investing performance index to track progress.
 - ▼ Conducted baseline assessments for Scope 1 and 2 emissions.
- ESG Risk Assessment:**
Developed and implemented an ESG risk assessment methodology, establishing a robust baseline to evaluate and address ESG risks across the portfolio.
- Transparency on Positions:**
 - ▼ Published statements on key topics, including climate change, biodiversity, and diversity and inclusion, outlining ADQ's stance on critical sustainability issues.
 - ▼ Released "ESG Journey at a Glance", offering insights into ADQ's ESG initiatives and performance.

2022

Strengthening Commitments

- Sustainable Finance Framework:**
Launched a Sustainable Finance Framework, receiving an SQ2 (Very Good) rating from Moody's, signaling its alignment with global best practices.
- Portfolio Decarbonization:**
Developed a decarbonization strategy to analyze decarbonization readiness across the portfolio, ensuring alignment with sustainability goals.
- Further Transparency:**
 - ▼ Sector-Specific Transition Statements: Published detailed statements on transitioning to sustainability in: Energy, Food and Agriculture, Healthcare and Life Sciences sectors.
 - ▼ Published a position statement addressing health, safety, and wellbeing, reinforcing ADQ's dedication to creating a safe and supportive environment.
 - ▼ Released the ESG Report 2022/2023, showcasing achievements and ongoing efforts.

2023

Driving Portfolio Performance

- ESG Due Diligence:**
Strengthened ESG due diligence processes to maintain high standards in investments and operations.
- Automation and Analytics:**
Automated processes to streamline data collection and reporting, improving efficiency and decision-making in sustainability efforts.
- Environmental Focus:**
Ensured emissions compliance and refined emissions reduction pathways, incorporating measures to address future regulatory requirements.

2024

ADQ's Sustainable Investing Strategy

Our Perspective

ADQ's Sustainable Investing strategy embraces sustainability as a driver of innovation and value creation. This strategy underscores the belief that sustainability is not merely a responsibility but also a profound opportunity to unlock long-term growth and resilience.

As an asset owner

As an asset owner, ADQ's portfolio companies consistently adopt globally recognized ESG best practices, embedding sustainability into their operations and governance frameworks. By fostering a culture of accountability and proactive engagement, ADQ aims to position its assets as leaders in sustainable business practices.



As an investor

From an investment standpoint, ADQ employs an approach with rigorous evaluation on how each investment impacts the ESG profile of its portfolio. Beyond this, the organization prioritizes identifying actionable pathways to transition acquired assets toward more sustainable operations following acquisition. This includes developing tailored strategies to enhance resource efficiency, reduce carbon footprints, and align with evolving regulatory and stakeholder expectations.

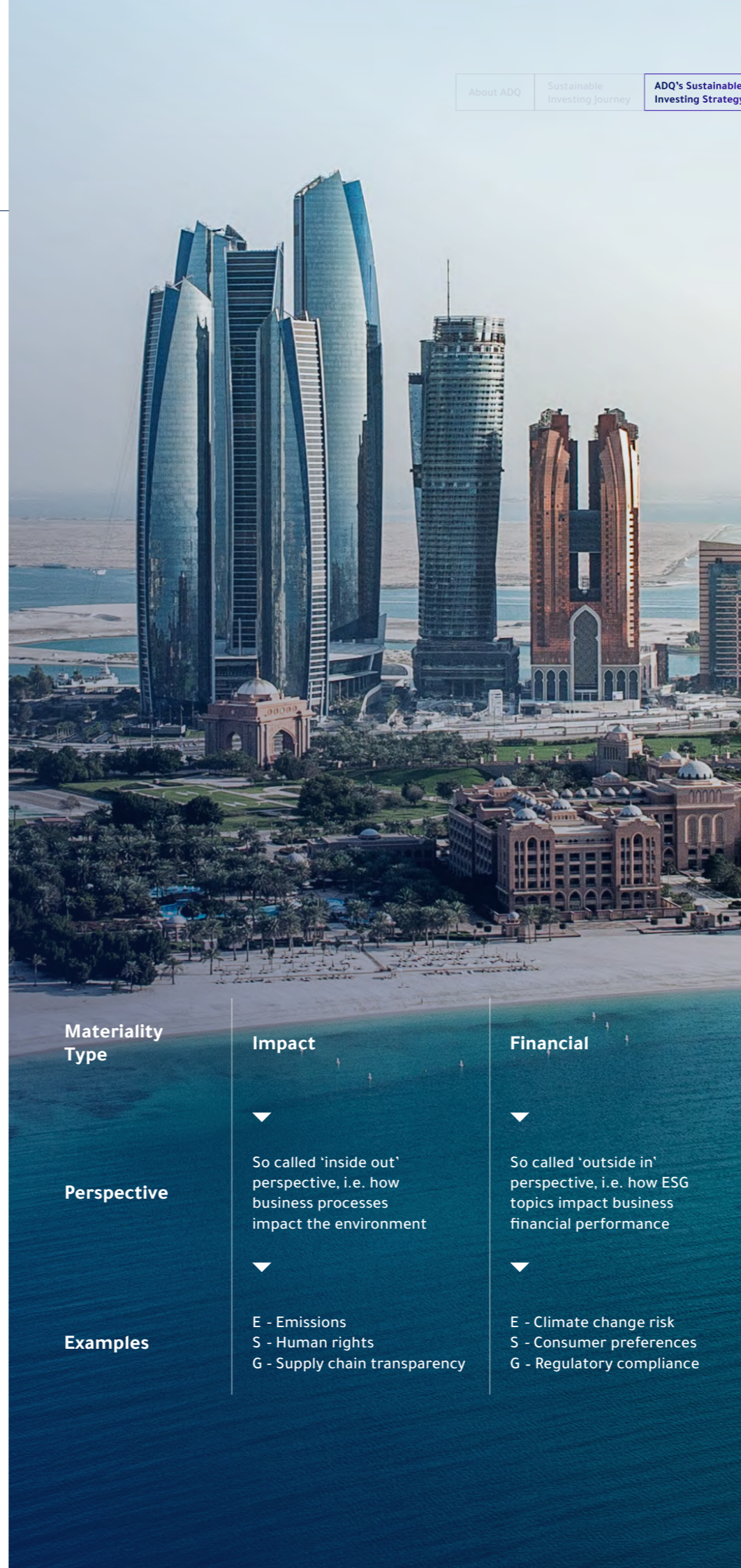
Double Materiality Assessment (DMA)

It is essential for ADQ to fully comprehend the environmental and social impact of its business and portfolio, not only to promote responsible business practices but also to drive more comprehensive sustainability reporting and support informed decision-making.

ADQ has conducted a comprehensive DMA which offers critical insights into key sustainability priorities, enhancing ADQ's ability to integrate ESG considerations into its strategy and across its operations. At the core of the assessment lies the commitment to evaluating ESG-related topics from two perspectives: the impact and financial materiality.

By embracing a DMA-aligned approach, ADQ can significantly enhance its strategic investment framework and operational resilience. By integrating these dual perspectives, ADQ positions itself to make more informed decisions that drive sustainable growth and long-term value creation. The strategic benefits include:

- 1. Enhanced Risk Management:**
Enables a comprehensive evaluation of risks affecting portfolio companies, provides a deeper understanding, supports the development of more resilient investment strategies and safeguards against long-term financial risks.
- 2. Greater Transparency:**
Caters for the growing expectations of investors, regulators, and other stakeholders for clear, data-driven reporting on sustainability performance.
- 3. Support for Sustainable Investment Decision Making:**
Ensures that investment decisions consider companies that align with ESG principles and responsible operations, contributing positively to societal well-being and environmental sustainability.



Materiality Type	Impact	Financial
Perspective	So called 'inside out' perspective, i.e. how business processes impact the environment	So called 'outside in' perspective, i.e. how ESG topics impact business financial performance
Examples	E - Emissions S - Human rights G - Supply chain transparency	E - Climate change risk S - Consumer preferences G - Regulatory compliance

Systematic approach

The DMA process followed a comprehensive and structured methodology, encompassing four distinct phases to ensure a detailed and insightful assessment:

- 1. Stakeholder Insights and Organizational Understanding**
This phase involved conducting desk research and engaging stakeholders through interviews to identify material topics and align them with the organization's strategic goals.
- 2. Identification of Key Material Topics**
In this phase, material topics were identified by reviewing:
 - ▼ National and International Standards
 - ▼ Insights from Peer Organizations and Portfolio Sectors
 - ▼ Current Portfolio ESG considerations
- 3. Prioritization of Material Topics**
The material topics identified in Phase 2 were prioritized to reflect their importance at both the corporate and portfolio levels.
- 4. Scoring and Evaluation**
The final phase involved scoring the prioritized material topics based on their impact and financial relevance. This evaluation considered both the likelihood of occurrence and the severity of potential consequences.

Key findings

Our assessment provided valuable insights into the priorities that hold the greatest significance for our organization and its stakeholders, highlighting key areas for strategic focus and alignment.

High Impact and Financial Materiality

Responsible Investment, Risk Management, and Business Ethics were identified as the most critical areas, ranking highly in both impact and financial materiality.

Environmental Priorities

Climate Change Mitigation and Environmental Stewardship emerged as key focus areas for portfolio companies, driven by increasing stakeholder and regulatory expectations to deliver positive environmental outcomes.

Social Factors

Equity, Diversity, and Inclusion (EDI), Talent Management, and Health and Safety demonstrated moderate impact and financial relevance, aligning with the organization's core values and ongoing commitment to fostering a supportive and inclusive environment.

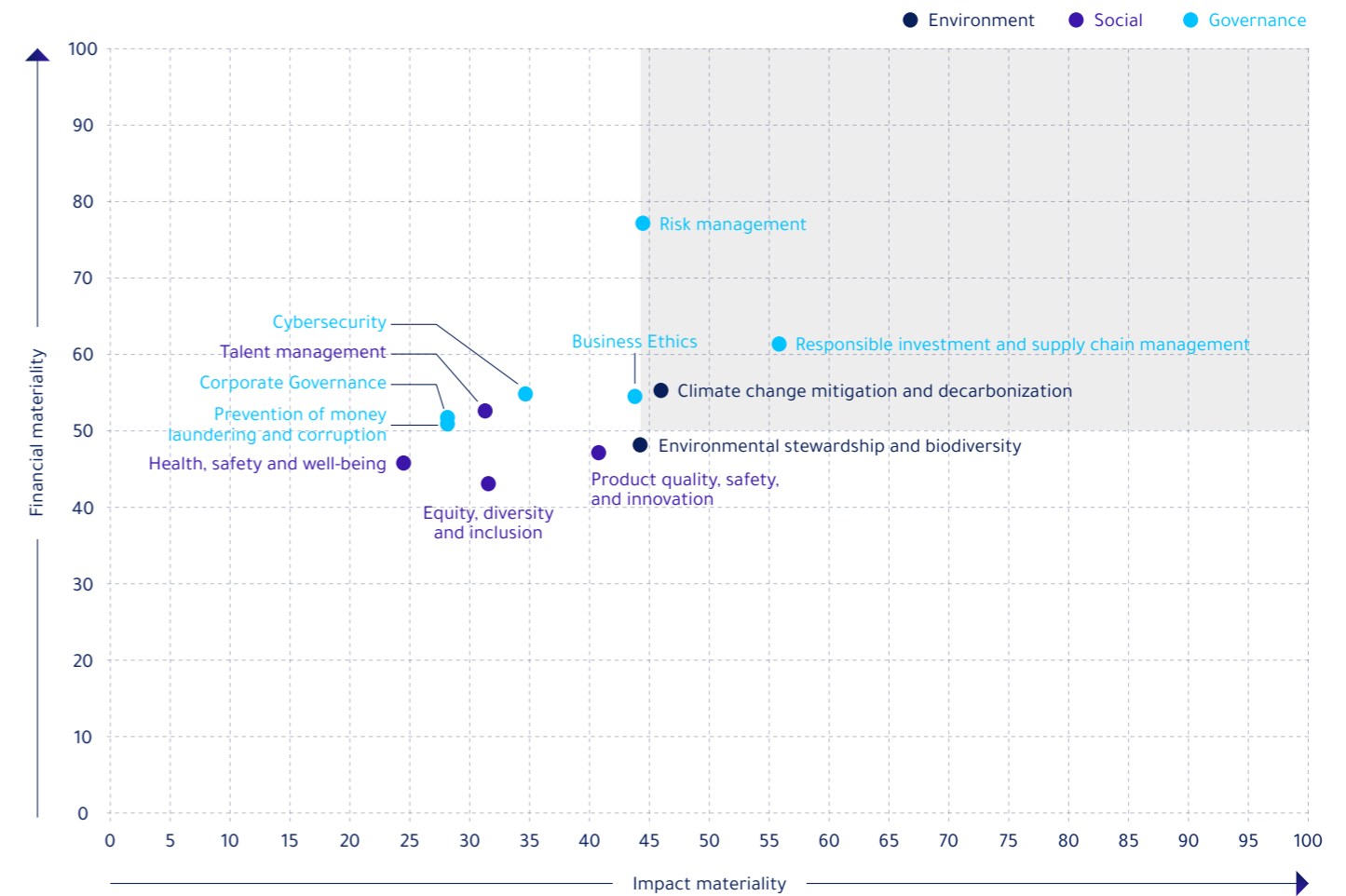


Figure 1: Materiality Topic Matrix

Our Pillars

Based on the insights gained from the Double Materiality Assessment (DMA), we have refined our sustainability-focused pillar to establish a more defined and actionable execution roadmap for related initiatives.

Environmental Stewardship

Addressing critical environmental challenges through proactive strategies that protect ecosystems and promote sustainable practices.

- Climate change mitigation and decarbonization
- Environmental stewardship and biodiversity



Social Well-being and Inclusion

Enhancing workforce and community well-being through equity, diversity, and safety-focused initiatives.

- Health, safety, and well-being
- Equity, diversity, and inclusion
- Talent management



Responsible Practices

Ensuring resilience and quality in operations, product innovation, and secure digital infrastructure.

- Responsible investment and supply chain management
- Product quality, safety, and innovation
- Cybersecurity

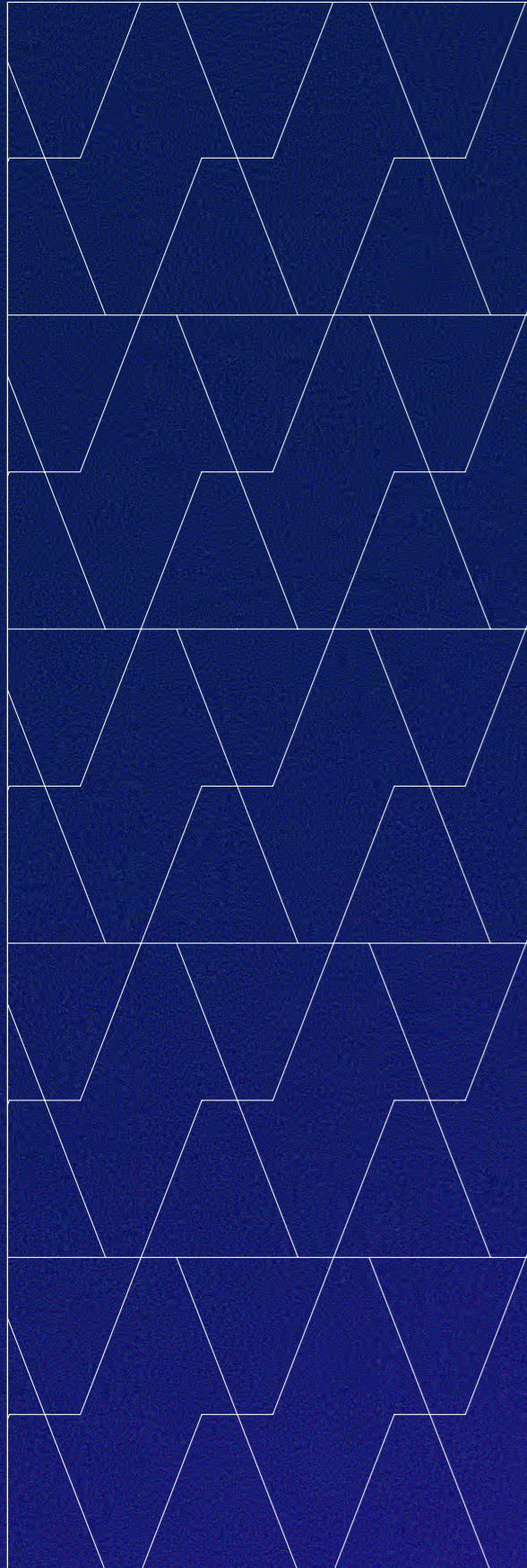


Ethical Governance and Risk Management

Focusing on robust governance practices and ethical operations to ensure integrity, transparency, and compliance.

- Corporate governance
- Business ethics
- Risk management
- Prevention of money laundering and corruption





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Embedding sustainability into our investment strategy is fundamental to strengthening the resilience of our portfolio companies and positioning them for sustained, long-term growth.

By considering ESG principles in our investment process, we not only create value for our shareholder but also contribute to the continued advancement of Abu Dhabi's economy and society. This approach allows us to deliver meaningful outcomes that positively impact the communities we serve while building a foundation for a thriving and prosperous future.”



Gil Adotevi
Deputy Group Chief Investment Officer

A photograph of a hydroponic greenhouse. The plants are arranged in long, white, vertical channels. The foreground shows a close-up of green leafy plants, while the background shows more rows of plants receding into the distance. The lighting is bright and even, typical of an indoor growing environment.

Investing Sustainably

An Asset Owner

ADQ has adopted the Center of Excellence (CoE) model to ensure the group is aligned with its ambition in sustainability.

The ADQ Sustainable Investing (SI) CoE is a pioneering platform dedicated to developing ADQ's Sustainable Investing Strategy and institutionalizing ESG through the development of robust policies, streamlined processes, and relevant certifications.

The CoE has 3 main pillars catering to the group's requirements:

- **Architecture and Ecosystem
(Institutionalization of ESG)**
- **Advisory and Expertise
(Guidance and direction)**
- **Awareness and Engagement
(Elevation of capabilities)**

Architecture and Ecosystem (Institutionalization of ESG)

ESG strategy and related sub strategies development and review:

Developing and refining both overarching and sub-strategies tailored to specific clusters and assets ensuring that ESG principles are deeply embedded across all operational levels.

Reporting requirements, guidance and alignment:

Supporting consistent and transparent reporting, we are establishing comprehensive guidelines and standards that align with international best practices.

ESG risk assessment profiles:

A key focus of our approach is conducting thorough ESG risk assessments to proactively identify and mitigate potential challenges ensuring that all entities adhere to structured and standardized oversight mechanisms.

ESG performance review:

By closely monitoring portfolio ESG performance, we aim to track progress and identify areas for continuous improvement. This systematic evaluation ensures that all portfolio companies are aligned with sustainability objectives while driving measurable outcomes.

Advisory and Expertise (Guidance and direction)

Subject Matter Experts' (SME) access:

Fostering strategic partnerships that align with ADQ's long-term objectives and support the growth of its portfolio companies. This includes the development of an SME pool to elevate discussions and decision making.

Board and management reviews:

Comprehensive support on any related sustainability issues, topics and projects to Board of Directors, management, and internal teams, enabling them to operate effectively and align with the organization's strategic priorities.

Awareness and Engagement (Elevation of capabilities)

Training delivery:

A commitment to elevate knowledge at all levels from the Board of Directors and management at the portfolio company level to employees on key principles and practices, ensuring they are equipped to navigate evolving ESG challenges and opportunities effectively.

Tools and resources development:

Developing a baseline for ESG related guidebooks and resources. An example of developed tools is the Macro-sector guidebooks that have been developed to assist companies in initiating ESG management and integration into operations.

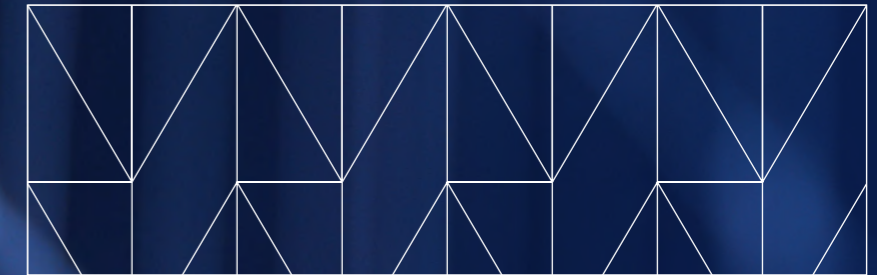
ESG community:

Aiming to connect individuals and teams and foster organic innovation within the group and its broader ecosystem, the CoE successfully hosted the ADQ Catalyze event, bringing together over 400 participants over 2 days, including international speakers from global peers and partners. The event served as a platform for impactful workshops, engaging discussions, and showcases of innovative projects centered around sustainability. ADQ actively facilitates year-round engagement through a series of collaboration initiatives, such as the Ramadan Sustainability Majlis.

An Investor

As an investor, we integrate ESG principles throughout the investment process, from pre-due diligence to exit.

Additionally, we have established a sustainable finance framework to fund projects aligned with our sustainability goals.



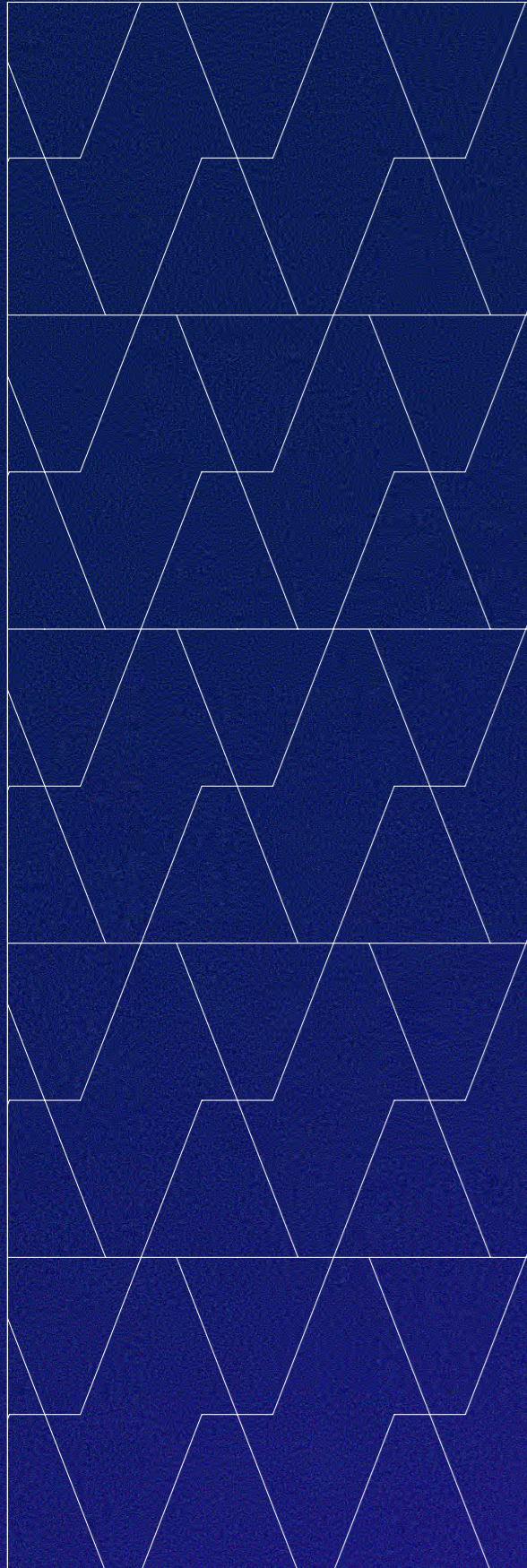
Sustainable Finance Framework

The ADQ Sustainable Finance Framework prioritizes investments across diverse environmental and social project categories to advance sustainability goals.

Key environmental focus areas include renewable energy (solar, wind, and green hydrogen), energy efficiency, sustainable water management, pollution prevention, clean transportation, green buildings, climate change adaptation, and biodiversity preservation.

Social initiatives target affordable basic infrastructure, such as water, electricity, and telecommunication access, alongside healthcare and educational services in under served areas.

The framework also supports affordable housing and socioeconomic empowerment, emphasizing gender equity and support for women-led businesses. These projects align with global standards like the UN SDGs, fostering economic diversification, environmental stewardship, and community well-being in line with Abu Dhabi's sustainability ambitions.



As an active sovereign investor and a trusted partner to the Government of Abu Dhabi, sustainable growth is at the core of ADQ's strategic vision.

Our focus on investing in world-class infrastructure and global supply chains has emerged out of a commitment to transforming the local economy into a globally competitive one. An important part of this transformation is supporting operational excellence and the adoption of best practices across our portfolio, within which the consideration of ESG principles is essential. This helps ensure that our businesses are future-ready."



Louay Abou Chanab
Group Chief Strategy Officer

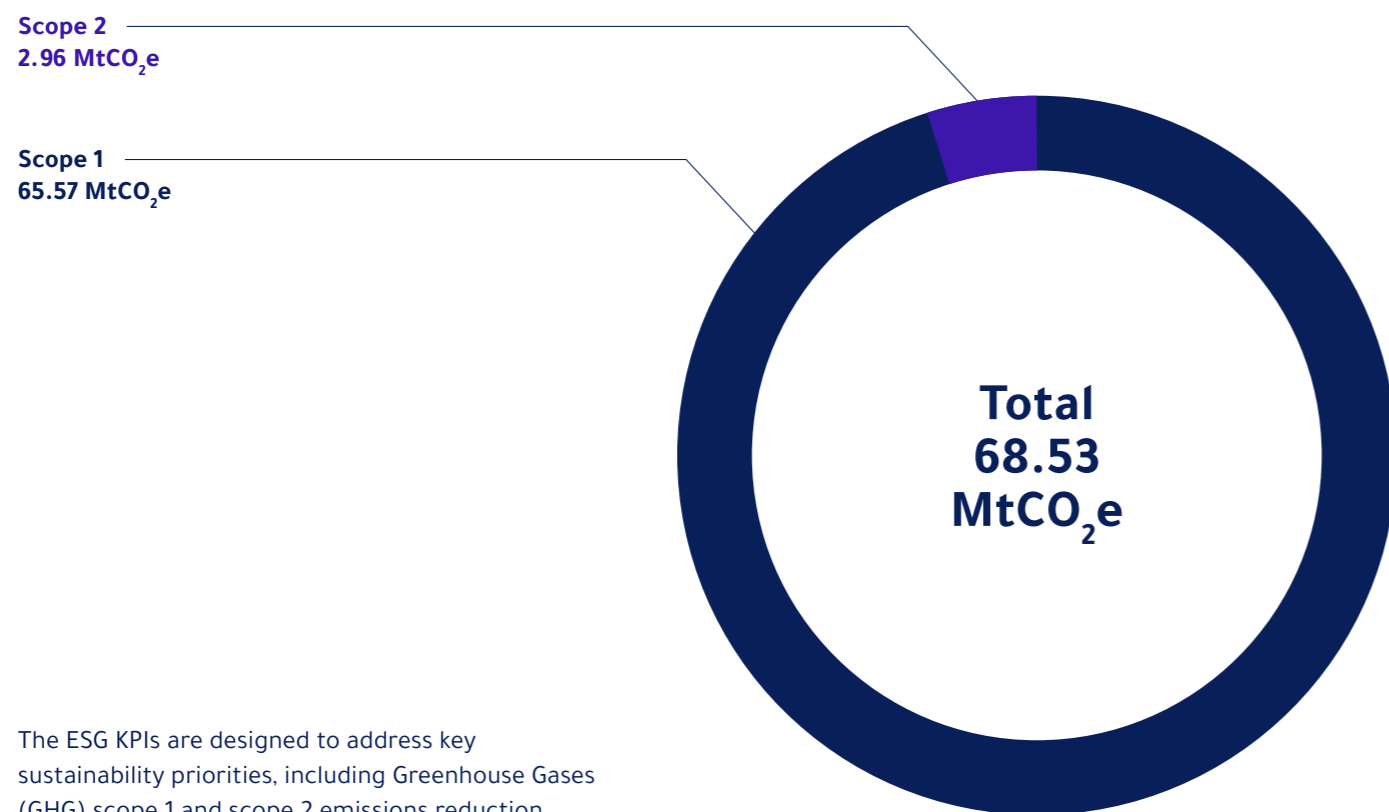


Our ESG Performance At A Glance

Driving Excellence

To effectively drive sustainability performance at both a corporate and portfolio company level, ADQ has established a comprehensive **Sustainable Investing Index**, embedding key performance indicators (KPIs) into the annual performance scorecards for both the group and its portfolio companies.

This integration is a critical step in driving accountability and measurable progress across the organization, empowering portfolio companies to align their operations with ADQ's overarching ESG strategy.



The ESG KPIs are designed to address key sustainability priorities, including Greenhouse Gases (GHG) scope 1 and scope 2 emissions reduction, promoting diversity and inclusion, strengthening sustainability governance: and enhancing the ADQ bespoke ESG performance score.

Through the Sustainable Investing Index, ADQ is building a culture of accountability and driving meaningful progress toward long-term environmental, social, and governance objectives.

Figure 2: 2023 ADQ Group Emissions

Scoring Methodology

The ESG bespoke methodology employs a comprehensive and tailored framework to assess and measure environmental, social, and governance performance across various assets. The scores are developed based on international ESG rating methodology following the Deming Model (PDCA Cycle).

Below is a description of the methodology based on the provided information:

Comprehensive Scope of ESG Issues

The assessment covers a wide-ranging list of over 20 ESG issues. These include factors such as climate change mitigation, energy efficiency, workplace diversity, health and safety, governance practices, and supply chain sustainability. This breadth ensures that all critical dimensions of ESG performance are captured and analyzed.

Independent Development and Alignment

The methodology was developed by an independent ESG rating agency, leveraging globally recognized practices and standards. It aligns with the Deming Model, promoting continuous improvement through iterative planning, execution, evaluation, and refinement. Additionally, it incorporates benchmarks from leading international rating agencies, ensuring credibility and alignment with global ESG expectations.

Customized Weighting System

Each ESG issue is assigned an individual weighting, tailored to the specific characteristics and operations of the asset being assessed. This ensures that the methodology reflects the unique challenges and priorities of different industries and operational contexts.

Sector-Specific Considerations

The methodology considers the sector in which each asset operates, recognizing that the materiality of ESG issues varies significantly across industries. For example:

- ▼ In manufacturing, energy consumption and waste management may be key priorities.
- ▼ In financial services, data privacy and governance practices may carry greater weight. This sector-specific approach ensures that the assessment is both relevant and actionable.

Focus on Materiality and Significance

By prioritizing the most significant ESG issues for each asset, the methodology delivers insights that enable targeted improvements. This approach supports decision-makers in identifying key risks and opportunities, ensuring that efforts are focused where they have the greatest impact.

It is worth mentioning that ADQ strives for continuous performance upgrades. We analyze our methodology on a yearly basis and enhance it to align with best practices as well as market and ESG trends. We will be conducting a thorough review of the methodology, and we will report updates accordingly.

ESG Performance Highlights

ADQ's journey toward enhanced ESG performance began with an initial assessment based solely on publicly available information. This baseline served as a critical benchmark, allowing a third-party ESG rating agency to evaluate the organization based on its existing disclosures.

The initial results revealed considerable room for improvement, particularly in transparency and the depth of ESG-related information shared with stakeholders. This insight underscored the need for a focused effort to enhance disclosure practices and establish a more comprehensive approach to sustainability reporting.

ADQ undertook significant measures to institutionalize ESG across its operations and portfolio. To measure the results of the efforts, a comprehensive analysis of ESG performance has been conducted to evaluate year-on-year (YoY) improvements and long-term progress from 2020 to 2023. This analysis highlights the significant strides made in institutionalizing ESG principles, leveraging tailored strategies for each sector, and identifying opportunities for continued growth.

At a Group level we have achieved a YoY improvement of over 10% showcasing a commitment to close gaps and improve our operations, processes and policies.

Additionally, the YOY percentage increases from 2022 to 2023 for each cluster:

Energy & Utilities
Increased by **3%**, maintaining momentum in renewable energy adoption and decarbonization efforts.

Sustainable Manufacturing
Grew by **~10%**, driven by advancements in energy efficiency and sustainable production practices.

Food & Agriculture
Improved by **~12%**, indicating ongoing efforts in sustainable farming, ethical sourcing, and food security.

Financial Services
Saw a **~12%** increase, highlighting the sector's growing focus on ESG-aligned investments and governance enhancements.

Healthcare & Life Sciences
Achieved **~14%** increase, underscoring progress in equity, transparency, and healthcare sustainability initiatives.

Transport
Improved by **18%**, reflecting continued adoption of decarbonization strategies and efficiency improvements.

Logistics
Recorded a **3%** increase, building on substantial gains from previous years, demonstrating consolidation of ESG integration.

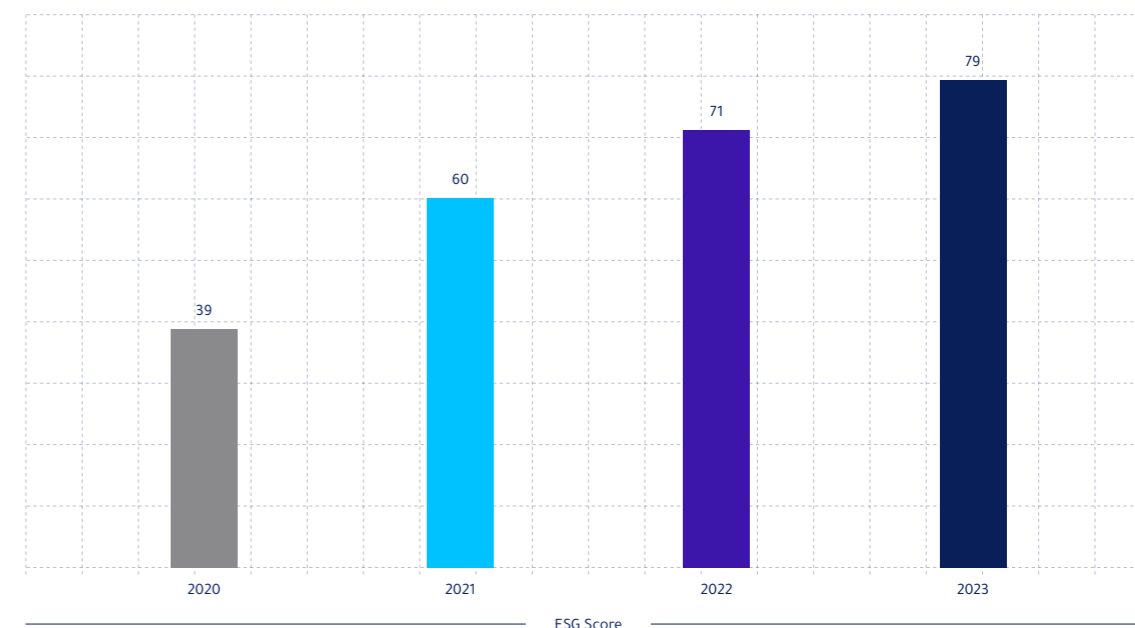


Figure 3: ADQ Group's Overall ESG Performance

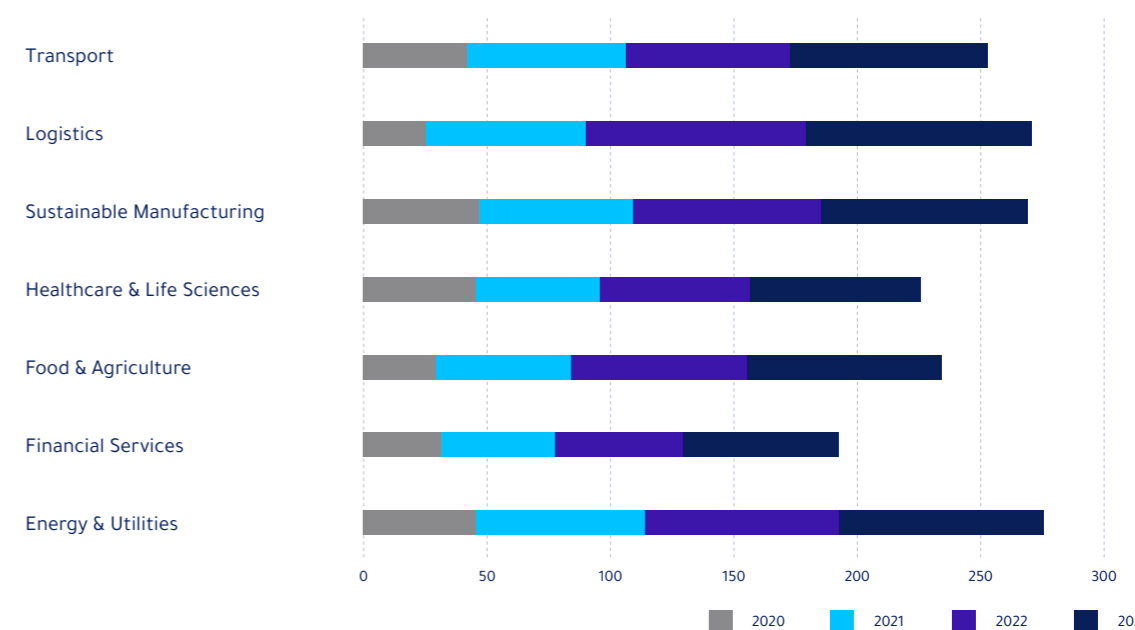


Figure 4: ESG Performance per Cluster

Note: 2020 performance is based purely on publicly available information. The performance for the remaining years is based on detailed data gathered from ADQ's portfolio companies.

The moderate increase in the Energy & Utilities and Logistics clusters can be attributed to their already advanced ESG performance levels. As these sectors have achieved high maturity in integrating ESG principles, identifying significant opportunities for further improvement becomes increasingly challenging. This reflects the natural progression of ESG integration, where initial efforts yield substantial gains, but incremental improvements require more targeted, innovative, and transformative initiatives. Such progress indicates a stabilization phase where the focus shifts to sustaining high performance and refining existing practices rather than achieving rapid growth in scores.

Innovation for the Planet

Integration of R&D

ADQ places innovation and research and development (R&D) at the center of its strategy, enabling transformative advancements across key sectors for the future, enhancing our performance and mitigating any related risks. Several examples of the application of innovation to improve environmental performance are listed below.



Creating Arid Climate Resistant Crops with Silal & ICBA

ADQ supports groundbreaking agricultural projects, such as the UAE's first quinoa trials in collaboration with **Silal** and the **International Center for Biosaline Agriculture (ICBA)**. These trials aim to identify and cultivate crop varieties that can thrive in the UAE's arid climate.



Leveraging AI Integration with EQTY Lab

In collaboration with **EQTY Lab**, ADQ has initiated the responsible integration of AI technologies across its portfolio. This includes deploying **ClimateGPT** to optimize operations in sectors such as energy, transport, and agriculture.



Pioneering Sustainable Aviation with Etihad Airways & SATAVIA

Etihad Airways, in partnership with UK start-up SATAVIA, is developing ways to reduce contrails, which are created when aircraft exhaust interacts with cold air at high altitudes. Contrails account for nearly 60% of global aviation's non-CO₂ climate impact—equivalent to 1.8 billion tons of CO₂ annually.



Innovating Greenhouse Operations with Silal & Desolenator

Silal, Abu Dhabi's leading food, agriculture, and technology company, has partnered with Desolenator, a Netherlands-based solar thermal desalination start-up, to develop a pioneering net-zero greenhouse system that utilizes solar energy to power desalination, providing pure water for irrigation and sustainable cooling solutions.



Sustainability Impact

Water Efficiency:

Quinoa requires significantly less water than traditional crops, making it a sustainable solution for agriculture in arid regions.

Climate Resilience:

The trials focus on breeding resilient crop varieties that can adapt to extreme weather conditions, contributing to food security.

Energy Optimization:

AI solutions enhance energy efficiency by monitoring and managing energy consumption patterns in real time, reducing waste and emissions.

Predictive Analytics:

AI helps predict maintenance needs in industrial and transport sectors, minimizing downtime and avoiding unnecessary energy use.

CO₂ reduction:

Achieves substantial CO₂ savings without compromising fuel efficiency, ensuring operational viability.

Carbon credits:

Unlocks the commercial opportunities through the issuance of carbon credits.

CO₂ reduction:

Reduces the carbon footprint associated with food production.

Sustainable agriculture:

Addresses the relationship between water, energy and food production, critical to the region's future.

An aerial photograph of a lush mangrove forest. A winding river or canal cuts through the dense green trees, reflecting the sky. The water is a clear, light blue color. The forest extends to the edges of the frame, showing a high density of vegetation.

ESG Risk Management

Anticipating Potential Risks

We have launched the first phase of our ESG focused risk assessment exercise. This was a process to identify, evaluate, and address ESG topics that could potentially have a future risk on organizations.

Part of an integrated approach to sustainability, ADQ's risk management team developed a climate change model for strategic business adaptation to transform complex environmental projections into actionable insights. By systematically analyzing potential risks through comprehensive frameworks including Enterprise Risk Management (ERM), organizations can translate theoretical climate scenarios and ESG considerations into tangible strategic responses.

The climate change study covered the transport and logistics assets, supported by a detailed ESG risk assessment, evaluating their vulnerabilities through international frameworks and developing nuanced risk ratings that consider current practices and potential future challenges. This methodology integrates forward-looking climate projections with comprehensive ESG performance analysis, enabling businesses to

proactively identify, assess, and mitigate potential environmental and sustainability risks. By transforming complex scientific data into strategic business intelligence, risk management and sustainable investment teams become a pivotal tool for navigating the uncertainties of climate change and sustainable development.

Addressing these risks would help portfolio companies to improve their ESG performance, mitigate future ESG risks, build a stronger brand image, and create long-term sustainable values for their different stakeholder groups.

We will continue to assess ESG related risks and work with the assets to enhance the decision-making through advisory and expertise.

Benefits of Conducting an ESG Risk Assessment



Increased transparency for investors on exposure of portfolio companies to potential ESG risks.



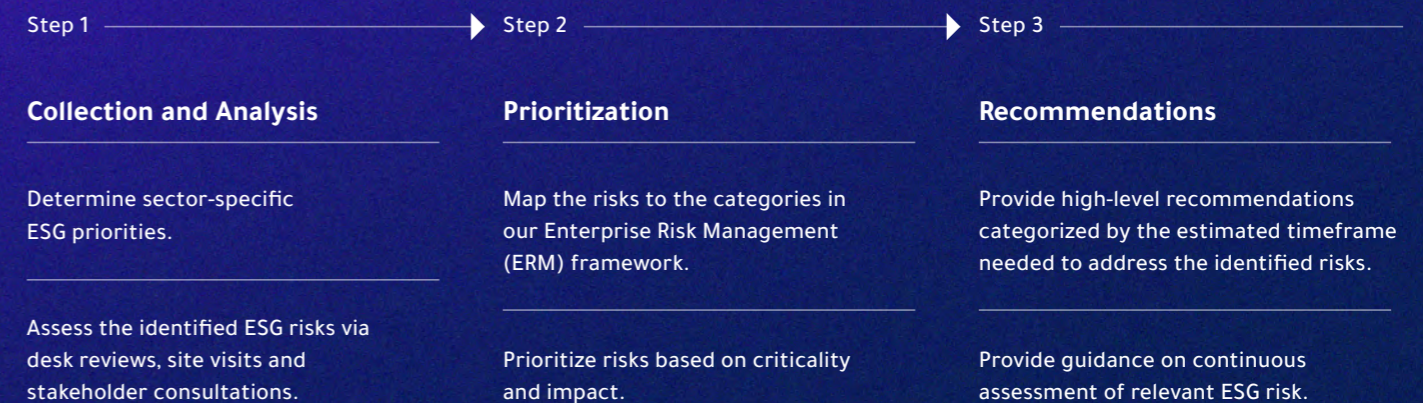
Helped portfolio companies to anticipate potential shifts in ESG regulatory landscape,



Enhanced resilience of portfolio company's business growth and strategy to ESG risks,



Improves financial performance and reputational stand by committing to manage ESG risks.



Governance

Compliance

ADQ maintains high corporate governance standards by adhering to our core principles and operating lawfully, ethically and with the utmost integrity, following the guidance of the Board.

By working with other stakeholders and market participants, we ensure a positive corporate governance environment and support a performance-driven culture to improve the expected return for the desired level of risk over the long term, helping to scale ADQ's portfolio and individual positions across sectors, geographies and investment strategies.

Taking a zero-tolerance approach to bribery, corruption and fraud, the company makes every effort to identify, disclose, register and manage actual and perceived conflicts of interest. ADQ also promotes an open and transparent culture that prohibits retaliation against those reporting concerns in good faith.

To learn more about compliance at ADQ please download our [Code of Conduct](#), [Business Partner Code of Business Conduct](#), or visit our [Speak Up](#) page.

Cybersecurity

Our cybersecurity scope includes the protection of ADQ data and digital assets and includes implementing several measures to ensure robust cybersecurity practices and foster a culture of security awareness among employees.

ADQ focuses on identifying, detecting, protecting, responding to, and recovering from all types of cybersecurity events and breaches. Our cybersecurity team supports business operations by ensuring that all resources adapted by other functions are safe to use and do not expose the environment to risks.

We have also developed a Cloud Security Policy, which mandates strict data classification, threat risk assessments, and compliance with widely adopted cloud security standards such as ISO/IEC 27017 and NIST SP 800-534.

To enhance internal awareness, ADQ has launched several initiatives, including the Cybersecurity Induction program for all employees and the Cybersecurity Dashboard for the Cybsafe awareness modules and the reported number of malicious emails per department. ADQ also conducts regular phishing campaigns to test and improve employees' vigilance against cyber threats.

ADQ's commitment to maintaining a secure digital environment and fostering a culture of cybersecurity awareness across the organization contributes to the overall resilience and sustainability of the organization.

ADQ also has a GENAI policy to ensure safe usage of AI tools for work and protect ADQ's data and privacy.



Looking
to the Future

Way Forward

As ADQ continues to advance its sustainability agenda, key initiatives will drive measurable impact and future growth:

Evolving the Sustainable Investing Roadmap

ADQ is committed to refreshing its sustainable investing roadmap, ensuring alignment with global trends and ESG frameworks. By addressing portfolio-specific needs and capitalizing on emerging opportunities, the roadmap will provide actionable strategies to safeguard ADQ's long-term investment performance.

Measuring Sustainability Value

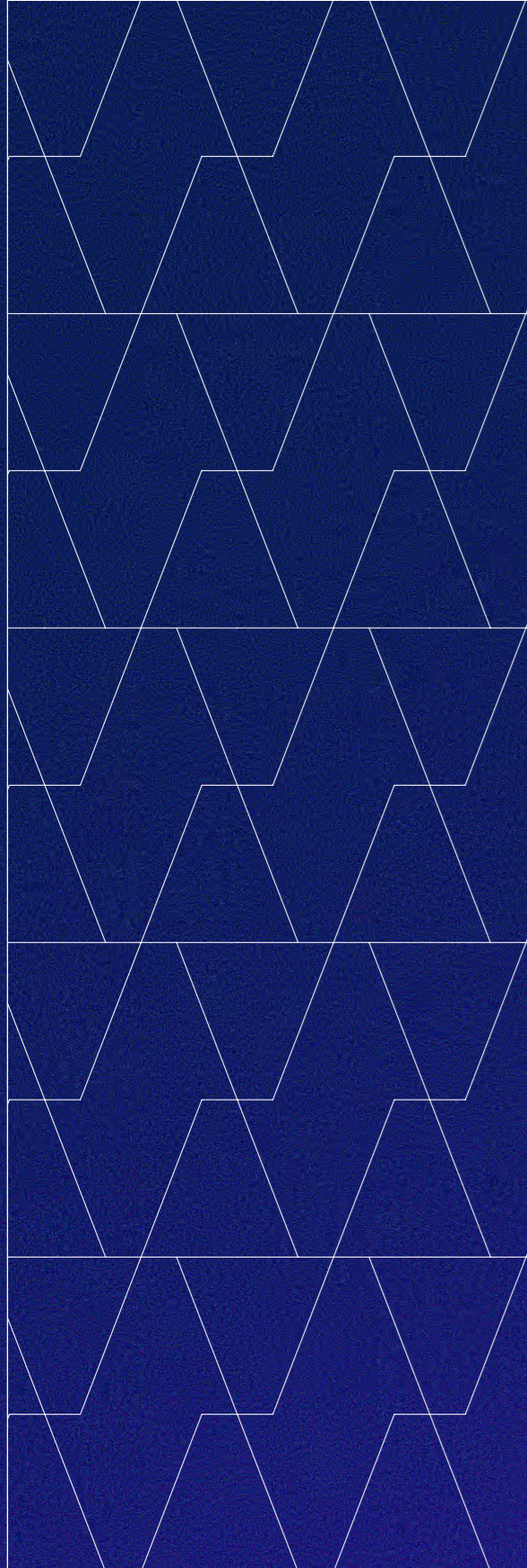
ADQ aims to enhance its ability to measure the financial and societal value of its sustainability initiatives. By aligning key metrics with strategic objectives and national goals, this effort will enable consistent reporting and demonstrate the tangible benefits of its ESG actions to stakeholders.

Harnessing AI for Strategic Insights

To remain at the forefront of sustainable investing, ADQ will pilot AI-driven tools to analyze ESG data and uncover new opportunities. This will optimize decision-making, identify untapped "whitespace" areas, and enhance our ability to address sustainability challenges with precision and innovation.

Building Capacity and Engagement

ADQ will prioritize strengthening stakeholder engagement and capacity building across its portfolio. This includes fostering collaboration, providing training, and equipping teams with the knowledge and tools needed to integrate sustainability practices effectively into their operations and decision-making processes.



At ADQ, we believe that embedding a mindset of change within our portfolio is not just a strategy, but a responsibility.

Our commitment to sustainability reflects our broader commitment to stewardship, both for people and the environment. By prioritizing sustainable investing, we aim to create a ripple effect that extends beyond our immediate investments, guiding companies and communities towards a prosperous future. By prioritizing sustainable investing principles, we are not only meeting the needs of today but also safeguarding the prosperity of future generations.”



Noora Obaid
Director of Sustainable Investing

Disclaimer

While the report does not include external assurance on ESG data, the content has undergone internal validation to ensure accuracy. However, to develop this report, we have aligned with global standards to identify the reporting topics.

As for scope and boundaries, the data provided in this report is a consolidation of our portfolio companies' ESG performance and other non-ESG related data. GHG emissions assurance was conducted by DNV.

