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RAK CERAMICS PUBLISHES ITS ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT FOR 2022

RAK
CERAMICS



RAK Ceramics published its Environmental, Social, and Governance (ESG) report for the year 2022, documenting the company's achievements in the realm of sustainability and social responsibility. This comprehensive report presents the outcomes of the set objectives for the year and outlines the aspirations and goals for the future.

RAK Ceramics operates through four core segments: Tiles, Sanitaryware, Faucets, and Tableware. Each department takes ownership of sustainability within its domain and implements focused initiatives. The tiles department **reduced electricity consumption by 9 percent, fuel consumption by 4 percent, and electricity consumption by 6 percent** per square meter. Additionally, sustainability and innovation in product development were exemplified by their latest creation, Orbit 3Rs. These high-performance tiles are manufactured with up to 95% recycled materials from ceramic tile production waste, embracing the reduce, reuse, and recycle concept. In the sanitaryware department, Rak Ceramics improved combustion efficiency, while energy intensity **decreased by 10.5 percent** in tableware production.

The report's key highlights also demonstrate RAK Ceramics' success in reducing its environmental impact, notably through the replacement of two heavy-fuel oil engines in the power plant with natural gas. **This strategic move resulted in a remarkable improvement in efficiency, raising it from a previous range of 27–31 percent to an impressive 75–90 percent. The upgrade minimised natural gas consumption and substantially reduced associated emissions, contributing to a more sustainable and eco-friendly manufacturing process. This year, the company aims to upgrade its procedures and policies to attain the ISO 50001 certification.**

Significant achievements in regard to social responsibility include an **8 percent increase in the Emiratization rate** for administrative functions and a **30 percent representation of women** among administrative employees. The company also made noteworthy progress in hiring youth, with **60 percent** of new recruits being **under the age of 30**.

With regard to corporate governance, RAK Ceramics' primary objective last year was to maintain strict adherence to the relevant laws of the United Arab Emirates, as well as the regulations governed by the Securities and Commodities Authority (SCA), the Abu Dhabi Securities Exchange (ADX), and the company's Articles of Association (AoA). Regular updates to the company's policies were made, reflecting its unwavering commitment to uphold the rights of all stakeholders while embracing the highest standards of governance, ensuring transparency and integrity in all dealings and disclosures.

