شركة الأسمنت الوطنية ش.م.ع.
NATIONAL CEMENT CO. P.S.C.

2025 Sustainability Report

FOR A BETTER FUTURE ... FOR A BETTER WORLD

A Message from The General Manager

> **At National Cement Company, we are building more than cement. We are building a cleaner energy foundation, advancing operational excellence, and developing the human capital that will drive a more sustainable future for generations to come.**

Ladies and Gentlemen,

The year 2025 marks a decisive step forward in National Cement Company's commitment to sustainable and responsible growth. In a rapidly evolving energy landscape, we have taken concrete actions to strengthen our environmental performance while reinforcing the long-term resilience of our operations.

A key milestone this year has been the expansion of our solar energy systems. By increasing our reliance on renewable power, we have reduced our carbon footprint and enhanced energy efficiency across our facilities. This investment reflects our strategic direction: integrating clean energy solutions into the core of our manufacturing model to ensure both environmental responsibility and operational competitiveness.

Complementing our solar initiatives, we successfully optimized our Waste Heat Recovery (WHR) system. By enhancing its efficiency and performance, we are capturing more residual heat from our production processes and converting it into valuable electrical energy. This improvement reduces dependence on conventional power sources, lowers emissions, and maximizes resource efficiency. The modernization of our WHR infrastructure demonstrates how innovation within existing operations can generate measurable sustainability gains.

Sustainability at National Cement Company also means responsible resource management. We continue to advance circular economy practices by incorporating alternative raw materials and industrial by-products into our production processes.

These efforts reduce waste, conserve natural resources, and strengthen the environmental integrity of our products.

Equally important is our investment in people. In 2025, we placed strong emphasis on human resources development, expanding technical training, enhancing clean energy competencies, and reinforcing health and safety standards. Empowering our workforce with the skills and knowledge required for a low carbon future ensures that sustainability is embedded not only in our systems, but in our culture.

Beyond our operations, we remain committed to supporting the communities around us through education, vocational development, and collaborative partnerships that promote long term opportunity.

As we look ahead, we remain focused on continuous improvement, transparency, and innovation. The progress achieved this year strengthens our confidence that sustainable industrial growth is not only possible; it is essential.

At National Cement Company, we are building more than cement. We are building a cleaner energy foundation, advancing operational excellence, and developing the human capital that will drive a more sustainable future for generations to come.

Mohamed Abdullah A. Al Ghurair
General Manager/CEO

About The Report

National Cement Company is proud to present its 2025 Sustainability Report, marking the fifth consecutive year of publicly disclosing our sustainability performance. This report underscores our commitment to transparency, informed decision-making, and advancing sustainable practices within the industry. As a trusted contributor to the community and the region, NCC continues to lead by example, serving both the local market and GCC countries with a focus on innovation and responsibility.

This report details NCC's sustainability performance from January 1st to December 31st, 2025, in the Emirate of Dubai. Prepared in alignment with the Global Reporting Initiative (GRI) Standards, it also integrates the United Nations Sustainable Development Goals (SDGs) and the Dubai Financial Market (DFM) ESG Reporting Guidelines for key performance indicators.

Structured around the three core pillars of Governance, Environmental, and Social Sustainability, the report provides a clear and comprehensive overview of our efforts. The material topics addressed were identified through a robust process involving cross-departmental collaboration, senior management input, and materiality assessment workshops with both internal and external stakeholders.

Through this report, we aim to highlight our progress, challenges, and future aspirations, reaffirming our dedication to sustainable growth and positive impact. Together, we are shaping a more sustainable future for our industry, our community, and the planet.

Overview

1968

Founded in Dubai 1968 under the patronage of late H.H. Sheikh Rashid Bin Saeed Al Maktoum.

1978

- Commissioned with a clinker capacity of 500.000 ton per year
- Wet Process.

1981

- Converted to dry process
- Upgraded, and the capacity increased to 700,000 ton per year.

2025

- Production capacity around 1,200,000 ton per year of clinker.
- Cement grinding capacity of about 1.5 million tons per year.
- Producing OPC, SRC, MSRPC & GGBS.

Business Overview

How Did We Start?

National Cement Company, Dubai has been founded in 1968 under the patronage of late His Highness Sheikh Rashid Bin Saeed Al Maktoum, the Former Ruler of Dubai. It had been the first serious stride towards setting up heavy industry in the Emirates of Dubai.

Project contracts were awarded in 1974 to M/s. Costain Civil Engineering to design and construct the cement works and to M/s. F.L. Smidth & Co. Ltd. For the supply of equipment and machinery. The design of the plant had taken into consideration the utilization of abundantly available coastal sand and inland sand in this region. The choice of these raw materials had dictated the selection of wet process for the clinker production as the most suitable process for such raw materials. For overcoming the problem of the availability of good water for the process and cooling of the machinery, it was decided to use sewage wastewater in the process. The combination of these raw materials and usage of sewage water as the main source for the process has made National Cement Company, Dubai a unique plant in the Middle East and even maybe in the world using such raw materials.

The plant was commissioned in the month of August 1978 for the production of 1500/- TPD of clinker. However, taking into consideration the soaring cost of energy in 1981 the management decided to convert the kiln from a wet process to a short three-stage pre-heater dry process kiln with an increase in production capacity from 1500 TPD to 1850 TPD. The contracts for this modification were concluded in June 1982 with M/s. SKET Export-Import, East Germany for reducing the energy cost, improving the process, and meeting the cement demand in Dubai and in the U.A.E. in general. The plant had been successfully commissioned in February 1985. Subsequently, National Cement Company took a further step to increase the capacity by a small modification to the kiln pre-heater and the burning process and concluded a contract in 1989 with M/s. KHD Humboldt Wedag, West Germany to produce about 2100 TPD of clinker. Recently a new kiln modification work has been completed, the project was concluded with M/s. F.L. Smidth & Co. Introducing Kiln Feed Calciner and Four Stages Cyclone Preheater with the latest State of Art in clinker cooling technology by introducing SF Cross Bar Clinker Cooler. Moreover, a modern Tyre Burning System has been introduced just to create more savings in energy consumption and to assist in cleaning the environment by getting rid of plenty of used / unwanted rubber tires. Today the plant is producing about 3,500 TPD of clinker and the grinding capacity of the plant is about 1.5 million M ton per annum. Moreover, during these years National Cement Company has taken a major share in the Dubai Market and U.A.E. in general.

National Cement Company's range of production at present includes four types of cement in addition to grinding of pure granulated blast furnace slag which satisfies all present market demands. Nevertheless, National Cement Company has the potential and technical know-how to meet the future demands for other types of cement. The following types of cement are being produced under a stringent quality control system to meet all the specified specifications.

1. Ordinary Portland Cement,
2. Sulphate Resistant Cement,
3. ASTM type II Cement,
4. Portland Blast furnace slag cement,
5. Ground Granulated Blast Furnace Slag.

Our Values

Our Vision, Mission, and Commitment

Mission

To supply high quality products and services to customers, and to continue to be the leading producer and supplier of cement in the region.

Vision

To be the most sustainable and competitive company in the industry.

Commitment

- To enhance customer satisfaction by providing quality products and services through competent, trained, and knowledgeable personnel and state of art technology.
- To promote teamwork and provide our staff with a safe and friendly working environment.

Environmental Sustainability

01 Alternative Fuel

2.20 thousand MTons of Alternative Fuel used in NCC in 2025.

02 Water

354 thousand m3 of water used in NCC in 2025.

03 Green House Gases

In 2025 CO_2 emission factor was 0.828 ton CO_2 per ton clinker

Environmental Overview

Energy, Alternative Fuel and GHG

National cement company (NCC) is one of the oldest and leading companies for cement manufacturing in the UAE. Minimization of resource consumption and recycling of waste are important factors for ensuring the future welfare of humankind. That is why NCC has taken the lead step by collaborating with Dubai municipality for recycling some of the industrial wastes that are being produced from other industries. Waste recycling is taking place along with the production of cement; therefore, a very strict quality control system is applied to ensure that the quality of the final product (cement) is not compromised when incorporating waste recycling.

NCC monitors closely GHGs emitted from its cement factory with a continuous online analyzer for these gases. In addition to that, one of the main points in the management strategy is the utilization of alternative fuel which helps in reducing GHGs. It also monitors closely the soil quality and air quality and noise levels in the surrounding area where it assigns an external laboratory to carry out these tests regularly throughout the year.

In addition to the government regulations and Ministerial decree number (137) for 2012, NCC has developed its guidelines and policies for waste recycling. Moreover, it possesses ISO 14001 certification for environmental management which certifies that NCC is following the international best practice in its environmental operations.

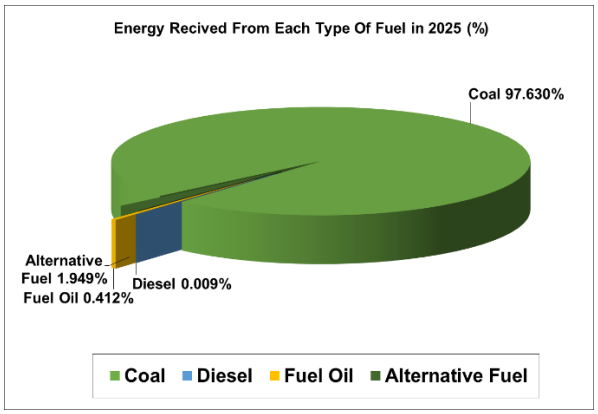
In terms of energy performance, NCC is having a daily management meeting where the energy performance and review are discussed daily.

Energy and Fuel

There are four main sources of thermal energy in NCC factory, these are:

- Coal, (the main source of energy)
- Fuel Oil,
- Diesel,
- Alternative Fuel.

The following figure shows the percentage of total energy received from each type of fuel used in NCC:



When we look at the energy in terms of the total thermal energy consumed in NCC, putting into consideration coal as the prime source of energy we find that the total thermal energy consumed in 2025 was around 2.78 million GJ

In terms of energy consumption for clinker manufacturing, in 2025 an average of 768 kcal/kg of clinker was recorded.

Water Consumption

Water is a vital element for any industry, it is mainly used in NCC for process uses and domestic uses. The process uses mainly involves the cooling tower for machinery cooling. It also involves cooling gasses and capturing dust particles in kiln gases conditioning towers along with other miner uses. In NCC, water consumption for the year 2025 was recorded to be around 354 thousand m^3.

Alternative Fuel

National Cement Company is aspiring to be one of the most environmentally friendly plants in the region, therefore, several projects have been executed to reduce the consumption of fossil fuel and substitute it with alternative fuels to reduce its carbon footprint and preserve national resources.

Some of the current projects that are taking place in NCC factory are:

Waste Heat Recovery

NCC is equipped with a Tire Derived Fuel (TDF) system, and gravimetric weigh feeder (Pfister). The choice of feeding strategy depends upon the type, physical and chemical characteristic of the fuel. Some of these fuels are:

- Food items and chocolate,
- Plastic products and cotton rags
- Grease and waste oil,
- Tires and rubber pieces,
- Paint sludge, paint powder and resins,
- Waste paper and cartons,
- Wood, carbon dust, tobacco,
- Other burnable.

Mineral Industrial Waste Used as Raw Materials

These are industrial wastes that are being generated from different companies and being incorporated with raw materials. The waste material will be mixed with the raw materials in a calculated manner before processing it in the plant. Mixing of the waste material will be according to its chemical composition which will determine the type of raw material that will be mixed with.

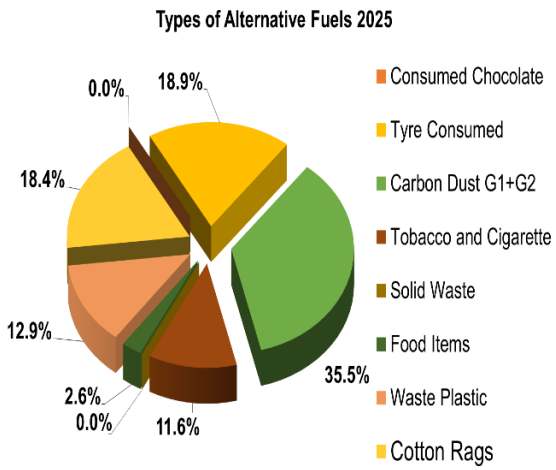
The total Industrial (non-burnable) waste materials consumed in NCC in 2025 is estimated to be around 24 thousand metric tons.

Bailing and Wood Shredding Machines

As per the NCC vision which aims to reduce fossil fuel and increase the use of alternative fuel to provide a clean source of energy, another strategy was made to get rid of the in-house waste internally by burning them inside the system. This plan came to life in August-2017 after which 100% of NCC-generated waste is being disposed internally. Wastes from NCC factory and labor camp are being accumulated bailed into blocks and then fed to the kiln through the TRF system. In 2025 the quantity of domestic waste disposed internally is around 450 ton.

In addition to that, a wood shredding machine was installed in 2018 to increase the utilization of alternative energy. It is being used as means of preparation to shred big pieces of wood into a fine powder which is being fed through a Pfister weigh feeder.

The following figure shows the distribution of the main streams of Alternative fuel used in NCC's kiln in the year 2025, where the highest percentage of waste was recorded for carbon dust with a percentage of 35.50% followed by scraped tires with a percentage of 18.90%.



In terms of the overall alternative fuel (burnable) consumed in the kiln, the percentage achieved of waste utilization recorded in 2025 was 2.20 thousand metric tons. This quantity is equivalent to a thermal substitution percentage of about 2.00% of the total required thermal energy for the kiln in 2025.

Green House Emission

One of the direct results of using Alternative Fuels as a source of energy in cement factories is the reduction of greenhouse gases because of fossil fuel reduction.
For scope 1 GHG emissions include the CO_2 emissions from fuel consumption and limestone calcination. In 2025, the total emissions from NCC factory were 716.81 Gg of CO_2.

For scope 2 GHG emission includes emissions resulting from the generation of purchased or acquired electricity. In NCC, the total indirect CO_2 emissions from purchased electricity for the year 2025 were recorded to be 47.93 Gg of CO_2

In terms of the CO_2 emissions associated with clinker production. In 2025 the CO_2 emission recorded for NCC was 0.828 tons of CO_2 per ton clinker.

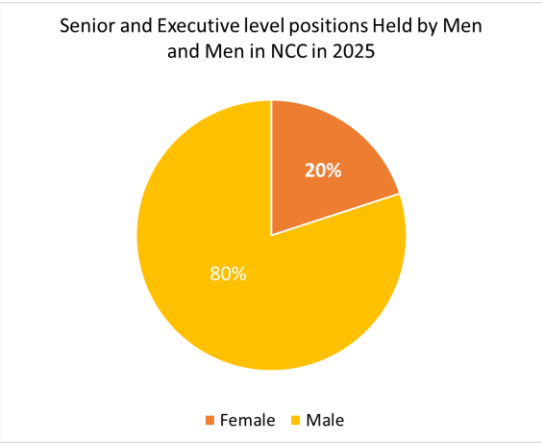
Social Sustainability

Total Number of employees 458 in 2025.

11,500 total man-hours of training in 2025.

Our Employees

At National Cement Company, we consider employees to be our strengths. We understand how employee satisfaction translates into direct economic and social impacts for a company. Efficient employee management also improves employee retention, productivity, and overall engagement. We owe a lot of our achievements to the dedication, determination, and passion exhibited by our employees. Our employees have taken up our sustainability initiatives with purpose, enabling us to grow sustainably and responsibly. Consequently, we are dedicated to ensuring a safe and satisfactory work environment for our employees. In this line, our Healthcare Policy and EHS Policy were put in place with the efforts of the Human Resources Department and safety office to ensure that our employees are taken care of. We make continual efforts to provide a conducive environment to our employees for their growth and development which helps in building their careers. We aim to continue to improve our performance while focusing on employee engagement, interaction, training programs, etc.



Employee Headcount

NCC Cement recognizes that employee diversity in terms of multiple factors such as gender and age is important to facilitate sustainable, profitable, and responsible growth. As a growing company, we are constantly looking out for fresh talent along with experienced minds. By 2025, our total number of employees was recorded to be 458 employees. Out of which 98.70% were male and 1.30% were females. However, the representation in the senior and executive levels was about 20% for females and 80% for males, and we are looking for ways to increase this percentage furthermore in the future. The median compensation for males and females is equal. All NCC employees were full-time employees

In 2025 the percentage of change for the headcount was recorded to be +1.97% The increase in headcount was a natural response to the increase of production and the need to replace retiring staff, reflecting NCC's long-standing reputation for high employee retention over its 50+ years of operation. Many of our team members have been with us throughout this remarkable journey, resulting in a higher percentage of retirements as these loyal employees transition into the next phase of their lives. The entry level positions percentage for the year 2025 was recorded to be 5.68% of the total headcount.

Health and Safety

Our occupational health and safety policy is applied all over the company. The basic principles governing this policy are detecting and managing the possible risks arising from our occupational activity, internal communication, and generating a safe and healthy working culture. It is also important to constantly search for solutions to prevent risks and improve working conditions and comply with health and safety legislation. In order to apply these principles, a formal occupational risk management system exists, and a follow-up in the form of internal and external audits. On the other hand, our safety office has run a program called Committed to Safety in 2022 aimed at reaching zero damage and injury to people.

Our Health and Safety Policy follow the United Arab Emirates Regulations, including ISO-14001 and International Best Practice Standard. The Policy covers all employees, contractors, and visitors to all our production units, office buildings, workers' accommodations, and workshops, with our goal to prevent all accidents, injuries, and occupational illnesses.

We also display safety bulletins and safety hazard posters in strategic areas around our factories to emphasize the importance of health and safety.

The Environment, Health, and Safety Office (EHSO) team are responsible for the day-to-day management of our health and safety systems. In 2025, the injury rate relative to the total workforce was recorded to be 0.21%.

Employee Benefits

- All employees are provided with medical insurance covering all work-related and non-work-related health issues or injuries and free health check-ups. Moreover, we have a monthly awareness campaign carried out by the health and safety office on a variety of topics including health and risks inside the workplace and outside the workplace.
- Retirement benefits such as gratuity are considered as defined benefit obligations; it is provided following UAE Laws.
- Women employees are entitled to maternity leave. All female employees are eligible for 45 days of maternity leave following UAE Laws and can be extended to another 45 days subject to management approval.
- Local minimum wage rules are followed, and employees are paid above the local minimum wage. Merit is the main parameter for recruitment. We are an equal-opportunity employer providing equal remuneration for women and men.

- All employees are granted leave travel allowance, graded according to their Company designation, paid at prevalent market rates.
- Employees are provided with accommodation following the NCC accommodation Policy. If no accommodation is provided, employees are provided with an accommodation allowance

determined by their respective pay grades. Free transportation is provided to all employees residing in the emirate of Dubai.

- A health bounce is being paid to the employees depending on the number of sick leaves availed by each employee to encourage them to take care of their health. In 2025 a health was given to every eligible employee.

Long Service Awards

Employees who spend more than a decade with the organization are felicitated with 'Long Service Awards. There are two categories for these awards, these are 15 years awards and

25 years awards. The award is being granted to the employees regardless of their grades. For factory employees, the induction training also covers detailed guidelines from the EHS office regarding health and safety at work.

Training and Development

in 2025, around 11,500 man-hours were spent undertaking employee education for all factory employees. The largest initiative was Manufacturing Excellence, which included the principles of lean manufacturing and Total Productive Maintenance cutting across various management levels. External industry webinars were widely attended by employees.

All employees receive regular performance and career development reviews. At the start of any year, employees along with their managers set out specific key performance indicators that the employee will work towards throughout the year, and employees are reviewed based on these metrics. As for the new joiners, the Human Resources team leads a general induction program for new starters, followed up by departmental-specific training organized by individual departments.

New starters are also provided with a copy of the Employee Code of Conduct during induction. Furthermore, all new employees receive a performance review upon completion of their probation period.

Sports & Leisure

A big part of employee well-being is to live an active life that involves exercising and practicing sports, therefore NCC has provided recreational facilities for the employees in both the factory and the worker's accommodation, including a gym, volleyball, and badminton courts, and a football field. NCC also organizes regular sports tournaments in chess, badminton, cricket, and football to stimulate the employees mentally and physically.

NCC Social Responsibility Initiatives

In 2025, National Cement Company continued to strengthen its commitment to sustainability, community partnership, and responsible operations. Working closely with Dubai Municipality, Dubai Civil Defence, and leading academic institutions, NCC advanced initiatives focused on environmental performance, national workforce development, resource efficiency, and employee wellbeing. These efforts reflect the company's long term vision of creating shared value for the community while operating responsibly and sustainably.

Environmental Sustainability Initiatives

NCC remains focused on reducing its environmental footprint by increasing the use of alternative fuels and maximizing the benefits of Waste Heat Recovery (WHR) technology to generate electricity. These initiatives improve energy efficiency, reduce CO_2 emissions, and support the UAE's broader sustainability agenda while strengthening operational resilience.

Tawteen (Emiratization Initiative)

In line with the UAE's Emiratization strategy, NCC successfully achieved its annual Tawteen targets, reinforcing its role in supporting national workforce development. By integrating Emirati talent into its operations, the company not only complies with regulatory requirements but also contributes to long term national growth and enhances its corporate standing.

Waste Diversion Initiative

Through its partnership with Dubai Municipality, NCC diverted 27,000 tons of waste from landfills in 2025 by utilizing suitable industrial and municipal waste as alternative fuel in cement production. This approach reduces landfill dependency, lowers environmental impact, and supports the transition toward a circular economy.

Support for Dubai Civil Defence

NCC collaborated with Dubai Civil Defence to strengthen emergency response capabilities. The company facilitated rapid water refilling using its equipment and provided direct internal road access to support firefighting operations when needed, contributing to faster response times and enhanced community safety.

Educational Engagement with University of Sharjah

As part of its engagement with the academic community, NCC hosted educational visits for students from the University of Sharjah. The tours offered practical exposure to cement manufacturing, sustainability practices, and industrial operations, giving students valuable insight into real world applications of their studies.

Water Conservation Initiative

To reduce freshwater consumption, NCC continues to reuse treated water in cement processing and equipment cooling. This initiative improves resource efficiency and supports sustainable water management practices aligned with Dubai's environmental priorities.

Indicators

3 key indicators
(ESG)

GRI Index

Performance Indicators

Governance

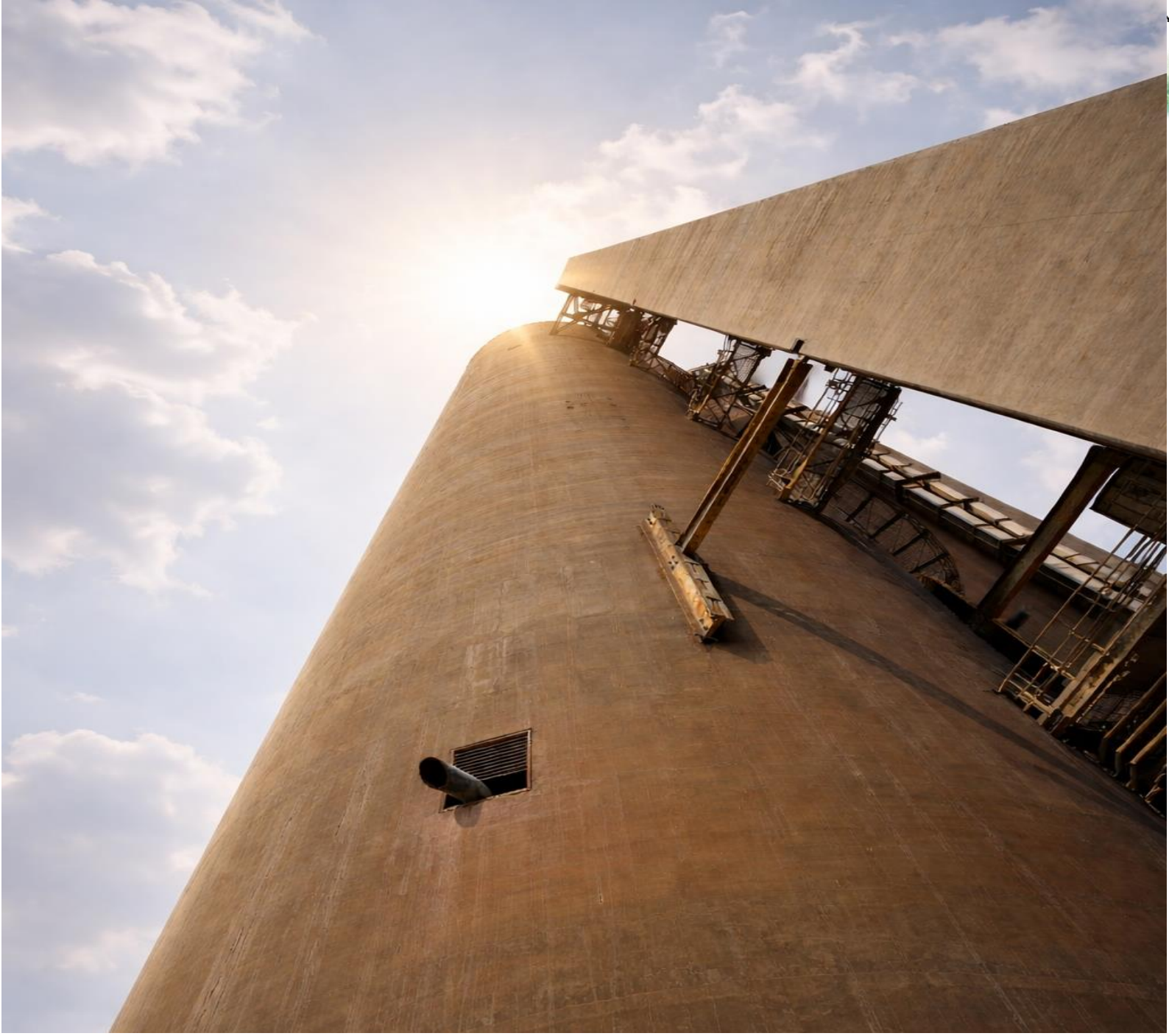
GRI Indicator	GRI Ref	2025	2024
Sales			
Net sales (million AED)	201-1	251.676	175.742
Cement (million tonnes)		1.261	0.985
Clinker (million tonnes)		0.00	0.00
Aggregates (thousand tonnes)		0.204	0.437
Materials			
Total clinker production – all segments (million tonnes)	301-1	0.865	0.755
Total cement production – all segments (million tonnes)		1.261	0.983
Total raw material consumption – all segments (million tonnes)		1.67	1.40
Alternative raw materials substitution rate – cement production (%)	301-2	2.00	4.66
Waste-derived resources – all segments (thousand tonnes)		27.00	45.83
Financial			
Revenue (million AED)		251.676	175.742
Profit/Loss (million AED)		203.762	134,863

Social

GRI Indicator	GRI Ref	2025	2024
Workforce			
Injury rates (%)	403-2	0.21	0.22
Deaths (%)		0.00	0.00
Full-time employees (%)	102-8	100	100
Part-time employees (%)		0.00	0.00
Employee turnover and retention			
Overall employee turnover rate (%)	401-1	7.21	12.03
Hirings (%)		9.39	7.13
Hours of training per employee	404-1	11,500	12,000
Diversity: Female Workforce			
Senior management level (%)	405-1	20	20
Non-management level (%)		1.09	0.45
Women in total workforce (%)		1.31	0.67

Environmental

GRI Indicator	GRI Ref	2025	2024
Waste and recycling			
Burnable hazardous waste disposed of (thousand tonnes)	306-2	2.20	3.90
Mineral Hazardous waste disposed of (thousand tonnes)		24.00	41.93
CO_2 emissions			
Specific CO_2 emissions – gross (kg/tonne clinker)	305-4	828	804
Total Scope 1 emissions (thousand tonnes of CO_2) (Cement, aggregates, ready-mix and own-power generation)	305-1	716	607
Total Scope 2 emissions (thousand tonnes of CO_2) (From the generation of purchased or acquired electricity)	305-2	47	34
Energy			
Total power consumption – all segments (MWh)	302-1	13.34	9.47
Total fuel consumption – all segments (million GJ)		2.78	2.29
Clinker production (Kcal/tonne clinker)		768	725
The thermal energy mix of clinker production			
Dry Coal (thousand tons)		103.45	86.35
Oil (thousand tons)		0.270	0.528
Alternative fossil fuels (thousand tons)		2.20	3.90
Water			
Total water consumption – all segments (thousand m^3)	306-1	354	334
From treated effluent municipal water supplies (thousand m^3)		296	259
From drinking municipal water supplies (thousand m^3)		56	76
From other water sources (thousand m^3)		0	5



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