ADSB
ABU DHABI SHIP BUILDING

2025 SUSTAINABILITY REPORT

ADSB
ABU DHABI SHIP BUILDING



BEYOND SHIPBUILDING


ADSB

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REPORT OVERVIEW



ABOUT THIS REPORT

This Sustainability Report reflects how Abu Dhabi Ship Building PJSC integrates environmental responsibility, people practices, and strong governance into the way we operate in 2025. It captures the practical actions behind our growth, how we run our facilities, how we support our workforce, and how we approach decision-making as a national shipbuilding and ship repair company.

Prepared in line with ADX ESG requirements and aligned with recognised international frameworks such as the Global Reporting Initiative and the UN Sustainable Development Goals, this report provides an overview of our main operations in Abu Dhabi and selected activities across the markets we serve.

More than a compliance exercise, this report is a transparent account of how ADSB is building long-term value. It is intended for our shareholders, employees, customers, partners, and the wider community who seek a clear understanding of how responsibility and performance align together at ADSB.

KEY ACHIEVEMENTS

ENVIRONMENTAL:

Achieved a notable reduction of 59% in fuel intensity (from 1.19 Megalitres / Million AED in 2024 to 0.49 Megalitres / Million AED in 2025)

Water Intensity: Decreased from 0.29 Megalitres / Million AED in 2022 to 0.11 Megalitres / Million AED in 2025 - showcasing a 62% improvement.

General Waste Reduction: General waste reduced from 1,803.33 tons in 2024 to 942.31 tons in 2025 - showcasing a 48% reduction.

SOCIAL:

Reached 34% Actual Emiratisation for positions eligible to be occupied by UAE Nationals.

Delivered 1,771 hours of Occupational Health and Safety training to the workforce

Achieved 'Great Place to Work' Certification

In 2025, 100% of employees received performance and career development reviews, reflecting ADSB's commitment to structured feedback and employee development

GOVERNANCE:

Increased local procurement share (based on order value) to 87%, significantly strengthening In-Country Value.

A new sustainability team of highly qualified and skilled members has been established to oversee all the sustainability measures of ADSB and come up with concrete sustainability plans.

Awarded "Excellence in Sustainable Procurement" at the IPSC 2025 for advancing responsible supply chain strategies.

MESSAGE FROM THE CHAIRMAN



> As we chart ADSB's course for the future, our compass is guided by responsibility, ensuring that the growth we pursue today strengthens resilience and sustainability for generations to come.

The UAE's development story continues to be shaped by ambition paired with responsibility. National initiatives and long-term visions, such as UAE Centennial 2071, reflect a clear commitment to building a future that balances economic progress with environmental care and social wellbeing. This approach serves as an important reference point for ADSB as we operate within the nation's strategic maritime and shipbuilding sector. Under the proactive guidance of our wise leadership, the UAE has solidified its position as a global model for industrial excellence and a primary driver of international maritime governance. By embracing this legacy of foresight, we are empowered to transform strategic national goals into world-class maritime and shipbuilding capabilities that serve both our nation and the global community.

Our progress reflects the strategic alignment with the UAE Net Zero by 2050 initiative and the nation's Operation 300 billion Industrial Strategy by 2031. By mirroring national investments in clean energy and decarbonization, we are ensuring our growth contributes directly to the Emirates' vision for a sustainable, knowledge-based economy. As a cornerstone of the nation's maritime defense, ADSB is dedicated to pioneering energy-efficient naval platforms and sustainable manufacturing processes that fortify both our national security and our environmental legacy.

The year 2025 has been a definitive chapter in our 30-year history. A key highlight was the commissioning of the first-of-class vessel under the FALAJ 3 contract at NAVDEX in February 2025. This milestone, alongside a landmark AED 7 billion export contract underscores ADSB's role as a cornerstone of national maritime and shipbuilding capability and a trusted global partner. This year, we were honoured to be recognised as a Great Place to Work® Certified organisation, a testament to our dedication of building a thriving and trust-based workplace for our people.

As we move forward, our priority remains building long-term value through responsible growth. We will continue to invest in people, strengthening governance practices, and ensuring that sustainability remains part of strategic decision making.

On behalf of the Board of Directors, I would like to thank our management and staff, partners and stakeholders for their unwavering commitment to ADSB's journey. Our combined efforts continue to shape the company we are building together.

KHALED AHMED ALI MOHAMED ALZAABI
Chairman - Abu Dhabi Ship Building

MESSAGE FROM THE CEO



> In every vessel we build, we combine innovation, precision, and responsibility, ensuring that our progress strengthens both industry and the marine environments we depend on.

I am pleased to report that 2025 has been a year of continued focus and disciplined execution for ADSB. As we expand our capabilities and deliver across increasingly complex programs, our responsibility becomes even clearer. Growth is not simply about scale; it is about strengthening the systems, the processes, and the technical standards that support long-term performance.

During the past year, our shipyard teams have delivered across a wide range of maritime projects while reinforcing the operational foundations of the business. With the continued implementation of sustainable operations and value chain, ADSB received "Excellence in Sustainable Procurement" at an International Procurement Supply Chain Conference. ADSB also proudly unveiled its latest innovations in maritime support, the SEA HOSPITAL 400 and the 16-metre SEA AMBULANCE. These vessels represent more than technical achievement; they reflect our commitment to expanding portfolio with specialized medical support vessels engineered for rapid and reliable care which are vital for social and humanitarian needs in demanding operational environments.

ADSB signed Memorandum of Understanding (MOU) with an international solutions provider to explore collaboration opportunities in the development of advanced naval technologies. This underscores the Company's commitment to delivering breakthrough naval technologies. ADSB also signed a collaboration agreement with a local player which includes the launching of naval technology innovation hub, an advanced facility that will fast-track research, integration, and testing of next-generation naval technologies, including autonomy, propulsion, materials and secure systems. Despite the increased energy demands of our expanding industrial operations, we remain disciplined in our resource management, achieving a notable reduction in fuel intensity this year. By continuously evaluating equipment efficiency and exploring lower-dependency energy alternatives, we are ensuring that our operational growth remains aligned with our environmental responsibilities. This reflects ADSB's commitment to positioning the UAE as a leader in global maritime defense technology and innovation.

Our progress is a direct result of the dedication and professionalism of our workforce. As ADSB continues to grow, we remain focused on strengthening capability, supporting our people, and aligning our operations with the broader ambitions of the UAE.

I extend my sincere appreciation to our employees, partners, and stakeholders for their continued trust and commitment. Together, we are building a company defined not only by performance, but by a shared responsibility to the maritime industry and the nation.

DAVID MASSEY
CEO - Abu Dhabi Ship Building



ABOUT ADSB

ADSB AT A GLANCE

49.96%	50.04%
EDGE/ Abu Dhabi Government	Private Investors



Established in 1995, Abu Dhabi Ship Building PJSC (ADSB) has grown into one of the region's leading shipbuilding and ship repair companies. Headquartered in Abu Dhabi, ADSB serves both defence and commercial maritime sectors, delivering complex vessel construction, maintenance, repair, and overhaul services across the UAE and international markets.

Over three decades, ADSB has developed advanced shipyard capabilities supported by modern infrastructure and specialised technical expertise. Its facilities are equipped to manage projects across the full vessel lifecycle, from design and construction through to long-term maintenance and support. This integrated approach strengthens operational reliability and responds to the evolving needs of regional and global maritime clients.

As a key participant in a strategic industry that contributes to national security, maritime trade, and industrial development, ADSB recognises the responsibility that comes with operating in a heavy industrial environment. The company continues to manage its operational carbon footprint through energy monitoring, fuel efficiency oversight, and responsible site practices. At the same time, ADSB supports the development of energy-efficient and environmentally responsible vessels, contributing to a more sustainable maritime sector.

Through continued investment in people, technology, and disciplined governance, ADSB remains well positioned to strengthen its leadership in the regional shipbuilding industry while supporting the UAE's long-term industrial and sustainability ambitions.

OUR PURPOSE

To be the region's leading naval & commercial shipyard, offering unmatched service, innovation skill.

OUR CORE VALUES

Quality: We offer highly-efficient and reliable product & service delivery while maintaining industry leading health, safety & environmental standards

Innovation: We are motivated to continually develop the latest advanced solutions to create greater impact for our customers

Partnership: We work together with our employees, customers & partners towards coordinated growth and success

We deliver superior reliability, ease of operations, and cost efficiencies through five powerful enablers:

SUPERIOR DESIGN SELECTION

SKILLED WORKFORCE WITH EXTENSIVE TECHNICAL EXPERIENCE

WORLD-CLASS SHIPYARD FACILITIES

EXCEPTIONAL INTEGRATION CAPABILITIES

PRECISION STEEL FABRICATION

WHAT WE OFFER

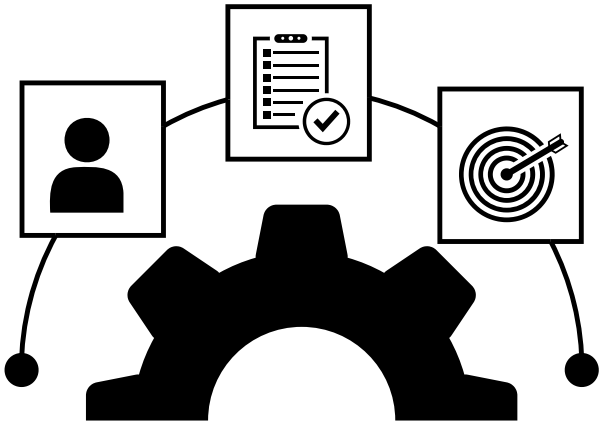
- NEW BUILD
- REPAIR
- MAINTENANCE
- REFIT
- CONVERSION
- ENGINEERING CONSULTANCY
- SUSTAINMENT
- REFURBISHMENT
- ADVANCED TECHNOLOGY

FACILITIES & CAPABILITIES

We provide a range of logistics and workshop support services to manage your equipment and supply chain systems, and operate your workshops. Our offerings have already helped to increase the defence capabilities of the UAE. Leveraging our advanced equipment portfolio, we build and service vessels that strengthen our customers' naval and shipbuilding fleets.



SEA OF OPPORTUNITIES



From Legacy to Innovation: Securing the Blue Economy

Advanced maritime capability remains essential to national security, economic resilience, and regional stability. For a nation with strategic coastlines and growing maritime trade such as the UAE, sustained investment in shipbuilding and lifecycle support is critical.

For over 30 years, ADSB has contributed to strengthening maritime readiness through the design, construction, and support of naval and commercial vessels. As defence requirements evolve and commercial activity expands, opportunities continue to grow across new build programmes, refit and conversion, and long-term sustainment services.

Aligned with global sustainability priorities, ADSB continues to advance responsible operational practices and support the development of more energy-efficient vessels, contributing to a stronger and more sustainable maritime sector.

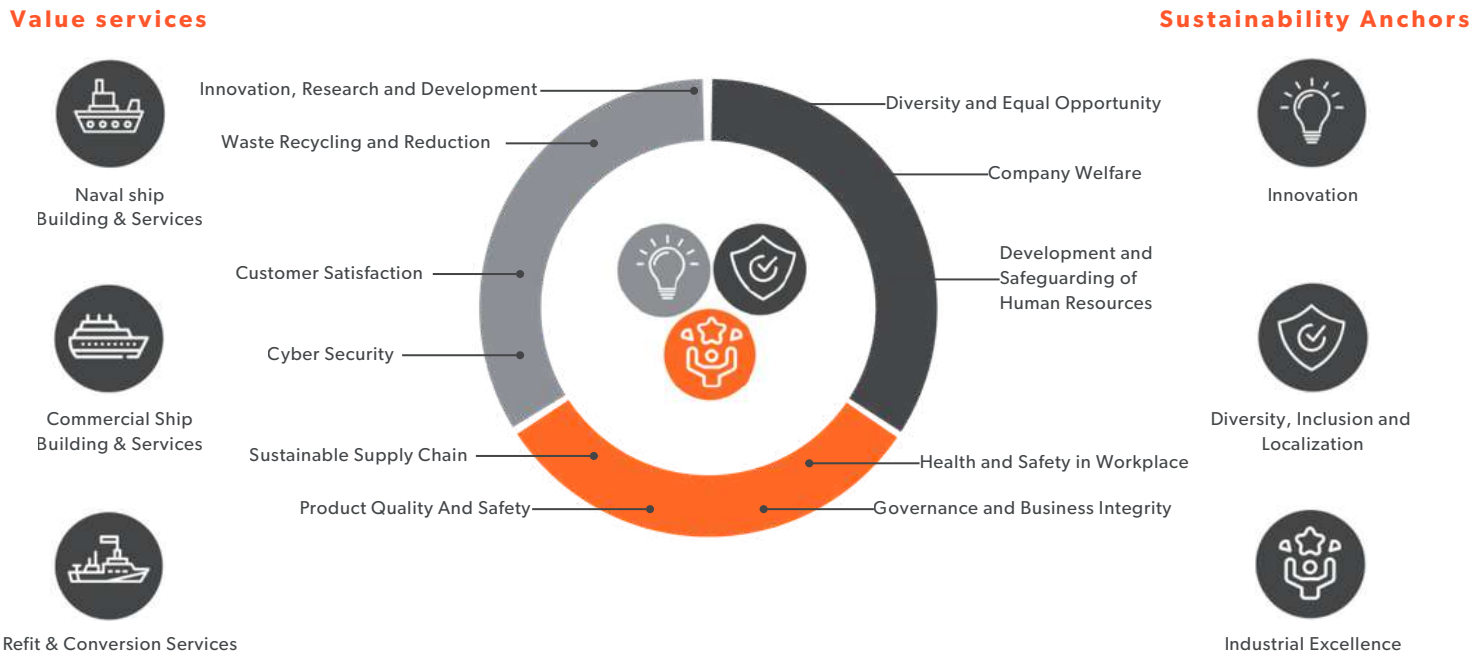
Pioneering Operational Excellence

To remain at the forefront of the maritime sector and shipbuilding and repair industry, ADSB is committed to the continuous modernization of its shipyard operations and the integration of advanced digital solutions. By including automated manufacturing processes and digital design simulations, the company enhances its operational efficiency while maintaining the highest standards of safety and quality.

This focus on technical innovation allows ADSB to streamline vessel lifecycles, from initial concept to long-term sustainment, ensuring high performance and reliability for a diverse global clientele. By embracing these future-ready capabilities, ADSB is not only optimizing its current output but also setting new benchmarks for precision and excellence within the regional shipbuilding and repair industry.

OUR VALUE CREATION MODEL

OUR VALUE CREATION MODEL





IMPACTING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

ADSB's value creation model is a strategic roadmap that integrates our core shipbuilding and repair services with robust sustainability anchors to deliver long-term impact for our stakeholders. By aligning our operational capabilities with global standards, we ensure that every project, from naval and commercial shipbuilding to complex refit and conversion services, is underpinned by a commitment to ethical excellence and industrial leadership. This model reflects how our core services, operational enablers, and sustainability priorities work together to deliver long-term value.

The Foundations of Resilience

Our model is anchored by a steadfast commitment to Innovation, DEI and Industrial Excellence. These anchors ensure that as we scale our operations, we maintain the highest standards of health and safety in the workplace while fostering an environment of diversity and equal opportunity. By prioritizing the development and safeguarding of our human resources and overall company welfare, we create a resilient organizational culture capable of navigating the complexities of the global maritime sector and shipbuilding and repair industry.

Integrated Operational Enablers

To transition from baseline operations to high-value output, ADSB integrates several critical enablers across the vessel lifecycle:

Innovation & Digital Security

Through dedicated Research and Development and robust Cyber Security protocols, we protect our technical assets and stay ahead of industry shifts.

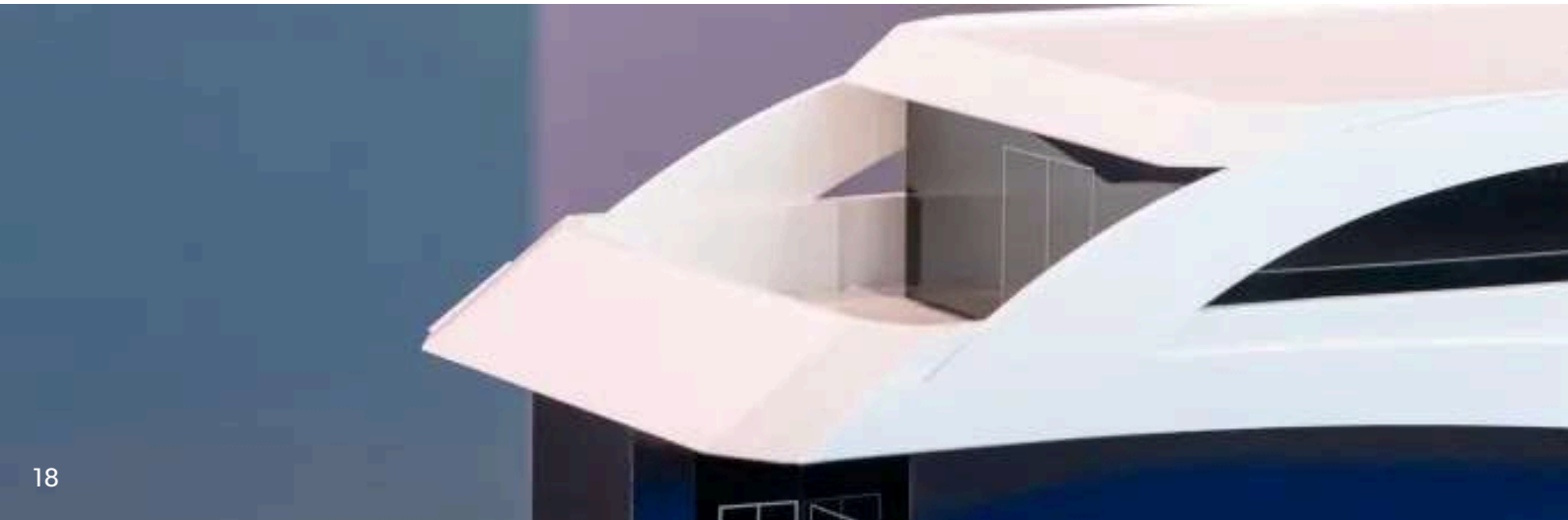
Quality & Responsibility

We maintain an unwavering focus on Product Quality and Safety, complemented by a Sustainable Supply Chain that mirrors our internal values.

Environmental Stewardship

By institutionalizing waste recycling and reduction, we minimize our operational footprint, ensuring that our pursuit of customer satisfaction is balanced with our responsibility to the planet.

This holistic approach allows ADSB to transform strategic inputs into sustainable outcomes, contributing to a stronger maritime sector and shipbuilding and repair industry and supporting the global advancement of the United Nations Sustainable Development Goals.



KEY AMBITIONS

Circular Economy Practices

Advance circular economy principles across operations to improve resource efficiency, reduce waste, and strengthen material lifecycle management.

Ethical Supply Chain

Ensuring ethical standards are met across our entire supply chain.

Renewable Energy Integration

Explore opportunities to integrate renewable and lower-carbon energy solutions into operational infrastructure where feasible.

Enhanced Employee Well-being

Support workforce wellbeing, engagement, and professional development as integral components of sustainable performance.

Ocean Conservation

Support marine preservation through responsible shipbuilding practices and environmentally conscious operational standards.

Stakeholder Education

Engage and inform stakeholders on sustainable practices, industry developments, and shared responsibility.

In-Country Value (ICV)

Increase contribution to the national economy by strengthening local procurement, workforce participation, and industrial capability development.



INTEGRATING SUSTAINABILITY

Health and Safety Commitment

We place the wellbeing of our workforce and surrounding communities at the centre of our operations, with continued focus on reducing workplace incidents and strengthening safety performance.

Operational Efficiency and Environmental Responsibility

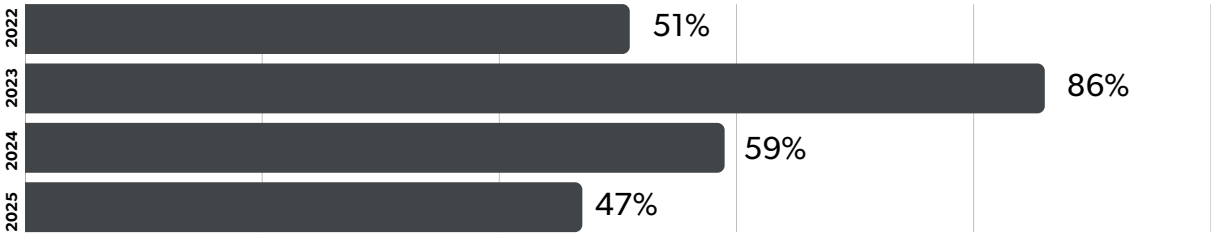
We continue to improve production efficiency by reducing waste, managing water consumption, and monitoring emissions, supported by structured waste management planning.

Responsible Supply Chain

We maintain transparent and accountable procurement practices, closely monitoring raw materials and subcontractors to ensure full compliance with our Quality, Health, Safety, and Environment standards. Strengthening In-Country Value remains a key priority across our supplier network.

Our suppliers are categorized into OEMs and non-OEMs for products and service providers based on order values.

OEM Procurement Share (Based on Order Value)



Local Procurement (Based on Order Value)



Excellence in Sustainable Procurement – IPSC 2025

Abu Dhabi Ship Building (ADSB) received the Excellence in Sustainable Procurement Award at the International Procurement Supply Chain Conference (IPSC) 2025 held in New Delhi, India. Organised by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) in collaboration with Blue Ocean Corporation, the award recognises ADSB's efforts in advancing sustainable procurement practices and implementing responsible supply chain strategies that promote transparency, efficiency, and long-term industry impact.

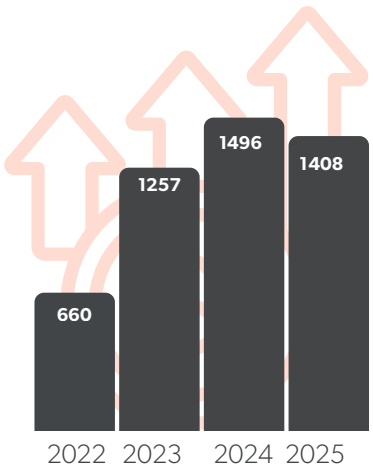




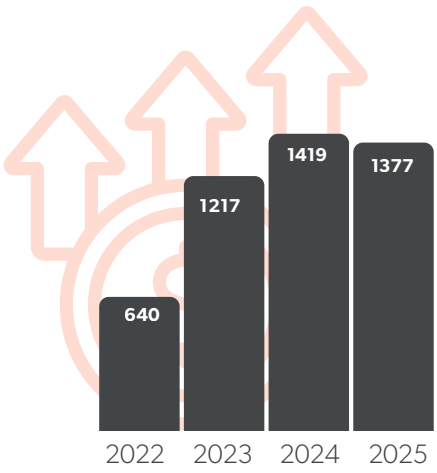


FINANCIAL PERFORMANCE

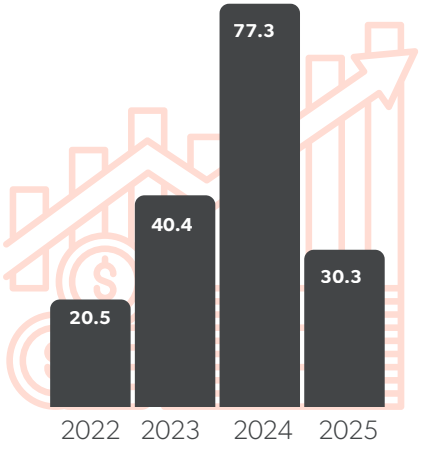
Total Revenues (Mn AED)



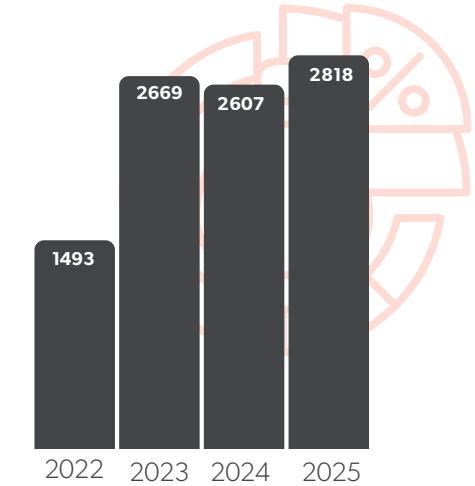
Total Cost Incurred (Mn AED)



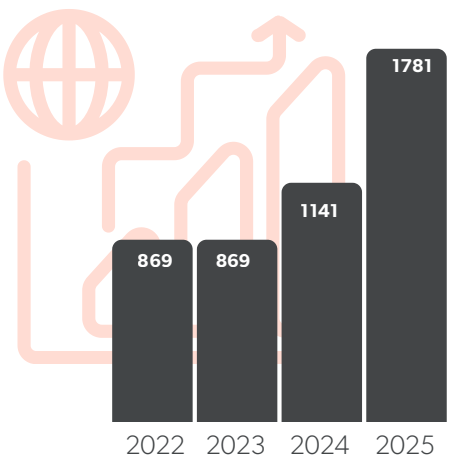
Net Profits (Mn AED)



Total Assets (Mn AED)



Market Capitalisation (Mn AED)




160 ITEP

KEY MILESTONES 2025

01 ADSB launches ALTAF, the first-of-class vessel in the FALAJ 3 programme.

02 ADSB participates in IDEX 2025.

03 The ALTAF missile boat was commissioned in the presence of Sheikh Hazza bin Zayed Al Nahyan and Staff Major General Sheikh Ahmed bin Tahnoun Al Nahyan.

04 ADSB launches the next-generation 170M DETECTOR vessel.

05 ADSB partners with ASRY to promote regional excellence in naval vessel production.

06 ADSB joins forces with Indra to equip the FA-400 with advanced naval systems.

07 ADSB partners with Intermarine to strengthen naval capabilities.

08 ADSB signs a strategic partnership agreement with HENSOLDT to advance naval technology development.

09 ADSB participates in LAAD Defence & Security Exhibition 2025 in Brazil.

10 ADSB participates in IMDEX Asia 2025 in Singapore.

11 ADSB participates in Make It In The Emirates (MIITE) 2025.

12 ADSB participates in Indo Defence 2025.

13 ADSB participates in IDEF 2025 in Istanbul, Türkiye.

14 ADSB partners with Technology Innovation Institute (TII) to launch a new naval innovation hub to advance naval technologies.

15 ADSB participates in the Abu Dhabi International Boat Show 2025 and launches the SEA HOSPITAL 400 and 16-meter SEA AMBULANCE vessels.

16 ADSB participates in the Egypt Defence Expo 2025 in Cairo, Egypt.

17 ADSB receives Letter of Award for AED 7 billion from EDGE as part of the record AED 9 billion contract signed with the Kuwait Ministry of Defence for the supply of FALAJ3 vessels.

PRESSROOM



Bahrain Delegation Visit

May 2025

ADSB welcomed a high-level delegation from the Kingdom of Bahrain led by HH Shaikh Naif bin Ibrahim Al Khalifa, Marine Corps Battalion Commander. The visit focused on strengthening defence collaboration and exploring opportunities in naval capability development.



ASRY Delegation Visit

July 2025

ADSB CEO David Massey led an official delegation visit to the Kingdom of Bahrain, where the team met with Dr Ahmed Al Abri, CEO of ASRY. The visit focused on discussing potential areas of collaboration between the two entities across the maritime sector.



Kuwait Coast Guard Delegation

July 2025

ADSB welcomed HH Commodore Sheikh Mubarak Ali Al-Sabah, Director General of Kuwait's Coast Guard, during an official visit to ADSB facilities. The visit follows EDGE Group's agreement with Kuwait's Ministry of Interior, under which ADSB will support the reconstruction, repair, and modernisation of naval assets while providing specialised training for Kuwait's marine and coast guard personnel.



Netherlands Embassy Visit

September 2025

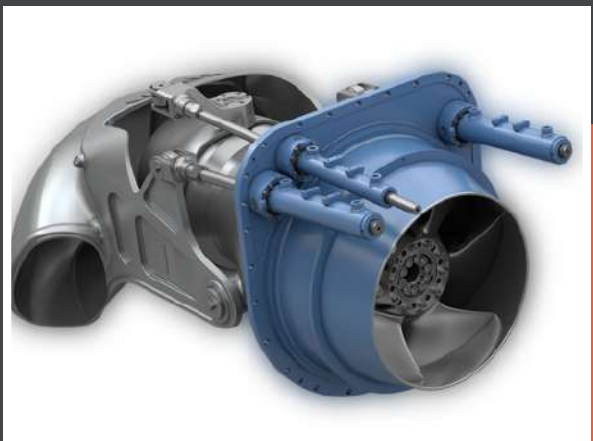
ADSB welcomed an official delegation from the Embassy of the Netherlands led by Defence Attaché Commander de Groot. The delegation met with ADSB representatives, including COO Eng. Maktoom AlShehhi and Director of Strategy and Business Development Abdelrahman Alrousi, to discuss potential areas of cooperation in the maritime sector.



Naval Innovation Hub Partnership

September 2025

ADSB signed a collaboration agreement with the Technology Innovation Institute (TII) to establish a Naval Technology Innovation Hub in Abu Dhabi. The initiative will support research, testing, and integration of next-generation naval technologies, including autonomous systems, advanced materials, and maritime propulsion solutions.



Waterjet Refitting Contract

October 2025

ADSB partnered with Kongsberg Maritime to support the upgrade of waterjet propulsion systems on vessels operated by the Kuwait Coast Guard. The project will involve installing Kongsberg Kamewa waterjets as part of a fleet modernisation programme aimed at improving operational performance and reliability.

CERTIFICATIONS AND RATINGS



ABU DHABI SHIP BUILDING COMPANY PJSC

MUSSAFAH-SECTOR MW3, PLOT NO. 27A, P.O. BOX: 8922, ABU DHABI, UNITED ARAB EMIRATES

Bureau Veritas Certification Holding SAS - UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 14001:2015

Scope of certification

1. DESIGN, CONSTRUCTION, REPAIR, REFIT AND CONVERSION OF NAVAL AND COMMERCIAL SHIPS IN STEEL, ALUMINIUM AND COMPOSITE MATERIALS.
2. REPAIR AND UPGRADE OF SHIP SYSTEMS AND COMPONENTS.
3. ASSOCIATED LOGISTICS AND FABRICATION SERVICES.

Original cycle start date: 26 October 2016
Expiry date of previous cycle: NA
Certification / Recertification Audit date: NA
Certification / Recertification cycle start date: 29 September 2025
Subject to the continued satisfactory operation of the organisation's Management System, this certificate expires on: 25 October 2028

Certificate No.: AB005088 Version: 1 Issue date: 29 September 2025

Krupa Rahul - Certification Manager

Bureau Veritas Certification

ISO 14001:2015 - Environmental Management Systems



ABU DHABI SHIP BUILDING COMPANY PJSC

P.O.BOX: 8922, MUSSAFAH-SECTOR MW3, PLOT NO 27A, ABU DHABI, UNITED ARAB EMIRATES

Bureau Veritas Certification Holding SAS - UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 9001:2015

Scope of certification

- DESIGN, CONSTRUCTION, REPAIR, REFIT AND CONVERSION OF NAVAL AND COMMERCIAL SHIPS IN STEEL, ALUMINIUM AND COMPOSITE MATERIALS.
- REPAIR AND UPGRADE OF SHIP SYSTEMS AND COMPONENTS.
- ASSOCIATED LOGISTICS AND FABRICATION SERVICES.

Original cycle start date: 05 March 2010
Expiry date of previous cycle: NA
Certification / Recertification Audit date: NA
Certification / Recertification cycle start date: 31 January 2025
Subject to the continued satisfactory operation of the organisation's Management System, this certificate expires on: 19 February 2028

Certificate No.: AB004702 Version: 5 Issue date: 31 January 2025

Krupa Rahul - Certification Manager

Bureau Veritas Certification

ISO 9001:2015 - Quality Management



ABU DHABI SHIP BUILDING COMPANY PJSC

P.O.BOX: 8922, MUSSAFAH-SECTOR MW3, PLOT NO 27A, ABU DHABI, UNITED ARAB EMIRATES

Bureau Veritas Certification Holding SAS - UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 45001:2018

Scope of certification

- DESIGN, CONSTRUCTION, REPAIR, REFIT AND CONVERSION OF NAVAL AND COMMERCIAL SHIPS IN STEEL, ALUMINIUM AND COMPOSITE MATERIALS.
- REPAIR AND UPGRADE OF SHIP SYSTEMS AND COMPONENTS.
- ASSOCIATED LOGISTICS AND FABRICATION SERVICES.

Original cycle start date: 20 February 2019
Expiry date of previous cycle: NA
Certification / Recertification Audit date: NA
Certification / Recertification cycle start date: 31 January 2025
Subject to the continued satisfactory operation of the organisation's Management System, this certificate expires on: 19 February 2028

Certificate No.: AB004703 Version: 5 Issue date: 31 January 2025

Krupa Rahul - Certification Manager

Bureau Veritas Certification

ISO 45001:2018- Occupational Health and Safety



DEPARTMENT OF ECONOMIC DEVELOPMENT

ABU DHABI PUBLIC HEALTH CENTRE

Approval Certificate

شهادة اعتماد

By Authorization from
Abu Dhabi Public Health Centre (ADPHC)

Industrial Development Bureau certifies that the Occupational Safety and Health Management System (OSHMS) of Abu Dhabi Ship Building with License number: IN-1000553 , complies with all the minimum Occupational Safety and Health requirements set by the Centre.

Approval Date: 23 October 2017
Renewal Date: 23 October 2023
Valid Till: 22 October 2026

Approval Certificate No: ADPHC/IN-20/1883/2023-1111
Issued On: 24 November 2023

مركز أبوظبي للصحة العامة
ABU DHABI PUBLIC HEALTH CENTRE

Important Note:

ADOSH - Occupational Health and Safety

2026 PLANS

We will continue our ongoing target of reducing our environmental footprint in the following ways:

1. Reduce gas consumption by procuring additional electric-powered golf carts, which will replace gas-powered vehicles.
2. Enhance energy efficiency by increasing the number of fully solar-powered storage containers with integrated air-conditioning and alarm units.
3. Deploy Phase 2 of our motion-sensor lighting systems across offices and toilets.
4. Implement a Building Management System to optimise water, electricity, and air-conditioning use.
5. Complete our initiatives of planting trees and greeneries in the yard to contribute to carbon sequestration.
6. Track and record our waste through regular and vigilant observation, monitoring, and reporting processes.



ENVIRONMENTAL STEWARDSHIP

GHG ANALYSIS

At ADSB, we recognise the importance of managing greenhouse gas emissions and minimising our environmental footprint. Our environmental stewardship reflects the initiatives and practices implemented across our operations to enhance energy efficiency, reduce emissions, minimise waste, and protect marine ecosystems. As a shipbuilding and repair company, we understand the strategic role our industry plays in global environmental performance. We remain committed to adopting responsible practices and technologies, such as the research and development of low emission vessels, that reduce our ecological impact while supporting long-term operational resilience and the preservation of maritime resources.

The regulatory landscape reached a critical milestone in 2025 as the International Maritime Organization (IMO) transitioned its 2023 Greenhouse Gas Strategy into a formal Net-Zero Framework. The IMO continues to advance global emission reduction targets, including its strategy to reduce greenhouse gas emissions from international shipbuilding. This reinforces the importance of innovation and sustainable vessel development within the shipbuilding sector. ADSB is actively aligning its engineering capabilities with these mandates, ensuring that zero or near-zero GHG emission technologies represent a growing share of our portfolio to meet the evolving demands of a regulated global market.

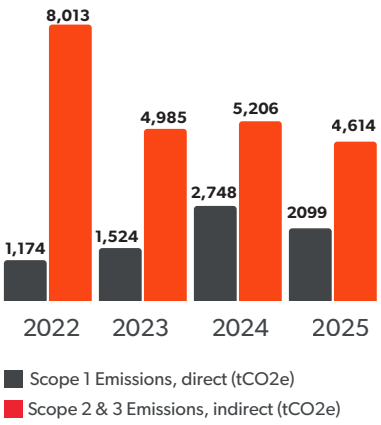
Advancing these targets requires a transition from experimental concepts to commercial reality. Building on earlier research into wind-assisted technologies and high-efficiency hull designs, 2025 has seen a significant industry shift toward alternative fuel integration, including green ammonia, methanol, and advanced battery-electric systems. ADSB continues to assess its operational emissions, including Scope 1, Scope 2, and relevant Scope 3 categories, to identify key areas for carbon reduction. By collaborating with global technology partners to implement these zero-emission solutions, we plan to deliver sophisticated maritime platforms that protect the coastline and the planet.



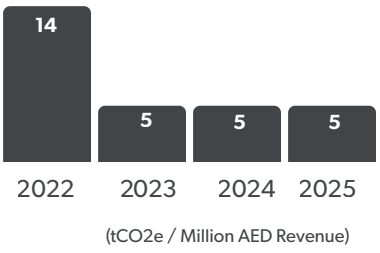
ADSB remains a steadfast partner in the UAE's "Net Zero by 2050" strategic initiative. Beyond the vessels we build, we are committed to reducing the environmental footprint of our own shipyard operations through industrial excellence. While certain pollutants remain unavoidable in the shipbuilding process, we maintain rigorous oversight to minimize their impact. We employ specialized risk assessments and protective measures for the storage and use of materials, including NOx, SOx, Persistent Organic Pollutants (POP), and Volatile Organic Compounds (VOC), ensuring that our pursuit of maritime leadership never comes at the cost of local air and water quality. By combining technological innovation with operational responsibility, ADSB is steering toward a sustainable maritime future.

GHG Emissions (Scope 1, 2 and 3)

GHG Emissions (Direct and Indirect)



GHG Emissions Intensity



Operational Emissions

	2022	2023	2024	2025
NOx	466.6ml/m3	14.64ml/m3	40.29ml/m3	221.7 ml/m3
SOx	1ml/m3	1.33ml/m3	2.2ml/m3	1.5 ml/m3
Volatile organic compounds (VOC)	79.8ppm	6.13ppm	10.66ppm	1.5 ml/m3
Particulate matter (PM)	-	79.38ppm	97.45ppm	Particulate matter (PM-2.5)-0.0748 mg/m³

ENVIRONMENTAL INITIATIVES TO DATE

Installed 4x10 KW (AC) and 1x40 KW (DC) EV chargers for employees to freely use, promoting the adoption of electric vehicles among our employees thereby reducing emissions
(2023 & 2025)

Harnessing solar power - replaced all external lighting units with solar-powered lighting units and installed 3 fully solar-powered storage containers with integrated air-conditioning and fire alarm units, and also upgraded labor accommodation' s water heating system with new solar-powered heaters
(2025)

Established a formal Sustainability Team and implementation procedure
(2024)

Planted more trees and greeneries in the yard to contribute to carbon sequestration
(2025 in process)



Installed clear road markings for pedestrians and cyclists for increased safety
(2025)

Creation of Waste, Scrap Management and Disposal Procedure and Waste Management and Reduction Plan
(2024 and updated in 2025)

Installed a Tadweer recycling vending machine to enhance on-site waste diversion and launched a paper and plastic recycling partnership with Al Dhafra
(2024)

Sensors for lights installed for offices and toilets (Phase 1)
(2024)

Deployed electric forklifts to reduce reliance on diesel-powered equipment
(2023)

Procured Polaris vehicles for security team and electric golf carts contributing to a cleaner transportation
(2023 & 2025)

Plans for 2026

We aim to further reduce our carbon footprint and enhance energy efficiency by procuring additional electric-powered golf carts (replacing gas-powered vehicles),increasing the number of fully solar-powered storage containers with integrated air-conditioning and fire alarm units, and rolling out Phase 2 of our motion-sensor lighting systems across offices and toilets. We will also implement a Building Management System to optimize water, electricity, and air-conditioning use.

In addition to cutting emissions, we will continue to create a safer and greener environment by completing our initiatives of planting more trees and greenery that underscore our commitment to promoting sustainability throughout our premises.

ENERGY MANAGEMENT

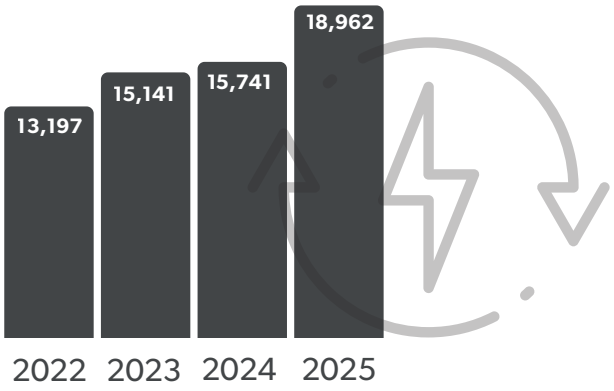
We strive to optimize energy usage, reduce consumption, and enhance operational efficiency across our facilities. Given the energy-intensive nature of shipbuilding and repair operations, careful monitoring and disciplined management remain essential to maintaining both operational performance and environmental responsibility.

Following the growth of 2024, our 2025 energy metrics reflect a period of significant industrial expansion and high-value project delivery. This increase in consumption and intensity is directly linked to the increased scale of our shipbuilding operations and the technical demands of our current project portfolio.

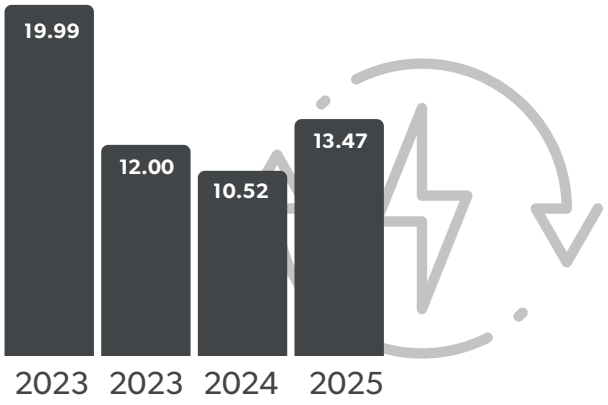
Electricity consumption across workshops, dry docks, and administrative facilities is monitored regularly to identify areas for efficiency improvement. Operational planning incorporates energy performance considerations, ensuring that production requirements are balanced with responsible resource use.

ADSB continues to evaluate opportunities to improve equipment efficiency, upgrade lighting systems, and optimize machinery usage across facilities. Where feasible, we assess alternatives that support reduced fuel dependency and lower overall energy intensity. Energy data is reviewed as part of ongoing operational oversight, supporting informed decision-making and long-term efficiency improvements.

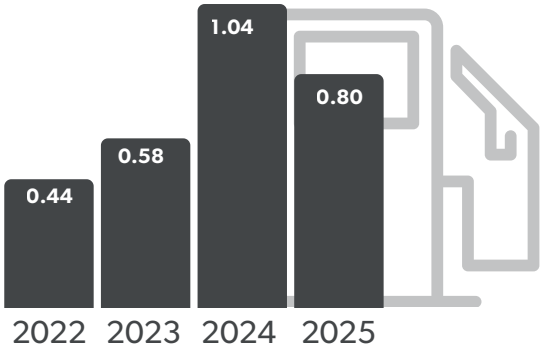
Electricity Consumption (MWh)



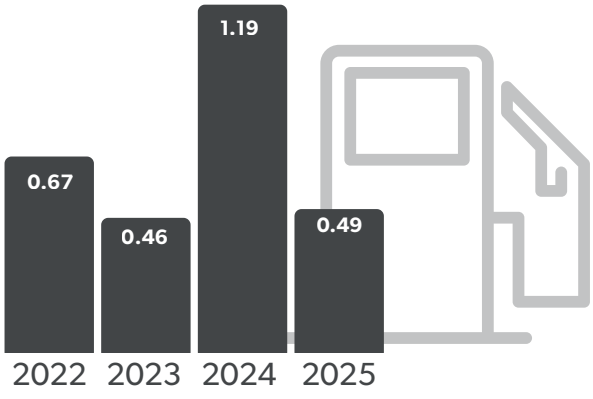
Electricity Intensity (MWh / Million AED)



Fuel Consumption (Petrol and Diesel) – Megalitres



Fuel Intensity (Megalitres / Million AED)

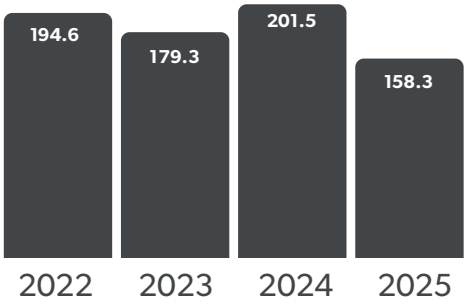


WATER MANAGEMENT

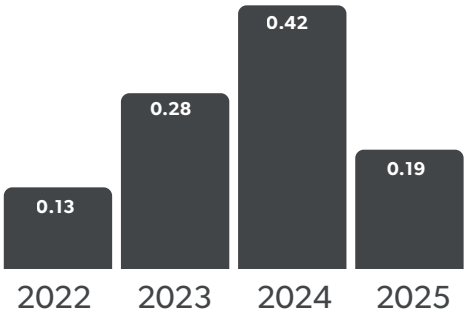
Water plays a vital role in shipbuilding, maintenance, and associated industrial activities. ADSB recognises the importance of responsible water stewardship across both operational and support facilities. Water withdrawal from ADDC is monitored to ensure efficient usage and compliance with regulatory standards. Operational processes are reviewed periodically to identify opportunities to reduce unnecessary consumption and improve water efficiency.

Drinking water consumption is tracked separately to maintain transparency across facilities. Wastewater discharge is managed in accordance with environmental requirements, ensuring that discharge volumes are monitored and controlled. Water is discharged to the municipality's treatment network line. In the equipment washing discharge area, we have installed an oil interceptor to maintain the quality of the waste discharge. Through structured monitoring and operational planning, ADSB continues to strengthen its approach to water management while maintaining the performance standards required within a heavy industrial environment.

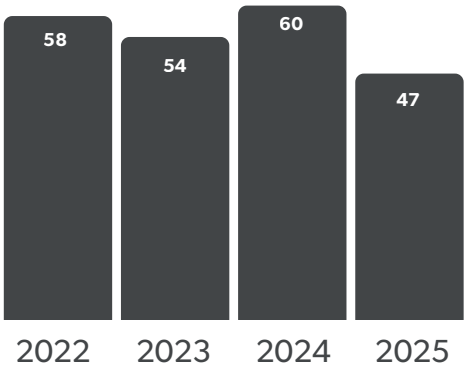
Water Consumption from ADDC (Megalitres)



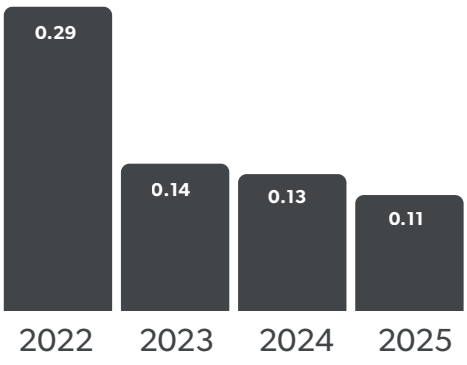
Drinking Water Consumption (Megalitres)



Water Discharged (Megalitres)



Water Intensity (Megalitres / Million AED)



WASTE MANAGEMENT

At ADSB, waste management forms a structured part of our operational controls. Shipbuilding and repair activities generate various waste streams, including general, organic, and hazardous materials. Responsible handling, segregation, and disposal remain central to our environmental stewardship.

A formal Waste Management and Reduction Plan guides waste handling procedures across workshops, dry docks, and administrative areas. Waste streams are segregated at source to improve recycling efficiency and minimise landfill disposal. Licensed waste service providers are engaged to ensure that hazardous materials are treated and disposed of in accordance with regulatory requirements. Regular reviews of waste data support improved material efficiency and operational planning. ADSB hired Tadweer, an approved subcontractor who specializes in disposal and waste management. Where feasible, ADSB prioritises reuse and recycling practices, seeking to reduce overall waste intensity while maintaining operational safety and compliance standards. ADSB don't do the recycling but only separation and recyclable waste are disposed to partners who do recycling themselves.

Our Waste Reduction Measures

ADSB continues to strengthen its waste management framework through structured operational controls and employee engagement initiatives.



Comprehensive recycling programme

Recyclable materials are segregated at source across workshops, offices, and operational areas to improve recovery rates and reduce landfill disposal.



Employee training on waste minimisation

Awareness sessions and operational guidance support employees in understanding proper segregation practices and responsible material handling.



Supplier collaboration

We engage with suppliers to minimise excess packaging and promote responsible material delivery practices across the supply chain.



Lean implementation

Lean operational principles are applied to reduce material inefficiencies and avoid unnecessary waste generation during production processes.



Material reuse initiatives

Where feasible, surplus materials are identified for reuse within operations to reduce procurement needs and overall waste volumes.



Culture of innovation

Operational teams are encouraged to identify practical waste reduction opportunities as part of continuous improvement practices.

WASTE REDUCTION GOALS

01 Divert waste from landfills through responsible disposal and mitigation.

02 Scale reduction, reuse, and resource recovery across all operations.

03 Benchmark annual recycling performance against internal targets.

04 Ensure full compliance with local mandates and industry standards.

05 Optimize operational waste streams to lower environmental impact.

06 Target a consistent decrease in total landfill disposal volumes.

General waste volume produced

359.59 tons	569.92 tons	1,803.33 tons	942.31 tons
2022	2023	2024	2025

Hazardous Waste Management - Given the industrial nature of our shipbuilding and repair operations, managing hazardous materials is a critical focus for ADSB. In 2025, our operations generated 3,047.38 tons of hazardous waste, lower than the 4,263.84 tons in 2024. We remain strictly committed to the safe handling, storage, and disposal of these materials, ensuring that all hazardous waste is processed (treated) in full compliance with local UAE environmental regulations and international safety standards to protect our marine and terrestrial ecosystems.



SOCIAL STEWARDSHIP

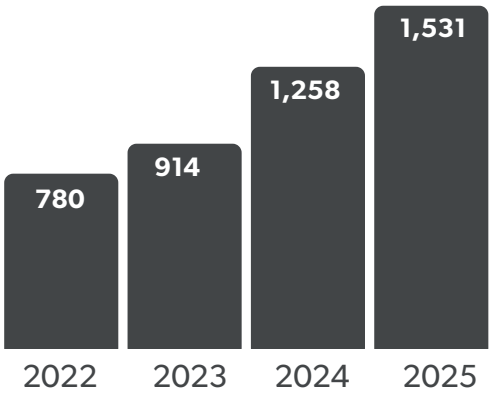


In line with our vision to be a sustainable and socially responsible entity, we prioritize the well-being, development, and diversity of our employees. Through strategic initiatives and ongoing investments in our workforce, we aim to promote a culture of innovation, inclusion, and excellence. Our efforts are in areas such as talent management, employee engagement, health and safety practices, training and development programs, as well as our commitment to promoting diversity, equity, and inclusion within our organization. As we navigate the dynamic landscape of the shipbuilding industry, our employees remain central to our ability to adapt, grow, and thrive sustainably. Through transparent reporting and accountability, we aim to demonstrate our dedication to upholding the highest standards of ethical conduct, employee well-being, and professional development.

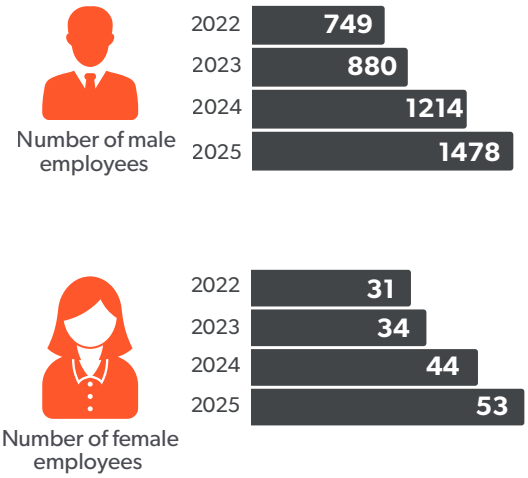
HUMAN CAPITAL

At Abu Dhabi Ship Building (ADSB), we recognize that our greatest strength lies within our people. As a leading shipbuilding and ship repair facility in the region, we understand the pivotal role our workforce plays in achieving our sustainability goals and driving organizational success. We are dedicated to establishing a comprehensive and peaceful workplace, where positivity thrives, and productivity naturally flourishes. Our commitment is to unlock the full potential of our team, ensuring a fulfilling career journey with us. Embracing diversity without any form of discrimination, we prioritize the well-being of our employees. In our pursuit of excellence, we aim to provide professional growth and strive to create an atmosphere that resonates with our team's individual strengths, encouraging a harmonious and collaborative work environment. To ensure adherence to anti-corruption measures, we ensure that all our employees receive regular communication through the webmaster.

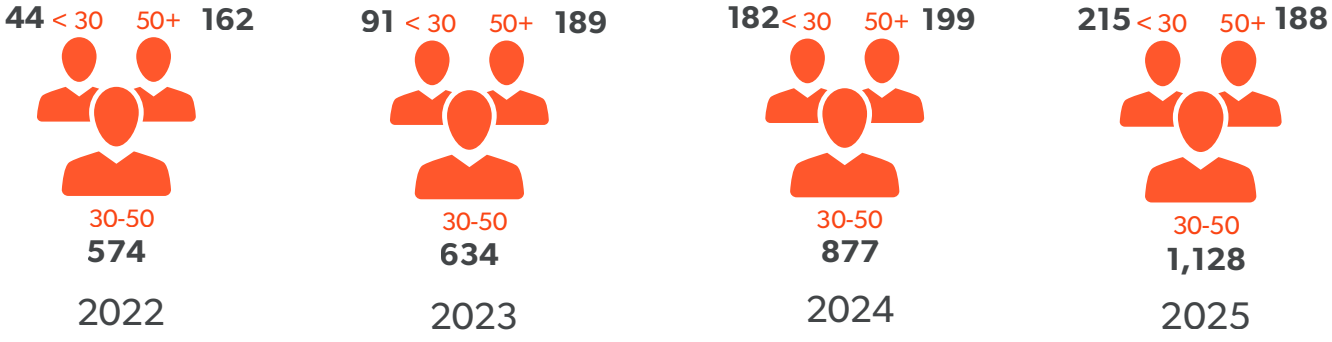
Total number of employees



Employees by gender



Employees by age group

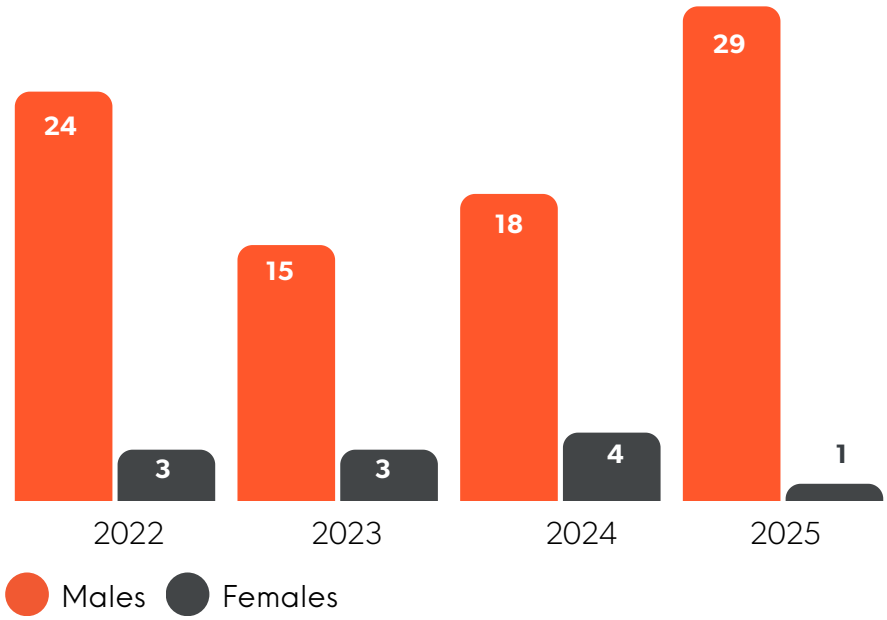


WORK-LIFE BALANCE

We nurture a workplace culture that prioritises employee well-being and happiness as a core value within our organisation. We recognise work-life balance difficulties and remain dedicated to helping our people attain a healthy balance between their professional and personal lives. Our company is committed to promoting an environment where employees' pleasure and wellbeing are highly valued. We are fully devoted to helping our employees achieve a healthy balance between work and personal life. To address the various demands of our team members, we provide a range of support mechanisms, including parental leave, and the availability of facilities and resources to support a balanced lifestyle. By prioritizing work-life balance, we hope to promote a productive workplace where our staff members may thrive and realize their full potential.

Employees at ADSB are provided with parental leave in accordance with company policy and applicable labour regulations. The chart below presents the number of employees who availed parental leave during the reporting period.

Employees Taking Parental Leave



100% Retention rate of employees who took parental leave in 2023-2025.

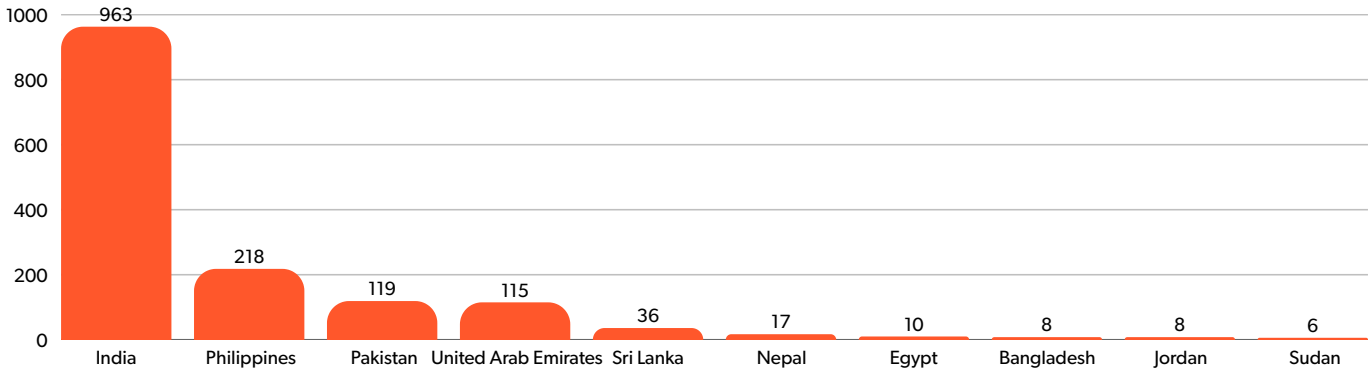
EQUAL OPPORTUNITY AND DIVERSITY

At Abu Dhabi Ship Building, we maintain a workplace environment built on the principles of equal opportunity and respect for diversity. Our workforce brings together individuals with varied professional backgrounds, skills, and perspectives, contributing to a dynamic and collaborative working environment. We aim to ensure that all employees are provided with fair opportunities for professional growth and advancement. Employment decisions, including recruitment, development, and progression, are based on qualifications, performance, and organisational requirements. This approach supports a professional culture where employees are recognised for their capabilities and contributions.

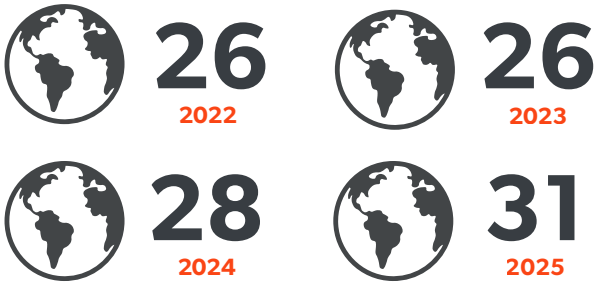
Our workforce represents multiple nationalities, reflecting the international nature of the shipbuilding industry and the diverse talent required to support complex maritime operations. To support fairness and transparency, the company maintains a remuneration policy that outlines guidelines for employee compensation, including salaries, bonuses, and benefits. This policy helps ensure consistency and clarity in compensation practices across the organisation.

The distribution of employee nationalities is illustrated below. While the workforce represents a broad mix of nationalities, the largest groups include employees from India, the Philippines, Pakistan, and the United Arab Emirates. This diversity reflects ADSB's commitment to maintaining an inclusive workplace.

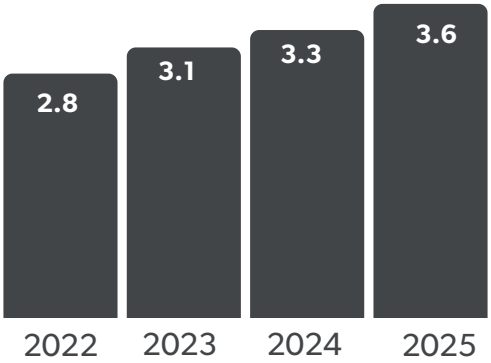
2025- Top 10 Employee Nationalities



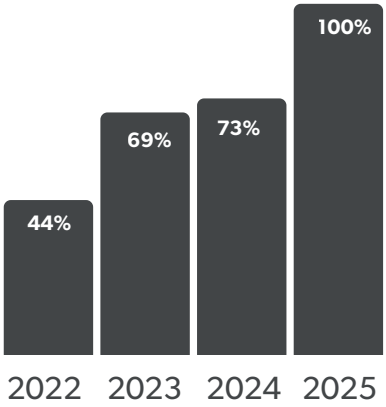
Number of Nationalities



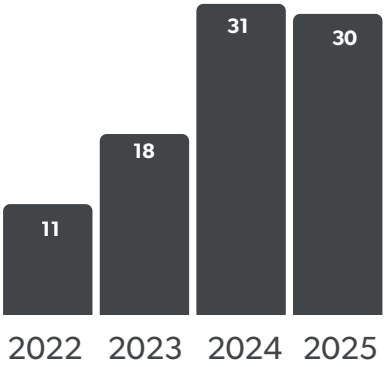
Women to Men Compensation Ratio



Proportion of Senior Management Personnel Hired from the Local Community



Total Enterprise Headcount Held by Contractors and/or Consultants in Specialised Skilled Roles



Outsourcing Skilled Resources

ADSB recognises that certain specialised shipbuilding activities require highly technical expertise. To support project execution and maintain operational standards, the company engages contractors and consultants for specific roles where additional skills or experience are required. These external professionals contribute to specialised technical tasks and project-specific requirements, complementing the capabilities of our internal workforce. By working with qualified external experts on a project basis, ADSB ensures that operational efficiency, technical quality, and project delivery standards are consistently maintained.

External Skilled Workforce



HEALTH & SAFETY

At Abu Dhabi Ship Building, the well-being of our employees is paramount, and we are deeply committed to maintaining a safe and healthy workplace environment. Our robust health and safety practices are designed to safeguard the physical, mental, and emotional well-being of everyone within our organization.

We adhere to stringent safety protocols, ensuring compliance with industry regulations and best practices. Through comprehensive training programs and regular risk assessments, we empower our employees to identify and mitigate potential hazards proactively.

We firmly believe that a safe and healthy workforce is essential for achieving sustainable business success and fulfilling our commitment to corporate responsibility

Providing a healthy working environment for our employees through:



Ongoing Training:
Regular safety training sessions are conducted to enhance employee awareness of accident prevention and safe working practices.
1,771 hours of Health and Safety training delivered across operations.



Supervision:
Operational supervision is maintained to ensure compliance with safety procedures and to address unsafe behaviours promptly.



PPE Usage:
Employees are required to use appropriate Personal Protective Equipment (PPE) to minimise risks associated with operational activities.



Health Monitoring:
Employee health is monitored periodically to support early identification of potential safety concerns.



Material Safety:
Safety procedures are implemented to minimise exposure to hazardous materials and ensure proper handling practices.



Feedback Mechanism:
Employees are provided with channels to report safety concerns and workplace risks.



Incident Investigation:
Reported incidents are investigated thoroughly to identify root causes and prevent recurrence.



Equipment Know-How:
Employees receive guidance on the correct installation, operation, and maintenance of equipment to ensure safe usage.



Safety Culture:
Employees are encouraged to maintain a safety-first mindset and recognise responsible safety behaviour within the workplace.



Continuous Improvement:
Safety practices and procedures are periodically reviewed and updated based on operational experience and feedback.

SOLAS (SAFETY OF LIFE AT SEA)

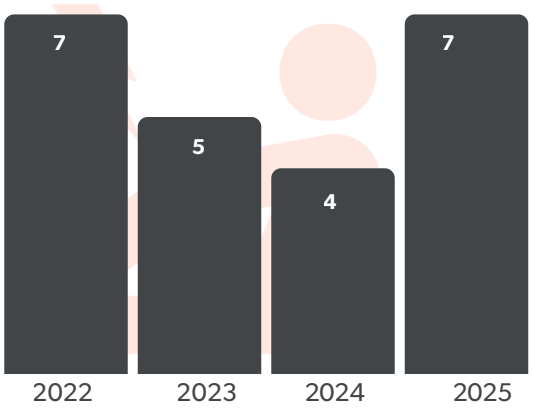
In alignment with the Safety of Life at Sea (SOLAS) Convention, which establishes internationally recognised maritime safety standards, ADSB ensures that vessel construction and related operational activities adhere to defined safety requirements. Compliance with these standards remains essential to maintaining safe shipbuilding and repair operations.

Security personnel supporting ADSB's operations are engaged through external service providers and operate in accordance with the company's policies, procedures, and Management Information Systems (MIS). Their performance is monitored through defined Key Performance Indicators (KPIs) to ensure adherence to safety protocols and operational requirements. All security personnel are required to follow ADSB's safety and environmental guidelines while performing their duties.

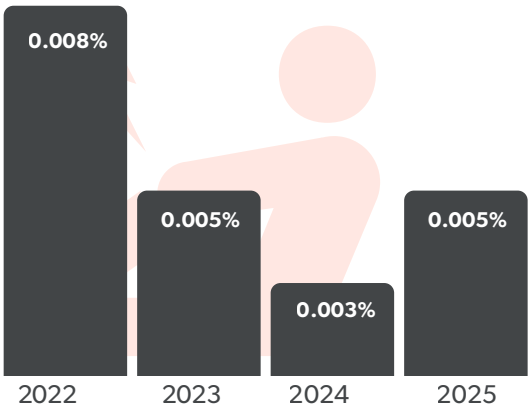
To strengthen emergency preparedness and operational safety, ADSB conducts regular training sessions in collaboration with the Fire Fighting and Health, Safety, and Environment (HSE) teams. These sessions focus on emergency response procedures, hazard awareness, and safe operational practices. Through continuous training and monitoring, ADSB seeks to maintain a secure working environment that supports the safety of employees, assets, and operations.

The indicators presented below outline key safety performance metrics, including the total number of workplace injuries, injury rates, and training hours dedicated to occupational health and safety.

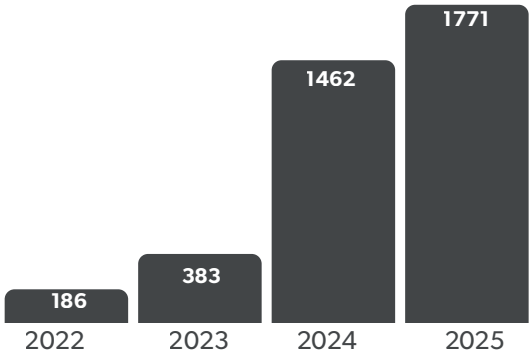
Total Number of Injuries



Injury Rate (%)



Worker Training in Occupational Health and Safety (hours)

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TRAINING AND DEVELOPMENT

At ADSB, our workforce remains the organisation's most important asset. We therefore place strong emphasis on continuous learning and professional development to ensure employees are equipped with the knowledge and skills required to perform effectively within the shipbuilding industry.

Our training and development initiatives are designed to support both individual capability building and organisational growth. These programmes aim to strengthen technical expertise while also supporting broader professional development in response to evolving industry requirements. ADSB provides a range of learning opportunities covering specialised technical training as well as leadership development programmes. Through structured training activities, employees are supported in enhancing their professional competencies and adapting to the complexities of shipbuilding operations.

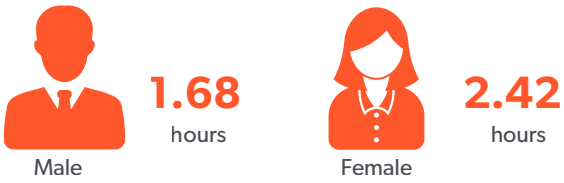
In addition to internal training programmes, employees are provided with access to development opportunities through the Learning Innovation Factory (LIF), a training platform available across the EDGE Group. This programme supports employees in maintaining up-to-date knowledge and improving their professional capabilities. Mentorship initiatives and individual development planning further support employee progression by providing clear pathways for professional growth within the organisation. Where required, ADSB also engages external training providers to supplement internal programmes and strengthen workforce capabilities.

100%

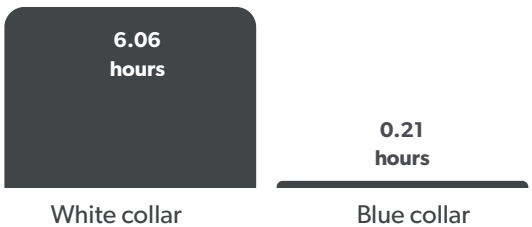
In 2025, 100% of employees received performance and career development reviews, reflecting ADSB's commitment to structured feedback and employee development

ADSB continues to provide training on human rights policies and procedures across the organisation. In 2025, security personnel completed obstacle refresher training as part of ongoing capacity building, while human rights awareness continued to be integrated into employee training programmes.

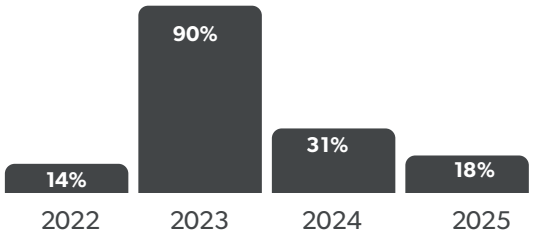
Average training hours by gender



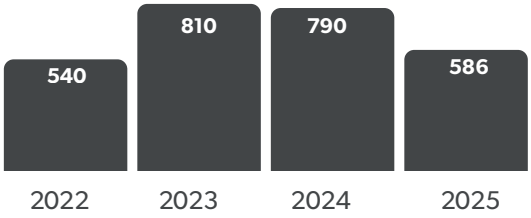
Average training hours by employee category



Percentage of employees trained in human rights policy



Total hours undertaken for human rights training











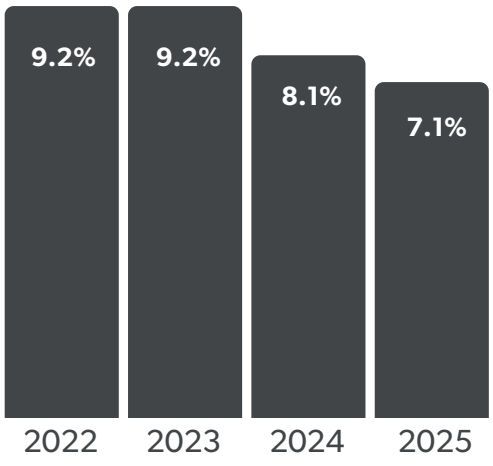


EMIRATISATION

Emiratisation is a key national priority in the UAE, aimed at strengthening the participation of Emirati talent across the workforce and creating meaningful opportunities for career growth and professional development. ADSB supports this national agenda by contributing to the development of local talent and providing opportunities for UAE nationals to build long-term careers within the organisation.

In line with this commitment, ADSB strives to create an environment that recognises the value of local expertise while reflecting the UAE's diverse and multicultural workforce. The organisation remains focused on supporting the inclusion and development of Emirati professionals across various roles, while continuing to promote a workplace culture built on respect, diversity, and equal opportunity. Through Emiratisation efforts, ADSB contributes to the broader objective of strengthening national capabilities and supporting the UAE's long-term economic and social development. By investing in the growth and advancement of Emirati employees, the organisation aims to enhance local participation in specialised industries while supporting the development of relevant skills, experience, and professional expertise.

Percentage of National Employees within the Organisation



Actual Emiratisation in 2025 is

34%

of positions that can be occupied by UAE Nationals.

SOCIAL COMMITMENT

Our approach to social responsibility has been an important part of ADSB's development into a modern and progressive shipbuilding organisation. This approach focuses on improving the overall working conditions of our employees both within and beyond the shipyard. We recognise that people are our most valuable resource, and we therefore place strong emphasis on supporting and valuing our workforce. ADSB continues to acknowledge employee contributions while promoting a diverse and inclusive workplace where individuals are given equal opportunities to grow and succeed. Through these efforts, we continue to advance our employee engagement objectives.

ADSB's employee engagement initiatives focus on:

1. Improving the workplace environment
   Enhancing workplace conditions and facilities to support employee well-being and productivity.
2. Encouraging active participation
   Promoting employee engagement through open communication and opportunities for involvement in workplace initiatives.
3. Creating a positive work culture
   Supporting a collaborative and motivating environment that encourages teamwork and professional development.
4. Addressing workplace concerns
   Ensuring that employee concerns are addressed through appropriate channels and maintaining transparent processes for resolving issues.



UAE National Day Celebration

We came together to celebrate UAE National Day, reflecting on the country's journey, values, and shared sense of unity. The occasion was a moment to honour the UAE's heritage while recognising the role we play in supporting its continued progress and development.



Health & Wellness Initiatives

Through a focus on safety culture and general health awareness, we aim to foster a supportive atmosphere across all levels of the organization. Our social commitment is driven by the belief that a healthy workforce is the backbone of a resilient and sustainable shipyard.





Enhancing employee Performance and overall effectiveness through corporate social responsibility (CSR) initiatives

ADSB's CSR initiatives support organisational performance by strengthening employee engagement and promoting a positive workplace culture. These initiatives aim to improve working conditions, encourage collaboration, and support the overall well-being of employees.

Through these efforts, ADSB continues to reinforce a workplace environment built on respect, cooperation, and shared responsibility, recognising that employee engagement plays an important role in sustaining long-term organisational effectiveness.

AWARDS & RECOGNITION

Great Place to Work Certification

In 2025, we were proud to be recognised as a Great Place to Work® Certified organisation in the UAE for the period September 2025 to September 2026. This certification reflects our continued commitment to fostering a positive and inclusive workplace culture where employee wellbeing, engagement, and professional growth remain key priorities. It reinforces our efforts to create an environment where our people feel valued, supported, and empowered to contribute to the long-term success of ADSB.





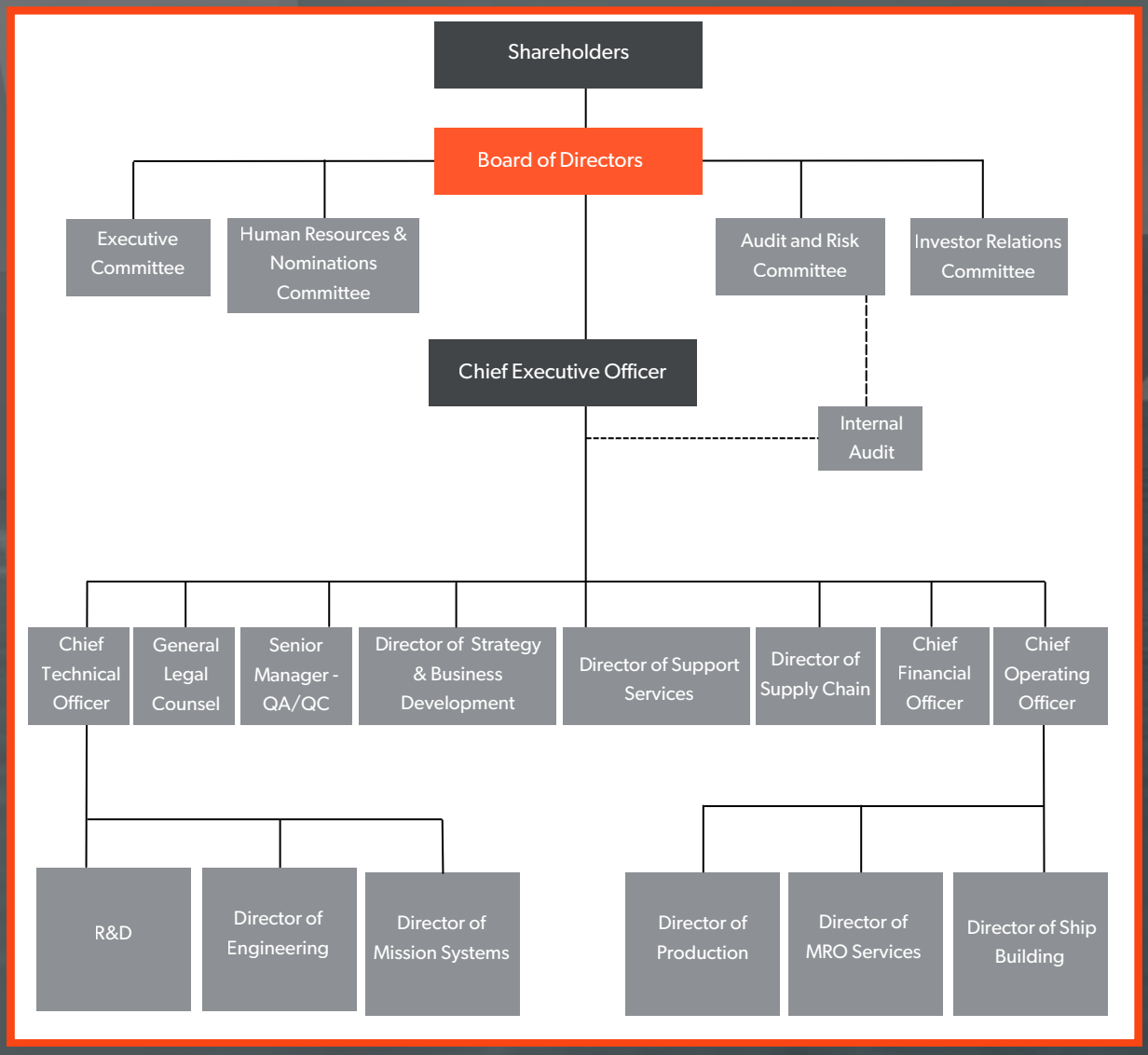
ETHICAL GOVERNANCE

GOVERNANCE STRUCTURE

The governance structure of Abu Dhabi Ship Building Company is built around oversight by the shareholders and the Board of Directors, supported by specialised committees that guide key areas of decision-making. This framework provides a structured approach to managing the organisation and ensures that responsibilities are clearly defined across different levels of leadership.

The Board and its committees play an important role in overseeing the company's strategic direction, monitoring risks, and maintaining effective management practices. Through this governance framework, ADSB seeks to uphold transparency, accountability, and sound decision-making throughout the organisation. ADSB's governance framework includes the delegation of responsibilities across management levels to support oversight of economic, environmental, and social topics.

ADSB is also supported by a dedicated Sustainability Team with a defined mandate and roles. The team coordinates environmental, social, and governance initiatives across the organisation and supports the monitoring and reporting of sustainability performance. Working alongside the Board committees and management functions, the Sustainability Team helps ensure that sustainability considerations are integrated into operational practices and organisational decision-making.



Board members by nationality

2022 — 01 Italian, 08 UAE

2023 — 01 Italian, 08 UAE

2024 — 01 Italian, 08 UAE

2025 — 01 Italian, 08 UAE

Board members by gender



2022	8
2023	8
2024	7
2025	8

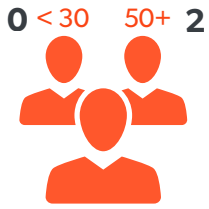
Number of Male Board Members



2022	1
2023	1
2024	2
2025	1

Number of Female Board Members

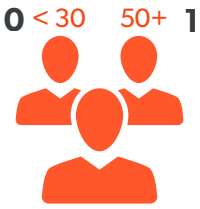
Number of Individuals in the Governance Body / Board by Age Group



0 < 30 50+ 2

30-50 **7**

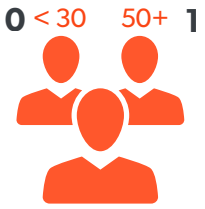
2023



0 < 30 50+ 1

30-50 **8**

2023



0 < 30 50+ 1

30-50 **8**

2024



0 < 30 50+ 2

30-50 **7**

2025

67% Percentage of total board seats occupied by independent board members.

Non-executive members in the board as of 2025 **9**

RISK MANAGEMENT

Abu Dhabi Ship Building adopts a comprehensive and proactive approach to risk management, covering the identification, evaluation, and prioritisation of risks across its business activities. Through structured risk management systems and processes, the company works to monitor, mitigate, and manage potential risks that may affect its operations and long-term performance.

ADSB continuously reviews and strengthens its risk management framework to ensure it remains aligned with emerging challenges and evolving market conditions. The company monitors a range of operational and financial risks, including access to financing, budget limitations, project delivery challenges, cost management, market competition, and operational efficiency.

To manage financial risks, ADSB maintains prudent financial management practices, supports strong banking relationships, and works closely with financial partners to secure necessary funding. In response to budget pressures, the company implements careful cost management measures while maintaining product and service quality through regular budget reviews and operational oversight.

Operational risks are addressed through structured project management practices, quality control systems, and employee training programmes that support efficiency and performance. ADSB also continues to invest in research and development, operational improvements, and infrastructure upgrades to strengthen competitiveness and respond to evolving customer and technological requirements.



DATA PRIVACY

We recognise the critical importance of safeguarding our company's intellectual property, sensitive client and supplier information, and other confidential data to ensure the continuity and security of our operations. Our organisation is committed to enhancing our security protocols, encompassing technical controls across our network, software, and hardware. Additionally, we conduct training sessions to increase employee awareness of cybersecurity best practices. Our data policy involves the following procedures:



Restricted use of USB drives to minimise the risk of unauthorised data transfer.



Mobile Device Management systems are implemented to control access to company data from personal devices and to manage devices in the event of loss or theft.



Encrypted email communication, both internally and externally, is enabled through SECLORE to secure ADSB's communication channels.



Data security controls are in place to protect information and the IT environment accessed by employees across various operational functions.



Data loss prevention systems and data classification frameworks are implemented to safeguard sensitive information. Non-Disclosure Agreements are required for IT personnel and consultants handling company data.



Network access controls restrict LAN usage to ADSB employees, while access to network drives is assigned based on individual roles and responsibilities.



Advanced VPN systems support secure remote access and enable safe work-from-home operations.



SUSTAINABILITY AT ADSB

LISTENING TO OUR STAKEHOLDERS

We owe our esteemed industry position to our stakeholders' unwavering support because we listen to them and value their feedback. Through continuous engagement, we gain vital insights into their perspectives, empowering us to proactively identify and address environmental, social, and governance (ESG) risks while capitalising on emerging opportunities. Our dedication to meaningful engagement fosters trust and cultivates strong, lasting relationships crucial for sustainable growth through:

IDENTIFICATION

Proactively recognising stakeholders through dynamic discussions and deliberations within our corporate sustainability committee.

PRIORITISATION

Strategically prioritising stakeholders based on their significant influence in decision-making processes and key activities.



ENGAGEMENT

Creating robust channels of connection that allow us to engage with stakeholders and uncover essential material topics.

MANAGING EXPECTATIONS

Effectively addressing stakeholder concerns and expectations strengthens our relationships and drives mutual success.

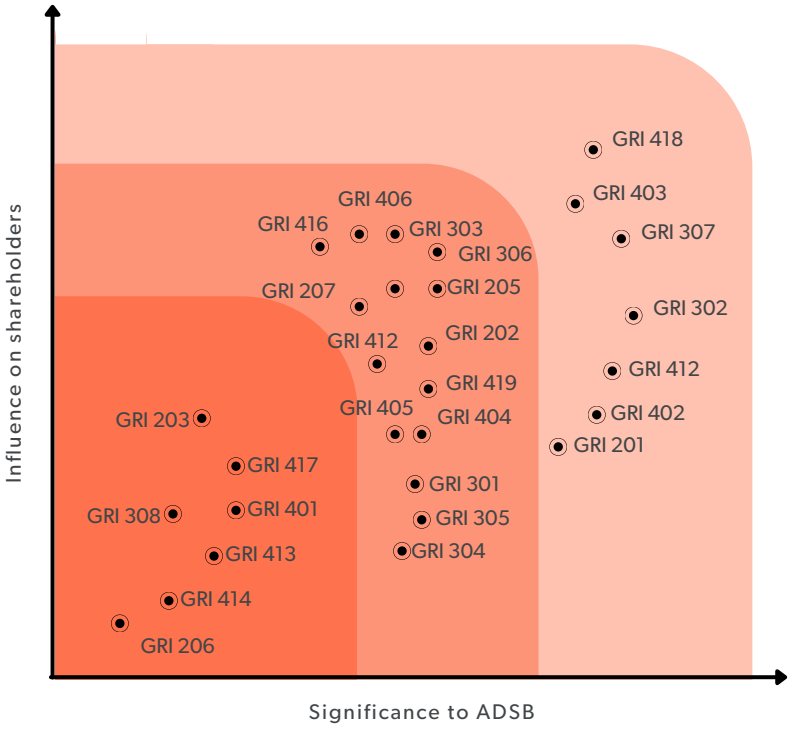
MATERIALITY ANALYSIS

A materiality analysis is crucial for our company to pinpoint key focus areas, prioritise them, and grasp their significance for our stakeholders. This analysis also allows us to understand the processes that may influence our business model. Furthermore, this analysis also aids in aligning sustainability strategies with stakeholder expectations, as recommended by the GRI. This company's sustainability report encompasses the organisation's significant economic, environmental, and social impacts and any ESG-related information significantly affecting stakeholder assessments and decisions.

Impact refers to the organisation's influence across three main areas:

1. Environment
2. Social
3. Governance

Whether positive or negative, impact could be deemed relevant and potentially material based on the above three areas. Integrating materiality analysis into our operations brings numerous benefits that enhance our company's performance and sustainability. These benefits include risk mitigation through identifying ESG risks most relevant to our company, enabling the avoidance of costly legal, reputational, and operational issues. Effective risk management also promotes increased trust.



OUR CONTRIBUTION TO THE UNSDGS

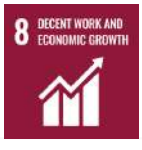
Defence shipbuilding capabilities form a crucial pillar for every country, and they have become even more vital for nations such as the United Arab Emirates (UAE) that hold strategic shipbuilding interests. Protecting territorial waters alongside critical infrastructure demands these capabilities. Abu Dhabi Ship Building leads the shipbuilding sector with its ability to build advanced vessels designed for military and commercial operations. ADSB delivers expert advice and service for all vessel sizes through specialised knowledge, particularly in littoral warfare defence patrol missions and exclusive economic zone protection.

ADSB demonstrates our dedication to the UN Sustainable Development Goals by tailoring our projects to promote economic innovation and sustainability for future generations. This aligns with our increasing emphasis on sustainability in the shipbuilding and ship repair industry. Our commitment extends to sustainable methods that guide us toward our ambitious zero-waste and emission-free ship production targets. These activities demonstrate our commitment to environmental protection while advancing eco-friendly practices within the shipbuilding industry. Our targets also translate into the workplace, where we minimize waste through our Waste Management Reduction Plan to enhance recycling efforts to lessen our environmental impact, including an action plan to increase efficient lighting systems.

The UAE's COP28 in 2023 brought forth meaningful agreements and discussions that have made climate change action an urgent priority. The growing awareness of climate change's detrimental impact on ecosystems, economic systems, and human health drives the need for effective measures. Climate Change is a worldwide issue, and our dedication focuses on speeding up our efforts to reduce greenhouse gas emissions while encouraging sustainable methods and strengthening resistance against unavoidable climate change effects. Moving towards a low-carbon and climateresilient future demands immediate collective action to protect both present and future generations.



Contribution Goals and Relevant SDGs

Action	Relevant SDG
Aligning projects with economic development and long-term sustainability objectives	
Supporting sustainability initiatives within the global shipbuilding and ship repair industry	
Implementing operational practices that support waste reduction and efficient resource management	
Working towards reduced emissions through responsible operational practices	
Strengthening efforts to minimise greenhouse gas emissions across operations	
Promoting sustainable operational practices across business activities	
Supporting resilience and preparedness in response to climate-related challenges	
Reducing environmental impact through improved operational efficiency	
Implementing waste management practices to minimise environmental impact	
Improving energy efficiency through responsible use of resources and infrastructure improvements	
Achieving the Great Place to Work® Certification by fostering a high-trust culture and commitment to professional excellence.	

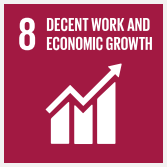
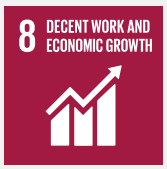
ADX ESG INDEX

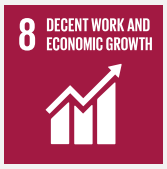
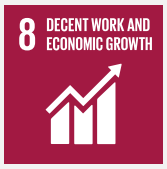
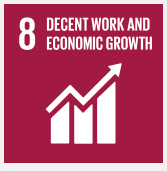


ADX ESG INDEX

	METRIC	CALCULATION	GRI STANDARD	RELEVANT SDGs	PAGE NO.
Environmental	E1. GHG Emissions	E1.1 Total amount in CO_2 equivalents for Scope 1 E1.2 Total amount in CO_2 equivalents for Scope 2 (if applicable) E1.3 Total amount in CO_2 equivalents for Scope 3 (if applicable)	GRI 305: Emissions 2016		Page 31–32
	E2. Emissions Intensity	E2.1 Total GHG emissions per output scaling factor E2.2 Total non-GHG emissions per output scaling factor	GRI 305: Emissions 2016		Page 32
	E3. Energy Usage	E3.1 Total amount of energy directly consumed E3.2 Total amount of energy indirectly consumed	GRI 302: Energy 2016		Page 34
	E4. Energy Intensity	Total direct energy usage per output scaling factor	GRI 302: Energy 2016		Page 34

	METRIC	CALCULATION	GRI STANDARD	RELEVANT SDGs	PAGE NO.
Environmental	E5. Energy Mix	Percentage of energy usage by generation type	GRI 302: Energy 2016		Page 34
	E6. Water Usage	E6.1 Total amount of water consumed E6.2 Total amount of water reclaimed	GRI 303: Water and Effluents 2018		Page 35
	E7. Environmental Operations	E7.1 Does the company follow a formal Environmental Policy? (Yes/No) E7.2 Does the company follow waste, water, energy or recycling policies? (Yes/No) E7.3 Does the company use a recognised energy management system? (Yes/No)	GRI 103: Management Approach 2016*		Page 28, 33, 34, 36
	E8. Environmental Oversight	E8.1 Does the Board or Management oversee climate-related risks? (Yes/No) E8.2 Does the Board or Management oversee other sustainability issues? (Yes/No)	GRI 102: General Disclosures 2016		Page 55
	E10. Climate Risk Mitigation	Annual investment in climate-related infrastructure, resilience and product development	GRI 102: General Disclosures 2016		No, we are working towards this avenue, to be disclosed in further reports.

	METRIC	CALCULATION	GRI STANDARD	RELEVANT SDGs	PAGE NO.
Social	S1. CEO Pay Ratio	Ratio of CEO total compensation to median employee compensation	GRI 102: General Disclosures 2016		23.16:1 in 2025
	S2. Gender Pay Ratio	Ratio of average male compensation to average female compensation	GRI 405: Diversity and Equal Opportunity 2016		Page 42
	S.3 Employee Turnover	Year-over-year employee turnover	GRI 401: Employment 2016		Page 40-41, 43
	S4. Gender Diversity	Workforce gender distribution across organisational levels	GRI 405: Diversity and Equal Opportunity 2016		Page 40-42
	S5. Temporary Worker Ratio	Percentage of part-time employees and contractors	GRI 102: General Disclosures 2016		Page 43
	S6. Non-Discrimination	Sexual harassment and non-discrimination policy (Yes/No)	Sexual harassment and non-discrimination policy (Yes/No)		Page 42
	S7. Injury Rate	Frequency of injury events relative to workforce hours	GRI 403: Occupational Health and Safety 2018		Page 46
	S8. Global Health & Safety	Occupational health and safety policy (Yes/No)			Page 44-46

	METRIC	CALCULATION	GRI STANDARD	RELEVANT SDGs	PAGE NO.
Social	S9. Child & Forced Labour	Child labour and forced labour policy (Yes/No)	GRI 103: Management Approach 2016		Yes, we adhere to UAE laws.
	S10. Human Rights	Human rights policy covering employees and suppliers	GRI 103: Management Approach 2016		Page 48–49
	S11. Nationalization	Percentage of national employees and local job creation	GRI 405: Diversity and Equal Opportunity 2016		Page 50
	S12. Community Investment	Community investment as percentage of revenue	GRI 102: General Disclosures 2016		Page 51-52
Governance	G1. Board Diversity	Board gender diversity and committee representation	GRI 405: Diversity and Equal Opportunity 2016		Page 56
	G2. Board Independence	Independent board representation	GRI 102: General Disclosures 2016		Page 56
	G3. Incentivized Pay	Sustainability-linked executive incentives	GRI 103: Management Approach 2016		Yes
	G4. Collective Bargaining	Workforce covered by collective bargaining agreements	GRI 102: General Disclosures 2016		NA

	METRIC	CALCULATION	GRI STANDARD	RELEVANT SDGs	PAGE NO.
Governance	G5. Supplier Code of Conduct	Supplier compliance with code of conduct	GRI 102: General Disclosures 2016	8 DECENT WORK AND ECONOMIC GROWTH	Yes
	G6. Ethics & Anti-Corruption	Anti-corruption policy and workforce certification		12 RESPONSIBLE CONSUMPTION AND PRODUCTION	100%
	G7. Data Privacy	Data protection policy and GDPR compliance	GRI 103: Management Approach 2016	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Page 58
	G8. Sustainability Reporting	Publication of sustainability report and disclosures	GRI 102: General Disclosures 2016	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Yes, this is our fifth sustainability report.
	G9. Disclosure Practices	Reporting to sustainability frameworks and SDGs		12 RESPONSIBLE CONSUMPTION AND PRODUCTION	No, we will be considering in future for necessary disclosures.
	G10. External Assurance	Third-party assurance of sustainability disclosures		16 PEACE, JUSTICE AND STRONG INSTITUTIONS	No, we chose to have internal assurance.



> Beyond steel and strategy, shipbuilding today carries a deeper purpose - to defend without depleting, to innovate without compromising, and to ensure that the oceans we rely on remain as resilient as the vessels we deploy.

ADSB
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Abu Dhabi, UAE

adsb.ae

Developed with assistance of
our Sustainability Partner -
THE ONE PERCENT