



Transmed Sustainability Program

UAE – 2024/2025



About this report

This first Transmed Annual Sustainability Report marks an important milestone in our journey toward building a sustainable future for our business, our people, and the communities we serve. Since the launch of our sustainability program in December 2024, we have taken meaningful steps to embed sustainability into our operations, strengthen our commitments, and align our efforts with global priorities.

In this report, you will find an overview of the pillars that define our sustainability program, the strategies that guide us, and the short- and long-term targets we have set. The initiatives introduced over the past year are closely aligned with these pillars, ensuring that every action we take contributes to our broader vision. Together, these initiatives not only demonstrate the progress we have already achieved but also set a clear direction for how we intend to move forward. In doing so, they reflect both our responsibility and determination to drive meaningful change today, while building a strong foundation for greater impact in the years ahead.

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Our Purpose

Driven by our **Belief** in building a **sustainable business** that thrives on **caring** for the **environment** and for the **people** in the **communities** we service, we have launched our Transmed Sustainability Program.

This program embodies **our dedication to a transformative journey**, where our core values of environmental and social responsibility will guide every aspect of our operations.



Transmed Sustainability Program – Our Mission

As a major player in the FMCG Distribution sector, we recognize our responsibility to **lead by example** and integrate **sustainable practices** into every aspect of our operations.

Our goal is to ensure that our actions today contribute to a **healthier planet** and a **more sustainable future** for generations to come, making a positive difference in the communities we serve.

5 Pillars of Our Program

LOGISTICS



**Greener
Miles,
Clearer
Skies.**



We are committed to minimizing our carbon emissions by optimizing our logistics processes. This includes adopting more efficient transportation methods and streamlining our supply chain to reduce our environmental impact.

ENERGY



**Harnessing
Power,
Saving
Energy.**



We are focused on enhancing energy efficiency across all our operations. This involves integrating advanced technologies and practices to lower energy consumption and increase renewable energy resources.

WASTE



**Less
Waste,
More
Impact.**



We are dedicated to effective waste management by minimizing our waste generation throughout our value chain and implementing comprehensive recycling and waste reduction programs.

CULTURE



**Think
Green,
Act
Together.**



We aim to foster a culture of sustainability by empowering our employees to adopt eco-friendly practices, promoting environmental awareness, and embedding sustainable thinking into every aspect of our work.

PARTNERSHIPS



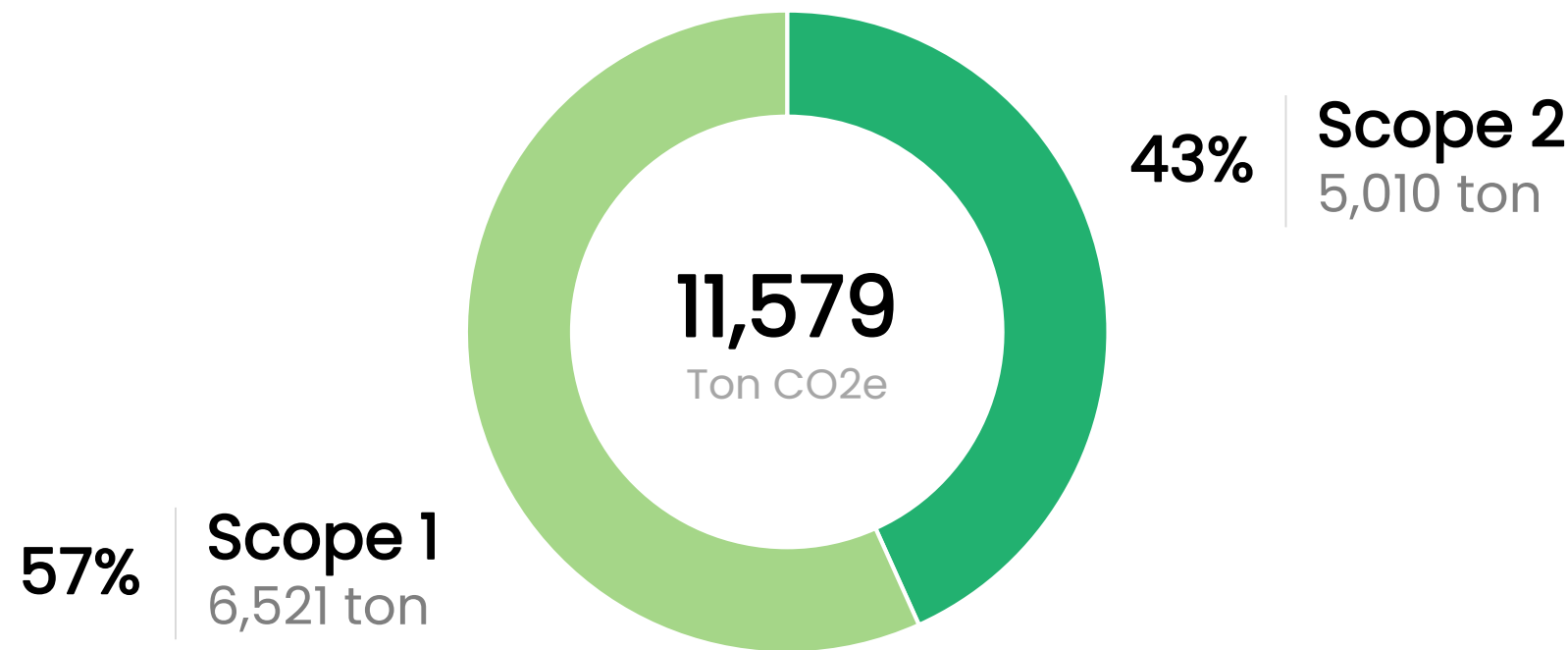
**Stronger
Bonds,
Greater
Impact.**



We aim to collaborate with our suppliers, customers, and industry partners to advance our sustainability goals. By fostering strong partnerships, we can leverage collective expertise to drive greater impact.

Where we are today?

Baseline 2024 Results



Disclaimers:

The baseline year for Transmed UAE is defined as 2024. The current data and performance metrics include the following operations within the UAE: Transmed Consumer Goods (Transmed Overseas Inc.) and Transmed Food Service. These operations represent all activities conducted under the Transmed name entity.



Our 2040 Goal

At Transmed, we are committed to achieving **Net Zero emissions** across **Scope 1 and 2** by 2040.

Our approach is built on a clear strategy of 2 steps:

- 1 REDUCE**
We will focus on **reducing our energy and fuel consumption** through efficiency measures and innovative technologies.
- 2 SHIFT**
We will transition the remaining demand to **renewable and eco-friendly alternatives**, such as solar energy generation and clean mobility options.

Any residual emissions that cannot be eliminated, we will invest in **credible reforestation initiatives**, including our own Transmed Forest, to ensure that we balance out our impact on the planet.



Logistics

Our sustainable logistics strategy follows the 2 step approach aimed at cutting emissions and building a more efficient, environmentally responsible distribution model.

The first step focuses on reducing emissions through **route automation**. By partnering with BlueRock TMS solutions, we leverage advanced technology to optimize our delivery planning, ensuring we minim number of trips with maxim load delivered per journey. This not only reduces fuel consumption and carbon emissions but also enhances overall efficiency across our operations.

The second step centers on shifting towards **eco-friendly alternatives**. In 2024, we launched our first **electric vehicle** (EV) truck trial, marking a key milestone in transforming our fleet. Our target is to scale up to 10 EV trucks by 2026 and achieve full fleet conversion to zero-emission vehicles by 2040.

In parallel, we are actively exploring **biodiesel** solutions as a transitional step, allowing us to reduce our impact while scaling up longer-term clean energy solutions.

By combining efficiency gains through automation with investments in sustainable transport technologies, we are laying the groundwork for a logistics network that is not only resilient and cost-effective but also significantly lower in carbon emissions.



Biodiesel Truck – Transmed Overseas DIP
– Implemented January 2023

Our Fleet Transition to EV Targets

1 x		2025
8 x		2026
100 %		2040

Our Scope 1 Emission Targets (Absolute)

Year	Actual	Target	vs Baseline
2024 (Baseline)	6,521 mt		
2025		6,700 mt	+3%
2026		6,916 mt	+6%
2040		1,398 mt	-79%

Our Scope 1 Emission Targets (per \$ Generated)

Year	vs Baseline
2024 (Baseline)	
2025	-2%
2026	-4%
2040	-81%

Assumptions taken into calculation:
5% Revenue Growth Forecast YOY
100% Fleet Transition to EV in 2040
80% of EV Fleet powered by solar

Energy Management

Our energy management strategy focuses on driving efficiency while expanding renewable energy adoption in parallel.

We have introduced measures such as **motion sensors** and **LED lighting** across our facilities to eliminate unnecessary energy use and lower emissions. In addition, we began implementing **real-time energy monitoring**— first at our Al Quoz warehouse in October 2023, where we achieved a 9% reduction in electricity bills, and then at our DIP warehouse in September 2025—to continuously track and optimize consumption.

At the same time, we are scaling **renewable energy** solutions. Since 2023, our DIP warehouse has been powered by a solar installation generating 797,000 kWh annually, directly offsetting part of our electricity demand. Building on this success, we are executing a solar pipeline for our Rashidiya and Jebel Ali accommodation sites, with project delivery scheduled for Q1 2026.

2025 year to date, renewable energy accounts for **7.8% of our total consumption**, and we are committed to steadily increasing this share year on year. By advancing efficiency measures and renewable energy projects together, we are creating a more resilient, cost-effective, and low-carbon energy model for the future

Transmed DIP Solar Panel Installation- Sep. 2023



Our Scope 2 Emission Targets (Absolute)

Year	Actual	Target	vs Baseline
2024 (Baseline)	5,010 mt		
2025		4,414 mt	-12%
2026		4,340 mt	-13%
2040		1,750 mt	-65%

Our Scope 2 Emission Targets (per \$ Generated)

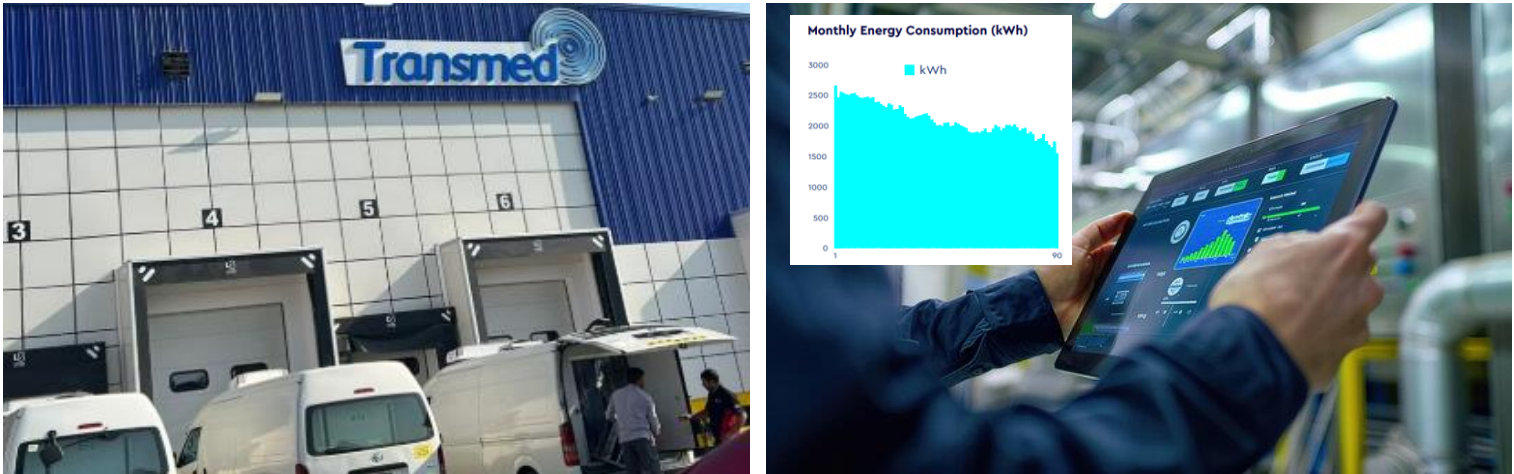
Year	vs Baseline
2024 (Baseline)	
2025	-16%
2026	-21%
2040	-70%

Renewable Energy Targets (Solar Energy Generated)

Year	Total (MWh)	% out of Total
2024 (Baseline)	797	6.05%
2025 Target	937	8.59%
2026 Target	1,640	15.29%

Assumptions taken into calculation:
5% Revenue Growth Forecast YOY.
80% Solar Power generated out of total consumption.
20% Efficiency due to Energy Monitoring.

Transmed Al Quoz Real Time Energy Monitoring – Sep. 2024





Waste Management

Our waste management approach is guided by the principles of **reduction, reuse** and **responsible handling**. We follow a formal **Waste Management Policy** to minimize the impact of our operations on the environment. In our warehouses, we focus on enhancing waste segregation and management processes to reduce landfill disposal and increase recycling rates. As part of this commitment, we reuse and recycle pallets and donor carton boxes wherever possible, collaborate with certified waste collection partners to responsibly manage plastics and other recyclable materials, and digitize operational processes—such as picking—to reduce paper waste, leveraging technology to streamline operations while conserving resources.

Through continuous progress and monitoring, we are targeting to reduce our waste-to-landfill 10% year on year.

Circularity

As part of our commitment to circular economy practices, we have implemented a **wastewater recycling initiative** at our DIP warehouse, where ammonia is used for refrigeration. Over time, the water in the ammonia system loses its pH balance and can no longer be used in production, effectively becoming wastewater. Instead of discharging this water, we restore it in a dedicated tank and repurpose it for lavatory flushing and irrigation. Through this closed-loop system, we are targeting a 10% reduction in overall water consumption at the facility, demonstrating how circular solutions can transform what was previously considered waste into a valuable resource, creating both environmental and operational benefits.



Digitization of operations –
Transmed DIP



Recycling
Stations –
Transmed DIP

We commit to reducing the waste we send to landfill by 50% by 2040, from a 2024 baseline.

We target to achieve this by managing our waste more efficiently, training our employees in reduction initiatives and partnering with recycling companies to maximize recovery at our facilities.

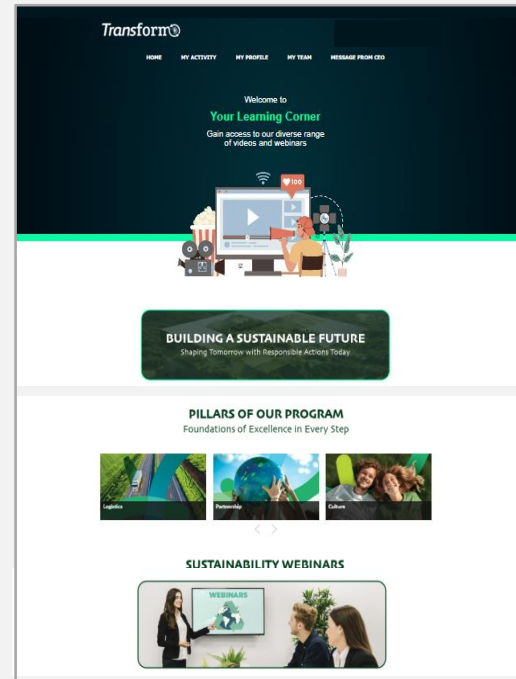
Culture

Fostering a culture of sustainability is a core pillar of our program, as we recognize that lasting impact comes from engaging and empowering our people. To support this, we run initiatives such as the **Green Leaders Club**, which helps promote sustainability projects across the organization, alongside quarterly **webinars** and **awareness sessions** that provide employees with practical knowledge and actions to integrate sustainability into their daily work. In addition, our **Transform Learning Platform** offers learning modules on the basics of sustainability and how these principles apply to businesses, ensuring that awareness is translated into long-term understanding.

We also issue our quarterly **Transmed Going Green Newsletter** sharing updates, success stories, and tips on eco-friendly practices, keeping sustainability visible and top of mind across all teams. Driving a culture of sustainability is essential not only to achieving our environmental goals but also to embedding sustainable thinking into how we work, make decisions, and contribute collectively to a greener future.



First Issue of Transmed Going Green Newsletter, April 2025



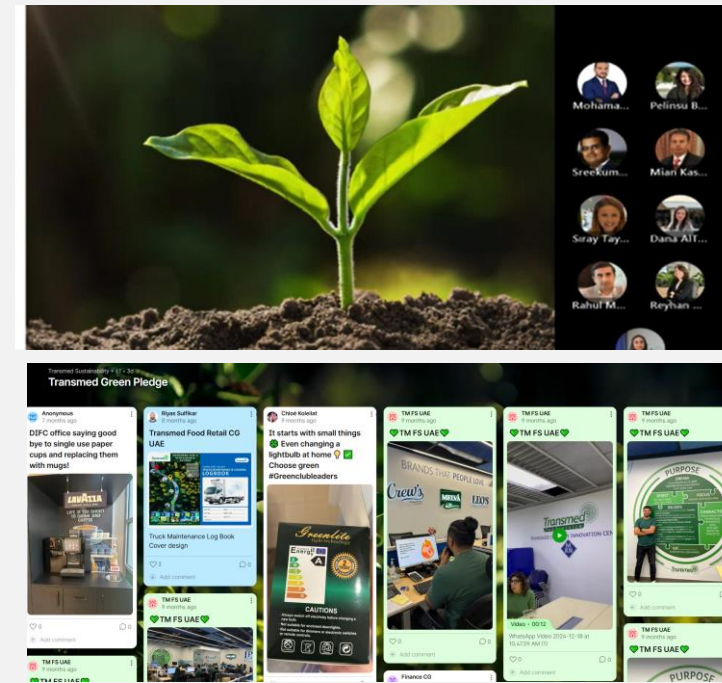
Sustainability Channel Internal Learning Platform (Transform) December 2024



Earth Month Celebration



Green Task Force, December 2024



First Webinar Session Launch of Digital Transmed Green Pledge Wall – December 2024



Vertical Farm Visit, Dubai Awareness Session on Biodiversity, Beirut

Partnerships

At Transmed, we believe that sustainability impact is amplified when pursued collectively, and partnerships are essential to creating the advocacy and synergy needed for meaningful change. By collaborating with like-minded companies, NGOs, and sustainability platforms, we can share knowledge, align strategies, and scale solutions that no single organization could achieve alone. These collaborations enable us to strengthen our collective voice in sustainability advocacy while accelerating progress toward shared environmental goals.

As part of this commitment, we have joined the **UAE Alliance for Climate Action (UACA)**, reinforcing our dedication to climate action in line with both national and global ambitions. We have also signed the **Road 2.0 pledge**, an initiative focused on the decarbonization of commercial transport—a critical area of impact for our logistics operations.



We also actively engage with **our customers, our supplier partners** and **local entities** to expand the reach of our sustainability efforts by co-creating locally relevant initiatives that ensure our approach is inclusive, community-driven and aligned with the broader ecosystem of change-makers—extending our impact beyond our own operations and harnessing the power of collective synergy to drive systemic change.



Transmed Forest

To commemorate our 85th anniversary, we have committed to planting **85,000 trees by 2028** across the countries where we operate, creating what we proudly call the **Transmed Forest**. This initiative supports the fight against deforestation and promotes ecosystem restoration in the communities we serve. Beyond marking a milestone in our company's history, it reflects our enduring commitment to sustainability and environmental stewardship.

The project is being carried out in partnership with NGOs across our regions, ensuring that the trees planted are native, resilient, and aligned with local biodiversity priorities. By working closely with these organizations, we generate meaningful impact on the ground while actively engaging our employees and communities in the journey.

The Transmed Forest aligns directly with our company's **purpose** of building a **sustainable business** that cares for both the **environment** and the **communities** we service, transforming our anniversary celebration into a lasting legacy for future generations.



13

CLIMATE ACTION



15

LIFE ON LAND



9,924
Trees Planted to date



126 metric ton CO₂e
Off-setted



Coral Reef Restoration

13 CLIMATE ACTION



14 LIFE BELOW WATER



Coral reefs are among the most diverse and valuable ecosystems on the planet. They provide a home for nearly a quarter of all marine species, protect coastlines from erosion, and support millions of people through food security and livelihoods. Yet, climate change, pollution, and overfishing have placed reefs under severe threat, with many already degraded worldwide.

Recognizing their vital role in environmental balance and community well-being, we made coral reef restoration a key initiative of our sustainability program in the UAE. To bring this goal to life, we have partnered with [Azraq](#), marina conservation NGO in UAE, to support [coral reef restoration in Dibba, Fujairah, United Arab Emirates](#). Through this initiative, we contribute to planting and protecting coral reefs, raising awareness about their critical role in marine ecosystems, and engaging communities in environmental stewardship.



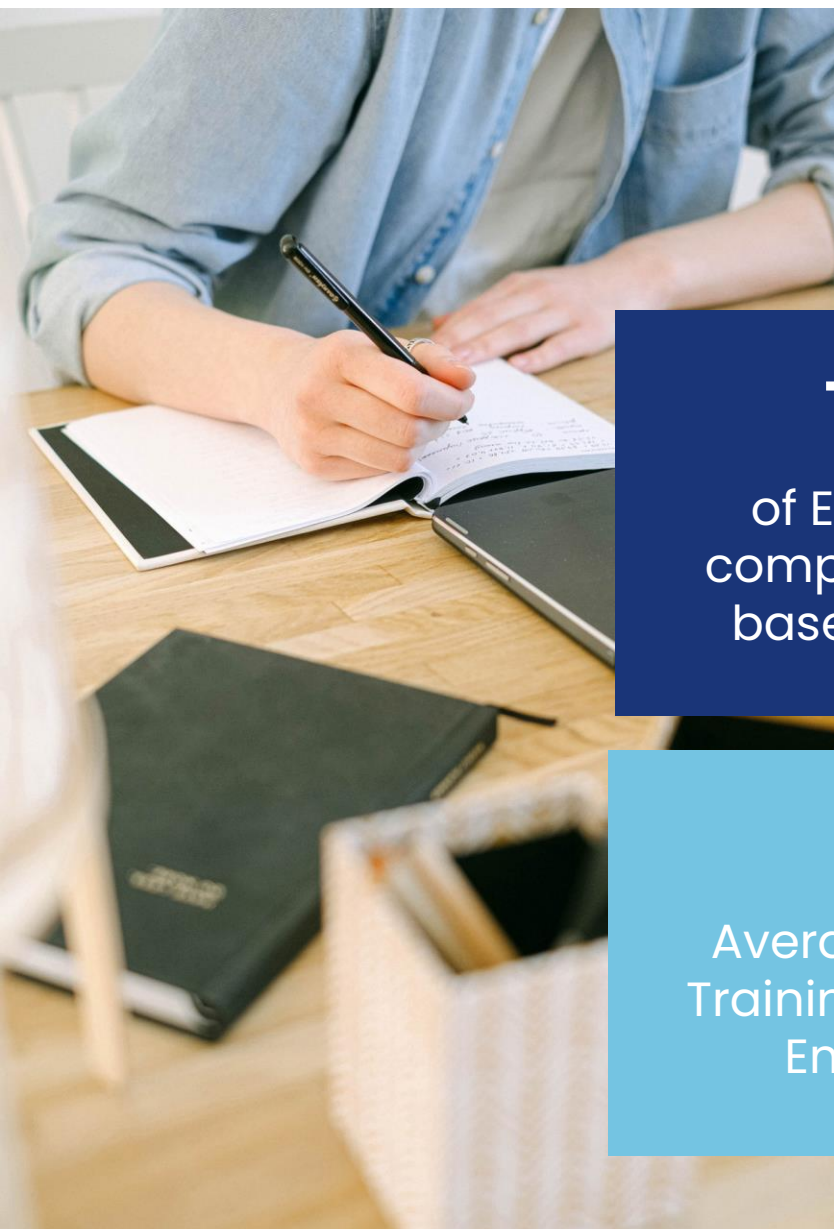
We are committed to continuing these efforts, expanding our support for marine conservation projects, and fostering sustainable practices that protect biodiversity and promote the long-term health of our oceans.

Our People

At Transmed, our people are at the heart of our business. We are committed to fostering a **safe, inclusive, and empowering** workplace that supports **professional growth, well-being, and equal opportunity**.

Through on-the-job training, role-specific skills development, programs focused on emerging trends such as AI and digital technologies, and structured career development opportunities, we equip our people with the knowledge, experience and guidance they need to advance in their careers. Backed by structured performance management and clear

development pathways, these initiatives help create a workplace where our people feel valued, respected, and equipped to contribute to Transmed's core values and long-term objectives.



79%

of Employees
completed skills-
based Training

35

Average Annual
Training Hours Per
Employee

100%

of Employees at
Grade 30 &
above
participate in
regular
performance
and career
development
reviews (EPR)

Sustainability Training

At Transmed, we are committed to building awareness and capabilities around sustainability and responsible business practices. Through the Transmed Sustainability Channel and regular webinars, our people have access to ESG-focused learning opportunities covering topics such as sustainability principles and environmental impact reduction.

In 2025, a total of **169 hours of sustainability training** was delivered via our **digital platform**. Looking ahead, we aim to further expand these initiatives to strengthen an eco-friendly culture and increase sustainability awareness across the organization.



Diversity at Transmed

Transmed is committed to fostering a **diverse workforce** where opportunities are based on **merit, skills and performance**, without any form of discrimination. Our recruitment, development, and promotion practices ensure that all our people are assessed fairly and objectively, with recognition and advancement determined by their contributions and potential.

We support this approach through comprehensive career development frameworks, training programs, and performance management systems, alongside family-friendly policies that provide the guidance and support our people need to thrive both professionally and personally. While we monitor workforce composition, our primary focus remains on ensuring equal opportunity for all our people.

By combining fair evaluation with structured support, we create an environment where talent is recognized, potential is nurtured and every individual has the opportunity to grow and succeed.

27%

of Senior Managers
are women

Inclusion at Transmed

Transmed is committed to fostering an **inclusive and accessible workplace** that promotes empowerment and **equal opportunity**. As part of this commitment, we participated in the **ImInclusive Annual Summit and Career Fair**, allowing us to connect with talented individuals of determination and explore opportunities to broaden inclusive employment across our organization.

We monitor workforce composition, including the representation of people of determination, who currently account for **1% of our employees**. Looking ahead, inclusion will remain a key priority as we continue to expand opportunities, remove barriers and build a working environment where every team member feels valued and empowered to make a meaningful impact.



As part of our inclusion efforts, Transmed has introduced a **Buddy Program** to support new joiners during their onboarding. The program pairs new employees with experienced colleagues to help them navigate the organization, share practical knowledge, and integrate smoothly into their roles. This approach supports a welcoming work environment and helps new employees feel supported from the outset.

Governance

At Transmed, strong governance is the foundation of our sustainability journey. In 2024, we established a dedicated **Sustainability Committee** comprising top management and leaders from across our operations to oversee the implementation of the “**Transmed Going Green**” program. Meeting quarterly, the committee provides strategic direction, tracks progress against our five sustainability pillars, and ensures accountability at the highest levels of the organization.

In June 2024, we launched the **Transmed Code of Conduct**, which defines how we run our business and reflects our core values of integrity, responsibility, and respect for people and the environment. Building on this foundation, we introduced our **Supplier Code of Conduct** to extend these principles across our value chain. These policies set clear standards for supplier engagement and allow us to assess vendors based on their sustainability practices, ensuring that our procurement decisions contribute positively to the environment and the communities we serve.

All sustainability activities and progress against our targets are transparently tracked through the **Transmed Sustainability Portal**, accessible to all employees. This portal not only provides visibility into progress but also serves as a channel for employees to share feedback and suggestions, fostering a culture of shared responsibility and collective action.



Oversight & Accountability

Transmed Sustainability Committee



Policies & Ethics

Transmed Environmental Policy
Transmed Code of Conduct
Supplier Code of Conduct



Risk & Controls

Internal Audits
ESG Risk Identification & Mitigation



Standards & Systems

ISO14001:2015
Environmental Management System

Appendix 1: Our Environmental Performance

CARBON FOOTPRINT 2024
Emissions by Entity (mt CO2e)

	Scope 1	Scope 2	Scope 3	Total
Transmed Consumer Goods	5,499	3,785	272,651	281,934
Transmed Food Service	960	992	78,538	80,490
Transmed Corporate Office		67	97	163
Pharmapal		11	13,236	13,247
Nutzz	62	155	278	495
Vangard			20	20

TOTAL ENERGY CONSUMPTION 2024
Energy Consumption by Type (GJ)

	Total (liter)	Total (GJ)*
Diesel	2,143,581	76,743
Petrol	385,432	17,079
Biodiesel	10,338	344
Total Fuel Consumption	2,539,352	94.166

*IPCC 2006 Default NCV are used for conversion factors

	Total (MWh)	Total (GJ)
Electricity Consumption		
Total Electricity Consumption	12,371	44,503

Total Energy Consumption (GJ)	138,669
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RENEWABLE ENERGY SOURCES
Solar Energy Generated

	Total (MWh)	% out of Total Site Consumption	% out of Total Org. Consumption
Transmed DIP Warehouse	797	13.45%	6.05%

CARBON FOOTPRINT TARGET (Absolute)

	Scope 1	Scope 2	Scope 3	Total
2024 Actual	6,521	5,010	364,831	376,362
2025 Target	6,700	4,414	N/A	11,114* *Scope 1 & 2 only
2026 Target	6,916	4,340	N/A	11,256* *Scope 1 & 2 only
2040 Target	1,398	1,750	255,382	258,530

CARBON FOOTPRINT TARGET (per \$ generated) vs Baseline

	Scope 1	Scope 2	Scope 3
2024 Actual	Baseline	Baseline	Baseline
2025 Target	-2%	-16%	N/A
2026 Target	-4%	-21%	N/A
2040 Target	-81%	-70%	-30%

Assumptions taken into calculation:
5% Revenue Growth Forecast YOY
100% Fleet Transition to EV in 2040
80% of EV Fleet powered by solar in 2040
80% Solar Power generated out of total consumption by 2040
20% Efficiency due to Energy Monitoring by 2040

We have defined absolute and intensity-based emissions reduction targets for Scope 1 and Scope 2 emissions for 2025, 2026, and 2040, aligning with our de-carbonization roadmap. Due to current limitations in data availability and the complex nature of Scope 3 categories, we have set a preliminary absolute reduction target of 30% by 2040. We are committed to enhancing our Scope 3 accounting over time and will update these targets as better data becomes available.

RENEWABLE ENERGY TARGET

	Total (MWh)	% out of Total Org. Consumption
2024 Actual	797	6.05%
2025 Target	937	8.59%
2026 Target	1,640	15.29%

WASTE TO LANDFILL GENERATED (kg)

	DIP	Al Qouz	TOTAL
2024 Actual	1,424,946	149,518	1,574,464
2025 Target	1,282,451	134,566	1,417,017
2026 Target	1,154,206	121,110	1,275,316
2040 Target	712,473	74,759	787,232

WASTE RECOVERED*

	Total Weight (kg)	% of Waste Generated
Carton	321,090	
Plastic	84,500	
TOTAL	405,590	23.8%

*Transmed UAE DIP/Al Qouz Warehouse, Jan-Oct 2025

HAZARDOUS WASTE GENERATED (kg)

N/A
Due to the nature of Transmed’s operations, no hazardous waste is generated across its activities.



CARBON ACCOUNTING METHODOLOGY

Baseline: 2024
Organizational Boundary: Transmed Consumer Goods, Transmed Food Service, Transmed Corporate, Pharmapal, Vangard, Nutzz. 100% of operations conducted under the Transmed name entity is captured.
Operational Boundary: Following categories from Scope 3 excluded due to mentioned reasons:
Category 5: Waste Generated in operations: Only captured for DIP and Al Qouz sites (representing 14% of sites numeric) due to lack of data availability.
Category 8: Upstream Leased Assets: not applicable.
Category 9: Downstream Transportation: lack of data availability.
Category 10: Processing of sold products: not applicable to our business model. We distribute finished goods with no further processing; emissions are already captured in Category 1.
Category 11: Use of sold products & **Category 12:** EOL Treatment of sold products: These categories have been assessed for relevance using the GHG Protocol’s criteria (including size, influence, risk, and stakeholder interest) and were determined to be not material to our value chain emissions. The company remains committed to monitoring material Scope 3 categories and will review relevance periodically in line with changes to business activities, product offerings, or stakeholder expectations.

Carbon accounting is conducted in accordance with **GHG protocol corporate GHG accounting and reporting standard**.
For more information, kindly refer to Transmed UAE Carbon Accounting Methodology – 2025 in our Transmed Sustainability portal.

SKILLS- BASED TRAINING COVERAGE		
	2025	
Total Number of Employees	1429	
Number of Employees participated	1132	79%
Total In-person Training Hours	40,000	
Annual Training Hours per Employee	35.33	

ESG TRAINING COVERAGE		
	2025	
Total Number of Employees	1429	
Total Number of Employees in ESG Training Scope	436	31%
Number of Employees participated	159	36% of Scope 11% of Total
Total Training Hours (Digital Platform)	169	
Annual ESG Training Hours per Employee	1.1	

PERFORMANCE REVIEW COVERAGE		
	2024	2025
Number of Employees in EPR Scope	198	198
Number of Employees participated	307	307
Participation Rate	100%	100%
Participation in the annual Employee Performance Review is mandatory for all employees eligible under the defined scope. The change in the number of employees between 2024 and 2025 reflects the scope expansion decision implemented in 2025		

SUSTAINABILITY COMMITTEE	
COMMITTEE MEMBERS 2025	
Chief Executive Office	
Chief Operating Officer	
Corporate HR Director	
Corporate Supply Chain Director	
Senior Manager – Sustainability	

HEALTH & SAFETY	
	2025
Number of Work Related Accidents	0
Number of Work Related Fatalities	0
Number of Days Lost due to Ill Health (Sick Leaves)	4264
% out of Total Work Days	1.11%

CODE OF CONDUCT	
	2025
Number of Total Employees	1429
Number of Employees Completed Training (on Digital Platform)	436
Number of Corruption Cases Reported	0
Number of Whistleblower Reports Received	0
Number of Discrimination/Harassment Cases Reported	0

DIVERSITY & INCLUSION	
	2025
% of Women Employees in Total	15%
% of Women Employees at Grade 34 & Above	27%
Gender Pay Gap* (Basic Salary)	-0.8%
% of People of Determination in Workforce	0.12%
*Latest assessment conducted based on Grade 32 Salary Report (2025).	

SUPPLIER CODE OF CONDUCT	
	2025
Total Number of Suppliers Shared	39
Suppliers (Trade)	26
Suppliers (Non-Trade)	13
% of Suppliers Signed	26%
In 2025, 26% of targeted suppliers had formally signed Transmed’s Supplier Code of Conduct.	
The Code was rolled out and shared with suppliers in December 2025, and this initial coverage reflects the early stage of implementation. Increasing supplier sign-off to 100% is a key focus of our supplier engagement efforts in the coming year, as we continue to strengthen responsible sourcing and sustainability standards across our value chain.	



Meet Our Sustainability Committee



Fouad Es-Said
Chief Executive Officer



Mazen Damiani
Chief Operating Officer



Georges Bejjani
Corporate HR Director



Raphael Hallenbarter
Corporate Supply Chain Director



Gulper Kucukkomurcu
Senior Manager-Sustainability

For any feedback or queries contact us:

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 <https://transmed.com/sustainability-program/>

Together for change

