

2022 ESG REPORT

Environmental, Social, and Governance

adnecgroup.ae



ADNECGROUP

ESG Pledge

“Create long-term value for all our stakeholders through consciously ethical and sustainable practices across our group activities”

ADNEC Group

Part of ADQ, ADNEC Group is one of the region's largest international holding companies with a diverse portfolio of major enterprises focusing on the tourism industry. The Group is based in Abu Dhabi with a presence in the UAE, Saudi Arabia, Jordan, the UK and Germany.

The Group successfully manages a diverse portfolio of renowned world-class venues, international events, five and four star hotels, food and beverage businesses, events services, and a specialized leisure tourism group of companies. We deliver best-in-class services and are always eager to exceed stakeholder expectations.



Our Vision

A leading international group that aims for sustainable tourism growth.



Our Mission

We bring business and leisure travellers together to create memorable experiences. We invest to optimise asset returns.

The company operates across six different clusters:

Events, venues, hotels, F&B, services and tourism.

ADNEC

مجموعة أدنيك GROUP

ADNEC VENUES



مركز العين للمؤتمرات
AL AIN CONVENTION CENTRE

EXCEL
LONDON

ADNEC EVENTS



ADNEC HOTELS



الأصول للاستثمار والسياحة ذ.م.م.
Tourism Investment Assets L.L.C.



JV Hotels

ADNEC F&B



ADNEC SERVICES



ADNEC TOURISM



ADNEC MEDIA



GROUP STRATEGY

How to win: our strategy has been developed around three key drivers:

Organic growth: with the aim of continuously exceeding stakeholder expectations, through an innovative and competitive service offering and efficient and effective processes. The strategy aims to grow our portfolio of regional and international events, exceed industry standards for utilization and yield, optimise the financial return of our hotels, and expand our market share across our clusters: tourism, F&B and services. Within this strategy, we develop successful partnerships with customers, partners and suppliers. We take a participatory approach and aim for long-term returns and benefits for all parties through the diversification into new products and services.

Non-organic growth: driven by investments and/or mergers and acquisitions. Our investment pipeline is diverse and includes hotels, tour operators, online travel agencies, venues, catering providers, suppliers, land and others. The investment strategy has been developed around financial return and strategic fit criteria. The purpose of our investment strategy is to help the business to grow substantially, to add new assets to the group portfolio, and to capitalize on synergy and scale.

Innovation, sustainability and digital transformation: through investing in creating an innovation culture that encourages ideation, focuses on ESG practices and acts as a responsible organisation, in addition to developing technology platform for our businesses.

Over the period from 2023 to 2027, the Group's strategy is to grow the business substantially, diversify our portfolio, expand our geographic presence, and capitalize on synergies and integration. The Group's mandate has grown from business tourism (events) to leisure tourism with an expansion in the hotel, F&B and services sectors.

Group Strategic Goals:

1. Sustain financial growth across business lines
2. Grow a sustainable events business
3. Grow a sustainable tourism business
4. Grow a sustainable hospitality and F&B business
5. Grow a sustainable services business
6. Act as a responsible organisation
7. Manage and optimise portfolio assets
8. Optimise human, technological, and financial resources



Group Strategy Overview

Our Vision

A leading international group that aims for sustainable tourism growth.

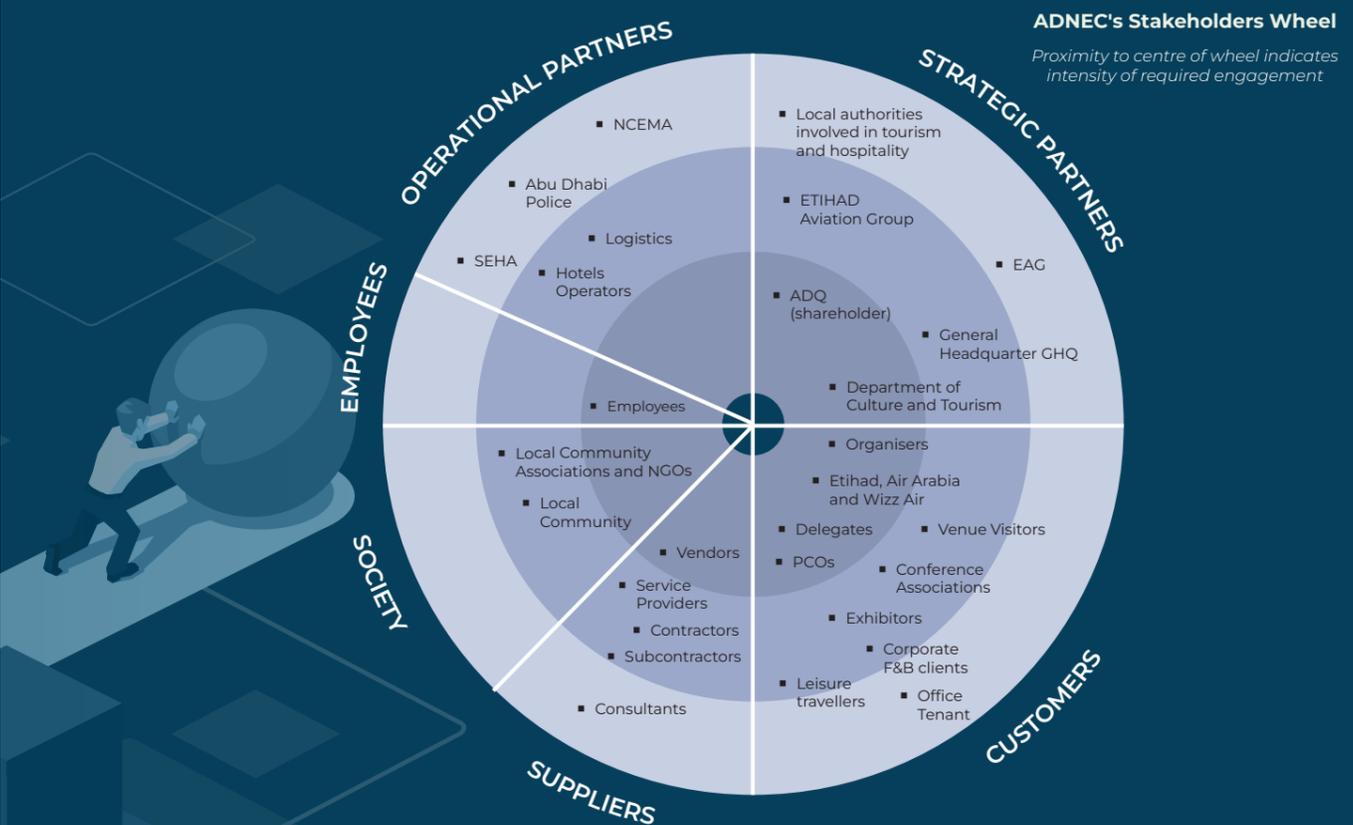
Our Mission

We bring business and leisure travellers together to create memorable experiences. We invest to optimise asset returns.



ADNEC's Stakeholders Wheel

Proximity to centre of wheel indicates intensity of required engagement



ADNEC Group ESG Strategy

A 3-step Approach Towards an ESG-driven Business Strategy

Sustainability and ESG certifications, labels and frameworks have gained in popularity as transparency and stakeholder expectations become more important. A comprehensive approach in ESG driven organisation and strategy should take into account all 3 of these pillars.

Pillar 1 Materiality and Strategy Setting	Pillar 2 Reporting	Pillar 3 Accreditation
<p>For a company to establish and deliver its sustainability journey, several key activities need to be conducted first as they present prerequisites for a clear and coherent strategy.</p> <p>Carbon Footprint Assessment All players should know their environmental footprint to assess their impact on the climate and society. A scope 3 analysis will present emission heavy aspects and will thus provide reduction indicators. Many tools and providers on the market offer GHG accounting services.</p> <p>Materiality Matrix The materiality assessment helps stakeholders to find out how important specific environmental, social or governance issues are to them. The assessment combines this view with an understanding of the impact of these issues to the organisation's financial and strategic success. A double materiality assessment can also be conducted to further consider the impact of these issues to the society.</p> <p>SDG Prioritization and Target Setting To develop an ESG strategy a company needs to determine its main priority areas and goals in line with its values and its materiality. Here, the UN Sustainable Development Goals present an internationally recognized framework, with specific targets, that the organisation can work towards – including other key mandates that the organisation specifically contributes to.</p>	<p>Sustainability reporting becomes mandatory for organisations in all sectors and sizes. The public and private sector demand for transparency and some organisations offer third party accreditation services to avoid greenwashing and promote collaborative action. Some of these organisations are SBTi, CDP, Ecovadis, ACT, GRI, etc.</p>	<ul style="list-style-type: none"> To take the sustainability accreditation even further some companies, mainly stock exchange companies, also aim for ESG recognition. This gives investors additional confidence of the organisation's management capabilities and commitments in line with the rating agencies ESG guidelines and standards. ESG ratings are based on environmental, social and governance pillars which are all covered in step 1 and 2 of the recommendations. The most popular ESG rating companies are MSCI and Sustainalytics.

Overarching Framework for ESG at ADNEC Group

ADNEC Group's ESG Framework and Strategy is based on aligning primarily with the ADNEC Group Strategy and ADQ direction.

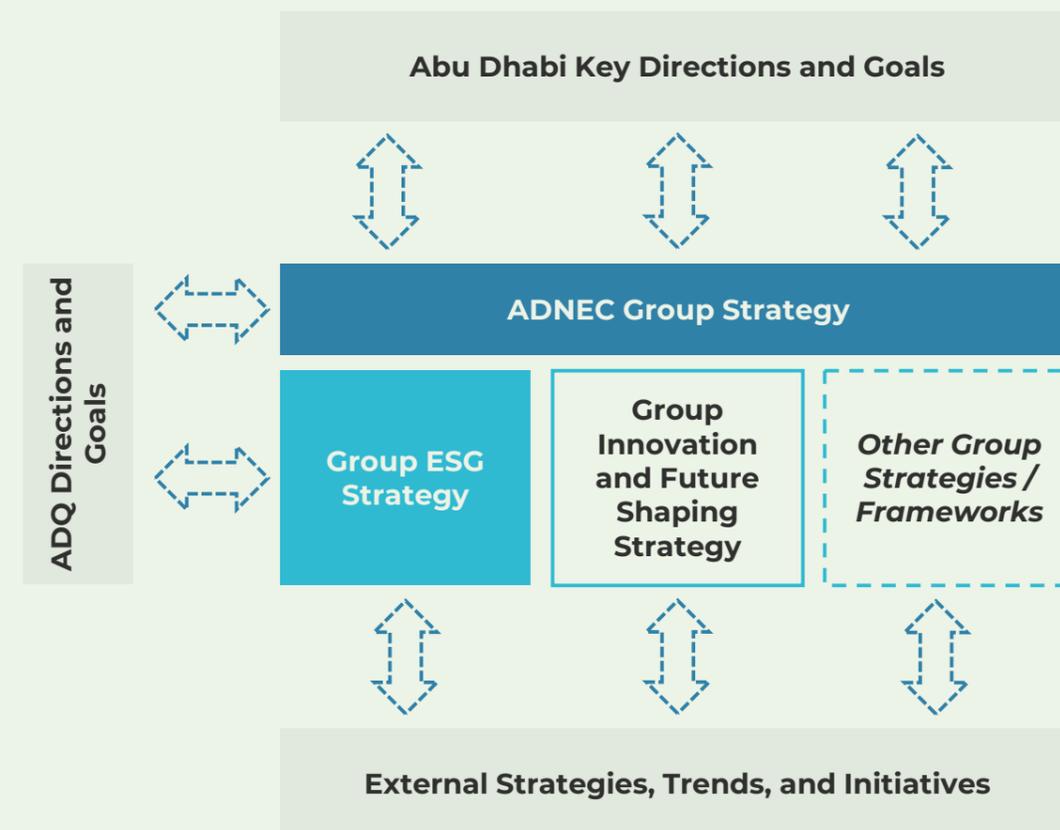
Through these strategies, ADNEC Group sets its overarching vision and aspirations for ESG, and informs this strategy through the priorities and principles of its shareholders and other relevant external directions (e.g. UN SDG, Net Zero Carbon Events and others).

Based on the Group ESG Strategy, various sub-strategies and plans are identified and championed across the Group, in order to deliver the Group's ESG goals.

Each subsidiary / business cluster contributes to the Group ESG Strategy and may determine its own goals and plans in alignment with the Group – considering its own unique set of material topics and stakeholder needs.

Developing and managing the ADNEC Group's ESG Strategy consists of three key activities that are further described in this document:

1. Strategy Definition
2. Implementation and Reporting
3. Governance and Control



Creating Change Across ADNEC Group Through ESG

ADNEC Group is one of the region's largest holding companies with a diverse portfolio of major enterprises spanning key sectors of Abu Dhabi's non-oil economy.

Together, the Group establishes its ESG Strategy that outlines the key topics and strategies to driving internal and external change across the 3 pillars of ESG: Environmental, Social, and Governance.



By adopting a methodical approach based on international standards and practices, ADNEC Group has outlined key material topics that need to be addressed by the Group, around which the ESG strategy is formulated.

This document further outlines how ADNEC Group identified these material topics, and the goals, and actions that it aims to take in order to address them over the coming years.

Key Terms and Methods Applied in Developing ADNEC Group's ESG Strategy

Group ESG Model

The Group ESG Model is based on international guidelines for ESG integration and reporting and leverages the Group's existing practices for corporate strategy definition and management practices. The model constitutes three main activities described below:

1. Strategy Definition; this covers the activities related to defining the material ESG topics, goals, and plans for the Group.
2. Implementation and Reporting; this covers the activities for managing and overseeing the action plans, as well as the reporting to key stakeholders.
3. Governance and Control; this covers the internal management and alignment of the Group's ESG activities.



ESG Strategy Definition Process

1 Conduct a Materiality Assessment	2 Establish the Baseline	3 Define the Vision and Goals	4 Develop the Plans and Roadmap
Key Activities & Outputs			
<ul style="list-style-type: none"> Contribution to National and International Mandates; this represents the key inputs and directions for ADNEC Group's ESG strategy and what the organisation needs to align to. Material ESG Topics; this represents the critical topics that ADNEC Group's ESG strategy must address. 	<ul style="list-style-type: none"> Baseline Cards; this is a tool used to help further describe each of the material issues, their relevance and context within ADNEC Group's – and the key associated risks and opportunities. 	<ul style="list-style-type: none"> Pledge; this represents the Group's vision or aspiration for ESG. Priority Areas; these represent the main themes around which ADNEC Group's ESG goals will be defined – and which are determined based on the Group's pledge. Goals; these are the specific outcomes that the Group aspires to achieve as part of its ESG Strategy. Key Success Factors; these are the elements that the Group must address within each goal, and which help to better describe the actions or milestones that must be achieved to meet the goal. 	<ul style="list-style-type: none"> Action Plan; this describes the programmes, projects, and initiatives that need to be delivered in order to deliver the Group's ESG Strategy.

Overview of National and International Mandates

In developing its ESG framework and strategy, ADNEC Group aims to align with key local and international mandates that help it ensure its goals are contributing to a broader positive impact across all its stakeholders

SECTOR	SCOPE	TITLE	OVERVIEW
General	International	United Nations Sustainable Development Goals (UNSDG)	The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership.
		United Nations Global Compact (UNGC)	The United Nations Global Compact is a non-binding United Nations pact to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. It consists of ten principles which are derived from: the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.
	National	UAE's Principles of the 50	The Principles of the 50 are 10 principles that act as guidelines for all institutions in the UAE as the country approaches a new phase of development over the next 50 years. They are part of the 'Projects of the 50' campaign, to chart the strategic roadmap for the UAE's new era of economic, political and social growth.
		UAE Net Zero 2050	The UAE Net Zero by 2050 strategic initiative is a national drive to achieve net-zero emissions by 2050, making the Emirates the first Middle East and North Africa (MENA) nation to do so.
		Abu Dhabi Economic Vision 2030	The Government of Abu Dhabi announced a long-term plan for the transformation of the emirate's economy, including a reduced reliance on the oil sector as a source of economic activity over time and a greater focus on knowledge-based industries in the future. Entitled 'Abu Dhabi Economic Vision 2030', it identifies the Government's immediate economic priorities.
		Abu Dhabi Environment Vision 2030	The Environment Vision 2030 was developed to ensure integration among the three pillars of sustainability: environmental, economic and social vision. It aims to preserve and enhance Abu Dhabi's natural heritage in the efficient use of resources and contribute to a better quality of life for all.
		ADQ ESG Guidelines	ADQ's ESG guidelines are build around ensuring each organisation within its portfolio of assets is adhering to the guidelines that ADQ has set for ESG – whereby the organisation reviews and assess each organisation across pre-determined ESG topics.

Related Sector	International	Net Zero Carbon Events (NZCE)	Participants from within our industry signed a pledge committing to support the goal of net zero greenhouse gas (GHG) emissions by 2050, in line with global efforts set out by the Paris Agreement to limit warming to 1.5°C and reduce total global GHG emissions by 50% by 2030, and to advocate for industry efforts throughout the value chain to achieve the same.
	National	ADNEC Group Strategy	ADNEC Group strategy represents the organisation's overarching aspirations for growth and prosperity and outlines its aspirations towards sustainability.

Alignment to National Mandates

TITLE	ADNEC Group's Role and Contribution
 UAE's Principles of the 50	<p>Through its mandate as a key player in the events, tourism and hospitality industries, the group plays a major role in promoting Abu Dhabi and the UAE's positioning as a destination of business and various sector stakeholders.</p> <p>Through this mandate, it directly contributes to the following principles – while respecting and supporting the all the other principles:</p> <ul style="list-style-type: none"> • The Fourth Principle: related to human capital development • The Sixth Principle: related to promoting the UAE as a destination for tourism, investment, and industry • The Eighth Principle: related to protection of human rights.
 UAE Net Zero 2050	<p>The UAE Net Zero 2050 strategic initiative aligns with the Paris Agreement, which calls on countries to prepare long-term strategies to reduce greenhouse gas (GHG) emissions and limit the rise in global temperature to 1.5 C compared to pre-industrial levels.</p> <p>Through its ESG strategy, ADNEC Group recognises the need for climate action in line with the Paris Agreement and other mandates, and has set goals and actions towards a Net Zero carbon footprint for its events as well as other areas of its supply chain throughout the group.</p>
 Abu Dhabi Economic Vision 2030	<p>The group's mission is "to maximise the social and economic benefits to Abu Dhabi's tourism sector through synergistically managing a group of business entities to provide and maintain world-class facilities and services that exceed shareholder and stakeholders' expectations."</p> <p>As a group of companies operating across six business clusters: venues, events, hotels, F&B, services, and tourism; ADNEC Group supports the economic diversity and stability of Abu Dhabi and the UAE – providing exceptional opportunities for local and international customers and stakeholders.</p> <p>ADNEC Group regularly communicates its economic and social impact through its annual report, in which it reports its gross value add (GVA), international visitors, deals' value amongst other KPIs, and through its public announcements.</p>

TITLE ADNEC Group's Role and Contribution



Abu Dhabi Environment Vision 2030

The Abu Dhabi Environment Vision outlines five priority areas that need to be addressed in order to tackle environmental concerns. ADNEC Group, through its ESG strategy, directly contributes to the some of these priority areas – while supporting the others through its normal course of business activities. These priority areas include:

1. Climate Change
2. Clean air and noise pollution
3. Water resources
4. Biodiversity
5. Waste management



ADQ ESG Guidelines

ADNEC Group participates regularly in ADQ's ESG assessment process and provides performance reports and key updates on its ESG progress throughout the year.

ADNEC is currently ranked 4th (2022) amongst the 32 ADQ portfolio companies within the related sector, an improvement from 12th place a year prior (2021). ADQ assess the company's performance across 17 ESG topics that include: Environmental Management, Energy Consumption, Waste Management Customer Relations, Supply Chain Management, Training & Development Human Rights Violations, Equal Opportunity Community Initiatives Board of Directors, Anti-Competitive Practices and Nationalization.



ADNEC Group Strategy

The Group's core leadership philosophy is centered around sustainability, where its group level objective nr.6 is to "act as a responsible organisation" (in terms of ESG pillars) and where similar objectives are reflected in each of the business cluster's strategies.

In line with this objective, ADNEC Group reports its specific clusters' ESG scores and compliance metrics across specific priorities.



Alignment to International Mandates

ADNEC Group's Role and Contribution

ADNEC Group has been long committed to improving its sustainability outcomes and impact and has used the UNSDG as a compass towards achieving this aspiration. Through the business activities carried out across the group, and in line with its ESG framework and strategy, ADNEC Group contributes to the following UNSDG Goals:



United Nations Sustainable Development Goals (UNSDG)

- SDG 3. Good Health and Well-being
- SDG 5. Gender Equality
- SDG 7. Affordable and Clean Energy
- SDG 8. Decent Work and Economic Growth
- SDG 9. Industry, Innovation, and Infrastructure
- SDG 10. Reduced Inequalities
- SDG 11. Sustainable Cities and Communities
- SDG 12. Responsible Consumption and Production
- SDG 13. Climate Action
- SDG 15. Life on Land
- SDG 16. Peace, Justice and Strong Institutions
- SDG 17. Partnerships for the Goals



United Nations Global Compact (UNGC)

ADNEC Group has taken into consideration each of the ten principles that form the UNGC and has reflected them as part of its material ESG topics. The ten principles cover topics related to: human rights, labour, the environment, and anti-corruption.

In addressing its material ESG issues, ADNEC Group has identified goals and initiatives that align with each of the applicable principles and in consideration of local laws and regulations.



Net Zero Carbon Events (NZCE)

In 2021, ADNEC Group announced its participation in the Net Zero Carbon Events initiative, a global initiative which aims to bring together a wide range of industry stakeholders to jointly tackle climate change and drive towards net zero by 2050.

In pursuit of this aim, before the end of 2023 ADNEC Group undertakes to publish its roadmap to achieve this goal. The Pledge was officially launched and announced in November 2021, as part of the UN Climate Change Conference (COP26) – and the roadmap for NZCE was announced during the subsequent COP27.

Materiality Assessment

Overview of the ESG Topics Included in the Materiality Assessment

Sustainability and ESG certifications, labels and frameworks have gained in popularity as transparency and stakeholder expectations become more important. A comprehensive approach in ESG driven organisation and strategy, should take into account materiality, reporting and accreditation.

As part of our materiality assessment step, 66* people responded to our survey that consisted of internal and external stakeholders, asking them to rate the relevance of key ESG topics. 60% of the respondents were internal stakeholders and 40% were external stakeholders.

The impact to the business was determined based on the understanding of the group's overarching strategy, business activities, and through discussion with key internal stakeholders. The result is taken primarily from the perspective of ADNEC Group as a holding entity.

ENVIRONMENT

1	Air pollution	The contamination of air due to the presence of substances in the atmosphere that are harmful to the health of humans and other living beings, or cause damage to the climate or to materials.
2	Desertification	Land degradation in which biological productivity is lost due to natural processes or induced by human activities whereby fertile areas become increasingly arid.
3	Ecosystem biodiversity	The variety of ecosystems, by their nature and number, where living species interact with their environment and with each other e.g. oceans, rivers, forests, wildlife etc.
4	Energy efficiency	The use of less energy to perform the same task or produce the same result.
5	Food waste	Food that is discarded because it was not consumed or lost at some other point in the process.
6	GHG / carbon footprint	Represents all emissions of gases such as carbon dioxide, methane etc across the organisation's value chain.
7	Noise pollution	The propagation of noise that has an impact on the activities of human or animal life in the surrounding areas.
8	Non-food waste	All other waste (such as municipal, industrial or agricultural) generated during or after a business activity or event.
9	Renewable energy	Energy derived from natural sources that are replenished at a higher rate than they are consumed such as solar and wind.
10	Sustainable materials	Materials that are produced from raw materials that are renewable, and sourced in a manner that does not negatively impact the environment or decrease the supply of that material permanently.
11	Water conservation	The practice of using water efficiently to reduce unnecessary water usage, loss, and waste.

SOCIAL

1	Community engagement	Looks at the impact and legacy on the community, and how communities are given a voice.
2	Community initiatives	Working together with members of society and other institutions to advance communities and foster a sense of belonging, stewardship, and willingness to act for the common good.
3	Customer relations	Company-wide process of nurturing positive relationships with customers and ensuring that customer concerns and complaints are treated and resolved fairly.
4	Discrimination	The unfair or unequal treatment of a person, or group of people, based on natural characteristics such as ethnicity, gender, or age.

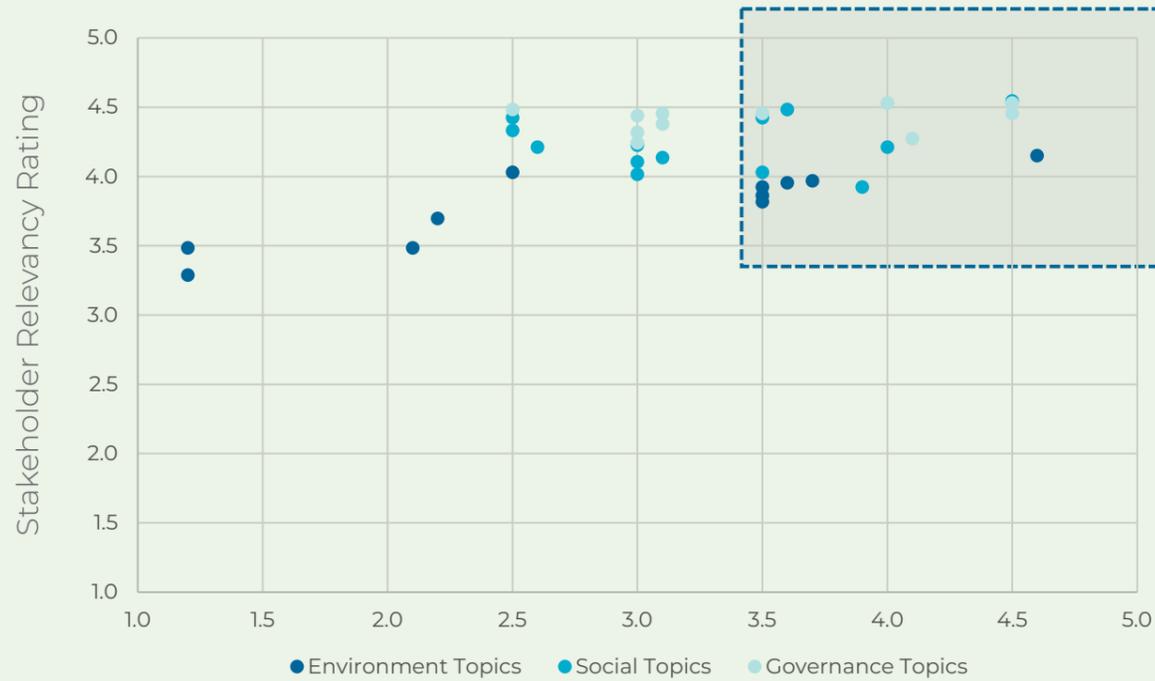
5	Emirati culture and identity	Preservation and promotion of the UAE's tangible and intangible heritage of a community intact, and promoting them to people who might be unaware of them.
6	Emiratization	Employment and development of UAE citizens.
7	Employee training and development	Supporting employees to become better at their jobs and overcome performance gaps that are based on lack of knowledge or skills.
8	Equal opportunity	The policy of giving everyone the same opportunities for employment, pay, and promotion, without favouring any person or group of people.
9	Gender balance	The fair representation of women in the workplace and the encouragement of women in leadership roles.
10	Localization	Encouraging partnership with locally-based suppliers and business partners in order to strengthen economic growth, diversity and sustainability.
11	Product and service innovation	The introduction of a new or significantly-improved product or service to the organisation's customers and stakeholders.
12	Workforce wellbeing	Relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their workplace dynamics and interactions, and the overall climate at work.
13	Work-life balance	Balance where a person equally prioritizes the demands of one's career and the demands of one's personal life.

GOVERNANCE

1	Accurate and timely communication	How well communicators create verbal and nonverbal messages that are understood by others and how well those messages are recognized, comprehended, recalled, and interpreted.
2	Business continuity	Outlines the company's response when faced with certain events, in order to ensure that business activities, products, and services are maintained with minimal to no disruption.
3	Business ethics and values	Aligning the behaviours and culture of the organisation with the values it champions, and applicable international values.
4	Corporate governance	The set of authorities, policies, and procedures that ensure the company rules, standards, values, controls, and oversight are clearly outlined and that they serve the interests of the shareholders, the Board, and stakeholders.
5	Data security and integrity	Protection of company, stakeholder and individual data, while data integrity refers to the trustworthiness and reliability of that data.
6	Ethical sourcing and supply chain oversight	A practice that focuses on creating transparency around the source of products and services from suppliers, and that the practices adopted by players across the entire supply chain are aligned with the ESG goals of the organisation.
7	Fair competition	Creating policies and procedures that prohibit activities which restrain competition and favouritism towards certain companies, and aim to eliminate abuse of customer/supplier relationships.
8	Operational excellence	The business approach that embraces principles and tools to create a culture of continuous learning, improvement, and efficiency within the organisation.
9	Project management	The methodologies and processes implemented to ensure projects are implemented within budget and time, with the desired impact.
10	Regulatory compliance	An organisation's adherence to laws, regulations, guidelines and specifications relevant to its business areas, and ensuring that the organisation is continuously monitoring, adapting, and leading regulatory requirements.
11	Whistleblowing	Supporting employees in identifying and reporting wrongdoing or corruption in the workplace, and providing them with the necessary protection when they do.

Determining the Material ESG Topics

The ESG topics are plotted in a matrix whereby the top right quadrant (where scores in both categories are above 3.5), indicates which topics are the most material for ADNEC Group.



The resulting material ESG topics for the ADNEC Group are

The ESG topics are plotted in a matrix whereby the top right quadrant (where scores in both categories are above 3.5), indicates which topics are the most material for ADNEC Group.

Environment	Social	Governance
<ul style="list-style-type: none"> • GHG emissions/carbon footprint • Energy efficiency • Food waste • Non-food waste • Sustainable materials • Renewable Energy 	<ul style="list-style-type: none"> • Workforce wellbeing • Work-life balance • Gender balance • Emiratisation • Customer relations • Community Initiatives 	<ul style="list-style-type: none"> • Ethical sourcing and supply chain oversight • Data security and integrity • Business ethics and values • Corporate governance • Business continuity

A 'Baseline Card' for each topic has been prepared that provides further analysis on these topics in the context of the group's ESG aspirations. This helps to better understand the topic's context, historical performance (key highlights), and the primary risks and opportunities associated with it to WADNEC.

These 'Baseline Cards' are provided in the appendix of this document.



Priority Area	Material ESG Topics	What We Aspire to Achieve	What We Have to Do Well
Collaborating with Our Communities, Partners, and Suppliers	1. Ethical Sourcing and Supply Chain Oversight	1. Procure 100% of materials and services from suppliers that are complying with ESG standards (and based on a minimum ESG score)	1. Incorporate ESG as a key requirement and decision factor for all procurement and investment activities
	2. Customer Relations	2. Deliver seamless and exceptional customer experiences across all business lines – with high level NPS and satisfaction scores	2. Raise awareness and work with suppliers to adopt standards related to sustainability/ESG
	3. Community Initiatives		3. Raise awareness within ADNEC Group on ESG compliance
			4. Conduct regular ESG audits of suppliers
			5. Map end-to-end customer journeys across each business and streamline processes to remove pain points and enhance customer experience
			6. Develop a culture of transparency and responsiveness amongst customer facing and back-office employees, at all levels
			7. Invest in competencies, technologies, and communication that fosters engagement with customers

Priority Area	Material ESG Topics	What We Aspire to Achieve	What We Have to Do Well
Safeguarding Our Assets and Values	1. Data Security and Integrity	1. Move beyond cybersecurity, and develop and implement a group-wide digital transformation strategy to make ADNEC Group more competitive, efficient and responsive	1. Develop and implement a group-wide digital transformation strategy
	2. Business Ethics and Values		2. Raise awareness amongst employees on cybersecurity measures
	3. Business Continuity		3. Communicate measures and accomplishments with all stakeholders
	4. Corporate Governance		4. Clearly establish the group's view on business ethics and corporate values
		2. Become recognized in the industry and the country as an organisation that lives up to the highest business ethics and standards	5. Reflect business ethics and corporate values into behaviours and competencies so they can be regularly monitored and evaluated
		3. Ensure ADNEC Group's readiness to meet all future challenges and unforeseen events – with little to no disruption to the business or employees	6. Link business ethics and values to all policies and procedures
		4. Create an open, transparent, and effective governance structure that creates trust and confidence with shareholders and investors	7. Develop a comprehensive analysis of business continuity events and scenarios in order to develop the necessary plans
			8. Continuously review business continuity plans and ensure employees at all levels are aware of their roles and the key message
			9. Define the pillars and maturity level of ADNEC Group and corporate governance, and a plan to elevate its maturity
			10. Continuously review corporate governance models at the group, business, and department level and update based on evolving business operations, shareholder requirements and market dynamics

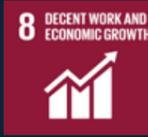


ADNEC Group ESG Strategy Map

ESG Priority Areas	
Protecting Our Land, Air, and Seas	Growing and Investing in Our Employees
Focusing on the environmental impact of our business activities in order to protect the quality and prosperity of Abu Dhabi and the UAE's nature and biodiversity.	Creating an engaging and purpose driven workplace culture that values the wellbeing and success of ADNEC Group's employees and champions the same for all segments of the UAE's demographics.
Related Material Topics	
<ol style="list-style-type: none"> GHG Emissions and Carbon Footprint Energy Efficiency Food Waste Non-Food Waste Renewable Energy Sustainable Materials 	<ol style="list-style-type: none"> Workforce Wellbeing Work-Life Balance Emiratization Gender Balance
Other Relevant Topics	
<ol style="list-style-type: none"> Air pollution Desertification Ecosystem biodiversity Noise pollution Water conservation 	<ol style="list-style-type: none"> Discrimination Emirati culture and identity Employee training and development Equal opportunity
UN SDG Contributions	
     	
ESG Goals	
<ol style="list-style-type: none"> Ensure that ADNEC Group is working towards addressing global and local climate emission concerns by aligning with international standards and efforts. Support the preservation and efficient use of energy resources across the Group's business areas. Maximise use of sustainable materials and adoption of Circular Economy throughout the Group's value chain. 	<ol style="list-style-type: none"> Ensure fair and equitable representation of women and men on all levels of the organisation. Create a safe, productive, and happy workplace for employees that respects the diversity and cultural backgrounds of all. Support employees in balancing work and personal life. Ensure the attraction, development, and retention of high calibre Emiratis across the Group.

ESG Pledge

"Create long-term value for all our stakeholders through consciously ethical and sustainable practices across our group activities"

ESG Priority Areas	
Collaborating with Our Communities, Partners, and Suppliers	Safeguarding Our Assets and Values
Strengthening relationships, initiatives, and oversight across ADNEC Group's value creation activities in order to align ESG goals and values throughout its supply chain.	Implementing best practice management systems to ensure the integrity and values of ADNEC Group are applied consistently and transparently throughout all its business activities and people.
Related Material Topics	
<ol style="list-style-type: none"> Ethical Sourcing and Supply Chain Oversight Customer Relations Community initiatives 	<ol style="list-style-type: none"> Data Security and Integrity Business Continuity Business Ethics & Values Corporate Governance
Other Relevant Topics	
<ol style="list-style-type: none"> Community engagement Localization Product and service innovation 	<ol style="list-style-type: none"> Accurate and timely communication Fair competition Operational excellence Project management Regulatory compliance Whistleblowing
UN SDG Contributions	
   	
ESG Goals	
<ol style="list-style-type: none"> Adopt transparent and sustainable procurement practices that align with and support the Group's ESG aspiration. Collaborate with stakeholders to innovate and create new business value with mutual benefits. Positively support and impact the local economy and community to address social challenges and opportunities. 	<ol style="list-style-type: none"> Apply best practices in security and enterprise risk management to ensure the efficacy and resilience of the ADNEC Group. Ensure Group values and behaviours are aligned with ethical practices, and that these are reflected in all business activities. Create responsive and transparent governance protocols that support decision making at all levels of the Group, and that strengthen its performance towards its goals.

PRIORITY AREA 1: Protecting Our Land, Air, and Seas

	Goal 1	Goal 2	Goal 3
Key Success Factors	Ensure that ADNEC Group is working towards addressing global and local climate emission concerns by aligning with international standards and efforts.	Support the preservation and efficient use of energy resources across the Group's business areas.	Maximise use of sustainability materials and adoption of Circular Economy throughout the Group's value chain.
	<ul style="list-style-type: none"> Commit and adopt 'Net Zero' standards and practices to ADNEC Group's applicable business areas (e.g. Net Zero Carbon Events) Embed a Science Based Target path to reduce emissions in line with the Paris Agreement goals 	<ul style="list-style-type: none"> Pursue and adopt sustainability standards and certifications across the group Increase the Group's use of renewable energy sources Optimise energy consumption across the Group's top energy consuming activities 	<ul style="list-style-type: none"> Maximise the use of sustainable materials to reduce waste generation and waste to landfill. Promote a culture of sustainability across ADNEC Group and its key stakeholders Eliminate food waste produced by ADNEC Group and at the Group's facilities Work with partners to minimise food waste and waste to landfill

PRIORITY AREA 2: Growing and Investing in Our Employees

	Goal 1	Goal 2	Goal 3	Goal 4
Key Success Factors	Ensure fair and equitable representation of women and men on all levels of the organisation.	Create a safe, productive, and happy workplace for employees that respects the diversity and cultural backgrounds of all.	Support employees in balancing work and personal life.	Ensure the attraction, development, and retention of high calibre Emiratis across the Group.
	<ul style="list-style-type: none"> Boost the overall number of full-time female employees at ADNEC Group Ensure female candidates are placed in leadership succession positions Achieve gender balance in middle management positions Achieve gender balance in executive positions 	<ul style="list-style-type: none"> Ensure the highest levels of OSHA are implemented to eliminate serious incidents at ADNEC Group Embed and adhere to human rights criteria in recruitment and HC policies Ensure no incidents of discrimination occur at any point and at any level Promote ADNEC Group's diverse cultural backgrounds to foster harmony and understanding Maximise productivity and workplace happiness through employee engagement 	<ul style="list-style-type: none"> Ensure no voluntary resignations occur due to employee burn-out Maximise Group performance on work-life balance 	<ul style="list-style-type: none"> Create a pipeline of high-potential Emirati recruits to join ADNEC Group Invest in developing Emiratis for key roles across ADNEC Group

PRIORITY AREA 3: Collaborating with Our Communities, Partners, and Suppliers

	Goal 1	Goal 2	Goal 3
Key Success Factors	Adopt transparent and sustainable procurement practices that align with and support the Group's ESG aspiration.	Collaborate with stakeholders to innovate and create new business value with mutual benefits.	Positively support and impact the local economy and community to address social challenges and opportunities.
	<ul style="list-style-type: none"> Ensure ESG standards and practices are integrated into the Group's management systems. Ensure ESG standards and practices are applied across the Group's supply chain partners. 	<ul style="list-style-type: none"> Establish partnerships with 3rd parties to develop new and innovative solutions. Create a mechanism to promote and foster internal innovative solutions from employees. 	<ul style="list-style-type: none"> Engage the community and collect insights to better understand issues that the Group can address through its services. Achieve ADNEC Group's targeted Economic Impact GVA and continue to grow this year-on-year. Achieve ADNEC Group's targeted number of annual jobs supported and continue to grow this year-on-year. Boost ADNEC Group's brand reputation and social impact levels to the highest levels amongst its peers.

PRIORITY AREA 4: Safeguarding Our Assets and Values

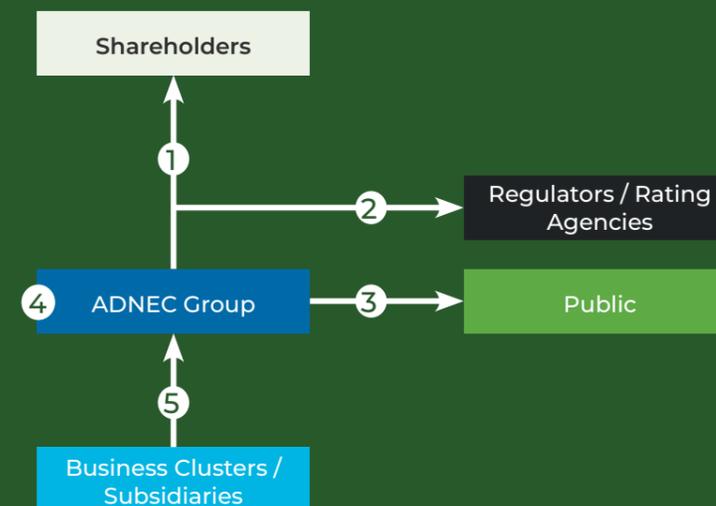
	Goal 1	Goal 2	Goal 3
Key Success Factors	Apply best practices in security and enterprise risk management to ensure the efficacy and resilience of the ADNEC Group.	Ensure Group values and behaviours are aligned with ethical practices, and that these are reflected in all business activities.	Create responsive and transparent governance protocols that support decision making at all levels of the Group, and that strengthen its performance towards its goals.
	<ul style="list-style-type: none"> Ensure ADNEC Group's business continuity plan resilience and efficacy. Ensure that 100% of cyber security attacks and incidents are rebuffed. Ensure no incidents of data violations occur at any point and at any level. 	<ul style="list-style-type: none"> Translate and reflect the business values into all management systems and employee behaviours. Ensure no incidents of business ethics violations occur at any point and at any level. Ensure that all areas of business operations are assessed and addressed for risk related to corruption and ethical compliance. 	<ul style="list-style-type: none"> Continuously review and enhance corporate governance. Ensure that areas of ADNEC Groups corporate strategy are supported by internal management committees. Ensure that all management committees fulfil their obligations on an annual basis.

Overarching ESG Value Chain for ADNEC Group

The ESG topics are plotted in a matrix whereby the top right quadrant (where scores in both categories are above 3.5), indicates which topics are the most material for ADNEC Group.

Level 1 Processes		
Strategy Definition	Implementation and Reporting	Governance and Control
In this phase, the Group conducts its materiality assessment, stakeholder engagement, and other research activities to identify material topics, risks and opportunities that will shape its ESG strategy. This also includes articulating the Group's aspirations in ESG, and defines its goals, targets, and plans – and linking these to the Group's policies and procedures.	In this phase, the Group collects insights and data regarding its ESG performance in order to collate this information and disseminate it as part of its annual report and as required to its stakeholders, including shareholders, regulators and ratings agencies.	In this phase, the Group carries out periodic maturity and performance analysis to identify areas of improvement and track progress against the strategy, across the Group. Moreover, this phase includes the on-going research and coordination conducted by the ESG team(s) to identify ESG best practices, guidelines and improvements that can benefit the Group.
Level 2 Sub-processes		
<ul style="list-style-type: none"> Materiality Assessment Vision and Priority Setting Goal Definition Programme and Roadmap Development Integration and Alignment Internal Communication and Awareness 	<ul style="list-style-type: none"> Programme Execution Data Collection and Analysis Group Performance Reporting and Disclosure External Stakeholder Coordination and Communication 	<ul style="list-style-type: none"> Maturity Analysis Standards and Practices Research Topics and Trends Research Internal Performance Monitoring and Management

ADNEC Group ESG Reporting Overview



1. This report is based on ADNEC Group's responsibility to align with its shareholder's (ADQ) aspirations and strategy for adopting ESG practices. ADNEC Group on an annual basis must submit its updated ESG performance against the topics and criteria defined in ADQ's ESG evaluation questionnaire. The information provided is based on: the strategy/targets the Group has defined, the measures (activities) deployed, and the results achieved for each of the criteria identified by ADQ. Subsequently, ADQ shares its evaluation and feedback with ADNEC Group, communicating how it compares to ADQ portfolio peers in terms of ESG performance.
2. This consists of the reporting that ADNEC Group (or its specific business clusters / subsidiaries) submits to external stakeholders, in order to comply with the agreed standards, guidelines, and mandates. Each external stakeholder represents its own specific reporting expectations.
3. This report is prepared and published annually, as part of the Group's Annual Report. In it, ADNEC Group shares its ESG and sustainability goals, strategy, programmes and results.
4. This report consists of ADNEC Group's internal performance reporting that tracks progress against its ESG strategy, updates on any ESG activities and the programmes defined, as well as the maturity of the organisation's ESG capabilities. These reports are submitted to the ESG Committee and Executive Management / Board on a regular basis.
5. These reports are prepared and shared by each business cluster / subsidiary within the Group, in line with the Group's reporting to its shareholders, the public, and any other external stakeholders as required. Additionally, on a regular basis, each business cluster prepares and shares its performance updates against the Group's ESG strategy.

Applying the Initiatives Prioritisation Model

RELEVANCE		DELIVERY CAPACITY	
ESG Fit	Impact	Complexity	Resource Intensity
ESG fit reflects how well the proposed initiative contributes to the material topics / ESG goals of the Group or cluster.	The impact reflects how significant the contribution and 'return' of the initiative will be in helping the Group achieve their stated goals and targets.	Complexity represents the Group's ability to readily implement the proposed initiative based on existing enablers (e.g. capabilities, technology, and management systems).	The resource intensity represents the level of investment (human and financial) required in order to implement the proposed initiative.
1. Does not contribute significantly to one or more topic or goal. 2. Contributes moderately or only to one or two topics and goals. 3. Contributes significantly or to several topics and goals.	1. Only has an incremental impact to achieving the ESG targets. 2. Has a moderate impact to achieving ESG targets. 3. Has a significant impact to achieving ESG targets.	1. Requires significant amounts of enablers that are not currently available in the group. 2. Some enablers exist, but more are required to implement the solution. 3. Most, or all, of the required enablers are readily available within the group.	1. Requires significant amounts of resources in order to implement the solution. 2. Requires moderate amounts of resources in order to implement the solution. 3. Requires low amounts of resources in order to implement the solution.
Score x 50% (sub-criteria weight)	Score x 50% (sub-criteria weight)	Score x 50% (sub-criteria weight)	Score x 50% (sub-criteria weight)
Total Weighted Score		Total Weighted Score	

By applying the prioritisation criteria to the list of initiatives identified across the Group, a score for each proposed initiative can be determined, and the resulting initiatives plotted on a matrix that allows the ESG team, committee, and responsible stakeholders to identify the priority initiatives that will help to deliver ESG results.

The matrix is based on plotting the "relevance" and "delivery capacity" scores for each initiative (as illustrated below), and those scoring above the pre-determined threshold would be considered for final approval and implementation.

The recommended prioritisation thresholds for each criteria are per the below:

Relevance: 2
 Delivery Capacity: 2.5



Protecting Our Land, Air, and Seas

Goals	Quick-wins (by end of 2023)	Short-term (by end of 2025)	Medium-term (by end of 2030)
1. Ensure that ADNEC Group is working towards addressing global and local climate emission concerns by aligning with international standards and efforts.	<ul style="list-style-type: none"> Conduct scope 1/2/3 emissions analysis using internationally recognized methodology (GHG, ISO, etc.), identify highest emitting actions and define targets to close the performance gap. Define and implement new policies for environmental sustainability across the Group. 	<ul style="list-style-type: none"> Pursue certification by third party accreditor (e.g. SBTi). Formulate and implement a Net Zero Strategy (multiple-phases) focusing initially on scope 1 and 2 activities across the Group. Implement a system / tool to monitor and report scope emissions. 	<ul style="list-style-type: none"> Pursue certification by third party accreditor (e.g. SBTi). Formulate and implement a Net Zero Strategy (multiple-phases) focusing initially on scope 1 and 2 activities across the Group. Implement a system / tool to monitor and report scope emissions.
2. Support the preservation and efficient use of energy resources across the Group's business areas.	<ul style="list-style-type: none"> Define and implement policies for energy efficiency in existing and new business activities and investments. Carry out a baseline mapping of energy mix and consumption across the Group's key activities and assets – and determine the performance gap. Identify viable energy/technology solutions that can close the performance gaps identified. 	<ul style="list-style-type: none"> Pursue relevant energy efficiency accreditations across the Group (e.g. ISO 50001, LEED, The Carbon Trust Standard etc.) Define and implement an Energy Optimization Plan (initial phase) based on the baseline exercise and aligned with the Group Net Zero Strategy. Define and implement Sustainable and Renewable Energy Plan (initial phase) based on the baseline exercise and aligned with the Group Net Zero Strategy. 	<ul style="list-style-type: none"> Implementation of Energy Optimization Plan (future phases). Implementation of Sustainable and Renewable Energy Plan (future phases). Invest in innovative technologies for new energy requirements and to replace legacy assets.
3. Maximise use of sustainability materials and adoption of Circular Economy throughout the Group's value chain.	<ul style="list-style-type: none"> Track and map direct and indirect food and non-food waste and set reduction targets to eventually reach zero waste on controllable activities. Map materials and products that constitute the most significant opportunity to reduce, re-use and/or recycle, and those that should be transitioned to more sustainable materials – and set targets to close the performance gap. 	<ul style="list-style-type: none"> Define and implement policies for sustainable materials use and for waste management to be applied across the Group. Identify alternative materials and suppliers to transition targeted materials to more sustainable options. Establish partnerships and agreements to secure sustainable materials. Build capabilities and integrate waste and materials management approaches for new business activities, investments, and contracts. 	<ul style="list-style-type: none"> Build capabilities and integrate materials management approaches for existing business activities, investments, and contracts. Where necessary and applicable; revisit existing contracts and agreements to implement improved waste and materials management practices in line with the established policies and targets.

Growing and Investing in Our Employees

Goals	Quick-wins (by end of 2023)	Short-term (by end of 2025)	Medium-term (by end of 2030)
1. Ensure fair and equitable representation of women and men on all levels of the organisation.	<ul style="list-style-type: none"> Conduct an engagement survey targeting women at ADNEC Group, in order to determine their motivations, aspirations and any other opportunities that can be used to improve female success at ADNEC Group. Review and ensure all HC policies promote fair and equal treatment of women across ADNEC Group. 	<ul style="list-style-type: none"> Define and implement a Female Engagement and Gender Balance Plan for ADNEC Group, considering national targets / aspirations as well as ADNEC Group's specific aspirations. Design and implement a Youth Development Programme across the Group, to promote the inclusion and development of young men and women. Define career paths and succession plans for high-caliber employees across key strategic positions within the Group. 	<ul style="list-style-type: none"> Review and ensure all compensation and benefit packages are equitable for all men and women within ADNEC Group. Pursue local and/or international accreditation as a top employer for women across the group's relevant business sectors. Adapt and implement the gender balance policies, campaigns and programmes, and continuously monitor implementation accordingly.
2. Create a safe, productive, and happy workplace for employees that respects the diversity and cultural backgrounds of all.	<ul style="list-style-type: none"> Conduct an anonymous discrimination survey to identify areas of potential discrimination against employees – and set targets to close performance gap. Define an action plan to eliminate discrimination against employees, in line with the survey findings and international practices. 	<ul style="list-style-type: none"> Review and adapt management policies and practices to protect employee and employee rights across ADNEC Group. Conduct awareness campaigns around discrimination and employee rights, and carry-out workshops / activities to promote anti-discrimination at all levels of ADNEC Group. Conduct campaigns to showcase the variety of cultures and backgrounds across ADNEC Group employees. 	<ul style="list-style-type: none"> Review and repeat the discrimination survey to determine successes and areas of further review. Adapt and implement the anti-discrimination policies, campaigns and programmes, and continuously monitor discrimination incidents accordingly.

Goals	Quick-wins (by end of 2023)	Short-term (by end of 2025)	Medium-term (by end of 2030)
3. Support employees in balancing work and personal life.	<ul style="list-style-type: none"> Develop an employee wellbeing framework targeting physical, mental and other factors, in line with local and international guidelines and practices. Assess employee's level of wellbeing across each factor and define targets to close the performance gap. 	<ul style="list-style-type: none"> Define and implement an Employee Wellbeing Programme, building on ADNEC Group's existing activities to create a unified and holistic approach for the entire Group. Define, adapt and implement new policies for employee wellbeing across the Group. Roll-out new programmes, campaigns, and benefits that target employee wellbeing. 	<ul style="list-style-type: none"> Review and repeat the wellbeing assessment to determine successes and areas of further review. Pursue local and/or international accreditation as a top employer for employee wellbeing across ADNEC Group's relevant business sectors. Adapt and implement employee wellbeing policies, campaigns and programmes, and continuously monitor implementation accordingly.
4. Ensure the attraction, development, and retention of high calibre Emiratis across the Group.	<ul style="list-style-type: none"> Assess Emirati satisfaction and engagement and conduct a benchmark of other high-performing entities in the UAE and abroad for nationalization promotion programmes – and define targets to close the performance gap. Identify high caliber Emiratis within ADNEC Group. 	<ul style="list-style-type: none"> Define and roll-out an Emirate Engagement Programme across ADNEC Group. Define and roll-out an Emirati Leadership Development programme for high caliber Emirati employees, to enable their career progression and professional development. Establish partnerships with universities, training centers, and other institutions to create a pipeline of high-caliber full- and part-time Emirati candidates. 	<ul style="list-style-type: none"> Review and repeat the Emirati satisfaction and engagement assessment to determine successes and areas of further review. Adapt and implement the Emirati Engagement and Leadership Development campaigns and programmes, and continuously monitor implementation accordingly.

Collaborating with Our Communities, Partners, and Suppliers

Goals	Quick-wins (by end of 2023)	Short-term (by end of 2025)	Medium-term (by end of 2030)
1. Adopt transparent and sustainable procurement practices that align with and support the Group's ESG aspiration.	<ul style="list-style-type: none"> Conduct a supplier analysis to determine overall sustainability performance, the impact to ADNEC Group, to identify potential alternatives, and to define plans to improve sustainability across the Groups supply chain. Engage suppliers to understand their capability in providing sustainable materials and their adherence to ESG practices that are material to ADNEC Group. 	<ul style="list-style-type: none"> Formulate and implement sustainable procurement policy and procedures at the Group level that aligns with the Groups ESG Strategy and other related strategies and plans (e.g. Net Zero, Energy Optimisation, employee rights, OSHA etc..). Communicate and advise suppliers on sustainability areas that need to be addressed as part of ADNEC Group's strategy. Review existing supplier contracts to ensure alignment towards sustainability policy and practices. 	<ul style="list-style-type: none"> Regularly engage with suppliers to review their ESG and sustainability performance, ensuring their alignment with ADNEC Group's expectations. Create a risk mitigation and transition plan for low sustainability performing suppliers.
2. Collaborate with stakeholders to innovate and create new business value with mutual benefits.	<ul style="list-style-type: none"> Identify key business areas that require new and innovative solutions, or which represent key areas for efficiency and improvement. Develop a 'call for action' to internal and external stakeholder solutions that can address the identified opportunities. 	<ul style="list-style-type: none"> Roll-out enhanced internal innovation programmes (i.e. Tanfeeth Innovation Accelerator Programme) to develop solutions to targeted opportunities. Roll-out and external Market Innovation programmes to obtain solutions from external stakeholders and suppliers on targeted opportunities. Work with stakeholders to refine, invest, and implement these solutions. 	<ul style="list-style-type: none"> Review and repeat business assessment to identify opportunities for innovation. Adapt and implement the internal 'Tanfeeth' and the external Market Innovation programmes, and continuously monitor implementation accordingly.
3. Positively support and impact the local economy and community to address social challenges and opportunities.	<ul style="list-style-type: none"> Engage with members of the public (e.g. community members, business partners, government stakeholders etc..) and identify brand, social impact and other material issues to them. Review the identified topics and align to ADNEC Group's ESG Strategy (and others) where applicable and conduct deeper reviews of these issues the relevancy to the Group and the role it can play in addressing them. 	<ul style="list-style-type: none"> Define and implement a Brand and Social Impact Enhancement plan based on the findings and feedback obtained. Conduct public awareness campaigns around key topics – and how the Group is working to address these 	<ul style="list-style-type: none"> Review and repeat public engagement analysis to identify new and repetitive topics, and to determine successes and areas of further review. Adapt and implement the Brand and Social Impact Enhancement plan, and continuously monitor implementation accordingly.

Safeguarding Our Assets and Values

Goals	Quick-wins (by end of 2023)	Short-term (by end of 2025)	Medium-term (by end of 2030)
1. Apply best practices in security and enterprise risk management to ensure the efficacy and resilience of the ADNEC Group.	<ul style="list-style-type: none"> Conduct a risk and vulnerability assessment to identify potential threats, and define targets to close performance gap. Develop / refresh the ERM in line with local and int'l standards and practices. Define a Cybersecurity and BCM Enhancement plan(s) to close gap and upgrade the Group's capabilities. Develop and communicate a cybersecurity and business continuity awareness campaign to all employees across the Group. 	<ul style="list-style-type: none"> Review and update corporate policies. Continuously review, test, adapt and implement the enhancement plan(s), policies and communication campaigns. Review and recertify relevant accreditations and certifications related to ERM, cybersecurity and business continuity. 	<ul style="list-style-type: none"> Conduct a comprehensive review of the Group's digital and physical assets to enhance and strengthen its security and integrity – developing a new strategy and enhancement plans.
2. Ensure Group values and behaviours are aligned with ethical practices, and that these are reflected in all business activities.	<ul style="list-style-type: none"> Review and (re) define a code of ethics for ADNEC Group that outlines the values that guide the company's decision-making and behaviour. Understand how ethics is integrated into company culture by analysing how ethical behaviour is represented in corporate policies and procedures. Create a mechanism for handling ethical violations. 	<ul style="list-style-type: none"> Review and enhance corporate policies and procedures to align with the defined code of ethics and behaviours. Train employees on ethical decision-making and make sure that employees know how to report any concerns they have. Conduct awareness campaigns around ethical behaviours targeted to all employees across ADNEC Group. 	<ul style="list-style-type: none"> Regularly review and evaluate business practices to ensure that they align with the defined code of ethics, making changes as required. Regularly engage with internal and external stakeholders to understand their concerns and act on them.
3. Create responsive and transparent governance protocols that support decision making at all levels of the Group, and that strengthen its performance towards its goals.	<ul style="list-style-type: none"> Assess ADNEC Group's governance protocols and effectiveness. Review and (re) define the decision-making process and delegation of authority. Create a mechanism for employees to provide constructive input and feedback, and regularly review this for suggestions and concerns. Create a standard practice for top management to share relevant reasons and data behind decisions. 	<ul style="list-style-type: none"> Regularly evaluate the effectiveness of the governance protocols and make improvements as necessary. Create a mechanism to recognize and reward employees who demonstrate good governance practices 	<ul style="list-style-type: none"> Review and repeat governance assessment to determine successes and areas of further review.

Reporting Structure and Template

ESG Reporting between ADNEC Group HQ and its Business Clusters / Subsidiaries		
Key Components of the ESG Scorecard	Scorecard Elements and Assessment Criteria	
	Looks at subsidiaries' performance in terms of:	Assessed on a scale of 1 to 3:
ESG Maturity	<ul style="list-style-type: none"> Materiality Assessment ESG Strategy ESG Initiatives Portfolio Internal Governance 	<ol style="list-style-type: none"> Has not conducted, established or approved the ESG element Has only partially conducted, established or approved the ESG element Has comprehensively conducted, established or approved the ESG element
	Looks at subsidiaries' performance in terms of:	Assessed on a scale of 1 to 3:
Materiality Performance	<ul style="list-style-type: none"> Protecting Our Land, Air, and Seas Growing and Investing in Our Employees Collaborating with Our Communities, Partners, and Suppliers Safeguarding Our Assets and Values 	<ol style="list-style-type: none"> Does not have policies, goals, strategies, performance outcomes, and disclosed data using a credible framework. Has partial coverage policies, goals, strategies, performance outcomes, and disclosed data using a credible framework. Clearly stated & published policies, goals, strategies, performance outcomes, and disclosed data using a credible framework.

Example

ESG Performance Scorecard		
Component / Element	Weight*	Score
ESG Performance Score		52% (1.56)
ESG Maturity	40%	60% (1.8)
Materiality Assessment	20%	2
ESG Strategy	20%	2
ESG Initiatives Portfolio	20%	1
Group ESG Alignment	20%	2
Internal ESG Governance	20%	2
Materiality Performance	60%	50% (1.5)
Protecting Our Land, Air, and Seas	25%	1
Growing and Investing in Our Employees	25%	1
Collaborating with Our Communities, Partners, and Suppliers	25%	1
Safeguarding Our Assets and Values	25%	2

Calculation Example

ESG Maturity:

$(20\% \times 2) + (20\% \times 2) + (20\% \times 1) + (20\% \times 2) + (20\% \times 2) = 1.8$ (out of 3), i.e 60%

Materiality Performance:

$(25\% \times 1) + (25\% \times 1) + (25\% \times 2) + (25\% \times 2) = 1.5$ (out of 3), i.e 50%

ESG Performance:

$(40\% \times 1.8) + (60\% \times 1.5) = 1.62$ (out of 3), i.e 54%





ADNEC Group ESG Report

About this report

We present to you ADNEC Group's Environmental, Social and Governance (ESG) annual report. This is our 2022 ESG report which is the second edition, after six years of issuing the company's GRI report (sustainability reporting based on the principles and guidelines of the Global Reporting Initiative (GRI)). The report covers the financial and operational years 2018-2022, providing an overview of ADNEC Group's ESG-related performance. It follows ADQ's ESG information gathering template and their general guidelines, which were developed in accordance with international and national standards, e.g. the GRI Standards for reporting, as well as the Abu Dhabi Stock Exchange (ADX) ESG Disclosure Guidance, and Abu Dhabi Government priorities.

Scope

This report primarily focuses on the material sustainability issues concerning ADNEC Group's core business in the UAE. As the Group's mandate has been evolving over recent years, through expansion into leisure tourism through the newly-established Tourism 365 and the recent acquisition of our aviation catering service, it was not possible to provide information covering these new business lines. There may however be some ad-hoc examples used where relevant. Additionally, this report does not address other exhibition, conference or hotel activities through other companies within ADNEC Group (ExCeL London and Group-owned hotels).

Continuous improvement

ADNEC Group recognises the limitations to the report (limitations we intend to handle in future editions), such as the need for more quantitative data and objectives, as well as external assurance of the report's principles and content.

Why ESG

The ESG framework helps ADNEC Group to understand the risks and opportunities across its business lines, current performance, and need to set targets to meet the company's goals of strong financial performance while aligning with the priorities of the Abu Dhabi Government. The ESG framework defines a common and relevant reporting metric, and balances ESG priorities against the financial objectives of ADNEC Group.

ESG is not only doing the right thing; it is doing the right thing in a profitable way. It has been proven that organisations performing according to ESG principles have higher financial growth and optimization, top-line growth, cost reductions, more stability, higher productivity from staff, and reduced regulatory and legal risk and interventions (such as fines and sanctions).



EXECUTIVE SUMMARY

Overall

Measure / KPI

Responsible Investment	2018	2019	2020	2021	2022
Integration of environmental, social, and governance (ESG) issues*	AED	N/A	N/A	N/A	N/A
Sustainability themed investing**	AED	N/A	N/A	N/A	N/A
Screening***	AED	N/A	N/A	N/A	N/A
Percentage of portfolio engaged regarding ESG issues (%)	% of AUM	N/A	N/A	N/A	N/A

Promotion of Social & Economic Development	2018	2019	2020	2021	2022
Total monetary value of significant fines (AED or USD)		0	0	0	0
Total number of non-monetary sanctions (#)		0	0	0	0
Total number of cases brought through dispute resolution mechanisms (#)		1	1	0	1

*The systematic and explicit inclusion of material ESG factors into investment analysis and investment decisions (for example GHG emissions, ethical supply chains, fair wages, Board diversity).
 **Investment in themes or assets specifically related to sustainability (for example clean energy, green technology, or sustainable agriculture).
 ***Includes negative/exclusionary, positive/best-in-class, and norms-based screening. More definitions can be found in the HYPERLINK "https://www.unpri.org/Uploads/i/m/n/maindefinitionstoprireportingframework_127272_949397.pdf" PRI Reporting Framework – Main definitions 2018.



Environment

Measure / KPI

Environmental Certification	2018	2019	2020	2021	2022
The percentage of company's sites/offices with ISO 14001 certification	0	0	90%	90%	90%

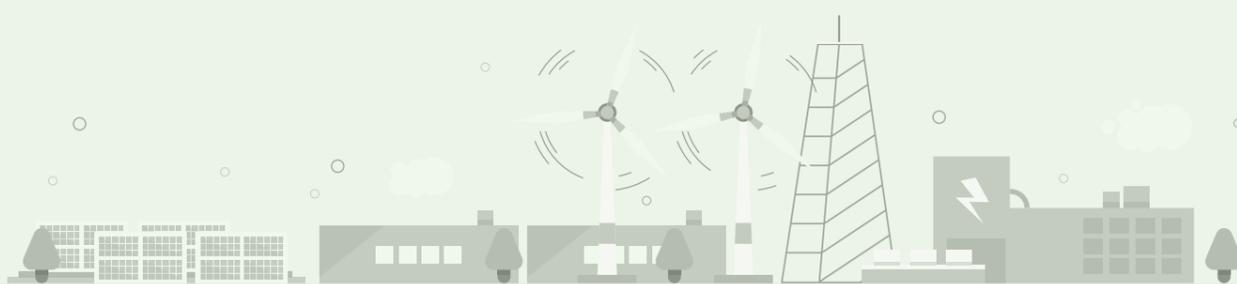
Water Management	2018	2019	2020	2021	2022
Water consumption in Cubic Meter	233,028	212,487	180,378	233,224	200,027
Water consumption intensity (m ³ /employee)	N/A	289.8	270.4	350.7	1532
Water consumption intensity (m ³ /Visitors)	N/A	0.09	4.7	0.7	0.3

Energy consumption	2018	2019	2020	2021	2022
Electricity consumption in KWH	20,178,823	22,034,091	19,228,746	19,183,221	21,901,239
CO2 emissions due to electricity in tons	1035	1130	991	n/a	1123

Waste management	2018	2019	2020	2021	2022
Waste generated (recyclable and non-recyclable) kg	1,510,000	1,769,000	443,000	680,000	791,000
Total waste recycled (kg)	777,000	749,000	172,000	344,000	389,000
Total waste recycled (%)	51%	42%	39%	51%	49%
Non-recycled materials (kg)	733,000	1,020,000	271,000	336,000	402,000
Non-recycled materials (%)	49%	58%	61%	49%	51%
Total Hazardous Waste	0	0	0	0	0

Prevention of pollution	2018	2019	2020	2021	2022
No. of spills recorded (major*)	0	0	0	0	0

There is possibility but it never happened during the given years. The results was given after consulting with H&S for any spillage incident



Nationalisation	2018	2019	2020	2021	2022
Nationals among full time workforce (#)	134	131	123	119	49
Emiratization (%)	72%	72.4%	72%	72%	6%
Nationals in senior management positions and above (#) L1 & L2	N/A	7	6	6	6
Nationals in senior management positions and above (#) L1, L2 & L3	N/A	22	21	19	27
Occupational Health and Safety	2018	2019	2020	2021	2022
Total employee manhours (#)	749,232	779,328	727,584	969,285	957,504
Total contractor manhours (#)	n/a	18,464,160	2,762,672	9,580,384	4,652,000
Employee fatalities (#)	0	0	0	0	0
Contractor fatalities (#)	0	0	0	0	0
Employee total recordable injuries (#)	6	8	10	4	6
Contractor total recordable injuries (#)	28	36	47	27	56
Employee lost-time injuries (#)	0	2	4	4	0
Contractor lost-time injuries (#)	5	20	12	0	0
Absenteeism rate*	13%	17%	13%	4%	5.5%

Absenteeism rate = total number of missed workdays (for full time employees)/ total workdays (for full time employees)

* Missed workdays includes following leaves:

- Sick Leave
- Uncertified Sick Leave
- Injury Sick Leave
- Escort Leave
- Local Emergency Leave
- Suspension Leave
- Unauthorised Leave
- Unpaid Leave
- Iddah
- Hajj Leave
- Sports Leave

Community

Community Engagement and Investment

	2018	2019	2020	2021	2022
Total value of community investment (AED)**	12,000,000	31,507,000	430,000	3,256,000	6,928,000
Community investment as a % of company revenue (AED)	3.80%	7.30%	0.10%	0.90%	0.56%
ADNEC Group's community investment (% of pre-tax profit)	51.5%	55.1%	0.8%	13.7%	9.1%
Discount/free services to community	11,880,000	31,290,000	430,000	3,256,000	6,928,000
Number of employee volunteers (#)	143	165	18	16	17
Number of employee volunteering hours (hours; #)	171	219	24,480*	10,840*	4,658*

Economic Impact

	2018	2019	2020	2021	2022
ADNEC Economic Impact GVA (AED Billion)	34	49	14	24	36
Jobs supported (#)	19,348	27,534	7,591	13,392	21,000

ADNEC brand perception**

	2015	2016	2017	2021	2022
Reputation and image	87%	92%	92%	89%	86%
Social impact	85%	90%	90%	89%	85%
Environmental impact	85%	90%	89%	91%	86%
Impact of work and activities on surrounding	86%	90%	90%	91%	86%
ADNEC brand perception total	86%	91%	90%	90%	86%

*The voluntary hours have increased due to employees participation in 24/7 voluntary works during (COVID19) at Vaccine Centre and the Field Hospital. In 2022, beginning of the year we were still taking precautionary measures, and the employees were among the first supporters.

**2018 to 2020 The survey wasn't conducted.

***Several actions for community investment, amongst them giving discounted prices for events directed towards community and have a social mission.

Governance

Measure / KPI

Board of Directors	2018	2019	2020	2021	2022
Independent members of the Board of Directors	7	5	5	6	6
Non-independent members of the Board of Directors	0	0	0	1	1
Executive members of the Board of Directors	0	1	1	1	1
Non-executive members of the Board of Directors	N/A	4	4	6	6
Female members of the Board of Directors	2	0	0	1	1
Male members of the Board of Directors	5	5	5	6	6
Percentage: Total board seats occupied by women	28%	0%	0%	14%	14%
Percentage: Committee chairs occupied by women	0%	0%	0%	50%	50%
Total board seats occupied by Independents	100%	100%	100%	86%	86%
Anti-Corruption, Anti-Money Laundering, & Combating the Financing of Terrorism	2018	2019	2020	2021	2022
Percentage of business units analysed for risks related to money laundering and the financing of terrorism (%)	N/A	0	0	50%	100%
Percentage of workforce has formally certified its compliance with the anti-corruption policy.	100%	100%	100%	100%	81%
Number of operations assessed for risk related to corruption	14	13	7	11	14
Percentage of operations assessed for risk related to corruption	52%	45%	24%	38%	72%
Number of corruption incidents	0	0	0	0	0
Total number of non-monetary sanctions	0	0	0	0	0
Total number of legal actions (#)	6	6	3	3	3

-Historically, assessments of operations for risks related to corruption have been undertaken only as a component of the wider Internal Audit programme.
 -Following direction from ADAA and ADQ, ADNEC Group proposes that in 2022, a comprehensive Fraud Risk Assessment will be undertaken, with all subsidiaries and operations within scope of this exercise.

Anti-Competitive Behaviour	2018	2019	2020	2021	2022
Reported instances of or legal actions relating to anti-competitive practices	0	0	0	0	0

Percentage of workforce has formally certified its compliance with the anti-competitive (conflict of interest) policy.	100%	100%	100%	100%	100%
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Prevention of Human Rights Violations	2018	2019	2020	2021	2022
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Employee training on human rights (# hours)	N/A	39	25	27	360
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Incidents of discrimination reported	N/A	0	0	0	0
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Incidents of abusive behaviour reported	N/A	0	0	0	0
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Incidents of harassments reported	N/A	0	0	0	0
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Audit and Internal Control	2018	2019	2020	2021	2022
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Percentage of non-audit fees out of total audit fees	100%	0	0	0	0*
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Percentage of completion of "Conflict of Interest Declarations" by the Directors of the Board	100%	100%	100%	100%	100%
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Percentage of completion of the "Conflict of Interest Declarations" by ADNEC Group employees.	100%	100%	100%	100%	81%
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Percentage of attendance of the members of the Board of Directors to the ADNEC Group Board meetings	82%	78%	100%	100%	100%
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Percentage of attendance of the members of the Governance Committee (BoD sub-committees) to their meetings	100%	92%	92%	100%	100%
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Percentage of ADNEC Group key governance documents reviewed for annual update (DoA, Committees Charters, Governance Approach, Risk Management Approach, Code of Conduct, Whistle Blowing Policy, Fraud Control Policy, Business Continuity Approach, Project Management Approach, etc.).	50%	33%	58%	79%	94%
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Privacy and Data Security	2018	2019	2020	2021	2022
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The percentage of ADNEC Group companies which are ISO 27001 certified	0	0	0	0	37.5%
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*We will not consider the non-audit services fees provided to ADNEC Group by the audit firms, other than EY, as they are not the financial auditors of ADNEC Group, and therefore there is no independence concern from SAAR perspective relating to them. In accordance to the Statutory Auditor Appointing Rules (SAAR) issued by ADAA, EY are not allowed to provide non-audit services to ADNEC Group, and accordingly EY did not provide non-audit services during 2022.



Environment

- Environmental Management and Eco Design
- Atmospheric Emissions Related to Energy Consumption
- Water Management
- Energy Consumption
- Waste Management
- Biodiversity Management
- Prevention of Pollution

Environmental Management and Eco Design

In 2022 ADNEC Group developed a structured sustainability framework and sustainability strategy, which includes environmental policy. The sustainability strategy and framework provide the right focus and strategic direction towards sustainability, linking it with the overall Group Strategy Plan. It also provides clear focus for environmental initiatives, projects, and policies.

Through this environmental policy and framework, we are able to strategically prioritize initiatives and link them to priorities, with a clear criteria for evaluation, including impact, scope, complexity and availability of fund.

We aim to be environmentally sustainable, and are following an environmental management policy that sets clear targets for issues such as energy consumption, water consumption, waste management, recycling and Net Zero GHG emissions. Our targets are communicated through these management systems to relevant business units and are included as part of contracts with third party service providers.

ADNEC Group began its journey towards environmental sustainability ten years ago. The voluntary efforts started with establishing internal teams and committees, passionate about environment and eager to make a change. Over the years, the company has worked on developing a robust internal process for implementing the requirements of international standards and best practices. In 2020, we celebrated the progress of this and our accomplishment of obtaining the Environmental Management Accreditation ISO14001.

Sustainability Planning



The aim of our environmental management system is to follow international standards, integrate internal processes and activities to comply with the best practices requirements. Consequently, ADNEC Group has rolled-out several initiatives that augment our environmental approach and it has fostered our goal of achieving long term sustainability objectives.

Our efforts paid off as the centre was globally recognized through several award wins, which include:

	Best Sustainability Initiatives	Abu Dhabi Sustainable Leadership Awards 2020
	Sustainability Award	MEES Awards 2017
	Sustainability Award	AEO Excellence Awards 2017
	Sustainability Award	AEO Excellence Awards 2015
	Sustainability Award	AEO Excellence Awards 2014

Environmental Management plays a vital role in ADNEC Group's growth, and ensures that activities cover environmental quality where both risk and opportunities are tackled. It considers the fast paced evolution of global business where technology, innovation and uncertain pandemic issues affect the over-all sustainability of resources.

Other measures to ensure proper Environmental System Deployment:

We conduct regular awareness sessions for staff and suppliers. We participate in community discussions and sessions to share knowledge and maximize benefits. We conduct regular and systematic awareness-raising sessions on environmental management and eco-design, in collaboration with ESG committee plans.

We conduct benchmarking studies and learn from others in the area of environmental practices).

We are ISO 14001 certified in the field of Environmental Management Practices. We have also received the Health and Safety Certification and the ISO 20121 Certification in the field of event sustainability management system.



ADNEC Group formalised its commitment to Net Zero as one of the first signatories in the region to the Joint Meetings Industry Council (JMIC), Net Zero Carbon Events initiative, aiming to develop a framework to reduce emissions by 2030, working towards net-zero by 2050. This initiative involves collaboration with event industry stakeholders such as AIPC, UFI and AIPC. Details of this initiative have been included in this document.

Our commitment to sustainability engages the entire workforce from a learning and development perspective where we provide access to specialised courses on environmental management and eco-design, establishing cross-functional teams to manage environmental issues and work on initiatives and activities related to reducing energy and water consumption.

We conduct regular internal and external audits and have detailed risk management and assessment approaches to regularly assess the environmental management and operational environmental impact. Quantitative environmental indicators include energy consumption, water, GHG emissions and waste generation. External audits are conducted by a third party to benchmark ADNEC Group's performance.

The Strategy & Investment Department manages sustainability at ADNEC Group. The company has also created an ESG committee that is chaired by the Director of Strategy & Investment and consists of representatives from the six main clusters of ADNEC Group.

We engage and collaborate with stakeholders from the event industry, Abu Dhabi stakeholders such as Masdar, Abu Dhabi Sustainability Week (ADSW) and the Abu Dhabi Sustainability Group (ADSG) and universities. We also engage stakeholders related to our supply chain and value creation such as service providers and third party material providers.

Process efficiency has been a priority during 2022 for ADNEC Group. This led us to enhance our systems and technological resources for environmental management. Examples include AI solutions for energy conservation and water consumption reduction and the automation of a Facilities Management inventory and resource allocation system.

We regularly review and update our systems to ensure efficiency. As a matter of fact process efficiency has been a hot topic and a priority during 2022 for us and our shareholders ADQ. This led us to enhance our systems and technological resources for environmental management. Examples include, automated systems to control energy, water and power, to control and schedule our resources for Facility Management and inventory, to control the use of solar power generated at the roof of our parking areas, among others.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
The percentage of company's sites/offices with ISO 14001 certification	0	0	90%	90%	90%

Net-Zero Carbon Pledge for the Events Industry

What is Net Zero?

Net zero refers to a balance between man-made greenhouse gas (GHG) emissions and their removal from the atmosphere. To achieve this balance, GHG emissions must be reduced and the non-avoided ones must be compensated or "neutralized" through the use of long-term carbon capture solutions. It is different from 'carbon neutral'. For carbon neutrality, the non-avoided emissions are compensated through the use of traditional offsets (carbon credits coming from projects that develop renewable energies, efficient transport etc.). Carbon neutrality can be an intermediate step towards net zero.

What is the Paris Agreement?

The Paris Agreement is an international treaty on climate change adopted in 2015 at the United Nations Climate Change Conference (COP21) in Paris. The Agreement set a long-term temperature goal to keep the rise in mean global temperature to well below 2°C (3.6°F) above pre-industrial levels, and preferably limit the increase to 1.5°C (2.7°F). In order to achieve this there is a recognition that global carbon emissions need to be reduced by 50% by 2030 from a 2018 baseline and for net zero emissions to be achieved by the second half of the century.

Atmospheric Emissions Related to Energy Consumption

Aligned with the Net Zero Carbon initiative for the events industry and as outlined within the GHG emissions roadmap, we now have clear atmospheric emissions targets that are related to energy consumption. We aim to reduce our carbon footprint through clear dates, framework, and targets. Our key milestones include:

- Carbon mapping
- Carbon measuring
- Carbon reporting
- Carbon capturing

We are taking actions to reduce atmospheric emissions that are related to energy consumption such as automating our processes through smart sensors, using environmental friendly material for stand build up and changing the code of construction. We have introduced certain measures to track suppliers performance towards GHG emissions, and have worked closely with international venues such as Rai Amsterdam to learn from their practices. We have been working with ADQ innovation lab to replace the traditional non-recyclable carpet, typically used for events, with smart flooring technology to reduce the emission of GHG gases during the waste process. We have introduced many other measures related to this issue such as smart food waste preventive machines. We also introduced the concept of food carbon print as part of our selection criteria for food ingredients. Additionally, we encourage recycling and the use of biotech products for cleaning, eco-friendly material, and biodiesel.

All the above measures, and the ones included in the previous section, reflect our efficient utilization of systems and process. Below are the ways in which we are reducing our carbon footprint:

- The fact that we are ISO 14001 certified implies our commitment towards developing capabilities and training our people continuously through structured learning programmes related to GHG emissions.
- The Strategy & Investment Department manages sustainability at ADNEC Group. The company has also created an ESG committee that is chaired by the Director

of Strategy & Investment and consists of representatives from the six main clusters of ADNEC Group.

- We conduct regular internal and external audits, and have detailed risk management and assessment approaches. We regularly assess the environmental management and operational environmental impact. We also conduct external audits to regularly check the company's performance data (done by third party).
- We are ISO 14001 certified in the field of Environmental Management Practices. We have also received the Health and Safety Certification and the ISO 20121 Certification in the field of event sustainability management system.
- We monitor and report on quantitative indicators related to environmental management such as GHG emissions.
- We focus on increasing awareness of our staff, suppliers, customers and partners. We conduct regular awareness sessions on reducing atmospheric emissions. We use our innovation lab for conducting these sessions in collaboration with our stakeholders.
- We collaborate and partner with universities and third-party service providers to reduce GHG emissions. As highlighted earlier, the Net zero carbon events initiative is the biggest and the most impactful, with clear responsibilities, scope, mandate, objectives, measures, and time frame.
- As mentioned earlier, we conduct regular risk assessment on issues related to environmental topics, and have recently started including GHG emissions as part of the scope.
- Unlike manufacturing companies that produce high emissions through energy (i.e. metal production, glass production etc.), ADNEC Group's and then continue with core business focusses on delivering events. This means that ADNEC Group does not engage in the production of products that generate high atmospheric emission. The event deliverables and activities include carpentry work, food



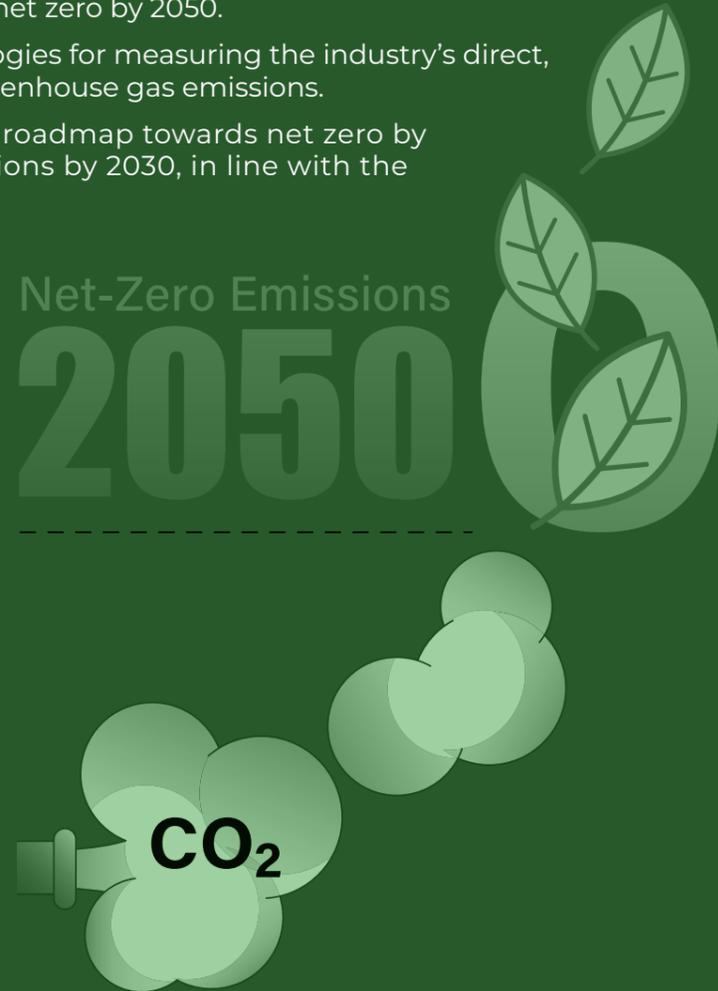
Net Zero Carbon Events

In 2021, ADNEC Group announced its participation in the Net Zero Carbon Events initiative, a global initiative which aims to bring together a wide range of industry stakeholders to jointly tackle climate change and drive towards net zero by 2050. Participants from within our industry signed a pledge committing to support the goal of net zero greenhouse gas (GHG) emissions by 2050, in line with global efforts set out by the Paris Agreement, and to advocate for industry efforts throughout the value chain to achieve the same. The Paris Agreement aims to limit global warming to 1.5°C and reduce total global GHG emissions by 50% by 2030. ADNEC Group has undertaken to publish its roadmap for achieving this goal before the end of 2023. The Pledge was officially launched and announced in November 2021, as part of the UN Climate Change Conference (COP26). Meanwhile, the roadmap was officially launched in 2022 as part of COP27.

What is the Net Zero Carbon Events initiative?

The Net Zero Carbon Events initiative aims to bring together a wide range of industry stakeholders to:

- Jointly communicate our industry’s commitment to tackling climate change and driving towards net zero by 2050.
- Develop common methodologies for measuring the industry’s direct, indirect and supply chain greenhouse gas emissions.
- Construct an industry-wide roadmap towards net zero by 2050, and emissions reductions by 2030, in line with the Paris Agreement.
- Foster collaboration with suppliers and customers to ensure alignment and common approaches.
- Establish common mechanisms for reporting progress and sharing best practice.



The Pledge

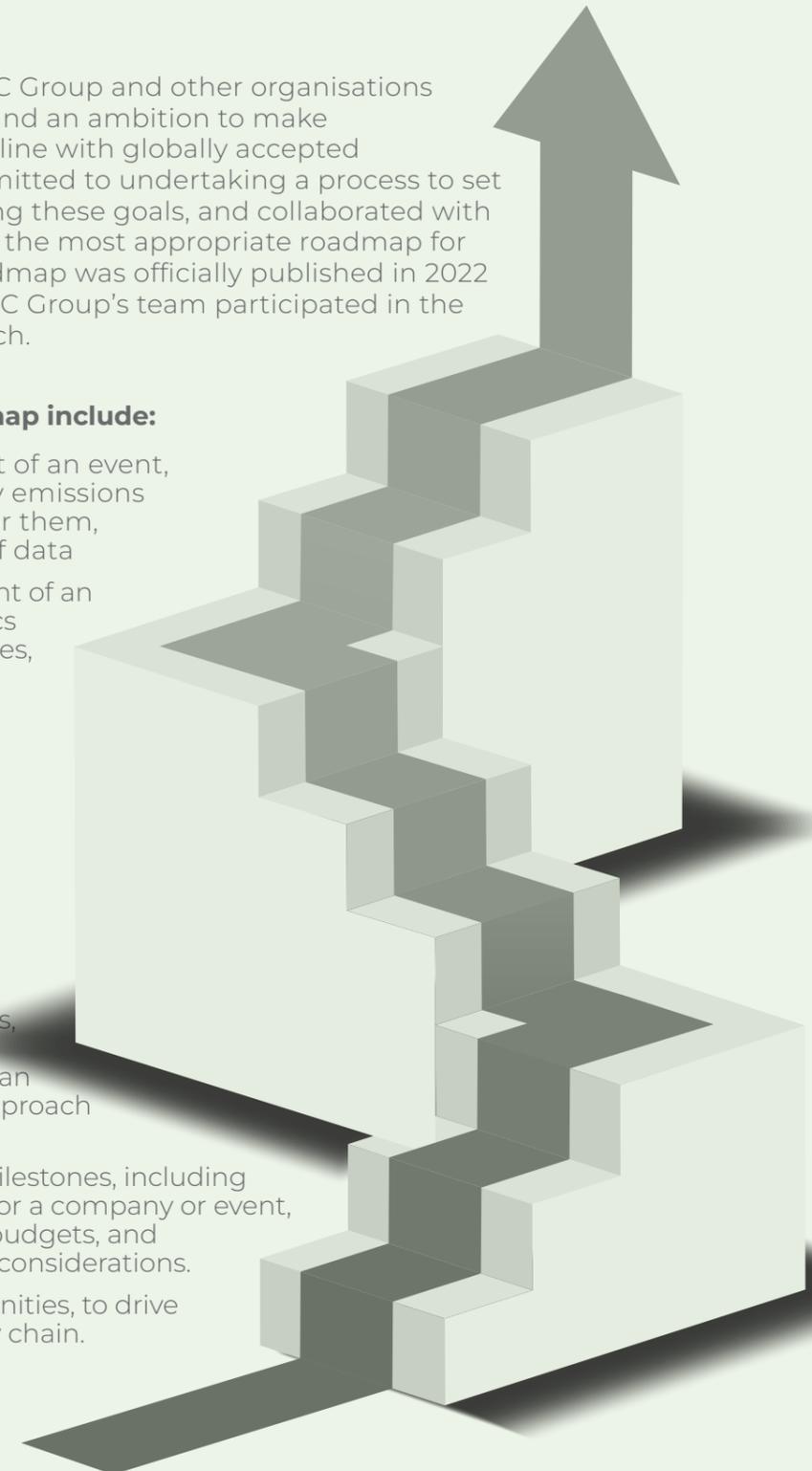
ADNEC Group commits to support the goal of net zero greenhouse gas (GHG) emissions by 2050, in line with global efforts set out by the Paris Agreement to limit warming to 1.5°C and reduce total global GHG emissions by 50% by 2030, and to advocate for industry efforts throughout the value chain to achieve the same. In pursuit of this aim, before end of 2023, ADNEC Group undertakes to publish its roadmap to achieve this goal.

Roadmap

Upon signing the pledge, ADNEC Group and other organisations committed to net-zero by 2050 and an ambition to make significant progress by 2030 – in line with globally accepted minimum targets. We also committed to undertaking a process to set a clear pathway towards achieving these goals, and collaborated with other stakeholders to determine the most appropriate roadmap for the industry as a whole. The roadmap was officially published in 2022 as part of COP27 in Egypt. ADNEC Group’s team participated in the official announcement and launch.

The topics covered in the roadmap include:

- Mapping the carbon footprint of an event, including identification of key emissions sources, who is responsible for them, significance and availability of data
- Calculating the carbon footprint of an event, including agreed metrics and methodological approaches, available tools, and links to existing methodologies in use by related sectors (e.g. hotels, aviation)
- Opportunities and goals for carbon reduction activities, including renewables, waste reduction, green transport etc, identification of collaborative opportunities and appropriate goals and targets
- Offsetting of residual emissions, following a hierarchy of best practice and establishment of an industry-agreed protocol to approach scope 3 offsetting
- Net zero claims and interim milestones, including how to claim ‘net zero’ status for a company or event, alignment to sectoral carbon budgets, and external audit and verification considerations.
- External collaboration opportunities, to drive reductions through the supply chain.



- We regularly monitor and report the GHG emissions as per our ESG report.
- We conduct regular awareness sessions for staff and for suppliers. We do participate in community practice discussions and sessions to share knowledge and maximize benefits.
- We conduct benchmarking studies and learn from others similar to the one we did with Rai Amsterdam (one of the leading venues globally in the area of environmental practices).
- We are also ISO certified in the field of Environmental Management Practices ISO 14001 certification,
- We have dedicated team that manages environmental issues and works continuously on initiatives and activities related to emissions, energy, water and waste.



- We regularly review and update our systems to ensure efficiency. As a matter of fact process efficiency has been a hot topic and a priority during 2022 between us and our shareholders ADQ which led us to enhance our ability of implementing and efficiently using systems and technological resources for environmental management. We have clear examples for our automated systems to reduce GHG emissions. We focus on efficiency of our systems and processes, we manage our assets through a comprehensive set of automated systems for inventory management, facility management, preventive maintenance, corrective regular maintenance, asset management and others. We do apply AI solutions for energy conservation and water consumption reduction. We have installed systems for clean energy storage using solar panel technology.

- We have changed the learning and development courses and added more specific courses related to environmental aspects. This is a continuation to existing practice of developing training programmes for employees on environmental management and eco-design.
- We conduct regular internal audit, external audit and we have detailed risk management and assessment approaches. We regularly assess the environmental management and operational environmental impact. As part of our annual audit plans, we conduct regular audits in environmental management and eco impact issues. We also conduct external audits to regularly check the company's performance data (done by third party).
- We are ISO 14001 certified in environmental management system and ISO 20121 certified in event sustainability management system.
- The Strategy & Investment Department is the department that manages sustainability at ADNEC Group. The company also created an ESG committee that is chaired by the Director of Strategy & Investment and consists of representatives from the 6 main clusters of ADNEC Group.
- As we mentioned, we engage stakeholders and work in collaboration with them such as the example of events industry stakeholders (UFI Sustainability Development Committee, AIPC) and other stakeholders from Abu Dhabi such as Masdar, Abu Dhabi Sustainability Week (ADSW) and the Abu Dhabi Sustainability Group (ADSG), in addition to collaboration and work with universities such as Zayed University, Khalifa University, AD NYU. Also, we engage stallholders related to our supply chain and value creation such as service providers and third-party material providers.
- We have developed a robust process for grievance such as the independent whistleblowing mechanism through which all stakeholders and employees can raise concerns directly to an external independent third party as part of its whistleblowing policy.

Utility	2018	2019	2020	2021	2022
CO2 emissions due to electricity in tons	10.35	11.30	9.91	9.80	11.23



Energy Consumption

We aim to reduce energy consumption for the same level of business by 5% year on year. This is for the same level of business so that the comparison is equal, however since ADNEC Group is massively growing, our portfolio is expanding, we are adding more assets through mergers and acquisitions and we are an investment driven business, it is difficult to compare the overall energy consumption for the whole business year on year.

ADNEC Group has been diligent in adapting to sustainable projects and, since energy - which mainly refers to power consumption - is a major contributor to the completion of event deliverables, various initiatives were executed to ensure that power is operated in a way that will minimize consumption.

The following are the list of energy conservation initiatives:

LED Lights Installation

ADNEC has replaced conventional lights, such as fluorescent, halogen etc, with power efficient LED lights in order to support its strategic objective of being a sustainable venue with sustainable services.

The benefits of LED lights include energy efficiency, less power consumption, less maintenance costs and longer life span.



Lighting Control Systems

Lighting control systems were placed at most areas of the ADNEC venue, which aims to provide the right amount of light only where and when it is required.

Motion-controlled lights have been installed in many offices and staircase areas, and these control measures are deployed to maximize the energy savings from the lighting and also to comply with energy conservation programs.

On-site renewable Energy: Solar Panels

We have installed on-site solar panels on the roof of our car parks. In 2010 in collaboration with Masdar. A 111 kWp grid connected solar photovoltaic system was placed on Car park B's rooftop, covering a gross area of 1000 square meters. The energy generated is monitored through an allocated energy meter.

A thermal solar system has also been installed on Car park A's Rooftop. This solar hot water system provides domestic hot water to Aloft Hotel.

Future Initiatives

ADNEC is going to run HVAC and BMS System Enhancement and Modernization. We will be having an IoT integrated system that provides quick data analysis, reports, and incidents data. The system will provide suggestions for proactive management through the use of Artificial Intelligence (AI).

It has a critical monitoring system and alarms that prevent any incidents such as fire alarms, water overflow, low tank level, UPS battery failures, energy readings, scheduling and power saving mode activations. This will be possible using AI and IoT support.

Once the project is complete, the current challenges such as humidity and condensation, system malfunctions and manual operations, temperature variations and excess energy usage will be controlled and it is expected to have the following benefits:

- Efficient energy optimization and complete control on each energy factor.
- Annual maintenance cost savings and regaining the depreciation value by retaining the asset's efficiency and balancing operations.
- Sustainable and increased asset life cycle and preserving capital investments.

Utility	2018	2019	2020	2021	2022
Electricity in KWH	20,178,823	22,034,091	19,228,746	19,183,221	21,901,239



Water Management

We aim to reduce water consumption for the same level of business by 5% year on year. This is for the same level of business so that the comparison is equal, however since ADNEC Group is massively growing, our portfolio is expanding, we are adding more assets through mergers and acquisitions, and we are an investment driven business, it is difficult to compare the overall water consumption for the whole business year on year.

Many practices were adopted to manage water effectively and reduce consumption. For example:

Many practices were adopted to manage water effectively and reduce consumption. For example:

- We are ISO 14001 and 20121 certified in environmental policy.
- Awareness sessions on global water scarcity and the risks of not optimizing our water resources.
- Environmental risk assessment and audits with a focus on water consumption.
- Implementation of water saving mechanisms via installed aerator/flow regulators for all washbasins, kitchen taps and toilet trigger sprays at ADNEC to significantly save water.
- 'Air to Water' dispensers during the huge shows and events.
- AI technology and robotics for floor cleaning with less water.
- The ESG committee conducted several water management training sessions and learning programs.
- We engage stakeholders and work in collaboration with them to optimise water consumption and change behavior. We conducted several meetings with ADWEA and water consumption reduction technology providers.
- Include water reduction management as part of the scope of our risk assessments, assessing the water consumption practices and their impact on our services and operations.
- We conduct internal and external audits, with water consumption related KPIs are part of the scope.



Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Total water consumption (m ³)*	233,028	212,487	180,385	233,224	200,027
Water consumption intensity (m ³ /employee)	N/A	289.8	270.4	350.7	153.2
Water consumption intensity (m ³ /Visitors)	N/A	0.09	4.7	0.7	0.3

Comments: During 2020 visitors number is not accurate since ADNEC space was turned in to filed hospital.

*Water consumption measures water used by an organisation such that it is no longer available for use by the ecosystem or local community in the reporting period. Reporting the volume of water consumption can help the organisation understand the overall scale of its impact due to water withdrawal on downstream water availability. If the reporting organisation cannot directly measure water consumption, it may calculate this using the following formula:

$$(\text{Water consumption} = \text{Total water withdrawal} - \text{Total water discharge})$$

Waste Management

We developed a structured sustainability framework and sustainability strategy which include clear mechanisms for Change to Waste Management as part of the environment pillar.

Through this environmental policy and framework, we are able to strategically prioritize initiatives and link them to priorities with clear criteria for evaluation, including impact, scope, complexity and availability.

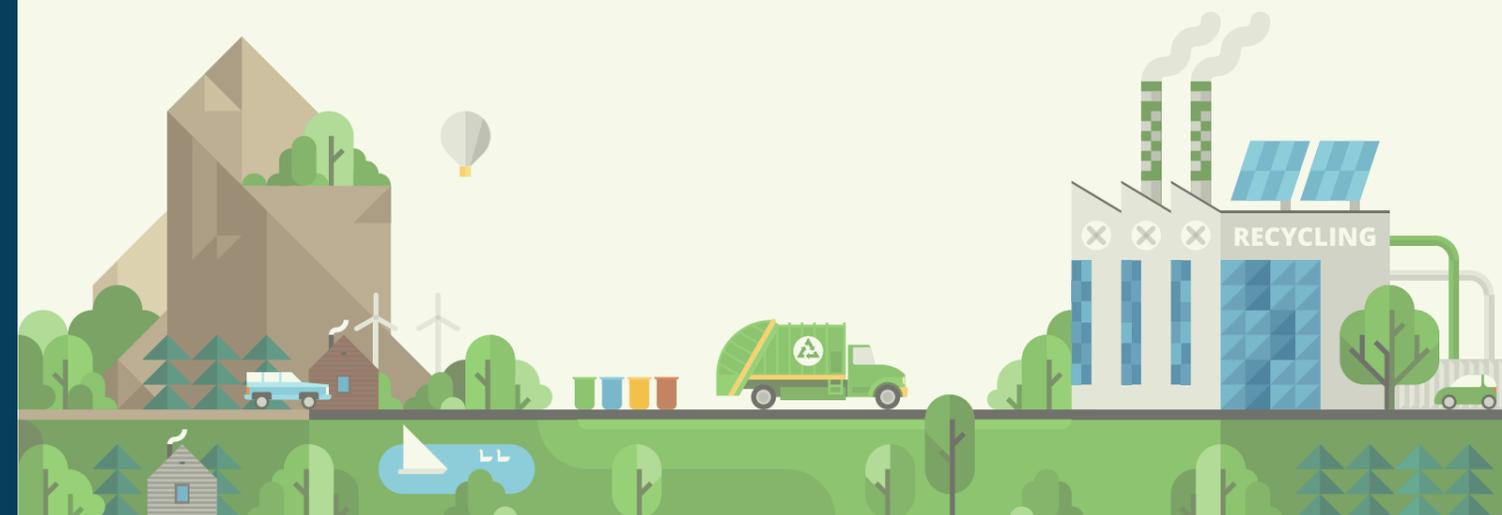
Moreover, ADNEC has been heavily engaged with implementing several projects that reduce waste and convert waste into a re-useable and recyclable product. These initiatives are operated across the venue and are continuously practiced in order to achieve environmental objectives:

- Bio Diesel
- RVM Plastic & Aluminum Cans
- Liquid Food Composting (LFC) Machines
- Recycling Paper Cardboard Boxes
- Robotic Scrubber Dryer

Furthermore, as part of the ISO 14001 certification, a dedicated waste management process/ procedure was developed due to our ongoing commitment to protect the environment by applying principles in line with waste management guidelines.

Several activities and campaigns to raise awareness around recycling and waste reduction, for instance:

- ADNEC Paperless Day in collaboration with EAD
- Stop and Donate to promote recycling among the community
- Earth Day activity
- ADNEC Green Week
- ISO 14001 certification, Environmental policy, and objective to minimize waste by evaluating all operations and ensure efficiency.
- Waste management procedure along with plan to engage our waste



management sub-contractor with clear SLAs and KPIs.

- Innovation and technological advancement to increase recycling percentage by introducing new materials to be recycled (woods, carpets, gypsum board)
- Introduction of sustainable products for the event industry (smart sustainable flooring). This is an R&D type of project in collaboration with ADQ Innovation Lab community. We have completed all design and conceptual phases and now reached the deployment phase, having identified the technology/material provider.

Many waste management initiatives are in place including:

- Bio diesel from cooking oil
- RVM plastic & aluminum cans to promote recycling
- Liquid Food Composting (LFC) machines to reach zero food waste
- Recycling paper cardboard boxes around the offices
- AI & robotic scrubber dryer



In our aviation catering (the production kitchen located within Abu Dhabi Airport site), we installed machines for food waste prevention (pro-active approach) and mechanisms for handling generated food waste (reactive approach).

We also monitor and report the recycled hazardous and non-hazardous waste, the total amount of waste and the total recyclable waste as a percentage of total waste, in addition to many other indicators.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Total waste generated (kg)	1,510,000	1,769,000	443,000	680,000	791,000
Non-hazardous waste generated (kg)	1,510,000	1,769,000	443,000	680,000	791,000
Hazardous* waste generated (kg)	0	0	0	0	0
Total waste recycled (kg)	777,000	749,000	172,000	344,000	389,000
Non-hazardous waste recycled (kg)	777,000	749,000	172,000	344,000	389,000
Hazardous waste recycled(kg)	0	0	0	0	0

Comments: As per ADNEC relevant policies and procedures, we don't allow hazardous material to our premises and venues.

*Hazardous waste is waste that possesses any of the characteristics contained in Annex III of the Basel Convention, or that is considered to be hazardous by national legislation.

Prevention of Pollution

We developed a structured sustainability framework and sustainability strategy which include clear mechanisms for Change to pollution prevention as part of the environment pillar.

Through this environmental policy and framework, we are able to strategically prioritize initiatives and link them to priorities with clear criteria for evaluation, including impact, scope, complexity and availability.

Company's goals and targets with regards pollution prevention:

- Introduce environmentally friendly material for stand build – target 50% of total material
- Replace diesel forklift with electrical cherry picker and machines – target 100%
- Incidents of total traffic blockages caused by ADNEC operations and traffic per year – target: zero
- Number of complaints related to noise pollution caused by our events – target: zero per year

Other Measures in place to prevent pollution and reduce the impact of operations on the environment:

- In alignment with ISO 14001 and ISO 20121 standards requirements, we have an environment impact assessment register where all functions and business units' day-to-day activities are assessed for their impact on the environment, including possible pollutions. In the assessment, we mention the activity and its origin, the potential impact (related type of pollution), impact score and finally controls to mitigate or reduce the impact.
- Environmental drills are conducted every six months to ensure readiness for any environmental related incidents such as: chemical spillage, oil spillage and body fluid spillage.
- Environmental legal compliance register, to ensue alignment with all the regulations about the environment and prevention from pollution.
- Environmental risk register.

Key Performance Indicators (KPIs)	2019	2020	2021	2022
No. of spills recorded (major)	0	0	0	0

Comments: There is possibility, but it never happened during the given years. The results were given after consulting with H&S for any spillage incidents.



ISO 20121 - EVENT SUSTAINABILITY MANAGEMENT SYSTEM

Capital Events is proud of its successes since accreditation to ISO 20121 in December 2020

We have drastically reduced the quantity of printed collateral created for our events across the board, preferring to share information digitally via websites, QR codes, email and show apps.

Other Measures in place to prevent pollution and reduce the impact of operations on the environment:

- In alignment with ISO 14001 and ISO 20121 standards requirements, we have an environment impact assessment register where all functions and business units' day-to-day activities are assessed for their impact on the environment, including possible pollutions. In the assessment, we mention the activity and its origin, the potential impact (related type of pollution), impact score and finally controls to mitigate or reduce the impact.
- Environmental drills are conducted every six months to ensure readiness for any environmental related incidents such as: chemical spillage, oil spillage and body fluid spillage.
- Environmental legal compliance register, to ensure alignment with all the regulations about the environment and prevention from pollution.
- Environmental risk register.

Key Performance Indicators (KPIs)	2019	2020	2021	2022
No. of spills recorded (major)	0	0	0	0

Comments: There is possibility, but it never happened during the given years. The results were given after consulting with H&S for any spillage incidents.



The Good Life by Capital Catering + Services

The Good Life by Capital Catering + Services is making significant efforts to reduce their environmental impact by using biodegradable packaging for their food and beverage offering, in addition to providing eco-friendly corn starch cutlery instead of plastic.

These choices greatly reduce the amount of plastic waste that ends up in landfills and the environment, making The Good Life more sustainable. In fact, they have reported that they are over 80% sustainable, suggesting that they are taking additional steps to reduce their environmental impact beyond just their packaging and cutlery choices.

These efforts not only benefit the environment, but they also align with consumers' growing desire for sustainable and eco-friendly options.

The Good Life serves as an example of how small changes can have a big impact on sustainability and how businesses can play a role in protecting our planet.



Social

- **Customers**
 - Responsible Customer Relationships
- **Suppliers**
 - Supply Chain Management
- **Human Capital**
 - Health and Safety
 - Equal Opportunity
 - Employee Training and Development
 - Nationalisation
- **Community**
 - Community Engagement and Investments
 - Brand Perception

Customers

Responsible Relationships with Customers

As per the European Foundation for Quality Management (EFQM) excellence model, ADNEC Group's stakeholders are categorized into five categories:

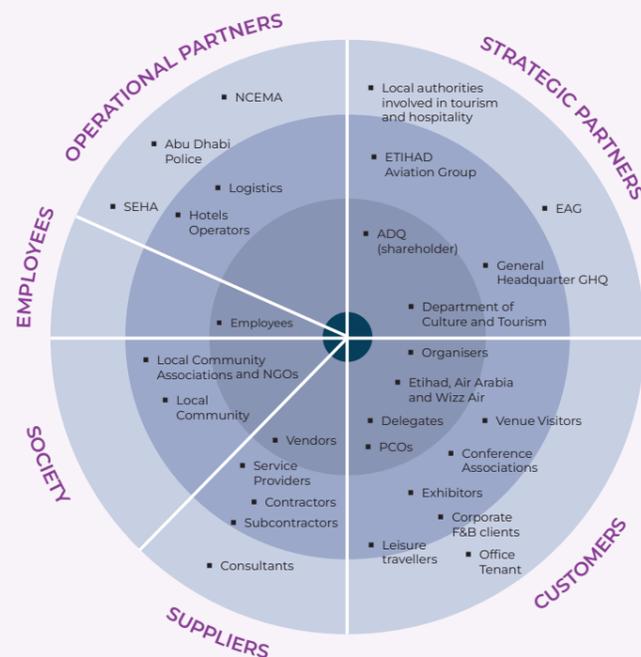
- Partners
- Customers
- Suppliers
- Society
- Employees

A key category of our stakeholders are our customers including organisers, exhibitors, visitors, hotel guests, tourists and external catering clients, in addition to other segments of clients.

In addition to the policies, procedures and approaches, we are aligned with international standards to ensure responsible customer relations. Our formal customer relations policy is linked to our ISO 9001 Management System – customer clauses. We regularly publish our customer satisfaction, NPS, and customer complaints targets. They are part of the company scorecard, which is monitored and reported on quarterly. We also adopt other ISO standards that help ensure a comprehensive responsible customer relations policy such as:

- ISO 14001 and ISO 20121 Management Systems
- ISO 20000-1 Management System

Proximity to centre of wheel indicates intensity of required engagement



Customer Satisfaction

We regularly measure the satisfaction of our customers. Since 2013, we have adopted a robust process for customer satisfaction and feedback, conducted by a specialized third party company to ensure credibility and objectivity of results and analysis. The process also includes customer complaints and suggestions capturing. For proper documentation, we developed detailed customer satisfaction and customer suggestion and complaints approaches with clear performance measures. Our process includes physical interviews, virtual interviews, online surveys and mystery shoppers.

On a quarterly basis, customer voice analysis reports are discussed by ADNEC Group leadership through structured sessions. Corrective actions and follow up measures are taken accordingly.

Our customer satisfaction results are presented annually as per the chart below. This combines the results we get throughout the year from events and from all types of customers mentioned. This also includes the NPS scores that we get from our customer segments.

For analysis purposes and to ensure the right action is taken, each business line is responsible for studying the customer voice in relation to relevant products or services. Detailed analysis is managed by the quality assurance department and follow up mechanisms are in place.

The sustained customer satisfaction results were due to several factors:

- Leadership commitment and follow up.
- Continuous improvement of services and products.
- Continuous process improvement.
- Robust customer voice management process.
- Proper customer engagement (especially organizers) in proactive planning to deliver certain services which are supported by the partnerships and shared objectives approach.
- More effective communication, internally and externally.
- Applying the mystery shopper approach.



Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Customer satisfaction score (%)	94%	95%	98%	93%	96%
Net Promoter Score (NPS)	79	79	85	72*	85

Comment: Our results for 2020 and 2021 were calculated based on the events that we were allowed to host and as per the COVID-19 guidelines and protocols.

* Despite lower than other years, the result is much higher industry standards which around 20+ (source: GRS Market Research). This has been affected by governmental restrictions on entering Abu Dhabi and ban on events.

Customer Experience

ADNEC Group has established, documented, implemented, and maintained a quality management system in accordance with the requirements of ISO 9001. Through such standards, and by fulfilling its requirements, the company has been able to establish continuous improvement practices which have become a focus to meet the requirements and expectations of external and internal customers.

Despite the difficulties during 2020 due to the pandemic, the company continued its project of expanding its portfolio of ISO standards and international best practices and successfully managed to get the certificate of two important standards in 2021, Event Sustainability management system ISO 20121 and Environment Management ISO 14001. ADNEC Group is considered the first company to achieve the ISO 20121 standard in the business tourism sector in the MENA (Middle East and North Africa) region. This is a true reflection of our leadership's commitment towards excellence and best practice adoption.

Other measures are in place to promote responsible relationships with customers and to improve the satisfaction levels:

- ISO 14001 and ISO 20121 Management Systems: Those standards are aligned with our internal initiatives to gain customer trust towards our environmental and sustainable activities. Likewise, they have facilitated and regulated the creation of post-show sustainability reports, which are valuable to our clients (organizers).
- ISO 20000-1 Management System: This standard helped to develop a structured IT Service Delivery process, which has significantly enhanced the overall customer satisfaction. It provides a direct impact on a cohesive service-oriented culture, IT service catalogue and client self-service capabilities, governance of services and processes and supplier portfolio management.
- Capital Events online registration: Capital Events is our organizing arm, responsible for managing ADNEC Group's events portfolio (planning, execution and review). The registration for an event is a pre-requisite in most cases, and so shifting towards an automated and online process was a positive move for our customers, especially during the pandemic.
- Effortless Customer Experience: The group is currently involved in Abu Dhabi Executive Council Project of CX Effortless Experience to enhance our customer journey based on up-to-date global practices in this field.

Additionally, ADNEC Group developed a detailed approach for customer complaints and suggestions. This identifies clear channels for capturing feedback and analysis, and these vary from traditional channels, such as face-to-face and hotline number, to more tailored and technology enabled platforms such as emails, website,



social media, organizer and exhibitor platforms, our event management system EBMS and chatbots.

The quality assurance department is responsible for the overall complaints management process, playing a centralized role between all relevant departments and ensuring actions are taken in a timely manner. For proper management and follow up, we define and classify complaints based on certain business criteria and impact. We receive tons of remarks and notes that do not fit the definition below, as they are dealt with immediately by our teams.

The table below summarizes the complaints situation since 2018.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Number of customer complaints* filed (#)	5	3	0	0	0
Number of customer complaints resolved (#)	5	3	0	0	0

*Complaints: identified as (Genuine, Severity: mid+), referring to customers suggestions and complaints approach matrix.



Suppliers

Supply Chain Management

Conflict of Interest (COI) for Local Regular Suppliers

Our vendors or suppliers are required to follow a Conflict of Interest (CoI) for Local Regular Suppliers. From 2022, we extended this to a Supplier Code of Conduct.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Percentage of suppliers have formally certified their compliance with the Conflict of Interest (CoI) for Local Regular Suppliers.	100%	100%	100%	100%	100%

In 2022, we developed our Sustainability Strategy and Framework which provides clear policies and directions for responsible procurement and/or ESG Green investments. The policy encourages the adoption of international practices related to the global trends of responsible buying and includes criteria related to societal impact, environmental impact with a big focus on net zero adaptation, and governance impact.

The evaluation of suppliers is 40% financial, 40% technical and 20% ESG related. Going forward we will increase the percentage of ESG and reduce the other two percentages.

We address environmental and social considerations in ADNEC Group's procurement process. This is happening gradually as we are shifting towards a more responsible buying and green procurement process. We favor suppliers with stronger environmental or social performance as part of our supplier evaluation process. As part of our evaluation, we identified ten criteria covering all aspects of supplier performance, as described in the table below. Criteria 2, 7, 8 and 9 directly relate to ESG requirements



Supplier Evaluation Criteria	% of Overall Score
1. Legal status in the UAE	10%
2. Financial stability	10%
3. Previous relevant experience and credible references	25%
4. Location of the company	10%
5. Experience of key staff members	10%
6. Capacity assessment – to ensure the supplier can deliver on the proposed work	15%
7. Environmental Policy & Waste Management	5%
8. Corporate Social Responsibility activities	5%
9. ISO Accreditations and H&S Policy	5%
10. Organisational chart	5%

The above scores are subject to change according to the nature of tender

During the supplier registration process, suppliers are encouraged to submit their initiatives with regards to Corporate Social Responsibility.

ADNEC Group expects certain standards from its suppliers, including for them to formally declare any conflicts of interest, to comply with all relevant health, safety and environmental laws, and to protect confidential information. A detailed checklist against a scoring system is made on registration and qualification of a new supplier, and during the technical evaluation of any bids they make, to ensure adherence with our expectations as a business. Tender Evaluation Committees are in place to ensure proper scrutiny is upheld during the procurement process.

Supporting local suppliers

ADNEC Group supports the UAE ICV program and believe in its long-term impact on the local economy and its role in driving more economic value to UAE business sectors. Since 2021, ADNEC Group started its ICV program for its commercial subsidiaries and whenever else applicable. ADNEC Group consists of several business lines such as events services, catering, hotels and recently the company established and launched its leisure tourism arm, Tourism 365.

Accordingly, we started the ICV adoption for procurement transactions for these business lines, and as per their trade license, allowing them to compete during the tendering process. We have a contract with a specialized third-party registrar to help us with ICV calculation and to secure the necessary certifications. This program allows us to request our suppliers to provide their ICVs if applicable.



مندوقة خليفة لتطوير المشاريع
Khalifa Fund for Enterprise Development

Additionally, ADNEC Group encourages participation of SMEs and/or Khalifa Fund (KF) companies in tenders/RFQs. During the tendering process, the bidders are requested to submit their intent to RFQ mentioning if they are categorized as an SME / KF company. Moreover, ADNEC Group procurement allocates a percentage of its annual procurement plan to SMEs.

Procurement practices

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Total procurement spending (million AED)	112	137	59	178	221
Procurement spending on local suppliers (million AED)	111	135	58	171	210
Total number of local suppliers engaged (#)	n/a	n/a	n/a	420*	327

* As of December 2021. This is a cumulative number, the individual numbers cannot be extracted from AX due to frequent updating done on vendor data as per requirements.

Awareness

Internally, we conduct sessions to increase awareness of responsible buying and to promote the use of sustainable products and services. This is done through several channels, such as employee training, specialized procurement sessions and ESG team awareness sessions. Externally, we encourage our suppliers to adopt international best practices related to sustainability, such as ESG and GRI, by playing an advisory role during our suppliers' engagement activities.

To ensure this positive change, we follow the supplier evaluation process, suppliers contractual KPIs and ADNEC ICV program. ADNEC Procurement examines the green environment policy, sustainability practices (ESG and GRI), related ISO certifications and waste management policy during the supplier evaluation process.



Human Capital

Health and Safety

Occupational Health and Safety

ADNEC has a documented Health and Safety Management System comprising of policies, procedures, standard operating procedures (SOP) and associated documents in line with local and international standards and certified by Abu Dhabi Public Health Center (OSHAD). Also, ADNEC is following and adopting the ISO 45001 international standards.

We run regular campaigns and sessions to promote and communicate our initiatives for employees' and/or contractors to promote worker health. This includes healthy lifestyle and mental health. This is supported with dedicated and specialized training in collaboration with our Human Capital department, and regular training sessions are conducted addressing topics such as first aid, fire marshals, safe driving, emergency planning and tests such as evacuation drills and chemical spills.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Total employee manhours (#)	749,232	779,328	727,584	969,285	957,504
Total contractor manhours (#)	N/A	18,464,160	2,762,672	9,580,384	4,752,000
Employee fatalities (#)	0	0	0	0	0
Contractor fatalities (#)	0	0	0	0	0
Employee total recordable injuries (#)	6	8	10	4	6
Contractor total recordable injuries (#)	28	36	47	27	56
Employee lost-time injuries (#)	0	2	4	4	0
Contractor lost-time injuries (#)	5	20	12	0	0
Absenteeism rate*	13%	17%	13%	4%	5.5%

Absenteeism rate = total number of missed workdays (for full time employees)/ total workdays (for full time employees).

* Missed workdays includes following leaves:

- Sick Leave
- Uncertified Sick Leave
- Injury Sick Leave
- Escort Leave
- Local Emergency Leave
- Suspension Leave
- Unauthorised Leave
- Unpaid Leave
- Iddah
- Hajj Leave
- Sports Leave

We do regular internal and external audits to test the compliance and make sure corrective actions related to Health and Safety are well managed and addressed.

We engage stakeholders relevant to health and safety practices to participate in our awareness sessions, coordination meetings and workshops, joint efforts and collaborative initiatives such as OSHAD, NCEMA, Civil Defence, AD Municipality and so many others.

Health & Wellbeing

We look to continuously support our employees to choose healthy lifestyles through providing information and training that takes into account their physical, emotional and social wellbeing. Subjects include exercise, nutrition and mindfulness.



Communication plays a vital part in supporting our employees and we use various means to ensure we reach everyone effectively, including email, onsite signage, intranet and other digital means such as WhatsApp.

Our effective working from home process has enabled us to further support the work-life balance of our people through the newly introduced Remote Working Policy. Employees can conduct up to 25% of their total required monthly days as remote working. We look forward to seeing the benefits of this new scheme as our teams begin to make more choices about where they conduct their work.

Equal Opportunity

ADNEC Group strives to attract highly qualified employees and to provide optimum working and career development conditions that meet its organisational needs regardless of gender, nationality, age, and colour.

As part of its strategy, ADNEC Group's commitment is to establish fair practices and provide equal opportunities when it comes to its employees.

We are proud to have a diverse workforce and we have never reported any discrimination incidents within ADNEC Group.

ADNEC Group management recognizes that having a gender-balance at every level of the organisation will bring benefits to the success of our business. We are committed to empowering female colleagues, and we strive to support their career development and growth as the future generation of leaders in the business tourism sector.



Key Performance Indicators (KPIs)

	2018	2019	2020	2021	2022
Total number of female employees (#)	214	195	178	180	310
Number of nationalities across the workforce (#)	33	31	29	28	104

Support Female Employees

ADNEC Group is deploying a number of initiatives and programmes to support the recruitment and retention of its employees. This includes supporting female employees advance to management positions. Our IGNITE Program is a perfect example that supports talented Emirati graduates settle quickly into the world of work, building the skills, knowledge, and connections to thrive. The structured program introduces them to the entire business to ensure they understand the full context of the ADNEC Group and how the teams within it operate. This dedication to their career growth gives them a great platform for development.



ADQ Game Changers Leadership Program

We are proud that two of our female ADNEC Group's team members were selected during 2021 for the ADQ Game Changers Leadership Program.

The program is in partnership with London Business School to develop the UAE's next generation of business leaders. The objective of the 3-year program is to provide high-potential employees with a best-in-class learning experience that will provide an accelerated path to learning new skills, to enable them to become future business leaders.

Ana Khachfani from Capital Catering + Services and **Sameirah Al Dhanhani** from the ADNEC Group's Finance team are among only 100 employees working across ADQ companies to embark on an exciting and enriching three-year learning journey. This program is directly related to ADNEC Group's strategic objectives of being an institution of growth and continuous learning.

Support Employment of People with Determination

Our recruitment policies and tactics for the segment of PoD is aligned with the National Policy for Empowering People of Determination – UAE.

Support retirees

Early retirement plans and policies are part of ADNEC Group's employee welfare and compensation policies.

This is applicable only for Emiratis. ADNEC Group support them to receive their early retirement pension should they opt for it.

Workforce Overview	2018	2019	2020	2021	2022
Total number of employees (#)	708	733	667	665	1224
Full-time employees (#)	613	641	587	584	1216
Part-time employees (#)	95	92	80	81	8
Full time employees in senior management (#) – Grades 0-2b	44	40	38	37	40
Female	3	2	3	3	5
Male	40	38	35	34	35
Full time employees in middle management (#) – Grades 3a/b	81	81	79	88	110
Female	31	32	31	36	39
Male	50	49	48	52	71
Full time employee staff (other levels) (#) – Grades 4 - 5	489	520	470	459	1065
Female	163	147	136	132	265
Male	326	373	334	327	800
Workforce by gender profile	595	641	587	584	1015
Female full-time employees (#)	179	181	170	171	309
Male full-time employees (#)	416	460	417	413	907

Employee Listening

We invite feedback from our people on a regular basis, the main methods being:

- Annual staff satisfaction survey.
- Investors In People surveys.
- Flash and ad hoc surveys on various topics.

We use the results of these anonymous surveys to support our efforts to ensure we have an engaged, happy and high performing workforce.

Employee Training and Development

ADNEC Group believes that our people are our most valuable asset and therefore we constantly seek to develop our employees in line with their personal career ambitions. The company provides learning and development opportunities for all employees, with a focus on UAE Nationals, in order to bridge any performance gaps and to prepare our people for new roles and responsibilities.

ADNEC Group aims to develop all employees to reach their maximum potential so that they may have the knowledge, skills, attitudes and commitment necessary to meet current as well as future business needs.

Competencies are assessed as part of the six monthly performance review along with personal KPI's set for each employee.

Below are the various programmes & initiatives in place across the ADNEC Group to support employees to perform at their best

Onboarding of new employees

New employees joining ADNEC Group are introduced to the various companies, leaders, teams and processes that make up the ADNEC Group. Our teams are welcoming to new joiners and most newcomers report feeling very well cared for during their initial days with us.

Training

We have a number of different options available for employees to meet their training needs:

- **In-person training courses** - we select highly qualified and experienced internal trainers and external training providers to deliver training to meet specific requirements. These usually fall into one of three categories:
 - Technical Programs –core, job specific and specialized training in a specific career field or profession.
 - Behavioural Programs – 'soft' skills programs
 - Leadership Programs – programs or activities that make employees become better leaders.



- Online learning – during 2020 and 2021, due to the pandemic, the majority of training has been delivered online. Our partnership with the Coursera platform has enabled our employees to continue to develop their skills in a vast range of subjects.
- ADNEC Distanced Talks – a knowledge sharing initiative encouraging our staff to share their skills and experience with their peers across the business. We know that all employees possess unique and beneficial knowledge and experiences, and we encourage them to share these to benefit other employees.
- Coaching Program - During 2019, we launched our internal Coaching Program, initially training a team of 15 coaches who have all been certified by International Coaching Federation (ICF) Foundation Program.
- The Coaching Program supports personal development and learning through establishing one-on-one relationships between employees and our trained coaches. The process of being coached in the workplace can bring about many benefits including increased empowerment, sense of responsibility, staff engagement and performance.
- During the pandemic, coaching has continued via online meetings to ensure continuation of this beneficial program.
- Personal Development Plan (PDP)

Each employee completes an annual PDP with the support of their line manager, and this helps direct their learning and development efforts for the year ahead. The PDP sits alongside the annual performance review process and gives structure and purpose to their learning journey.

- Competency Framework

Each job role has a competency framework to help employees measure their effectiveness and plan for their development accordingly. Both technical and behavioural competencies are considered.



Training & Development (ADNEC Group, ADNEC, ADNEC Services)	2018	2019	2020	2021	2022
Total training per employee (hours)	8,605	6,799	5,581	6,736	7,978
Male employees	5,250	3,627	2,670	2,905	4,102
Female employees	3,355	3,172	2,911	3,831	3,876
Average training per employee (hours)	42	39	25	27	37
Average training per employee (hours) Male employees	35	31	15	20	34
Average training per employee (hours) Female employees	55	52	41	36	42

Training & Development (Capital Catering & Services)	2018	2019	2020	2021	2022
Total training per employee (hours)	N/A	3,449	2,519	3,670	4,400
Male employees	N/A	1,512	1,728	1,800	3,365
Female employees	N/A	1,937	791	1,870	1,036
Average training per employee (hours)	N/A	11.3	9.1	15.8	5
Average training per employee (hours) Male employees	N/A	6.7	8.5	10.2	6
Average training per employee (hours) Female employees	N/A	24.2	11	34	6

Investors in People Award

- We are committed to creating a work environment where we recognize and celebrate our people’s achievements and value their contributions in driving our business forward.
- Investing in our people is a priority commitment and a strategic goal for ADNEC Group. We strive to continuously provide everything that enables employees to excel and to actively contribute to the achievement of the company’s goals.
- We are proud to have achieved the Investors In People (IIP) accreditation and we consider this to be a key milestone in our journey to continuously improve how we support our most valuable asset – our people.



Key Performance Indicators (KPIs)	2019	2020	2021	2022
Workforce voluntary turnover rate (%)	4.9%	4.6%	4.2%	3.6%

Comment: Years 2020 and 2021 are COVID-19 years. Due to the business circumstances and the ban on events and travel, actions were taken which affected the overall percentage of turnover. Some positions and jobs were cancelled as the business had to be reshaped.

Nationalisation

Being part of ADQ and as a state-owned enterprise; ADNEC Group is dedicated to sustainable growth and development of our UAE Nationals, preparing them to take on more responsibility and become a successful future star. Considering the fact that we are in a sector that is relatively new to Emiratis, we have been successful in attracting and developing UAE nationals in sectors related to the events industry, catering, hospitality and tourism.

We have been improving our existing initiatives and implementing a number of new specialised development programmes and activities to maximise potential, support and retain our UAE National talent as summarized below.

UAE National Development Programmes



- **Leadership Development Programme:** UAE National employees have the opportunity to participate in a career path and coaching programme. This innovative programme measures ability, aspiration, motivation, engagement and potential. Individuals are provided with independent feedback and follow up mentoring support to ensure that bespoke learning solutions are provided to realise the employee's full potential as a future leader.
- **Mentoring and Coaching Programme:** our “buddy up” mentoring programme was launched in 2012 to specifically develop and support ADNEC Group’s UAE National talent. ADNEC Group’s mentors are all fully trained and encourage all our UAE Nationals to actively participate in this programme. Mentoring is an important facilitator in reinforcing personal development and ensuring people are accountable for their own career paths.
- **ADNEC Group UAE National Forum:** provides the opportunity for all UAE Nationals to attend a meeting with the Managing Director and ADNEC Group Leadership. This open forum provides an opportunity to exchange views on a wide range of topics and issues from our UAE National employees. It also provides a platform for exchanging and promoting ideas about how ADNEC Group can continue to improve and develop as a business. It is a learning opportunity for staff built around openness and transparency.



Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Nationals among full time workforce (#)	134	131	123	119	49
Emiratisation* (%)	72%	72%	72%	72%	6%
Nationals in senior management positions and above (#) - L1 & L2	N/A	7	6	6	6
Nationals in senior management positions and above (#) L1, L2 & L3	N/A	22	21	19	27

*Among full time staff



Community

Community Engagement and Investment

As part of its social impact and role, ADNEC has been doing a lot of society focused initiatives throughout the last 10 years. The beginning was with CSR events focused on donation and volunteering but as ADNEC Group as an organisation has matured, our initiatives have slightly evolved to include community engagement elements.

Shaikh Zayed Grand Mosque volunteering

In collaboration with the Sheikh Zayed Grand Mosque, we provided a volunteering opportunity for ADNEC staff to work in the Ramadan tents at the mosque.



Food Parcel distribution

Through its catering arm “Capital Catering + Services” ADNEC has regularly organised Iftar Meals distribution at the labour camps during the Month of Ramadan. Employees for all the departments have volunteered along with the senior management. This initiative was stopped in 2020 and 2021 due to the pandemic and resumed during Ramadan in April 2022.



Blood Donation

In 2018, ADNEC and AACC teams launched a Blood Donation campaign in line with the Year of Zayed values, under the slogan: You Don't Have to Be a Doctor to Save Lives, Just Donate Blood. A total of 49 units of blood units were collected. In 2019, the campaign was launched again where a total of 74 units of blood were collected. We resumed this initiative in 2022.

'STOP AND DONATE' recycling and donation campaign

ADNEC Group aims to drive a wider agenda of embedding an environmental culture with its employees as well as the community. The 'Stop and Donate' campaign encourages the local community to drop off their unwanted items for donation to the Red Crescent or for recycling. Collection points were set up and announced at ADNEC and AACC premises. We received a record number of donations from the community in 2019, due to a marketing campaign targeting the local community. Unfortunately, due to pandemic and restrictions on venue accessibility, we were forced to pause this initiative which we plan to resume.



Our sustainability journey started 10 years ago. At the beginning, our efforts were driven by voluntary efforts from various committees such as the ADNEC green team. A group of people aiming for positive impact on society gather from different departments and work continuously towards sustainability. These voluntary efforts triggered certain initiatives such as school educational programme, Stop and Donate programme, charities, fund-raising in support of autism, blood donation campaigns and summer sport activities.

Year after year, the focus on sustainability evolved and ADNEC Group structured its efforts towards sustainability through robust governance model linked to its strategic objectives. More resources have been allocated and gradually the work became more consistent. In 2018, ADNEC launched its initiative “ADNEC Giving” which provided an organized volunteering opportunity for all staff to participate as mentioned in the previous section for the Iftar Gatherings at Shaikh Zayed Grand Mosque and Food Parcel distribution.

As part of its positive social impact and community development role, ADNEC Group continuously aims to contribute to the success of events that has a social impact on community. We support events related to educational programs, school community, vocational training, people with determination, social aspects related



to Abu Dhabi's residents and non-local communities and so many others. ADNEC Group's teams provide logistics and operational support to these events; we also provide special rates and discounts contributing to the success of these events

The table below summarizes our contribution to community through several initiatives. We estimated the impact of each initiative and quantified it to provide a reasonable financial estimation. Also, the table provides a comparison with ADNEC Group revenue and profit.

Estimation of ADNEC Group social impact initiatives	2018	2019	2020	2021	2022
Total value of ADNEC Group community investment**	12,000,000	31,507,000	430,000	3,256,000	6,928,000
Community investment as a % of company revenue (AED)	3.80%	7.30%	0.8%	13.7%	0.65%
ADNEC Group community investment (% of pre-tax profit)	51.5%	55.1%	0.8%	13.7%	9.1%
Discount/free services to community	11,880,000	31,290,000	430,000	3,256,000	6,928,000
Number of employee volunteers (#)	143	165	18	16	17
Number of employee volunteering hours (hours; #)	171	219	24,480*	10,840**	4,658**

*Several actions for community investment, amongst them giving discounted prices for events directed towards community and have a social mission.
 **The voluntary hours has increased due to employees participation in 24/7 voluntary works during (COVID19) at Vaccine Centre and the Field Hospital. In 2022, beginning of the year we were still taking precautionary measures, and the employees were among the first supporters.

ADNEC Group Events Economic Impact

Through its activities and main business lines, ADNEC Group events contribute to the economic prosperity of Abu Dhabi and UAE. Our activities are directly linked to Abu Dhabi's key sectors and focus areas such as tourism, health, education, agriculture, energy, and many others. Our events attract international, regional and local customers in the form of organizers, trade exhibitors, visitors and businessmen, associations, tourists and others. They represent global brands and key regional and local organisations. Throughout our supply chain and value-added activities, we generate an economic impact, calculated at a global scale. Our economic impact is divided into direct, indirect and induced as per the nature of our activities and supply chain effect. Also, we calculate the social impact of our activities in the form of jobs supported. The table below provides an overview of our economic impact (Gross Value Add).

ADNEC Economic Impact *	2018	2019	2020	2021	2022
GVA Gross Value Add (AED Billion)	3.4	4.9	1.4	2.4	3.6
Jobs supported (#)	19,348	27,534	7,591	13,392	21,000

* Results have been affected heavily by pandemic due to ban on travel and restrictions on mass gathering.

Brand Perception

Products and Services Impact on the Community

Society engagement and perception is one of ADNEC's areas of focus. The company dedicated a special theme in its strategy map for sustainability including clear goals, objectives, and a set of strategic measures, supported by regular reporting and analysis. As a result, the society satisfaction survey was conducted through an independent third-party market research contractor to ensure objectivity and impartiality.

The perception questionnaire contains the below summarised segmentations, that cover the relevant sustainability areas:

1. Reputation and image
2. Social impact
3. Environmental impact
4. Impact on surroundings

ADNEC Group Brand Perception	2015	2016	2017	2021	2022
Reputation and image	87%	92%	92%	89%	86%
Social impact	85%	90%	90%	89%	85%
Environmental impact	85%	90%	89%	91%	86%
Impact of work and activities on surrounding	86%	90%	90%	91%	86%
Score	86%	91%	90%	90%	86%

Comment: 2018 to 2020 The survey wasn't conducted.

Governance

- **Compliance:**
 - Board of Directors
 - Prevention of Corruption
 - Prevention of Anti-competitive Practices
 - Prevention of Human Rights Violations
- **Internal Audit:**
 - Audit and Internal Control
- **Information Technology:**
 - Privacy and Data Security

Compliance

Board of Directors

Chairman



Falah Mohamed Al Ahabbi

The visionary leadership of H.E. Falah Al Ahabbi has helped drive the rapid pace of growth, innovation and transformation in Abu Dhabi. With more than 20 years of extensive experience in leading government organisations, H.E. has successfully established the highest level of corporate governance in the region.

His excellency Falah Al Ahabbi is the Chairman of ADNEC Group. Prior to taking on the leadership position at ADNEC Group, he was the Chairman of the Department of Municipalities and Transport (DMT), formerly known as the Urban Planning Council (UPC) since 2007. H.E. Falah Al Ahabbi has extensive years of experience in the fields of management, governmental services, maritime, aviation, infrastructure, urban planning, investment and technology. He holds a Degree in Management from California State University, USA.

Board of Directors

Board Member, Managing Director & Group CEO



Humaid Matar Al Dhaheri

Humaid Matar Al Dhaheri is the Managing Director and Group Chief Executive Officer of ADNEC Group.

He has contributed to strengthening ADNEC Group's position in the business sector locally and internationally, enabling the company to become a key player in supporting Abu Dhabi's economy, alongside enhancing the group's businesses and innovative competitiveness.

He is a board member of ADNEC Group and Chairman of ExCeL London. He is also a board member of Abu Dhabi Airports Company.

Humaid holds a Master's degree in Strategy and National Security Studies from the National Defense College in Abu Dhabi, a Master's degree in International Accounting and Financial Management from the University of Glasgow in the UK, and a Bachelor's degree in Accounting from the United Arab Emirates University.



Vice Chairman
Anas Al Barguthi

Anas Jawdat AlBarguthi is Chief Operating Officer at ADQ. He oversees ADQ's, human capital, IT, digitization and cybersecurity; and corporate services, procurement and experience and engagement.

He is also the Chairman of Abu Dhabi Media Company, Q Market Makers (QMM) and Vice Chairman of Abu Dhabi Exhibition Center and Board Member at Abu Dhabi Shipbuilding Company.

He has more than 20 years of experience in leadership positions in government, semi-government and private sectors in the UAE and UK. Throughout his career, Anas has worked in corporate governance, legal and management advisory, portfolio management, organisational transformation, and process innovation.

Anas previously held various senior positions including Assistant Secretary General and Executive Director at Abu Dhabi Quality and Conformity Council. He was also the Executive Director at Emirates Meteorology Institute (EMI) and the role of a Senior Investment Manager at Mubadala Aerospace Division. Anas also served as a board member at ADASI.

Anas holds a master's degree in International & Comparative Business Law (LLM) from London Guildhall University, and bachelor's degree in Law from Amman Private University.



Board Member
Marcus Quadros

Marcos de Quadros is Chief Financial Officer at ADQ, where he leads the Accounting, Financial Planning and Analysis, Treasury and Tax functions. He currently serves as a board member for Louis Dreyfus Company, Birgi-Mefar, ADQ Aviation and Aerospace Services LLC, ADNEC Group & Senaat. He is also a member of the Investment Committee at Daman. Previously, Marcos served as Group Chief Financial Officer for the AW Rostamani Group and as Chief Financial Officer for Al Futtaim GE Finance in the UAE.

His earlier career in Brazil included serving as Chief Financial Officer of GE Capital Bank in Brazil and other finance roles in Banco Itau, Merrill Lynch and ABN Amro Securities. His career spans the management of start-ups, turnarounds, cost reduction initiatives, acquisitions and divestitures. Additionally, he has experience in Operations, Investments and IT. Marcos holds bachelor degrees in Business Administration from Mackenzie University and Civil Engineering from Sao Paulo Estate University. He concluded post-graduation studies in Accounting and Controllershship from Sao Paulo Estate University. He also completed the Wharton Advanced Management Program.



Board Member
Gerald Lawless

Joined Jumeirah in 1997 and helped establish it as one of the premier luxury hotel brands in the world. Taking on the challenge of launching Burj Al Arab, the world's most luxurious hotel, after the successful introduction of Jumeirah Beach Hotel to an eager travelling public, Mr. Lawless went on to become President and Group Chief Executive Officer of the Jumeirah Group. He then led the development of the group for the next twenty years.

At the beginning of 2016, having served at the helm of the Jumeirah Group, Mr. Lawless assumed a new leadership position responsible for tourism and hospitality in Dubai Holding, the Group's parent company. During this period, he served as Chairman of the World Travel and Tourism Council. He has now retired from these roles and continues to reside in Dubai.



Board Member
Roque Solabarrieta

Currently is an Investment Director at ADQ focused on media, tourism and real estate sectors. Roque is an experienced Telecom, Media and Strategy Consultant with a demonstrated track record in strategy, transformation and operations across Americas, Europe and Middle East.

Prior to joining ADQ, he worked as a Chief Operating Officer for Etisalat Group (EG) – (Abu Dhabi, UAE) for more than 10 years after working for Booz & Company (Former Booz Allen Hamilton) as a Strategy – Associate (Telecommunications). Roque is currently a board member of twofour54 (Media Company), ImageNationAD and ExCeL London.



Board Member
Iman Al Qasim

Is the Executive Vice President Human Capital at Emirates Global Aluminum (EGA). She is a Human Resources leader and change agent with a particular expertise in organisational transformation. She has over 20 years of experience in industries including Finance, Energy, Automotive, and Retail and in both government and multinational organisations.

Before joining EGA, she was the Group Human Resources Director at Emirates National Oil Company (ENOC). Earlier in her career, she served as the Executive Director of Human Capital at Mubadala Investment Company, Deputy Vice President Human Resources at Dolphin Energy, and Human Resources Director at General Motors Middle East.

The below summarizes our followed best practices and international standards:

Board of Directors	2018	2019	2020	2021	2022
Independent* members of the Board of Directors	7	5	5	6	6
Non-independent members of the Board of Directors	0	0	0	1	1
Executive members of the Board of Directors	0	1	1	1	1
Non-executive members of the Board of Directors	N/A	4	4	6	6
Female members of the Board of Directors	2	0	0	1	1
Male members of the Board of Directors	5	5	5	6	6

*an independent director is one who, apart from receiving director's remuneration, does not have any other material pecuniary relationship or transactions with the company, its promoters, its management or its subsidiaries, which in the opinion of the board would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In other words, an independent director has no material relationship with ADNEC Group, either directly (as an employee) or as a partner, shareholder or officer of an organisation that has a relationship with ADNEC.

Board diversity	2018	2019	2020	2021	2022
Percentage: Total board seats occupied by women	28%	0%	0%	14%	14%
Percentage: Committee chairs occupied by women	0%	0%	0%	50%	50%

Board independence	2018	2019	2020	2021	2022
Total board seats occupied by Independents	100%	100%	100%	86%	86%

Comment: ADNEC Group prohibit the CEO from serving as board chair.
Comment: The Board of Directors was changed in February 2023

Board members performance evaluation and training

Our Board of Directors is formed by ADQ. They appoint the board chair and members and regularly review their performance. The evaluation process is done through ADQ to ensure objectivity and credibility. Any specific training for board members is provided through ADQ programs.

Additionally, we do awareness sessions and tactical knowledge sharing for board members on an ad-hoc basis.

Incentivised pay

Our executives are not formally incentivized to perform on sustainability.

Sustainability reporting

ADNEC Group publishes its sustainability report annually. The first issue was in 2015 and according to GRI principles and guidelines. Our sustainability data are checked and verified by relevant departments and as per the nature of KPIs/measures. Our sustainability data is not included in our regulatory filings.

ESG is part of Meeting agenda

ESG / Sustainability has been added as a fixed agenda item to the board of directors' meetings. Every time the board meets this agenda items is presented, and an update is shared with board of directors.

Areas included in the ESG update covering planning, execution and reporting stages of activities

Disclosure practices

ADNEC Group used to issue its sustainability report following the GRI framework but since this issuance (year 2021), ADNEC Group started to follow the ESG reporting framework principles.

The issue of 2022 included for the first time ADNEC Group Sustainability Strategy and Framework including ESG investment and NET Zero roadmap.

Our framework is linked to UN Sustainable Development Goals (SDGs) and our value add and the nature of activities is diverse, affecting more than one sector. For example, our economic impact is directly linked to Goal #8 (Decent work and economic growth). Similarly, our portfolio of events is diverse and indirectly contributes to Goal # 7 Affordable and Clean Energy and Goal # 3 Good Health and Well Being and many others.

We monitor our set of indicators and KPIs for economic impact and energy consumption, but we don't directly set targets and report on progress towards SDGs.

External Assurance

Our sustainability disclosures are not assured or validated by a third party.



Reviewing ESG issues at board level

They are reviewed through 4 different mechanisms:

- ESG is an item on the agenda of Board of Directors meetings. Every time they meet, an update about ESG is presented to the board and discussed for the board's directions and approvals.
- Annual review when issuing ADNEC Group sustainability report (GRI) which is now replaced with ESG report. ADNEC Group Leadership review and decide on GRI/ESG issues during this process.
- Quarterly through the analysis and discussion of submitted quarterly strategy execution report.
- Ad-hoc; when needed.

Prevention of Corruption

We are committed to preventing corruption as per our Fraud Control Policy. We leave no tolerance to fraud. We follow an Ethics and Anti-Corruption policy. Recently, we updated our anti-fraud policy benefiting from the international standards ISO/AWI 37003 - the famous fraud control management guidance for organisations.

We do have in place a Code of Conduct and Business Ethics. This is supported by an Anti-Bribery & Corruption Policy, a Conflict of Interest and Related Party Policy and a Whistle-blowing Policy.

Annually, our staff sign a declaration form of acknowledgement and compliance relating to this Code and other key Corporate Governance policies. The Human Capital Department requires new employees to sign the declaration form when they first join the organisation. They are briefed at induction and annual refresher training is given to all staff, prior to signing of the declaration. The Code is considered as an addendum to the employee's Contract of Employment.

Our definition of corruption is a dishonest action or abuse of one's duties or power for private gain. Typical forms of corruption include giving or accepting bribes or inappropriate gifts, illegal gratuities, double-dealing, under-the-table transactions, economic extortion, and undisclosed Conflict of Interests. All our staff have formally certified its compliance with the policy.

There were no confirmed incidents of corruption involving ADNEC Group in the last four years. For example, there was no confirmed case for dismissal or discipline of employee(s), or termination of contract with a business partner.

Practices in place to prevent corruption:

- We do report and disclose the percentage of business units analyzed for risks related to corruption.
- Annual code of conduct and conflict of interest signatory by each employee
- Human Capital in collaboration with an independent Audit and governance team conducts annual awareness and induction session regarding Anti-Bribery, Corruption Policy, a Conflict of Interest and Whistle-blowing Policy.

Compliance Reporting

An internal compliance reporting system has been established to promote a “Speak Up” culture – that is reporting any Code violation concerns or raising questions regarding the practical scope or application of the Code requirements. Internal Audit conducts regular reviews and assess the implementation and adherence to the following:

Whistleblowing

ADNEC Group has established an independent whistleblowing mechanism, through which all stakeholders and employees can raise concerns directly to an external independent third party, which treats the concerns confidentially. Issues raised are shared with the Head of Internal Audit and the Chief Human Capital Officer, who process them as per the documented compliance charter. A committee is formed consisting of Internal Audit, Human Capital, and Legal Affairs, where necessary, to steer the investigation.

Fraud Control

ADNEC Group’s Fraud Control Policy is designed to assist employees and stakeholders ensuring they have thorough and up-to-date policies and procedures and can mitigate the risk of fraud at ADNEC Group. The policy follows a zero-tolerance approach to fraud and takes immediate action against perpetrators. Every employee is asked to sign an annual declaration of compliance to the policy. Recently, we updated our anti-fraud policy benefiting from the international standards ISO/AWI 37003 the famous fraud control management guidance for organisations.

Code of Conduct and Business Ethics

ADNEC Group has implemented a Code of Conduct and Business Ethics which is reviewed annually. The framework ensures that ADNEC Group continues to uphold the highest standards of ethical behaviour in all business activities inside and outside UAE.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Percentage of business units analyzed for risks related to money laundering and the financing of terrorism (%)	0	0	0	50%	100%
Number of operations* assessed for risk related to corruption (#)	n/a	13	7	11	
Percentage of operations assessed for risk related to corruption (%)	n/a	45%	24%	38%	
Number of corruption incidents (#)	n/a	0	0	0	
Total number of non-monetary sanctions (#)	n/a	0	0	0	
Total number of legal actions (#)	n/a	0	0	0	

*The term 'operation' refers to a single location used by the organisation for the production, storage and/or distribution of its goods and services, or for administrative purposes. Within a single operation, there can be multiple production lines, warehouses, or other activities. For example, a single factory can be used for multiple products, or a single retail outlet can contain several different retail operations that are owned or managed by the organisation.

Prevention of Anti-competitive Practices

We are committed to follow clear policy for anti-competitive practices. We have structured mechanism to reflect this commitment and to help us report and disclose numbers as we do in our ESG report. ADNEC Group has this clear anti-competitive practice policy and a Code of Conduct.

Our anti-competitive policy is derived and inspired by the international standards GRI 206 disclosure – the legal action of anti- competitive behaviours – GRI 2016.

We also deploy and follow certain practices to prevent anti-competitive acts such as:

- ADNEC Group follows a clear anti-competitive policy. As mentioned above ADNEC Group has in place a Code of Conduct and Business Ethics. This is supported by Anti-Bribery & Corruption Policy, Conflict of Interest and Related Party Policy and a Whistle-blowing Policy.
- An anti-competitive clause is included in each employee’s contract.
- ADNEC Group works with a third-party whistleblowing company to allow employees to report any concern or violation in a confidential and secure way. Such a policy has been in place since 2009 and the facility to report concerns independently has been in place since 2014. There have been no reported instances of legal actions relating to this in recent years.
- An email along with all updated polices is issued to all employees, and a copy of all relevant policies are available on the intranet. This is followed up and reinforced with Policy Awareness Workshops delivered by Human Capital department. The awareness sessions explain all relevant fraud / bribery / conflict of interest policies and it allows employees to clarify any points and ask any relevant questions. Such sessions are usually conducted 1-2 times per year.
- Also, Human Capital department conducts specialized training sessions for staff on anti-competition and anti-corruption.
- As is the case in anti-corruption, the Human Capital Department requires new employees to sign the declaration form when they first join the organisation addressing the anti-competitive practices. They are briefed at induction and annual refresher training is given to all staff, prior to signing of the declaration.
- The Code is considered as an addendum to the employee’s Contract of Employment.

Furthermore, a communication channels for employees come in various ways and methods to report any suspected code violations. The current available channels include:

- **Employee Direct Line Manager.**
- **Employee Director.**
- **Any one of the following Compliance Representatives:**
 - Head – Employee Relations.
 - ADNEC Group’s Ethics Officer from within the Internal Audit Department.
 - Head of Compliance & Risk.
 - Legal Counsel.

Besides, if employees are uncomfortable reporting their concern to any of the above, or not satisfied with the outcome of their reporting of the concern, they can report through ADNEC Group’s 24/7 Hotline / whistle-blowing channel.

Should an employee wish to remain anonymous, or wishes to discuss the issue with a person independent of ADNEC, they can also report their concerns via a hotline in the following ways:

- Call the Whistle-blowing hotline - Free UAE phone number at 800 0320995
- Submit a web report by visiting ADNEC Group’s intranet “MyWeb.”
- Both the website and the telephone options are available 24-hours-a-day, seven days a week

There is dual and simultaneous dissemination of the concerns received by NAVEX (a risk and compliance management software) to both the Ethics Officer (Internal Audit) and the Head – Employee Relations.

- We also conduct regular awareness and training sessions to explain the policy, increase awareness and improve adoption.
- Our anti-competitive policy is derived and inspired by the international standards GRI 2016 disclosure – the legal action of anti- competitive behaviours – GRI 2016.
- Human Capital department is the department responsible for executing this policy.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Reported instances of or legal actions relating to anti-competitive practices	0	0	0	0	0
Percentage of workforce has formally certified its compliance with the anti-competitive (conflict of interest) policy.	100%	100%	100%	100%	100%

Prevention of Human Rights Violations

Human rights are guaranteed by the UAE Constitution and the ADNEC Group follows all relevant human rights policies published by the Ministry of Human Resources and Emiratisation (MOHRE).

Our internal Human Capital policies and procedures comply with international laws and human rights regulations and we ensure our employees understand our policies through workshops which take place approximately every 6 months to highlight any recent changes.

ADNEC Group has a human right policy and code of conduct derived and inspired by the International Human Rights Law – OHCHR.

Employees can report any perceived human rights violations through the Whistleblowing facility.

Human rights in our supply chain are covered in the procurement section of this report.

Human rights are guaranteed by the UAE Constitution, and we expect all suppliers to follow all relevant human rights policies published by the Ministry of Human Resources and Emiratisation (MOHRE).

Human Rights – Supply Chain

ADNEC Group takes its responsibility towards safeguarding human rights seriously. We therefore undertake more detailed checks during procurement processes where manpower is the core provision of a chosen supplier. Our expectations are clearly set out in the scope of work and we make thorough checks of key welfare factors such as:

- Provision of food for staff – the supplier must provide 3 full meals per day including a nutritious balance of food groups.
- Accommodation for staff – the supplier must provide a good standard of accommodation that includes consideration of the following elements:
 - Cooking facilities
 - Laundry facilities
 - Adequate washroom facilities
 - Recreational facilities – TV room, outdoor space for exercise and games available to all staff
 - Proximity of the accommodation to ADNEC / AACC or their main workplace to ensure long distance travel is not required
- Transportation to and from work - safety checks on the vehicles must be regularly made. Vehicles must include seatbelts and fire extinguishers.



- Salary – minimum wage is mandatory, and we look to ensure equal pay for both genders. We look to influence salaries where possible – for example ensuring those with experience are paid accordingly.
- Medical insurance should be provided for all staff.
- Leave travel entitlement – on average our staffing service providers allow for each staff member to receive a paid flight to their home country once every 24 months.
- Uniforms and safety equipment where needed – 3 sets of uniforms and shoes should be provided for each person

Promoting human rights and preventing human rights violations:

- Typically, during the first few months of a contract that includes a substantial number of staff, a number of checks are made to ensure compliance with the contract. Spot checks and interviews are conducted to check staff are being paid on time and that all provisions promised to them are being made. ADNEC Group will use its influence with the supplier to enforce corrective actions if needed.
- Training is another important factor connecting to the human rights of our hired in teams. We ensure they are given all health & safety related training – a good example of this is all food handlers working under Capital Catering + Services must have an EFST Certificate (Essential Food Safety Training Certificate). Issued by the municipality, this is a mandatory training and certification for everyone who works with food.
- As well as safety training, we want all the staff representing the ADNEC Group to do so with a sense of pride and purpose – factors known to be important for staff to have a sense of wellbeing at work. Some of our hired in teams include security guards, traffic marshals, cleaners and catering staff – these teams are often interacting with our venue visitors far more than our permanent staff. We therefore discuss any training gaps we see with their employers, or we look to fill these gaps through training we provide in the form of on-the-job briefings.
- The excellent standard of Health & Safety practices we have across our venues means that contracted staff, along with our permanent teams, are coming to work in a safe environment.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
Employee training on human rights (# hours)	N/A	39	25	27	360
Incidents of discrimination reported	N/A	0	0	0	0
Incidents of abusive behavior reported	N/A	0	0	0	0
Incidents of harassments reported	N/A	0	0	0	0



Internal Audit

Audit and Internal Control

ADNEC Group has an independent Internal Audit function that improves performance and promotes accountability and transparency across the business through providing independent and objective assurance and advisory services. The department assess and monitors ADNEC Group's policies through its annual Internal audit plan and three-year internal audit strategy. Moreover, the board has established an Audit Committee of three qualified members, including one independent, nonexecutive director and two members fully independent of ADNEC Group.



ADNEC Group is committed to best practices in corporate governance and business ethics via annual benchmarks against UK's Combined Code of Conduct and OECD Principles of Corporate Governance. Consequently, ADNEC Group has established a clear and comprehensive governance framework, documented in its Corporate Governance Approach, which is reviewed and improved on an annual basis.

Below is a summary of planned and/or undertake reviews at least once as part of the three-year cycle:

Audits & Follow Ups	Purpose & Scope Brief	Standards Utilized
Health & Safety	Compliance to health and safety rules and regulations applicable to ADNEC Group (e.g. OSHAD, Civil Defence Regulations, etc.).	Abu Dhabi: Occupational Safety and Health System Framework (OSHAD-SF)
Facilities Management	Compliance with infrastructure asset and building fabric over mechanical, electrical, HVAC, specialist system, civil and building fabric. Fire & Safety, fire alarm tests and TYCO inspections.	The UAE Fire and Life Safety Code of Practice 2018
Environment & Cleaning	Compliance with Environmental laws and regulations applicable to ADNEC Group, ISO 14000, Handling, storage, and disposal of hazardous chemicals and waste.	Environment, Health and Safety Management System (AD-EHSMS) Decree 42
Security	Compliance with MCC laws standards and technical specifications of the monitoring and control devices. Monitoring progress of the Security System Integration Project (between AACC, Aloft and Capital Gate). The utilization of x-ray machines	Abu Dhabi: The Monitoring and Control Centre (MCC) Law No.5 of 2011 Federal Law by Decree No 6 of 2009, concerning the Peaceful Uses of Nuclear Energy
Food Safety	Compliance to ADFCA regulation	Abu Dhabi: Emirate Food Law No. 2/2008 expanded.

Enterprise Risk Management

ADNEC Group has developed an Enterprise Risk Management framework in compliance with ISO 31000 to establish an approach to identifying and managing key risks arising in the business in accordance with international best practices.

The Board of Directors fulfils the role of a Risk Committee by approving the risk approach, setting the risk appetite and tolerance levels, reviewing key risks on a quarterly basis and reviewing the Annual Risk Management report. The Board is supported by the Audit Committee in this role.

Within ADNEC Group's ERM, routine risk assessment workshops are being undertaken to identify (amongst other risks) compliance risks. Further to this evaluation of control effectiveness is undertaken through Internal Audit processes.

Business Resilience

Throughout the years, ADNEC Group has successfully built a robust business resilience framework which actively contributes to fast adaption when the business has disrupted due to the COVID19 pandemic starting early 2020. Having this framework allowed us to build internal capabilities and procedures to ensure we maintain ADNEC Group business in case of any interruption.

The following are examples of what our framework consists of:

Governance

ADNEC Group has appointed its Chief Financial Officer as the top management representative for its business continuity and information security management systems BCMS and ISMS, supported by a dedicated business continuity and information security manager. They liaise with ADNEC Group's executive management to determine management system objectives, which drive a work plan and actions implemented with the support of their Business Resilience Champions. Progress and issues are reported to executive management as required, with a formal Management Review conducted each year.

Risk Management

Both BCMS and ISMS integrate with ADNEC Group's Enterprise Risk Management framework in order to ensure that risks are consistently identified, owned, assessed and treated. Risk treatment activities are coordinated across departments, actions are incorporated into the departmental work programmes and managed by Business Resilience Champions.

Business Continuity Planning

ADNEC Group maintains Business Continuity Plans in order to be able to continue to meet its stakeholders' needs in the event of a disruption incident. Plans are developed at the departmental and organisational level to address a range of incident scenarios.



Awareness and Training

ADNEC Group recognises that a well-informed and vigilant workforce are key to maintaining a resilient business. Besides developing a team of Business Resilience Champions across the organisation, appropriate training and awareness initiatives are delivered to all ADNEC Group personnel in order to help them prevent, identify and report potential and actual incidents.

Incident Management, Conformance and Continual Improvement

Continual Improvement is core to a successful management system and also a resilient business. In this regard, ADNEC Group identifies areas of non-conformance from reported incidents, control and compliance checks and audits (internal and external). Root causes for non-conformance are identified and resultant improvement actions are managed through the Continual Improvement Framework.

Below is a summary of our key measures

	2018	2019	2020	2021	2022
Percentage of non- audit fees out of total audit fees	100%	0	0	0	0
Percentage of completion of "Conflict of Interest Declarations" by the Directors of the Board	100%	100%	100%	100%	100%
Percentage of completion of the "Conflict of Interest Declarations" by ADNEC Group employees.	100%	100%	100%	100%	81%
Percentage of attendance of the members of the Board of Directors to the ADNEC Group Board meetings	82%	78%	100%	100%	100%
Percentage of attendance of the members of the Governance Committee (BoD sub-committees) to their meetings	100%	92%	92%	100%	100%
Percentage of ADNEC Group key governance documents reviewed for annual update (DoA, Committees Charters, Governance Approach, Risk Management Approach, Code of Conduct, Whistle Blowing Policy, Fraud Control Policy, Business Continuity Approach, Project Management Approach, etc.).	50%	33%	58%	79%	94%

Comment: We will not consider the non-audit services fees provided to ADNEC Group by the audit firms, other than EY, as they are not the financial auditors of ADNEC Group, and therefore there is no independence concern from SAAR perspective relating to them. In accordance to the Statutory Auditor Appointing Rules (SAAR) issued by ADAA, EY are not allowed to provide non-audit services to ADNEC Group, and accordingly EY did not provide non-audit services during 2022



Information Technology

Privacy and Data Security

ADNEC Group adopts international standards and has policies for privacy of customers and security of key data/information. ADNEC Group is ISO 27001 Certified and has all required Policy & procedures for Information Security. Also, ADNEC Group follows global data protection regulations GDPR. Relevant Policies are highlighted below:



- **Information Governance Policy.**
- **Information Security Policy.**
- **Privacy Policy.**

Continuously, ADNEC Group tests and evaluates the security of the company's IT infrastructure and detects possible risks and vulnerabilities. The company conducted a vulnerability assessment and penetration testing VAPT in the year 2020-2021 in addition to ongoing internal monitoring by the Info Sec team.

With regards to Information Technology and data privacy and security, ADNEC Group is following and certified by the below International standard:

- **ISO 20000-1 Management System:** Besides helping in developing a structured IT Service Delivery process which has significantly enhanced the overall customer satisfaction. This standard played important role in data privacy and security via IT Asset and Incident Management.
- **ISO 27001 Management System:** this standard provides a high level of security once all required criteria are fulfilled.

Moreover, the below measures are taken to ensure and evaluate our IT infrastructure:

- **Cyber Security Awareness** IT department along with Compliance and risk conducts regular awareness sessions to raise employee's knowledge regarding cyber security and different types of attached they might get via the application systems.
- **Implementation of a new perimeter security tools for security monitoring:** ADNEC Group is procuring (including enhanced endpoint protection) which means that we should be able to start collecting meaningful data about security breach attempts rebuffed daily by our existing technology.

Key Performance Indicators (KPIs)	2018	2019	2020	2021	2022
The percentage of ADNEC Group companies which are ISO 27001 certified.	0	0	0	0	37.5%

Case Studies

- Net Zero Carbon Event Initiative
- “Green ADNEC” Innovation in Circular Economy
- “The Hive” Innovation in Customer Experience
- Innovation Collaboration “StartAD Venture Launchpad”
- Capital Catering Wastemaster

Case Study 1

NetZero Carbon Event Initiative

Focused Areas Covered and objectives

In the year 2021, ADNEC Group announced its participation in the Net Zero Carbon Events initiative, that aims to bring together a wide range of industry stakeholders to:

1. Jointly communicate our industry’s commitment to tackling climate change and driving towards net zero by 2050
2. Develop common methodologies for measuring the industry’s direct, indirect and supply chain greenhouse gas emissions
3. Construct an industry-wide Roadmap towards net zero by 2050, and emissions reductions by 2030 in line with the Paris Agreement and climate science, with support and guidance on key issues
4. Foster collaboration with suppliers and customers to ensure alignment and common approaches
5. Establish common mechanisms for reporting progress and sharing best practice



Background

ADNEC Group committed and participated in Net Zero Carbon Events, a global initiative which aims to bring together a wide range of industry stakeholders to jointly tackle climate change and drive towards net zero by 2050.

Participants from within our industry signed a pledge committing to support the goal of net zero greenhouse gas (GHG) emissions by 2050, in line with global efforts set out by the Paris Agreement to limit warming to 1.5°C and reduce total global GHG emissions by 50% by 2030, and to advocate for industry efforts throughout the value chain to achieve the same.

In pursuit of this aim, before end of 2023, ADNEC Group undertakes to publish its roadmap to achieve this goal. The Pledge was officially launched and announced in November 2021, as part of the UN Climate Change Conference (COP26).

Timeline (planned, achieved)

Net zero refers to a balance between man-made greenhouse gas (GHG) emissions and their removal from the atmosphere. To achieve this balance, GHG emissions must be reduced and the non-avoided ones must be compensated or “neutralised” through the use of long-term carbon capture solutions.

Thus, the lifespan of the initiative starts from 2023 where ADNEC Group must identify its emission sources, until 2050 where it is expected that net zero is achieved.

The roadmap was launched in Nov 2022 as part of Cop27 and it includes:

1. Mapping the carbon footprint of an event, including identification of key emissions sources, who is responsible for them, significance and availability of data.
2. Calculating the carbon footprint of an event, including agreed metrics and methodological approaches, available tools, and links to existing methodologies in use by related sectors (e.g. hotels, aviation).
3. Opportunities and goals for carbon reduction activities, including renewables, waste reduction, green transport etc, identification of collaborative opportunities and appropriate goals and targets Offsetting of residual emissions, following a hierarchy of best practice and establishment of an industry-agreed protocol to approach scope 3 offsetting.
4. Net zero claims and interim milestones, including how to claim ‘net zero’ status for a company or event, alignment to sectoral carbon budgets, and external audit and verification considerations.
5. External collaboration opportunities, to drive reductions through the supply chain.

Approach

ADNEC Group will soon work upon best global practices and agreed roadmap where the industry sets out stages to reach by key milestones. The Pathway suggests that:

1. By 2023, the boundaries of your carbon footprint are defined with clear Roadmap and a net zero plan is in place (DEFINE AND PLAN)
2. By 2025, establish systems to measure events footprint - corporate and event level – along with sustainability criteria to be embedded in all contracts (MEASURE AND EMBED)
3. By 2030, carbon emissions are reduced by 50% through efficiencies and eliminating carbon intensive items and processes from the system (REDUCE)
4. By 2035, remaining carbon intensive activities and items are replaced with renewable, reusable, sustainable alternatives (REPLACE)
5. By 2040, any residual carbon emissions are removed from the atmosphere using robust and accredited carbon capture or removal processes (REMOVE).

Outcomes and Future

Since ADNEC Group is part of the events industry which comprises many stakeholders to deliver different types of events from large trade shows and exhibitions, sporting events, conferences, to smaller business events. The Roadmap will be structured into Priority Action Areas where each has its own stakeholder group, dependencies and potential net zero pathway along the value chain.

The priority action areas that shall be considered through the prioritization methodology are:

1. Power events efficiently with clean, renewable energy
2. Redesign events to utilize sustainable materials and be waste free
3. Source food sustainably, and eliminate food waste
4. Move goods and equipment efficiently and transition to zero emissions logistics
5. Work with and influence partners in the travel sector to reduce and mitigate the emissions of travel to events.

Case Study 2

“Green ADNEC Group” Innovation in Circular Economy

Focused Areas Covered and objectives

Green ADNEC Group was established based on a number of key underlying factors:

1. Deliver against our mandate: ADNEC Group is mandated to contribute to the Emirate of Abu Dhabi within a CSR and environmental perspective.
2. Alignment to the Corporate Strategy: To support the Corporate Strategy and underlying long term Strategic goals related to sustainability.
3. Future Foresight: Based on research conducted, ‘Greenovate’ is a key future upcoming trend which may impact our business, and thus we should consider the environmental impact of our operations in our future strategies and initiatives.
4. The key objectives of Green ADNEC Group are:
5. Position ADNEC Group as a group of sustainable venue and operations, and enhance the positive environmental reputation of the group.
6. Contribute positively to the environment through effective waste management
7. Enhance environmental practices within the company.
8. Reduce the venue environmental impact by implementing different technologies for waste reduction and recycling.
9. Increase environmental awareness and build and environmental culture in both employees and visitors.

Background

ADNEC Group has established and executed the first major phase of its detailed Green ADNEC Group initiative, for which the purpose of this submission will focus on ADNEC Group’s waste management and recycling elements.

Green ADNEC Group is a holistic environmental initiative that spans across all business units and operations, and is mapped directly to the Corporate Strategy to ensure alignment to support in achieving the company’s overall long term goals.

Green ADNEC Group focuses on a circular approach to waste management –identifying sources of waste within business operations and maximising reduction, re-use and recycling efforts to minimise net waste disposal.

A series of complementary initiatives have been identified and implemented to recycle not only the obvious and usual disposal waste items (paper, plastic etc.), but also to focus on different types of waste generated, including food waste, fuel etc.

Timeline

In the span of 10 years starting from 2009; Green ADNEC Group established high level metrics to be monitored to achieve its key desired outcomes. By 2019 we are happy to announce that all the below outcomes were achieved:

1. Increased overall waste recycling (volume and as % of operations) –vs. recycling targets.
2. Reduced waste trips to landfill.
3. Increased re-use of materials to aid circular economy and reduce primary consumption.
4. More effective segregation to increase recycling efficiency.

Approach

1. The project is run by the formed ‘Green Team’, who report to the Executive Steering Committee (composed of the company C-level) on a periodic basis. Management approval is requested where required as per the Corporate Governance structure and policies.
2. The project follows a continuous review, analysis, and improvement cycle (PDCA).
3. Monthly tracking has been established to ensure that we perform against our KPIs and can ‘redflag’ any areas of concern.
4. In addition, this continuous monitoring allows us to better identify further areas of opportunity.

Outcomes and Future

Compounded impact and benefits of reducing waste at-source

ADNEC Group’s recycling and waste reduction initiatives not only directly reduce the amount of waste ANEC produces as a company, but also contribute in a circular fashion across the entire waste management value chain. For example, ADNEC Group considers the entire process through which waste management occurs, and ensures that the results of our initiatives are maximised by passing on further benefits to subsequent steps and processes.

Impact on ADNEC Group and Abu Dhabi Society

ADNEC Group uses its environment and circular economy initiatives to help drive a wider agenda of embedding an environmental culture with its own employees and to its other stakeholders (clients, visitors etc.), in the hope of maximising the positive impact on society and the environment. In addition, ADNEC Group continues to strive for new ways to be ‘circular’ in its approach to usage of raw material, so as to become as sustainable as possible.

Case Study 3

“The Hive” Innovation in Customer Experience

Focused Areas Covered and objectives

This creative meeting space has been launched in direct response to global meetings industry trends and addresses the growing demand for ‘meaningful meetings’, increased dialogue, conversation, and interaction between participants. In addition, audiences attending face-to-face events are demanding different experiences, whereby they can actively contribute, present their own problems to seek solutions with like-minded delegates, meet the speakers and help set the agenda for the event.



As such, the Hive project was purposed with creating an environment that encourages more dialogue, discussion, and debate within meetings in the knowledge that this enriches the learning and experience from attending face to face events. The objectives of the Hive were as follows:

1. To develop a new space for clients answering their changing needs
2. To position ADNEC Group as the innovation centre of the Capital
3. To differentiate ADNEC Group within the corporate market
4. To provide a flexible space which can offer clients multiple functions. Phase 2 of the project will look to incorporate a trainer to assist with clients with brainstorming, ideation
5. To position ADNEC Group internationally as a company, which is actively responding to event organisers changing audience demands and see themselves as being in the business of enhanced knowledge exchange instead of space rental.

The Hive is an outgrowth of ADNEC Group’s Innovation Lab concept, a space originally designed with the objective of providing ADNEC Group staff with a place within their building to come together to exchange knowledge and to work on internal projects related to innovation. ADNEC Group realised that if its own meetings felt different in a different space, a client’s meeting or event would also result in a different experience.

Background

ADNEC Group have repurposed 865m2 of their venue by opening a new type of meeting environment called The Hive that was launched in January 2019. The Hive has a separate identity within the venue as an innovation lab-style, creative meeting space and environment designed to stimulate creativity, generate ideas and build connections.

This new style of space is specifically designed as a striking alternative to ‘blank canvas’ meeting spaces, turning the ‘blank space’ concept on its head and driving a more serious discussion with clients on how physical environments and new meeting formats can be combined to lead to greater event outputs.

The Hive was driven as a customer-centric innovation project, and has been developed in an effort to allow the venue to work closely with clients to trial a new style of meeting environment with the goal of maximizing the benefits of face-to-face engagement, and to offer participants at their events a richer, more impactful and lasting experience.

Timeline

Following innovation training during 2017, certain ADNEC Group employees were able to visualise an opportunity linking Future Foresight insight to the feedback and learnings from our own Innovation Lab. This directly led to the proposal to study how a venue could positively impact the output of events. The proposal was challenged via the steps of validation, research and refinement.

The validation phase was critical as potential end users were invited to challenge the original hypothesis. This was enabled by inviting clients to conduct events within ADNEC Group’s staff Innovation Lab (a minimal viable product) and allow the Hive project team to observe and measure behaviours and then conduct interviews to gain a deeper understanding of the experience.

The idea was created in 2017 and once approved, it was implemented in 2018. the actual product was launched during early 2019.

Approach

The combination of Future Foresight analysis with specific Innovation Strategy initiatives and training elements formed the basis for the conceptualisation of The Hive, a new product in ADNEC Group’s portfolio of event spaces.

Innovation here applies to the core ADNEC Group product, event space. This new style of space that addresses changing consumer trends towards increased focus on collaborative and creative working and meeting environments. In addition, it demands a more collaborative and consultative style of venue sales, and service delivery for our clients.

1. Our senior leadership team agreed to the project during late 2017.
2. Upon management approval, a project team was created and the project delivered early 2019.
3. A Steering Committee was formed. This Committee had the highest level of representation within the company, all of the C-level leadership to provide advice, support and encouragement for the project team.
4. An Operational / Implementation Committee was also formed, which included various cross-functional departments needed to deliver the project including, Creative and Design, Building Support Services /FM, Marketing, Sales, Project Management and PR.
5. It was important to the Project Team that there was a continual learning and feedback loop from across the business, which was held via weekly meetings to communicate learnings and address any risks or issues with regards to the implementation.
6. This included the development of a stand-alone business plan which included KPIs, a risk register and project charter.
7. The design was refined and re-iterated numerous times with multiple working parties across the organisation and client reference before being finalized and the build phase commencing.

ADNEC Group’s commitment to embedding Innovation into the daily operation of the business previously saw the development of a small Innovation Lab –a space for ADNEC Group staff to develop the theory of design thinking into actual projects to be implemented across all aspects of the business’ operations.

Outcomes and Future

1. Launch and Reception: The Hive has been enthusiastically received by clients and potential clients since its launch 21-22 January. We were delighted to showcase the space to over 60 clients and government entities over the two days of the launch.
2. Revenue & Utilisation: In less than 4 months, 63% of the annual revenue projection has been achieved (39% was achieved within 10 weeks of the launch). Current annual projects suggest targets will be exceed by 71% by year end. Utilisation of the Hive since opening is 81% of available days in contrast to 43% utilisation of ADNEC Group’s existing breakout rooms. Generally, the results were outperforming the expectation.
3. New Business: New client enquiries and confirmed events include the Special Olympics World Games, World Energy Congress, United Nations, Masdar, UAE Ministry of Youth, Department of Energy, Department of Finance, Microsoft, a social media influencers event and the Department of Finance. In addition, every previously confirmed association conference has added The Hive to its tenancy. The Hive has also drawn business previously placed in hotels.
4. Enquiries: Enquiry levels are significantly higher than existing meeting spaces and have come from blue chip clients such as KPMG and Porsche.

The development of the Hive has been the foundation for a new concept in ADNEC Group's internal innovation project, Future Foresight: "Creative Meeting Spaces". This extension of the original project currently covers the following 8 areas:

1. Expansion of the Hive brand: Excellent customer feedback for the Hive has resulted in plans to roll out a similar space at our sister venue in Al Ain. It also has opened up conversations with exhibition organisers to roll out the same concept for larger-scale events
2. Development of modular Hive components to offer within event spaces and especially pre function and concourse locations
3. Conception of a content data centre to enrich participant experience
4. Continued development of the Meeting Formats directory and investment in the equipment to provide this to clients
5. Potential repurposing of space for co-working / incubator for lean start-ups
6. Development of A2 (ADNEC Group Advisory)
7. Technology showroom to trial new tech to support meetings and events
8. Development of Augmented Reality 'Objective Led Event Configurator' technology

Case Study 4

Innovation Collaboration "StartAD Venture Launchpad"

Focused Areas Covered and objectives

Innovation is a key element of Group's Corporate Strategy and has always been seen as an enabler and a focus point to ensure the future of ADNEC's strong position as a world-class venue.

As such, ADNEC identified the need to work with start-ups to:

1. Improve and future-proof the business by addressing emerging trends and technologies
2. Leverage capabilities of start-ups that complement, but do not currently exist in the business itself

Following this, ADNEC looked at a number of start-up programmes in the UAE and identified StartAD as the best fit. ADNEC is committed to developing a strong innovation ecosystem, and has committed to this as one of its five Innovation Strategic Objectives.

Thus, ADNEC actively looks for collaborative opportunities with local, regional and international partners to:

- Further develop innovation initiatives within ADNEC
- Support the wider innovation community within Abu Dhabi
- Position Abu Dhabi as a hub for innovation, with particular reference to the Travel and Hospitality sector.

To address key challenges in the business where innovation could play a role; ADNEC to pilot a solution that has a potential global play:

- Achieved pilot highlights the success of the programme in matching corporates and start-ups
- In parallel, pilots provide opportunity to progress towards positive impact for ADNEC
- Support the local innovation ecosystem.



Background

ADNEC collaborated with StartAD (based at New York University Abu Dhabi) on their start-up accelerator programme, Venture Launchpad (VL). The programme is a 10-day sprint accelerator linked to emerging UAE industries and designed to help start-ups rapidly refine, improve, and validate their business models targeted for the UAE and MENA markets

In parallel, the VL assists Government and Corporate entities in bringing their businesses into the future through exposure to relevant new technologies and solutions open to seed stage start-ups (locally and globally sourced through a rigorous application and filtration process)

- particularly hardware, IoT and AI-based start-ups.
- Must have proof of concept or initial prototype
- 4 cycles per year, 15-20 shortlisted start-ups per cycle (average of 250+ applications per cycle)
- The programme is supported by leading local corporates
- StartAD and the supporting Corporate Partners work together to identify specific business challenges and areas for innovation. Start-ups are sourced for relevance to the corporate challenges to increase alignment and possibility for pilots and engagement

ADNEC acted as one of the main four corporate partners for the first 2019 cycle of Venture Launchpad, and shortlisted 6 start-ups to explore potential for pilot with –The shortlisted start-ups crossed different business use cases and were from a range of countries from India to Norway.

Timeline

ADNEC participation was during 2019.

Approach

- Prior to planning the project in collaboration with StartAD, ADNEC conducted a review of a number of start-up programmes within the UAE to identify the programme with the best strategic fit for ADNEC.

The following factors were considered:

- Start-up maturity stage: Cannot be early stage (must be prototype stage or later), based on previous learnings, since ADNEC is looking for implementable solutions to add impact, rather than long-lead-time research projects.
- Global reach: Preference to reach out to start-ups globally to ensure highest quality of solutions.
- Innovation network of collaboration partner.
- Local PR reach/ Marketing plan: To support ADNEC in positioning itself as a supporter of innovation and the Abu Dhabi innovation ecosystem
- Alignment of programme to corporate challenges: To ensure opportunity for ADNEC to define scope of challenge for start-ups to focus on maximum impact for the business
- Programme timing and schedule.
- Opportunity for continued collaboration: Establishment of strong collaboration is considered a long term strategy for ADNEC, and not merely just for a project or programme term. As such, opportunity to continue work together and leverage on lessons learned was a key consideration.
- Financials: Alignment to ADNEC Innovation budget.
- In consideration of all of the above factors, StartAD's Venture Launchpad was selected as our key innovation ecosystem programme for Q1-19.

Outcomes and Future

- The programme was conducted successfully, and met all objectives of both ADNEC and StartAD
- Key results include:
- Programme conducted to schedule and as per plan, no delays vs. project plan
- Identification of 6 relevant start-ups for ADNEC –5 of which are currently in discussions involving pilot opportunities
- One start-up engaged as a result of the partnership is contracted with ADNEC for a pilot test of recyclable smart bins (Q2)
- Successful PR and media campaign, exceeding ADNEC's PR-related expectations (see next slide)
- Discussions underway for continued collaboration with the next VL cycle –strengthening innovation ecosystems of both parties
- Positive feedback from start-ups, positioning the programme and its support as one of the best in the UAE.

Case Study 5

Capital Catering Wastemaster



Focused Areas Covered and objectives

To adopt a world class Innovative waste management system that turns organic waste into a high-calorie residue, to reduce 80% of waste volumes - diverting organic waste from landfill.

Background

World Class Innovative waste management system by UK based company Green EcoTech that turns organic waste into a high-calorie residue.

- The conversion process is facilitated by a mixed ion reactive approach (MIRA) without the need for water or any further additives.
- Organic matter processed through the wastemaster can reduce initial waste volumes by up to 80%, diverting organic waste from landfill
- The residue has the potential for multi-purpose use which includes Animal food (eg. fishfood/ cattlefeed) and Compost/ Fertilizer (eg. provided to dedicated local organic farms)
- The current concept is to produce fish food that will be used for the research fish farms at Masdar City currently used to produce jet bio-fuel for Etihad Airways.
- A 12-month trial of the wastemaster was undertaken in late 2020 to determine operational viability. The trial was deemed successful.

Timeline

12 month concept trial during 2020

Outcomes and Future

WasteData

Waste volumes within the Capital Catering's main facility located at AUH Int Airport total approximately 600* tons of organic/ non-organic landfilled waste per month (Pre-pandemic figures were approx. 1000 tons p/mth)

A comprehensive recycling program is also in place handling around 40 tons of recycled waste p/mth (Pre-pandemic figure ranged between 120–200 tons p/mth)

Capital Catering acts as a waste handling facility with approx. 90% of waste handled being generated and off loaded by customer airlines.

Recommendation

A revolutionary waste management system is required to help support the companies long term sustainability objectives and CSR commitments. With a focus on circular economy and a closed loop to maximize the sustainability benefits, the wastemaster has the potential to deliver these objectives diverting all organic waste from landfill.

Nextsteps

1. Explore through ADQ and Khalifa University, the feasibility of producing fish/ animal food on a large scale
2. Engage with Sustainable Bio-energy Research Consortium (via ADQ) in the development of residue produced by the Capital Catering food waste to derive a fish food, for the complete repurposing of organic material towards a 'green' aviation fuel.
3. Identify commercial opportunities for animal feed wholesale opportunities to farms within the UAE
4. Identify strategic partnerships with current food suppliers whereby compost/ animal feed can be provided to create a closed loop supply chain

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