INTEGERATED REPORT 2023

ABUDHABI AVIATION

ADA
طيران أبو ظبي
ABU DHABI AVIATION

Contents:

ADA

طيـــــران أبو ظبــــــي
ABU DHABI AVIATION

DIRECTORS' REPORT

Abu Dhabi Aviation **December 2023**

The Chairman and Board of Directors are pleased to present their report and the audited consolidated Group Financial Statements for the year ended 31 December 2023.

Abu Dhabi Aviation Group continues to deliver strong financial performance despite the adverse impact of the Russia/Ukraine war on the supply chain and the global economies. ADA's Net profit was higher by 19.54% when compared to last year. This comes amidst market volatility, disruption to global distribution channels, and OEM production of certain spares/components.

ADA is expanding its aviation operation locally and globally. The company has been expanding its fleet and will continue to expand and replace aircraft in line with the market demand. ADA continues to diversify its investments as a form of risk mitigation for balancing the effect of the global market conditions and the cyclical nature of the economy.

ADA group reported a revenue of AED 2.62 billion for the year ended 31 December 2023, an increase of 29.04% compared to AED 2.03 billion revenue in 2022.

Abu Dhabi Aviation (ADA) parent company (including ADA Training Center and ADA International Real Estate) made AED 814.90 million revenue for the year ended 31 December 2023, an increase of 4.88% compared to AED 777.01 million revenue in 2022. The increase was due to additional oil and gas offshore flights as well as ad hoc flights and third-party sales. The net profit for 2023 was AED130.27 million, an increase of 23.12% compared to AED 105.81 million in 2022.

Maximus Air L.L.C. (MAX) made AED 879.84 million revenue for the year ended 31 December 2023, an increase of 67.87% compared to AED 524.12 million revenue in 2022 due to more government charters and Turkey relief flights. The net profit for 2023 was AED 191.30 million, an increase of 15.33% compared to AED 165.86 million in 2022.

FAR

T: +971 2 575 8000 www.ada.ae P.O. Box 2723
F: +971 2 575 7775 info@ada.ae Abu Dhabi, UAE

Royal Jet L.L.C. (RJ) made AED 920.35 million revenue for the year ended 31 December 2023, a growth of 26.88% compared to AED 725.37 million revenue in 2022 due to high demand for charter flights. The net profit for 2023 was AED 171.66 million, an increase of 21.82%, compared to AED 140.92 million in 2022.

On behalf of the Board of Directors, I would like to thank all our shareholders for their continuous support. I would also like to extend my gratitude to all ADA employees for their dedication, commitment, and hard work. To our customers, thank you for choosing and trusting us. ADA is proud to serve its country, supporting both the civil and military industries in the UAE and abroad.

Nader Ahmed Mohammad Al Hammadi
Chairman
Date: 07 February 2024

FAR

T: +971 2 575 8000 www.ada.ae P.O. Box 2723
F: +971 2 575 7775 info@ada.ae Abu Dhabi, UAE

ABU DHABI AVIATION PJSC

Report and consolidated financial statements for the year ended 31 December 2023

ABU DHABI AVIATION PJSC

Report and consolidated financial statements
for the year ended 31 December 2023

Deloitte.

Deloitte & Touche (M.E.)
Level 11, Al Sila Tower
Abu Dhabi Global Market Square
Al Maryah Island
P.O. Box 990
Abu Dhabi
United Arab Emirates

Tel: +971 (0) 2 408 2424
Fax:+971 (0) 2 408 2525
www.deloitte.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI AVIATION

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Abu Dhabi Aviation PJSC (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the applicable requirements of Abu Dhabi Accountability Authority (ADAA) Chairman Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. We have communicated the key audit matters to the Audit Committee, but it is not a comprehensive reflection of all matters that were identified by our audit and that were discussed with the Audit Committee. We have described the key audit matters we identified and have included a summary of the audit procedures we performed to address this matters. The key audit matters was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ABU DHABI AVIATION PJSC (continued)

Key Audit Matters (continued)

Key audit matters	**How our audit addressed the key audit matters**
Revenue recognition	
The Group reported revenue of AED 2.6 billion during the year 31 December 2023 from services rendered to customers from aircraft operations, air cargo, manpower services and sale of spare parts. There is an inherent risk around the occurrence of revenue recognised given the complexity of the business services and consequently we considered this to be a key audit matter. The amount of revenue recognised in the year on various contracts with government entities is dependent on the customer's acceptance of the services which in certain circumstances is difficult to demonstrate. Consequently, significant judgement is applied in determining the measurement of revenue and the timing of revenue recognition. Refer to notes 3, 4 and 24 in the consolidated financial statements for the accounting policy and disclosure related to this matter.	Our audit approach included a combination of test of controls and substantive procedures as follows: • We obtained an understanding of the significant revenue business process flow and performed walkthroughs to understand the key processes and identify key controls; • Obtained an understanding of the control environment and applications involved in the revenue recording process; • We assessed and evaluated the key controls over occurrence of revenue to determine if they had been designed and implemented appropriately and tested these controls to determine if they were operating effectively; • We performed substantive testing of selected samples on the occurrence of revenue transactions recorded during the year by reviewing relevant agreements, invoices, customer acceptance documents, and determined that transactions were recorded in accordance with the substance of the relevant agreements. • For revenue recognised based on contracts awarded which are in the process of being finalized, we inspected customer acceptance documents for the services performed and other related supporting documentation to determine the amount of revenue recognized. • We performed analytical procedures on significant revenue streams; • We assessed the appropriateness of the Group's accounting policy against the requirements of IFRSs and the compliance of revenue recognized therewith; and • We assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRSs.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ABU DHABI AVIATION PJSC (continued)

Key Audit Matters (continued)

Key audit matters	How our audit addressed the key audit matters
Impairment of aircraft related assets	
Aircraft related assets, which are included within property and equipment, are carried at AED 2.1 billion in the consolidated statement of financial position as at 31 December 2023. We consider the impairment of aircraft related assets to be a key audit matter because significant judgements and estimates are applied to conclude if there is any indication that assets are impaired, which could include a notable decline in the financial performance, worsened economic and financial prospects due to economic and other factors, and the extent of impairment, if any. The following impairment indicators were noted in the Group's G5000 series aircraft fleet: • The market value of these aircraft has declined faster than would be expected as a result of the passage of time and/or normal use; and • Interest rates have increased during the year which has an impact on the discount rate used in determining the value in use of these aircraft. The impairment of the G5000 series aircraft fleet is measured by comparing their carrying value to their estimated recoverable amount, being the higher of estimated fair value less costs of disposal and value in use at the individual cash generating units (CGU) level. The inherent risks associated with assessing the recoverable amount of aircraft related assets are significant. Management's measurement of recoverable amount requires significant judgement to be applied in the determination of CGUs and estimation of current and future market conditions, projected cash flows and discount rates. The Group did not recognize an impairment loss related to aircraft related assets during the year. Refer to notes 3, 4 and 5 in the consolidated financial statements for the accounting policy and disclosure related to this matter.	Our procedures included, inter alia, the following: • Obtained an understanding of the business process used to determine impairment indicators and the recoverable amount. • Assessed the controls over the abovementioned process to determine if they had been appropriately designed and implemented. • For value in use calculations provided by management, our audit procedures included challenging estimates of net cash flows expected to be generated from G5000 fleet assets based on the assumptions of their future utilisation, revenue generation and related costs. We challenged the appropriateness of estimates for G5000 fleet based on our assessment of the historical accuracy of the Group's estimates in previous periods. • We involved our internal specialist to review the discount factor used for discounting cashflows. • For fair value calculations provided by management, we have reviewed the reports and the underlying data and assumptions to ascertain whether the valuation of the G5000 aircraft fleet was performed in accordance with the requirements of IFRSs. • Where we identified estimates that were outside acceptable parameters, we discussed these with management to understand the rationale behind the estimates made. • Performed sensitivity analyses on the significant assumptions to evaluate the extent of their impact on the determination of fair values. • Re-performed the arithmetical accuracy of the determination of recoverable amounts. • We determined if the disclosures made in the consolidated financial statements for this matter were in accordance with the requirements of IFRSs.

Deloitte.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the Directors' report, which we obtained prior to the date of this auditor's report and the integrated report, which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and their preparation in compliance with the applicable provisions of the Articles of Association of the Company and UAE Federal Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ABU DHABI AVIATION PJSC (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

As part of an audit in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ABU DHABI AVIATION PJSC (continued)

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Decree Law No. (32) of 2021, we report that for the year ended 31 December 2023:

- We have obtained all the information we considered necessary for the purposes of our audit;
- The consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021;
- The Group has maintained proper books of account,
- The financial information included in the Directors' report is consistent with the books of account of the Group;
- Investments in shares and stocks are included in note 7 to the consolidated financial statements and include purchases and investments made by the Group during the year ended 31 December 2023;
- Note 12 to the consolidated financial statements discloses material related party transactions and balances and the terms under which they were conducted; and
- Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2023 any of the applicable provisions of the UAE Federal Law No. (32) of 2021 or in respect of the Company, its Articles of Association which would materially affect its activities or its consolidated financial position as at 31 December 2023.
- There were no social contributions made during the year by the Group.

Further, as requested by the ADAA Chairman Resolution No. 88 of 2021 regarding Financial Statements Audit Standards for the Subject Entities, we report, in connection with our audit of the consolidated financial statements for the year ended 31 December 2023, that nothing has come to our attention that causes us to believe that the Group has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the consolidated financial statements as at 31 December 2023:

i. Decrees and Laws No. 3, No. 10, No. 8, No. 9 and No. 11 of the years 1982, 1985, 1999, 2003 and 2004, respectively issued in the United Arab Emirates;
ii. Its' Articles of Association which would materially affect its activities or its financial position as at 31 December 2023.

Deloitte & Touche (M.E.)

Obada Alkowatly
Registration No. 1056
7 February 2024
Abu Dhabi
United Arab Emirates

Consolidated statement of financial position as at 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Assets			
Non-current assets			
Aircraft, property and equipment	5	**2,323,769**	2,287,385
Investment properties	6	**385,610**	385,314
Investments in financial assets	7	**453,895**	445,620
Right of use assets	8	**108,677**	120,969
Investment in a joint venture	9	**87,955**	75,875
Total non-current assets		**3,359,906**	3,315,163
Current assets			
Inventories		**640,060**	588,263
Trade receivables and due from related parties	11	**936,684**	762,482
Contract assets, prepayments and other current assets	13	**442,730**	328,153
Cash and bank balances	14	**666,554**	596,918
Total current assets		**2,686,028**	2,275,816
Total assets		**6,045,934**	5,590,979
Equity			
Share capital	15	**444,787**	444,787
Share premium		**112,320**	112,320
Reserves	16	**1,944,326**	1,941,579
Retained earnings		**1,405,477**	1,109,279
Equity attributable to owners of the Company		**3,906,910**	3,607,965
Non-controlling interest	18	**557,353**	471,523
Total equity		**4,464,263**	4,079,488
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits	19	**151,805**	143,156
Term loans	20	**362,626**	370,087
Lease liabilities	21	**141,173**	157,406
Deferred income	22	**118,861**	131,005
Total non-current liabilities		**774,465**	801,654

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of financial position (continued)
as at 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Current liabilities			
Trade and other payables	23	**192,737**	166,750
Accrued expenses and other current liabilities		**299,556**	277,782
Bank overdraft	14	**49,398**	-
Term loans	20	**232,424**	229,619
Lease liabilities	21	**18,144**	17,936
Deferred income	22	**14,947**	17,750
Total current liabilities		**807,206**	709,837
Total liabilities		**1,581,671**	1,511,491
Total equity and liabilities		**6,045,934**	5,590,979

Nader Ahmed Mohammed Al Hammadi
Chairman

Shaikh Ahmed Mohamed Sultan AlDhaheri
Vice Chairman

Ashraf Fahmy
Chief Financial Officer

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Revenue from contracts with customers	24	**2,615,090**	2,026,500
Direct operating costs	25	**(1,914,246)**	(1,421,599)
Gross profit		**700,844**	604,901
General and administrative expenses	26	**(236,903)**	(221,646)
Gain on disposal of assets held for sale	8	**-**	4,202
Impairment loss on aircraft, property and equipment	5	**-**	(9,133)
Loss on disposal on aircraft, property and equipment	5	**(111)**	-
Net charge of impairment loss on trade receivables and contract assets	11 & 13	**(4,788)**	(25,472)
Amortisation of deferred income	22	**14,947**	17,750
Share of profit of a joint venture	9	**12,080**	7,451
Finance income		**20,243**	6,358
Finance costs		**(51,186)**	(35,014)
Other income		**15,148**	21,905
Gain on financial asset at fair value through profit or loss	7	**22,951**	41,288
Profit for the year		**493,225**	412,590
Profit for the year attributable to:			
Owners of the Company		**407,395**	342,131
Non-controlling interest	18	**85,830**	70,459
		493,225	412,590
Basic and diluted earnings per share	27	**0.92**	0.77

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income (continued)
for the year ended 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Profit for the year		**493,225**	412,590
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences	16	**2,747**	(5,695)
Other comprehensive gain/ (loss) for the year		**2,747**	(5,695)
Total comprehensive income for the year		**495,972**	406,895
Total comprehensive income attributable to:			
Owners of the Company		**410,142**	336,436
Non-controlling interest	18	**85,830**	70,459
		495,972	406,895

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
for the year ended 31 December 2023

	Share Capital AED'000	Share premium AED'000	Reserves AED'000	Retained earnings AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interest AED'000	Total equity AED'000
At 1 January 2022	444,787	112,320	1,947,274	833,870	3,338,251	401,064	3,739,315
Profit for the year	-	-	-	342,131	342,131	70,459	412,590
Other comprehensive loss for the year	-	-	(5,695)	-	(5,695)	-	(5,695)
Total comprehensive income	-	-	(5,695)	342,131	336,436	70,459	406,895
Dividends (note 17)	-	-	-	(66,722)	(66,722)	-	(66,722)
At 1 January 2023	444,787	112,320	1,941,579	1,109,279	3,607,965	471,523	4,079,488
Profit for the year	-	-	-	407,395	407,395	85,830	493,225
Other comprehensive income for the year	-	-	2,747	-	2,747	-	2,747
Total comprehensive income	-	-	2,747	407,395	410,142	85,830	495,972
Dividends (note 17)	-	-	-	(111,197)	(111,197)	-	(111,197)
At 31 December 2023	**444,787**	**112,320**	**1,944,326**	**1,405,477**	**3,906,910**	**557,353**	**4,464,263**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows
for the year ended 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Cash flows from operating activities			
Profit for the year		**493,225**	412,590
Adjustments for:			
- Depreciation on aircraft, property and equipment	5	**134,510**	136,878
- Depreciation of right of use assets	8	**12,292**	12,284
- Charge of impairment losses on trade receivables and contract assets	11 & 13	**14,788**	74,221
- Recovery of impaired trade receivables	11	**(10,000)**	(48,749)
- Impairment loss on aircraft, property and equipment	5	**-**	9,133
- Provision for employees' end of service benefits	19	**18,076**	23,013
- Amortisation of deferred income	22	**(14,947)**	(17,750)
- Loss on disposal of aircraft, property and equipment	5	**111**	1,843
- Share of profit of a joint venture	9	**(12,080)**	(7,451)
- Finance costs		**40,898**	23,934
- Finance income		**(20,243)**	(6,358)
- Gain on financial asset at fair value through profit or loss	7	**(22,951)**	(41,288)
- Gain on disposal of assets held for sale	8	**-**	(4,202)
- Interest expense on lease liabilities	21	**10,288**	11,080
		643,967	579,178
Changes in:			
- Inventories		**(51,797)**	(38,870)
- Trade receivables and due from related parties	11	**(190,711)**	(81,181)
- Contract assets, prepayments and other current assets	13	**(114,577)**	(69,303)
- Trade and other payables	23	**25,987**	21,163
- Accrued expenses and other current liabilities		**21,774**	73,257
- Advances from customer		**-**	(8,120)
Cash generated from operating activities		**334,643**	476,124
End of service benefits paid	19	**(9,427)**	(16,522)
Net cash generated from operating activities		**325,216**	459,602

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued)
for the year ended 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Cash flows from investing activities			
Acquisition of aircraft, property and equipment	5	**(172,163)**	(281,748)
Payments for investment properties	6	**(296)**	(9,086)
Purchase of investment in financial assets	7	**(86,053)**	(51,498)
Proceeds from disposal of aircraft, property and equipment		**1,158**	-
Proceeds from disposal of investment in financial assets	7	**106,924**	59,439
Finance income received		**20,243**	6,358
Deposits with maturities over three months	14	**(184,505)**	(62,038)
Net cash used in investing activities		**(314,692)**	(338,573)
Cash flows from financing activities	32		
Proceeds from term loans	20	**261,450**	90,000
Repayment of term loans	20	**(269,294)**	(183,015)
Interest paid on lease liabilities	21	**(10,288)**	(11,080)
Payments for lease liabilities		**(4,564)**	(15,233)
Finance cost paid		**(40,898)**	(26,815)
Dividends paid	17	**(111,197)**	(66,722)
Net cash used in financing activities		**(174,791)**	(212,865)
Net decrease in cash and cash equivalents		**(164,267)**	(91,836)
Cash and cash equivalents at 1 January		**344,179**	436,015
Cash and cash equivalents at 31 December	14	**179,912**	344,179

The accompanying notes form an integral part of these consolidated financial statements.

1 General information

Abu Dhabi Aviation PJSC (the "Company") is a national shareholding company incorporated in Abu Dhabi, United Arab Emirates by the Decrees and Laws No. 3, No. 10, No. 8, No. 9 and No. 11 of the years 1982, 1985, 1999, 2003 and 2004, respectively. The Company's shares are listed on the Abu Dhabi Securities Exchange.

The Company and its subsidiaries (together referred to as the "Group") have been established to own and operate helicopters and fixed wing aircraft both within and outside the United Arab Emirates and to undertake charter, commercial, air cargo and other related services. The Company has its registered office at P.O. Box 2723, Abu Dhabi, UAE.

During the year 2022, the Group had received an offer from ADQ Aviation and Aerospace Services LLC ("ADQ Aviation"), a wholly owned subsidiary of Abu Dhabi Developmental Holding Company PJSC ("ADQ") to combine its shareholdings in Advanced Military Maintenance Repair and Overhaul Centre LLC ("AMMROC"), Etihad Airways Engineering LLC ("EYE") and Global Aerospace Logistics LLC ("GAL") (together referred to as the "Perimeter assets") with the Group.

The offer is subject to receipt of all related governmental approvals, including regulatory approvals by the Securities and Commodities Authority (SCA), as well as shareholder approvals. During 2023, the Board of the Group met to review the offer proposed by ADQ Aviation before making any recommendation to the shareholders.

The transaction was approved in the ADA Annual general assembly meeting held on 27 April 2023.

The board approved the increase of issued share capital of the Company in the ADA Annual general assembly meeting held on 27 April 2023, from 444,787,200 shares to 1,096,787,200 shares subject to the terms and conditions of the ADQ transaction and with effect from the transaction becoming effective.

As of 31 December 2023, the legal formalities of transaction are not yet finalized.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs applied with no material effect on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

Amendments to IAS 8 Accounting Polices, Changes in Accounting Estimates and Errors— Definition of Accounting Estimates	The Group has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and revised IFRSs applied with no material effect on the consolidated financial statements (continued)

IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	The Group has adopted IFRS 17 and the related amendments for the first time in the current year. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees. The Group does not have any contracts that meet the definition of an insurance contract under IFRS 17.
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies	The Group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and revised IFRSs applied with no material effect on the consolidated financial statements (continued)

Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction	The Group has adopted the amendments to IAS 12 for the first time in the current year. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit. Following the amendments to IAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.
Amendments to IAS 12 Income Taxes— International Tax Reform — Pillar Two Model Rules	The Group has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the Group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and revised IFRS in issue but not yet effective

The Group has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

New and revised IFRS	Effective for annual periods beginning on or after
Amendments to IAS 1 Presentation of Financial Statements — Classification of Liabilities as Current or Non-current.	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements — Non-current Liabilities with Covenants.	1 January 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures — Supplier Finance Arrangements.	1 January 2024
Amendment to IFRS 16 Leases — Lease liability in a sale and leaseback.	1 January 2024
Amendments to *IAS 21 The Effects of Changes in Foreign Exchange Rates* — Lack of exchangeability.	1 January 2024
Amendments to *IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures* — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.	Effective date not yet decided.

The above stated new standards and amendments are not expected to have any significant impact on the consolidated financial statements of the Group. Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the consolidated financial statements of the Group.

3 Material accounting policy information

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards"), the UAE Federal Law No. 32 of 2021 and the Articles of Association of the Company.

These consolidated financial statements have been prepared on the historical cost basis, except for investments in financial assets and investment properties, which are carried at fair value. These consolidated financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the Company's functional and presentational currency. All values are rounded to the nearest AED thousand, unless otherwise indicated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.
- The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

3 Material accounting policy information (continued)

Basis of consolidation (continued)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

3 Material accounting policy information (continued)

Basis of consolidation (continued)

The consolidated financial statements incorporate the financial position and performance of the Company and its subsidiaries as disclosed below:

Name of subsidiary	Ownership interest 31 December 2023	31 December 2022	Country of incorporation	Principal activities
Maximus Air – Sole Proprietorship L.L.C.	**100%**	100%	UAE	Air cargo
Royal Jet L.L.C.	**50%**	50%	UAE	Commercial air and transportation services
Herbal Hill Gardens Limited	**100%**	100%	Gibraltar	Investment properties ownership
ADA Real Estate Management and General Maintenance L.L.C.*	**100%**	100%	UAE	Real estate and facilities
Maximus Airlines L.L.C.	**100%**	100%	Ukraine	Air cargo services
ADA International Real Estate Owned by Abu Dhabi Aviation – Sole Proprietorship Co. L.L.C.	**100%**	100%	UAE	Real estate lease and management services
Abu Dhabi Aviation Training Centre L.L.C.	**100%**	100%	UAE	Aviation training
ADA Millennium Consulting – Owned by Abu Dhabi Aviation Sole Proprietorship L.L.C.	**100%**	100%	UAE	Advisory and implementation consultancy services to aviation, manufacturing, hospitality, oil and gas and private equity sectors

* On 13 December 2022, the shareholders resolved to liquidate the Company. As at 31 December 2023, legal formalities of liquidation are in process. The net assets of the Company are AED 0.25 million.

Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3 Material accounting policy information (continued)

Investment in joint ventures (continued)

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the joint venture. When the Group’s share of losses of a joint venture exceeds the Group’s interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group’s net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture. When the Group retains an interest in the former a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in a joint venture is included in the determination of the gain or loss on disposal of the joint venture. If a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the joint venture is disposed of.

When the Group reduces its ownership interest in a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3 Material accounting policy information (continued)

Investment in joint ventures (continued)

When a Group entity transacts with an a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an joint venture to which the equity method is not applied and which form part of the net investment in the investee.

Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the IFRS Standards applicable to the particular assets, liabilities, revenue and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

3 Material accounting policy information (continued)

Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

Revenue recognition

Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when each performance obligation of the service is fulfilled.

The stand-alone selling prices are determined based on the observable price at which the Group sells services on a standalone basis. For items that are not sold separately, the Group estimates standalone selling prices using other methods.

The Group recognises revenue from the following major sources:

Helicopter and fixed wing operations, Commercial aircraft operation and Air Cargo

Revenue represents amounts invoiced by the Group in respect of aviation services provided during the year measured at the fair value of the consideration received or receivable, net of discounts.

Revenue is recognised over time as the services are provided.

If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on the contracts signed with the customers.

Rental income/others

Revenue represents amounts invoiced by the Group in respect of rental/consultancy services provided during the year measured at the fair value of the consideration received or receivable, net of discounts.

3 Material accounting policy information (continued)

Revenue recognition (continued)

Rental income/others (continued)

The Group recognises revenue when the amount of the revenue can be reliably measured, and it is probable that future economic benefits will flow to the entity and when specific criteria have been met for Group's activities.

Contract assets and liabilities

The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

Leases

(*a) The Group as lessee*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

3 Material accounting policy information (continued)

Leases (continued)

(a) The Group as lessee (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the ‘Aircraft, Property and Equipment’ policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the nonlease components.

3 Material accounting policy information (continued)

Interest/divdend income and interest expense

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Foreign currency

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

3 Material accounting policy information (continued)

Foreign currency (continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in a foreign exchange translation reserve in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including aircraft, property and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Deferred income relating to Maximus Air – Sole Proprietorship L.L.C is recognised at the nominal value of shares that was granted to the Company. Deferred income is amortised on the basis of the agreed legal duration of the related investment of 25 years.

Deferred income relating to aircraft, property and equipment granted by the Abu Dhabi Government to Royal Jet L.L.C. is recognised at the nominal value of the assets. Deferred income is amortised on the basis of the estimated useful life of the asset.

3 Material accounting policy information (continued)

Aircraft, property and equipment

Recognition and measurement

Items of aircraft, property and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of aircraft, property and equipment have different useful lives, then they are accounted for as separate items (major components) of aircraft, property and equipment.

Any gain or loss on disposal of an item of aircraft, property and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. The cost of replacing part of an item of aircraft, property and equipment including major inspections and overhauls is recognised in the carrying amount of the related asset if it is probable that future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The remaining carrying amount of replaced parts is derecognised simultaneously. Major inspections and overhaul are capitalised as a separate component of aircraft, property and equipment and are amortised over the period to the next major overhaul.

Depreciation

Depreciation is calculated on a straight-line basis so as to write off the cost of assets over their estimated useful lives, after allowing for estimated residual value. The estimated useful lives of the Group’s Aircraft, property and equipment are disclosed in note 5.

Residual value is the net amount which the Group expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation of operational aircraft, property and equipment commences with the commercial use of the asset.

The estimated useful life for aircraft, property and equipment in the current year and comparative period is as follows:

Buildings	30 years
Commercial aircraft facility leasehold improvements	3 years
Helicopters, aircraft and major rotables	10-15 years
Cargo aircraft building	30 years
Cargo aircraft and spares	25 years
Commercial aircraft, rotable parts and repairables	20-30 years
Fixtures and fittings	10 years
Others	4-5 years

3 Material accounting policy information (continued)

Aircraft, property and equipment (continued)

Capital work-in-progress

Expenditure incurred on Aircraft, property and equipment which are not complete and ready for use at the reporting date are treated as capital work-in-progress. Depreciation is not provided on such assets until they are ready for their intended use and transferred to the appropriate asset category.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Impairment of aircraft, property and equipment

At each reporting date, the Group reviews the carrying amounts of its aircraft, property and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

3 Material accounting policy information (continued)

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle wherein the cost of inventories includes the invoiced cost, freight expenses, duties and other expenses incurred in bringing the inventories to their present condition and location. Allowance is made in the accounts for obsolete and slow-moving items based on management's judgement.

Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets
Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit- impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the finance income line item.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

(ii) Debt instruments classified as at FVTOCI

The debt instruments held by the Group are classified as at FVTOCI. Fair value is determined in the manner described in note 31(a). The debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the ‘finance income – other’ line item (note 10) in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see note 7).

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

(iv) Financial assets at FVTPL (continued)

Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'Gain on investment through profit or loss" line item in the consolidated statement of profit or loss. Fair value is determined in the manner described in note 29 (a).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI , trade receivables and contract assets, as well as on contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL (expected credit losses) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

3 Material accounting policy information (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward¬looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if the Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3 Material accounting policy information (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;
b. a breach of contract, such as a default or past due event (see (ii) above);
c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

3 Material accounting policy information (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

(iv) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the other income line item in consolidated statement of profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 Material accounting policy information (continued)

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees' and the obligation can be estimated reliably.

Termination benefits for non UAE Nationals

For Group entities domiciled in the UAE, provision for staff terminal benefits is made in accordance to the UAE Federal Labour Law and is determined as the liability that would arise if the employment of all staff were to be terminated at the reporting date.

Termination benefits for UAE Nationals

With respect to its UAE national employees, the Company makes contributions to a pension fund established by the UAE General Pension and Social Security Authority calculated as a percentage of the employees' salary. The Company's obligations are limited to those contributions, which are expensed when due.

Pension contributions are made in respect of UAE national employees to Abu Dhabi Retirement Pensions and Benefits Fund in accordance with the UAE Federal Law No. (2) of 2000. Such contributions are charged to the profit or loss during the employees' period of service.

An actuarial valuation is not performed on staff terminal and other benefits as the net impact of the discount rate and future salary and benefits level on the present value of the benefits obligation are not expected by management to be significant.

4 Critical accounting judgment and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in consolidated financial statements.

Judgements in determining the timing of satisfaction of performance obligations

The Company generally recognises revenue over time as it performs continuous transfer of control of goods or transport services to the customers. Because customers simultaneously receive and consume the benefits provided and the control transfer takes place over time, revenue is also recognised based on the extent of transfer/completion of transfer of each performance obligation. In determining the method for measuring progress for these performance obligations, we have considered the nature of these goods and services as well as the nature of its performance.

Classification of a joint venture

As describe in Note 9, AgustaWestland Aviation Services L.L.C. ("AWAS") is a joint venture of the Company and Agusta SpA. Although the Company owns a 70% ownership interest in AWAS, the Company does not have control or significant influence over AWAS as it is contractually agreed with Agusta SpA that the relevant activities of AWAS require unanimous consent of the parties sharing control and equal voting power. AWAS is a limited liability company whose legal form confers separation between the parties to the joint arrangement and the company itself. Furthermore, there are no contractual arrangements or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, AWAS is classified as a joint venture of the Company.

Classification of a joint arrangement

The Company has entered into a cooperation and services arrangement with CAE Inc. where the contributions and profit sharing is based on 50-50% basis between the parties. The parties have direct rights to the assets and are jointly and severally liable for the liabilities incurred by the arrangement. This arrangement is therefore classified as a joint operation, and the group recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

4 Critical accounting judgment and key sources of estimation uncertainty (continued)

Critical judgements in applying the Group's accounting policies (continued)

Classification of subsidiaries

The Company has a 50% ownership interest in Royal Jet LLC, with the other 50% owned by Wave One Investment RSC LTD (2022: Presidential Flight Authority). Royal Jet LLC is accounted for as a subsidiary of the Group on the basis that the Company is able to exert control over this entity as a result of a majority board representation and its reliance on the Company for technical support and operations.

Classification of properties

In the process of classifying properties, management has made various judgements. Judgement is needed to determine whether a property qualifies as an investment property, property and equipment and/or asset held for sale. The Group develops criteria so that it can exercise that judgement consistently in accordance with the definitions of investment property, property and equipment and asset held for sale. In making its judgement, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16, IAS 40 and IFRS 5, in particular, the intended usage of property as determined by management.

Significant increase in credit risk

As explained in note 3, expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of note 3). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

4 Critical accounting judgment and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowance for impairment losses on trade receivables and contract assets

The Group recognises loss allowances for ECLs on trade receivables and contract assets. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. The Group measures loss allowances at an amount equal to lifetime ECLs.

When determining whether the credit risk of trade receivables and contract assets has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The Group assumes that the credit risk on trade receivables and contract assets has increased significantly based on significant judgement. Specific factors management considers include the age of balance, background of the customers, existence of disputes, recent historical payment patterns and any other available information concerning the creditworthiness of the counterparty. Management has estimated the recoverability of trade receivables balances and has considered the allowance required for impaired receivables. Allowance for impairment losses on trade receivables at 31 December 2023 is AED 92.2 million (2022: AED 99.3 million).

Allowance for obsolete and slow moving inventories

Management has estimated the recoverability of inventory balances which relates to spare parts and rotables and has considered the allowance required for inventory obsolescence based on the current economic environment and past obsolescence history. Allowance for impairment of obsolete and slow-moving inventories as at 31 December 2023 is AED 30.7 million (2022: AED 29.3 million).

Useful lives of aircraft, property and equipment

The Group determines the estimated useful lives of its aircraft, property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of assets and physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge is adjusted where management believes that the useful lives differ from the previous estimates (note 5).

4 Critical accounting judgment and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Fair value of investment properties

The fair value of investment properties is determined by independent real estate valuation experts using recognised valuation methods. The fair value of the investment properties is also determined on the basis of a valuation based on internal management assessments. Such estimations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results.

Impairment of aircraft, property and equipment and capital work in progress

Aircraft classified under aircraft, property and equipment and capital work in progress are assessed for impairment by comparing the carrying value to their estimated recoverable amount, being the higher of their estimated fair value less costs of disposal and value in use at individual CGU level. For the year ended 31 December 2023, Abu Dhabi Aviation has not recorded any impairment loss on its aircraft fleet (separate CGUs) (2022: AED nil). Further, Royal Jet LLC has not recorded an impairment loss on its G5000 fleet (separate CGU) (2022: AED 9.1 million).

Impairment of investment in a joint venture

Management regularly reviews its investment in joint ventures for indicators of impairment. This determination of whether investment in joint ventures is impaired, entails management's evaluation of the investee's profitability, liquidity, solvency and ability to generate operating cash flows from the date of acquisition and into the foreseeable future. The difference between the estimated recoverable amount and the carrying value of investment is recognised as an expense in profit or loss. Management is satisfied that no impairment is required on its investment in joint ventures (note 9).

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

5 Aircraft, property and equipment

	Buildings AED'000	Commercial aircraft facility leasehold improvements AED'000	Helicopters, aircraft and major rotables AED'000	Cargo aircraft building AED'000	Cargo aircraft and spares AED'000	Commercial aircraft AED'000	Commercial aircraft rotable parts and repairables AED'000	Furniture and fittings AED'000	Others AED'000	Capital work in progress AED'000	Total AED'000
Cost											
At 1 January 2022	140,110	16,430	2,258,312	15,017	189,194	941,723	29,721	19,249	409,535	123,136	4,142,427
Additions	28	228	9,034	-	-	-	6,114	-	20,492	245,852	281,748
Disposals	-	-	(6,526)	-	-	-	-	(197)	-	-	(6,723)
Transfers	-	-	45,488	-	-	127,826	-	-	72	(173,386)	-
At 1 January 2023	140,138	16,658	2,306,308	15,017	189,194	1,069,549	35,835	19,052	430,099	195,602	4,417,452
Additions	192	-	23,582	-	-	-	-	38	23,800	124,551	172,163
Disposals	-	-	(7,299)	-	-	-	-	-	(2,079)	-	(9,378)
Transfers	-	2,498	262,697	-	-	-	-	-	840	(266,035)	-
At 31 December 2023	**140,330**	**19,156**	**2,585,288**	**15,017**	**189,194**	**1,069,549**	**35,835**	**19,090**	**452,660**	**54,118**	**4,580,237**

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

5 Aircraft, property and equipment (continued)

	Buildings AED'000	Commercial aircraft facility leasehold improvements AED'000	Helicopters, aircraft and major rotables AED'000	Cargo aircraft building AED'000	Cargo aircraft and spares AED'000	Commercial aircraft AED'000	Commercial aircraft rotable parts and repairables AED'000	Furniture and fittings AED'000	Others AED'000	Capital work in progress AED'000	Total AED'000
Accumulated depreciation and impairment											
At 1 January 2022	75,195	13,524	961,976	7,806	121,412	438,591	6,459	18,906	345,067	-	1,988,936
Charge for the year	2,019	864	62,210	599	15,789	34,233	1,791	178	19,195	-	136,878
Eliminated on disposals	-	-	(4,792)	-	-	-	-	(88)	-	-	(4,880)
Impairment	-	-	-	-	-	9,133	-	-	-	-	9,133
At 1 January 2023	77,214	14,388	1,019,394	8,405	137,201	481,957	8,250	18,996	364,262	-	2,130,067
Charge for the year	4,409	1,507	99,354	-	437	5,769	1,699	21	21,314	-	134,510
Eliminated on disposals	-	-	(6,030)	-	-	-	-	-	(2,079)	-	(8,109)
At 31 December 2023	**81,623**	**15,895**	**1,112,718**	**8,405**	**137,638**	**487,726**	**9,949**	**19,017**	**383,497**	**-**	**2,256,468**
Carrying value											
At 31 December 2023	**58,707**	**3,261**	**1,472,570**	**6,612**	**51,556**	**581,823**	**25,886**	**73**	**69,163**	**54,118**	**2,323,769**
At 31 December 2022	62,924	2,270	1,286,914	6,612	51,993	587,592	27,585	56	65,837	195,602	2,287,385

5 Aircraft, property and equipment (continued)

i) During 2022, as the result of the decline in asset values and high operating costs of the G5000 fleet, the Group carried out a review of the recoverable amount of that fleet . These assets are used in the Group's Commercial Aircraft reportable segment. The review led to the recognition of an impairment loss of AED 9.1 million, which has been recognised in the consolidated statement of profit or loss. The Group also estimated the fair value less costs of disposal of the fleet, which is based on the recent market prices of assets with similar age and obsolescence. The fair value less costs of disposal is more than the value in use and hence the recoverable amount of the relevant assets has been determined on the basis of their fair value less costs of disposal.

ii) During 2021, the Board of Royal Jet LLC (a 'subsidiary') resolved to dispose one of its commercial aircraft with a carrying value of AED 251.7 million. During 2022, the subsidiary entered into a sale and lease back transaction of the said commercial aircraft, previously classified as an asset held for sale. The proceeds from disposal were AED 283.7 million. Fair value of aircraft was AED 256.4 million at the date of sale. A gain on sale amounting to AED 4.2 million has been recognised in the consolidated statement of profit or loss. The balance of AED 27.4 million has been adjusted with the right of use asset.

iii) Property and equipment with a carrying amount of AED 846 million (2022: AED 895.4 million) are mortgaged to the lending banks (note 20).

iv) Aircraft, property and equipment is operated from the Group's base in the UAE.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

5 Aircraft, property and equipment (continued)

v) The depreciation charge for the year has been allocated as follows:

	2023 AED '000	2022 AED '000
Direct costs (note 25)	**120,726**	123,006
General and administrative expenses (note 26)	**13,784**	13,872
	134,510	136,878

vi) The cost of fully depreciated assets as at 31 December 2023 amounts to AED 220.3 million (2022: AED 142.7 million).

6 Investment properties

Investment properties represent investment in properties located in Khalifa City, Al Rawdhat, Al Muneera, Abu Dhabi and Al Satwa, Dubai.

Movement in investment properties is as follows:

	2023 AED '000	2022 AED '000
At 1 January	**385,314**	376,228
Additions during the year	**296**	9,086
At 31 December	**385,610**	385,314

The fair value of the investment properties was arrived at on the basis of a valuation carried out on 31 December 2023 based on internal management assessment and for some investment property fair value has been determined based on valuations performed by an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of investment properties being valued. Management believes that there is no significant change in fair value of investment properties as at 31 December 2023.

The fair value was derived using the market comparable approach based on recent market prices and income approach using discounted cashflow models without any significant adjustments being made to the market observable data. Cash flow projections of property rent and operating expenses have been estimated based on rentals achieved by the Group in the lettable units and the Group's experience.

There has been no change to the valuation technique during the year.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

6 Investment properties (continued)

As at 31 December 2023, all of the Group's investment properties were grouped in Level 2 and 3 of fair value hierarchy (2022: Level 2).

	2023 AED '000	2022 AED '000	**Fair value hierarchy**	**Valuation technique(s) and key input(s)**	**Significant Unobservable input(s) and its relationship to fair value**	**Sensitivity**
Residential property located at Al Rawdhat	183,737	183,684	Level 3	Income approach	Discount rate, taking into account the discounting of rental income potential, nature of the property, and prevailing market condition, of 8 % rate (2022: capitalisation rate of 6.75%).	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
Residential property located at Al Satwa	101,899	101,899	Level 3	Income approach	Discount rate, taking into account the discounting of rental income potential, nature of the property, and prevailing market condition, of 8 % (2022: capitalisation rate of 7%).	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
Residential property located at Al Muneera	51,857	51,857	Level 3	Income approach	Discount rate, taking into account the discounting of rental income potential, nature of the property, and prevailing market condition, of 8 % (2022 : Unit sales price per Sq. F)	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
Land located at Khalifa City	45,000	45,000	Level 2	Market approach	Unit sales price per Sq. F	A slight increase in the per square foot rate used would result in a significant increase in fair value, and vice versa.
Residential property located at Zayed City	3,117	2,874	Level 2	Market approach	Unit sales price per Sq. F	A slight increase in the per square foot rate used would result in a significant increase in fair value, and vice versa.

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

7 Investments in financial assets

The Group's investments in financial assets at fair value through profit or loss at the end of reporting date are detailed below.

	2023 **AED '000**	2022 AED '000
Equity securities – designated at FVTPL	**270,968**	344,886
Corporate debt securities – designated at FVTPL	**182,927**	100,734
At 31 December	**453,895**	445,620

	2023 **AED '000**	2022 AED '000
At 1 January	**445,620**	425,970
Purchase of investments in FVTPL	**86,053**	51,498
Disposal of investments in FVTPL	**(106,924)**	(59,439)
Change in fair value of investment – at FVTPL	**22,951**	41,288
Net foreign currency translation difference	**6,195**	(13,697)
At 31 December	**453,895**	445,620

The Group's investments represent the investments in shares and bonds as follows:

	2023 **AED'000**	2022 AED'000
Investment in equities – UAE	**229,687**	307,530
Investment in high yield and emerging market bonds	**40,724**	43,735
Investments in corporate bonds – US	**5,099**	40,741
Investment in fixed income SP – UAE	**29,116**	26,601
Investment in developed market equities – UK	**-**	8,640
Investments in short term maturity bonds	**13,596**	6,623
Investment in multi class assets	**2,841**	3,371
Developed Market Equities - US	**11,501**	**-**
Investments in corporate bonds – UK	**32,402**	2,477
Investments in emerging market – Asia	**1,293**	2,030
Investment in equities – UK	**-**	1,302
Investment in equities – US	**664**	813
Alternate – Commodities	**672**	799
Alternative trading strategies	**548**	793
REITS	-	165
Investments in corporate bonds – European (EX-UK)	**8,748**	**-**
Investment in multi class bonds	**77,004**	**-**
	453,895	445,620

7 Investments in financial assets (continued)

Investments in financial assets amounting to AED 117.42 million (31 December 2022: AED 109.3 million) are mortgaged against term loan of the Group (note 20).

Refer note 29 for information on the fair value hierarchy of the investments in financial assets.

8 Right of use assets

	Building AED '000	Aircraft AED '000	Total AED '000
Cost			
At 1 January and 31 December 2023	129,817	28,440	158,257
Accumulated Depreciation			
At 1 January 2022	21,960	3,044	25,004
Depreciation for the year	7,204	5,080	12,284
At 1 January 2023	29,164	8,124	37,288
Depreciation for the year	7,213	5,079	12,292
At 31 December 2023	36,377	13,203	49,580
Carrying Value			
At 31 December 2023	**93,440**	**15,237**	**108,677**
At 31 December 2022	100,653	20,316	120,969

The Group leases buildings and an aircraft. The average lease term of the building is 25 years (2022: 25 years) and 5 years for the aircraft (2022: 5 years).

During 2022, Royal Jet LLC (a "subsidiary") entered into a sale and lease back transaction of its commercial aircraft, previously classified as an asset held for sale. The carrying value was AED 251.6 million and the proceeds from disposal were AED 283.7 million. Fair value of the aircraft was AED 256.4 million at the date of sale. A gain on sale amounting to AED 4.2 million has been recognised in the consolidated statement of profit or loss. The balance of AED 27.4 million has been adjusted with the right of use asset.

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

9 Investment in a joint venture

The Group has a 70% equity shareholding with equal voting power in AgustaWestland Aviation Services L.L.C. (AWAS), a joint venture established in the Emirate of Abu Dhabi, UAE as a limited liability company. AWAS is engaged to undertake repairs, overhaul, customisation, modification and upgrading of helicopters, and sale of helicopter spare parts and accessories.

The above joint venture is accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 3. The financial year end date of the joint venture is 31 December. During the year no dividends have been received from the joint venture.

The following table summarises the financial information of the joint venture and also reconciles the summarised financial information to the carrying amount of the Group's interest in the joint venture.

	2023 AED '000	2022 AED '000
Total assets	**215,615**	160,049
Total liabilities	**(89,965)**	(51,656)
Net assets	**125,650**	108,393
Carrying amount of interest in joint venture (70%)	**87,955**	75,875
Revenue	**155,177**	117,408
Profit for the year	**17,257**	10,644
Group's share of profit	**12,080**	7,451

The movement in carrying amount of investment in a joint venture is as follows:

	2023 AED '000	2022 AED '000
At 1 January	**75,875**	68,424
Share of results for the year	**12,080**	7,451
At 31 December	**87,955**	75,875

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

10 Joint operations

The Group has a material joint operation with CAE Inc. (refer note 4 for critical judgement used by the management). The Group has a 50% per cent share in the ownership of simulators in an aviation training facility. The Group is entitled to a proportionate share of the profits earned and bears a proportionate share of the joint operation's expenses.

11 Trade receivables and due from related parties

	2023 **AED '000**	2022 AED '000
Trade receivables	**984,166**	856,886
Due from related parties (note 12)	**44,809**	4,985
	1,028,975	861,871
Less: Allowance for expected credit loss	**(92,291)**	(99,389)
	936,684	762,482

The average credit period of trade receivables is 60-90 days (2022: 60-90 days). No interest is charged on trade and other receivables. The Group has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before accepting a new customer. Of the trade receivables balance at the end of the reporting period, AED 731.6 million representing 74 % (2022: AED 588.6 million representing 69%) of the total trade receivables is due from government entities.

The Group measures the allowance for expected credit loss on trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The following table shows the movement in the allowance for expected credit loss that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9:

	2023 **AED '000**	2022 AED '000
At 1 January	**99,389**	75,387
Charge for the year	**2,902**	74,221
Write off	**-**	(1,470)
Recovery	**(10,000)**	(48,749)
At 31 December	**92,291**	99,389

Information about the Group's exposure to credit and market risks, and expected credit loss for trade and other receivables is included in note 29.

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

11 Trade receivables and due from related parties (continued)

Ageing of trade receivables and due from related parties

	2023 AED '000	2022 AED '000
Not past due	**131,261**	179,113
Due for 31 to 90 days	**244,140**	179,584
Due for 91 to 180 days	**226,070**	220,789
Due for more than 180 days	**427,504**	282,385
	1,028,975	861,871

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

12 Related parties

Related parties, as defined in International Accounting Standard 24: Related Party Disclosures include associate companies, major shareholders, directors and other key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. The Group, in the ordinary course of business, enters into transactions with other business enterprises or individuals that fall within the definition of related parties contained in International Accounting Standard 24. The Group has a related party relationship with the Government of Abu Dhabi, directors and executive officers (including business entities over which they can exercise significant influence, or which can exercise significant influence over the Group).

The Group has elected to use the exemption under IAS 24 'Related Party Disclosures' for Government related entities on disclosing transactions and related outstanding balances with government related parties owned by the Government of Abu Dhabi and entities it owns and controls. The Group provides services in the normal course of business to entities owned and controlled by the Government of Abu Dhabi.

Management approves prices and terms of payment for these transactions and these are carried out at mutually agreed rates.

Balances with related parties at the end of the reporting period comprise:

	2023 AED'000	2022 AED'000
Due from related parties		
Entities under common control (note 11)	**44,809**	4,985
Due to related parties		
Entities under common control (note 23)	**45,601**	34,824

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

12 Related parties (continued)

Significant transactions with related parties during the year were as follows:

	2023 AED'000	2022 AED'000
Services provided	**175,992**	86,872

Key management compensation

The remuneration of the directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24.

	2023 AED '000	2022 AED '000
Salaries and other short-term employee benefits	**21,111**	19,717
Directors' fees (note 26)	**27,409**	16,716
Provision for employees' end of service benefits	**1,421**	2,119

There were no loans provided to the Directors of the Group during 2023 and 2022.

13 Contract assets, prepayments and other current assets

	2023 AED '000	2022 AED '000
Contract assets (net)	**354,842**	231,171
Prepayments	**38,954**	55,312
Deposits and advances	**28,980**	13,091
Other receivables	**19,954**	28,579
	442,730	328,153

The management of the Company measure the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience, the nature of the customer and where relevant, the sector in which they operate. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance on contract assets related to transportation service contracts.

The management has assessed the expected credit losses on the above contract assets to be AED 11.9 m (2022: AED nil).

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

14 Cash and bank balances

Cash and bank balances included in the consolidated statement of cash flows comprise the following consolidated statement of financial position amounts:

	2023	2022
	AED '000	AED '000
Cash on hand	**3,630**	3,184
Cash at bank – current accounts	**225,680**	340,995
Term deposits with 90 days maturity	**437,244**	252,739
Cash and bank balances	**666,554**	596,918
Less: Bank overdrafts	**(49,398)**	-
Less: Term deposits with 90 days maturity	**(437,244)**	(252,739)
Cash and cash equivalents	**179,912**	344,179

Cash and bank balances include an amount of AED 0.9 million (2022: AED 2.2 million) held in foreign banks abroad and the remaining balance is held within the UAE. Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

The interest rates on term deposits range between 0.09% and 5.8% (2022: 0.09% and 4.65% per annum).

15 Share capital

The share capital structure is as follows:

	2023	2022
	AED '000	AED '000
Authorised, issued and fully paid:		
444,787,200 shares of AED 1 each (2022: 444,787,200 shares of AED 1 each)	**444,787**	444,787

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

16 Reserves

	Translation reserve AED'000	Fleet replacement reserve AED'000	Insurance reserve AED'000	Legal reserve AED'000	General reserve AED'000	Other reserves AED'000	Total AED'000
At 1 January 2022	(5,356)	1,012,686	417,769	222,394	102,586	197,195	1,947,274
Foreign currency translation differences	(5,695)	-	-	-	-	-	(5,695)
At 1 January 2023	(11,051)	1,012,686	417,769	222,394	102,586	197,195	1,941,579
Foreign currency translation differences	2,747	-	-	-	-	-	2,747
At 31 December 2023	**(8,304)**	**1,012,686**	**417,769**	**222,394**	**102,586**	**197,195**	**1,944,326**

16 Reserves (continued)

(a) Translation reserve

Foreign currency translation reserve represents translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency.

(b) Fleet replacement reserve

The fleet replacement reserve consists of amounts appropriated from profits, which in the opinion of the Board of Directors are required to ensure that sufficient reserves exist to replace the existing fleet of helicopters when necessary.

(c) Insurance reserve

The insurance reserve consists of amounts appropriated from profits, which in the opinion of the Board of Directors is required to enable the Group to provide for a portion of the insurance cover in respect of its helicopter fleet and fixed wing aircraft.

(d) Legal reserve

The Articles of Association of the Company require 10% of the annual profit to be transferred to a legal reserve until such reserve amounts to 50% of the share capital of the Company. In addition, the subsidiaries are required in accordance with the UAE Federal Law No. (32) of 2021 concerning Commercial Companies and the subsidiaries' Articles of Association, 10% (2022: 10%) of the subsidiaries' profit is transferred to an undistributable statutory reserve until such reserve equals 50% of paid up capital of the subsidiaries. This reserve is not available for distribution.

The Group's legal reserve represents the Company's legal reserve computed on the basis disclosed above in addition to the Group's share of legal reserve of subsidiaries.

The statutory reserves of the subsidiaries have been transferred to the restricted reserve as these amounts are not available for distribution.

(e) General reserve

Transfers to and from the general reserve are made in accordance with the decision of the Board of Directors and approved by the shareholders.

17 Dividends

Cash dividends of AED 0.25 per ordinary share (25% of par value) amounting to AED 111.2 million (2022: AED 66.7 million) were approved by the shareholders at the annual general meeting held on 27 April 2023 and were paid to the shareholders on 10 May 2023. The Board of Directors will propose dividends for the year ended 31 December 2023 at the next board meeting to be held in March 2024.

18 Non-controlling interest

Non-controlling interest represents the minority shareholder's proportionate share in the aggregate value of the net assets of Royal Jet LLC (a "subsidiary"), and the results of the subsidiary's operations.

Movement during the year is as follows:

	2023	2022
	AED '000	AED '000
At 1 January	**471,523**	401,064
Share of profit for the year	**85,830**	70,459
At 31 December	**557,353**	471,523

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interest (NCI), before any intra-group eliminations.

Royal Jet LLC	**2023**	2022
	AED '000	AED '000
NCI percentage	**50%**	50%
Non-current assets	**866,294**	893,003
Current assets	**754,100**	618,564
Non-current liabilities	**(225,138)**	(283,601)
Current liabilities	**(280,550)**	(284,920)
Net assets	**1,114,706**	943,046
Net assets attributable to NCI	**557,353**	471,523
Revenue	**920,352**	725,368
Profit	**171,660**	140,918
Other comprehensive income	**-**	-
Total comprehensive income	**171,660**	140,918
Profit allocated to NCI	**85,830**	70,459
Other comprehensive income allocated to NCI		-
Cash flows from operating activities	**164,702**	202,491
Cash flows used in investing activities	**(42,581)**	(197,720)
Cash flows used in financing activities	**(62,904)**	(57,655)
Net decrease in cash and cash equivalents	**59,217**	(52,884)

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

19 Provision for employees' end of service benefits

The movement in provision for employees' end of service benefits is as follows:

	2023 **AED '000**	2022 AED '000
At 1 January	**143,156**	136,665
Charge for the year	**18,076**	23,013
Payments made during the year	**(9,427)**	(16,522)
At 31 December	**151,805**	143,156

20 Term loans

Term loans are classified as follows in the consolidated statement of financial position:

	2023 **AED '000**	2022 AED '000
Current portion	**232,424**	229,619
Non-current portion	**362,626**	370,087
At 31 December	**595,050**	599,706

The movement in term loans is as follows:

	2023 **AED '000**	2022 AED '000
At 1 January	**599,706**	703,609
Drawdown during the year	**261,450**	90,000
Repayments during the year	**(269,294)**	(183,015)
Exchanges loss / (gain)	**3,188**	(10,888)
At 31 December	**595,050**	599,706

Facility 1: AED 285 million term loan

In 2019, the Group had entered into a restructuring arrangement with a local bank to repay all outstanding payments against a loan obtained from another local bank in previous years. The previous loan was repaid from the funds drawn down from this new loan. The new loan is repayable in twenty semi-annual installments starting 31 December 2019. The loan carries interest at three-month EIBOR plus 1.25% per annum. As at 31 December 2023, the outstanding balance of this facility amounted to AED 161.5 million (2022: AED 185.2 million).

20 Term loans (continued)

Facility 2: GBP 29 million loan

In 2021, the Group utilized an existing facility with a foreign bank to finance the purchases of corporate bonds amounting to AED 25.3 million (note 7). The loan is repayable on demand. The loan carries interest at three-month LIBOR plus 0.75% per annum. The loan is mortgaged against first charge on the investments in corporate debt securities held with the bank. As at 31 December 2023, the outstanding balance of this facility amounted to AED 57.1 million (2022: AED 63.7 million).

Facility 3: AED 200 million term facility

In 2021, the Group entered into an arrangement with a local bank to finance the acquisition of aircraft amounting to AED 200 million out of which the Group has utilized facility amounting to AED 94 million as at 31 December 2023. The loan is repayable in 28 equal quarterly instalments. The facility carries interest at three-month EIBOR plus 1.15% per annum during the first year on the utilized facility amount and three-month EIBOR plus 1% per annum thereafter. As at 31 December 2023, the outstanding balance of this facility amounted to AED 57 million (2022: AED 70.5 million).

Facility 4: AED 90 million short-term loan

During 2022, the Group has obtained a facility from a local bank amounting to AED 100 million to repay all outstanding payments against the short term loan availed in 2021. The previous loan was repaid from the funds drawn down from this new loan. The new loan is repayable in a bullet payment, six months after the date of the draw down. The loan carries interest at three-month EIBOR plus 0.85 % per annum. As at 31 December 2023, the outstanding balance of this facility amounted to AED 90 million (2022: AED 90 million).

Facility 5: AED 297.7 million term

This facility represents two term loans from a local bank amounting to AED 297.7 million to finance the acquisition of two commercial aircraft of a subsidiary. The loans are repayable in 40 equal quarterly instalments. The loan carries interest at three-month LIBOR plus 1.75% per annum. The term loans had been restructured during 2021. As part of the restructuring, the Group has received concessions to defer the original contractual repayment terms as agreed with the bank. As at 31 December 2023, the outstanding balance of the term loan amounted to AED 83.8 million (2022: AED 100.4 million).

Facility 6: AED 429.2 million term loan

This facility represents a term loan from a local bank amounting to AED 429.2 million to finance the acquisition of a commercial aircraft of a subsidiary. The loan is repayable in 40 equal quarterly instalments. The loan carries interest at three-month LIBOR plus 1.3% per annum. As at 31 December 2023, the outstanding balance of the term loan amounted to AED 68.7 million (2022: AED 89.9 million).

Facility 7: AED 200 million term facility

In 2023, the Group entered into an arrangement with a local bank to finance the acquisition of aircraft amounting to AED 200 million out of which the Group has utilized facility amounting to AED 81.45 million as at 31 December 2023. The loan is repayable in 14 equal semi-annual installments. The facility carries interest at three-months EIBOR plus 0.95% per annum. As at 31 December 2023, the outstanding balance of this facility amounted to AED 76.72 million (2022: AED Nil).

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

21 Lease liabilities

	2023 AED '000	2022 AED '000
At 1 January	**175,342**	137,329
Additions	**-**	53,246
Payments	**(26,313)**	(26,313)
Accretion of interest	**10,288**	11,080
At 31 December	**159,317**	175,342

Lease liabilities are classified as follows in the consolidated statement of financial position:

Current	**18,144**	17,936
Non-current	**141,173**	157,406
At 31 December	**159,317**	175,342
Maturity analysis		
1 year	**26,313**	26,313
2 year	**25,358**	26,313
3 year	**26,313**	25,358
4 year	**14,855**	26,313
5 years	**14,855**	14,855
Later than 5 years	**142,211**	157,066
	249,905	276,218
Less: unearned interest	**(90,588)**	(100,876)
	159,317	175,342

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

22 Deferred income

	2023 AED '000	2022 AED '000
At 1 January	**148,755**	166,505
Amortisation of deferred income	**(14,947)**	(17,750)
At 31 December	**133,808**	148,755

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

22 Deferred income (continued)

Deferred income is classified in the consolidated statement of financial position as:

	2023 **AED '000**	2022 AED '000
Current portion	**14,947**	17,750
Non-current portion	**118,861**	131,005
At 31 December	**133,808**	148,755

During 2014, the Presidential Flight Authority (a "related party"), transferred 5 commercial aircrafts to the Group pursuant to a grant effective from 1 January 2014. The deferred income relating to the aircraft was recognised at AED 489.1 million. Previously, these commercial aircraft were under operating lease.

During the year, the deferred income amounting to AED 14.9 million (2022: AED 17.7 million) was recognised in the consolidated statement of profit or loss and other comprehensive income to match the costs for which they are intended to compensate on a systematic basis.

23 Trade and other payables

	2023 **AED '000**	2022 AED '000
Trade payables	**147,136**	131,926
Due to related parties (note 12)	**45,601**	34,824
	192,737	166,750

The average credit period for purchases of goods and services is 30 days (2022: 30 days). The Group has risk management policies in place to ensure that all payables are paid within the credit period.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

24 Revenue from contracts with customers

(i) Revenue streams

The Group has been established to own helicopter and fixed wing aircraft for use both within and outside the United Arab Emirates and undertake charter, commercial, air cargo and other related services.

The Group generates revenue primarily from the provision of aviation services. Other sources of revenue include training of pilots, rental income from investment properties and other management consultancy services.

	2023 AED '000	2022 AED '000
Revenue from contracts with customers	**2,615,090**	2,026,500

(ii) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary service lines. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments as explained in note 33.

31 December 2023	**Helicopter & fixed wing operations AED'000**	**Commercial aircraft operations AED'000**	**Air cargo AED'000**	**Investments AED'000**	**Others AED'000**	**Eliminations AED'000**	**Total AED'000**
Fixed wing	18,997	510,899	189,008	-	-	-	718,904
Rotary wing	388,014	-	-	-	-	-	388,014
Sub-charter	-	47,314	669,860	-	-	-	717,174
Others	338,894	362,139	28,906	23,733	59,262	(21,936)	790,998
Total	**745,905**	**920,352**	**887,774**	**23,733**	**59,262**	**(21,936)**	**2,615,090**

31 December 2022	Helicopter & fixed wing operations AED'000	Commercial aircraft operations AED'000	Air cargo AED'000	Investments AED'000	Others AED'000	Eliminations AED'000	Total AED'000
Fixed wing	11,615	520,236	242,557	-	-	-	774,408
Rotary wing	382,746	-	-	-	-	-	382,746
Sub-charter	-	196,730	265,152	-	-	-	461,882
Others	331,982	8,402	27,419	21,821	56,924	(39,084)	407,464
Total	726,343	725,368	535,128	21,821	56,924	(39,084)	2,026,500

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

24 Revenue from contracts with customers (continued)

(iii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2023 AED '000	2022 AED '000
Receivables, which are included in 'trade receivables' (note 11)	**984,166**	856,886
Contract assets (note 13)	**354,842**	231,171
	1,339,008	1,088,057

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the year ended 31 December 2023 was not impacted materially by an impairment charge. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for contracts against which services will be rendered in future. This will be recognised as revenue when the services are rendered to customers.

25 Direct operating costs

	2023 AED '000	2022 AED '000
Operating and maintenance costs	**1,262,135**	794,102
Staff costs	**381,108**	361,632
Depreciation (note 5 and 8)	**133,018**	135,290
Other expenses	**137,985**	130,575
	1,914,246	1,421,599

Operating and maintenance costs include inventories consumption amounting to AED 99.1 million (2022: AED 60.8 million).

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

26 General and administrative expenses

	2023 AED '000	2022 AED '000
Staff costs	**111,428**	124,947
Depreciation (note 5 and 8)	**13,784**	13,872
Licensing and professional fees	**9,012**	7,575
Directors' fees (note 12)	**27,409**	16,716
Others	**75,270**	58,536
	236,903	221,646

27 Basic and diluted earnings per share

Earnings per share amounts are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the year.

The following reflects the income and share data used in the earnings per share computations:

	2023	2022
Profit attributable to owners of the Company (AED '000)	**407,395**	342,131
Weighted average number of shares in issue (note 15)	**444,787,200**	444,787,200
Earnings per share (AED)	**0.92**	0.77

The Group does not have potentially dilutive shares and accordingly, diluted earnings per share is equal to basic earnings per share.

28 Granted plots of land

Future economic benefit established

In prior years, the Government of Abu Dhabi granted the Company two plots of land located in Khalifa City, Abu Dhabi.

The granted plots of land located in Khalifa City, Abu Dhabi had been used for the purpose of operating a training center and accordingly, recorded as aircraft, property and equipment (note 5) at a nominal value of AED 1.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management

a) Classes and categories of financial instruments and their fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

At 31 December 2023	**Carrying amounts**				**Fair values**			
	FVTPL – equity instruments AED'000	**FVTPL – debt Instruments AED'000**	**Measured at amortised cost AED'000**	**Total AED'000**	**Level 1 AED'000**	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
Financial assets measured at fair value								
Investment in Waha CEEMEA Fixed Income Fund SP	29,116	-	-	29,116	-	29,116	-	**29,116**
Investments in short term maturity bonds	-	13,596	-	13,596	13,596	-	-	**13,596**
Investments in corp bonds – UK	-	32,402	-	32,402	32,402	-	-	**32,402**
Investments in corp bonds – US	-	5,099	-	5,099	5,099	-	-	**5,099**
Investment in high yield and emerging market bonds	-	40,724	-	40,724	40,724	-	-	**40,724**
Investment in multi-class assets	-	2,841	-	2,841	2,841	-	-	**2,841**
Investments in corporate bonds – European (EX-UK)	-	8,748	-	8,748	8,748	-	-	**8,748**
Investment in equities – US	664	-	-	664	664	-	-	**664**
Investment in equities – UAE	229,687	-	-	229,687	229,687	-	-	**229,687**
Developed Market Equities – US	11,501	-	-	11,501	11,501	-	-	**11,501**
Emerging market – Asia	-	1,293	-	1,293	1,293	-	-	**1,293**
Alternatives – Commodities	-	672	-	672	672	-	-	**672**
Alternative trading strategies	-	548	-	548	548	-	-	**548**
Investment in multi class bonds	-	77,004	-	77,004	77,004	-	-	**77,004**
	270,968	**182,927**	-	**453,895**	**424,779**	**29,116**	-	**453,895**

29 Financial instruments – Fair values and risk management (continued)

a) Classes and categories of financial instruments and their fair values (continued)

At 31 December 2023	Carrying amounts				Fair values			
	FVTPL – equity instruments AED'000	FVTPL - debt instruments AED'000	Measured at amortised cost AED'000	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets not measured at fair value								
Trade receivables	-	-	891,875	891,875	-	-	-	-
Contract assets	-	-	354,842	354,842	-	-	-	-
Bank balances	-	-	662,924	662,924	-	-	-	-
Due from related parties	-	-	44,809	44,809	-	-	-	-
	-	-	**1,954,450**	**1,954,450**	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	147,136	147,136	-	-	-	-
Term loans	-	-	595,050	595,050	-	-	-	-
Lease liabilities	-	-	159,317	159,317	-	-	-	-
Accrued expenses and other current liabilities	-	-	299,556	299,556	-	-	-	-
Bank overdraft	-	-	49,398	49,398	-	-	-	-
Due to related parties	-	-	45,601	45,601	-	-	-	-
	-	-	**1,296,058**	**1,296,058**	-	-	-	-

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management (continued)

a) Classes and categories of financial instruments and their fair values (continued)

At 31 December 2022	Carrying amounts				Fair values			
	FVTPL – equity instruments AED'000	FVTPL – debt instruments AED'000	Measured at amortised cost AED'000	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets measured at fair value								
Investment in Waha CEEMEA Fixed Income Fund SP	26,601	-	-	26,601	-	26,601	-	26,601
Investments in short term maturity bonds	-	6,623	-	6,623	6,623	-	-	6,623
Investments in corp bonds – UK	-	2,477	-	2,477	2,477	-	-	2,477
Investments in corp bonds – US	-	40,741	-	40,741	40,741	-	-	40,741
Investment in high yield and emerging market bonds	-	43,735	-	43,735	43,735	-	-	43,735
Investment in multi-class assets	-	3,371	-	3,371	3,371	-	-	3,371
Investment in equities – US	813	-	-	813	813	-	-	813
Investment in equities – UK	1,302	-	-	1,302	1,302	-	-	1,302
Investment in equities – UAE	307,530	-	-	307,530	307,530	-	-	307,530
Developed Market Equities – UK	8,640	-	-	8,640	8,640	-	-	8,640
Emerging market – Asia	-	2,030	-	2,030	2,030	-	-	2,030
Alternatives – Commodities	-	799	-	799	799	-	-	799
REITS	-	165	-	165	165	-	-	165
Alternative trading strategies		793	-	793	793	-	-	793
	344,886	100,734	-	445,620	419,019	26,601	-	445,620

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management (continued)

a) Classes and categories of financial instruments and their fair values (continued)

At 31 December 2022	Carrying amounts				Fair values			
	FVTPL - equity instruments AED'000	FVTPL - debt instruments AED'000	Measured at amortised cost AED'000	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets not measured at fair value								
Trade receivables	-	-	757,497	757,497	-	-	-	-
Contract assets	-	-	231,171	231,171	-	-	-	-
Bank balances	-	-	593,734	593,734	-	-	-	-
Due from related parties	-	-	4,985	4,985	-	-	-	-
	-	-	1,587,387	1,587,387	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	131,926	131,926	-	-	-	-
Term loans	-	-	599,706	599,706	-	-	-	-
Lease liabilities	-	-	175,342	175,342	-	-	-	-
Accrued expenses and other current liabilities	-	-	277,782	277,782	-	-	-	-
Due to related parties	-	-	34,824	34,824	-	-	-	-
	-	-	1,219,580	1,219,580	-	-	-	-

There were no transfers between Level 1 and 2 during the current or period year.

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management (continued)

a) Classes and categories of financial instruments and their fair values (continued)

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Valuation techniques and assumptions applied for the purposes of measuring fair value.

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined:

Financial assets	**2023 AED'000**	2022 AED'000	**Valuation technique(s) and key input(s)**	**Significant Unobservable input(s) and its relationship to fair value**
Market approach determined through NAV				
Investment in fixed income SP – UAE	**29,116**	26,601	NA	NA
Quoted bid prices in an active market				
Investment in equities – UAE	**229,687**	307,530	NA	NA
Investment in high yield and emerging market bonds	**40,724**	43,735	NA	NA
Investments in corporate bonds – US	**5,099**	40,741	NA	NA
Investment in developed market equities – UK	-	8,640	NA	NA
Investments in short term maturity bonds	**13,596**	6,623	NA	NA
Investment in multi-class assets	**2,841**	3,371	NA	NA
Investments in corporate bonds – UK	**32,402**	2,477	NA	NA
Emerging market – Asia	**1,293**	2,030	NA	NA
Investment in equities – UK	-	1,302	NA	NA
Investment in equities – US	**664**	813	NA	NA
Alternate – Commodities	**672**	799	NA	NA
Alternative trading strategies	**548**	793	NA	NA
REITS	-	165	NA	NA
Investments in corporate bonds – European (EX-UK)	**8,748**	-	NA	NA
Developed Market Equities - US	**11,501**	-	NA	NA
Investment in multi-class bonds	**77,004**	-	NA	NA
	453,895	445,620		

Except as detailed in the following table, management consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

29 Financial instruments – Fair values and risk management (continued)

b) Financial risk management

The Group's Board of Directors function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and equity price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group Board of Directors oversees the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures. The Group Audit Committee is assisted in its oversight role by internal audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(i) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of financial instruments.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Currency risk
The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group's exposure to the currency risk is principally from the Group's transactions in Pound sterling ("GBP") as AED is currently pegged to USD at a fixed rate of exchange.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2023	2022	**2023**	2022
	AED'000	AED'000	**AED'000**	AED'000
Pound sterling	**118,400**	111,577	**57,103**	63,746

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management (continued)

b) Financial risk management (continued)

(i) Market risk (continued)

Currency risk (continued)

The following paragraph details the Group’s sensitivity to a 5% per cent increase and decrease in currency units against Pound Sterling. 5% per cent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% per cent change in foreign currency rates.

At 31 December 2023, if GBP had weakened/strengthened by 5% against the AED with all other variables held constant, comprehensive income for the year would have been AED 3.06 million (2022: AED 2.9 million) higher/lower, mainly as a result of foreign exchange gains/losses on translation of GBP denominated cash and cash equivalent.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Equity price risk

The Group is exposed to equity price risks arising from equity investments. The Group monitors the risk of change in equity prices by sensitivity analysis taking 15% change due to the volatile nature of the market in which the securities are listed. The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If equity prices had been 15% higher/lower, the Group's comprehensive income would increase/decrease as follows:

	2023	2022
	AED’000	AED’000
Investment in financial assets	**40,645**	51,733

Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. Interest rate risk primarily arises from the possibility that changes in interest rates will affect the net finance cost of the Group. The Group is exposed to fair value interest rate risk on bank borrowings at variable interest rates.

If interest rates had been 50 basis points higher/lower throughout the year and all other variables were held constant, the Group's net profit and equity for the year ended 31 December 2023 would decrease/increase by approximately AED 2.98 million (2022: AED 3 million). The Group's sensitivity to interest rates has increased in line with the increase in interest bearing debt instruments.

29 Financial instruments – Fair values and risk management (continued)

c) Financial risk management (continued)

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, bank balances and corporate debt securities.

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

Before accepting any new customer, a dedicated team responsible for the determination of credit limits uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counterparties. Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Central Bank.

Trade receivables from government related entities in the UAE is AED 731.6 million (2022: AED 588.6 million) which represents 74 % (2022: 69%) respectively, of the total trade receivables at the end of reporting period. Included in the trade receivables balance at the end of the year is an amount of AED 44.8 million (2022: AED 4.9 million) due from related parties.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2023, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management (continued)

b) Financial risk management (continued)

(ii) Credit risk (continued)

The tables below detail the credit quality of the Group's financial assets, contract assets and financial guarantee contracts, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

31 December 2023	**External credit ratings**	**Internal credit ratings**	**Notes**	**12 months or lifetime ECL**	**Gross carrying amount AED '000**	**Loss allowance AED '000**	**Net carrying amount AED '000**
Due from related parties	N/A	(i)	12	Lifetime ECL	**44,809**	-	**44,809**
Government receivables	N/A	(ii)	11	Lifetime ECL	**731,601**	**(55,279)**	**676,322**
Non-government receivables	N/A	(iii)	11	Lifetime ECL	**252,565**	**(37,012)**	**215,553**
Contract assets	N/A	(ii)	13	Lifetime ECL	**366,728**	**(11,886)**	**354,842**
Bank balances	Aa3	N/A	14	12 months ECL	**662,924**	-	**662,924**

31 December 2022	External credit ratings	Internal credit ratings	Notes	12 months or lifetime ECL	Gross carrying amount AED '000	loss allowance AED '000	Net carrying amount AED '000
Due from related parties	N/A	(i)	12	Lifetime ECL	4,985	-	4,985
Government receivables	N/A	(ii)	11	Lifetime ECL	588,641	(69,258)	519,383
Non-government receivables	N/A	(iii)	11	Lifetime ECL	268,245	(30,131)	238,114
Contract assets	N/A	(ii)	13	Lifetime ECL	231,171	-	231,171
Bank balances	Aa3	N/A	14	12 months ECL	593,734	-	593,734

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

29 Financial instruments – Fair values and risk management (continued)

b) Financial risk management (continued)

(ii) Credit risk (continued)

(i) For due from related parties, the Group has used simplified approach in IFRS 9 to measure loss allowance at lifetime ECL. The Group determines the expected credit losses based on probability of default and loss given default of the Government of Abu Dhabi as these parties are secured by the Government of Abu Dhabi. These balances are the represented of the recent transaction, therefore, the Group has not identified material impact of loss allowance on due from related party balances.

(ii) For trade receivables from government customers, the Group has used simplified approach in IFRS 9 to measure loss allowance at lifetime ECL. The Group determines the expected credit losses at the rate of 0.15% based on probability of default and loss given default of the Government of Abu Dhabi as these parties are secured by the Government of Abu Dhabi.

(iii) For non-government trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience based on the past due status of the customers, adjusted as appropriate to reflect current market conditions and estimates of future economic conditions. As part of individual assessment, the Group has estimated expected credit losses by reference to past default experience with the customer, an analysis of the customer's current financial position, adjusted for the factors that are specific to the customer, general economic and political conditions applicable to customer along with correspondences and future outlook as at reporting date. The Group has recognised loss allowance of 8.9 % (2022: 11%) against all receivables after individually assessing some customers based on their individual credit risk.

The loss allowance on corporate bonds measured at FVTOCI was recognised against other comprehensive income and accumulated in the investment revaluation reserve which is released to profit or loss account upon disposal of debt instruments. The carrying amount of the Group's financial assets at FVTPL as disclosed in note 7 best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

**Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)**

29 Financial instruments – Fair values and risk management (continued)

b) Financial risk management (continued)

(ii) Credit risk (continued)

As at 31 December, maximum exposure to credit risk was as follows:

	2023 AED'000	2022 AED'000
Trade receivables	**936,684**	762,482
Cash and bank balances	**666,554**	596,918
Contract assets and other current assets	**442,730**	328,153
	2,045,968	1,687,553

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and funds, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the end of reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The maturity profile of the liabilities at the end of reporting period based on contractual repayment arrangements was as follows:

	Effective interest rate	**Carrying value AED'000**	**Total AED'000**	**Less than 3 months AED'000**	**3 months to 1 year AED'000**	**1 year to 5 years AED'000**	**More than 5 years AED'000**
2023							
Non-interest bearing instruments		**192,737**	**192,737**	**192,737**	**-**	**-**	**-**
Variable interest rate instruments	Note 20 and 21	**754,367**	**754,367**	**166,039**	**84,530**	**360,457**	**143,341**
		947,104	**947,104**	**358,776**	**84,530**	**360,457**	**143,341**

29 Financial instruments – Fair values and risk management (continued)

b) Financial risk management (continued)

(iii) Liquidity risk (continued)

	Effective interest rate	Carrying value AED'000	Total AED'000	Less than 3 months AED'000	3 months to 1 year AED'000	1 year to 5 years AED'000	More than 5 years AED'000
2022							
Non-interest bearing instruments		166,750	166,750	166,750	-	-	-
Variable interest rate instruments	Note 20 and 21	775,048	775,048	185,870	77,994	234,952	276,232
		941,798	941,798	352,620	77,994	234,952	276,232

c) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2013. The capital structure of the Group consists of debt, which includes the term loans, cash and bank balances and equity comprising share capital, reserves and retained earnings.

The Group is not subject to any externally imposed capital requirements.

The Group's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The gearing ratio, determined as net debt to equity, at the year-end was as follows:

	2023 AED'000	2022 AED'000
Debt (i)	**644,448**	599,706
Cash and bank balances *(Note 14)*	**(666,554)**	(596,918)
Net debt	**(22,106)**	2,788
Equity (ii)	**3,906,910**	3,607,965
Net debt to equity ratio	**(5.65 %)**	0.08%

(i) Debt is defined as long and short term loans and overdraft (note 14 and 20).
(ii) Equity includes all capital and reserves of the equity owners of the Company.

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

30 Contingent liabilities

As at 31 December 2023, the Group had outstanding contingent liabilities in respect of letters of guarantee amounting to AED 73.5 million (2022: AED 135.2 million).

31 Commitments

As at 31 December 2023, the Group had estimated commitments for the acquisition of aircraft, property and equipment of AED 303.2 million (2022: AED 103 million).

Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)

32 Reconciliation of movements of liabilities to cash flows arising from financing activities

			Equity	
	Term loans AED'000	**Lease liabilities AED'000**	**Retained earnings AED'000**	**Total AED'000**
At 1 January 2023	599,706	175,342	1,109,279	1,884,327
Changes from financing cash flows				
Proceeds from term loans	261,450	-	-	261,450
Repayment of term loans	(269,294)	-	-	(269,294)
Exchange loss	3,188	-	-	3,188
Payments for lease liabilities	-	(4,564)	-	(4,564)
Dividends paid	-	-	(111,197)	(111,197)
Total changes from financing activities	**(4,656)**	**(4,564)**	**(111,197)**	**(120,417)**
Other changes				
Total liability related changes	-	(11,461)	-	(11,461)
Total equity related changes	-	-	407,395	407,395
At 31 December 2023	**595,050**	**159,317**	**1,405,477**	**2,159,844**

32 Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	Term loans AED'000	Lease liabilities AED'000	Equity Retained earnings AED'000	Total AED'000
At 1 January 2022	703,609	137,329	833,870	1,674,808
Changes from financing cash flows				
Proceeds from term loans	90,000	-	-	90,000
Repayment of term loans	(183,015)	-	-	(183,015)
Exchange gain	(10,888)	-	-	(10,888)
Payments for lease liabilities	-	(15,233)	-	(15,233)
Dividends paid	-	-	(66,722)	(66,722)
Total changes from financing activities	(103,903)	(15,233)	(66,722)	(185,858)
Other changes				
Total liability related changes	-	53,246	-	53,246
Total equity related changes	-	-	342,131	342,131
At 31 December 2022	599,706	175,342	1,109,279	1,884,327

Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

33 Segment information

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

For operating purposes, the Group is organised into four major business segments:

(i) Helicopter and fixed wing operations, which provides charter flights and third party maintenance;
(ii) Commercial aircraft operations, which provides commercial air transportation and aircraft management;
(iii) Air cargo, which provides air cargo services to local and international customers using its fleet of aircraft and chartered aircraft; and
(iv) Investments, which involves the management of the Group's investment portfolio.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds.

Information about reportable segments:

Particulars	Helicopter & fixed wing operations AED'000	Commercial aircraft operations AED'000	Air cargo AED'000	Investments AED'000	Others AED'000	Eliminations AED'000	Total AED'000
2023							
Revenue	**745,905**	**920,352**	**887,774**	**23,733**	**59,262**	**(21,936)**	**2,615,090**
Profit for the year	**147,238**	**171,662**	**200,903**	**21,877**	**21,151**	**(69,606)**	**493,225**
2022							
Revenue	726,343	725,368	535,128	21,821	56,924	(39,084)	2,026,500
Profit for the year	114,195	140,918	175,433	19,483	12,128	(49,567)	412,590

The segment assets and liabilities were as follows:

2023							
Assets	**3,696,358**	**1,620,394**	**1,232,404**	**403,998**	**251,610**	**(1,158,830)**	**6,045,934**
Liabilities	**1,065,564**	**507,033**	**56,025**	**32,109**	**19,830**	**(98,890)**	**1,581,671**
2022							
Assets	3,354,177	1,457,581	933,499	816,642	257,333	(1,228,253)	5,590,979
Liabilities	1,041,221	560,879	38,052	-	47,887	(176,548)	1,511,491

The Group operates primarily from its base in the United Arab Emirates and accordingly no further geographical analysis of revenues, profit, fair value gains, assets and liabilities is given.

**Notes to the consolidated financial statements
for the year ended 31 December 2023 (continued)**

34 Corporate Income Tax

On 3 October 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to implement a new CT regime in the UAE. The new CT regime is applicable for accounting periods beginning on or after 1 June 2023.

Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% will be applied to taxable income not exceeding AED 375,000 or to certain types of entities, as prescribed by way of a Cabinet Decision.

The management is currently assessing the impact of these laws and regulations and will apply the requirements as further guidance is provided by the relevant tax authorities.

35 IFRS Sustainability Disclosure Standards

On 26 June 2023, the International Sustainability Standards Board (ISSB) published first two IFRS Sustainability Disclosure Standards at the IFRS Foundation Conference 2023:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information - IFRS S1 sets out overall requirements with the objective to require an entity to disclose information about its sustainability related risks and opportunities that is useful to the primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

- IFRS S2 Climate-related Disclosures - IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

Subject to adoption by the local jurisdiction, both Standards are effective for annual periods beginning on or after 1 January 2024, with substantial transitional reliefs to allow preparers more time to align reporting of sustainability related financial disclosures and financial statements.

36 Approval of consolidated financial statements

The consolidated financial statements were approved by management and authorised for issue by the Board of Directors on 7 February 2024.

CORPORATE GOVERNANCE REPORT 2023

ABU DHABI AVIATION

Index

Contents	Page No.

T: +971 2 575 8000 www.ada.ae P.O. Box 2723
F: +971 2 575 7775 info@ada.ae Abu Dhabi, UAE

Abu Dhabi Aviation and its subsidiaries attach great importance to corporate governance and its pivotal role in strengthening its leading position at the local and global levels, by committing to establishing a corporate culture that motivates board members, managers, and employees to adhere to the general principles of sound professional conduct. Corporate governance includes a set of regulations and legislations that regulate the professional relationship between the company's management, its board of directors, shareholders, and other partners.

Corporate governance also provides the general framework through which the company's objectives are set, mechanisms for achieving these goals are determined, and performance is monitored and followed. Good corporate governance is not an end in itself, but rather a means and approach to activate sound professional practices in the company and the aviation sector in general, hence the importance of good governance in consolidating confidence in the market and ensuring the establishment of principles of integrity at work.

1. Statement of procedures taken to complete the corporate governance system during 2023 and method implemented thereof

Abu Dhabi Aviation's governance framework is in accordance with the laws and regulations set by the UAE Securities and Commodities Authority, including the Decision of the Board of Directors of the Securities and Commodities Authority No. (3/R.M) for 2020 Concerning Approval of Joint Stock Companies' Governance Guide, and the company is keen to continue to comply with all applicable laws, regulations, and directives issued by the Securities and Commodities Authority and the Abu Dhabi Securities Exchange

Abu Dhabi Aviation management continues to apply governance rules effectively and in a transparent manner based on the board's responsibility to the company's shareholders, protecting and enhancing the value of shareholders' rights through:

- The Board of Directors held five meetings in 2023 with the obligation to disclose to the Abu Dhabi Securities Exchange the dates and results of those meetings.

- The committees of the Board of Directors exercised their functions optimally, where the Audit Committee held five meetings, the Nominations and Remuneration Committee held four meetings and the Investment Committee held one meeting, while the Insiders' Trading, Follow-up and Supervision Committee held one meeting, and during those meetings, the committees carried out their tasks and reported to the Board of Directors the results and recommendations reached by the committees and follow-up implementation.

- The company's management is obliged to disclose quarterly and annual financial statements within the legal period allowed.

2. Statement of ownership and transactions of Board of Directors members and their spouses, and children in the company securities during 2023

Board members abide by the provisions of article 17 of Cabinet Resolution No. (12) Of 2000 Concerning the Regulation as to the Listing of Securities and Commodities, and furthermore, the article (36) of the Decision of the Board of Directors of the Securities and Commodities Authority No. (3) For 2000 Concerning the Regulations of Disclosure and Transparency is being followed, it also adheres to article (14) of the Board of Directors of the Securities and Commodities Authority No. (2) of 2001 Concerning the Regulation of Trading, Clearing, Settlement, Transfer of Ownership, and Custody of Securities, in addition to the trading control procedures issued by the Abu Dhabi Securities Exchange by obtaining the required approvals from the relevant regulatory authorities and complying with the transaction directives and prohibition periods as specified in this article. Furthermore, all members of the Board of Directors are obliged to disclose annual trading in the company's shares on their own account and to the account of their spouses and children.

The table below contains the statement of ownership of the Board of members (including their spouses and children) of the Company's shares as of 31 December 2023

#	Name	Position/Kinship	Owned shares as on 31 December 2023	Total sales during 2023	Total purchases during 2023
1	Nader Ahmed Mohamed Al Hammadi	Chairman	229,336	-	-
	First-degree relatives	Chairman's Spouses	50,600	-	-
	First-degree relatives	Chairman's Son	4,500	-	-
2	Sheikh Ahmed Mohammed Sultan Aldhaheri	Vice Chairman	50,000	-	-
	First-degree relatives	Vice Chairman's Spouses	100,511	-	-
3	Homaid Abdulla Ali Al Shimmari	Board Member	-	-	-
4	Abdulla Seddiq Mohamed Al Khoori	Board Member	-	-	-
5	Mohamed Khalil Foulathi Al Khoori	Board Member	-	-	-
6	Mansour Mohamed AlMulla	Board Member	-	-	-
7	Saeed Ali Albedwawi	Board Member	-	-	-
8	Ahmed Salem Obaid Aldhaheri	Board Member	-	-	-
9	Elena Sorlini	Board Member	-	-	-

3. Formation of the Board of Directors

According to the company's Articles of Association, the Board of Directors is composed of nine members. The current Board was reconstituted by the company's shareholders during the General Assembly Meeting on April 27, 2023.

The following table shows a list of the members of the Board and some information about them:

Name	Position	Category
H.E. Nader Ahmed Mohamed Al Hammadi	Chairman	Non-Executive/Non-Independent
Sheikh Ahmed Mohammed Sultan Aldhaheri	Vice Chairman	Non-Executive/Non-Independent
H.E. Homaid Abdulla Ali Al Shimmari	Board Member	Non-Executive/Non-Independent
Mr. Abdulla Seddiq Mohamed Al Khoori	Board Member	Non-Executive/Non-Independent
Mr. Mohamed Khalil Foulathi Al Khoori	Board Member	Non-Executive/Independent
Mr. Mansour Mohammed AlMulla	Board Member	Non-Executive/Independent
Mr. Saeed Ali Albedwawi	Board Member	Non-Executive/Independent
Mr. Ahmed Salem Obaid Aldhaheri	Board Member	Non-Executive/Independent
Ms. Elena Sorlini	Board Member	Non-Executive/Independent

T: +971 2 575 8000
F: +971 2 575 7775
www.ada.ae
info@ada.ae
P.O. Box 2723
Abu Dhabi, UAE

Board of Directors Profiles

H.E Nader Ahmed Mohamed Al Hammadi
Chairman
Member since: 2008
Category: Non-Executive/ Non-Independent

Experience and Qualifications:

H.E. Nader Ahmed Mohamed Al Hammadi holds a Bachelor of Science in Aviation Electronics (Avionics) from Embry Riddle Aeronautical University in Florida, USA. He Post-graduated in Engineering Business Management from Warwick University in London, UK in 2002 and participated in "The Advanced Management Programme" held at INSEAD in Fontainebleau, France in March 2007. Al Hammadi has more than 30 years' work experience which includes 15 years in managing public and private joint-stock companies covering several sectors, including real estate investment and aviation management as well as his experience in the hotel, construction, manufacturing and mining sector.

Positions and Memberships held:

- Chairman of Global Aerospace Logistics (GAL)
- Vice Chairman of Abu Dhabi Airports
- Board Member of Royal Jet
- Board Member of Waha Capital

Sheikh Ahmed Mohammed Sultan Aldhaheri
Vice Chairman
Member since: 1999
Category: Non-Executive / Non-Independent

Experience and Qualifications:

Sheikh Ahmed Mohammed Sultan Aldhaheri holds a Bachelor's of Civil Engineering from the University of the Emirates. He formerly served as an Executive Director at the Department of Municipal Affairs and Transport.

Positions and Memberships held:

- Vice Chairman of Abu Dhabi National Hotels
- Board Member of Emirates Telecommunications Group
- Board Member of First Abu Dhabi Bank
- Board Member of Al Dhafra Insurance Company
- Board Member of Abu Dhabi National Beverages Company (Pepsi Cola)
- Board Member of Al Dhaheri Group

Mansour Mohammed AlMulla
Board Member
Member since: 2023
Category: Non-Executive / Independent

Experience and Qualifications:

Mansour holds a Bachelor of Science in Business Administration from Portland State University in the USA. Mansour's professional career included successful tenures in several leadership positions at leading corporations, including most recently as Managing Director & Chief Executive Officer of the EDGE Group. Prior to this, Mansour was the Group Chief Investment Officer at ADQ and served as the Chief Financial Officer of the Petroleum & Petrochemicals Platform at Mubadala.

Positions and Memberships held:

- Deputy Group Chief Executive Officer -ADQ
- Board Member - Abu Dhabi National Energy Company PJSC (TAQA)
- Board Member - Abu Dhabi Ports Company PJSC
- Board Member - Abu Dhabi Global Market
- Board Member - Etihad Aviation Group PJSC

H.E. Homaid Abdulla Ali Al Shimmari
Board Member
Member since: 2011
Category: Non-Executive / Non-Independent

Experience and Qualifications:

H.E. Homaid Abdulla Al Shimmari holds a Bachelor's degree in Aviation Engineering from Embry-Riddle Aeronautical University, USA, and holds a Black Belt in Six Sigma from General Electric. He formerly served in the Air Force of the Armed Forces of the United Arab Emirates as a Lieutenant-Colonel and served as the CEO of the Aerospace and Engineering Services platform in Mubadala.

Positions and Memberships held:

- Deputy Group CEO and Chief Corporate & Human Capital Officer in Mubadala Investment Company
- Chairman of Maximus Air
- Chairman of Solutions Plus
- Vice Chairman of the Board of Trustees– Khalifa University
- Member of the Mubadala Investment Committee
- Board Member of Al Waha Capital (PJSC)
- Member of the Management Committee in Mubadala Investment Company

Ahmed Salem Obaid Aldhaheri
Board Member
Member since: 2023
Category: Non-Executive / Independent

Experience and Qualifications:

Mr. Ahmed Salem Obaid Aldhaheri holds a Master's Certificate in Project Management from George Washington University and an Executive MBA with Honors from UAE University. He earned a Bachelor of Science degree in Industrial Engineering from the University of Miami.
He formerly served as the Chief Commercial Officer of Emirates Steel, Director-Projects at General Holding Corporation (GHC), Deputy General Manager at Grand Mills – Agthia, and Director at the General Industry Corporation (GIC)

Positions and Memberships held:

- CEO of National Petroleum Construction Company
- Chairman of NTS Group Middle East
- Chairman of National Petroleum Construction Company Engineering Ltd.
- Vice Chairman of Global Aerospace Logistics
- Vice Chairman of AMMROC
- Board Member of PRINCIPIA France
- Board Member of Gordon Technologies

Saeed Ali Albadwawi
Board Member
Member since: 2023
Category: Non-Executive / Independent

Experience and Qualifications:

Mr. Saeed Ali Albadwawi holds a Bachelor's degree in Science and Management from Abu Dhabi University. A graduate of Zayed Military College, he has completed several courses in the field of work and possesses experience in business management and development, project management, and risk assessment. He is a former member of Abu Dhabi Air Sports Club and Hatta Sports Club.

Abdulla Seddiq Mohamed Al Khoori
Board Member
Member since: 1999
Category: Non-Executive / Non-Independent

Experience and Qualifications:

Mr. Abdulla Seddiq Mohamed Al Khoori holds a Bachelor's degree in Science from South Eastern University, United States of America. He formerly held the position of Senior Financial Controller at Abu Dhabi Distribution Company and served as a Board Member of the National Hotels Company.

Elena Sorlini
Board Member
Member since: 2023
Category: Non-Executive / Independent

Experience and Qualifications:

Ms. Elena Sorlini holds a Bachelor's degree in Business Administration, majoring in Planning and Control from Bocconi University, Italy, and also holds a Master's degree in Corporate Finance from Bocconi University, and an Executive Master of Business Administration (EMBA) from Copenhagen Business School. Formerly, she served as VP of Strategic Planning at Oman Aviation, Director of Strategy at Copenhagen Airports and VP at Macquarie Airports.

Positions and Memberships held:

- Managing Director and Interim Chief Executive Officer at Abu Dhabi Airports
- Executive Director at ADQ
- Board Member of Etihad Airways
- Board Member of ADQ Aviation and Aerospace Services
- Board Member of AMMROC
- Board Member of GAL
- Board Member of Peninsula RE

Mohamed Khalil Foulathi Al Khoori
Board Member
Member since: 2020
Category: Non-Executive / Independent

Experience and Qualifications:

Mr. Mohamed Khalil Foulathi Al Khoori holds a Bachelor's degree in Business Administration (Real Estate Finance Concentration), Higher Diploma in Business and Management - Financial Services from the Higher Colleges of Technology in the United Arab Emirates and is a Chartered Financial Analyst (CFA). He is currently vice president of private investments at SHUAA Capital. Formerly, he worked at the Abu Dhabi Investment Council and the Abu Dhabi Pensions Fund.

Positions and Memberships held:

- Board Member of Al Dhabi Investment Company PJSC
- Board Member of NCM Investment Company

B- Women's Representation at the Board of Directors for the year 2023

With 11% female representation on the Board of Directors and in line with the company's commitment to gender diversity, Abu Dhabi Aviation is proud to have a woman represented on the Board. The company is actively seeking to appoint more female employees in all areas of its work.

C. Remuneration of the Board Members

1. Total remuneration paid to the Board for 2022

The General Assembly approved the granting of remuneration to the members of the Board of Directors for the year 2022 with a total value of AED 13,979,446.

2. **The value of the proposed remuneration for the members of the Board of Directors for the year 2023**

It is proposed that the Board of Directors' remuneration for the year 2023 be set at a total amount of AED 13,979,446. This proposal will be presented to the Company's shareholders at the upcoming Annual General Assembly for approval.

3. Details of allowances, salaries, or additional fees received by the Board Members other than committee Attendance Allowances and Reasons thereof

None

4. Details of Allowances for Attending Meeting of Committees Emanating from the Board received by the Board Members for the fiscal year 2023

Attending Meeting of Committees Emanating from the Board of Directors

Name	Committee Name	Position	Number of meetings	Total Allowance Value (AED)
Sheikh Ahmed Mohammed Aldhaheri	Audit Committee	Chairman of the Committee (formerly)	1	15,000
Mr. Ahmed Ali Khalfan Aldhaheri	Audit Committee	Member (formerly)	1	10,000
Mr. Abdulla Seddiq Mohamed Al Khoori	Audit Committee	Member (formerly)	1	10,000
Mr. Mansour Mohammed AlMulla	Audit Committee	Chairman of the Committee	4	60,000
Mr. Mohammed Khalil Foulathi Al Khoori	Audit Committee	Member	4	40,000
Mr. Mohammed Adnan Sharafi	Audit Committee	External Member	2	20,000

Name	Committee Name	Position	Number of Meetings	Total Allowance Value (AED)
Sheikh Ahmed Mohammed Aldhaheri	Nomination and Remuneration Committee	Chairman of the Committee (formerly)	2	30,000
Mr. Ahmed Ali Khalfan Aldhaheri	Nomination and Remuneration Committee	Member (formerly)	2	20,000
Mr. Abdulla Seddiq Mohamed Al Khoori	Nomination and Remuneration Committee	Member (formerly)	2	20,000
Mr. Ahmed Salem Obaid Aldhaheri	Nomination and Remuneration Committee	Chairman of the Committee	2	30,000
Mr. Saeed Ali Albadwawi	Nomination and Remuneration Committee	Member	2	20,000
Ms. Elena Sorlini	Nomination and Remuneration Committee	Member	1	10,000

*** Note: The Board did not allocate an allowance to its members for meeting attendance.**

C. Number of Board meetings held during the fiscal year 2023 along with their convention dates, personal attendance times of all members, and members attending by proxy

Meeting No.	Date of Meeting	Number of Attendees	Number Attendees by Proxy	Names of absent members
1	28 February 2023	9	None	None
2	22 March 2023	8	None	Mr. Abdel Moneim Al-Kindi did not attend the meeting due to prior commitments on that date.
3	09 May 2023	8	None	Mr. Saeed Albadwawi did not attend the meeting due to prior commitments on that date.
4	08 August 2023	9	None	None
5	07 Nov 2023	9	None	None

***Note: The Board of Directors was reconstituted through the elections that took place during the General Assembly on April 27, 2023**

D. Number of Board resolutions passed by circulation during the fiscal year 2023

The Board issued a single resolution by circulation during the fiscal year 2023, approving the following:

1. Appointing the Chairman and Vice-Chairman of the Board of Directors for the coming period.
2. Authorize the Chairman of the Board of Directors to represent the Company, and to act and sign on behalf of the Company all matters and transactions that can be carried out or that the Company undertakes to conduct.

E. Statement of Board duties and powers exercised by Board members or the executive management members during 2023 based on the an authorization from the Board

The Board of Directors and Executive Management have different responsibilities, where the Board of Directors sets the framework for executive management, who in turn is responsible for the company’s day-to-day. The Board sets the company’s vision, strategic goals, and objectives, provides oversight of its management and holds management accountable for its implementation. The senior executive management acts within the delegation of authorities and limits set by the Board.

The General Manager, Deputy General Manager, Chief Financial Officer and Executive Director of the Company shall conduct the day-to-day business in accordance with the best governance practices, statute provisions and powers delegated to it by the Board of Directors by a valid agency for the General Manager for a three-year period ending December 08, 2024, and the Board and executive management have authorized the following:

General Manager, Deputy General Manager and Chief Financial Officer

- Carrying out all transactions with all government departments, including the right to submit and receive documents and to refer to all relevant entities.
- Signing before all governmental, federal and local authorities, public and private corporations, and legal responsibility according to the limits
- Setting goals and monitoring the overall implementation and performance of the company.
- Periodic review of the company's organizational and functional structures and their adoption in accordance with the company's internal credit matrix.
- Specific amounts of money are signed in partnership between the General Manager, deputy general manager and chief financial officer in accordance with the company's approved financial matrix.
- Conducting day-to-day business in accordance with the best practices of the governance system and the powers delegated by the board of directors.

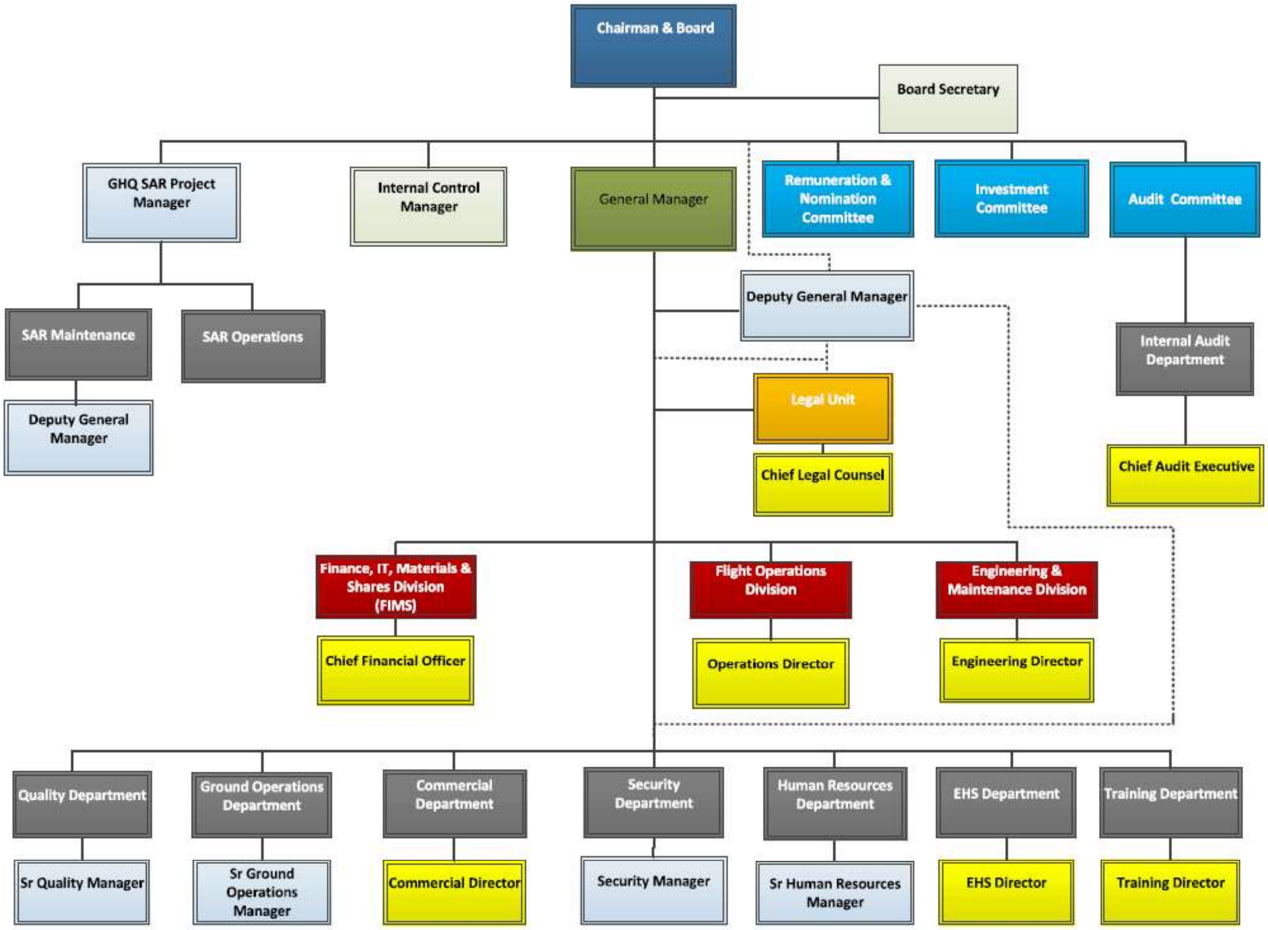
D- Details of Transactions carried out between the Related Parties (Stakeholders) during the year 2023

Abu Dhabi Aviation follows the rules and regulations of the Securities and Commodities Authority on the definition of related parties and transactions in general. In particular, those related to SCA’s Board of Directors Decision No. (3/R.M) of Concerning Approval of Joint Stock Companies’ Governance Guide.

Transactions between the Group Companies and Related Parties during the Year 2023 (AED)			
Transaction Type	**Related Parties**	**Service Type**	**Grand Total (AED 000)**
Services provided to Related Parties by Royal Jet L.L.C.	Presidential Flight Authority Abu Dhabi Aviation	Aviation Services	91,054
Sums due by Related Parties through Royal Jet L.L.C.	Presidential Flight Authority Other Entities	Aviation Services	36,565
Sums due to Related Parties through Royal Jet L.L.C.	Presidential Flight Authority	Aviation Services	10,000
Aviation Services provided to Related Parties by Abu Dhabi Aviation	Agusta Westland Aviation Services Company Presidential Flight Authority	Aircraft Part Maintenance Management and Maintenance of Fixed Wing Aircraft	84,938
Sums due by Related Parties through Abu Dhabi Aviation	Agusta Westland Aviation Services Company	Aircraft Part Maintenance	8,244
Sums due to Related Parties through Abu Dhabi Aviation	Agusta Westland Aviation Services Company	Supply and Repair of Aircraft Parts	35,601
Services provided to Related Parties through Maximus Aviation	Presidential Flight Authority	Aviation Services	-
Salaries and Other -Short Term Benefits to Senior Management Staff	Abu Dhabi Aviation Staff Royal Jet Staff Maximus Aviation Staff	Salaries and Benefits	21,111
Board Member fees	Abu Dhabi Aviation Royal Jet Maximus Air Abu Dhabi Aviation Training Center - ADATC Herbal Hill Gardens Limited ADA Millennium Consulting ADA International Real Estate	Board Members fees	27,409
Provisions for End-of-Service Gratuity of Senior Management Staff	Abu Dhabi Aviation Staff Royal Jet Staff Maximus Aviation Staff	Provisions for End-of-Service Gratuity of Senior Management Staff	1,421

T: +971 2 575 8000 F: +971 2 575 7775 www.ada.ae info@ada.ae P.O. Box 2723 Abu Dhabi, UAE

i. The Company Full Organizational Structure



T- Detailed Statement of the Senior Executives in the First and Second Ranks of the company, their Positions, Dates of Appointment, Total Salaries and Bonuses paid them during the year 2023

Position	Date of Appointment	Total Salaries and Allowances Paid for the year 2023 (Dirham)	Total Bonuses Paid for year 2023 (Dirham)	Any other cash/in kind Remuneration for the year 2023 or Fall Due in the Future
General Manager	07/11/1988	1,878,000	Not determined yet	None
Deputy General Manager	06/07/2004	1,607,821	Not determined yet	None
ADATC Managing Director	08/10/2006	1,664,758	Not determined yet	None
Chief Financial Officer	08/05/2009	1,455,309	Not determined yet	None
Engineering Director	02/07/2017	1,137,230	Not determined yet	None
Operations Director	14/09/1997	1,203,057	Not determined yet	None
Commercial Director	24/04/2017	1,063,675	Not determined yet	None
Chief Audit Executive	01/03/2009	1,229,420	Not determined yet	None
Chief Legal Counsel and Head of Contracts	02/04/2017	848,294	Not determined yet	None
Quality Director	04/09/2016	900,868	Not determined yet	None
Training Director	30/06/2004	955,588	Not determined yet	None
Environment, Health and Safety Director	15/03/2003	924,084	Not determined yet	None
Senior Human Resources Manager	14/08/2002	961,380	Not determined yet	None

4. External Auditor

A. Profile of the Company's Auditor to Shareholders

In accordance with Article (245) Federal Decree-Law No. (32) of 2021 regarding Commercial Companies, Chapter Seven (of the General Provisions) and the Governance Rules issued by the Securities and Commodities Authority, the General Assembly of Abu Dhabi Aviation Company shall appoint an external auditor for a period of (1) fiscal year based on the recommendations issued by the Audit Committee and the Board of Directors, provided that his appointment period does not exceed (6) six consecutive years, provided that the partner responsible for the company's audit work is changed after the end of (3) three financial years.

The General Assembly shall evaluate the performance of the external auditors and approve their reappointment and remuneration. The External Auditors attend the General Assembly Meeting to submit their reports and respond to any inquiries of shareholders. In accordance with International Standards on Auditing, the external auditor conducts an audit of the Company's financial statements. Quarterly and yearly and raises Reports To the Board of Directors and the General Assembly in accordance with the laws followed in the United Arab Emirates. On 27 April 2023, the General Assembly reappointed "Deloitte & Touch" for a total audit fee of 210K AED and the responsible partner has been changed.

B. Statement of fees and costs for the audit or services provided by the external auditor

Audit Firm Name	Deloitte & Touche (Middle East)
Partner Auditor Name	Mr. Monah Abu-Zaki
Number of Years Spent as External Auditor of The Company	5 Years
Number of Years Spent By The Partner Auditor Auditing the Company Accounts	2 Years
Total Fee for the Audit and (Interim and Annual) Financial Statements Review for the Year 2023 (AED)	AED 210,000
Fees and Costs of other Special Services other than Financial Statements Audit for the Year 2023 (AED)	AED 75,000
Details and Nature of Other Services Provided (if any), but if no other services were provided, please state expressly	Provide Reasonable Assurance Of Internal Financial Controls Over Financial Reporting
Statement of Other Services provided by an External Auditor other than the Company External Auditor during the year 2023 (if any), and if none please state expressly	Ernst & Young Middle East (Abu Dhabi Branch) Financial And Tax Due Diligence And Valuation Of 3 Companies

No reservations were made by the Auditors of the Company regarding the interim and annual financial statements for the year 2023.

5. Audit Committee

A. Mr. Mansour Mohamed AlMulla, Chairman of the Audit Committee, acknowledges his responsibility for the Committee system in the company, for his review of its working mechanism, and for ensuring the committee efficiency.

B. Names of the Audit Committee Members

- Mr.Mansour Mohamed AlMulla	Chairman of the Committee
- Mr. Mohamed Khalil Foulathi Al Khoori	Member
- Mr.Mohammad Adnan Sharafi	External Member

Terms of Reference & Tasks of the Audit Committee:

1. Reviewing the Company financial and accounting policies and procedures

2. Monitoring the accuracy of the Company financial statements and reports (annual, semi-annual and quarterly) and reviewing the same as part of their regular duty during the year. The Audit Committee particularly focuses on the following:

- Any changes in accounting policies and practices
- Highlighting aspects that are subject to the Management discretion
- Material adjustments resulting from the audit
- Assuming the continuity of the Company business
- Complying with the accounting standards set by the Authority
- Comply with the listing and disclosure rules and other legal requirements related to the preparation of financial reports

3. Coordination with the Company's Board, the Executive Management, Chief Audit Executive, Financial Director or the Director in charge of the same duties in the Company, in order to perform its duties

4. Reviewing any important and unusual items, received or that must be included in such reports and accounts, and granting the necessary attention to any issues raised by the Company Financial Director, the Manager in charge of the same duties, the Compliance Officer or the Auditor

5. Submitting a recommendation to the Board of Directors regarding the selection, resignation, or dismissal of the Auditor, and in the event that the Board does not agree to the recommendations of the Audit Committee in this regard, the Board must include in the Governance Report a statement explaining the recommendations of the Audit Committee and the reasons that led the Board not to take them into account

6. Establishing and implementing the contracting policy with the Auditor, and submitting a report to the Board specifying the issues it deems necessary to take action on, and providing its recommendations for the measures to be taken

7. Ensuring that the Auditor fulfills the conditions stipulated in the laws, regulations and decisions in force, and in the Company Articles of Association, and following-up on and monitoring its independence

8. Meeting with the Auditor of the Company accounts without the presence of any member of the Senior Executive Management or their representatives, at least once a year, and discussing with them the nature and scope of the audit process and the scope of its efficiency in accordance with the approved auditing standards

9. Discussing all matters related to the Company Auditor task, its work plan, its correspondence with the Company, its notes, suggestions, reservations, and any fundamental inquiries that the Auditor raises to the Senior Executive Management regarding accounting records, financial accounts or control systems, following up on the Company Management response thereto and providing the necessary facilities for the Auditor to carry out its duties

10. Ensuring that the Board responds in a timely manner to the inquiries and substantial issues included in the Auditor letter

11. Reviewing and evaluating the Company Internal Audit and Risk Management Systems

12. Discussing the Internal Audit System with the Board, and ensuring that it fulfills its duty to establish an efficient Internal Control System

13. Reviewing the results of the main investigations in the internal audit matters assigned thereto by the Board or carried out on the initiative of the Committee and the approval of the Board

14. Reviewing the Auditor evaluation of the internal audit procedures and ensuring that there is coordination between the Internal Auditor and the External Auditor

15. Ensuring the availability of the necessary resources for the internal audit function, and reviewing and monitoring the efficiency of that division

16. Reviewing the internal audit reports and following- up on the implementation of corrective measures to the observations mentioned therein

17. Putting in place controls that enable the Company employees to confidentially report any potential violations in the financial reports, internal audits, or other issues, and measures ensuring the organization of independent and fair investigations of such violations

18. Monitoring the Company compliance with the rules of professional conduct

19. Reviewing the dealings of the relevant parties with the Company and ensuring that there are no conflicts of interest, and making recommendations in this respect to the Board before such dealings are entered into

20. Ensuring the implementation of business rules related to its duties and the powers entrusted thereto by the Board

21. Submitting reports and recommendations to the Board on the abovementioned issues

22. Looking into any other issues determined by the Board

C. Audit Committee Meetings during 2023

Meeting No.	Meeting Date	Number of Attendees	Names of Absent Members
1	28 February 2023	3	None
2	18 May 2023	3	None
3	25 July 2023	2	Mr. Mohammad Sharafi apologized for attending
4	01 Nov 2023	2	Mr. Mohammad Sharafi apologized for attending
5	20 November 2023	3	None

6. Nomination and Remuneration Committee

A. Mr. Ahmed Salem Obaid Aldhaheri, Chairman of the Nomination and Remuneration Committee, acknowledges his responsibility for the Committee system in the company, for his review of its working mechanism, and for ensuring the committee efficiency.

B. Names of the members of the Nomination and Remuneration Committee

- Mr. Ahmed Salem Obaid Aldhaheri — Chairman of the Committee
- Mr. Saeed Ali Albadwawi — Member
- Ms. Elena Sorlini — Member

Terms of Reference & Tasks assigned thereto:

1. Laying down a nomination policy for membership of the Board and the Executive Management, aiming to take into account the diversification of the sexes by qualifying and encouraging women by means of incentive and training incentives and programs, and to provide the Authority with a copy of this policy and any amendments thereto

2. Organizing and following-up on nomination procedures for membership of the Board in accordance with the laws and regulations in force and the provisions of this resolution

3. Ensuring the constant independence of independent members

4. Preparing the policy related to the granting of rewards, benefits, incentives and salaries to the members of the Company's Board and Staff, and reviewing the same annually. The Committee must verify that the rewards and benefits granted to the Company Senior Executive Management are reasonable and in line with the Company performance

5. Reviewing on an annual basis the appropriate skills required for the membership of the Board and preparing a description of the capabilities and qualifications needed for such membership, including determining the time that the member should allocate to his work on the Board

6. Reviewing the structure of the Board and making recommendations regarding the changes that can be made

7. Determining the competencies and skills required for the Company at the level of Senior Executive Management and Staff and the basis for their selection

8. Preparing the Company Human Resources and Training Policy, monitoring its implementation and reviewing it annually

C. Nomination and Remuneration Committee meetings during the year 2023

Meeting No.	Meeting Date	Number of Attendees	Names of Absent Members
1	28 February 2023	3	None
2	13 April 2023	3	None
3	31 August, 2023	2	Ms. Elena apologized for attending
4	06 October 2023	3	None

7. Insiders' Trading, Follow-up and Supervision Committee

a. Mr. Mansour Mohamed AlMulla, Chairman of the Committee, acknowledges his responsibility for the Insiders' Trading, Follow-Up and Supervision System in the Company, for his review of its working mechanism, and for ensuring the Committee efficiency

b. Names of the Insiders' Trading, Follow-up and Supervision Committee Members

- Mr. Mansour Mohamed AlMulla — Chairman of the Committee
- Mr. Mohamed Khalil Foulathi Al Khoori — Member
- Mr. Mohamed Adnan Sharafi — Member

Terms of Reference & Tasks assigned thereto:

1. Managing, following-up and supervising insider transactions, their shareholdings, and keeping a special register for them

2. Keeping a special and comprehensive register that includes the names of permanent and temporary insiders, and of those who are entitled to have access to the Company internal information before publication

3. Keeping official declarations of permanent and temporary insiders having access to the Company internal information

4. Submitting periodic reports on insider transactions to Abu Dhabi Securities Exchange

5. Notifying all insiders of the required controls and legal liability by way of having them deliver and sign official declarations

Summary of the Committee Work Report during the year 2023

During the year 2023, the Committee updated the Insider Register and circulated the rules for their dealings. The Committee also announced the periods during which the insiders had to stop dealing trading in the Company shares, in addition to signing official declarations confirming their possession of private internal data and information and their pledge to assume legal liability for any leakage.

8. Any other Committee(s) approved by the Board of Directors

- **Investment Committee**

a. Sheikh Ahmed Mohammed Sultan Aldhaheri, Chairman of the Investment Committee, acknowledges his responsibility for the Committee system in the company , for his review of its working mechanism , and for ensuring the committee efficiency.

b. Names of the e Investment Committee Members

- Sheikh Ahmed Mohammed Sultan Aldhaheri — Chairman of the Committee
- Mr. Abdulla Seddiq Mohamed Al Khoori — Member
- Ms. Elena Sorlini — Member

Terms of Reference & Tasks assigned thereto:

The Investment Committee is specialized in discussing, studying, analysing and submitting the available investment opportunities to the Board of Directors, supported by detailed information, thorough scientific analysis and sufficient justifications with recommendations to help the Board make the appropriate investment decision, ensuring at every time that the investment is balanced between investment integrity, profitability and ease of liquidity in the medium and long-term.

c. Investment Committee Meetings during 2023

Meeting No.	Date of the meeting	Number of attendees	Names of absent members
1	19 September 2023	3	None

d. The Board of Directors has allocated allowances for attending Investment meetings as follows:

Chairman of the Committee:	**AED 15,000**
Member:	**AED 10,000**

- **Business Strategic Development and Risk Mitigation Committee**

A. H.E. Nader Ahmed Mohamed Al Hammadi, Chairman of the Risk Committee, acknowledges his responsibility for the Committee's system in the company and for reviewing its mechanism and ensuring its effectiveness.

b. Names of Committee Members

- H.E Nader Ahmed Mohamed Al Hammadi	Chairman of the Committee
- H.E Homaid Abdulla Ali Al Shimmari	Member
- Ms.Elena Sorlini	Member

- **Among its competencies and tasks entrusted to it**

1. Develop a comprehensive risk management strategy and policies that are consistent with the nature and size of the company's activities, monitor their implementation, review and update them based on the company's internal and external variable factors.
2. Identify and maintain an acceptable level of risk that the Company may face, and ensure that the Company does not exceed this level.
3. Ensure that adequate resources and systems are available to manage risks.
4. Supervise the company's risk management framework and evaluate the effectiveness of the framework and mechanisms for identifying and monitoring risks that threaten the company to identify areas of inappropriateness and adequacy in them.
5. Report to the Board of Directors on a regular basis on the size of the risks to the Company and immediately inform the Board of Directors of any material changes in the size of the risks.
6. Verify the independence of risk management staff from activities that may expose the company to risks.
7. Review any issues raised by the Audit Committee that may affect the Company's risk management.

9. Internal Control System

A. Recognition by the Board of Directors of its responsibility for the company's internal control system and for reviewing its mechanism of action and ensuring its effectiveness

The Board of Directors is responsible for overseeing the company's internal control system and reviewing its effectiveness and efficiency.
This system aims to assess the means and procedures of risk in the company and to apply the rules of governance properly and to verify the commitment of the company and its employees to the provisions of applicable laws, regulations and decisions.

The Internal control Department reports on the extent to which the policies issued by the Board of Directors and its committees are implemented through periodic and annual reports, and the most important objectives, tasks and powers of the Internal Control Department identified by the Board of Directors are as follows:

- Ensure the validity and integrity of the work procedures in all departments of the company.
- Determine the company's compliance with governance requirements and professional conduct rules.
- Ensure that the organizations and companies dealing with the company and employees of the company are committed to applying the rules of governance, institutional discipline and professional behavior.
- Prevent, detect and correct errors and irregularities.
- Ensure that employees comply with the company's laws, regulations and policies.
- Review the means to ensure the integrity of assets and verify the actual existence of the asset.
- Cooperation with the external auditor to implement the general assembly resolutions.
- Executive management cooperates with internal control to achieve the objectives of the Board of Directors.
- Ensure the accuracy and integrity of accounting records so that they can be relied upon in policy-making and senior decisions.

According to the above, the Board of Directors acknowledges its responsibility for the company's internal control system, which has sufficient powers to apply governance rules in all the company's business and achieves transparency and fair accountability.

B- The name of the director of the Internal Control Department and his qualifications and the date of appointment

Mr. Ashraf Fahmy was appointed as the Director of Internal Control in 2009. He holds a Bachelor of Commerce and is a Chartered Accountant, a member of the British Association of Chartered Accountants, and a Microsoft-certified computer systems and applications designer. With over thirty years of experience in the field of corporate accounting, he concurrently serves as the Chief Financial Officer of the company.

C. Compliance officer's name, qualifications and appointment date

Mohsin Khalid was appointed as Compliance Officer in 2018, and he holds a Master's Degree in Professional Accountancy from University of London, Bachelor's Degree in Economics from Punjab University, Certified Internal Auditor (CIA) from the Institute of Internal Auditors, Chartered Certified Accountant (ACCA) from the Association of Chartered Certified Accountants and a UAE Chartered Accountant (UAECA) from Accountants and Auditors Association, UAE. He has more than fifteen years of practical experience in the field of auditing and risk management.

D. How the Internal Oversight Department deals with any major problems with the company or that have been disclosed in annual reports and accounts

Abu Dhabi Aviation's internal control framework aligns with international standards, including the COSO Enterprise Risk Management Framework and the International Standard, ensuring that appropriate measures are taken to identify, assess and mitigate risks. The department is also committed to the highest level of transparency. By maintaining a robust framework to address issues in accordance with international and local rules and regulations and corporate governance principles, the public joint-stock company seeks to mitigate risks, maintain stakeholder confidence, and achieve sustainable success.

The Internal Control Department follows a systematic approach in dealing with reported issues:

Preliminary Assessment: Assessing the nature and severity of the problem, gathering initial information, and evaluating potential risks.

Investigation: Conduct a comprehensive and independent investigation, involve relevant experts when necessary, and document the findings.

Reporting and Escalation: Informing senior management, the audit committee and relevant authorities depending on the nature of the problem.

Corrective Actions: Develop and implement appropriate corrective actions to address the root cause of the problem and prevent its occurrence in the future.

Monitoring: Monitor the implementation of corrective actions, ensure effectiveness, and provide periodic updates to stakeholders.

Preventive monitoring activities aim to deter errors or fraud from occurring in the first place, and include comprehensive documentation and authorization practices. Segregation of duties, an essential part of this process, ensures that no single individual is in a position to delegate, record and maintain the financial transaction and the resulting asset.

In addition, preventive internal controls include limiting physical access to equipment, inventory, cash, and other assets.

Detective controls are backup measures designed to catch items or events that have missed the first line of defense. Here, the most important activity is leveling, which is used to compare data sets. Corrective action is taken when material differences are found. Other investigative controls include external audits from accounting firms and internal audits of assets such as inventory.

The Internal Oversight Department has assessed the company's risk management methods and procedures, reviewed internal policy regulations, ensured that the company's governance rules are applied, continuously verified the company's compliance with laws and decisions, and periodically reported to the Board of Directors. The company supports a whistleblowing policy that allows any employee, customer or supplier to report any financial, professional, legal or ethical irregularities in complete confidentiality.
In order to comply with the rules & regulations, MBG Management Consultancies was appointed to conduct an assurance review on the ICOFR framework of Abu Dhabi Aviation in June 2021 by performing the following:

- Process GAP Analysis was performed
- Risk assessment was carried out based on actual risks posed by the company
- An assessment of controls within the relevant processes and sub processes was performed via sample testing methods.
- Risk Control Matrix (RCM) Register was submitted for entity-level controls as well as for all in-scope business processes.
- Conducted a limited scope Information Technology General Controls (ITGC) review within the context of ICOFR, as highlighted in the ADAA's Resolution referred to earlier.
- Final GAP report was also submitted

MBG could not identify any risk indicator that can be considered significant nor affecting ADA's ability to fairly and objectively report its financial performance, noting that the Company did not face any major problems in 2023.

E - Number of reports issued by the Internal Control Department of the company's Board of Directors

The Internal Control Department has issued one report in 2023

10. Details of violations committed during 2023, explaining their causes, how to address them and avoid recurrence in the future

During the 2023, the company was not subject to any fines or restrictions by the Securities and Commodities Authority or any legal authority in relation to any financial market issue.

11. Statement of the cash and in-kind contributions made by the Company during 2023 in developing the local community and preserving the environment

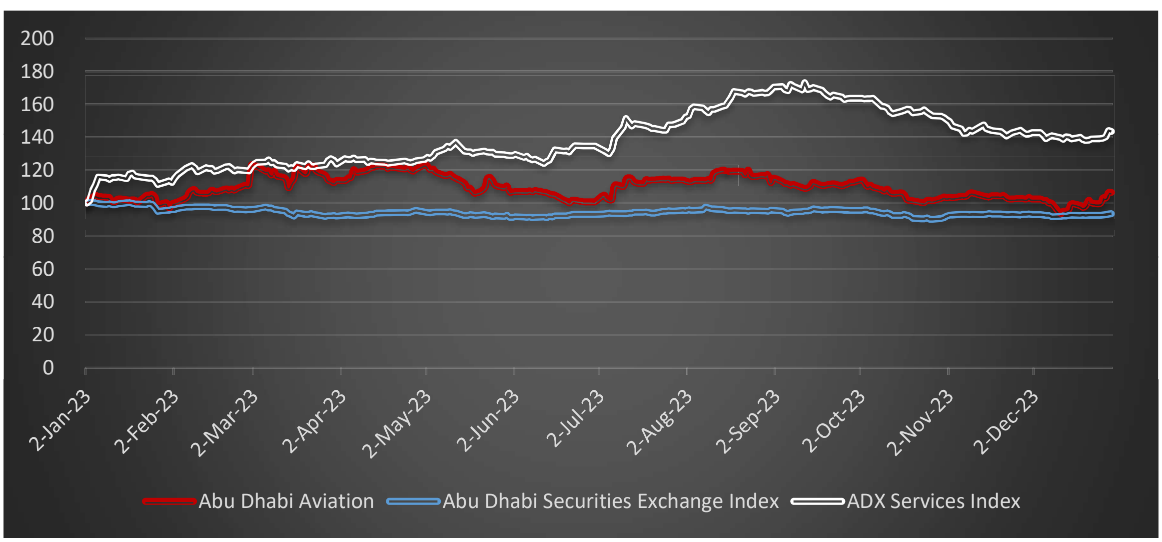
- Participation in Dubai Airshow 2023.
- Participation in Heli conference Dubai.
- Participation in the Dubai Aviation Business Conference.
- Participate in the UAE Tour 2023
- ADA contributed AED 135,600 for sponsorships in Judo and Football, as well as contributions to the Community Magazines.

12. General Information about the Company

A. Statement of the company's share price on the market (closing price - highest price - lowest price) at the end of each month during the fiscal year 2023

Month	Number of Shares Traded	Trading Value	Number of Trades	Highest Price	Lowest Price	Closing Price
01	6,021,300	40,469,637.98	874	7.020	6.230	6.300
02	11,898,403	83,956,188.65	1,379	7.880	6.400	7.200
03	11,478,009	89,162,738.80	2,366	8.500	7.000	7.380
04	2,669,412	20,749,693.21	1,026	8.000	7.300	7.830
05	5,987,427	44,701,417.71	1,705	8.150	6.880	7.040
06	2,175,850	14,762,232.15	576	7.080	6.480	6.540
07	5,820,080	42,242,636.64	1,367	7.860	6.560	7.400
08	4,855,281	36,624,366.30	2,214	7.850	7.300	7.300
09	2,984,455	21,553,773.78	995	7.560	6.980	7.310
10	2,011,710	14,034,289.53	797	7.430	6.500	6.730
11	1,589,368	10,688,422.18	392	6.900	6.640	6.710
12	2,606,156	17,039,933.56	585	6.930	6.000	6.910
Total	60,097,451	435,985,330.49	14,276			

B. A statement of the comparative performance of the company's share with the general market index and the sector index to which the company belongs during 2023



C. Statement of the distribution of shareholders' ownership as at 31/12/2023 (individuals, companies, governments) classified as follows: Local, Gulf, Arab, and Foreign:

Shareholder Classification	Percentage of Shares Owned			
	Individuals	Companies	Government	Total
Local	45.75%	21.96%	30.00%	97.72%
Arabic	0.07%	0.06%	0.00%	0.13%
Foreign	0.16%	2.00%	0.00%	2.16%
Total	**45.98%**	**24.02%**	**30.00%**	**100.00 %**

D. Statement of shareholders owning 5% or more of the company's capital as of 31/12/2023, as per the following table:

Name	Number of Shares Owned	Percentage of Shares Owned by the Company's Capital
Al Mamoura Diversified Global Holding	133,436,160	30.00%

E. Statement of the shareholders' distribution according to ownership size as of 31/12/2023, as per the following table:

Equity Ownership (Shares)	Number of Shareholders	Number of Shares Owned	Percentage of Shares Owned by Capital
Less than 50,000	703	6,747,599	2%
50,000 to less than 500,000	271	44,750,272	10%
500,000 to less than 5,000,000	103	142,092,000	32%
More than 5,000,000	12	251,197,329	56%
Total	**1,089**	**444,787,200**	**100%**

F. A statement of the measures taken regarding investor relations controls

In accordance with the decision of the Chairman of the Board of Directors of the Securities and Commodities Authority No. (03/r m) of 2020 Concerning Approval of Joint Stock Companies' Governance Guide and the decisions and circulars issued by the Authority related to investor relations controls, and out of Abu Dhabi Aviation's keenness to optimally apply the rules and regulations in force in this regard, the company was keen to develop the Investor Relations and enhancing its role, the company has also developed and updated its website fully and accurately, including with regard to the investor relations department, (investor relations page), through which the company seeks to enable investors and those interested to have direct access to the latest information, especially those related to financial statements, annual reports, earnings, share prices and other disclosures and governance.

The Investor Relations page aims to enhance communication channels and encourage the exchange of information in order to enable investors and financial analysts to reach clear insights in accordance with the highest standards of transparency and reliability and provide access to the latest information that confirms the extent of commitment to transparency and the application of standards of institutional discipline.

Investor Relations Officer: Ms. Suhaila Mohammed Al Mazrouei Investor Relations Manager

Contact Details:

- Mobile Number: +971 504445116
- Phone: +971 25051177 or +971 25051215
- Fax: +971 25757775
- Email: s.almazrouei@abudhabiaviation.com
- Link to the investor relations page on the company's website: https://ada.ae/investor-relations

A statement of the special resolutions presented at the General Assembly meeting held during 2023 and the measures taken in this regard.

The Company held its General Assembly Meeting on April 27, 2023 in which the shareholders approved the following matters in the form of a special resolution:

1. Approval of the transaction (as described in the letter of shareholders published on the ADX platform and by the company on its website on 31 March 2023).
2. Approval of the Company's issuance of mandatory conversion bonds – as well as the acquisition of the companies set out below related to the issuance of such bonds – for a principal amount of AED 4,003,280,000 to ADQ Aviation & Air Services LLC as the purchase price to be paid by the Company to acquire the following:

a) ADQ Aviation & Air Services LLC's entire share in AMMROC (Advanced Military Maintenance, Repair and Overhaul Center) LLC (AMMROC) amounting to 100 % of AMMROC's capital.
b) ADQ Aviation & Air Services LLC's entire 100% stake in Etihad Airways Engineering LLC, and

c) ADQ Aviation & Air Services LLC has a full stake in Global Aerospace Logistics LLC amounting to 50% of the share capital of Global Aerospace Logistics LLC (collectively, the Relevant Assets).

3. Approval of the conversion of these mandatory bonds to 652,000,000 new shares in the company, and increase the issued share capital of the company to AED 1,096,787,200 Upon conversion of these mandatory bonds, the conversion price of the mandatory bonds will be AED 6.14 per new ordinary share in Abu Dhabi Airlines PJSC, which has been determined on the basis of all technical and financial studies and valuation reviewed by the Board of Directors of Abu Dhabi Aviation PJSC. Each share resulting from the bond conversion will be fully paid. Nominal value of AED 1.

4. Approval of the following resolutions and subsequent amendments to the Company's Articles of Association upon completion of the transaction:

   (A) Increase the Company's issued share capital from AED 444,787,200 to AED 1,096,787,200 subject to the terms and conditions of the transaction as of the effective date of the transaction;

   (B) Amending Article 6 of the Company's Articles of Association to reflect the Company's capital increase described in (a) above, Article 6 shall read as follows:

   "The Company's issued capital is AED 1,096,787,200 (one billion ninety-six million seven hundred eighty-seven thousand two hundred dirhams) distributed over 1,096,787,200 (one billion ninety-six million seven hundred eighty-seven thousand two hundred) shares, with a nominal value of one (1) AED per share, all of which are cash and fully paid up.

   The current text of article 6 is:
   "The company's capital is set at (444,787,200) four hundred forty-four million seven hundred eighty-seven thousand two hundred dirhams distributed over (444,787,200) four hundred forty-four million seven hundred eighty-seven thousand and two hundred shares with a nominal value of (1) one dirham per share paid in full, all of which are cash shares, and all the company's shares of the same category shall be equal to each other in rights and obligations.".

5. Approval of the amendment of the Company's Articles of Association as published on the Company's official website and the Abu Dhabi Securities Exchange website, in accordance with the provisions of Federal Law by Decree No. (32) of 2021 regarding Commercial Companies.

6. Authorize the Board of Directors of the Company, or any person authorized by the Board of Directors, to take any decision in the name of the Company or to take any action that may be necessary and to sign all documents and documents necessary to implement any of the ordinary or special resolutions taken at this meeting, including but not limited to the following: (a) apply for a certificate issued by the Securities and Commodities

Authority to declare the increase in the Company's share capital in connection with the Transaction; (b) Apply for listing The Company's new ordinary shares on the Abu Dhabi Securities Exchange; (c) communicate and negotiate with any person or entity (whether official or otherwise) inside and outside the United Arab Emirates, and take the necessary decisions and procedures to obtain the necessary approvals for the execution of the transaction and (d) negotiate and sign documents relating and/or related to the issuance of bonds and the acquisition of stakes in the companies mentioned in (2) above. As well as authorizing the Board of Directors and whoever is authorized by the Board to approve any change in the proposed Articles of Association that may be requested by the Securities and Commodities Authority or any other regulatory authority or that may require the preparation and ratification of a complete copy of the Company's Articles of Association, including the introduction to the Articles of Association and reference to the resolutions of the Company's General Assembly to amend the Articles of Association.

Name of the Rapporteur of the meetings of the Board of Directors and the date of his appointment

- Name: Mrs. Suhaila Mohammed Al Mazrouei
- Date of appointment: 2012
- Qualifications and Experience: Ms. Al Mazrouei holds a Master's degree in Business Administration from Abu Dhabi University, a Bachelor's degree in Accounting from Al Ghurair University, and a Diploma in Business Administration and Computer Information Systems from Emirates College of Technology. Since 2012 till now.

Statement of its work tasks during the year 2023

- Inform the members of the Board of Directors of the meeting dates and send them the meeting invitations and agenda at least one week before the meeting.
- Remind the members of the Board of Directors of the dates of the periodic meetings and disseminate new information and decisions for their review and approval.
- Prepare the meeting place for the Board with the necessary equipment.
- Record the minutes of the meetings, draft the resolutions issued by the Board of Directors, prepare the relevant drafts and correspondence, edit, print, and audit them, and follow up on their signing and distribution as appropriate.
- Provide the relevant departments with the decisions made.
- Furnish the members of the Council with the decisions issued by the Council.
- Coordinate the meeting dates of the committees emanating from the Board of Directors and collaborate with the chairmen of the committee members to prepare their minutes and present their recommendations and decisions to the Board.
- Provide the competent authorities (Abu Dhabi Securities Exchange and Securities and Commodities Authority) with the records of the Board of Directors' meetings and the results of the meetings, in addition to any other disclosures that may affect the company's shares.
- Communicate with investors and competent authorities, and respond to any questions or inquiries related to the company.
- Perform any other tasks assigned by the Board of Directors.

I. Statement of the major events and important disclosures that the company encountered during 2023.

- **Acquisition of Etihad Airways Engineering 100%, AMARC 100% and GAL 50%**

On April 27, 2023, Abu Dhabi Aviation announced that its shareholders had approved, by a majority vote, the proposed strategic business merger between Abu Dhabi Aviation and three companies under ADQ Aviation and Aerospace Services LLC (ADQ Aviation): Etihad Airways Engineering (100%), AMARC (100%), and GAL (50%). The transaction is expected to be completed in the first quarter of 2024, subject to obtaining the necessary regulatory approvals.

J. Statement of the transactions the company made with the related parties during 2023, equivalent to 5% or more of its share capital.

None

K. Statement of Emiratization Percentage in the company by the end of 2023

Emiratisation Percentage 2021	Emiratisation Percentage 2022	Emiratisation Percentage 2023
9.5%	9.1%	9.4%

L. Statement of the innovative projects and initiatives undertaken by the company "or currently under development" during the year 2023.

None

Nader Ahmed Mohamed Al Hammadi
Chairman of the Board

Signed by:Mansour Almulla
Signed at:2024-03-15 19:01:30 +00:00
Reason:Witnessing Mansour Almulla

Mansour Mohamed AlMulla
Chairman of the Audit Committee

Signed by:ahmed
Signed at:2024-03-18 06:23:19 +00:00
Reason:Witnessing ahmed

Ahmed Salem Obaid Aldhaheri
Chairman of the Nominations and Remuneration Committee

Ashraf Fahmy
Internal Control Manager

Date: 07/03/2024

SUSTAINABILITY REPORT 2023

ABU DHABI AVIATION

طيـــران أبو ظبـــي
ABU DHABI AVIATION

Table of Contents

About This Report

(GRI 2-1, GRI 2-5, G7, G8, G9)

This is Abu Dhabi Aviation (ADA) Group's fourth sustainability report since publishing our inaugural report in 2020.

The report has been developed in full accordance with the Global Reporting Initiative (GRI) sustainability standards and provides an important platform on which to build our sustainability strategy in the coming years, in line with the UAE government's sustainability drive as well as global frameworks such as the Sustainable Development Goals (SDGs).

Reporting Scope and Boundary

The reporting boundary is limited to ADA's operations for the period January 1 to December 31, 2023.

The report is confined to covering our commercial helicopter and fixed wing operator Abu Dhabi Aviation in addition to our wholly owned subsidiaries Maximus Air L.L.C and Abu Dhabi Aviation Training Centre (ADATC) LLC as well as Royal Jet LLC in which ADA holds a 50% stake.

The report is prepared in accordance with the GRI Standards. It identifies our key stakeholders, the topics that are material to our business, and lays out our approach to sustainability.

It details our commitment to operational excellence and health and safety, our talent management strategy, how we manage our environmental footprint, how we add value to the community, and our commitment to responsible business practices.

All ADATC data in the report has been consolidated into ADA's, unless stated otherwise.

Assurance

The report gathers and analyses information provided by all relevant departments of ADA. Data has been validated for accuracy internally.

Forward-looking statements

Forward-looking statements involve uncertainty given the many external factors that could impact ADA's business operations. To that end, the company has no obligation to publicly update or revise forward-looking statements except as required by applicable laws and regulations.

Communication and feedback

Compiling this report is a collaborative process involving many internal stakeholders throughout ADA. We welcome all feedback and suggestions that may help us to improve future reports.

To submit feedback or for any queries please contact us at:

ir@ada.ae

Message from the Chairman

(GRI 2-22)

Progress and Vision for Abu Dhabi Aviation: A New Chapter Unfolding

Over the years, ADA has undergone a transformative evolution, emerging as a multifaceted group that proudly stands as the largest helicopter operator in the Middle East. Our horizons have expanded significantly, encompassing VIP charter services in collaboration with Presidential Flight (via Royal Jet), airfreight transportation facilitated by Maximus Air, a cutting-edge aviation training center through Abu Dhabi Aviation Training Centre, a strategic joint venture (AWAS) with the renowned global helicopter OEM, Leonardo S.p.A., and the establishment of our aviation consulting arm, ADA Millennium.

In our relentless pursuit of diversification and prudent financial management, we have ventured into real estate with ADA International Real Estate (ADAIRE) and strategically positioned ourselves in the capital markets. These strategic moves not only fortify our financial resilience but also position ADA as a dynamic force in various sectors.

Looking ahead, our commitment to sustaining the resilience of our company remains unwavering. This involves ongoing engagement with all key stakeholders, placing the well-being of people at the forefront of our priorities and operations. Foremost in our mission is the safety and satisfaction of both our esteemed employees and valued customers. We are dedicated to adapting to their evolving needs, fostering a workplace that supports individual career ambitions, and actively engaging with the local community.

As we embark on this new chapter, let us embrace the challenges and opportunities that lie ahead. Together, we will navigate the dynamic landscape of the aviation industry and continue to exemplify excellence in all our endeavors.

His Excellency Nader Ahmed Mohamed Al Hammadi
Chairman of the Board of Directors

Thank you for your continued support and dedication to the success of Abu Dhabi Aviation.

Climate Action

As per the International Civil Aviation Organization (ICAO) the aviation sector is responsible for around 2% of total global GHG emissions. However, the sector's share of emissions is expected to grow in the coming years as demand for air travel continues to rise.

ADA is committed to supporting the UAE's goal of achieving Net Zero emissions by 2050, which can only happen if all private sector companies are fully on board and taking action to reduce their emissions.

Climate action is also a priority for ADA from a risk management perspective. These include physical climate risks resulting from changes in weather patterns which could disrupt air travel and damage infrastructure denting demand for air travel.

As for transitional climate risks, the aviation sector is one of those hard to abate business sectors given that it still relies heavily on fossil fuels while alternatives are yet to reach commercial maturity and alternative aircraft technologies are still in the development phase.

As a result, the aviation sector has mostly had to rely on other methods to reduce its carbon footprint, including investing in more fuel-efficient aircraft and implementing more efficient flight patterns, measures which are unlikely to deliver the level of emissions reductions required.

ADA's approach moving forward will be to quantify the impact of climate change on our operations and ensure we have the right strategy in place to adapt and to mitigate this risk. We will look to dynamically be involved in sourcing solutions with our peers and most importantly to ensure that we equip ourselves with the necessary tools to align with the UAE's commitment to net zero by 2050.

Key ESG Highlights

ZERO identified leaks, thefts, or losses of customer data

ZERO fatalities over 1,000,000 helicopter flight hours

90% Employee Engagement Rate at ADA

Over 41,308 Training Hours at ADA or ~28 hours per employee

9.4% Emiratization rate or 137 Nationals employed

396 total volunteer hours


CFP
NONOSE

About ADA

(GRI 2-6, GRI 2-28)

Abu Dhabi Aviation Group (ADA) was established in 1975 by Amiri Decree and started operations in March 1976.

The company is the largest commercial helicopter operator in the Middle East and currently owns and operates a fleet of Leonardo, Bell and Airbus helicopters and Bombardier DHC-8 aircraft.

We provide aviation offshore oil support, as well as VVIP passenger transportation services, search & rescue, crop spraying, aerial photography, seismic support, firefighting, and third-party maintenance support.

The Group continues to expand its business into other markets, including a 50% equity stake in Royal Jet, an international VIP charter airline, and 100% ownership of Maximus Air. In 2016, ADA opened Abu Dhabi Aviation Training Centre (ADATC), a state-of-the-art training simulator facility.

Headquartered in Abu Dhabi, United Arab Emirates (UAE), with international operating locations in the Middle East, Europe and Africa, ADA is 30% owned by the Abu Dhabi government, and currently has approximately 1,000 employees.

The company has exceeded 1,000,000 helicopter flight hours with an enviable safety record.

Our Mission

To provide innovative solutions globally, while exceeding shareholder, customer, and employee expectations

Our Values

- Safety
- Quality
- Customer Focus
- Teamwork
- Integrity & Ethics

Our Goals

- Safety is ADA's top priority & fundamental core value and is never compromised.
- We value innovative, timely, efficient, cost- effective, reliable, and best quality services.
- We are committed to achieving the highest levels of customer satisfaction.
- We value the contribution that our team makes in achieving our mission and we support and encourage teamwork to ensure a high level of competence, expertise, and competitiveness.
- Trust, responsibility, transparency, commitment, and accountability are the pillars of our existence.

Our Vision

One team, propelling ADA safely and profitably into the future

ADA AT A GLANCE

ADA owns and operates a fleet of 66 aircraft comprising:

61 helicopters

- 2 AgustaWestland 169
- 22 AgustaWestland 139
- 22 Bell 412
- 12 Bell 212
- 1 Airbus 135
- 2 Airbus 145

5 fixed wing aircraft

- 2 Bombardier DHC-8-400
- 3 Bombardier DHC-8-300

ADA employs over 1,000 personnel including:

- 148 pilots
- 328 engineers & technicians

ADA Ownership

- 30% - Government of Abu Dhabi through Mamoura Diversified Global Holding PJSC
- 70% UAE Nationals and Foreign Shareholders

The company has exceeded 1 million helicopter flight hours without loss of life.

Major Activities

- Offshore Oil & Gas Support including oil spill containment
- VIP Charters & Air Taxi
- Fire Fighting
- Emergency Medical Services
- Regional Fixed Wing Operations
- Disaster Relief
- External Load
- Aerial Photography

Aviation authority approvals and certifications

General Civil Aviation Authority of the United Arab Emirates (GCAA) - Operator, Maintenance (MRO), Continuing Airworthiness Management Organisation Approval, Type Training
Federal Aviation Administration of the United States of America (FAA) - Maintenance (MRO)
European Union Aviation Safety Agency - Maintenance (MRO)
General Authority of Civil Aviation of the Kingdom of Saudi Arabia (Saudi Arabia) - Operator, Maintenance (MRO)
The Jordanian Civil Aviation Regulatory Commission - Maintenance (MRO)
ISO 9001 for Material Management
IS-BAO Safety certification Stage 3
Abu Dhabi Occupational Safety and Health System
Shell / Exxon / ENI Aviation Service Supplier

Our Journey

1976	ADA formed under Amiri Decree to provide air service support in developing the offshore oil industry
1982	Transfer to full public status. Shareholding split between Government (30%) and Public Shareholders (70%)
1991	Commenced Fixed Wing Operations
1996	Commenced Fire Fighting Operations in Spain
1997	Fleet upgrade to include Bell 412
2000	Opened new facility at Abu Dhabi International Airport
2002	Established Royal Jet in partnership with Presidential Flight
2005	Fleet upgrade to include AW139
2008	Commenced operations in the Far East and South America and acquired 95% of Maximus Air Cargo
2009	Commenced SAR operations in the UAE
2010	Commenced HEMS operations in Saudi Arabia for Saudi Red Crescent Authority
2011	Agusta Westland Aviation Services LLC, a joint venture with Abu Dhabi Aviation, created a leading Helicopter MRO
2015	ADA has 100% ownership in Maximus Air L.L.C.
2016	ADA receives international safety recognition IS-BAO Stage 1 Certification (International Standards for Business Aircraft Operation)
2017	Established the Abu Dhabi Aviation Training Center with two full motion helicopter simulators with other rotary & fixed wing simulators to come
2018	– Bell Aerospace Maintenance & Repair Authorized Service Center – ADA receives International Aviation Safety Recognition IS-BAO Stage 2 Certification (International Standard for Business Aircraft Operations)
2020	– ADA receives International Aviation Safety Recognition IS-BAO Stage 3 Certification (International Standard for Business Aircraft Operations) – ADA announces the opening of its trading of shares to foreign investors at a rate of up to 30% of the company's total nominal shares capital
2021	– ADA has successfully established presence in the African helicopter market by placing 7 total helicopters - ADA expands its fleet capability to the Airbus H145 helicopter
2022	– ADQ offered to combine its shareholdings in AMMROC, Etihad Engineering and GAL into Abu Dhabi Aviation to create a global aviation MRO and services
2023	– Shareholders of Abu Dhabi Aviation have approved the merger offer from ADQ Aviation and Aerospace Services LLC – ADA accomplished two flights with a Leonardo AW139 helicopter powered by aviation fuel blended with SAF (Sustainable Aviation Fuel) in Abu Dhabi, marking a first in the UAE and the Middle East.

ADA GROUPREVIEW

In addition to ADA's helicopter operation presented above, the Group includes the following companies:

Abu Dhabi Aviation Training Centre (ADATC)

Abu Dhabi Aviation Training Centre offers elite pilot training for fixed and rotary wing aircraft using state-of-the-art simulators. The Centre, one of the best in the MENA region, has training simulators for the following aircraft: • AW169 • AW139 • Bell 412 • KingAir350 • Embraer ERJ145	Additional courses offered: • Pilot Initial and Type Rating (Ground and Flight) • Recurrent and Refresher (Ground and Flight) • LOFT • Airframe and Avionics • GCAAEASA and GACA approved courses • GCAAEASA and GACA Examiners • NVG Training • CRM, FirstAid, FireFighting, Dangerous Goods and others

AgustaWestland Aviation Services (AWAS)

AWAS is a joint venture (JV) between ADA (70%) and Leonardo Helicopters (30%) that provides first class services to the Leonardo fleet in the Middle East. Our concept is to bring services to clients so they don't need to send helicopters and components overseas or undertake sophisticated and complex upgrades. AWAS provides services for helicopters that are operated extensively throughout the UAE and the Middle East by Government Authorities, the Armed Forces, commercial operators and individuals.	Services: • AOG • Spare part sales • Tools/Ground support equipment (GSE) • Helicopter upgrades • Customisation • Repair & Maintenance • Safety Equipment

Maximus Air

Operating out of Abu Dhabi Airport, Maximus Air provides end-to-end cargo solutions especially for moving outsized air cargo. The fleet includes an Antonov AN124, the heaviest of heavy weight cargo lifters, capable of carrying 120 tons, which can load and offload independently using onboard systems. We also operate an Ilyushin IL-76 and variety of sub-chartered freighters such as B747 and B777. Maximus Air services clients including the GHQ Armed Forces, Crown Prince Court, Ministry of Foreign Affairs and several other government entities.	Services: • Air Freight • Sea Freight • Land Transport Service-Domestic & International • Cargo Charter (Aircraft and Vessels) • Project Logistics Management • Warehousing & Distribution Services • Cargo Charter (Aircraft and Vessels) • Project Logistics Management • Warehousing & Distribution Services • Exhibition Cargo Service • Heavy Lift/Out of Gauge Transport

Royal Jet LLC

The Royal Jet LLC is a premium private aviation group of companies headquartered in Abu Dhabi and jointly owned by ADA (50%) and Wave One Investment RSC Ltd. (50%). Royal Jet owns and/or operates eight Boeing Business Jets and two Bombardier Global 5000 aircraft (9 of which are owned and 1 leased) in addition to managing aircraft on behalf of aircraft owners. Its employees hold multiple certifications and licenses issued by the UAE General Civil Aviation Authority (GCAA), Guernsey Director of Civil Aviation, and Republic of San Marino Civil Aviation Authority. The Royal Jet LLC is a founding member of the Middle East Business Aviation Association (MEBAA), a member of various other industry associations, and its flight and ground operations are certified by the International Business Aviation Council (IBAC) and under the Wyvern Wingman program. Its Fixed Based Operations (FBO)/VIP Terminal at Abu Dhabi International Airport is also a member of the industry leading Air Elite Network. Royal Jet is a multiple winner of the "World's Leading Private Jet Charter" category at the annual World Travel Awards and its FBO has won multiple awards for its facilities and services.	Services: • Aircraft management • Aircraft charter • Aircraft leasing • Medical evacuation flights • Aircraft brokerage • Flight support services • FBO services • Aircraft maintenance, repair and CAMO services • Aircraft acquisition and disposal services and VIP aviation consulting

ADA Millennium (ADAME)

ADA Millennium (ADAME) is an aviation consultancy & advisory service wholly owned by ADA. Our depth of knowledge and experience of the aviation sector including commercial aviation, private aviation, fixed wing & rotary wing allows us to assist clients with a variety of projects including feasibility studies, restructuring & improving operations to improve profitability, or selecting the right aircraft for the right mission then negotiating the purchase. ADA Millennium is a member of the International Society of Transport Aircraft Trading (ISTAT) a professional organisation of aviation companies and individuals involved in buying, selling, and evaluating civil aircraft.	Services: • Aviation Strategy • Aviation Outsourcing • Aviation Operations • Lease Management

ADA International Real Estate (ADAIRE)

ADA International Real Estate (ADAIRE) is a real estate development, asset management and investment company fully owned by ADA. Established in 2016 in Abu Dhabi, ADAIRE owns, manages, leases and operates various real estate properties in the UAE and wider Middle East region as well as the United Kingdom. ADAIRE focuses on identifying attractive real estate opportunities in key markets, creating meaningful partnerships with shareholders and clients, enhancing the company's reputation, operating according to high standards and delivering high quality projects.	Services: • Asset Management • Property Management • Project Management • Leasing Services • Joint Ventures • Private Equity • Facilities Management Services • Investments

Our Approach to Sustainability

COVERING THE TRIPLE BOTTOM LINE

The Triple Bottom Line (TBL) of People, Planet, and Prosperity is a sustainability model that shows that companies that commit to environmental and social responsibility alongside the pursuit of profit are better equipped to achieve sustainable value for all stakeholders, including investors, customers, employees, suppliers, and the wider communities in which they operate.

True sustainability can be achieved only when societal needs (People), environmental protection (Planet) and economic prosperity overlap. Innovative, forward-thinking companies that recognize and address the importance of People and Planet and integrate these considerations into their business models can ultimately deliver greater prosperity as well as returns for shareholders. In other words, it is possible to do well by doing good.

People

Generating shareholder value is not the only measure of business success. Firms can create value for all people impacted by their business practices, including customers, employees, and community members. Companies serve society through their employment practices, the services they deliver for customers, and through community initiatives such as philanthropy and volunteerism.

Planet

Not only do businesses have a responsibility to minimise their negative impact on the environment, but they also hold the key to driving positive change by adopting more sustainable business practices to reduce emissions and consumption of resources. By harnessing the power of innovation and adopting more advanced technologies, companies can have a positive impact on the environment while also improving operational performance and cost optimisation.

Prosperity

Purpose-driven companies that use their businesses to effect positive environmental and social impact can do so without hampering financial performance. Indeed, by embracing sustainability they can manage risks and drive business success as stakeholders, including shareholders, increasingly turn towards those companies that can demonstrate genuine social and environmental credentials. Financial success, in turn, generates prosperity not only for investors but also for everyone working at the company and their families, which has a knock-on benefit for the communities they live in.

ADA's integrated approach to safety offers the clearest example of how we create value for all stakeholders by delivering prosperity in addition to benefits for people and planet. It is essential for preserving our good reputation in the market and protecting shareholder value while also protecting the interests of our customers, employees, the environment, and the community. By prioritising safety above all else we deliver cross-cutting benefits that hit the sweet spot where people, planet and prosperity converge.

ADA's ESG MATERIALITY ASSESSMENT

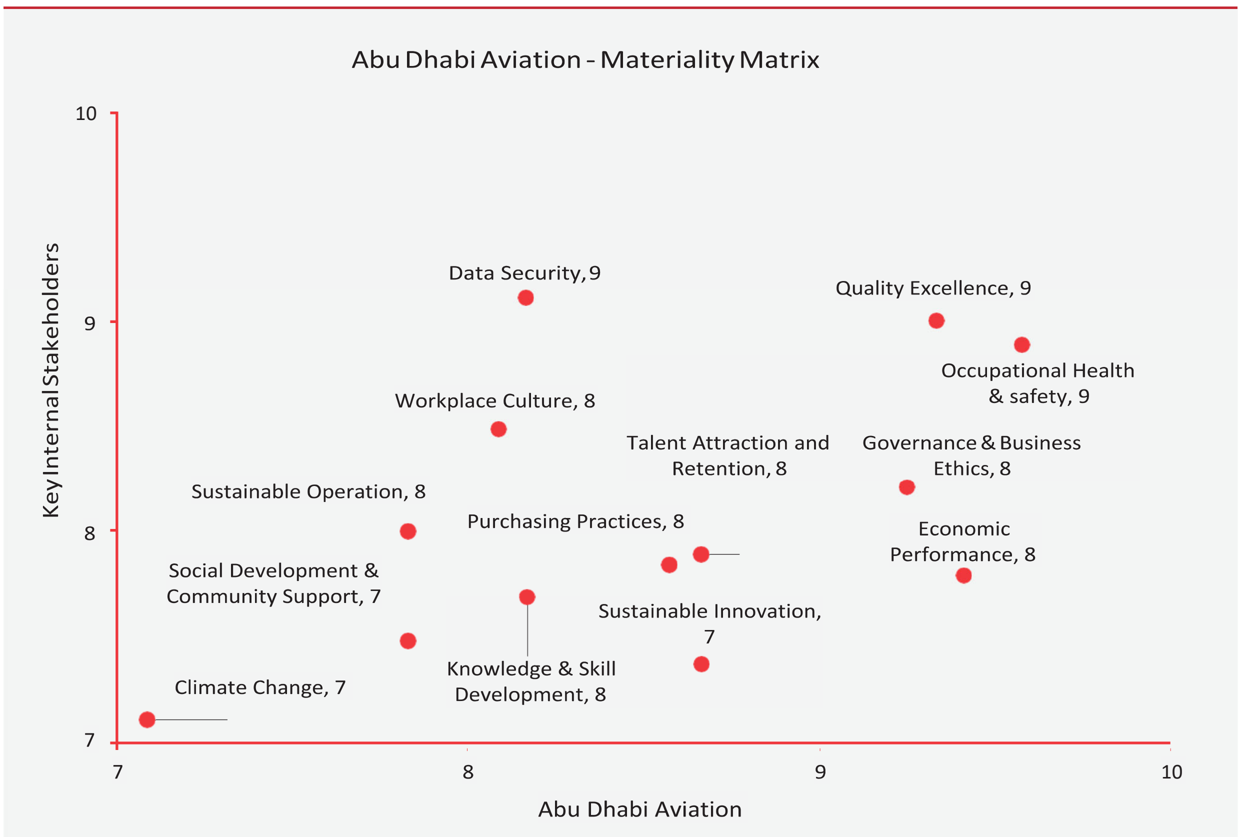
(GRI 2-29, GRI 2-30, GRI 3-1, GRI 3-2)

To effectively determine the economic, environmental, social and governance (ESG) topics that are most material to ADA, we conducted an assessment involving a dual materiality approach which included-

1) a stakeholder engagement process and
2) assessing our impact.

It's through peer analysis, and the expertise of a sustainability consultant that we defined the initial list of material topics. The below chart was developed as a result of an internal stakeholder engagement exercise, mainly through a survey, to assess the opinion of our key internal stakeholders in relation to the impact of our business on the economy, environment, and people.

We will be continuously enhancing and updating the below matrix by involving other key external stakeholders in the materiality assessment process.



1. Stakeholder Engagement

ADA's sustainability approach begins with regular engagement with key internal and external stakeholders across subsidiaries to understand what issues matter most to them. The feedback we receive from them provides significant input for our materiality assessment which gives us a clearer picture of how various ESG topics impact our business. It also allows us to map and assess the relative importance of each material topic.

Below we list those stakeholders and explain why they matter to our business, how we engage with them, and which issues matter to them.

- Employees
- Customers
- Board of Directors
- Suppliers/ Service Providers
- Government/ Regulators (i.e., SCA, ADX)
- Aviation regulatory bodies
- Shareholders
- Community

Employees

Why they matter to us

As a highly technical business our success depends on our ability to attract and retain staff, such as pilots and engineers, with core competencies and qualifications that are in high demand globally. We continuously strengthen our employee value proposition by listening to their needs, enhancing working conditions, offering competitive remuneration, and providing ongoing training & development opportunities.

What matters to them

- Remuneration and reward
- Professional training & development
- Opportunities for progression
- Strategy direction and growth
- Employee engagement
- Health, safety and wellbeing
- An empowering culture
- Inclusion and diversity
- A clear ESG agenda

How we engage with them

- Employee forums and meetings
- Regular internal updates
- Regular training
- Access to independent whistleblowing process
- Senior management and Board visits
- Confidential employee support helpline

Customers

Why they matter to us

Our business depends on nurturing close, long-term relationships with select clients that are leaders in their core markets. Often operating at the highest levels of business and government and in strategically important sectors, they depend on us to deliver reliable and safe service. Our keen understanding of their needs enables us to support them with major challenges and to add significant value to their operations.

What matters to them

- Safety
- Operational excellence
- Innovation and expertise
- Efficiency and reliability
- Value for money
- Deep understanding of their current and future needs
- Sustainability performance and agenda

How we engage with them

- Regular ongoing relationship engagement at all levels
- Contract negotiation and execution
- Strategic Partnership Programme
- Collaborating on joint initiatives
- Attendance at key industry events and forums

Board of Directors

Why they matter to us

The Board of Directors is responsible for overseeing the strategic direction of the company on behalf of shareholders, forming the executive team, setting its remuneration, supporting with guidance, and ensuring that the team executes the strategy in accordance with the governance framework.

What matters to them

- Economic impact
- Operational excellence
- Strategic direction and growth
- Health, safety, wellbeing
- Ethical business conduct
- Sustainability agenda

How we engage with them

- Board of directors' meetings
- Committee meetings
- Annual General Meetings
- Regulatory reporting (i.e., financial statements, corporate governance reports, ESG reports, etc.)
- More regular engagements when required

Shareholders/Investors

Why they matter to us

The continued support of our investors and access to capital provides financial stability and enables us to execute our long-term growth plans. In accordance with stock exchange regulations, we regularly update the market with transparent information that allows investors and potential investors to make informed decisions regarding our business.

What matters to them

- Shareholder value
- Financial and operational performance
- Strategy and business development
- Capital structure
- Dividend policy
- Transparent communication
- Corporate governance
- Sustainability strategy

How we engage with them

- AGM, Annual Report and Financial Statements
- Stock exchange announcements and press releases
- Investor relations team
- Treasury team with banks and noteholders and credit rating agencies
- Dedicated investor section on our website

Suppliers

Why they matter to us

Our business and good reputation depend on operating and maintaining state-of-the-art assets. For this we have built long-standing trusted relationships with suppliers of best-in-class technology as well as spare parts. Our supply chains are therefore vital to our performance and to ensuring we deliver reliable service to our customers, thus minimising risks to our business and our customers.

What matters to them

- Good working relationships
- Prompt payment and predictable supplier cash flows
- Access to opportunities

How we engage with them

- Regular open and honest two-way communications
- Supplier Code of Conduct
- Supplier conferences and tradeshows
- Supplier due diligence

Regulators

Why they matter to us

ADA operates in highly regulated sectors of strategic national importance including aviation, oil & gas and defense. Compliance with all regulations, especially where safety is concerned, is of the utmost importance. We maintain positive and constructive relationships with regulators to ensure we always operate in accordance with regulations as well as to share our expertise and advise on enhancements to existing policies and regulations that could benefit the sectors that we operate in.

What matters to them

- Compliance with regulations
- Strong governance policies and standards
- Transparency
- Trust and ethical behaviour
- Safety
- Sustainability

How we engage with them

- Regular engagement at the local and national level
- Briefing on key issues
- Investor relations team
- Dedicated compliance teams
- Response to direct queries
- Co-ordinated safety improvement programmes

Community

Why they matter to us

We are committed to serving not only our customers but also adding value to the communities we operate in, both economically and socially. We contribute to the local and national economy by providing high value add services and good jobs for skilled local workers as well as training & development opportunities.

What matters to them

- Employment and economic contribution
- Health, safety and wellbeing
- Sustainability and protecting the local environment
- Community engagement

How we engage with them

- Sponsorship and donations
- Employee volunteering
- University partnerships
- Engagement with local community programmes

2. Our Impact

To understand how our business activities impact society and the environment, we started by conducting a thorough peer analysis. The Sustainability Accounting Standards Board's (SASB) materiality map allowed us to further incorporate material sustainability topics that are specific to the sectors we operate in. In alignment with our strategic goals and following the expertise of our leadership team, the list of topics was prioritised.

The outcomes of our materiality assessment and the dual materiality approach are depicted in the matrix below.

	Material Topics	GRI Standards	ADX Disclosures
	Governance & Economic		
1	Economic Performance	GRI 201 - Economic Performance	
2	Governance & Business Ethics	GRI 205 - Anti-Corruption	S1: CEO Pay Ratio S9: Child & Forced Labour S10: Human Rights G1: Board Diversity G2: Board Independence G3: Incentivized Pay G5: Ethics & Prevention of Corruption
3	Data Security	GRI 418 - Customer Privacy	G6: Data Privacy
4	Sustainable Innovation	N/A	
	Social		
5	Knowledge & Skill Development	GRI 404 - Training and Education	
6	Occupational Health & Safety	GRI 403 - Occupational H&S	S7: Injury Rate S8: Global Health & Safety
7	Talent Attraction & Retention	GRI 401-Employment	S3: Employee Turnover S5: Temporary Worker Ratio
8	Workplace Culture	GRI 405 - Diversity and Equal Opportunity GRI 406 - Non-discrimination	S2: Gender Pay Ratio S4: Gender Diversity S6: Non-Discrimination
9	Purchasing Practices	GRI 204 - Procurement Practices GRI 308- Supplier Environmental Assessment GRI 414- Supplier Social Assessment	G4: Supplier code of Conduct
10	Quality Excellence	GRI 416 - Customer Health & Safety	
11	Social Development & Community Support	GRI 202 - Market Presence GRI 413 - Local Communities	S11: Nationalization S12: Community Investment
	Environmental		
12	Climate Change	GRI 302 - Energy GRI 303 - Water and Effluents GRI 305 - Emissions GRI 306 - Waste	E1: GHG Emissions E2: Emissions Intensity E3: Energy Usage E4: Energy Intensity E5: Energy Mix E6: Water Usage E7: Environmental Operations E8: Environmental Oversight E9: Environmental Oversight E10: Climate Risk Mitigation
13	Sustainable Operations		

ALIGNING WITH THE SDGs

The United Nations adopted the Sustainable Development Goals (SDGs) in 2015 as a call to action for all countries to end poverty, promote prosperity, protect the planet and ensure that by 2030 all people everywhere can live safe and healthy lives while accessing education.

SDG 13 'Climate Action' recognises that efforts to achieve all the SDGs will be undermined without a unified, global approach to addressing the threat of climate change through the Paris Agreement.

The UAE has aligned the principles of these two important global commitments with local and national government strategies such as the Abu Dhabi 2030 and the UAE 2031 visions, which embrace the pillars of sustainable development and set the agenda for the development of the UAE over the next decade. All stakeholders across government, the private sector, civil society, and academia, must collaborate and form partnerships to achieve the goals.

The role of aviation

Aviation is a crucial driver of economic and social growth and plays an essential role in supporting the UN SDGs. Some of the SDGs on which the aviation sector has a direct impact include:

13 CLIMATE ACTION

SDG13: Affordable and clean energy – Aviation companies are working to reduce their impact on the environment by increasing their use of alternative fuels such as Sustainable Aviation Fuel, while working collaboratively through various sustainability specific alliances on finding more technological solutions to decrease the sector's carbon footprint. One such initiative is the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) which is playing a key role in getting companies to action their carbon reduction plans.

8 DECENT WORK AND ECONOMIC GROWTH

SDG8: Decent work and economic growth – The aviation industry globally directly employees around 3 million people and hence contributes to the economic development of many countries.

11 SUSTAINABLE CITIES AND COMMUNITIES

SDG11: Sustainable cities and communities: The aviation industry is one of the key elements allowing for the interconnectivity of communities and enabling people to travel and trade thereby contributing to the development of sustainable cities and communities.

Our SDG Impact

SDG 3 - Good Health and Wellbeing

Ensure healthy lives and promote well-being for all at all ages

ADA contributes to SDG 3 through our uncompromising approach to safety in every facet of our operations. This is the most material SDG for us because it is what all our stakeholders care about the most and it is where we can have the biggest impact, by ensuring the safety of customers, employees, the environment, and surrounding communities. (see Safety-First Culture on P29)

SDG 4 – Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

ADA contributes to SDG 4 by training & developing specialist pilots and ground staff, not only for our own operations but for other operators, through our wholly owned training company ADATC, thus contributing to capacity building in the local and global aviation sector. (see Case Study on P57)

SDG 8 – Decent Work and Economic Growth

Foster sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

ADA contributes to SDG 8 by providing quality, well paid jobs for hundreds of highly skilled employees which brings benefits for their families as well as the local business community. Through our people management strategy, we attract talented individuals from all over the world to Abu Dhabi where we provide further training and development opportunities. (see Our People on P37)

SDG 12 – Responsible Consumption and Production

Ensure sustainable consumption and production patterns

ADA contributes to SDG 12 through our responsible waste management practices which include meticulous separation and disposal of all waste materials, especially hazardous materials. We take a five-step approach to waste management based around the Reduce–Re-use–Recycle–Treatment-Disposal model. This delivers benefits for both the environment and public health. (see waste management on P65).

Operational Excellence

ADA is committed to delivering safe, timely, efficient, cost-effective, and reliable customer service across our operations.

Achieving this level of operational excellence depends on many different factors, the most important being:

- Operating a fleet of modern, safe and reliable aircraft
- Using the right aircraft for the right job
- Having highly trained flight and ground crew to operate the aircraft according to best practices
- Operating and maintaining the fleet in a safe and efficient manner
- A focus on process optimisation and quality across all areas of our operations

Above all, the key to delivering operational excellence and customer satisfaction at ADA is our unwavering commitment to safety.

A SAFETY-FIRSTCULTURE

(GRI 416, GRI 418)

At ADA, safety cuts across all levels of our operations. Maintaining the highest standards of safety performance is vital to protect the interests and wellbeing of our employees, customers, the environment and for the preservation of our good reputation. Safety is ADA's highest priority, and we never compromise on it under any circumstances.

Our offshore helicopters, for example, average a level of activity that demands elite flight, ground and maintenance crews supported by robust safety and compliance procedures. Thanks to our rigorous approach to safety, ADA has exceeded 1 million helicopter flight hours with an exemplary safety record.

Together with our employees, customers, regulators, business partners and other key stakeholders, we will continue to nurture a safety-first culture that is built on trust and accountability, with clearly defined roles and responsibilities.

An Integrated Approach to Safety

Approved by the Abu Dhabi Department of Transport (DOT) and GCAA, ADA's Integrated Environmental, Occupational Health and Flight Safety (EHS) Policy integrates the management systems for flight safety, occupational health and safety, and the environment to create a single cohesive management system.

In addition to ensuring compliance with all legal requirements, this Policy reflects ADA's commitment to:

- Providing a safe and healthy workplace for employees
- Implementing best practice standards for protecting the health and safety of customers, employees and other concerned stakeholders
- Implementing best practice standards for protecting our direct and surrounding environment
- Integrating risk management into our operations and activities
- Achieving and promoting sustainable aviation industry standards
- Being an example of best practice in achieving sustainability for other operators in Abu Dhabi, UAE and beyond

Specifically, the Integrated EHSMS is designed to:

(1) Create legal safeguards, promote continuous improvement and simplification by reducing complexity
(2) Reduce costs and effort in the long-term through continuous process optimisation and by combining duties and competences
(3) Support employees in the integrated implementation of processes
(4) Guarantee the supply of employment-related information and requirements
(5) Secure a positive corporate ranking (management quality)
(6) Support managers and employees in the performance of their individual EHS responsibilities
(7) Estimate ecological and economic opportunities and risks and thus ensure sustainability

Safety Management Systems

Our Safety Management System (SMS) and Environment, Occupational Health and Safety Management System (EHSMS) provide the basis for our systematic approach to safety.

They allow ADA to be a more resilient and agile organisation that can adapt and respond to change and manage inherent and emerging risks in a timely manner. They ensure that we meet all relevant environmental, occupational health and safety regulations and contain performance metrics based on established risk management principles.

Risk management is a core component of the Safety Management System (SMS) of the General Civil Aviation Authority (GCAA), the federal body that oversees and regulates all aviation-related activities in the UAE.

The SMS team is composed of five individuals including an EHS Direct, and EHS/SMS Manager/Lead Auditor, a Flight Data Monitoring Manager, an Airside Quality and Safety Coordinator and Safety Support Coordinator.

Safety Performance Monitoring and Measurement (SPM)

ADA continuously monitors and measures its safety performance, as per GCAA regulations.

Safety Performance Monitoring and Measurement (SPM) is one of three elements that comprise the safety assurance component of the International Civil Aviation Organization's (ICAO) SMS Framework.

Safety assurance allows ADA to determine whether the SMS is operating according to expectations. For the GCAA to approve ADAs SMS the regulator must be satisfied that our SPM is appropriate and pertinent to our activities.

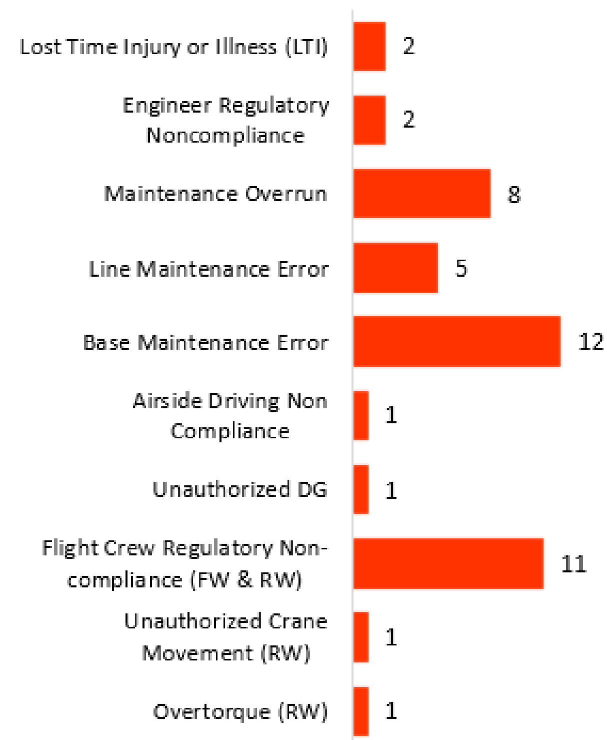
The GCAA requires that Safety Performance Indicators (SPI), Safety Performance Targets (SPT) and Alert Levels:

(a) are appropriate, and relevant to the scope and complexity of the specific operational context; and

(b) use an appropriate measuring matrix dependent on the size and complexity of the organization.

ADA's Safety Performance Objectives (SPOs), SPIs and SPTs are approved by the GCAA at the start of each year. We provide the GCAA with quarterly performance reports along with statistical data required to monitor the Acceptable Level of Safety Performance (ALoSP). If an alert level or a target has been breached, ADA reports it to the GCAA and submits a corrective plan accordingly.

2023 Safety Performance Monitoring Data Summary Table

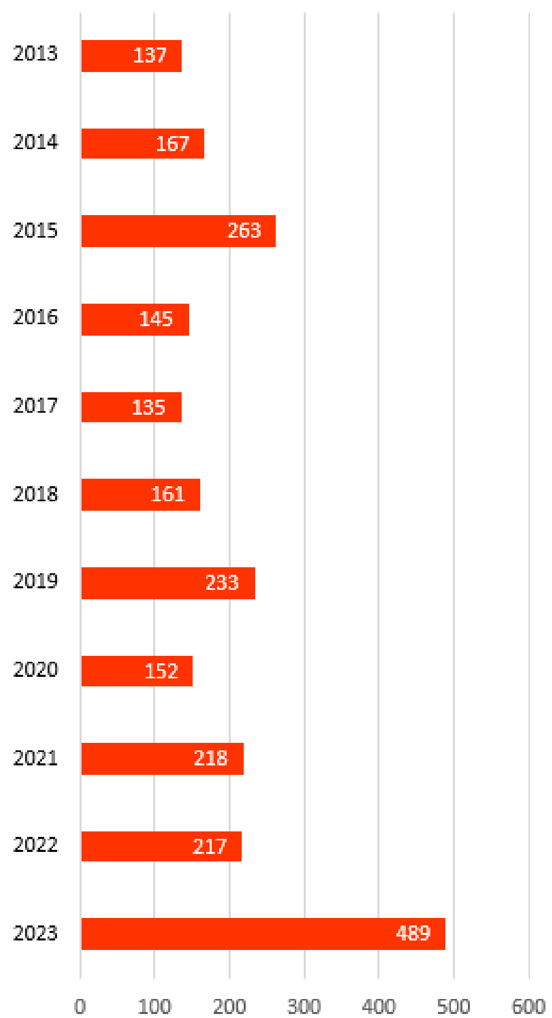


Safety Reporting

Safety Performance Monitoring and Measurement (SPM) is supported by SMS Pro, ADA'sweb-based SMS management software which allows us to gather and analyse safety data and to swiftly process corrective action and address associated risks.

Senior management approves annual EHSMS performance targets and plans, and reviews performance through the Safety Review Board (Management Review). ADA produces a comprehensive EHS Annual Report covering a review of the previous year and an outlook and plan for the following year which is approved and signed off by the Chairman of the Board of Directors.

Number of Internal Reports 2013- 2023



Operational Risk Profile and Safety Objectives

ADA's approach to preventing and mitigating EHS impacts and risk is through a formalised risk management process. This is an essential part of our EHSMS, enabling effective identification of hazards, risk probability and severity assessment, and the implementation and monitoring of risk reduction measures.

It addresses the causes of potential incidents, accidents, and occurrences before they occur, preventing harm to people, assets, environment, and business performance.

ADA has identified our Top Risks and Objectives based on safety data collected internally over the past decade as well as by observing industry trends and reference to safety intelligence sources.

	Risk Profile	Objectives
1	**Aircraft System and/or Component Failure or Malfunction** Technical and system malfunctions, component deterioration, or damage resulting in operational delays or incidents.	Improve airworthiness systems and reliability to reduce technical malfunctions.
2	**Human Errors** Human errors such as slips, lapses and mistakes that result in failure to achieve intended outcomes.	Optimize man-machine interface during aviation activities to reduce errors.
3	**Substandard Offshore and Onshore Facilities** Operating in substandard offshore and onshore facilities.	Enhance safety collaboration mechanisms with external stakeholders (customers and industry) to address operational issues and improve safety.
4	**External Load Operations** Inadequate controls during onshore and offshore external load operations resulting in incidents or accidents.	Reduce incidents or accidents during offshore helicopter external load operations.
5	**Violations and Non-compliance** Non-adherence with regulations, policies, procedures and/or acceptable industry norms.	Improve knowledge of and enforce compliance with regulations and procedures.
6	**Commercial Pressure** Commercial pressure resulting in flawed decisions and poor safety performance.	Improve and enhance awareness of organizational, personal, and systemic factors contributing to incidents and accidents.
7	**Internal Controls and Oversight** Inadequate assurance programs to monitor systems and processes to achieve acceptable level of safety.	Strengthen assurance and internal control capabilities at base and AFB locations.
8	**Safety Culture** Lack of effective Safety Culture impacting efficiency, productivity, and overall performance.	Improve Safety Culture and develop action plans to address areas for improvement.
9	**Night Operations during HEMS and VIP Operations** Loss of situational awareness during VFR night operations for VIP and HEMS flights.	Reduce night VFR incidents during HEMS and/or VIP flight operations.
10	**Communication and Consultation** Ineffective sharing of safety information and lack of opportunities to consult with workforce on risk management and decision-making.	Exercise proactive safety leadership at all levels and facilitate a supportive and trustworthy environment where employees are empowered to exchange safety information.

ADA sets targets and performance indicators to address these risks and objectives.

1.Flight Operations SPIs	
SPIs	Targets
Unstable Approach Events Rate (FW)	Zero (O) Event per 2,000 flight hours
Inadvertent Selection of Power Levers in Beta Mode Events (FW)	One (1) Event per 2,000 flight hours
Runaway Excursion Events (FW)	Zero (0) Event per 2,000 flight hours
Automation Error Events (FW & RW)	Two (2) Events per 21,000 flight hours
Regulatory Non- compliance Events (FW & RW)	Three (3) Events per 21,000 flight hours
Loss of Control In-flights Events (LOCI) (FW &RW)	Zero (0) Event per 21,000 flight hours
Over Torque Events (RW)	Zero (0) Event per 19,000 flight hours
AIRPROX/ TCAS RA (Resolution Advisory) Events (RW)	Zero (0) Event per 19,000 flight hours
External Load Operation Events (RW)	Zero (0) Event per total number of lifts per year
Unauthorized Crane Movements Events (RW)	Zero (0) Event per 10,000 flight hours
Night VFR Loss of Situational Awareness (SA) Events (RW)	One (1) Event per 300 flight hours
Flight Duty Period (FDP) Exceedances Events (RW)	Three (3) Events per quarter
Landing on Wrong Helideck (RW)	Two (2) Events per 10,000 flight hours
Helideck Light Damage Events (RW)	Zero (0) Events per 10,000 flight hours
Overdue GCAA and Internal Audit Non-Compliance Findings	Zero (0) audit overdue
Extensions for crew training and checking validity	Two (2) extensions

2.Engineering SPIs	
SPIs	Targets
Engine In-flight Shutdown Events (FW)	Two (2) Events per 2,000 flight hours
Base and Line Maintenance Error Events (FW & RW) All Base and Line Maintenance Errors limited to errors which contribute to safety hazard and lead to diversion or return to stand/base	Three (3) incidents per 155,000-man hours (Base) or 15,000 departures (Line)
Base and Line Maintenance Error Events (FW & RW) All Base & Line Maintenance Errors limited to errors which are reported post release to service	Five (5) Events per 155,000 departures man hours (Base) or 15,000 departures (Line)
Maintenance Overrun Events	Three (3) events per 17,000 flight hours
Employee Regulatory Non-compliance Events Violations with regulations and SOPs, etc.	Two (2) Events per 155,000-man hours
Overdue GCAA and Internal Audit Non-Compliance Findings	Zero (0) audit overdue

3.Ground Operations SPIs	
SPIs	Targets
Unattended and/or Unescorted Passengers	Zero (0) incident
Unauthorized Dangerous Good Events	Zero (0) incident
Airside Personnel Non-Compliance Events	One (1) incident
FOD	One (1) incident
Airside Driving Non-Compliance Incidents	Zero (0) incident
Non-adherence to Embarkation and Disembarkation SOPs	Zero (0) incident

Department of Transport & ADPHC EHS KPIs

ADA complies with mandatory KPIs as per Abu Dhabi Public Health Center's (ADPHC) OSHAD Systems Framework and the Department of Transport's (DOT) Environmental Health & Safety Management System (EHSMS) Regulations.

Our EHS performance is reported to OSHAD/ADPHC and DOT on a quarterly basis through the Al'Adaa System.

The following "Safety Performance Targets and Objectives" are monitored:

- Lost Time Injury (LTI)
- Contractor Lost Time Injury (LTI)
- Passenger and Visitor Fatality and Injuries
- OSHAD Licensed EHS Employees
- Number of Corrective notices/fines/penalties/ enforcements

KPI	Data for 2023
Lost Time Injury (LTI):	2
Employee Contractor LTI:	0
Passenger and Visitor Fatality and Injuries:	0
OSHAD Licensed EHS Employees:	2

Safety in the Oil & Gas sector

Supporting clients in the offshore oil and gas sector is an essential part of ADA's operations. Abu Dhabi National Oil Company (ADNOC) is one of our main customers while in other territories we also work with international oil majors including Shell and ExxonMobil.

Taking off and landing from offshore oil facilities requires ADA to operate not only according to our own safety procedures but also to abide strictly by those of our customers. These procedures are designed to protect everyone onboard the aircraft as well as those on the ground or on the facility.

ADA works very closely with key clients to make sure we have a precise understanding of their safety rules and regulations. We hold regular joint safety meetings with ADNOC to review and discuss safety issues and determine the need for procedural changes, specific training requirements, or drills, etc.

Data Protection

ADA makes all possible efforts to protect our customer privacy and prevent any loss of confidential data they have entrusted to our safekeeping, as stipulated in our Information Security Policy (ISP).

The ISP is aligned with ISO 27001:2013 (Information Security), GCAA law and National Electronic Security Authority (NESA) UAE Information Security Standards. The policy clearly defines how our Information Security Management System (ISMS) has been set up, managed, measured, reported on and developed within ADA.

The ISMS is designed to protect ADA's information and supporting infrastructure, including assets critical to the operation of the business and information belonging to ADA's customers, suppliers and business partners.

ADA has recently invested in upgrading IT systems and infrastructure to keep pace with the increasing demands of the business and the rapidly evolving cyber security landscape. This is critical for ADA, because protecting IT systems and data is directly linked to customer safety and security. With this in mind, we took the decision to transform and redesign our network infrastructure.

After a thorough evaluation of the market, ADA invested in Next-Generation Firewalls (NGFWs) from a market leading vendor. The integrated solution means that all components - firewall, switches, and wi-fi access points - work in tandem to enforce a consistent security policy across the whole network, making the system simple to manage and providing real-time communication across the entire security infrastructure.

Critical data flows are monitored and controlled through a centralised interface which provides logging and reporting, data analytics, and allows us to quickly identify and fix network performance issues. Combined, these solutions offer greater control and visibility and simplify our compliance processes.

An additional layer of cybersecurity is provided by aeCERT (United Arab Emirates Computer Emergency Response Team), which was established by the UAE Telecommunications and Digital Regulatory Authority (TDRA) to improve security in the UAE. ADA has signed MoUs with aeCERT and other government entities to monitor our company server logs and report any external threat to our Head of IT Department and network team for validation.

ADA has neither experienced any data privacy breaches in the past three years nor any complaints from regulatory bodies.

DIGITALIZATION AND INNOVATION

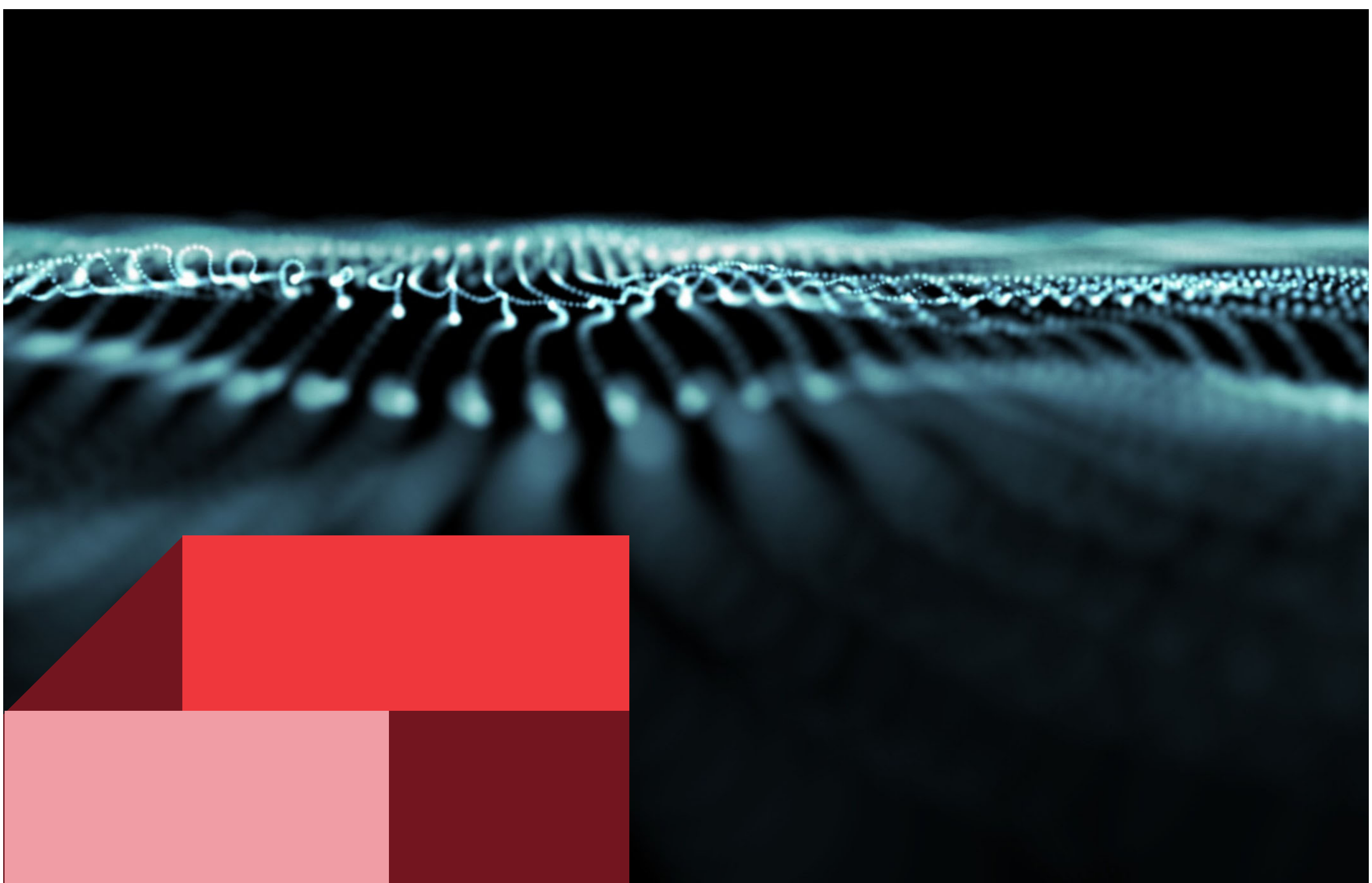
ADA constantly assesses the need for new technology solutions based on business requirements. Ultimately, we aim to unify all systems on a single platform, rather than managing multiple vendors, though this is an ongoing process.

Digital Signature Solution

During the pandemic, ADA introduced SigningHub, a digital signing solution that includes workflow-based approval which is also usable through a mobile app. The solution is secure, convenient, and cost effective and has brought environmental benefits by enabling us to cut back significantly on paper usage.

Workflow

ADA has improved workflow and achieved efficiency gains by integrating core business applications for HR and engineering. We also implemented a new procurement management solution, Tejari, during the pandemic which delivered additional transparency and efficiency to the process and helped to further reduce paperwork involved.



Case Study

Royal Jet – Personalisation through digitalisation

Royal Jet goes to great lengths to deliver a flawless, personalised, end-to-end experience for our customers, from the moment they contact us to book a flight through to the end of their journey.

During the pandemic we took the opportunity to refurbish our Fixed Based Operations (FBO)/VIP Terminal at Abu Dhabi International Airport, as well as our fleet by upgrading interiors and installing high speed internet to improve connectivity.

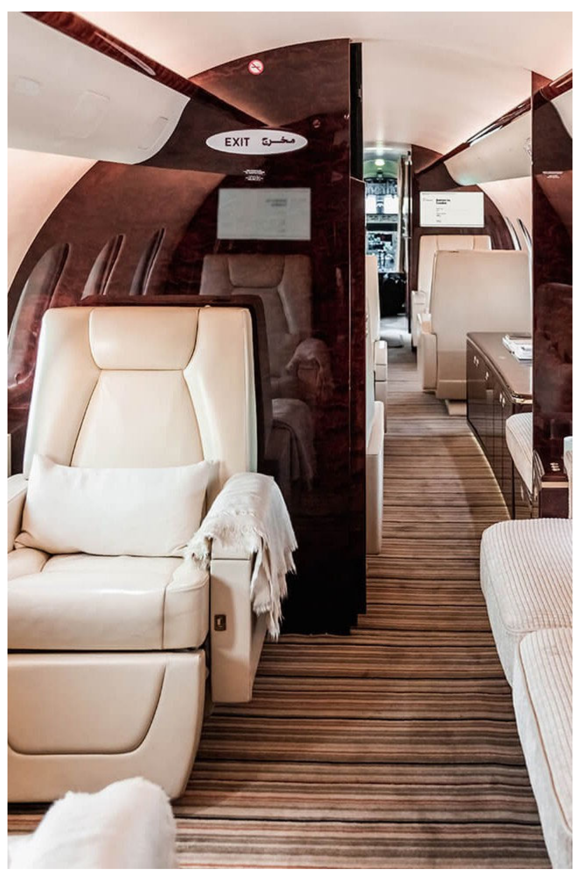
As part of our rebranding project, we are to introduce a digital platform to unlock better, more customized, and curated experiences for passengers. The platform will provide the main means of communication between passengers and our experienced operations team and onboard crew, who can advise, guide, and handle any specific requests.

Once the booking request has been received, the team will prepare an initial tablet to start the customized trip planning for passengers. Ahead of the flight, passengers can provide additional information regarding their preferences and desires, as well as the ideal aircraft layout.

Closer to the flight date, passengers can configure their in-flight experience, selecting meal preferences or their entertainment favourites. Mid-flight, passengers can continue to tailor their flight journey by interacting with the crew but also by signaling other preferences through the app.

Finally, whether they are landing in Abu Dhabi or overseas, we aim our platform to also cater to our passengers needs at their destination.

We make sure to follow-up with customers and gather feedback that can help us to enhance the experience in future and take our service to new heights.



Our People

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

WORKPLACE CULTURE AND VALUES

ADA nurtures a supportive and engaging working environment for all employees regardless of their role within the organisation. We recognise people as the lifeblood of our company who play an instrumental role in its day-to-day functioning and are critical to current and future success.

Code of Conduct

Our Code of Conduct sets out the rules around workplace behaviour and conduct for all employees. It ensures that employees know what is expected of them and what ADA expects in return.

ADA expects all employees to execute their duties according to the highest standards of professional and ethical conduct, regardless of their status within the company, where they are based, or their level of dealings with customers and colleagues.

All employees must represent ADA with honesty and integrity whether they are on or off duty and must act in accordance with our values of Safety, Quality, Customer Focus, Teamwork, Integrity & Ethics. Employees must treat each other in a respectful, dignified, and fair way, without prejudice.

The Code reaffirms our commitment to an inclusive workplace with fair and equal treatment for all employees regardless of race, ethnicity, gender, age, or physical capabilities. The policy governs all aspects of employment including selection, assignment, promotion, performance assessments, compensation, disciplinary action, termination and access to benefits and training.

If employees feel they are a victim of discrimination in the workplace they are encouraged to bring this to the attention of Heads of Department or HR.

In addition, the Code specifies rules related to:

- Conduct related to sales, contracts, negotiations
- Anti-bribery Policy and Personal Profit
- Giving and accepting gifts
- Compliance with all ADA policies
- Compliance with all relevant rules and regulations

All employees are expected to familiarise themselves with the Code and are duty bound to report any breaches of it or any other ADA policies and procedures to their Head of Department, HR, legal or audit confidentially.

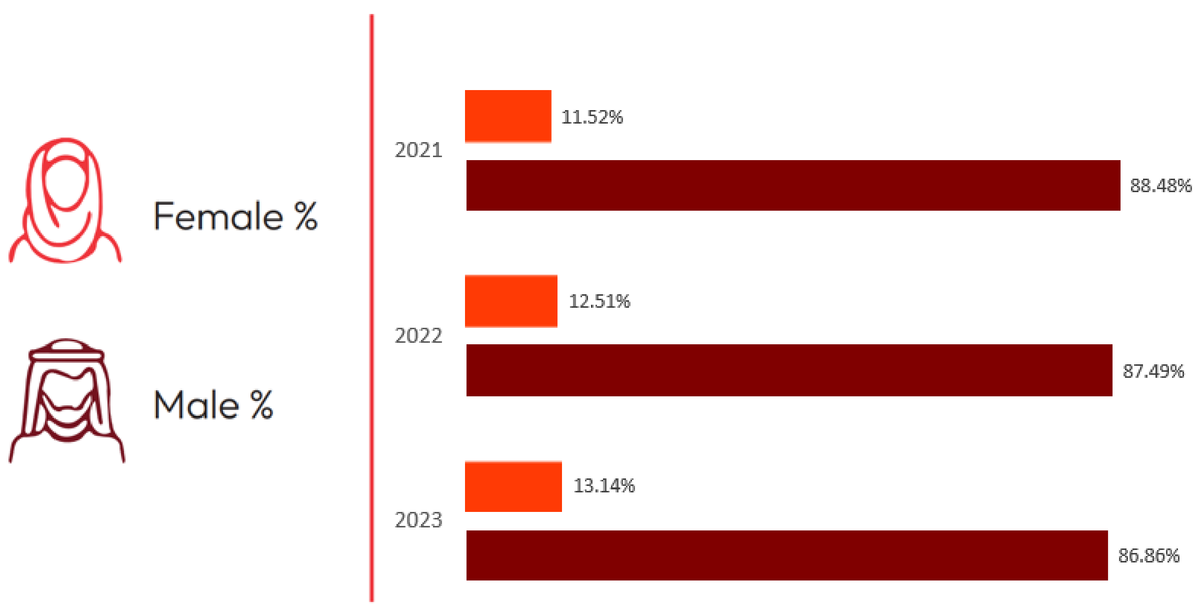
ADA has zero tolerance for workplace harassment or abusive behaviour of any kind and employees are encouraged to report instances of such to the relevant Heads of Department or HR so that they may be addressed promptly.

Our Harassment Policy details the proper procedures to submit a complaint and how they are dealt with. Reports will be treated seriously, confidentially and without prejudice to the employee or their career.

	Employees
	ADA
2021	954
2022	985
2023	1013
	ADATC
2021	21
2022	27
2023	31
	Royal Jet
2021	321
2022	369
2023	368
	Maximus Air
2021	43
2022	42
2023	42
	TOTAL
2021	1339
2022	1423
2023	1454

All employees				
	ADA			
	Female	Male	Female (%)	Male (%)
2021	56	904	5.83%	94.17%
2022	61	924	6.19%	93.81%
2023	66	947	6.52%	93.48%
	ADATC			
	Female	Male	Female (%)	Male (%)
2021	3	18	14.29%	85.71%
2022	4	23	14.81%	85.19%
2023	5	26	16.13%	83.87%
	Royal Jet			
	Female	Male	Female (%)	Male (%)
2021	88	233	27.41%	72.59%
2022	105	264	36.41%	63.59%
2023	112	256	30.43%	69.57%
	Maximus Air			
	Female	Male	Female (%)	Male (%)
2021	8	35	18.60%	81.40%
2022	8	34	19.05%	80.95%
2023	8	34	19.05%	80.95%

TOTAL



ATTRACTING, RETAINING AND DEVELOPING THE BEST TALENT

ADA depends on being able to attract highly qualified, experienced, and skilled individuals to enable us to deliver the operational excellence our customers expect. This is especially important given our ambitious growth plans.

By offering attractive remuneration and benefits, an engaging place to work, and constant training & development opportunities, we provide the conditions for all employees to thrive and achieve their life and career ambitions at ADA.

Attraction and Retention

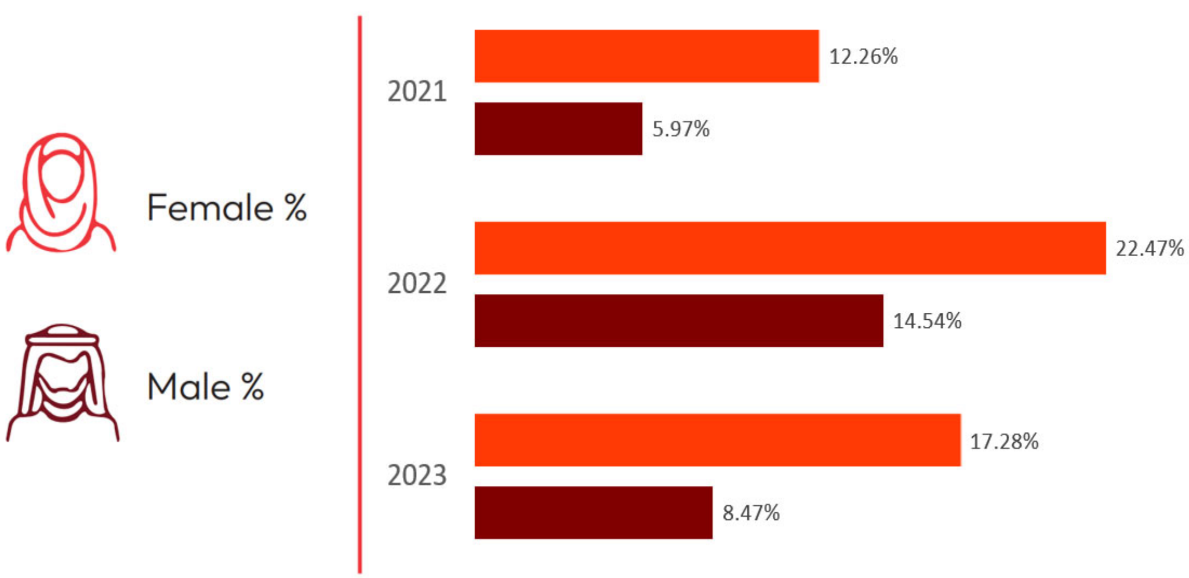
Due to the international nature of the aviation business, we are competing for talent with companies not only locally and regionally but globally. To ensure we lure the best prospects ADA offers attractive compensation packages in addition to other perks such as the quality of life in Abu Dhabi. We encourage workers with families to relocate and can offer family friendly accommodation with 5-star facilities with a health club and swimming pool.

In addition, we offer all permanent staff a range of benefits including:

- Life insurance
- Healthcare
- Disability and invalidity coverage
- Parental leave
- Retirement provision

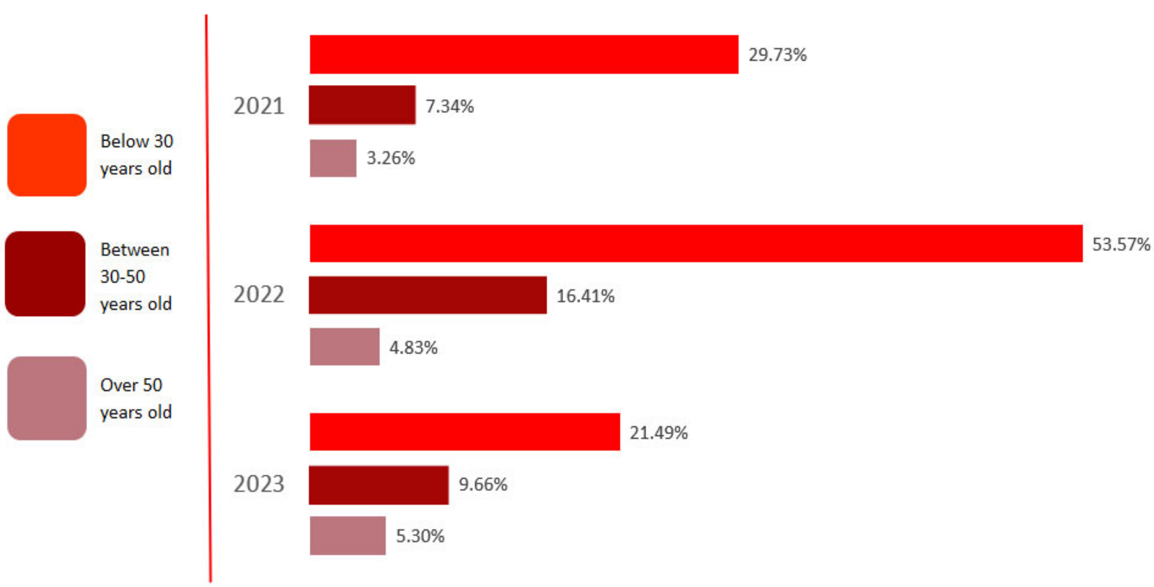
Total New Hires by Gender				
	ADA			
	Female	Male	Female (%)	Male (%)
2021	5	57	8.93%	6.31%
2022	3	122	4.92%	13.19%
2023	10	85	15.15%	8.98%
	ADATC			
	Female	Male	Female (%)	Male (%)
2021	0	0	0.00%	0.00%
2022	3	4	75.00%	17.39%
2023	2	3	40.00%	11.54%
	Royal Jet			
	Female	Male	Female (%)	Male (%)
2021	14	14	15.91%	6.01%
2022	34	54	32.38%	20.45%
2023	21	19	18.75%	7.42%
	Maximus Air			
	Female	Male	Female (%)	Male (%)
2021	0	0	0.00%	0.00%
2022	0	1	0.00%	2.94%
2023	0	0	0.00%	0.00%

Total New Hires by Gender



Total New Hires by Age Group						
	ADA					
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2021	10	41	11	28.57%	7.95%	3.58%
2022	27	90	15	41.54%	15.00%	4.32%
2023	11	65	19	15.71%	10.55%	5.31%
	Royal Jet					
2021	12	14	2	31.58%	6.83%	2.56%
2022	32	50	6	54.24%	21.28%	8.00%
2023	15	20	5	30.61%	8.40%	6.17%
	Maximus Air					
2021	0	0	0	0.00%	0.00%	0.00%
2022	1	0	0	50.00%	0.00%	0.00%
2023	0	0	0	0.00%	0.00%	0.00%

Total New Hires by Age Group

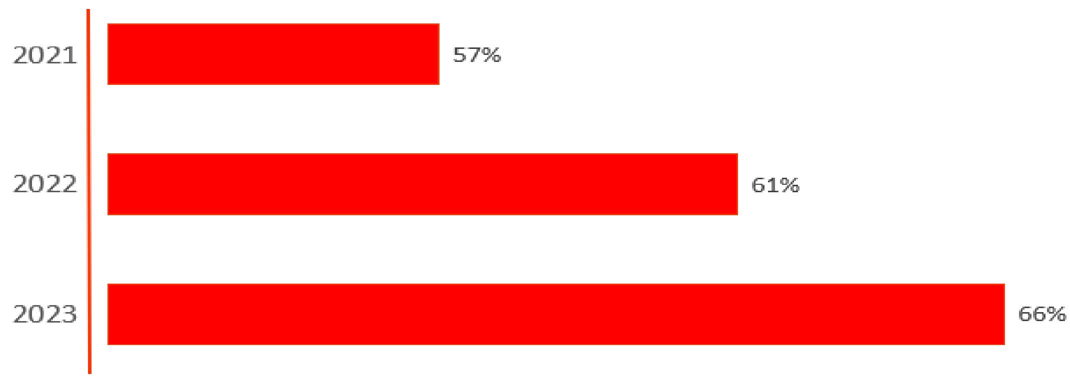


Retaining our most talented employees is vital for maintaining smooth and successful operations and underpins our future growth strategy. ADA engages with employees on multiple levels, through training & development programs, events, and surveys.

We use a system called Adrenalin to engage with our employees in relation to all programs and events and boast a gradually increasing engagement rate in recent years.

Employee Engagement Rate %	
	ADA
2021	80%
2022	85%
2023	90%
	ADATC
2021	N/A
2022	N/A
2023	N/A
	Royal Jet
2021	N/A
2022	N/A
2023	N/A
	Maximus Air
2021	N/A
2022	90%
2023	90%

Employee Engagement Rate % TOTAL

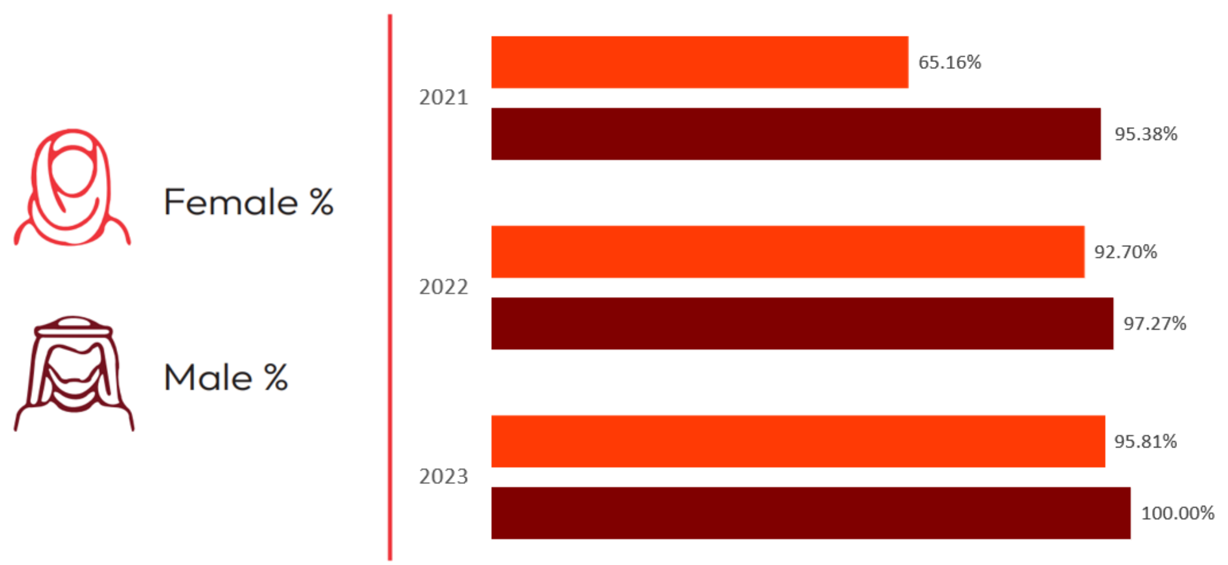


We have created employee surveys to canvass their views on a wide range of topics, including our business operations and working conditions. The feedback enables us to assess their needs and make improvements where necessary. One example was the improvement in living conditions at ADA's employee villa complex while during COVID we also added two new restaurants following employee feedback.

ADA gives employees at all levels regular performance reviews to assess how well they are doing and identify needs for further training and development.

Total Number of Employees - Performance Review				
	ADA			
	Female	Male	Female (%)	Male (%)
2021	56	898	100.00%	99.34%
2022	60	921	98.36%	99.57%
2023	66	947	100.00%	100.00%
	ADATC			
	Female	Male	Female (%)	Male (%)
2021	3	18	100.00%	100.00%
2022	4	23	100.00%	100.00%
2023	5	26	100.00%	100.00%
	Royal Jet			
	Female	Male	Female (%)	Male (%)
2021	34	184	38.64%	78.97%
2022	93	233	88.57%	88.26%
2023	104	256	92.86%	100.00%
	Maximus Air			
	Female	Male	Female (%)	Male (%)
2021	8	35	100.00%	100.00%
2022	8	34	100.00%	100.00%
2023	8	34	100.00%	100.00%

Total Number of Employees - Performance Review

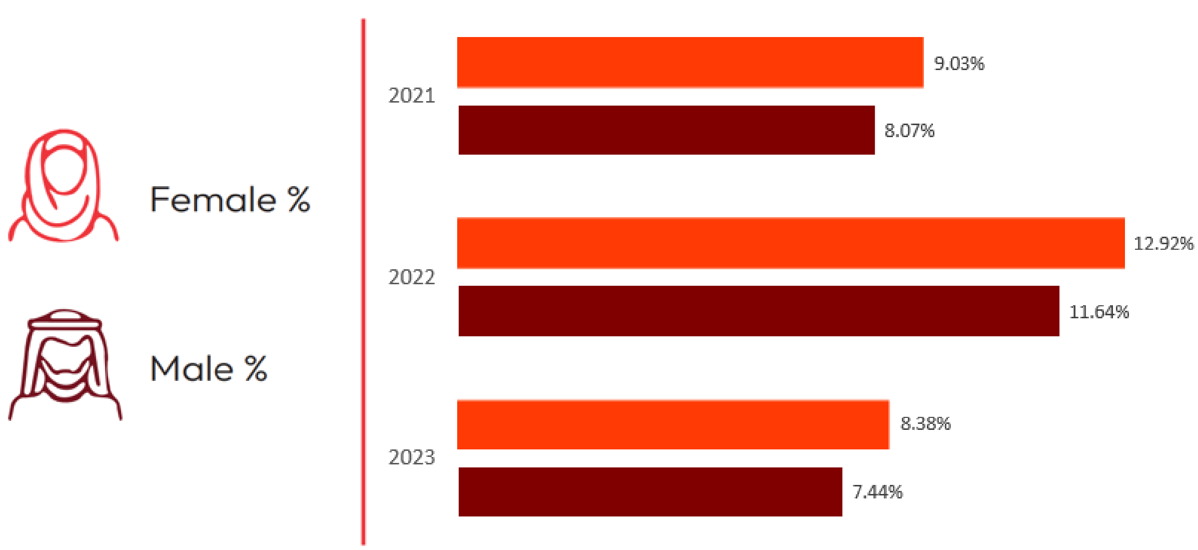


Total Number of Employees - Performance Review								
	ADA							
	Labour	Entry-Level	Mid-Level	Senior-to-Executive Level	Labour	Entry-Level	Mid-Level	Senior-to-Executive Level
2021	216	211	440	23	100.00%	100.00%	100.00%	100.00%
2022	247	250	492	23	99.19%	97.60%	97.15%	100.00%
2023	248	255	518	23	100.00%	100.00%	100.00%	100.00%
	Royal Jet							
2021	0	112	67	39	0.00%	66.67%	98.53%	81.25%
2022	35	180	70	41	89.74%	86.12%	89.74%	83.67%
2023	40	190	81	49	100.00%	97.43%	96.43%	100.00%
	Maximus Air							
2021	N/A	3	33	7	N/A	100.00%	100.00%	100.00%
2022	N/A	3	32	7	N/A	100.00%	100.00%	100.00%
2023	N/A	3	32	7	N/A	100.00%	100.00%	100.00%
	Total							
2021	216	326	540	69	83.72%	85.34%	99.82%	88.46%
2022	280	427	580	71	97.90%	92.42%	96.35%	89.87%
2023	288	448	631	79	100%	98.90%	100.00%	100.00%

Due to our continued efforts to increase engagement and to maintain a high satisfaction rate ADA has a low turnover rate of employees.

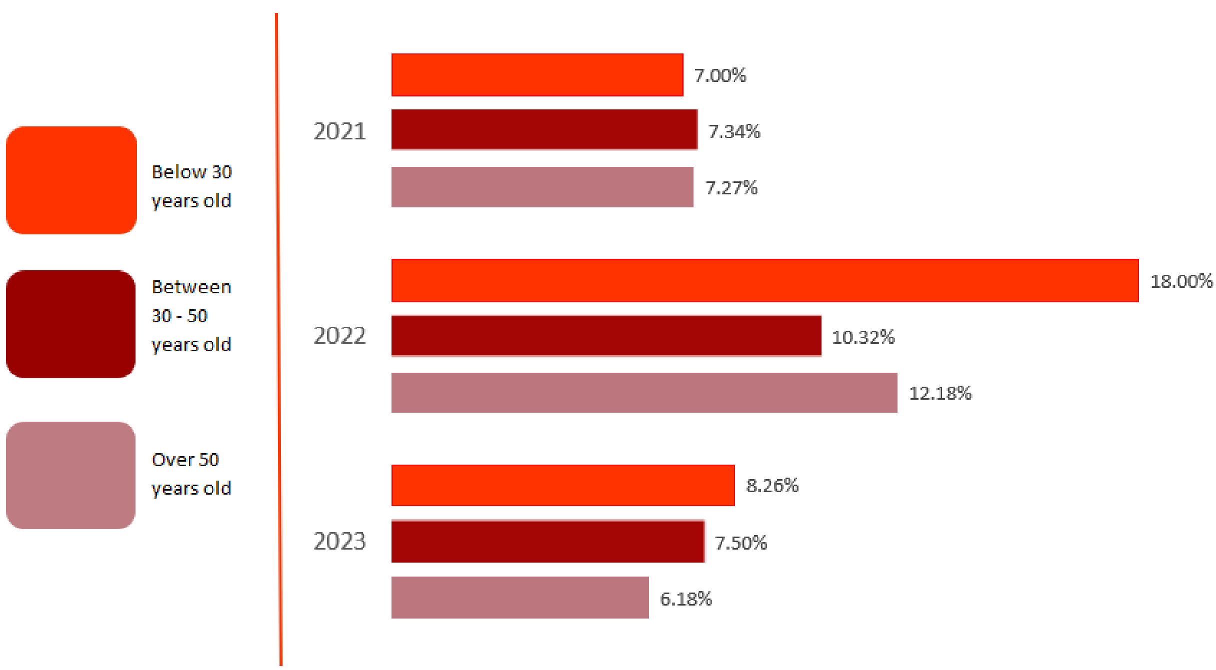
Employees that Left by Gender				
	ADA			
	Female	Male	Female (%)	Male (%)
2021	2	87	3.57%	9.62%
2022	3	112	4.92%	12.11%
2023	5	62	7.58%	6.55%
	ADATC			
	Female	Male	Female (%)	Male (%)
2021	0	0	0.00%	0.00%
2022	2	2	50.00%	8.70%
2023	1	0	20.00%	0.00%
	Royal Jet			
	Female	Male	Female (%)	Male (%)
2021	12	9	13.64%	3.86%
2022	25	29	23.81%	10.98%
2023	10	32	8.93%	12.50%
	Maximus Air			
	Female	Male	Female (%)	Male (%)
2021	0	0	0.00%	0.00%
2022	0	2	0.00%	5.88%
2023	0	0	0.00%	0.00%

Employees that Left by Gender Total



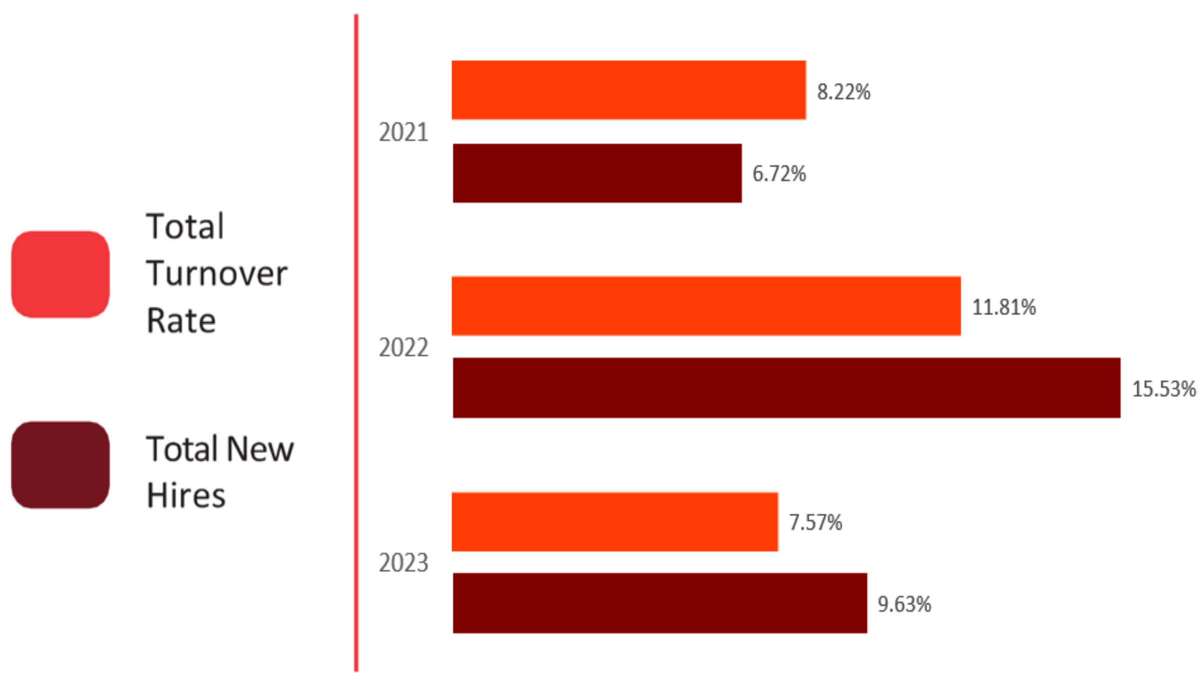
Employees that Left by Age Group						
	ADA					
	Below 30 years old	Between 30-50 yearsold	Over 50 years old	Below 30 years old	Between 30-50 yearsold	Over 50 years old
2021	5	40	24	14.29%	7.75%	7.82%
2022	12	60	44	18.46%	10.00%	12.68%
2023	1	39	22	1.43%	6.33%	6.15%
	Royal Jet					
2021	1	15	5	2.63%	7.32%	6.41%
2022	18	28	8	30.51%	11.91%	10.67%
2023	9	27	6	18.37%	11.34%	7.41%
	Maximus Air					
2021	0	0	0	0%	0.00%	0.00%
2022	1	0	1	7.14%	0.00%	7.14%
2023	0	0	0	0.00%	0.00%	0.00%

Employees that Left by Age Group Total



	Total Turnover Rate	Total New Hires
	ADA	
2021	9.31%	6.49%
2022	11.86%	12.89%
2023	6.61%	9.38%
	ADATC	
2021	0.00%	0.00%
2022	14.81%	29.17%
2023	3.23%	16.13%
	Royal Jet	
2021	6.99%	9.32%
2022	15.65%	25.51%
2023	11.41%	10.87%
	Maximus Air	
2021	0.00%	0.00%
2022	4.65%	2.35%
2023	0.00%	0.00%

TOTAL



Training & Development

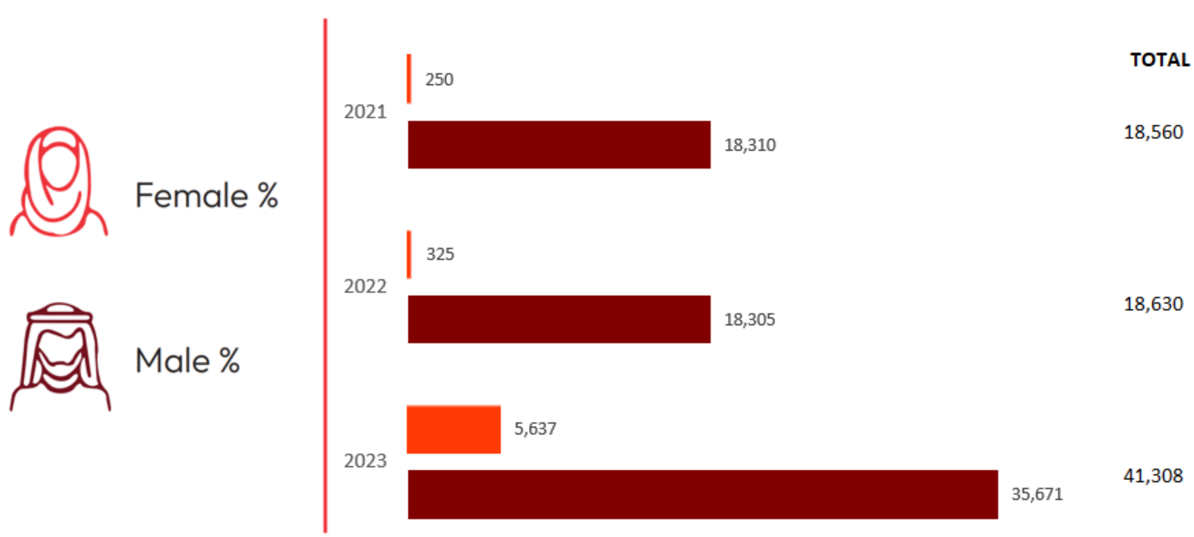
The nature of our business and the critical importance of maintaining an exemplary safety record means ADA places great emphasis on ensuring that all employees can consistently execute their duties to the highest possible standards. This is particularly the case for flight crew and engineers. We keep our staff up to date with the latest innovations for the assets we operate and all relevant new regulations to ensure compliance.

ADA owns and operates a world class training facility and offers training for third parties as an important revenue diversification aspect of our business. However, we also use this facility to train our own flight staff and engineers.

In 2023, ADA delivered over 41,308 of training hours to our employees at all levels of the company, on par with the previous year. Most of these training hours were dedicated to mid-level employees who represent our skilled flight crews and ground staff.

Total Training Hours by Gender			
	ADA		
	Female	Male	TOTAL
2021	250	18,118	18,368
2022	325	18,200	18,525
2023	356	20,020	20,376
	Royal Jet		
2021	N/A	N/A	N/A
2022	N/A	N/A	N/A
2023	5,128	15,576	20,704
	Maximus Air		
2021	0	192	192
2022	0	105	105
2023	153	75	228

Total Training Hours by Gender



Total Training Hours by Employment Category				
	ADA			
	Labour	Entry-Level	Mid-Level	Senior-to-Executive Level
2021	N/A	725	16,850	544
2022	N/A	728	16,926	546
2023	N/A	801	18,618	601
	Royal Jet			
2021	42	168	68	43
2022	39	209	78	43
2023	0	4,512	8,560	7,632
	Maximus Air			
2021	N/A	16	152	24
2022	N/A	N/A	80	25
2023	N/A	0	203	25
	Total			
2021	42	909	17,070	611
2022	39	937	17,084	614
2023	N/A	5,313	27,381	8,258

ADA launched a new training program for 2023 called the ADAPT program for operations and maintenance training. The program has a major focus on sponsoring pilot training for UAE nationals with a view to recruiting them at the end of the program. As such, this program is part of our Emiratisation drive. More details are available in the Community section of the report.

Diversity & Inclusion

ADA understands the value of being able to draw on a unique blend of experience and skills that comes with having a workforce comprised of people with diverse backgrounds.

As per our Code of Conduct, we provide equal employment and opportunities for advancement to all individuals based on merit, qualifications, and ability, regardless of gender, age, ethnic origin, nationality, religion, or disability.

Aviation is an international business and we are proud to be home to a truly global workforce made up of 65 different nationalities.

	Total Number of Nationalities
	ADA
2021	63
2022	65
2023	68
	Royal Jet
2021	43
2022	43
2023	50
	Maximus Air
2021	16
2022	15
2023	15

In 2023, ADA (including ADATC) had 1044 employees of which 71 (6.80%) were women. Half of our female employees are working in entry-level jobs, where they account for 14.90% of employees, mostly in administration.

TOTAL EMPLOYEES BY JOB CATEGORY AND BY GENDER								
	ADA							
	Labour		Entry-Level		Mid-Level		Senior-to-Executive Level	
	Female	Male	Female	Male	Female	Male	Female	Male
2021	0.00%	100.00%	13.27%	86.73%	4.55%	95.45%	4.35%	95.65%
2022	3.24%	96.76%	12.80%	87.20%	4.47%	95.53%	4.35%	95.65%
2023	3.63%	96.37%	14.90%	85.10%	4.44%	95.56%	4.35%	95.65%
	Royal Jet							
2021	38.10%	6.90%	38.69%	61.31%	8.82%	91.18%	2.33%	97.67%
2022	38.46%	61.54%	38.28%	61.72%	10.26%	89.74%	4.65%	95.35%
2023	40.00%	60.00%	42.56%	57.44%	11.90%	88.10%	6.12%	93.88%
	Maximus Air							
2021	N/A	N/A	0.00%	100.00%	24.24%	75.76%	0.00%	100.00%
2022	N/A	N/A	0.00%	100.00%	25.00%	75.00%	0.00%	100.00%
2023	N/A	N/A	0.00%	100.00%	25.00%	75.00%	0.00%	100.00%
	Total							
2021	5.30%	93.80%	15.92%	74.87%	34.69%	93.72%	3.37%	87.67%
2022	6.22%	91.96%	16.94%	75.11%	37.62%	93.69%	3.38%	86.30%
2023	8.68%	91.32%	26.71%	73.29%	6.47%	93.53%	5.06%	94.94%

TOTAL EMPLOYEES BY JOB CATEGORY AND BY AGE GROUP %												
	ADA											
	Labour			Entry-Level			Mid-Level			Senior-to-Executive Level		
	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old	Below 30 years old	Between 30-50 years old	Over 50 years old
2021	10.19%	64.81%	25.00%	6.63%	72.45%	20.92%	0.00%	53.02%	46.98%	0.00%	37.50%	62.50%
2022	15.32%	62.90%	21.77%	7.79%	70.49%	21.72%	1.61%	53.52%	44.87%	0.00%	26.09%	73.91%
2023	15.32%	62.50%	22.18%	7.84%	70.59%	21.57%	2.32%	53.09%	44.59%	0.00%	26.09%	73.91%
	Royal Jet											
2021	10.00%	85.00%	5.00%	20.00%	60.00%	20.00%	0.00%	66.18%	33.82%	0.00%	55.81%	44.19%
2022	12.82%	84.62%	2.56%	24.88%	58.37%	16.75%	2.56%	69.23%	28.21%	0.00%	60.47%	39.53%
2023	12.50%	82.50%	5.00%	19.49%	65.13%	15.38%	7.14%	59.52%	33.33%	0.00%	57.14%	42.86%
	Maximus Air											
2021	N/A	N/A	N/A	0.00%	33.33%	66.67%	3.03%	72.73%	24.24%	0.00%	42.86%	57.14%
2022	N/A	N/A	N/A	0.00%	33.33%	66.67%	6.25%	68.75%	25.00%	0.00%	42.86%	57.14%
2023	N/A	N/A	N/A	0.00%	33.33%	66.67%	6.25%	68.75%	25.00%	0.00%	42.86%	57.14%
Total												
2021	10.16%	67.97%	21.88%	12.74%	66.40%	20.87%	0.19%	55.93%	43.88%	0.00%	50.00%	50.00%
2022	14.98%	65.85%	19.16%	15.57%	64.69%	19.74%	1.98%	56.34%	41.68%	0.00%	47.95%	52.05%
2023	14.93%	65.28%	19.79%	12.80%	67.99%	19.21%	3.15%	54.73%	42.11%	0.00%	46.84%	53.16%

HEALTH & SAFETY OF OUR EMPLOYEES

Our Occupational Safety and Health Policy (OHS) states our commitment to providing a safe and healthy working environment for our workers, and to foster an accident-free workplace while meeting all relevant occupational health and safety legislations.

Our OHS Management System provides a structured approach to the management of risks inherent to our activities and commits us to carrying out the following actions:

- Complying with all applicable local and federal OSH laws and regulations such as the Abu Dhabi Occupational Safety and Health Systems Framework (OSHAD SF) and Abu Dhabi Department of Municipal Affairs and Transport OSH requirements
- Establishing and implementing risk management processes in order to eliminate or mitigate risks associated with our business activities
- Defining employee accountabilities and responsibilities for the delivery of safety
- Ensuring all employees are provided with adequate and appropriate safety information and training to ensure they are qualified and competent to perform their functions
- Establishing and maintaining an effective Safety Reporting System for reporting information concerning OSH issues
- Establishing and measuring safety performance against realistic objectives and targets
- Ensuring that contractors and service providers adhere to our OSH Policy, guidelines and procedures
- Implementing audit and assurance programs to monitor performance and compliance
- Allocating the required human and financial resources to support this Policy and associated management programs
- Enforcing OSH as one of the primary responsibilities of management and employees
- Conducting annual management reviews to ensure continual improvement, suitability, adequacy and effectiveness of our OSH Management System

	Number of Fatalities	Number of Lost Time Injuries	Number of Workdays Lost Due to Injury	Number of Other Occupational Injuries	Number of High Potential Incidents	Number of Near Miss Incidents	Number of Hours Worked
	ADA						
2021	0	2	2	0	0	2	2,178,500
2022	0	2	4	0	0	2	2,557,000
2023	0	2	5	1	0	1	2,755,818
	Royal Jet						
2021	0	0	0	0	0	40	1,558,784
2022	0	1	2	0	0	33	N/A
2023	0	1	2	0	0	0	520,331
	Maximus Air						
2021	0	0	0	0	0	0	N/A
2022	0	0	0	0	0	0	N/A
2023	0	0	0	0	0	0	N/A

ADA including all its subsidiaries have had zero number of fatalities as a result of work-related ill health and only 1 number of cases of recordable work-related ill health.

The most common work-related illnesses and injuries that workers at ADA are likely to suffer from include minor injuries related to manual work or heat stress related to carrying out duties that require personnel to work outside during the summer months. ADA keeps a comprehensive register of hazards which is continuously reviewed and revised and regularly distributed to key personal.

To address these safety hazards and keep them to a minimum, ADA runs annual safety awareness campaigns related to heat stress, manual handling, noise awareness, use of personal protective equipment, stress management, and more.

We survey groups of employees by sending them questionnaires to get their views on safety issues within their specific field at ADA. In the recent past we have carried out this process for engineering personnel followed by the same for flight crew and received a high response rate. We used the feedback to produce a comprehensive report that provides the basis for an action plan to improve safety.

All incidents are thoroughly investigated and analysed to understand what went wrong and to assess whether any learnings can be extracted from the experience and used to prevent future occurrences.

Flight safety

Operating a modern fleet of aircraft supports our efforts to maintain an impeccable safety record. Newer aircraft are equipped with sensors and smart technology to monitor the aircraft's systems. This leads to a reduced risk of sudden malfunctions as well as more advanced warning of any technical issues.

Safety Performance Measurement (SPM) is enhanced by being able to digitally gather data using advanced onboard systems. With around 60 flights per day ADA can gather and process large amounts of data and determine how pilots are operating the aircraft. This is a valuable tool for improving flight safety.

Health and Safety Training

ADA ensures that all employees receive appropriate, adequate and regular health and safety training needed to perform their duty to the highest standards.

Our training program covers job hazards and work practices and procedures as required under the OSHAD and GCAA regulations.

Training needs are identified through a Training Needs Analysis (TNA) process carried out by Heads of Department and take account of the employee's duties and area of work. Identification of training requirements is also based on hazard identification and the risk assessment process.

We provide appropriate training for employees following the introduction of new technologies into our operations, new regulations, or any changes to our work processes.

Case Study

ADATC – A Talent Factory for the Aviation Sector

Launched in 2016, ADATC was conceived to train pilots to meet ADA's specific operational requirements as well as the local and regional aviation sector's demand for pilots qualified to fly niche aircraft.

The centre has exceeded all expectations. Pilots from 35 countries around the world have graduated from our elite training school equipped with state-of-the-art flight simulators.

In addition to working at ADA, pilots trained at ADATC currently work for some of the most prestigious private operators, government agencies, and armed forces.

Having our own training facility has delivered multiple benefits. It means we don't need to send our own pilots overseas which saves time and money, while locally based pilots benefit by being with their families during training. Bringing overseas candidates to Abu Dhabi for an extended period also has obvious benefits for the local economy.

Not only is the cost of training our pilots in-house significantly lower compared to using a third-party provider, but the business supports our bottom line with an additional revenue stream.

Having full control of the process means we can continuously assess and fine tune the quality of training while we often get to recruit the most talented pilots for our own operations.

ADA has invested in state-of-the-art simulators that can train pilots to fly in all weather conditions. With a lifecycle of 20+ years, the simulators can function almost non-stop without fatigue, giving us the capacity to train up to 2,000 people annually.

Simulators are housed in a humidity and climate-controlled building to prevent corrosion and preserve longevity. Fully powered by electricity supplied from the local grid, they produce no direct emissions, though we have backup power generators onsite in the unlikely event of a power outage.

ADA is very proud of what we have achieved in a short time with ADATC and the contribution we make to the local aviation sector and the wider economy.

Our Planet

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

THE CHALLENGE OF CLIMATE CHANGE

The Future of Aviation

Achieving more sustainable operations, especially when it comes to climate action, is a major challenge for the aviation sector because of its current reliance on hydrocarbon-based fuels. However, recent years have seen exciting developments in the sector, including the introduction of more sustainable aviation fuel (SAF), innovations in electric powered aircraft, and improvements in the fuel efficiency of aircraft engines.

Commercial airlines are currently leading the way when it comes to SAF and have already seen very promising results. The International Air Transport Association (IATA) estimates that production of SAF doubled to 600 million litres in 2023 from around 300 million litres in 2022. To date, more than 500,000 commercial flights have been operated using SAF and in 2023 more than 75 offtake agreements were announced.

ADA is closely monitoring the evolution of electric aircraft. As a company that operates a majority rotary wing fleet of aircraft engaged mainly in short haul operations there is the potential for us to make the transition faster than larger commercial airlines.

While we are seeing rapid progress in the development of these innovations more investment is required to achieve greater impact. Commercial airlines have the scale to drive sustainable innovation in the aviation sector, which will eventually filter down throughout the industry. For now, due to the investments required smaller operators are facing significant hurdles to achieving quick progress.

For ADA, the major opportunity to become more sustainable in the coming years lies in the continued expansion and optimisation of our fleet with newer and more fuel-efficient aircraft, in line with commercial imperatives. This will not only gradually improve our environmental footprint but also deliver cost efficiencies and benefits for customers in the shape of cleaner, quieter, smarter, and safer aircraft.

ADA is focused on addressing climate change through managing and reducing emissions across its operations in addition to looking at direct emissions from its flight operations. We will continually look to harness new technology to manage our operations in the most efficient way, including our supply chains, thereby achieving fuel and emissions savings.

OUR ENVIRONMENTAL FOOTPRINT

ADA supports Abu Dhabi and UAE national initiatives and objectives when it comes to embedding sustainability and environmental protection within our operations.

Our EHS Management System provides a structured approach to the management of risks inherent to our activities. As an integral part of this system, the Company is committed to:

- Complying with all applicable EHS laws, regulations and requirements
- Establishing a policy and philosophy of “zero harm” to people and prevention of damage to property
- Establishing a process of continual improvement with regards to the prevention of pollution and respect for the environment
- Establishing key performance indicators (KPIs) to monitor and improve our EHS objectives
- Ensuring that contractors adhere to the policy, guidelines and procedures of our EHS Management System
- The implementation of EHS training programs to promote workforce awareness on EHS hazards and risk mitigation
- Conducting regular audits of the EHS Management System to demonstrate a clear commitment of continual improvement to customers and stakeholders
- Allocating the required resources to support this policy and program

Measuring and managing our impact

ADA constantly reviews our operations for ways to better manage our environmental footprint by reducing energy and water consumption, cutting waste production, and reducing emissions.

Aviation Sustainability

Abu Dhabi Aviation is committed to conducting its helicopter operations with a deep sense of responsibility towards the environment. Our dedication to sustainability is reflected in our approach to evaluating, monitoring, and mitigating environmental impacts as follows: -

- Conducting a thorough evaluation of potential environmental impact associated with offshore helicopter transport operations.
- Identifying key areas of concern such as noise pollution, air emissions, marine life disturbance, and carbon footprint.
- Implementing a robust monitoring system to regularly assess environmental indicators.
- Monitoring air quality, noise levels, and any other relevant parameters.
- Ensuring transparency and incorporate suggestions for better environmental practices.
- Investing in modern helicopters with reduced noise emissions and improved fuel efficiency.
- Minimising flight times and fuel consumption.
- Avoiding sensitive ecological areas and minimising disturbance to wildlife habitats.
- Enforcing strict protocols for waste management, ensuring proper disposal and recycling practices.
- Training and empowering employees to actively participate in reducing the ecological footprint of our operations.

The Impact of our Fleet on the Environment

The operation of our fleet is the element that contributes the most to our total GHG emissions. Thereby representing our largest impact on the Environment and is an essential factor that will need to be managed for us to decarbonize our operation.

There are different means to reduce the fleet's impact on the environment including the use of Sustainable Aviation Fuel (SAF). As per a study by IATA, SAF could contribute around 65% of the reduction in emissions needed by aviation to reach net-zero in 2050. Other measures must be applied to further reduce emissions, and these include:

1. Choice of aircraft: The choice of aircraft we operate has an important impact on our scope 1 emissions (as well as noise pollution). The number of emissions produced by an aircraft depends on a number of factors include the size, type, and the engine technology used. Modern aircraft are designed to be more fuel- efficient and produce fewer emissions.

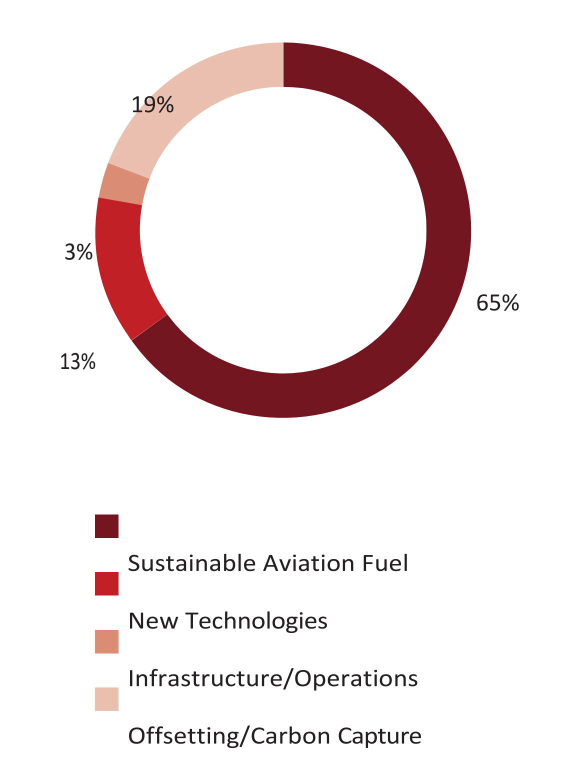
2. How we operate our aircraft: Flight planning and optimizing routes can allow for the reduction of fuel consumption and emissions. This could include avoiding headwinds, reducing flight altitudes, and reducing the number of flight manoeuvres.

3. How we maintain our aircraft: An airline can implement efficient maintenance practices to keep its aircraft in good condition, thereby reducing fuel consumption and emissions. The way an aviation company handles the waste from its maintenance operation can also have an important impact on scope 3 emissions.

4. How we dispose of our aircraft: It's important to have a clear plan in that regard, as the disposal of aircraft has an important impact on our scope 3 emissions. When an aircraft reaches the end of its operational life, it's usually scraped for parts and material. The emissions generated from the process used for scrapping and recycling can vary depending on the method. Other factors include the transportation required to dispose of the aircraft. Properly recycling and repurposing the aircraft can help to reduce emissions.

5. Facility management: Finally, facility management of aircraft hangars should also be considered to lower emissions. Factors to take into account include the proper management of the heating, ventilation and air conditioning systems, the implementation of energy-efficient lighting systems, the proper management of water consumption, among other.

Contribution to achieving Net Zero Carbon in 2050 (IATA)



Energy Consumption

Fossil Fuels

The vast bulk of ADA's energy consumption stems from the fuel we use for various types of aircraft that we operate. As this fuel represents one of our largest overheads as a business, we naturally make every effort to rationalise our consumption to be as efficient as possible, which has cost as well as environmental benefits.

Electricity

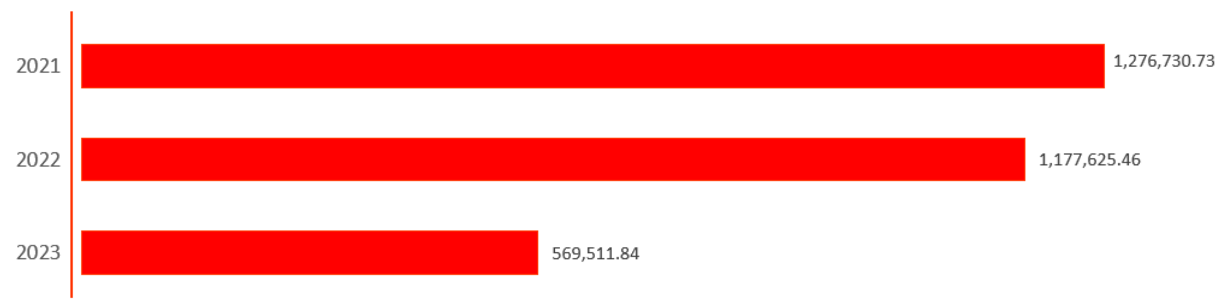
To reduce electricity consumption, we identified key actions to take and assigned roles and responsibilities for internal stakeholders for monitoring, measuring and managing our progress.

Actions include:
- Identify the amount of consumed electricity and gas through monthly electricity and gas bills
- Develop Corporate Agreement for Air Conditioning and Duct Cleaning
- Replace CFL bulbs with LED bulbs
- Develop energy conservation training and awareness program for employees
- Explore options for alternative energy source for water heating (e.g. installation of solar panels, etc)
- Coordinate with the relevant authorities to discuss alternatives to make use of the day light during the day and reduce the need for lighting
- Develop a monitoring and audit schedule/ program along with monthly energy consumption track sheet
- Coordinate provision of information on energy efficiency services, facilities, expertise, contractors, etc.
- Targets and Goals to be tracked on a monthly basis.
- Corporate management of energy consumption program to be reviewed quarterly in order to achieve targets and goals and assess the effectiveness of program
- Monitor, review and report performance. Provide monthly report on reduction in energy consumption methods and procedure

ADA at the Group Level:

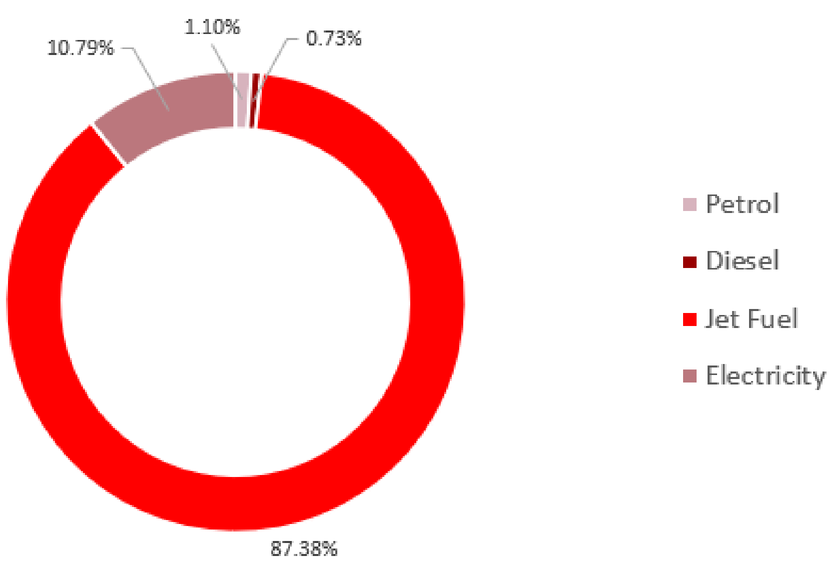
Energy Consumption (GJ)			2021	2022	2023
Energy Consumption	Direct Energy Consumption	Petrol	12,819.64	18,288.34	6,256.70
		Diesel	366,065.35	439,048.30	4,149.90
		Jet Fuel	833,045.20	657,015.94	497,638.70
	Electricity Consumption		64,800.54	63,272.88	61,469.59
Direct Energy Consumption			1,211,930.19	1,114,352.58	508,045.30
Indirect Energy Consumption			64,800.54	63,272.88	61,469.59

Total Energy Consumption (GJ)



Energy Intensity (GJ/Employee)	2021	2022	2023
Direct Energy Intensity	905.10	783.10	349.41
Indirect Energy Intensity	48.39	44.46	42.28
Total Energy Intensity	953.50	827.57	391.69

2023 Energy Mix



Water Consumption

We are committed to reducing water consumption on our premises and have put in place a series of initial steps to monitor, measure and manage usage.

- Measure water consumption and conduct audit of all sources of usage
- Identify areas of excess usage and leakage
- Develop specific reduction targets and guidelines
- Install water-saving equipment, including ultra-low-flush toilets, faucet aerators, and pressure-control valves
- Water conservation awareness program for all staff and contractors working on our premises
- Evaluate the effectiveness of the reduction program and opportunities for further efficiencies
- Monitor, review and report performance

	2021	2022	2023
Water Consumption for ADA			
Total Water Consumption in m^3	120,417	135,110	109,891
Total Water Consumption per Employee	126.22	137.17	105.26
Water Consumption for Royal Jet			
Total Water Consumption in m^3	9,420	12,639	7,545
Total Water Consumption per Employee	29.35	34.25	20.50
Water Consumption for Maximus Air			
Total Water Consumption in m^3	1,532	1,342	2,237
Total Water Consumption per Employee	35.63	31.95	53.26
Total Water Consumption			
Total Water Consumption in m^3	131,369	149,091	119,673
Total Water Consumption per Employee	98.11	104.77	82.31

Emissions

ADA uses the Greenhouse Gas Protocol to calculate our GHG emissions.

The boundary of our computed emissions currently includes:

Scope 1: Direct emissions from sources owned or controlled by ADA, including our fleet of aircraft, as well as other vehicles, machinery and equipment, generators, among others.

Scope 2: Indirect emissions from consumption of purchased electricity or cooling from local suppliers.

Scope 3: In future, we will look to extend the calculation to include elements of Scope 3 emissions related to water, wastewater, waste, paper and tissue consumption. This represents an important step towards enhancing GHG reporting and monitoring.

Scopes	Item	Sub-item	2021	2022	2023
Scope 1	Fuel consumption	Petrol	839.10	1,178.75	417.25
		Diesel	24,018.45	29,353.64	265.75
		Jet Fuel	55,372.06	43,671.49	33,230.56
Scope 2	Electricity		7,020.25	6,854.75	7,119.00
Scope 3	Water		356.80	404.93	1,268.53
	Wastewater		93.01	105.56	N/A
	Paper consumption		15.91	15.31	87.93
	Waste		508.73	505.01	491.50
	Business travel		33.15	38.81	108.00
Total Emissions (MTCO2e)			88,257.46	82,128.26	42,988.52

Total Emissions (MTCO2e)	2021	2022	2023
Scope 1	80,229.61	74,203.88	33,913.56
Scope 2	7,020.25	6,854.75	7,119.00
Scope 3	1,007.60	1,069.62	1,955.96
Total	88,257.46	82,128.26	42,988.52

Emissions Intensity (MTCO2e/Employee)	2021	2022	2023
Scope 1	59.92	52.15	23.32
Scope 2	5.24	4.82	4.90
Scope 3	0.75	0.75	1.35
Total	65.91	57.71	29.57

Waste Management

ADA manages and disposes of waste in a responsible and cost-effective manner in accordance with all relevant local and federal laws. The Centre of Waste Management (Tadweer) is responsible for regulating waste management across the emirate of Abu Dhabi.

ADA generates the following types of waste through its operations:

- General solid waste
- Construction and debris
- Waste from aircraft flights (deplaned waste)
- Compostable waste
- Hazardous and industrial waste
- Lavatory waste

Our Waste Management Policy forms an essential part of our Environment, Health and Safety Management System (EHSMS) and EHS Policy. This Policy aims to reduce the amount of landfill waste ADA generates and to ensure waste material is disposed of in an environmentally responsible manner, thereby reducing adverse environmental impacts.

We take a five-step approach to waste management based around the model Reduce – Re-use – Recycle – Treatment - Disposal

Reduce: Through purchasing policy, operational activity and by raising awareness, reduce the waste that will be created for disposal.

Re-use: Before discarding items, take action to re-use in the first instance within the Company and if this is not applicable, with external nominated organizations and contractors. Every opportunity to reuse items must be explored before being discarded as waste.

Recycle: Where opportunities exist and where regulations apply, waste recycling must be encouraged and implemented to minimize the amounts of waste destined for landfill.

Treatment: Where waste is sent for treatment to render safe or reduce hazardous properties prior to recycling or disposal the Company shall ensure that segregation, storage, handling, transport and treatment processes comply with legislation.

Disposal: Where the production of waste is unavoidable the Company shall ensure that segregation, storage, handling, transport and disposal processes comply with legislation.

Our Waste Management Plan 2023 contains the following measures, as per Tadweer requirements:

- A clear and visible commitment from top management for the execution of a compliant waste management system and implementation of 3Rs Program (Reduce, Reuse and Recycle)
- An analysis of the current waste management situation, as well as the measures to be taken to improve current practice
- The type, quantity and source of waste generated by the Company and existing waste collection schemes and major disposal processes, including any special arrangements for waste oils, hazardous waste or waste streams in accordance with legislations
- The plan shall include future action plans for reduction
- The appointment of approved third-party Environmental Service Providers (ESPs) for the collection, segregation, transportation and disposal of waste
- The means to review, update and monitor the effectiveness of the Plan.

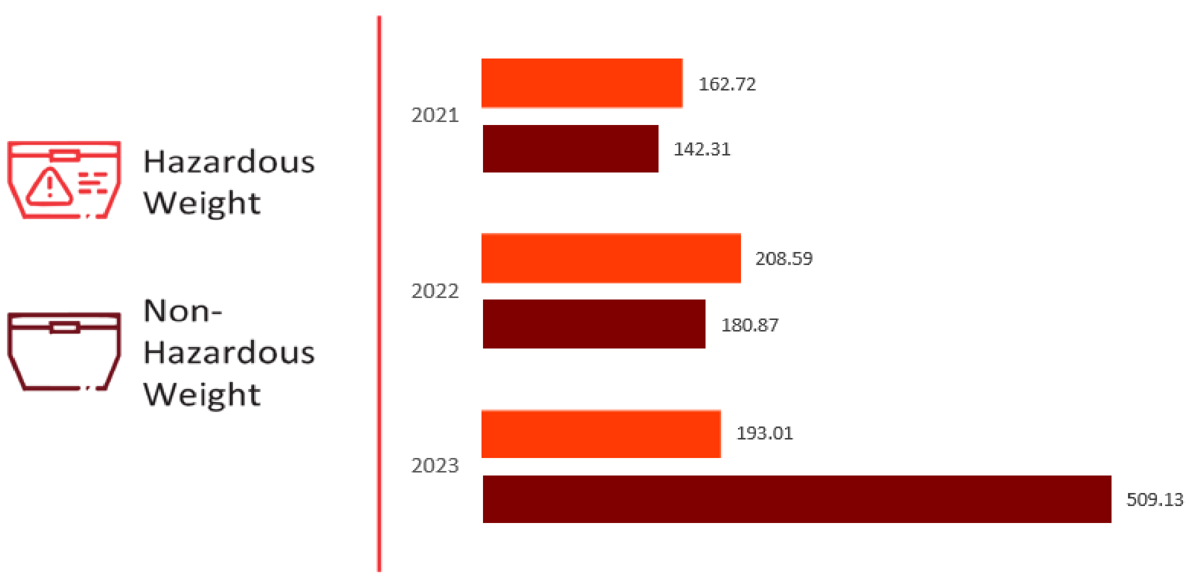
Hazardous waste

Hazardous substances require special treatment because they can interfere with municipal wastewater treatment operation, contaminate groundwater or contaminate surface waters.

ADA has strict management practices governing the collection, storage, treatment and disposal of wastewater generated from its aircraft paint stripping and cleaning activities. Wastewater generated by these activities is categorised as hazardous industrial wastewater.

Total Weight of Waste Generated (in MT)		
	Non-Hazardous Weight	Hazardous Weight
	ADA	
2021	126.78	162.52
2022	120.76	208.26
2023	396.00	193.00
	Royal Jet	
2021	14.49	0.20
2022	59.30	0.33
2023	111.55	0.014
	Maximus Air	
2021	1.043	N/A
2022	0.81	N/A
2023	1.575	N/A

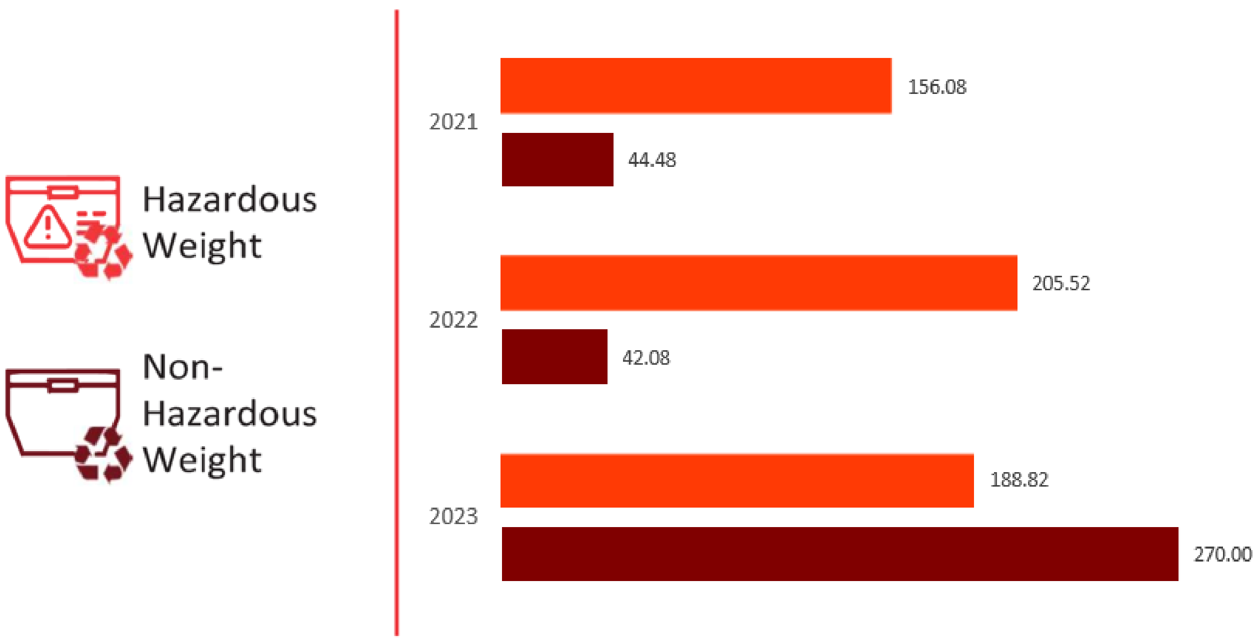
Total Weight of Waste Generated (in MT)



	Total Composition of Waste (in MT)			
	Paper/Cardboard	Construction & demolition	Used Oil	Hazardous Chemicals
	ADA			
2021	5.87	0.00	29.24	156.08
2022	3.99	0.00	27.61	205.52
2023	9.70	60.70	58.00	192.00
	Royal Jet			
2021	0.1	N/A	N/A	0.18
2022	1.16	N/A	N/A	N/A
2023	0.39	N/A	N/A	0.014
	Maximus Air			
2021	0.28	0	0	0
2022	0.22	0	0	0
2023	0.24	0	0	0
	Total			
2021	6.25	0.00	29.24	156.26
2022	5.37	0.00	27.61	205.52
2023	10.33	60.70	58.00	192.01

Total Weight of Waste Recycled (in MT)		
	Non-Hazardous Weight	Hazardous Weight
	ADA	
2021	44.10	156.08
2022	40.70	205.52
2023	269.37	188.82
	Royal Jet	
2021	0.1	N/A
2022	1.16	N/A
2023	0.39	N/A
	Maximus Air	
2021	0.28	N/A
2022	0.22	N/A
2023	0.24	N/A

Total Weight of Waste Recycled (in MT)



Total Weight of Waste Recycled (in MT)											
	Paper/ Card-board	Constructio n and demolition waste	Used Oil	Hazardous Contaminated water being treated and disposed of in the GMET Plant	Total IT Products Recycled	Printer Cartridges Recycled	Personal Computers/ ATM Machines/ Monitors/ Printers Recycled	Wood	Plastic	Tyre	Batteries
	ADA										
2021	5.09	0	29.24	155.83	6.17	0	N/A	7.73	0.37	0.89	0
2022	3.21	0	27.61	198.93	0	0	0	7.57	0.64	0.89	2.74
2023	9.67	60.70	58.04	187.48	0.24	0	0	134.28	0.66	6.02	1.10
	Royal Jet										
2021	0.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2022	1.16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2023	0.39	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Maximus Air										
2021	0.28	0	0	0	0	0.05	0	N/A	N/A	N/A	N/A
2022	0.22	0	0	0	0	0.4	0	N/A	N/A	N/A	N/A
2023	0.24	0	0	0	0	0	0	N/A	N/A	N/A	N/A
	Total										
2021	5.47	0	29.24	155.83	6.17	0.05	0	7.73	0.37	0.89	0
2022	4.59	0	27.61	198.93	0	0.4	0	7.57	0.64	0.89	2.74
2023	10.3	60.70	58.04	187.48	0.24	0	0	134.28	0.66	6.02	1.10

Our Responsibility Towards the Local Community

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

Emiratisation

ADA is committed to supporting the economic and social development of the UAE by increasing the proportion of UAE nationals in our workforce. Emiratis currently comprise more than 6% of all ADA workers, mostly at mid and senior executive level.

Currently, five of our rotary pilots are UAE nationals however 44% of our Search and Rescue (SAR) division are locals due to being ex-armed services.

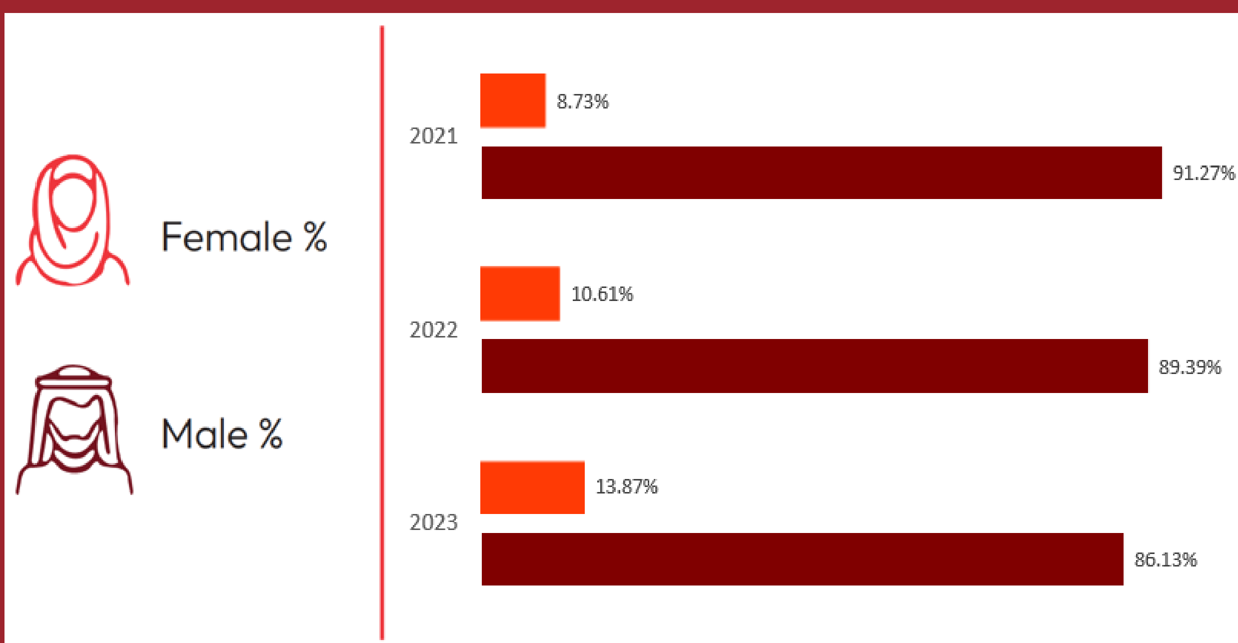
To address the skills deficit and recruit more Emiratis, ADA has introduced the ADAPT Training Program.

In 2023, there were nine female UAE nationals working at ADA, or around 13% of all UAE nationals employed at the company.

Globally, there is a very limited pool of around 100 female pilots and engineers qualified to work with the AW139 which ADA uses for commercial operations.

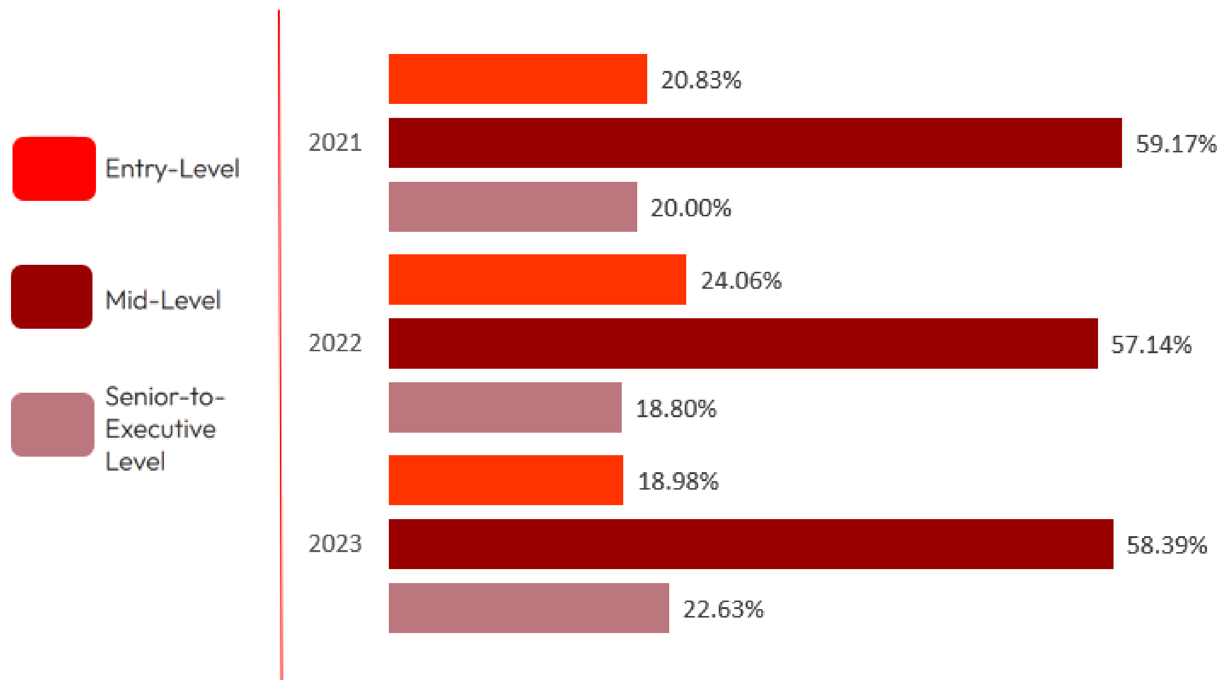
Number of UAE Nationals by Gender		
	ADA	
	Female	Male
2021	12.31%	87.69%
2022	13.11%	86.89%
2023	13.64%	86.36%
	Royal Jet	
2021	5.00%	95.00%
2022	8.57%	91.43%
2023	14.29%	85.71%
	Maximus Air	
2021	0.00%	100.00%
2022	0.00%	100.00%
2023	0.00%	100.00%

Total Number of UAE Nationals by Gender



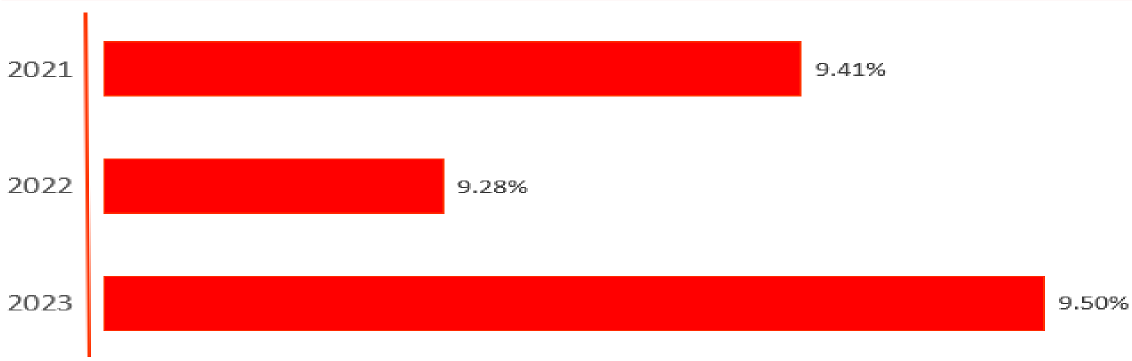
Number of UAE Nationals by Job Category			
	ADA		
	Entry-Level	Mid-Level	Senior-to-Executive Level
2021	3.39%	83.05%	13.56%
2022	4.84%	82.26%	12.90%
2023	7.58%	80.30%	12.12%
	Royal Jet		
2021	38.33%	36.67%	25.00%
2022	41.43%	35.71%	22.86%
2023	30.00%	38.57%	31.43%
	Maximus Air		
2021	0.00%	0.00%	100.00%
2022	0.00%	0.00%	100.00%
2023	0.00%	0.00%	100.00%

Total Number of UAE Nationals by Job Category



	Emiratization Rate
	ADA
2021	6.67%
2022	6.03%
2023	6.32%
	Royal Jet
2021	18.69%
2022	18.97%
2023	19.02%
	Maximus Air
2021	2.33%
2022	2.38%
2023	2.38%

Emiratization Rate



Community investment and volunteering

In addition to our commitment to hiring and upskilling local workers, ADA contributes to the local community through a variety of initiatives.

Abu Dhabi Desert Challenge

ADA sponsors this annual five-day desert rally which was launched in 1991 by Mohamed bin Sulayem, current FIA President and former President of the Emirates Motorsports Organization (EMSO). We also provide helicopters for surveillance and recording the event.

JUDO sponsorship

ADA promotes community sports development through its sponsorship of Judo in Abu Dhabi.

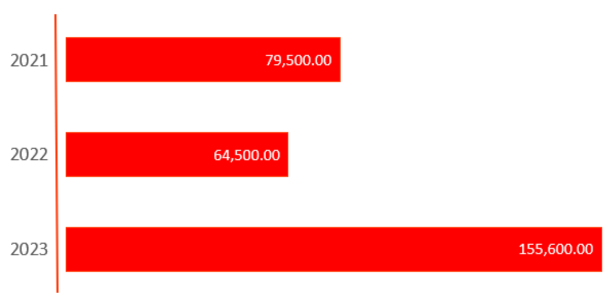
Social Welfare Program

ADA provides support for the Sheikh Khalifa bin Mohamed bin Khalid social welfare program.

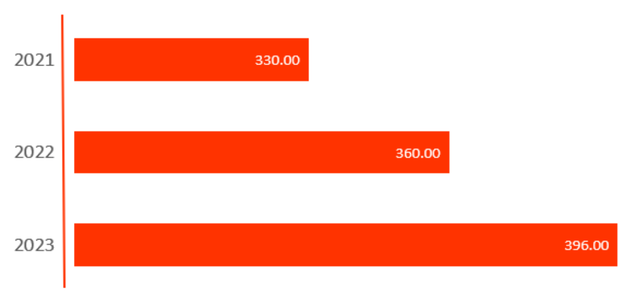
	Community Investment Total Amount in AED
	ADA
2021	50,000.00
2022	50,000.00
2023	135,600.00
	Royal Jet
2021	N/A
2022	N/A
2023	N/A
	Maximus Air
2021	29,500.00
2022	14,500.00
2023	20,000.00

	Volunteer Hours
	ADA
2021	330
2022	360
2023	396
	Royal Jet
2021	N/A
2022	N/A
2023	N/A
	Maximus Air
2021	N/A
2022	N/A
2023	N/A

Community Investment Total Amount in AED



Volunteer Hours Total



Case Study

Maximus Air's Humanitarian Mission

Humanitarian and relief services have become a key component of operations at Maximus Air. The company works closely with the UAE Red Crescent Authority to provide end-to-end solutions to support affected countries around the world.

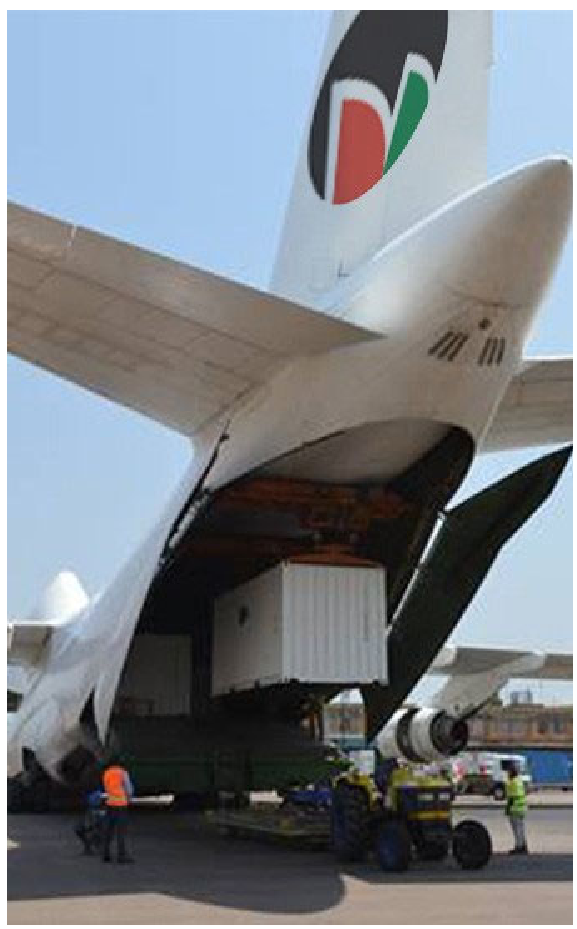
Maximus Air's urgent response heavy cargo specialists were in Africa in 2022 to coordinate and execute another successful project with the United Nations.

In September, we transported two Mi-17 helicopters and accompanying equipment from Tianjin, China to Entebbe, Uganda. The helicopters were brought in to relieve the two previously delivered Chinese helicopters that had reached the end of their mission.

Upon delivery to Entebbe, the new helicopters were quickly assembled and dispatched to the Abyei area between Sudan and South Sudan to commence their support work for the United Nations Interim Security Force for Abyei (UNISFA).

This was not the first time the Maximus Air fleet has been mobilised to support the UAE's humanitarian efforts for refugees and displaced people.

- Our AN124 aircraft has moved various relief and food supplies along with ambulance cars.
- We arranged an urgent charter flight to transport medical supplies and relief goods to support Ukrainian refugees in Poland.
- Delivered a shipment of COVID-19 vaccines to Mauritania on board Maximus Air IL76TD.
- Transported much needed relief cargo and fire- fighting equipment from Abu Dhabi to Greece using our IL76TD.



Responsible Business Practices

DECENT WORK AND ECONOMIC GROWTH

ROBUST GOVERNANCE

ADA maintains the trust of all stakeholders by rigorously applying the principles of responsible governance to ensure maximum oversight of all decision making as well as transparency and accountability at the highest level.

Board of Directors

The Board of Directors has ultimate responsibility for strategic planning and oversight at ADA. It provides appropriate guidance to the executive management team which is responsible for the implementation of the strategy within the authority delegated by the Board.

The Board comprises nine non-executive members, with extensive financial and business backgrounds.

Chairman of the Board
His Excellency Nader Ahmed Mohamed Al Hammadi

Vice Chairman
Sheikh Ahmed Mohammed Sultan Suroor Al Dhaheri

Member
His Excellency Homaid Abdulla Ali Mohammed Al Shimmari

Member
Mr. Abdulla Seddiq Mohamed Husain Al Khoori

Member
Mr. Ahmed Salem Obaid Salem Aldhaheri

Member
Mr. Mansour Mohamed Abdulqader Mohamed Almulla

Member
Mr. Mohamed Khalil Mohamed Sharif Foulathi Al Khoori

Member
Mr. Saeed Ali Saeed Hamed Albedwawi

Member
Ms. Elena Sorlini

Board Committees

- Audit Committee
- Nominations and Remuneration Committee
- Investment Committee
- Strategic Business and Risk Mitigation Committee
- Insiders Follow-up and Supervision Committee

Internal Control System

The Board of Directors is responsible for overseeing the company's internal control system and reviewing its effectiveness and efficiency. The system is designed to assess and manage risks, ensure that all internal policies and procedures are being adhered to, and ensure that ADA complies with all appropriate rules and regulations. The Internal Control Department is responsible for executing of internal control processes and for reporting periodically to the Board.

In 2023, there were no instances of non-compliance with applicable rules, regulations, or voluntary codes.

SUSTAINABLE SUPPLY CHAIN

For ADA, it is vital to build and maintain strong, long-term relationships with key suppliers, particularly for high-value assets such as aircraft. We depend on these partners not only to supply the assets that are the bedrock of our operations but also spare parts and maintenance support for our fleet so that we can continue to deliver outstanding service for our customers.

ADA's supply chains are strengthened through strategic partnerships with key overseas suppliers. For example, AgustaWestland Aviation Services (AWAS), a joint venture (JV) between ADA (70%) and Leonardo Helicopters (30%), provides first class services to all Leonardo helicopters in the Middle East.

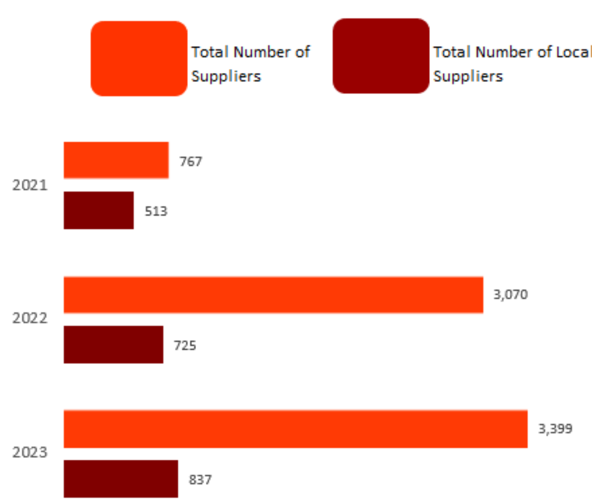
ADA is also the exclusive distributor of Honeywell's Multifunction Control Display Units (MCDU) products on Leonardo AW 139 helicopters worldwide, ex-US and Japan, while we are an authorised Bell helicopter customer service provider.

These partnerships ensure that our own need for spare parts is always met while also strengthening our vertical offering and our contribution to local and regional supply chains. Our procurement for spare parts is automated and digitalised with an average estimated lead time of 24-36 hours including delivery.

The nature of our business means the vast bulk of our procurement is with overseas suppliers, however we look to the local market for support services wherever possible, which we do through the UAE's Tejari system. All our suppliers are required to sign a Code of Conduct.

	Total Number of Suppliers	Total Number of Local Suppliers
	ADA	
2021	N/A	N/A
2022	2216	160
2023	2261	177
	Royal Jet	
2021	359	207
2022	452	243
2023	703	283
	Maximus Air	
2021	408	306
2022	402	322
2023	435	377

Total



	Total Procurement Spending (in AED)	Total Procurement Spending on Local Suppliers (in AED)
	ADA	
2021	415,186,909.63	5,472,025.00
2022	308,276,691.54	5,765,825.00
2023	464,862,978.55	184,051,483.86
	Royal Jet	
2021	32,752,948.89	14,910,587.19
2022	54,292,763.71	15,402,149.47
2023	45,006,693.23	8,243,740.13
	Maximus Air	
2021	317,996,019.57	260,895,804.57
2022	283,433,964.00	226,747,171.00
2023	673,861,694.00	539,089,356.00
	TOTAL	
2021	765,935,878.09	281,278,416.76
2022	646,003,419.25	247,915,145.47
2023	1,183,731,365.78	731,384,579.99

Appendix

GRI & ADX INDEX

GRI 1: FOUNDATION 2021				
Statement of Use	Abu Dhabi Aviation (ADA) has reported the information cited in this GRI content index for the period 1 January – 31 December 2023 in accordance with the GRI Standards			
GRI 2: GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
The Organization and its Reporting Practice				
2-1	Organizational details			
2-2	Entities included in the organization's sustainability reporting	G7: Sustainability reporting G8: Disclosure Practices G9: External Assurance		
2-3	Reporting period, frequency and contact point	G7: Sustainability reporting G8: Disclosure Practices		
2-4	Restatements of information			
2-5	External assurance	G10: External Assurance		
Activities and workers				
2-6	Activities, value chain and other business relationships			
2-7	Employees	S3: Employee Turnover S4: Gender Diversity		
2-8	Workers who are not employees	G4: Supplier Code of Conduct		
Governance				

2-9	Governance structure and composition	G1: Board Diversity		
2-10	Nomination and selection of the highest governance body	G2: Board Independence		
2-11	Chair of the highest governance body			
2-12	Role of the highest governance body in overseeing the management of impacts			
2-13	Delegation of responsibility for managing impacts			
2-14	Role of the highest governance body in sustainability reporting	G3: Incentivized Pay		
2-15	Conflicts of interest	G6: Ethics & Anti-Corruption		
2-16	Communication of critical concerns			
2-17	Collective knowledge of the highest governance body			
2-18	Evaluation of the performance of the highest governance body			
2-19	Remuneration policies	G3: Incentivized Pay S1: CEO Pay Ratio S2: Gender Pay Ratio		
2-20	Process to determine remuneration	S2: Gender Pay Ratio		
2-21	Annual total compensation ratio	G3: Incentivized Pay S1: CEO Pay Ratio S2: Gender Pay Ratio		
Strategy, policies, and practices				
2-22	Statement on sustainable development strategy	G8: Sustainability reporting G9: Disclosure Practices E8 & E9: Environmental Oversight		
2-23	Policy commitments			
2-24	Embedding policy commitments			

2-25	Processes to remediate negative impacts			
2-26	Mechanisms for seeking advice and raising concerns			
2-27	Compliance with laws and regulations	G6: Ethics & Anti-Corruption		
2-28	Membership associations	S1: CEO Pay Ratio		
Stakeholder engagement				
2-29	Approach to stakeholder engagement			
2-30	Collective bargaining agreements			
GRI 3: MATERIAL TOPICS				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
3-1	Process to determine material topics			
3-2	List of material topics			
3-3	Management of material topics			
GRI 200: Economic Standard Series				
GRI 201: Economic Performance 2016				
GRI 201 Topic Specific				
3-3	Management Approach			
201-1	Direct economic value generated and distributed			
GRI 202: Market Presence 2016				
GRI 202 Topic Specific				
3-3	Management Approach			
202-2	Proportion of senior management hired from the local community	S11: Nationalisation		
GRI 204: Procurement Practices 2016				
GRI 204 Topic Specific				

3-3	Management Approach			
204-1	Proportion of spending on local suppliers	G4: Supplier Code of Conduct		
GRI 205: Anti-Corruption 2016				
GRI 205 Topic Specific				
3-3	Management Approach			
205-1	Operations assessed for risks related to corruption			
205-2	Communication and training about anti-corruption policies and procedures			
205-3	Confirmed incidents of corruption and actions taken	G5: Ethics & Prevention of Corruption		
GRI 300: Environmental Standard Series				
GRI 302: Energy 2016				
GRI 302 Topic Specific				
3-3	Management Approach	E10: Climate Risk Mitigation		
302-1	Energy consumption within the organization	E3: Energy Usage		
302-2	Energy consumption outside of the organization	E4: Energy Intensity E5: Energy Mix		
302-4	Reduction of energy consumption	E4: Energy Intensity E5: Energy Mix		
GRI 303: Water and Effluents 2018				
GRI 303 Topic Specific				
3-3	Management Approach			
303-5	Water Consumption	E6: Water Usage		
GRI 305: Emissions 2016				
GRI 305 Topic Specific				

3-3	Management Approach	E8 & E9: Environmental Oversight		
305-1	Direct (Scope 1) GHG emissions	E1: GHG Emissions		
305-2	Energy indirect (Scope 2) GHG emissions	E1: GHG Emissions		
305-3	Other indirect (Scope 3) GHG emissions	E1: GHG Emissions		
305-4	GHG emissions intensity	E1: GHG Emissions E2: Emissions Intensity		
GRI 306: Waste 2020				
GRI 306 Topic Specific				
3-3	Management Approach			
306-3	Waste generated	E7: Environmental Operations		
GRI 308: Supplier Environmental Assessment 2016				
GRI 308 Topic Specific				
3-3	Management Approach			
308-1	New suppliers that were screened using environmental criteria	E7: Environmental Operations		
GRI 400: Social Standard Series				
GRI 401: Employment 2016				
GRI 401 Topic Specific				
3-3	Management Approach			
401-1	New employee hires and employee turnover	S3: Employee Turnover		
401-2	Benefits provided to full-time employees that are not provided to part-time employees			
GRI 403: Occupational Health & Safety 2018				
GRI 403 Topic Management Disclosures				
3-3	Management Approach			

403-1	Occupational health and safety management system	S8: Global Health & Safety		
403-2	Hazard identification, risk assessment, and incident investigation			
403-3	Occupational health services			
403-4	Worker participation, consultation, and communication on Occupational health and safety			
403-5	Worker training on occupational health and safety			
403-6	Promotion of worker health			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			
GRI 403 Topic Specific				
403-8	Workers covered by an occupational health and safety management system	S8: Global Health & Safety		
403-9	Work-related injuries	S7: Injury Rate		
403-10	Work-related ill health			
GRI 404: Training & Education 2016				
GRI 404 Topic Specific				
3-3	Management Approach			
404-1	Average hours of training per year per employee			
404-2	Programs for upgrading employee skills and transition assistance programs			
404-3	Percentage of employees receiving regular performance and career development reviews			

GRI 405: Diversity and Equal Opportunity 2016				
GRI 405 Topic Specific				
3-3	Management Approach			
405-1	Diversity of governance bodies and employees	S4: Gender Diversity		
		S6: Non-Discrimination		
		S11: Nationalisation		
		G1: Board Diversity		
405-2	Median Compensation			
GRI 406: Non-Discrimination 2016				
GRI 406 Topic Specific				
3-3	Management Approach			
406-1	Incidents of discrimination and corrective actions taken	S6: Non-discrimination		
GRI 410: Security Practices				
GRI 406 Topic Specific				
3-3	Management Approach			
410-1	Security personnel trained in human rights policies or procedures	S10: Human rights		
GRI 413: Local Community 2016				
GRI 413 Topic Specific				
3-3	Management Approach			
413-1	Operations with local community engagement, impact assessments, and development programs	S11: Nationalisation S12: Community Investment		
GRI 414: Supplier Social Assessment 2016				
GRI 414 Topic Specific				
3-3	Management Approach			

414-1	New suppliers that were screened using social criteria	S11: Nationalisation S12: Community Investment		
GRI 416: Customer Health and Safety 2016				
GRI 414 Topic Specific				
3-3	Management Approach			
416-1	Assessment of the health and safety impacts of product and service categories			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services (GRI 416-2)			
GRI 418: Customer Privacy				
GRI 418 Topic Specific				
3-3	Management Approach			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	G6: Data Privacy		