



RAK

CERAMICS

ESG REPORT
2023



**His Highness Sheikh Mohammed Bin
Zayed Al Nahyan**
President of the United Arab Emirates
(UAE)



**His Highness Sheikh Mohammed Bin
Rashid Al Maktoum**
Vice president and Prime minister of
the United Arab Emirates (UAE) and
Ruler of Dubai



**His Highness Sheikh Saud Bin Saqr
Bin Mohammed Al Qasimi**
Supreme Council Member and
Ruler of Ras Al Khaimah



**His Highness Sheikh Mohammed
Bin Saud Al Qasimi**
Crown Prince of
Ras Al Khaimah

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RESPONSIBLE BUSINESS & RESPONSIBLE EMPLOYER

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INTRODUCTION

ABOUT THIS REPORT

Our 2023 ESG Report provides a comprehensive overview of our sustainability efforts from January 1 to December 31, 2023, primarily focusing on our UAE operations while also highlighting some of our global initiatives. It has been collaboratively curated by our Sustainability Working Group in conjunction with Senior Management and key stakeholders.

Aligned with global best practices, this report has been prepared in reference to the Global Reporting Initiative (GRI) Standards (2021). The GRI Content Index is available in the Appendix. Disclosures as per Abu Dhabi Stock Exchange's 31 Key Performance Indicators (KPIs) are given in the Appendix as well.

We continue to adhere to the United Nations Sustainable Development Goals (UN SDGs) and UAE National Strategies, such as UAE Net Zero 2050, UAE Climate Change Plan 2017-2050, and UAE Energy Strategy 2050.

We are committed to issuing annual sustainability reports alongside our Annual Report and Corporate Governance Report, offering stakeholders a comprehensive understanding of our financial performance, governance practices, and risk management.

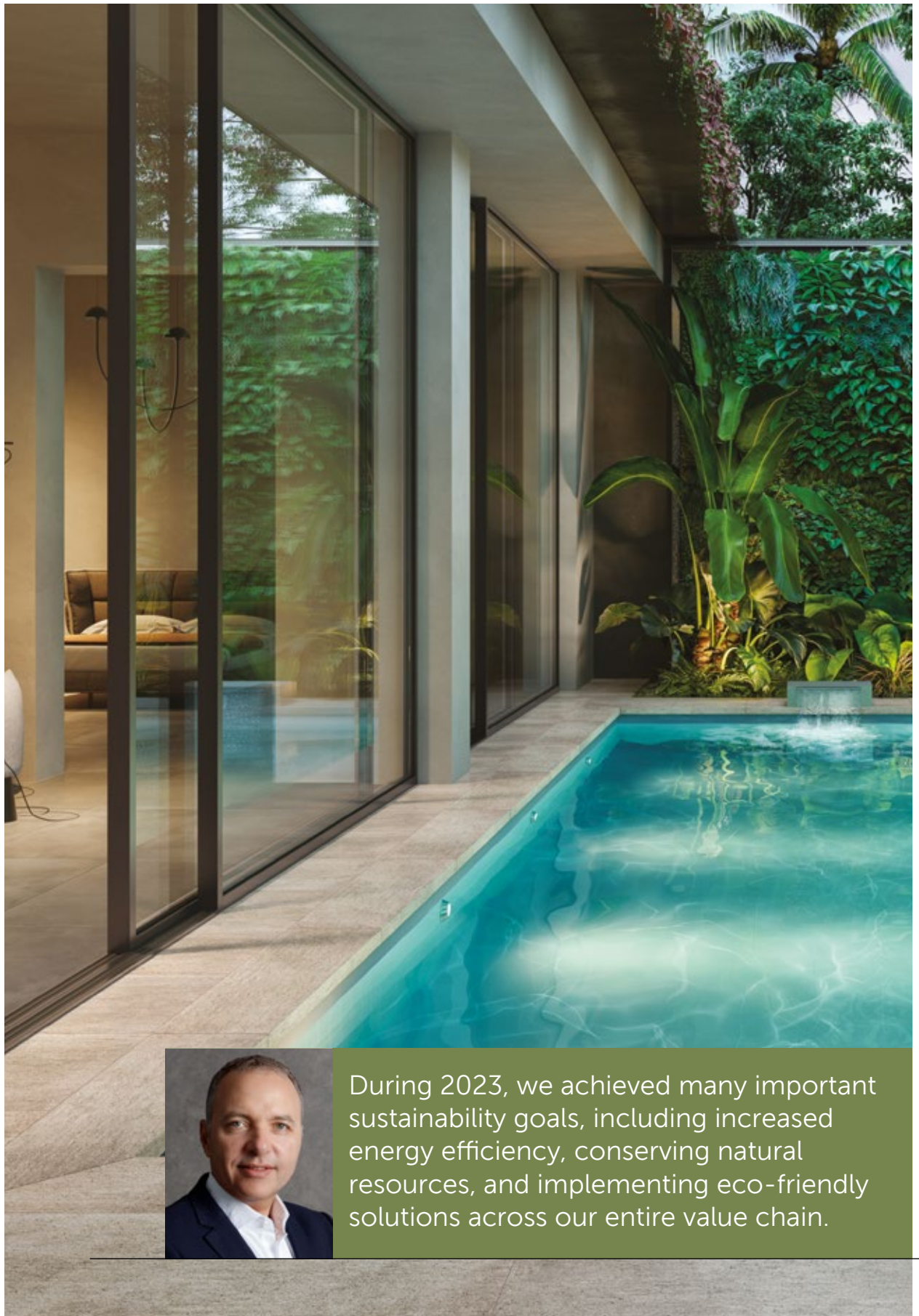
References to the "Group" include our operations in the UAE, Bangladesh, and India, including subsidiaries RAK Porcelain LLC, Kludi RAK LLC, and Elegance Ceramics LLC in the UAE.

We appreciate your interest in RAK Ceramics and our commitment to sustainability.

FURTHER INFORMATION

Please contact the Chief Legal Officer at **ESG.communications@rakceramics.com**, for any questions regarding this report or its contents.





During 2023, we achieved many important sustainability goals, including increased energy efficiency, conserving natural resources, and implementing eco-friendly solutions across our entire value chain.

Group CEO's Message

Dear Stakeholders,

I am pleased to share with you our Annual Summary for the year 2023, encapsulating the progress we have made in our journey towards sustainability and our commitment to Environmental, Social, and Governance (ESG) principles.

In the ever-evolving landscape of sustainability, RAK Ceramics PJSC remains committed in our dedication to making a positive impact on the world. Our shared value approach to ESG reflects our belief that success is not just measured by financial metrics but by the influence we exert on the environment and communities we operate in.

Building upon the strong foundation established in 2022, we are proud to announce ongoing investments and advancements in our manufacturing capabilities across key regions, including the UAE, Bangladesh, India, and Europe.

This strategic investment not only enhances our production capacity but also reflects our unwavering dedication to delivering excellence in quality, fostering innovation, and ensuring unparalleled customer satisfaction.

As we continue to invest and upgrade our manufacturing facilities, we not only enhance our production capacity but also broaden our product offering capabilities. This expansion allows us the flexibility to adapt our product mix in alignment with the dynamic changes in market demand and needs. This strategic approach positions us to be more responsive to market trends, ensuring that our product portfolio remains versatile and relevant.

Simultaneously, we are cognizant of our energy intensity, and, as part of our commitment to sustainability, we are actively investing in cutting-edge technologies to boost energy efficiency in our production processes.

This initiative not only aligns with our environmental stewardship goals but also contributes to increased operational efficiencies. The investment in technology enables us to optimize the consumption of energy and raw materials and also positions us at the forefront of sustainable manufacturing practices.

Our commitment to sustainability was prominently showcased at COP28 in UAE. RAK Ceramics actively participated in the Sustainability Showcase, playing a pivotal role in discussions around achieving net-zero emissions in challenging industrial sectors. We highlighted the transformative potential of innovation, emphasizing the critical role of technology in driving positive change.

As we navigate the future, our dedication to sustainability remains unwavering. We believe that our actions today will shape the world for future generations. We are committed to leading by example, continuously improving our practices, and putting humanity and nature at the core of our business.

Thank you for your continued support and partnership on this journey towards a more sustainable and responsible future.



ABDALLAH MASSAAD
Group CEO





BUSINESS OVERVIEW

About RAK Ceramics

Leading lifestyle brand
offering premium ceramic
solutions



+30 YEARS
Ceramic expertise



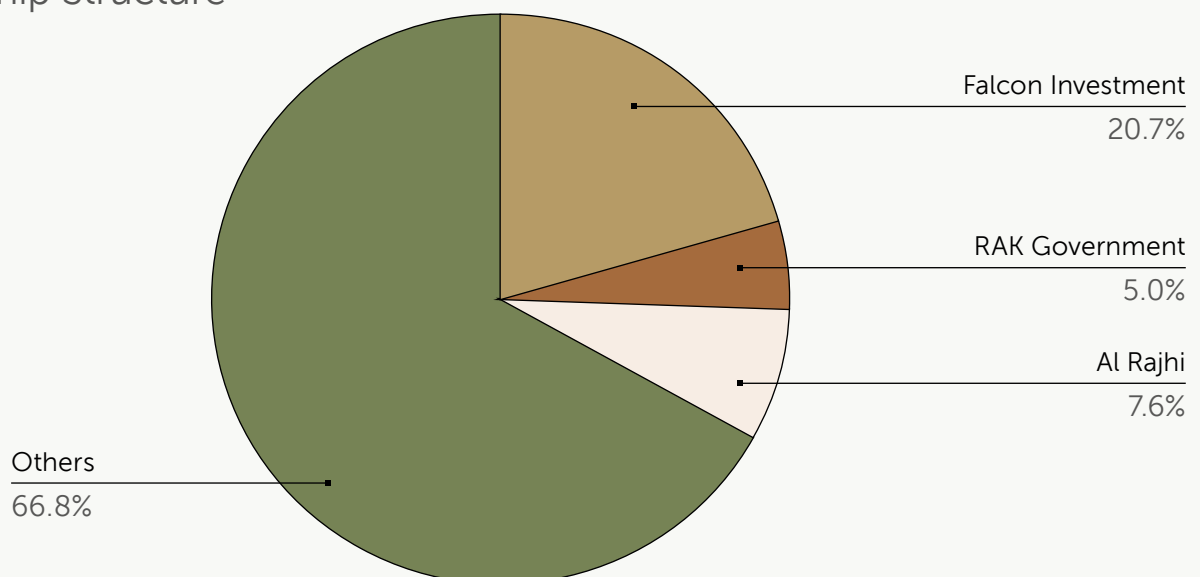
~ 11,260+
Global Workforce

US \$0.8B
Market Cap.

~US \$1B
Annual turnover



Ownership Structure



Product Lines

RAK CERAMICS

TILES

We offer one of the largest collection of Ceramic and Gres Porcelain wall and floor tiles and super-sized slabs in the industry. Our Tiles are known for their premium design and quality.



SANITARYWARE



Complete solutions provider offering products designed to suit all budgets and tastes with accessories and bathroom furniture.



TABLEWARE

Products supplied to over 40,000 hotels in more than 165 countries with clients including JW Marriot, Hilton, Hyatt and Sheraton amongst others.



FAUCETS



Eco-friendly faucets and bathroom fittings with a strong focus on water-saving technology, offering up to 60% saving on water consumption.

Economic Performance 2023

Positioned as a global leader in the ceramics industry, we specialize in crafting Premium Ceramic and Gres Porcelain Wall and Floor Tiles, Sanitaryware, Faucets, and Tableware. Operating from 23 state-of-the-art facilities scattered across the United Arab Emirates, India, Bangladesh, and Europe, we possess an impressive manufacturing footprint.

Based in the UAE, our outreach spans across more than 150 countries, facilitated by a robust network of operational hubs that stretch from Europe to the Middle East and North Africa, Asia, North and South America, and Australia. Our workforce, a mosaic of approximately 12,000 individuals representing over 40 nationalities, is the cornerstone of our global triumph.

As a publicly listed entity on the Abu Dhabi Securities Exchange, our yearly turnover remains sturdy, around US\$1 billion.

In 2023, our journey through the post-pandemic landscape persisted with resilience and ingenuity, steering us towards strategic realignments in our business approach. This concerted effort yielded exceptional results, reaffirming our stance as an industry leader. Despite the hurdles encountered, we upheld remarkable gross margins by fine-tuning production processes and optimizing capacity utilization.

Regarding our manufacturing footprint, we continue to fortify the groundwork laid in 2022. Building upon the tiles renovation project initiated in the preceding year, in 2023 our capacity of Ceramics and Gres Porcelain (GP) Tiles manufacturing was 118 million square meters. Additionally, our Sanitary Ware capacity was 5 million

pieces, while the Tableware capacity was 36 million pieces. Our steadfast dedication to delivering excellence in quality, innovation, and customer satisfaction remains unwavering as we chart the course for the future of the ceramics industry.

Economic Performance KPIs

-1.70%

Reduction in Sales (2022-23)

AED 320.9M

Net Profit

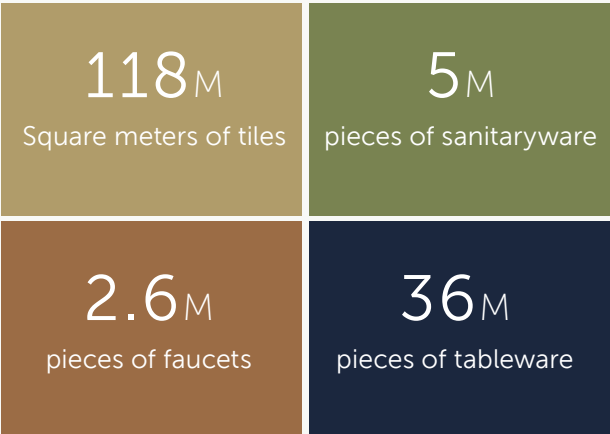
AED 647.4M

Total EBITDA

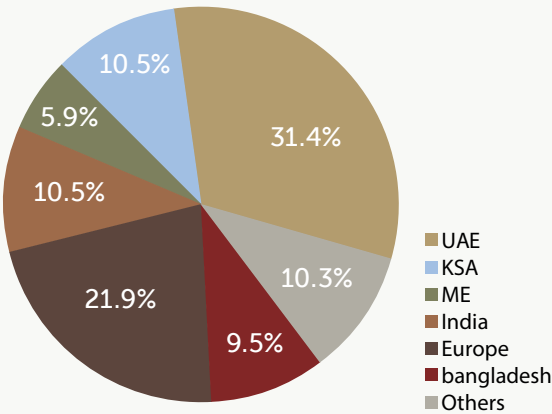
2.2x

Net Debt to EBITDA in 2023

Total Production

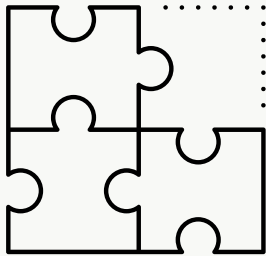


Total Revenue by Region



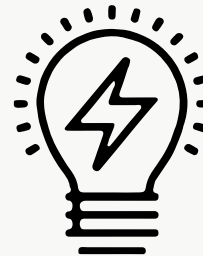
Our Philosophy Today

To become the world's leading ceramic lifestyle solutions provider



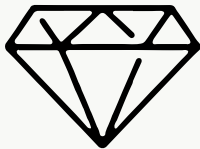
LIFESTYLE BRAND

We are a globally recognized ceramics lifestyle solutions provider.



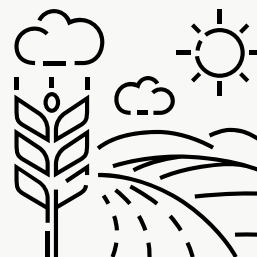
INNOVATION

Innovation is at the heart of our philosophy and we have continuously led the way in terms of product development.



HIGH-END QUALITY

We are known for our wide product range and our ability to produce premium quality products at a value price point.



SUSTAINABILITY

We operate in harmony with our local communities embracing safe and ethical work and aiming for a positive contribution to our environment.

Our History



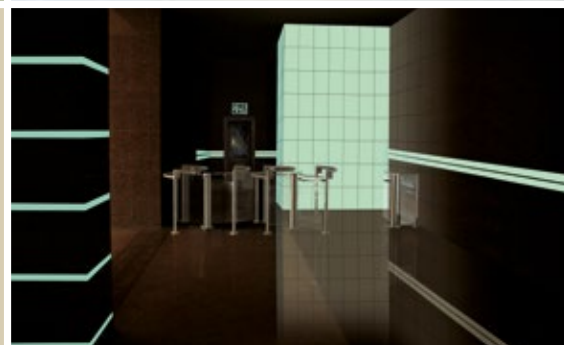
1989

Founded by H.H. Sheikh Saud Bin Saqr Al Qasimi, Ruler of Ras Al Khaimah.



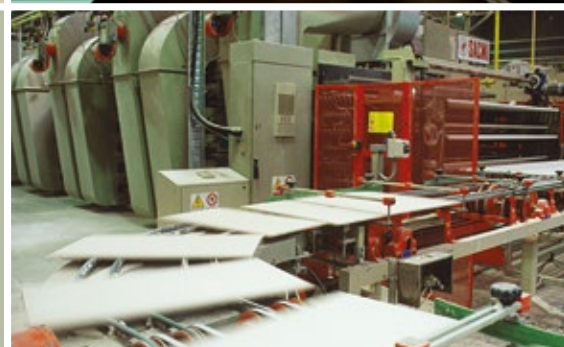
2000

The opening of our tile plant in Bangladesh with an annual output of 3,650,000 sqm.



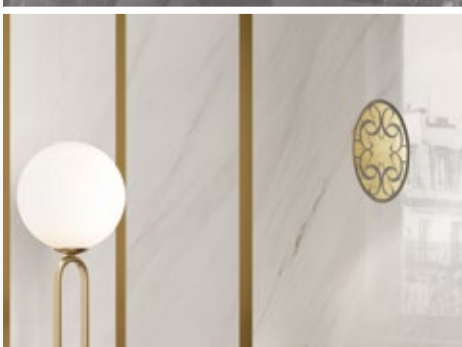
2007

Kludi RAK was established, producing exquisite designer and water saving faucets.



2016

The launch of the new RAK Ceramics global brand identity.



2021

RAK Ceramics collaborates with international fashion brand to launch bathroom and surface collection.



1991

Our first tile plant began operating with an annual output of 1,825,000 square meters of tiles.



1993

Our first sanitaryware plant began operating with an annual output of 350,000 pieces of sanitaryware.

2004

RAK Luminous, ability to glow in the dark & RAK Slim, a thickness of just 4.5mm are introduced.



2006

Our 10th UAE tile plant with an annual output of 16,425,000 square meters of tiles.

2010

Producing 115 million sqm. of tiles per year, we became the world's largest ceramics brand.



2012

1 billion square meters of tiles supplied to projects around the world.

Launch of Maximus Mega Slab, a super-sized slab.

2019

The partnership with sanitaryware designers.



2020

RAK Ceramics celebrates 30 years of success.

2022

RAK Ceramics inks 100% KLUDI acquisition deal.



2023

RAK Ceramics pioneers sustainable logistics by partnering with DHL and Rail Direct - Etihad.

RAK Ceramics participates in COP28

Awards 2023

IN 2023, RAK CERAMICS HAS RECEIVED RECOGNITION FOR ITS EXCELLENCE AND RECEIVED SEVERAL AWARDS SPANNING INNOVATION, SUSTAINABILITY AND INDUSTRY LEADERSHIP, AS DISCUSSED BELOW.



Middle East and North Africa Stevie Awards 2023 - Excellence and Innovation

In the Middle East and North Africa Stevie Awards 2023, RAK Ceramics clinched the Stevie Gold Honorary Award for Excellence and Good Reputation, as well as the Stevie Silver Award for Excellence in Innovation in Manufacturing Industries.

BKU Awards 2023 - Best Sanitaryware Brand

RAK Ceramics was honored with the prestigious title of 'Best Sanitaryware Brand' at the BKU Awards 2023, recognizing the company's excellence and leadership in the sanitaryware sector.



Construction Innovation Awards 2023 - Ceramics and Tiles Brand of the Year

RAK Ceramics received recognition at the Construction Innovation Awards 2023, one of the region's foremost events celebrating the accomplishments of construction professionals.

Design ME Awards - Fitting Specialist of the Year and Ceramics and Tiles Brand of the Year

KLUDI was awarded the "Fitting Specialist of the Year". RAK Ceramics was recognized as the "Ceramics and Tiles Brand of the Year"





Ministry of Industry and Advanced Technology Score

RAK Ceramics achieved one of the highest digital maturity scores from the Ministry of Industry and Advanced Technology, affirming the company's commitment to technological advancement and innovation.

CEO Today ME Awards 2023 - Outstanding Leadership in Manufacturing, UAE

Group CEO of RAK Ceramics Mr. Abdallah Massaad receives Outstanding Leadership in Manufacturing, UAE from CEO Today.



Silver Impact Seal from Majra - Environmental Stewardship

Acknowledging our dedication to environmental stewardship, RAK Ceramics was presented with the Silver Impact Seal from Majra, in recognition of our efforts to minimize environmental impact through responsible sourcing and efficient manufacturing processes.

Awards 2023 (contd.)



Archiproductions Design Awards 2023 - CookingRAK

CookingRAK, RAK Ceramics' invisible induction cooktop, was honored with the Archiproductions Design Awards 2023, underscoring the company's commitment to innovative and aesthetically pleasing product design.

The Make it in the Emirates Awards - Industrial Excellence

RAK Ceramics participated in The Make it in the Emirates Awards, a prestigious national awards program recognizing excellence and innovation in the industrial sector. Additionally, our Group CEO served as a senior jury member, contributing to the recognition of outstanding industrial achievements.

اصنع في الإمارات MAKE IT IN THE EMIRATES



Mixology - Bathroom Product of the Year

At Mixology 2023 hosted by Mix Interiors in London, RAK-Petit was honored with the prestigious "Mixology Bathroom Product of the Year" award, recognizing its innovative design and contribution to the bathroom product industry.





Eco Label Sustainability Certificate by RAK EPDA

RAK Ceramics earned the prestigious Eco Label Sustainability Certificate from RAK EPDA, recognizing our commitment to sustainable practices and environmental responsibility.

MolAT Certification - National In-Country Value Program

As part of our dedication to the National In-Country Value (ICV) Program, RAK Ceramics received certification from the Ministry of Industry and Advanced Technology (MolAT), reaffirming our commitment to local economic development.



IN-COUNTRY VALUE CERTIFICATE

Certificate ID: **120442**
Issue Date: **09.02.2023**
Valid Until: **05.04.2023**

R.A.K Ceramics P.J.S.C

53.13%



LivingEtc Style Award - Rak-Valet Bathroom Range

The Living Etc Style Award was bestowed upon RAK Ceramics for its RAK-Valet bathroom range, recognizing the range's modern and stylish design, reflecting the latest trends in bathroom aesthetics.

Luce - Ideal Home Best Kitchen Surface

RAK Ceramics' Luce product line was awarded the Ideal Home Best Kitchen Surface accolade, highlighting its excellence in kitchen surface design and functionality.





OUR SUSTAINABILITY FRAMEWORK

Our Sustainability Commitment

"We are dedicated to leveraging our products and expertise to create a sustainable world jointly in collaboration with our customers, partners and wider community. We prioritize key initiatives that have multiplier impact via decarbonization, sustainable products and circularity, high performing workforce, sustainable procurement, community investment and sustainability governance."

At RAK Ceramics, our unwavering commitment drives us to make a meaningful impact on society, extending beyond manufacturing premium-quality products. We are dedicated to fostering a sustainable society by leveraging our expertise and resources for positive change.



We are developing an ESG Strategy for 2024-2030 that is aligned with international and industry agreements and initiatives, that will help us achieve sustainability leadership. The Strategy focuses on key areas - such as decarbonization, circularity, and workforce development - that will guide the continuous improvement of our business practices. The Strategy will be integrated across all our operations, and will be implemented through our Sustainability Governance.

Due to the change in market demand, we have shifted our tiles manufacturing to increased GP production, which is more resource intensive. To offset this and more, we have been making strides in reducing our consumption of resources through various

initiatives outlined in this report.

Innovation and creativity are ingrained in our organizational culture, fueling our pursuit of groundbreaking ideas. We cultivate an environment that encourages imagination, curiosity, and innovation, enabling us to challenge norms and drive positive change within our industry and beyond.

At RAK Ceramics, our commitment to creating a sustainable society permeates every aspect of our operations. We take pride in leveraging our products and expertise to make a positive impact, and we invite you to join us on this journey towards a better world.



Our Stakeholders

Engaging with our stakeholders is integral to our sustainability efforts. We actively collaborate with them to identify our key areas of focus and assess our progress in each of these areas.

1. STRATEGIC PARTNERS

Engagement Areas: Financial performance, value creation, transparency & disclosure, climate change and energy use, sustainable products.

Outcome of Engagement: Regular updates on strategy and developments.

2. BUSINESS PARTNERS

Engagement Areas: Product quality and cost, climate change and mitigation, product innovation, partnerships, customer satisfaction, relationship management.

Outcome of Engagement: Cost optimization, environmental initiatives, investment in product innovation.

3. TALENT COMMUNITY

Engagement Areas: Rewards and benefits, career development, health and safety, community involvement, employee well-being and development, diversity, equity, and inclusion.

Outcome of Engagement: Employee goal setting, induction program for new starters.

4. SUPPLY CHAIN COLLABORATORS

Engagement Areas: Reputation, building partnerships, timely payments, supply chain management, sustainability.

Outcome of Engagement: Fostering long-standing partnerships, quality control, ethical practices.

5. REGULATORY PARTNERS

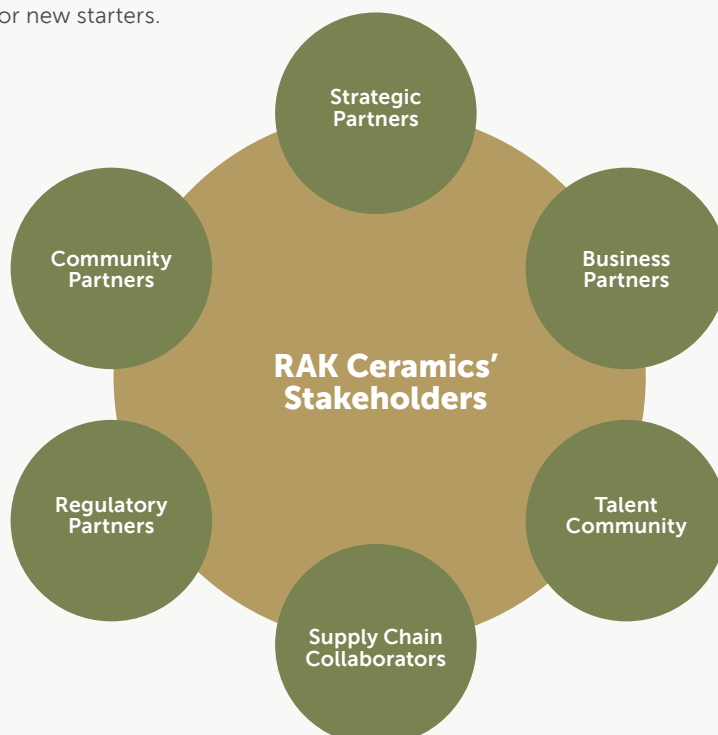
Engagement Areas: Environment Vision 2030, UAE Centennial 2071, UAE Net Zero 2050, UAE Energy Strategy 2050, National Climate Change Plan of the UAE 2017-2050, UAE Strategy for the Fourth Industrial Revolution.

Outcome of Engagement: Alignment with UAE National Vision, compliance with applicable regulations.

6. COMMUNITY PARTNERS

Engagement Areas: Building partnerships, social impact, community engagement.

Outcome of Engagement: Sponsorship, participation in community events, volunteering.

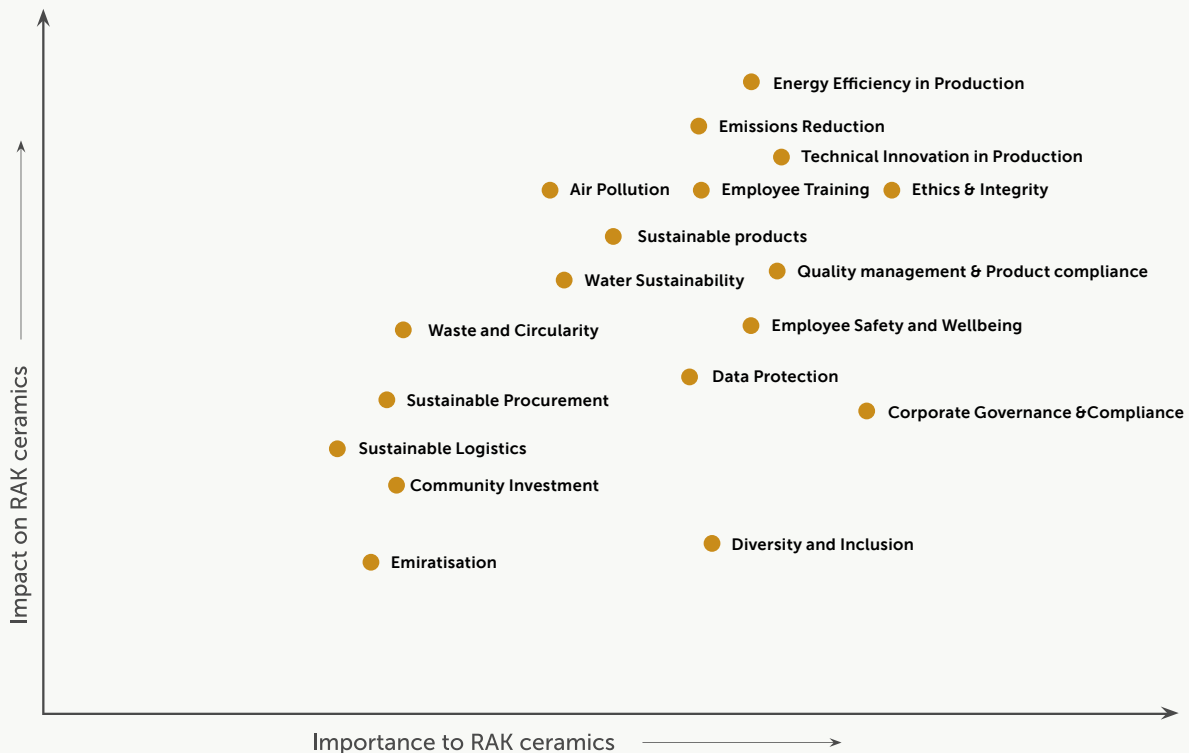


Our Sustainability Pillars & Material Topics

Our report centers around 18 key sustainability imperatives identified through an extensive assessment conducted in early 2023. A collaborative sustainability-working group, in close collaboration with senior management, meticulously evaluated the significance of each imperative, taking into account the influence of our operations and prevailing sustainability trends within our industries. The results of our materiality analysis highlight the profound importance we attach to all these imperatives. With our unwavering commitment to advancing sustainability, we are confident in our journey towards emerging as frontrunners in sustainability leadership in the coming years.

List of Material issues

1. Ethics & Integrity
2. Corporate Governance & Compliance
3. Energy Efficiency in Production
4. Water Sustainability
5. Waste and Circularity
6. Sustainable Logistics
7. Air Pollution
8. Emissions Reduction
9. Employee Safety and Wellbeing
10. Emiratisation
11. Diversity and Inclusion
12. Employee Training
13. Responsible & Sustainable Procurement
14. Community Investment
15. Data Protection
16. Technological Innovation in Production
17. Quality management & Product compliance
18. Sustainable products/ Environmentally friendly products

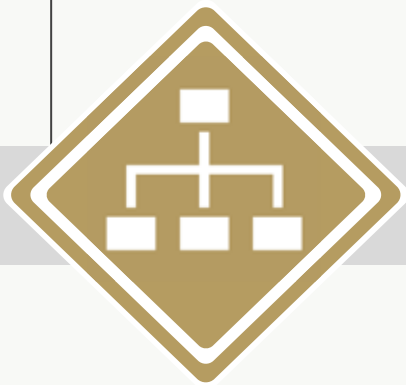


Our Sustainability Pillars & Material Topics (contd.)

Our 18 materiality topics are organized under 4 pillars, which forms the basis of our Sustainability Framework. These pillars allow us to strategically design initiatives, assign resources, and monitor & report our progress towards sustainability.

Governance & Best Practices

- Ethics & Integrity
- Corporate Governance & Compliance
- Data Protection



Our People and Community

- Employee Safety & Wellbeing
- Diversity & Inclusion
- Emiratisation
- Employee Training
- Community Investment

Environmental Impact

- Energy Efficiency
- Water Sustainability
- Waste & Circularity
- Sustainable Logistics
- Air Pollution
- Emissions Reduction



Responsible Business, Responsible Employer

- Product Quality & Compliance
- Sustainable & Responsible Procurement
- Technological Innovation in Production
- Sustainable Products

Commitments towards our Material Topics

Overview of Sustainability Investments

We are committed to continuous improvement and reviewing our sustainability performance to update our targets. In 2022, we made investments worth AED 4.5 million in state-of-the-art manufacturing technologies and sustainability programs. In 2023, we continued investing towards reducing the resource intensity of our new product mix, with a total of over AED 16.9 million in 2023 across our 4 product segments.

Overview of Commitments

Our sustainability commitments for each of our material topics are outlined below:

Sustainability Pillar & Material Topic		Commitments
Pillar 1: Environmental Impact		
1	Energy Efficiency in Production	Improve the energy efficiency of production through manufacturing innovation.
2	Water Sustainability	Optimize water consumption and improve circularity and use of treated wastewater.
3	Waste and Circularity	Innovate in manufacturing process to optimize use of raw materials and improve re-use of waste in production and final products.
4	Sustainable Logistics	Optimize shipping routes to reduce emissions.
5	Air Pollution	Implement best technologies to reduce air pollutants.
6	Emissions Reduction	Implement a range of initiatives, such as manufacturing innovation and improving accuracy and completeness of emissions calculations, to effectively reduce emissions.
Pillar 2: People & Community		
7	Employee Safety and Wellbeing	Provide a safe and healthy working environment for all our employees to thrive.
8	Employee Training	Create an environment where our employees can continuously develop and improve their capabilities and are recognized for their contributions.
9	Diversity and Inclusion	Foster a diverse and inclusive environment where every employee feels valued, respected and empowered to enable creativity, innovation and employee satisfaction.
10	Emiratization	Invest in the development and progress of UAE nationals by providing them with employment opportunities, support with their growth, and empower them to contribute to the nation's workforce and sustainable development.
11	Community Investment	Use our position as a large global manufacturing company to serve the communities in which we operate.
Pillar 3: Governance		
12	Ethics & Integrity	Conduct business with transparency and accountability, and ensure highest standards of ethics and integrity.
13	Corporate Governance & Compliance	Maintain clear processes and procedures to ensure the the highest standards of corporate governance and compliance, in-line with international and industry best practices.
14	Data Protection	Safeguard our customer data and digital assets by embedding robust data protection processes in our operations.
Pillar 4: Responsible Business & Responsible Employer		
15	Responsible & Sustainable Procurement	Undertake initiatives to improve sustainability in our supply chains and integrate sustainability considerations in procurement processes.
16	Technological Innovation in Production	Continuously innovate and push boundaries to enhance integration of technologies in our production.
17	Product Quality and Compliance	Implement and ensure the continuous improvement of our Quality Management System to manage market needs, risks and opportunities.
18	Sustainable Products	Design and develop production processes and products that consume resources responsibly.

Alignment with SDG Targets

RAK Ceramics has aligned efforts for our business strategy and project pipeline with United Nations Sustainable Development Goals 3, 5, 6, 7, 8, 10, 12, 13 and 16.

SDG	Most relevant targets	Our Strategic Objectives
	<p>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p> <p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>	<p>Health & Safety Policy and Governance.</p> <p>Health & Safety Awareness.</p> <p>Employee Health Benefits.</p>
	<p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<p>Leadership Representation: Increase the representation of women in leadership positions across all levels of organization, focusing on achieving gender balance in decision-making roles.</p> <p>Bias-Free Environment: Implement policies, training and initiatives to address unconscious bias, stereotypes and discrimination, ensuring a fair and inclusive work environment that provides equal opportunities for career advancement.</p>
	<p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p>	<p>Optimize water consumption and improve circularity.</p> <p>Aiming to achieve water stewardship certification.</p>
	<p>7. a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.</p>	<p>Increase energy efficiency of production.</p> <p>Aiming to achieve ISO 50001 certification.</p>
	<p>10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality</p>	<p>Wellbeing of our employees.</p>
	<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p> <p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead</p>	<p>Improve economic performance YoY.</p> <p>Use resources responsibly in production processes.</p>
	<p>12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.</p>	<p>Increase energy efficiency of production.</p> <p>Aiming to achieve ISO 50001 certification.</p>
	<p>13.2 Integrate climate change measures into national policies, strategies and planning</p>	<p>Increase energy efficiency of production.</p> <p>Emissions reduction & decarbonization.</p>
	<p>16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children</p> <p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels</p> <p>16.b Promote and enforce non-discriminatory laws and policies for sustainable development</p>	<p>Sustainable & Responsible Procurement approach includes zero tolerance towards child labour.</p> <p>Corporate Governance present.</p> <p>Code of Conduct present.</p>

Policies & Sustainability Governance

OUR SUPPORTING POLICIES

Our sustainability commitment is underpinned by a robust framework supported by comprehensive policies and procedures. We maintain various management certifications to ensure the highest standards in our manufacturing processes and sustainability endeavors. Presently, we hold ISO 9000 certification for Quality Management and ISO 14000 certification for Environmental Management, signifying our dedication to continual improvement and addressing market needs, risks, and opportunities.

- **Quality Management Policy:** Continual improvement is our focus to meet market needs effectively.
- **Environmental Health & Safety (EHS) Policy:** EHS practices are integrated into all operations, ensuring compliance and fostering continuous improvement.
- **Energy & Sustainability Policy:** We prioritize energy efficiency and sustainability through innovation and sustainable practices.
- **Waste Management Guidelines:** Comprehensive guidelines are in place to manage various waste streams effectively.

OUR SUSTAINABILITY GOVERNANCE

To ensure sustainability remains a top priority across our organization, we've established a dedicated cross-departmental sustainability group. This group strategically directs our efforts and allocates resources to promote sustainability throughout all aspects of our operations.

Our company is structured into four core segments: Tiles, Sanitaryware, Faucets, and Tableware. Each segment takes ownership of sustainability within their respective areas and implements targeted initiatives to drive positive environmental and social impact. Additionally, departments including EHS, MARCOM, HR, Internal Audit, Legal, Finance, and IT provide coordination and support as needed.

Our QHSE team manages Health & Safety, oversees Environmental Management, Quality, Compliance, and Sustainability Certifications, and plays a crucial role in managing Sustainable Products to ensure they meet high sustainability standards.

The Marketing team coordinates Sustainable Products, Product Development, Community Initiatives, and Customer Management, promoting sustainable practices and innovation while engaging stakeholders to drive positive change.

Our HR department focuses on employee training and well-being initiatives to nurture a skilled and healthy workforce, fostering an inclusive and supportive environment that empowers employees to contribute to our sustainability goals.

Governance initiatives are overseen by our Leadership and Internal Audit teams, ensuring sustainable practices are embedded throughout our organization, monitoring compliance, driving continuous improvement, and upholding governance standards aligned with our sustainability objectives.

Digital Transformation and Data Protection are managed by our IT team to optimize technological systems for efficiency and security while supporting sustainability efforts.

Each department maintains sustainability data according to their specific responsibilities, with coordination and support from our legal and EHS teams. Through comprehensive collaboration, we strive to embed sustainable practices at every level of our organization, working together to achieve sustainability goals and create a positive impact on the environment, society, and stakeholders.

Associations

RAK Ceramics is a founding member of the Emirates Green Building Council, which supports the development of sustainable buildings in the UAE. The UAE Ministry of Environment and Water (MoEW) awarded the company with the Environmental Performance Certificate (EPC) in recognition of its successful efforts to comply with environmental protection standards and regulations. We were also honoured by the Emirates Securities and Commodities Authority (SCA) for complying with good governance and transparency according to international best practices.

We also work closely with Environment Protection and Development Authority (EPDA-RAK), the local government body tasked with protecting and preserving the environment and biological diversity in its natural environment. The partnership includes joint research and making recommendations to conserve the environment within which we operate. EPDA and RAK Ceramics also deliver joint training programmes on environmental and health and safety issues.

RAK Ceramics is associated with Emirates Environmental Group (EEG) which is a professional working group devoted to protecting the environment through the means of education, action programmes and community involvement. RAK Ceramics actively participates in various CSR programmes concerned with environmental protection and responsible waste management, organized by EEG in order to contribute positively to the advancement of sustainable development in the UAE. More information on CSR programmes can be found in the section on Community Investment.

We are a Founding and Corporate member of the Emirates Green Building Council.

We support the promotion and development of sustainable buildings in the UAE.



Initiatives for 2024

- Continue to work toward ISO 50001 and Water Stewardship certification.
- Set up comprehensive sustainability governance across the group to manage material topics.





Key KPIs

-3.37%

Reduction in energy intensity of Tiles production compared to 2022 (per GJ/m²)

-20.46%

Reduction in energy intensity of Sanitary Ware sales of (GJ / 000 AED)

12.17%

Increase in use of treated wastewater in Tiles production compared to 2022 (over 70% since 2020)

5.37%

Increase in treated wastewater compared to 2022 (100% of wastewater is treated and partially used on-site)

32.24%

Reduction in volume of non-hazardous waste generated compared to 2022

100%

Of all non-hazardous waste is either reintroduced in production or recycled by 3rd parties

36,297.8 tons

CO2e avoided by reducing imports of 276,265 tons of raw materials annually

75%

of all suppliers are locals

80%

of all our packaging is recycled and/or recyclable

120,822

hours of training completed by employees in UAE

10%

Emiratisation Rate in 2023

29.93%

Females in administrative roles

Success Stories

1. SMART FACTORIES

At RAK Ceramics, we aim to be on the forefront of technological innovation and continuously invest in state-of-the-art manufacturing technologies and sustainability programs across all our product lines.

In 2023, we launched a Smart Factory to maximise production efficiencies and enable savings in energy consumption.



2. TILES MADE FROM 100% RECYCLED MATERIAL

At RAK Ceramics, innovation is at the heart of our philosophy and we have continuously led the way in product development.

Through a high focus on Research & Development (R&D), we are now able to produce tiles that are produced from 100% recycled material. These tiles are made by recycling the generated waste from different manufacturing processes including Tiles, Sanitary Ware, Tableware, and Effluent Treatment Plant (ETP).

Our tile with 100% recycled material is called Porcelain: Reuse Quartz.

3. INCREASE IN TRAINING HOURS

At RAK Ceramics, we are committed to creating an environment where our employees can continuously develop and improve their capabilities.

In 2023, we undertook several technical training programmes, both in classroom settings and on-the-job. Examples of trainings include our Casters Development Program, Manufacturing Excellence Training Programs, Sales and Service Excellence programs and Train the Trainers certification for 5S.

In 2023, our training hours totalled to 120,822.





**PILLAR 1:
ENVIRONMENTAL IMPACT**

Summary of Initiatives by Product Line

TILES	
Production Process	Sustainability Initiative
Muda	<ul style="list-style-type: none"> • Use of MUDA materials generated from Tiles, Sanitary Ware and Tableware • Use of wastewater in body preparation area and treated wastewater from ETP
Crushing	<ul style="list-style-type: none"> • Increase of crushing capacity through modification of existing ceramic clay crusher and installation of new crusher
Atomising/ Spraying	<ul style="list-style-type: none"> • R&D and gradual increment in slip density to reduce gas consumption • Cogeneration of energy • Upgradation of gas turbines • Heat recovery • Upgradation for utilization of kiln hot air
Pressing	<ul style="list-style-type: none"> • Recovery of powder loss
Firing	<ul style="list-style-type: none"> • Thermal emission refractory coating to reduce heat loss and energy consumption. • Redistributing the energy losses.
Drying	<ul style="list-style-type: none"> • Heat recovery from Kiln • Upgradation of heat recovery duct from kiln to vertical driers
Polishing	<ul style="list-style-type: none"> • Recycling the polishing sludge to use in the production
Squaring	<ul style="list-style-type: none"> • Recycling the squaring powder to use in the production
Packing	<ul style="list-style-type: none"> • Eco-wrap reduces the carton usage to pack the final products.
Electrical Overall	<ul style="list-style-type: none"> • Variable Frequency Drives (VFD) installations in all plants across different departments • VFDs in sea water pump house • New cooling water installation

SANITARYWARE

Production Process

Sustainability Initiative

Sanitaryware manufacturing

Body Preparation	<ul style="list-style-type: none"> • 100% recycling of greenware rejects. • Recycling of final rejects from manufacturing
Glaze Preparation	<ul style="list-style-type: none"> • Recycling of waste glaze
Casting	<ul style="list-style-type: none"> • Utilisation of waste heat from the kilns in drying wares. • Use of High pressure, Medium pressure & Low pressure (Spagless) casting methods to reduce requirement of LNG for drying moulds and to use less water per unit produced.
Kiln	<ul style="list-style-type: none"> • Recycling of hot combustion air by using waste heat from kilns for energy saving • Use of energy efficient burners
Moulding	<ul style="list-style-type: none"> • Product engineering for reducing weight (raw material) and process losses.
Sorting	<ul style="list-style-type: none"> • Use of recycled water for functional testing of finished products
Electrical & Mechanical	<ul style="list-style-type: none"> • Maximized use of Variable Frequency Drives in plant equipment • Implement energy saving opportunities in the air compressors • Energy efficient motors for higher loads

Toilet Seat and Cover manufacturing

ABS Seat & Cover	<ul style="list-style-type: none"> • 100% recycling of greenware rejected materials
Packing	<ul style="list-style-type: none"> • Use of recycled materials to make packaging products

Summary of Initiatives by Product Line (contd.)

TABLEWARE	
Production Process	Sustainability Initiative
Body & Glaze Preparation	<ul style="list-style-type: none"> • Recovery of surplus raw materials • 100% production wastewater recycling • Use of finished and semi-finished products (rejections) in specified % for body preparation
Casting	<ul style="list-style-type: none"> • 100% production wastewater recycling • Rejections (semi-finished pieces) reuse
Biscuit Firing	<ul style="list-style-type: none"> • Using X-plates to improve the efficiency of firing with lesser energy consumption • Using the heat from hot pipe for aiding combustion (waste heat recovery)
Glazing	<ul style="list-style-type: none"> • 100% production wastewater recycling
Glost Firing	<ul style="list-style-type: none"> • Using X-plates to improve the efficiency of firing with lesser energy consumption • Using the heat from hot pipe for aiding combustion (waste heat recovery)
Decoration	<ul style="list-style-type: none"> • Make to order to avoid wastage
QC / Sorting & Foot Grinding	<ul style="list-style-type: none"> • 100% production wastewater recycling • 100% of rejections (finished pieces) are recycled and reused
Packing	<ul style="list-style-type: none"> • Packaging policy in place for use of only recyclable or compostable or reusable materials for packaging • Use of only packaging boxes/cartons made of 100% recycled paper (will be introduced soon, 2024)
Electrical & Mechanical	<ul style="list-style-type: none"> • Installation of Variable Frequency Drive to factory equipment for energy saving • Well planned Preventive maintenance for equipment and machines ensure the efficient working of our machines and there by optimizing emissions reduction.
General	<ul style="list-style-type: none"> • Dust collectors with dust filters are installed for dust generating equipment and areas • Optimized use of natural sunlight for lighting the factory. Skylight roofing are placed throughout manufacturing space, allowing natural light to pervade the workspaces and thereby reducing the energy consumption for lights.

FAUCETS	
Production Process	Sustainability Initiative
Sand Core	<ul style="list-style-type: none"> Re-using the direct scrape sand from the machine by reprocessing and reducing the waste disposal
CNC	<ul style="list-style-type: none"> Peeling tools (Bull nose and ball nose) are replaced by insert tools thereby saving the cycle time. So the advance process is applied for time-saving.
Grinding	<ul style="list-style-type: none"> In the grinding belt consumption of -320 grit, production qty increased by double. So the waste belt disposal is reduced.
Electroplating	<ul style="list-style-type: none"> All machinery parts are equipped with sensors and control monitors for each level. Rejected parts are used for surface quality analysis. So this will reduce the wastage or rework.
ETP	<ul style="list-style-type: none"> Implemented the water treatment system and reused the treated water.
Assembly	<ul style="list-style-type: none"> Lean applied, for more production with timesaving.
Packing	<ul style="list-style-type: none"> Some cartons are re-used for sample packing. Use only recyclable, compostable, and reusable materials for packaging.
All waste disposals	<ul style="list-style-type: none"> All wastes are separated by category and disposing by proper source. (General, Special & hazardous waste)
Electrical Overall	<ul style="list-style-type: none"> Almost all the departments are equipped with Variable Frequency Drives installations in all plants across different departments
Assembly – Accessories Packing	<ul style="list-style-type: none"> Reduced manpower to 2 persons from 4 person at accessories packing section by introducing automatic packing machine.

Energy Efficiency in Production

OVERVIEW

As a manufacturing company producing four product segments - Tiles, Sanitaryware, Faucets, and Tableware - we acknowledge our significant energy intensity and the pivotal role we play in energy conservation and climate change mitigation. Consequently, we prioritize efforts to reduce our energy consumption by investing in technologies that enhance the energy efficiency of our production processes.

We implement multiple environmental initiatives to enhance energy efficiency and reduce our environmental footprint. Firstly, we operate two cogeneration plants with gas turbines, maximizing efficiency by utilizing exhaust air for ceramic spray dryers, thereby significantly reducing natural gas consumption and emissions. Secondly, we recover thermal energy from roller kilns using a heat recovery system, minimizing energy loss through flue gas and cooling gas exhaust stacks. Additionally, we piloted replacing chillers with cooling towers to decrease power consumption, and we have upgraded our power plant by replacing heavy fuel oil engines with natural gas engines, reducing carbon emissions and increasing on-site electricity generation. These efforts collectively contribute to our commitment to sustainability and energy conservation.

Between 2022 and 2023, our energy consumption witnessed a 6.38% increase from 6.52 PJ to 6.94 PJ, while our energy intensity of sales increased by 8.45% from 1.86 GJ / 000 AED to 2.01 GJ / 000 AED. The increase in energy consumption is owing to several factors, but the major factor is related to the change in product mix, with more volumes of GP tiles being produced due to market demand.

GP tiles are more energy and water resource intensive to produce. In 2023, RAK UAE achieved its highest-ever GP production of 28.20 million M2, with a Red Body:GP ratio of 43:57, leading to an overall increase in energy consumption. This shift in production necessitated the closure of certain plants, resulting in a 36.4% reduction in dry milling production and subsequent impacts on power and gas usage. Additionally, the increased thickness of GP tiles by 33% has led to higher gas consumption in the GP production process.

A new frit manufacturing plant is being set up in order to reduce consumption of imported frits from different regions by in-house manufacturing through locally available raw material and material from neighbouring countries. This will be a step further towards sustainability by increasing utilization of locally available raw materials and reducing CO2e due to reduction in imported frits.

Going forward, from 2024 onwards, we will continue to place a high focus on reducing the resource intensity of GP tiles production, given the market shift. This will cement our place as a dynamic sustainability leader.

6.38%

Increase in Energy Consumption compared to 2022

9.62%

Increase in Natural Gas Consumption compared to 2022

-34.25%

Reduction in Diesel Consumption compared to 2022

8.45%

Increase in Energy Intensity of Sales compared to 2022

-99%

Reduction in purchased electricity compared to 2022

3.15%

Increase in Electricity Intensity of sales compared to 2022

Initiatives for 2023

We are currently upgrading our procedures and policies, and in 2023, we aim to achieve the ISO 50001 certification.

TILES PRODUCTION

As one of the largest tile producers in the world, we recognize our responsibility to take active efforts to reduce our emissions and contribute to climate action.

Numerous energy efficiency initiatives have been integrated into our tile production operations to optimize resource usage and reduce environmental impact. These include the application of refractory coatings on thermal vessels to lower ambient temperatures and enhance heat absorption, as well as the implementation of auto air regulators and oxygen analyzers to ensure efficient combustion and minimize energy losses. Vulcan burners and fuel-saving catalysts have been deployed to improve fuel burning efficiency, while X-Plate technology facilitates more effective combustion within furnaces.

Despite maintaining consistent fuel intensity for GP in 2021-22, a 10% increase was observed in 2022-23, attributed to changes in product mix, market shift towards increased GP production and optimization activities.

In 2023, focusing our efforts for sustainable operations, we executed 32 projects resulting in significant fuel and energy consumption reduction. These projects saved us 17,700 MMBTU fuel and 301,000 kWh. One of our biggest initiatives in 2023 was the setting up of a new, smart, and efficient manufacturing unit (Plant 2) which gave us a productivity boost of 16%, reducing its power consumption by 5% and gas consumption by 7.2%.

Across all our plants, multiple initiatives were undertaken in order to improve sustainability in our current operations and for 23 such key initiatives undertaken in 2023 we invested close to 15.17 million.

Looking ahead, 14 additional initiatives are planned for 2024 to further enhance energy efficiency. Moreover, the establishment of smart factory operations and the conversion of red body sizing from wet to dry milling processes demonstrate our ongoing commitment to reducing power, gas, and water consumption while increasing productivity and sustainability across our operations.

Specific initiatives to reduce energy include setting up smart factory operations, which included the installation of new production facility with single line operation. Productivity increased by 16% compared to 2018 capacity. This resulted in reduction in power and gas

consumption by 5.05% and 7.22% respectively. Another initiative we undertook to reduce power and gas as well as water was conversion of red body size from Wet Milling process to dry milling process which will continue into 2024.

-3.37%

Reduction in energy intensity of tiles production compared to 2022(per GJ/m²)

POWER SAVINGS

301,000 kWh

estimated savings as a result of 10 power savings initiatives executed in 2023

62 tons CO₂e

Reduction in emissions

THERMAL SAVINGS

17,700 MMBTU

savings in gas as a result of 8 thermal savings initiatives executed in 2023

885 tons CO₂e

Reduction in emissions

Energy Efficiency in Production (contd.)

SANITARY WARE PRODUCTION

We are committed to becoming a leader in the industry with regards to bathroom solutions that are innovatively designed, are of high-end quality, and sustainably produced.

In 2022, we explored and implemented several initiatives to support reduction in power consumption. These include development of silicon carbide setters to improve volumetric efficiency, piloting ANCORA burners to reduce gas consumption, use of our patented technology – X-plates, and investing in several modifications for our equipments such as for dust collectors, spray booth, capacitor bank and pre-dryers.

In 2023, we scaled our efforts towards sustainable operations and undertook several initiatives to reduce our power consumption. Our biggest initiatives were our investment in one of the largest tunnel kilns in the industry and the retrofitting of some of our kilns with the latest technologies to reduce fuel consumption.

Other initiatives to reduce power consumption include, SMART controlled compressors, VFD installations & modifications, dust collector integration, energy efficient motors, blowers for casting, smart ceiling fans and dust collectors. We undertook several in-house modifications and fabrications of equipment such as for setters, control panels, conveyors, mold sensor support, regulators, moulding plates, slip tanks, motors and casting machines to improve productivity of production processes and energy consumption.

As a result of the aforementioned initiatives, we saw significant results in 2023. The energy intensity of sales (GJ / 000 AED) reduced by 20.46%. Our gas consumption reduced by 2.24% per unit. Another major achievement we achieved in 2023 was the electricity savings experienced in our compressors. Between Jan and Dec 2023, energy consumption in air compressors fell by nearly half. However, our overall energy consumption (GJ / unit) increased by 1.26%. This increase was largely due to base load operations that were required while adjusting to lower market demand.

-20.46%

**Reduction in energy intensity of sales
(GJ / 000 AED)**

1.26%

**Increase in energy intensity of production
(GJ / unit)**

-2.24%

**Reduction in fuel consumption per unit
(MMBTU / unit)**

FAUCETS PRODUCTION

Amidst a significant expansion in production capacities and notable productivity enhancements in chrome production, RAK Ceramics has successfully upheld similar power consumption levels and reduced energy intensity.

Despite a substantial increase in production capacities, with output rising from 0.5 million to 1.5 million units and producing 3000 pieces in 10 hours compared to 1600 previously, RAK Ceramics has managed to maintain similar power consumption levels at this elevated scale of production.

Additionally, improvements in chrome production productivity were achieved. These collective efforts resulted in an impressive 48.78% reduction in the energy intensity of faucets production, reflecting our commitment to enhancing energy efficiency while scaling up operations.

1.88x

**Increase in output of pieces per hour
compared to 2022**

-48.78%

**Reduction in energy intensity of
production compared to 2022**

TABLEWARE PRODUCTION

In 2023, RAK Ceramics achieved significant reductions in energy intensity within its tableware production.

There was a notable decrease of 2.84% in the energy intensity of tableware sales and a 6.31% reduction in the energy intensity of tableware production processes. To further enhance energy efficiency, we initiated the installation of Variable Frequency Drives (VFD) on 34 machines and equipment, a project initiated in 2022.

This endeavor resulted in a commendable 1.69% reduction in electricity consumption, contributing to our ongoing efforts in sustainability and resource efficiency.

-7.02%

**Reduction in fuel consumption per unit
compared to 2022**

-2.84%

**Reduction in energy intensity of sales
compared to 2022**

-6.31%

**Reduction in energy intensity of
production compared to 2022**

Closed Loop Manufacturing System Overview



We have implemented a Closed Loop Manufacturing System to optimize water & waste across the production processes for all our product lines.



WE TREAT 100% OF OUR WASTEWATER AND PARTIALLY REUSE IT ON-SITE

- We have 3 Effluent Treatment Plants (ETP) that treated 0.9 M m³ and 1.03 M m³ in 2022 and 2023 respectively
- In addition, we have 1 Sewage Treatment Plant (STP) that treated 223,074 m³ and 188,081 m³ of wastewater in 2022 and 2023 respectively.
- Approximately 100-125 m³ of wastewater is discharged per hour from factories, which undergoes preliminary treatment and is injected with coagulant and flocculant. The wastewater is filtered and separated into recycled water & sludge. Part of the recycled water is distributed to the factories, and the wet sludge is dried & reused in production. Between 70-75% of sludge is used by Tiles.
- Over time, we have been reducing our freshwater consumption and since 2020, approximately 70% of all water consumption is from recycled water.



100% OF NON-HAZARDOUS WASTE IS EITHER REINTRODUCED IN PRODUCTION OR RECYCLED BY 3RD PARTIES

- In Tiles production: 85-90% of waste from Tiles is reintroduced in Tiles itself, including Fired Tiles, Green Tiles, Squaring Waste Powder and Polishing Sludge. Tiles also uses waste from other production processes and the ETP.
- In Sanitaryware production: From the total waste generated from Sanitary Ware plant, 100% Greenware Waste is recycled and reintroduced within Sanitary Ware raw material production. 16.7% of Fired Ware rejects is reprocessed and reintroduced with raw material production, while the remaining fired wastes moved to Tiles plant process. 92.5% of waste glaze materials is also recycled and introduced in Raw glaze production and the remaining is forwarded to common ETP.
- In Table Ware production: 80% of rejected pieces are reintroduced in production and 20% is forwarded to Tiles.
- In Faucets production: 100% of rejected pieces are reintroduced in Faucet production itself.

Water Sustainability

We operate 3 Effluent Treatment Plants, 1 Sewage Treatment Plant and 1 Desalination Plant

In 2023, our water sustainability efforts remained a focal point of our environmental stewardship initiatives.

Despite a 7.44% increase in water intensity of sales, reflecting the shift to the production of a more resource-intensive product GP, we demonstrated a significant commitment to managing our water resources responsibly. Notably, we treated 10.38% more wastewater in our three Effluent Treatment Plants (ETPs) and saw a 5.37% increase in total wastewater treated on-site compared to 2022. Impressively, 100% of all our wastewater continues to be treated on-site, ensuring compliance with regulatory standards and minimizing environmental impact. While there was a decrease of 15.69% in wastewater treated in our Sewage Treatment Plant (STP), this was complemented by a noteworthy 39.79% increase in desalinated water treated compared to 2022. These performance metrics underscore our ongoing commitment to water sustainability, reflecting our dedication to environmental conservation and responsible resource management.

Initiatives for 2024

Continue working towards achieving the Water Stewardship certification by SAS Global.

7.44%

Increase in water intensity of sales

10.38%

Increase in wastewater treated in our 3 ETPs compared to 2022

5.37%

Increase in total wastewater treated compared to 2022

100%

Of all our wastewater is treated on-site.

-15.69%

Reduction in wastewater treated in our STP compared to 2022

39.79%

Increase in desalinated water treated compared to 2022

Water Sustainability (contd.)

TILES PRODUCTION

Our overall water intensity of tiles production (m³ / unit) has increased from 0.027 to 0.039 between 2022-23. The increase in water consumption is attributed to greater production of GP Tiles, which is more water intensive to produce. Although the production of a more water-intensive product caused our water consumption to increase, we actively implemented initiatives to reduce water consumption, reuse water and reduce spillages and wastage of water. Examples of initiatives include reutilization of wastewater in body preparation area and setting up auto cutoff system /sensors in glaze lines and polishing.

12.17%

**Increase in treated water consumption
compared to 2022**

SANITARY WARE PRODUCTION

We continue to strive to reduce the water intensity of our sanitary ware production and sales.

In 2023, we increased the water intensity of production by 10.24%. However, we observed a reduction in the water intensity of sales by 13.4%

10.24%

**Increase in water intensity of production
compared to 2022**

-13.40%

**Reduction in water intensity of sales
compared to 2022**

TABLEWARE PRODUCTION

Tableware production increased by 13.7% in 2023, accompanied by plant upgrades within our factory premises. These upgrades led to a notable 20% rise in water consumption. Despite this increase, concerted efforts were made to mitigate water usage, resulting in a marginal 5.56% rise in the water intensity of tableware production. Notably, this increase in water intensity remained lower than the overall rise in water consumption, underscoring our commitment to efficient resource management and sustainability in our operations.

5.56%

**Increase in water intensity of production
compared to 2022**

FAUCETS PRODUCTION

Efforts were dedicated to curbing water consumption in faucets production as we expanded our capacities.

These endeavors yielded promising results, with a notable 31.8% reduction observed in the water intensity of our production processes. Moreover, to further enhance sustainability practices, we implemented a wastewater reuse system within our facility. This system repurposes wastewater for irrigation, toilet flushing, as well as for use in boilers and chillers, contributing to our environmental objectives. Consequently, there was a significant increase of 19.88% in the utilization of wastewater across various functions within the facility, reflecting our commitment to maximizing resource efficiency and minimizing environmental impact.

-31.8%

**Reduction in water intensity of production
compared to 2022**

19.88%

Increase in wastewater utilization

Waste & Circularity

Our approach to managing waste

In 2023, we remained dedicated to waste reduction and circularity through a multifaceted approach that maximized in-house resources and minimized environmental impact. Leveraging internal capabilities such as carpentry, photo studio facilities, and skilled manpower, we undertook various marketing activities, including the production of marketing tools such as MDF and wooden base displays, showroom renovations, and creative enhancements for Tiles and Sanitaryware products. This initiative not only resulted in significant cost savings but also reduced transportation requirements, thereby minimizing CO2 emissions. Additionally, we adopted a more sustainable approach to promotional materials by reducing the printing of catalogues and reports by 40% globally. Instead, we embraced digital alternatives such as E-catalogues, USB drives, and product information delivered via email links and newsletters.

We also implemented strategic initiatives aimed at optimizing waste management processes. Introducing third-party vendors in collaboration with the central store team facilitated the collection of recyclable materials from general and special waste bins, resulting in the collection of 159 tons of recyclable waste. This endeavor not only generated revenue of 31,687 AED from the sale of recyclable waste but also led to substantial savings of 4,650 AED in municipality disposal and operational charges. Moreover, the introduction of third-party vendors for non-recyclable waste, including items like used tires and expired fire extinguishers, further bolstered the company's waste management efforts. This initiative generated additional revenue of 11,340 AED and saved 8,752 AED in disposal and operational charges. Overall, these initiatives resulted in direct revenue generation of 43,027 AED and total savings of 56,429 AED.

By embracing these initiatives, RAK Ceramics demonstrates its ongoing commitment to waste reduction, sustainability, and environmental stewardship, contributing to a more circular and environmentally responsible business model.

100%

of non-hazardous waste is either reintroduced in production or recycled by 3rd parties

We have

ZERO WASTE

to Landfill
(Non-hazardous waste only)

5.82%

Increase in Raw materials in 2023 compared to 2022

-34.24%

Reduction in volume of waste generated in 2023 compared to 2022

-32.91%

Reduction in Waste Intensity of Sales in 2023 compared to 2022

Initiatives for 2024

Continue to reduce raw material intensity and increase use of waste in production processes.

Waste & Circularity (contd.)

How we manage waste in our production processes

TILES PRODUCTION

In 2023, RAK UAE achieved its highest-ever GP Tiles production of 28.20 million m², with a Ceramic:GP ratio of 43:57. Furthermore, there was a notable increase in the recycled content of GPG, rising from 11.30% in 2022 to 13.46% in 2023, accompanied by a 2.16% increment in the usage of MUDA from its original formulation.

In our tiles production, we prioritize the utilization of waste materials, with 85-90% of our own generated waste, including Fired Tiles, Green Tiles, Squaring Waste Powder, and Polishing Sludge, being recycled. Additionally, waste from other manufacturing processes such as Sanitary Ware, Tableware, and ETP is repurposed, marking a significant milestone achievement. We diligently monitor glaze wastage and recycle it by reintroducing it into the production process.

Through the above, we have increased the average recycled content of our tiles. In 19 of our tile products we increased recycled content from 4.8%-13% in 2022 to 5%-13.46% in 2023. Moreover, we have made strides in producing tiles made entirely from 100% recycled material, exemplified by our line, Porcelain: Reuse Quartz.

We continue our commitment to recycling MUDA, with 87.69% of generated MUDA currently being utilized, while the remaining 12.31% is stocked for future use. Out of the total 1,281,500 tons of material consumed in 2023, 15.28% constituted MUDA consumption. It's important to note that the utilization of polishing sludge decreased in 2023 due to changes in the CERAMICS:GP ratio.

87.60%

of all MUDA was recycled in 2023

Through intensive R&D

We have reduced the imported raw materials to

78.5%

With increment in local raw materials to

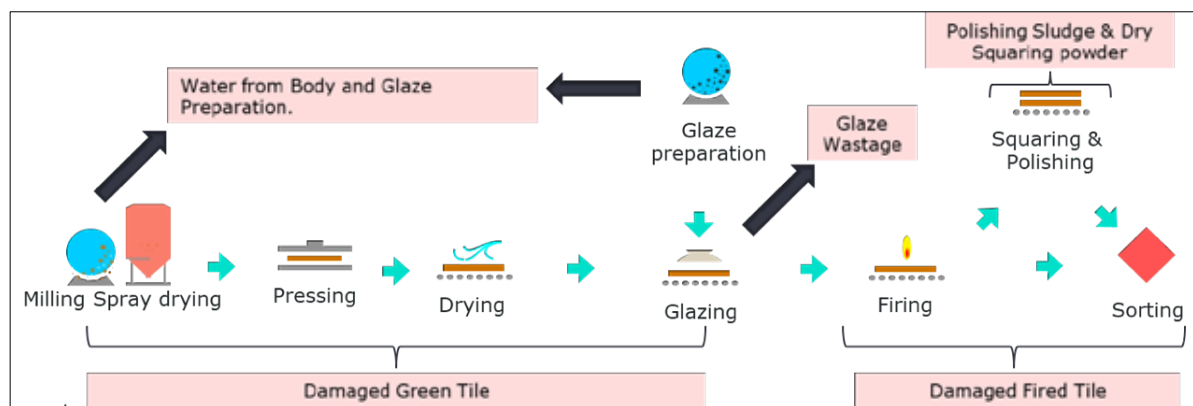
6%

and increased MUDA content to

15.4%

Recycled Input Materials (generated from Tiles production & ETP only)	2021	2022	2023
ETP sludge	90~95 %	70~75%	85~90%
Fired tiles	75~75 %	90~95%	85~90%
Polishing sludge	25~30 %	85~90%	55~60%
Green tile	90~100 %	90~95%	95~100%
Squaring waste powder	80~90 %	85~90%	95~100%

Volume of waste recycled into Tiles manufacturing



How we reintroduce waste in Tiles manufacturing

How we manage waste in our production processes

SANITARYWARE PRODUCTION

In 2023, we undertook several initiatives to improve resource efficiency, reduce waste and improve circularity within Sanitary Ware production. These include undertaking a large re-engineering project to reduce the weight our products by 12% and increase yield by 34%. This project has supported reduction in raw materials, waste as well as energy consumption.

Our circularity efforts are evidenced by the % of waste we reuse in our production. In 2023, we reused 16.7% of fired sanitaryware rejects, 100% of greenware sanitary ware rejects and 92.5% of reclaimed glaze that we generated.

Further, we made efforts to reduce raw materials as evidenced by the reduction of engobe usage by 31% and reduction in glaze consumption by 2.4 tons. To reduce end-user waste, we reformulated our Fireclay products to make them "craze" resistant. We are piloting a new project "RAK-Skin" that aims to upcycle products into highly decorative pieces by transforming the classic sw aesthetic into a unique, modern and very trendy concrete look.

Additionally, we set up the RAK Ceramics Sanitary Ware Training Academy and trained employees on yield improvement and reducing defects and losses. We also set up the 5S improvement system to monitor and support H&S and reduce losses.

100%

Greenware sanitaryware rejects are reintroduced in production

-31%

Reduction in engobe usage in 2023

Recycled Input Materials		2021	2022	2023
Fired Sanitaryware	Re-used Fired Sanitary ware rejects (as % of production)	2%	2%	2%
	Re-used Fired Sanitary ware rejects (Tons)	1,066.6	1,143.5	842.5
	Total Fired Sanitaryware rejects generated (Tons)	4,059	6,593	5,046
	Re-used Fired Sanitary ware rejects (as % of total generated)	26.3%	17.3%	16.7%
Green Sanitaryware	Re-used Greenware Sanitary ware (as % of production)	20%	25%	25%
	Re-used Greenware Sanitary ware (Tons)	13,332	19,210.8	14,154
	Total Green Sanitaryware rejects generated (Tons)	13,332	19,210.8	14,154
	Re-used Greenware Sanitary ware rejects (as % of total generated)	100%	100%	100%
Raw Glazes	Re-used reclaimed glaze (as % of production)	45.94%	44.14%	40.02%
	Re-used reclaimed glaze (Tons)	2,458.96	2,660.2	2,001.5
	Total reclaimed glaze generated (Tons)	Data not available	2,665.55	2,164.1
	Re-used reclaimed glaze (as % of total generated)	N/A	99.8%	92.5%

Waste & Circularity (contd.)

How we manage waste in our production processes

FAUCETS PRODUCTION

We utilize all raw materials, and reintroduce 100% of all rejected pieces back into production.

In 2024, we focused heavily on circularity initiatives, for example reusing 100% of our scrap sand, 90% of quartz sand, reusing grinding belts and dead stock in our production. These have enabled use to reduce raw material consumption and improve diversion.

100%

of all rejected pieces are reintroduced in faucets production

TABLEWARE

100%

Of all rejected pieces are reintroduced in Tableware production, with 20% being forwarded to tiles

7%

Recycled waste in products in 2023, an increase from 5% in 2022.

Additional initiatives include restructuring damaged cartons to be used for supporting packing as separators, fillers etc. Additionally, in 2024, we aim to reduce and optimize our packaging.

Sustainable Logistics & Air Pollution

SUSTAINABLE LOGISTICS

E-BIKES INITIATIVE

We have 85-bikes around all our plants to support our employees with convenient travel and to minimize the usage of regular cars. This reduces car emissions, noise pollution, poor air quality and urban congestion.



-1.4M KM

reduction in road movement resulting in

-1,844.9 tons

CO₂e emissions avoided in 2023

Achieved reduction of material movement by

-0.89M KM

through substitution towards multi-modal transport in 2023



REDUCTION IN ROAD MOVEMENT

We focus optimising logistics and warehousing in addition to enhancing inventory control and management.

In 2022, we achieved a reduction in road movement of 1.4 million kilometers, leading to a reduction in ~150,000 imperial gallons of diesel and savings of 1,884.9 tons CO₂e of emissions. Further, in 2022, we saved 182.6 tons CO₂e of emissions, by replacing 3 diesel operated forklifts with battery operated trucks.

In 2023, we further reduced movement of materials by 0.89 million kilometers, by engaging in multi-modal transport and including sea and rail in routes.

AIR POLLUTION

In 2023, we have intensified our efforts to maintain superior air quality standards and minimize dust emissions within our operations. Proactive measures undertaken throughout the year have led to notable improvements in pollutant levels compared to 2022. Our comprehensive air emissions monitoring program continues to ensure compliance with regulatory requirements. Key findings reveal significant decreases in pollutant concentrations across various processes and the power generation facility. Notably, concentrations of Sulphur dioxide (SO₂) and Nitrogen Oxides (NO_x) have decreased compared to the previous year. This demonstrates our unwavering commitment to environmental stewardship and underscores our dedication to maintaining a clean and healthy environment for all stakeholders. The reason for the increase in CO and TSP levels is due to the increased in natural gas consumption, and increase in material handling and transport due to additional factories in operation respectively.

Pollutants	mg/Nm ³ Ave./hr.	
	2022	2023
NOX	3713.1	2351.03
SOX	417.86	346.68
Total Suspended Particles (TSP)	425.17	446.24
CO	1417.5	1946.87

Emissions

OVERVIEW

As a manufacturing company, we recognize our role in reducing emissions to combat climate change. Hence, our efforts are geared towards improving our environmental stewardship throughout our value chain, sourcing our raw materials sustainably, and operating our manufacturing processes as efficiently as possible. Our choices on equipment and production processes are centered around reduction and efficient management of resources.

EMISSIONS RESULTS 2021-23

We have been reporting our carbon emissions since 2019. In 2022, we updated our emission calculation methodology to align with the UNFCCC calculator. In 2023, we calculated our emissions as per this methodology as well.

In 2021-22, our emissions increased by 1.98% and emissions intensity of sales decreased by 17.14%. In 2022-23, our emissions increased by 4.48% and our emissions intensity of sales increased by 6.60%. Key highlights on our emissions 2021-23 are discussed below:

9.97% and compared to 2022, our Scope 1 emissions increased by 7.84%. This is due to an increase in natural gas, owing to several factors:

- In 2022, we replaced out HFO engines, with natural gas, and in 2023, we completely phased them out, which increased our natural gas consumption.
- In 2023, owing to changes in market demand, we changed our tiles product mix, and produced higher ratio of GP tiles. GP tiles are resource intensive, and thus consume more energy to produce. While we actively undertook measures to reduce the intensity of GP tiles production (see Section on Energy Efficiency), the year was marked with plant optimization to manage these changes, and thus emissions increased.
- Additionally, our new Sanitary Ware plant, which we set up in mid 2022, became fully operational in 2023, further increasing our natural gas consumption.
- However, in 2023, we saw a decline in emissions from refrigerants due to investments in improved and efficient HVAC systems.

SCOPE 1 EMISSIONS

Between 2021-22, our Scope 1 emissions increased by

Emissions in 2021 & 2022 by Scope (kt CO2e)

Year	Unit	2021	2022	2023	2022-23 % Change
Natural Gas	kt CO2e	308.04	353.20	387.18	9.62%
Diesel	kt CO2e	20.51	11.70	7.69	-34.25%
Fuel Oil	kt CO2e	0.85	0.76	0.00	-100.00%
Petrol	kt CO2e	0.03	0.03	0.11	216.90%
Refrigerants	kt CO2e	7.93	5.31	5.11	-3.93%
Total Scope 1	kt CO2e	337.36	371.01	400.08	7.84%
Electricity purchased	kt CO2e	38.14	11.92	0.01	
Total Scope 2	kt CO2e	38.14	11.92	0.01	-99.92%
Total Operational Emissions	kt CO2e	375.50	382.93	400.09	4.48%
Total Revenue	Billion AED	2.86	3.52	3.45	
Emissions Intensity	kg CO2e / 000 AED	131.29	108.79	115.97	6.60%

SCOPE 2 EMISSIONS

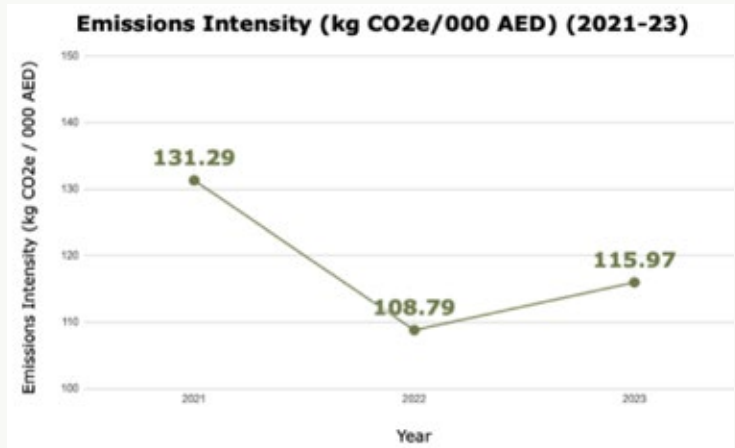
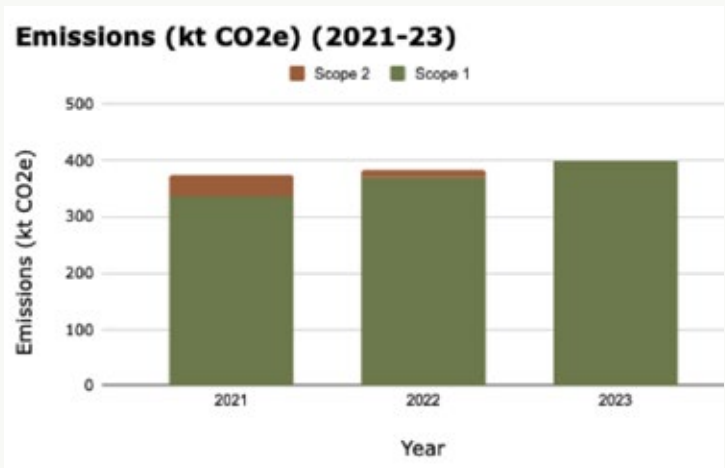
Between 2021-22, our Scope 2 emissions decreased by 68.76% and compared to 2022, our Scope 2 emissions increased by 99.9%. In our Scope 2, we only calculate electricity purchased, and exclude electricity generated from our power plant, as the natural gas used to fuel the power plant, is included in our Scope 1 emissions.

PROGRESS TOWARDS CLIMATE ACTION

We have taken several strides in the last few years to reduce and optimize our energy consumption, which includes, but is not limited to setting up 2 cogeneration plants, undertaking heat recovery, and replacing our chillers with cooling towers. We aim to continue these efforts in the future, with all our divisions exploring and undertaking the latest energy efficiency measures on an annual basis.

PROGRESS TOWARDS CLIMATE ACTION

Further, we are working towards Carbon Capture, Utilization and Storage (CCUS) in an industrial symbiosis context as well, which we aim to make operational in the coming years.



6.60%

Increase in emissions intensity of sales compared to 2022

4.48%

Increase in emissions compared to 2022

Initiatives for 2024

- Continue to work towards capturing our global carbon footprint, and Scope 3 emissions.
- Continue our efforts & investments towards energy savings across all our product lines.
- Continue to work towards CCUS operationalization.





**PILLAR 2:
PEOPLE & COMMUNITY**

Diversity & Inclusion | Emiratization

OVERVIEW

We have approximately 12,000 employees across the group, with 5,530 employees working in our factories at our headquarters in Ras Al Khaimah. We strive to provide a workplace where individuals have an equal opportunity to work and contribute to the Company's growth. We offer equal employment, advancement opportunity and remuneration to all individuals without discrimination based on age, color, race, religion, gender or disability. In 2023, we successfully onboarded 319 professionals, optimizing our workforce to enhance production capacities, which resulted in 762 employees transitioning to new opportunities.

EMIRATIZATION

We continue to focus our efforts on employing national talent to align with the UAE's 2021 vision of Emiratization. Our Human Resources team works closely with the Ministry of Human Resources and Emiratization to increase the number of Emiratis in our workforce. In 2023, the percentage of Emiratis in our administrative functions was 10%.

DIVERSITY & INCLUSION

In 2023, women accounted for 29.93% of administrative employees. We have increased the headcount of females by 10 employees in 2023, despite a reduction in overall headcount of the company. We also do not tolerate a gender pay gap, and women in our company, on average, were paid 2.56 times more than men in 2023.

Ratio of Total Remuneration – Women to Men		
	2022	2022
Band 1 (para professionals)	2.34	2.46
Band 2 (professionals)	1.62	1.67
Band 3 (middle management)	1.11	1.09
Average	2.56	2.56



5,530

Employees in UAE

10%

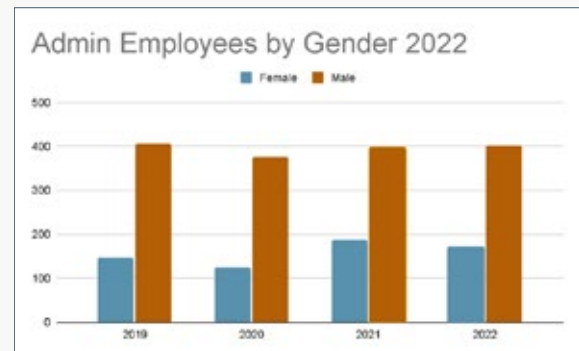
Emiratization rate in 2022

29.93%

Females in Administrative Roles

319

New hires in 2022



Initiatives for 2024

- We are ramping our efforts towards diversity and aim to add 20 more women to our team in 2024
- Increase the number of man-hours by 10% through education
- Extend the formal career development program – ASCEND, to the remaining Sales Organization

Employee Safety & Wellbeing

EMPLOYEE HEALTH & SAFETY OVERVIEW

At RAK Ceramics, the safety and well-being of our employees remain paramount. We firmly believe that a secure and healthy work environment is fundamental to their happiness and productivity. Here's an overview of our Health & Safety Framework:

1. Health and Safety Policy: Our comprehensive policy aligns with UAE Regulations, including ISO 45001 and OSHAD Code of Practice, alongside international best practices. It extends to all employees, contractors, and visitors across our production units, office buildings, workers' accommodations, and workshops, aiming to prevent accidents, injuries, and occupational illnesses.

2. Health & Safety Governance: Our dedicated EHS and Facility Management team oversee the day-to-day management of our health and safety systems. A Safety Committee comprising representatives from various departments meets regularly to address safety concerns and propose necessary controls.

3. Monitoring & Audits: Our NEBOSH certified safety officers and technical team conduct daily monitoring, semi-annual internal audits, and routine inspections to identify hazards, control risks, and identify areas for improvement. All machinery moving parts are properly guarded, and regular risk assessments and plant inspections are conducted.

4. Safety Protection, Trainings & Awareness: We prioritize employee safety through comprehensive safety induction training for all employees, visitors, and contractors. Strategic display of safety bulletins and hazard posters enhances awareness, while provision of dust masks and earplugs mitigates health risks associated with dust, noise, and silica exposure. Regular safety trainings further enhance awareness and knowledge. This year, we increased the topics of Environmental, health and safety tool box talks.

5. Employee Reporting: Our EHS team operates a 24-hour hotline for reporting unsafe conditions, accidents, or incidents. Upon receiving a report, internal investigations are promptly conducted, and appropriate control measures are implemented to prevent recurrence.

6 Managing Specific Safety Risks: Measures to mitigate specific safety risks include air quality testing, dust collector systems, and provision of personal protective equipment (PPE) such as dust masks for respiratory protection against dust and chemical exposure. Installation of silencers and provision of earplugs address high noise levels to prevent hearing problems.

Our ongoing efforts have yielded positive results. Major work-related injuries remained the same as in 2022 at 12, while recorded minor work-related injuries increased to 208 in 2023 from 167 in 2022. This increase is due to enhanced monitoring and reporting, and the inclusion of the group of companies incident report. Our audits have identified and resolved 208 EHS hazards in 2023.

Through these initiatives and continuous improvement, we remain committed to fostering a safe and healthy workplace for all our employees.

Audits conducted	Total Findings
General	2,844
Electrical	1,139
Mechanical	533
Environmental	81

EHS Hazards identified & resolved in 2023

Initiatives for 2024

Continue to make efforts towards our Health & Safety framework, by identifying & resolving hazards, and eliminating work related injuries.

Employee Safety & Wellbeing

EMPLOYEE WELLBEING OVERVIEW

At RAK Ceramics, we understand that our employees are our greatest assets. We are dedicated to ensuring their safety and well-being by providing comprehensive medical insurance to all staff and implementing various healthcare initiatives year-round. By prioritizing the welfare of our team, we cultivate a positive working environment where employees can thrive. This commitment not only benefits our workforce but also aligns with our ambition to lead globally in providing ceramic lifestyle solutions.

Employee Benefits	Description
Life Insurance	All employees are covered under the Company's group life insurance policy, which covers disabilities due to work accidents or a work-related demise.
Medical Insurance	All employees are provided with medical insurance covering all work-related and non work-related ill health or injuries and free health check-ups.
Workman Compensation Insurance	All employees are covered under the Company's Group Workman Compensation Insurance, which covers loss of salary due to a work-related accident/injury.
Annual Health Screening	We partner with RAK Medical Center to provide annual health screening and eye examinations for those employees who work in hazardous conditions inside the factories. Any individuals who are identified as "high risk" are provided with one-on-one counselling and briefed on how to improve their health and lifestyle.
Monthly Wellness Campaigns	We organize monthly awareness campaigns on a variety of topics including how to avoid heatstroke, and the common signs of Hepatitis A and C.
Employee Welfare Fund	A welfare fund has been established by the company to help and support employees in serious need of monetary help due to accidents, medical emergencies for self and/ or immediate family members and other approved expenses to the extent not covered by insurance or any other source. The welfare fund is managed by a committee formed for this purpose and is the authority for sanctioning of financial help for those in need. The management of the welfare fund is governed by the Employee Welfare Fund Policy.
Transportation and Accommodation	Employees are provided with accommodation in accordance with the Accommodation Policy. If no accommodation is provided, employees are provided with an accommodation allowance determined by their respective pay grades. Free transportation or allowance is provided to employees as applicable basis their grade.
Other Leave	All female employees are eligible for 90 days of maternity leave in accordance with UAE Laws (45 days paid and 45 days unpaid). We also provide special leave for Haji/Umrah and on a case-by-case basis.
End of Service Benefits	Employees are provided end of service compensation in accordance with UAE Laws.
Travel Allowance	All employees are granted leave travel allowance, graded according to their Company designation, paid at prevalent market rates.
Counselling for employees	Counselling of employees as per requirement.
Sports Activities	We provide recreational facilities including a gym, basketball, volleyball, badminton courts and a football field and organize regular sports tournaments.

Employee Training

OVERVIEW

At RAK Ceramics, we are committed to nurturing a culture of continuous learning and development to empower our employees. In 2023, every member of our workforce underwent regular performance reviews, ensuring alignment with organizational goals and personal growth objectives. Our dedication to training extends across administrative and factory roles, with a comprehensive range of programs designed to enhance skills and foster professional advancement.

RECRUITMENT POLICY - GRADUATE ENGINEER TRAINEES (GETs) AND MANAGEMENT TRAINEES (MTs)

In 2023, we implemented a Recruitment Policy for Graduate Engineer Trainees (GETs) and Management Trainees (MTs) to diversify our workforce and bring fresh perspectives. This initiative aims to attract talented graduates from esteemed universities worldwide and provide them with comprehensive career path spanning 3 to 4 years. By investing in their development, we ensure a continuous pipeline of future leaders who embody our values of excellence and innovation. This commitment reflects our belief in individual potential and our dedication to fostering a culture of growth and learning.

PROFESSIONAL TRAININGS FOR CAREER ADVANCEMENT

In 2023, our commitment to employee training reached new heights as we invested significantly in initiatives across our manufacturing plants, fostering a culture of excellence and innovation. Comprehensive programs aimed at enhancing both technical and behavioral competencies equipped our workforce with the skills necessary to thrive in a dynamic environment. With a focus on technical competencies, including Lean manufacturing principles, Six Sigma, and Total Productive Maintenance, coupled with programs targeting soft skills such as Sales & Service Excellence. We also developed a skill development academy to develop casters in-house. A total of 1,000 unique participants were trained under the Casters Development Program resulting in a total of 80,000 man-hours of training. Our training efforts totaled to 120,822 man-hours, reaching 4,021 unique participants. These initiatives underscore our unwavering dedication to continuous learning and employee development, key drivers of sustainable growth and long-term success.

ASCEND: DRIVING SUSTAINABLE PROGRESS

The ASCEND program at RAK Ceramics embodies our dedication to empowering employee growth and driving sustainable progress. Introduced to support career

advancement in our Retail division, ASCEND offers clear pathways for employees, encouraging professional development through two distinct career paths: Managerial and Specialist. By investing in employee growth, ASCEND fosters a culture of continuous learning and inclusivity, promoting equal access to opportunities and strengthening organizational resilience. As a cornerstone of our commitment to sustainable business practices, ASCEND enhances employee engagement, retention, and productivity, contributing to a more dynamic and agile workforce. This program will be scaled to all divisions in 2024.

ENVIRONMENT, HEALTH & SAFETY TRAININGS

In 2023, we maintained a strong focus on ensuring the safety and well-being of our workforce through comprehensive training sessions covering environmental, health, and safety protocols. With 78 topics covered in our training sessions, we provided essential knowledge and skills to navigate potential risks effectively, encompassing areas such as hazard identification, emergency procedures, and general maintenance, reinforcing our commitment to upholding the highest standards of workplace safety.



ASCEND

Program introduced in
Retail division



78

Topics covered
in EHS training
sessions



72.21%

Unique employees
trained in 2023



120,822

Training hours
achieved in 2023

Initiatives for 2024

Expand ASCEND - Progress with Purpose to all divisions in the company.

Community Investment

OVERVIEW

Aligned with the Company's strategic objectives and our commitment to corporate responsibility, we remain dedicated to promoting and investing in CSR initiatives and community improvement activities. We are pleased to announce that in 2023, we have sustained our momentum in advancing our CSR endeavors, achieving progress across all strategic pillars. In 2023, we invested 0.06% of our revenues in CSR initiatives to support communities. Our unwavering commitment to enhancing the quality of life in our beneficiary communities and fostering responsible and sustainable innovation continues to drive the growth of our businesses.

CONTRIBUTION TO TURKEY AND SYRIA EARTHQUAKE RELIEF

In response to the devastating earthquake in Turkey and Syria, we at RAK Ceramics swiftly partnered with the Khalifa Bin Zayed Al Nahyan Foundation to provide crucial aid to the affected communities. Pledging our support, we committed over 1,000 pallets of tiles and sanitaryware products for construction assistance, aiming to facilitate the rebuilding process. Our contribution will play a vital role in reconstructing homes, schools, and public infrastructure, offering much-needed support to those striving to recover from the tragedy.

In addition to our direct contribution of over 1,000 pallets of Tiles and Sanitaryware products, we have successfully raised AED 100,000, which we have forwarded to the Emirates Red Crescent UAE and UNICEF to support their ongoing relief efforts in the affected areas. We are immensely proud of our employees for their kindness, generosity, and empathy towards those affected by this natural disaster. Through these initiatives, we demonstrate our unwavering commitment to social responsibility and stand in solidarity with the earthquake victims, striving to help them rebuild stronger and more resilient communities.



UAE Flag Day Celebration



Breast Cancer Awareness Programme



Clean UAE Campaign



Tin Can Collection Day



'For Our Emirates We Plant' with Emirates Environmental Group (EEG)



Earth Day Annual Tree Planting





PILLAR 3: GOVERNANCE

Corporate Governance

OVERVIEW

We consider sound corporate governance to be one of the pillars of running a responsible, profitable and sustainable business that creates value. An organizational commitment to corporate governance drives enhanced management accountability, creation of value for shareholders and protecting the interests of all stakeholders and our community. We have adopted a comprehensive set of corporate governance policies and procedures that draws upon global best practices and is in accordance with all relevant UAE legislation including Resolution No. 3 of 2020 of Securities and Commodities Authority (SCA) concerning Corporate Governance Rules and Corporate Discipline Standards. This assures that utmost vigilance is exerted by the Board of Directors (the "Board"), Executive Management and employees of our Company.

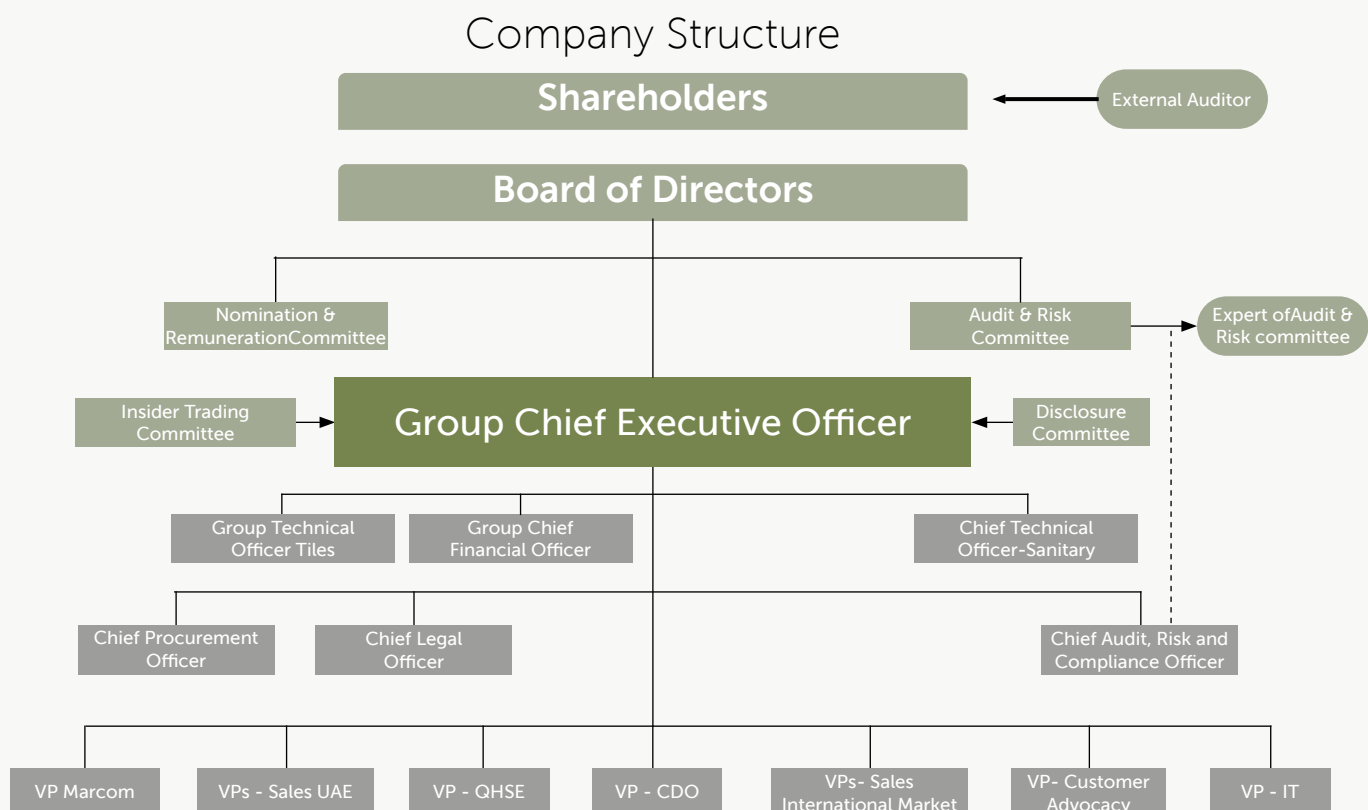
prudent management of its business and associated risks. In particular, the Board is responsible for strategic direction, supervision of management and adequate controls to drive success and long-term value creation. The Board plays a central role in the Corporate Governance Framework by ensuring that the Company complies with obligations arising from its legal and regulatory requirements; its memorandum and Articles of Association and duties towards the shareholders.

Composition of the Board of Directors: The current Board consists of seven members:

- The Chairman (Non-Executive, Independent)
- The Vice Chairman (Non-Executive, Independent)
- Four Non-Executive & Independent Directors
- One Executive Director

BOARD

The Board is accountable to the Company's shareholders for creating and delivering sustainable value through



RAK CERAMICS ORGANIZATIONAL CHART

INDEPENDENCE OF BOARD MEMBERS

The Board consists of 6 non-executive, independent members and one executive member, satisfying the requirements of Article (9/5) of Resolution No. 3 R.M of 2020 of SCA concerning Corporate Governance. The Board members are elected every 3 years. In case of any vacancy during this period, the Board selects members based on recommendations of the Nomination and Remuneration Committee (NRC). The term of the current Board Members expires on 29 March 2024.

BOARD COMMITTEES

The Board has 2 permanent committees: The Audit & Risk Committee (ARC) and the Nomination and Remuneration Committee (NRC). Together, they strengthen the Board's oversight of the Group.

BOARD DIVERSITY

Our Board consists of 6 male members and 1 female member, who is also the Chairperson of the Audit and Risk Committee.

BOARD PERFORMANCE

The Board undertakes self-evaluation on a routine basis regarding their performance.

CONFLICT OF INTEREST

We maintain Conflict of Interest policies at the Board- and workforce-level. Additionally, we investigate potential concerns regarding conflict of interest among our workforce and communicate the same to the Board. The Board members are also required to disclose any potential conflicts of interest prior to Board meetings.

SUSTAINABILITY GOVERNANCE

There is two-way communication of information regarding sustainability including impacts and critical concerns. The Executive Management raises issues and concerns to the Board, and the Board communicates their direction and inputs to address these to the Executive Management, and delegates responsibilities accordingly. These communication channels are set up on a quarterly and annual basis to complement discussions on performance updates. These meetings can be conducted as and when required. Monitoring and feedback loops are also present to communicate progress as per direction given on sustainability concerns. The ESG Report is also communicated to the Board.

REMUNERATION POLICIES

We maintain a comprehensive and transparent Remuneration Framework to determine the compensation of different bands and grades of employees.

FURTHER INFORMATION ABOUT OUR CORPORATE GOVERNANCE IS DETAILED IN OUR CORPORATE GOVERNANCE REPORT.

Ethics

From a corporate governance perspective, the main focus in 2023 was to ensure continuing compliance with the applicable laws of the United Arab Emirates, regulations governed by the Securities and Commodities Authority (SCA), the Abu Dhabi Securities Exchange (ADX) and the Articles of Association of the Company (AoA). We regularly update our policies, such as the Code of Conduct, Conflict of Interest, Whistleblowing Policies, and Dividend Policy. We are committed to respecting the rights of all stakeholders through the adoption of the highest standards of governance resulting in transparency and integrity in all our dealings and disclosures.

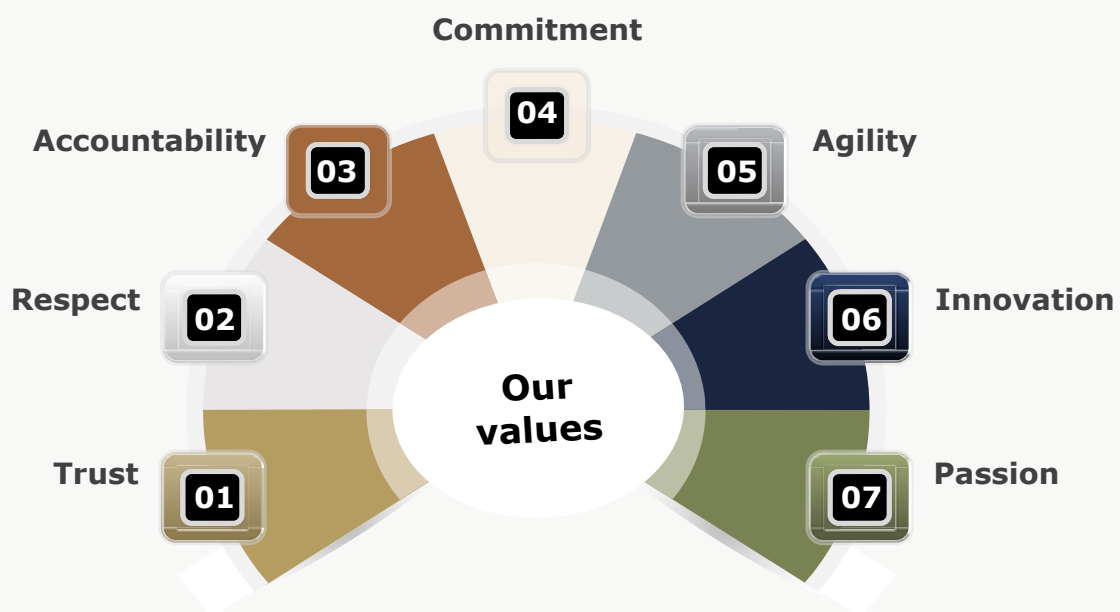
Members of the Board of Directors, executive management and employees ("Our People") in the Company are aware of the Anti-Corruption Policies and must adhere to the guidelines noted in the Anti-Corruption Policies during their employment with our Company. In particular, the Company's Code of Conduct outlines the minimum standards of business and ethical conduct that we expect our people to adhere to, in order to maintain our vision of zero corruption. The Code of Conduct does not cover all possible situations that may occur, but provides guidance on day-to-day activities, so that our people can 'do the right thing'. Any person who fails to comply with the Anti-corruption Policies will be subject to disciplinary measures, including but not limited

to warning, or termination. To emphasize the importance of the Anti-Corruption policies, management routinely communicates the key details from the Anti-Corruption Policies, through emails, memos and in Company meetings.

We maintain a comprehensive grievance reporting mechanism that is accessible to all our employees. We ensure that employees are made aware of this mechanism and the process of utilizing it to report concerns.

List of aspects covered in our Code of Conduct

- Purpose of global code of conduct
- Guiding principles
- Statutory compliance, rules and regulations
- Conflict of interest
- Corporate commitment
- Customer relation
- Dealing with suppliers
- Accounting records maintenance
- Public communications



Data Protection

In 2023, RAK Ceramics remained steadfast in its commitment to safeguarding customer privacy and upholding data security standards. Building upon previous efforts, new initiatives were implemented to further enhance cybersecurity measures. Notably, RAK Ceramics successfully passed the ISMS surveillance audit, demonstrating continued adherence to international security standards. Additionally, significant security enhancements were made, including enabling disk encryption for endpoints and implementing Multi-Factor Authentication for remote access. These measures aim to fortify our defenses against cyber threats and protect sensitive information. Our dedication to customer trust remains paramount, and we continue to prioritize the confidentiality and security of personal data.

Furthermore, our cybersecurity strategy is bolstered by a comprehensive set of policies and standards aligned with ISO 27001:2013, ensuring a robust framework for data protection across our operations. We regularly review and update our cybersecurity protocols to address evolving threats, and disaster recovery drills are conducted annually to strengthen our response capabilities. As we adapt to changing work environments and embrace cloud-based services, we remain vigilant in safeguarding digital assets and maintaining the integrity of our systems. Through these ongoing efforts, we affirm our commitment to maintaining the highest standards of cybersecurity and protecting the interests of our customers and stakeholders.



Network Security

Protect networks from attack, filter out unauthorized access and malicious content.



Malware Prevention

Anti-malware defenses across the organisation.



User Education & Awareness

Educating users on security policies and create awareness of cyber risk.



Removable Media Controls

Control all access to removable media. Scan all media for malware before importing onto the corporate system.



Managing user Privileges

Limit the number of privileged accounts, user privileges plus monitor and control user activity.



Patch Management

Keeping software on computers and network devices up to date and capable of resisting low-level cyber attacks.



Incident management

Incident response and disaster recovery capability.



Monitoring

Continuously monitoring all systems and networks. Analyze logs for unusual activities.



Home and Mobile Working

Protect data both in transit and at rest.



Risk Management

Risk identification and migration.





**PILLAR 4:
RESPONSIBLE BUSINESS &
RESPONSIBLE EMPLOYER**

Sustainable & Responsible Procurement

OVERVIEW

Our raw materials are procured locally from Ras Al Khaimah, and from Europe, India, Indonesia, Thailand & Malaysia. We focus on procuring raw materials of the highest standard that meet our sustainability criteria. Our Sustainable & Responsible Procurement efforts are focused on 4 different streams.

- First, we ensure verification of all our new suppliers through self assessment questionnaires to ensure our requirements for quality, health & safety and labour practices are being met, such as zero child labour. Further, we conduct audits of all our strategic suppliers.
- Second, we work towards increasing the % of our local suppliers and local raw materials.
- Third, we undertake R&D to reduce the volume of imports in our production.
- Fourth, we place a heavy focus on procuring packaging material that is recycled or recyclable.

1. SUPPLIER VERIFICATION & AUDITS

We place high importance on dealing with suppliers who conduct ethical business practices and our focus is ensuring that at a minimum our suppliers have adequate health and safety stands in place and do not partake in child labor. Prior to becoming a supplier for our Company, it is mandatory for all key suppliers to complete a Supplier Assessment Questionnaire, which outlines the minimum requirements for quality, environmental practices, health and safety and ethical standards. We will continue to work on our supply chain strategy, so it continues to meet the demands of the business and is in line with our stakeholder values.

Questions are related to availability of Health and Safety Policy, risk assessments, monitoring, MSDS, accident reporting and records, PPE, evacuation procedures, on-site machinery safeguards, first aid, fire & safety precautions, noise pollution control and worker training. We also conduct audits of all our strategic suppliers such as our high volume and high risk suppliers

2. LOCAL PROCUREMENT

75% of our suppliers were local in 2023. Further, in 2022, we also reduced our freight emissions by 35,170.6 tons CO₂e, by avoiding imports of 256,265 tons of raw materials per annum. This initiative continued into 2023. Additionally, in 2023, we avoided imports of 20,000 tons of raw materials, bringing our total savings in freight emissions to 36,297.8 tons.

3. R&D TO REDUCE IMPORTS

In 2023, we have reduced the overall imported raw materials consumption by 4.07% (GP) compared to 2022. Through R&D and intensive formulations we have successfully reduced the imported raw materials to 78.5% along with increment in Local raw materials to 6%.

4. PACKAGING

In 2023, all 80% of all our packaging material is recycled and/or recyclable, and we are working towards increasing this figure.

36,297.8 tons

CO₂e saved from avoiding imports of
256,265 tons of raw materials annually

Reduction of imported materials to

78.50%

through intensive R&D

80%

of all our packaging is recycled
and/or recyclable

75%

of our suppliers are local.

Initiatives for 2024

We are currently working towards developing Supplier Guiding Principles to improve sustainability within our supply chains.

Technological Innovation in Production

SMART FACTORY

We continuously invest in state-of-the-art manufacturing technologies and sustainability programs, as outlined in the Environment section of this report. Improving energy and water efficiency, and increasing the application of circular economy in our operations has been a primary focus.

To support our efforts, in 2023, we launched a Smart factory in Ras Al Khaimah. The factory will support maximizing and optimizing efficiency during production and enable us to realise significant savings in energy consumption and emissions.

We also invested in a digital plant for our sanitary ware division, that includes up-to-date heat exchanger kiln systems, that give us capabilities for hydrogen conversion and waste heat recycling in the future. This plant will be operational in 2024.

DIGITAL TRANSFORMATION ROADMAP

In 2023, our focus on digital transformation remained steadfast, guided by the principles of innovation, productivity enhancements, and cost optimization. Building upon the Industry 4.0 framework, we continued to deliver strategic IT initiatives aimed at enhancing our global footprint and streamlining processes. Notably, we achieved significant milestones, including the consolidation of SAP instances in India, Bangladesh, and the UK. This consolidation facilitated better resource allocation and utilization within our IT infrastructure, leading to improved efficiency and reduced environmental impact. As a result, we successfully decreased our approximate CO₂ equivalent emissions by 18.075 kg per day.

Moreover, our commitment to information security was reinforced with the attainment of ISO 27001:2013 certification, further bolstering our resilience against cyber threats. Additionally, our global IT team underwent restructuring to align roles with organizational goals and foster collaboration across regions. Leveraging the Cloud First/Multi Cloud policy, we continued the migration of IT infrastructure to cloud environments, enhancing reliability and availability. Initiatives such as the implementation of Metaverse for the retail segment underscored our commitment to embracing emerging technologies. Furthermore, our strategic focus on consolidating ERPs to SAP S4 HANA was reinforced through rollout and implementation projects in the UK, India, and Bangladesh, signaling our dedication to modernizing IT processes and infrastructure on a global scale.

Quality and Product Compliance

OVERVIEW

At RAK Ceramics, providing the best quality products that are sustainable are our top most priorities. For this purpose, we strive to achieve several certifications and participate in platforms related to quality, compliance and sustainability. Key highlights and full list of certifications and platforms that we participated in are discussed below:

Quality & Sustainability Certification	Description
	<p>All RAK Ceramics Tiles & Sanitarywares products have Environmental Product Declarations (EPD) following the CEN Norm EN 15804 standard, serves as the core PCR. Independent verification of the declaration according to ISO 14025 and ISO 21930, verified and certified by a third party. The product life cycle analysis was concluded following ISO 14040:2006, ISO 14044:2016, ISO 21930:2017 in line with the requirements of product category rules (PCR) regarding EN 15804 +A2:2019.</p> <p>In 2023, we updated our EPDs, to include environmental impact of product end-of-life, recovery and recycling. Our EPD results for 2023 indicate that we reduced the emissions of our product lifecycle by 98.91% from 516 to 5.61 kg CO₂e.</p>
	<p>ECO Label Certification is a voluntary method of environmental performance certification and labelling that is practiced around the world for products or services proven to be environmentally preferable within a specific category.</p> <p>In 2023, we were the first company in the UAE to receive the EcoLabel award by the RAK Environmental Protection and Developmental Authority</p>
	<p>Platform to measure, monitor and take action on Scope 1, 2 and 3 emissions. We are now a part of this platform and utilize their tools to support our emission reduction efforts.</p>
	<p>Ecovadis focuses on supply chain sustainability, and provide a range of solutions, including assessing suppliers on sustainability performance and rating them on the same. In 2023, we participated in the Ecovadis supplier rating system as well.</p>
	<p>Kingfisher Packaging Sustainability Application is a platform that assess the sustainability of packaging materials. In 2023, we participated on the Kingfisher Platform as well.</p>
	<p>ISO 9001:2015 by internationally recognized UK certification body Ceramic Research Institute Certification Scheme for ceramic tiles and sanitary ware. This certification verifies that we have a quality management system in place that is compliant with the requirements of the standard, which covers design, development, production and supply of ceramics and sanitary ware.</p>
	<p>ISO 13006, EN 14411 and ANSI A137.1. We manufacture ceramic tiles in accordance with these standard specifications from the UK, Europe and USA.</p>
	<p>Our testing laboratory operates in accordance with ISO/IEC 17025 accredited by the National Association of Testing Authorities, Australia.</p>
	<p>Given for Ceramic, Porcelain Tiles, Sanitary wares. The Health Product Declaration (HPD) Open Standard provides for the disclosure of product contents and potential associated human and environmental health hazards. Hazard associations are based on the HPD Priority Hazard Lists, the GreenScreen List Translator, and when available, full Green Screen assessments.</p>

Quality & Sustainability Certification	Description
	Given for Tiles, Sanitary ware & Kludi: RAK Ceramics declarable substances list is regularly reviewed to include applicable regulations and customer requirements and to ensure that our suppliers are in line with our rules regarding the use of chemicals and hazardous substances. It defines RAK Ceramics declarable substances that our suppliers and subcontractors have to report in addition to regulated substances declarations.
	COY Certiquality Certification: DT55 ED 100915 (ISO/IEC 17067:2013) – This certification is given to construction products with a specified percentage of recycled materials. This has been awarded to Porcelain tiles produced from waste generated during the manufacturing process of tiles.
	NFPA 285: Standard Fire Test Method for Evaluation of Fire Propagation Characteristics of Exterior Wall Assemblies Containing Combustible Components.
	FloorScore: FloorScore is an independent certification program that test and certifies hard surface flooring and the materials they are made with, to ensure they are in compliance with stringent indoor air quality emissions.
	ISO 14001:2015 Environmental Management System, is a voluntary standard for designing, implementing and maintaining an environmental management system
	SCS Global - Certain Series of tiles are manufactured with 100% recycled materials from wastes generated during the manufacturing process of ceramic tiles, sanitaryware and tableware.
	SMETA is the world's most widely used audit. Businesses use SMETA to understand and make improvements to working conditions and standards of labour, health and safety, environmental performance, and ethics in their business and supply chain. RAK Ceramics has completed the SMETA audit.
	Synesgy enables companies to collect and manage sustainability information through an ESG self-assessment, complete with evaluation, benchmarks, and guidance on the development plan to be undertaken. RAK Ceramics has completed the Synesgy survey.
	SCS Global certifies companies on Water Stewardship. Criteria includes responsible planning and management of water resources and using water in a way that is socially equitable, environmentally sustainable and economically beneficial. We are currently working towards this certification and aim to achieve this in 2024.
	ISO 50001:2018 Energy Management System is a voluntary standard for designing, implementing and maintaining an energy management system. We are currently working towards this certification and aim to achieve this in 2024.

Sustainable Products

Our strategic initiatives in providing our customers with sustainable and innovative products and solutions that improve their quality of life centers on the principle of constant change and improvement. Our innovative prowess can be seen in the wide range of products we offer, which spans product types, styles, designs and price points to cater to the varying requirements and preferences of our customers. Some of our sustainable product offerings are discussed below:





Sustainable and Innovative Products (contd.)

SURFACE, BATHROOM AND KITCHEN SOLUTIONS 2023



RAK REEL FLUSH - THE "REEL FLUSH"

RAK Reel Flush is an innovative flushing system introduced in the latest RAK-Remal collection. It represents a leap forward in hygiene and toilet comfort. With its spiral water flush, it enhances the already excellent rimless system while reducing noise and achieving significant water savings.

RE-USE QUARTZ

Re-use Quartz is the world's first tile with 100% recycled material. In our R&D laboratories, we continuously work towards improving the sustainability of our operations and focus on circularity through reduce, reuse and recycle of waste materials. Re-use Quartz is our latest innovation from these efforts. The tiles are manufactured from wastes generated in our production processes.



COOKING-RAK

Cooking-RAK is an innovative hidden induction cooktop from RAK Ceramics. In 2023, Cooking-RAK won the internationally acclaimed design competition, the Archiproducs Design Awards.



MICA

A new finish named MICA was introduced to the market and applied on the washbasin collection RAK-Batu and bathroom solution RAK-Plano. Mica is an artistic glaze obtained by innovation process of adding mix particles of Mica (a family of minerals of which muscovite is part).

RAKSOLITE

RAKSOLITE is an innovative material manufactured from a similar mix of natural minerals and resins but lighter than our durable solid surface material RAKSOLID. RAK-Ether is one of the finest innovation shower trays in RAKSOLITE which present slate like aesthetical characteristics while granting anti-slip safety.



RAK-CLEON

RAK-Cleon is our newest bathroom solution. It is integrated with bidet functionality for improved personal comfort and cleansing. It is an all-in-one solution that combines design and technology, enabling superior hygiene standards for bathrooms.

COP28 and other Sustainability Engagements in 2023

COP28

At COP28 UAE, RAK Ceramics took significant strides in advancing sustainability initiatives, reinforcing its commitment to environmental stewardship. As a prominent participant in the Sustainability Showcase: Ras Al Khaimah's Journey, RAK Ceramics played a pivotal role in shaping discussions around achieving net-zero emissions in challenging industrial sectors. Leveraging its position as the largest company by turnover in Ras Al Khaimah, RAK Ceramics joined industry leaders to explore innovative pathways towards sustainability.

Collaborating with SAP, RAK Ceramics showcased the transformative potential of innovation at the SAP stand within the COP28 Green Zone. By presenting practical, real-world scenarios, RAK Ceramics underscored the importance of measuring and managing sustainable outcomes, emphasizing the critical role of technology and innovation in driving positive change.

The organization's commitment to sustainable business practices was further recognized at COP28, as RAK Ceramics was honored with the prestigious EcoLabel Certification Award by the Ras Al Khaimah Environmental Protection & Development Authority. This esteemed recognition underscores RAK Ceramics' exceptional dedication to environmental sustainability and underscores its leadership in fostering sustainable practices within the industry.



Arabic CSR Forum

RAK Ceramics was part of the sustainability forum organized by Arabia CSR Network in association with Emirates Environmental Group under the patronage of Ministry of Climate Change and Environment

During this event, key sustainability stakeholders discussed how to collaborate to translate sustainability targets into actions to save the planet.

The theme of the session, "Unlocking Sustainable Transformation: Breaking Barriers, Creating Solutions".



Conclusion: Sustainability Leader in the Industry

OUR FORWARD-LOOKING STATEMENT

OVERVIEW

In 2023, RAK Ceramics continued its unwavering commitment to sustainability, striving to set new standards in ceramic manufacturing while prioritizing environmental responsibility and social impact. Building upon the foundation laid in previous years, our focus remained on integrating sustainable practices into every aspect of our operations. Through this exercise, we have identified various areas of improvement. As we forge ahead into the future, RAK Ceramics remains steadfast in our commitment to advancing sustainability across all facets of our operations, building upon the progress achieved in 2023.

ENVIRONMENTAL IMPACT

In alignment with our dedication to minimizing environmental impact, we continue to prioritize energy efficiency in production through ongoing manufacturing innovation. Furthermore, our focus on optimizing water consumption and enhancing circularity has seen significant strides, with notable improvements in the utilization of treated wastewater. We remain dedicated to innovating in manufacturing processes to optimize raw material usage and enhance the re-use of waste in both production and final products, further strengthening our commitment to waste reduction and circularity. Additionally, our efforts to optimize shipping routes for sustainable logistics have contributed to a reduction in emissions, showcasing our ongoing commitment to minimizing our carbon footprint. In addressing air pollution and emissions reduction, we have implemented the latest technologies and initiatives to effectively reduce emissions across our operations, reflecting our continued dedication to environmental stewardship and sustainability.

PEOPLE & COMMUNITY

In our unwavering commitment to fostering a thriving community, we have continued to prioritize the safety and wellbeing of our employees, with ongoing efforts to provide a safe and healthy working environment. Through continuous training and development opportunities, we empower our employees, ensuring they feel valued and recognized for their contributions. Our commitment to diversity and inclusion remains resolute, as we strive to cultivate an environment where every employee feels valued, respected, and empowered to drive creativity, innovation, and employee satisfaction. Furthermore, our dedication to Emiratization has seen tangible progress, with ongoing initiatives aimed at providing employment

opportunities and support for the growth of UAE nationals, contributing to sustainable development. Leveraging our position as a global manufacturing company, we have continued to invest in serving the communities in which we operate, reinforcing our commitment to community investment and social responsibility.

GOVERNANCE

In the realm of governance, ethics, and integrity, we continue to uphold the highest standards, conducting business with transparency, accountability, and ethical integrity. Our commitment to corporate governance and compliance remains unwavering, with clear processes and procedures in place to ensure adherence to international and industry best practices. Furthermore, we remain steadfast in safeguarding customer data and digital assets, embedding robust data protection processes into our operations to ensure data security and privacy.

RESPONSIBLE BUSINESS & RESPONSIBLE EMPLOYER

As responsible business owners and employers, we remain dedicated to driving sustainability in our supply chains and integrating sustainability considerations into our procurement processes. Our ongoing efforts to enhance technological innovation in production have resulted in greater efficiency and sustainability. Additionally, our commitment to product quality and compliance is reflected in the ongoing improvement of our Quality Management System, ensuring the effective management of market needs, risks, and opportunities. Our dedication to sustainable products continues to drive us forward, as we design and develop production processes and products that consume resources responsibly, furthering our commitment to environmental stewardship and sustainable practices in all aspects of our business.





ESG Data Tables

Material Topic	KPIs	2021	2022	2023	Units	% Change 2022-23
Pillar: Environmental Impact						
Energy Efficiency	Total Energy Consumption	6.12	6.53	6.94	PJ	6.38%
	Energy Intensity of Sales	2.14	1.85	2.01	GJ / 000 AED	8.45%
	Natural Gas consumption	5,379,480.50	6,168,143.00	6,761,550.00	MMBTU	9.62%
	Diesel consumption	7,580,850.75	4,323,913.87	2,843,169.80	litres	-34.25%
	Petrol consumption	13,165.00	14,302.00	45,322.74	litres	216.90%
	HFO consumption	268,285.00	240,864.00	0.00	litres	-100.00%
	Total Direct Energy Consumption	5.72	6.40	6.94	PJ	8.42%
	Direct Energy Intensity of Sales	2.00	1.82	2.01	GJ / 000 AED	10.62%
	Total Electricity Consumption	261,457,753.00	268,932,792.00	264,065,111.00	kWh	1.09%
	Electricity Consumption Intensity of Sales	91.42	76.40	76.54	kWh / 000 AED	3.15%
	Electricity purchased	107,949,039.89	34,723,792.00	28,609.00	kWh	99.00%
	% of Total Energy - Natural Gas	89.05%	95.57%	98.54%	%	3.04%
	% of Total Energy - Diesel	4.42%	2.36%	1.46%	%	-38.19%
	% of Total Energy - Petrol	0.01%	0.01%	0.02%	%	197.88%
	% of Total Energy - HFO	0.18%	0.15%	0.00%	%	-100.00%
	% of Total Energy - Electricity purchased	6.36%	1.91%	0.00%	%	-99.92%
	Electricity generated	153,508,713.11	234,209,000.00	264,036,502.00	kWh	16.07%
	% of electricity purchased	41.29%	12.91%	0.01%	%	-99.92%
	% of electricity generated	58.71%	87.09%	99.99%	%	14.81%
	Energy Intensity of Tiles Production (Fuel) (GP)	0.070	0.070	0.077	MMBTU / m2	10.00%
	Energy Intensity of Tiles Production (Electricity) (GP)		4.405	4.291	kWh / m2	-2.59%
	Energy Intensity of Tiles Production (Fuel) (Red Body)	0.049	0.047	0.045	MMBTU / m2	-4.26%
	Energy Intensity of Tiles Production (Electricity) (Red Body)	2.358	2.21	2.252	kWh / m2	1.90%
	Total Energy Intensity of Tiles Production	0.06	0.06	0.05	GJ / m2	-3.37%
	Total Energy Intensity of Tiles Sales	2.76	2.43	2.11	GJ / 000 AED	-13.36%

Material Topic	KPIs	2021	2021	2023	Units	% Change 2022-23
Pillar: Environmental Impact (Contd.)						
Energy Efficiency	Energy intensity of Sanitary Ware Production (Fuel)	N/A	0.26	0.25	MMBTU / unit	-2.24%
	Energy intensity of Sanitary Ware Production (Electricity)	N/A	9.24	11.88	kWh / unit	28.54%
	Total Energy intensity of Sanitary Ware Production	N/A	0.29	0.30	GJ / unit	1.26%
	Total Energy intensity of Sanitary Ware Sales	N/A	1.96	1.56	GJ / 000 AED	-20.46%
	Energy intensity of Tableware Production	0.0194	0.0172	0.0161	GJ / unit	-6.31%
	Energy intensity of Tableware Sales	1.05	1.22	1.18	GJ / 000 AED	-2.84%
	Energy intensity of Faucets Production	32.8	41	21.00	GJ / unit	-48.78%
	Energy intensity of Faucets Sales	0.091	0.092	0.10	GJ / 000 AED	8.70%
Water Sustainability	Water Consumption	2,157,000.00	2,588,000.00	2,745,787.00	m3	6.10%
	Water Intensity of Sales	0.75	0.74	0.80	m3 / 000 AED	7.44%
	Desalination Water Treated	769,190.00	896,504.00	1,253,180.00	m3	39.79%
	Water Purchased	549,040.00	567,643.00	269,240.00	m3	-52.57%
	ETP Water Treated	884,467.00	937,955.00	1,035,286.00	m3	10.38%
	STP Water Treated	225,270.00	223,074.00	188,081.00	m3	-15.69%
	Total wastewater treated	1,109,737.00	1,161,029.00	1,223,367.00	m3	5.37%
Waste & Circularity	Input / material consumption	1,215,433.00	1,165,668.00	1,233,528.00	tons	5.82%
	Waste (non-hazardous)	85,134.00	62,415.00	41,041.00	tons	-34.24%
	Waste (hazardous)	5.68	33.62	28.77	tons	-14.43%
	Waste Intensity of Sales	29.77	17.73	11.90	kg / 000 AED	-32.91%
	Raw material intensity of sales	424.98	331.16	357.54	kg / 000 AED	7.97%
Sustainable Logistics	Emissions savings from reduction in road movement	N/A	1,844.9	1,844.9	tons CO2e	N/A
Air Pollution	NOX	N/A	3,713.10	2,351.03	mg/Nm3 Ave./hr.	-36.68%
	SOX	N/A	417.86	346.68	mg/Nm3 Ave./hr.	-17.03%
	Total Suspended Particles (TSP)	N/A	425.17	446.24	mg/Nm3 Ave./hr.	4.96%
	CO	N/A	1,417.50	1,946.87	mg/Nm3 Ave./hr.	37.35%

ESG Data Tables (contd.)

Pillar: Environmental Impact				
Material Topic: Emissions Reduction - Emissions Breakdown				
Emission Sources	Amount Units	2021		
		Amount	kt CO ₂ e	
Scope 1				
Natural Gas	m3	103,359,801.20	208.93	
Natural Gas Power Plant	m3	49,033,414.00	99.11	
Diesel	litres	7,580,847.34	20.51	
Fuel Oil	litres	268,285.00	0.85	
Petrol	litres	13,165.24	0.03	
Refrigerants	kgs	4,253.60	7.93	
Total			337.36	
Scope 2				
Electricity purchased	kWh	107,949,039.90	38.14	
Total			38.14	
Total Operational Emissions			375.50	
Emissions Intensity of Sales	kg CO ₂ e / 000 AED	131.29		

2022		2023		% change (2022-23)
Amount	kt CO ₂ e	Amount	kt CO ₂ e	
105,332,629.00	212.91	191,545,325.78	387.18	9.62%
69,402,291.00	140.29			
4,323,913.87	11.70	2,843,169.80	7.69	-34.25%
240,864.00	0.76	0.00	0.00	-100.00%
14,302.00	0.03	45,322.74	0.11	216.90%
2,899.10	5.31	2,774.90	5.11	-3.93%
	371.01		400.08	7.84%
33726086.31	11.92	28,609.00	0.01	
	11.92		0.01	-99.92%
	382.93		400.09	4.48%
	108.79		115.97	6.60%

ESG Data Tables (contd.)

Material Topic	KPIs	2021	2022	2023	Units	% change (2022-23)
Pillar: Our People & Community						
Employees	Total employees	5,663	6,064	5,530	No	-8.81%
	% of Full Time Equivalent (FTE) Employees	100.00	100.00	100	%	0.00%
Health & Safety	Total injuries Minor	213	167	208.00	No	24.5%
	Total injuries Major	19	12	12.00	No	0.00%
Emiratisation	% of Emiratis	5.0%	11.0%	10%	%	-9.09%
	Increase in % of Emiratis in Administrative roles in 2022		8%		%	
Employee Turnover	Total New Employees	1137	1404	319	No	-77.28%
	Employees that have left		677	762	No	12.56%
Employee Training	Administrative Trainings	411	213	1,914	hours	798.59%
	Factory Training	1,200	10,584	120,822	hours	917.10%
Community Investment	Amount invested in the community, as a percentage of company revenues.	0.04%	0.02%	0.06%	%	200%
Gender Headcount	Total Employees - Male	5,454	5,874	5,330	No	-9.26%
	Total Employees - Female	209	190	200	No	5.26%
	Number of Employees - Admin - Female	188	171	182	No	6.43%
	Number of Employees - Admin - Male	397	403	426	No	5.71%
	Number of Employees - Plant - Female	21	19	18	No	-5.26%
	Number of Employees - Plant - Male	5,057	5,471	4,904	No	-10.36%
	% of females in Administration	32.14%	29.79%	29.93%	%	0.48%
	Entry level & Middle Management - Female	8.49%	8.17%	8.8%	%	8.06%
	Entry level & Middle Management - Male	91.51%	91.83%	91.2%	%	-0.72%
	Senior management - Women	0	0	0	No	-
	Middle Management, Senior Management & Executives - Male	46	45	50	No	11.11%

Material Topic	KPIs	2021	2021		Units	% change (2022-23)
Pillar: Our People & Community (Contd.)						
Gender Pay Ratio	Band 1 Para Professionals	2.19	2.34	2.46	Ratio	5.19%
	Band 2 Professionals	1.58	1.62	1.67	Ratio	2.95%
	Band 3 Middle Management	1.11	1.11	1.09	Ratio	-1.35%
	Total Gender Pay Ratio	2.32	2.56	2.56	Ratio	0.00%
Pillar: Governance & Best Practices						
CEO Compensation	Ratio of CEO total compensation to median FTE total compensation	70	88	83	Ratio	-
Pillar: Responsible Business, Responsible Employer						
Local Procurement	Total tons of imports substituted with local procurement per annum		256,265	276,265	ton	7.88%
	Total nautical miles reduced from local procurement per annum		21,715	23,523	nautical miles	8.33%
	Total emissions saved from substituting imports with local procurement per annum		35,170.68	36,297.9	tons CO2e	3.21%

ADX ESG Disclosures

ESG Metric	GRI Standards	Calculation	
Category: Environmental			
E1 GHG Emissions	GRI 305: Emissions 2016	E1.1) Total amount in CO2 equivalents, for Scope 1	
		E1.2) Total amount, in CO2 equivalents, for Scope 2	
E2 Emissions Intensity	GRI 305: Emissions 2016	E2.1) Total GHG emissions per output scaling factor	
E3 Energy Usage	GRI 302: Energy 2016	E3.1) Total amount of energy directly consumed	
		E3.2) Total amount of energy indirectly consumed	
E4. Energy Intensity	GRI 302: Energy 2016	Total direct energy usage per output scaling factor	
E5. Energy Mix	GRI 302: Energy 2016	Percentage: Energy usage by generation type	
		% of electricity purchased	
		% of electricity generated	
E6. Water Usage	GRI 303: Water and Effluents 2018	E6.1) Total amount of water consumed	
		E6.2) Total amount of water reclaimed	
E7. Environmental Operations	GRI 103: Management Approach 2016*	E7.1) Does your company follow a formal Environmental Policy? Yes/No	
		E7.2) Does your company follow specific waste, water, energy, and/ or recycling policies? Yes/No	
		E7.3) Does your company use a recognized energy management system?	
E8. Environmental Oversight	GRI 102: General Disclosures 2016	Does your Management Team oversee and/or manage sustainability issues? Yes/No	
E9. Environmental Oversight	GRI 102: General Disclosures 2016	Does your Board oversee and/ or manage sustainability issues? Yes/No	
E10. Climate Risk Mitigation		Total amount invested, annually, in climate-related infrastructure, resilience, and product development	

2021	2022	2023	Units	% change (2022-23)	Comments / Discloser
337.36	371.01	400.08	kt CO2e	7.84%	Data tables (Pillar: Environmental Impact, Topic: Emissions Reduction)
38.14	11.92	0.01	kt CO2e	-99.92%	Emissions Reduction & Data tables (Pillar: Environmental Impact, Topic: Emissions Reduction)
131.29	108.79	115.97	kg / 000 AED	6.60%	Emissions Reduction & Data tables (Pillar: Environmental Impact, Topic: Emissions Reduction)
5.72	6.40	6.94	PJ	8.42%	Data tables (Pillar: Environmental Impact, Topic: Energy Efficiency)
0.39	0.12	0.0001	PJ	-99.92%	Data tables (Pillar: Environmental Impact, Topic: Energy Efficiency)
2.00	1.82	2.01	GJ / 000 AED	10.62%	Data tables (Pillar: Environmental Impact, Topic: Energy Efficiency)
41.29%	12.91%	0.01%	%	-99.92%	Data tables (Pillar: Environmental Impact, Topic: Energy Efficiency)
58.71%	87.09%	99.99%	%	14.81%	
2.1	2.5	2.7	Million m3	6.10%	Data tables (Pillar: Environmental Impact, Topic: Water Sustainability)
1.1	1.1	1.2	Million m3	5.37%	Data tables (Pillar: Environmental Impact, Topic: Water Sustainability)
					Yes, Policies & Sustainability Governance
					Yes, Policies & Sustainability Governance
					Yes, Policies & Sustainability Governance
					Yes, Policies & Sustainability Governance
					Yes, Policies & Sustainability Governance
-	4.5	16.9	AED Million	275.56%	Yes, Commitments towards Material Topics

ADX ESG Disclosures (contd.)

ESG Metric	GRI Standards	Calculation	
Category: Social			
S1. CEO Pay Ratio	GRI 102: General Disclosures 2016	S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation	
		S1.2) Does your company report this metric in regulatory filings? Yes/No	
S2. Gender Pay Ratio	GRI 405: Diversity and Equal Opportunity 2016	Ratio: Median male compensation to median female compensation	
S3. Employee Turnover	GRI 401: Employment 2016	S3.1) Percentage: Year-over-year change for full-time employees	
		S3.2) Percentage: Year-over-year change for part-time employees	
		S3.3) Percentage: Year-over-year change for contractors/ consultants	
S4. Gender Diversity	GRI 102: General Disclosures 2016 GRI 405: Diversity and Equal Opportunity 2016	S4.1) Percentage: Total enterprise headcount held by men and women	
		Female	
		Male	
		S4.2) Percentage: Entry-and mid-level positions held by men and women	
		Female	
		Male	
		S4.3) Percentage: Senior- and executive- level positions held by men and women	
		Female	
		Male	
S5. Temporary Worker Ratio	GRI 102: General Disclosures 2016	S5.1) Percentage: Total enterprise headcount held by part-time employees	
		S5.2) Percentage: Total enterprise headcount held by contractors and/ or consultants	
S6. Non-Discrimination	GRI 103: Management Approach 2016*	Does your company follow non- discrimination policy? Yes/No	
S7. Injury Rate	GRI 403: Occupational Health and Safety 2018	Percentage: Frequency of injury events relative to total workforce time	
		Total injuries Minor	
		Total injuries Major	
S8. Global Health & Safety		Does your company follow an occupational health and/or global health & safety policy? Yes/ No	
S9. Child & Forced Labour		S9.1) Does your company follow a child and/or forced labor policy? Yes/No	
	S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No		
S10. Human Rights		S10.1) Does your company follow a human rights policy? Yes/No	
		S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	
S11. Nationalisation	Percentage of national employees	Percentage of national employees	
S12. Community Investment	Amount invested in the community, as a percentage of company revenues.	Amount invested in the community, as a percentage of company revenues.	

2021	2022	2023	Units	% change (2022-23)	Comments / Discloser
70	88	83	Ratio	-	Data tables (Pillar: Governance)
-	-	-	-	-	No
2.32	2.56	2.56	Ratio	0.00%	Data tables (Pillar: Social)
5416	6064	5,530	No	-8.81%	Data tables (Pillar: Social)
-	-		-	-	N/A
-	-		-	-	N/A
96.31%	3.13%	3.62%	%	15.43%	Data tables (Pillar: Social, Topic: Gender Headcount)
3.69%	96.87%	96.38%	%	-0.50%	
8.49%	8.17%	8.8%	%	8.06%	
91.51%	91.83%	91.2%	%	-0.72%	
0	0	0	No	-	
46	45	50	No	11.11%	
0	0	0	No	-	N/A
0	0	0	No	-	N/A
					Yes, Ethics
213	167	208.00	No	24.5%	Data tables (Pillar: Social, Topic: Health & Safety)
19	12	12.00	No	0.00%	
					Yes, Employee Safety & Wellbeing
					Yes, Sustainable & Responsible Procurement
					Yes, Sustainable & Responsible Procurement
					No. We do not have a formal Human Rights Policy in place, but we operate in accordance with all UAE Laws governing human rights.
					Yes, Sustainable & Responsible Procurement
5.0%	11.0%	10%	%	-9.09%	Yes, Emiratization
0.04%	0.02%	0.06%	%	200%	Data tables (Pillar: Social, Topic: Community Investment)

ADX ESG Disclosures (contd.)

ESG Metric	GRI Standards	Calculation	
Category: Governance			
G1. Board Diversity	GRI 405: Diversity and Equal Opportunity 2016	G1.1) Percentage: Total board seats occupied by men and women	
		Women	
		Men	
G2. Board Independence		G1.2) Percentage: Committee chairs occupied by men and women	
		Women	
		Men	
		G2.1) Does company prohibit CEO from serving as board chair? Yes/No	
		G2.2) Percentage: Total board seats occupied by independent board members	
G3. Incentivized Pay		Are executives formally incentivized to perform on sustainability	
G4. Supplier Code of Conduct		G4.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	
		G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	
G5. Ethics & Prevention of Corruption		G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No	
		G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy	
G6. Data Privacy		G6.1) Does your company follow a Data Privacy policy? Yes/No	
		G6.2) Has your company taken steps to comply with GDPR rules? Yes/No	
G7. Sustainability Reporting		Does your company publish a sustainability report? Yes/No	
G8. Disclosure Practices		G8.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	
		G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	
		G8.3) Does your company set targets and report progress on the UN SDGs? Yes/ No	
G9. External Assurance	GRI 103: Management Approach 2016 is to be used in combination with the topic specific Standards	Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/ No	

2021	2022	2023	Units	% change (2022-23)	Comments / Discloser
16.67%	14.29%	14.29%	No	0.00%	N/A
83.33%	85.71%	85.71%	No	0.00%	
0%	25%	50%	No	100%	N/A
100%	75%	50%	No	33.33%	
					Yes
85.71%	85.71%	85.71%	%	0.00%	Section: Corporate Governance, Report pg 74-75
					Under evaluation
					No
					N/A
					Yes
					100%
					Yes, Data Protection
					Yes
					Yes
					Yes, GRI 1 Foundation 2021
					Yes, Alignment with SDG Targets
					Yes, Alignment with SDG Targets
					No external assurance was sought for this report.

GRI Content Index

GRI Standard	Disclosure	Location
Material topics		
GRI 2: General Disclosures 2021	2-1 Organizational details	About RAK Ceramics, Pg 14
	2-2 Entities included in the organization's sustainability reporting	About this Report, Pg 8
	2-3 Reporting period, frequency and contact point	About this Report, Pg 8
	2-4 Restatements of information	<p>We have made 3 Restatements in our 2023 ESG Report.</p> <ul style="list-style-type: none"> • Waste - We have updated our hazardous waste generated figures for 2022. • Emiratization - In 2021 and 2022, we reported Emiratization rate in Administration only. In this report, we have updated the figures to reflect Emiratization another divisions including Marketing & Sales, and Advocacy. • Air Pollution - We have updated our air pollution figures (NOX, SOX, TSP, CO) for 2022.
	2-5 External assurance	No external reassurance was sought for this report.
	2-6 Activities, value chain and other business relationships	About RAK Ceramics, Report pg 14 -15 & Product Lines Pg 16-17
	2-7 Employees	Diversity & Inclusion Pg 66
	2-9 Governance structure and composition	Corporate Governance, Pg 74
	2-10 Nomination and selection of the highest governance body	Corporate Governance, Pg 74
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, Pg 74
	2-13 Delegation of responsibility for managing impacts	Policies & Sustainability Governance, Pg 36
	2-22 Statement on sustainable development strategy	Our Sustainability Commitment, Pg 28-29
	2-23 Policy commitments	Commitments towards Material Topics, Pg 34
	2-24 Embedding policy commitments	Policies & Sustainability Governance Pg 36
	2-25 Processes to remediate negative impacts	Policies & Sustainability Governance Pg 36
	2-26 Mechanisms for seeking advice and raising concerns	Ethics, Pg 76
	2-27 Compliance with laws and regulations	Corporate Governance, Pg 74
	2-28 Membership associations	Associations, Pg 37
	2-29 Approach to stakeholder engagement	Our Stakeholders, Pg 30
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Sustainability Pillars & Material Topics, Pg 31
	3-2 List of material topics	Our Sustainability Pillars & Material Topics, Pg 31

GRI Standard	Disclosure	Location
Economic performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic Performance 2023, Pg 18
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance 2023, Pg 18
Procurement practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable & Responsible Procurement, Pg 80
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethics, Pg 76
	205-2 Communication and training about anti-corruption policies and procedures	Ethics, Pg 76
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
	301-2 Recycled input materials used	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
	301-3 Reclaimed products and their packaging materials	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Efficiency in Production, Pg 50-53 & Data Tables (Topic: Energy Efficiency)
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Efficiency in Production, Pg 50-53 & Data Tables (Topic: Energy Efficiency)
	302-3 Energy intensity	Energy Efficiency in Production, Pg 50-53 & Data Tables (Topic: Energy Efficiency)
	302-4 Reduction of energy consumption	Energy Efficiency in Production, Pg 50-53 & Data Tables (Topic: Energy Efficiency)
	302-5 Reductions in energy requirements of products and services	Energy Efficiency in Production, Pg 50-53 & Data Tables (Topic: Energy Efficiency)
Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Sustainability, Pg 55 & Data Tables (Topic: Water Sustainability)
	303-2 Management of water discharge-related impacts	Water Sustainability, Pg 55 & Data Tables (Topic: Water Sustainability)
	303-4 Water discharge	Water Sustainability, Pg 55 & Data Tables (Topic: Water Sustainability)
	303-5 Water consumption	Water Sustainability, Pg 55 & Data Tables (Topic: Water Sustainability)

GRI Content Index (contd.)

GRI Standard	Disclosure	Location
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions Reduction, Pg 62 & Data Tables (Topic: Emissions Reduction)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions Reduction, Pg 62 & Data Tables (Topic: Emissions Reduction)
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions Reduction, Pg 62 & Data Tables (Topic: Emissions Reduction)
	305-4 GHG emissions intensity	Emissions Reduction, Pg 62 & Data Tables (Topic: Emissions Reduction)
	305-5 Reduction of GHG emissions	Emissions Reduction, Pg 62 & Data Tables (Topic: Emissions Reduction)
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
	306-2 Management of significant waste-related impacts	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
	306-3 Waste generated	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
	306-4 Waste diverted from disposal	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
	306-5 Waste directed to disposal	Waste & Circularity, Pg 57-59 & Data Tables (Topic: Waste & Circularity)
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pillar 2: People & Community Pg 66-71
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Data Tables (Topic: Employee Turnover)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Safety & Wellbeing, Pg 67 (Note: we do not have part-time employees)
	401-3 Parental leave	Data Tables (Topic: Parental Leave)
Training and education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Training Pg 69
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training Pg 69
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Training Pg 69
Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity & Inclusion, Pg 66
	405-2 Ratio of basic salary and remuneration of women to men	Diversity & Inclusion, Pg 66 & Data Tables (Topic: Gender Pay Ratio)

GRI Standard	Disclosure	Location
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Safety & Wellbeing, Pg 67
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Safety & Wellbeing, Pg 67
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Safety & Wellbeing, Pg 67
	403-3 Occupational health services	Employee Safety & Wellbeing, Pg 67
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Safety & Wellbeing, Pg 67
	403-5 Worker training on occupational health and safety	Employee Safety & Wellbeing, Pg 67 & Employee Training Pg 69
	403-6 Promotion of worker health	Employee Safety & Wellbeing, Pg 67
	403-9 Work-related injuries	Employee Safety & Wellbeing, Pg 67
	403-10 Work-related ill health	Employee Safety & Wellbeing, Pg 67
Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Investment, Pg 70
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Investment, Pg 70
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Investment, Pg 70
Supplier social assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable & Responsible Procurement, Pg 80
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable & Responsible Procurement, Pg 80

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