

ALEC HOLDINGS SUSTAINABILITY & ESG REPORT 2024



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ABOUT THIS REPORT

This report outlines ALEC Holdings' ESG commitments and performance for the year 2024.

Reporting period: This report covers the period from 1 January 2024 to 31 December 2024. In some instances, we have also referred to data pertaining to key aspects of our business and major activities undertaken until March 2025.

Scope & boundary: To the extent possible, considering data availability limitations, the report contains data related to our UAE & KSA operations. This includes our owned & leased offices, yard, factories, owned labour accommodation, with operational control, as well as project site offices and operations, where ALEC Construction & TARGET act as main contractors and have operational control. The report excludes our operations in other countries and also excludes environmental disclosures for projects of other Related Businesses such as ALEMCO, ALEC FITOUT, ALEC Facades, Energy, LINQ, where operational control lies with other main contractors. Please refer to our reporting scope for more details on completeness of data. We are working on improving the data availability and adding estimates to our calculation methodology.

Reporting Guidelines: ALEC Holdings uses international frameworks and reporting guidelines listed below as a guide for our sustainability reporting. At this stage, ALEC Holdings does not claim full compliance with these standards, but as we mature in our data reporting capabilities, we will look into complying with these standards.

- Global Reporting Initiatives (GRI) Standards
- Dubai Financial Market's ESG reporting guidelines
- United Nations Global Compact's 10 principles
- Sustainability Accounting Standards Board (SASSB) - Engineering & Construction Services (IF-EN) metrics

The appendices and references to these guidelines indicate partial alignment to the standards. The reporting framework mapping index is intended to help readers navigate to related topic areas.

Feedback

We welcome feedback on ALEC Holdings' ESG and decarbonisation strategy, sustainable initiatives, reporting and performance. Please contact sustainability@alec.ae.

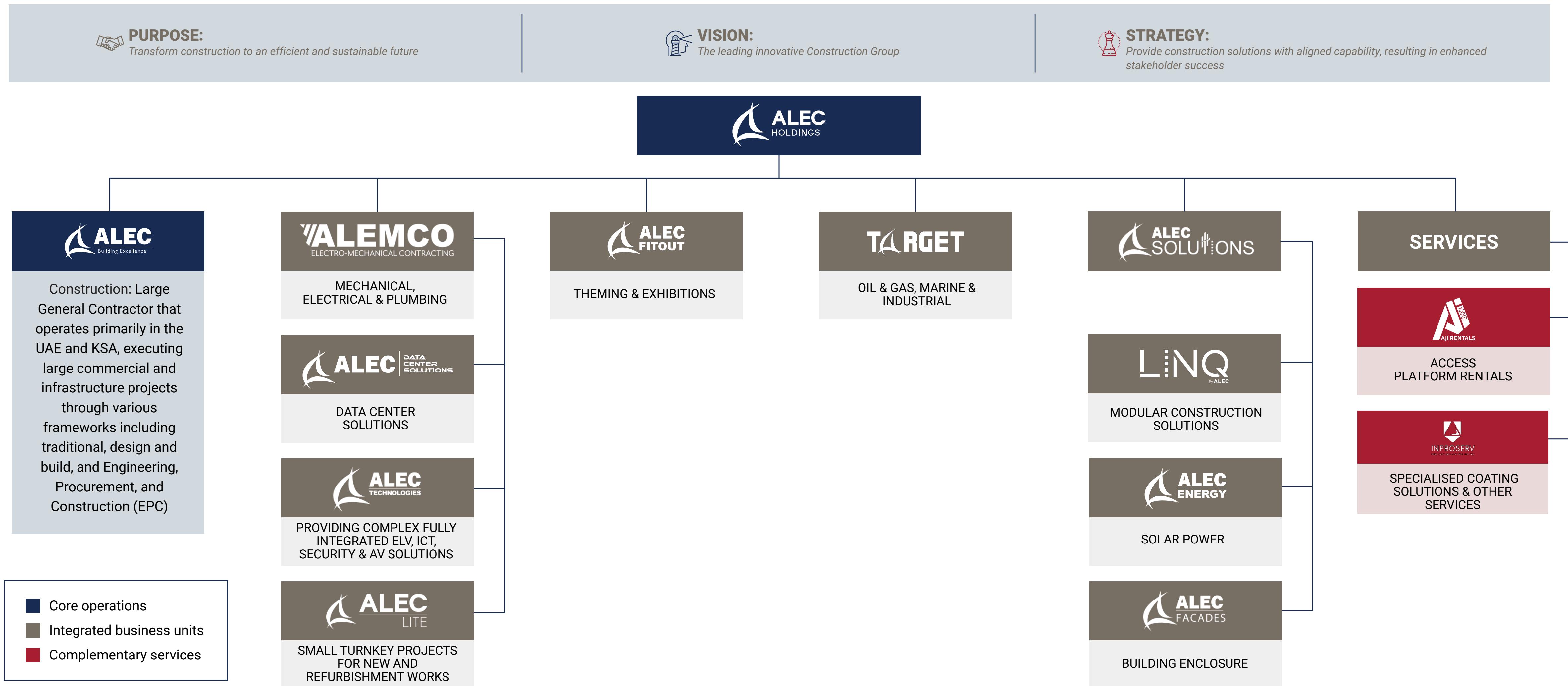
Cautionary statement regarding forward-looking statements

This report contains certain forward-looking statements that typically contain words such as "anticipate", "believe", "expect", "estimate", "forecast", "intend", "plan", "project", "aims", "seeks", "may", "will" or similar expressions. Such statements are based on assumptions made using currently available information that is subject to a range of uncertainties that could cause actual results to diverge from these projected or implied statements. Any forward-looking statements contained in this report are therefore not promises or guarantees of future conduct or policy, and thus ALEC Holdings assume no obligation to publicly update any statements made in this report. ALEC Holdings relies on information obtained from different third-party sources believed to be reliable but does not guarantee its accuracy or completeness.

Note:
ALEC Holdings refers to all companies & subsidiaries as shown on page 2.
Labour, workers and labourers are used interchangeably to represent blue-collar workers.



ALEC HOLDINGS STRUCTURE



MESSAGE FROM LEADERSHIP

In 2024, ALEC Holdings completed a double materiality assessment by engaging both internal and external stakeholders. Senior management and employees provided key insights, while investors, banks, auditors, insurance companies, clients, consultants, subcontractors, suppliers, industry groups, and community partners contributed valuable external perspectives. This exercise helped us align our ESG and sustainability strategy with evolving risks, opportunities, and stakeholder expectations. It also supported the formalisation of our ESG framework and reporting metrics. Additionally, we expanded the scope of our sustainability reporting to include operations in both the UAE and Saudi Arabia.

Throughout the year, our sustainability efforts earned ALEC external recognition. We were awarded the Dubai Chamber of Commerce Environmental, Social, and Governance (ESG) Label, as well as the EcoVadis 'Committed' badge. EcoVadis, a global leader in business sustainability ratings, assessed ALEC with a score of 58 out of 100, placing us in the top 61st percentile globally. The evaluation covered 21 sustainability criteria across four core themes: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement, reflecting our comprehensive approach to responsible business practices.

From an environmental standpoint, ALEC undertook significant refurbishment across its offices and factories in both the UAE and Saudi Arabia. These enhancements were designed to improve the workplace experience for employees while boosting the energy and water efficiency of our facilities.

As a result, we are pursuing Leadership in Energy and Environmental Design (LEED) certifications for two of our head offices in the UAE. These upgrades underscore our commitment to embedding sustainability within our own operations, just as we support clients in meeting their green building goals across various projects.

In the area of community engagement, ALEC mobilised 1,190 employees in CSR activities, with 115 employees dedicating nearly 548 hours to volunteering. These efforts benefitted over 6,300 individuals in the UAE and other countries. Our collaboration with Dubai Cares led to the refurbishment of classrooms and playground areas at the National Charity School Primary in Dubai, contributing AED 200,000 towards educational equipment. Additionally, ALEC signed a three-year agreement supporting Dubai Cares' 'Volunteer Emirates' and 'Adopt a School' initiatives, committing AED 586,000 to enhance learning environments in both the UAE and Nepal.

ALEC continued its longstanding support of Clarens Primary School in South Africa. In 2024, the funds were used to install a state-of-the-art surveillance system, improving the safety and security of students. Additionally, ALEC collaborated with Emirates Red Crescent and SmartLife, a local NGO supporting blue-collar workers, for the Ramadan Donation Campaign. Employees donated food and hygiene items worth AED 70,000, which ALEC matched, resulting in a total contribution of AED 140,000. The care packages were distributed to labour camps across the UAE. Around 861 employees participated in the Ramadan Donation Campaign, alongside 21 subcontractor employees and a consultant from ALEC projects.

Around 25 ALEC employees assisted in distributing packages at an Al Quoz labour camp. We also sponsored and distributed 1,100 care packages to subcontractor labour forces at our sites in Dubai, in partnership with SmartLife. In addition, 167 participants, including employees, subcontractors, consultants, and a client, took part in blood donation drives organised with the Dubai Health Authority (DHA) and Emirates Health Services (EHS), supporting a total of 501 beneficiaries.

On the governance front, ALEC enhanced its Enterprise Risk Management (ERM) system to identify, document, and address risks to our strategic objectives. This initiative strengthened alignment between risk management efforts and business strategy, leading to the implementation of key controls, risk treatment plans, and more detailed internal audit processes. These efforts ensure robust oversight and support long-term resilience.

To reinforce transparency and integrity, ALEC launched ALEC ALERT – a secure and confidential platform for employees, vendors, and subcontractors to report unethical behaviour, misconduct, or violations of company policies. This initiative reflects our commitment to maintaining a safe and ethical workplace where stakeholders can voice concerns without fear of retaliation. The platform allows for anonymous reporting of issues such as fraud, corruption, safety breaches, and non-compliance, ensuring that concerns are addressed swiftly and appropriately and further strengthening our culture of accountability.



Barry Lewis
Chief Executive Officer

ESG STRATEGY

Our strategy and reporting are informed by stakeholder engagement and materiality assessment. The outcomes of these exercises help us ensure we are covering the topics most relevant to our stakeholders, that we are addressing evolving risks and opportunities, and that our sustainability goals are aligned with our strategic business objectives.

1. Material topics' identification

- Desk-based analysis was conducted leveraging international and national frameworks, standards and guidelines such as GRI, SASB, ADX, Tadawul, rating providers such as MSCI, and six peers. Additionally, ALEC's material topics identified in the previous materiality assessment have also been considered.
- The study resulted in 21 topics that were clubbed to arrive at 16 material topics.
- Each material topic was defined. Moreover, for each material topic, indicative risks and opportunities (financial materiality / inbound impacts) and potential positive and negative impacts (impact materiality / outbound impacts) were identified.

2. Material topics prioritisation for the Group

- Two workshops were conducted with the management team, with representation from all the business units. During the first workshop, the concept of financial and impact materiality was introduced along with the scales that would be used for materiality rating and assessment.
- During the second workshop, the management team was asked to assess the impact of each material issue on the Group's operations and sustainability performance. This was arrived at through discussion and assessment of the likelihood of occurrence and the impact of all the material topics, based on indicative risks and opportunities for ALEC Group. Furthermore, the management team discussed and prioritised the impact of material topics on the environment, economy and society. This was done by rating each material topic on a scale of 5, ranging from least impact to most impact.
- The responses were collated, and a final review and validation of financial and impact materiality was done by the CEO & CFO.

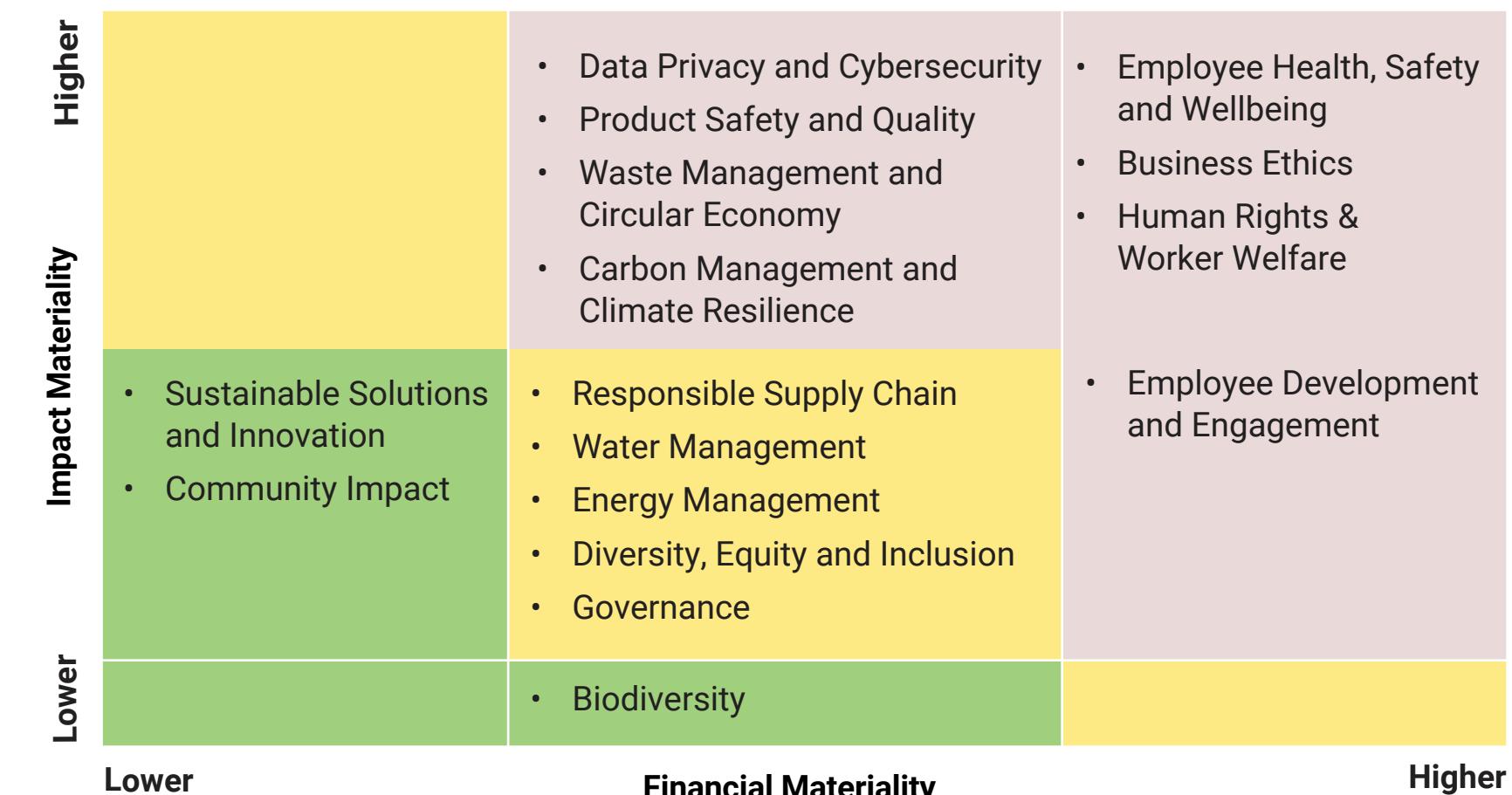
3. Stakeholder engagement

- Stakeholders' groups were identified and finalised in close communication with the ALEC project team.
- A web-based stakeholder survey (SurveyMonkey) was deployed to seek response from all stakeholder groups on the material topics (impact materiality).
- The survey was launched, and responses were captured over a course of three weeks.

4. Materiality assessment and consolidation of results

- Based on the weightage, the final impact materiality rating of each material topic has been calculated. Moreover, material topics have been prioritised for each stakeholder group. A Double Materiality map was developed based on financial materiality and impact materiality.

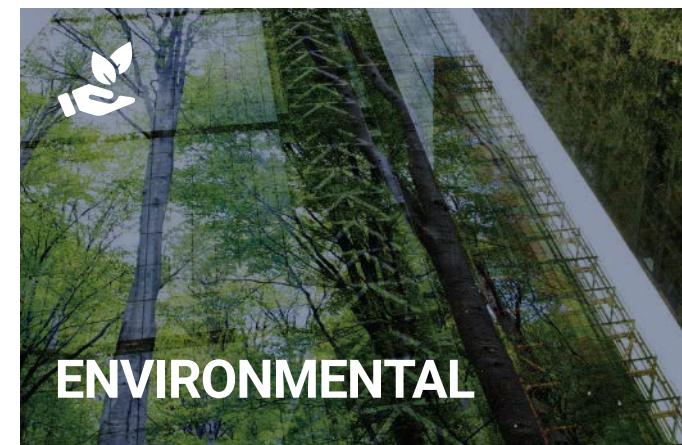
DOUBLE MATERIALITY MAP BASED ON INTERNAL & EXTERNAL STAKEHOLDER ENGAGEMENT



Material ID	Material Topic	Financial x Impact
S1	Employee Health, Safety and Wellbeing	4.80
G3	Business Ethics	4.77
S3	Human Rights & Worker Welfare	4.74
G1	Data Privacy and Cybersecurity	2.59
G4	Product Safety and Quality	2.30
G5	Responsible Supply Chain	2.29
S2	Employee Development and Engagement	2.05
E5	Water Management	1.96
E3	Waste Management and Circular Economy	1.96
E2	Carbon Management and Climate Resilience	1.93
E1	Energy Management	1.71
S4	Diversity, Equity and Inclusion	1.42
G2	Governance	1.29
E6	Sustainable Solutions and Innovation	1.14
E4	Biodiversity	1.04
S5	Community Impact	0.57



ESG FRAMEWORK



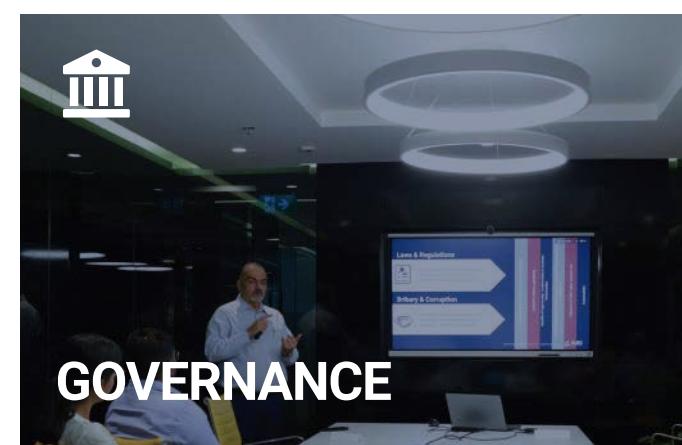
ENVIRONMENTAL

Energy Management
Water management
Material Efficiency & Waste Circularity
Carbon Management & Resilience
Low-carbon Solutions



SOCIAL

Health, Safety and Wellbeing
Human Rights & Worker Welfare
Employee Development and Engagement
Diversity, Equity and Inclusion
Community Impact



GOVERNANCE

Business Ethics
Products Safety and Quality
Governance & Risk Management
Responsible Supply Chain
Data Privacy & Cybersecurity



ENABLERS

ERP System
Internal & External Communication
Partnerships & Collaborations
Capacity Building
Reporting

National Priorities we contribute to:

- UAE Energy Strategy 2050
- Abu Dhabi Environmental Vision 2030 (EAD)
- RAK Energy Efficiency and Renewable Energy Strategy 2024 (RAK Municipality)
- Dubai Clean Energy Plan 2050 (DSCE)

RECOGNITION



*Excludes TARGET employees. Ethics training was launched in 2025 in TARGET.

2024 HIGHLIGHTS

ENVIRONMENTAL:



- ISO 14001: 2015 covering operations across ALEC, TARGET, ALEMCO, ALEC FITOUT, ALEC Facades projects, LINQ and Inproserv
- Solar energy: Cumulative installed capacity of 3.5 MWp across factories, projects & labour accommodation

- Solar-diesel hybrid generators at 1 ALEC Construction project UAE site
- Battery Energy Storage System (BESS) across 3 UAE & 1 KSA site

SOCIAL:



- ISO 45001: 2018 covering ALEC, TARGET ALEMCO, ALEC FITOUT, ALEC Facades, LINQ & Inproserv
- LTIFR: 0.203 (UAE & KSA)
- Staff: 8,841 & Labour: 33,084
- 4,689 workers skilled at ALEC trade skills facility
- 233 labour to staff promotions through skilling programmes

- 68 staff nationalities
- 39% of ALEC managers completed gender diversity training
- 6,300 people impacted via our Community Impact initiatives
- 1,190 employees engaged in CSR activities, while 115 employees contributed 548 volunteering hours



ALEC became a signatory to the United Nations Global Compact in 2023. We are committed to making the UN Global Compact's 10 principles on human rights, labour, environmental and anti-corruption part of the ALEC Holdings strategy, culture and day-to-day operations. We support public accountability and transparency and have committed to submit an annual report on our progress on the integration of these values into our operations.

GOVERNANCE:



- ISO 9001: 2015 covering operations across ALEC, TARGET, ALEMCO, ALEC FITOUT, ALEC Facades projects, LINQ and Inproserv
- 0 legal cases of bribery and money laundering
- 73.5 % of ALEC* Staff completed Ethics training in UAE, KSA after 0 legal cases

2024 HIGHLIGHTS

GREEN BUILDING EXPERIENCE

ACHIEVED



8 PROJECTS ACHIEVED LEED CERTIFICATION

Platinum

- Saudi Arabia Pavilion, EXPO 2020
- UAE Pavilion, EXPO 2020

GOLD

- ADNOC New Head Quarters
- City Centre Mirdif
- Mobility Pavilion, EXPO 2020
- One Za'abeel

SILVER

- Co Ex Facilities, EXPO 2020

CERTIFIED

- Dubai International Airport Expansion C4



5 PROJECTS ACHIEVED PEARL ESTIDAMA RATING

PEARL 2

- SeaWorld Abu Dhabi
- Transfer Baggage Facility, Abu Dhabi Airport
- Arrivals Hall & Tunnel, Abu Dhabi Airport
- ADIA Carpark

PEARL 1

- Yas Waterworld, Abu Dhabi

ONGOING



1 ONGOING PROJECT UNDER PROCESS FOR GREEN GLOBE CERTIFICATION

- Wynn Al Marjan Island, Ras Al Khaimah



3 ONGOING PROJECTS UNDER PROCESS FOR LEED CERTIFICATION

- Triple Bay–Red Sea Marine Life Institute
- Triple Bay–Red Sea Six Senses Resort
- MISK ILMI



3 ONGOING PROJECTS UNDER PROCESS FOR PEARL ESTIDAMA RATING

PEARL 2

- Natural History Museum, Abu Dhabi
- TeamLab Phenomena, Abu Dhabi

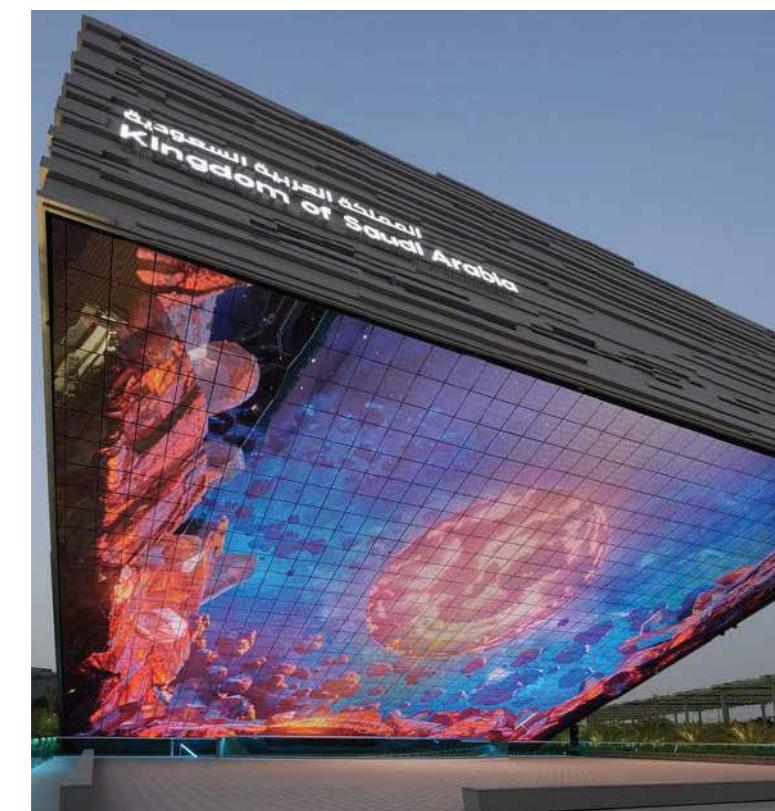
PEARL 1

- Waste to Energy, Abu Dhabi



MEMBERSHIP

Emirates Green Building Council (EGBC) is an industry forum focused on enhancing sustainability in the built environment in the UAE through the promotion of high-performance green buildings and environmentally friendly technologies and products. ALEC was recognised for being the most active corporate member in 2024 by EmiratesGBC, based on the number of workshops, training sessions and events attended by our staff.



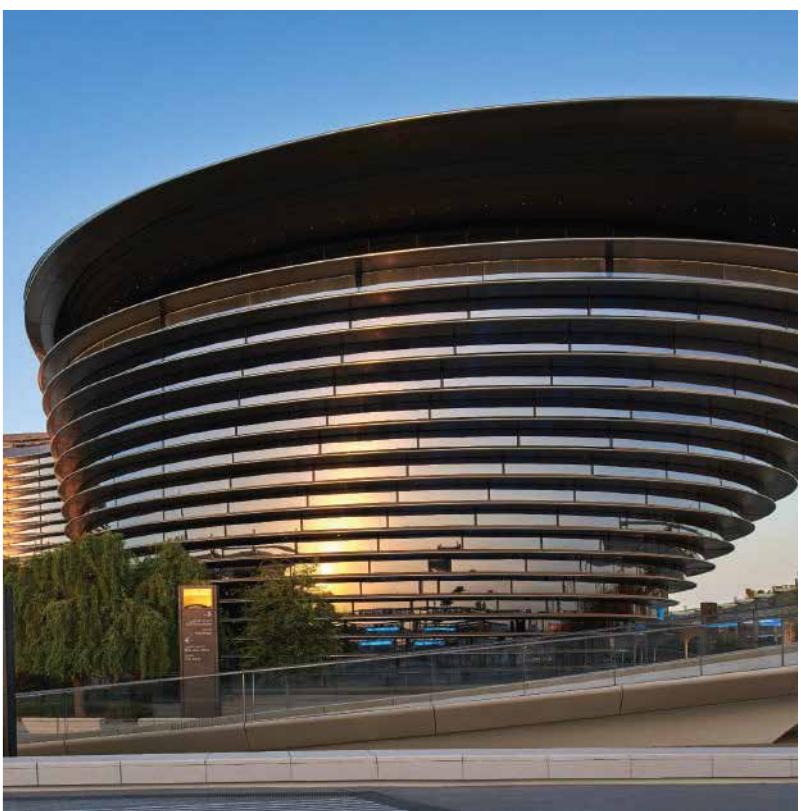
SAUDI ARABIA
PAVILION, EXPO 2020



UAE PAVILION,
EXPO 2020



ONE ZA'ABEEL



MOBILITY PAVILION,
EXPO 2020



EMISSIONS REPORTING

DEVELOPING CARBON BASELINE AND EMISSION MANAGEMENT

As committed in our previous report, we have expanded our operational boundary to include emissions from our operations in KSA. This expansion encompasses both our projects and assets where ALEC Construction and TARGET have operational control. A detailed depiction of our coverage can be found in our Environmental disclosure scope on page 45.

We forecast our emissions to increase in absolute terms as our revenue, workforce and operational footprint grows. We understand that business growth and emission reduction should go hand in hand and hence continue our practice of embedding sustainability in our daily operations, invest in sustainability practices, renewable-energy and energy-efficient techniques.

Scope 1 Emissions

The nature of our business is dynamic, with each project differing in its demand for energy and logistical challenges. Our Scope 1 emissions for the year were 163,035* tCO2e. These emissions primarily consist of three fuels: diesel, petrol, and LPG.

ALEC and TARGET have significantly expanded their project portfolios, with several projects commencing groundwork and mobilisation this year. These initial stages are notably energy-intensive. The remote locations of these projects, particularly TARGET's offshore endeavours, add further complexity. Offshore projects face additional challenges due to limited grid connectivity and reliance on diesel-powered marine vessels for transit. As a result, there is an increased dependence on diesel generators and vehicles to sustain daily operations. We have also reported emissions from petrol used by our company-owned/leased vehicles and LPG utilised at our camp sites, where we maintain operational control.

*Currently, for some of our sites, we have been reporting the fuel consumption from our subcontractors. We are in the process of developing a mechanism to reclassify these emissions under Scope 3 – Category 3 (Fuel and Energy related emissions). This adjustment is necessary because, at present, we are reporting emissions over which we don't have any operational control.

Scope 2 Emissions

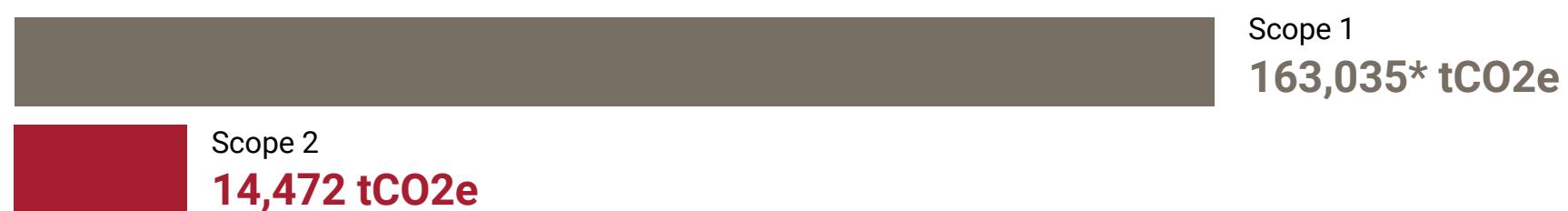
Our Scope 2 emissions were 14,472 tCO2e. We report these emissions using the location-based method based on actual consumption of electricity, which reflects the average emissions intensity of the grids where our energy consumption occurs. For projects, we report our Scope 2 emissions based on our actual consumed electricity and for assets, where we don't have the actual consumption, we have estimated based on floor space area and the number of people occupying the space using ASHRAE Standard 100-2024.

Scope 3 Emissions

Previously, we reported our Scope 3 emissions for Category 1 (Purchased Goods and Services), focusing on key materials such as concrete, rebar, structural steel, wood, aluminium (formwork & scaffolding), masonry blocks, and water. However, due to recent acquisitions, Joint venture projects and a new ERP system, we are still working on the correct methodology to compute the related emissions. To ensure the accuracy of our emissions data, we have not reported any Scope 3 emissions in 2024. We plan to report on Scope 3 emissions and include other relevant categories that align with our business operations in 2025 reporting.

ALEC Holdings Scope 1 & 2 Emissions (UAE & KSA) - tCO2e

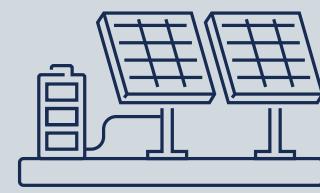
177,507 tCO2e



SCOPE	CATEGORY	INCLUSION	EMISSION (tCO2e)
1	Fuel (Petrol, Diesel, LPG)	163,035*	Fuel Emissions (tCO2e) = Consumption data (activity data) * DEFRA 2024 emission factors for fuels.
2	Purchased electricity	14,472	Location-based method for calculation. Scope 2 emissions (tCO2e) = Consumption data (activity data) * Grid emission factor from DEWA 2023 Sustainability Report.



DECARBONISING ASSETS



INVESTMENT IN RENEWABLE ENERGY



FACTORIES



YARD



WORKSHOP



LABOUR ACCOMMODATION

1.45 MWp

Solar energy capacity installed

RETROFITTING OWNED ASSETS: AIMING FOR LEED (ID+C) CERTIFICATIONS FOR OWNED ASSETS IN 2025

ALEC HEADQUARTERS, DUBAI

📍 Location and Transportation (ALEC HQ):

- 📍 Access to quality transit
- 🚲 Bicycle facilities

♻️ Materials and Resources (ALEC HQ):

- ♻️ 25% recycled content for structural steel and mesh ceiling
- ☎️ 100% bio-based wall boards for phone booths
- ♻️ 90% recycled content for metal studs/ceiling grid
- ♻️ 27% recycled content for insulation
- ♻️ 25% recycled content for plasterboards



ALEMCO HEADQUARTERS & ALEC YARD, DUBAI

♻️ Materials and Resources (DIC):

- ♻️ 100% bio-based wall boards for phone booths
- ♻️ 90% recycled content for metal studs/ceiling grid
- ♻️ 27% recycled content for insulation
- ♻️ 25% recycled content for plasterboards



💧 Water (Both properties):

- 🚿 55% water savings from baseline
- 🕒 Low flowrate fixtures with sensor

⚡ Energy (Both properties):

- 💡 25% lighting energy saving from baseline relative to ASHRAE 90.1-2010
- 🏢 Office
- 🕒 Enhanced commissioning
- 💡 Use of occupancy sensors
- 💡 Installed energy efficient LED lights.
- 💡 Advanced Energy Metering

♻️ Materials and Resources (Both properties):

- 📦 Responsible Sourcing
- 🖨 Environmental Product Declarations for paints & carpets, gypsum boards
- 🖨 HPDs/Cradle2Cradle Certifications for carpets

🏡 Indoor Environmental Quality (Both properties):

- 🌿 Low VOC content materials such as paints & coatings, sealants & adhesives, carpets, gypsum boards, etc.
- 🎙 Acoustic performance
- ☀️ Daylight use maximisation
- 🌡 Indoor Air Quality Assessment

DECARBONISING ASSETS

LEASED ASSETS

ALEC DESIGN OFFICE, DUBAI: REUSE OF MATERIALS & FURNITURE

While designing and planning for the new ALEC Design office, the team worked on reducing carbon footprint associated with the refurbishment by repurposing majority of the materials and furniture required from the existing ALEC HQ office, which was already undergoing refurbishment and needed to dispose its old furniture. This project resulted in diverting all these items from the landfill and reduced resulting transportation emissions as well as reduced the cost and emissions associated with buying 100% new furniture.

Reused:

Doors: 100%

Fixed:

Meeting pods: 33%

Storage Shelf: 100%

Wooden wall panel: 100%

Reception desk: 100%

Joinery & countertop: 100%

60 sq. metre parquet floor: 100%

Movable/ Loose:

Workstation tables: 100%

Chairs: 29%

Storage shelf: 100%

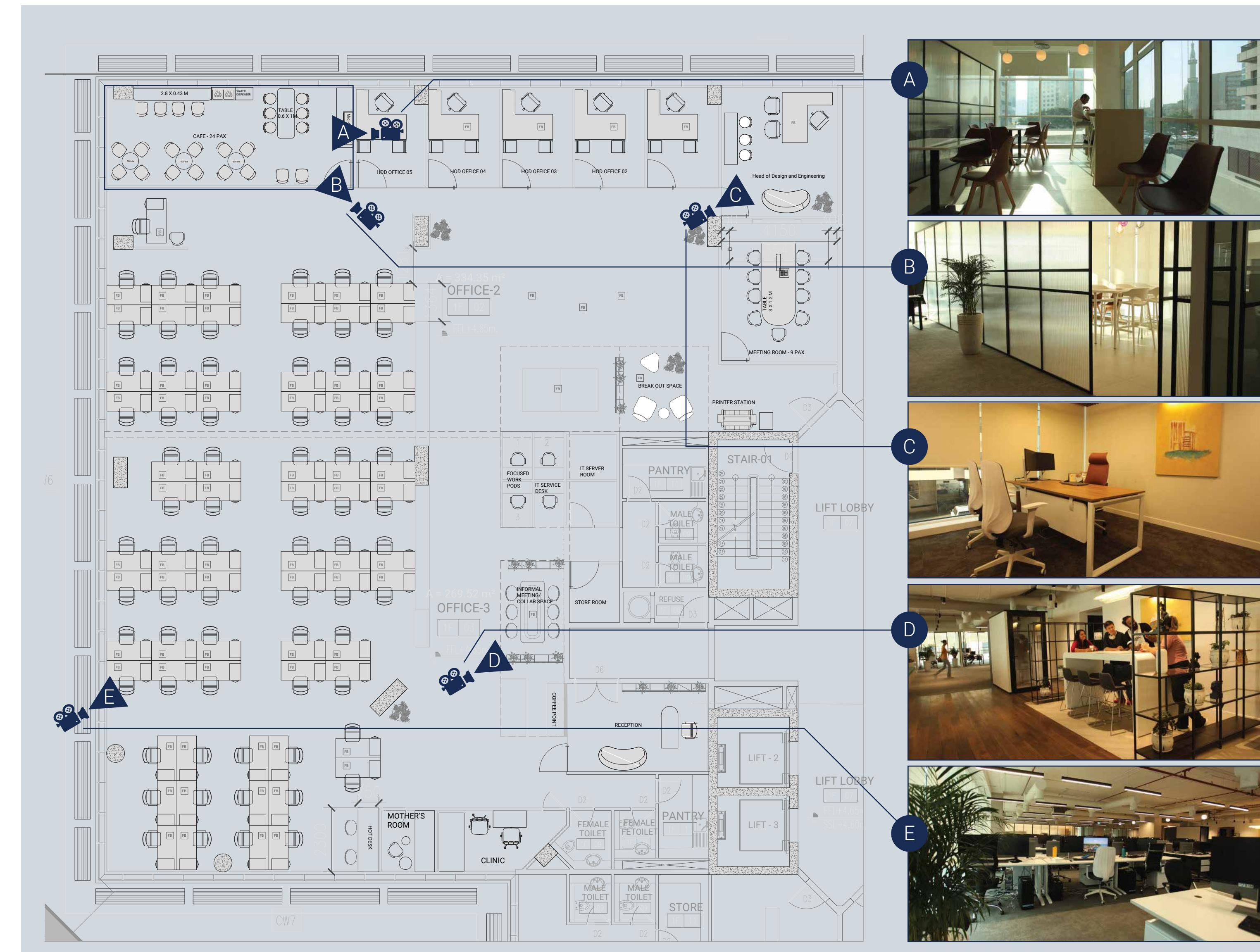
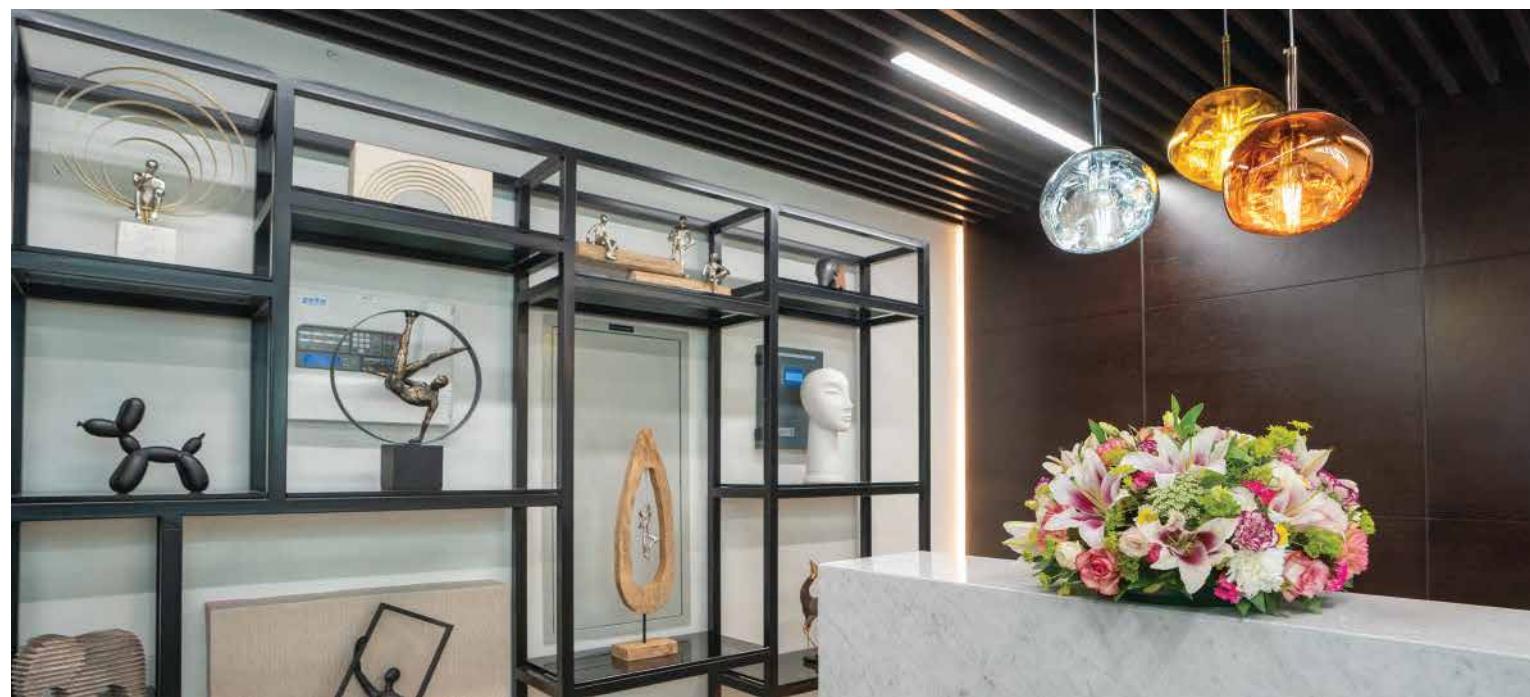
Cupboards: 100%

Meeting table & chairs: 100%

Meeting room table: 100%

Lockers: 100%

Roller blinds: 80%



DECARBONISATION APPROACH FOR CONSTRUCTION OPERATIONS

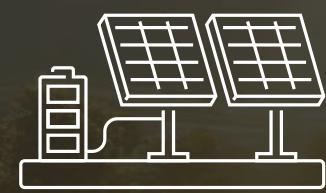
ALEC Construction, as a main contractor, predominantly follows a traditional contracting model. TARGET follows an EPC and Contracting model.

For both companies, we inherit designs and materials specifications from consultants based on the client's decarbonisation ambition, limiting our scope to influence the upfront embodied carbon emissions associated with our projects.

Therefore, we focus our decarbonisation efforts on minimising the impact of site establishment and operations as well as improving the efficiency of our temporary works and construction processes by adopting digital tools.

We also focus on reducing our reliance on fossil fuel by utilising solar energy across our temporary site offices and investing in plant & equipment using alternative fuels. We also focus heavily on waste segregation, recycling and circular initiatives to reduce waste generated across our operations. Specifically, for non oil & gas and marine projects, we also invested in enhancing our modular volumetrics and offsite construction capabilities.

We are also cognizant of the impact we can have on our supply chain and work towards leveraging them in our decarbonisation journey. In projects or for assets under our control, where we have operational control over material specification & design, we strive to use low-carbon materials. We will continue to work with our subcontractors and suppliers to test and incorporate their solutions & expertise within our operations. Wherever feasible, we also involve our subcontractors and suppliers in our training and upskilling programmes.



Employ low-carbon site operations: Minimise the impact of construction processes on the natural environment

Adherence to Environmental Impact Assessment (EIA) guidelines

Use of low-emission equipment

Investment in and use of on-site solar energy

Recycling & circularity projects



Investing in modular volumetric construction & product-based approach, with significant waste, time and carbon footprint reduction



Modular volumetric construction solutions



Offsite construction & prefabrication
MEP Modular solutions



Leverage supply chain to decrease carbon emissions

Offer launch pad for testing low-carbon solutions from suppliers for projects, where we have operational control over material selection

Engage with top tier suppliers to improve environmental performance

Train subcontractors & suppliers on decarbonisation strategies

MODERN METHODS OF CONSTRUCTION

In 2024, LINQ launched its 2,421-sq.ft modular three-bedroom townhouse, constructed using sustainable materials and designed for superior acoustic and thermal performance, ensuring durability and comfort.

LINQ integrates advanced materials such as lightweight cellular concrete infill, which enhances acoustic, thermal, and fire performance. This approach addresses common concerns associated with traditional drywall techniques, offering improved structural integrity and environmental benefits. The use of lightweight cellular concrete infill contributes to enhanced acoustic insulation, reducing noise transmission between rooms and from external sources. Thermally, this material provides better insulation, maintaining indoor temperatures more effectively. These improvements create a more comfortable living environment compared to traditional construction methods.

Enhanced thermal performance in modular construction leads to reduced cooling loads, as better insulation minimises heat gain from external sources. This reduction translates to lower energy consumption for air conditioning, resulting in cost savings and a smaller carbon footprint. Studies have shown that modular homes can achieve up to a 30% reduction in energy consumption for heating and cooling compared to traditional homes.



Saij Mountain Lodge

is an upcoming eco-friendly retreat located on Jebel Jais in Ras Al Khaimah, UAE. This luxury retreat is set to feature 70 lodges, offering guests an immersive experience amidst the serene mountain landscape. The project is part of Ras Al Khaimah's AED 500 million investment plan to enhance sustainable tourism. LINQ was responsible for the modular construction of Saij Mountain Lodge. These lodges are built offsite in a factory, where they are fully pre-fitted with plumbing, electrical systems, and interior finishes. This method allows for efficient installation and consistent quality, aligning with the project's sustainability goals.



Advantages of modular construction over traditional construction: The use of modular fabrication offers several advantages over traditional construction methods. Improved coordination and reduced rework are achieved as multiple teams can work on a single module without coordination/design errors, unlike at construction sites. This leads to improved productivity and quality, as the controlled factory environment allows for the optimal use of workmen, reduces multiple trips of materials and labour to distant sites, resulting in predictable labour costs and superior workmanship. Additionally, construction sites require fewer amenities such as canteens, electricity, and toilets due to the reduced workforce. Project inventories and timelines are drastically improved because offsite modular fabrication is independent of site constraints, reducing activity sequencing dependencies. Material utilisation and wastage are better managed through efficient material ordering and reuse, significantly lowering waste. Lastly, safety and risk controls are enhanced as the project is completed in a controlled factory environment, reducing the risk of unsafe practices commonly found at construction sites, such as working at heights or in confined spaces.

Current Capability of LINQ Factory: Ability to deliver nearly 1,000 fully fit-out luxury rooms annually.

MODERN METHODS OF CONSTRUCTION

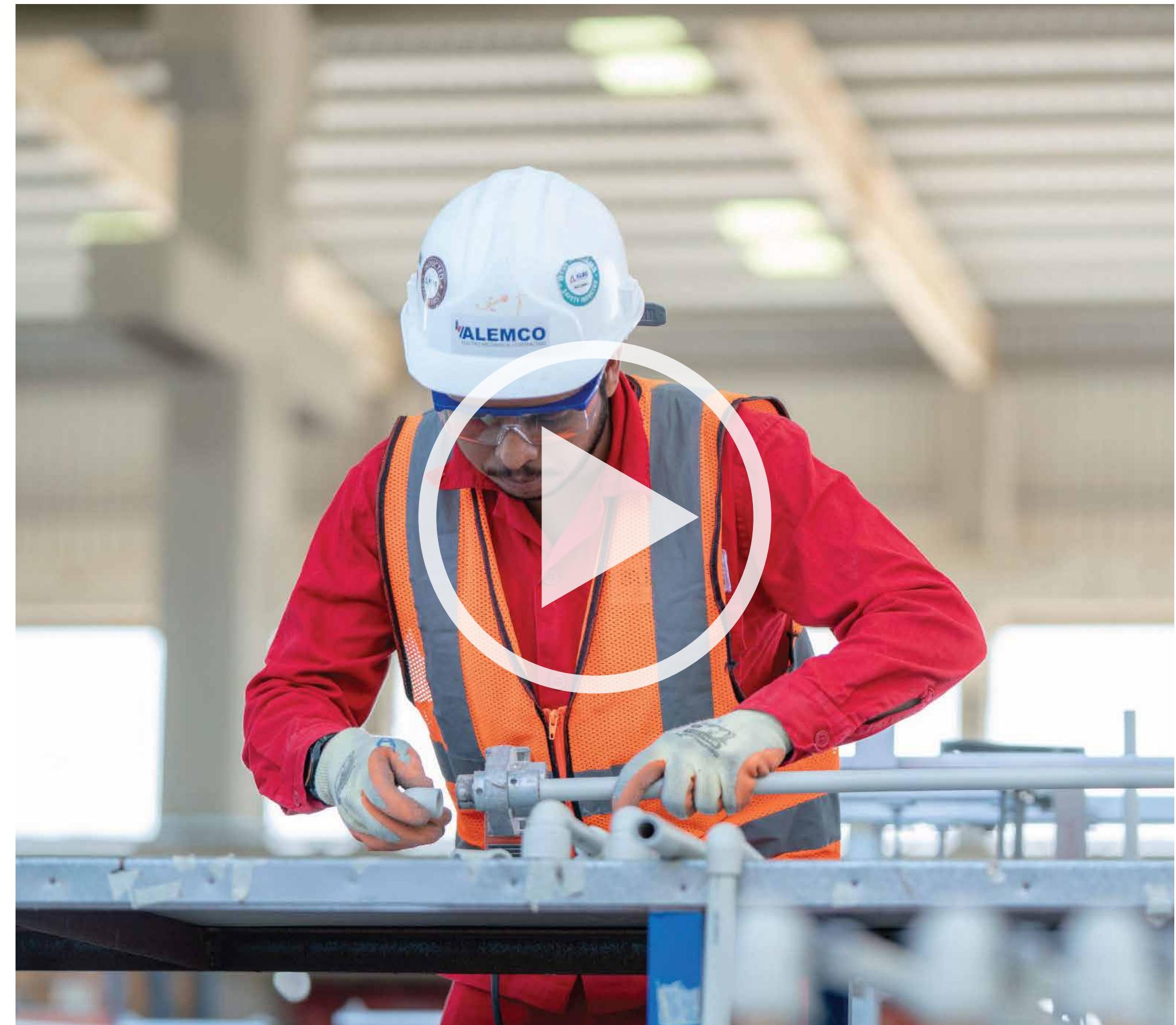
OFFSITE CONSTRUCTION:

In addition to the offsite construction facility at DIC, ALEMCO has established a new 12,000-square-meter offsite factory in Ras Al Khaimah. This facility focuses on offsite fabrication of modules, Heating, Ventilation, and Air Conditioning (HVAC) duct spools, and related components. Significant portions of a high-rise tower project have been modularised, including corridors, risers, and guest room MEP elements, all fabricated at this offsite facility.

In 2024, the factory produced approximately 3,200 MEP modules and insulated around 32,000 square meters of HVAC and fire ducts in a controlled environment. These components are delivered to the construction site in specially designed cages to ensure safe handling and installation. Additionally, the facility manufactures chilled water spools, distribution board (DB) boxes, and guest room conduits to further support the project's MEP requirements. This approach has effectively shifted a significant portion of the construction workload from the site to a controlled factory setting, thereby improving both efficiency and quality control. The adoption of an aggressive offsite strategy has resulted in faster construction on-site, reduced reliance on labour and related transportation requirements, and a drastic reduction in construction waste.

To improve labour efficiency and output, the factory has introduced several CNC (Computer Numerical Control) automation initiatives and streamlined operations through increased use of battery-operated tools. A key milestone in this strategy is the introduction of a CNC conduit bending machine—the first step in a broader CNC production plan. This machine has significantly expedited manual tasks and minimised waste by optimising the nesting of site requirements. CNC machines are widely recognised for their precision and efficiency in processing various materials. Additional automation initiatives are planned for rollout in the first half of 2025 to further enhance productivity and operational efficiency.

The adoption of battery-operated tools has further contributed to operational efficiency. These tools offer greater flexibility and mobility, eliminating the constraints of power cords and reducing trip hazards, thereby enhancing workplace safety. Collectively, these automation initiatives and the integration of advanced tooling have streamlined processes, minimised waste, and bolstered overall productivity within the factory.



ENVIRONMENTAL MANAGEMENT

Our ISO 14001: 2015 certified Environmental Management System covers operations across offices, factories, and projects of ALEC, TARGET, ALEMCO, ALEC FITOUT, ALEC Facades projects, LINQ and Inproserv, with AJI's operations at its new facility established in 2024, expected in early 2025.

Adherence to Environmental Impact Assessment (EIA) guidelines

Based on Environmental Impact Assessment reports by third-party consultants for our projects, we develop site-specific Construction Environmental Management Plans (CEMP), describing the environmental risk mitigation and monitoring efforts to mitigate or reduce the impacts of air pollution, water pollution, noise pollution, solid waste pollution, soil pollution, and ecological damage and associated risks. The CEMP also enlists the roles and responsibilities of personnel involved with all aspects of the construction activities as well as the procedures for audits, monitoring, and inspections, training, record keeping, and documentation requirements. Task-specific risk assessments are also conducted for each activity conducted on the projects, identifying each of the hazards associated with the activity as well as the appropriate risk control measures. We conduct regular internal and external audits and assurance to assess and enhance implementation of our environment management system.



All employees and subcontractors' staff and labour undergo Health, Safety and Environmental (HSE) induction across our projects. The relevant policies, processes and the Action Notice system as well as rewarding scheme are explained to all.

RECOGNITION:

T2 DXB Departure Lounge Redevelopment

Projects: First place in the 2024 DAEP Annual Environmental Awareness Campaign on 'Circular Economy'



To reduce NOx level, 13 vehicles used on TARGET sites have installed AdBlue (Urea and water)

BIODIVERSITY

TARGET SITES:

For projects located in protected area/zones, the development work is initiated only after acquiring permits from Environment Agency – Abu Dhabi (EAD), biodiversity assessment undertaken, protection and monitoring plans developed and implemented in line with EAD protocol and ADNOC Standards. Routine environmental assessments are conducted by Contractor and Client representatives. If an environmental incident occurs, we immediately notify the relevant authorities through ADNOC, conduct a joint investigation and develop a remediation plan. We had zero incidents of major spills recorded across our operations and facilities in 2024.

Osprey protection:

Osprey is a common bird along Abu Dhabi coastline, and as per EAD, it is listed as a key endangered species as it is currently in decline due to habitat fragmentation and destruction. So far, we have installed Nesting / Perching Poles in Arzanah Island to minimise predation and enhance nestlings' success rate.

Dalma deep gas program EPC project

- Buffer zones for turtle nesting, and fence for Mangroves plantation.
- Relocation of the salt marsh bushes from the cutting and filling process area to the reinstated area in the north.
- 20 Ghaf trees planted
- Planted Sesuvium (Halophyte) to reduce the soil erosion.
- 800+ trees planted and nursery established at Arzanah Island
- Regular beach clean up campaigns

TARGET LABOUR CAMPS:

PLANT TYPE / SPECIES	2024				
	DGD CAMP	GNC CAMP	BIF CAMP	TETG CAMP	NMGL CAMP
CONOCARPU (DAMAS TREE)	190	100	210	1,584	
ALMONDS TREE	36				
BOUGAINVILLEA	16				
PLUMERIA OBTUSA	10		2		
PROSOPIS	24				
CANNA (PLANTS)	98				
SESUVIUM (HERB)	30,000				
GRASS (SQ. M)	100				
DATE TREE	7		2		
POMEGRANATE			1		
OLEANDER			2		
PEACOCK FLOWER (CASEALPINIA PULCHERRIMA)			2		



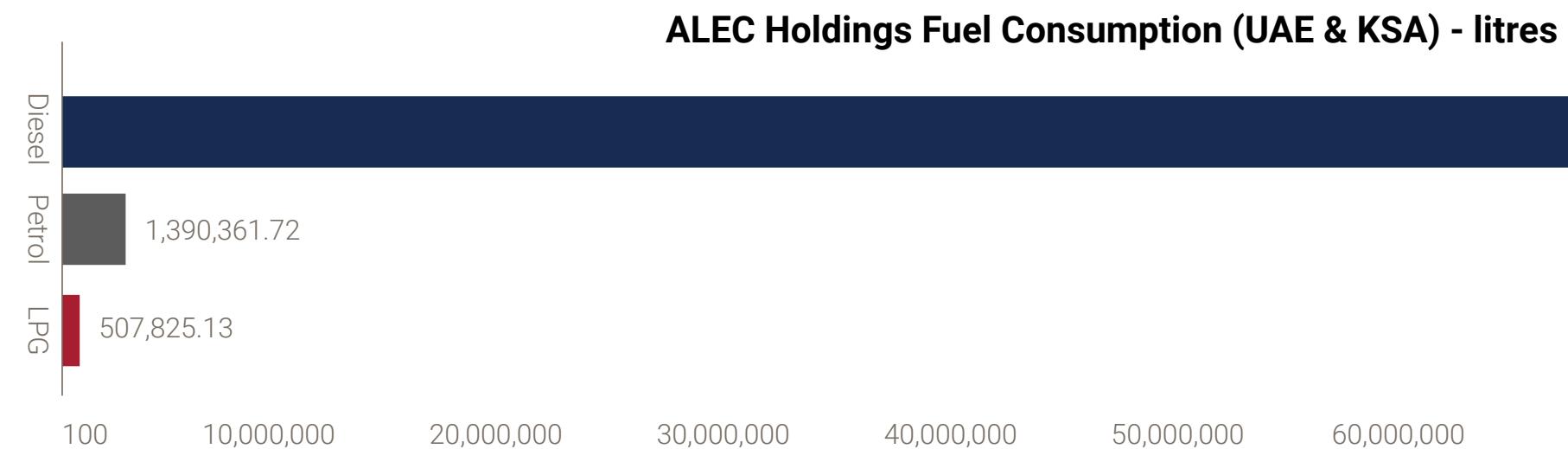
ENERGY MANAGEMENT

Diesel is primarily used for construction equipment and diesel generators by ALEC Construction and TARGET. Additionally, TARGET uses diesel for marine logistic operations. Petrol is used for vehicles across sites, while LPG is used for cooking at TARGET camps.

Through ongoing implementation of fuel efficiency initiatives, increased consumption of renewable power and introduction of hybrid corporate fleet over time, ALEC Holdings intends to improve its fuel emission intensity over time to the extent that external factors allow. Factors that inhibit our transition to fossil-fuel-free constructions sites include lack of utility grid network in remote locations or delays in gaining access to local energy grid network. Other factors such as design changes also extend our construction timelines, increasing prolonged use of diesel generators. Across our owned ALEC Construction labour camps, we are phasing out on-site cooking and opting for catering services. At TARGET labour camps, we are in the process of switching to using electric induction cooking ranges, instead of LPG cylinders.

Regular maintenance ensures our machinery operates at peak efficiency, reducing diesel consumption. Additionally, we have implemented operator training programs to educate our operators on efficient machine operation and the importance of turning off machinery when not in use. TARGET utilises an In-Vehicle Monitoring System (IVMS) to effectively save fuel consumption and reduce emissions through smooth driving and less idling time.

To further reduce multiple diesel generators on site, ALEC Construction provides merged site offices for all subcontractors, consultants on the project. TARGET arranged a single site office for multiple projects at offshore locations. Other initiatives include use of electric plant, and



HYBRID FLEET

Our fuel reduction strategy focuses on extending the life of the existing fleet through scheduled preventive maintenance at our yards. We are also phasing in hybrid alternatives to petrol for our new corporate vehicles. In 2024, TARGET purchased four hybrid vehicles for use at its corporate and project site offices.



>AED13mln invested in electric & resource saving solutions

- Dingli hybrid boom lift with lithium batteries
- Battery energy storage systems
- Jekko mini-cranes with lithium batteries
- Water recycling washing bay

Battery Energy Storage System (BESS) is a plug-and-play solution, which electrifies construction power generation, and offers a seamless, quiet, and fully automated energy supply, facilitating the construction industry's shift away from fossil fuels. BESS system can be recharged using a variety of power sources, including a temporary power connection from a utility company or a small diesel generator, significantly downsizing the generator required and dramatically reducing the site's fuel consumption.

UAE: 9 on the ground across construction projects; 4 ordered
KSA: 1 on the ground across construction projects; 8 ordered



ENERGY MANAGEMENT



PROJECT SITES:



2.1 MWp

Cumulative installed capacity across ALEC project sites

Battery Energy Storage System (BESS):

- UAE: AJI/FMD installed 8 of its battery energy storage systems (BESS) at 2 ALEC Construction projects.
- KSA: AJI/FMD installed 1 of its battery energy storage systems (BESS) at 1 ESA project.

Solar-Diesel Hybrid power supply at a UAE ALEC Construction Project

A Solar-Diesel Hybrid System combines the power output of solar panels and the diesel generators. The control system draws power in such a way that it maximises the load on Solar and minimises the load on Diesel Generators. If there are multiple generators and there is sufficient power from Solar, it shuts off some of the generators completely to minimise fuel consumption. On project sites, where the grid connection is not available due to the nature & location of the project, a Solar-Diesel hybrid power supply system acts as an alternative in our endeavour to decrease the fuel consumption and reduce emissions.



💡 LED light fixtures for normal and emergency lights

⚡ Occupancy/Motion sensor and timers are installed in offices and construction site

🌡 Inverter type Split AC units

🔌 Electricity sub meters

🕒 Automatic control of AC units through lighting sensors

☀️ Solar - Battery operated Mobile tower lights



PROJECT SITES:

💡 217 solar-power streetlights across camps



💡 45 solar-powered tower lights



💡 01 Solar-powered mist fan

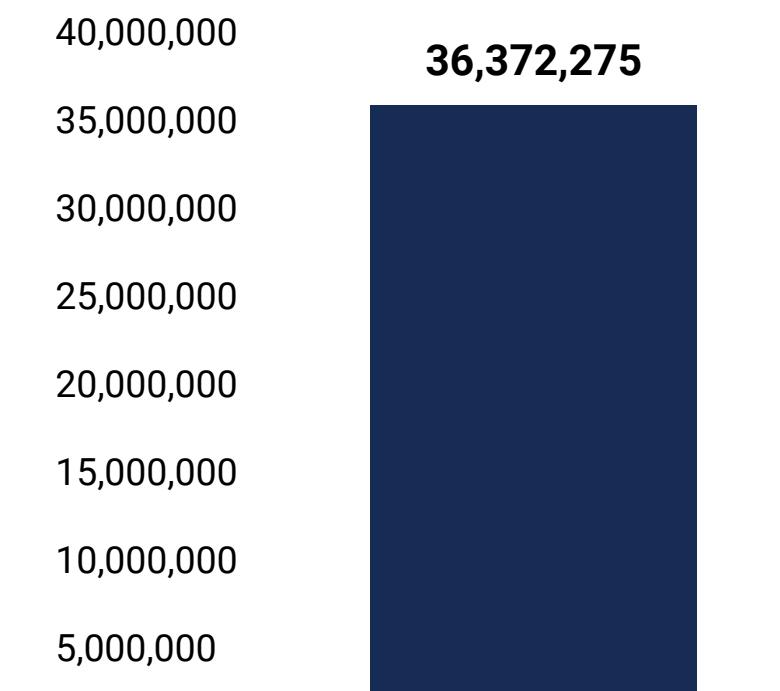


ALEC Energy offers a complete spectrum of services from concept to commissioning and even operations and maintenance of Solar PV Projects in the UAE.

- Microgrids
- BIPV solutions
- BAPV solution
- Rooftop
- Ground mount
- Car & truck ports

💡 **29.3 MWp** of solar energy systems installed across 23 projects, until Dec 31, 2024.

ALEC Holdings Purchased Grid Electricity Consumption (UAE & KSA) - kWh



WATER MANAGEMENT

ALEC Holdings operates in regions identified as 'most at risk' for water scarcity, highlighting the importance of water management. We monitor the quality and quantity of water utilised across our operations. For projects, we aim to get utility connection within nine months and employ water efficiency measures to manage water consumption. Water submeters also help us identify hotspots, triggering maintenance works.

Water consumption: While our offices, factories and yards are connected to water utility networks, we depend on sweet water delivered by tankers to site, located in areas not connected to the water network. TARGET's offshore sites utilise Reverse osmosis (RO) desalination plants to supply fresh water for both domestic and construction purposes. Additionally, treated wastewater is used wherever possible for dust suppression and earthworks activities, reducing reliance on freshwater.

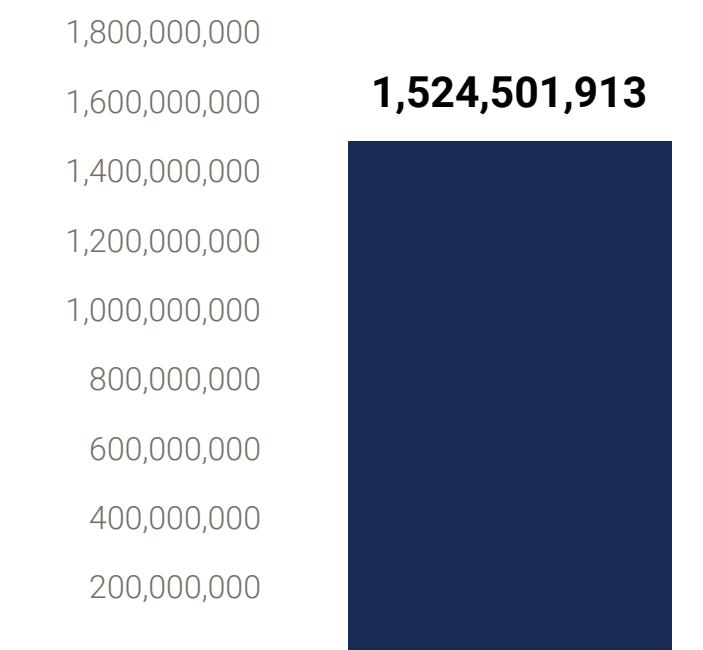
At the TARGET camps, water treated at the sewage treatment plants is used for dust suppression and irrigation purpose.



We operate 5 Sewage treatment plants across our camps with a combined capacity of 2,612 m³/day



ALEC Holdings Water Consumption (UAE & KSA) - litres



LOCATION	CAPACITY
DGD Camp	800 m ³ /d
GNC Camp	600 m ³ /d
TETG Camp	600 m ³ /d
BIF Camp	550 m ³ /d
NMGL Camp	62 m ³ /d

ALEC SITE OFFICE/ SITE		TARGET SITE OFFICE/ SITE
Use	Water on site is mainly utilised for drinking, hygiene, and sanitation and for construction activities such as concrete curing, hydrostatic testing, flushing, dust control, waterproofing, pressure tests for MEP systems, flood testing and soil compaction.	Water consumption at project sites and site offices is mainly for domestic purposes and Construction activities such as earthworks, concrete curing, dust suppression, waterproofing, pressure tests for MEP systems, and soil compaction, pre-commissioning and commissioning.
Water Efficiency Initiatives	<ul style="list-style-type: none"> Waterless urinals at some of our site offices & welfare areas Push taps with 8 to 10 seconds shut-off settings Water flow reducers for hand flush/shattaf system Aerators for washbasins, sink Water submeters to monitor monthly water distribution. Reusing of AC unit's condensate drain water to the plants 	<ul style="list-style-type: none"> Push taps with 8 to 10 seconds shut-off settings Water flow reducers for flushing system Treated sewage flushing system installed for shared ablution area of TETG Camp
Wastewater reuse	<p>Challenges:</p> <ul style="list-style-type: none"> Space constraint for Sewage Treatment Plant (STP). STP system needs to be mobile after project decommissioning. Some of our factories are located in industrial areas that are not yet connected to the sewerage network, necessitating the use of tankers for wastewater collection. STP system's treated water usage is very minimal due to the non-availability of an irrigation system on the construction site. <p>Initiative:</p> <ul style="list-style-type: none"> Dewatering excess water used for dust suppression 	<ul style="list-style-type: none"> Concrete wash water recycling implemented at 2 TARGET projects (Das Island, & Arzanah Island sites). 60 Spring loaded taps installed in TARGET's ECP Project. On projects with STP, treated water used for dust suppression 115,713,625 Imperial Gallons (IG) of sewage treated water used for dust suppression and irrigation purposes.



AJI RENTALS

REUSING WASTEWATER: Wash Bay

CONTEXT: Washing and maintaining construction vehicles is a water-intensive activity, leading to increased costs and causing significant water runoff into drains.

SOLUTION: AJI introduced the X-Splash water recycling system, that recycles wastewater collected after washing vehicles and filters the water for reuse, preventing contaminants from entering the drainage system and reducing the amount of utility water or sweetwater otherwise used for washing vehicles.

IMPACT: This solution not only conserves water and reduces costs associated with purchasing additional water for cleaning vehicles, but is also quick to set up, transport, and adaptable for both indoor and outdoor use. With the introduction of wash bay system at AJI's new premises at DIC in 2024, on average, 47.5% of water was recycled back into the system.



Note:
IG: Imperial Gallons
M3: Cubic metres

WASTE MANAGEMENT AND CIRCULARITY

ALEC Construction has dedicated waste management teams at projects to ensure waste segregation and collection are carried out efficiently. We have also engaged waste management and recycling partners across our offices, factories, labour accommodation and projects. Our project-specific waste management plans are approved by clients, who set the recycling targets, which ALEC Construction has consistently achieved.

Sources & segregation: Across our construction sites, we implement a strict waste segregation programme that divides our construction and demolition waste and other waste into recyclables and hazardous waste segregation areas. Major waste categories include concrete waste, construction and demolition waste, and excavated soil from piping and other construction activities.

Disposal: The waste is then either sent to the municipal landfill or recycled through our waste management partner.

Recycling: We recycle concrete, steel, metals, glass, timber, plastic, paper, and cartons from our sites. Recycling rates fluctuate over the project lifecycle depending on recyclability of materials used during each stage, which is different for different ongoing projects in a single year. We sometimes inherit pre-existing structures and need to clear those to begin construction, fluctuating our total waste generation. Overall waste recycling rate for projects over their entire cycle provides a complete and accurate impact measurement of our waste management initiatives.

TARGET

At TARGET, based on the scope of work and the type of waste generated, project-specific waste management plans are developed. The Project Manager and Construction Managers are responsible for implementing this plan.

For onshore projects, our recycling & waste management partners collect waste that is segregated at our sites. Based on the type, waste is processed for recycling or sent to the landfill.

For offshore projects, specialised arrangements with refrigeration is provided for storage of putrescible waste at offshore location, to avoid issues in case marine transport to take this waste away is not available on time due to adverse weather conditions. The waste is then sent to assigned waste facilities at the port, or taken to our yard at Marine Transport Department, from where it is either processed for recycling or sent to landfills.



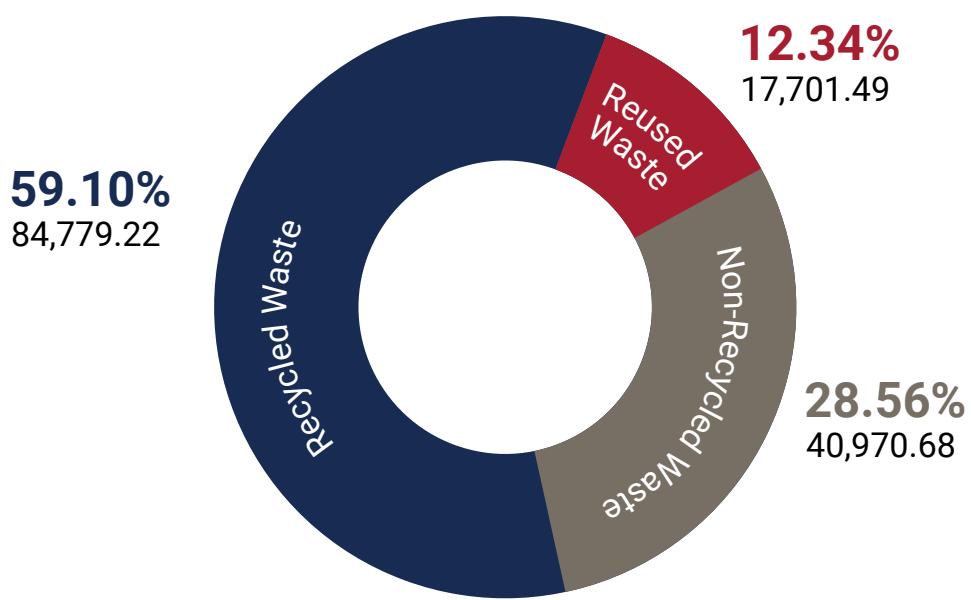
At TARGET, no major spills were recorded in 2024. Spill prevention and response training is included in our Health, Safety, and Environmental (HSE) training programmes. All site employees are trained to respond to potential spills. A project-specific Emergency Response Plan is developed and implemented. This plan outlines the responsibilities of the emergency response team, contact information, dos and don'ts during an emergency, and step-by-step procedures for handling both minor and major spills. All marine vessels follow established bunkering procedures and comply with the Shipboard Oil Pollution Emergency Plan (SOPEP). Waste generated during spill containment is carefully handled, treated, and disposed of safely.

- 30 Ton of **Wooden Waste** Reused for fence, osprey nesting poles, tables, benches, guards and safety signages
- Scrap tyres** reused as Marine Vessel Fenders
- Take-back arrangement** adopted for Tote chemical container for refill and re-supply.
- Garnet re-processing** facility at TARGET Steel Industry

SINGLE-USE PLASTIC PHASE-OUT

All ALEC workers on site receive steel tiffin boxes and water bottles. To phase out avoidable single-use plastics from our operations, ALEC distributed reusable water bottles, coffee mugs, cutlery, and straws to **2,864** staff in the UAE & KSA as of 31st December 2024

ALEC Holdings Waste Generated & Diverted (UAE & KSA) - Tonnes



Excavated soil reused as:

- Backfill



Concrete waste repurposed into:

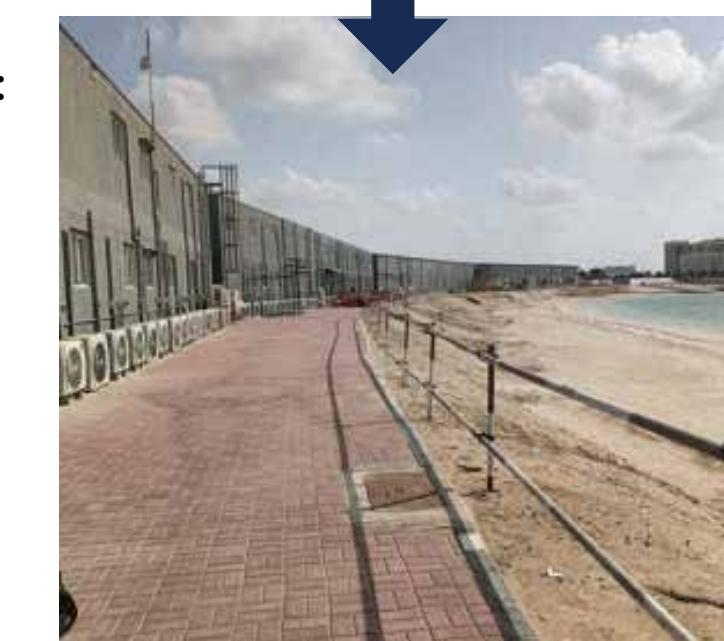
- Barricades
- Paver blocks
- Anchor blocks

Wood /Timber waste repurposed into:

- Sign boards
- Fire extinguisher holding boxes
- Storage boxes

Welfare tents & office furniture:

- Reused across multiple projects sites



SUPPLY CHAIN PARTNERSHIPS

Across projects and while we refurbish our own properties, where we are responsible for material selection, or during construction site operations such as temporary works & site logistics, where we have operational control, we leverage our supply chain partners' solutions. We test and implement solutions to reduce waste and utilise products with lower embodied carbon.

GYPSUM WASTE TAKE BACK:

ALEC * SAINT-GOBAIN GYPROC

CONTEXT: Typically, gypsum waste used to be sent to landfill as existing waste management partner did not have gypsum recycling capabilities.

SOLUTION: ALEC partnered with Saint-Gobain Gyproc to participate in their Gypsum Takeback programme, wherein segregated gypsum waste was sent back to their factory on their transport, delivery material to site. The gypsum waste is then processed and recycled at their Environment Agency - Abu Dhabi (EAD) approved Plasterboard Recycling Service.

IMPACT: Around 128 tonnes of gypsum waste was diverted from ALEC projects in 2024.



USING NATURAL MATERIALS:

CONTEXT: Typically, we use imported Medium-density fibreboard (MDF) for joinery works and were looking for local solutions.

SOLUTION: ALEC Lite partnered with DesertBoard to utilise their patented formaldehyde-free wall boards, made using palm frond waste resulting from trimming palm trees.

IMPACT: These products are locally-available and produced, and reduce organic, landscaping waste.



PACKAGING WASTE REDUCTION:

CONTEXT: Typically, copper patch cords, fibre patch cords and copper modules are individually packed in single-use plastic bags.

SOLUTION: ALEC Technologies partnered with Excel and adopted their plastic-free packaging.

IMPACT: Around 82,090 single-use plastic bags were eliminated across two ALEC Construction projects. The innovative packaging also reduced installation preparation time by 60%.



SUPPLY CHAIN ENGAGEMENT FOR SUSTAINABLE OPERATIONS:

2024:

- Involved in ESG materiality assessment project, where we sought their feedback on ALEC Holdings' sustainability performance & initiatives
- Shared Sustainability Report and communicated our impact and ongoing projects with the entire supply chain

Planned in 2025:

- Getting subcontractors & suppliers to adhere to upgraded environmental commitments in new Vendor Code of Conduct
- Enhanced on-site recycling trainings targeting subcontractors
- Training ALEC Holdings Procurement team on sustainable procurement, to further strengthen supplier environmental evaluations during tendering.

HEALTH & SAFETY

ALEC Holdings has developed and implements rigorous health and safety standards in accordance with local legislative and ISO standards. Our HSE Management System, which is applied across ALEC Construction, ALEC FITOUT, ALEC Facades, ALEMCO, LINQ and Inproserv, is ISO 45001 and 14001 certified, with AJI operations at its new facility established in 2024, to be audited for inclusion in early 2025. Our HSE Management System and associated safety controls are applied at all ALEC Holdings projects and facilities and must be implemented by all ALEC Holdings employees as well as the entire supply chain as far as applicable.

HSE PERFORMANCE:

(UAE & KSA):

- Fatalities: 0
- LTIFR: 0.203

HSE TEAM:

- 84%** of ALEC Operational HSE team members are NEBOSH certified
- 63%** of ALEC Operational HSE team members are IOSH certified
- 98%** of TARGET Operational HSE team members are NEBOSH certified

First aiders:

- No. of trained first aiders at ALEC: 1,394
- No. of trained first aiders at TARGET: 444

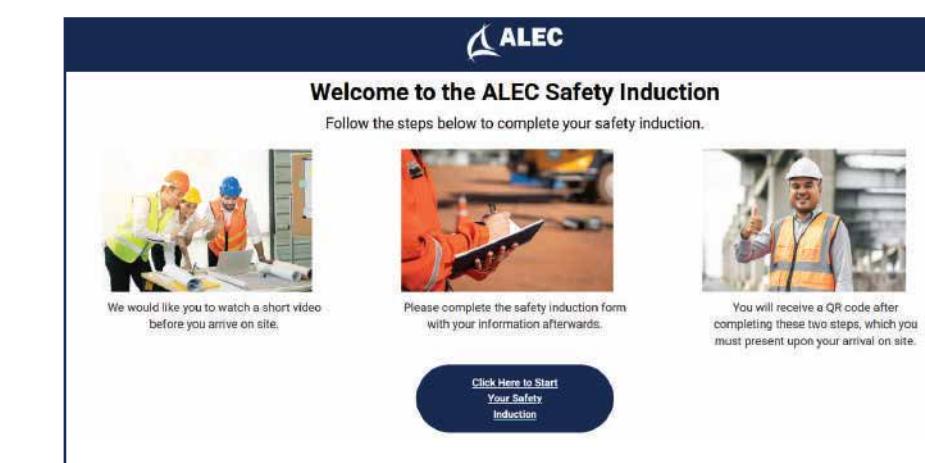
Fire safety professionals:

- No. of trained fire safety professionals at ALEC: 3,404
- No. of trained fire safety professionals at TARGET: 1,014



HSE INDUCTION

16,103 visitors completed the online ALEC HSE Induction video. All employees, including subcontractors, undergo HSE induction and task-specific HSE trainings across projects.



DIGITISATION INITIATIVE

In 2024, the HSE Digital Training Planner was launched and integrated with the People & Culture (P&C) system. We also introduced card readers across all projects to streamline training data collection.

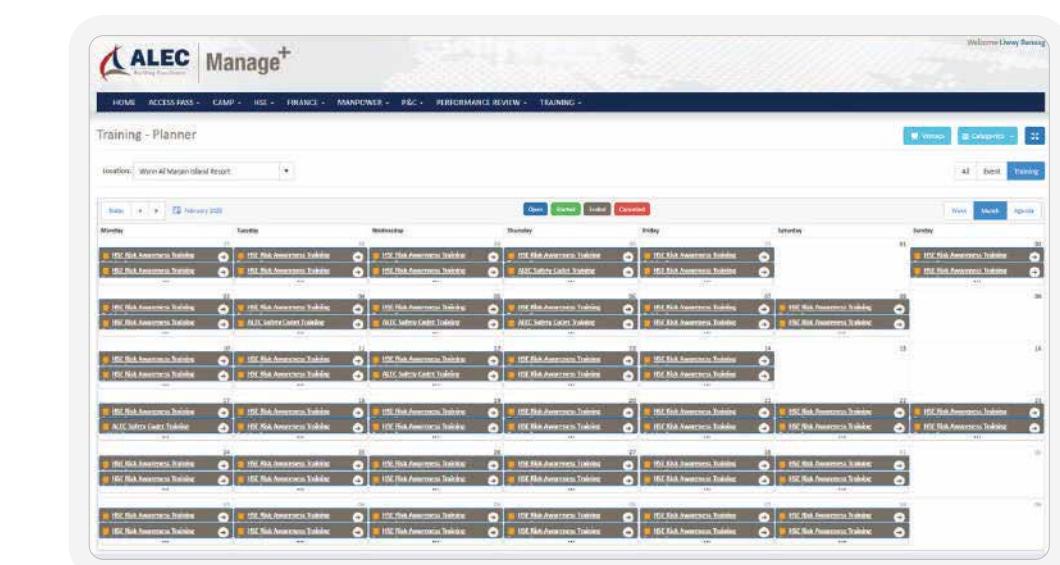
Impact:

- Digital training planners replaced manual records.
- Online platform replaced email correspondence and provided Operations teams access to live schedules for easier planning.
- Electronic card readers replaced manual signatures of attendees.
- Automated registers replacing manual attendance registers.

The system has subsequently been expanded for use by all departments to record participation in training, engagement, wellbeing and sports activities.

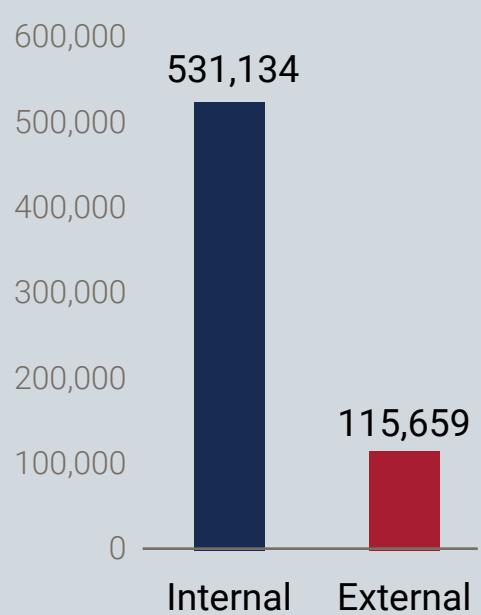
Planned developments for HSE training digitalisation in 2025 include:

- Expanding the platform to log third-party training.
- Generating project-specific and consolidated training reports.



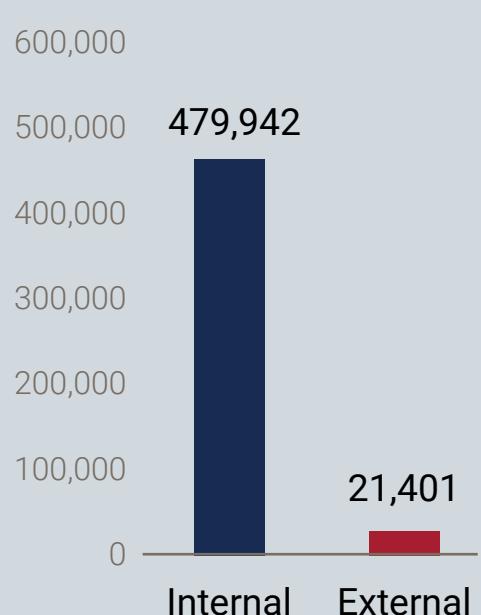
ALEC Holdings HSE Training

Hours 2024 - (UAE & KSA)



ALEC Holdings HSE Training

Attendees 2024 - (UAE & KSA)



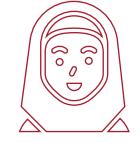
HEALTH & SAFETY

The Emirati Safety Cadet programme was launched in July 2024 to meaningfully engage and develop Emiratis in line with UAE mandate and vision for the development of their citizens. The original ALEC Safety Cadet programme was launched in 2015 with a view to uplifting ALEC security officers and growing them into competent and effective Safety Officers, espousing the ALEC Safety Culture. With a view to meaningfully employing UAE Nationals, we reworked the Safety Cadet programme to achieve similar results with Emirati candidates. The HSE Support Office team set about developing a Delivery Plan and upgrading training materials and assessments for all modules.

The overall training content was expanded to 4.5 times the original programme with the inclusion of several additional third-party training courses, culminating in an NQF Level 6 NEBOSH Diploma for those candidates who successfully complete the programme.



28.26%



71.74%



KEY FEATURES:

- 36 months – Overall programme duration
- 19 Internal Training Modules delivered over a 43-week period
- 75% - Minimum acceptable grade for fortnightly exams
- 3 strikes – Maximum number of failures allowed to remain on the programme
- 18 – Third-party Training Modules completed progressively over a two-year period
- 1:12 - Mentors provided for on-site reinforcement of internal training topics
- Fortnightly** reviews by Mentors
- Quarterly** face to face interviews by HSE Support Office.

H&S Internal Awards issued by ALEC: 369

H&S EXTERNAL RECOGNITION:

Concourse B First Class Lounge Kitchen Expansion Project

- Second Place in the Annual DAEP Safety Awareness Campaign

T2 DXB Departure Lounge Redevelopment Projects:

- Second Place in the Annual DAEP Safety Awareness Campaign
- Third place in the Annual Security Awareness Campaign organised by DAR/DAEP, which focused on 'Perimeter Control'
- First place in the 2024 DAEP Annual Worker Welfare Awareness Campaign on 'Substance Abuse'

Miral Natural History Museum & TeamLab Phenomena:

- Appreciation award to ALEC & HSE team



Six Senses at Amaala Triple Bay:

- ALEC FITOUT received Best Contractor Safety Award by RSG Management & Best Contractor Award



TARGET Construction Saudi:

- Certificate of Appreciation for maintaining an injury free construction site



WELLBEING

Wellbeing events in 2024 included a variety of webinars, health camps and face to face delivered sessions. Some of the topics covered included sleep hygiene, stress management, nutrition guidance and men's health and wellbeing. An additional 21 employees were trained in Mental Health First Aid in 2024, with ALEC having now trained a total of 35 Mental Health First Aiders.

Towards the end of 2024, we signed an agreement with the **Wellx platform** which offers online wellbeing support to employees. Employees are incentivised to take part in wellbeing activities and online medical professionals are available to support employees' mental and physical health.

No. of Staff Participating in Health Awareness & Checkup Sessions

 138 Proper Sleep	 50 Stress Management	 36 Eye Health
 124 Heart Health	 46 Men's Health	 15 Counselling
 79 Nutrition	 43 Proper Hydration	 104 Oral Health Check Up
 58 Breast Cancer	 39 Effects of Smoking	 223 Flu Vaccination



No. of Workers Participating in Health Awareness & Checkup Sessions

 1,112 Medical Check Up	 363 Mental Health	 63 Eye Care Screening
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WORKER WELFARE

- Hiring campaigns for ALEC labourers are conducted throughout South Asia with the aid of approved regional recruitment agencies
- ALEC representatives explain to the selected employees in their own language all conditions of employment prior to offer letters being signed.
- Industry-leading use of biometrics during the recruitment process ensures candidate identity.
- 3 stage induction pre project mobilisation:
 - Out of Country
 - In country upon arrival
 - Pre project mobilisation



ALEC KSA successfully achieved full compliance with the Wage Protection System (WPS), an initiative launched by Ministry of Human Resources and Social Development in KSA. The WPS aims to ensure that all wage payments are made on time and in accordance with agreed-upon terms. ALEC KSA P&C team received a plaque in recognition of this effort from Mudad, the digital payroll and compliance system.

INDUCTION

No. of attendees undergoing worker welfare induction & refresher trainings in 2024:

- ALEC Labour:** 10,870
- ALEC Subcontractor labour:** 16,304



Worker Welfare External Recognition:
T2 DXB Departure Lounge Redevelopment:
 First Place in the Annual DAEP Worker Welfare Awareness Campaign on the topic of 'Substance abuse'

WORKER DEVELOPMENT

ALEC workers undergo training at our trade skills training centre in UAE and are required to clear the assessment tests before being inducted on projects.



At the ALEC trade school in UAE, workers are trained for the following trades and undergo assessment tests to move up their career ladder:

- Carpenters/gypsum carpenter/ shuttering
- Chargehands - formwork
- Masons (tile/ concrete/ block)
- Steel fixers

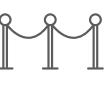
Labour succession within ALEC consists of a formal training programme that allows unskilled labourers to participate in the upskilling program to develop into a qualified tradesman. Around 3,541 labour workers were promoted in 2024.

These include those who were upskilled and moved into staff roles, general labourers into tradesmen, tradesmen into higher-level trades and tradesmen into lead roles.

WORKER ENGAGEMENT

ALEC organised several sports activities, including cricket, carrom, football, volleyball, and tug of war. Additionally, events such as recreational activities such as visits to Global Village, Labour Day festivities, Iftar gatherings, Eid al-Etihad, and Christmas celebrations are organised.

 No. of workers participating in Sports events: **764**

 No. of workers participating in Engagement events: **18,334**



GRIEVANCE MECHANISM

Besides the client-monitored labour hotline Safecall and worker interviews on specific sites as required by certain clients, ALEC and subcontracted workers across all project sites have additional avenues to raise their grievances, namely Happiness Call & ALEC Internal Grievance (for ALEC labourers only).

EMPLOYEE HOTLINES	CLOSED		OPEN		TOTAL ISSUES RAISED	CLOSE OUT RATE ALEC WORKERS	CLOSE OUT RATE SUBCONTRACTOR WORKERS
	ALEC	SUBCONTRACTOR	ALEC	SUBCONTRACTOR			
Happiness Call	8	3			11	100%	100%
ALEC Internal Grievance	3				3	100%	N/A
MOHRE	3				3	100%	N/A
Safecall	16	26	0	2	44	100%	93%
Worker Site Interviews	0	34	0	0	34	N/A	100%
ADHOC Worker Interviews	0	123	0	0	123	N/A	100%
Total	30	186	0	2	218	100%	99%



PEOPLE MANAGEMENT

Our People & Culture (P&C) department formulates people strategy, policies, and guidelines in alignment with corporate objectives and business priorities. It oversees talent attraction, recruitment, mobility, development, succession planning, and retention, ensuring the ongoing professional growth of employees.

DRIVE and Engagement Survey

Our vision is to integrate a Strengths-Based approach that promotes a harmonious & productive workforce, increasing motivation and engagement for individuals and teams.

DRIVE

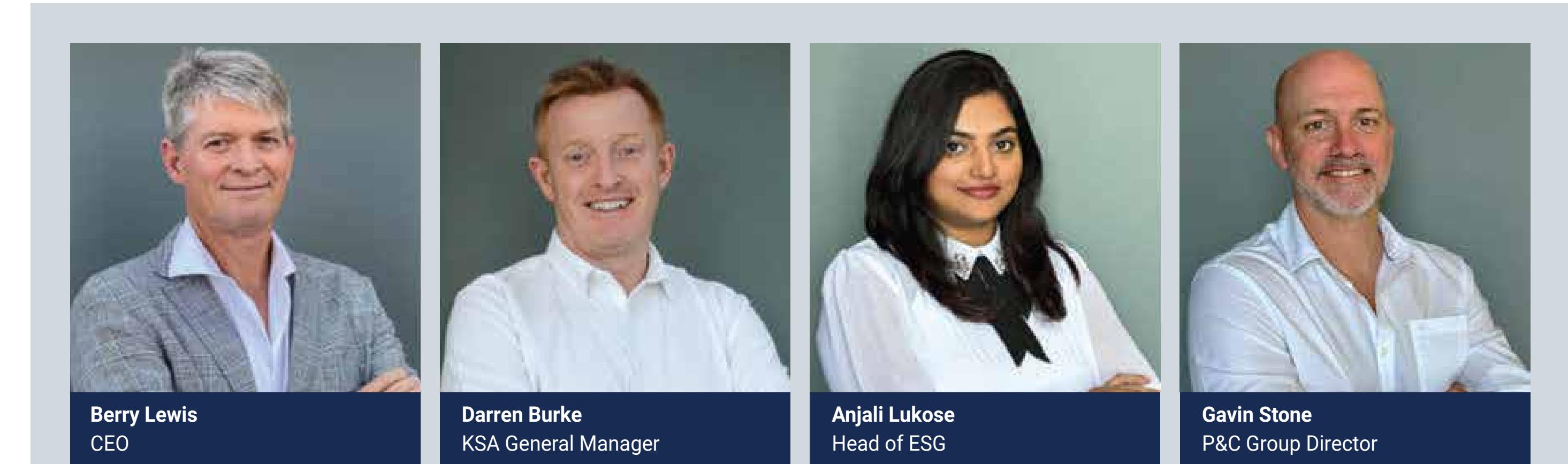


In 2024, a company-wide employee engagement survey, Synergauge, was conducted, achieving a staff completion rate (as of April 30) of 72%. The survey was available in multiple languages, anonymised, and administered by an independent third party. It followed the Gallup 12 model to assess engagement levels across the organisation.

The survey identified critical gaps and improvement areas to enhance employee support and align with organisational goals. These included improved access to trainings, detailed feedback & recognition, and career progression.

Additionally, staff were requested to complete their DRIVE Assessment psychometric profile. DRIVE is designed to capture individuals' natural energy, essentially, how we think, feel & behave.

Adopting a top-down approach, 22 senior leaders received coaching, and a comprehensive development programme was launched for all managers, extending into 2025. Additionally, email-based training was rolled out to all ALEC and TARGET employees to establish DRIVE as a common language across the business, aiming to enhance engagement levels.



ALEC Connect

As ALEC continues to grow as a business the need to be informed and connected is imperative. In 2024, ALEC CONNECT was launched. It is a quarterly session delivered by senior members of the company. This is a forum to provide information about key projects, business information and recognise individuals across the business.



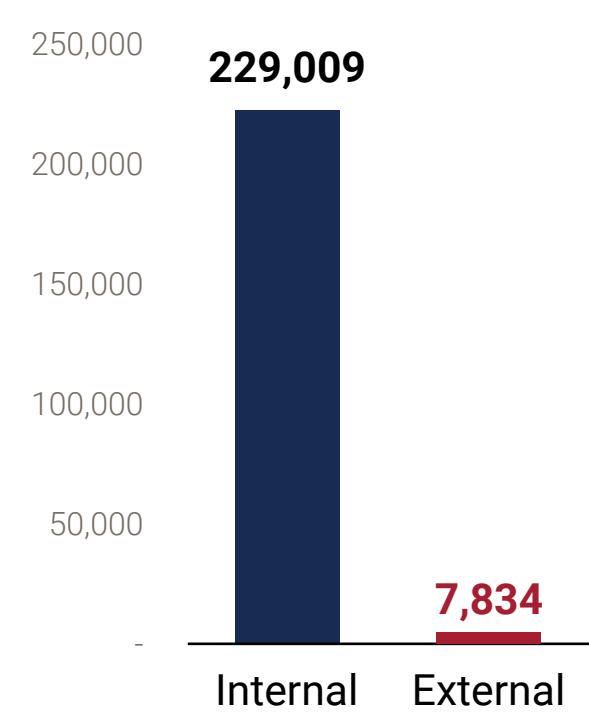
PEOPLE DEVELOPMENT

We provide a broad range of learning opportunities to help expand our employees' competencies and skills, and to shape our performance-driven culture. We provide employees with different learning options, including on-the-job experience, targeted training offered through in-person or e-learning platforms.

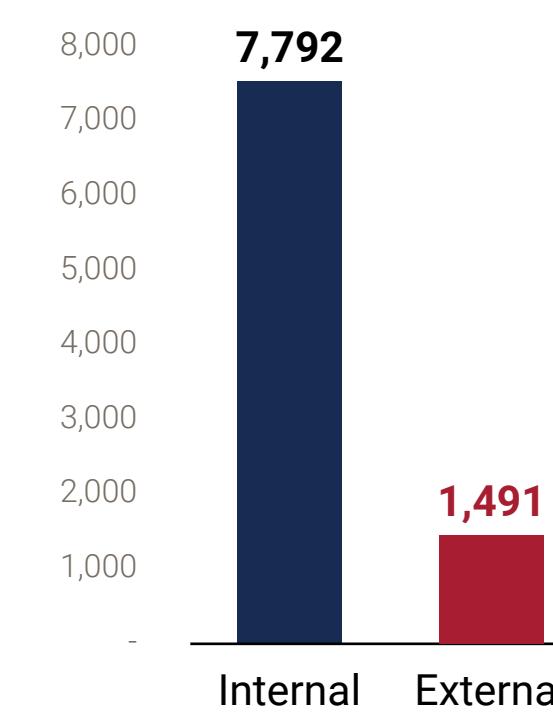
In 2024, our employees as well as subcontractors on site received up to 236,843 hours of technical and soft skills training, in addition to 646,793 hours of HSE training; 10,870 ALEC Construction workers on human & labour rights.

External training organised by the Internal Audit, ESG Digital Construction, IT, QAQC, ALEMCO, Marketing, Innovation & Learning & Development (L&D) teams covered Enterprise Risk Management, Whole Life Carbon Assessment (WLCA), Green Marketing, ISO 19650 Curriculum, Microsoft Productivity Tools, Rebar Works - Cutting & Bending, Power tools, Threading & Grooving - GI / MS Pipes, Working with Live Electricity, DRIVE Advocate training, DRIVE Executive Coaching, LinkedIn training and Present with Power.

ALEC Holdings Total Training Hours (UAE & KSA)



ALEC Holdings Total Training Attendees (UAE & KSA)



Digital and in person soft skills trainings curated by the Learning and development (L&D) team cover Presentation skills, Professional Etiquette, Negotiation skills, Design Thinking, Giving and Receiving feedback, Effective Communication, Problem Solving, Managerial Effectiveness, Emotional Intelligence.

Internal training topics delivered by the IT, Digital Construction, QAQC, ESG, ALEMCO, L&D, Tax teams cover Cybersecurity Incident Response Plan, Cybersecurity Awareness Training, VR induction, BIM 101, ESG 101, Introduction to Quality & Procedures, Introduction to sustainability & Green Building standards (Barjeel/ Green Globe/ Estidama), Refresh Training on Fire sealant, Pre-Pour Cleanness - Cleaning the formwork/Rebar prior to Concreting for Pile Cap, Rebar Works (Rebar cutting & bending), Retaining Wall Shuttering Works, Waterproofing Works, Spit Gun Training, Block Work training, Apprentices Onboarding Training, Chargehand Training, HDPE Electro-Fusion Training.

In 2024, CEO Barry Lewis & Sean McQue, Managing Director Construction, delivered workshops on Leadership & Alignment.

EXTERNAL DIGITAL LEARNING PLATFORMS AVAILABLE TO ALL EMPLOYEES:

United Nations Global Compact Academy

UN Global Compact Academy offers over 50 diverse courses and learning journeys, designed to provide learners with the skills, knowledge and practical guidance on today's most pressing sustainability issues.

Labour and decent work:

- Decent work in global supply chains
- Living wage



Governance and anti-corruption:

- Transformational governance
- Anti-corruption

Operam Academy 'ISO 19650 curriculum' training rolled out in 2024 to help upskill staff across the business to understand information management using BIM according to the latest international standards.

- 150 staff enrolled across ALEC Construction, ALEC Saudi, ALEMCO, ALEC FITOUT, ALEC Facades to filter curriculums based on department/job title.
- 99 staff completed their assigned curriculums (earning between 9-15 hours CPD points)
- 88 of those staff went on to complete the full curriculum and obtain **Information Management (IM) Practitioner**



ALEC Digital Library – ODILO

- Thousands of educational resources in audiobook, ebook and video, podcast formats
- Interactive learning experiences

NATIONALISATION

Nationalisation Programme:

ALEC Holdings had 415 nationals (Saudi and Emirati) employed in the business in 2024, having hired 319 in 2024. Our local talent performs in professional roles across multiple departments, including but not limited to – Operations, Engineering, Digital Construction, Design, QAQC, HSE, People & Culture and Government Relations.



In 2024, ALEC launched its transformative ELEVATE programme in collaboration with Marjan Development, to integrate and empower the local population, ensuring the professional development and long-term prosperity of Nationals pursuing careers in our industry sector. The ELEVATE Program focuses on two flagship programmes aimed at nurturing local talent and creating a sustainable pipeline of skilled professionals.



HCT Discovery Programme

Developed in collaboration with local higher education institutions, our Discovery Programme supports students in obtaining meaningful employment while pursuing their diplomas at the local campus. This initiative ensures students have access to practical work placements that align with their academic requirements. The programme supports establishment of an internal pipeline of skilled, hands-on professionals who graduate with a good understanding of the construction sector, fully prepared to make an immediate impact upon entering the workforce.



As Saudi Nationalisation is an important part of the government initiatives and to support our KSA new joiners, the AHLAN programme was launched.

'AHLAN' meaning welcome and for the first four weeks of their career with ALEC, they are given a specific set of tasks and key things to learn and complete as well as meeting senior department heads and spending quality time with their team members. On completion of AHLAN, participants receive a certificate and have a broader knowledge of life at ALEC. In 2024, 24 went through the AHLAN programme.

As a testament to ALEC's unwavering commitment to the advancement of the Emirati and Saudi communities, a developmental programme known as 'Mustaqbal,' signifying 'The Future,' was launched in the UAE for ALEC and TARGET. This yearlong initiative, structured in a modular format, is designed to build knowledge with each module seamlessly complementing the previous module. Mustaqbal's comprehensive curriculum spans an array of topics ranging from refined soft skills, strategically aligned with ALEC's vision and purpose. The programme concluded with a group project and presentation to the CEO and Senior Staff members wherein 18 individuals completed the programme. In 2025, it will be launched in KSA and run again for the UAE.

In alignment with our 2025 strategy, we are focusing on key roles to support Emiratisation across our organisation. These include but are not limited to positions such as Site Engineers, Planners, Project Directors, etc. ensuring Emiratis are represented across critical professional levels.

Additionally, we are expanding early career opportunities, including graduate and trainee positions, to provide Emiratis with structured work experience and academic support, building a robust pipeline of local talent for the construction industry.

STAFF ENGAGEMENT

ALEC recognises that employee engagement events are crucial for fostering a positive workplace culture as they create opportunities for employees to build stronger relationships, enhance collaboration, and feel valued.

A company-wide basketball tournament where over twenty games were played saw the LINQ team come out as overall champions. Other sporting events included the cricket and table tennis tournaments. Our employees in both KSA and UAE took part in the Dubai Fitness Challenge, with events being facilitated at both project and company-wide levels.



No. of staff participating in Sports events:

836

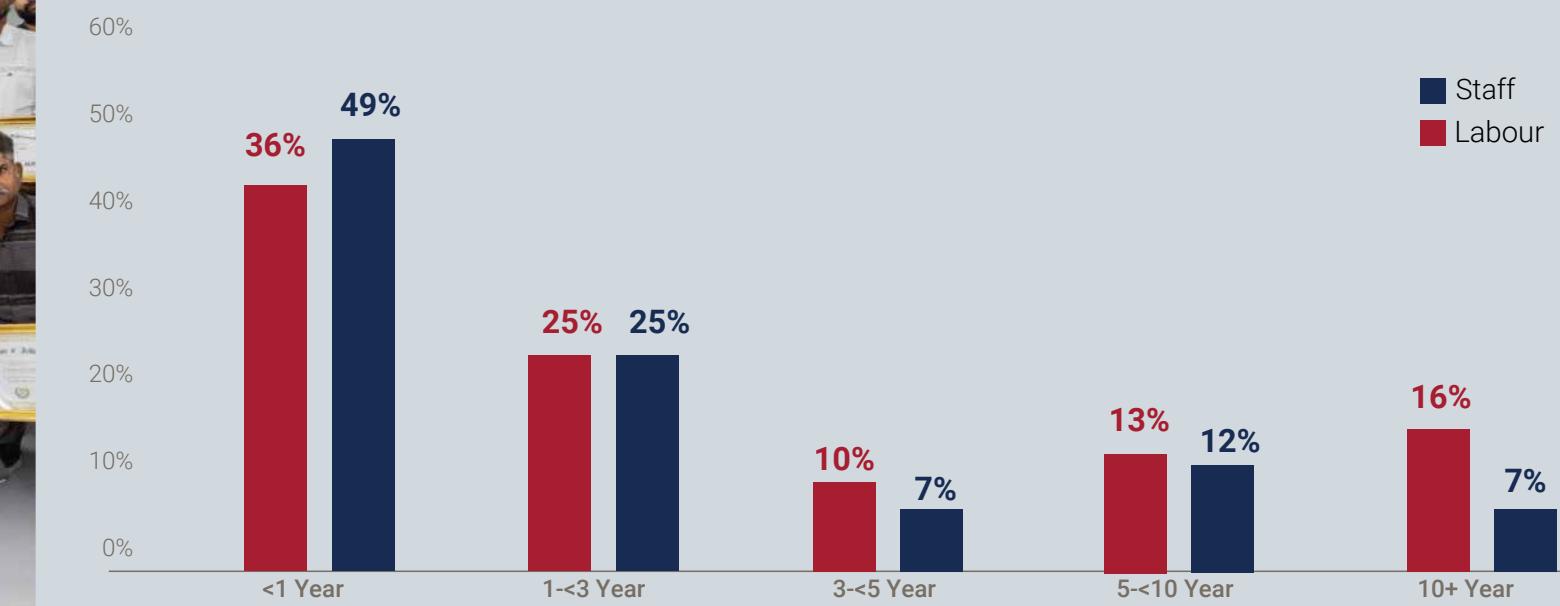
No. of staff participating in engagement activities:

491



STAFF RECOGNITION:

ALEC Holdings Active Employees Years of Service (%) (UAE & KSA)



The ALEC cricket team reached the quarterfinals and placed in the Top 8 in the SmartCup 'Cricket for a Cause' tournament, organised by the NGO SmartLife, to raise funds for blue-collar workers in the UAE. This one-of-a-kind tournament requires companies to form a team of staff and workers. The sponsorship from participating teams is used to support the education of children of blue-collar workers.



In 2024, ALEC Holdings took a decisive step in enhancing the work environment for its teams by refurbishing its head offices in both the UAE and KSA, along with the ALEMCO Head Office & ALEC Yard, ALEC FITOUT, and Design team offices. This initiative underscores our commitment to providing spaces that prioritise employee comfort, wellbeing, and productivity. With a focus on comfort and ergonomics, the newly renovated offices are designed to support the diverse needs of our teams, offering an environment that encourages collaboration, innovation, and a healthy work-life balance. To explore the details of these enhancements, refer to pages 08 and 09, where you can see the transformation of our offices and facilities.

DIVERSITY & INCLUSION

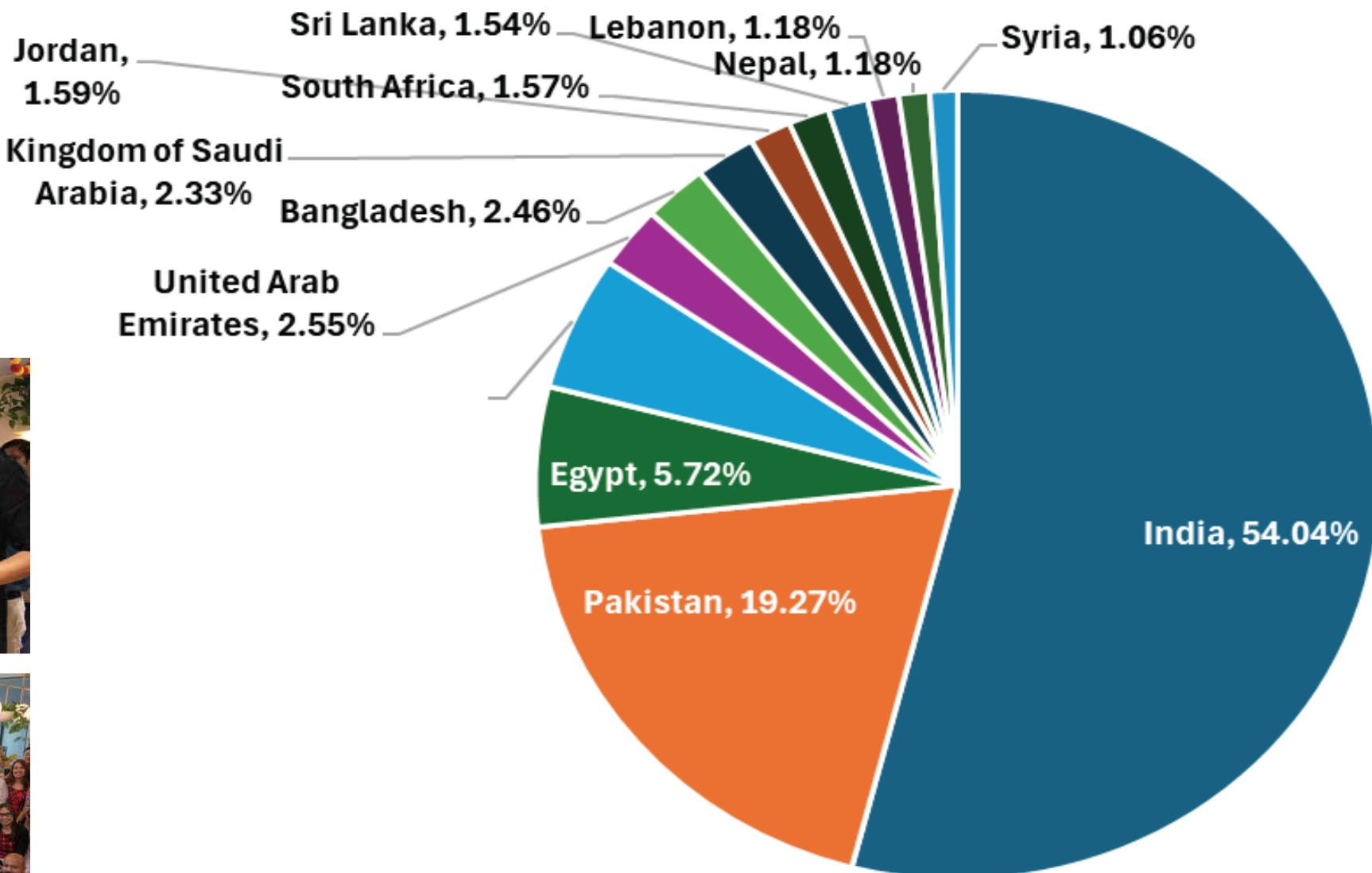
Diversity and Inclusion are essential for a business to foster a culture of innovation, while also bringing together varied perspectives that drive creativity and problem-solving. In 2024, our diverse group of nationalities for our employees increased from 61 to 68, while our female headcount for the same period grew by over 200.

Religious celebrations such as Eid, Onam, Diwali and Christmas were organised in 2024.

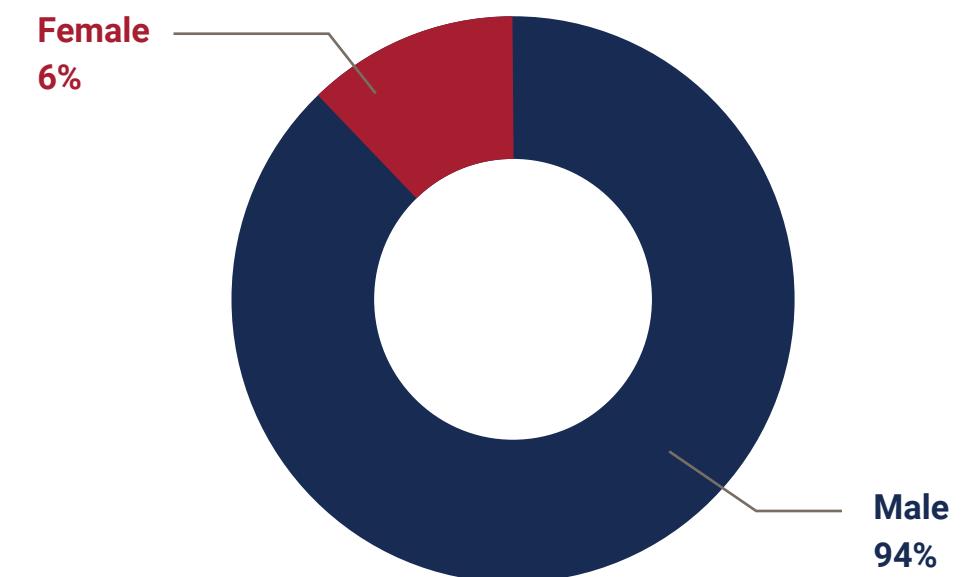
ALEC Holdings employs staff belonging to **68** nationalities.



ALEC Holdings Active Staff Nationalities (UAE & KSA)

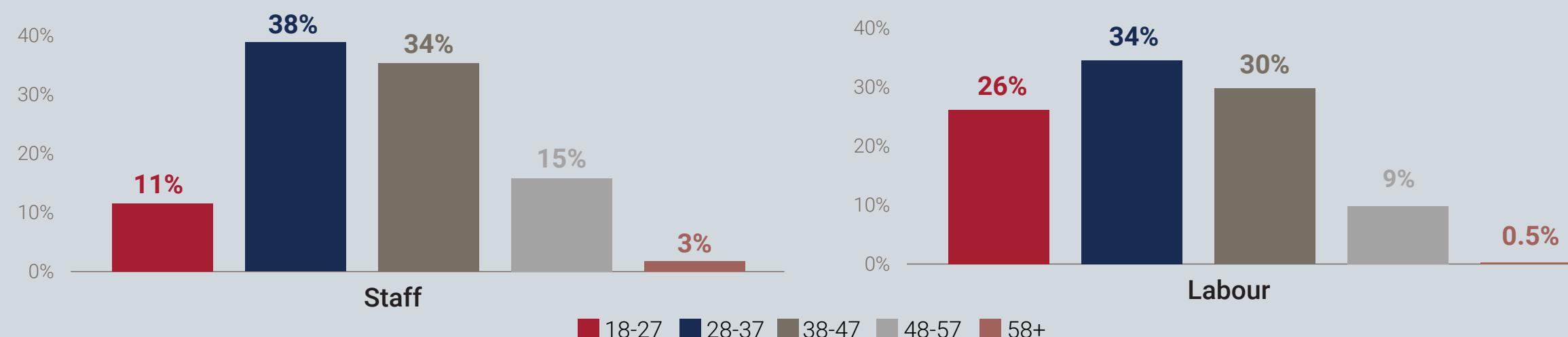


ALEC Holdings Active Staff Gender Count (UAE & KSA)



- **6.46%** female managers across ALEC Holdings.
- **39%** of ALEC managers have completed the training 'How to Be a Male Ally for Gender Diversity,' and **13%** of TARGET managers have completed the training.

ALEC Holdings Active Employees Age Diversity (%) (UAE & KSA)



NEW MOTHER'S ROOM ACROSS UAE & KSA OFFICES

ALEC Holdings has introduced a New Mother's Room to provide a private, comfortable and hygienic space for new mothers to express and store milk across its ALEC UAE, ALEC KSA, ALEC Design UAE and ALEMCO head offices.

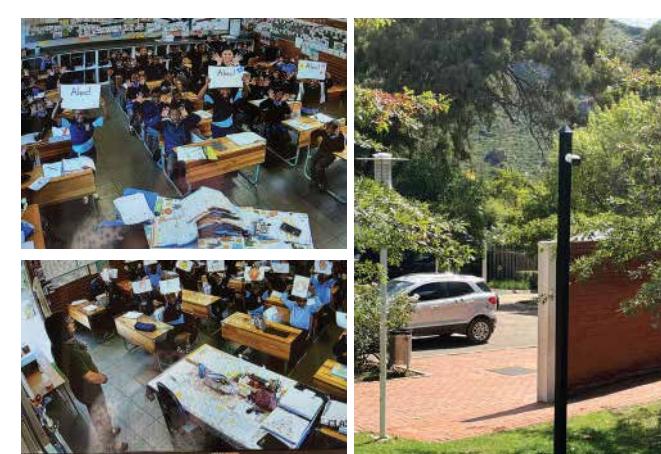
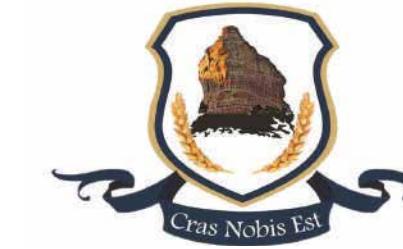


COMMUNITY IMPACT

ALEC's Community Impact strategy in 2024 focused on supporting the local communities through in-kind or monetary support. We focus on projects where we could leverage our construction expertise – by sponsoring and volunteering for infrastructure upgrades at local and international schools. We select causes based on consultation with our community partners to find those who are in need and projects without sufficient funding. For our local community programmes such as the Ramadan Donation Campaign and blood donation drives, we also invite our subcontractors, consultants and clients to participate when these are held across project sites. The Community Impact or CSR Strategy is executed by the ESG department, which provides strategic direction and oversees the projects.

- **6,300 people** impacted via our Community Impact initiatives
- **1,190** employees engaged in our initiatives
- Our corporate volunteering programmes provide employees the opportunity to use their skills and time to support local communities and maximise their charitable impact. In 2024, **115 employees** dedicated almost **548 hours to volunteering** and working with local partners on community campaigns and activities.
- ALEC also offers its employees a two-day paid **CSR leave** to be used on approved volunteering projects

IMPROVING SCHOOLING INFRASTRUCTURE IN SOUTH AFRICA



Total donated since 2012

AED 327,528

ALEC continued its commitment to supporting **Clarens Primary School in South Africa** through its annual contributions towards enhancing school facilities. In 2024, the funds were utilised to install a state-of-the-art surveillance camera system. This upgrade significantly improved the safety and security of the school premises, benefiting both learners and staff. The presence of the surveillance system also contributed to better discipline among learners, fostering a more focused and orderly school environment.

IMPROVING SCHOOLING INFRASTRUCTURE IN UAE



ALEC partnered with Dubai Cares, part of Mohammed bin Rashid Al Maktoum Global Initiatives (MBRGI), to revamp the classrooms and the playground areas at the National Charity School Primary in Dubai. The donated AED 200,000 was used to purchase equipment central to elevating learning experiences for students, such as desks and chairs, and educational tools for people of determination. Around 47 of our employees volunteered their time to assemble classroom desks, relocate new school furniture, equip the teachers' lounge with new desks, chairs and cabinets, as well as set up a new sensory room for the students of determination with sensory and educational tools and paint educational murals across the school walls. The refurbishment project, sponsored by ALEC, was carried out as part of Dubai Cares' annual Volunteer Emirates initiative that rallies the UAE community to donate their time in support of children's educational empowerment.

ALEC also signed an agreement for Dubai Cares' 'Volunteer Emirates' initiative, committing an additional AED 400,000 towards enhancing the learning environment at UAE-based non-profit schools until 2026.



IMPROVING SCHOOLING INFRASTRUCTURE IN NEPAL

ALEC has committed AED 186,000 to Dubai Cares' 'Adopt a School' initiative. Over a nearly three-year period, Dubai Cares will utilise the funds to construct a three-classroom school at a village in the Western Region of Nepal, and then offer quality primary education to 90 girls and boys from underprivileged backgrounds. Additionally, this programme will include adult education and literacy classes, benefitting 40 adults from the local community.

COMMUNITY IMPACT

RAMADAN DONATION MATCHING EMPLOYEE DONATION: SmartLife



ALEC partnered with Emirates Red Crescent and SmartLife (NPO/NGO), a local social group working to uplift the lives of blue-collar workers in UAE, for the Ramadan Donation Campaign. Employees donated dry food products and hygiene items worth AED 70,000 across 9 offices and sites, from Ras Al Khaimah to Abu Dhabi. ALEC matched this donation. The funds were directed towards Emirates Red Crescent's 'Tarahum - for Gaza' UAE Relief Campaign, and the 5,000 care packages were distributed to labour camps in UAE through SmartLife NPO. A total of 861 employees participated by donating during this campaign. We also had 21 subcontractor employees and a consultant from ALEC projects participate in this campaign. Around 25 ALEC employees distributed some of these packages at an Al Quoz labour camp.



DISTRIBUTION AMONG SUBCONTRACTOR WORKERS: SmartLife

ALEC Holdings also sponsored and distributed 1,100 care packages comprising dry food items among the subcontractor labour force across our sites in Dubai, in partnership with SmartLife NPO.

BLOOD DONATION DRIVE

Around 146 ALEC employees across 2 offices and project sites participated in the blood donation drives organised with the support of DHA & EHS. Our donation supported 501 beneficiaries. We also had 16 subcontractor employees, 4 consultants and a client from ALEC projects who participated in this campaign.



CORPORATE GOVERNANCE

BOARD OF DIRECTORS

ROBUST GOVERNANCE STRUCTURE AND MEASURES

6/7 Board members are Non-Executive Directors

4/7 Board members are Independent

2/7 Female Board members

Committees are set up in line with regulatory requirements:

- Nomination and Remuneration Committee
- Audit Committee

Two founders on the Board ensure that the DNA of ALEC is well-represented and will continue moving forward

Transactions are always executed in an arms-length manner



★ = ICD Representative

■ = Years of Experience

CORPORATE GOVERNANCE

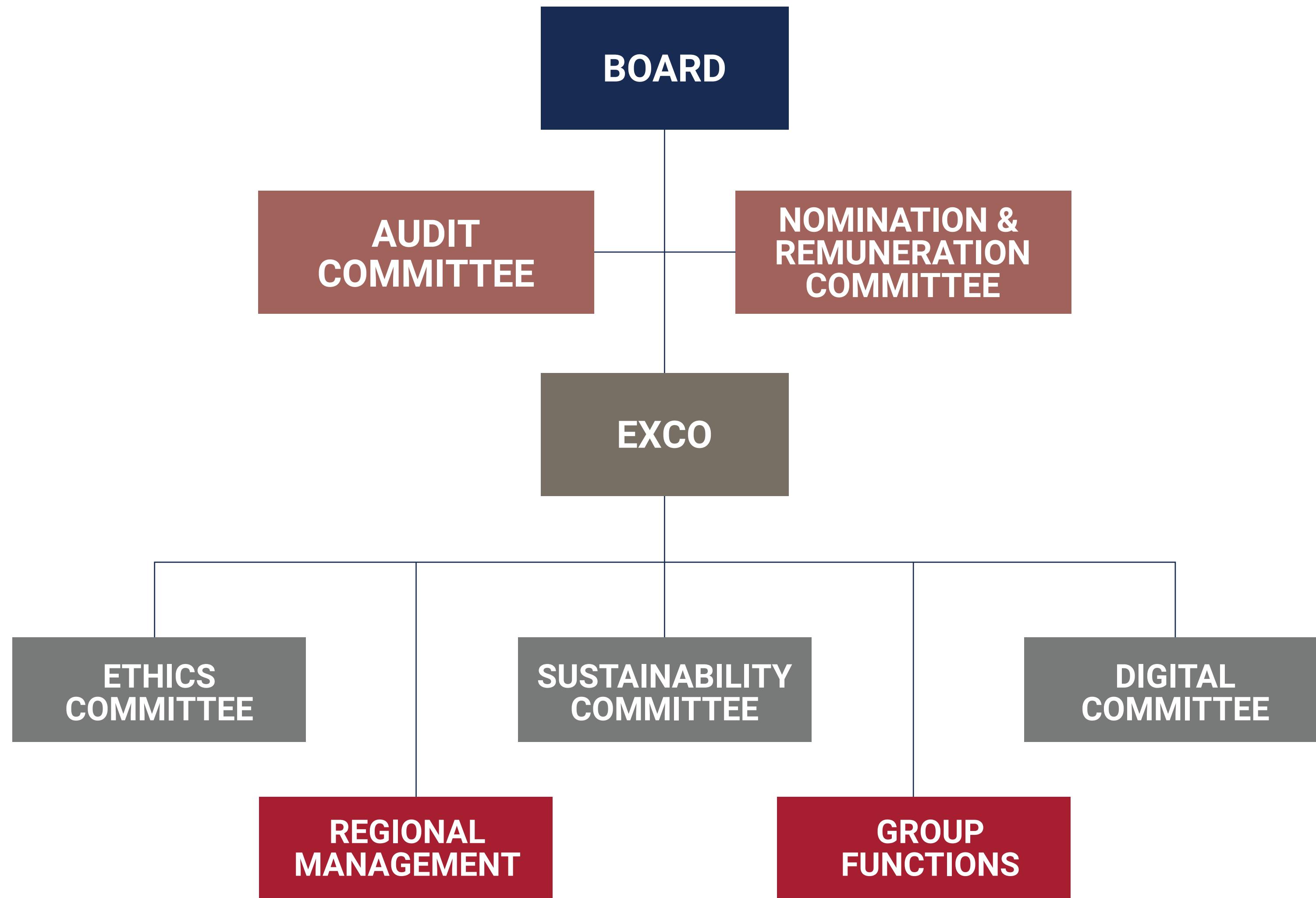
Our Governance framework ensures the prudent and sound management of the ALEC Holdings' operations. Each governance committee is governed by a formal Terms of Reference and each business vertical has its own governance body. Delegations of Authority (DOAs) set out the authority limits for the committees and management.

ESG OVERSIGHT

The ESG Department drives the ALEC Holdings' Sustainability Strategy and acts as the central hub for coordinating and overseeing key climate adaptation and mitigation projects across the departments and related businesses and prepare the ESG report. ALEC has established a multifunctional ESG framework and responsibility matrix that involves key internal departments, which provide ESG data and execute initiatives aligned to the ESG strategy within their domain.

Besides developing the ESG & decarbonisation strategy aligned to business objectives and material issues, the team presents recommendations for approval to the Sustainability Committee. The Sustainability Committee, comprising representatives from key departments and all related businesses, monitor the progress of the ESG initiatives and oversee the ESG reporting. The committee also approves the initiatives and provides status updates of projects within their domain.

Our CEO and Executive Management team (EXCO) approve the strategic sustainability initiatives, investments and present the ESG performance and report to the Board. The Board is updated on ESG implementation status during the Board meetings. Health & Safety, people management information and material project-related risks are provided to the Board on a monthly basis, in addition to financials. The Board provides oversight on sustainability-related matters by monitoring progress against commitments. All significant sustainability-related investments and initiatives undergo Board discussion and approvals.



BUSINESS ETHICS

Our governance is supported by the Code of Conduct and associated policies designed in compliance with legal and regulatory requirements as well as aligned to our strategic priorities and values. The Code of Conduct sets guidelines for behaviours of our employees and subcontractors under direct control across our various operations. These policies are enforced through our ISO-certified management systems and processes.

Our Code of Conduct includes

- Internal and External Communications Policy
- Anti-Bribery and Anti-Corruption Policy
- Equal Opportunities and Diversification Policy
- Business Travel Policy

Besides being briefed on the ALEC values and code of ethics during induction, all employees are also expected to undergo the ethics online induction module that was developed in late 2023. Staff also complete an evaluation test and sign an undertaking upon completion of the video.

- **73.5%** of our ALEC* staff completed the Ethics training as of December 31, 2024.
- **78.21%** of ALEC Holdings staff completed the Conflict of Interest declaration in 2024.

Whistleblowing Mechanism: Promoting Transparency and Accountability

Employees are responsible for upholding our Code of Conduct and are encouraged to report any concerns about illegal or unethical conduct.

In January 2025, ALEC launched a comprehensive whistleblowing mechanism, ALEC ALERT. Managed by a third-party company named Whispli, it is designed to offer employees, vendors, and subcontractors a confidential and secure platform to report concerns regarding unethical behaviour, misconduct, or violations of company policies. This initiative reflects ALEC's ongoing commitment to maintaining a transparent and ethical workplace where all stakeholders feel empowered to voice their concerns without fear of retaliation.

The purpose of ALEC ALERT is to promote a culture of integrity by encouraging the reporting of potential issues such as fraud, corruption, safety violations, or non-compliance with regulations. By making this mechanism available to a wide range of individuals involved with the company, ALEC ensures that any issues are addressed promptly and appropriately, reinforcing its dedication to accountability and high standards of conduct across all levels of its operations.

The platform provides a safe and anonymous channel for individuals to raise their concerns, ensuring that they can report sensitive matters with confidence, knowing their identity will be protected. This initiative further strengthens ALEC's commitment to fostering a trustworthy environment for employees, vendors, and subcontractors alike.

- **0** legal cases of bribery
- **0** cases of money laundering

Note:
Does not include staff of TARGET, where the ethics training was launched in 2025.

QUALITY & COMPLIANCE

Our robust Quality Management System and ISO 9001:2015 certification (Design, Project & Construction Management of Buildings & ancillary works) reflect our ability to provide a quality of service that meets customer expectations as well as regulatory requirements.



ALEC quality imperatives are focused on the products installed meeting the contractual requirements from a quality and commercial perspective. The contractual specifications are relayed throughout the supply chain ensuring that project specifications are met as a minimum.

The QA/QC team identifies the project quality/technical requirements including materials, workmanship & performance and prepares all material submittal schedules, method statement schedules and close out requirement schedules at the start of the project.

The team conducts inspection test plans ensuring adherence to project specification requirements and ALEC project objectives.

The team manages engineering deliverables, oversees structural inspection and testing of materials before use on projects and undertakes detailed inspections and tests at each stage of works before starting subsequent activities.

- 0 legal cases related to structural integrity claims from main ALEC Construction projects.
- ISO 9001: 2015 covering operations across ALEC, TARGET, ALEMCO, ALEC FITOUT, ALEC Facades projects, LINQ and Inproserv



Internal Audit Department: Strengthening Operational Oversight

In April 2024, ALEC established its Internal Audit Department as part of its commitment to enhancing operational efficiency, risk management, and governance. The department was created with the goal of providing independent and objective evaluations of the company's processes, controls, and systems, ensuring that ALEC continues to meet its strategic objectives while maintaining high standards of accountability and transparency.

The department's efforts were formalised with the approval of the 2024 Internal Audit Plan, which was executed in September 2024. This initial audit cycle focused on critical areas within the organisation, focusing its efforts on TARGET's Construction Management, Inventory to Costing, Procurement to Pay, Contract Management and Compliance processes. These areas were selected to ensure that TARGET's operations were aligned with best practices and that potential risks were identified and mitigated effectively.

By assessing these key processes, the Internal Audit Department aims to help streamline operations, enhance compliance, and ensure that ALEC and its entities remain leaders in their fields, operating with integrity and efficiency.

RISK MANAGEMENT

In 2024, ALEC Holdings underwent an exercise to develop the Enterprise Risk Management (ERM) system to identify, document, and address the risks to ALEC's strategic objectives. The outcome of this exercise is a strengthened alignment between ALEC's Risk Management efforts and its strategic objectives. This alignment has helped identify areas for implementing key controls, risk treatment plans, and processes for detailed internal audits. Additionally, a comprehensive training session was held in December 2024, with participation from senior management, business leaders, process owners, and Risk Champions across the organisation.

Risk Management Procedure

Initial Risk Management Exercise

- Create Risk Management Plan

Types of Risks Assessed

- Strategic Risk
- Operational Risk
- Reputational Risk
- Financial Risk

Risk Assessment and Prioritisation

- Determine likelihood of occurring
- Determine impact on the organisation
- Risk Matrix of impact vs likelihood
- Map risks to respective appetites
- Validate the risks with the respective entities

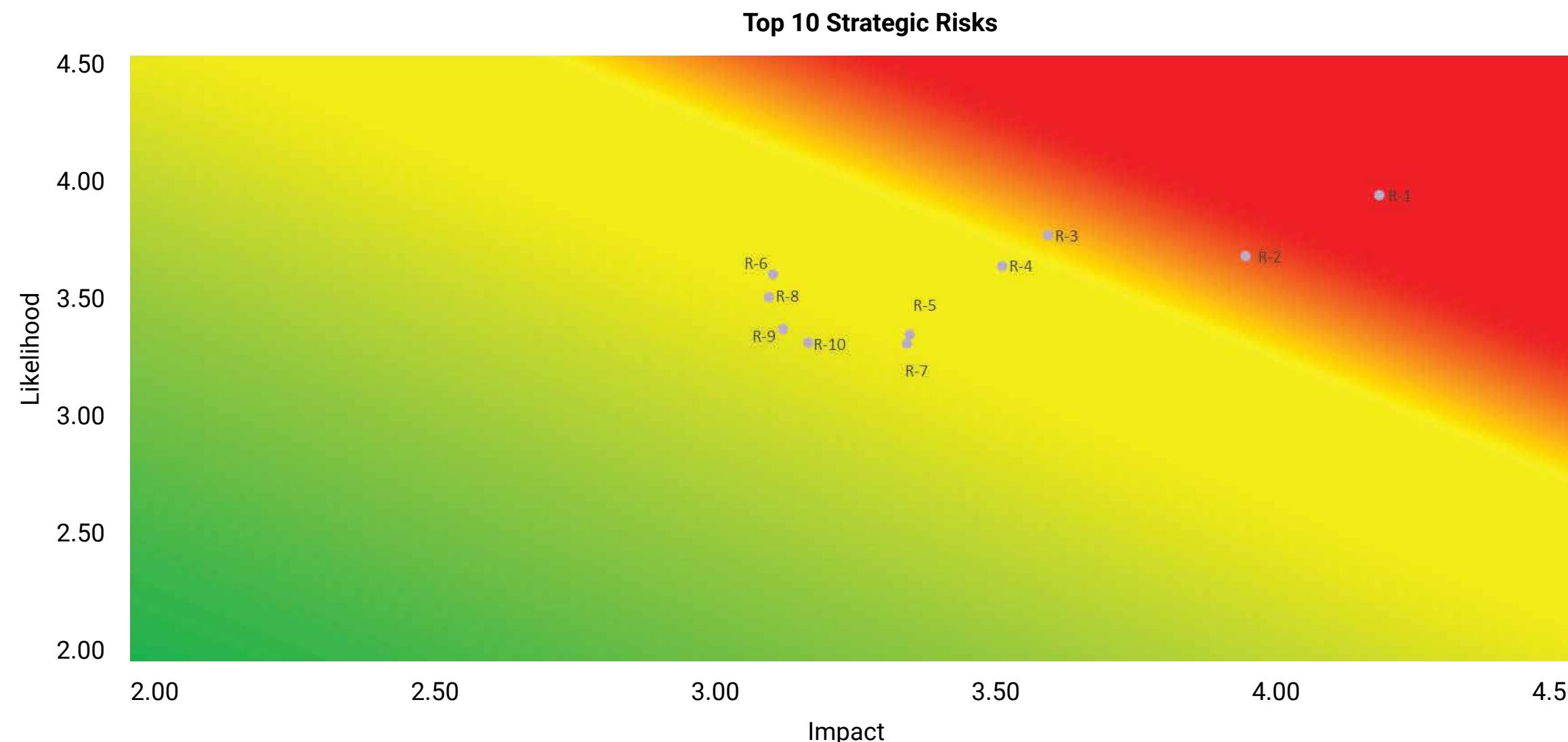
Creating and Monitoring Mitigation Plan

- Agree on mitigation plans and target dates

Report Final Results to Management

- Risks that are higher than the approved risk appetite along with their current mitigations are presented to C3O, CEO, Audit Committee and Board of Directors on a quarterly basis

The following are the top 10 strategic risks, ranked according to the highest average likelihood and impact.

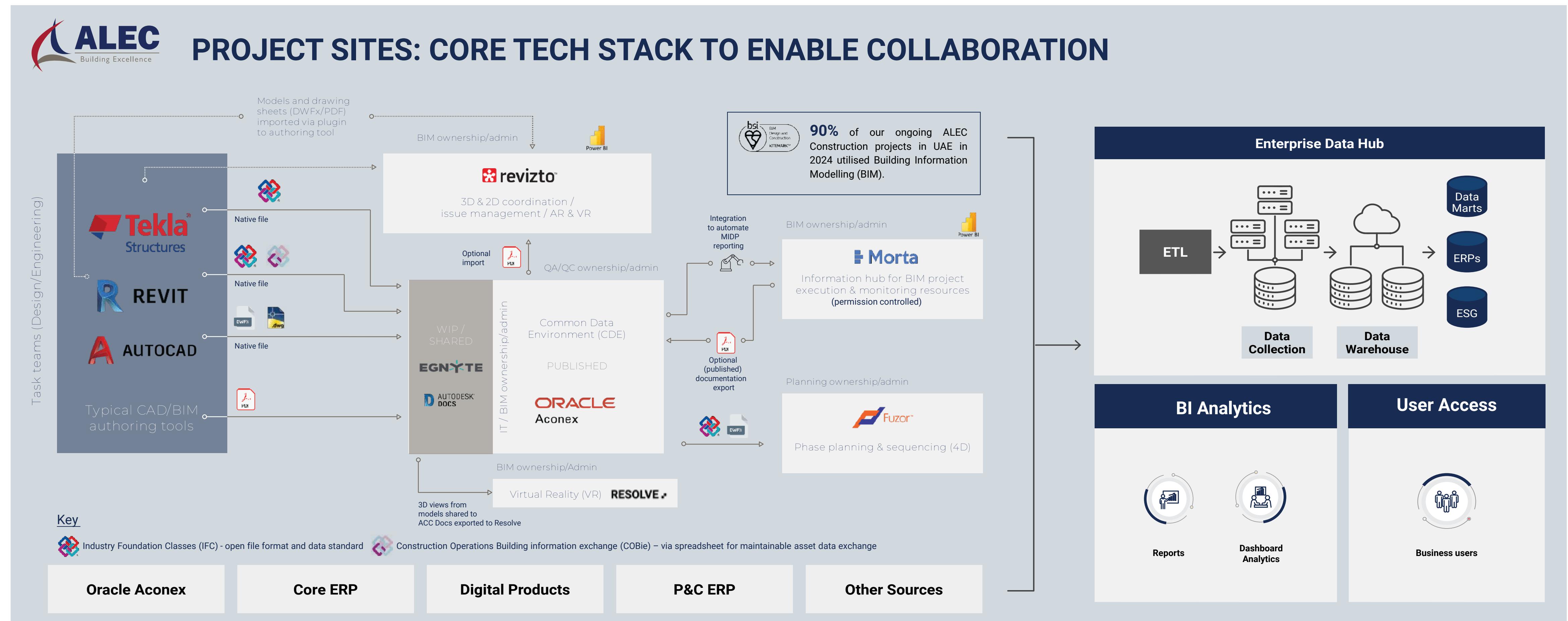


Risk ID	Risk Description	Average Risk Rating
R-1	Cost overruns during the project affecting overall profitability	High
R-2	Projects delays causing customer dissatisfaction, extra costs, blocking of resources and inability to close the project	Medium
R-3	Inability to attract and retain the appropriate mix of resources	Medium
R-4	Agreed Strategic Goals may not be formally documented, broken down and cascaded down into actionable strategies with measurable performance metrics	Medium
R-5	Lack of preparedness for external factors like price, competition, client's going concern, geopolitical risks causing decrease in growth	Low
R-6	Failure to eliminate the instances of employee injuries and fatalities	Low
R-7	Inability to ensure adequate cashflows and working capital to avoid delays in purchasing and onboarding of subcontractors etc., to avoid project stoppage	Low
R-8	Damage to the company's brand image and reputation	Low
R-9	Delayed operations and decision making due to lack of clarity over roles and responsibilities due to rapid growth and evolving organisation structure	Low
R-10	Non-compliance with applicable standards, laws and regulations, contractual terms	Low

At an operational level, various departments undergo independent assessments for ISO recertification for Environmental, Occupational Health & Safety, Quality and Building Information Modelling (BIM) systems. As a corporation owned by the Investment Corporation of Dubai, we are subject to audits by the Financial Audit Authority (FAA) of the Dubai Government. We are also subject to other regulatory reviews and client mandated audits across our project sites. Based on their domains, ALEC Holdings' departments prepare action plans for non-compliances and provide status updates to the EXCO.

DIGITALISATION

The ALEC Data Hub is a centralised platform designed to consolidate all company data sources into a cloud data warehouse, aligning with our business and IT strategic objectives. By integrating diverse data streams, the platform enhances decision-making through business analytics, real-time reporting, improved data quality, security, and governance. The Data Hub currently ingests data from ALEC's core ERP systems (HIVE, P&C), ALEC digital products (Loadgate), and digital toolsets, including Oracle Aconex and Revizto. This unified approach ensures seamless data accessibility, strengthens operational efficiency, and fosters a data-driven culture that supports sustainable business growth.



DIGITALISATION

Digital Products Portfolio: In-house and Innovative Digital Solutions: Automating Data Capture for Enhancing Productivity & Data Insights

Loadgate
Construction Logistics
Revolutionising construction logistics with advanced tracking and automation.

eForms
Low Code Platform
Streamlining paperless document processing with email notifications.

People Flow
Visa Management
Simplifying PRO processes and lease management integration.

BBS
Design Take Off
Enhancing rebar calculation accuracy and project management.

E-Track
Tools/Duct Tracking
Tracking material and equipment with QR code approval.

Data Hub
Data Warehouse
Centralised data platform enhancing decision-making and reporting.

ServiceDesk
IT ServiceDesk
Enhancing IT support with seamless ticket management and automated workflows.

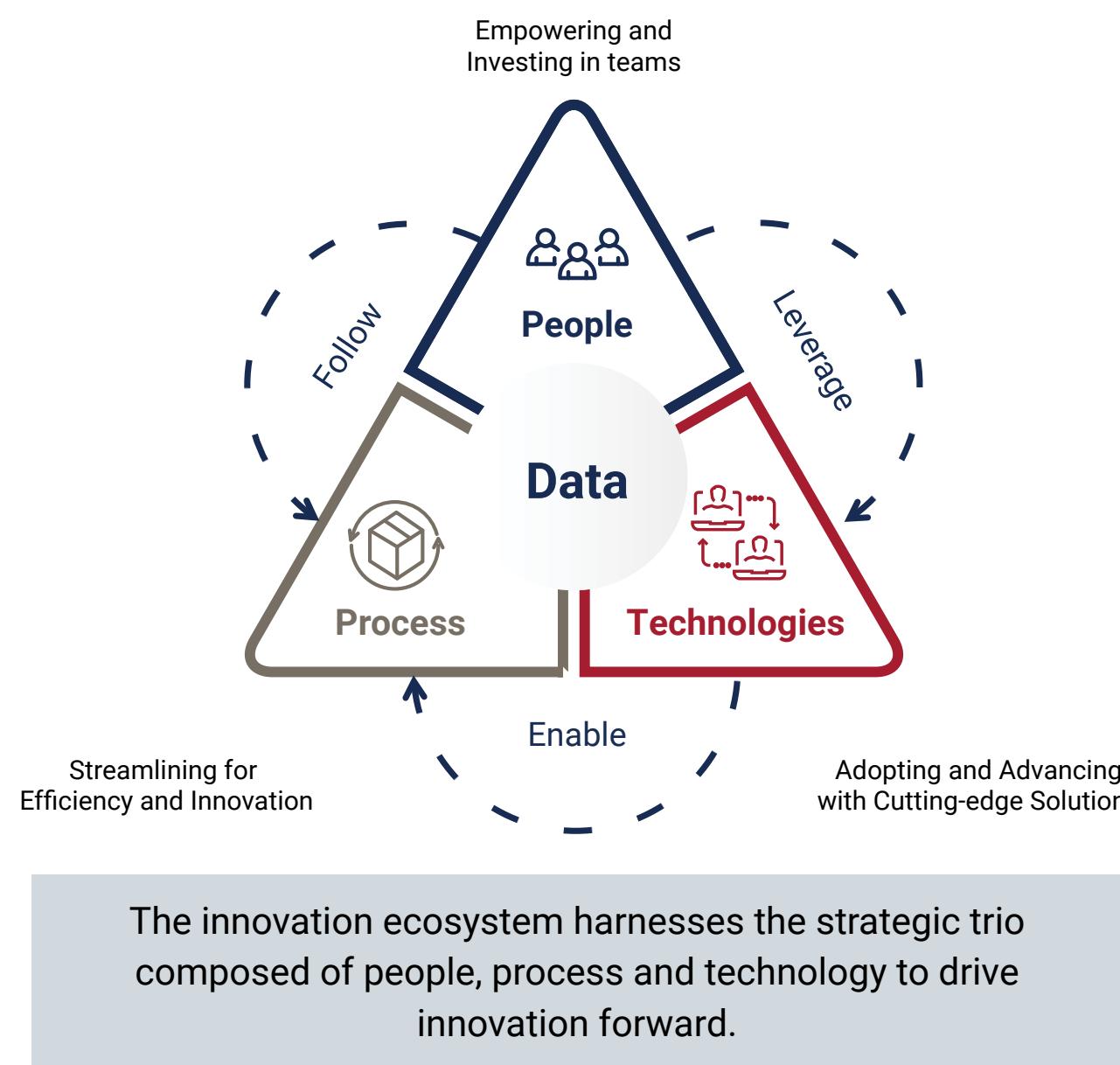
Innovation Hub
Bright Ideas Portal
Enhancing innovation through idea submittal, management and automation.

AAR
Area Access Record
Managing project areas, assignments, approvals, and subcontractors.

INNOVATION

ALEC, with its dedicated Innovation department, is embedding a culture of innovation that drives tangible benefits, fosters industry evolution, and develops in-house innovation expertise. The team sees innovation as a decentralised and open process.

- Decentralised Approach:** Innovation is independently driven across business units and related divisions, supported by the Innovation division to ensure tailored and effective solutions for each area.
- Open Collaboration:** By involving internal and external stakeholders, risks are minimised, cost-effective solutions are promoted, and a culture of creativity and collective problem-solving is fostered through diverse perspectives.



CLEARLY DEFINED INNOVATION FRAMEWORK

ALEC's approach to innovation is defined in five key segments:

People, Organisation and Culture	Continuous Improvement	Health, Safety and Environment	Technology and Automation	New Business Opportunities
Centred on skills and capability development	Focused on strategies and processes aimed at ongoing improvement of existing practices	Implementing policies and initiatives to ensure a safe and healthy workplace, while minimising the organisation's ecological footprint	Integration of technology and data-driven approaches to promote innovation, efficiency, and competitive advantage	Identifying and capitalising on emerging trends, markets, and opportunities for growth and expansion

ECOSYSTEM PARTNERSHIPS

START UPS

 148 Engagements

 41 Pilots

 11 Company Rollouts

UNIVERSITIES

 5 Partner Universities

 18 Collaborations

 4 Joint Publications

ALEC's Collaboration with NYUAD: Advancing Autonomous Robotics in Construction

As part of our ongoing efforts to engage with academic institutions and integrate advanced technologies into our operations, we partnered with New York University Abu Dhabi (NYUAD) on a Mubadala-sponsored project titled "AI and Robotics for Autonomous Data Acquisition in Construction Projects."

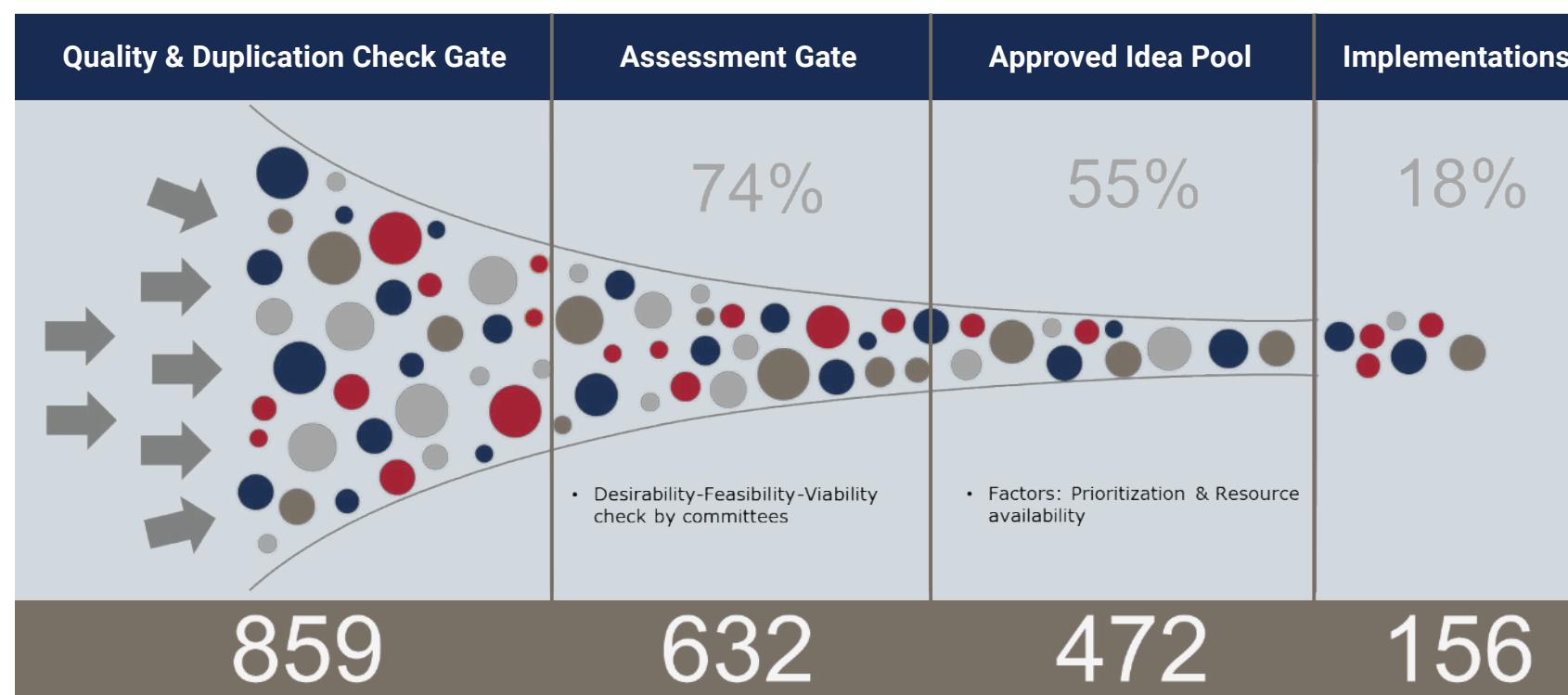
Over six months, we worked closely with NYUAD researchers to develop autonomous robots capable of navigating construction sites and autonomously collecting scanned data. Our role as an industry partner involved providing crucial insights into the practical challenges faced on construction sites, enabling the university team to tailor their solutions to real-world conditions.

The project reached a major milestone in June with a successful on-site test. This final test demonstrated the robots' ability to operate in a live construction environment, showcasing their potential to enhance data collection processes significantly.



INNOVATION IDEA LIFECYCLE

A digital idea lifecycle management platform, **Bright Ideas** manages innovation initiatives from ideation to implementation. Multiple innovation committees comprising subject matter experts & workforce managers, assess submitted ideas based on their business alignment & impact to help prioritise initiatives.



TAHADIY CHALLENGE PROGRAM

Tahadiy II, our flagship Innovation Challenge Program, channels the collective creativity of the ALEC workforce to tackle real business challenges. In this second iteration, top business challenges were identified through surveys and workshops, then prioritised based on strategic importance. Nine chosen teams worked towards actionable solutions, each supported by a sponsor and a subject matter expert. Utilising a design thinking approach, Tahadiy II enabled participants to deeply understand challenges, explore creative solutions, test feasibility, and scale impactful ideas. Participants also enhanced their professional profiles by developing essential skills such as design thinking, presentation and communication, leadership, teamwork, business case, business model development, and time management.



ALEC'S ROBOTICS STRATEGY LAUNCH

In November 2024, ALEC unveiled its Robotics Strategy, reflecting a bold commitment to address industry challenges such as skilled labour shortages, tight deadlines, rising material costs, and sustainability requirements. Through this strategy, ALEC aims to test and scale mature robotic solutions across its project sites, build partnerships with global robotics providers, **and robotise 5% of construction activities that have proven automation potential by 2030.**



EXAMPLE PILOTS

LAYOUT MARKING:	A laser projector for layout marking to improve efficiency of layout marking operations
REBAR TYING GUN:	A rebar tying tool for improving productivity
TIME & ATTENDANCE TUNNEL:	AI-based facial recognition system for access control on projects
BLOCK WORK ASSIST ROBOT:	A blockwork assist robot for improving productivity and reducing fatigue for workers
REBAR TYING ROBOT:	A rebar tying robot for improving productivity
SCAFFOLD ROBOT:	A scaffold robot for improving efficiency of scaffold erection/dismantling operations
BLOCK CONVEYOR:	Block Conveyor - a portable mechanised conveyor system for shifting blocks at heights

REWARDS AND RECOGNITION

ALEC Holdings also incentivises and recognises each contribution in Innovation. Apart from trophy and certificates for different award categories such as Top Idea Contributor, Top Performing Committee Member, Initiative of the Year, employees get cash redemption based on their innovation points. A record 117 staff were rewarded in 2024.



RESPONSIBLE SUPPLY CHAIN

As our business continues to grow and evolve, we expect our business partners and suppliers to advance their human rights and ethical conduct efforts in line with our values. We strive to provide a working environment that is compliant with all applicable laws, protects labour rights, respects diversity, equity and inclusion.

In 2024, we enhanced our Vendor Code of Conduct with key updates such as:

- Environmental Protection: Enhanced guidelines to ensure all vendors adhere to best practices in environmental sustainability.
- Whistleblowing Mechanism: Introduction of a secure and confidential process for reporting any unethical or illegal activities.
- Human Rights: Strengthened provisions to protect and promote human rights within our supply chain.

We expect and support our suppliers and partners to adopt an approach that aligns with our standards in this area, including those relating to working and living conditions, wages, working hours, leave entitlement, legally prescribed costs associated with recruitment, payment of overtime, medical care and insurance as well as the right to personal documents.

Extensive due diligence on our subcontractors is undertaken during prequalification and procurement stages. Subcontractor staff and labour undergo mandatory welfare induction covering the following topics:

- Right to personal documents
- Salary payment and overtime details
- Costs associated with recruitment
- Medical care and insurance
- PPE and health and safety
- Accommodation and transport

A dedicated worker welfare team reviews subcontractor worker welfare-related policies and implementation. Additionally, independent third-party Worker Welfare audits are conducted on ALEC sites upon request of clients.

Worker Welfare Audits: The ALEC Construction Worker Welfare (WW) team conducted 51 Worker Welfare onboarding audits in 2024 and an additional 25 compliance review audits. All contractors onboarded are verified as WW compliant.

Our prequalification team also analyses the subcontractor's past performance, current workload, safety records and financial stability and past litigation history and further re-validates this information during the procurement process prior to the engagement of the vendor. We also ensure suppliers and subcontractors are aware that there are no on-site payments for major construction materials delivered and payment will be in adherence to the ALEC payment terms.

Local procurement: The National In-Country Value Programme (ICV), launched in 2018 in UAE, aims to enhance the resilience of our local value chain. The ICV certificate score denotes a measure of value-added contribution made by a company towards the UAE economy through local manufacturing, procurement of goods and services from local market, investment in the UAE and its growth, Emiratisation in the workforce, expatriate contribution and revenue generation from outside the UAE through exports.

KSA Local content elements:

- Assets: Sources and components of goods used to develop production chains
- Labour: Workforce involved in producing goods or offering services
- Goods & Services: Local components used in producing goods or services
- Technology & other: Research & Development and capacity building of Saudi workers
 - ALEC: 31.98%
 - ALEC Dubai: 41.53%
 - ALEMCO: 24.62%
 - ALEMCO Dubai: 27.76%
 - TARGET Engineering Construction: 65.36%
 - TARGET Steel Industries: 56.32%
 - TARGET Construction Saudi Arabia: 25.99%

ALEC Holdings achieved the Committed Medal from EcoVadis, a global leader in business sustainability assessments. ALEC scored 58/100, placing us in the top 61st percentile globally.



The EcoVadis assessment evaluates 21 sustainability criteria across four core themes: Environment, Labour & Human Rights, Ethics and Sustainable Procurement. EcoVadis' ratings are based on international sustainability standards such as the Ten Principles of the UN Global Compact, the International Labour Organization (ILO) conventions, the Global Reporting Initiative (GRI) standards and the ISO 26000 guidance. The EcoVadis process validates our sustainability commitments, practices and performance, and offers a clear roadmap for continuous improvement.

DATA PRIVACY & CYBERSECURITY

Most of our digital products are developed in-house using agile methodologies to automate manual processes, improve operational excellence and deliver business value. To support digital adoption and scalability across the project sites, we have established a digital governance framework with dedicated digital champions facilitating the implementation of standardised digital tools.

We leverage multi-cloud strategy to host the infrastructure and data with multiple workloads on Microsoft Azure, AWS, and Oracle to provide us with the needed scalability and flexibility. We collect, process, and store personal data only as necessary for our operations. We are committed to respecting the privacy of individuals and recognise that processing of personal data may impact on their rights, so we take the utmost care to manage personal data appropriately and in compliance with applicable laws. In November 2021, the UAE issued Federal Law No. 45 of 2021 (the UAE Data Protection Law). In line with the law's requirements, we continue to handle personal data in an ethical and lawful manner. As a result, we have drafted a new global privacy and data protection standard and procedures, which will build on the commitments enshrined in our Code of Conduct.

Companies that wish to conduct business and register with us must comply with all controls under our Access Control Policy.

Business continuity remains a critical priority, with a fully developed and tested disaster recovery framework in place for all essential applications and data. ALEC's Security Operations Centre (SOC) effectively addresses cyber threats by monitoring all the network traffic and activities on critical servers 24/7. Our IT team has successfully integrated the escalation, containment, and remediation process with the SOC to address and neutralise any imminent cyber threats. In addition, we processed approximately 31 million inbound emails in 2024, with 6% identified as malware, spam or phishing and automatically blocked by our Email Security Software.

A comprehensive Incident Response (IR) plan has been created with detailed steps outlining how to respond to incidents of different criticality of operational or financial impact. A workshop done with our senior executives provided invaluable input, guidance and governance to the IR plan. Moreover, Cyber Security insurance has also been added as an extra level of assurance.

15 staff attended the Cybersecurity Workshop in 2024.

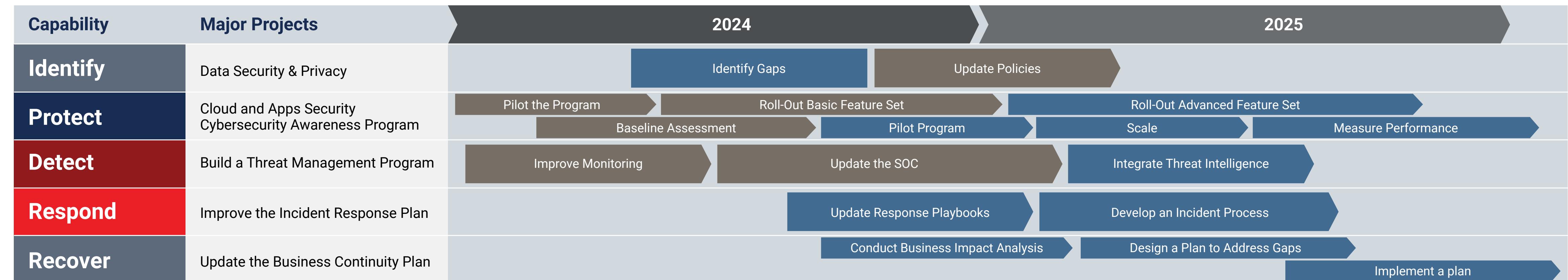
Security awareness training in addition to phishing simulation has been rolled out to all employees. This training educates our users on security best practices, how to identify social engineering red flags and significantly reduces the likelihood of security incidents.

475 staff completed Cybersecurity Awareness training in 2024.

ALEC's Security posture makes sure all the security levels are protected. Starting from End point level protection the Cloud and to Perimeter level. Regular configuration reviews, security assessment and penetration testing exercises are performed to identify and remediate any vulnerabilities. This includes our internal and public infrastructure, web assets and cloud assets.

Finally, roles and responsibilities have been reviewed, and redefined and the hiring process has begun to expand the cyber security function.

ALEC CYBERSECURITY STRATEGY ROADMAP

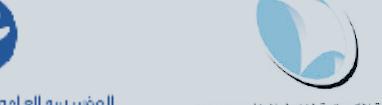
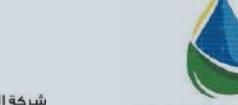


APPENDICES ABOUT ALEC HOLDINGS

CLIENTS WE WORK WITH



TARGET



ABOUT ALEC HOLDINGS

ICONIC PROJECTS



SECTOR	COMPLETED		CURRENT	
CULTURAL		EXPO - MOBILITY/ KSA/UAE/CoEX		NATURAL HISTORY MUSEUM ABU DHABI & TEAMLAB PHENOMENA
HOSPITALITY		ONE ZA'ABEEL		WYNN AL MARJAN ISLAND
RECREATION		SEAWORLD ABU DHABI & YAS WATERWORLD ABU DHABI		QIDDIYA WATER PARK

SECTOR	COMPLETED	
AIRPORT		DUBAI AIRPORT, CONCOURSE A
MIXED USE		ONE ZA'ABEEL
RETAIL		CITY CENTRE MIRDIF

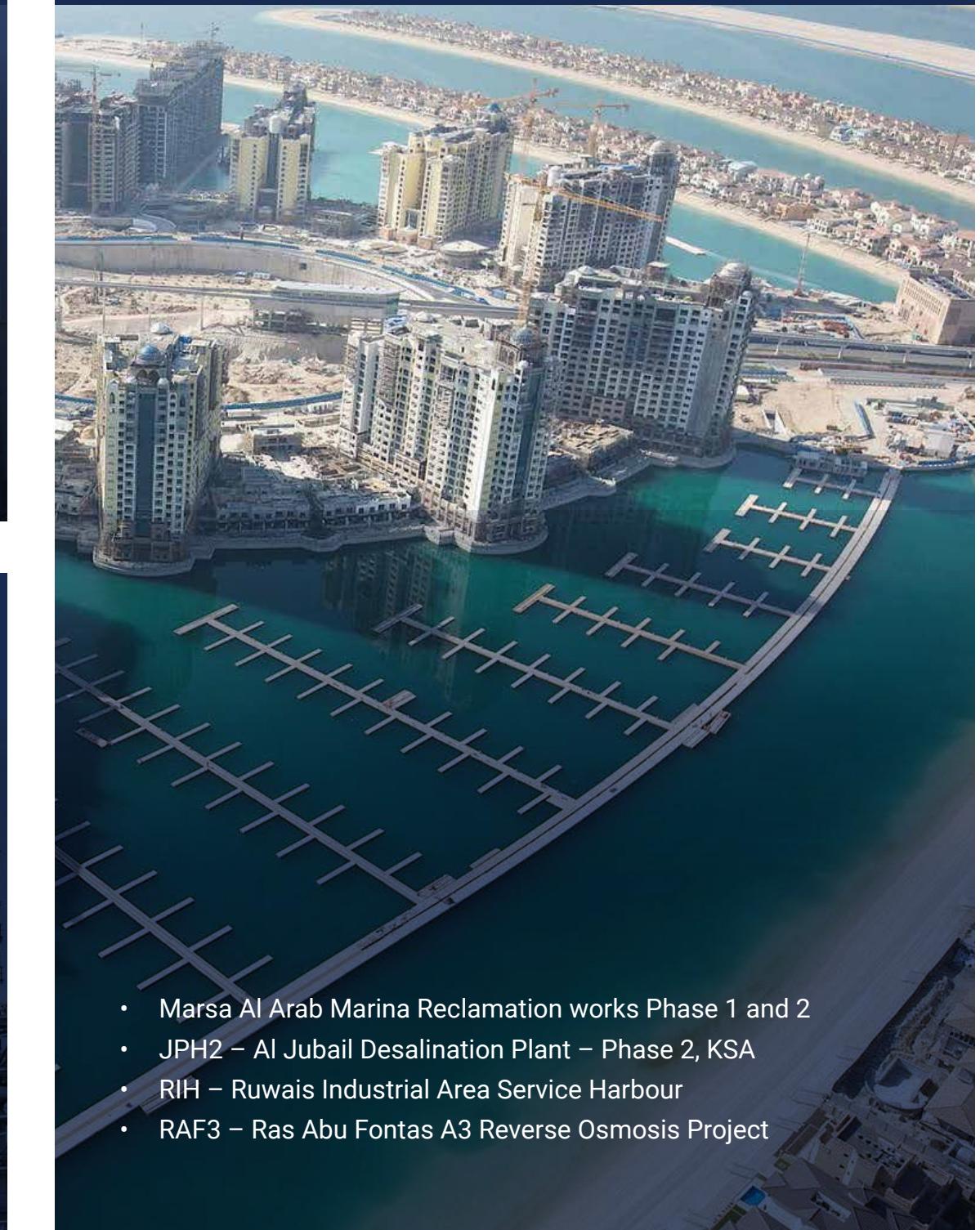


BUILDING



- Downtown Dubai Development Forte works (D1D2)
- Bawabat Al Sharq - Baniyas Commercial & Residential Complex
- Shining Towers, Khalidiyah
- Construction of Bachelor accommodation Ruwais
- RITZ Carlton Hotel and Apartments Building

MARINE INFRASTRUCTURE



OIL AND GAS



- 1.0 MMBD Phase 1 & 2
- Borouge 4(B4) Project - EPC for Ethane Cracker
- Dalma Gas Development Project
- Khafji To Tanajib Sour Gas Handling and Compression - Tanajib Plant in KSA
- Marsa Al Arab Marina Reclamation works Phase 1 and 2
- JPH2 – Al Jubail Desalination Plant – Phase 2, KSA
- RIH – Ruwais Industrial Area Service Harbour
- RAF3 – Ras Abu Fontas A3 Reverse Osmosis Project

ABOUT ALEC HOLDINGS



LUXURY FITOUT



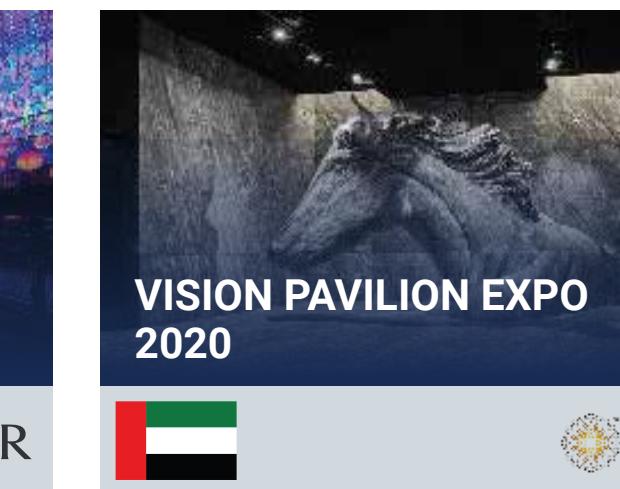
ONE ZA'ABEEL, ONE&ONLY



MARSA AL ARAB LUXURY HOTEL & RESIDENCES

WALDORF ASTORIA - DIFC
5* LUXURY HOTELAQUARABIA WATERPARK,
QIDDIYAMISR ILMI MUSEUM
THEMING PACKAGEKSA PAVILION FITOUT
EXPO 2020

MUSEUM & EXPERIENTIAL FITOUT

NATURAL HISTORY
MUSEUM AND TEAMLAB
PHENOMENA ABU DHABIMOBILITY PAVILION EXPO
2020VISION PAVILION EXPO
2020

ZAYED MUSEUM

PRESIDENTIAL FLIGHT
T3 REFURBISHMENTPRIME MINISTER OFFICE
RENOVATION, ETHIOPIAUNITED NATIONS - AFRICA
HALL REFURBISHMENT

BVLGARI RESORT



QASR AL SARAB, ABU DHABI

DUBAI AIRPORT - MODULAR
DATA CENTER COMPLEX

ABOUT ALEC HOLDINGS

ICONIC PROJECTS



MOBILITY PAVILION,
EXPO 2020



ONE ZA'ABEEL



TEAMLAB PHENOMENA



GREEN HOUSE
RESTAURANT, KEMPINSKI



CONVERSION OF ARJAAN
HOTEL APARTMENTS



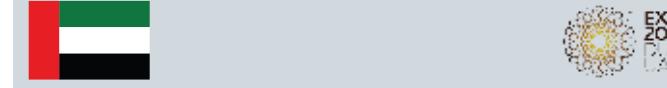
DUBAI HILLS MALL



LUXURY VILLA –
EMIRATES HILLS



MOBILITY PAVILLION
EXPO 2020



SINDALAH



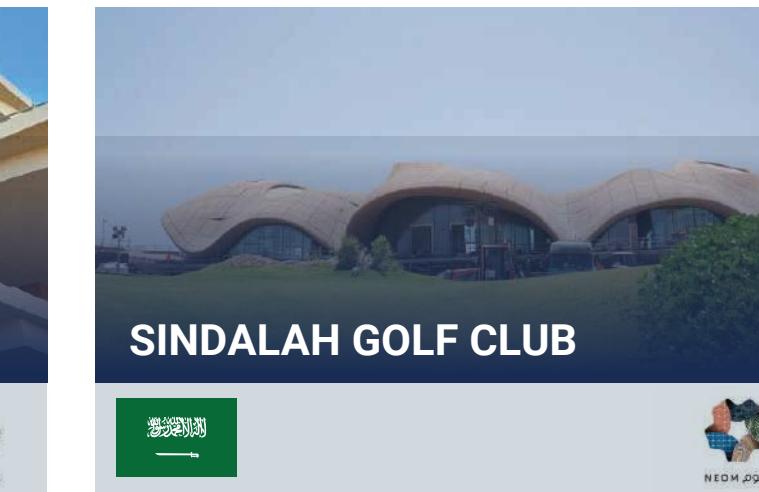
SAIJ



GUGGENHEIM MUSEUM



SINDALAH FACADES



SINDALAH GOLF CLUB



REPORTING SCOPE

ENVIRONMENTAL DISCLOSURE SCOPE:

- **DIESEL:**
 - **Assets (UAE and KSA)** - LINQ factory/DIC Yard/ ALEC Construction owned/leased labour camps, ALEC and TARGET offices, warehouses, TARGET labour camps, AJI where ALEC has operational control.
 - **Projects (UAE and KSA):** Projects of ALEC Construction / TARGET, Pre-Cast Facilities. Subcontractors' fuel data is included where ALEC Construction and TARGET are the Main contractor. Additionally, all fuel consumed by ALEMCO, ALEC FITOUT, LINQ, ALEC Energy & ALEC Facades in projects where ALEC is the main contractor, have been included.

Excluded fuel data of ALEMCO, ALEC FITOUT, LINQ, ALEC Energy & ALEC Facades projects, where ALEC Construction is not the main contractor.
- **PETROL:**
 - **Assets (UAE and KSA)** - LINQ factory/DIC Yard/ AJI/ ALEC Construction owned/leased labour camps, ALEC and TARGET offices, warehouses, TARGET labour camps.
 - **Projects (UAE and KSA):** Projects of TARGET. Subcontractors' fuel data is included where TARGET is the Main contractor.
- **LPG:**
 - **Assets (UAE and KSA*)** - ALEC Construction and TARGET labour camps, where ALEC has operational control. Fugitive emissions are excluded.
- **ELECTRICITY:**
 - **Assets (UAE and KSA)** - LINQ factory/DIC Yard/ AJI/ ALEC Construction owned labour camps, TARGET offices, warehouses.
 - **Projects (UAE and KSA)** - Projects of ALEC Construction / TARGET, Pre-Cast Facilities. (Excluded are ALEMCO, ALEC FITOUT, LINQ, ALEC Energy & ALEC Facade projects, where ALEC Construction is not the main contractor).

We calculated Scope 2 emissions using the ASHRAE Standards 100-2024: Energy and Emissions Building Performance Standard for owned or leased buildings where billed energy consumption data was unavailable. The estimation, factors in working days and building area (square feet), with the assumption that no energy-efficiency measures were implemented within the premises.
- **WATER:**
 - **Assets (UAE and KSA)** - LINQ factory/DIC Yard/ AJI/ ALEC Construction owned/leased labour camps, TARGET offices, warehouses, TARGET labour camps.
 - **Projects (UAE and KSA):** Projects of ALEC Construction / TARGET, ALEC Pre-Cast Facilities. Excluded are ALEMCO, ALEC FITOUT, LINQ, ALEC Energy & ALEC Facade projects, where ALEC Construction is not the main contractor.

*No labour camps in KSA, where ALEC and TARGET exercise operational control

SOCIAL & GOVERNANCE DISCLOSURE SCOPE:

- All Holdings companies are covered for employee and community impact disclosures. For HSE, ALEC, ALEMCO, ALEC FITOUT, TARGET, LINQ, ALEC Facades, Energy, AJI, Inproserv are covered. For worker welfare disclosures, only few UAE-based ALEC Construction projects are covered. We are working on expanding the scope of worker welfare projects across the company.
- For Responsible Supply Chain, ALEC Construction, TARGET, ALEMCO, ALEC FITOUT are covered in this report.



ESG 2024 DISCLOSURES

FOCUS AREA	METRICS FOR 2024	2024 DISCLOSURES (UAE & KSA)
ENVIRONMENTAL		
Energy Management	Fuel consumption	Diesel consumption: 59,729,136 litres Petrol consumption: 1,390,362 litres LPG consumption: 507,825.13 litres
	Electricity consumption	Electricity consumption: 36,372 MWh
	Use of renewable energy on construction sites	Cumulative installed capacity across ALEC Construction project sites in 2024: 2.1 MWp Solar-diesel hybrid generators at 1 ALEC Construction project UAE site Battery Energy Storage System (BESS) across 3 UAE & 1 KSA site
Water Management	Water consumption	Water consumption: 1,524,501,913 litres
Material Efficiency & Waste Circularity	Main construction materials consumed	Not reported due to insufficient & incomplete data
	Waste generated	Waste generated: 143,451.39 tonnes
	Recycling rate (%)	Recycling Rate across ALEC Holdings: 59% Reuse Rate across ALEC Holdings: 12.3%
	Diversion from circularity solutions	See pages 09,17,18
Low-carbon Solutions	Number of projects pursuing LEED / Estidama green building	3 ongoing LEED projects 3 ongoing Estidama projects
	Modular volumetric construction projects	LINQ: 70 modules, comprising structure, facades, finishes, and MEP, were produced at the factory and stitched on site for 1 projects.
	Solar installations by ALEC Energy	29.3 MWp of solar energy systems installed across 23 projects, until Dec 31, 2024
	Low-emission alternatives by AJI Rentals	See page 14
Carbon Management & Resilience	Emissions reporting	Total GHG emissions: 177,507 tCO2e Scope 1: 163,035 tCO2e [Diesel + Petrol + LPG] Scope 2: 14,472 tCO2e [Purchased electricity]
	On-site solar energy installed in owned properties with operational control	Owned assets/properties (offices, factories and labour accommodation): Cumulative installed capacity as of Dec 31,2024: 1.45 MWp
	Adoption of energy-saving solutions in owned properties with operational control	Insufficient data
	Adoption of water-saving solutions in owned properties with operational control	Insufficient data
	% LEED certified entities within operational control	0
	% revenue invested in ecosystem regeneration	NA. Strategy yet to be developed.

ESG 2024 DISCLOSURES

FOCUS AREA	METRICS FOR 2024	2024 DISCLOSURES (UAE & KSA)	
		SOCIAL	
Health & Safety	Fatality	Fatalities: 0	
	LTIFR	LITFR: 0.203	
	LTIs	LTIs: 26	
	HSE trainings	Internal HSE training attendees: 479,942 Internal HSE training hours: 531,134 External HSE training attendees: 21,401 External HSE training hours: 115,659	
	Employee Wellbeing activity participation	No. of employees that participated in Wellbeing activities - 2,493	
Human Rights & Worker Welfare	% employees trained on human rights & modern slavery	No. of attendees undergoing Worker Welfare Induction & Refresher trainings: ALEC Construction workers: 10,870 ALEC Construction subcontracted workers: 16,304	
		Total employees: 41,925 Staff: 8,841 Labour: 33,084 Female: 6% Female: 0%	Total employees hired: 19,564 Staff: 3,397 Labour: 16,167
Employee Development and Engagement	Parental leave	Total staff availing parental leave: Female: 21 Return to work rate: 100% Male: 95 Retention rate: 94%	
	Employee Engagement activity participation	No. of employees that participated in: • Employee engagement activities: 18,825 • Sports activities: 1,600	
	Employee survey participation	52% employees participated in the ALEC Employee Survey [Synergauge]	
	Total no. of training hours	Internal training attendees: 7,792 External training attendees: 1,491 Internal training hours: 229,009 External training hours: 7,834 Excluding HSE & Worker welfare trainings, which is reported above under the HSE trainings disclosure	
	Staff performance appraisal completion rate	61%	
Diversity, Equity and Inclusion	Nationalisation	68 staff nationalities	
	Nationalisation	• 100 % Emiratisation achieved • 100 % Saudisation achieved • 415 nationals employed in 2024	
	% women across grades	Women accounted for 6.4% of our managers.	
Community Impact	No. of beneficiaries	No. of beneficiaries: 6,300	
	Volunteering hours	Volunteering hours: 548	
	No. of employees engaged in Community Impact initiatives	No. of employees engaged in Community Impact initiatives: 1,190	
	No. of volunteers	No. of volunteers: 115	
	Total amount invested in the community, including philanthropy, donations and sponsorships	AED 586,655	

ESG 2024 DISCLOSURES

FOCUS AREA	METRICS FOR 2024	2024 DISCLOSURES (UAE & KSA)
		GOVERNANCE
Business Ethics & Compliance	Cases of bribery and money laundering	0 legal cases related to bribery and money laundering
	% employees trained on ethics & anti corruption	As of December 31 2024, around 2,560 ALEC employees had completed the ethics training.
	Backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0
	Legal cases related to structural integrity claims from main projects	0 legal cases related to structural integrity claims from main projects
Governance & Risk Management	Sustainability governance structure	Refer to Page 32
	Materiality assessment	Refer to Page 04
	Climate risk registers and mitigation plans	Yet to be developed
	Annual sustainability reports	Third sustainability report released in 2025, based on 2024 disclosures
Responsible Supply Chain	No. of ideas generated & implemented through innovation dashboard	No. of innovation ideas generated: 859 No. of innovation ideas implemented: 156 No. of innovation events and workshops organised by Innovation: 25
	No. of unique Innovation idea contributors	No. of unique innovation idea generators: 366
	% Staff participation in innovation activities	No. of staff engaged in innovation: 767 No. of people rewarded for innovation: 117
	In-Country Value & Local Content score	ALEC: 31.98% ALEC Dubai: 41.53% ALEMCO: 24.62% ALEMCO Dubai: 27.76% TARGET Engineering Construction: 65.36% TARGET Steel Industries: 56.32% TARGET Construction Saudi Arabia: 25.99%
Data Privacy & Cybersecurity	No. of subcontractors trained on human rights & modern slavery	Subcontractor employees trained on human rights & modern slavery: 16,304
	% subcontractors screened through prequal on human rights policies and safeguards in place	ALEC Construction Worker Welfare team conducted 51 Worker Welfare onboarding audits in 2024 and an additional 25 compliance review audits
Data Privacy & Cybersecurity	No. of substantiated attacks	0 case of substantiated breaches or data losses
	No. of substantiated data privacy violations	

CALCULATION METHODOLOGY

Disclosure	Definition and Scope	Method and Source	Units	References
Diesel	<p>Diesel consumption includes stationary sources such as diesel generators, and mobile sources such as vessels, vehicles, and equipment. This applies to assets and projects where ALEC Construction and TARGET are main contractors and have operational control.</p> <p>Subcontractor diesel data is included in cases where ALEC Construction and TARGET are the main contractor and supplies for the fuel used in subcontractor's machinery.</p>	Diesel data is consolidated using meter readings from the Logistics and delivery notes from suppliers at both onshore and offshore project sites and assets.	Litres	
Petrol	Petrol consumption includes mobile sources such as vessels, vehicles, and equipment. This applies to assets and projects where ALEC Construction and TARGET have operational control.	Petrol data is consolidated monthly by the Logistics and PMV teams, based on actual invoices.	Litres	
LPG	LPG use is limited to cooking at labour camps premises, which are managed by ALEC Construction and TARGET, and have operational control on the same.	LPG data is consolidated using monthly logbooks and invoices for the LPG cylinders utilised in the labour camps.	Litres	
Electricity Purchased	Electricity purchased from grid for assets and project sites, where ALEC Construction and TARGET pay for the utility and have operational control.	<p>Electricity data is reported based on:</p> <ol style="list-style-type: none"> 1. The quantity of electricity consumed, as per utility bills from providers for project sites and owned or leased assets with grid electricity connections. 2. For premises where billed units are not available, estimates are made based on the ASHRAE Standards 100-2024: Energy and Emissions Building Performance Standard for owned or leased buildings, considering the number of working days and building area in square feet. The main assumption for estimation is that no energy-efficiency initiatives were undertaken in the premises. 	kWh	
Water Consumption	Water consumed in assets and projects, where ALEC Construction and TARGET pay for the utility and have operational control.	<p>Water consumption has been calculated based on the following :</p> <ol style="list-style-type: none"> 1. Municipal Water: The quantity of water consumed, as per utility bills from providers for project sites and owned or leased assets with municipal water connections. 2. Third-Party Water (Sweetwater, Drinking Water, Construction Water, Saltwater and Irrigation Water) - The quantity of water consumed is as per invoices from third-party vendors. 3. For premises where billed units are not available, water usage is estimated based on the number of days worked, employee count, and average water consumption per capita for offices, using the Department of Energy (DoE) 2024 Guide to Water Supply Regulations - UAE - Services and other non-residential (Offices). 	Litres	DoE 2024 Guide to Water Supply Regulations
Waste Generated	Waste Generated in assets and projects, where ALEC Construction and TARGET have operational control and are main contractors.	<ol style="list-style-type: none"> 1. Waste generated/recycled, is segregated into different waste categories and calculated as follows: <ol style="list-style-type: none"> a. Operational Control Location: <ul style="list-style-type: none"> Waste Generation Calculation: Based on weighbridge reports, e-manifests, and delivery notes provided by our waste management vendors. Waste Recycling Quantification: Determined by the recycling method mentioned in the e-manifests and delivery notes, with appropriate recycling certificates provided by the vendors wherever applicable. b. Landlord-Managed Premises: <ul style="list-style-type: none"> Waste Generation Estimation: Calculated based on the number of days worked, employee count, and average waste generated per person, using the MOCCAE (United Arab Emirates Ministry of Climate Change and Environment) reference for Waste and Chemicals generated in the UAE. We have assumed the waste generated in this case is not recycled. 2. Waste Reused -The amount of waste reused is determined by the quantity of waste generated and then repurposed as different products at project sites. This quantity is calculated based on the weight of individual items, Weight per piece x Quantity 	Tonnes	MOCCAE reference for Waste and Chemicals generated in the UAE
Direct GHG emissions (Scope 1 Emissions)	<ol style="list-style-type: none"> 1. Direct GHG emissions from stationary combustions from diesel gensets and LPG used of cooking at projects and assets having operational control. 2. Direct GHG emissions from mobile vehicles, assets and marine vessels owned/long leased by ALEC Construction and TARGET and, for subcontractors where ALEC Construction and TARGET are the main contractor. 3. Fugitive emissions are excluded. 	Scope 1 Emissions: DEFRA emission factors 2024 are used to calculate the total emissions from fuel consumed - Diesel, Petrol and LPG.	tCO2e	DEFRA 2024
Indirect GHG emissions (Scope 2 Emissions)	Includes indirect emissions for electricity purchased from grid for assets and project sites, where ALEC Construction and TARGET pay for the utility consumption and have operational control.	Scope 2 Emissions: Grid emission factor is used as per DEWA Sustainability Report 2023 to calculate the Scope 2 emissions.	tCO2e	DEWA Sustainability Reports

CALCULATION METHODOLOGY

Disclosure	Definition	Scope	Units	Method	Source
Headcount	The total number of active full time employees (FTE) as of 31st December 2024	Active FTEs across all business units and fully owned subsidiaries	Number (#)	Sum of employees across all business units and fully owned subsidiaries	Reported from People & Culture database systems
Gender Representation	The percentage of female staff among total staff headcount as of 31st December 2024	Active full time female staff across all business units and fully owned subsidiaries	Percentage (%)	Number of full time staff for specified gender divided by total number of staff	Reported from People & Culture database systems
Age Representation	The percentage of active employees belonging to specific age groups (18-27 years, 28-37 years, 38-47 years, 48-57 years, 58 years+) as of 31st December 2024	Active FTEs across all business units and fully owned subsidiaries	Percentage (%)	Number of employees for specified age group divided by total number of employees	Reported from People & Culture database systems
Nationality	The percentage of staff nationalities split by countries as of 31st December 2024	Active full time staff across all business units and fully owned subsidiaries.	Percentage (%)	Number of full time staff for specified geographical areas divided by total number of staff	Reported from People & Culture database systems
Management Representation (Gender)	The percentage of male or female employees across employee grade levels as of 31st December 2024	Active full time staff across all business units and fully owned subsidiaries.	Percentage (%)	Number of staff for specified gender divided by total number of staff in specified management category	Reported from People & Culture database systems
New Hires	The total number of Full Time Employees (FTE) hired during 2024	FTEs across all business units and fully owned subsidiaries	Number (#)	Sum of employees hired during 2024 across businesses	Reported from Departmental Training
Total Training Hours	Total hours of formal training imparted by the organisation & external parties to the employees during 2024	FTEs across all business units and fully owned subsidiaries	Hours	Sum of all training hours, where one hour represents one hour of time spent by an employee during a training session	Reported from Departmental Training Registers
Parental Leave	Number of employees who availed the parental leave benefit during 2024	FTEs across all business units and fully owned subsidiaries	Number (#)	Sum of employees who availed parental leave during the reporting year	Reported from People & Culture database systems
Parental Leave – Retention Rate	Percentage of employees who availed parental leave benefit and retained 12 months post return to work after completing the stipulated leave period	Active FTEs across all business units and fully owned subsidiaries	Percentage (%)	Number of employees retained 12 months after returning to work following parental leave divided by the total number of employees returning from parental leave in the previous reporting period	Reported from People & Culture database systems
Lost Time Injury Frequency Rate (LTIFR)	Number of Lost Time Injuries (LTI) per every 1,000,000 manhours	FTEs across all business units and fully owned subsidiaries, directly supervised subcontracted workers across projects	Ratio	Number of LTIs divided by total number of manhours multiplied by 1,000,000	Monthly Corporate Health & Safety Report
Health and Safety trainings	Number of attendees and hours for training sessions organised and/or delivered by the Health & Safety (HSE) Department	FTEs across all business units and fully owned subsidiaries, subcontracted workers on projects	Number (#)	Sum of attendees & training hours for HSE training sessions conducted	Monthly Consolidated HSE Training Registers
Grievances resolved	Number of grievances resolved from the total number of grievances received during 2024	All grievances received through the client-monitored labour hotline Safecall, Happiness Call, Worker Site Interviews & ALEC Internal Grievance	Number (#)	(Number of grievances resolved / Total number of grievances) * 100	Reported from Worker Welfare database

REPORTING FRAMEWORK MAPPING INDEX

ALEC ESG Report 2024 - Sections	Pages	DFM ESG reporting guidelines	UN Global Compact	GRI	SASB Engineering & Construction Services (IF-EN)	SDGS	REMARKS
OVERVIEW							
About this Report	01	G8.1, G8.2		2-1;2-2;2-3			GRI 2-4: No Restatements of information has been done. GRI 2-5/ DFM G9.1: External assurance hasn't been sought for ESG disclosures 2024.
ALEC Holdings Structure	02			2-1; 2-2;2-6			
Message from leadership	03			2-22			
ESG Strategy	04			2-29;3-1; 3-2			
ESG Framework	05						
2024 Highlights	05-06	G8.3		2-28;3-1; 3-2; 2-28	IF-EN-410a.1		
ENVIRONMENTAL							
Emissions Reporting	07	E1.1; E1.2	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: Undertake initiatives to promote greater environmental responsibility and; Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	305-1; 305-2		3.9; 6.3;12.4	
Decarbonising Assets	08-09	E1.4		203-1			
Decarbonisation Approach for Construction Activities	10	E1.4; E8.1; E8.2; E8.3		3-3;3-2	IF-EN-410a.2	9.4; 13.1; 13.2	E4: Energy intensity has not been reported
Modern Methods of Construction	11-12	E9.5		3-3		9.1; 9.4	
Environmental Management	13	E8.1; E8.2; E8.3, E10.2		3-3; 2-27,306-3	IF-EN-160a.2; IF-EN-410a.2.	3.9; 8.4; 11.6; 12.2; 12.4; 13.2	DFM E 8.4: We don't have targets in place yet DFM E 8.5: We haven't received any fines (>USD 10000) for non-compliance with environmental laws and regulations DFM E5: Energy mix is not reported DFM E10.1: Number of operational sites owned, managed and/or leased in or adjacent to protected areas and areas of high biodiversity value has not been reported.
Energy Management	14-15	E3.1; E3.2; E4.3		3-3; 302-1		11.6, 7.2.1; 7.3; 8.4	E4: Energy intensity has not been reported E5: Energy Mix is not reported
Water Management	16	E6.3; E6.7		3-3; 303-5		6.4	E 6.2: Water discharged has not been reported E 6.4: Water intensity has not been reported E 6.5: Water recycled has not been reported
Waste Management & Circularity	17	E7.1; E 7.2; E7.3;E7.4;E7.5		3-3; 306-1; 306-2; 306-3; 306-4; 306-5		6.3; 11.6; 12.2; 12.4;	
Supply Chain Partnerships	18						

REPORTING FRAMEWORK MAPPING INDEX

ALEC ESG Report 2024 - Sections	Pages	DFM ESG reporting guidelines	UN Global Compact	GRI	SASB Engineering & Construction Services (IF-EN)	SDGS	REMARKS
SOCIAL							
Health & Safety	19-20	S7.1; S7.2; S7.4; S7.6; S7.7		3-3; 403-(1-9), 403-4	IF-EN-320a.1;	3.8; 6.3; 8.8; 12.4	
Wellbeing	21			3-3		3.4	
Worker Welfare	22	S6.3; S6.4; S6.5	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses. Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation	3-3; 408-1; 409-1		8.7; 8.8; 16.2	
Worker Development	22			3-3			
Worker Engagement	23			3-3			
People Management	24			3-3; 2-7		3.8	
People Development	25			3-3; 404-2		4.4; 4.7; 8.6	GRI 2-18; GRI 2-19; GRI 2-20; GRI 2-21 / DFM G3: Not reported due to confidentiality constraints. GRI 2-30: UAE does not permit unions. DFM S1, S5.4 has not been reported due to confidentiality constraints. S3.2 & S3.3 has not been reported.
Nationalisation	26			203-2		8.6	
Staff Engagement	27			3-3			
Diversity & Inclusion	29	S5.1; S5.5		3-3;		5.1; 5.5; 5.c; 8.5	
Community Impact	29-30	S8.2		3-3; 203-1		9.1, 4.4; 4.7; 4.8; 4.b; 8.6	

REPORTING FRAMEWORK MAPPING INDEX

ALEC ESG Report 2024 - Sections	Pages	DFM ESG reporting guidelines	UN Global Compact	GRI	SASB Engineering & Construction Services (IF-EN)	SDGS	REMARKS
GOVERNANCE							
Corporate Governance	31-32	G1.1; G1.2; G2.1; G2.2		2-9 ; 2-10; 2-11; 405-1			2-15: Each Board member declares any matters relating to conflicts of interest at the beginning of a Board meeting and withholds from voting on such items. 2-16: All critical concerns are communicated to the Board during board meetings
Business Ethics & Compliance	33	S6.1; S6.2; G5.1; G5.3; G5.4; S6.3; S6.4; G4.1	All ten principles of UN Global Impact are applicable	2-23,2-24; 2-25; 2-26; 2-27; 3-3; 205-2; 406-1	IF-EN-510a.3, IF-EN-250a.1; IF-EN-250a.2;	5.1; 10.3, 16.5, 9.1; 12.2; 12.4	205-3: There were no confirmed incidents of corruption. 206-1: There were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices in 2023.
Risk Management	34	E9.1; G8.1; G8.3		2-9,2-12; 2-13; 2-14; 2-17; 2-24;2-25; 3-3	IF-EN-160a.2	7.a; 8.2; 8.3, 9.1; 9.4	IF-EN-410b.1; IF-EN-410b.2; IF-EN-410b.3 not reported. DFM E 9.2,9.3,9.4,9.5,9.6,9.7 has not been reported
ESG Oversight	32						
Digitalisation	35-36						
Innovation	37-38			404-2-a			
Responsible Supply Chain	39	G4.1, S6.3; S6.4;	All ten principles of UN Global Impact are applicable	3-3; 203-2,204-1; 409-1		8.7; 12.6; 16.2	DFM G4.2, 4.3, 4.4, 4.5 has not been reported
Data Privacy & Cybersecurity	40	G6.1; G6.2; G6.3		3-3, 418-1			
APPENDICES							
About ALEC Holdings	41-44			2-6			
Reporting Scope	45			2-2			
ESG 2024 disclosures	46-48	E1.1;E1.2; E1.3;S7.5;S8.1, S6.5		401-3	IF-EN-510a.2; IF-EN-510a.1.2		
Calculation Methodology	49-50						
Reporting Framework Mapping Index	51-53	G8.2					



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