

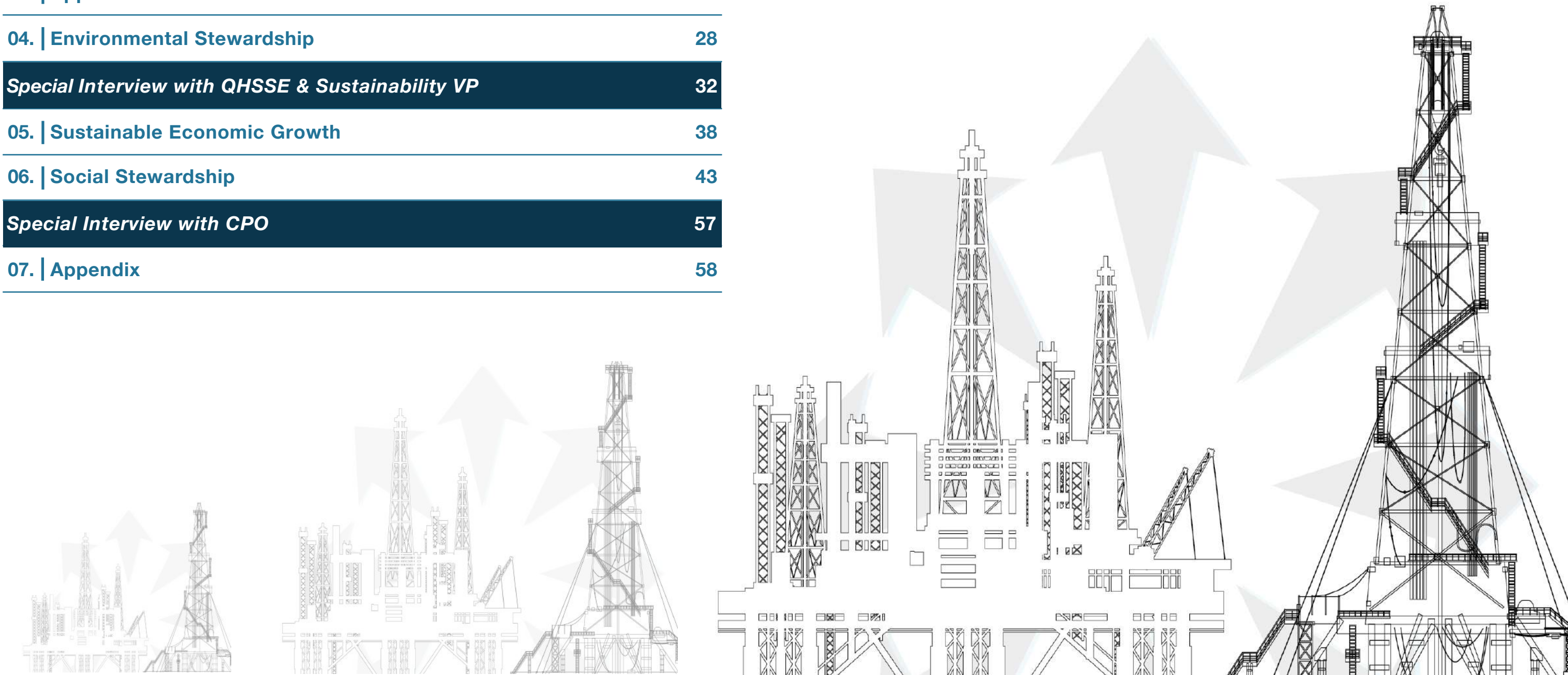
SUSTAINABILITY REPORT

2023



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SUSTAINABILITY HIGHLIGHTS¹



Business Ethics & Governance

ADES BRM

established in accordance to the requirements of ISO 31000

Zero Tolerance

for Corruption, Bribery and Money Laundering

Data Protection

Using sand box technology



Climate & Energy

0.025

tCO2e/Man-hours Worked (GHG Emissions Intensity)

511,820

Tonnes of Scope 1 CO₂ emissions

Zero Onshore & Offshore

Uncontained Spills



Environment

0.090

TRIR²

92%

of global fleet had zero recordable incidents throughout the year

+20M

Man-hours without LTI



Health, Safety & Security

+8,000

employees

~60%

ADES Group's workforce localization³

15.7%

Increase of women employees across our offices from last year



Social

¹ All highlights are the representation of the ADES global operations as per the scope of the report.

² Total Recordable Injure Rate per 200,000 working hours (2023).

³ Number of local hires in each country where ADES operates over the total global workforce

CEO's Message



Our sustainability efforts over the past year signify a key step towards shared and sustainable growth.

Dr. Mohamed Farouk
CEO, ADES Holding

One more year towards a shared and sustainable future. The commencement of our IPO in 2023 stands out as a significant milestone in the history of ADES Holding. This offering on the Saudi Exchange, wasn't just a financial milestone; it was a strategic move and an important driver to achieve shared and sustainable growth which is firmly anchored in the principles of environmental, social, and governance (ESG) compliance.

The IPO positions us strategically for growth, providing the resources required to expand our operations, invest in cutting-edge technologies, and explore new opportunities within the dynamic energy sector. Over the past year, we've witnessed substantial growth in various aspects, from the number of rigs and backlog to headcount and wells drilled. Our global presence has broadened with the successful launch of operations in India, contributing significantly to our impact on the energy sector.

Our commitment to responsible business practices is reinforced by our values, emphasizing the importance of ESG compliance for our long-term success. In 2023, we proudly introduced ADES' inaugural sustainability framework, intensifying our dedication to embedding sustainable practices across the organization.

Environmental sustainability has remained a paramount focus at ADES, driving a spectrum of initiatives ranging from simple practices like tree plantation and water conservation campaigns to more innovative solutions like piloting Battery Energy Storage Solution (BESS), upgrading of all ADES fleet to LED lighting, and adopting hardware and software systems to enhance engines fuel consumptions.

Notably, these initiatives, and others, collectively led to a remarkable reduction in emission intensity, measured as tCO₂e (metric tons of carbon dioxide equivalent) per man-hours worked. Specifically, our efforts resulted in a substantial decrease in emission intensity from 2022 to 2023, reflecting our proactive stance towards mitigating environmental impact while simultaneously driving business growth.

Our aim is to create value for all stakeholders, cultivating a sustainable ecosystem that benefits not only our shareholders but also our employees, local communities, and the environment. The substantial expansion of our workforce, growing from 5000+ to 8000+ between 2022 and 2023 plays a pivotal role in realizing our sustainability objectives.

Moreover, our unwavering dedication to ensuring incident-free operations remains vital. In a testament to our commitment, we are very proud to announce our achievement of a Total Recordable Incident Rate (TRIR) of 0.09 in 2023. This exceptional performance significantly outshines the IADC TRIR benchmark of 0.51,

demonstrating our relentless pursuit of excellence in safety and operational standards.

In our relentless pursuit of performance excellence, we have introduced groundbreaking initiatives such as RIGEYE, our pioneering smart system technology serves as a powerful tool to illustrate both exemplary and suboptimal practices, fostering a culture of continuous improvement and heightened safety awareness within our operations in the Kingdom of Saudi Arabia (KSA). As we continue to evolve, we plan to extend the benefits of RIGEYE to our operations in other regions in the near term.

Additionally, the implementation of the Core ADES Management System (CAMS) has been instrumental in enhancing energy efficiency, transparency, and overall safety standards across our organization.

Social responsibility is deeply ingrained in our corporate ethos, as seen through campaigns like "FamilySafe", the summer internship program, and our continuous support for charitable initiatives like Al Nas Children's Charitable Hospital.

As we move forward, ADES Holding places a strong emphasis on corporate governance, integrity, and sustainability performance disclosures. We are committed to enhancing transparency and aligning with the highest standards across all areas of our business operations.

We thrive to be a key player in contributing to the objectives set by Saudi Vision 2030, reflecting our commitment to environmental sustainability and responsible business practices. This strategic move aligns with our vision for a future where growth is not only profitable but also in harmony with global efforts to combat climate change.

This sustainability report adheres to the standards set by the Global Reporting Initiative (GRI) for comprehensive and transparent reporting.

As we embark on this exciting chapter, let us continue to uphold our values, prioritize sustainability, and work collaboratively towards building a brighter and more prosperous future for ADES Holding.

Thank you for your continued dedication and support.

Sincerely,
Dr. Mohamed Farouk,
Chief Executive Officer,
ADES Holding

Scope of the Report

This report sets out to gauge ADES Holding's 2023 performance according to the three main pillars of sustainability (People, Planet and Profit) index applying GRI guidelines. It deals with sustainability performance of the active operational rigs¹ over a period ranging from 01/01/2023 to 12/31/2023.

Furthermore, operations of the company² in [KSA](#), [Qatar](#), [Kuwait](#), [Egypt](#), [Tunisia](#), [Algeria](#), and [India](#) are also included in the report. As part of the report's preparation, UNSDGs are considered as well.

The emphasis of the report is to furnish a detailed account of the social responsibility, environmental care, sound governance and sustainable growth of ADES Holding Company, which are the main sustainability challenges that the company faces. Through the implementation of the GRI guidelines, ADES reflects its determination towards transparency, accountability as well as sustainable business undertaking.

The section concerning environmental stewardship in the report emphasizes the company's attempt to reduce its ecological footprint.

ADES Holding deploys diversified measures to decrease its own greenhouse gas emissions, to save energy resources, and to be responsible while using natural resources. The company ensures it is fully compliant with the environmental regulations of the countries of operation.

The society stewardship section deals with ADES Holding's determination to make sustainable social influence. Through its practices, it helps employees to live well, puts into place diversity and inclusion, provides employees with safe working conditions and it conducts development activities at community level.

ADES Holding's efforts to support local communities, provide employment for the locals and contribute to socio-economic development are among the important issues shown in this report.

The ethical governance component focuses on the company's governance practices. ADES Holding is guided by a sound corporate governance framework which boasts of a well-institutionalized mechanism of decision making, a risk-robust set of controls, and regulatory compliance. Hues of transparency, accountability, and ethical practices are the foundations that make up the company's approach to governance.

The sustainable economic growth segment addresses the company's expenditure on sustainable activities as a distinct category. ADES Holding is prone to intensifying its activity in the direction of sustainable business operations.

Approach of the Report

At ADES Holding, we see aligning our Environmental, Social, Governance and Economic report with stakeholders as a very crucial task.

We are dedicated to the principle of transparency, and our approach is grounded in three key foundations: sustainability, stakeholders, and materiality.

ADES' dedication to sustainability serves as a catalyst for continuous improvement in services, standards, performance, growth, and core values. With an unwavering commitment to transparency, ADES provides stakeholders with an unobstructed view of its dynamic evolution within the domains of Environmental, Social, and Corporate Governance (ESG), shaping a future that is both forward-thinking and responsible.

We have adopted a comprehensive and clear-cut reporting plan in which sustainability issues are included in the financial reporting that guides our business strategy. This approach includes restatement and external assurance, aligning with Global Reporting Initiative (GRI) standards. Our goal is to develop a holistic report which applies best practices and standards in the industry to stakeholders and gives them a detailed view about the ESG and Sustainability.

Our reporting strategy is based on the materiality principle, which includes material issues having the most impact on business and stakeholders within the short time period. The challenges are discovered by means of the stakeholders' engagement, by listening to them and looking for their expectations. This way, we generate reports that are up to date and informative, taking our audience's interests into consideration, bringing forth relevant data and topics.

We remain dedicated to continually refining our reporting methodology to ensure that our reports are not only comprehensible but also succinct and clear. These reports draw on different data sources; internal data, external data, and industry benchmarks are used in our reports, which help to form a full and accurate picture of our sustainability performance and to benchmark it against industry averages.



ABOUT ADES

1. ADES in Brief

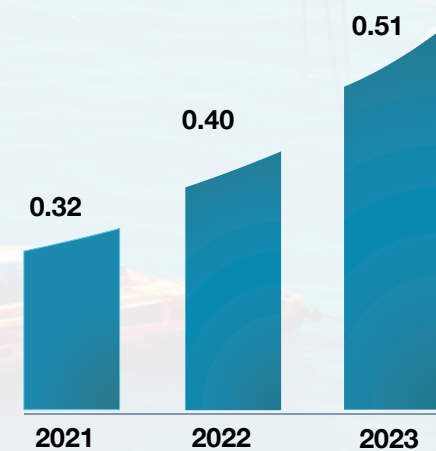
ADES Holding Company (“ADES”, “the Company” or “the Group”) is a Saudi-based, world-leading provider of oil and gas drilling production services, with a legacy of operational excellence, service quality and a commitment to creating sustainable value. ADES was founded in 2002 and has since grown into a leading oil and gas drilling and production services provider in the MENA region and one of the largest offshore jack-up drilling rig operators globally¹. The Group’s evolving portfolio of services primarily includes onshore and offshore contract drilling and workover services and operates principally in onshore, ultra-shallow and shallow water non-harsh environments. ADES focuses on creating value for its clients by offering competitive rates for services, leveraging its resilient business model, efficient cost structure, highly skilled workforce and best-in-class operational performance.

Over the years, ADES has expanded its regional footprint and operates an aggregate fleet of 67 active rigs² across its seven geographies (as of December 31st, 2023), boasting a leadership position in the Kingdom of Saudi Arabia (“KSA” or “the Kingdom”) and a strong operational presence in Kuwait, Egypt, Algeria, Tunisia, Qatar, and India. Its highly skilled workforce of more than 8,000 employees serves clients including major national oil companies (“NOCs”) such as Saudi Aramco, Kuwait Oil Company, North Oil Company in Qatar, as well as joint ventures of NOCs with major international oil companies (“IOCs”). Across all its operations, ADES adheres to strict health and safety protocols, which have seen the company maintain a superior health, safety, and environmental record throughout the years.

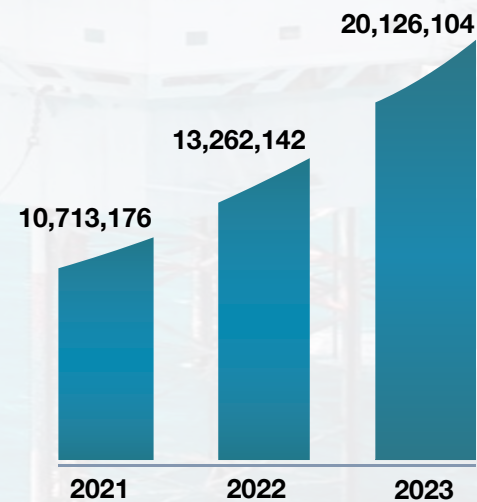
ADES’s legacy is rooted in innovation, market insight, an agile decision-making process, and a non-speculative approach to growth. These factors along with its entrepreneurial DNA have seen the ADES develop a track record of over 20 years of cycle-proof operations with a high percentage of assets under contract, robust profitability, and sustainable value creation for its clients and stakeholders.

1.2. ADES in Numbers

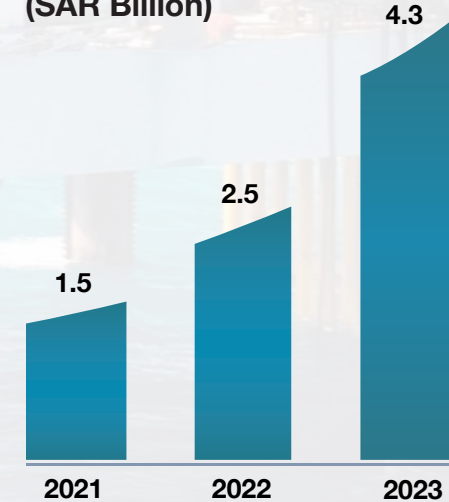
TOTAL GHG EMISSIONS
(million tCO₂e)



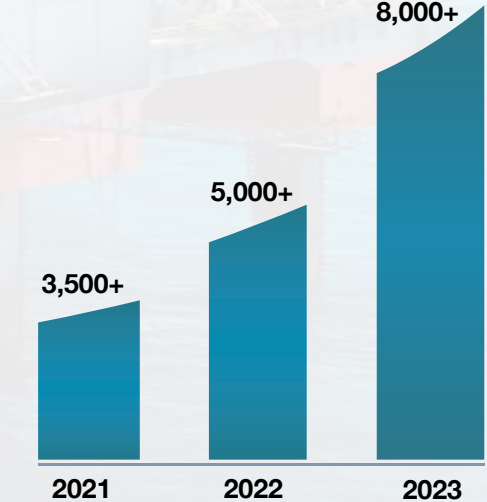
TOTAL MAN-HOURS WORKED



REVENUE GENERATED
(SAR Billion)



TOTAL WORKFORCE



Vision, Mission, Values & 8 Keys to Incident-Free

To be the oil and gas industry’s leading drilling and production partner by serving our clients using underutilized assets. Inspiring our people and rewarding our shareholders



Vision

Mission



To deliver cost-effective and client-centric services that meet the industry’s best practices in quality health, safety, and environmental impact by leveraging proven oilfield services technologies, experienced professionals, and deal-making agility.

Core Values



Safety:
Personal and operational safety are the Group’s true north and its licence to operate. Our commitment to our people is that everyone should get back home safely.



Integrity:
Ensuring that our individual and corporate actions are bound by honesty and ethical conduct.



Customer Focus:
All our decisions are taken with the customer in focus. We aim to add value for our customers.



Innovation:
Promoting an innovative culture and attitude by applying creative thinking to every segment of the Group’s work.

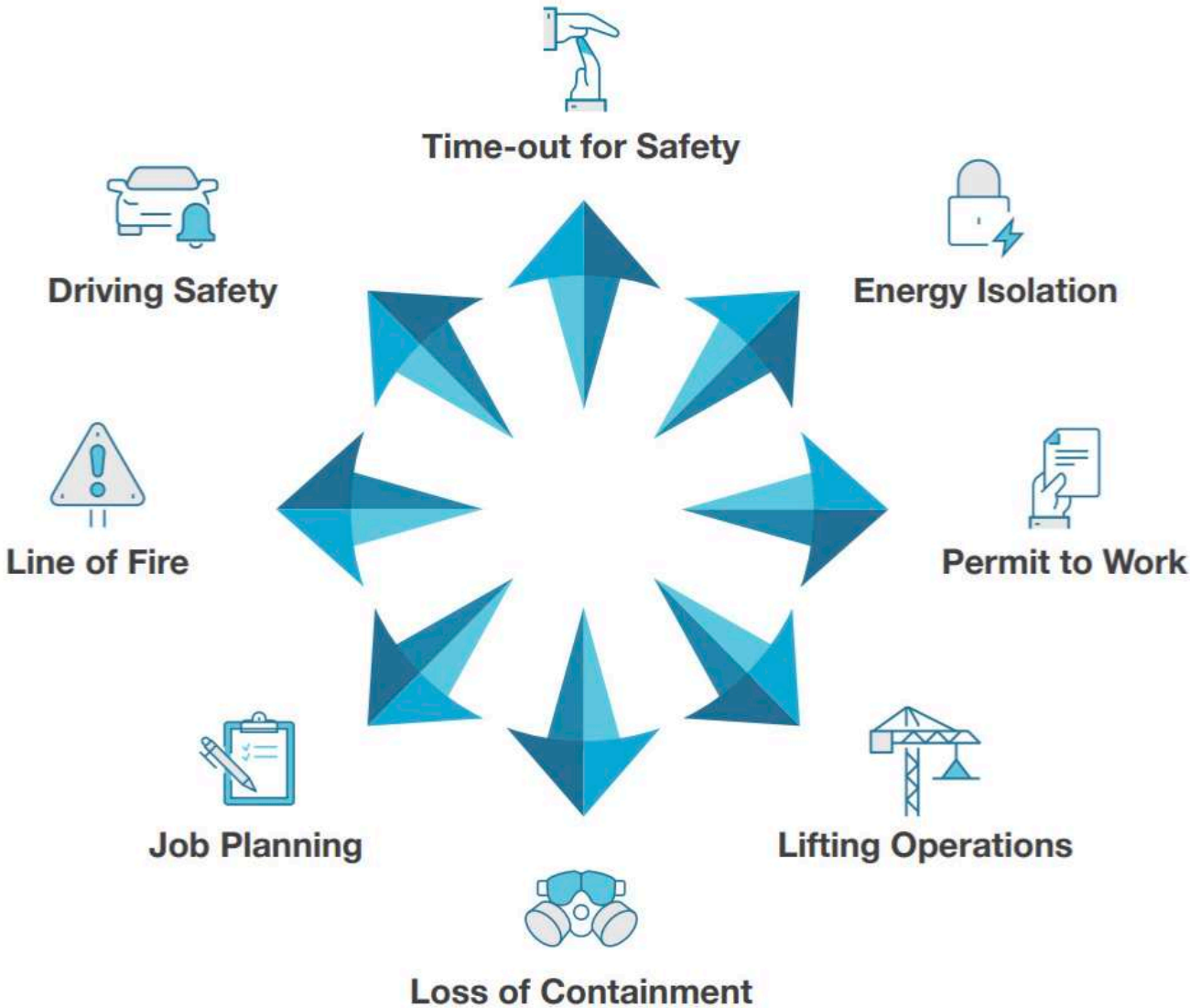


Operational Excellence:
Providing a level of service that exceeds the expectations of the Group’s clients while remaining environmentally and socially conscious.



Agility:
Being alerted to changes and moving quickly and decisively to meet the challenges that emerge from such changes.

8 Keys to Incident-Free




1.3. Awards and Achievements

ADES takes immense pride in highlighting the outstanding achievements and milestones achieved in recent years. Our unwavering commitment to excellence, safety, and active participation in the industry has earned us recognition and accolades from esteemed organizations. These accomplishments stand as a testament to our steadfast dedication to delivering exceptional services and building robust partnerships within the energy sector.


In 2023, we continued this legacy of excellence and achieved remarkable success across various facets of our operations. We are thrilled to showcase the array of awards and achievements that underscore our commitment to excellence and innovation in the energy sector.

From accolades celebrating operational efficiency and safety practices to recognition for our contributions to sustainability and community engagement, each achievement reflects the dedication and hard work of our team members across the organization. As we reflect on the milestones of the past year, we take pride in the positive impact we have made in the industry and the communities we serve.


2023: A Year of Recognitions and Excellence




The Group won the prestigious Award “IPO of the Year 2023 – Saudi Main Market




The Group is recognized by IADC over 23 years as the longest LTI free world-wide record achieved by ADES 144 - Saudi



The Group is recognized by Caterpillar for its successful long-term partnership over the years across CAT markets in Europe, Africa & MENA




The Group was awarded by Global Maritime for delivering ADES-687 in Singapore without any incidents over 1 M man-hours




The Group won the ICT award in Dubai for their innovative use of technology and AI in the O&G industry


Delivering one of the largest rig deployment programs ever awarded to a driller by KSA’s NOC, with ADES winning tenders for 19 rigs, out of which 14 rigs were deployed during 2023 and 5 rigs were delivered in Q1 2024




Remarkable contribution to the local context achieving 52% in IKTVA¹ index and 74% in Saudization



The Group became the first organization in the industry to implement RIGEYE technology to monitor and correct any errors to potentially avoid accidents²



A High performance business set up driving our fleet based on operational excellence and efficient KPIs. ADM-III team in Egypt stood out as Rig of the Year among our active 67 units

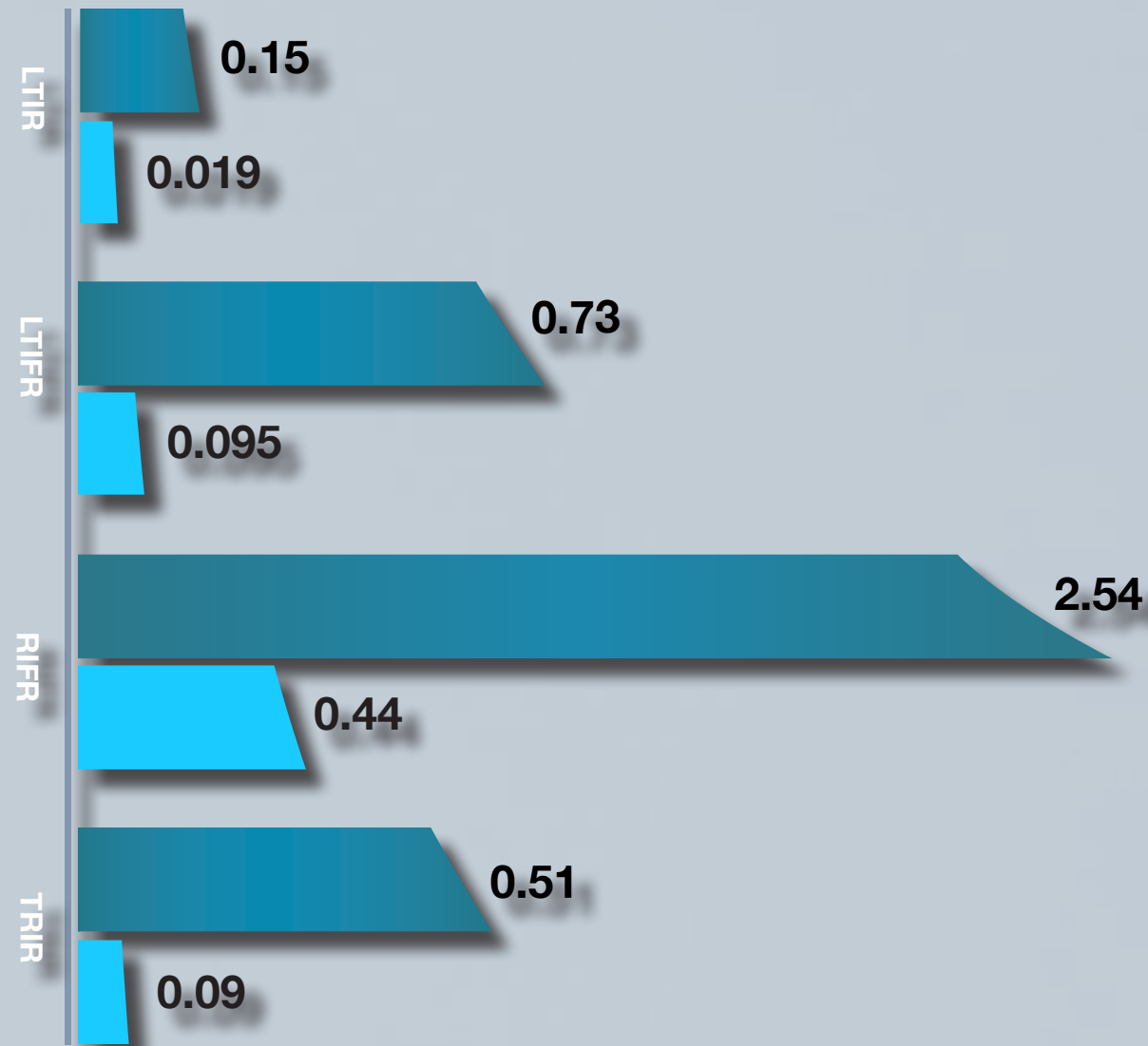




Through robust safety protocols, proactive measures, and ongoing training, In 2023, ADES exceeded the benchmark of IADC incidents rates. By prioritizing safety across all operations, implementing stringent procedures, and fostering a culture of accountability, ADES ensures compliance with IADC standards, safeguarding the well-being of its workforce and promoting a secure operational environment.

ADES VS IADC


■ ADES ■ IADC




LOW INCIDENTS

Safety Performance that is exceeding established standards


1.4. Our Services




Onshore Drilling & Workover




Offshore Drilling & Workover



Mobile Offshore Production Unit (MOPU) Services



Jack-up Barge and Project Services



Other Services


ADES is dedicated to becoming the foremost drilling and production partner in the oil and gas industry. Our commitment involves leveraging underutilized assets to serve clients, motivating our workforce, and providing rewarding outcomes for our shareholders. The future appears exceptionally promising, teeming with opportunities, and we are concentrating on seizing these prospects by enhancing our fleet.

Looking forward, our focus remains on exploring innovative avenues to enhance our services, technology, and operational efficiencies. This ongoing commitment is aimed at consistently delivering sustainable value to our stakeholders.

The Design of ADES’s market focuses on Non-Harsh Environments in the Most Attractive and Resilient Drilling Markets with High Barrier to Entry. ADES strategically operates in regions


characterized by low production costs and collaborations with National Oil Companies (NOCs) in MENA, Southeast Asia, and West Africa, with a strong emphasis on sustainability. By focusing on drilling markets with robust resilience, ADES aims to ensure environmentally responsible practices throughout its operations. These regions offer non-harsh shallow and ultra-shallow environments, minimizing ecological impact and promoting biodiversity preservation. Additionally, ADES prioritizes the utilization of drilling-intensive legacy fields, which often require less exploration and infrastructure development, thus reducing the overall environmental footprint. These sustainable practices not only support higher production levels and utilization rates across the oil price cycle but also contribute positively to long-term environmental stewardship and community well-being in the regions where the ADES operates.

Our Value Proposition




Leading Global Drilling Operator

ADES is focused on the most attractive and resilient drilling markets with a growing global footprint.




High Barriers to Entry

Operating in markets with high barriers to entry with prequalification status from more than 30 existing and potential clients.




Resilient by Design

ADES’ business model is resilient by design and well-equipped to withstand market cycles and deliver sustainable performance.




High Quality Client Relationships

ADES is the partner of choice for the largest and most reliable energy suppliers globally thanks to its track record of operational excellence.




Solid Backlog

ADES’ robust contracts and predictable cash flows are underpinned by its solid backlog and provide for long-term visibility.




Non-Speculative Approach to Growth

ADES boasts a track record of disciplined and non-speculative approach on delivering value-accretive growth.



Robust HSE Policies

ADES deploys robust Health, Safety, and Environment (HSE) policies and boasts an exemplary safety record, with a Recordable Injury Frequency Rate (RIFR) of 0.44 vs. IADC average of 2.54.



Strong Leadership

ADES is led by a highly capable management team and Board of Directors and is supported by strategic stakeholders.

Largest Drilling Markets

~31% of the global jack-up rig fleet is contracted in the Middle East

Lowest Lifting Costs

~USD 3 / bbl for KSA

Lowest Emissions

10.3kg CO2e/boe Aramco Carbon Intensity

Significant Barriers to Entry

Strict pre-qualification, long-term contracts, and localization drive

1.5. Our Global Presence

ADES Holding sets itself apart with a distinctive value proposition, offering a comprehensive range of services that address both onshore and offshore contract drilling requirements. This diverse service portfolio not only promotes efficiency and cost-effectiveness but also maximizes economic value for our clients and stakeholders.

Our strategic advantage lies in the provision of equipment rental services to offshore clients and the workforce. This capability allows us to tailor our solutions to meet the dynamic needs of our clients, showcasing our commitment to delivering customized and adaptable solutions aligned with industry demands.

As a leading national champion, ADES Holding has strategically expanded its geographical footprint. Our presence now extends beyond Saudi Arabia and Egypt to reach countries like Qatar, Kuwait, India, Tunisia and Algeria, illustrating our dedication to delivering exceptional services across diverse markets. A significant milestone was achieved in 2023 when we successfully extended our operations to India, marking a noteworthy achievement in our global growth strategy¹.

Saudi Arabia

ADES is the top jack-up rig operator for Saudi Aramco with 28 operating offshore rigs². Additionally, ADES operates 11 land rigs with the same client making up a total of 39 rigs under contract by end of 2023.

Oil, Gas, Water injection and Deviated wells



Egypt

ADES asserts a prominent role in drilling services with total of 11 rigs. The fleet encompasses 10 offshore rigs and 1 onshore rig (excluding 2 rigs not operated by ADES directly) solidifying its standing.

Workover wells



Kuwait

ADES successfully penetrated the tightly integrated Kuwaiti market by acquiring 8 onshore rigs.

Oil, Gas, Water injection and Deviated wells



Qatar

ADES is progressing well with 3 offshore jackup rigs.

Oil and Deviated wells



Algeria

ADES has acquired 3 onshore drilling rigs.

Oil and Deviated wells



Tunisia

The onshore operations in Tunisia are advancing smoothly with 1 onshore rig.

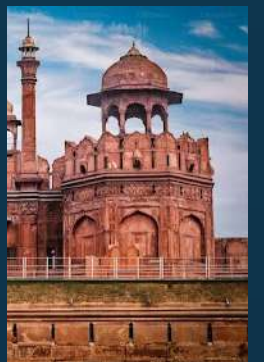
Oil and Deviated wells



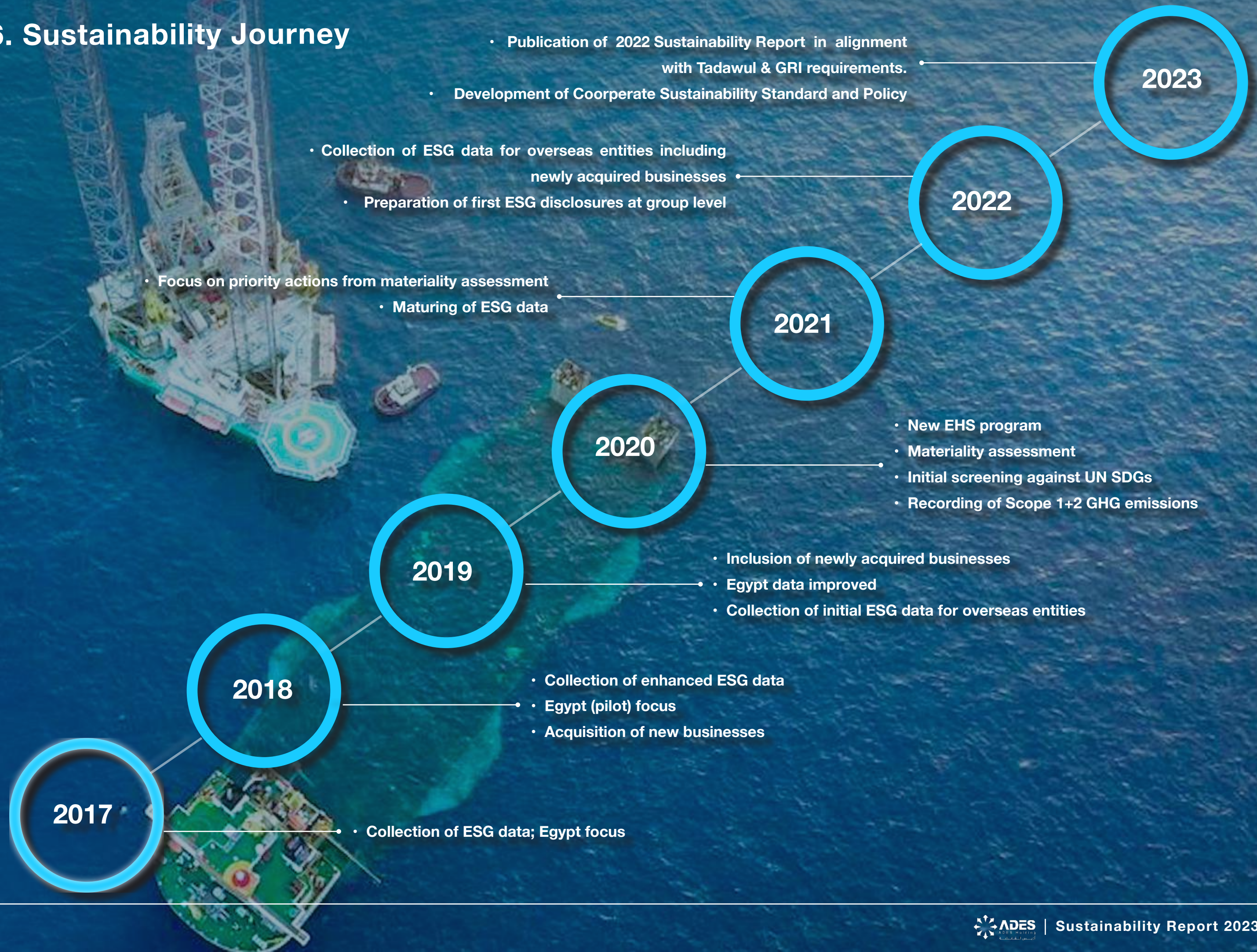
India

ADES ventured into the Indian market in collaboration with ONGC, introducing 2 offshore jackup rigs.

Deviated and Horizontal



1.6. Sustainability Journey





ETHICAL GOVERNANCE

2. Ethical Governance

ADES places a significant emphasis on the implementation of effective corporate governance practices, viewing them as essential for maintaining the company’s integrity and building trust among stakeholders. Recognizing the pivotal role of good governance in achieving long-term success and sustainability, we have incorporated key practices into our operations.

The Board of Directors plays a central role in the decision-making process, working to align corporate objectives with principles such as transparency, accountability, and responsible business conduct. With a composition that includes members from diverse backgrounds, a majority of whom are independent, the board ensures a heightened level of objectivity and oversight in decision-making processes.

To guide employee behavior, our Corporate Culture and Business Ethics Policy, also known as the “Code of Conduct,” serves as a comprehensive framework. This policy encourages adherence to company values and high ethical standards. We actively promote the reporting of any suspected

breaches through our independently managed whistleblowing system, enhancing transparency and safeguarding our workplace and stakeholders.

Recognizing the importance of social and environmental responsibility, ethical governance practices are integrated into our operations. The Health, Safety, Security, Environment, and Quality (HSSEQ) & Sustainability Department has developed policies and procedures aligned with recognized standards. Regular updates on HSSE performance and reporting indicators are provided through our annual sustainability reports, ensuring transparency for stakeholders.

Our ethical governance approach involves stringent regulatory oversight, risk analysis, and periodic monitoring of performance metrics. Ethics serves as a foundational principle within our organization, reflecting an unwavering commitment to responsible and sustainable business practices.



2.1 Board of Directors

As of December 2023, the Board of Directors comprises nine members, with six currently appointed and three vacant seats designated for independent directors. The nomination process for the appointment of the independent directors to fill these three vacant seats has commenced in line with the Capital Markets Authority regulation in December 2023¹. The existing directors possess valuable experience, competence, and stellar reputations. The Board conducts regular meetings, with a minimum of four sessions annually, as determined by the Board’s discretion.

ADES takes pride in its exceptionally qualified Board of Directors, selected and elected in accordance with a robust governance framework. The nomination and election process follows various criteria, emphasizing competence, leadership capabilities, and relevant experience. These criteria ensure that Directors can effectively contribute to the Group’s leadership, aiding in the implementation of its strategy and the realization of its vision.



Ayman Abbas
Chairman



Dr. Mohamed Farouk
Vice - Chairman



Fadi Al Said
Board Member



Hatem Soliman
Board Member



Muteb Al Shathri
Board Member



Abdullrahman Al Zamil
Board Member



Haitham Alfayez*
Independent Board Member



Kamel Bennaceur*
Independent Board Member



Mohamed Cherif*
Independent Board Member

15 1The election and appointment of the independent members in the board was completed during Q1/2024G in the general assembly meeting held on 20/02/2024.
* Those members were appointed during 2024 following the opening of the nomination process which was initiated in December 2023.

2.2. Governance Structure

ADES has endorsed an internal Corporate Governance Manual outlining rules and procedures aligned with the Corporate Governance Regulations issued by the Capital Markets Authority. To enhance the effective functioning of the company and meet regulatory requirements, the Board has established various committees. These committees, formed by the Board of Directors, include the Executive Committee, the Nomination and Remuneration Committee, and the Audit Committee.

The Audit Committee plays a crucial role in monitoring the company's operations, ensuring the integrity and soundness of reports, financial

statements, and internal control systems. The Nomination and Remuneration Committee is responsible for establishing policies on remuneration arrangements and membership criteria for Board members. The Executive Committee is equipped to handle various duties related to reviewing the commercial, financial, and operational performance, as well as the function and planning of the Group.

Each committee adheres to a regular meeting cadence, ranging from once a year to once a quarter. This systematic approach ensures that the organization is consistently directed towards its desired goals and objectives.

2.3. Governance Framework

Our governance framework represents a holistic, transparent, and accountable approach that encompasses every aspect of our company's leadership structures, policies, procedures, and practices. Anchored in the principles of robust corporate governance, transparency, sustainability, and accountability, this framework serves as our guiding beacon in all operational endeavors.

The Board of Directors bears the responsibility for establishing overarching company objectives and actively contributes to shaping the governance framework. Working closely with management, the Board ensures strict adherence to both local and international rules and regulations. Prioritizing long-term sustainability, effective risk management, shareholder value enhancement, and responsible stewardship of company assets, the Board upholds unwavering standards of conduct aligned with our commitment to business ethics and sustainability.

Under the guidance of the Board, our governance framework integrates controls

that monitor critical risk indicators, alongside a suite of policies and procedures aimed at mitigating potential adverse impacts on the environment and society. Regular compliance and environmental risk assessments are conducted to validate the efficacy of these measures and ensure alignment with our sustainability objectives.

Further exemplifying our dedication to governance, we have implemented a robust anti-corruption policy deeply embedded within our organizational culture. We expect strict adherence to this policy from all employees and business partners, safeguarding the integrity of our operations.

Our governance framework remains dynamic, undergoing periodic reviews and updates to adapt to our evolving business landscape and regulatory requirements. This proactive approach ensures that our governance practices and sustainability policies, at every level, remain relevant, forward-thinking, and deliver tangible value for our stakeholders.

Oversight Committee

	BOARD OF DIRECTORS¹	6 Directors appointed and 3 independent seats are filled ² in line with CMA requirements	Strategic oversight of management and business affairs.	Minimum 4 times a year
	EXECUTIVE COMMITTEE	5 members	<ul style="list-style-type: none">Review commercial, financial, sustainability and operational performance, function and planning of ADES.Receive and review information and reports relating to the group.Review the executive committee reserved matters and related party transactions.Review information related Climate Change Risk Mitigation and Sustainability initiatives.	Minimum once a year
	AUDIT COMMITTEE	Independent chairman 3 members	<ul style="list-style-type: none">Responsible for overseeing the group's corporate governance, risk management, compliance.Financial and non-financial reporting, internal control, internal and statutory audits.Overseeing the ESG risk and compliance	Minimum 4 times a year
	REM & NOM COMMITTEE	Independent chairman to be appointed 3 members	<ul style="list-style-type: none">Oversight of remuneration arrangements.Senior appointments & succession planning.Board evaluation.	Minimum 2 times a year

2.4. Ethics & Integrity

At ADES, ethics and integrity serve as a comprehensive guide, outlining the expectations for employee behavior and offering direction on handling ethical matters and conflicts of interest. We place a paramount focus on this aspect as ethical business practices are foundational to our organization's long-term success and sustainability. Continuous refinement of our policies is undertaken to align with our mission and adhere to the highest international standards, applicable laws and regulations and best practices.

Ensuring that our employees comprehend their legal and ethical obligations is a priority. We actively encourage them to report any concerns or breaches of ethics through a reporting mechanism designed to foster a culture of openness without the fear of retaliation. All reported incidents are thoroughly investigated, and necessary actions are taken to ensure transparency and address any non-compliance.

Our commitment to ethical guidelines extends to our business partners and suppliers. We mandate their adherence to our Code of Conduct and ethics to maintain consistent ethical behavior throughout our value chain.

Additionally, we conduct due diligence on our suppliers and business partners, ensuring alignment with our ethical and sustainability standards. Any evidence of non-compliance leads to thorough investigations and accountability assessments, reinforcing our dedication to ethical business practices.

2.5. Business Integrity

ADES recognizes the pivotal role of conducting business with integrity in achieving long-term success and sustainability. Our commitment revolves around establishing a reputation as a trusted and reliable partner for all stakeholders, including clients, investors, and employees.

Demonstrating business integrity is integral to our operations, and our Code of Conduct serves as a guide, outlining expectations for ethical behavior. This includes compliance with laws and regulations, avoidance of conflicts of interest, and the promotion of respectful interactions. Regular employee training ensures a clear understanding of these expectations, empowering our workforce to make ethical decisions.

Transparency is a core value embedded in our operations. We view it as crucial for building trust with stakeholders and practicing good governance, especially in financial reporting.

Conducting regular risk assessments is another essential aspect of our commitment to business integrity. This proactive approach



allows us to identify and mitigate potential threats to our business promptly. By anticipating, evaluating, and managing risks effectively, we uphold our high standards of integrity.

To prevent corruption and bribery, ADES has stringent guidelines in place. We strictly adhere to relevant laws and regulations, with our Anti-bribery and Corruption policy clearly outlining the requirements for maintaining transparency in business conduct. Our business partners and suppliers are obligated to comply with this policy, and thorough due diligence is conducted to ensure alignment with our ethical and sustainability standards.

2.6. Code of Conduct

At ADES, the Code of Conduct stands as the cornerstone of upholding our unwavering standards of ethical behavior and integrity. It serves as a comprehensive document delineating our ethical principles for workplace conduct and interactions with external entities. Applicable to all ADES employees, our business partners and suppliers, this document also governs reporting violations of the Capital Market Law and its implementing regulations.

The Code of Conduct articulates our expectations of employees, covering a broad spectrum of subjects including conflicts of interest, safeguarding company assets and confidential information, adherence to laws, policies, and regulations, and responsible utilization of company resources.

Moreover, it unequivocally prohibits any discriminatory, offensive, harassing behavior, or threats of violence towards employees or third parties.

We hold every employee to the highest standards of integrity and honesty in all circumstances, providing regular training to ensure awareness of their ethical and legal obligations.

We foster an environment of openness and transparency, encouraging employees to report any concerns or breaches of ethics without fear of reprisal.

Thorough due diligence checks are conducted to ascertain their commitment to sustainable and ethical practices, with regular audits ensuring compliance with our ethical and sustainability benchmarks.

Additionally, the Code of Conduct incorporates a whistleblowing policy, encouraging employees to report concerns through a confidential mechanism designed to protect anonymity and address issues related to business conduct.

2.7. Information Confidentiality

ADES ensures the confidentiality of our information, which is of utmost importance. We understand that preserving the security of sensitive data is crucial for maintaining the trust of our stakeholders, particularly clients, investors, and employees. Recognizing the potential harm to our reputation and financial standing in the event of a confidentiality breach, we prioritize robust measures.

To ensure the protection of sensitive information, we have implemented stringent policies and procedures. Regular employee training emphasizes the significance of confidentiality, and all employment agreements include specific confidentiality terms signed by each employee. These agreements delineate our expectations for handling sensitive information and outline consequences for any breaches.

Access to confidential information is restricted on a need-to-know basis, ensuring that only employees requiring such data in their roles have access. Access control measures, including passwords, encryption, and other technical solutions, are employed to prevent unauthorized access.

Physical security measures, such as access control systems, surveillance cameras, and secure facilities, are incorporated to enhance data protection.

Protocols for maintaining confidentiality extend to interactions with third-party vendors and suppliers. Rigorous due diligence is conducted to ensure that partners meet our information security standards, and confidentiality agreements are a prerequisite before sharing any sensitive information.

In the event of a confidentiality breach, we have established procedures to swiftly identify and mitigate damage, with a commitment to reporting incidents to regulatory authorities where necessary.

2.8. Data Protection

ADES, as an organization, acknowledges and embraces its legal and ethical responsibilities in handling personal data. We recognize the paramount importance of managing and safeguarding such information.

In line with our commitment to ensuring utmost security, ADES is implementing a new layer of cybersecurity and data protection by introducing sandboxing technology to prevent all kinds of intrusions to our network or data access. This technology adds an additional layer of defense, ensuring that our systems remain secure and our data protected from potential threats.



Our robust access controls and advanced encryption measures for electronically stored or transmitted personal data further strengthen our security framework. Additionally, stringent physical security protocols are in place to protect information stored in physical formats, including paper documents.

Regular and comprehensive data protection impact assessments proactively identify and address potential risks to individual privacy and rights. We further enhance our data security by engaging reputable third-party specialists for vulnerability assessments on our technical security measures.

ADES advocates strongly for individuals' rights to control their personal data, including access, rectification, portability, erasure, and restriction rights. We maintain transparency by providing clear and understandable privacy notices and seeking consent when collecting personal data.

Moreover, we rigorously enforce adherence to data protection standards for third-party vendors and suppliers with access to personal data. Through these measures, we underscore our commitment to safeguarding privacy and security across our entire supply chain.

2.9. Business Risk Management

Our Business Risk Management (ADES BRM) process involves a systematic approach to identifying, evaluating, treating, monitoring, and reporting risks across all levels of the organization. Oversight of this process rests with the Board of Directors (BOD), which establishes the tone at the top, defines our risk appetite and tolerance levels, and ensures that risk management policies align with best practices and principles.

We actively adopt and regularly review and update risk management policies and procedures to ensure their continued relevance and appropriateness for our operations. These policies adhere to recognized standards and frameworks, including ISO 31000.

We maintain continuous monitoring of our operations and associated risks, implementing a proactive approach to promptly mitigate any identified risks. This ensures that our operations stay aligned with the targets outlined in their Key Performance Indicators (KPIs).

Our enterprise risk management team consists of department heads from diverse disciplines such as finance, operations, legal, HSE, and Risk Officer adopting a multi-disciplinary approach.

Well-defined responsibilities and tasks are assigned to stakeholders and committees within the risk management team to ensure comprehensive monitoring, mitigation, and planning strategies. Regular risk assessments, accompanied by visual maps, are circulated to address priority elements.

This approach to enterprise risk management aligns with our strategic objectives, enabling effective identification and management of threats while capitalizing on opportunities for growth and innovation.





A D E S

APPROACH TO ESG



3. Sustainability at ADES

ADES has understood the importance of incorporating a robust Environmental, Social, and Governance (ESG) mindset and institutionalizing comprehensive guidelines that shape our performance and sustainability initiatives. We deeply understand the significance of these key areas and their impact on both our business and stakeholders. Our commitment extends to integrating sustainability throughout our operations, encompassing governance practices, environmental responsibility, and social initiatives. Consequently, we have developed an integrated sustainability framework aligned with our core values and business objectives.

We take responsibility for minimizing any impact of our operations seriously. The enduring success of our business is tied to achieving a sustainable balance between financial performance and social and environmental responsibility. Our dedication to reducing our carbon footprint, investing in energy-efficient technologies, and minimizing waste attests to our unwavering commitment to sustainability.

ADES has launched several projects aimed at enhancing energy efficiency and fostering sustainable operations. Additionally, our innovative smart system technology, RIGEEYE, has played a crucial role in advancing and upholding safety standards. Complementing these initiatives, the adoption of the Core ADES Management System (CAMS) highlights a commitment to efficiency and transparency, achieved through the thorough redesign and reconstruction of process mapping.

Moreover, we place a high value on our social responsibilities, viewing our contribution to local communities as integral to our business objectives. Hence, we humbly proclaim a more than 200% increase in our community investment which has led to a positive contribution all around. Our contributions, such as substantial financial support to the Aljoud Foundation and engagement with various initiatives supporting education, health, and economic opportunities, reflect our commitment to community well-being.

In terms of corporate governance and ethical conduct, we adhere to the highest standards. We prioritize transparency and accountability, considering them fundamental to effective decision-making and maintaining strong relationships with shareholders, regulatory bodies, and other stakeholders. Compliant with international standards such as Quality System Certifications (ISO 9001), Safety System Certification (ISO 45001), and Environmental System Certification (ISO 14001), we are dedicated to ongoing improvements in governance practices, ensuring accessibility to relevant stakeholders.

We remain proactive in developing and executing our ESG strategy, remaining adaptable and responsive to the evolving social and environmental landscape. This approach aligns with our belief that it will enable us to achieve our long-term financial and strategic objectives while fulfilling our responsibility towards ADES, the community, and the environment.



3.1. Alignment with UN Sustainable Development Goals

	<p>SDG 3 – We are dedicated to promoting good health and well-being through our business practices and initiatives. Our aim is to create a positive impact on the health and well-being of our employees, customers, and communities. We prioritize the provision of a safe and healthy work environment and actively encourage employee wellness programs. Additionally, we ensure access to essential healthcare services for our workforce. Furthermore, we actively seek opportunities to support health and safety initiatives, and our commitment to Sustainable Development Goal 3 (SDG 3) is a core aspect of our sustainability strategy. We continuously strive to innovate and enhance our contributions to global health and well-being. We firmly believe that a healthy workforce and community are essential for achieving sustainable development and creating a brighter future for all.</p>
	<p>SDG 5- We are committed to establishing an inclusive workplace that celebrates diversity, offering equal opportunities for growth, development, and advancement to all employees, irrespective of gender. Our dedication to fostering a culture that promotes gender equality and empowers women ensures a work environment that is free from discrimination and harassment.</p> <p>The pursuit of gender equality lies at the core of our sustainability strategy, driving our efforts to address gender disparities, challenge biases, and instigate positive change. We recognize that achieving gender equality is not only a moral imperative but also a crucial catalyst in building a more equitable and prosperous world for everyone.</p>
	<p>SDG 6- As part of our sustainability efforts, we strive to minimize our water footprint and promote responsible water management practices throughout our operations. We are dedicated to implementing water-efficient technologies, recycling water where possible, and continuously improving our water stewardship. SDG 6 is an integral part of our corporate social responsibility, and we are determined to make a positive impact on water availability and sanitation in line with the United Nations’ goals through our actions.</p>
	<p>SDG 8 - We recognize the importance of providing decent work and economic growth to promote sustainable development. We prioritize stakeholder engagement and consider it essential to our social responsibility. We are obliged for the development of our local community, and for this, we are creating many local job opportunities. We provide employment and other economic opportunities to local communities, which helps to empower them and foster economic growth. We pay special attention and care to community health, Security risk management, Occupational injury, and illness incidents.</p>
	<p>SDG 9 - Our company aligns with Sustainable Development Goal 9 (SDG 9) by promoting industry, innovation, and infrastructure. We invest in technological advancements, foster innovation, and contribute to building resilient infrastructure to support sustainable economic growth and development. Our cutting edge technology -RIGEYE- has played a pivotal role in ADES’ sustainable safety performance and a true testament to fostering innovation.</p>
	<p>SDG 10 – Our commitment to SDG 10 is reflected in our corporate values and actions. We strive to create an inclusive and diverse workplace, where all employees are treated with respect and provided equal opportunities for growth and advancement. We actively promote diversity and work towards eliminating any forms of discrimination or bias within our organization.</p>

3.1. Alignment with UN Sustainable Development Goals

	<p>SDG 12 – We recognize the importance of responsible consumption and production to promote sustainable development. As a company, we are committed to minimizing our impact on the environment by reducing waste and investing in clean energy.</p>
	<p>SDG 13 – We recognize the importance of taking climate action to promote sustainable development. We have implemented various measures to reduce our emissions, including the implementation of energy-efficient technologies and practices such as drilling technology optimization and process improvements.</p>
	<p>SDG 14 – As a socially responsible company, we are fully committed to minimizing our impact on the marine environment. We place a strong emphasis on implementing sustainable practices across our operations to reduce marine pollution, preserve marine biodiversity, and ensure the sustainable utilization of marine resources. Our dedication to SDG 14 is at the core of our sustainability strategy, driving us to actively embrace the role of ocean stewards and advocates for marine conservation. Through concrete actions, active advocacy, and promoting responsible behaviors, we strive to make a meaningful contribution to the protection and well-being of our oceans.</p>
	<p>SDG 15 - As an integral part of our sustainability commitment, we prioritize minimizing our ecological footprint and adopting responsible land use practices. Our dedication lies in safeguarding and revitalizing natural habitats, promoting reforestation and afforestation initiatives, and actively engaging in land restoration programs.</p>
	<p>SDG 17 - Our company actively supports SDG 17 by fostering partnerships for the goals. We engage in collaborative initiatives, promote inclusive partnerships, and contribute to the global efforts aimed at achieving sustainable development through shared responsibility and cooperation.</p>

3.2. Our Approach to Sustainability

Our ESG approach, guided by principles of transparency, accountability, and materiality, places a strong emphasis on prioritizing issues with significant impacts on our business and stakeholders. We believe that transparent reporting on our ESG performance is pivotal for building trust with stakeholders and showcasing our dedication to sustainable business practices.

Initiating ESG reporting begins with meticulous data collection. Proudly among the early adopters of ESG data collection, our initial efforts in Egypt commenced in 2017 through effective materiality assessments. Over the past half-decade, we have enhanced our collection mechanisms, expanding our focus to encompass most of our entities within a span of two years, making ESG data collection an inherent part of our operations.

Regarding the environment, we are committed to minimizing our impact by reducing our carbon footprint, waste, and investing in clean energy. Our group has implemented measures such as drilling technology optimization and process improvements, setting new benchmarks for environmental stewardship in the regions we operate. Operating in compliance with environmental regulations and standards, we continuously seek innovative ways to lessen our impact.

Recognizing our role in contributing to the United Nations Sustainable Development Goals (SDGs), we believe in providing a comprehensive framework for addressing the world's most pressing social, economic, and environmental challenges.

On the social front, our commitment extends to creating a positive impact by empowering local communities through employment and economic opportunities, coupled with investments in community development initiatives. Our actions, such as reducing water consumption through smart potable water tabs and opting for water colliders over bottles, underscore our ongoing commitment to local well-being.

Stakeholder engagement is a priority and is integral to our social responsibility. We actively engage with local communities to understand their concerns and expectations, incorporating them into our decision-making processes.

In terms of governance, we have established a robust corporate governance structure promoting effective decision-making, transparency, and accountability. Maintaining the highest standards of ethical conduct, we uphold transparency through clear and comprehensive reporting on our ESG performance.

Our commitment is unwavering in upholding corporate governance practices aligned with best practices, promoting the long-term sustainability of our business.



3.3. Our Sustainability Framework

ADES initiated its ESG (Environmental, Social, and Governance) journey in 2017, consistently gathering ESG data on an annual basis. Over the years, ADES has demonstrated continuous progress in its sustainability efforts, showcasing a commitment to evolving in this crucial aspect of corporate responsibility.

In line with our commitment to excellence in sustainability practices, reporting, and administration, ADES is proud to introduce its first Sustainability Standard. This Standard adheres to globally recognized standards and frameworks, such as GRI and IPIECA, providing a comprehensive framework that encompasses the entire sustainability cycle within ADES.

The Sustainability Standard serves as the cornerstone of sustainability within ADES, acting as a guiding framework for the company's strategic approach to sustainability. To ensure relevance and effectiveness, this standard undergoes a regular review by the ADES sustainability team.

To further solidify our commitment to sustainability, ADES has established a dedicated Sustainability Committee, aligning with the principles outlined in the ADES Sustainability Policy Statement. Chaired by the CEO, this committee comprises Module Leaders, a Reporting and Disclosure Leader, and an administrator.

This Sustainability Committee plays a pivotal role in overseeing ADES's Sustainability Strategy, reporting mechanisms, and administration processes. It exemplifies our dedication to embedding sustainable practices at the core of our corporate ethos.

As we embark on this journey, guided by our Sustainability Standard and led by our Sustainability Committee, ADES remains steadfast in its pursuit of responsible and impactful sustainability practices. This initiative marks a significant step forward in our commitment to global standards and frameworks, ensuring a sustainable future for ADES and the communities we serve.

The ADES sustainability framework consists of the following five pillars:

-  **Governance & Business Ethics**
-  **Climate Change & Energy**
-  **Environment**
-  **Safety, Health & Security**
-  **Social**

ADES Sustainability Framework



- **Striving to achieve higher score under Aramco's In-Kingdom Total Value Add (IKTVA¹) program.**
A range of talent programs, including internship initiatives and leadership development opportunities, are offered by ADES.
- Integration of artificial intelligence (AI) is being pursued to address safety issues within the organization.
- Sponsorship for the Children's Charitable Hospital.

- **Lower RIFR of 0.44 compared to IADC average of 2.54.**
Family safe campaign to instill a proactive mindset toward HSE principles among children, encouraging them to identify and communicate unsafe behaviors.
- Empowering workforce against any safety & legal misconduct through the "SPEAK UP" channel.
- RIGEYE initiative to recognize unsafe practices.

- **Transparent policies and practices to safeguard the environment, uphold human rights, and adhere to the highest ethical standards.**
Robust supply chain policies have been implemented to ensure ADES suppliers align with the company's environmental, social, and governance (ESG) initiatives.
- Robust governance framework led by an experienced board of directors.
- Efforts to recruit more female employees.
- Focus on increasing local hiring within the company's workforce.

- **6% emission reduction target by 2030.**
Multiple emissions reduction initiatives through technical approaches.
- Hybrid solutions for energy sources.
- Multi engine optimizer.
- Solar lighting system applied on land rigs specific areas like yards and security gates.
- Formal service agreement with certified and government approved waste management.
- Vehicle Fuel Monitoring and Reporting technology for all.
- Effectively monitor, manage, and report water consumption on all ADES global operations.

- **Reporting of water consumption for global operations.**
- Target to have zero spills to environment.
- Increase in percentage compliance to all air pollutants parameters.
- Contributing to enhancement of biodiversity surrounding the operational areas.

3.4. Stakeholder Engagement and Materiality Assessment

A sustainability report serves as a reflection of a company’s economic, environmental, and social impact, both internally and externally. It provides stakeholders with valuable insights into the operations of the organization and offers them the opportunity to provide feedback and influence decisions for the betterment of the organization and the broader community. In determining the disclosures to be included in the report, various methodologies were employed.

In addition to fostering transparency and accountability, sustainability reports serve as a platform for dialogue and collaboration between companies and stakeholders. They provide an opportunity for feedback and input, enabling companies to better understand stakeholder expectations and concerns, and to respond proactively to emerging sustainability challenges.

Material sustainability topics of the Enterprise were finalized through a systematic approach:



QUESTIONNAIRE DEVELOPMENT

Numerous brainstorming sessions were conducted to design a survey questionnaire following GRI standards, emphasizing precision and thoroughness. The questions covered economic, environmental, social, and governance aspects, ensuring a comprehensive assessment of the company’s performance and providing stakeholders with a clear understanding of its holistic impact and practices.



QUESTIONNAIRE DISTRIBUTION - ONLINE SURVEY

The enterprise crafted a thorough online survey questionnaire and distributed it across various channels to collect feedback from stakeholders. This approach facilitated wider accessibility, enabling a diverse range of stakeholders to participate effortlessly and offer valuable insights. Consequently, it bolstered response rates and enriched the depth of information gleaned from the survey.



PRIORITIZING SUSTAINABILITY ISSUES

The results obtained from the surveys’ questionnaires were meticulously consolidated in accordance with the priorities highlighted by our stakeholders. Through this comprehensive consolidation effort, we aimed to distill the diverse array of responses into actionable insights that accurately reflected the collective perspectives and priorities of our stakeholders. By aligning our analysis with their identified priorities, we ensured that our subsequent actions and strategies were firmly rooted in the needs and expectations of those we serve.



SUSTAINABILITY BRAINSTORMING SESSIONS

Regular sessions were convened to understand sustainability priorities across different departments and divisions. These forums engaged stakeholders from various organizational levels to articulate key concerns and objectives. Through robust dialogue, a framework was established, guiding the development of the ongoing sustainability report. This collaborative approach enhanced transparency and integrated sustainability principles into the organization’s vision and practices.

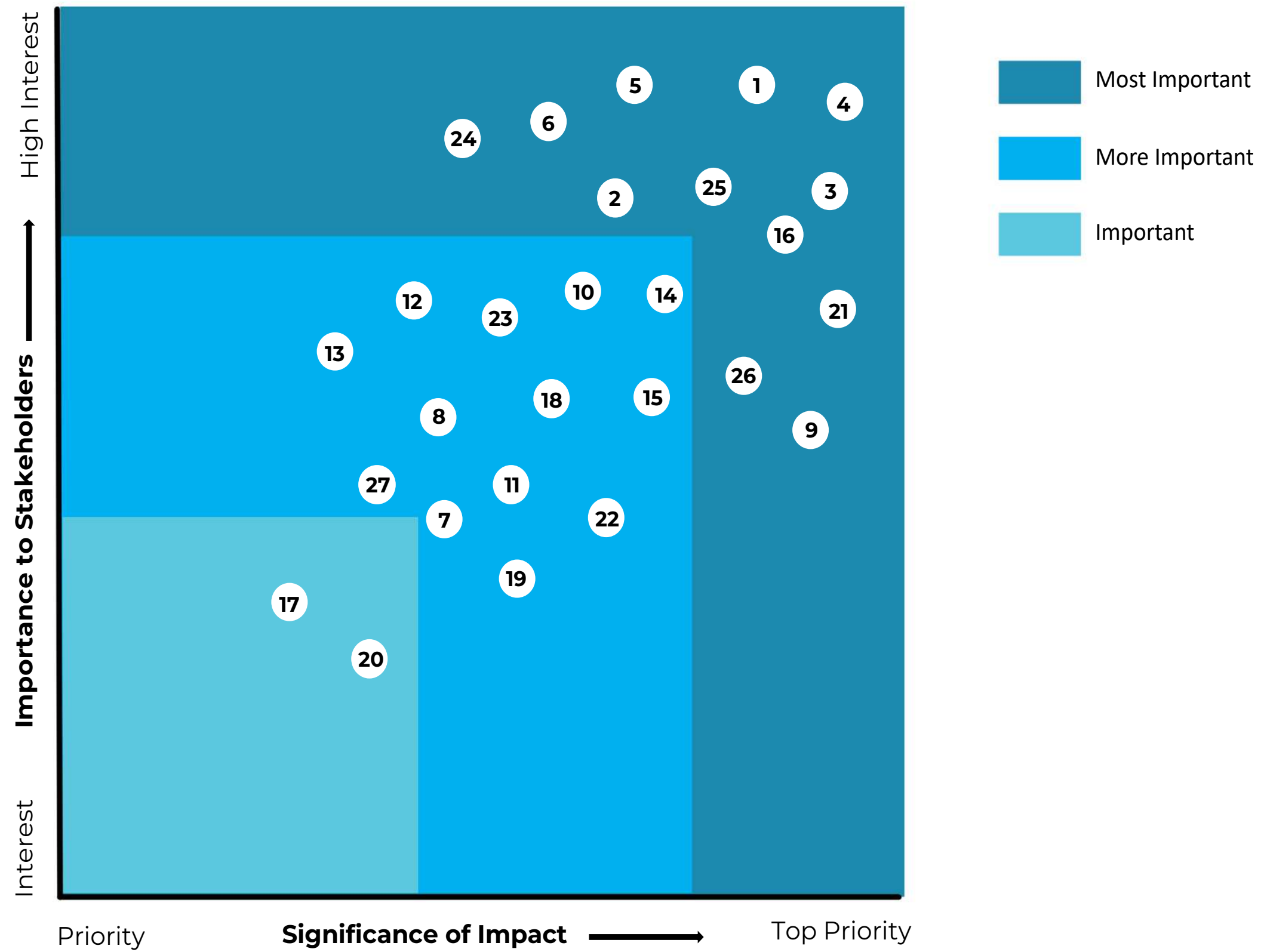


ALIGNMENT WITH NATIONAL AND INTERNATIONAL PLANS AND COMMITMENTS

The finalized topics underwent a thorough cross-referencing process with a variety of national and international commitments and priorities, including the Paris Climate Agreement and the UN’s Sustainable Development Goals (SDGs). This ensured alignment with broader sustainability frameworks and global objectives. Subsequently, a comprehensive list of approved material topics was compiled for review and approval by ADES’s leaders and executives, ensuring that the organization’s sustainability efforts were firmly anchored in globally recognized standards and commitments.

Material Issues Matrix

We consider the materiality analysis as a vital tool to identify our most relevant economic, environmental, social, and governance priorities consistent with ADES's vision and business strategy and to define the contents of our sustainability report. We plotted the topics as represented in the matrix above through rigorous stakeholder consultation. Through this matrix, we have identified the issues that significantly impact the economic, social, and environmental performance of the enterprise or that may substantially influence stakeholders' perceptions and decisions.





Materiality Assessment Outcomes and UN SDGs

The following table outlines the results of the materiality assessment and mapping out ADES' material issues with UN SDGs in accordance with Global Reporting Initiative (GRI) framework.

#	MATERIAL TOPICS GRI	DESCRIPTION	MATERIAL TOPIC UN SDG	BOUNDARIES	PRIORITY
1	403	Health and Safety		ADES	Most Important
2	201	Finances		ADES	Most Important
3	401	Employee turnover rate		ADES	Most Important
4	305	Emission		ADES	Most Important
5	103-2	Workforce and Contractor Grievances		ADES	Most Important
6	403	Climate Change Mitigation & Adaptation		ADES	Most Important
7	303,306	Waste Management		ADES	More Important
8	410	Security of Infrastructure/Assets		ADES	More Important
9	403	Safeguarding Health During the Modern Health Crisis		ADES	Most Important
10	418	Cybersecurity and data protection		ADES	More Important
11	406	Business Ethics, Integrity, Transparency & Anti-Corruption		ADES	More Important
12		Infrastructure and overall services		ADES	More Important
13	415	Compliance with International, Sustainability Regulations & Frameworks		ADES	More Important
14		Operational efficiency		ADES	More Important

15		Emergency Preparedness		ADES	More Important
16	201,203	Economic Growth		ADES	Most Important
17	416	Customer Privacy and Safeguarding Customer Information		ADES	Important
18	204	Sustainable Procurement		ADES	More Important
19	308	Compliance with Federal and Local Sustainability Regulations & Frameworks		ADES	More Important
20	404	Training, Education, and Growth of Employees		ADES	Important
21	203	Economic Contribution to Sustainability Matters		ADES	Most Important
22	308	Sustainability (Economic, Environmental, and Social) Assessment of the Supply Chain		ADES	More Important
23	413	Local Community		ADES	More Important
24	405,406	Equal Opportunity and Diversity		ADES	Most Important
25		Corporate Volunteering		ADES	Most Important
26	405	Equal Opportunity and Diversity		ADES	Most Important
27	304	Biodiversity Conservation		ADES	More Important



ENVIRONMENTAL STEWARDSHIP



4. Environmental Stewardship

Environmental stewardship stands as a cornerstone of our corporate responsibility, and we are deeply committed to minimizing our environmental footprint across all our operations. Upholding the highest environmental standards, we continuously strive to implement innovative solutions that promote sustainability and conserve resources.

Over the years, ADES has spearheaded numerous initiatives aimed at reducing

emissions through technical innovations. These include controlling engine loads based on operational needs and deploying latest technologies aim at reducing emissions like the Battery-Energy Storage Solution.

Through these initiatives, significant reductions in carbon emissions intensity have been achieved in recent years. We remain steadfast in our commitment to investing in energy-efficient technologies and processes to further

LED lighting systems has notably reduced fuel consumption, further aligning with our sustainability objectives.

ADES is also developing a fuel consumption monitoring system designed to compare actual and theoretical fuel consumption, ultimately optimizing fuel usage. This project is currently in the pilot stage.

Additionally, an oil condition monitoring system that detects and counts ferrous and non-ferrous debris in the oil, issuing alerts in case of impurities.

All of these initiatives showcase ADES' commitment and practices to preserve natural environment where we globally operate.

Our team has led several pioneering initiatives in our ongoing quest for energy efficiency and sustainable practices. Key initiatives encompass:

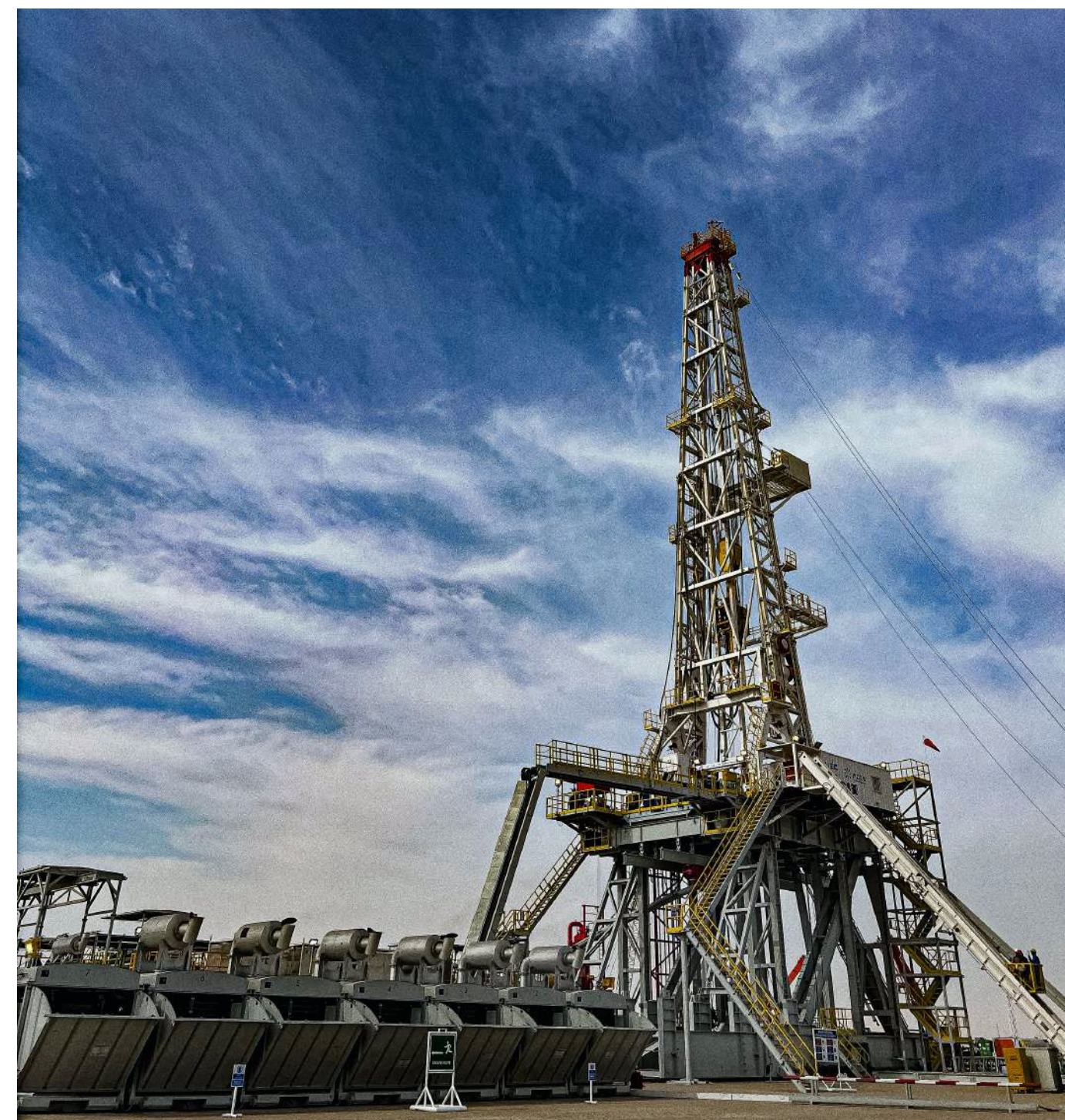
- ▶ Implementation of lithium-ion-based battery storage with power management across our fleet engines.
- ▶ Recycling and reconditioning of used parts, with a goal of ensuring 10% of all engine components are made from recyclable materials.
- ▶ Continuous monitoring of engine performance across all rigs to prevent any deviations from desired standards.
- ▶ Installation of heaters to maintain engine warmth and minimize diesel fuel consumption.
- ▶ Utilization of advanced data analytics to optimize load profiles and reduce inefficient power usage.
- ▶ Adoption of Internet of Things (IoT) solutions to monitor vibration and temperature for early-stage failure detection.

diminish our carbon footprint and promote sustainability.

In waste management, we prioritize responsible practices, implementing programs to reduce waste, encourage recycling, and support reuse. In Egypt, our operations meticulously monitor waste leaving sites for proper disposal, with ongoing efforts to enhance waste reduction and recycling. Water conservation is also a key focus, with measures like smart taps and

water colliders replacing bottles to significantly save water. Our environmental management system includes a water conservation program utilizing efficient technologies to minimize usage.

Furthermore, we have installed solar lighting systems in specific areas, such as yards and security gates on land rigs, as part of our commitment to achieving a 100% LED lighting transition for both onshore and offshore facilities. Equipping our rigs with



4.1 ADES Sustainability Initiatives



ADES Group’s growth is intertwined with ongoing enhancements in sustainable performance achieved through the implementation of digital device optimizations and on-ground initiatives.

Dr. Mohamed Farouk
CEO

Sustainability Key Initiatives during 2023

Rig Engine Emission Reduction

Measurement of engine parameters & corrective actions

Energy Consumption Optimization

Hybrid power with battery storage installed on land rigs

Elevated Quality & Safety Standards

Internationally certified quality, safety, and occupational health management

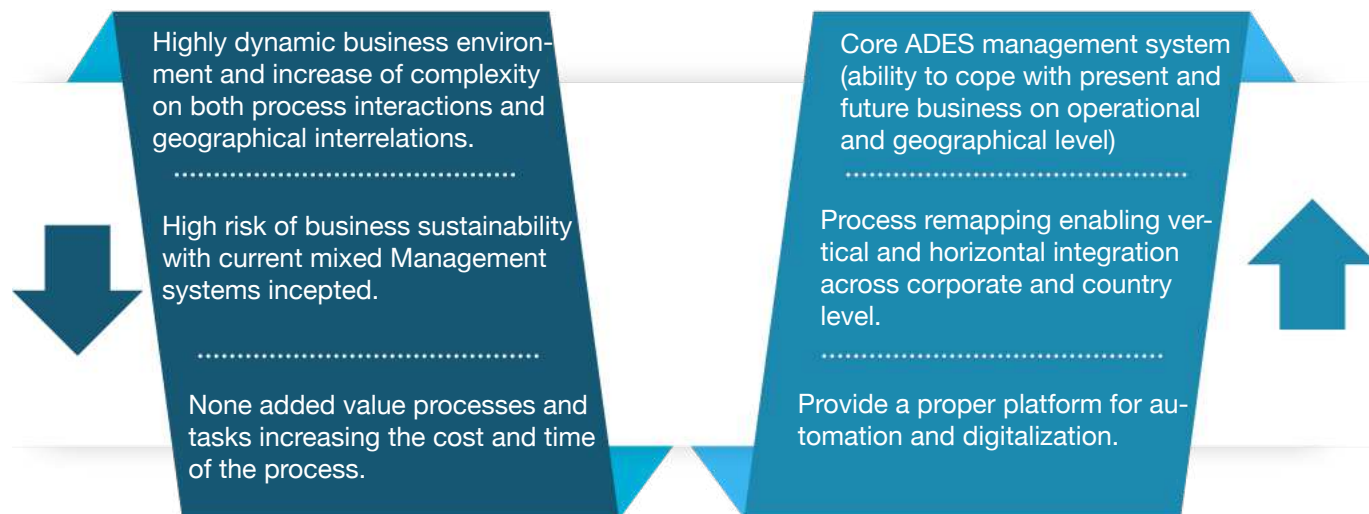
Main Sponsor for Al Nas Hospital

Sponsoring Al-Nass Children’s Charitable Hospital (one of the largest childrens’ hospitals in Africa)



CAMS Core ADES Management System

ADES proudly introduces the Core ADES Management System (CAMS), a dynamic framework designed for seamless interaction, efficient management, and adaptability to ever-changing business needs.



CAMS focuses on enhancing efficiency and transparency by redesigning and rebuilding process mapping. It provides a robust platform for both vertical and horizontal processes at corporate and country levels, fostering agility and continuous improvement.

The adoption of CAMS as a Global Management System aims to boost employee satisfaction. Clear process mapping and the implementation of the RACI technique contribute to transparency and collaboration among team members.

CAMS ensures clear visibility into company processes and their performance, enabling the reduction of time and costs associated with non-value-added tasks. The system also establishes a foundation for management system automation, positioning ADES for the impending era of digitalization.

CAMS efficiently addresses customer needs, enhancing satisfaction while maintaining flexibility within a guided MS framework.

The deliverables of CAMS include comprehensive horizontal and vertical business process mapping, ADES context, opportunities, and risk register, thorough process analysis and optimization, well-defined performance indicators for processes, documentation of work processes, functions, and tasks, employee awareness and engagement initiatives, evaluation of implementation effectiveness, periodic review and update of CAMS, and regular monthly reporting and communication with management.

The initiation of the project by Top Management sets clear expectations. The establishment of a High-level Management Committee, a Governance Committee, and the assignment of Focal Points from each process contribute to collaborative leadership throughout the project.

With CAMS as the cornerstone, ADES is poised to revolutionize its management system, promoting sustainability, transparency, and continuous improvement. The journey towards organizational excellence begins with CAMS.

RIG Safety through Lens of AI

RIGEYE serves as an invaluable support system designed to educate and guide our most valuable assets, the ADES people, across all dimensions of their roles. It acts as a proactive tool to illustrate both exemplary and suboptimal practices, fostering a culture of continuous improvement and safety awareness.

Functioning as an additional experienced team member, RIGEYE is positioned to provide guidance, coaching, and intervention when necessary. The platform records and showcases a spectrum of practices, showcasing both positive examples recognized as best practices and instances of poor or unsafe practices. This dual representation serves a crucial purpose:

highlighting successes for reinforcement and illuminating mistakes for early identification and correction, ultimately preventing potential incidents and safeguarding lives.

Rig leadership plays a pivotal role in conveying the significance of RIGEYE, encouraging its regular use for ongoing learning and improvement. It is positioned as a mentor, offering guidance and intervention as needed, embodying a “No-Blame culture” that emphasizes the educational and supportive aspects of its role.

In essence, ADES management considers RIGEYE a preventive, educational, and supportive tool, reinforcing a culture of safety and continuous learning across the organization.



Real photage from RIGEYE detecting an unsafe behaviour of an ADES crew member without proper PPE

In the next page an elaborate interview with our Vice President of QHSSE & Sustainability is presented, to give more insight about the RIGEYE technology.

- 01 Real time hazard and unsafe behavior recognition.**
- 02 Integrates a dynamic & static Recording – Helmet camera & CCTV.**
- 03 Events are correlated with a predefined self-learnt case.**
- 04 Alarm is activated according to the event's severity.**
- 05 Automatically trigger a systematic action item according to the event.**

HEAR IT FROM OUR LEADERSHIP

Safety Excellence Through RIGEYE. An in-depth discussion with Mehdi Hamel, Vice President of QHSSE & Sustainability, to explore the one of its kind technology employed by ADES and its profound impact on ensuring safe operations for our personnel, clients, and partners at our various sites.



Interviewer: To begin, could you provide an overview of how RIGEYE technology enhances safety and operational efficiency within ADES?

Mehdi: Absolutely. RIGEYE serves as a transformative tool within our organization, leveraging AI to elevate safety standards and operational effectiveness. It is a hands-free wearable computer designed for our rigs' safety coaches and supervisors to enable them to identify safety risks associated with the working zone and allow swift intervention to prevent incidents. It relies on two crucial data sources; one is the CCTV cameras and then we have the helmet camera which is worn by the rig safety coaches and supervisors. The RIGEYE uses the video and images from these feeds and automatically detects safety issues. Currently, it detects Personal Protective Equipment irregularities/compliance and tracks the personnel movement in the rig's red zones to make sure that no one enters it accidentally. It also ensures all job risk assessment are of a quality for exposing tasks including lifting operations.

By recording and highlighting a spectrum of practices, from exemplary to suboptimal, RIGEYE fosters a culture of continuous improvement and safety awareness across all dimensions of our operations. It is currently implemented in KSA.

Interviewer: That sounds incredibly impactful. Has any other company adopted a similar technology or tool in their operations?

Mehdi: We are leading the adoption of this technology and putting it into practice. Our primary focus is on minimizing incidents/accidents in the rigs, aligning with the ADES target to enhance safety performance by eliminating residual behaviors.

Interviewer: How does RIGEYE fit into the daily routine of ADES personnel, particularly within rig teams?

Mehdi: RIGEYE is seamlessly integrated into our daily operations, designed to help all rig teams. All the CCTV cameras and the three helmet cameras in each rig function as an additional experienced team member, offering mentorship and guidance while embodying a "No-Blame culture" that prioritizes education and support. Rig leadership plays a vital role in reinforcing the significance of RIGEYE, encouraging its regular use for ongoing learning and improvement.

Interviewer: Could you elaborate on the preventive and educational aspects of RIGEYE, as well as its role in reinforcing a safety culture?

Mehdi: Certainly. RIGEYE operates as a preventive, educational, and supportive tool, anticipating incidents, detecting safety behaviors and hazards, and promoting compliance. It serves as a training aid, illustrating what exemplary and suboptimal practices look like, thereby facilitating continuous learning and improvement. Our ambition is to further enhance safety performances by eradicating residual behaviors, a goal which RIGEYE significantly contributes to achieving.

In addition to red zone detection, lifting operations, and PPE compliance checks, we're gearing up to broaden the scope of AI applications to cover various other safety aspects in the near future.

Interviewer: What role does the Operations Command Center play in the RIGEYE project?

Mehdi: The Operations Command Center (OCC) serves as the focal point for monitoring operations onboard ADES units utilizing the RIGEYE system. Our personnel in the OCC manually go through all the feeds and look for anomalies and exemplary practices. Once these are detected they are compiled and every week a list of six good and bad practices is sent to all the rig workers for their training.

Interviewer: Could you give a brief idea on the role of RIGEYE in risk management?



Mehdi: Sure, once the AI or our OCC team notices a potential risk, it is reported to the concerned person based on the risk level, and this would be further escalated based on the person's discretion. For instance, if a low-level risk is detected, the rig safety officer is first notified, and they could escalate it to the QHSSE supervisor. For any other level of risk, the rig manager, operations manager and the QHSSE division manager are initially notified, and it is finally escalated to both VP QHSSE & Sustainability and COO.

Interviewer: That is a comprehensive approach to safety management. Lastly, can you speak about the design benefits of RIGEYE, particularly regarding data protection and real-time data analysis?

Mehdi: RIGEYE prioritizes data protection with locally stored videos and real-time on-rig processing for instant analysis. It's meticulously designed for rig use, featuring explosion-proof tools and integration with existing infrastructure.

Additionally, a software aids in recording, analyzing, and categorizing observations via AI, with a dashboard for monitoring safety performance and assigned actions. This comprehensive approach ensures optimal safety protocols and efficient incident response in rig operations.

Interviewer: Thank you, Mehdi, for sharing your valuable insights about RIGEYE. Your expertise has provided us with a deeper understanding of its significance in ADES.

Mehdi: Thank you for the opportunity to discuss RIGEYE today. I appreciate your thoughtful questions and the chance to share my perspectives.

Giving back to the community

ADES Algeria showcases a commendable commitment to community welfare through its proactive initiative to donate various items, including heaters, air conditioners, fridges, mattresses, blankets, pillows, and more, to a local charity association. This dedication reflects responsible disposal practices and addresses the immediate needs of the community. The collaborative effort, engaging stakeholders such as employees and community members, holds the potential to significantly benefit at least 12 families.

This Green Day campaign not only raises awareness about environmental issues but

also demonstrates ADES Algeria’s commitment to making a tangible difference in the environment and the lives of those in need.

Furtherly, ADES KSA in partnership with Saudi Aramco GDWD, conducted the “30 Trees” initiative with Al-Shoaba High School. The collaboration focused on educating and empowering students in environmental conservation, fostering a sense of responsibility and passion for sustainability.



Motion Sensor-Controlled Lighting



The Infrared Motion Sensor Switch utilizes human motion infrared rays as control signal sources, instantly activating the controlled load when someone enters the detection field.

The, Auto on-off photocell control sensor switches offers an intelligent solution for outdoor flood lights. Photocell Control Sensor Switch enables automatic switching off of floodlights during daylight hours. This innovation brings several advantages, including a noticeable reduction in electricity and diesel consumption, promoting energy

conservation. Additionally, the extended life of floodlight bulbs is a direct outcome, contributing to cost savings and decreased environmental impact.

Furthermore, the reduction in heat emission from bulbs aligns with sustainable practices, promoting both energy efficiency and environmental responsibility. Implementing these sensor switches not only enhances operational efficiency but also aligns with broader sustainability goals, making them valuable additions to a conscientious and environmentally friendly lighting system.

Plastic Usage Control and Minimization Program

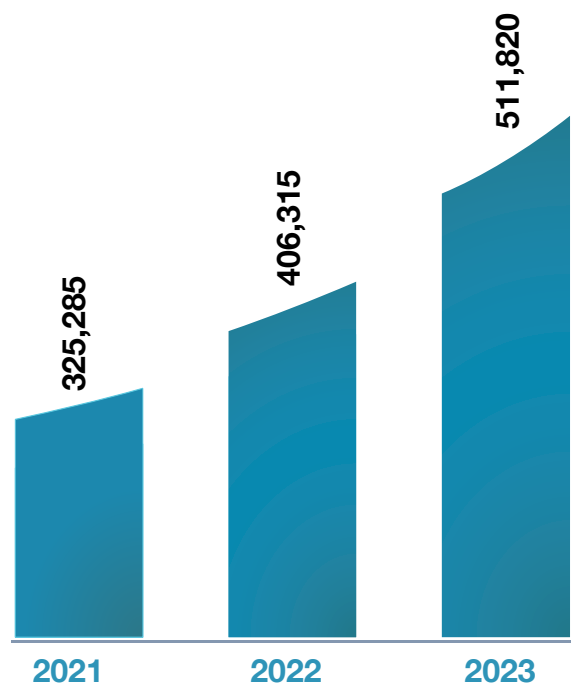
In our commitment to environmental responsibility, we have implemented a comprehensive program aimed at reducing plastic usage. Key initiatives include the adoption of cotton laundry bags as an eco-

friendly alternative to plastic, laundry bags, the substitution of plastic utensils with durable stainless-steel options, and the promotion of water dispensers to eliminate reliance on single-use water bottles.



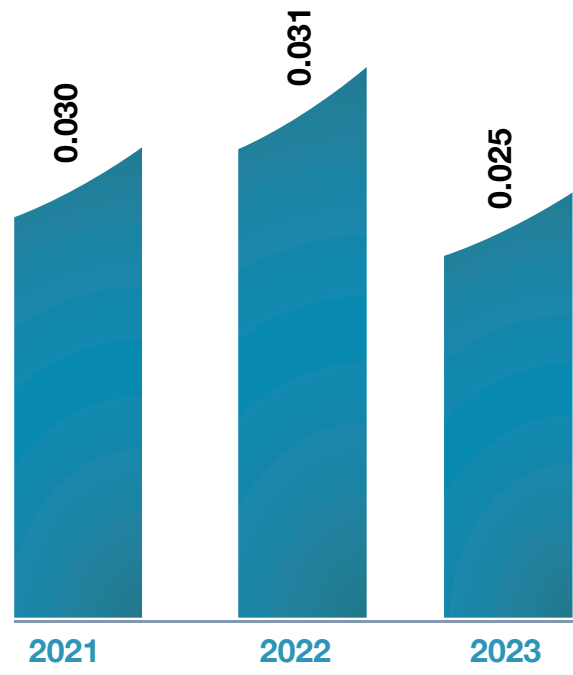
4.2. GHG Emissions

Scope 1 GHG Emissions (tCO₂e)



The rise in emissions is attributed to operational expansion across seven countries, with the number of active rigs growing from 40 in 2021 to 67 in 2023, resulting in variations in fuel consumption—comprising Diesel, Petrol, and Lubricant oil—due to distinct site conditions in each country, consequently leading to higher emissions

GHG Emissions Intensity (tCO₂e/Man-hour Worked)



Reduction in tCO₂e (metric tons of carbon dioxide equivalent) per man-hours worked, which is attributed to the implementation of energy-efficient technologies and practices within operations. This proactive measure has resulted in lower carbon emissions per unit of work, showcasing the organization's commitment to environmental sustainability.

↓ 19%
reduction in GHG emissions intensity from 2022 to 2023

4.3. Energy Transition – Efficient Technology and Sustainable Solutions

Energy transition is the process of shifting from traditional fossil fuels to cleaner, more sustainable forms of energy. At ADES we recognize the importance of energy transition to promote sustainable development and are committed to play our role to achieve this transition.

We are dedicated to exploring and implementing efficient technology and sustainable solutions that will help us reduce

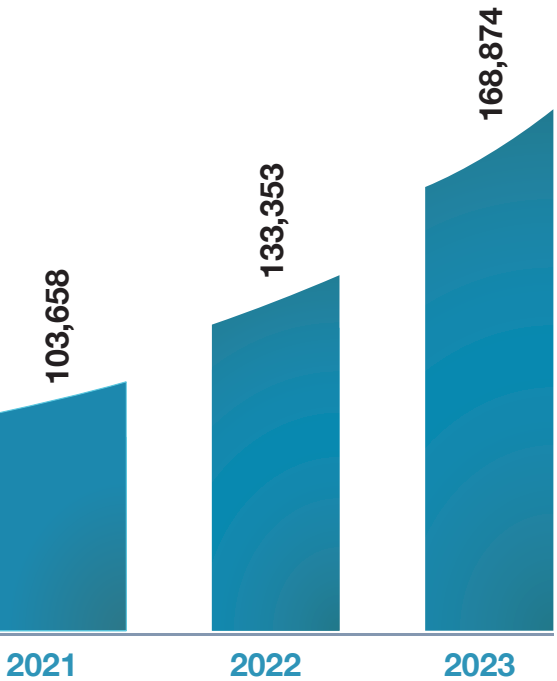
our carbon footprint and promote clean energy generation. One of the key steps in improving upon the standards is to ensure and establish practices to effectively capture the data across all the desired parameters. These include fuel consumption of several types, waste generation, water consumption, and other parameters that impact our environment. We have invested in establishing effective and reliable systems that can provide these insights.



We are integrating energy-efficient practices such as the battery storage technologies, replacing all bulbs with LED, implementing solar and sensor-based lighting through which we continue our endeavor to minimize our carbon

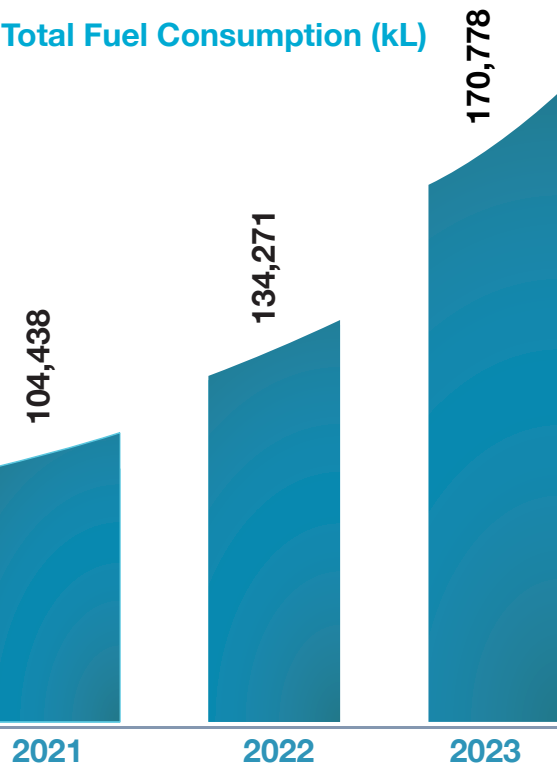
footprint, by promoting the use of responsible and sustainable solutions, we are committed to reducing the impact of our operations on the environment to ensure a cleaner and healthier planet.

Diesel Consumption (kL)



Rise in diesel consumption, primarily driven by operational expansion growing from a fleet of 40 rigs in 2021 to 67 active rigs in 2023

Total Fuel Consumption (kL)



Fuel usage, including diesel, petrol, and lubricant oil, shows an increase due to the operational expansion from 2021 to 2023

4.4. Water and Wastewater Management

Water and wastewater management in the oil and gas industry necessitates meticulous handling, treatment, and disposal of various waste and wastewater types generated during operations. This aspect of environmental management is critical for minimizing the industry's impact on ecosystems, human health, and regulatory compliance.

ADES recognizes the significance of responsibly managing and treating water before its release into the environment. To this end, we have implemented a comprehensive wastewater effluent management program as a pilot project in our Qatar operations, serving as a blueprint for our other sites.

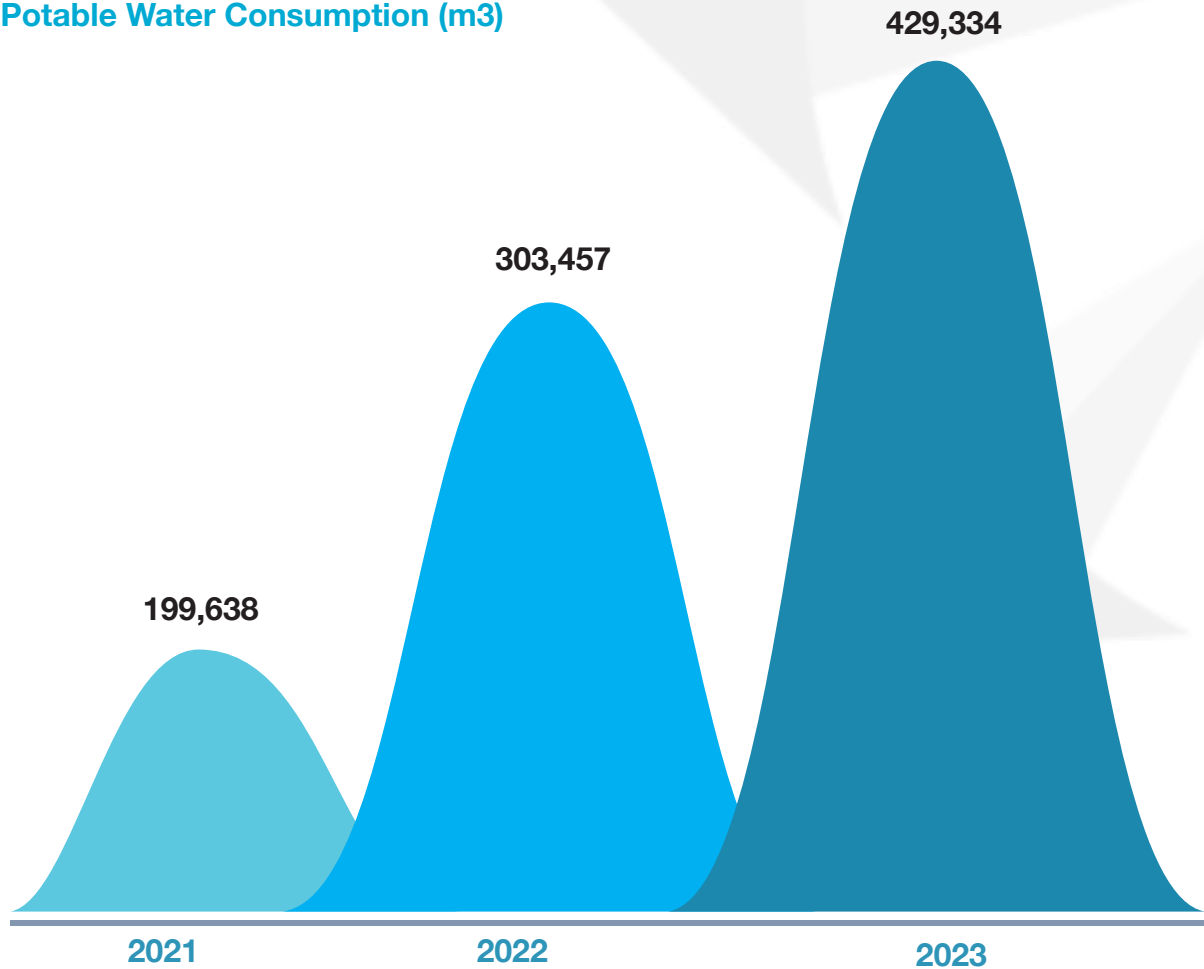
Key considerations and practices include:

Storage and Segregation of Wastewater:

- Waste and liquid products are stored in designated areas utilizing secondary containment systems.
- The characteristics and volume of wastewater are identified to determine the waste origination status, guiding corrective actions.

The following chart illustrates the rise in potable water usage attributed to the expansion of operations.

Potable Water Consumption (m3)



4.5. Waste Management

ADES is fully committed to ensuring that all generated waste undergoes proper identification and is stored until it can be collected, transferred, and managed in an environmentally responsible manner. This includes re-use, recovery, recycling, treatment, or disposal. As part of our dedication, we take all necessary measures, including the recycling of various waste materials such as paper, glass, tin, scrap metal, etc.

Hazardous waste mixed with any other waste

is managed as hazardous waste to minimize potential hazards associated with the waste we generate. Additionally, we maintain a rigorous waste segregation process at all times to ensure that waste is identified, categorized, and meticulously documented.

The waste generated is subject to meticulous segregation based on its type, whether it be paper, plastic, solid, hazardous, medical waste, food waste, etc. It is then loaded into specially designed skips. These skips are

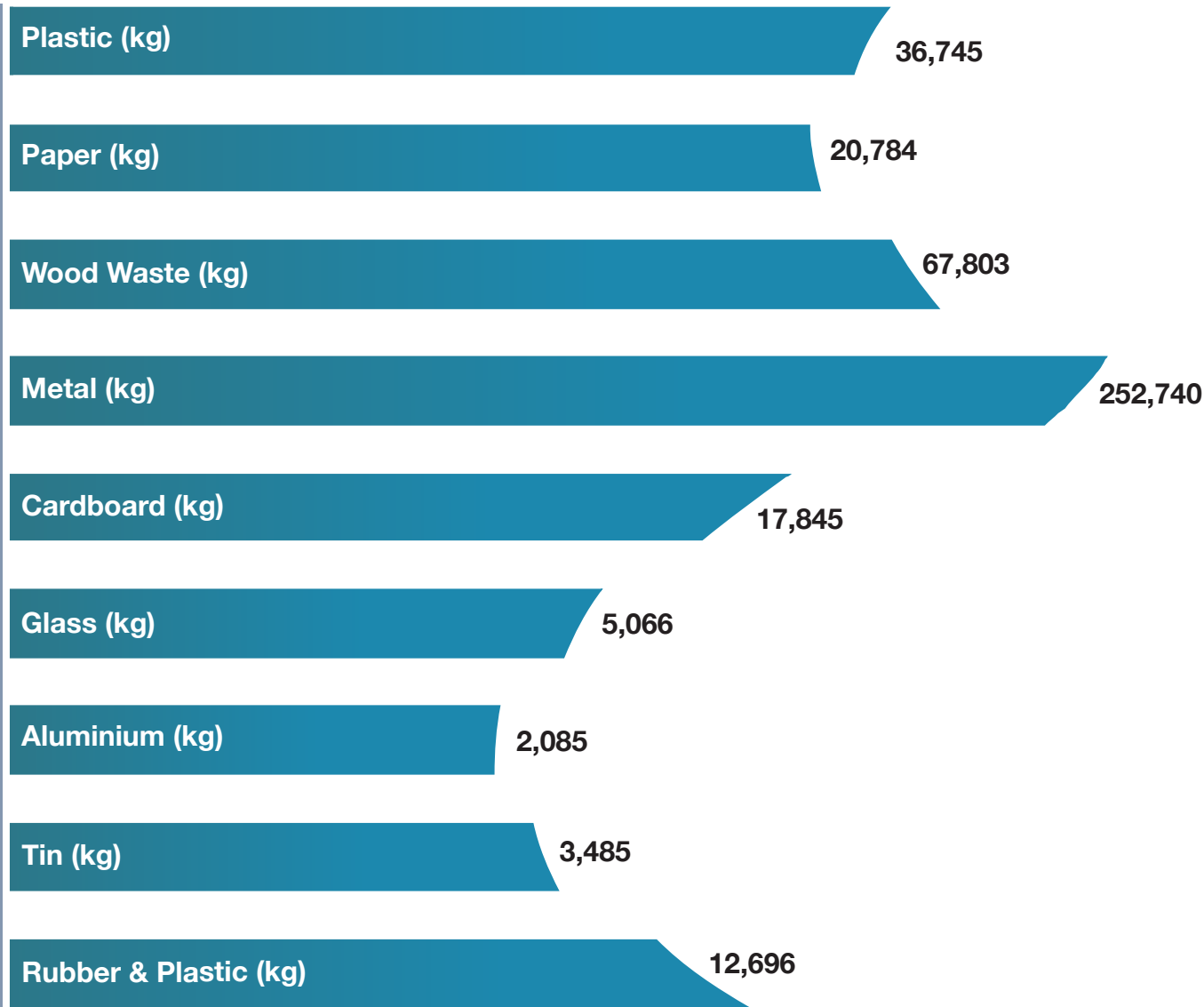
subsequently transported via supply vessels to our bases. Upon arrival at these bases, the skips are loaded onto trucks for onward transportation to the appropriate waste management facilities.

Similar segregation and transportation processes are applied to the waste generated from onshore rigs and facilities, ensuring that it reaches the appropriate facilities for responsible management. This meticulous approach underscores our commitment to environmental stewardship and responsible waste management practices.

The surge in waste is a result of ADES assuming direct control and accountability for waste management and monitoring in

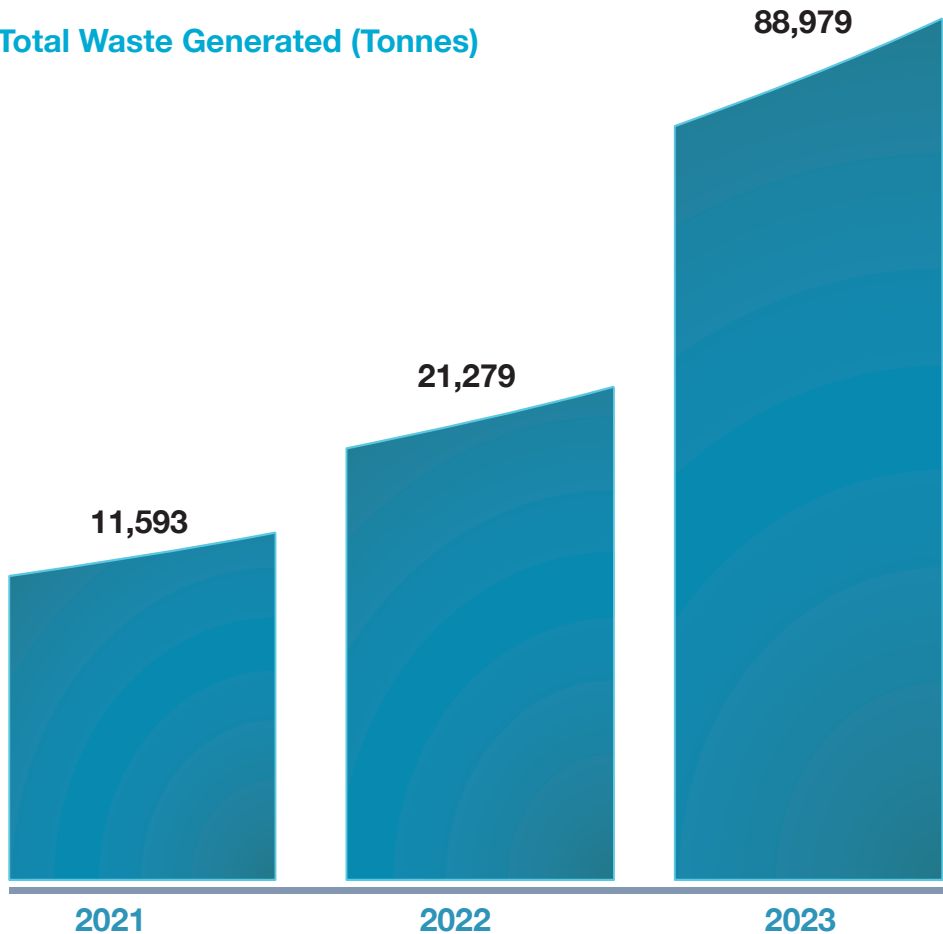
2023. Unlike 2022 and 2021, where contractors were responsible for managing waste and maintaining logs, the sudden increase in the graph is attributed to the change in approach and it is also a direct result of our strategic expansion in the oil and gas sector, reflecting heightened exploration and production activities by the clients. This growth aligns with our commitment to economic development and energy security, ensuring a sustainable and responsible approach as we meet the increasing global demand for energy. Our concurrent focus on waste reduction initiatives underscores our dedication to minimizing environmental impact during this expansion phase.

Recycled waste (kg)



The figure shows the amount of waste recycling. In the year 2023, a total of 419,249 Kg of waste were recycled

Total Waste Generated (Tonnes)





4.6. Air Emissions

ADES consistently conducts emissions measurements for various known atmospheric pollutants. Our annual Air Quality Program remained operational across multiple rigs, this activity is for the purpose of ensuring relevant governmental bodies and regulators. This air quality program encompassed emissions measurement and ambient air quality assessments for substances such as carbon monoxide (CO), sulfur oxide (SOx), nitrogen oxides (NOx), particulate matter (PM10 and PM2.5), and total suspected particulates (TSP). Furthermore, the data gathered from air quality

emissions also offered insights into greenhouse gas emissions from exhaust stacks, specifically those generated by our generators.

ADES continuously monitors the impact of emissions and has made significant investments to track them as we strive to set industry benchmarks for monitoring and measuring the emissions across all our geographical units of operations.

4.7. Biodiversity Monitoring & Management

Aligned with its commitment to biodiversity conservation, ADES has launched a tree-planting program in 2023, actively contributing to the enhancement of natural ecosystems. This

initiative underscores ADES's dedication to environmental sustainability and strengthens its role in supporting and preserving biodiversity.



SUSTAINABLE ECONOMIC GROWTH

5. Sustainable Economic Growth

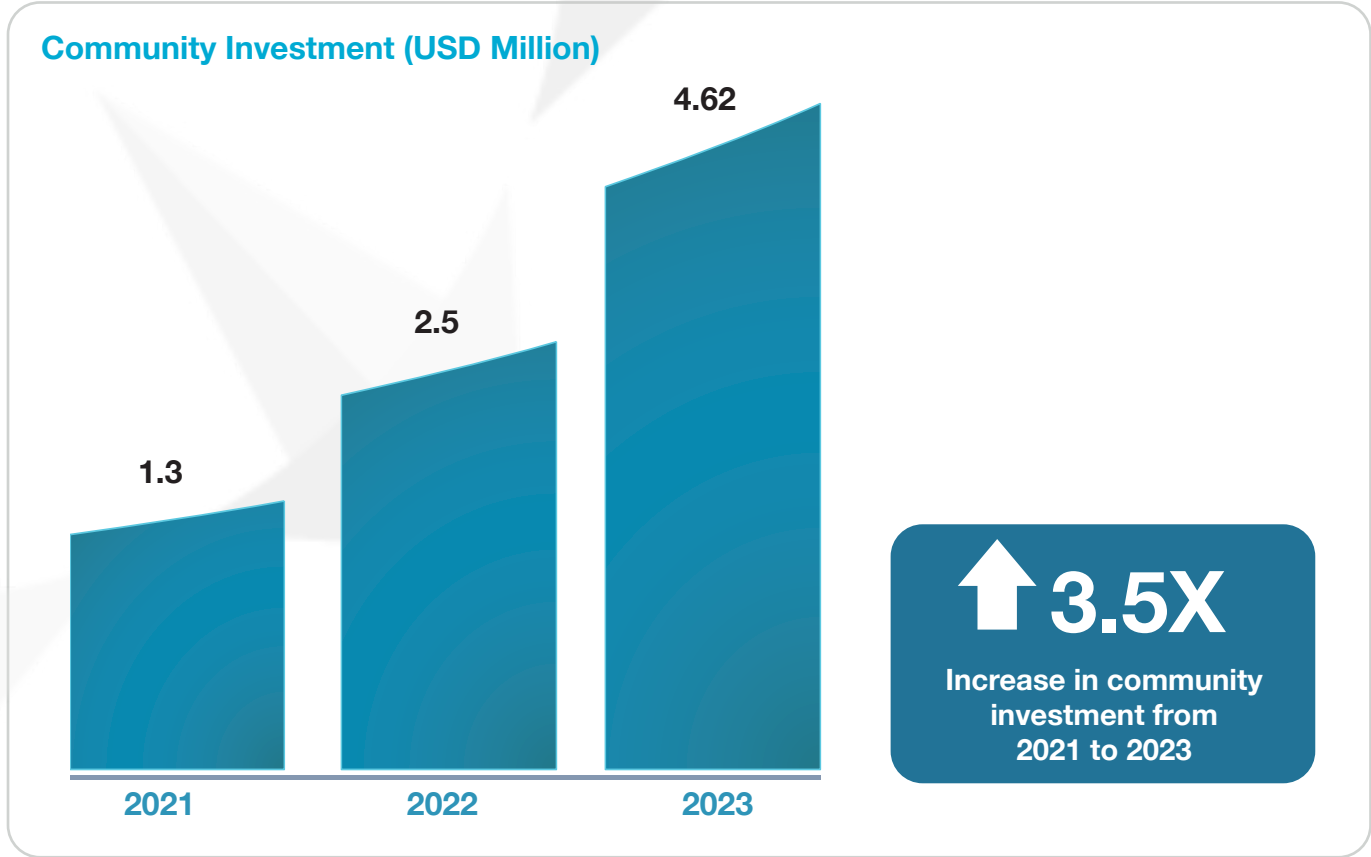
ADES is steadfastly dedicated to achieving enduring and sustainable economic growth by integrating various elements into its operational framework. These elements encompass investing in employee training, engaging in community initiatives, prioritizing sourcing from local suppliers, and promoting environmental resource efficiency. Despite the challenges posed by macro-economic factors, geopolitical instability, increased security risks, and insurance premiums, ADES sustainable economic growth underscores the company's resilience and strategic acumen.

ADES' resilient and cycle-proof business model offers a highly competitive day rate to its clients, calibrated to sustain during downturns and ensure sustainable operations for the benefit of the Group and its clients. Long-term Backlog, High Utilization Rates of rigs, and Consistent cashflow play a significant role to achieve sustainable economic growth.

ADES supports regional economic growth and enhances the resilience of its supply chain through sourcing of products from local suppliers. over 1000+ local suppliers were added during 2021-2023 to support the sustainable and local ecosystem.

ADES has made significant strides in demonstrating its commitment to social responsibility. Notably, the company has substantially increased its investments in the community, tripling its contributions. This action underscores its dedication to making a tangible and positive impact on the communities it serves.

ADES's commitment to community growth and welfare is exemplified by its substantial investment of SAR 17.33 million (\$4.62 million), marking an 84.8% year-over-year increase.



5.1. ADES Economic Performance



We are committed to generating sustainable value for our investors by implementing sustainable practices.

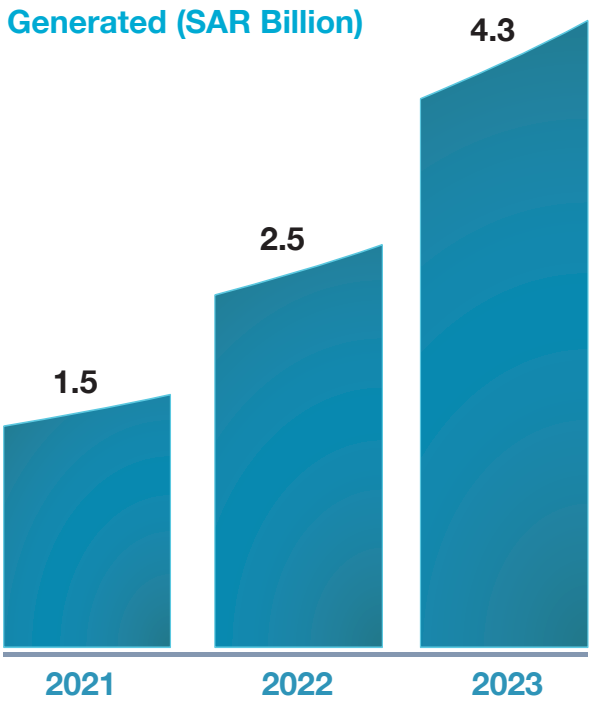
Ayman Abbas
Chairman

As a leading entity in the oil and gas sector, ADES holds considerable sway over economic development in the regions it serves. The company's operations play a pivotal role in job creation, revenue generation, and infrastructure development. ADES demonstrated strong performance in 2023, achieving robust revenue generation of SAR 4.31 billion (\$1.15 billion). This achievement underscores our substantial contribution to the community and the broader economy.

The company's investments in energy-related infrastructure, including drilling operations and facilities, serve as a significant catalyst for the local economy, fostering job creation and supporting regional development. Furthermore, ADES actively collaborates with local suppliers and service providers, strengthening the regional supply chain and unlocking additional economic opportunities.

ADES's unwavering commitment to sustainability and responsible practices paves the way for long-term economic benefits. By delivering reliable energy sources, driving technological advancements, and minimizing environmental impacts, ADES assumes a pivotal role in bolstering the growth and resilience of both local and national economies.

Revenue Generated (SAR Billion)



Key Highlights

- ▶ Large Footprint and Scale in the Most Attractive Drilling Markets with Significant Barriers to Entry
- ▶ Fit-for-Purpose Asset Fleet with a Track Record of Operational Excellence
- ▶ Resilient, Cycle-Proof Business Model and Ability to Perform Through the Cycles
- ▶ Highly Competitive due to Attractive Day Rates and Industry Low Acquisition Costs
- ▶ Stable and Long-term Backlog with Cash Flow Visibility and Steady Returns
- ▶ Robust HSE Policies and a Commitment to Sustainability
- ▶ Clearly Formulated Growth Strategies with Significant Optionality for Future Growth
- ▶ Highly Capable and Entrepreneurial Management Supported by Strategic Shareholders

5.2. Sustainable Procurement Practices

ADES is committed to integrating sustainable procurement practices within its operations. This commitment reflects our recognition of the environmental, social, and economic

impacts associated with procurement activities in the industry. Key aspects of our sustainable procurement practices include:

- 01

Environmental Considerations:
We prioritize suppliers who adhere to environmentally friendly practices, reducing the carbon footprint associated with the production and transportation of goods and services. Implementation of energy-efficient technologies and processes is encouraged among our suppliers.
- 02

Social Responsibility
ADES promotes suppliers who uphold fair labor practices, ensuring that workers involved in the supply chain are treated ethically and work under safe conditions. We support suppliers that contribute positively to the communities in which they operate, fostering social development and well-being.
- 03

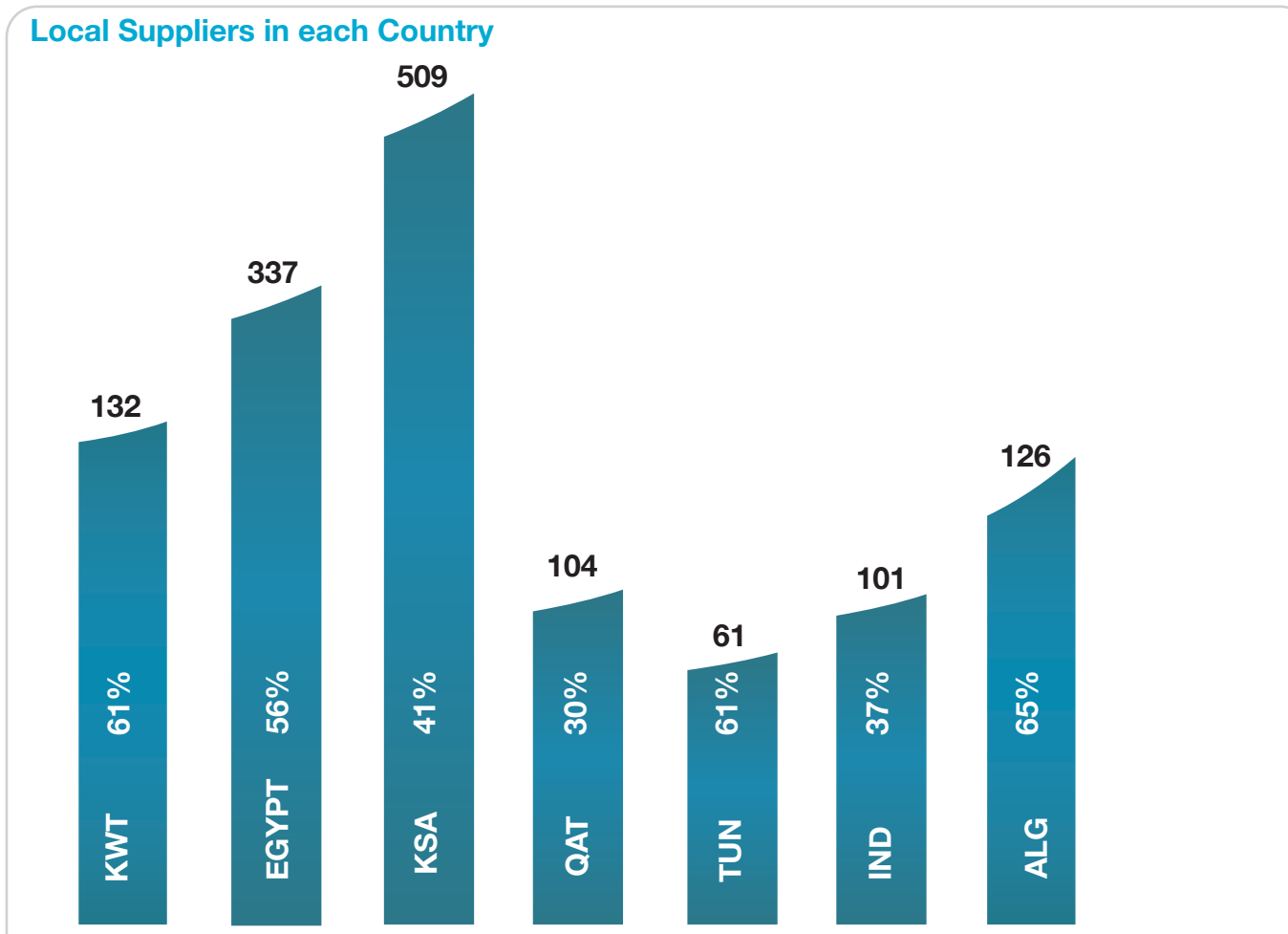
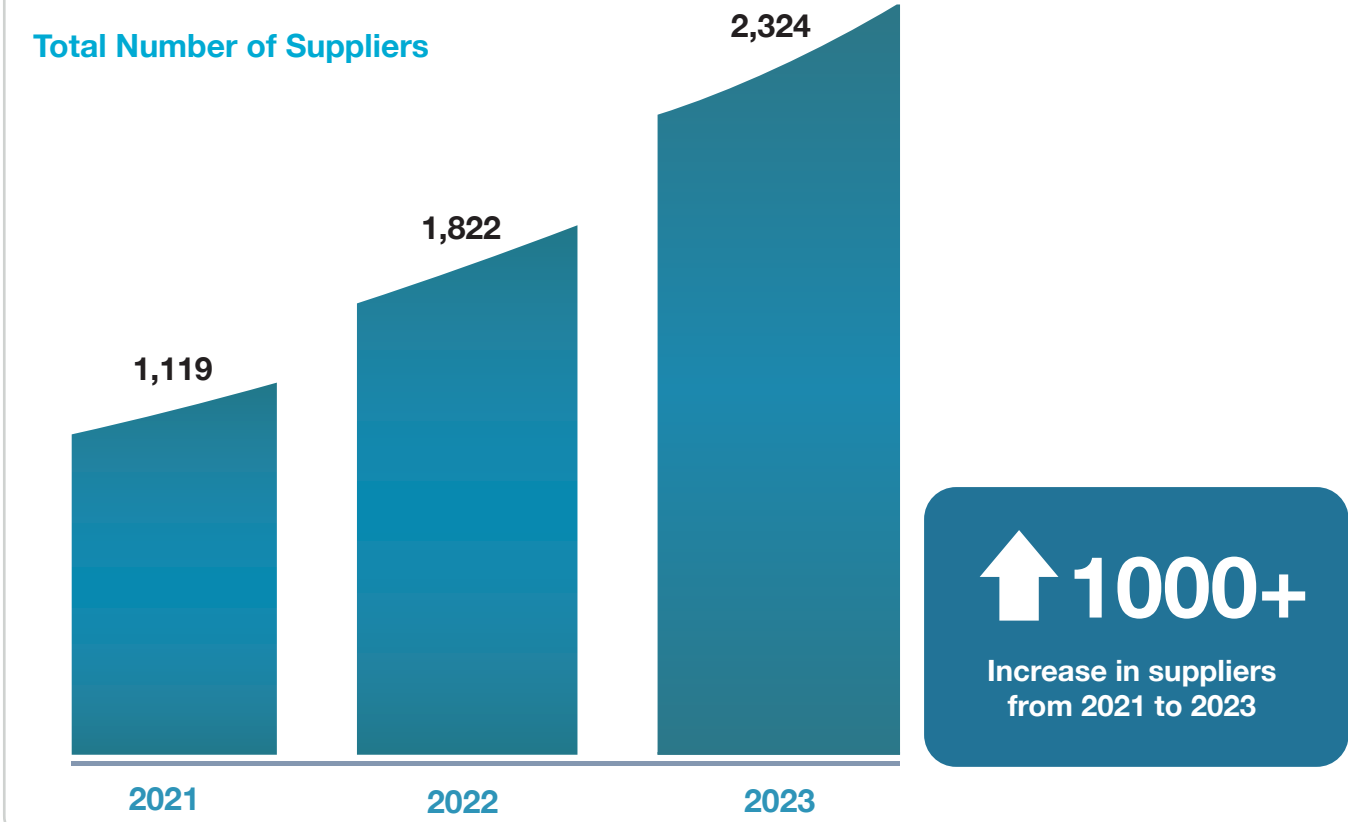
Ethical and Transparent Sourcing:
ADES emphasizes ethical sourcing by selecting suppliers who comply with anti-corruption and bribery laws. Transparent supply chain practices are encouraged, providing visibility into the origin and production processes of goods and services.
- 04

Local Content and Community Engagement:
We actively engage with local suppliers and support initiatives that enhance local content in the supply chain, contributing to the economic development of the regions where we operate. Community engagement is integral, and suppliers are encouraged to participate in initiatives that benefit local communities.
- 05

Long-Term Partnerships:
ADES seeks to establish long-term partnerships with suppliers who share our commitment to sustainability, fostering collaborative efforts towards continuous improvement. Suppliers are evaluated not only based on cost-effectiveness but also on their alignment with our sustainability goals.

The number of suppliers increased from 1,822 to 2,324 from 2022 to 2023, which demonstrates our strides in building partnerships. At the same time, we focus our efforts on building local eco-systems with a special focus on

partnering with quality suppliers and nurturing talent. Hence we have a steady stream of local suppliers. With more than 1,000 local suppliers in 2023, we are amongst the largest contributors to adding value to the local ecosystem in the region.



5.3. Sustainable Finance Generation through IPO

ADES disclosed its plan to progress, incorporating a sustainability perspective, by offering 30% of its share capital to the public through an Initial Public Offering (IPO).

This strategic move involved listing shares on the Main Market of the Saudi Exchange, providing investors with an enticing opportunity to engage with a key sector in Saudi Arabia while aligning with sustainable business practices.

This initiative aimed to not only foster financial growth but also promote sustainability within the company’s operations.

This move not only provides investors with an opportunity to engage in one of Saudi Arabia’s leading sectors but also facilitates the involvement of international finance institutions, banks, and advisors in the IPO process, contributing to the company’s growth.

IPO HIGHLIGHTS

338,718,754

total shares offered

237,103,128

shares newly issued

30%

of the Company’s issued share capital (after the capital increase)

100%

offer shares will be allocated to institutional investors

101,615,626

shares sold

10%

offer shares to be clawed back and offered to retail investors

ADES Holding emerges as a beacon of achievement, awarded the coveted IPO of the Year 2023 - Main Market at the Saudi Capital Market Awards 2023.

Produly, ADES IPO was one of largest and most influential transactions on the Saudi Excahnge Main Market - Tadawul in 2023.



A monumental picture of the accolade and ADES Holding leadership. From the left, Omar Abdel Magied, Investor Relations team, Ayman Abbas, ADES Holding Chairman, Hussein Badawy ADES Holding CFO, Dr. Mohammed Farouk, ADES Holding CEO and Taher Seif, Investor Relations team.



SOCIAL STEWARDSHIP

6. Social Stewardship

ADES is dedicated to ensuring that our business operations not only generate profits but also leave a positive and enduring impact on society. To achieve this dual objectives, we place a strong emphasis on local community development by forging partnerships with local suppliers, increasing employment opportunities locally, and investing in education and training initiatives. Recognizing our pivotal role as an employer, we prioritize the safety and well-being of our employees, fostering an environment that values their health and security.

ADES is committed to social responsibility, striving to make a positive impact beyond profit generation. Through a range of initiatives, we prioritize health, safety, community engagement, and empowerment. We celebrate the diverse talents of our team, including their success in events like the Egyptian National Companies Paralympic Games.

Our participation in events like the SADA annual marathon underscores our commitment to physical health and community well-being. Additionally, our training programs, including the Graduate Training Program (GTP) and Accelerated Safety Training Program (ASTP), demonstrate our dedication to nurturing talent and enhancing safety awareness.

More information and initiatives will be presented in the following subsections. Through these initiatives, ADES remains steadfast in its pursuit of social stewardship, fostering a safer, healthier, and more sustainable future for all.

Under strong leadership programs like the FamilySafe campaign promote safety and cybersecurity awareness within our employees' families, while educational sessions during Pink October address critical health issues.



6.1 FamilySafe



Safety to ADES Family & Beyond

The FamilySafe campaign, integral to our sustainability and corporate responsibility efforts, is a comprehensive initiative aimed at promoting Health, Safety, and Environment (HSE) practices and cybersecurity awareness within our employees' families.

Tailored for children aged 5 to 15, the campaign cultivates safety across various realms, including home, road, and the digital space. Through educational materials, interactive workshops, and practical demonstrations, we empower children to navigate physical and digital environments securely.

The primary goal of the FamilySafe Campaign is to instill a proactive HSE mindset among

children, encouraging them to identify and communicate unsafe behaviors effectively. Using age-appropriate content and activities, our aim is to equip participants with the tools to recognize hazards and adopt safe practices. Additionally, the campaign addresses cybersecurity, emphasizing online safety.

Moreover, we promote open communication between parents and children, facilitating dialogue about safety concerns. Participants also receive safety booklets to reinforce key learnings.

This initiative embodies our commitment to building a resilient community that values and practices safety in everyday life.

The ultimate aim of the FamilySafe campaign is to create a safer environment for families by establishing a strong foundation of safety practices. We encourage open communication between parents and children

and provide participants with safety booklets to reinforce and internalize key learnings. This initiative embodies our commitment to building a resilient community that values and practices safety in everyday life.

The campaign unfolds through a structured series of steps:

- 01

Introduction
Commences with a captivating video showcasing safety at home, on the road, and in the digital space, highlighting common hazards.
- 02

Interactive Activity
Spot the Hazard: Participants engage in identifying and discussing safety concerns in displayed images. The content is tailored to child-friendly language for ages 5-9, with more detailed examples for ages 10-15.
- 03

Preventing Accidents
Presents age-appropriate safety rules through engaging visuals and videos depicting safe practices.
- 04

Storytelling
Safety Adventures with Buddy (Safe and Safa) – Shares a relatable story featuring a character's journey in learning about home safety. Colorful illustrations, animation, and interactive elements keep the younger audience engaged.



6.2. Human Capital Development

ADES prioritizes its team members, acknowledging them as the most valuable asset within the organization. Our unwavering commitment to the development and growth of our workforce is reflected in our robust human capital development initiatives. These programs are meticulously crafted to elevate the skills and knowledge of our team members, ultimately enhancing job performance, boosting productivity, and fostering a culture of innovation. In pursuit of these objectives, we have strategically

implemented a range of programs aimed at building diverse capabilities in alignment with our overarching strategy. Attracting top talent, retaining key individuals, and cultivating employee skills and competencies are central to our approach. We prioritize comprehensive job training and development, coupled with fair and equitable compensation and benefits. Our commitment extends to creating an inclusive work environment that is both safe and conducive to the well-being of our employees.



Ahmed Mohy, ADES Egypt country manager addressing the candidates in the Fast Track Opening event globally - Egypt office.



2. Internship Programs

ADES offers both *Summer & Winter Internship Programs* for undergraduates, providing them with valuable educational and practical experience in professional settings within the drilling industry. These programs give students the opportunity to gain hands-on experience, access the drilling industry, and test their interest in a particular career path before officially starting their careers. Whether during summer or winter breaks, these internships allow students to explore various roles and responsibilities within ADES, contributing to their personal and professional development.



1. Fast Track Programs

The *Graduate Training Program* accelerates the progression of junior engineers through hands-on and classroom learning.

The *Access To Offshore Program* provides theoretical and practical offshore rig experience for onshore staff, creating a pipeline of senior rig personnel.

The *Accelerated Safety Training Program* focuses on preparing standalone Rig Safety Officers (RSOs) for senior roles through self-paced learning and practical exposure.

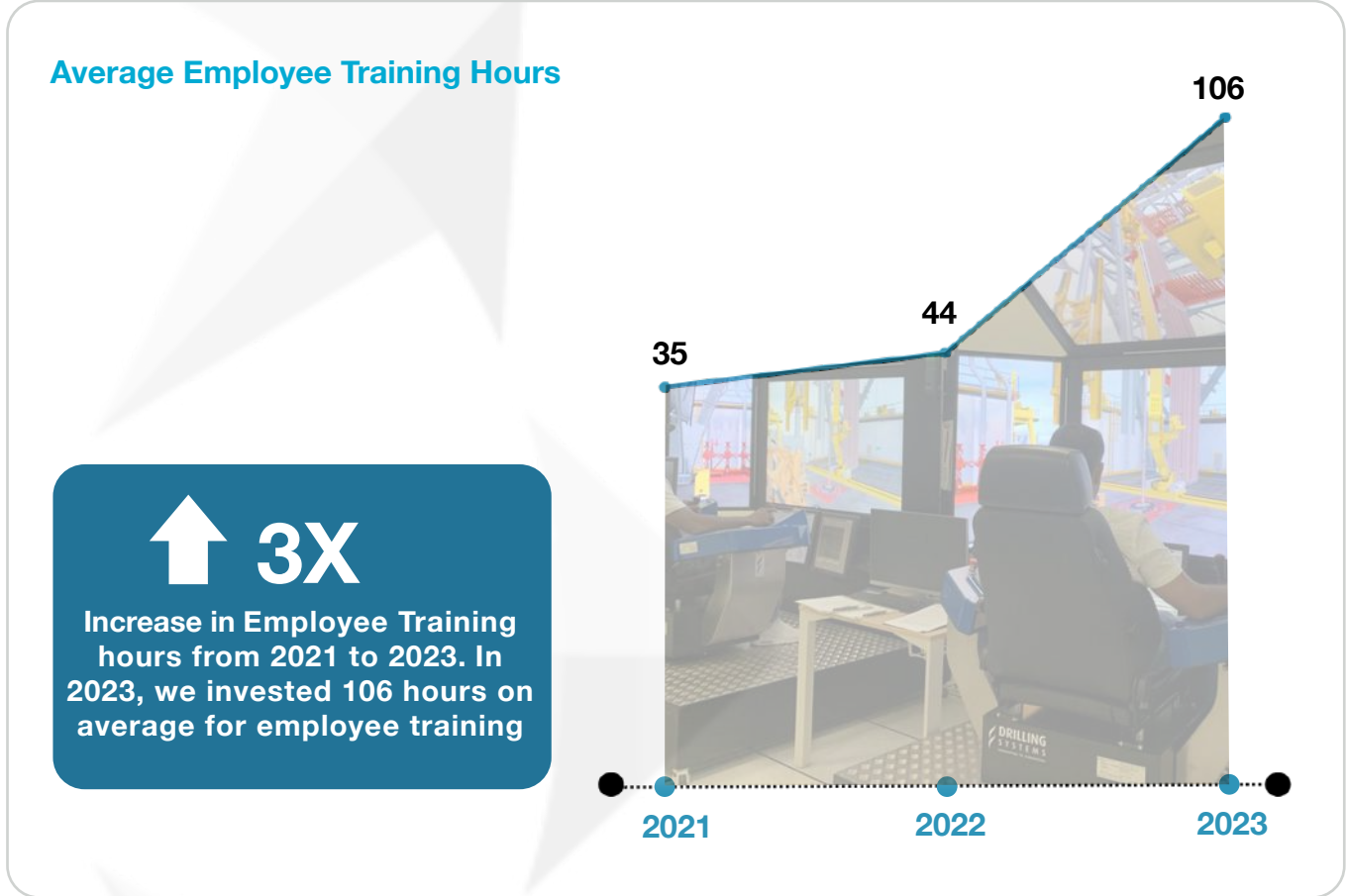


3. Safety Leadership Program

ADES proudly launches the “*Seed to Harvest*” *Safety Leadership Program* as part of the 2023 QHSSE corporate plan. This initiative targets Executives, Directors, Managers, and supervisors, instilling comprehensive safety leadership skills. Through tailored training focused on “Establishing foundations, building knowledge, practicing habits, and delivering safe jobs,” participants gain tools to identify risks, enhance safety communications, and implement error-free systems, fostering a secure working environment and enhancing overall performance.

A significant investment is made in employee training and development, providing access to a range of programs and courses that enhance knowledge, skills, and abilities. We leverage the Skills VX Software to manage Training & Competency, empowering Rig Managers, and a large section of our workforce to monitor and enroll in applicable courses independently.

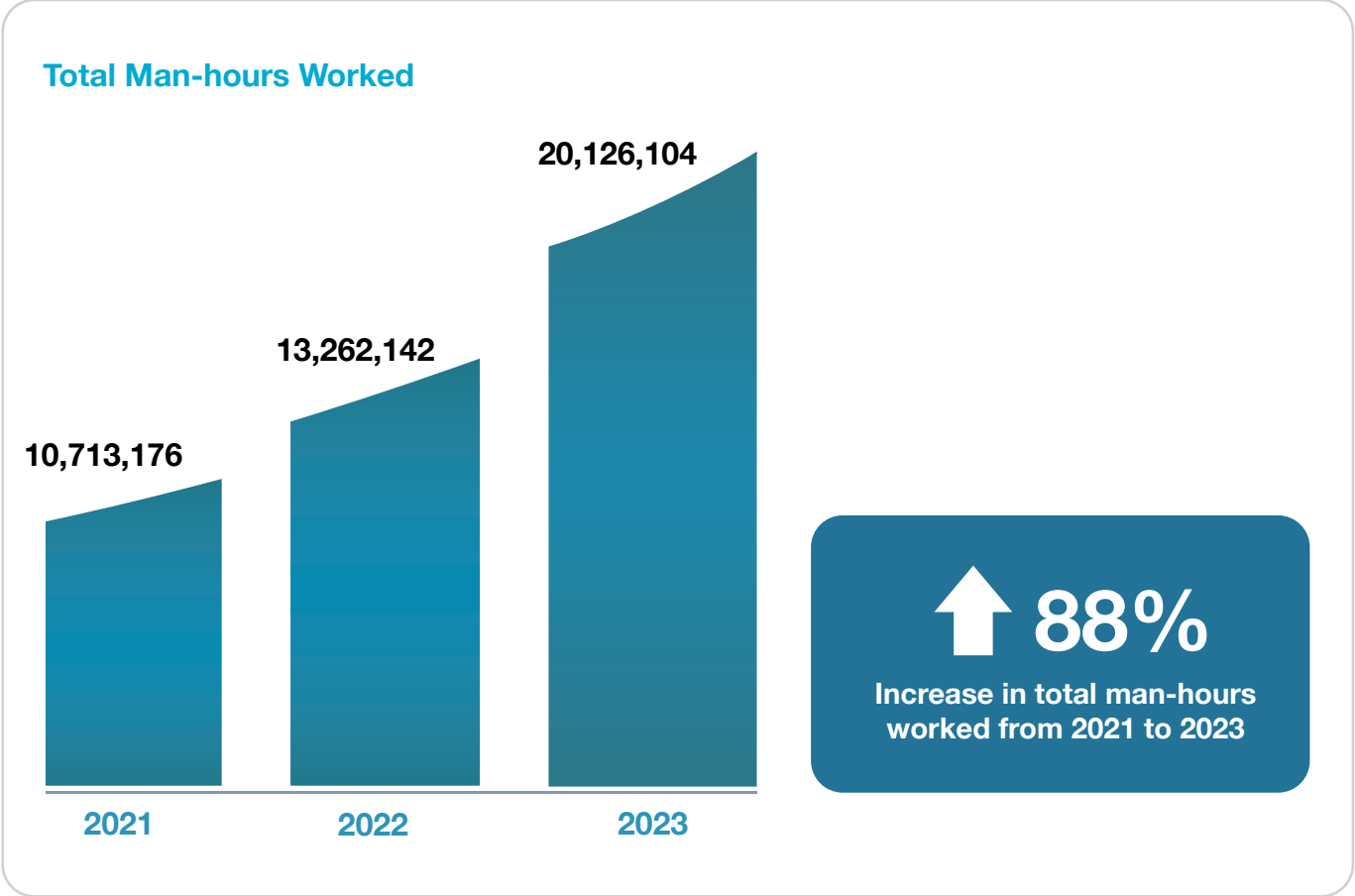
In keeping with modern trends, we have heavily invested in various e-learning courses, making several online courses available for our employees. These training programs are tailored to enrich both technical and soft skills, driving improved performance, efficiency, and preparing individuals for new roles and leadership positions.



We prioritize performance management through regular feedback and coaching sessions, goal setting and aligning the employee goals with the business objectives. We also provide employees with transparent career development paths so they can advance their careers and achieve their professional goals within the company. Additionally, we place a strong focus on succession planning, ensuring that our employees are prepared to take on additional responsibilities and leadership roles when the need arises.

At ADES, we recognize the valuable contributions of workers who are not traditional employees, such as catering and medical support contractors, freelancers, and temporary staff. These individuals play integral roles in various aspects of our

operations, offering specialized skills and flexibility to meet evolving needs. While their employment terms and benefits may differ from regular employees, we ensure that their contributions are valued and that they operate within a framework of mutual respect and collaboration. ADES remains committed to fostering inclusive work environments that leverage the talents of all individuals, regardless of their employment status.



The surge in women employees at ADES is unmistakably evident, with a remarkable 66.12% increase observed from 2021 to 2023. This substantial rise underscores the company's commitment to diversity and inclusion, as well as its efforts to create a

more balanced workforce. As depicted in the graph below, the upward trajectory showcases ADES's dedication to fostering an environment where women are empowered to thrive and contribute significantly to the organization's success.



6.3. Training and Education

At ADES, we place a strong emphasis on continuous upskilling and cross-skilling of our workforce as a fundamental driver of organizational success. Our comprehensive human development program is strategically crafted to enhance the skills and knowledge of our employees while fostering their professional growth.

Our training programs encompass various stages, starting with onboarding for new hires, on-the-job training, and targeted leadership development workshops. Upon joining, employees undergo a dedicated 3-month training program, consisting of orientations and awareness sessions, ensuring a smooth integration into the company culture.

Utilizing multiple channels, our Learning and Development programs empower employees to pursue internal training, industry-specific

courses, certifications, or academic degrees aligning with organizational needs. We actively support our workforce in pursuing educational opportunities that align with their professional goals, offering financial assistance for higher education courses beneficial to their roles within the company. This inclusive approach extends educational opportunities to underprivileged members of society facing financial constraints, fostering a commitment to continuous learning.

The Training and Education programs are meticulously monitored through a performance management system aligning business objectives with individual development plans. This creates a framework where employees are both accountable and committed to their skill development, receiving support from management to achieve these objectives.

Training and Educational Programs

01

HR Workshops and Training Programs
ADES continuously conducts “HR Workshops” across all its operating countries as part of its human capital development strategy. These workshops aimed to enhance employee skills and knowledge across various aspects of human resources.

02

Drilling for Non-Drillers
ADES organized the “Drilling for Non-Drillers” workshop in partnership with the Saudi Arabian Drilling Academy (SADA). This initiative provided ADES employees with insights into the basics of drilling operations, enhancing their understanding of drilling processes and equipment.

03

Beginners Boot Camp:
ADES initiated a four week intensive program targeting Saudi young locals equip them with skills related to drilling safety and rig duties.



ADES is scheduled to provide sustainability training to all the employees including senior managers in 2024. This plan aims to equip individuals with the knowledge and skills needed to promote environmental, social, and governance responsibility and understanding.

We firmly believe that investing in the training

and education of our employees enhances their technical and soft skills, resulting in a workforce capable of delivering high-quality work. This approach ensures our employees remain competent, knowledgeable, and motivated, enabling them to meet short-term objectives and adapt to the evolving requirements of our long-term growth strategies.



6.4. Social Initiatives

At ADES, we firmly believe that promoting social welfare and advancing community development are integral facets of our corporate social responsibility. We are dedicated to showcasing an unwavering commitment to supporting social initiatives that make a tangible difference in the lives of individuals within our communities.

Under the patronage of His Excellency Prince Saud Bin Nayef Bin Abdulaziz Al Saud - Governor of the Eastern Province, we were honored to be the main sponsor of Wadaef Job Fair 2023. With more than 5000 visitors and applicants, we were pleased that ADES embarked on one of the most remarkable activities in the Eastern Province; providing valuable career guidance and opportunities for all job seekers.



We take pride in supporting Al-Nas Children's Charitable Hospital and collaborating with community organizations to enhance living conditions in our operational areas. Our efforts focus on initiatives that promote social growth and resilience.

We are proud to sponsor the IADC student chapter at King Fahd University of Petroleum & Minerals - KFUPM. Empowering the future, investing in education, and supporting the leaders of tomorrow, this sponsorship reflects our commitment to nurturing talent and contributing to educational initiatives.



41% of our supplies are from local vendors ²

74% Saudization rate for operations in the KSA



52% Rating achieved on Aramco's IKTVA¹ index

In KSA, ADES is dedicated to transferring its global expertise and know-how to the Saudi Arabian (KSA) market, aiming to establish a benchmark in operational performance, safety, and client satisfaction. Moreover, the Group is actively nurturing new businesses to contribute to the localization of the industry's value and supply chains, while also championing national entities within the KSA, aligning with the

Kingdom's localization initiatives. Notably, ADES maintains a commendable Saudization rate of 74% for its operations in the KSA. Additionally, the Group boasts a fleet meticulously tailored to meet the unique operating environment and requirements of Saudi Aramco, consistently achieving high scores on Aramco's In-Kingdom Total Value Add (IKTVA) index (52%).

- ▶ Advancing local partnerships through the implementation of the company's localization strategy.
- ▶ Instituting a comprehensive company-wide initiative to procure raw materials from local suppliers, enhancing both operational and financial efficiency.
- ▶ Cultivating a diverse workforce with a robust local presence at its core.
- ▶ Demonstrating a proven track record of prioritizing local clients across all key markets served by the company.

Throughout our journey, we have realized the significance of standing up and supporting our communities during times of hardship. As part of our social initiatives, we have organized numerous community welfare activities, including the distribution of essential items, medical supplies, and donations to hospitals. Over the past three years, we have invested over

SAR 16.88 million (4.5 million USD) in community initiatives, nearly doubling our contribution from the previous year. Additionally, we have extended our support to the communities surrounding our operations by improving access to healthcare facilities, providing public health education, and supplying potentially life-saving medical equipment.

6.5. Health, Safety, and Code of Conduct

Our dedication to health, safety, and ethical conduct of our workforce are paramount for the success and advancement of our business.

We have established a “SPEAK UP” channel to safeguard our employees, contractors, clients, external business partners against any incidents of safety and legal misconduct. This platform serves as a mean for all to voice their concerns and report any issues, ensuring a safe and secure working environment for everyone.

SPEAK UP

- 01 DOCUMENT THE FACTS IF POSSIBLE
- 02 INDICATE IF ITS A SAFETY OR A LEGAL ISSUE
- 03 MAKE THE CALL OR SEND THE E-MAIL
- 04 DECIDE IF YOU WANT TO REMAIN ANONYMOUS

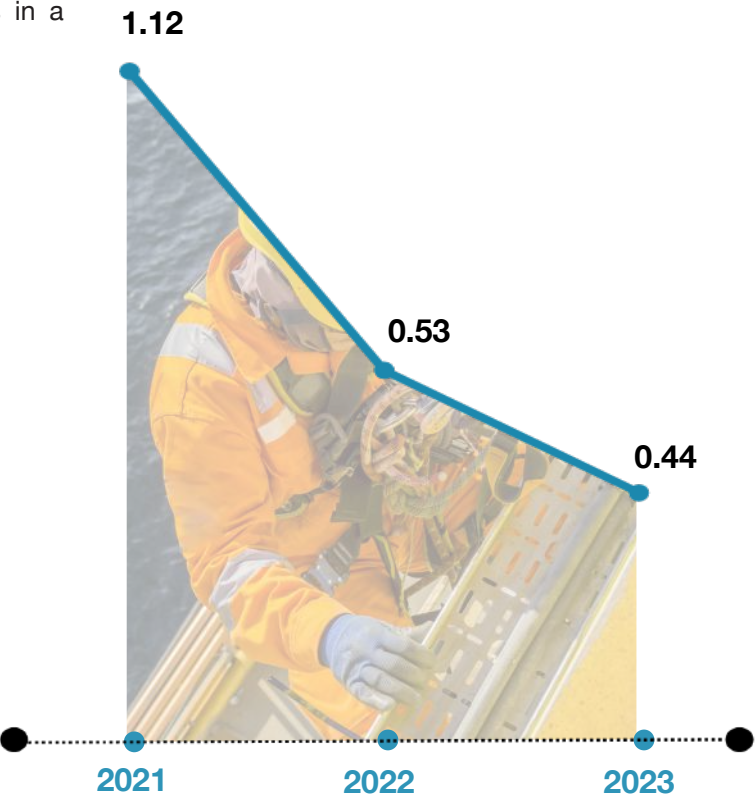
The 24/7 hotline platform grants you full access on several reporting channels that could be used from our internal dialing network or externally from any mobile or landline. It also guarantees anonymity as part of the reporting process to feel safe and confident when it comes to preserving employees' identities or against internal threats.

Use any of the below reporting lines to channel your reporting:
Our internal VOIP number 100410 or,
Dial 0020223660160 using external Land/Mobile lines or,
Send an email to compliance@adesgroup.com

Safety Performance and Analysis

Recordable Injury Frequency Rate (RIFR)

RIFR: the frequency of recordable incidents in a workplace.



↓ 60%
decrease in RIFR
from 2021 to 2023

Number of Medical Treatment Case (MTC)

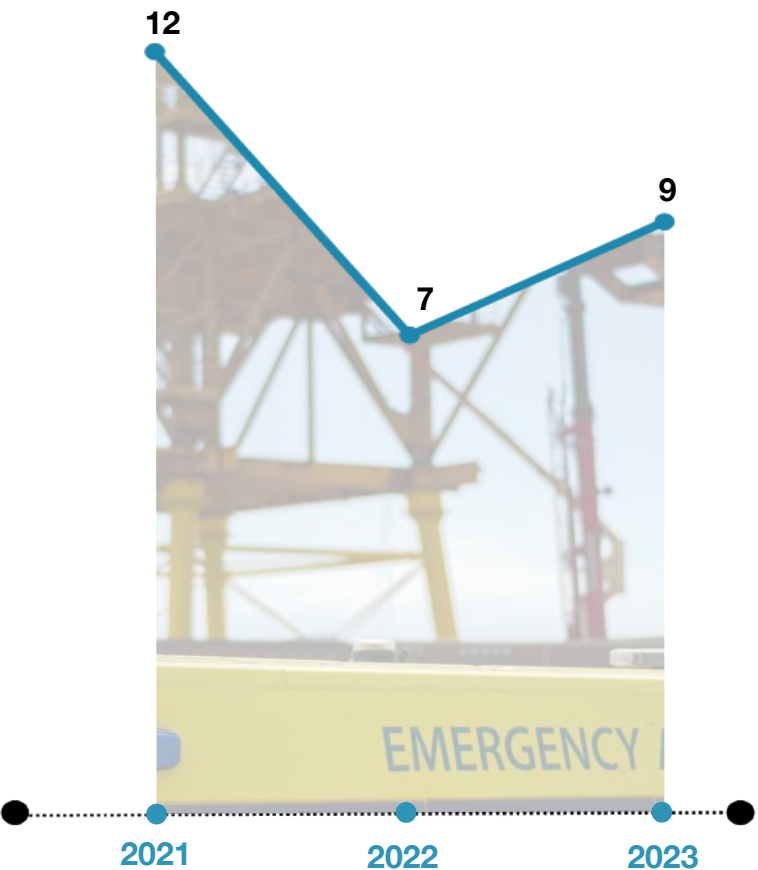
Medical Treatment Cases: the total number of cases where employees received medical treatment as a result of work-related injuries or illnesses.



↓ 50%
decrease in MTC
from 2021 to 2023

Number of Recordable Cases (RC)

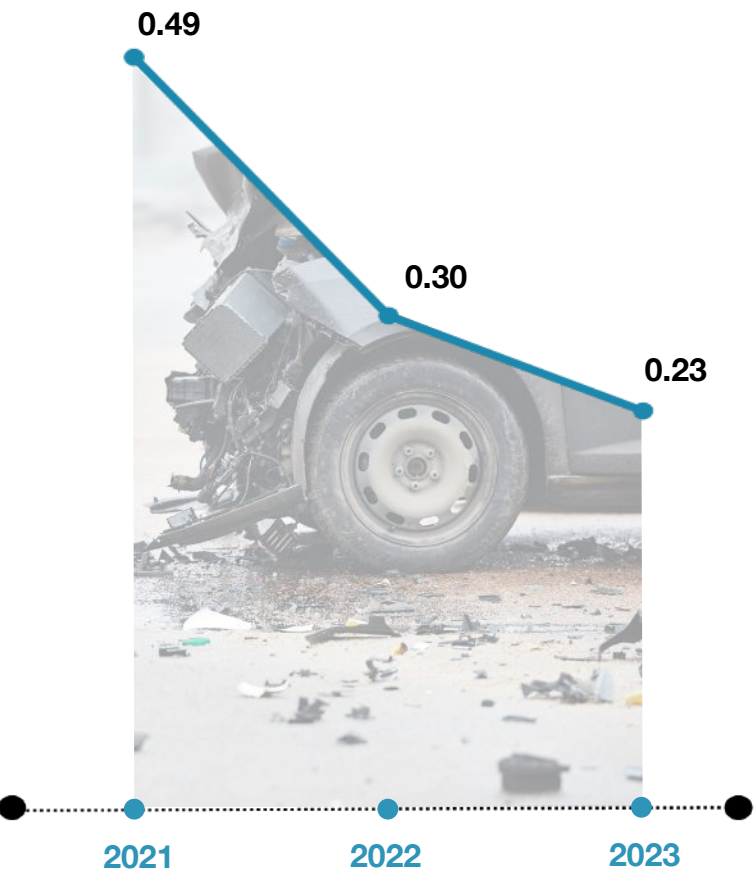
Recordable Cases: work-related incidents or injuries that meet specific criteria for recordkeeping purposes



↓ 25%
reduction in RC
from 2021 to 2023

Road Traffic Accident Rate (RTA)

Road Traffic Accident: the frequency of road traffic accidents involving company vehicles or employees while on duty.



↓ 53%
drop in RTA
from 2021 to 2023

Hands-Free Tools Program

ADES has recognized the importance of addressing work-related hand and finger injuries, particularly those arising from manual tasks during maintenance, lifting, equipment handling, and load maneuvering, some of which have resulted in Lost-Time Incidents.

To mitigate such risks, ADES has introduced Hands-Free Tools (HFT) Training, emphasizing the adoption of “Hands-Free Tools” to eliminate

pinch points and crush points, thus preventing hand and finger injuries. The standardization of Hands-Free Tools ensures the appropriate selection of tools for specific tasks, promoting safe and efficient practices.

This initiative aligns with ADES’s objective of enhancing workplace safety, emphasizing proper training and tool usage to achieve optimal outcomes and reduce injury occurrences.

Slips, Trips & Falls Program

ADES has undertaken initiatives to prevent slips, trips, and falls through the Preventing Slips, Trips & Falls Campaign Program, a comprehensive endeavor aimed at enhancing safety on the rig. The program incorporates a Slips, Trips & Falls Safety Stand Down, strategic placement of campaign posters in key locations, incorporation of hazards into relevant Job Hazard Analyses (JHAs) and

Risk Assessment and Prevention Plans (RSPs), review of existing controls, and conducting hazard hunts, with findings documented and uploaded to ADES Reporting Platform. This holistic approach ensures a proactive stance towards safety, addressing potential hazards and continually improving preventive measures to establish a secure working environment.

Journey Management Program

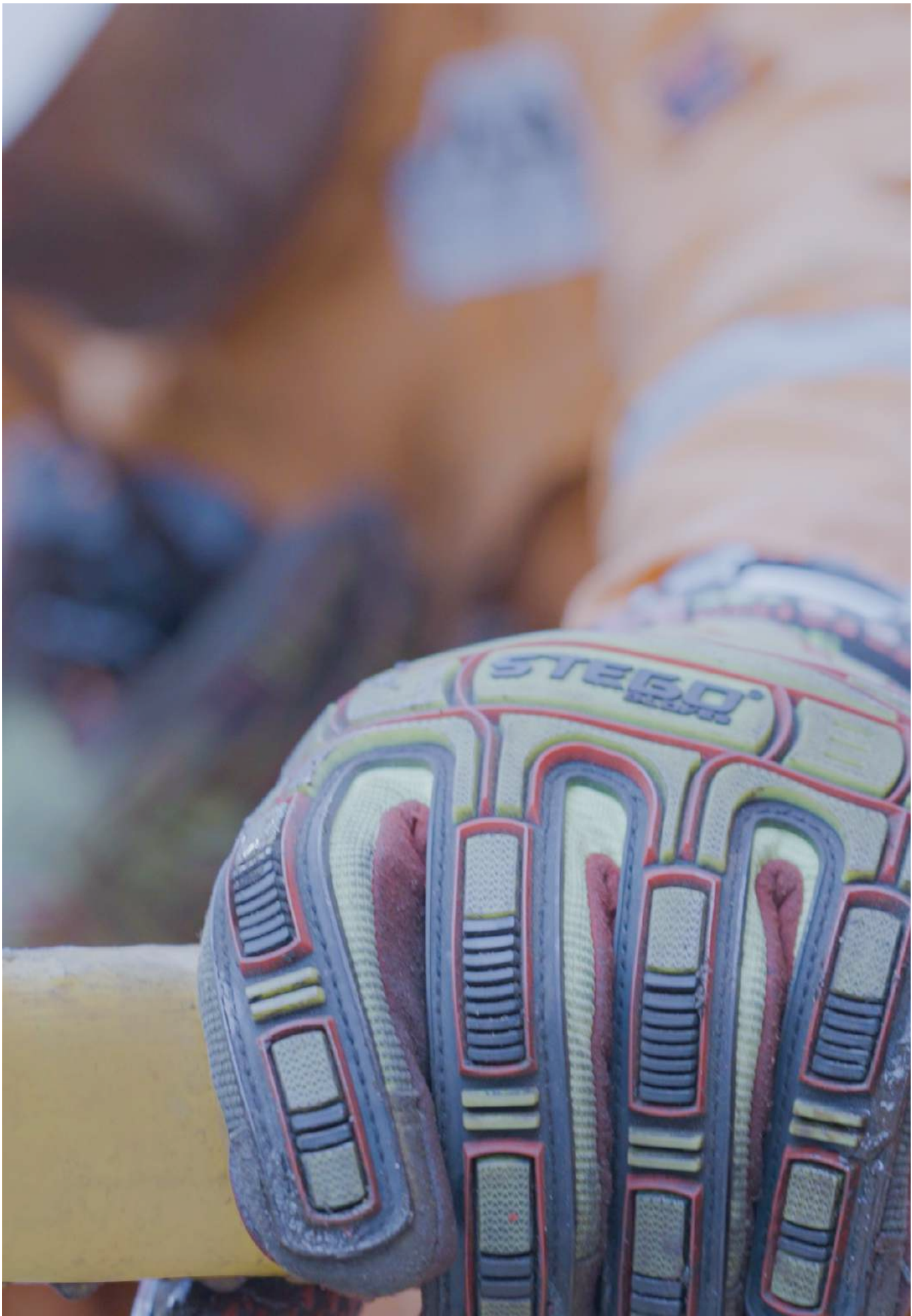
ADES has implemented a comprehensive Journey Management Program for work-related road trips, ensuring safety and efficiency. Approved routes are utilized, with night driving avoided unless necessary, and provisions of food, water, and emergency equipment made mandatory. Continuous safety monitoring is maintained through

the Journey Control Centre, with safety protocols enacted if a vehicle deviates from the scheduled time. A monthly Journey Auditing Program has been instituted to further enhance safety measures and adherence to protocols, highlighting ADES’s commitment to ensuring secure and well-managed work-related road trips for all personnel.



With our dedication to safety, deployment of cutting-edge technology, and enforcement of safety rules and protocols, we have attained outstanding outcomes in minimizing the frequency of injuries, recordable cases, medical treatment cases, and road traffic accidents.

Mehdi Hamel
QHSSE & Sustainability VP





Health, Safety, Environment Management Systems (HSEMS)

ADES upholds an unwavering commitment to safety, environmental conservation, and the well-being of all individuals within our operational sphere. These principles are deeply embedded in our corporate culture and are accorded equal importance alongside critical aspects such as operational efficiency, customer service excellence, and financial viability.

We are dedicated to conducting all activities in strict adherence to both explicit requirements and the overarching spirit of international and local environmental laws, regulations, and any other obligations we embrace. This

commitment spans all facets of our operation, reaffirming our responsibility to safeguard health, safety, and the environment while minimizing any adverse impacts arising from our activities.

Furthermore, we recognize that our journey toward excellence is continuous. In this vein, ADES has initiated a systematic process of continual improvement. We believe that the pursuit of excellence demands dedication, adaptability, and a proactive approach to evolving industry standards, best practices, and the changing needs of our stakeholders.

ADES Commitment on the HSEMS

- ▶ Striving for an Injury/Accident-Free Workplace.
- ▶ Active involvement and commitment of management at various organizational levels, allocating adequate financial and other resources for superior health and safety performance.
- ▶ Ensuring that the safety of our personnel and the environment is non-negotiable.
- ▶ Respecting, tolerating, and appreciating Time Out for Safety (TOFS) and Stop Work Authority (SWA).
- ▶ Preserving the environment in which we operate while minimizing waste and our carbon footprint.
- ▶ Taking a leading role in promoting best practices within our industries.
- ▶ Maintaining compliance with all applicable local and international regulatory and other requirements.
- ▶ Establishing improvement targets, measuring, evaluating, and reporting performance.
- ▶ Identifying customer requirements and effectively communicating these needs within various company departments to ensure continuous customer satisfaction.

6.6. Workplace Diversity & Inclusion

Workplace diversity and inclusion form integral components of our corporate ethos. We are firm in our commitment to fostering a work environment that mirrors the richness and diversity of the communities in which we operate. Our team firmly believes that a diverse workforce cultivates creativity, innovation, and a deeper understanding of our customers and external stakeholders.

Our approach to diversity and inclusion commences with the recruitment of a varied pool of applicants from diverse backgrounds, cultures, ages, and experiences. It is a source of pride for us to note that ADES boasts a workforce representing over 67 nationalities across seven countries. This practice fosters appreciation and respect for diverse perspectives and ideas, which in turn can lead to innovative solutions for operational challenges. Additionally, it provides employees with an opportunity to learn within

an open and inclusive work environment that encourages the exchange of viewpoints and ideas, all of which align with the broader ADES Vision and Values.

We actively endeavor to nurture a work culture that upholds and advances diversity and inclusion policies. Our recruitment process is fair, transparent, and objective, ensuring equal opportunities for all applicants. Furthermore, we provide benefits and compensation packages that underscore fairness, equality, and diversity in the workplace.

We are fully committed to providing a safe work environment that is free from all forms of harassment, discrimination, and bullying. Our dedication to raising awareness of workplace policies and practices regarding diversity and inclusion is ongoing, reflecting our organization's values and priorities.

We ensure that all employees are thoroughly educated about the company's policies and regulations, empowering them to devise strategies that promote a culture of respect and professionalism.

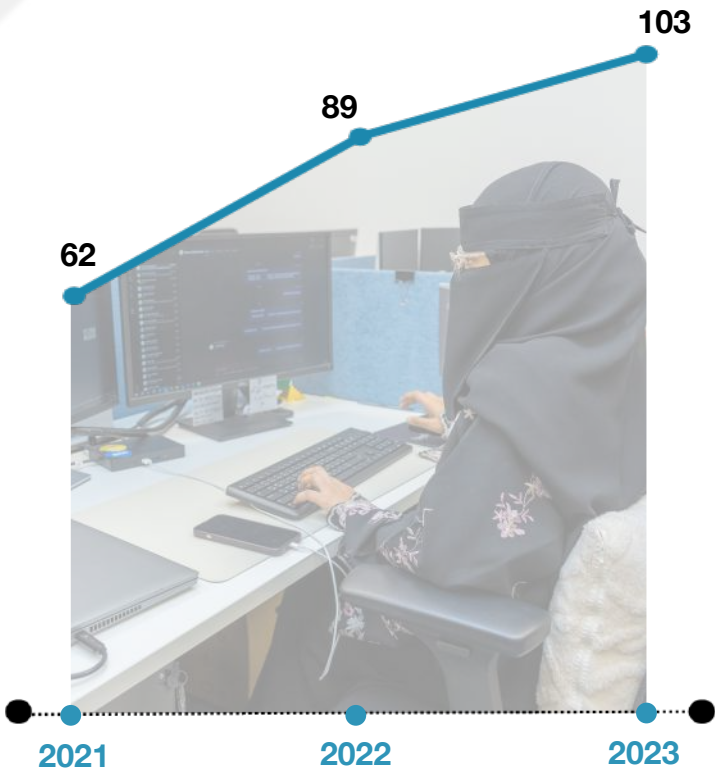
At ADES, we place great emphasis on employee satisfaction, recognizing its significance in building a sustainable business. To gauge and enhance customer satisfaction, we have implemented an Internal Customer Satisfaction Services (ICSS) program, utilizing surveys to identify and address areas for improvement in internal services at the departmental level. These surveys are anonymous and do not target specific individual scenarios. Action is taken if survey results indicate satisfaction levels below 80%, with the concerned corporate function and country manager jointly responsible for devising, communicating, and implementing

effective improvement plans. We conduct multiple surveys, with quarterly communication of survey trends to demonstrate progressive satisfaction development within each department.

In addition to compliance measures, we actively foster and support employee-led affinity groups, mentorship programs, training initiatives, and team-building events that celebrate diversity and promote understanding and mutual respect among our workforces.

Moreover, we recognize the importance of embracing the cultures of the communities in which we operate and strive to incorporate them into our workforce. We prioritize the recruitment of local talent whenever feasible, thereby cultivating a diverse workplace that reflects the rich and vibrant cultures inherent in our operating environments.

Number of Female Employees



↑ 66%

Increase in women workforce from the year 2021 to 2023



6.7. Equal Opportunity

Our unwavering dedication to equal opportunities permeates our workplace culture, policies, and practices.

We recognize and celebrate the unique skills and experiences that each employee brings to our organization, and it's our priority to ensure that all individuals have an equitable chance to leverage their talents and expertise. To uphold this principle, we have established fair, objective, and transparent recruitment policies aimed at eliminating bias from the hiring process. Our corporate culture, rooted in inclusivity, values applicants based solely on their qualifications, skills, and experience, without regard to factors such as race, ethnicity, gender, or socio-economic background.

Upon joining our team, every employee is afforded equal opportunities for advancement and growth within the organization.

We provide regular performance evaluations and offer support and feedback to all employees to assist them in achieving their career aspirations and progression goals.

Acknowledging the male-dominated nature of our industry, we have proactively implemented policies to address gender disparity and foster greater diversity within our workforce. Through initiatives such as leadership and development programs, diversity and inclusion initiatives, and flexible work arrangements, we aim to empower and attract more women to traditionally male-dominated roles. The positive trend in the increase of women within our organization is a testament to our ongoing efforts in this regard. We remain committed to fostering a diverse and inclusive culture that reflects the richness and diversity of the communities we serve.

We are dedicated to fostering equal opportunities to nurture the retention and career advancement of all our employees. Through ongoing learning and development initiatives, we strive to support individual growth while facilitating their professional development. Our overarching goal is to cultivate a conducive work environment that is supportive, secure, and dependable, enabling every employee, regardless of their background, to flourish.

We are committed to creating an inclusive environment where every individual feels included, valued, and respected. Our policies and practices are not only aligned with our core values of fairness, but they are also designed to cultivate a workplace culture that encourages collaboration, teamwork, and innovation.



6.8. Attraction and Retention

We acknowledge that our employees are our most valuable assets, and to achieve success, it's crucial to attract, train, and retain top-tier talent.

Our recruitment process is comprehensive, focusing on attracting the industry's best and brightest. Leveraging various recruitment channels such as job boards, social media, and headhunting, we ensure access to a diverse pool of candidates. This approach enables us to tap into talent with diverse backgrounds and experiences.

Employee satisfaction is paramount to us. We prioritize creating an environment where employees feel valued, enjoy their work, and have opportunities for growth and development. We offer competitive salaries, benefits, and perks that prioritize employee well-being. Open communication channels allow employees to express suggestions and grievances, facilitating positive interventions that enhance engagement levels.

We foster an environment conducive to rapid career progression and skill development. Training, mentoring, and coaching opportunities are available at all career levels, with clear progression paths and financial support for skill enhancement. Exposure to diverse cultures and aspects of the industry motivates employees to pursue long-term careers with us.

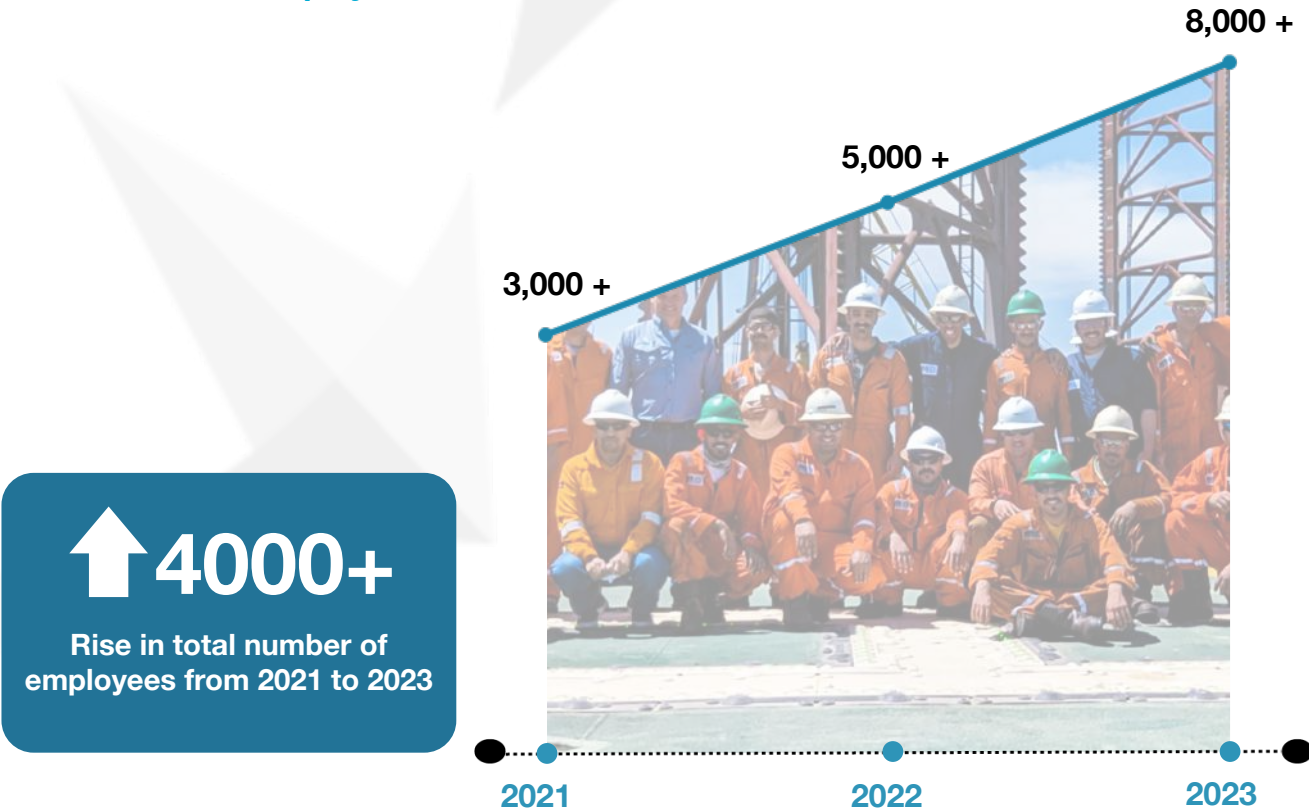
Promoting inclusivity, diversity, and equal opportunities is ingrained in our culture. We invest in employee well-being through initiatives like family-friendly workplaces, wellness programs, and flexible work arrangements, ensuring a supportive and engaging work environment that promotes work-life balance.

We have a strong HR Business Partner Program to support employee retention, attract talent, team building activities, and continuously provide training to employees.

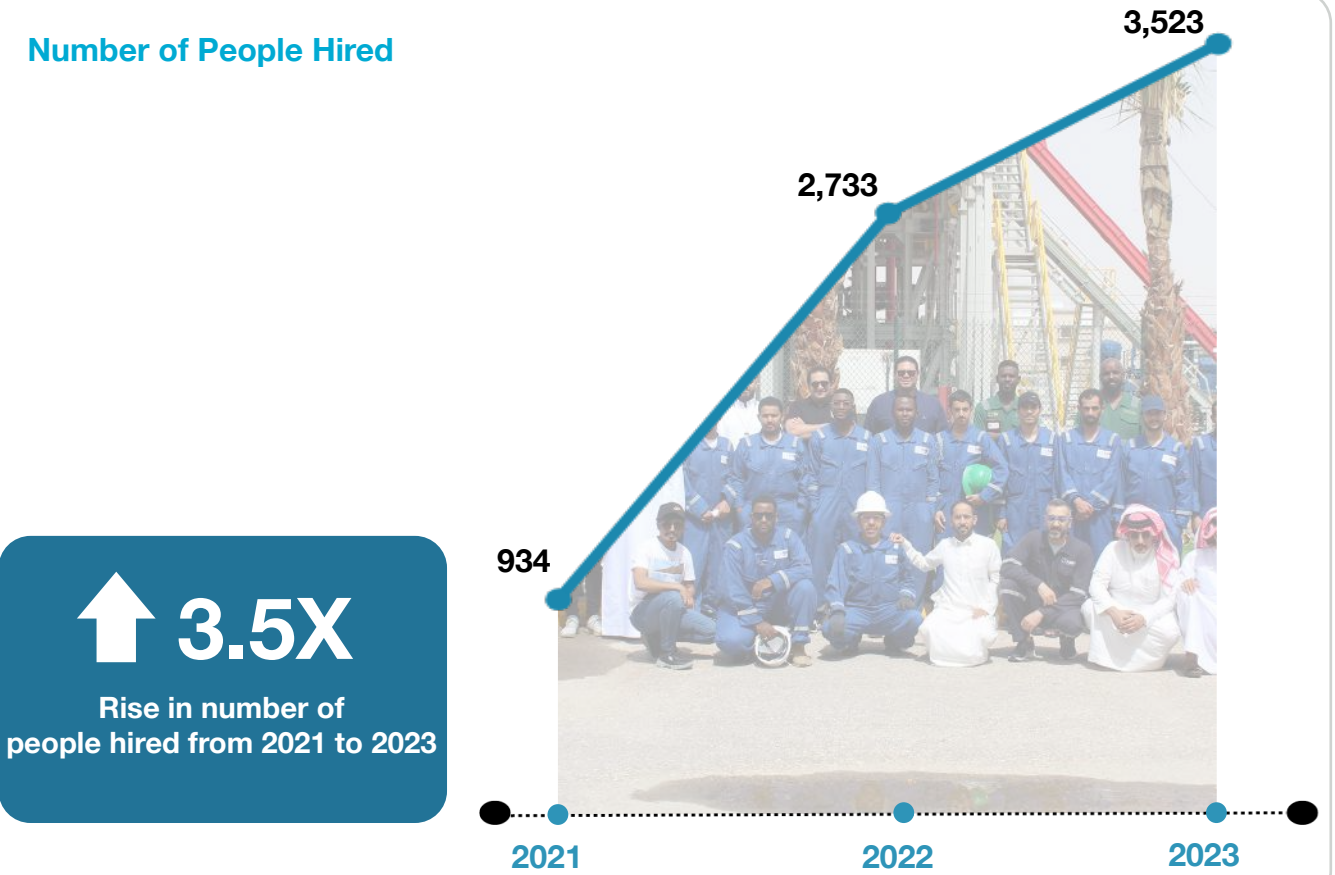
Following is an interview with the Chief People Officer shedding lights on this unique program.



Total Number of Employees



Number of People Hired



HEAR IT FROM OUR LEADERSHIP

Shaping Growth & Culture. An enlightening conversation with Chief People Officer, Manoj Parmesh, to gain insights into the significance of the HR business partner program at ADES.



Interviewer: Let's delve into the recent initiatives focused on Saudi talent development. Could you tell us more about the Business Partner Level 1 Program developed by your HR Center of Excellence teams, specifically regarding its impact on workforce training and development?

Manoj Parmesh: Absolutely. Our Business Partner Level 1 Program is not only about equipping our People Operations Specialists and Managers with certain specialized skills but also about fostering a culture of continuous learning and development within our workforce. It serves as a testament to our commitment towards developing Saudi national talent and ensuring that our HR teams are well-prepared to support the growth of ADES in the Kingdom.

Interviewer: That's commendable. Could you provide some insights into how the program addresses the social aspect of workforce training and development?

Manoj Parmesh: Certainly. The program goes beyond just technical skills training. It's designed to cultivate a collaborative and supportive environment where employees feel empowered to learn, grow, and succeed together. Through interactive sessions, workshops, and team-building exercises, we foster a sense of camaraderie and mutual support among our HR teams. Additionally, the program encourages knowledge sharing and peer-to-peer learning, creating opportunities for employees to leverage each other's experiences and expertise.

Interviewer: That sounds incredibly impactful. Could you share some specific examples of how the program incorporates social aspects into its curriculum?

Manoj Parmesh: Of course. One example is our approach of case studies and group activities. Instead of working in isolation, participants are encouraged to collaborate with their peers, share ideas, and collectively solve challenges. This not only enhances their problem-solving skills but also strengthens relationships and fosters a sense of belonging within the team. Additionally, the program includes team-building exercises and group discussions aimed at promoting open communication, empathy, and mutual respect among team members. Moreover, these exercises are done with a lot of fun around so that they leave some wonderful memories even after several months.

Interviewer: That's fascinating. How do you ensure that the social aspect of workforce training and development aligns with ADES's overarching goals and values?

Manoj Parmesh: At ADES, we believe that our people are our most valuable assets. Hence, fostering a supportive and inclusive work environment is essential to our success. The social aspect of workforce training and development is closely aligned with our core values of collaboration, integrity, and respect. By investing in the personal and professional growth of our employees and promoting a culture of continuous learning and development, we not only strengthen our workforce but also drive innovation, productivity, and overall business success.

Interviewer: Thank you for providing such valuable insights into how ADES is approaching talent development from a social perspective. It's clear that your commitment to fostering a supportive and inclusive culture is driving positive outcomes for both employees and the organization.

Manoj Parmesh: It's my pleasure. Our people are at the heart of everything we do, and we're fully committed to supporting their growth and development. We always look at the PURPOSE and the positive IMPACT in every program that we craft, and we do that with a lot of authenticity. Thank you for the opportunity to share more about our initiatives in this area.

7. Appendix A - GRI Content Index

Statement of use		ADES has reported in accordance with the GRI Sustainability Reporting Standard for the period January to December 2022			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Not Applicable			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION			
		LOCATION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
General Disclosure					
GRI 2: General Disclosures 2021	2-1 Organizational details	03, 07	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	2-2 Entities included in the organization's sustainability reporting	05			
	2-3 Reporting period, frequency and contact point	05			
	2-4 Restatements of information	-			
	2-5 External assurance	-			
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	11, 42, 49	-	-	-
	2-7 Employees	03, 07, 54, 56	-	-	-
	2-8 Workers who are not employees	-	-	Information unavailable/incomplete	-
	2-9 Governance structure and composition	15,16	-	-	-
	2-10 Nomination and selection of the highest governance body	15,16	-	-	-
	2-11 Chair of the highest governance body	15,16	-	-	-
	2-12 Role of the highest governance body in overseeing the management of impacts	16	-	-	-
	2-13 Delegation of responsibility for managing impacts	16	-	-	-
	2-14 Role of the highest governance body in sustainability reporting	16	-	-	-
	2-15 Conflicts of interest	17	-	Information unavailable/incomplete	-

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION			
		LOCATION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	18	-	-	-
	2-17 Collective knowledge of the highest governance body	16	-	-	-
	2-18 Evaluation of the performance of the highest governance body	-	-	-	-
	2-19 Remuneration policies	-	-	-	-
	2-20 Process to determine remuneration	-	-	-	-
	2-21 Annual total compensation ratio	-	-	Information unavailable/incomplete	-
	2-22 Statement on sustainable development strategy	20, 23, 24	-	-	-
	2-23 Policy commitments	15, 23	-	-	-
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	15, 23	-	-	-
	2-25 Processes to remediate negative impacts	18	-	-	-
	2-26 Mechanisms for seeking advice and raising concerns	18, 50	-	-	-
	2-27 Compliance with laws and regulations	04, 10, 16, 17, 23	-	-	-
	2-28 Membership associations	-	-	Information unavailable/incomplete	-
	2-29 Approach to stakeholder engagement	25, 26	-	-	-
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	-	-	Information unavailable/incomplete	-
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	25, 26, 27	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	3-2 List of material topics	25, 26, 27	-	-	-
Infrastructure security					
GRI 3: Material Topics 2021	3-3 Management of material topics	31, 32	-	-	-



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION			
		LOCATION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
Health and safety of people					
GRI 3: Material Topics 2021	3-3 Management of material topics	51, 52	-	-	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	53	-	-	-
	403-2 Hazard identification, risk assessment, and incident investigation	52,51	-	-	-
	403-3 Occupational health services	-	-	-	=
	403-4 Worker participation, consultation, and communication on occupational health and safety	50, 51	-	-	-
	403-5 Worker training on occupational health and safety	50, 51	-	-	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	50, 51	-	-	-
	403-8 Workers covered by an occupational health and safety management system	-	-	-	-
	403-9 Work-related injuries	50, 51	-	-	-
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	-	-	-	-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	50, 51	-	-	-
	414-2 Negative social impacts in the supply chain and actions taken	-	-	-	-
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	39	-	-	=
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	40	-	-	-
	201-2 Financial implications and other risks and opportunities due to climate change	40	-	-	-
	201-3 Defined benefit plan obligations and other retirement plans	-	-		-
	201-4 Financial assistance received from government	-	-	Information unavailable/incomplete	-
GRI 3: Material Topics 2021	3-3 Management of material topics	41	-	-	-

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
		LOCATION			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	52	-	-	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	-		-
	401-3 Parental leave	-	-	-	-
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	23	-	-	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	03, 34	-	-	-
	305-2 Energy indirect (Scope 2) GHG emissions	-	-		-
	305-3 Other indirect (Scope 3) GHG emissions	-	-	-	-
	305-4 GHG emissions intensity	34	-	-	-
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	34	-	-	-
	305-6 Emissions of ozone-depleting substances (ODS)	-	-	-	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	37	-		-
Workforce and Contractor Grievances					
GRI 3: Material Topics 2021	3-3 Management of material topics	52	-	-	=
Climate Change Mitigation & Adaptation					
GRI 3: Material Topics 2021	3-3 Management of material topics	23	-	-	-
Corporate Volunteering					
GRI 3: Material Topics 2021	3-3 Management of material topics	37	-	-	-
Waste Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	36	-	-	-
	306-1 Waste generation and significant waste related impacts	36	-	-	-

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
		LOCATION			
GRI 306: Waste 2020	306-2 Management of significant waste related impacts	-	-	-	-
	306-3 Waste generated	36	-	-	-
	306-4 Waste diverted from disposal	36	-	-	-
	306-5 Waste directed to disposal	36	-	-	-
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	-	-	-	-
	303-2 Management of water discharge related impacts	35	-	-	-
	303-3 Water Withdrawal	-	-	-	-
	303-4 Water Discharge	-	-	Information unavailable/ incomplete	-
	303-5 Water Consumption	35	-	-	-
Security of Infrastructure/Assets					
GRI 3: Material Topics 2021	3-3 Management of material topics	-	-	-	-
Safeguarding Health During the Modern Health Crisis					
GRI 3: Material Topics 2021	3-3 Management of material topics	49	-	-	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	53	-	-	-
	403-2 Hazard identification, risk assessment, and incident investigation	-	-	-	-
	403-3 Occupational health services	53	-	-	-
	403-4 Worker participation, consultation, and communication on occupational health and safety	-	-	-	-
	403-5 Worker training on occupational health and safety	48	-	-	-
	403-6 Promotion of worker health	-	-	-	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-	-	-	-

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
		LOCATION			
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	51	-	-	-
	403-9 Work-related injuries	51	-	-	-
	403-10 Work-related ill health	51	-	-	-
Equal Opportunity and Diversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	54, 55	-	-	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	-	-	-	-
	405-2 Ratio of basic salary and remuneration of women to men	-	-	-	-
Cybersecurity and data protection					
GRI 3: Material Topics 2021	3-3 Management of material topics	18	-	-	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	-	-
Business Ethics, Integrity, Transparency & Anti-Corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	17	-	-	-
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	-	-	Information unavailable/ incomplete	-
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	50	-	-	-
	205-2 Communication and training about anti-corruption policies and procedures	50	-	-	-
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	-	-	-
Infrastructure and Overall services					
GRI 3: Material Topics 2021	3-3 Management of material topics	07, 11, 12	-	-	-
Compliance with International, Sustainability Regulations & Frameworks					
GRI 3: Material Topics 2021	3-3 Management of material topics	20, 21, 22	-	-	-
GRI 415:Public Policy	415-1 Political contributions	-	-	-	-

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION			
		LOCATION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
Operational Efficiency					
GRI 3: Material Topics 2021	3-3 Management of material topics	-	-	-	-
Emergency Preparedness					
GRI 3: Material Topics 2021	3-3 Management of material topics	-	-	-	=
Economic Growth					
GRI 3: Material Topics 2021	3-3 Management of material topics	39	-	-	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	39,40	-	-	-
	201-2 Financial implications and other risks and opportunities due to climate change	-	-	-	-
	201-3 Defined benefit plan obligations and other retirement plans	-	-	Information unavailable/ incomplete	-
	201-4 Financial assistance received from government	-	-	-	-
Customer Privacy and Safeguarding Customer Information					
GRI 3: Material Topics 2021	3-3 Management of material topics	18	-	-	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	18	-	-	-
Sustainable Procurement					
GRI 3: Material Topics 2021	3-3 Management of material topics	41	-	-	-
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	-	-	-	-
Compliance with Federal and Local Sustainability Regulations & Frameworks					
GRI 3: Material Topics 2021	3-3 Management of material topics	20, 21	-	-	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	-	-	-	-
	308-2 Negative environmental impacts in the supply chain and actions taken	-	-	Information unavailable/ incomplete	-
Non-discrimination and Equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	54, 55	-	-	-
GRI 406: Non - discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-	-	-	-

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION			
		LOCATION	REQUIREMENTS (S)OMITTED	REASON	EXPLANATION
Training, Education, and Growth of Employees					
GRI 3: Material Topics 2021	3-3 Management of material topics	46, 48	-	-	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	47	-	-	-
	404-2 Programs for upgrading employee skills and transition assistance programs	46, 48, 57	-	-	-
	404-3 Percentage of employees receiving regular performance and career development reviews	-	-	-	-
Economic Contribution to Sustainability Matters					
GRI 3: Material Topics 2021	3-3 Management of material topics	39	-	-	-
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	-	-	Information unavailable/incomplete	-
	203-2 Significant indirect economic impacts	-	-	-	-
Sustainability (Economic, Environmental, and Social) Assessment of the Supply Chain					
GRI 3: Material Topics 2021	3-3 Management of material topics	-	-	-	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	-	-	-	-
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	39	-	-	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	39	-	-	-
	413-2 Operations with significant actual and potential negative impacts on local communities	-	-	-	-
Biodiversity Conservation					
GRI 3: Material Topics 2021	3-3 Management of material topics	37	-	-	-
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	-	-



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