

The background of the entire page is an aerial photograph. In the foreground, there is a large, dense mangrove forest with lush green trees. A body of water, likely a canal or lagoon, flows through the forest, reflecting the sky. In the distance, a city skyline is visible under a clear, light blue sky. The buildings are modern and tall, with some construction cranes visible. The overall scene is a harmonious blend of nature and urban development.

Sustainable Investing Report

2024/2025



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Who We Are

ADQ is an active sovereign investor focused on critical infrastructure and global 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 create sustainable value for local communities and generate long-term financial returns for its shareholder. ADQ's growth has been driven by the contribution of a broad range of independently operating businesses from its indirect shareholder and by asset management actions aimed at creating synergies and value across its largely UAE-based portfolio.

ADQ continues to integrate ESG factors into the investment strategy and actively manages sustainability risks and opportunities to foster long-term value creation. We are committed to making a positive impact on the economy and society, aligning with local and international guidelines such as the United Nations Sustainable Development Goals and UAE Net Zero 2050.

Key sustainability initiatives include mitigating climate change by supporting clean technology investments, improving environmental stewardship through better resource management, promoting diversity and inclusion, ensuring health and safety, and socio-economic impacts through responsible investments.

Economic Clusters

7

Geographical Footprint of ADQ's Portfolio

130+

Women on boards¹

40

YoY improvement in ESG maturity score²

11%

Portfolio Companies

25+



employees across the portfolio

85k+

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.

In line with its mandate, ADQ's assets are concentrated in Abu Dhabi and focused on the seven economic clusters mentioned below:

-  **Energy & Utilities**
-  **Financial Services**
-  **Food & Agriculture**
-  **Sustainable Manufacturing**
-  **Healthcare & Life Sciences**
-  **Infrastructure & Critical Minerals**
-  **Transport & Logistics**



¹As at 31 December 2024
²According to ADQ internal methodology



Sustainability is not a trend. It is the new foundation of global competitiveness. Economies that embed sustainability into their infrastructure, industrial capabilities and investment frameworks will shape the next chapter of global growth. At ADQ, we see sustainability as a force multiplier. It strengthens our platforms, enhances our ecosystems, and accelerates national priorities. By integrating sustainability into every strategic decision, we are not only managing risk but building the engines of long-term prosperity for Abu Dhabi and the markets we serve.

Mansour Almulla
Deputy Group Chief Executive Officer



Our Purpose and Impact

Our Vision: To be a leading investor in critical global infrastructure and supply chains

Our purpose is to accelerate value creation for Abu Dhabi by investing in, growing, and supporting companies that are pivotal to the Emirate's economic and social development. ADQ is positioned to support sustainable outcomes and remains committed to contributing positively to the environment, society, and the communities in which it operates in both as an asset owner and investor.

Our efforts are focused beyond a risk-mitigation approach to sustainability. We actively seek to identify, quantify and maximize new and existing opportunities through innovative research and development.

As an investor



ADQ maintains a rigorous and proactive approach to managing the ESG impacts across its portfolio, from pre to post-acquisition.

As an asset owner

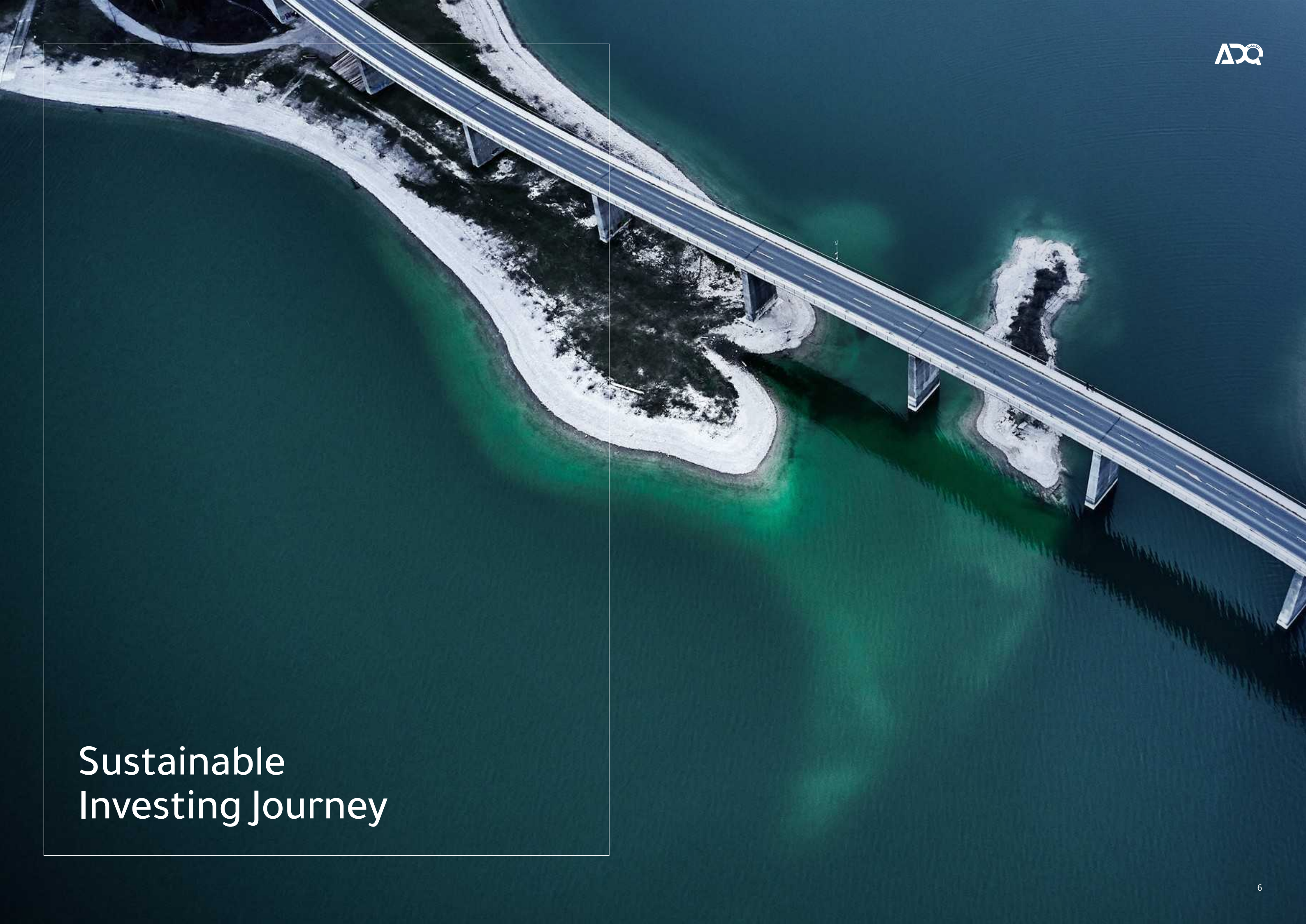


ADQ empowers and guides portfolio companies to be outcome-oriented, fostering a culture of responsible and sustainable business practices.

2024/25 highlights

Our 360° impact on the community

- Essential services reliability:** Energy & Utilities assets (TAQA/EWEC/ENEC; waste services via Tadweer) underpin Abu Dhabi's everyday life—stable electricity, desalinated water, nuclear baseload, and modern waste management—forming the backbone for safe communities and uninterrupted public services.
- Food security and nutrition:** The Food & Agriculture cluster (Agthia, Silal, Al Dahra, LDC, Unifrutti) operates end-to-end production and distribution, including local crop diversification pilots (e.g., quinoa trials) that expand affordable, nutritious choices and reduce import risk.
- Mobility and connectivity:** AD Ports, Etihad Rail, and Abu Dhabi Airports improve convenience and safety by shortening travel times and connecting communities to jobs, education, and healthcare—core determinants of quality of life.
- Greener environment:** asset decarbonization plans are aligned with the current focus on national Net Zero ambition with readiness to report on mandatory emissions reporting for large emitters under the Climate Change Law in the UAE.
- Digital infrastructure:** Over one billion dirhams have been committed to digital, AI, and innovation programs, with 50+ use cases identified and advancing to accelerate portfolio-wide adoption of secure data platforms, AI governance, and high-impact applications. These efforts span over our seven economic sectors, including energy, logistics, healthcare, and manufacturing embedding measurable productivity gains and resilience into core operations.

An aerial photograph of a multi-lane concrete bridge spanning a large body of water. The water is a deep, clear blue-green color. The bridge has several concrete piers supporting it. The surrounding land is a mix of green vegetation and sandy or light-colored soil. The overall scene is captured from a high angle, looking down at the bridge and the water.

Sustainable Investing Journey

Sustainable Investing Journey

ADQ continues to make meaningful progress in its journey to becoming a more sustainable investor. From laying the foundations of identifying and assessing risks to embedding them into decision making and performance monitoring. ADQ continues to enhance processes, tools and analysis whilst driving innovation to unlock and create value through sustainable investing.

Conventional Investing



Invests to maximize financial returns, considering ESG only when financially material.

- Focus on compliance driven measures such as cybersecurity, labor law, ethics and integrity
- Maximizing returns across a range of investments and driving growth across portfolio companies

Up to 2022

Responsible Investing



Integrates ESG to reduce risks and protect long-term value without altering return expectations.

- Risk and maturity assessments over ESG related topics for portfolio companies and group
- Activation of ESG Centre of Excellence and development of strategy and implementation roadmap
- Publication of ESG policies and position statements
- Launch of a sustainable finance framework and the issuance of sustainability-linked loans
- Focus on decarbonization and tracking progress through performance metrics

2022-2025

Sustainable Investing



Uses ESG to identify opportunities, balancing financial returns with positive environmental or social outcomes.

- Development of Internal Carbon Price (ICP) for all portfolio companies
- Focus on identifying value creation initiatives and enhancements in sustainability areas
- Refresh the sustainable finance framework
- Implementation of ESG maturity assessments to enhance sustainability performance

2025 onwards

Impact Investing



Invests to achieve measurable positive impact alongside financial returns, prioritizing real-world outcomes.

- Opportunistic via partnerships

Opportunistic

The background of the slide is an aerial photograph of a city skyline, likely Dubai, featuring several prominent skyscrapers. The image is overlaid with a semi-transparent blue filter. A white rectangular box is positioned in the lower-left quadrant, containing the title text.

ADQ's Sustainable Investing Strategy

Our Approach To Sustainable Investing

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. ADQ's sustainable investing strategy maintain the following 4 pillars.



Environmental Stewardship

Driving proactive strategies to safeguard ecosystems, reduce emissions, and embed sustainable practices across operations and supply chains



Responsible Practices

Apply disciplined operations, quality assurance, and secure-by-design technologies for reliable outcomes



Social Wellbeing and Inclusion

Promoting workforce and community wellbeing through inclusive policies, diversity initiatives, and a strong focus on health, safety, and equal opportunity



Ethical Governance and Risk Management

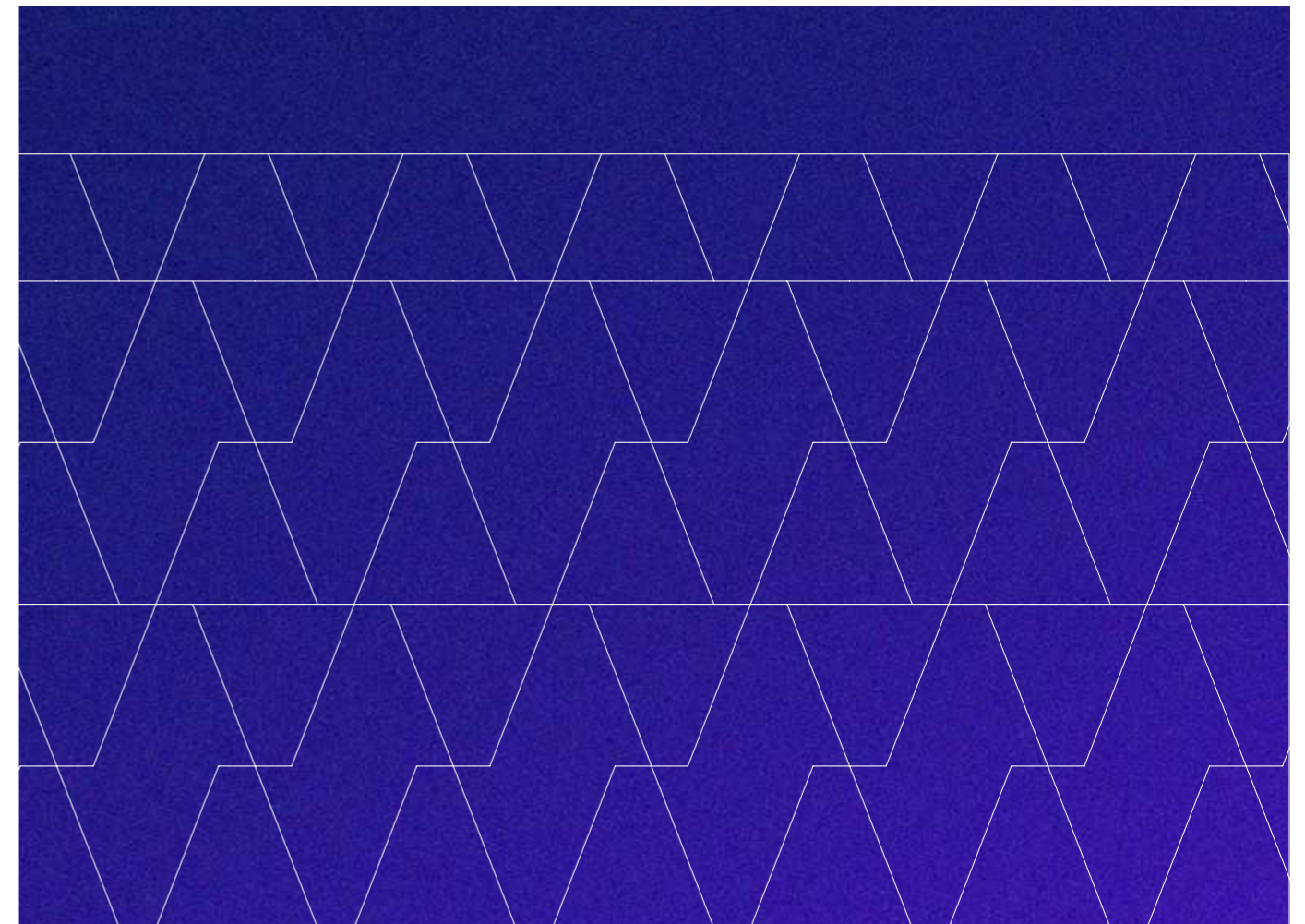
Sustain trust through transparent oversight, robust controls, and proactive risk management

Double Materiality Assessment

Building on from the double materiality assessment (DMA) performed last year, ADQ has refined the material topics most pertinent across portfolio companies and at group level. We have considered perspectives across the full spectrum of our value chain, assessing both the internal and external operating environments of ADQ. As the majority of ADQ's operations are within the portfolio companies it was critical to engage them to understand the material topics most relevant to them and consolidate at a group level.

A data-driven double materiality methodology was applied, combining company-specific inputs with benchmarked against global peers. Impact thresholds are grounded in scientific research and sector analysis, while financial materiality follows industry-standard frameworks.

The materiality matrix shows the relative materiality of the identified 11 topics against the axes of impact and financial materiality. These topics are most pertinent to ADQ; however, we continue to monitor and assess a wider range of topics such as water management, nature resilience and waste management amongst others.



The identification of risks and opportunities is an iterative process, with the impacts evolving in line with a rapidly evolving world. ADQ maintains a proactive approach to assessing developments across the identified topics but also for topics that may become material in the future.

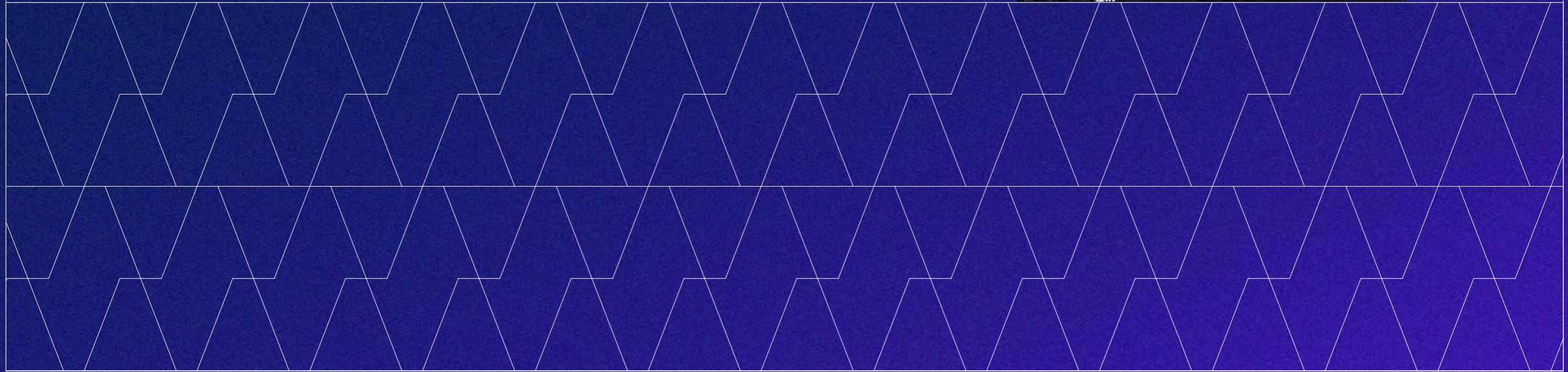
| Sustainable Investing Pillar | Mapped Material Topic | Financial Impact relevance | Time horizon |
|--|---|--|--------------|
| <p>Responsible Practices</p> | Responsible Investment | Direct financial relevance through ADQ portfolio performance, capital inflows, and reputation; critical for maintaining client trust and meeting regulatory expectations in all operating jurisdictions. | |
| | Supply Chain Management & Responsible Sourcing | Material through operational resilience, compliance with due diligence laws, and reputational protection across ADQ global supply chains. | |
| <p>Environmental Stewardship</p> | Climate Resilience | Material due to physical and transitional climate impacts affecting asset values, operating costs, and long-term viability given ADQ's large exposure to energy, agriculture and manufacturing sectors. | |
| | Carbon Emissions & Footprint | Financially material due to regulatory compliance costs and transition risks; strategically important for portfolio decarbonization and business continuity. | |
| | Energy Utilization | Material due to direct operational expenditure impact and alignment with emission reduction goals especially in industrial and infrastructure assets. | |
| | Sustainable Growth Opportunities | Financial materiality due to future revenue and returns growth, competitive positioning, and alignment with global sustainability trends. | |
| <p>Social Wellbeing & Inclusion</p> | Stakeholder Engagement | Material through reputational capital, operational continuity, and improved stakeholder relationships. | |
| | Talent Management & Inclusion | Material due to potential savings and reputational gains from human capital attraction and retention, increased productivity, and competitiveness in across all sectors. | |
| <p>Ethical Governance & Risk Management</p> | Ethics, Integrity & Compliance | Material due to legal liabilities, regulatory exposure, and reputational risk - this topic ultimately influences cost of capital and market perception. | |
| | AI & Technology | Financially material through operational efficiency gains and risk reduction; also enhances data-driven ESG transparency to support strategic decision making and risk management. | |
| | Governance, Risk & ESG Disclosure | Material for regulatory compliance, investor confidence, and maintaining access to capital. | |

¹Time horizons defined as short term - 0-1 years, medium term 2-5 years, long term 5-10 years



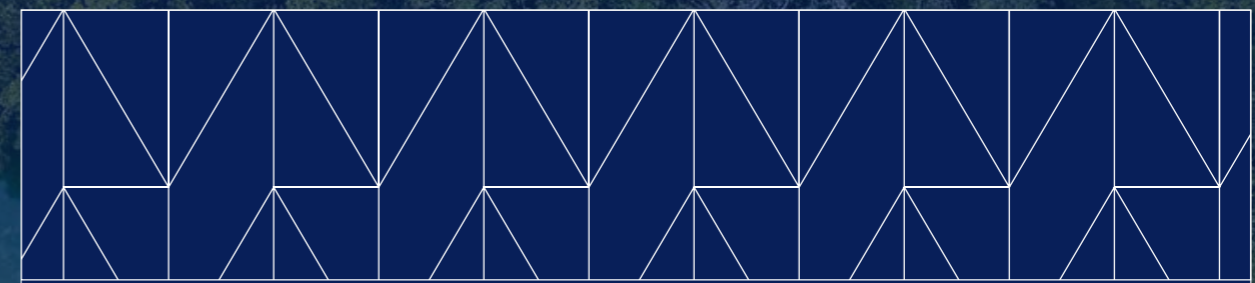
Sustainability becomes real when it shapes how people work, think, and solve problems. Across our portfolio, it is driving improvements in safety, efficiency, and product quality while inspiring teams to innovate with purpose. We see firsthand how sustainable practices reduce risk, strengthen supply chains, and open new avenues for growth. When organizations adopt sustainability as part of their culture, it moves from being an obligation to a mindset that elevates performance and creates value for corporates and communities alike.

Noora Obaid
Director of Sustainable Investing





Environmental Stewardship



Environmental stewardship aligned with the UAE's low-carbon vision is a cornerstone of ADQ's approach to value preservation. By addressing climate resilience, carbon emissions, and energy utilization, ADQ mitigates operational and financial risks while safeguarding long-term asset performance. These actions reduce exposure to regulatory pressures and market volatility, ensuring continuity and resilience across our portfolio. At the same time, the transition to a low-carbon and nature-resilient economy creates significant opportunities for innovation and growth, reinforcing ADQ's commitment to managing environmental impacts and unlocking sustainable value.

- ▼ Climate Resilience
- ▼ Carbon Emissions & Footprint
- ▼ Energy Utilization
- ▼ Sustainable Growth Opportunities



Climate Resilience and Carbon Emissions

Climate resilience remains a priority topic and principal risk not only for ADQ but from a national and global perspective. Given ADQ's exposure across a range of sectors such as energy, transport, logistics and manufacturing, it is critical to closely monitor and manage climate impacts. We continue to align

with the UAE Net Zero ambitions, driving actions for decarbonization, positive climate impacts and innovation across ADQ. As part of our qualitative analysis of climate resilience as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the group-level.

| Material Topic | Key Risks | Key Opportunities |
|----------------------------------|--|---|
| <p>Climate Resilience</p> | <ul style="list-style-type: none"> Physical climate risks to assets (e.g flood, heat, drought) Transition risks (carbon pricing and taxes in operating jurisdictions) Rising insurance and adaptation costs Supply chain disruption due to extreme weather | <ul style="list-style-type: none"> Investment in climate adaptation infrastructure and technologies Scenario-based climate risk modelling for better valuations Financing resilient agriculture and energy systems |
| <p>Carbon Emissions</p> | <ul style="list-style-type: none"> Stranded asset risk in carbon-intensive sectors Reputational damage from high emissions Inaccurate and incomplete data collection | <ul style="list-style-type: none"> Investment in low-carbon energy, electrification, and carbon capture Efficiency retrofits reducing costs and emissions Monetization via carbon markets and offsets |

The management, measurement and reduction of carbon emissions is material to ADQ and its portfolio companies and is aligned with national and global goals. Measuring and managing the carbon footprint helps ADQ identify, avoid, or mitigate these risks and align investments with climate-resilient pathways. ADQ embeds decarbonization and sustainability into its investment strategy, factoring sustainable investing considerations from deal sourcing to realization. This includes prioritizing sectors with clean technology and low-carbon outcomes, and encouraging all portfolio companies to minimize emissions, decoupling business growth and emissions.

In 2025, ADQ is refining its emissions calculation and reporting methodology to ensure greater accuracy and transparency. This process includes defining a consistent approach, establishing clear reporting boundaries, and undergoing external assurance to validate the methodology. As a result, any reporting on emissions will be based on audited numbers.

Over the 2024/25 period all portfolio companies finalized decarbonization plans to 2030, these are aligned to their ESG balanced scorecards - embedding decarbonization efforts with performance and remuneration.

- EMSTEEL received third party verification of carbon intensity calculations in accordance with the CBAM criteria to ensure accurate reporting and regulatory compliance.
- Sila! achieved a reduction of 773,500 kgCO2e through FOB sales and portside direct deliveries.
- TAQA's solar plants, Noor PV1 and Al Dhafra PV2, together with Masdar's renewable energy projects in Abu Dhabi generated a total of 6,855 GWh of electricity in 2024, accounting for 6.3% of the total electricity generated in Abu Dhabi's system.

Spotlight:

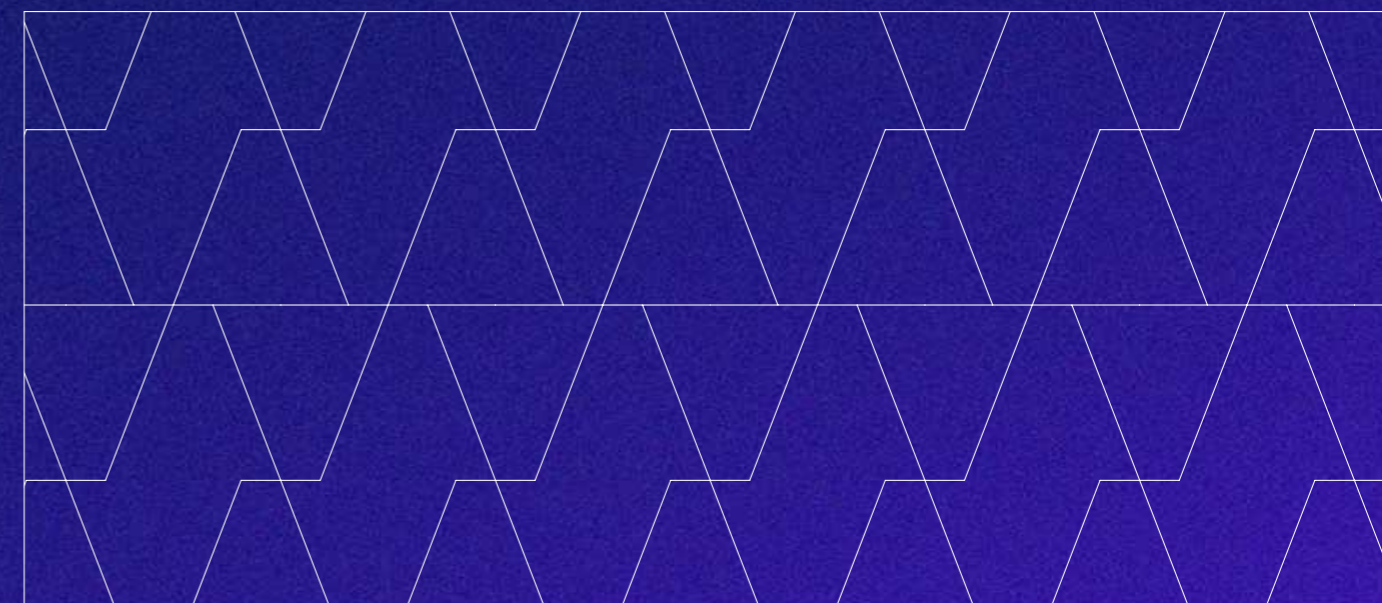
To assess climate resilience, ADQ has aligned with the ISSB phases to guide our approach:

- Governance & strategy - complete
- Assessment & Integration - in progress
- Reporting & Review - in progress

As a first response to the identified transition risk, ADQ has developed an internal carbon price (ICP) model. The ICP prepares ADQ for any potential tax requirements in operating jurisdictions such as the EU's Carbon Border Adjustment Mechanism (CBAM) that applies a carbon price on carbon intensive imported products. The Internal Carbon Pricing (ICP) mechanism builds on the decarbonization strategies of portfolio companies, offering a systematic way to embed carbon costs into business decisions.

By assigning a financial value to emissions, the ICP empowers both ADQ and its portfolio companies to proactively evaluate carbon-related financial risks, align targets for emissions reduction, and accelerate investments in low-carbon solutions. In the coming year, ADQ will begin implementing and integrating the ICP across the portfolio, using it to monitor progress and inform strategic decision-making.

The next step for ADQ in managing climate resilience will be through physical climate risk assessments across the portfolio to provide accurate data-driven insights into the severity of physical climate risk to our assets and potential disruptions in the supply chain. This analysis will be utilized in tandem with the ICP to continue refining how we assess and measure performance and progress.





Case Study: Leading With Impact in Industrial Sustainability

In 2024, EMSTEEL advanced its decarbonization roadmap with measurable reductions in greenhouse gas emissions across both steel and cement operations. At Emirates Steel, Scope 1 direct emissions declined by 6%, Scope 2 emissions by 23%, compared to 2023. This delivered a 7% reduction in overall emissions intensity, achieving the lowest GHG footprint since 2019 at 0.67 tCO₂e/t. These results reflect energy-saving measures, expanded carbon capture, and increased adoption of clean electricity through International Renewable Energy Certificates (IRECs).

A cornerstone of EMSTEEL's strategy is clean energy integration. In 2024, 86% of electricity at Emirates Steel and 14% at Al Ain Cement was sourced from renewable and clean energy via IRECs. This transition, combined with process optimization and energy efficiency projects, has supported consistent reductions in emissions intensity. Carbon capture also plays a critical role, accounting for approximately 22% of Emirates Steel's Scope 1 emissions, verified using ISO 14064-2 standards.

EMSTEEL's progress has been recognized both regionally and internationally. The World Economic Forum named the company among the top five steel producers globally for decarbonization leadership, and EMSTEEL retained its status as a World Steel Association Sustainability Champion. Regionally, EMSTEEL received the Best Sustainable Manufacturing Award and the ICV Excellence Award at the Make It in the Emirates Awards, along with the Green Eco Label from the Environment Agency - Abu Dhabi

Looking ahead, EMSTEEL has set clear interim targets of a 40% reduction in steel emissions and a 30% reduction in cement emissions by 2030, compared to a 2019 baseline. These goals exceed the UAE's NDC 3.0 industrial pathway and align with the UAE Net Zero 2050 Strategic Initiative. With a green hydrogen pilot launched in partnership with Masdar, and a commitment to 100% clean electricity sourcing by 2030, EMSTEEL is not just responding to the transition - it is shaping the future of sustainable heavy industry.



Energy Utilization

Efficient energy use directly impacts operating costs, particularly in energy-intensive sectors such as manufacturing, logistics, and utilities. Proactive management and optimization of the energy mix has both financial implications due to rising energy costs and environmental consequences from associated emissions. It also supports ADQ's decarbonization goals and aligns with the UAE Energy Strategy 2050, which mandates improved energy efficiency and emissions reductions. Regulatory developments, including federal climate laws and Abu Dhabi's energy performance standards, further reinforce the need for proactive energy management across the portfolio.

This topic remains a priority risk for ADQ to manage, while also presenting opportunities for investment in innovation and alignment with national energy efficiency and decarbonization regulations.

Across the ADQ portfolio, proactive energy management has focused on realizing key opportunities such as cost savings from energy efficiency investments including lighting, air conditioning and renewable energy procurement.

As part of our qualitative analysis of energy utilization as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

| Material Topic | Key Risks | Key Opportunities |
|----------------------------------|---|---|
| <p>Energy Utilization</p> | <ul style="list-style-type: none"> Energy cost volatility impacting margins Inefficient energy use increasing operational costs and emissions Compliance risk with tightening efficiency standards | <ul style="list-style-type: none"> Renewable power procurement and power purchase agreements Energy efficiency investments improving margins Onsite renewable generation increasing resilience |

Sustainable Growth Opportunities

Sustainable growth is material to ADQ's role as a long-term investor. It enables us to future-proof our portfolio against climate risk, regulatory shifts, and evolving stakeholder expectations.

As part of our qualitative analysis of sustainable growth opportunities as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

| Material Topic | Key Risks | Key Opportunities |
|--|---|--|
| <p>Sustainable Growth Opportunities</p> | <ul style="list-style-type: none"> Capital misallocation to unsustainable industries Obsolescence from technological or policy shifts | <ul style="list-style-type: none"> Expansion into green and circular economy sectors Sustainable healthcare and clean-tech innovation Long-term value creation through climate-aligned portfolios |

Cross-portfolio synergies such as shared innovation, technology, and market access drive efficiency and competitiveness. Most importantly, sustainable growth allows us to deliver measurable economic, social, and environmental value, aligned with Abu Dhabi's long-term vision and global sustainability frameworks. As part of the strategic refresh, ADQ

has identified a range of investment opportunities focusing on leveraging capital to produce financial returns and positive broader impact on the environment and society. Over the coming years it is critical to manage investments that align ADQ and Abu Dhabi's strategic priorities such as food security, water efficiency and a low-carbon economy.

Spotlight:

25 billion USD Joint Venture with Energy Capital Partners (ECP):

- In March 2025, ADQ announced a landmark partnership with ECP to invest 25 billion USD in new power generation and energy infrastructure in the US and selected other markets.
- The partnership targets 25 GW of new power generation capacity, including greenfield developments and infrastructure expansions, with priority on high-efficiency plants and integrating renewables. This aims to ensure stable, reliable electricity and support the transition to a lower-carbon grid.

EWEC's Clean Energy Milestone:

- Emirates Water and Electricity Company (EWEC) achieved a milestone by meeting 80% of Abu Dhabi's total power demand using renewable and clean energy from solar and nuclear plants.





Case Study: Transforming the Water Value Chain

TAQA is pioneering circularity in water management across the UAE and beyond, through its integrated approach to wastewater treatment, desalination, and smart water distribution. TAQA Water Solutions, the sole provider of wastewater treatment and recycling in Abu Dhabi, processes over 1.34 million m³/day via a 13,000 km network. In 2024 alone, 371 million m³ of wastewater was treated, with a significant portion recycled for municipal and industrial use.

A major milestone was the AED 95 million SCADA system upgrade, which introduced 2,000+ smart sensors across 91% of wastewater assets. This digital transformation has reduced carbon emissions by 13% and saved AED 10 million annually.

On the water production side, TAQA is expanding desalination capacity to 1,300 MIGD by 2030, with

two-thirds powered by energy-efficient reverse osmosis (RO). The Taweelah RO plant, one of the world's largest, operates at 200 MIGD and integrates 69.8 MW of solar power, reducing emissions by up to 90% compared to conventional methods.

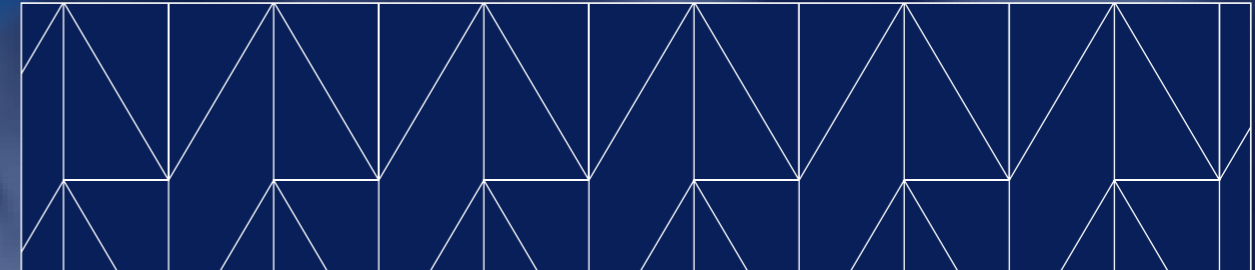
Internationally, TAQA is leading Uzbekistan's 1 billion USD wastewater treatment project, set to serve three million people.

By embedding circularity throughout the water value chain, TAQA delivers scalable, commercially viable solutions that reduce environmental impact and enhance water resilience. These efforts align with Abu Dhabi's Integrated Water Resources Management Plan and support the broader energy transition by decoupling water production from power generation.





Social Wellbeing And Inclusion



Driving social and economic impact is central to ADQ's commitment to preserving long-term value. Through stakeholder engagement and inclusive talent strategies, we strengthen trust, reduce social and operational risks, and build resilient communities. These actions ensure our investments deliver measurable outcomes that support national development priorities while aligning with global ESG standards. By embedding impact at scale, ADQ safeguards its portfolio against disruption and creates a foundation for sustainable growth.


- ▼ Stakeholder Engagement
- ▼ Talent Management & Inclusion



Stakeholder Engagement

Stakeholder engagement is foundational to ADQ’s approach for building trust, meeting stakeholder expectations, and ensuring long-term, sustainable growth. It is seen as a driver for value creation and transparency. Engaging stakeholders enables ADQ to adapt to evolving needs, foster collaboration, and

deliver positive impacts for both the organization and the wider community. As part of our qualitative analysis of stakeholder engagement as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

| Material Topic | Key Risks | Key Opportunities |
|--|---|---|
|  <p>Stakeholder Engagement</p> | <ul style="list-style-type: none"> ▼ Erosion of social license to operate ▼ Stakeholder disengagement and disapproval from lack of ESG transparency | <ul style="list-style-type: none"> ▼ Active stakeholder dialogue enhancing trust ▼ Co-created sustainability initiatives driving innovation |

Over the past year ADQ has engaged stakeholders through:

1. Materiality assessment consultations
2. Capacity building activities
3. Two-way feedback sessions
4. Tools and guidebook development
5. Hands on reviews and collaborations meetings & workshops

Community impact and engagement

ADQ views community impact and engagement as a material driver of long-term value, resilience, and license to operate. Our investments shape economies and impact lives - making it essential to embed social responsibility into our strategy.

Our approach is anchored on three pillars:

- ▼ **Socio-economic responsibility:** Supporting job creation, youth development, and inclusive growth through portfolio-led initiatives and measurable impact.
- ▼ **Environmental responsibility:** Advancing ESG-aligned programs that benefit both society and the environment.
- ▼ **Philanthropic responsibility:** Delivering culturally relevant support through donations, sponsorships, and targeted community programs.

Platforms like **Echo** and **Qommunity**, alongside volunteering and strategic investments, continue to amplify our impact and align with national priorities for the next 50 years.



Case Study: Engaging Stakeholders Through Knowledge Sharing

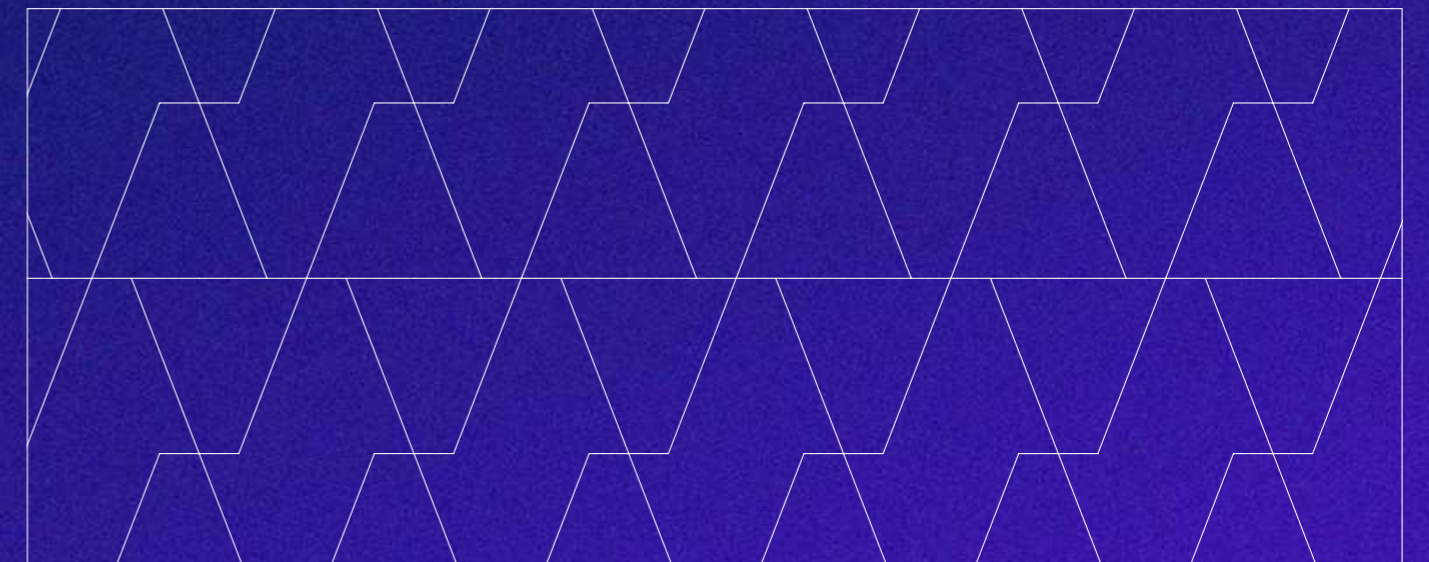
In 2025, ADQ’s Center of Excellence (CoE) launched the Sustainable Investing Speaker Series - a strategic platform designed to deepen understanding of sustainability and ESG across the investment ecosystem. The initiative aimed to position ADQ as a thought leader while fostering collaboration among stakeholders on emerging trends, regulatory expectations, and practical solutions shaping the future of investing.

The series featured industry experts offering diverse perspectives, with sessions covering critical topics such as:

- ▼ **Sustainable Investing Market Outlook:** Examining climate risk, impact investing, and AI-driven opportunities through real-world case studies.
- ▼ **Sustainable Financing:** Exploring global trends, market activity, and best practices for structuring ESG-aligned deals.
- ▼ **Sustainability-Linked Bonds:** Providing insights into bond mechanics, impact disclosures, and credibility frameworks.

Beyond knowledge sharing, these sessions created a collaborative forum for strategic thinking, enabling stakeholders to align on ESG priorities and investment approaches. Participants gained actionable insights that informed ADQ’s sustainable investment roadmap, strengthened relationships with partners, and reinforced trust through transparent dialogue.

This initiative demonstrates how effective stakeholder engagement drives both strategic alignment and market credibility. By creating a space for open discussion and thought leadership, ADQ not only advanced its sustainability ambitions but also showcased its commitment to responsible, sustainable, and impact-driven investing. The Speaker Series stands as a model for how knowledge-sharing platforms can accelerate ESG adoption and deliver long-term value for all stakeholders.



Talent Management and Inclusion

With a diverse portfolio spanning critical sectors, attracting, developing, and retaining skilled talent is essential for operational excellence and innovation. ADQ prioritizes inclusive practices and continuous learning to build a future-ready workforce aligned with sustainability goals. By fostering diversity and empowering employees, ADQ strengthens resilience,

enhances productivity, and supports the UAE's vision for a knowledge-based economy. As part of our qualitative analysis of talent management and inclusion as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

The ADQ approach invests in value-generating roles, nurtures future business leaders through programs such as ADQ Game Changers in partnership with London Business School and supports empowered executive leadership balancing short-term results with sustainable value creation. ADQ prioritizes Emiratization, advancing the professional development of UAE nationals through training, recruitment, and career progression. Strategic Workforce Planning assesses skills and competencies to guide recruitment, redeployment, and reskilling. Leadership development and succession planning identify and grow diverse talent early, supported

by training collaborations with TTS, INSEAD, Fitch Learning, and LBS. This integrated approach ensures a future-ready workforce aligned with ADQ's strategic objectives.

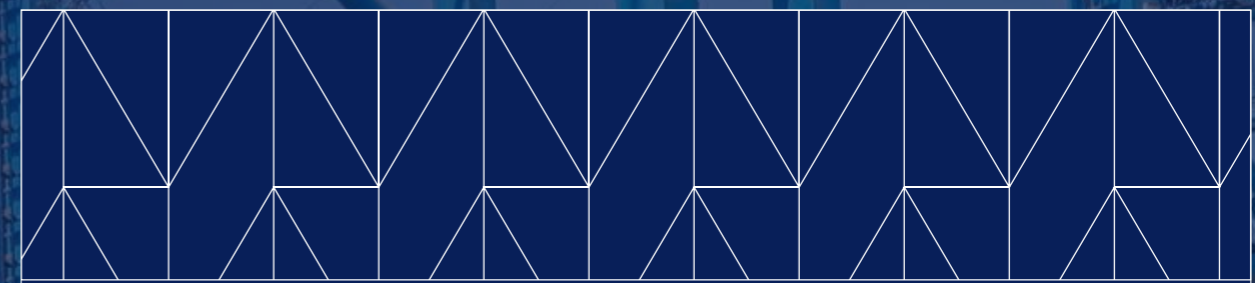
ADQ continues to strengthen Emiratization and talent development across all levels. ADQ's ongoing commitment to developing a future-ready, diverse, and high-performing workforce is aligned with national objectives.

| Material Topic | Key Risks | Key Opportunities |
|---|--|---|
|  <p>Talent Management & Inclusion</p> | <ul style="list-style-type: none"> Skills shortages in green and digital sectors Lack of workforce diversity reducing innovation High turnover impacting productivity and culture | <ul style="list-style-type: none"> Upskilling programs for sustainability and technology, supporting a just transition Inclusive workforce boosting innovation and performance Strong employer brand attracting talent |



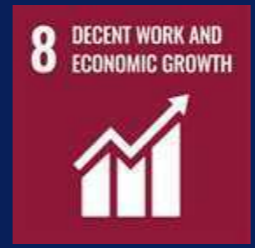


Responsible Practices



Ensuring resilience and quality across operations is critical for ADQ's diversified portfolio. Responsible investment, robust supply chain management, product safety, and cybersecurity are central to safeguarding value and enabling innovation. These practices strengthen trust, reduce operational and reputational risks, and support sustainable growth in line with global standards and UAE priorities. By embedding responsible practices, ADQ enhances resilience, drives digital security, and fosters innovation across sectors, contributing to long-term competitiveness and stakeholder confidence.

- ▾ Responsible Investment
- ▾ Supply Chain Management & Responsible Sourcing



SAFEEN FEEDERS

Responsible Investment, Supply Chain Management and Responsible Sourcing

ADQ integrates responsible investment in its strategy as it continues to transition from responsible investor to sustainable investor, delivering value shareholders and stakeholders. With a diverse portfolio spanning critical sectors, embedding ESG principles enables ADQ to manage material risks, unlock growth

opportunities, and align with both UAE national priorities and global sustainability frameworks. As part of our qualitative analysis of responsible investment as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

| Material Topic | Key Risks | Key Opportunities |
|--|--|--|
|  <p>Responsible investment</p> | <ul style="list-style-type: none"> Mispricing of sustainability risks in investment decisions | <ul style="list-style-type: none"> ESG-integrated portfolio strategies enhancing risk-adjusted returns Growing demand for impact and sustainability-linked products Access to green capital and sustainability-themed funds |

Responsible investment is embedded across the full investment lifecycle from due diligence to active ownership. This ensures capital allocation supports resilient, future-ready businesses. Throughout the year ADQ has performed ESG Due Diligence on every new investment, ensuring sustainability


is appropriately priced into investment decision whilst strengthening the portfolio's ESG integration. ADQ also sets clear ESG expectations for portfolio companies, reinforcing accountability and long-term impact.

Spotlight:

- Food Security and Climate Resilience:** Invested in **desert-adapted seed R&D** through partnerships like **Limagrain**, supporting sustainable agriculture in arid environments.
- ESG Governance:** Robust internal ESG reporting and rating mechanisms, facilitating training across its portfolio to embed responsible practices and improve transparency.

Ensuring resilient and responsible supply chains is essential for maintaining continuity in vital areas such as food, pharmaceuticals, and infrastructure. ADQ prioritizes supply chain resilience through global acquisitions and strategic partnerships, reinforcing

security and sustainability across its network. This commitment reflects our approach to responsible business practices, mitigating risks, upholding ethical standards, and fostering innovation to deliver long-term value for stakeholders and the nation.

| Material Topic | Key Risks | Key Opportunities |
|--|--|--|
|  <p>Supply Chain Management and Responsible Sourcing</p> | <ul style="list-style-type: none"> ESG violations in supplier operations (labor, deforestation) Supply disruptions from climate or geopolitical risks Lack of traceability or verified data | <ul style="list-style-type: none"> Supplier ESG engagement and auditing programs Digital traceability tools enhancing transparency |

As part of our qualitative analysis of responsible investment as a material topic, ADQ identified the above risks and opportunities impacting portfolio companies and at the group-level.

Responsible sourcing ensures ADQ and portfolio companies mitigate against climate-related risks, promote inclusion, uphold human rights requirements, and comply with environmental laws and regulations. Effective supply chain management provides key opportunities for robust and traceable systems that provide insights for decision making and performance management. Particularly in sectors such as food and agriculture, manufacturing and healthcare, it is critical to embed and maintain robust systems to reduce supply chain disruptions from climate and geopolitical risks.

ADQ remains committed to strengthening accountability, driving inclusion, and setting higher standards for social stewardship through the supply chain. We acknowledge the deep interconnection between human rights, supply chain management, health and safety, and talent development. ADQ and portfolio companies adhere to national and global frameworks in relation to these topics, refer to Ethics, Integrity & Compliance for more information. Strengthening this interoperability enables a more resilient and responsible operating model.



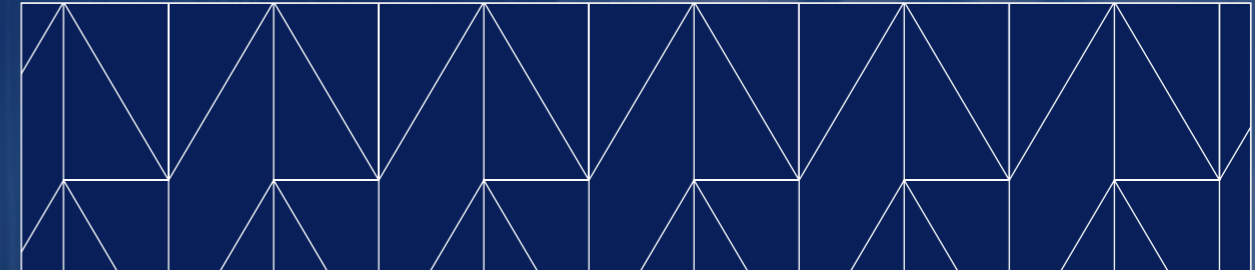
Sustainable investing has reached an inflection point. Markets are no longer rewarding growth at any cost. They are pricing in resilience, transparency, and long-term stewardship. When we view sustainability as a catalyst for innovation and operational excellence, we uncover opportunities that conventional financial analysis alone cannot see. The winners of the future will be those who allocate capital toward assets and businesses that solve real-world challenges while creating lasting economic value.

Dr. Jaap Kalkman
Group Chief Investment Officer





Ethical Governance and Risk Management



Strong governance and effective risk management are foundational to enabling ADQ's Sustainable Investing strategy. As a diversified investment group, ADQ operates across critical sectors where ethical conduct, transparency, and robust oversight are essential to maintaining trust and resilience. By embedding governance principles and comprehensive risk frameworks, ADQ mitigates legal, regulatory, and reputational risks while enabling informed decision-making. These practices not only safeguard value but also empower ADQ to deliver long-term sustainable outcomes for stakeholders and the UAE economy.

- ▼ Ethics, Integrity & Compliance
- ▼ AI & Technology
- ▼ Governance, Risk & ESG Disclosure



Ethics, Integrity and Compliance


We recognize that a strong foundation of ethics, integrity, and compliance is essential not just for meeting regulatory requirements, but for building a resilient organization that can adapt to future challenges. By embedding these values into every aspect of its operations, ADQ aims to proactively manage risks, foster innovation, and maintain the confidence of our stakeholders.

As part of our qualitative analysis of ethics, integrity & compliance as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

ADQ upholds high standards of ethical conduct and compliance, fostering a culture of transparency and accountability through clear policies, training, and governance oversight. ADQ is guided by internationally recognized standards and laws such as:

- ▼ OECD principles
- ▼ UN Global Compact
- ▼ FCPA
- ▼ UK Bribery Act
- ▼ ISO 37001/37002/37301
- ▼ UAE Federal Law

ADQ's key initiatives include company-wide ethics training, robust third-party due diligence, a whistleblowing system, and regular fraud risk assessments to prevent corruption, bribery, and other unethical practices. ADQ assesses 100% of its operations for corruption risks each year, maintains compliance registers, and has reported no significant risks or corruption incidents to date. The 2025 target is to maintain full risk assessment coverage and continued zero-incident performance.

| Material Topic | Key Risks | Key Opportunities |
|--|--|---|
|  <p>Ethics, Integrity and Compliance</p> | <ul style="list-style-type: none"> ▼ Corruption, bribery, or ethical breaches ▼ Product safety and quality failures ▼ Misleading disclosures damaging investor confidence | <ul style="list-style-type: none"> ▼ Strengthened ethics and compliance frameworks ▼ Enhanced stakeholder trust and risk mitigation |



Governance, Risk and Disclosure

Strong governance and transparent ESG disclosure are critical for ADQ's to maintain investor confidence, regulatory compliance, and access to capital. As a diversified investment group, ADQ faces complex risks across multiple sectors. Robust governance frameworks and integrated risk management enable informed decision-making, while transparent reporting ensures accountability and alignment with global standards. These practices are essential enablers of ADQ's Sustainable Investing strategy and long-term value creation.

As part of our qualitative analysis of governance, risk & disclosure as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at Group-level.

The ADQ Sustainable Investing Center of Excellent (CoE) is responsible for engagement and management of relationships with portfolio companies across sustainability topics. They report into the strategy and management function of ADQ ensuring progress, performance and risks are escalated to those charged with governance. The CoE also ensures appropriate disclosure and reporting is maintained for ADQ and across the portfolio.

| Material Topic | Key Risks | Key Opportunities |
|--|---|---|
|  <p>Governance, Risk & ESG Disclosure</p> | <ul style="list-style-type: none"> Insufficient board oversight of ESG risks Poor data quality or inconsistent reporting (including Greenwashing and regulatory non-compliance risks) | <ul style="list-style-type: none"> Robust ESG governance and oversight structures including specific ESG performance targets and tracking Integrated, technology driven risk management across portfolios |

Governance



Risk

Over the past year ADQ continued to build on the foundations of ESG risk management at group and portfolio company level. ESG risks are managed both from an asset owner aspect and investor aspect.

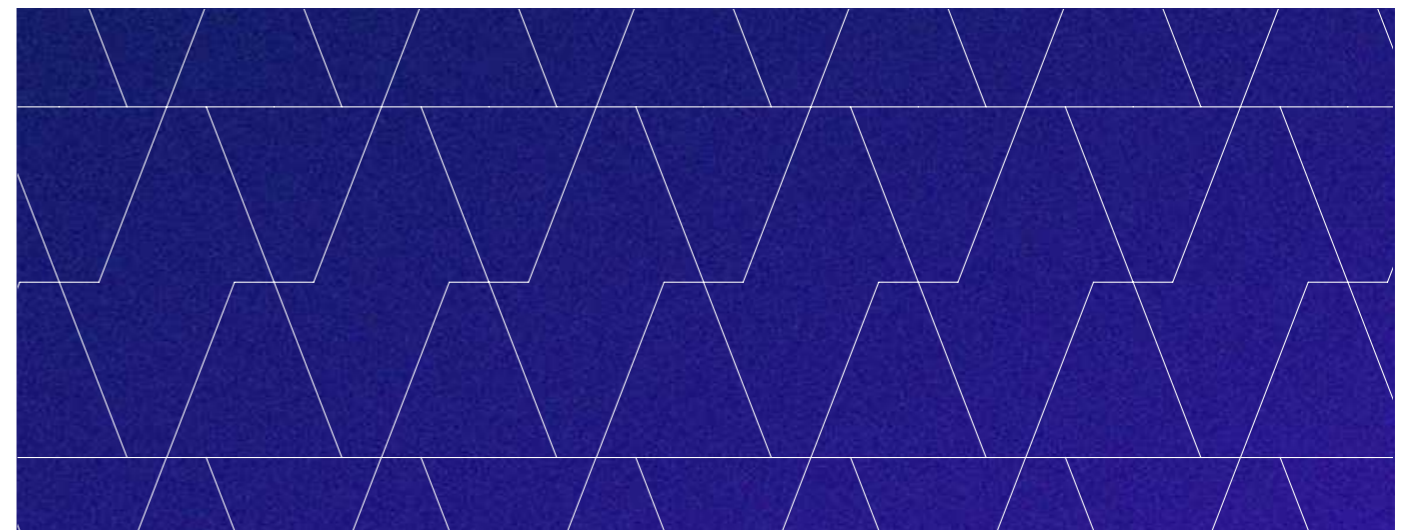
As part of an integrated approach to sustainability, ADQ's Risk Management team has developed a climate change model for strategic business adaptation, helping to translate environmental projections into practical insights for decision-makers. By applying established frameworks such as Enterprise Risk Management (ERM) alongside climate change scenarios, ESG considerations can be assessed and linked directly to business strategies and operations.

The initial climate change study covered the Transport & Logistics cluster and has since been expanded to include the Food & Agriculture cluster. This is due to the sector's sensitivity to climate risks such as water scarcity, shifting weather patterns, and supply chain pressures. This extended scope ensures that the analysis captures the risks and opportunities most relevant to critical parts of the portfolio.

To support this effort, the team has designed and launched a Baseline Sustainability Risk Assessment Tool. The tool provides a consistent way to identify and prioritize material topics across portfolio entities and forms the basis for more detailed assessments where required.

In addition, quantitative models have been developed to begin testing climate and ESG scenarios to bolster risk analysis. Through these models the effects of different climate and ESG scenarios on material topics, business plans and long-term strategies can be examined to provide decision-useful insights. These models allow management teams to explore potential outcomes, prepare for disruptions, and understand the resilience of their plans under varying conditions.

Taken together, the methodology combines climate analysis, baseline assessments, and scenario testing to help portfolio companies anticipate, manage, and adapt to sustainability risks. By grounding decisions in data and forward-looking analysis, we are supporting strong ESG performance, value preservation, and building resilience for the future at the Group and portfolio level.



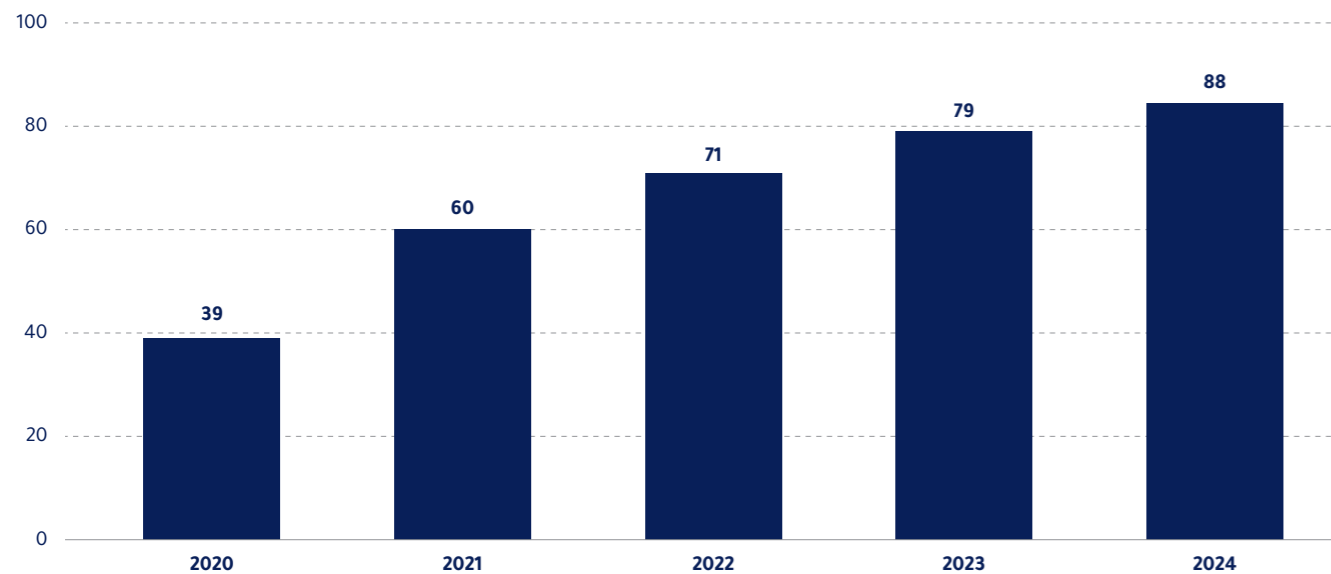
Performance Management

To ensure ESG is prioritized as a principal topic, each portfolio company has ESG performance included on their balanced scorecard. Embedding ESG in performance ensures a culture and expectation of progress and improvement across ESG topics is maintained.

ADQ has developed the Sustainable Investing Index with two KPIs embedded in the annual scorecards for ADQ group and companies: GHG emissions management and ESG rating score. Through these two measures the critical focus on decarbonization is maintained whilst also maintaining a holistic view on ESG performance.

Group performance

The results show consistent improvement in ESG rating at a group level of ~11% from 2023 driven by strong portfolio performance. With the score from 2020 showing the efficacy of strong implementation of ESG policies and strategies across the Group.



Cluster Performance

The concerted efforts to both grow and maintain ESG performance through the clusters is reflected in the 2024 ESG performance scores. Whilst the majority of clusters such as Sustainable Manufacturing, Logistics and Energy & Utilities maintained high performance; Financial Services, Food & Agriculture and Healthcare & Life Sciences showed great improvement. This performance reflects the maturity and stability of portfolio companies in their ESG performance year on year.



Financial Services

38% improvement driven by enhancements to data collection and governance procedures.



Food & Agriculture

16% improvement driven by implementation of energy and water efficiency initiatives in production.



Healthcare & Life Sciences

50% improvement driven by effective decarbonization initiatives, strengthened governance procedures and data collection mechanism.

Ethical Use of AI and Technology

As part of our qualitative analysis of ethical use of AI and technology as a material topic, ADQ identified the following risks and opportunities impacting portfolio companies and at the Group-level.

| Material Topic | Key Risks | Key Opportunities |
|-----------------------------------|---|---|
| <p>AI & Technology</p> | <ul style="list-style-type: none"> Algorithmic bias or ethical misuse of AI Technology obsolescence impacting efficiency Cybersecurity breaches and data privacy violations Inaccuracies from AI outcomes | <ul style="list-style-type: none"> AI-driven efficiency and predictive maintenance Improved ESG analytics and risk forecasting Sustainable operations Digital transformation enabling low-carbon operations aligned with UAE government ambitions |

Throughout the year, ADQ has advanced initiatives to manage AI and technology-related risks while unlocking their potential to drive sustainable growth. These efforts are implemented at the group level and cascaded across portfolio companies to ensure alignment with ADQ's and the UAE's long-term objectives.

ADQ launched the Sprint AI Program to serve as a catalyst for accelerating the Data & AI and Innovation transformation across ADQ portfolio companies by embedding advanced data and innovation capabilities and AI-driven solutions into their core business operations. It aims to create measurable value, foster innovation, enhance competitiveness, and position our companies for long-term growth in a data-centric economy.

Strategic objectives:

1. Accelerate Data & AI transformation and Innovation and R&D delivery
2. Drive value creation and competitive advantage enabled by data-driven decision making
3. Nurture and develop Data, AI and Innovation talents and culture
4. Maximize operational efficiency and cost savings while unlocking the full financial value of AI-driven use cases

5. Drive portfolio-wide collaboration by empowering seamless, centralized data access and secure sharing across the portfolio
6. Strengthen data governance practices and build scalable and reusable AI capabilities that eliminate duplication across the ADQ portfolio

The Sprint AI program continues to gather momentum with 54 use cases identified across the portfolio ranging from AI-powered fleet management to models for personalized customer experience.

| Cluster | Use cases identified |
|----------------------------|----------------------|
| Energy & Utilities | 19% |
| Sustainable Manufacturing | 9% |
| Food & Agriculture | 24% |
| Healthcare & Life Sciences | 13% |
| Financial Services | 9% |
| Transport | 19% |
| Logistics | 5% |

Outside the Sprint AI Program, key initiatives include:

- AiQ - ADQ's AI Knowledge Agents**

AiQ is ADQ's secure AI platform for knowledge discovery and information retrieval, enabling data-driven decision-making and operational efficiency. By fostering collaboration and informed resource management, AiQ contributes to sustainable practices and supports the UAE's vision for responsible, technology-enabled growth.
- Q - ADQ AI Board Member**

Q acts as an AI advisor to the Board, enhancing strategic oversight and governance. By providing actionable insights, Q strengthens decision-making processes that underpin resilient and sustainable business strategies.

- ADQ Enterprise Data Platform**

This centralized data lake integrates enterprise-wide information to optimize analytics, improve security, and enable sustainability-focused insights. By consolidating ESG and operational data, the platform supports smarter decisions that advance environmental goals and accelerates the UAE's transition to a digital, sustainable economy.
- Portfolio specific initiatives**

A range of company specific initiatives have been identified from AI-powered predictive maintenance for nuclear power plants at ENEC to an autonomous decision-making platform for airport operations at Abu Dhabi Airports. Initiatives that drive efficiency, innovation and growth have been prioritized aligned with ADQ and the UAE's growth strategy.

Cybersecurity

ADQ has established a Cybersecurity CoE to pool expertise and address real-world cybersecurity challenges, with a focus on practical guidance, collaboration, and developing example solutions. Our cybersecurity program embeds rigorous third-party risk management to ensure suppliers and partners meet our security and sustainability standards throughout the value chain. In addition, new KPIs have been introduced across the Group, covering areas such as cybersecurity governance, risk and compliance, user training effectiveness, and incident response. This forward-looking move enables ADQ to proactively address evolving cyber risks, foster collaboration,

and embed measurable resilience across its operations - reinforcing its ambition to lead in digital transformation and sustainable value creation.

Looking Forward, ADQ is developing Agentic AI Security Guidelines to ensure the safe and responsible use of advanced AI, protecting employees, customers, and stakeholders by strengthening data privacy, compliance, and long-term digital resilience. Additionally, ADQ is assessing and preparing for post-quantum cryptography to safeguard long-term data resilience as emerging quantum technologies evolve.





Looking
to the Future

As ADQ continues to strengthen its sustainability performance and resilience, our forward-looking efforts will prioritize deepening our understanding of climate-related risks and enhancing our role as an active steward across our investment portfolio. The following strategic actions will guide our progress:

Enhance the Sustainable Investing Roadmap

ADQ will strengthen its Sustainable Investing Roadmap by refining priority themes, reinforcing governance, and expanding portfolio-level integration. This will ensure clearer guidance for portfolio companies and a more consistent, long-term approach to sustainable value creation.

Physical Climate Risk Assessments

ADQ will deepen its physical climate risk assessments across assets to identify exposure to climate hazards and prioritize resilience measures. Insights will be integrated into enterprise risk management, capital planning, and operational strategies.

Embed Agentic AI in Core Activities

We will embed agentic AI tools into active stewardship, KPI monitoring, and capacity-building workflows to enhance analytical depth, responsiveness, and scalability. These capabilities will support faster insights, more proactive engagements, and improved sustainability performance across the portfolio.

Develop an Impact Framework

We will design a unified Impact Framework to measure, manage, and communicate the positive environmental and social outcomes of our investments. This framework will support better decision-making, transparent reporting, and alignment with global standards.

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.

