

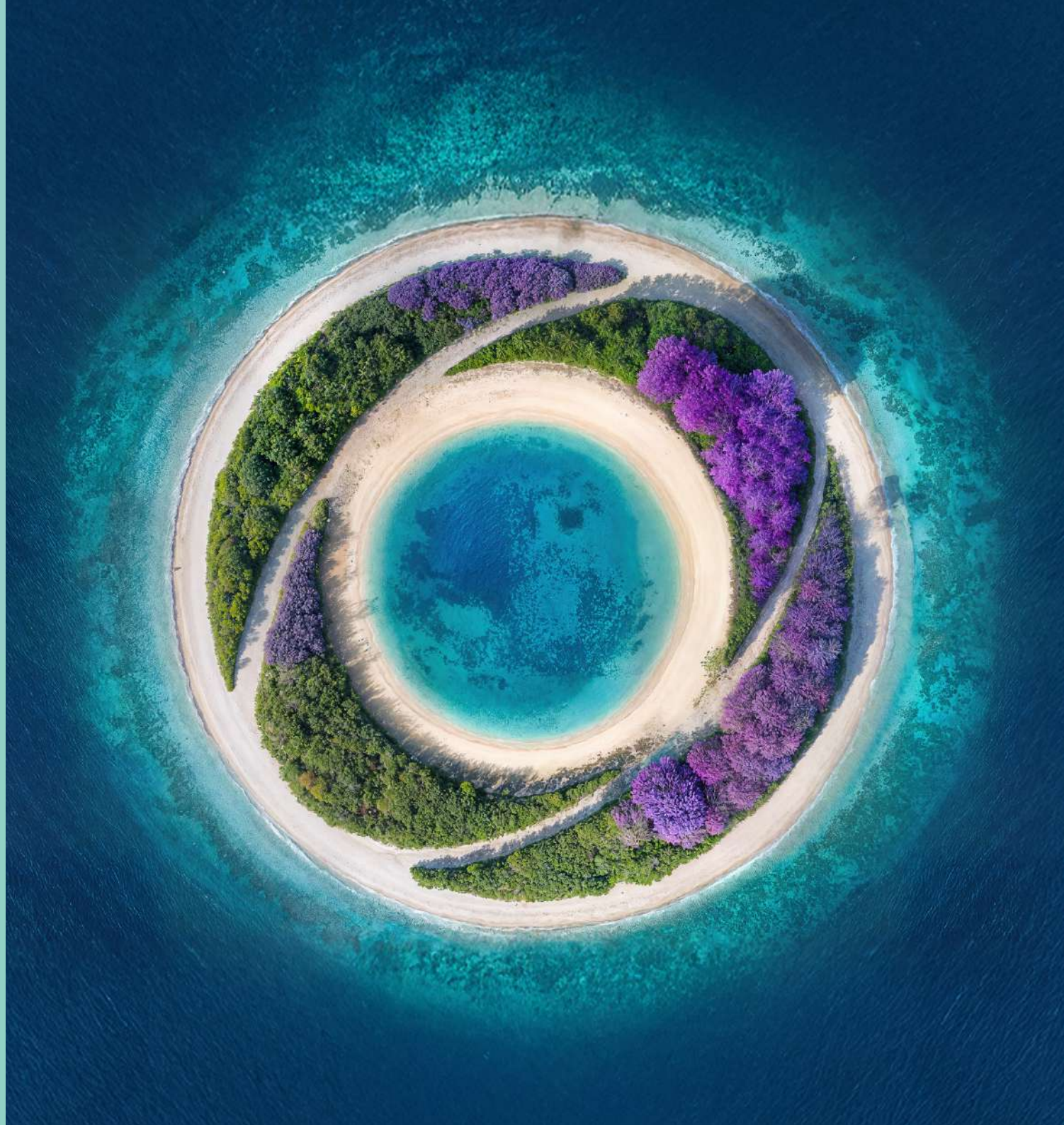


AQSI
ARABIAN GULF STEEL INDUSTRIES
NET ZERO STEEL

Steel for a Greener Future

Pioneering Sustainable
Steel for a Net Zero
Future

SUSTAINABILITY REPORT
2024



About The Report

Our 2024 Sustainability Report addresses non-financial disclosures related to topics such as Environment, Social, and Governance (ESG) and initiatives concerning Corporate Social Responsibility (CSR).

All these topics deal with a wide range of activities addressing our corporate responsibility and environmental stewardship and cover many areas of our business and operations. Our intention through this report is to provide transparency, disclosure, and progress related to performance, impact, activities, risks, and opportunities.

Contact Details

For additional information, inquiries or questions, contact us at:

g.tripathi@agsi.ae

+971 523574987

Mr. G. Tripathi (CFO)

Table Of Contents

Strategic Reporting Approach

Message from the CEO

About AGSI

2024 Sustainability Highlights and Key Performance Outcomes

Strategic Partnerships

AGSI Sustainability Framework

Materiality Assessment

Stakeholder Engagement

Agisi Material Topics

Agisi Esg Framework

Agisi Contributions to Sdgs

Embedding Sustainability Into Corporate Strategy

Operational Excellence for Sustainable Steel Production

3 Environment and Climate Action Strategy 39

Decarbonization Roadmap

4 AGSI GHG Emissions Performance

Energy Management and Efficiency Innovations

6 Water Stewardship and Resource Efficiency

Circular Economy for Steel

12 Air Quality Management and Emissions Controls

Biodiversity and Habitat Stewardship

Governance Excellence and Accountability 72

15 Corporate Governance Framework and Board Oversight

GOVERNANCE STRUCTURE

18 Ethics, Compliance and Policy Framework

Enterprise Risk Management and Resilience

RESPONSIBLE SOURCING

Social Responsibility and Stakeholder Impact 86

Workforce Protection: Safety Leadership and Performance

Health and Safety Management Systems and Culture

Talent, Inclusion and Leadership Development

Community Investment and Social Partnerships

Appendix 105



Our ESG Report is available in multiple formats to ensure accessibility and convenience. You can explore the report online in a user-friendly digital format, providing an engaging and interactive way to learn about our sustainability initiatives and achievements.

Strategic Reporting Approach

Our “**Steel for a Greener Future**” report highlights the sustainability issues that are most important to AGSI and our stakeholders, while outlining our goals, initiatives, and progress across key ESG focus areas.

We have performed a Materiality Assessment to identify these key topics, which will be reviewed and updated frequently to ensure their continued relevance.

As a sustainable company, we wanted to identify economic, social and environmental factors that have, or could have, the most important impacts on our business, as well as our stakeholders, whether positive or negative. However, we went beyond that and identified aspects of our business that have, or could have, the most significant impacts on the environment, economy, and people.

Reporting Boundaries

Through the pages of this report, we aim to report on our initiatives, compliance, and partnerships throughout 2024 (1 January 2024 to 31 December 2024) that drive our business, operations, processes, and conduct. This report has been compiled with reference with the Global Reporting Initiative (GRI) 2021 Sustainability Reporting Standards. The performance, initiatives, strategies, and metrics depicted in this report relate to all AGSI's locations, however, where indicated, performance of specific metrics pertains to specific locations. This is clearly indicated throughout this report and mentioned where data is displayed and analyzed. Where available, we compared the 2024 performance with 2023, and sometimes with 2022 data. In the relevant cases, we included activities pertaining to our ongoing and future plans that address our identified material aspects and their management approaches. This should be viewed in context of our forward-looking statement.

Forward-looking Statement

This report contains forward-looking statements that reflect AGSI's commitment to sustainability, innovation, and responsible growth. These statements are based on current strategies, expectations, and assumptions regarding future ESG performance, as well as evolving industry standards and regulatory frameworks. As we continue our journey toward net zero commitment, carbon neutrality, and circular economy

integration, we anticipate advancements in low-carbon technologies, energy efficiencies, and sustainable management. However, our progress is subject to external factors, including market conditions, policy changes, technological developments, and climate-related challenges.

Reporting Standards

In our commitment to transparency and accountability, this report was prepared in line with the following standards:

- **Global Reporting Standards (GRI)** for sustainability reporting for the period of 1 January 2024 to 31 December 2024. Reporting aligned with the standards reflects our commitment to transparency, accountability, and global best practices in sustainability reporting. GRI Standards provide a comprehensive framework for measuring and disclosing our environmental, social, and governance performance, enabling stakeholders to assess our impact with clarity and confidence. By adopting these internationally recognized standards, we aim to foster trust, drive continuous improvement, and contribute meaningfully to a sustainable future while aligning with global expectations and benchmarks. We recognize the updates that have been made to the GRI's Universal Standards in 2024, and we took every effort to report reflecting it.
- **United Nations Sustainable Development Goals (UN SDGs)**, are set of 17 interconnected sustainable goals aiming to meet the urgent environmental, social, and economic challenges facing the world.
- **The United Nations Global Compact 10 Principles** reflects our alignment of operations and strategies with the ten universally accepted principle in areas of human rights, labor, environment and anti-corruption.
- **Abu Dhabi Securities Exchange (ADX)** guidelines, where appropriate, we reported in line with ADX to ensure alignment with local regulatory expectations and sustainability standards.
- **For our GHG emissions**, decarbonization strategy and mitigation plans, we adhere to the **Greenhouse Gas Protocol**, and the Carbon Neutrality in line with PAS2060:2014 International standard.

In addition, this report is also aligned with other national and international reporting frameworks, namely :

- Compliance with the Industrial Development Bureau of Abu Dhabi (IDB).
- For reporting on our health and safety performance metrics : the Occupational Health and Safety Abu Dhabi (OSHAD).
- The UAE 2050 Net Zero Vision, Abu Dhabi Economic Vision 2030, the UAE's 2071 Centennial Vision, and the UAE's Green Agenda.

Third-party Limited Assurance

Third-party assurance has been undertaken against GHG emissions and carbon neutrality.

Our Material Topics

Our material topics are interconnected, with most having implications across environmental, social, and governance aspects. They are grouped under the four key pillars (People; Environment and Climate Change; Governance and Operational Excellence; Socio-Economic Development), each having a number of underlying themes.

Disclaimer

This publication has been prepared for general guidance on matters of interest only and does not constitute professional advice. Readers should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (expressed or implied) is given as to the accuracy or completeness of the information contained in this report. To the extent permitted by law, the authors and distributors do not accept or assume any liability, responsibility or duty of care for any consequences the reader or anyone else may incur from acting, or refraining from acting, in reliance on the information contained in this publication or for any decision based on it.



Group CEO Message

2024 was a pivotal year for both AGSI and the UAE. AGSI became the world's first Carbon Neutral Steel Plant achieving the lowest carbon emissions in our Abu Dhabi operations and establishing ourselves as a leader in sustainable steel manufacturing and a pioneer of low-carbon steel products. At the same time, 2024 was declared as "The Year of Sustainability" for the second consecutive year by His Highness Sheikh Mohammed bin Zayed Al Nahyan, President of the UAE –further reinforcing our mission to drive decarbonization in the steel industry, in alignment with the UAE's Net Zero 2050 strategy and global climate goals. As a result of our continued efforts and commitment to sustainable, responsible practices, we achieved the lowest carbon footprint for our steel products in Abu Dhabi facility for the third consecutive year, setting a new benchmark in sustainable steelmaking.

Throughout the year, we strengthened our sustainability-driven operations, increased volumes of our low-carbon products, and deepened collaborations with key industry stakeholders, policymakers and partners in the built environment across the UAE to accelerate the transition towards a greener, more resilient future.

As we look ahead, AGSI remains committed to pushing the boundaries of sustainable steel production, integrating cutting-edge technologies, and setting new benchmarks for industrial innovation and environmental stewardship. We aim to do this not only for the UAE, but for the world at large.

Building on the successes of 2023, the Year of Sustainability in the UAE was extended into 2024 to continue the momentum of raising awareness and making changes for a brighter future. Similarly, throughout the year, AGSI has been continuing the momentum to build upon strong foundations of our sustainable strategy, making significant strides across all our ESG Framework and Sustainability Focus Areas.

In this pivotal year I have witnessed how deeply our sustainability framework is embedded in our company's DNA and reflected in the strengths of our teams. Across the entire business, I'm continually reminded of my colleagues united by a shared ambition: to create sustainable steel for a greener future.

As a UAE-based company, we are proud to support the nation's Circular Economy and In-Country Value by continuously

recycling local raw materials, producing carbon-neutral steel, and supplying it to infrastructure and building projects across the UAE. We also ensure that all operational waste is reused or recycled. By producing low-carbon steel that is infinitely recyclable, we embody the essence of the UAE's Circular Economy.

Throughout the 2024, we have entered into important partnerships and initiatives with both national and international organizations, such as Industrial Transition Accelerator (ITA), recognizing our effort globally, Emirate Green Building Council, Energy Efficiency Club, of which we are a founding member, United Nations Global Compact, where we successfully completed SDGs Ambition Accelerator, The MENA Women in Steel establishment.

Signing the partnership with Industrial Transition Accelerator, a multi-stakeholder initiative established by the COP28 Presidency and aiming to accelerate decarbonization in the heavy industry, was a pivotal moment for us showcasing our leadership in green industrialization and leading decarbonization of future steel production. This partnership will have a transformative impact on the sector, driving demand for green products and innovation across the region, and globally. We are the first to sign the partnership with the Mission Possible Partnership (MPP), a secretariat of the ITA, to represent steel industry across the MENA region in the decarbonization action.

During the NYC Climate Week, on the sidelines of the UN General Assembly, we presented to the ITA's Leadership Council, the challenges faced in the industry to scale up the sustainable steelmaking and demand for green products, which we hope to drive sustainability and innovation in steel production.

As our growth plans continue to expand, we have secured the expansion of our land in Abu Dhabi industrial area, ICAD II, where we will continue to grow the sustainable steelmaking. This transformative agreement that we have reached with the local authorities marked a new chapter in our decade-long partnership and commitment to local economic growth. As well as securing local jobs in the local steel and manufacturing industry and significantly contributing to In-Country Value through leveraging local partners in the value chain, this expansion will see us helping the country diversify its economy.

2024 was a year characterized by implementation of new infrastructure aimed at expansion as well as improving productivity and competitiveness, which will continue to take place over the next years.



In 2024, we continued to make progress towards our 2030 Sustainability Strategy and goals, which focus on four key areas that matter to us most: Our People, Environmental Stewardship, Governance and Operational Excellence, and Socio-Economic Commitment.



Group CEO Message (cont.)

The launch of a new rolling mill in Abu Dhabi for structural rebars is an example of driving our growth and responding to increasing demand for low-carbon building materials. This expansion will enable us to become one of the largest structural steel producers in the UAE. The new integrated steelmaking process that is planned for the expansion will set a new benchmark for sustainable manufacturing, not only as an example in steel industry but also across other sectors.

We successfully achieved a 30% reduction in Scope 1 and Scope 2 (location based) CO₂ emissions in 2023 compared to 2022. Building on this momentum, we achieved carbon neutrality in our steel plant in 2024. These milestones position us as a leader in low-carbon steel production and a key contributor to decarbonization efforts in the steel industry within the UAE region and on a global scale.

While leading the emission reduction strategy and delivering our Decarbonization Plan, we have also made significant progress in energy efficiencies. For a second consecutive year we have received recognition as “Company A” for the Energy Tariff Incentive Program (ETIP) under the Industrial Development Bureau (IDB) of Abu Dhabi. We have made strategic investments in 2023 and 2024 to significantly increase the share of our renewable and clean energy by integrating more clean and renewable energy sources.

In 2024, we continued to drive the ESG Framework and sustainability agenda through our dedicated ESG committee that focuses on setting the ESG targets, governance, sustainability initiatives, climate action, and stakeholder engagement. The Committee enables the alignment with global best practices, local regulations, monitors ESG performance, and drives decarbonization activities.

At AGSI, we believe that the most powerful way in achieving

net-zero emissions is by addressing them at the source. From securing recycled raw materials, enhancing energy efficiency and transitioning to renewable energy, to implementing innovative sustainable manufacturing processes and scaling up the demand for green products.

All this put together, we can drive substantial impact and progress towards decarbonization and Net Zero 2050 Vision.

Across AGSI, we are dedicated to cultivating a work environment that champions diversity, inclusion and equity. Our people are our biggest asset, and our diverse teams drive our progress. In 2023, we have significantly increased female representation across all levels of the organization with 50% increase in managerial positions.

Our senior leadership team has grown to include female representation with one-third of our leadership team being women. With our goal to increase the representation of women across our operations by 20% and the successful launch of the AGSI Women in Steel initiative, I am confident that we are well on our way to building a more inclusive and diverse workforce.

Our commitment to supporting our employees remains strong, with many new initiatives designed to foster professional development and career growth. We are very proud to have introduced the AGSI Graduate Program, ASPIRE, along with the Women in Steel Program.

At the same time, the health and safety, as well as the well-being of our employees continues to be high priority. Through our health and safety framework, “Safety First”, all employees are required to complete the training on identifying hazards, conducting a risk assessment and apply their right to stop unsafe work.

At AGSI, we are proud to lead the way in transforming one of the world’s most challenging industries. The steel sector is often recognized as ‘hard-to-abate’ and due to its high reliance on energy-intensive processes, it is seen as ‘hard-to-accelerate’. However, we have proven that hard-to-abate doesn’t mean impossible. Through our unwavering commitment, innovation and collaboration, we have not only addressed these challenges but also accelerated our journey towards decarbonization and sustainability. We have also demonstrated that this can be achieved in this and other industries.

Our achievements demonstrated in this report are a testament to our belief that the future of the industry lies in bold actions and transformative solutions in alignment with the UAE’s national strategies and UN Sustainable Development Goals.

On the pages of this report, you will read about our progress that reaffirms our commitment to continuous improvement. It is a celebration of what we have achieved and a road-map for an ambitious future we are building together – one where steel meets sustainability.

I want to express my gratitude to all our valued stakeholders – our employees, strategic partners, customers, investors, and communities we serve. It is through their support that we continue to drive a positive change and shape a greener tomorrow for a more sustainable and equitable future.

Thank you

Sincerely,

Asam Hussain
Chief Executive Officer.

About AGSI

AGSI IS THE UAE's LARGEST PRIVATE SECTOR SUSTAINABLE STEEL MANUFACTURER AND RECYCLER

AGSI is a UAE-based steel manufacturing company specialized in manufacturing sustainable steel. This commitment is part of the company's strategy to enhance environmental responsibility and sustainable manufacturing. In 2024, we achieved carbon neutrality in our steel plant and launched our low-carbon steel products to our clients.

The company's efforts align with the objectives of the UAE's National Strategy for Industry and Advanced Technology, particularly in promoting innovation and adopting advanced technology in industrial systems and solutions. This initiative also supports the strategic goal of achieving the UAE's Net Zero by 2050, the UAE's Circular Economy targets, and the UAE's Clean Growth Strategy.

AGSI is the largest steel recycling company in the UAE. Its facility produces low carbon steel products made from 100% locally sourced raw materials and supplying it to the local building and infrastructure projects. The reuse and recycling of local steel waste to produce a new steel for local use in a low-emissions technologies, extends the lifetime of the materials and reduces carbon emissions compared to traditional production methods.

A locally produced recycled steel is integral to suppressing carbon emissions and resource consumption. Our sustainable products have lower GHG emissions by 79%-95% compared to an industry average for conventional steelmaking. This represents a significant opportunity to decarbonize the industry and reduce embodied carbon in the built environment.

We are proud to say that our steel avoided approximately 1.56 Million Metric Tons (MMT) of CO₂ emissions in the UAE when compared with the conventional method of steelmaking. As our expansion plans continue, the CO₂ avoidance through our operations will continue to be higher, leading to further decarbonization of the industry and the country.

This positions us as a leader in sustainable industrial practices and global climate action efforts.

In 2024, AGSI recycled between 1,200 and 1,600 tons of locally sourced steel daily, enabling the production of nearly 453,000 tons of sustainable, low carbon structural steel. This output was achieved using advanced low-emission technologies tailored for the UAE's construction and infrastructure sectors. As the nation's leading supplier of net-zero steel products, AGSI plays a pivotal role in shaping the future of green building.

Our planned expansion will further boost production capacity, reinforcing our market leadership and supporting the UAE's transition to a low-carbon economy. At the core of our operations lies a deep commitment to the Circular Economy, In-Country Value creation, and the development of sustainable built environments. These pillars drive our decarbonization efforts and align with our Net Zero 2030 Strategy, positioning AGSI as a catalyst for industrial transformation in the region.

WE HAVE SET A NEW BENCHMARK FOR SUSTAINABLE STEELMAKING & EXCELLENCE IN THE STEEL INDUSTRY



We are the largest private sector steelmaker in the UAE

AGSI is the largest private sector steel manufacturer, with integrated steelmaking processes, from raw material processing to finished products. It is a UAE-based company with three locations, namely Abu Dhabi, Sharjah, and Dubai. Our steel plant is based in Abu Dhabi, and Rolling Mills are based in Sharjah. In 2024, we began expanding the Steel Plant in Abu Dhabi, where an integrated rebar mill will start operations in 2025. This expansion will position us as the second-largest supplier of rebar in the UAE.



Sustainable steel production

We produce structural steel products from 100% locally sourced high quality steel raw material manufactured in an emission-free process.

Our products are: Rebar, Sections (medium and light), Billets. With our expansion underway, we will be producing 1.6 M metric tons by 2026 (Rebar and Sections) progressively increasing volumes throughout 2025.



First in the World Carbon Neutral Steel Plant

In May 2024, we have been certified as the world's first Carbon Neutral Steel Plant to receive the Carbon Neutrality Verification Statement, assured by the external assurance company, DNV.



100% recycled material processed

We are the largest recycler in the UAE with raw materials sourced from local partners. The recycled steel is processed at our own centralized raw materials processing facility in Abu Dhabi to produce low-carbon steel in the same facility. This operating model makes us a major contributor to the UAE's Circular Economy.



Local customers

AGSI's products are supplied to local customers as a building material for infrastructure and building projects. This supports In-Country sourcing and strengthens the local supply chain, reducing reliance on imports and minimizing the carbon footprint associated with transportation.



Major industrialist in Abu Dhabi

AGSI plays a key role in the region's economic development and industrial growth. The significant investments that we have made in our Carbon Neutral Steel Plant demonstrate our commitment to supporting the local supply chain, economy, and communities, while also driving industrial development and advancing decarbonization efforts in the industry.

2024

STEEL PRODUCTION

Billets produced	453,027 MT
Rebar	270,667 MT
Sections	89,463 MT

2024

RAW MATERIAL PROCESSED

Raw Materials	485,112 MT
---------------	------------

BUILDING A BETTER FUTURE

We are the World's first Carbon Neutral Steel Plant

Our purpose is to revolutionize steelmaking by advancing innovative, low-carbon solutions that set a new standard for a sustainable future.

Steel, a fundamental component of modern civilization, is an essential material in everyone's life. It is the backbone of modern infrastructure, From building skyscrapers, bridges, transportation networks, to cutting-edge technology. Its unparalleled strength, versatility and infinite recyclability make it a cornerstone of industrial progress and urban development.

However, steel contributes far beyond this. AGSI's sustainable steel and our business model make an impact in a much deeper and more meaningful way. Whilst significantly in the decarbonization efforts and accelerating the Paris Agreement ambition, we are building a greener and more sustainable future for our communities, our clients, our people, and the World around us.

For our people,

our business means realizing their full potential.

For the country where we operate, we collaborate to accelerate decarbonization, drive in-country value, support the circular economy, advance industrial growth and economic diversification. For communities, sustainable steel fosters a greener, healthier future and builds lasting environmental and social resilience.

For the world, sustainable steel means a transformative approach to steel production and usage that balances economic growth with environmental responsibility. It signifies conserving natural resources, reducing carbon emissions, and fostering innovation to create durable, recyclable materials that support a circular economy.

For the industry, it means adopting innovative practices and technologies that minimize environmental impact while maintaining efficiency and competitiveness. It represents a commitment to reducing carbon emissions, embracing renewable energy, and enhancing resource efficiency throughout the production life-cycle. It means creating a foundation for resilient sustainable steel industry worldwide and industrial transformation.

These are the goals we strive for - the actions that drive us towards a more sustainable and greener world.

OUR VALUES



SAFETY FIRST

We carefully assess all risks to people and the environment across our operations, ensuring thorough evaluations are conducted before any activity begins. Our zero Harm policy is at the heart of our business.



BUILD A GREENER FUTURE

We strive to lead the way in sustainable practices and set the blueprint for carbon-free world that will build greener future and have a lasting impact on the planet. We contribute to the decarbonization of our partners and communities where we operate.



CARE FOR COMMUNITIES

We create a positive impact on the communities where we operate by fostering inclusivity, supporting education, and championing social and environmental responsibility. We aim to build a greener future for all.



SHAPE NEW WAYS

We innovate and forge new ways of steelmaking and re-imagine the impossible. We set stretched targets and take bold decisions and actions. We instill excellence in every part of our business through our relentless pursuit of our ambition.



CUSTOMER CENTRICITY

We listen to our partners and all our internal and external stakeholders. We act with openness, integrity, and honesty which builds our long lasting and thriving relationships.



STRENGTH THROUGH DIVERSITY

We bring diverse perspectives, cultures, and skills of our people and unite them in one purpose and action. The diversity of our people is a source of our unparalleled strength.

OUR MISSION

Our mission is to set the benchmark in Sustainability and Excellence in the steel industry

We have been one of the leading steelmaking companies in the Middle East for close to a decade producing steel from 100% locally recycled raw materials. In a rapidly changing world that demands urgent climate action and sustainable practices, we recognized the need not just to keep pace—but to lead. That's why we have redefined our operational approach to drive a transformative shift in steelmaking—one that supports a greener future, minimizes environmental impact, attracts top talent, and is built on collaboration and shared goals.

We are forward-thinking and progressive in business decisions, ideas, and our daily operations. Through our innovative approach, we hope to inspire and motivate others to collectively build an industry we can be proud of.

OUR PEOPLE

Who deliver strategy

investing in our people and growing green talent.

OUR STRATEGY

How we achieve our mission

Transforming and growing our business through expansion, sustainable steelmaking practices, and delivering low-carbon products.

OUR MISSION

What we strive to achieve

Setting the benchmark for sustainable steelmaking while delivering our purpose, objectives, and growth.

OUR VALUES

How we behave

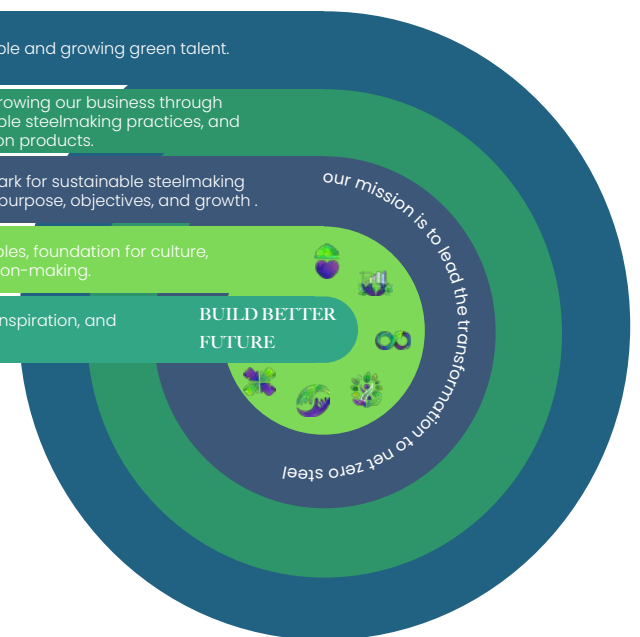
Defining core principles, foundation for culture, behavior, and decision-making.

OUR PURPOSE

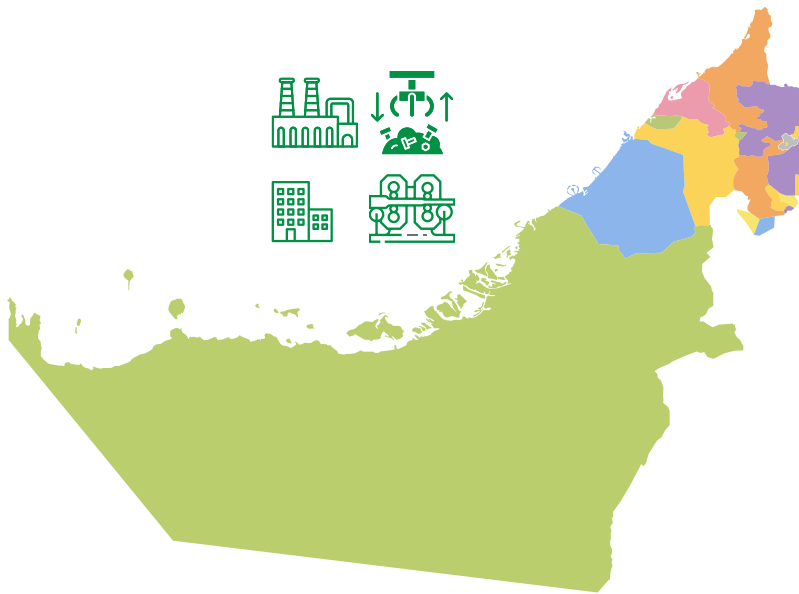
Why we exist

Providing direction, inspiration, and building legacy.

BUILD BETTER FUTURE



RESPONSIBLE PRODUCTION - AT A GLANCE



1 STEEL MILL

State-of-the-art Carbon Neutral Steel Plant located in Abu Dhabi, UAE.



2 ROLLING MILLS

Rebar and Sections rolling mills located in Sharjah, UAE.

A new Rolling Mill is in the construction phase in Abu Dhabi facility.



1 RECYCLING PLANT

The largest Raw Materials Recycling and Processing Plant in the GCC region, located in Abu Dhabi, UAE.



3 COMMERCIAL OFFICES

Abu Dhabi, Dubai, Sharjah

CARBON NEUTRAL STEEL PLANT

Near-Zero Emissions Steel production

PRODUCTION

Products: Construction steel Billets, Rebar, and Medium and Light Sections.

Planned expansion of production and product portfolio from 2025.

CORPORATE

Corporate teams in all locations.

Sustainability and Environmental teams in all locations.

DISTRIBUTION & SALES CENTERS

Abu Dhabi, Sharjah, and Dubai

CUSTOMER SALES

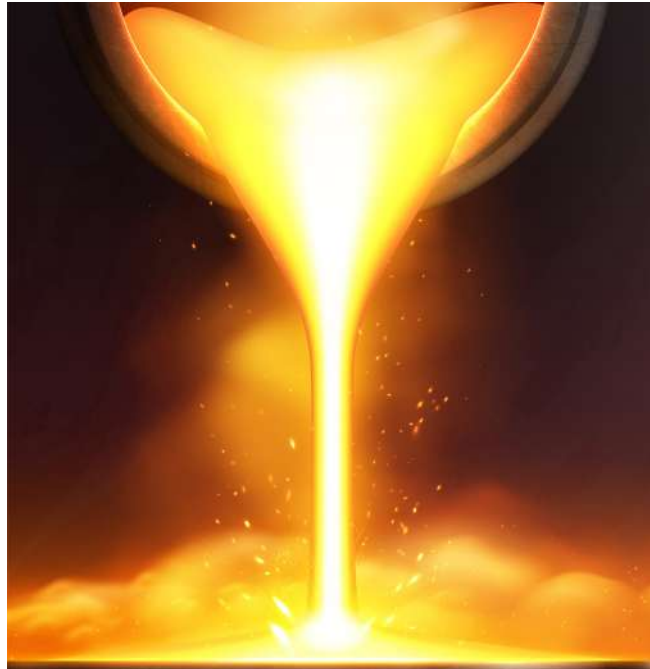
Across the UAE

Over the years, AGSI has evolved into the leading private sector steel producer in the UAE, while also earning global recognition as a leader in sustainable steel manufacturing, cost-efficiency, and operational excellence.

OUR PRODUCTS

AGSI has invested in innovative processes and state-of-the-art technologies to reduce carbon footprint and lower greenhouse gas emissions. We continuously strive to enhance our sustainable efforts by adopting cleaner production methods and optimizing energy efficiencies.

Our low-carbon products are manufactured in line with the highest quality national and international standards and with all necessary quality certifications, approvals and specifications required by our clients and markets where we operate.



REBAR



We are one of the leading producers of rebar in the UAE. Our high-yield steel bars for concrete reinforcement are produced by the TEMPCORE quenching process for superior mechanical properties, bendability, weldability, and corrosion resistance.

GRADES

BS 4449:2006 Grade B500B ASTM A615-N09

BS (1997) 4449 AGG GR 500B KWS G50 ISO 2:2012-6935 SASO ASTM A2021/615

SIZES

10 to 40 mm Diameter Straight Length up to 12 Metres

APPROVALS

CARES (U.K.) DCL (Dubai Central Laboratory) Kuwait Standards (SASO) Emirates Conformity Assessment Scheme (ECAS)



SECTIONS



We produce high quality beams, channels, and other section products. The products are made to the highest international standards and specifications, including DIN, JIN, and others.

SPECIFICATION

IPEA/AA, HEA/HEB (EN) and H Beam (JIS), UB UC (BSEN) UPN /UPE (DIN) and JIS Channel.

GRADES

235 JR | 275 JR | 355 JR | S355J0 | S355J2 ASTM A36 / A992 Gr.50

SIZES

100 – 254 mm

LENGTH

Length up to 12 Metres APPROVALS DIN, JIN, and others



BILLETS



Our net zero steel billets are produced with various cross sections (mainly 100 x 100mm, 130 x 130mm and 150 x 150mm) with a maximum length of 12metres, with the flexibility to adjust cutting lengths to meet customer specifications.

GRADES

As per Required Specification

SIZES

100 x 100 mm to 100 x 160 mm

LENGTH

Length up to 12 Meters

ADDITIONAL CERTIFICATIONS

DNV – GHG Verification Statement

DNV – Carbon Neutral Verification Statement PAS2060:2014

2024 Sustainability Performance At A Glance

OUR ESG STAREGIC FOCUS AREAS

AGSI has an important role in supporting the UAE and global efforts to advance the energy transition and decarbonize hard-to-abate industries. Through close collaboration with our stakeholders, we aim to shape a lasting legacy for future generations. We aim to be a part of the solution that fosters decarbonization and create innovative growth opportunities in communities that are touched by our products. We have four focus areas that are at the center of our strategy and provide an overview of how AGSI manages its sustainability and ESG performance. In each area, we set specific goals and metrics that drive our efforts and initiatives. Our metrics are important to us to ensure that we manage our sustainability performance effectively and measure our progress towards each goal. In our first ESG Report, we showcase our progress so far in our sustainability journey under those four Focus Areas.

ENVIRONMENT AND CLIMATE CHANGE

In 2024, we achieved a remarkable milestone of becoming the world's first Carbon Neutral Steel Plant.

We continue to revolutionize and contribute to accelerate decarbonization efforts in the hard-to-abate sectors and achieving the Net Zero 2030 Vision.

- Steel products certified at 0.14 CO₂e / tcs in 2023 – the lowest carbon footprint for steel products in the UAE.
- Continued pursuing water neutrality aspiration through recycling water in almost 100% by using our Water Treatment Plant and water recycling.
- Close to 100% recycled operational waste and by-product in line with our circularity model.
- Shifting from fossil fuel machinery at our raw materials processing plant and steel plant to energy-powered machinery.
- Achieved highest energy efficiency improvements and co-founded the Energy Efficiency Club Abu Dhabi championing energy efficiency initiatives.
- Signed The UAE Climate Responsible Pledge
- Signed to the UNGC
- Completed the UN SDG Ambition Accelerator aiming to integrate sustainability into the fabric of our company
- Signed the partnership with ITA established at COP28

Carbon Neutral Steel Plant Facility
Abu Dhabi Steel Plant

100%
Locally sourced recycled steel

14%
Increase in renewables from 2023

30%
Emissions reduction in (Location based) from 2022

GOVERNANCE & OPERATIONAL EXCELLENCE

Governance & Operational Excellence forms the foundation of our commitment to sustainability and long-term success. We uphold the highest standards of transparency, accountability, and ethical practices in every aspect of our operations. Accountability for our ESG Framework and delivery on its commitment sits with the Board of Directors and is supported by our ESG Committee.

- We established ESG Committee with cross-functional members that set direction and oversight of all ESG matters.
- We formalized our Sustainability Framework and the Decarbonization Management Plan.
- The Sustainability progress is regularly communicated to the Board who plays a critical role in setting the tone and enabling the implementation
- We have updated our Code of Conduct and policies to incorporate ESG and sustainability matters.
- We completed new ISO Certification (14001) and continued certification of product conformity and quality.
- We continued investing in energy efficiencies activities to optimize energy consumption and continued being certified with ISO50001.
- We reported to the United Nations Global Compact on our progress towards the Sustainable Development Goals (SDGs) through the Communications on Progress (COP).

Established ESG Committee

ESG Framework integrated across operations

Optimization of the steel-making processes

Submitted UNGC Communication on Progress to the UNGC

PEOPLE

We believe that the true strength of our company lies in our people. We strive to provide safe, inclusive, thriving environment, where every employee is valued, empowered, and inspired to reach their full potential. We are dedicated to fostering a culture of diversity, well-being, and continuous learning. Through our visionary leadership and collaborative innovation, we aim to build a sustainable future where our people flourish and make a meaningful impact on the world.

- We put Safety First in everything we do.
- 8,955 training hours of Health and Safety delivered (Abu Dhabi).
- 8% increase in workforce across all locations. • We substantially increased hiring of graduates through our new graduate program, including 40% female engineers.
- We had 79% increase in women employees from previous year. We have 20% of females in the Senior Management and increased females in Managerial roles by 50%.
- We launched our AGSI Women in Steel initiative which is the first in the UAE of its kind.
- We are signatory to the United Nations Global Compact and a supporter of the UN Guiding Principles on Business and Human Rights.
- We launched 'AGSI Cares' Initiative where we prioritize the wellbeing of our employees through various initiatives aligning with the United Nations' SDG 3 for Good Health and Wellbeing.
- We launched new Performance Management System together with Career Development Programs and Professional Training.

Safety First across all operations

8,955 hours
HSE training delivered

79%
Increase in women across all operations

38% increase
In hours of Professional and Technical Training for employees in 2024

SOCIO ECONOMIC DEVELOPMENT

At AGSI, we recognize the importance and contributions to the economic and social development of the UAE, and beyond. We emphasize the advocacy and public policy work as part of our ambition to help raise standards across the industry and drive sustainability in the steel sector. We believe that even in the hard-to-abate industry, achievement of carbon neutrality and near-zero operations is possible, which contributes to the decarbonization of other sectors and promotion of sustainable practices.

- We contribute to the economic growth and diversification of the UAE's GDP through continuous investments and broadening the industrial base of the UAE through our innovative sustainable steelmaking operations.
- Creating value across the whole value chain, including recycled steel material procurement and processing, steelmaking, hot rolling, and supporting activities.
- We have achieved one of the highest scores for In-Country Value (ICV) in 2024
- We are committed to building local talent through our Emiratisation and Recruitment Strategy, attracting top talent and providing growth opportunities.
- We continue to innovate and implement new technologies, harnessing knowledge transfer and skills creation.

ICV 63%

Increased investments in operations and expansion of the steel plant

Investing in local development in industrial manufacturing and local economy

2024 Sustainability Performance At A Glance (cont.)

ENVIRONMENT & CLIMATE CHANGE			PEOPLE		GOVERNANCE & OPERATIONAL EXCELLENCE		SOCIO ECONOMIC		
Carbon Neutral	Carbon Neutrality achieved at Abu Dhabi Plant	100%	Locally sourced recycled raw materials	25%	Increase in training hours related to HSE	20%	Women on the Board of Directors	Circular Economy	100% local materials used, local manufacturing, efficient waste management, local distribution for local infrastructure
0.140	tCO ₂ /tcs GHG intensity at AGSI's Steel Plant Abu Dhabi in 2023	A	Company 'A' for Energy Tariff for achieving energy efficiencies	5%	Women in the workforce	6	Governance Committees established, including ESG Committee and the appointment of the ESG leadership.		
30%	CO ₂ emissions reduction in Scope 1 & 2 in 2023 from the baseline	14%	Increase in renewable and clean energy in the Abu Dhabi Steel Plant	79%	Increase of women in the workforce	100%	SAP Implementation across all the functions for enhanced operational efficiency	63%	In-Country Value score, one of the highest in the industry in 2024
98%	Water recycled via semi- closed loop water system			10%	Women in the leadership roles		Increased in investment in low-carbon technology and green processes, including up-gradation and automation of the machinery and sustainable operations.		
		95%	Emissions Free process		New program for Graduate Engineers and increased graduates hiring	2	Two new ISO Certifications		
5%	Improvement in water intensity from the prior year	95%	CO ₂ emissions from scope 2		New Training & Development Programs Launched		Commenced the reporting to the United Nations Global Compact on Communication on Progress (COP) on the UN 10 Principles and 17 SDGs		
6%	Energy Intensity reduction in the Abu Dhabi Steel Plant	5%	CO ₂ emissions from Scope 1 (7kg/tcs) – Abu Dhabi facility	38%	Increase in professional and technical training hours		Comprehensive Code of Conduct with enhanced policies in line with the UNGC 10 Principles and SDGs.		
		700+	Trees Planted at our Abu Dhabi Steel Plant		New Wellbeing Program launched – “AGSI Cares”	100%	Customer concerns resolved		

2023 - 2024 SUSTAINABILITY MILESTONES

HIGHLIGHTS OF 2023 & 2024

OCTOBER 2023



Signed the UAE Sustainable Companies Pledge under the UAE Climate Action: Pathway to Net Zero 2050 Strategic Initiative, initiated by the UAE Ministry of Climate Change and Environment (MOCCA).



NOVEMBER 2023



Launched our new brand reflecting a renewed identity and setting a new course for climate neutrality by making Net Zero possible. It represents our positioning as a sustainable steelmaker and a leader in providing low-carbon products.



DECEMBER 2023



Participated in the COP28, showcasing our commitment to decarbonization and sustainable innovation in the steel industry. Engaged in several partnerships, discussions, and important launches of new policies led by the UAE.



JANUARY 2024



Launched the Green Mobility Initiative, introducing electric vehicles (EVs) for employee transportation. Aim to further reduce our GHG emissions across the value chain and foster a culture of sustainability across the company.



APRIL 2024



Received our second GHG Verification Statement, and for the second consecutive year, we were certified with the lowest carbon emissions for our steelmaking operations.



MAY 2024



AGSI announced as the first Carbon Neutral Steel Plant in the World by H.E. Dr. Sultan Al Jaber at the Make It In The Emirates (MIITE) event in Abu Dhabi on 27 May 2024.



SEPTEMBER 2024



AGSI at the Climate Week in New York. Selected by the Industrial Transition Accelerator (ITA) to join forces in accelerating decarbonization efforts in the UAE and MENA region.

2023

2024

2025

OCTOBER 2023



Certified with the Independent Greenhouse Gas (GHG) Emissions Statement for 2022 by DNV, achieving the lowest carbon emissions for steelmaking operations in the MENA Region.

NOVEMBER 2023



Joined the United Nations Global Compact, reflecting our deep commitment to aligning our business strategies with the Ten Principles of the UN Global Compact.

DECEMBER 2023



Joined the Industrial Transition Accelerator at COP28 in Dubai, UAE, launched at the COP28 World Climate Action Summit by the COP28 Presidency, United Nations Climate Change, and Bloomberg Philanthropies

MARCH 2024



Became a founding member of the Energy Efficiency Club (EEC), established in partnership with the Abu Dhabi Energy Company (TAQA).



MAY/JUNE 2024



Participated in the Closing Ceremony of the United Nations Sustainable Development Goals (SDGs) Ambition Accelerator Program.



SEPTEMBER 2024



Became an Industry Partner of the Emirates Green Building Council



NOVEMBER 2024



Champions the Emirati Talent at the 3rd Industrialist Career Exhibition, Abu Dhabi



Strategic Partnerships

We believe that collaboration is the key to drive a meaningful change and achieve our vision for a more Sustainable future. We take whole of society approach and develop strategic partnerships through which we actively engage with industry associations. foster collective action towards decarbonization circular economy, social and governance initiatives. We actively participate in relevant associations and national and global forums that champions sustainability in the hard to abate sectors and other industries. These collaborations ensure that we align with the emerging standards and trends, contribute to the development of sustainable solutions, and strengthen our advocacy for climate action.



We are a signatory of the United Nations Global Compact and active member of the UNGC UAE Chapter. We have committed to the 10 Principles on Human Rights, Labor, Environment and Anti-Corruption. We have also integrated the SDGs into AGSI's DNA, which drive our strategy and decision- making.



We are an active member of the UAE's Steel Producers Committee, which aims to safeguard the interests of the UAE's steel producers and support the growth of the steel industry. We regularly engage with fellow members to discuss challenges, explore opportunities and develop collaborative solutions. The members contribute to the development of policies, regulations and best practices, offering guidance on the most effective approaches. This collaboration supports continuous improvement and enhances the industry's overall competitiveness.



We are a founding member of the Energy Efficiency Club launched by the ADDC (Abu Dhabi Distribution Center) amongst other two leaders in the energy efficiency initiatives. This strategic partnership brings together industrial facilities across Abu Dhabi to advance energy efficient practices and supports sustainable decision-making. AGSI engages regularly with the members regularly to exchange knowledge, share best practices in energy management, explore innovative solutions, and promote sustainable manufacturing.



We are an industry member of the Emirates Green Building Council (Emirates GBC), a key platform promoting sustainable building practices and environmental stewardship across the UAE. As an active member, we collaborate with fellow members to support initiatives that advance green building standards and help reduce the construction industry's carbon footprint. We contribute to several Working Groups and represent AGSI on the Steering Committee, bringing our expertise and raising awareness about low carbon building materials to drive sustainable development within the UAE and beyond.



AGSI is honored to serve as the Vice Chair of the Emirates Green Building Council (EGBC) Women Network, a platform dedicated to empowering women in the sustainability and construction sectors. In this role, AGSI brings a wealth of expertise in sustainable building practices, innovative technologies, and environmental responsibility, drawing on our leadership in advancing carbon-neutral solutions such as our Net Zero Steel. As the Vice Chair, AGSI actively contributes to shaping the network's initiatives, supporting women in the industry through mentorship, knowledge sharing, and fostering opportunities for professional growth.



We are proud to be a signatory to the Industrial Transition Accelerator (ITA), a global multi-stakeholder initiative launched in December 2023 at the COP28 World Climate Action Summit by the COP28 Presidency, United Nations Climate Change and Bloomberg Philanthropies. The ITA aims to accelerate decarbonization across heavy-emitting sectors and drive meaningful progress toward a low-carbon industrial future.



In 2024, AGSI signed a Letter of Intent with the Mission Possible Partnership (MPP) to collaborate on accelerating industry-wide decarbonization efforts. This partnership leverages the Industrial Transition Accelerator (ITA) as a platform to drive Paris-aligned ambition across the heavy industry, transport and energy sectors. MPP is a coalition of climate leaders and companies committed to decarbonizing the full value chain of the world's highest-emitting heavy industry and transport sectors.



For a second consecutive time, AGSI partnered with the Industrialist Program organized by the UAE's Ministry of Industry and Advanced Technology (MOIAT) aimed at building local capacities and accelerate Emiratisation in the industrial sector.

PARTNERSHIPS FOR A SUSTAINABLE FUTURE

Case Study

AGSI Partners with the Industrial Transition Accelerator (ITA) to Lead Decarbonization in the UAE and MENA Region

As part of our commitment to industrial decarbonization and sustainability, AGSI has partnered with the Industrial Transition Accelerator (ITA) to help drive the transformation of hard-to-abate industries in the UAE and across the MENA region. This partnership marks a significant milestone in reducing carbon emissions from energy-intensive sectors and advancing the region's progress towards Net Zero by 2050.

ADDRESSING EMISSIONS FROM HARD-TO-ABATE INDUSTRIES

The industrial sector is responsible for nearly 30% of global carbon emissions, with steel, cement, aluminum, aviation, shipping, and chemicals being some of the hardest industries to decarbonize due to their dependence on high-temperature processes and fossil fuels. Steel production alone contributes for approximately 7–9% of global CO₂ emissions, making it a key focus for reduction efforts. At AGSI, we recognize that meaningful climate action requires cross-sector collaboration, technological innovation, and strategic investment in cleaner alternatives. Our partnership with the ITA reflects our commitment to addressing these challenges and advancing the decarbonization of industries that are vital to the UAE and the broader MENA region's economy.

In September 2024, AGSI attended the Climate Week in New York City 2024, one of the most significant global events dedicated to addressing climate change. This forum provided us with the unique opportunity to engage with a diverse group of stakeholders, including industry leaders, policymakers, environmental advocates, and innovators committed to advancing sustainability.

AGSI was selected by the ITA to join forces in accelerating decarbonization efforts in the UAE and the MENA Region. In this strategic partnership, we will play a pivotal role in green industrialization and leading decarbonization of future steel production. The ITA's leadership underscored that both private & public finance, progressive government policies and incentives are critical to deploy solutions at the scale and pace required.

LEADING THE WAY FOR LOW-CARBON FUTURE

Through our partnership with ITA, AGSI is not only working to reduce the carbon footprint of the steel industry but also driving systemic change across the broader industrial landscape. By leading decarbonization initiatives, we are strengthening the UAE's position as a leader in sustainable industrial transformation and setting a global standard for climate-responsible manufacturing.

This collaboration signals the beginning of a new era for heavy industries in the MENA region, and globally, where sustainability, innovation, and economic growth are pursued in unison. At AGSI, we are committed to pioneering solutions that will shape the future of low-carbon industrial landscape.



During the Climate Week NYC, the ITA's Co-Chairs, convened the ITA's first in-person Leadership Council Meeting since COP28, on the sidelines of the United Nations General Assembly 79. The meeting was attended by the ITA's Leadership Council Members and the signatories, including AGSI. It focused on the urgent need to decarbonize today's energy system.

About ITA: The Industrial Transition Accelerator (ITA) is a global initiative launched at COP28, in partnership between COP28 Presidency, UN Climate Change and Bloomberg Philanthropies, and Mission Possible Partnership (MPP) to accelerate decarbonization in the heavy-emitting industries globally. ITA is co-chaired by H.E Dr. Sultan Al-Jaber (Minister of Industry and Advanced Technology and COP28 President), Simon Stiell (Executive Secretary of the UNFCCC), Mike Bloomberg and Mark Carney as the UN Special Envoys. ITA is working with The UAE's MoIAT and launched a Project Support Programme across 5 countries in the Middle East & North Africa- Bahrain, Egypt, Jordan, Morocco, and the UAE. AGSI has joined the ITA during the COP28 and since had quarterly meetings with the ITA's team.

CASE STUDY

Partnerships for a sustainable future and building sustainable buildings and cities.



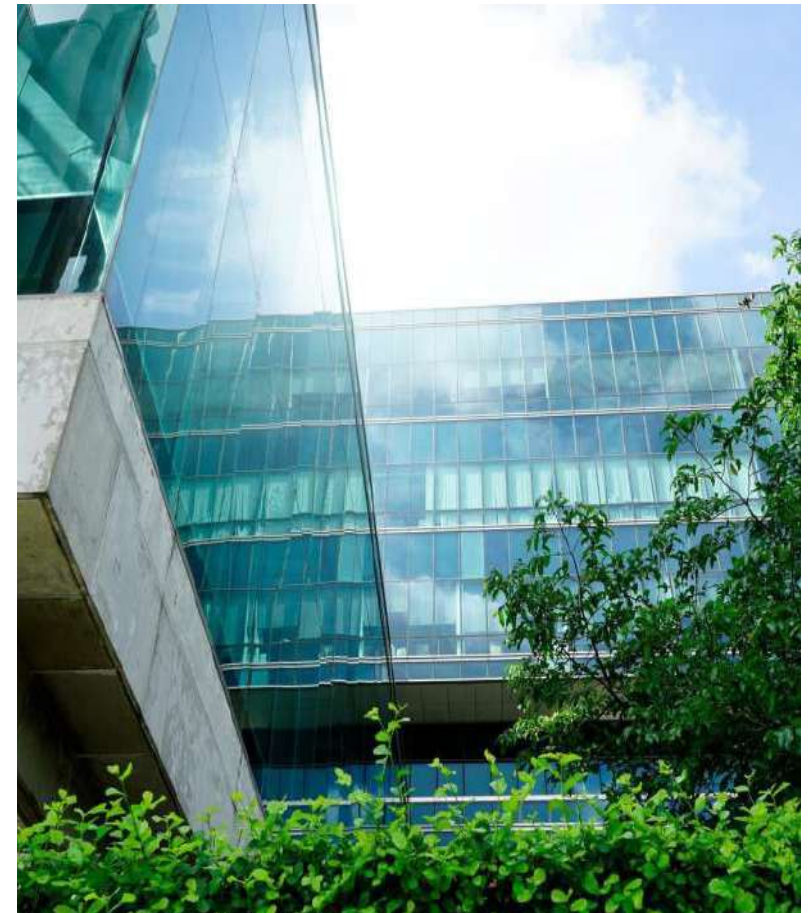
We are an Industry Member for the Emirates Green Building Council (EmiratesGBC), a key step in our continued commitment to sustainability and driving sustainable building practices and environmental responsibilities within built environment in the UAE. Joining EmiratesGBC aligns with our vision to drive sustainable construction and decarbonization across the industry. Through this partnership, we collaborate with other members of the Council and forward-thinking organizations, exchange best practices, and contribute to shaping the future of the sustainable buildings in the UAE, and beyond.



As the leader in green industrialization, we play an active role in several working groups, steering committees, and contribute to reports and white papers, including:

- **Embodied Carbon Working Group** – we are an expert member of this group representing the low-carbon and sustainable building materials industry. The group aims to address the environmental impacts of embodied carbon in the UAE's built environment and provide recommendations and solutions for reducing embodied carbon emissions associated with the production, transportation, and installation of building materials.
- **Contribution to the Report on the "Principles of a Sustainable School Building, Retrofitting and Operating Mechanisms"** in partnership with Greening Education Partnership (GEP) of UNESCO. This report aims at providing policy makers, school leaders, teachers and other stakeholders concrete principles and recommendations on greening school buildings. It is aligned with the Green School Quality Standard with the aim to become a supporting document that can provide technical, holistic, regional, and eventually global approach on how to build, retrofit, maintain and operate a school to make it more climate-ready and sustainable.
- **We were selected to be on the Advisory Committee for the Women's Network and the Vice-Chair of the Emirates Green Building Council.** The group is committed to shaping the future of gender equity and sustainability in the built environment. It provides knowledge sharing, mentorship, coaching, workshops, and collaboration for women in sustainability sector across MENA Region. AGSI being a Committee Member play a critical role in guiding the group's strategy, shaping the initiatives, and ensuring the alignment with the EmiratesGBC's vision.
- **We actively participate in the Annual General Meetings, Technical Workshops,** and other events to collaborate with the industry peers, share insights of sustainable best practices, and contribute to shaping the future of green buildings and accelerating the decarbonization efforts in the UAE and globally.

AGSI's vision is to accelerate decarbonization targets aligned with the UAE's Net Zero by 2050 Vision and be a global leader and contributor to developing sustainable building and cities, joining Emirates GBC solidifies our position as a pioneer of the carbon-free building and infrastructure materials and a key player in the country's efforts to reduce carbon emissions in the Built Environment. Through creating stronger industry partnerships, we will take a leading role in shaping the future of sustainable construction.



An aerial photograph of a river system where the water's flow has carved the letters 'AGSI' into the landscape. The letters are filled with dense, vibrant green forest. The river channels are a mix of clear blue water and sandy, light-colored banks. The surrounding area is a deep, dark blue, suggesting a larger body of water or a very deep part of the river. The overall scene is a harmonious blend of nature and human-like design.

AGSI Sustainability Framework

Our “Steel for a Greener Tomorrow” Sustainability Framework sets the stage for our approach to steelmaking, aimed at reducing environmental impact, promoting social responsibility, and driving economic growth. It underpins our strategy for product manufacturing and delivering sustainable solutions to our customers, communities, people and the planet.

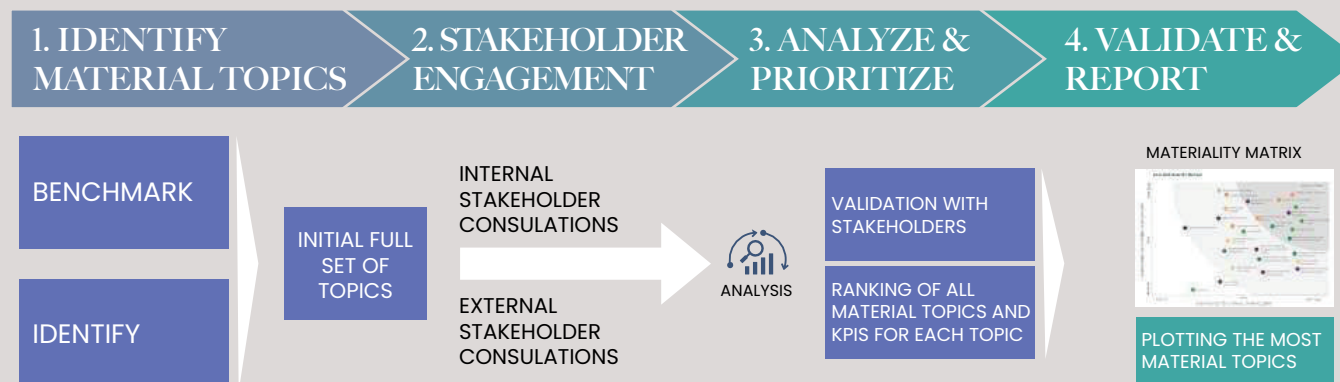
We set this strategy as our commitment to integrate sustainability into every aspect of our business, from sourcing raw materials, operational processes, to delivering products.

MATERIALITY ASSESSMENT

Our sustainability framework is a platform through which we communicate our priorities, goals, initiatives and progress on sustainability areas that matter most to AGSI and our stakeholders.

To identify these topics, we conducted a materiality assessment, which enabled us to evaluate and prioritize the most important focus areas.

AGSI MATERIALITY ASSESSMENT PROCESS



We have conducted comprehensive research within our steel industry peers at the national and global level to build an understanding on various areas that directly and indirectly impact our business, our stakeholders in the whole value chain, communities where the business operates, and the industry at large.

Our ESG Committee discussed the finding of the benchmarking and the research and identified the most material topics to ensure their alignment with the reporting standards and goals that AGSI reports against, such as GRI, UN SDGs, UAE Net Zero 2050 Vision, and other relevant laws and regulations

Engaging our stakeholders was a crucial step for identifying and addressing the most significant sustainability topics. It emphasizes our approach for transparency, inclusiveness and ongoing dialogue with our internal and external stakeholders to ensure our sustainability strategy aligns with their expectations and addresses their concerns.

We conducted interviews, workshops and email/calls conversations with our Heads of Departments across business and operations, employees, and other stakeholders' groups to gather their perspectives. Through this approach, we wanted to ensure that all aspects of sustainability are addressed.

The data collected was analyzed to evaluate the significance of each issue based on its impact on AGSI's business operations and its importance to stakeholders.

The prioritization included matrix to rank topics based on their relevance and urgency. This resulted in a materiality matrix, highlighting high-priority topics.

We validated the results through engaging with the leadership and ESG Committee to review and confirm the alignment of prioritized material topics with our ESG Framework.

We also cross-referenced with external benchmarks, industry standards, and regulatory frameworks to ensure reliability. We have communicated the results to our senior leadership as well as external stakeholders through our ESG Report.

STAKEHOLDER ENGAGEMENT

We partner with a wide range of stakeholders to create a lasting change and benefits for the people and the communities where we operate. We believe that building a greener future is a collaborative approach where everyone benefits.

At AGSI, we recognize that building a greener and more sustainable future requires a collective effort. As a leader in sustainable steelmaking, we recognize our role in accelerating efforts towards meeting Sustainable Development Goals, from the decarbonization of the steel industry, and hard-to-abate sectors at large, to shaping new policies and practices, developing talent, partnering on circular collaboration, advancing sustainability through local impact and contributions to communities.




We want to leave our legacy that extends beyond producing net zero steel to addressing sustainability challenges and enabling progress towards a better future.

By engaging with local communities, government bodies, non government organizations, industry associations (both national and international), academic institutions, we foster meaningful collaborations that amplify our impact. As a result, this is contributing to a broader vision of sustainability, resilience, and inclusivity.

We recognize the importance of a whole- of-society approach and the vital role that all stakeholders play in achieving net zero and broader sustainability goals.

COLLABORATIONS FOR A GREENER FUTURE

Our goal is to establish and enhance partnerships with our customers and stakeholders throughout the value chain. We collaborate with customers, suppliers, local and national governments, partners in the built environment, and other stakeholders to achieve our net zero goals and accelerate efforts towards the net zero globally. We keep strong relationships with our stakeholders and provide relevant information on the subjects that are important and may be of interest to all our stakeholders groups. To this end, we have been actively engaging with our stakeholders to communicate our achievements in Carbon Neutrality, contributions to the circular economy, net-zero goals and ongoing efforts to decarbonize hard-to abate industries. We have communicated the AGSI's activities through various channels, including our website, social media platforms, press releases, industry events and conferences, media coverage, and presentations to international organizations such as UNGC UAE Chapter, the Emirates Green Building Council, and others. As the largest private sector steelmaker in the UAE, AGSI is a significant contributor to the local economy. We work with a broad network of suppliers and continuously invest in the growth of our business and supply chain, while also supporting technological and manufacturing advancements across the Emirates.

INTERNAL STAKEHOLDERS 	LEADERSHIP	The AGSI Board AGSI Management Team AGSI Steering Committee Groups
	EMPLOYEES	Full time and part time employees
EXTERNAL STAKEHOLDERS 	POTENTIAL EMPLOYEES	Students Interns Apprentices
	LOCAL AND REGIONAL COMMUNITY	Local residents Local and regional community groups Authorities
	GOVERNMENT	Local and National Government agencies and officials in Abu Dhabi and the UAE
	NGOS & CIVIL SOCIETY	National and global Environmental and Sustainability-focused Non-Governmental Organizations and Groups Global and multi-sectorial environmental organizations
	FINANCIAL STAKEHOLDERS	Lenders, financial institutions and other finance-related organizations
	INDUSTRY ORGANIZATIONS & BUSINESS COMMUNITY	National and international trade associations representing steel industry Producers and users of steel products The Built Environment (buildings and infrastructure)
COMMERCIAL STAKEHOLDERS 	EXPERTS & INFLUENCERS	Certifying bodies National & International Steel Industry Associations Universities Policy research institutions
	MEDIA	National Media and News Agencies Business and Industry Media Outlets Trade and Industry media Digital News Platforms
	COMPETITORS	Steelmakers
	BUSINESS PARTNERS	Business partners and contractors
	CUSTOMERS	Existing and new customers End users
	SUPPLIERS	Local, regional, international suppliers of materials and services

HOW WE ENGAGE WITH OUR STAKEHOLDERS

ENGAGING WITH STAKEHOLDERS IN THE INDUSTRY LEADERSHIP AND ADVOCACY

Throughout the year, our Executives actively engaged in a variety of industry groups, discussions, roundtables, conferences, and panels, solidifying our role as a thought leader in sustainable steelmaking and global industrial transformation. These platforms provided opportunities to exchange ideas, share best practices, and collaborate with stakeholders from across the world on critical topics such as net-zero steel, decarbonization, and inclusive workforce development.

Some key areas of engagement:

Low Carbon Steel production and Decarbonization – our leaders contributed to the high-level discussion on the decarbonization of the steel industry and hard-to-abate sectors, including the Built Environments. Some engagements included signing up to the Industrial Transition Accelerator (ITA) at COP28 as well as partnership for representing the MENA Region for decarbonization efforts, the ITA Leadership Council meeting during the UN General Assembly at Climate Week in New York City, participation at COP28 panel discussions and events, UNGC SDGs Ambition Accelerator Program, Emirates Green Building Council (EGBC), joining the Embodied Carbon Working Group and the Women Network led by EGBC, the UAE Steel Producers Council, Fastmarkets CEO Summit, amongst others.

- **Global Sustainability Topics** – our executives participated in a number of events in the UAE and globally throughout the year for broader dialogues addressing challenges in the sustainability areas, building resilient companies, industrial innovation, and partnership to achieve Net Zero Vision and the UN SDGs.
- **Talent Development and Women in Steel** – we've led panel discussions at the major steel conferences and other related events on the importance of the workforce for a sustainable future, up-skilling and re-skilling in light of the decarbonization efforts, innovation, new technological advancements and Gen AI. Additionally, AGSI has been at the forefront of advocacy for Women in Steel having set its own Women in Steel initiative.
- **Bi-lateral meetings and agreements** both at the regional and global level with the Government agencies and Global Business Organizations.

ENGAGING WITH OUR EMPLOYEES

At AGSI, we want our employees to feel valued and engaged. We recognize that our employees are key stakeholders in driving our sustainability agenda and achieving our ESG goals. We actively engage with our workforce to ensure their perspectives, ideas, and contributions are integral to our decision-making and strategy implementation. Some of our engagement ways are:

- Regular communication and updates through internal communications channels, newsletters, announcements, emails from managers and executives.
- Face-to-face communications through team and departmental meetings.
- Company's Portal (AGSI HUB) – we've launched a new platform where we communicate any updates, news and achievements, as well as share key documents on processes and initiatives.
- On-site visits by Executives.
- Internal training and career development conversations.
- Onboarding program that includes acknowledgement of Code of Conduct, policies and sustainability.
- Internal Wellness Events, Celebration of Events and Holidays Gatherings.
- World days related to caring for the planet and sustainability Recognition Program and awards.
- AGSI Cares program for Wellbeing, Wellness and Engagement, including Employee Engagement Committee.
- Participation in external events, conferences and seminars.
- Performance Reviews (mid-year and end-year).
- Notice boards with updates and upcoming announcements.
- Press releases, company website, social media posts.
- Area-focused Steering Committees.

ENGAGING WITH OUR CUSTOMERS

We developed strong partnerships with our customers and continue to prioritize providing outstanding products and service aligned with their evolving goals. Through direct communication and other communication channels, we actively engage to seek their feedback and strive for continuous improvement. We have a feedback system to allow for raising any concerns from our customers and resolving it in a timely manner. We also provide awareness and education about sustainable solutions as a building material. Our communication includes direct emails, phone calls, announcements and press releases that we share with them directly, conferences, industry events.

ENGAGING WITH OUR CUSTOMERS

AGSI actively collaborates with local communities through outreach programs, educational initiatives, and sustainable development projects, fostering long-term partnerships and positive social impact. Some of our engagement activities are:

- Promoting and supporting local cultural events.
- Community out-reach programs.
- Training and awareness sessions about the company.
- Site visits and tours of the Net Zero Steel Plant.
- Charity projects.
- Providing communication through brochures, emails, website announcements.
- Partnering in local talent development programs, graduate and internship programs.

ENGAGING WITH INDUSTRY BODIES

We work alongside industry organizations and play an important role in raising the standards in the steel industry. We are founding members of the Abu Dhabi Energy Efficiency Club as well as first steel company as a signatory to the ITA, industry partner of the Emirates Green Building Council (EGBC), amongst other relationships and partnerships. We are active members of the Steel Producers Council in the UAE to contribute to driving national initiatives for the industry. We are in the steering committee for the EGBC Women Network, members of the EGBC Embodied Carbon Working Group, and contributing to their research papers, for example 'Sustainable Schools Program' booklet in partnership with UNESCO, among other industry bodies.

ENGAGING WITH NON-GOVERNMENTAL ORGANIZATIONS AND CIVIL SOCIETY

We have partnerships with several NGOs. For example, UNGC UAE Chapter on their SDGs Ambition Accelerator Program, Taskforce on Climate Adaptation, amongst others.

ENGAGING WITH GOVERNMENT

We actively engage with local and national Government bodies and officials through direct discussions, meetings, phone calls, emails, press releases, website, publications, announcements, conferences, forums, site visits, audits, and inspections.

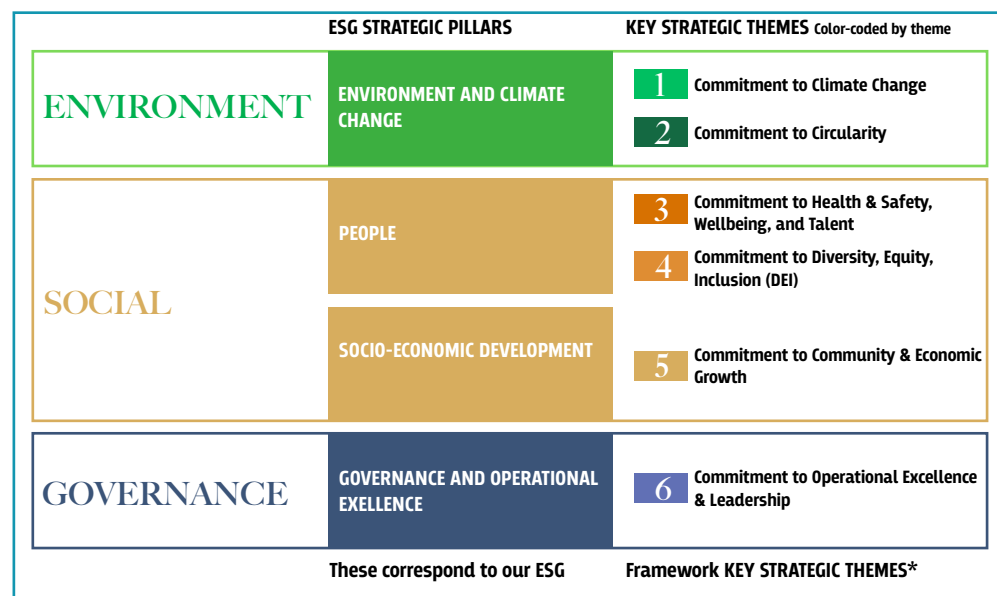
AGSI MATERIAL TOPICS

Our material topics and key ESG strategic imperatives

To identify our most material topics, we have grouped them under six Key Strategic Themes, which correspond to our ESG Strategic Pillars. Each theme has a number of material topics important to both external and internal stakeholders.

We have identified key material topics based on the materiality assessment process. While they fall under our each specific ESG Strategic Pillar, most have both environmental and social impact and many are interconnected. Those topics were subsequently prioritized on a materiality matrix.

The Key Strategic Pillars and the corresponding material topics are presented below, color-coded for each Strategic Theme.



ENVIRONMENT	
ENVIRONMENT AND CLIMATE CHANGE	
1 COMMITMENT TO CLIMATE CHANGE	2 COMMITMENT TO CIRCULARITY
1.1 Carbon Emissions & Carbon Neutrality	2.1 Resource consumption and responsible material use
1.2 Renewable and Clean Energy	2.2 Responsible water management
1.3 Energy Efficiency	2.3 Environmental control and management system
1.4 Air emissions	2.4 Circularity with partners
1.5 Biodiversity	2.5 Enabling decarbonization in other sectors

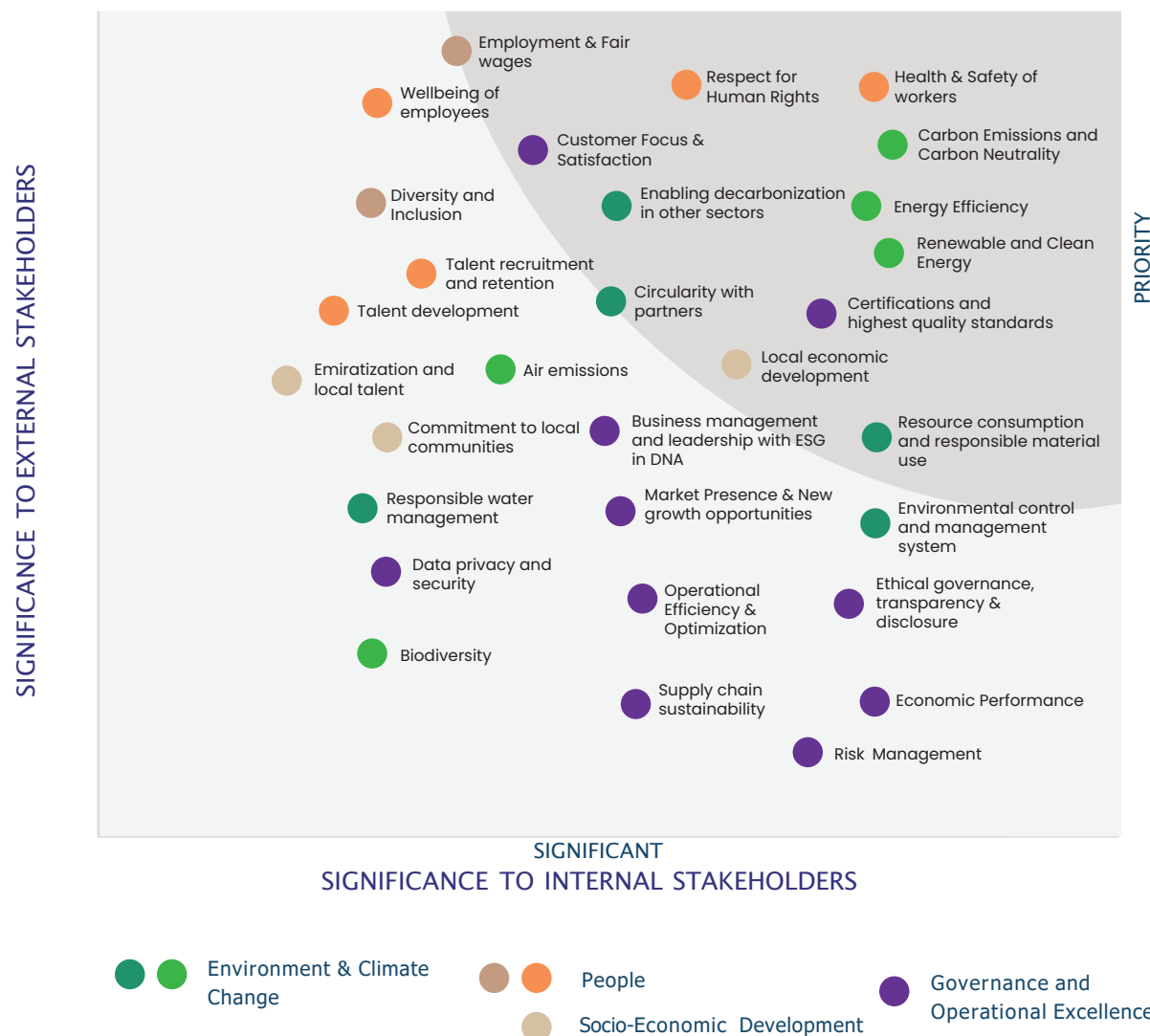
SOCIAL		
PEOPLE		SOCIO-ECONOMIC DEVELOPMENT
3 COMMITMENT TO HEALTH & SAFETY, WELLBEING, AND TALENT	4 COMMITMENT TO DIVERSITY, EQUITY & INCLUSION	5 COMMITMENT TO COMMUNITY & ECONOMIC GROWTH
3.1 Health & Safety of workers	4.1 Diversity and Inclusion	5.1 Commitment to local communities
3.2 Talent development	4.2 Employment & Fair wages	5.2 Local economic development
3.3 Wellbeing of employees		5.3 Emiratization and local talent
3.4 Respect for Human Rights		
3.5 Talent recruitment and retention		

GOVERNANCE	
GOVERNANCE AND OPERATIONAL EXCELLENCE	
6 COMMITMENT TO OPERATIONAL EXCELLENCE & LEADERSHIP	
6.1 Ethical governance, transparency, and disclosure	
6.2 Business management and leadership with ESG in DNA	
6.3 Certifications and highest quality standards	
6.4 Risk System	
6.5 Operational Efficiency & Optimization	
6.6 Economic Performance	
6.7 Market Presence & New growth opportunities	
6.8 Supply chain sustainability	
6.9 Customer Focus & Satisfaction	
6.10 Data privacy and security	

OUR MATERIALITY MATRIX

Our material topics and key ESG strategic imperatives

AGSI MATERIALITY MATRIX



Our material topics presented in this Materiality Matrix are related to our strategic themes under our ESG Strategic Pillars and corresponding to our corporate strategy.

While the stakeholder engagement process allowed us to map the material topics in line with the level of perceived significance to both internal and external stakeholders, all the identified material topics are relevant to AGSI. We have, therefore, disclosed the topics that were identified as Priority & Significant in importance.

In the Materiality Matrix, the X-axis represents significance to AGSI's internal stakeholders covering environment, social and governance impact, while the Y-axis depicts the significance to external stakeholders also covering all ESG aspects.

As this matrix identifies the most relevant topics for both groups, it therefore indicates the areas where AGSI should prioritize resource allocation and efforts to meet the expectations of the stakeholders.

Our materiality assessment and materiality matrix are vital components of AGSI's sustainability strategy. We are committed to ensuring that our strategy focuses on the most relevant and impactful issues, aligning business practices with stakeholder expectations and driving long-term sustainable success. We are committed to regularly updating our materiality assessment to ensure that we stay responsive to evolving local, national, and global trends as well as address evolving needs and concerns of our stakeholders. We aim to review and update our materiality assessment every year to ensure relevance to our stakeholders.

AGSI SUSTAINABILITY FRAMEWORK

Our Environmental, Social and Governance (ESG) efforts reflect our ongoing journey towards a more sustainable and equitable future. We aim to accelerate the Net Zero 2050 Vision and be a global leader in building sustainable cities and communities.

Our Sustainability Framework reflects our commitment to making a lasting, positive impact that extends far beyond the production and delivery of our steel. It embodies our ambition to contribute meaningfully to the environment and communities where we operate, helping to shape resilient sustainable cities for the future.

Through our sustainable practices and the ambition for continuous Carbon Neutrality in our Steel Plant, we believe that AGSI is a part of the solution for decarbonization efforts helping to accelerate the achievement of Net Zero Vision globally, while contributing to the Paris Agreement ambition. With our drive for operational excellence and forward-thinking, we want to foster innovation and a new mindset. We strive to create a safe, healthy and rewarding environment where our people can thrive and fulfill their full potential. We also aspire to contribute to the communities where we operate, mitigating an impact on the natural environment, and leaving a lasting impact for people and ecosystems.

We recognize that AGSI, and its sustainable steel, plays an important role in helping to solve issues like climate change, decarbonization of the hard-to-abate industry, diversification of the economic growth and GDP in the UAE, broadening and developing the industrial base, in-country value creation, Emiratization, amongst the few. We created a comprehensive set of targets and metrics for our key sustainability pillars that hold us accountable in the long term.

AGSI Sustainability Framework

The AGSI's Framework and operating model is underpinned by robust governance and ESG Framework, we call it "Steel for a Greener Tomorrow". It is our commitment to create a positive impact now and for next generations that will become our legacy to the world. It is our guiding ambition and a detailed blueprint that sets out how we aim to achieve a fairer, safer, cleaner and healthier communities. Our approach to ESG is based on four key pillars: People, Environment and Climate Change, Governance and Operational Excellence, Socio-Economic development.

We are currently in the process of developing our comprehensive Sustainability Strategy, which will define our key focus areas and guide our long-term initiatives. Alongside this, we are formulating a detailed sustainability roadmap that will outline specific actions and SMART targets to drive measurable progress.

AGSI ESG FRAMEWORK & FOCUS AREAS



OUR PURPOSE

OUR PURPOSE IS TO REVOLUTIONIZE STEELMAKING BY ADVANCING INNOVATIVE. LOW CARBON SOLUTIONS THAT SET A NEW STANDERD FOR SUSTAINABILITY.

OUR MISSION

OUR MISSION IS TO LEAD THE TRANSFORMATION OF THE LOW CARBON STEEL PRODUCTS AND SET THE BENCHMARK FOR SUSTAINABILITY AND EXCELLENCE IN THE STEEL INDUSTRY, WE AIM TO SET AND YOU STANDARD IN STEELMAKING THAT WILL BECOME A NEW NORMAL

THROUGH COLLABORATION, WE ARE COMMITTED TO CREATING A MEANINGFUL AND LASTING IMPACT ALIGNED WITH THE NET ZERO 2030 VISION. WE AIM TO SHAPE A BETTER AND GREENER FUTURE WHILE SUPPORTING ENVIRONMENTAL STEWARDSHIP, ECONOMIC GROWTH AND SOCIETAL PROGRESS.

OUR CORE PILLARS

ENVIRONMENT AND CLIMATE CHANGE

- Maintain Carbon Neutrality and near-zero steel operations through sustainable steelmaking
- Maintain circularity through continuously recycling local raw material, producing new steel in carbon-neutral and sustainable process and recycling all our operational waste and byproduct.
- Achieve net-positive impact on biodiversity.
 - Continue energy efficiency efforts and increase renewable and clean energy consumption.

PEOPLE

- 'Safety First' Principle - Ensure Safety, Health & Wellbeing of our people
- Ensure Labor Rights and Fair Employment Practices
 - Provide Training, Development and continuous learning opportunities
- Provide Career Growth and Pathways
- Foster Diversity, Equity, Inclusion
- Uphold, promote and respect for Human Rights
 - Maintain People Engagement through meaningful initiatives and social impact
- Foster a positive, ethical and inclusive culture

SOCIO-ECONOMIC DEVELOPMENT

- Contribute to the local economy and economic diversification
- Contribute to national and international agendas and strategies
- Strong partnerships and industry alliances
 - Foster national innovation in manufacturing and decarbonization
- Support communities' resilience and contribute to community development
- Livelihoods - support local job creation and In-Country value

GOVERNANCE AND OPERATIONAL EXCELLENCE

- Maintain robust systems & processes
- Ensure compliance with standards and legal regulations
 - Uphold strong Governance & Ethical Business Maintain robust risk management
- Enhance responsible sourcing and procurement by extending sustainable practices beyond our value chain
- Ensure continuous improvement across operations
- Inspiring Leadership and Sustainability Culture



STRATEGIC OBJECTIVES

Lead the market in sustainable steel solutions and decarbonization of the industry

Drive market growth & expansion to meet growing demand for low carbon products

Foster collaboration and build leadership in sustainability via stakeholder engagement & capacity building

NATIONAL & INTERNATIONAL MANDATES

- UAE Net Zero 2050
- UAE Green Growth Strategy 2015 -2030
- UAE Federal Decree-Law on the Reduction of Climate Change Effects
- UAE Industrial Strategy "Operation 300bn"
- UAE Centennial 2071
- Abu Dhabi Economic Vision 2030
- UAE Steel Regulation
- UN Sustainable Development Goals (SDGs)

SUPPORTED BY

These are supported by national and international strategies and plans:

- UAE Circular Economy Policy 2031
- UAE Clean Growth Strategy 2030
- UAE Energy Strategy 2050
- "We The UAE 2031" Vision
- UAE Centennial 2071
- UAE Net Zero 2050
- National Climate Change Plan (2017-2050)
- Abu Dhabi Industrial Strategy (ADIS) under the Industrial Development Bureau (IDB)

Alignment with international standards and aspirations, such as:

- Paris Agreement (2015)
- United Nations Sustainable Development Goals SDGs
- World Steel Association's Climate Action Charter
- ISO and Environmental Standards



CASE STUDY

AGSI Communication On Progress (COP) for the United Nations Global Compact



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.



In July 2024 we have completed our first submission of communication on progress (COP) to the United Nations Global Compact.

this milestone underscores our continuous commitment to the UNGC ten principles and the sustainable development goals (SDGs) covering governance, human rights, labor standards, environment, and anti corruption.

we continuously strive to live by ten principles of the global compact, fully aligned with our company values and code of conduct.



ALIGNED WITH OUR VALUES AND CODE OF CONDUCT

Our communication on progress to United Nations serves as a comprehensive account of how we integrate our values into every aspect of the business operations. It underscores our dedications to ethical practices and pledge to act responsibly in all the interactions.

human rights: We uphold and promote the highest standards of human rights, ensuring respect, dignity, and fairness for all individuals impacted by our operations. This includes robust policies and practices to protect against any form of discrimination or exploitation.

Governance: Good governance is the backbone of our company. We are committed to transparency, accountability, and ethical decision-making guided by our strong code of conduct and governing processes.

Labor Practices: We adhere to fair labor practices, providing a safe, inclusive, and supportive work environment. Our efforts include fostering diversity, equity, and inclusion, ensuring fair wages, and protecting the rights and well-being of all employees.

Environment: Our environmental stewardship is a core aspect of our operations. We continue to make significant strides in minimizing our environmental impact through sustainable practices, resources efficiency, and our commitment to achieving carbon neutrality.

Anti-Corruption: We maintain a strict stance against corruption in all its forms. Our comprehensive policies and training programs are in place to prevent unethical behavior and ensure compliance with international standards.



23 July 2024

CEO Statement of Continued Support

To our stakeholders,

I am pleased to confirm that (AGSI) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals.

Sincerely yours,

Adam Hussain

AGSI CEO
Arabian Gulf Steel Industries

AGSI SUSTAINABILITY & BUSINESS INTEGRATION

AGSI Strategy is underpinned by the UN SDGs which are integrated into the core business model, operations, and processes across the entire organization.

Our ESG Framework Strategic Pillars

AGSI CORPORATE STRATEGY

ENVIRONMENT

ENVIRONMENT & CLIMATE CHANGE



Commitment to Climate Action

We are committed to Improving energy efficiency in operations by shifting from fossil fuel sources and optimizing steelmaking processes to achieve carbon neutrality. We are committed to transitioning to renewable energy sources. We have the Net Zero Plan across entire value chain while maintaining Carbon Neutrality.



Commitment to Circular Economy

Adopting resource-efficient practices through 100% reuse and recycling of our operational waste. Implementing recycling practices across the whole business.



Commitment to Responsible Consumption and Production

We are committed to producing steel from 100% recycled raw material while recycling all our waste. We are promoting resource efficiencies through reducing material use and adopting principles of circular economy.



Commitment to Biodiversity

Safeguarding ecosystems where we operate by reducing pollution through planting trees and promoting biodiversity conservation.

Additional Interconnected SDGs that this pillar supports:



SOCIAL

PEOPLE



Commitment to Health, Safety, and Talent Development

Safety First & Zero Harm policy and practices is at the heart of our policy. We ensure well-being and talent development of all our employees through variety of initiatives.



Commitment to Diversity, Equity, Inclusion

We ensure diversity and inclusion across all levels of our organization through strategic initiatives to encourage more diverse teams and foster culture of inclusivity.



Commitment to Decent Work and Economic Growth

We create job opportunities in countries where we operate and development for our people, ensuring fair labor practices, uphold human rights and providing fair wages and benefits.



Commitment to Reducing Inequalities

We promote inclusive hiring policies and practices, ensuring equal pay for equal work irrespective of gender, ethnicity and background. We established AGSI Women in Steel initiative to promote more diversity in the industry

Additional Interconnected SDGs that this pillar supports:



SOCIO-ECONOMIC DEVELOPMENT



Commitment to Community

We actively engage with communities and create local employment and In-Country Value through job creation, education, charity work, community engagement. We contribute to the economic growth by investing in operations, expansion, R&D, and diversification of the GDP.



Commitment to Industry, Innovation, and Infrastructure

We are building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation through our sustainable manufacturing practices, circular economy business model, and sustainable sourcing.



Commitment to Partnerships for the Goals

We are strengthening national and global partnerships to support and achieve the ambitious targets of SDGs. We collaborate with Government agencies, industry partners and NGOs to address challenges and opportunities for the industry.

GOVERNANCE

GOVERNANCE AND OPERATIONAL EXCELLENCE



We promote strong governance through robust systems, processes and risk management. We encourage diversity in our Board and Executive Committees, while having strong accountability, transparency and reporting mechanisms. We uphold the highest ethical standards supported by our Code of Conduct and policies.

Additional Interconnected SDGs that this pillar supports:



Commitment to Partnerships for the Goals

Across all three pillar, we are committed to partner with stakeholders to accelerate the action towards achieving SDGs within the country where we operate and globally.

AGSI CONTRIBUTIONS TO SDGs

AGSI Role in advancing the UN SDGs

At AGSI, we recognize that the pursuit of sustainable development is not only a global responsibility but also a critical opportunity for our business to drive a positive change.

As a committed signatory to the UNGC, we align our operations with the Sustainable Development Goals (SDGs) to create long-term value for our stakeholders, society, and the environment.

Here, we outline at the high-level how AGSI is contributing to specific UNGC SDGs relevant to our industry through its initiatives, strategies, and partnerships that we put in place to support these global goals.

We aligned our corporate goals with our prioritized SDGs, which guide our ESG framework and initiatives that are categorized in three pillars. These pillars ensure that all Environment, Social and Governance initiatives support specific SDGs, and create long-lasting positive impacts.

We continue to work on implementing new initiatives as a commitment to creating a positive change and contribute to the global goals.

In subsequent chapters, we describe in detail some of the key initiatives that we have done with the United Nations in 2023 and 2024, showcasing our contributions through case studies.

AGSI's alignment with SDGs

The SDGs listed below represent the core areas where AGSI focuses its efforts for SDG alignment. These are based on the materiality assessment and will have the highest impact on our stakeholders, both internal and external. These priority SDGs are not only central to our business operations but also reflect our commitment to contributing to global sustainability challenges.

Our participation and completion of the UN SDG Ambition Accelerator equipped us with the necessary tools and resources to ensure the integration of these SDGs across the entire company and into AGSI's DNA, and in every decision we make.



AGSI CONTRIBUTIONS TO SDGs

AGSI Role in advancing the UN SDGs



- AGSI is committed to creating jobs and fair wages for all employees. We provide jobs for employees from countries with lower income abilities or high rates of unemployment, giving them opportunities to support their families.



- We continue to provide healthcare programs with annual medical screening for all employees. The medical health examinations take place at all our locations and are available to all employees. Employees are eligible for further specialized assistance from qualified doctors at specific medical centers located near the work locations. In 2024.
- We continue to provide medical health insurance for all employees, extending the insurance to their families.
- We continue to have nurse staff within our HSE team to assist with any health issues or injuries during working hours.
- We organized several wellness programs and educational campaigns, including "AGSI Cares", breast cancer awareness sessions, men's health campaign, healthy food, sports days.



- Learning & Development is a key pillar for our People's strategy. We have launched several educational programs for our employees at all levels, including professional and leadership training, sustainability awareness, technical training, management training for women.
- We also support educational initiatives in local communities, promoting access to learning opportunities, including internships, graduate programs, working with the UAE local government and educational institutions to provide sustainable steelmaking education.



- AGSI is committed to promote gender equality in the workplace by ensuring equal opportunities, pay equity, and a work environment free from discrimination. We have set targets to increase the number of women at all levels of the company.
- We launched "AGSI Women in Steel" to promote and advocate for women in steel industry – both within AGSI and across the UAE.
- We introduced the DEI Policy and ensured all managers and employees received comprehensive training. As a result, we achieved a 79% YoY increase in female representation, including a notable increase in women holding management positions.



- We invest in renewable and clean energy to ensure clean sources of energy for the steel plant and our continued commitment to carbon neutrality.
- We have improved energy consumption and achieved energy efficiencies in our operations and sustainable steelmaking processes through innovation and energy-efficient technologies. In 2023, we became a founding member of the Abu Dhabi Energy Efficiency Club, having achieved a Category A Company for our energy efficiencies programs.
- We have moved from fossil fuels to electricity-powered machinery of our plant.



- AGSI plays a vital role in driving the UAE's economic growth and advancing its industrial and manufacturing sectors, aligned with both national and international strategies. As one of the UAE's leading steel suppliers, we directly employ over 700 people – 7% year-on-year increase.
- As the UAE's largest private steel producer and the leading recycler of steel raw materials, we continue to invest significantly in the growth of both our company and the nation's economy.
- We prioritize local sourcing, with 100% of our raw materials procured from local suppliers. This approach strengthens the local economy, supports the circular economy, and helps reduce carbon emissions associated with imports.
- Our commitment to attracting and retaining top talent includes offering competitive salaries, comprehensive benefits, and clear career development pathways. Our goal is to be recognized as an employer of choice in the UAE.



- We have developed a sustainable infrastructure by integrating innovation and technology into the steelmaking processes to manufacture low-carbon steel products. As the world's first Carbon Neutral Steel Plant, we invested in R&D to develop carbon reduction technologies and processes to improve efficiency and reduce environmental impacts.
- We are introducing new green energy projects in our steel plant to avoid reheating and new systems to optimize and automate processes.



- We have updated our Diversity, Equality and Inclusion Policy and Human Rights Policy. Through compliance and training, we ensure equal opportunities for all, regardless of their background, and support initiatives that address inequality in the communities where we operate.
- We increased number of women in workplace, including managers, graduates, engineers and at the plant operations.
- Our compensation structure ensures that all employees are paid equally for work of the same value.

AGSI CONTRIBUTIONS TO SDGs

AGSI Role in advancing the UNGC SDGs (cont.)



- By supplying near-zero steel for local buildings and infrastructure projects, we directly contribute to building more sustainable cities and communities. We work with local partners to supply sustainable steel for their projects.
- Our steel reduces embodied carbon emissions in buildings hence supporting decarbonization of the Built Environment and support local environmental initiatives.



- Our steelmaking operations are built on a circular economy model. The Circularity Loop of AGSI's steel involves continuously recycling local raw materials (local demolition waste) to produce new steel for the local projects through a low-emission, sustainable manufacturing process. Nearly 100% of our operational waste and by-products are also recycled.
- To further advance our circularity goals, we implement ongoing waste management initiatives across our operations. Examples include the "no more plastic bottles" initiative, or waste segregation system at all locations.



- AGSI took accelerated actions and achieved carbon neutrality for its steelmaking facility in Abu Dhabi, producing near-zero carbon steel, lowering carbon emissions to a minimum. We achieved 30% reduction in CO₂ emissions YoY from 2022 to 2023, and further reductions in 2024 through energy efficiencies, optimization of our steelmaking processes, and investing in renewable energy.
- Our circularity business model reduces carbon emissions through continuous reuse and recycling which expands the life of resources.
- AGSI has developed a roadmap to maintain its carbon neutrality and net zero status and engaged with internal and external stakeholders for the short-term, medium-term, and long-term planning.
- We plan to initiate a climate risk assessment to better understand climate-related risks and opportunities, as well as the scale and severity of potential climate change impacts. This assessment will inform the development of an adaptation plan to effectively address these challenges.



- We are committed to preserving biodiversity and promoting the sustainable use of land through a range of environmental initiatives. At our steel plant in Abu Dhabi, we have planned the planting of 700+ trees and other native vegetation. This effort not only enhances local biodiversity but also contributes to reducing CO₂ in the atmosphere. Our activities are aligned with best practices in land management, aiming to minimize disruption to local ecosystems and support the conservation of natural habitats. To further strengthen our efforts, we have developed a Net Positive Impact Plan to evaluate our biodiversity activities.



- We have set up a strong governance framework through establishment of critical steering committees that govern decisions, strategic initiatives, and address risks and challenges for a specific area of focus. Our risk management framework ensures transparency and accountability at all levels.
- We have updated and launched our Code of Conduct, along with new supporting policies that reinforce its principles. We have provided training to employees, equipping them with a clear understanding of the Code and act in line with our values and principles.
- We rolled out updated Human Rights Policy across all our operations ensuring adherence to highest standards, labor standards, fair wages, and safe working conditions.
- We have built strong relationships with variety of stakeholders, including the UAE government agencies, industry associations, other companies from hard-to-abate sectors to join forces on climate action, non-governmental organizations and other global organizations that support decarbonization and sustainability activities.



- We believe that achieving the SDGs requires collaboration and collective action. We have engaged with multiple stakeholders and entered in partnerships with a common goal on climate action and sustainability.
- Our partnerships include: The UAE Ministry of Industry and Advanced Technology, United Nations Global Compact, Emirates Green Building Council, The Abu Dhabi Energy Efficiency Club, The Industrial Transition Accelerator, Educational Institutions, amongst others. We are an active stakeholder driving climate and sustainability agendas with those groups.
- We actively engage in multi-sectorial dialogue and engagement process through various platforms to progress towards sustainable solutions for the steel and carbon-intensive industries.
- We are an active member of the Steel Producers Committee (SPC) in the UAE, an organization that offers a platform for steel producers for collaborative efforts and addressing shared initiatives, challenges and opportunities in the steel industry.

EMBEDDING SUSTAINABILITY INTO CORPORATE STRATEGY

AGSI strategy is centered round creating more value to its clients and stakeholders through the development of the near-zero steel products portfolio, which focuses on four levers:

Maintaining its position as a leader of sustainable steelmaking and creating a 'new normal' in the industry. We intend to drive a demand for green products in hard-to-abate sectors to enable decarbonization of the industry and uptake of the low-carbon green products markets and its acceleration. This also emphasizes the green pricing mechanisms to ensure viability of low-carbon steelmaking.

Optimize production of near-zero steel expansion of the existing plant and integrating hot rolling mill in Abu Dhabi to enable direct hot charging and avoid re-heating furnaces. We have invested in fully automating the plant with fewer stands and implemented energy efficient green technologies. This positions us to deliver increased volumes and range of products.

Our low carbon initiatives throughout the operations are pivotal in our strategy, enabling us to align with national and global decarbonization goals. These initiatives focus on reducing our GHG emissions across whole value chain.

Our strategy also aims at exploring various operational efficiencies initiatives through seeking opportunities to reduce expenditure while being committed to sustainability.

At AGSI, our corporate strategy is firmly rooted in our commitment to sustainability, innovation, and value creation. We are dedicated to producing value-added steel products that not only meet the needs of our customers but also contribute to a more sustainable future. Through the development of lowcarbon solutions and our active efforts to decarbonize the steel industry, we are setting new benchmarks for environmentally responsible manufacturing.

By integrating advanced technologies, renewable energy, and circular economy principles, AGSI aims to minimize its environmental impact. Our focus on sustainable practices reflects our dedication to creating shared value for our stakeholders, supporting global climate goals, and driving meaningful progress in the transition to a greener economy. Together, we are building a future where innovation and sustainability go hand in hand.

OUR STRATEGIC THEMES

Leader in Net Zero Steelmaking

As a manufacturer of near-zero carbon steel, AGSI intends to maintain its position as the first Carbon Neutral Steel Plant in the World and set a new benchmark in the steel industry. Our sustainable operating model allows us to respond effectively to the changing demands for low carbon steel materials helping to accelerate decarbonization of the industry and climate change imperatives.

Low Carbon Initiatives

AGSI aims to continue innovate across its operations and value chain through wholly integrating and optimizing its processes, energy efficiencies, renewable power, from recycling steel to finished product that emits lowest carbon dioxide, no NOx or SO2 during production compared to conventional methods.

Wholly Integrated Steel Plant

Through strategic expansion and integration for AGSI's recycled steel production in Abu Dhabi, we will be extending steelmaking operations across the entire value chain, from sourcing and processing raw materials to producing and delivering finished products. This integration enhances AGSI's efficiency, sustainability, and market competitiveness.

Operational Efficiency

AGSI is positioned as an agile, sustainable, and high-performing organization. We continue to embed operational efficiencies, reduce waste, utilize automation, and reduce energy consumption. Through capacity building, agility, and adaptability, AGSI's goal is to build a resilient organization to withstand any market fluctuations and disruptions.

KEY ENABLERS

Our key enablers provide the structural support for our strategic themes, ensuring their effective implementation and sustainability. We continuously invest in these enablers which enables us to secure a leadership position in the steel industry, align with global trends and create a lasting value for our stakeholders.

PEOPLE & TALENT

We provide continuous training and up-skilling to prepare our workforce for the future skills. Our training programs include technical skills, management and leadership capabilities. We build a pipeline of leaders who align with AGSI's vision and drive strategic initiatives.

TECHNOLOGY AND INNOVATION

We invested in smart manufacturing technologies to enable digital transformation and leveraged automation to enhance efficiency in operations. We continue to invest in R&D and for their low-carbon technologies for sustainable steelmaking.

GREEN PORTFOLIO DEVELOPMENT & OPTIMIZATION

AGSI is committed to increasing value for its clients and address growing demand for carbon-conscious building materials by expanding its range of sustainable products. Through the portfolio optimization, we align with global sustainability trends, strengthening our competitive position and enhancing stakeholders' trust.

OUR ESG STRATEGIC PILLARS

ENVIRONMENT

ENVIRONMENT & CLIMATE CHANGE

SOCIAL

PEOPLE

SOCIO-ECONOMIC DEVELOPMENT

GOVERNANCE

GOVERNANCE AND OPERATIONAL EXCELLENCE

Operational Excellence for Sustainable Steel Production

AGSI has achieved a remarkable milestone by reaching carbon neutrality in its steel operations while pioneering near-zero steel production in the industry. We have made exceptional progress across our corporate and ESG strategic priorities, from expanding capacity and integrating new technologies to ensuring cost-effective, resource-efficient, and truly sustainable operations.

As a leader in low-carbon steel, we remain committed to driving innovation, supporting the UAE's Net Zero 2050 vision and transition to low-carbon economy.

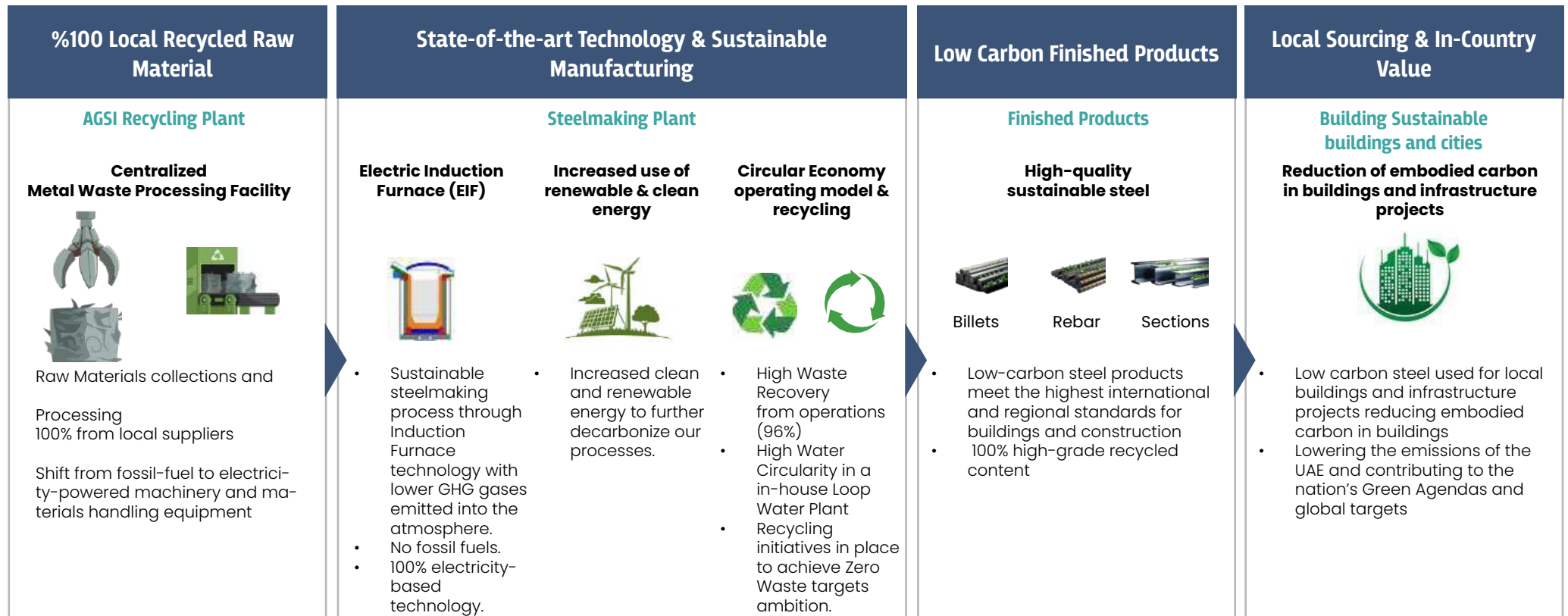
NET ZERO STEEL

SUSTAINABLE PRODUCTION

At AGSI, we are committed to advancing sustainable steel production through a comprehensive strategy that integrates environmental stewardship, social responsibility, and economic viability. Our approach prioritizes emissions reduction at the source, ensuring that sustainability is embedded in every stage of our operations.

In 2024, we've made significant strides in our operational efficiencies and optimization of our steel plant resulting in lowering our carbon footprint from our direct and indirect emissions. Targeted initiatives focused on energy efficiencies, better utilization of raw materials, upgradation of the equipment, as well as automation. Our Plant Management team has developed a comprehensive plan outlining specific initiatives in line with both the ISO 50001 Management System and the Abu Dhabi IDB Industrial Strategy Framework that focused on various dimensions for the manufacturing value chain, R&D and Engineering, Technology, amongst others.

As the sustainability is at the core of our operations, it is driving environmental benefits and operational efficiencies. This also contributes to reduction in operating costs as the operations are being optimized and automations are embedded.



PRODUCT EXCELLENCE

Product and service quality

We have adopted the highest standards and quality management systems to comply with the local and international requirements for highest quality products, services, and processes. These also ensure a greater rigor and discipline of our operations and adoption of sustainability standards. These well-defined, verifiable systems are helping us to streamline our energy, environment, product and service quality management that have established clear and tangible ways to consolidate on gains, while ensuring all actions follow an iterative mechanism.

Below are some of the standards and certifications that we abide by, but limited to:



ISO 14001 – Environmental Management System
ISO 9001 – Quality Management System
ISO 50001 – Energy Management System



Dubai Central Laboratory (DCL) ensures that products meet regulatory standards for quality, safety, and environmental compliance within the UAE market. Through rigorous testing and certification, DCL promotes sustainable manufacturing practices and aligns with international standards. For ESG initiatives, DCL's product conformity certifications enhance transparency and accountability in supply chains,



The CARES Product Certification Scheme ensures that materials meet stringent quality, safety, and sustainability standards. By using CARES for product certification, we validate the performance, compliance, and traceability of our products, reinforcing our commitment to responsible sourcing and environmental accountability.



AGSI was certified with Emirates Conformity Assessment Scheme (ECAS), a mandatory certification program established by The UAE Ministry of Industry and Advanced Technology (MOIAT). ECAS ensures that products sold or distributed within the UAE market meet national standards for safety, quality, and environmental impact. This certification underscores our dedication to meeting the highest UAE standards while aligning with our sustainability and ESG goals.



AGSI received SASO Product Certification from the Saudi Standards, Metrology, and Quality Organization (SASO). This confirms that our products meet the highest standards of quality, safety, and compliance required for the Saudi market.



CE Mark (European Conformity marking) received from European Commission, signify that our products are compliance with the highest European Union standards for health, safety and environmental protection requirements and regulations, and can be traded in any part of the European Economic Area.



The Abu Dhabi Quality & Conformity Council (QCC) is responsible for developing and implementing quality infrastructure in Abu Dhabi, ensuring that products, services, and systems comply with international and local standards, promoting safety, quality, and sustainability across the industry. AGSI holds the Product Conformity certification confirming that the company's products meet the highest standards required by Abu Dhabi regulations.



AGSI is certified under the UK CARES Responsible Sourcing of Construction Products scheme. This certification highlights our commitment to ethical and sustainable sourcing practices, ensuring transparency, environmental stewardship, and social responsibility across our supply chain. It reinforces AGSI's dedication to delivering high-quality, responsibly sourced materials while supporting our ESG goals and meeting global construction standards.



AGSI holds a membership certificate with the Abu Dhabi Chamber of Commerce and Industry. This membership strengthens our connection to the regional business community, enhances collaboration opportunities, and supports our growth in line with Abu Dhabi's economic vision. It reflects our commitment to contributing to the local economy and fostering partnerships that drive innovation and sustainability.



Abu Dhabi Commercial Engineering Services plays a critical role in ensuring that construction, infrastructure, and industrial projects comply with national and international standards, fostering sustainable development and innovation. This certification underscores our compliance with stringent quality and technical standards, enhancing our ability to contribute to Abu Dhabi's infrastructure and construction projects.



AGSI has been awarded with the In-Country Value (ICV) Certificate with one of the highest scores in the industry. This highlights our commitment to supporting the UAE's economic growth by prioritizing local procurement, workforce development, Emiratization, creation of jobs, innovation and growth in the manufacturing and industrial practices, and diversification of the country's GDP.



AGSI has been classified as Category A under the Abu Dhabi Energy Tariff Incentive Program 2.0 (ETIP 2.0) by the Industrial Development Bureau, having achieved the highest scores for energy efficiency and responsible energy use. We are also a founding member of the Energy Efficiency Club under this program.



Our products and operational processes are compliance with the Greenhouse Gas (GHG) Protocol standards underscoring our commitment to transparent, accurate carbon accounting and minimizing our environmental footprint.



We obtained the OSHAD (Occupational Safety and Health Abu Dhabi) Certificate reflecting our strong commitment to maintaining the highest standards of health, safety, and environmental performance in our operations. This reinforces our dedication to sustainable, responsible, and safe steelmaking practices.

PRODUCT QUALITY & CUSTOMER SATISFACTION

Product and service quality

ALL OUR BUSINESS MANAGEMENT SYSTEMS ARE CERTIFIED FOR ISO9001:2015.

The quality control is a fundamental part of our operations ensuring that our low-carbon steel meets the highest standards and specifications. Our products carry quality marks and product conformity marks which signifies highest standards of health, safety and environment. The quality control is an integrated process and involves measures throughout the entire production cycle. Our Quality Control laboratories are equipped with the high technology equipment operated by chemical engineers and metallurgists. We carry out scheduled inspections in our facilities and adhere to the standard operating procedures, which are reviewed on regular basis. This showcases our continued commitment to embedding sustainability standards and processes across our operations while ensuring the highest performance for our customers.



Customer focus and satisfaction

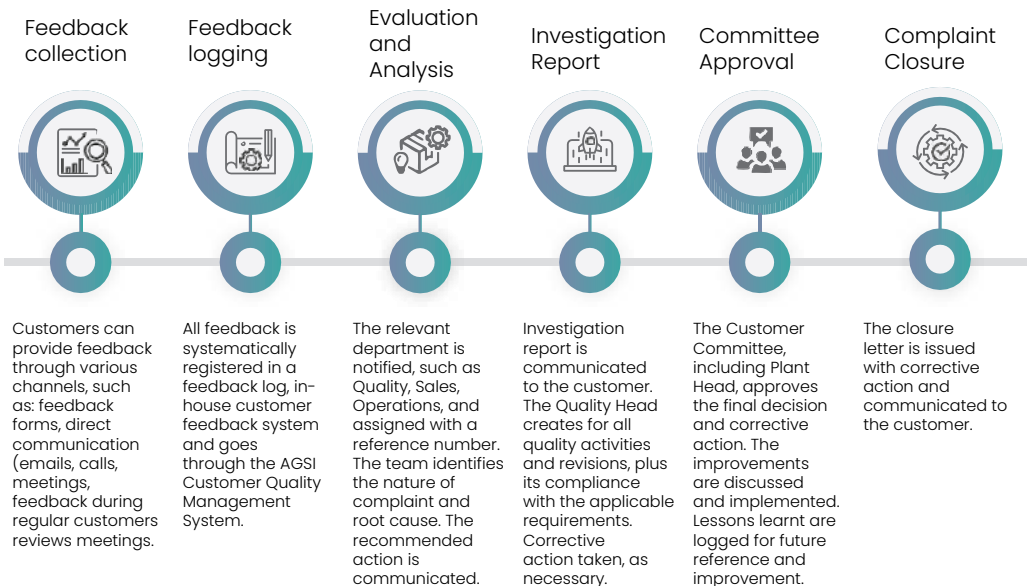


AGSI supplies the highest quality low carbon steel to its clients that help them in their decarbonization journey. We are proud that we can provide a unique value proposition to our clients, which we call a 'sustainable value proposition' with an ethos of going beyond just a product but also helping achieve decarbonization targets of our clients.

Our customer feedback process prioritizes customer satisfaction above all and involves systematic steps to gather, evaluate, and respond to customer feedback. This ensures continuous improvement and alignment with customer expectations. Our sales and production team conducts one-on-one discussions with our customers to understand how we can improve our service and deliver in line with their needs. Where feedback is lower than satisfactory, we conduct a thorough analysis and take corrective action to make improvements and increase customers' satisfaction. Our customer process is audited annually in line with the ISO 9001 demonstrating our commitment to customer service excellence.

Our management team, including C-level executives and Plant Heads hold regular meetings with our customers to ensure we maintain relationships and their needs and feedback are address at the highest level.

AGSI CUSTOMER FEEDBACK PROCESS



At AGSI, the highest quality of our products and services provided to our customers is integral to our commitment to excellence. Customer satisfaction is a key pillar to our continuous improvement efforts. Each, year, we conduct a comprehensive customer satisfaction survey to assess the performance and identify opportunities for enhancing our low-carbon steel products and related services. This feedback is crucial in refining our offerings and ensuring we meet evolving needs of our customers.



92%
TECHNICAL
COMPETENCE



87%
CUSTOMER
SATISFACTION
OVERALL

100%
RESOLVED
CONCERNS

Our rebar and sections products reach construction sites and customers across all Emirates. In our latest survey, responses were collected from all customers who rate our responsiveness and handling of the technical queries at mostly 10 score (out of 10). From the surveys, it is evident that our customers pride us on our sales customer services, fast and efficient delivery, and the reliability of handing queries and concerns, for which we received very high scores.

We are proud to have achieved such high scores that reaffirms AGSI's dedication not only to the highest standards for product quality but also delivering an excellent customer service.

This strong level of satisfaction reflects the trust our customers place in AGSI and our efforts to continuously provide innovative, low-carbon products that, while satisfying them commercially, contribute to their decarbonization efforts and sustainable future.

CATEGORY	2024
Overall Customer Satisfaction Score(1)	87%
Customer Satisfaction Rate(2)	89%
Number of incidents or complaints of non-compliance with regulations and/or voluntary codes related to product information and labelling.	0
Complaints Resolved	100%
Technical competence and responsiveness of AGSI team(2)	92%

Survey is for rebars and sections products.

Notes: The customer satisfaction survey was conducted with 13 customers of rebars and sections and evaluated across 8 parameters.

(1) It represents the weighted average of all 8 parameters

(2) It is one of the 8 parameters measured in the survey



MANAGEMENT SYSTEMS & CONROLS

In accordance with the international standard ISO 140001, AGSI have set up an Environmental Management System designed to ensure operational monitoring and reporting across all aspects of our business. The management system provides a platform for the operations team and the management to continuously improve, streamline processes, enhance efficiency, and uphold the highest performance standards. It is an integrated framework that aligns to global best practices, tailored to address the specific needs and challenges of the steel industry.

Across our operations, all activities with potential environmental impacts are overseen by our experts, led by the Chief Operations Officer and HSE Manager under the governance of the AGSI ESG Committee. The environmental and operations teams are working together and are responsible for managing controls, audits, and monitoring plans. They look at opportunities for improvement at every operational level. Recording and monitoring of each KPI is performed in a systematic manner within each Department while set metrics guide us to identify areas for improvement and prioritize various initiatives.

Our in-house Environmental Management System serves as an integrated platform with a comprehensive data and measures to guide the Management and operational teams on the areas for improving environmental impact.

All our facilities are audited on regular basis by the external third-party auditors and the environmental regulators. The audits conducted ensure compliance with legal and regulatory standards, accuracy and integrity of environmental data collected by the system, ensuring transparency and credibility in our reporting.



MONITORING AND REPORTING SYSTEM

AGSI has implemented robust monitoring and reporting systems to continually improve sustainability performance aligned with ISO management system frameworks, GRI- and IDB-standards (Industrial Development Bureau Abu Dhabi), ensuring accuracy, transparency, and accountability in our reporting. The monitoring system is based on the best-in-class Plan-Do-Check-Act cycle that focuses on strong systematic management and review process stressing a cycle of continuous improvement.

We track our ESG KPIs that are set under our ESG Framework and goals, including emissions, resource usage, waste generation, water management, air quality, and as per stakeholder engagement and materiality assessment. These serve as benchmarks for assessing progress and identifying improvement areas. Recording and monitoring of each KPI is performed in a systematic manner within each Department while set metrics guide us to identify areas for improvement and prioritize various initiatives.

ENVIRONMENTAL COMPLIANCE WITH LAWS AND REGULATIONS

AGSI is fully committed to complying with the UAE and Abu Dhabi environmental and occupational health & safety regulations, ensuring that our operations align with the highest environmental and safety standards. Our monitoring practices rely on accurate data collection from various sources, including meters, purchase records, and waste management reports.

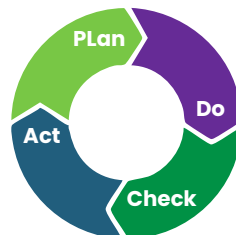
We adhere to local and international laws and regulations, such as the UAE Federal Environmental Law No. 24 1999 (Environmental Protection and Development) and Environment Agency Abu Dhabi (EAD) regulations, as well as WHO (World Health Organization), maintaining strict environment management practices.

We have a comprehensive Environment Monitoring Report and System in place to meet the regulatory requirements, including monitoring of the following: ambient air quality, indoor air quality, ambient noise level, indoor noise level, stack emissions, lux level, effluent discharge water lab analysis, potable water lab analysis. To meet regulatory requirements, we have appointed an external Health, Safety and Environmental Consultancy to conduct assessment and reporting.

In addition, we have the Occupational Health & Safety Management System (OHMS) and comply with relevant laws and regulations, and we continuously engage with environmental agencies including EAD, IDB, CMW AD (Center of Waste Management Abu Dhabi) in matters relating to environment and waste management. Through monitoring management, we have identified areas to optimize electricity consumption, implement waste management and recycling solutions, renewable energy adoption, and decarbonization in our supply chain. Throughout the years, we have always been compliant with the local or international laws and regulations and never been sanctioned for non-compliance. Additionally, we have not recorded any major spills in our operations and adhere to our Zero Incidents Policy.

We follow guidelines set by the authorities and conduct regular inspections, audits and assessments. Our facilities are certified against the relevant regulatory requirements and received relevant certifications and licenses to operate.

PROCESS STANDARDIZATION



We adopted the best-in-class PDCA (Plan-Do-Check-Act) framework as a foundational methodology for our in-house Management System. Through this iterative process, we systematically plan, execute, monitor and improve our processes. Our team across the business regularly apply this model to rigorously plan actions, execute them effectively, assess performance through robust monitoring system, and take corrective measures when needed. This ensures that our operations remain agile, efficient, and align with industry standards and best practices while allowing safety and quality of our operations and products.

TECHNOLOGY & INNOVATION

We recognize that digital technologies and innovation are key enabler for our sustainable manufacturing by allowing the optimization of our operations and the steel industry decarbonization. We introduced specific technology projects across our production, logistics and costs to further optimize processes and gain efficiencies. By embracing digitization, we optimize material efficiency while enhancing traceability and transparency across our operations. Through our smart technologies and data-driven insights, we ensure sustainable resource management and strengthen our commitment to responsible, low-carbon steel production.

TECHNOLOGIES & R&D

As part of our Carbon Management Plan, we have introduced Innovation, Technology, and Best Manufacturing Practices initiatives led by our COO and the Plant Head, in consultation with the ESG Committee and working closely with the Operations team. These strategic technologies aim to mitigate or reduce emissions at the source, while allowing for optimization of operations.

Most of our R&D spent in 2024 was sustainability-related, focused on solutions to improve our business and energy efficiency, reduce emissions in direct operations, and overall environmental impact. It included optimization of the manufacturing equipment, enhanced materials handling and utilization, enhanced company's circularity, shift from fossil fuel machinery to electricity-based equipment, innovations in our raw materials processing yard, as well as process technologies and platforms.

Sustainability-related reduction plan and production, energy technologies and innovations encompassed solutions in line with our carbon by lifecycle category, and included different groups: steel manufacturing & efficiencies, end-of-life (disposal and recycling), best practices, technology, collaboration for sustainable procurement practices.

These activities led to reduced emissions and better utilization of the materials.

EXAMPLES OF LAUNCHED AND ONGOING TECHNOLOGY, INNOVATION, AND R&D AREAS:

Energy efficient technology for Induction Furnace to reduce energy consumption.

W Melting Panels in the Induction Furnace which enhanced heat transfer and energy loss, leading to lower power consumption.

Advanced processing system in the raw materials yard optimizing the feeding and cutting process that leads to optimized energy usage, enhanced melting efficiency, increased productivity.

Electrification of the material handling machinery by shifting from fossil fuels to electricity, better equipment efficiency and maintenance, more effective processing and increased productivity.

Enhancements of the Fume Treatment Plant leading to improved air quality and environmental protection.

Heat Regeneration leading to improved usage of waste heat from raw materials processing.

Level 2 Software that involves advanced control algorithms that improve the heating process, adjust temperature profiles and heat rates to reduce energy consumption.

Integrating Electric Vehicles (EVs) into the company's fleet for employees' transportation to support carbon emissions reduction plan.

Looking ahead, we have a comprehensive plan to further enhance our digitization journey, including a development of digital platform to drive efficiency, monitor and report GHG emissions and sustainability efforts.





Environment and Climate Action Strategy

NET ZERO STEEL

OUR ENVIRONMENT STEWARDSHIP

At AGSI, we operate in full compliance with the highest environmental standards, aligning with the UAE’s federal regulations and international standards such as ISO 14001, ISO 50001, OSHAD Waste Management, and others.

Our sustainability and environmental measures and progress are outlined in the “Sustainability Measures Implementation Plan” that is prepared by the plant management and ESG team in accordance with the Abu Dhabi’s Industrial Development Bureau’s Industrial Sustainability Guidelines. An Annual Environmental Monitoring Report is also prepared to monitor and track progress on the environmental measures and targets. The measured outlined and actions for sustainable management of the following main areas:

Environmental Area	Objectives
Energy	<ul style="list-style-type: none">Reducing demand-side energy consumption through waste heat recovery system.Increase renewable and clean energy sources and renewable energy integration.Achieve energy efficiencies throughout the facilities.
Water Management & Conservation	<ul style="list-style-type: none">Efficient water utilization through maximizing water reuse and reducing freshwater consumption.Effluent Water treatment ensuring all discharge water meets environmental standards before release.
Greenhouse Gas Emissions (GHG)	<ul style="list-style-type: none">Reduction of carbon footprint across operations
Waste Management and Circular Economy Practices	<ul style="list-style-type: none">Maximum by-product utilization through reducing operations waste through re-purposing or recycling practices.Optimization of waste processing and industrial waste reduction.Enhanced utilization of raw materials.
Ambient Air Quality and Noise	<ul style="list-style-type: none">Ensuring a healthy working environment for facility workforce, surrounding environment and communities.Minimize air and noise pollutants from operational processes



OUR ENVIRONMENT STEWARDSHIP

AGSI ENVIRONMENTAL MANAGEMENT POLICY

- Drive initiatives for environmental protection, ongoing enhancement of environmental performance, and pollution prevention, focusing on recycling, energy efficiencies, and the reduction of resource consumption, emissions, noise, and waste.
- Align with the UAE's sustainability agendas by ensuring full compliance with legal requirements, national commitments, and voluntary industry agreements. Proactively anticipate and adapt to emerging regulations and policy advancements to support the country's net-zero and circular economy goals.
- Commitment of every AGSI's employee to upholding the highest environmental standards across all our operations. Every individual within the organization, as well as external partners acting on behalf of AGSI, are responsible for adhering to our Environmental Management Policy to ensure the protection and sustainability of our environment. Our facilities are ISO 14001 certified, demonstrating our dedication to environmental responsibility, regulatory compliance, and continuous improvement. We actively engage with regulatory authorities, fostering open communication and collaboration to enhance environmental performance and align with best practices in sustainable steel production.
- Proactively identify environmental risks and opportunities to prevent or minimize adverse environmental impacts, aligning with both the UAE environmental regulations and global sustainability standards. Our approach integrates a thorough assessment of our operations, supply chain, and industrial context, ensuring that we mitigate risks related to resource consumption, emissions, and waste management while enhancing sustainable practices.
- While leveraging innovative technologies, circular economy principles, and compliance with the UAE environmental policies, we continuously seek opportunities to improve energy efficiency, water conservation, and emissions reduction. This commitment enables us to contribute to the UAE's Net Zero 2050 Strategy, Water Security Strategy 2036, and the broader sustainability vision of the nation.
- As part of our commitment to a greener supply chain, we actively promote environmentally responsible practices among our partners by encouraging the adoption of energy-efficient processes, waste reduction strategies, GHG reduction efforts, and sustainable material sourcing. This approach supports both AGSI's Net Zero ambition and the UAE's sustainability vision, driving collective progress toward a low-carbon, circular economy.
- We recognize the importance of engaging with stakeholders and addressing their needs and expectations in our environmental initiatives. We actively support commitments and voluntary agreements with local communities, collaborating on environmental improvement projects that contribute to a more sustainable future. We are dedicated to raising environmental awareness by promoting education and training programs for our employees and the broader community. We aim to foster a culture of sustainability and strengthening our role as a responsible corporate leader in the steel industry.
- We actively promote resource recovery, recycling, and reuse, reinforcing our commitment to circular economy principles and sustainable steel production. We collaborate with our customers to raise awareness about the lifecycle of steel, emphasizing its infinite recyclability and environmental benefits. We also engage in industry initiatives that advocate for the use of environmentally responsible products, aligning with UAE's sustainability goals and supporting the transition to a low-carbon, resource-efficient economy.



DECARBONIZATION ROADMAP

Our sustainable steel operations give AGSI an inherent competitive advantage in the future decarbonization and energy transition, not only for the company itself and its customers, but the industry at large. This distinct advantage is a result of our unmatched initiatives that start at the core of our operations and are driven by sustainability mindset.

Our decarbonization initiatives range from how we manage our operations, sustainable solutions that optimize our processes, the efficient use of raw materials, efficiencies in waste management and energy, recycling of our industrial waste and by-product, the technology that we invest in, and the infrastructure that helps us reduce and manage our emissions. Our Carbon Reduction Management Plan helps us look at the areas where we need to focus on to drive the improvements and continuously stay ahead of the curve.

Managing and Reducing Emissions starts with the Sustainable Operating Model

All our production strategies are driven by a sustainable manufacturing operating model and have been embedded across the operational practices. They have enabled us to deliver outstanding performance for our resources and materials efficiencies, water management, energy efficiencies, optimization of steelmaking process and automation, while closely analyzing our macro-environment. All this put together, plays a key role in reducing our emissions and achieving carbon neutrality in 2024. Our circular model and state-of-the-art infrastructure strengthen our operational resilience while advancing us towards sustainable, energy-efficient steel production.



Optimized & Integrated Plant Processes

We adopted optimized and integrated plant processes driven by circular economy principles.

Our steelmaking processes are powered completely by electricity, without reliance on emissions intensive coal and fossil fuels used in a conventional steelmaking, significantly reducing emissions. This also gives us ability to power our operations through renewable and clean energy sources.

We enhanced our power infrastructure with the installation of a new transformer, upgraded panel and high-capacity bus bar, designed to efficiently support 15MW power demand. This enhancement reduces energy losses and optimizes overall performance of the plant.

To optimize our operations, we use W Melting panels that enhance heat transfer, optimize energy consumption and reduce overall furnace energy demand.

We made enhancements in our Fume Treatment Plant (FTP) driven by advanced filtration technology optimized cleaning processes and enhanced pollution control measures, reducing air emissions.

Cascading charging system integrated with the recycling yard ensures a continuous, controlled flow of raw materials into the furnace, optimizing the melting processes while reducing energy consumption.

Our integrated and optimized process supports the future expansion and lays the foundation for scalability, accommodating future process improvements and increased production demands.

A LEADER IN LOW CARBON STEEL PRODUCTION



Centralized Raw Materials Processing

We applied material efficiency strategies through thoughtful design and engineering underpinned by efficient circular design principles of the recycling facility. The efficient management of raw materials and resources plays a pivotal role in our sustainable operating model and decarbonization strategy, ensuring all materials are carefully processed, reused and recycled.

This included a structural optimization of the processing plant and a new charging system, electric machinery and enhanced material handling capabilities. Further, we have upgraded technology, sensor integration, and precise processing while maintaining performance standards.

Our centralized raw materials processing system enhances efficiency, quality control, and sustainability across the operations. This system ensures optimized sorting, processing, and handling of raw materials, reducing waste close to zero while maximizing valuable resources.

Through our recycling operations, we enabled a diversion of waste from landfills, and with our expansion plans we will further contribute to the circular economy and the reduction of emissions in the country.



Digital & Technology Solutions

We are leveraging an array of advanced digital and technology solutions to drive our low-carbon steel production. By integrating smart manufacturing and process automation, we are able to optimize every stage of steelmaking. This ensures monitoring and reporting of emissions, power consumption, material quality, and efficient energy use.

Our solutions include robust systems and technologies used throughout the facility enabling our engineers to use real-life data for timely decisionmaking. Through our monitoring systems and analyzers, we ensure monitoring of the environmental and operational metrics and mitigation practices.

These technologies enable proactive and fast decision-making, reduce energy consumption, and support low-carbon steel production.

INVESTING IN A GREENER FUTURE

We are dedicated to invest in low- carbon infrastructure, technologies and innovative solutions to accelerate climate change ambition.

At AGSI, our commitment to sustainability drives our investment in cutting-edge infrastructure and innovative technologies to establish a carbon-neutral steel plant. Recognizing the steel industry's environmental impact, we are taking proactive steps to revolutionize steel production while aligning with global net-zero goals.

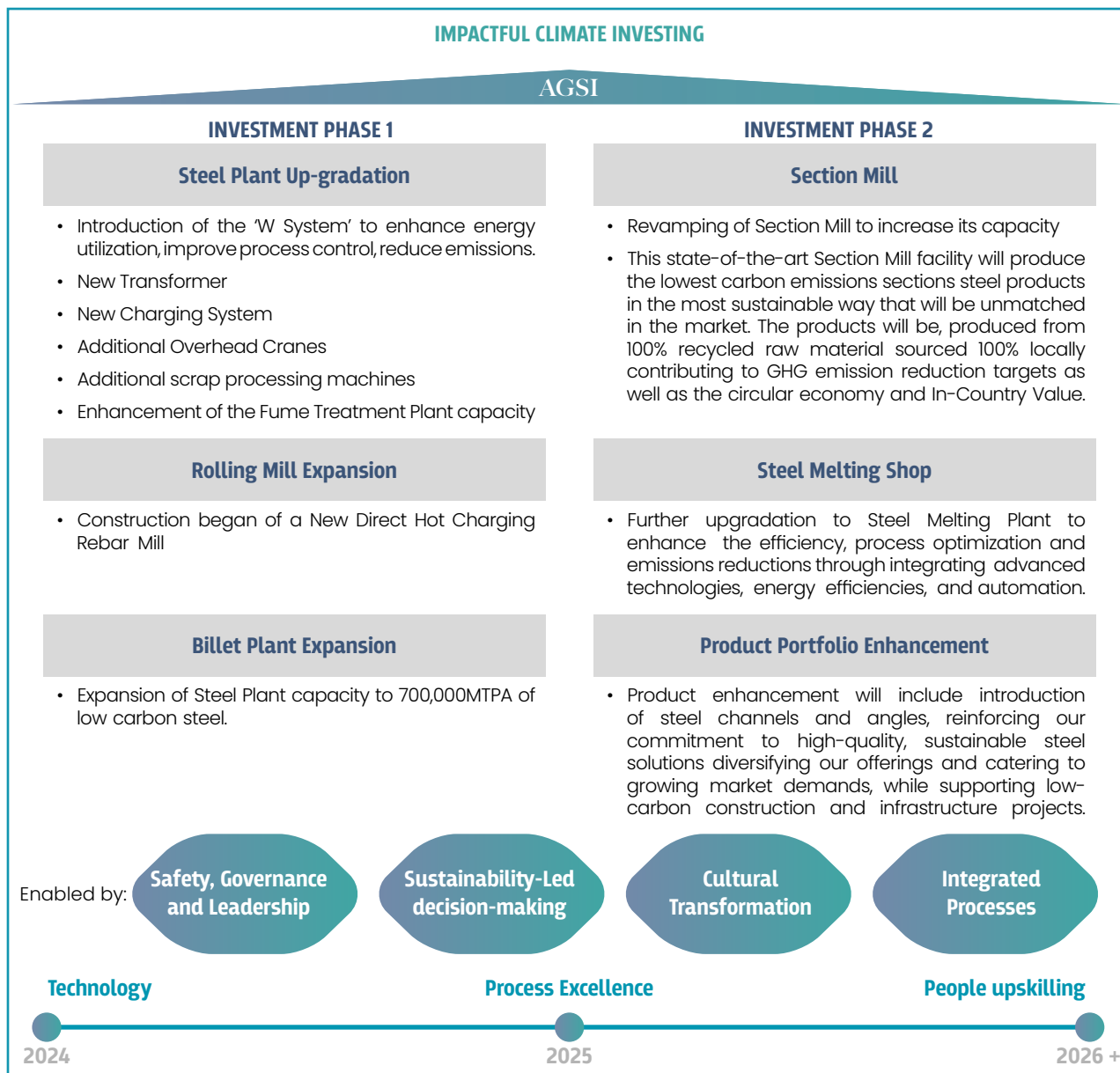
Our investments in infrastructure and expansion to reduce the GHG emissions and enhance our production capacity, along with our continuous development and implementation of digital solutions to manage, monitor and reduce energy consumption, sets us apart from most steel producers. Our investments allowed us to have a very low energy intensity, and reduce it year on year, produce steel with the lowest embodied carbon emissions, very low waste and by-product intensity, and continue to maintain carbon neutrality.

In 2024, we strategically invested in the Cap-Ex projects to expand our steel operations. The investments planning has started in 2024 and included two phases deployed to meet expectations of our shareholders and respond to higher market demand, in particular for low-carbon building materials. The operational investments will continue throughout 2025 and 2026 and result in upgraded, state-of-the-art fully integrated Steel Plant and enhanced centralized raw materials processing facility.

The first phase will include upgradation of our current steel facility and a construction of the new Direct Hot Charging Rolling Mill in 2025. The upgradation will include the implementation of the W-System, enhancing our material processing facility with advanced machinery, enhancing production capacity and introducing new product range, amongst other upgrades and innovative solutions. At the end of this phase, we will be able to supply increased volumes of low-carbon emissions products to our clients.

The new Hot Direct Charging Rebar Mill will be the first-of-its-kind innovation in the region that will significantly enhance energy efficiency, reduce emissions, and optimize production timelines, underpinned by our circular economy model and sustainable manufacturing processes.

In phase two, we will be further investing in low carbon technologies and enhancements with the increased capacity in our Sections Mill production. This state-of-the-art Section Mill facility will produce the lowest carbon emissions sections steel products in the most sustainable way. The products will be produced from 100% recycled raw material sourced locally, while contributing to GHG emission reduction targets as well as the circular economy and In-Country Value.



LOW-CARBON STEEL MANUFACTURING MODEL

We recognize that climate change is one of the most pressing challenges of our time. It is reshaping the future of industries worldwide, including steel manufacturing.

As a responsible player in this sector, we are actively working on further reducing our emissions across our supply chain, enhance energy efficiency, and support transition to a low-carbon economy.

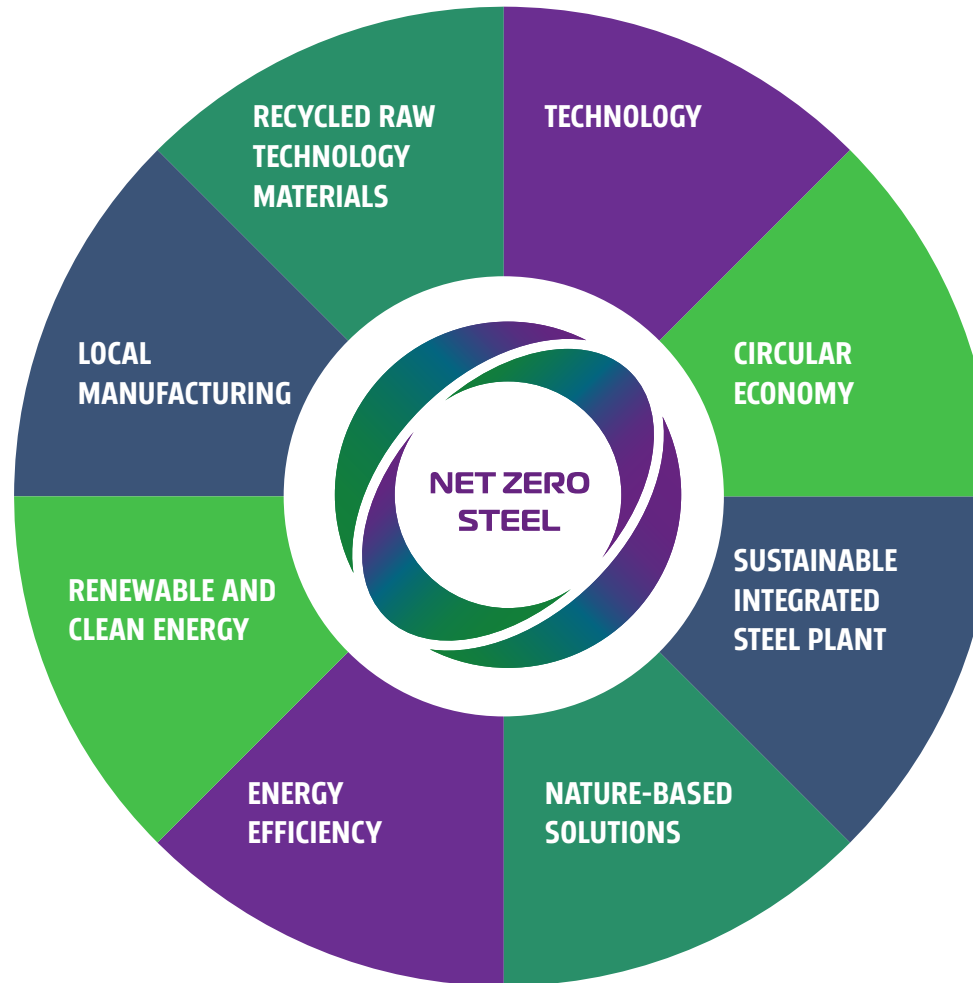
Climate change would also affect our business environment and operations. To that end, we ensure that we map out the climate-related risks and scenarios that could impact our future operations and plan and implement mitigation strategies.

Commitment to Neutrality

In 2023, we have announced our Carbon Neutrality and commitment to Net Zero Vision 2030, in support of the UAE's Net Zero 2050 Vision, UAE Climate Change Plan (2017-2050) and the UAE Green Agenda 2030. Our Carbon Neutrality Report includes the Qualifying Explanatory Statement (QES) demonstrates AGSI's achievement of carbon neutrality for its Abu Dhabi Steel Plant facility in accordance with an international standard PAS 2060:2014. We committed to maintain this achievement for subsequent years to 31st December 2030 and beyond. Through carbon neutralization and our low-carbon steel products, we will deliver three key value propositions:

- High quality low carbon steel products and solutions that contribute to reducing CO₂ emissions across society through reduction of embodied carbon for buildings and infrastructure projects enabling the decarbonization of the Building Sector.
- Low Carbon Steel through decarbonization of steelmaking process and fully integrated operations from raw material processing to finished low-carbon steel products in sustainable manufacturing processes, including state-of-the-art technology, energy efficiencies, close to 100% recycling or operational waste and by-products.
- Accelerating decarbonization of the hard-to-abate sectors and contributions to the Net Zero 2050 Vision and Paris Agreement Ambition.

PILLARS OF OUR LOW CARBON OPERATIONS



DECARBONIZATION STRATEGY

Over the years, AGSI has adopted a comprehensive approach for its decarbonization strategy that integrates low-carbon technologies, renewable and clean energy, operational efficiencies, optimized processes, automation, as well as energy efficiencies and nature-based solutions. This together resulted in a significant emissions reduction each year and placed the company at the forefront of sustainable steel manufacturing. Its commitment to carbon neutrality and net zero targets is driven by incorporating sustainability mindset across our operations, drive for continuous improvement, continue raising standards and pushing boundaries. With this at the core, the company is well positioned to be a leader in sustainability in the UAE.

LEVERS OF OUR DECARBONIZATION STRATEGY

AVAILABLE TECHNOLOGY AND ANNOUNCED INITIATIVES



Circular Operating Model

Our circularity model of utilizing 100% locally sourced recycled material to produce sustainable steel for domestic building and infrastructure projects positions us as the Epitome of Circular Economy.

This model enables us to continuously recycle the UAE's waste and producing new products, whilst at the same time recycling and reusing close to 100% of our industrial waste. This continuous process creates an endless Circularity of Steel and extends the life of materials whilst preserving natural resources.

100% Recycled raw materials sourced locally



Our fully centralized steel raw materials processing facility is the largest recycling plant in the GCC region. We use 100% locally sourced recycled raw material which is processed in our own processing plant to produce low-carbon steel in the same facility. We have moved from fossil fuel machinery to energy-based raw materials handlers achieving substantial reductions in GHG emissions and energy efficiencies.



Electrification and shifting from fossil fuel

We've made strategic steps to reduce our reliance on fossil-fuels:

- Electrification of our machinery and moving away from fossil fuels equipment.
- Moving to Electric Vehicles for employees.



Nature-based solutions

While we substantially reduced our GHG emissions from the baseline, we are also leveraging natural processes to help restore the environment and capture GHG emissions through integration of nature-based solutions at our plants. Integration of nature-based solutions to sequester carbon footprint, reduce environmental impact and preserve biodiversity is a critical pillar for our sustainability.

We have planted trees and other vegetation around facilities and operational sites to create natural carbon sinks and enhance local air quality, mitigate heat island effect, and contributes to biodiversity.



Renewable and Clean Energy

We increased the use of renewable energy through purchasing clean and renewable energy certificates to support our decarbonization roadmap.



Process Optimization

Our operations are fully integrated, from the raw materials processing, steelmaking, to finished products. We have optimized and automated our manufacturing processes to increase the operational efficiencies. The low-carbon technologies, circular economy principles, and energy-efficient processes are adopted to minimize environmental impact and drive transition to carbon-neutral steelmaking.



Energy Efficiencies

We have successfully implemented energy efficiency measures to reduce energy consumption. These initiatives led to reduction in our overall energy intensity contributing to lower emissions. We continue to explore ways for further efficiencies.



Technology

Our low carbon steel production operates on a state-of-the-art technology, using 100% scrap-based Electric Induction Furnace powered completely by electricity. These are key components in our commitment to decarbonization. Due to its induction heating, Induction Furnace presents more sustainable steelmaking processes, reducing the GHG emissions up to 95% compared to conventional steelmaking methods (BOF, DRI-EAF).

RELIANCE ON TECHNOLOGICAL DEVELOPMENTS

Carbon Removals

Investment in credible carbon removal projects to balanced out unabated emissions and help absorb CO₂ from the atmosphere.

Electrical grid improvements

Increase of clean and renewable energy in the national grid will further support decarbonization plans.

The use of renewable energy plays a critical role in our sustainable production process. When combined with 100% domestic raw materials and low carbon emissions steelmaking process, it serves as an enabler to a complete decarbonization of steel operations.

FUTURE ADVANCEMENTS

Our future advancements and production expansion will include further energy efficiencies, operational optimization, waste heat reduction, and reduction of carbon emissions.

One of our key goals in future coming years is to measure throughout Scope 3 emissions our value chain, upstream and downstream. In 2024, we began an analysis and inventory of scope 3 by looking at various categories relevant to our operations.

We will be engaging with our suppliers and partners to help gather the data, which will signal that we are prioritizing emissions accountability.

CLIMATE RESPONSIBLE PLEDGE

Case Study

AGSI signs the UAE Climate-Responsible Pledge UAE Climate Action: Pathway to Net Zero Strategic Initiative UAE Ministry of Climate Change & Environment



UNITED ARAB EMIRATES
MINISTRY OF CLIMATE CHANGE
& ENVIRONMENT

As part of our unwavering commitment to sustainability and climate action, AGSI proudly signed the UAE Climate-Responsible Companies Pledge, reinforcing our dedication to supporting the nation's Net Zero by 2050 strategic initiative. The UAE Climate Action: Pathway to Net Zero 2025 Strategic Initiative Pledge, launched by the UAE Ministry of Climate Change and Environment (MOCCA), calls on businesses to integrate climate action into their operations, enhance transparency in emissions reporting, and contribute to national decarbonization efforts. The announcement of the Net Zero Strategic Initiative 2050 was the first in the MENA region and places the UEA as a climate leader.

The transition towards net zero presents a new model of sustainable economic growth that leverages research, development, innovation, and clean technology and will act as a catalyst for investment and job creation. UAE has committed to invest US\$50 billion to scale up climate action in the next 10 years. And we are proud to contribute to the nation's ambition. By signing this pledge, AGSI reaffirms its leadership in low-carbon steel production and sustainable industrial practices.

TURNING COMMITMENT INTO ACTION

As the testament to our commitment to climate change and supporting national goals, we have taken proactive steps to aligning our operations and emissions reduction targets with the UAE's Net Zero 2050 ambition.

Since the pledge, we achieved groundbreaking milestones that solidify our position as a global leader in climate action and advancing towards carbon-neutral economy by becoming the first in the World Carbon Neutral Steel Plant in Abu Dhabi, UAE, and setting a new industry benchmark. We have incorporated sustainability at the core of our corporate strategy and invested in transformative decarbonization initiatives, including optimization and automation of the plant, shift from fossil fuel machinery, enhanced raw material processing, energy efficiency activities.

DRIVING THE FUTURE OF SUSTAINABLE STEELMAKING

Signing the UAE Climate-Responsible Companies Pledge was a catalyst for tangible climate action. Our leadership in carbon-neutral steel production and continuous advancements in decarbonization set a new standard for the global steel industry.

As we move forward, we remain committed to investing in innovative green technologies, expanding renewable energy integration, and collaborating with stakeholders to accelerate the transition to a low-carbon economy. Through these efforts, AGSI is not only contributing to the UAE's climate goals but also shaping the future of sustainable steelmaking on a global scale.

The signing of the UAE Sustainable Companies Pledge took place at the Dubai Chambers of Commerce during the 13th National Dialogue for Climate Ambition (NDCA). NDCA was assembled by MOCCA as a platform to define and raise sectoral climate ambition and advance all-inclusive participation in the UAE Net Zero by 2050 to meet the country's international climate commitments, particularly the Paris Agreement aiming to reduce global GHG emissions to below 1.5C and achieve net zero by 2050. NDCA engages stakeholders in many sectors, including manufacturing, cement, waste, transport, finance, steel, energy, and more, and discusses requirements, priorities, and future direction to amplify their contributions to reducing greenhouse gas emissions.



Case Study

AGSI successfully completed the United Nations SDG Ambition Accelerator Program



SDG Ambition Accelerator Program



In 2024, AGSI participated in the United Nations SDG Ambition Accelerator Program focused on setting ambitious targets for the companies to integrate the UN Sustainable Development Goals (SDGs) into every part of their business.

SETTING THE EXAMPLE FOR SDG ACCELERATION

Led by the UN Global Compact UAE, the SDG Ambition Accelerator Program aimed to challenge and support participants of the UNGC in setting ambitious goals and accelerating the integration of the 17 SDGs into core business management processes. Over 60 companies across the Middle East and 20 companies in the UAE participated in the 2024 cohort, including AGSI.

As the program concluded, we were honored to present our AGSI' SDG's ambition and carbon neutrality journey. We presented our commitment to sustainability and accelerating progress towards decarbonization, as well as all other aspects of ESG (Environment, Social, Governance).

We presented our Net Zero Steel Plant Journey together with the Carbon Neutrality achievement. Additionally, we showcased our AGSI Sustainability Strategy, 'Building a Greener Future', and strategic framework with targets we are committed to achieve for our 2030 Vision.

We engaged in a discussion with the participants about our achievement of being the first in the world Steel Plant that achieved Carbon Neutrality.

Amongst the attendees were representatives from the UAE Prime Minister's Office - UAE Cabinet, United Nations Delegates, and representatives from the prominent UAE companies.

AGSI GHG EMISSIONS PERFORMANCE

AGSI'S ROLE IN CLIMATE CHANGE ACTION

CLIMATE ACTION AT AGSI

At AGSI, we recognize the profound impact of climate change on our business, stakeholder, and the broader environment. In response to evolving stakeholder expectations, regulations, climate-action imperatives, and the landscape of climate-related technologies, we have established a Framework, ESG Strategic Committee, and Climate Action Plan. This strategic plan is driven by cross-functional team dedicated to climate mitigation strategy, integrating sustainable practices, innovation, and regulatory alignment to ensure a resilient and low-carbon future.

OUR AMBITION

We are committed to reducing our emissions across our operations and value chain with a Net Zero Ambition target, while maintaining the Carbon Neutrality commitment every year.

EMISSIONS REDUCTION PROGRESS

Driven by our sustainability strategy, we have invested significantly in the low-carbon solutions to reduce GHG emissions. Our ESG Strategic Initiatives led to significant emissions' reductions year-on-year, with 30% reduction in Scopes 1 and 2 (location based) from 2022 to 2023, bringing the total emissions intensity to 0.140 tCO₂e / tcs in 2023. It increased a little more by 15% in 2024 compared to 2023 reaching 0.162 tCO₂e/tcs.

this increase was primarily due to a higher grid emission factor, which rose from 0.1902 tCO₂e/MWh in 2023 to 0.227 tCO₂e/MWh in 2024, coupled with an increase in production during the same period.

This positions our steel products with the lowest embodied carbon footprint construction material.

OUR NET ZERO AMBITION

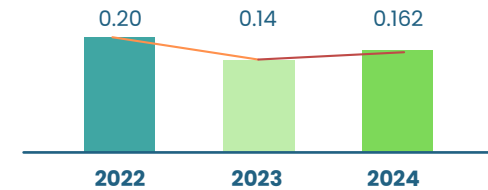
As a low-emissions company, we are committed to further reducing GHG emissions across our operations. Our ambition is to achieve the lowest possible carbon footprint while upholding the highest standards of product quality.

We know that meeting our net-zero and carbon neutrality ambition while continuing to meet energy demand will require leveraging R&D and technologies, and implementation of initiatives that could help lower emissions across our owned assets as well as the industry as a whole.



GHG Emissions

Emissions Intensity (tCO₂e/tcs) Scope 1 & 2 (Location Based)



Note: the boundaries are defined for Abu Dhabi Steel Plant

GHG EMISSIONS

At AGSI, we calculate our carbon footprint using the GHG Protocol standard by the World Business Council for Sustainable Development (WBCSD), ensuring a comprehensive and transparent approach to emissions reporting. This globally recognized methodology enables us to accurately account for the primary greenhouse gases generated directly and indirectly. Emissions are measured in tons of CO₂ equivalent and absolute numbers, providing a standardized assessment of our environmental impact.

Our Carbon Neutrality for the period of 1 Jan 2023 to 31 Dec 2023 was calculated using the international standard PAS2060:2014 and an accompanying Qualifying Explanatory Statement (QES). For 2024 reporting period, we will report in accordance with a new standard for Carbon Neutrality, ISO14068, that is replacing PAS2060.

AGSI GHG EMISSIONS PERFORMANCE (cont.)

CARBON NEUTRALITY

In 2023, we achieved and are committed to maintaining the Carbon Neutrality throughout the committed period with an ultimate target to decarbonize all three scopes in a short-, medium-, and long-term basis. Our key focus and priority remained to minimize emissions at the source and eliminate and minimize emissions at the operational level through, innovation, energy efficiency improvements and process optimization. This was successfully achieved with significant improvements year-on-year. In 2024, we reduced emissions to the minimal levels at our steelmaking operations and continue to venture new technologies and process improvements to continue emissions reductions, where required.

EXTERNAL ASSURANCE

To ensure transparency and accountability, our emissions are independently verified by an accredited third-party assurance. THE GHG Verification Statement covers Scope 1 (direct emissions from operations) and Scope 2 (indirect emissions from purchased electricity) for the Abu Dhabi Steel Plant. Scope 3 emissions were assessed as part of the Carbon Neutrality certification for the most relevant categories across our value chain, with required justification.

DECARBONIZING OUR OPERATIONS

The reduction was driven by multiple initiatives under our strategic decarbonization plan, including, but not limited to:

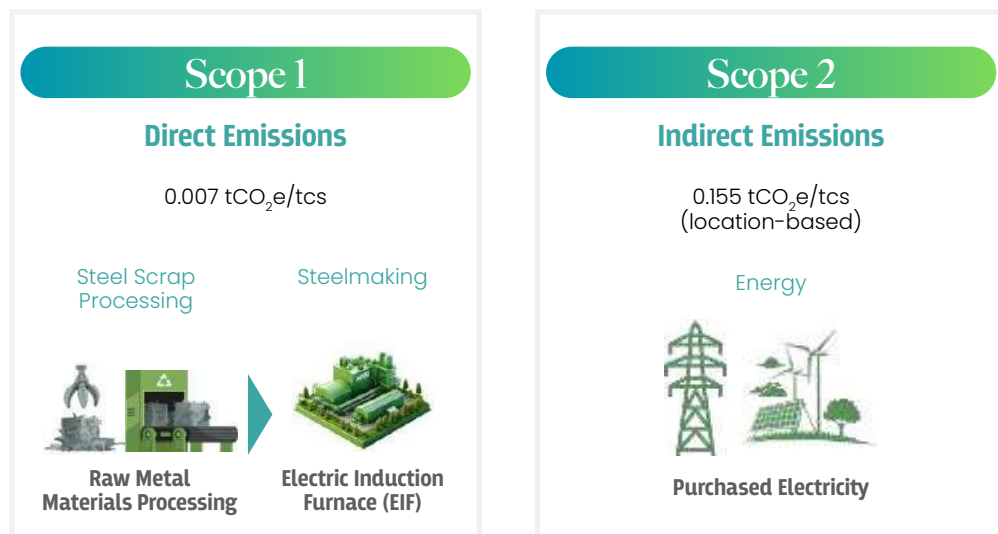
- Process optimization through investing in new equipment and enhancing production efficiencies.
- Efficiencies in the Refractories leading to improved SMS performance.
- Enhanced raw material handling and processing.
- Enhanced maintenance equipment availability.
- Electrification of equipment - Shift from fossil fuel-based energy sources and transitioning to energy-powered machinery with renewable and clean energy sources.

As a result of these efforts, Scope 1 emissions now constitute just 4% of our total emissions. This achievement reflects AGSI's leadership in sustainable steelmaking, setting a new industry benchmark while contributing to the UAE's Net Zero Vision and global climate goals.

Moving forward, we remain committed to continued innovation and investment in decarbonization of our processes ensuring that our operations lead the way towards a net zero future.

AGSI GHG EMISSIONS PERFORMANCE (cont.)

AGSI's CARBON FOOTPRINT (2024)



SCOPE 1 AND 2 EMISSIONS

Scope	Unit	2022	2023	2024
Scope 1	tCO ₂ e	5,235	2,637	3,211
Scope 1 Intensity	tCO ₂ e/tcs	0.017	0.007	0.007
Scope 2 (location based)	tCO ₂ e	56,141	49,050	70,454
Scope 2 Intensity (location based)	tCO ₂ e/tcs	0.18	0.13	0.155
Total Scope 1 & 2 (location based)	tCO ₂ e	61,352	51,687	73,665
Total Scope 1 & 2 (location based)	tCO ₂ e/tcs	0.2	0.14	0.162

Note: Scope 2 emissions included the Emissions Factor from the local energy supply, ADDC. The boundaries for Scope 1 and 2 remain for the Abu Dhabi Steel Plant.

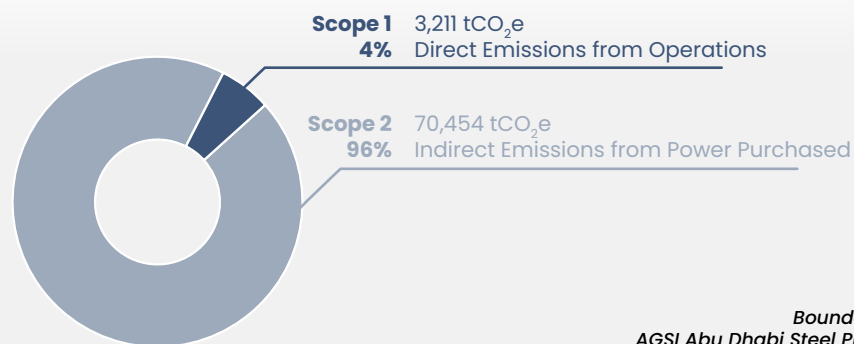
The results were verified by an independent third-party assurance.

Scope 1 & 2

0.162 tCO₂e/tcs (Location-Based)

Boundary: AGSI Abu Dhabi Steel Plant

SOURCES OF GHG EMISSIONS BY SCOPE (FY2024)



CARBON NEUTRALITY

Case Study

First in The World Carbon Neutral Steel Plant and Net Zero Steel Manufacturing Facility based in Abu Dhabi, UAE

AGSI has set a new benchmark in the global steel industry by becoming the first in The World carbon Neutral Steel Plant and Net Zero Steel Manufacturing Facility based in Abu Dhabi, UAE. This historic achievement was officially announced by His Excellency Dr. Sultan Al Jaber, UAE Minister of Industry and Advanced Technology, at the prestigious Make It In The Emirates event, a key national platform highlighting the UAE's industrial growth and sustainability ambitions.

This milestone is a testament to AGSI's commitment to decarbonization, innovation, and environmental responsibility, reinforcing the UAE's leadership in sustainable industrial development and aligning with the country's Net Zero by 2050 strategy and the UAE's Operation 300 bn set by the MOIAT.

A LANDMARK MOMENT FOR AGSI AND THE UAE

As the UAE accelerates efforts to achieve Net Zero by 2050, AGSI's success demonstrates how industrial sectors can align with national and global climate goals while maintaining operational excellence. By transforming our steel production model, we have proven that carbon neutrality in heavy industries is both feasible and commercially viable.

In his address, His Excellency Dr. Al Jaber commended AGSI's leadership in sustainable manufacturing, recognizing our role in advancing the UAE's industrial transformation through green technologies, circular economy principles, and local value creation. The Carbon Neutrality Verification Statement audited by the external assurance, DNV, complements AGSI's GHG Verification Statements for its low-carbon production facility.

THE AGSI SUSTAINABLE STEELMAKING MODEL

AGSI's carbon neutrality achievement is built upon a pioneering sustainable steelmaking model that integrates responsible sourcing, energy efficiency, and circularity into every aspect of our operations: 100% locally sourced raw materials, low emissions state-of-the-art technology (Electric Induction Furnaces) powered completely by electricity, shift from fossil fuels in the steel processing, investments in renewable and clean energy, 100% recycling practices. Additionally, we support the In-Country Value (ICV) creation by local sourcing and using local suppliers, which reduces supply chain emissions and supports the UAE's industrial growth. This approach enhances economic resilience and strengthens the country's position as a hub for sustainable manufacturing.

SETTING A NEW GLOBAL BENCHMARK FOR SUSTAINABLE STEEL

AGSI's sustainable model for low-carbon, circular steel production positioned the company and the UAE as a global leader in sustainable industrial development. Our carbon-neutral certification is not just an achievement; it is a call to action for the entire steel industry to accelerate decarbonization.



The announcement was made during the MIITE event in Abu Dhabi in a presence of H.E. Dr. Sultan Al Jaber, The Minister of Industry and Advanced Technology, H.E. Sara Al Amiri, The Minister of State for Advanced Technology of The United Arab Emirates, and H.E. Dr. Amna bint Abdullah Al Dahak, The Minister of Climate Change and Environment, as well as AGSI's CEO.

BUILDING CLIMATE RESILIENCE TOGETHER

Case Study

AGSI Joins United Nations Climate Action Adaptation Taskforce

In November 2024, AGSI participated in the United Nations Global Compact (UNGC) UAE Climate Action Adaptation Taskforce, established to equip UAE businesses with essential knowledge and tools for climate resilience. This key event brought together industry leaders and experts to discuss the challenges and opportunities of building climate resilience for businesses in the UAE. And importantly, the Taskforce helped companies identify vulnerabilities and craft targeted adaptation strategies. We analyzed sectorial risks and co-developed actionable adaptation strategies, strengthening capacity to tackle climate challenges.

For AGSI, addressing these risks is both a necessity and a strategic opportunity to align with the UAE's Net Zero 2050 Vision as well as the national and global sustainability goals.

As the low carbon steel producer and a key player in the sustainability and industrial sectors, AGSI showcased its leadership role in driving climate resilience initiatives and in setting the standard for global action on decarbonization. Our participation not only underscored our commitment to a sustainable future but also reflected our ongoing efforts to help industries transition toward low-carbon, climate-resilient business practices.



The UNGC UAE Climate Action Taskforce on Adaptation aimed to address the growing need for businesses to adapt to the challenges posed by climate change. With the UAE's ambitious environmental goals and the global imperative to reduce carbon emissions, we discussed how companies in the UAE can implement strategies for resilience in business operations.

Through our active participation and thought leadership, we are setting new standards for climate action within the region, contributing to the UAE's position as a hub for sustainable business practices in the Middle East and globally.

AGSI'S LEADERSHIP ROLE & CONTRIBUTIONS

AGSI made significant contributions to the conversations, aligning our efforts with The UAE National Adaptation Plan 2017-2050 and climate resilience agendas. These contributions underscored AGSI's commitment to supporting the UAE's long-term environmental goals.

Some key contributions and focus areas from AGSI included:

1. Promoting Industrial Decarbonization & Net Zero Steel:

1. Promoting Industrial Decarbonization & Net Zero Steel: AGSI shared its expertise on the decarbonization in steelmaking and reducing our carbon footprints through innovative technologies, energy efficiency measures, and sustainable practices in steelmaking operations. Our role in setting the global standard for industrial decarbonization shows the company's mission in making actionable steps in accelerating the Net Zero Vision.

2. Advancing Climate Resilience in Business

AGSI played a key role in advocating for the integration of climate adaptation into business model showcasing how we integrated our ESG Framework across the whole company and in the decision-making processes. We demonstrated how companies can enhance their climate resilience by assessing risks and implementing proactive measures. This supports the UAE's focus on creating a climate-resilient economy, in line with the UAE's commitment to the Paris Agreement and its goals of climate adaptation and risk mitigation.

3. Driving Collaboration:

We facilitated important discussions among industry peers on collaborative approaches to resilience and adaptation. We emphasized that partnerships between businesses, government, and other cross-sectorial stakeholders are essential for achieving long-term climate goals.

4. Highlighting Industry Solutions:

AGSI presented real-world case studies and solutions, demonstrating how businesses in the UAE can successfully implement climate adaptation strategies. Our examples showcased the importance of integrating resilience planning into business models and the value of forward-thinking leadership in navigating climate-related challenges.

5. Commitment to the UAE's national agendas and Global Action:

As a leader in sustainable steelmaking in the decarbonization of the sector, we stressed the role of businesses in achieving the UN SDGs, particularly Goal 13 (Climate Action) and Goal 9 (Industry, Innovation, and Infrastructure). The private sector has a crucial role in achieving the SDGs and the UAE's Vision 2050. By sharing our best practices and sustainability initiatives, we contributed to advancing the UAE's leadership in sustainable development, reinforcing its role as a regional leader in climate action.

ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS

At AGSI, energy management and efficiency are central to our commitment to carbon neutrality and manufacturing the low carbon steel.

We believe that the first step towards decarbonization and carbon neutrality is to improve energy efficiencies. As such, our steel facilities and operational processes are adapted to enhance energy efficiencies.

Our comprehensive approach focuses on reducing energy consumption, optimizing resource use, and integrating clean and renewable energy solutions throughout our operations. Our efforts align with the UAE's climate and energy policies, including the UAE Energy Strategy 2050 and the Net Zero by 2050 Strategic Initiative, as well as global sustainability goals.

The Energy Efficiency was considered very high by our stakeholders as a material topic (read more in the section on Material Topics).



ENERGY INTENSITY **-6%**
YoY improvement

FUEL CONSUMPTION **-1%**
YoY improvement

RENEWABLE & CLEAN ENERGY **+14%**
Increase in renewable and clean energy in our energy mix from local utility entity

AGSI has been recognized as a Category A Company under the Energy Tariff Incentive Program 2.0 (ETIP 2.) by the Industrial Development Bureau (IDB). This prestigious designation reflects our commitment to energy efficiency, sustainability, and operational excellence.

Being classified as a Category A Company under ETIP 2.0 signifies that AGSI meets the highest standards of energy management and sustainability practices set by the IDB. It highlights our proactive approach to reducing energy consumption, optimizing operational processes and minimizing environmental impact.

At the core of this achievement is our structured and documented Energy Management System (EMS). This system is designed to monitor, track, and analyze our energy consumption and index in real-time. We collect and measure critical data points on a daily basis (every 8 hours), weekly, monthly, and yearly intervals. This comprehensive data-driven approach allows us to:

- Identify patterns and areas for energy optimization.
- Respond quickly to inefficiencies.
- Set clear benchmarks and targets for continuous improvement.

Our ISO 50001 certification further reinforces this commitment and ensures that we follow internationally recognized best practices to track, monitor, and improve our energy performance. This systematic approach helps us to:

- Lower the operational costs through efficient energy use.
- Reduce our environmental impact, supporting net zero goals.
- Drive continuous improvement in line with global sustainability standards.

Also, AGSI undergoes regular audits by an external verifier to ensure compliance with the Energy Management Survey, a key requirement of the ETIP 2.0 annual submissions. These audits validate our performance and ensure that we meet the stringent criteria set by the IDB.

Being Company A under ETIP 2.0 provides AGSI with preferential energy tariffs, enhancing our cost competitiveness in the market.

Most importantly, it underscores our role as a sustainability leader in the UAE and in steel industry, aligning our operations with Abu Dhabi's vision for a greener, more energy-efficient industrial sector.



EFFICIENT USE AND CONSUMPTION OF ENERGY

We carefully monitor our energy intensity as it is a critical metric in steel industry. It directly impacts operational efficiency, environmental sustainability, and cost management.

In 2024, the total energy consumption in AGSI Abu Dhabi steel plant was 1,114,430 gigajoules, increasing 20% compared to previous year (928,390 gigajoules in 2023) primarily due to an increase in steel production by 28%.

However, it is worth noting that our energy intensity decreased by 6% year-on-year from already very low base of 2.52GJ/ton to 2.37GJ/ton. Our fossil fuel consumption is already low and further decreased by 5% in 2024, as we switch to majority of

In 2024, the AGSI Abu Dhabi Steel Plant received 442,800 gigajoules of renewable and clean energy in its energy mix, an increase of 14% from prior year, supplied by the local water and electricity authority. To further advance our carbon neutrality goals and net-zero ambition, we purchased an additional 1,252,800 gigajoules of renewable and clean energy.

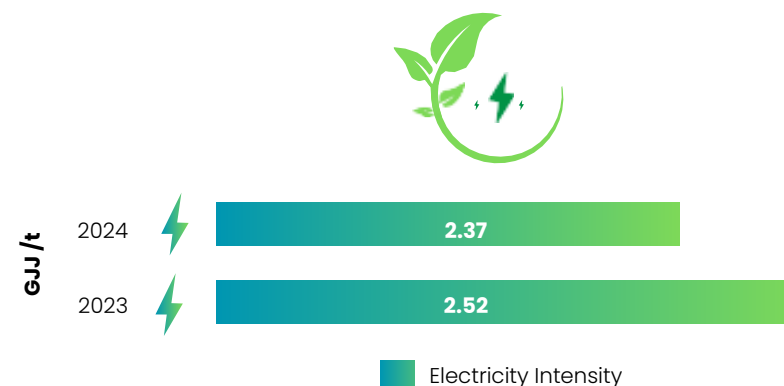
Non-renewable electricity consumption in 2024 at the Abu Dhabi Plant accounted for 669,635 gigajoules. The allocation of renewable and non-renewable energy supply is determined monthly by the local regulatory authority. Consequently, the renewable share of these supplies for AGSI is publicly defined by those entities.

It is worth noting that we have made significant strides in the procurement of our renewable energy demonstrating achievement of our carbon neutrality goals. Our energy from renewable sources increased in total by 269% in 2024 compared to 2023, reflecting significant progress in our energy management strategy and reinforcing our commitment to low-carbon economy transition.

Electricity Consumption	Unit	2023	2024
Electricity Consumption	GJ	928,390	1,117,321
Electricity from non-renewable sources*	GJ	540,947	669,635
Electricity from renewable sources*	GJ	387,441	442,800
Electricity Intensity	GJ/t	2.52	2.37

*From Taqa electricity bills information for sources of electricity consumed

AGSI Abu Dhabi Steel Plant Electricity Intensity



Diesel Consumption	Unit	2024
Diesel Consumption	GJ	31097.6
Diesel Consumption Intensity	GJ/t	0.066

LEADER IN ENERGY EFFICIENCY

Case Study

Leading the Way: AGSI partners with ADDC as a Founding Member of the Energy Efficiency Club

We are a founding member of the Energy Efficiency Club launched by the ADDC (Abu Dhabi Distribution Center) amongst other two leaders in the energy efficiency initiatives. This strategic partnership aims to unite industrial facilities in Abu Dhabi to promote the adoption of energy efficient practices and sustainable decision-making. AGSI gathers with the members at the regular meetings to share knowledge, best practices in energy management, innovative solutions, and promote sustainable manufacturing practices.

On 3rd of July 2024, Abu Dhabi Distribution Company, a subsidiary of the Abu Dhabi National Energy Company (TAQA) launched Energy Efficiency Clubs with three Leading Industrial Partners.

This initiative is in collaboration with three of Abu Dhabi's most prominent industrial sites: Agthia Group, Emirates Float Glass, and Arabian Gulf Steel Industries. The strategic partnership aims to unite industrial facilities across Abu Dhabi to promote the adoption of energy-efficient practices and sustainable decision-making.

To date, over 40 industrial sites have joined the program, collectively representing more than 70% of Abu Dhabi's electricity consumption in the manufacturing sector. This impressive participation underscores the industrial sector's commitment to energy efficiency and sustainable development.

The Energy Efficiency Clubs mark a pivotal advancement in ADDC's strategic mission to enhance energy efficiency within Abu Dhabi's industrial sector. Leveraging the support and the active participation of leading industry stakeholders, we are paving the way towards substantial energy savings and a more sustainable future for Abu Dhabi.

Our energy-efficiency practices at AGSI are a crucial contributor to our carbon-free manufacturing production process and a key pillar of our Sustainability Strategy. As one of the hosts of the Energy Efficiency Club, we are dedicated to sharing our knowledge and best practices in Energy Management, various energy efficiency initiatives undertaken by us as well as our environmental stewardship to promote sustainable manufacturing practices.



شركة أبوظبي للتوزيع
Abu Dhabi Distribution Co.



WATER STEWARDSHIP AND RESOURCE EFFICIENCY

WATER & EFFLUENCE

At AGSI, we are committed to efficient water use and responsible water management as a core element of the responsible resource management and a pillar of our Environmental, Social, and Governance (ESG) Framework.

As we operate in a region of high risk of water stress and water scarcity, we ensure the most efficient use of water and understand the impact of water scarcity could have on our surrounding environments, whether nature or communities.

As part of our commitment to sustainability and resource efficiency, we have implemented a very efficient water recycling system through our state-of-the-art Water Treatment Plant (WTP) used in our steelmaking process with Induction Furnace technology. The water purification during the steel production is carried out to minimize consumption of fresh water and discharge of contaminated water into the environment. We are proud to say that we achieved 5% water intensity improvement from prior year and recycle up to 98% water within our plant circuit.

WATER INTENSITY

-5%
YoY improvement

RECYCLING OF WATER

98%
Within Our Plant Circuit

AGSI Abu Dhabi Steel Plant



WATER RECYCLING THROUGH ADVANCED TREATMENT SYSTEMS

Water plays a vital role in our steel production processes. Our semi closed loop water treatment plant system ensures that all water used in our operations is treated, purified, and reused, minimizing wastewater discharge and reducing our reliance on freshwater resources. It enhances operational efficiency while aligning with the UAE's environmental policies and sustainability goals.

The AGSI's water consumption and water intensity remain amongst the best in the industry due to implementation of the state-of-the-art technology. The company's commitment to environmental initiatives related to water consumption are listed below:

WATER TREATMENT PLANT (WTP)

Through our Water Treatment Plant, the recycled water from the steel plant is cooled down, filtered, and treated before it is discharged back in the circulation pond, and goes back to the same cycle. Water quality is monitored closely in the Quality Department and tested by the experts in our QC laboratory.

RECYCLING WATER

We aim to optimize the utilization of water in our steel operations through maximizing the recycling and reuse within our own operations, while minimizing the reliance on freshwater, conserving natural resources, as well as supporting circular economy.

OPERATIONAL EFFICIENCY

We achieved an enhanced resource utilization which contributes to lowering operational costs through sustainable water recycling practices.

ENVIRONMENTAL STEWARDSHIP

Reducing freshwater consumption and maximizing water reuse contributes to the conservation of the natural resources and responsible water consumption.

Alignment with the UAE's Environmental Policies and Contribution to National Agendas

Our water recycling system ensures a full compliance with local regulatory frameworks, reinforcing our leadership in sustainable steel production.

WATER STEWARDSHIP AND RESOURCE EFFICIENCY

WATER & EFFLUENCE (cont.)

WATER CONSUMPTION

We are deeply committed to the efficient use of this vital natural resource, ensuring that our water consumption is minimized during the operations. This is achieved through sustainable water management practices ensuring continuous reuse and recycling of water in our operations. These initiatives reinforce our commitment to responsible water stewardship and align with our sustainability and ESG goals.

The water consumption in Abu Dhabi Plant reached 278,176 cubic meters. Water recycled through our semi closed loop system reached 98% and we are proud to say that our water use intensity improved by 5% from prior year.

The breakdown of the water consumption is depicted below.

Water Consumption*	Unit	2024
Fresh water withdrawal	m3	278,176
Water consumption	m3	264,267
Water Discharge	m3	13,908
Water Use Intensity (water withdrawal use intensity)	m3/tcs	0.61
Water Use Intensity (water consumption use intensity)	m3/tcs	0.58

Figures are for AGSI Abu Dhabi Steel Plant



AGSI Water Treatment Plant at the Abu Dhabi Steel Facility

CIRCULAR ECONOMY FOR STEEL

EPITOME OF CIRCULAR ECONOMY

AGSI is at the forefront of pioneering the circular economy in the UAE, setting new benchmarks in sustainable steel manufacturing. Our operations are based on the circularity principles and designed to minimize waste, maximize resource efficiency, and ensure that materials retain their value throughout their lifecycle. Unlike the traditional linear economy model of take-make-dispose, our approach ensures that steel retains its value when it reaches the end of its useful life through recycling, repurposing, and reusing materials.

As a 100% recyclable, durable, and versatile material, steel plays a crucial role in reducing waste, enabling reuse, and extending product longevity. By utilizing recycled raw materials and optimizing resource efficiency, AGSI is driving a circular and low-carbon future for the steel industry, while contributing to the UAE's Net Zero 2050 Agenda.

RECYCLING INFRASTRUCTURE FOR THE UAE & SUPPORTING NATIONAL GOALS

The UAE has introduced several federal initiatives to tackle waste management effectively. The Ministry of Climate Change and Environment (MOCCAE) launched the National Agenda for Waste Management (2023- 206), setting ambitious targets to reduce waste generation and improve recycling.

Supporting the recycling industry, the federal legislation aims to streamline the circulation of raw materials and support their conversion into products that enhance national economy. Furthermore, the regulation also promotes the use of recycled materials from construction and demolition waste in infrastructure projects. In 2023, the UAE Cabinet adopted the Circular Economy Agenda 2031 outlining implementation of circular economy principles and accelerating shift towards circular economy model.

AGSI has been instrumental in establishing a robust national infrastructure for steel recycling and end-of-life strategy in the UAE, creating a circular end market for demolition waste at the end of its life cycle.

By recycling demolition waste collected from across the UAE, AGSI transforms it into a high-quality new steel for local buildings and infrastructure projects, reducing reliance on environmental impact. We developed efficient collection and processing system and process high quality ferrous waste construction, automobiles and manufacturing, which is repurposed into building materials (structural steel). Our state-of-the-art recycling facility is designed to process volumes contributing to the nation's target for the waste diversion from landfill.

At AGSI, we are the epitome of the circular economy, leading the transformation of steel manufacturing towards a more sustainable future. Unlike the traditional linear take-make-dispose model, our approach ensures that steel retains its value even at the end of its lifecycle.



AGSI MATERIAL RECYCLING

AGSI is producing low carbon steel from 100% recycled raw materials sourced 100% locally from across the UAE. This process is closing the loop on resource use of materials' end-of-life, reducing dependency on virgin raw materials, while reusing the UAE's metal waste for continuous industrial production. In effect, we are significantly cutting carbon emissions and supporting national emissions reduction target.

TURNING BY-PRODUCT INTO RESOURCE

Steel's inherent properties, such as its durability, strength, and in infinite recyclability, make it a perfect fit for circular economy model, ensuring that it can be continuously repurposed without compromising quality. Steel's magnetic properties enable efficient recovery from virtually any waste stream, making it one of the most sustainable materials in the world. Its high scrap value ensures that recycling remains economically viable, making it the most recycled material globally. The recycling rates in our Recycling Plant in Abu Dhabi from the industries such as construction, automotive, or engineering, are 94%-96%, reinforcing steel's role as a key driver of the circular economy. We leverage these properties to maximize resource efficiency and sustainability in our steel production. Our recycling model supports the UAE's sustainability vision, enhances the country's recycling capabilities, and reinforces steel as a durable, endlessly recyclable material. Through our efforts, we are not only reducing waste but also securing a valuable feedstock for our production processes.

MATERIALS

LEADING CIRCULARITY AND RECYCLING

We Are A Leader in Circularity and Recycling

At AGSI, recycling and industrial symbiosis are at the heart of our operations, driving our commitment to sustainability and circular economy principles. We aspire to be the foremost leader in recycling through maximizing resources, minimizing waste, reusing and repurposing materials and driving circularity in the UAE's Industrial Ecosystem.

To achieve this vision, we are committed to using responsibly- sourced materials procured from local suppliers, maximizing the use of recycled raw materials in our steel production, and optimizing the management of by-products generated in our processes.

By embedding circularity into our core operating model, we align with global sustainability goals and meet the expectations of our stakeholders, including customers, industry partners, and the UAE Government who recognize resource efficiency as a key material topic. Our approach strengthens AGSI's position as a leader in low- carbon, circular steel production, supporting transition toward a more responsible manufacturing practices.

A core element of our sustainability strategy is waste recovery with 96% of production waste successfully recovered through

transformation of ferrous metal into low-carbon steel. Additionally, 100% of the materials used in our production process are recycled, minimizing our environmental footprint.

In 2024, we recycled approximately 485 thousand metric tons of local raw materials. Additionally, wherever possible, we reintegrate operational waste in our own steelmaking production processes using it again as a raw material. This further reinforces our commitment to circularity and resource efficiency.

By adopting this approach, we ensure an avoidance of waste accumulation in the landfills in the UAE. Instead, we re-use the recycled metal waste generated within the country to produce once again high- quality low carbon steel without depleting natural resources.



AGSI'S INDUSTRIAL SYMBIOSIS

As a leading recycler in the UAE, we are committed to the industrial symbiosis, whereby we transform waste into valuable resources.

In the industrial symbiosis, a waste or by-product from one industry or process becomes a treasure material for another industry, creating closed loop system. AGSI is at the forefront of this model, prolonging the life of materials.

To that end, the waste from the industries such as buildings and automobiles, are a treasured raw material for our steel manufacturing. Further, our operational waste from raw materials processing is being repurposed as the secondary materials for other local industries, such as local roads construction or cement, serving as their raw material.

Our Waste Disposal and By-product Management strategy focuses on minimizing waste generation from material processing and maximizing the internal and external reuse of byproducts, fostering a circular economy and industrial symbiosis model in the UAE.

Through innovative processes, we ensure that materials are repurposed efficiently, either within our operations or by other industries, further enhancing sustainability across the value chain.



96%

Materials Recovery



100%

Recycled Material Content
Used (of which 1% consists of
ferroalloys)



100%

Recycled Content in
Steel Product

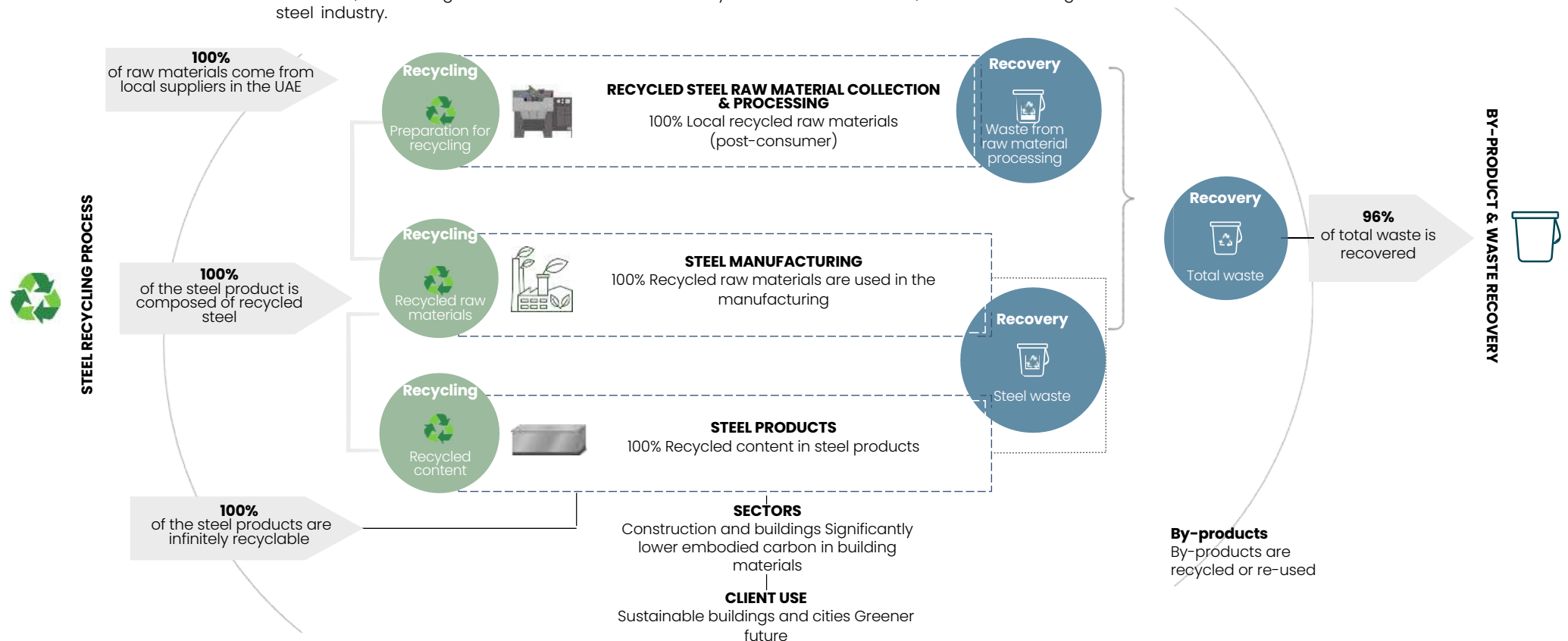
MATERIALS (cont.)

EFFICIENT USE OF MATERIALS: AGSI'S CIRCULAR ECONOMY MODEL

At AGSI, efficient resource and materials utilization is at the core of our Circular Economy model, ensuring that materials are maximized, reused, and repurposed throughout our production process, and our waste becomes a raw material in other industries or is recycled back in our own operations.

Our advanced material recovery technologies powered completely by electricity, including automated and highly efficient raw materials processing, enable us to enhance resource efficiency while producing low-carbon, sustainable steel products. Our state-of-the-art fully electric material handling machinery ensures high efficiency in the processing of the materials, increasing processing speed, minimizing material loss, and maximizing recovery of materials. This results in a more efficient and reduced energy consumption.

AGSI's Circularity Loop ensures that we continuously recycle and produce new steel from waste generated within the country to build new infrastructure projects. Our steel is infinitely recyclable, locally sourced and maintains the structural integrity and inherent properties of the original material. This approach significantly reduces the need for natural resources, lowers carbon emissions, and strengthens the UAE's Circular Economy and Net Zero ambition, while accelerating the decarbonization of the steel industry.



MATERIALS (cont.)

Raw Materials Consumption	Unit	2024
Materials	Tons	485,112
Materials processed	%	96%
Materials used in the steelmaking	%	100%
Recycled materials	Tons	19,404
By-product recycled/sold	%	100%

For Abu Dhabi Steel Plant

Due to our sustainable steel production and continuous drive for process improvement, we have very low generation of by-product in the steelmaking process. Our by-products are recycled or reused reinforcing our circular economy model and commitment to responsible resource handling.



“

By optimizing our processes, utilizing recycled materials, and continuously improving production efficiency, we are advancing sustainable steel manufacturing in alignment with the UAE's Circular Economy Policy 2031 and Net Zero 2050 Strategy.

”

MATERIALS (cont.)

ADVANCING CIRCULARITY IN LINE WITH NATIONAL & GLOBAL SUSTAINABILITY GOALS

Case Study

RAW MATERIALS EFFICIENCY

Advancing Material Efficiency and Circular Economy Through innovating raw materials processing methods

Recycled metal as a raw material is the foundation of low-carbon steel production, playing a critical role in advancing material efficiency and circular economy principles. At AGSI, we are committed to continuously innovating and optimizing our processes to ensure the responsible use of resources, waste minimization, and enhanced productivity.

Maximizing the use of recycled materials while optimizing production methods is key to achieving carbon neutrality and resource-efficient steel manufacturing.

To improve handling of the raw materials, we have introduced innovative solutions at our processing plant to enhance material efficiency and support circularity. For example, we have introduced automated raw materials cutting technology as a strategic step towards maximizing material efficiency and advancing the circular economy.



Innovation

- Precisely cut raw materials to optimize furnace feeding size, ensuring uniformity.
- Increase processing speed, reducing downtime and enhancing production flow.
- Minimize material loss, maximizing the recovery of valuable ferrous metals.
- Reduce energy consumption, contributing to lower carbon production process.
- Lower maintenance requirements, improving operational reliability.



Environmental & Operational Impact

- Enhanced Material Efficiency: The optimized cutting process ensures better resource utilization, reducing waste and improving input-output ratios.
- Higher Productivity: Better handling of materials and faster processing enables quicker furnace feeding, boosting overall steel production efficiency.
- Automation: Driving innovation through integrated sensors and lowering maintenance requirements.
- Transition from fossil fuel to electric power for material handling machines substantially reduces emissions and reliance on non-renewable resources, and exemplifies our sustainability goals for energy efficiencies.
- Lower Environmental Footprint: Reduced waste and energy-efficient operations contribute to CO₂ reduction and sustainability goals.

By integrating innovation and sustainability, AGSI continues to lead in resource-efficient, low-carbon steel production, ensuring that every material is optimized, reused, and repurposed for a more sustainable future.

WASTE MANAGEMENT

At AGSI, responsible waste management is a core pillar of our sustainability strategy, ensuring that all waste generated is minimized, recycled, or repurposed in alignment with circular economy principles.

Our approach prioritizes waste prevention, material recovery, and environmentally responsible disposal, reducing our ecological footprint while maximizing resource efficiency. We have a comprehensive Waste Management Plan and Occupational Health & Safety Management System in place fully aligned with the UAE laws and regulations, ensuring that all waste is handled, treated, and disposed of responsibly while maximizing recycling and recovery opportunities.

AGSI WASTE MANAGEMENT INITIATIVES

Sustainable waste management is a key pillar of our environmental responsibility and circular economy strategy. Through our comprehensive Waste Management Plan, we comply with local laws and adhere to the highest standards of waste management.

REGULATORY COMPLIANCE & BEST PRACTICES

We strictly adhere to the UAE environmental regulations and global best practices in waste management in all our locations, ensuring that all waste handling, storage, and disposal processes meet the highest legal and environmental standards. We include the waste management policy in our Code of Conduct, onboarding, and annual training for employees.

WASTE SEGREGATION & RECYCLING PRINCIPLES

We follow the waste hierarchy, prioritizing waste prevention, reduction, reuse, and recycling to divert as much waste as possible from landfills and reintegrate into materials sustainable industrial valuable applications. We follow the 5Rs Waste Management Model: Refuse, Reduce, Reuse, Recycle, Recover.

MONITORING & REPORTING

We have implemented a waste monitoring and reporting system to ensure that all waste generated is tracked, managed, and minimized in accordance with UAE regulations and global sustainability standards. By leveraging data-driven insights, we continuously improve our waste reduction and recycling.

EMPLOYEE TRAINING & RECYCLING INITIATIVES

We conduct waste management training for our employees ensuring awareness of the segregation importance and proper waste handling. We ensure that our staff follow recycling protocols and contribute to the AGSI's waste reduction and circular economy goals. In 2024, we implemented a number of waste management initiatives, including elimination of all plastic water bottles, recycling training and team challenge, additional segregation bins at all locations. We also updated our waste management and recycling principles in our Code of Conduct and onboarding processes.

SAFE & RESPONSIBLE WASTE HANDLING

We adhere to strict classification criteria stipulated by the Environment Agency Abu Dhabi (EAD) and implemented strict control measures ensuring safe treatment and disposal of waste in line with the environmental laws. We provide waste collection and storage in our locations and work with authorized service providers for collection and disposal that are done only through CMW-approved (Center of Waste Management Abu Dhabi) & registered service providers for each specific type of waste. These partners collect both hazardous and non-hazardous waste and adhere to the regulatory procedures set by the local waste management authorities.

INNOVATIVE RECYCLING & RESOURCE RECOVERY

We continuously invest in advanced recycling technologies and improvements to our processes in order to recover and repurpose operational and industrial by-products from our steelmaking processes, reducing raw material consumption and minimizing environmental impact. Our innovative recycling and recovery solutions and technologies optimize the utilization of operational waste and by-product, integrating automated segregation. This helps divert waste from landfills and contributes to circularity of steel.



AGSI 5R's for Waste Management Model

WASTE MANAGEMENT

At AGSI, our waste management strategy is designed to minimize waste generation, reduce landfill disposal and effectively lower GHG emissions. We take a comprehensive approach, addressing both industrial and operational waste, and made significant investments in waste reduction, recycling and source separation.

WASTE GENERATION

Table: Waste generated by volume in Abu Dhabi Steel Plant

General Waste	Unit	2023	2024
Recycled	Tons	14.84	6.54
Landfills	Tons	82.76	86.111

ENHANCING WASTE MANAGEMENT THROUGH SUSTAINABLE PRACTICES

As part of our commitment to sustainability and responsible waste management, we have taken proactive steps to reduce plastic waste across our operations. We conducted a significant initiative to transition completely from single-use plastic bottles to filtered water system across our facilities. We have installed mains-fed water dispensers that don't rely on large plastic water bottles and dispense clean drinking water on demand. We have also replaced all plastic bottles in our offices for our guests with glass bottles.

A 1-liter plastic bottle can have a carbon footprint of about 0.25 to 0.4 kg of CO₂ when considering production and transport. By eliminating plastic bottle consumption, we are not only reducing our environmental footprint but also promoting a culture of sustainability amongst our employees and stakeholders, while supporting cleaner environment and a more responsible steel industry.



WASTE MANAGEMENT

Case Study

AGSI "Net Zero Bottles" Initiative

Eliminating Single-Use Plastic

At AGSI, sustainability is embedded in our operations, and we continuously seek innovative solutions to reduce our environmental footprint. One of our key initiatives in waste reduction and resource conservation has been the elimination of single-use plastic bottles through our partnership with 'No More Bottles'.

REDUCING PLASTIC WASTE

Single-use plastic bottles contribute significantly to environmental pollution, increasing waste generation and carbon emissions associated with plastic production and disposal. Recognizing this, AGSI aimed to transition towards a plastic-free workplace, aligning with the UAE's sustainability goals and our commitment to a circular economy.

SOLUTION

To tackle this challenge, AGSI partnered with 'No More Bottles', a sustainable drinking water solution that eliminates the need for disposable plastic bottles. We replaced single-use bottled water with filtered water dispensers and reusable bottles, ensuring that employees and visitors have access to clean, high-quality drinking water without generating plastic waste.

Overall Impact: A 1-liter plastic bottle can have a carbon footprint of about 0.25 to 0.4 kg of CO₂ when considering production and transport.

By replacing plastic water bottles to alternative and more sustainable solution, we have taken proactive steps towards reducing carbon emissions, enhancing our responsible practices and climate action.

AGSI's Impact on Environment through the Shift from Plastic Bottles

Mains-fed water dispensers contribute to up to 72% reduction in GHG emissions.

- It takes approximately 3 liters of water to produce 1 liter of bottled water.
- Manufacturing 1 plastic bottle generates 0.1kg of CO₂ emissions (based on PET plastic bottles)

100% Diversion from landfills

- Plastic bottles take hundreds of years to decompose, releasing harmful microplastics and toxins into the environment.
- By switching to reusable water solutions, AGSI prevents thousands of bottles from accumulating in landfills annually

Protecting Ecosystems & Marine Life

- Many plastic bottles that do not reach landfills end up polluting oceans, rivers, and landscapes, posing threats to wildlife.
- AGSI's waste reduction efforts help prevent plastic pollution and contribute to a cleaner environment and preservation of wildlife and marine life.

No need for recycling

- Plastic bottles have low recycling rate of only 9% with the rest often ending up in landfills or oceans.
- With filtered water dispensers and reusable glass bottles, there is no need for recycling.

Transportation emissions reduced.

- Bottled water transportation contributes to additional CO₂ emissions. Water bottled in one country and shipped to another can significantly increase carbon footprints.
- No need to transport and store large water bottles, hence significant CO₂ reduction by cutting out the entire bottled water supply chain

Lower Manufacturing Energy Demand

- The production of plastic bottles involves energy-intensive processes, including crude oil extraction, refining, and polymerization.
- By eliminating plastic bottles, AGSI helps reduce the demand for fossil fuel-based plastic production, leading to lower energy consumption.

Health for our employees

- Single-use plastic bottles, especially PET and BPA-containing plastics, can leach harmful chemicals like bisphenol A (BPA), phthalates, and microplastics into the water, especially when exposed to heat.
- AGSI microplastics, commonly found in plastic bottles. By eliminating single-use plastic bottles, employees avoid exposure to BPA, phthalates, and other toxins that can disrupt hormones and pose long-term health risks.
- The availability of safe, fresh drinking water promotes better hydration habits, leading to improved focus, energy levels, and overall well-being in the workplace. leaching. and provides high-quality filtered water, chemical eliminating potential bacterial contamination in the workplace.

AIR QUALITY MANAGEMENT AND EMISSIONS CONTROLS

At AGSI, protecting air quality is a key priority within our Environmental Management System, in alignment with UAE environmental regulations.

Our production processes fully comply with the UAE's environmental regulations, including those set by Environment Agency - Abu Dhabi. To uphold the highest standards of sustainability and environmental responsibility, we have adopted best available techniques specific to our industry, ensuring efficient resource use, emissions control, and minimal environmental impact.

We regularly monitor air pollution and report it in the AGSI Environmental Monitoring Report in line with the UAE's regulations, such as the UAE Federal Law no. 24 (Environmental Protection and Development). The report is verified by external consultants to ensure third party assurance.

Our sustainable steelmaking process includes technologies using advanced filtration systems, dust suppression measures, and air quality monitoring to minimize pollutants' emissions. This makes AGSI's operations cleaner and more environmentally friendly, supporting UAE's air quality and decarbonization goals. Air Quality Monitoring activities are performed on regular basis for Indoor and outdoor Air Quality Analysis to ensure compliance with the local regulations. The Air Quality Analyzers are installed at our plant for ongoing monitoring and readings recording.

Emissions	Unit	2024
Sulfur Oxides (SOX)	Tons	12
Nitrogen Oxides (NOX)	Tons	27
Carbon Monoxide (CO)	Tons	1,038

Figures are for AGSI Abu Dhabi Steel Plant

At our steel facility in Abu Dhabi, we have a dedicated Fume Treatment Plant (FTP) that strategically positioned to minimize environmental impact and prevent pollution associated with emissions of pollutants into the atmosphere.

Our commitment to transparency and regulatory collaboration includes regular reporting of air quality data to environmental authorities, reinforcing our dedication to sustainable and responsible steel production. We continuously monitor emissions and local ambient air quality to assess the effectiveness of our control measures and ensure compliance with the highest standards.



NOISE POLLUTION PREVENTION

Our facilities operate within strict noise regulations, ensuring compliance with the local regulations. We take steps to ensure that our operations do not cause noise disturbances to neighboring communities and also to our workforce. We conduct continuous noise level assessments to ensure compliance with the UAE environmental noise limits and implement corrective actions, if needed. We monitor ambient noise and conduct occupational noise assessment as part of our regular routine inspections. In addition, we inspect our equipment during the maintenance activities to ensure safe and compliant working environment. By integrating proactive noise prevention measures, we reinforce our commitment to sustainable, responsible and community- conscious production.

SPILLS TO THE ENVIRONMENT

At AGSI, we are committed to preventing environmental harm through stringent control of all activities that could result in accidental releases or spills. Our Environmental Management Policy mandates the implementation of robust spill prevention, detection, and response procedures across all operational sites.

In our operations, we have established a Spill Management Procedure that includes regular risk assessments, employee training, clearly marked containment zones, and readily available spill response kits. In the event of a spill, immediate containment and reporting protocols are activated, followed by root cause analysis and corrective actions to prevent recurrence. In 2024, AGSI recorded zero significant spills, underscoring our proactive approach to environmental stewardship and our alignment with ISO 14001 environmental management standards.

OUR POSITIVE IMPACT ON BIODIVERSITY

AGSI'S NET POSITIVE IMPACT AMBITION ON BIODIVERSITY AND ECOSYSTEM

NET POSITIVE IMPACT & BIODIVERSITY POLICY

At AGSI, we recognize that land and sea diversity is an integral part of the UAE's heritage and that a healthy ecosystem is essential for sustainable industrial growth and climate resilience.

As we moved toward carbon-neutral steel production, we are committed to achieving a **Net Positive Impact (NPI) on biodiversity and ecosystems**, ensuring that our operations restore and enhance the environment where we operate.

Our ambition for the Net Positive Impact is geared to be achieved when the biodiversity benefits from our conservation initiatives surpass the potential negative impacts of our operations. Our NPI Strategy Biodiversity Governance Framework focuses on actively restoring and protecting ecosystems to ensure positive contributions to surrounded biodiversity.

In 2024, we have embarked on a strategic journey to establish a clear policy and objectives for biodiversity and ecosystem preservation, reinforcing our commitment to environmental stewardship. This commitment is aligned with the UAE's plans and frameworks of the National Biodiversity Strategy, the National Strategy to Combat Desertification and the Strategy for Sustainability of the Marine and Coastal Environment, amongst others.

BIODIVERSITY GLOBAL AND NATIONAL COMMITMENT AND AGSI'S CONTRIBUTION

The UAE is signatory to the Kunming-Montreal Global Biodiversity Framework (GBF) that was adopted at the Conference of the Parties (COP15) to the Convention on Biological Diversity (CBD) in December 2022.

Key commitment was The 30by30' Biodiversity target focused on protecting 30% of land and sea areas by 2030, restoring degraded ecosystems, and increasing financial resources dedicated to biodiversity conservation. By setting ambitious targets for 2030, the GBF provides a roadmap for countries to achieve sustainable development while safeguarding their natural heritage. The UAE's Ministry of Climate Change and Environment (MOCCAE) has been proactively updating the National Biodiversity Strategy in line with the GBF. AGSI's philosophy for preserving biodiversity and promoting sustainable development in harmony with nature aligns with this commitment.

Our Environmental and Resource Management Policy focuses on minimizing the impacts on environment and compensating for the activities on environment and

biodiversity in our operations through best available technologies.

We believe that AGSI plays a crucial role in supporting the UAE's biodiversity goals through its focus on sustainable practices in the manufacturing industry. As carbon-neutral steel plant, by employing sustainable and low-carbon solutions, AGSI is minimizing its environmental impact, reducing carbon emissions which protects the natural habitat and ecosystems of the UAE.

We have developed initiatives designed to make meaningful contributions to biodiversity conservation. These initiatives focus on identifying opportunities and addressing the associated risks to enhance our positive impact on ecosystems. For example, increasing our Biodiversity Protective Area (BPA), planting trees, green buffers, native plants, biodiversity corridors.



NET POSITIVE IMPACT AMBITION

“At AGSI, we recognize that biodiversity conservation and nature positive are critical global issues, on par with carbon neutrality and the circular economy. We view Nature Positive Commitment as an essential environmental priority and strive to enhance our initiatives to address this challenge effectively. We believe that we can set a new benchmark for a sustainable steel production that can contribute to nature-positive future.”



Photo: AGSI Abu Dhabi Plant, ICAD II



AGSI aims to deliver biodiversity net gain to support the UAE's Green Agenda, National Biodiversity Strategy, and SDG 15.



Our Circular Economy principles are integrated into our business model with specific and targeted initiatives implemented to optimize resource utilization, sustainable land management to minimize environmental impact.



AGSI's commitment to biodiversity and carbon sequestration initiatives help mitigate climate change and enhance resilience to environmental risks.



Through our Nature-based Solutions, we're contributing to urban greening, eco-friendly infrastructure, and bio-diversity friendly industrial practices, we help create healthier, more resilient communities.



We aim to partner with leading organizations in the UAE and globally to advance industry best practices and drive enhanced environmental performance.



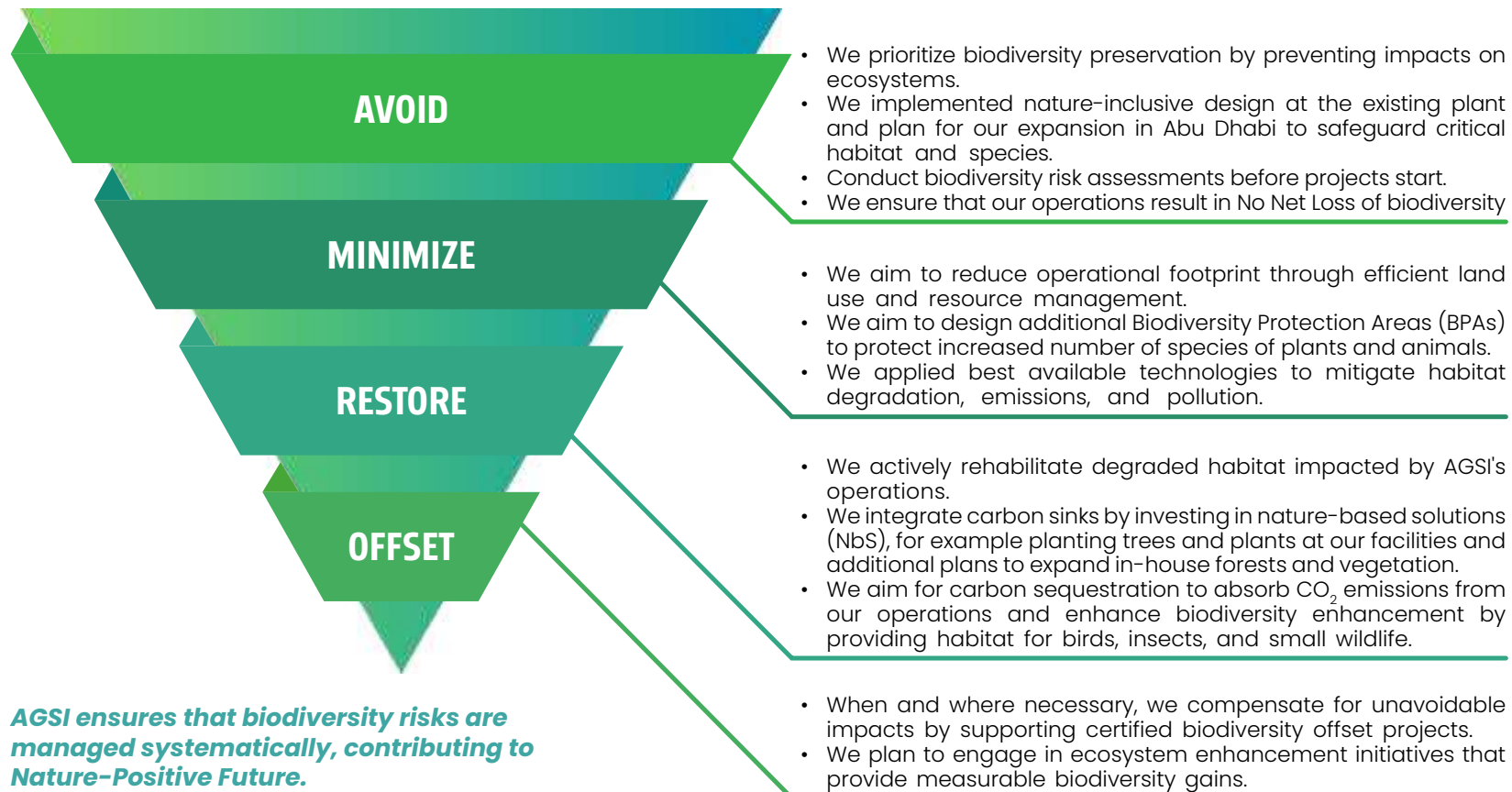
We recognize an inherent connection between a healthy environment and human wellbeing. By enhancing green spaces and preserving natural habitat, we support cleaner air, improved local ecosystems, and healthier communities.

BIODIVERSITY & ECOSYSTEM

AGSI Biodiversity Governance Framework

Mitigation hierarchy

The Governance Framework for Biodiversity and Net Positive Impact aims to integrate biodiversity conservation and nature positivity into AGSI's strategic objectives and operational practices. Additionally, it aims to identify, assess, and mitigate risks associated with biodiversity loss and to ensure that our operations contribute positively to natural habitats where we operate.



BIODIVERSITY & ECOSYSTEM (cont.)

Biodiversity at AGSI Steel Plant	
Designated Biodiversity Protective Area (BPA)	We have expanded our BPA area in 2024 and aim to increase it in 2025 onwards to move towards Net Positive Impact target ambition.
Trees and other vegetation	We have planted approximately 800 trees around our steel plant and other native plants, flowers and grass. Some of the species include: Conocarpus, Native Palm Tree, Date Palm, Ixora flower, Catharanthus Roseus, Ficus benjamina, white catharanthus roseus, Frangipani tree / Plumeria.
Protecting native species and wildlife	We created a habitat for local native wildlife, including Sparrow, Dove, Columbidae, Bulbul, Parrotlet, and local insects.



BIODIVERSITY & ECOSYSTEM (cont.)

IMPACT DELIVERING NET POSITIVE IMPACT NATURE BASED SOLUTIONS

At AGSI, we aspire to achieve a Net Positive Impact (NPI) on biodiversity and environment through delivering a variety of Nature- Based Solutions and innovative green initiatives.

In 2024, we expanded our Biodiversity Protective Area within our facilities in Abu Dhabi compared to prior year and have further plans for increasing it within our own facilities, and more broadly across the UAE. We are also committed to strategic agreements focused on biodiversity protection and natural resource conservation in the UAE, aligning with our vision for a carbon neutrality. These initiatives support the Sustainable Development Goals (SDGs) and reinforce our dedication to a nature-positive future.

Through a variety of Nature-Based Solutions (NbS) and innovative green initiatives, we integrate environmental stewardship into our operations, reinforcing our leadership in low-carbon and nature-positive steel manufacturing.

NATURE-BASED SOLUTIONS AND SECURED HABITATS BY AGSI AT OUR STEEL FACILITIES IN ABU DHABI:



OUR APPROACH TO BIODIVERSITY

IN-HOUSE FORESTS

By planting trees, we transform underutilized land within our steel plant into thriving in-house forests, enhancing biodiversity, improving air quality, and serving as natural carbon sinks.

NATIVE TREE PLANTING

By planting regionally adapted trees and plants species, we contribute to habitat restoration, supporting local ecosystems, and increase **carbon sequestration**.

GREEN BELT ZONES

Vegetation planted around our operations helps reduce heat, absorb CO₂, and minimize air and noise pollution, creating green belt zones.

WATER EFFICIENT LANDSCAPING

Utilizing drought-resistant local plants and harvesting innovative watering techniques ensures sustainable greenery without excessive resource consumption.

HABITAT PROTECTION & RESTORATION

Preserving and rehabilitating natural ecosystems within and around our operations ensures that we support native species. Developing dense vegetation zones serve as natural habitat and nesting areas for birds and small mammals.

CONSERVATION PARTNERSHIPS

We aim to conduct biodiversity assessments and collaboration partnerships with conservation organizations to safeguard native fauna.

KEY OUTCOMES OF OUR APPROACH

Carbon Sequestration

Absorbs CO₂ emissions from our industrial operations.

Biodiversity Enhancement

It provides habitat for birds, insects, and small wildlife.

Microclimate Regulation

It reduces heat, improves air moisture, and controls dust.

Employee Well-being

Creates green, stress-free spaces within industrial zones.

Sustainable Land Use

Converts unused or degraded land into thriving ecosystems.

Good for The Planet

It is essential for a sustainable future for the next generations.

Governance Excellence and Accountability

An aerial photograph of a park featuring a winding river, a paved path, and trees in various colors (green, yellow, pink, purple). A semi-transparent blue circle is overlaid on the right side of the image.

CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT

At AGSI, we believe that strong governance is the foundation for sustainable growth, stakeholder trust, and the achievement of our environmental, social, and governance (ESG) objectives. Our governance framework is designed to promote transparency, accountability, and ethical decision making at all levels of the organization.

We have a long history of a continuing focus on corporate governance, embraced by our Board of Directors (The Board), Leadership team and the employees.

We have a long history of a continuing focus on corporate governance, embraced by our Board of Directors (The Board), Leadership team and the employees.

Our Board is deeply committed to integrating the ESG principles into our corporate strategy, decision-making processes, and operational priorities. This is further showcased in our participation and completion of the UN SDGs Ambition Accelerator ESG across the business.

The accountability of our sustainability framework, "Steel for a Greener Tomorrow", and its delivery sits with The Board, as well as the Leadership Team, which is supported by Steering Committees. These Committees cover different areas of the business and ensure effective governance.

The Leadership Team monitors and guides the company's ESG practices, reporting metrics and performance, as well as retains overall oversight of sustainability, risk and strategic direction. The Leadership Team has delegated specific oversight responsibilities to each of the seven steering committees.

AGSI's Steering Committees play a vital role in fostering collaboration, addressing specific challenges, and driving strategic initiatives. Each Steering Committee serves a specific purpose and has its unique role and responsibilities.

The primary purpose of the Steering Committee is to enhance the efficiency and effectiveness of strategic initiatives, projects or programs across AGSI. Each Committee operates with clear objectives and is responsible for decision-making, resolving issues, mitigating risks, and having regular reporting mechanisms to the Leadership Team to ensure effectiveness and accountability.

We have been actively enhancing the governance structure to integrate our ESG Framework in all levels of our organization and decision-making in all our departments, ensuring transparency, accountability and ethical conduct throughout our operations. In 2024, our ESG governance structure was reviewed to enhance the effectiveness of the governance across the Steering Committees to incorporate objectives, materiality, accountability, authority and frequency of engagements. This reflects our maturity progress from the establishment to integration.

PILLARS OF AGSI'S GOVERNANCE

LEADERSHIP & OVERSIGHT

Our Leadership Team is deeply committed to integrating ESG principles into our business strategy and operations. The Board of Directors provides robust oversight, ensuring alignment with our Net Zero Steel mission and broader sustainability goals.

ETHICAL BUSINESS PRACTICES & ACCOUNTABILITY

We are guided by our AGSI Code of Conduct that emphasizes integrity, compliance with legal and regulatory requirements, and a commitment to fair business practices. This ensures that every action we take aligns with our values and ESG priorities.

RISK MANAGEMENT & TRANSPARENCY

AGSI employs comprehensive risk management processes to identify, evaluate, and mitigate risks, including those related to climate change and ESG factors. We prioritize transparency by regularly disclosing our progress and challenges, fostering trust among stakeholders.

STAKEHOLDER ENGAGEMENT

Collaboration with stakeholders is central to our governance approach. By engaging with employees, customers, investors, and regulators, we ensure that diverse perspectives are considered in our decision-making process.

“Our governance practices underpin AGSI's commitment to transparency, accountability, and sustainable growth. They provide a strong foundation for effective decision-making, ensuring that we uphold the highest standards of integrity, ethical behavior, and regulatory compliance.

They underpin our commitment to sustainability, guiding our efforts in decarbonization, innovation, and aligning with the UAE's Net Zero 2050 Vision. They ensure that we maintain a culture of inclusion and equity, fostering people's growth and wellbeing while driving best practices for more sustainable future.

CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT (cont.)



AGSI GENERAL BOARD MEETING

A general Board Meeting is held regularly each quarter where all the Shareholders participate in to discuss overall strategy, performance, future plans, and governance of the company. In each meeting, the Board reviews key business updates, financial results, and strategic initiatives, as well as significant addressing challenges and opportunities facing the company.

During the meeting, the Board assesses the progress towards strategic objectives, approves major decisions, and ensures that the AGSI management is executing its business strategy effectively, in compliance with governance standards, risk management, and corporate policies.



AGSI BOARD OF DIRECTORS

Our Board of Directors (The Board) is the highest decision-making body within AGSI, responsible for setting the overall direction and strategy of the company.

The Board oversees the execution of our corporate objectives ensuring alignment with long-term goals, including sustainability, growth and value creation for shareholders. The Board holds ultimate accountability for governance, risk management, and corporate performance. The Board guides the management through critical decisions, provides strategic oversight ensuring that the company operates with integrity, transparency and accountability. The Board also exercise other powers conferred upon it by law and the AGSI's Articles of Association.

The Board comprises a total of five members appointed in accordance with the selection and appointment policy. All members are experienced leaders with diverse expertise. Two of the members are Senior Executive Directors who perform management functions in the company and three are independent directors appointed based on their professional qualifications in line with the appointment selection criteria. Board Chair does not serve as a senior executive in the company.

Our Board consists of 20% of female representation, diverse ethnicity, and extensive relevant expertise in steel industry and well as corporate and financial management. This gives a wide spectrum of perspectives on challenges, opportunities and solutions. We continue to evaluate the composition of the Board and Executive Leadership Committees to ensure alignment with future growth.

Attribute	Detail
Total seats	5
Executive directors	2 (including the CEO as whole-time executive)
Non-executive directors	3 (Chair is non-executive)
Independent directors	Currently none (plans to align with SCA/UAE IPO requirements)
Gender split	20% women; 80% men
Tenure & nomination	Directors are shareholder nominees; appointments follow shareholder approval processes
Primary competencies	Finance, corporate strategy, steel operations, legal, sustainability
Stakeholder representation	Directors nominated by Taybah Gulf Holding (2), JS Group (2), TOI (1)

Board permanent invitees include the CFO and CCO to ensure technical and financial inputs at board meetings.



AGSI EXECUTIVE LEADERSHIP

The AGSI's Executive Leadership Committee develops and executes the corporate strategy, sets objectives for short-, medium-, and long-term vision and the execution of strategic initiatives. Ensures delivery of operational goals, compliance and governance, risk management, culture and leadership, integration of ESG and sustainability agenda in each department, financial performance, performance monitoring and reporting, stakeholder engagement.

The Leadership Team meets regularly each month to review the progress on set objectives, address any challenges and opportunities, and plan ahead.

The Executive Leadership Committee is led by the CEO and consists of Chief Financial Officer, Chief Commercial Officer, Chief People Officer, Head of ESG, and Head of Marketing,

CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT (cont.)

INDIVIDUAL AND COLLECTIVE EXPERTISE

Our Board brings complementary skills and sector experience critical for governance and ESG oversight:

- **Mr. Steve Smith** – Chartered Accountant, former investment banker and CFO at a listed company; strong financial and capital markets expertise.
- **Mr. Munzir Latif** – CEO of JS family office, ex-PwC professional; strategic finance and corporate governance experience.
- **Mr. Prasanto Chakroborty** – Chartered Accountant and group CFO; deep financial control and compliance capability.
- **Mr. Asam Hussain** – Whole-time CEO, law graduate and UK-qualified barrister with decades of steel industry leadership and international project experience.
- **Ms. Chanda Hussain** – Executive Director with active involvement in sustainability programs and sectoral knowledge.

Our shareholders have consistently demonstrated a strong commitment to building a sustainable future for the company, willingly allocating additional resources to support ESG initiatives and low-carbon innovation. The Board is fully equipped—both technically and strategically—to oversee these efforts. Our CEO actively represents AGSI in global forums, including the UN Climate Week under the leadership of Dr. Sultan Al Jaber, where he advocates for decarbonization in hard-to-abate sectors like steel. The CFO and CCO also engage in industry platforms to advance AGSI's ESG agenda, while Executive Director Ms. Chanda Hussain contributes deep sectoral knowledge and sustainability leadership.

Collectively, the Board possesses robust sustainability expertise and a clear mandate: no project is approved unless it aligns with AGSI's sustainability goals. This principle guides our governance and reinforces our commitment to responsible growth and climate leadership.

NOMINATION, SELECTION AND BOARD EVALUATION

At AGSI, shareholder rights are central to our governance model. Each shareholder has the authority to nominate representatives to the Board, and these appointments are made through rigorous, independent evaluations of the candidates' qualifications, experience, and alignment with AGSI's strategic direction. Nominees are selected based on their ability to contribute meaningfully to the Board's deliberations, with emphasis on professional expertise, sectoral knowledge, and diversity of perspective. Notably, the owners themselves do not sit on the Board, except for the CEO, ensuring a clear separation between ownership and governance.

We take pride in maintaining a highly competitive and professional Board. The steel industry presents unique governance challenges—it is capital-intensive, technologically dynamic, and subject to global market fluctuations. Our Board is equipped to navigate this complexity,

regularly reviewing and approving strategic initiatives, operational expansions, and investment decisions. On average, AGSI initiates 3-4 major projects annually, each undergoing detailed scrutiny by the Board. This includes evaluation of capex justifications, expected payback periods, risk assessments, and any proposed revisions to project scope or budget. Such rigorous oversight ensures that our growth remains disciplined, sustainable, and aligned with long-term value creation.

Our board evaluation approach is continuous and pragmatic. Shareholders regularly review the performance and contribution of their nominees, and changes to directorships have occurred when shareholders determined a different skill set or renewed focus was needed. Sustainability, long-term value creation, and the ability to oversee complex capital projects are explicit elements of director assessment. Where issues or development needs are identified, the Board agrees corrective actions or succession plans, and the HR Committee monitors implementation.

REMUNERATION AND EXECUTIVE PAY GOVERNANCE

We are formalizing a structured board remuneration policy to align with market practice and enhance governance transparency; this will introduce sitting fees and other compensation elements effective 1 January. Until the formal policy is implemented, directors continue to receive remuneration from their respective shareholder organizations. Executive compensation is performance-linked and designed to align management behavior with AGSI's strategic objectives, including sustainability targets. Our framework combines fixed pay with variable components tailored by level:

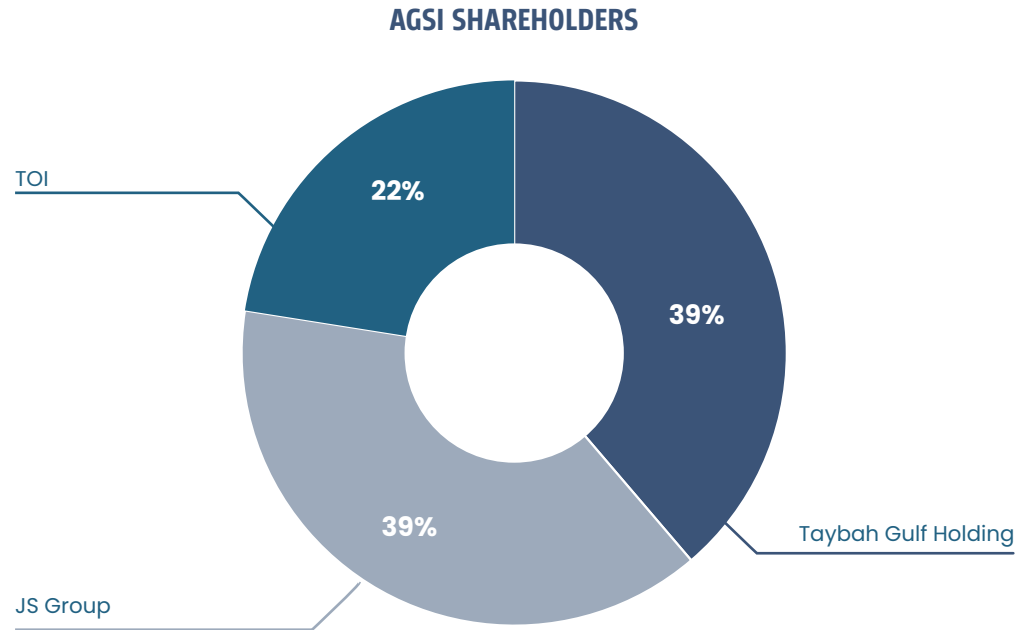
- C-level executives participate in a strategic performance bonus scheme that incorporates financial, operational and ESG KPIs.
- Senior and mid-level managers are covered by targeted management incentive plans.
- Production staff receive weekly production bonuses; most other employees participate in an annual performance bonus cycle.
- The HR Committee and the Board review and approve the overall remuneration framework and annual changes. Compensation decisions follow the annual appraisal cycle conducted at year-end, with implementation dates typically in January; ad hoc adjustments may follow audit completion or significant strategic events.

CONFLICT OF INTEREST, ETHICS AND WHISTLEBLOWING

We maintain a formal Conflict of Interest policy that requires timely disclosure and transparent management of actual or perceived conflicts. Employees and directors are obliged to declare relevant interests and consult HR or their line manager to manage potential conflicts; recurring or material conflicts are escalated to the Board for resolution.

Our Business Integrity Policy codifies a zero-tolerance stance on bribery and corruption, reinforced by mandatory training and record-keeping. The Whistleblowing Policy provides confidential reporting channels—direct senior management reporting and dedicated email addresses—and allows anonymous submissions when necessary. Whistleblowers acting in good faith are protected from retaliation, and all reports are investigated objectively and documented. In 2024 there were no confirmed incidents of corruption or whistleblowing cases that required disciplinary action.

CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT (cont.)



Our Governance Highlights

1. Every major capital expenditure proposal is reviewed and approved at the Board level with full transparency around its sustainability impact and long-term viability.
2. Independent Committees such as Audit Committee ensuring the financial reporting oversight, internal controls and compliance. Regular committee meetings.
3. Direct Involvement of Board Members and Senior Executive Committee members in the execution of the ESG initiatives, carbon neutrality and Net Zero programs.
4. Launch of an updated AGSI Code of Conduct based on AGSI's core values, including sustainability.
5. Executive compensation driven by performance-based Performance Management Framework.

GOVERNANCE STRUCTURE

Board of Directors

Five Board Members

Audit Committee

Chaired by Board Director

HR Committee

Chaired by Board Director

GOVERNMENT RELATIONS

VISION

Fostering strategic relationships with government entities, navigating regulatory environments, and ensuring the company aligns with national policies and objectives. Here are the top responsibilities of the committee:

- Policy Advocacy and Alignment
- Regulatory Compliance
- Strategic Engagement
- Support for the UAE National Objectives
- Crisis Management and Resolution
- Sustainability Advocacy
- Government Programs and Incentives
- Policy Oversight
- Stakeholder Communication
- Representation in Industry Platforms

Chaired by the Chief Financial Officer

TECHNOLOGY

VISION

To lead the integration of cutting-edge technologies and innovative solutions that enable optimization and automation across operations while ensuring alignment with AGSI's net zero strategy and decarbonization vision.

- Innovation Enablement
- Digital Transformation
- Cybersecurity and Data Governance
- Resource and Operations Optimization
- Implementation of new Technologies

Chaired by the Head of IT

ESG

VISION

To continue driving the AGSI's Net Zero Steel strategy, carbon neutrality and circular economy model and ensure adoption of environmental policies across the company. Foster sustainable growth and create a lasting value for stakeholders and community.

- ESG Framework, KPIs, measurement and reporting
- Lead and deliver Carbon Neutrality and GHG Verification reporting
- Oversight of all ESG and Sustainability Programs
- Engagement with relevant Government agencies and international organizations
- Sustainability Risk Management
- Drive integration of ESG Framework into the business

Chaired by the Chief Sustainability Officer

MARKETING

VISION

To drive Net Zero brand recognition and trust by effectively communicating our commitment to innovation, decarbonization, and ESG principles while fostering meaningful relationships with stakeholders to support growth and sustainability objectives.

- Strengthen AGSI Brand Identity
- Promote Net Zero Initiatives
- Stakeholder Engagement
- Support Business Development
- Communicate internally and externally about AGSI's carbon neutrality and other sustainability initiatives
- Promote Internal Alignment of our sustainability strategy and ESG agenda
- Measure Impact

Chaired by the CCO

OPERATIONS & PROJECTS

VISION

To lead AGSI's journey towards operational excellence and sustainable growth by delivering innovative, high-impact projects that expand capabilities, drive automation, and enhance capacity.

- Drive strategic expansion of our carbon-free steel operations
- Enhance Operational Excellence
- Drive Innovation in our steelmaking operations ensuring decarbonization plans
- Optimization and automation of operations
- Technology Integration
- Optimization of resources
- Integration of ESG Framework in every decision
- Risk management

Chaired by the COO

FINANCE & STRATEGY

VISION

To drive AGSI's long-term financial and strategic direction, ensuring resilient capital management and value-driven growth. Support disciplined investment, strengthen the competitive position, sustainability, and returns to shareholders.

- Strategic Planning and Oversight
- Capital Allocation and Investment Decisions
- Financial Performance and Planning
- Risk Management and Market Dynamics
- Capital Structure and Financing
- Reporting and Shareholder Value Creation
- Chaired by the Chief Financial Officer

Chaired by the Chief Financial Officer

Business Units Management Teams Operational Level

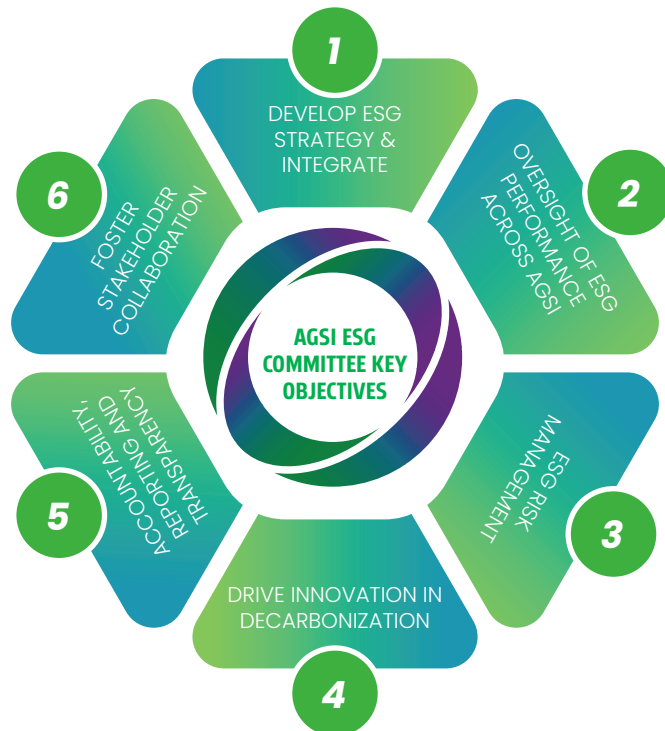
We also have separate management team meetings for each department that ensure planning and execution of strategies and objectives for each Business Unit. They consist of relevant representative from cross-functional teams.

SUSTAINABILITY GOVERNANCE

DELIVERING OUR RESPONSIBLE GROWTH

Our Sustainability Governance lies in the core of our mission to lead the transition to Net Zero in the steel industry and associated sectors, while delivering value to our shareholders. Our commitment to responsible growth is embodied in a robust governance framework, which ensures that the ESG principles are integrated into every aspect of our business operations and decision-making.

In 2023, we established a stand-alone ESG Department and created new sustainability organizational structure, and a new sustainability governance model was implemented. Our ESG Framework was reviewed in 2024 to enhance the effectiveness of its initiatives and increase accountability. Additionally, we appointed a Chief Sustainability Officer supported by the sustainability team. We continue to grow the team with a focus on maintaining current initiative, such as carbon neutrality, GHG Verification Statement, relevant sustainability certifications, amongst others, delivering our future plans.



- 1** Develop ESG Strategy and Integrate it into the AGSI's departments and decision making. Ensure that ESG aspects are part of strategic agenda of each department and long-term vision of the company. Sign off key ESG initiatives.
- 2** Oversight of ESG performance and progress of initiatives. Set measurable targets, including GHG efficiency, social and community programs, stakeholder engagement.
- 3** ESG Risk Management - identify, assess, and manage risks associated with ESG. Embed risk management framework into the company processes to mitigate impacts.
- 4** Drive Innovation in decarbonization - champion innovative approaches to decarbonization to drive towards Net Zero 2050 across the industry.
- 5** Drive Accountability, implementation of ESG initiatives, policies, and best practices.
- 6** Build strong relationships with government bodies, industry wider sustainability initiatives and align with national and global sustainability goals. emissions, resource Reporting and Transparency for leaders and community to advance collective

Topics Covered in 2024 & 2023 by ESG Committee

Two GHG Verification Statements assured by a leading global auditor DNV. First for reporting period of 2022 and second for reporting period of 2023.

The Carbon Neutrality Verification Statement and Qualifying Explanatory Statement (QES).

Reporting progress on our "Steel for Better Tomorrow" Sustainability Framework and performance of initiatives implemented.

Signing strategic partnership with the Industrial Transition Accelerator (ITA) to support decarbonization of the hard-to-abate sectors.

Supporting the UAE's national agendas related to Sustainability and ESG, including Net Zero 2050, Environment Vision 2030, National Climate Change Plan of the UAE 2017-2050, Abu Dhabi Industrial Strategy.

Signing up to the UNGC and delivering the first Communications on Progress (COP) to the UNGC.

Signing the UAE's Climate Responsible Companies Pledge in 2023 and committing to the Net Zero 2050 Vision.

Completion of the UN SDG Ambition Accelerator with an aim to integrate the SDGs into the fabric of the company.

Review of the AGSI Code of Conduct and updating related policies and frameworks.

Review of the AGSI Code of Conduct and updating related policies and frameworks.

Engaging with a wide range of stakeholders across public and private sectors, as well as relevant international bodies.

Sustainability Risk Management

ETHICS, COMPLIANCE AND POLICY FRAMEWORK

EMBEDDING ETHICAL PRACTICES

At AGSI, we believe that strong ethical foundations are critical to our success and fostering trust with our employees, customers, partners, and communities.

We are committed to embedding ethical practices at the core of our operations, ensuring that every aspect of our business is conducted with integrity, transparency, and accountability. Our approach to ethics is reflected in our governance structures, decision-making processes, and the way we engage with stakeholders.

Our in-house Legal Counsel oversees ethics and compliance across the whole business, including the specific challenges encountered within the industry and where we operate. Our standards and policies apply across the entire organization and we continuously look for ways to improve detection, prevention, and response to ethics and compliance issues.

All employees at AGSI are responsible for upholding to the highest ethical standards as per our Code of Conduct, and fostering a culture of ethical behavior.

TRAINING & COMMUNICATION

At AGSI, training for Code of Conduct and all associated policies and procedures are mandatory for all employees. It is part of our onboarding process and an annual refresher training every six months.

The training and communication are conducted throughout the year to focus on specific areas of the Code of Conduct to increase awareness and encourage 'speak-up' policy. In 2024, we have launched our new internal portal, AGSI People HUB, where all policies are accessible to all employees.

We deliver the training on annual basis as a 'refresher' to all employees. Our induction program includes all aspects of business integrity and related policies, such as addressing issues with discrimination, harassment, corruption and bribery. It also covers reporting concerns and investigations of concerns, and non-retaliation policy.



CODE OF CONDUCT

In 2024, we reviewed and revised our Code of Conduct and released it on our website.

Our Code of Conduct is the foundation of our culture and is shaped by our values that define the way we behave and guide our behaviors in everything we do. Together, they shape our culture that underpins our good reputation. The ethical and moral decisions that we must take every day are guided by our principles set out in our Code of Conduct which build trust and confidence with our colleagues, customers, suppliers, and the communities where we operate.

Our Code of Conduct covers 20 compliance issues including:

- Health and Safety
- Diversity, Equity, and Inclusion
- Care & respect for others
- Human Rights
- Discrimination and Harassment
- Anti-corruption
- Dealing with stakeholders
- Fair competition
- Protecting Company Assets and IP
- Sustainability responsibility
- Applicable laws

The Code applies to everyone working for and with AGSI. All employees must go through a mandatory training and sign-off our Code of Conduct. They are responsible for upholding the highest standards set out in our Code.

“

At AGSI, strong governance and ethical conduct are at the heart of our commitment to sustainability. We uphold the highest standards of transparency, accountability, and integrity in all aspects of our operations. By fostering a culture of responsible decision-making and aligning with global best practices, we ensure that our governance framework supports sustainable growth, builds stakeholder trust, and drives meaningful progress toward our Net Zero goals.

— AGSI CFO

”

ETHICS, COMPLIANCE AND POLICY FRAMEWORK (cont.)

REGULATORY COMPLIANCE AND TAX GOVERNANCE

At AGSI, we maintain a strong culture of compliance and ethical business conduct across all operational domains. In 2024, we recorded no legal actions-pending or completed-related to anti-competitive behavior, anti-trust, or monopoly violations. Similarly, there were no reported incidents of non-compliance with marketing claims, marketing activities, or customer data privacy regulations, underscoring our commitment to transparency, fairness, and responsible communication.

Our tax governance framework is designed to ensure accuracy, timeliness, and full alignment with statutory requirements. We carry out monthly VAT calculations in accordance with UAE regulations, with payments consistently made by the 28th of each month. These computations are fully integrated into our SAP tax modules, enabling automated processing, minimizing manual intervention, and strengthening internal controls.

In preparation for the UAE's new Corporate Tax (CT) regime, AGSI proactively implemented CT modules within SAP to support accurate and compliant filings. Our first corporate tax payment and filing were completed on time, with advisory support from PwC. To further enhance compliance and mitigate risk, we conducted an independent VAT assessment to confirm regulatory coverage and engaged in early-stage corporate tax advisory to identify potential exposures.

A key component of our tax risk management strategy is our Transfer Pricing Policy (TPP), which addresses intercompany transactions and ensures alignment with international best practices. We have also extended our enterprise risk management framework to include tax efficiency and compliance as core focus areas, reinforcing our commitment to robust governance and regulatory integrity.

Through these measures, AGSI continues to uphold its reputation as a responsible corporate citizen, committed to ethical conduct, financial transparency, and proactive risk management.

CORPORATE POLICIES

AGSI has established a suite of comprehensive corporate policies that embody our commitment to best practices and upholding the highest standards across all departments and functions. These policies ensure consistent and responsible practices throughout the whole organization and serve as a guiding framework for our operations to align our business with our core values of integrity, sustainability, innovation, and excellence.

Our policies are segmented into four categories, namely General Policies, Environmental Policies, Social Policies, and Corporate Governance Policies. Each policy provides clear guidelines for decision-making, risk management, and operational execution, fostering a culture accountability and transparency at every level.

At AGSI, we are deeply committed to maintaining the highest standards of ethical conduct, transparency, and accountability across all aspects of our operations. Our governance framework is built on robust policies and procedures that promote integrity, prevent misconduct, and safeguard stakeholder trust.

Whistleblowing and Ethical Reporting

We have a formal Whistleblowing Policy in place that provides employees, contractors, suppliers, and other stakeholders with a safe, confidential, and transparent mechanism to report suspected violations, unethical behavior, or breaches of company policy. Reports can be submitted directly to senior management via secure email channels or in person, with the option to remain anonymous. All whistleblowers are protected from retaliation, and concerns raised in good faith are investigated objectively and discreetly. The policy outlines clear procedures for reporting, investigation, and resolution, and is supported by the Business Integrity Policy to ensure alignment across all ethical practices.

Anti-Corruption and Business Integrity

AGSI enforces a zero-tolerance approach to bribery and corruption. In 2024, no confirmed incidents of corruption were reported, and no operations were assessed for corruption risks. Nonetheless, our Business Integrity Policy mandates that all employees and business partners adhere to strict anti-bribery protocols. We do not offer, solicit, or accept any form of improper payment to influence

business decisions or gain advantage. Employees are required to attend regular integrity training sessions, including onboarding and refresher modules, to reinforce awareness and compliance. We maintain accurate and complete records of all business transactions, ensuring that financial statements reflect the true state of our operations in accordance with applicable accounting standards.

Data Privacy and Information Security

We recognize the importance of protecting personal and business-critical information. AGSI has implemented a formal IT and Data Privacy Policy that governs the collection, use, storage, and protection of data across our operations. While we are not currently subject to the European Union's General Data Protection Regulation (GDPR) due to the absence of operations in European markets, we remain vigilant in complying with all applicable data protection laws within the UAE and other jurisdictions where we operate. Our IT policy includes access controls, data classification protocols, and incident response procedures to ensure the confidentiality, integrity, and availability of information assets.

ETHICS, COMPLIANCE AND POLICY FRAMEWORK (cont.)



GENERAL POLICIES

- Employee Handbook (covering all HR related policies)
- Code of Conduct
- Operating Policies and Procedures
- Approvals and Risk Management Policy



ENVIRONMENTAL POLICIES

- Environment, Social, Governance (ESG) Policy
- Energy Management Policy
- HSE Policy and Procedures
- Commitment to Circular Economy and effective Waste Management Policy
- Environment - Ethics in production (use of hazardous materials)
- Commitment to Environmental Stewardship Policy



SOCIAL POLICIES

- Human Right Policy
- Diversity, Equity, and Inclusion Policy
- Grievance Policy and Procedure
- Whistleblowing Policy
- Occupational Health & Safety Policy
- Professional Development and Career Policy
- Performance Management Policy
- Remuneration and Benefits Policy
- Anti Bullying, Discrimination and Harassment Policy



CORPORATE GOVERNANCE POLICIES

- Anti-corruption Policy
- Business Ethics and Compliance Policy
- Conflict of Interest
- Competition Compliance Policy
- Personal Information and Privacy Policy
- Information Technology and system use Policy
- Business Continuity Policy
- Stakeholder Engagement and Communications Policy

By embedding these policies into our organizational fabric, AGSI not only safeguards operational excellence but also reinforces our role as a responsible and forward-thinking leader in the steel industry. These policies are reviewed and updated regularly to adapt to emerging challenges, industry advancements, and stakeholder expectations. We ensure that we remain a trusted partner and responsible corporate citizen.

ENTERPRISE RISK MANAGEMENT AND RESILIENCE

RISK MANAGEMENT

Risk Management is instrumental to AGSI's business continuity and upholding highest standards of ethical conduct. As such, we developed a structured Risk Management Framework with different levels of oversight and defense. This ensures that we have a clear ownership and delegation of responsibility for management and oversight of risks at every level of organization. Through this approach, we put in place the strongest possible support for appropriate flow of information across the company.

AGSI embeds risk identification and mitigation across Board oversight, committee workstreams and operational steering committees. ESG and climate-related risks are integrated into the enterprise risk register and are considered in capital allocation and project approvals. We reported no legal actions related to anti-competitive behavior, and there were no incidents of non-compliance with marketing or customer data privacy regulations in the reporting period.

AGSI identifies risks across the company that are measured in line with the risk appetite of the management team to ensure an appropriate risk treatment and selection of the most suitable solutions. An ongoing monitoring of corporate risks is conducted by our Legal Counsel.

TAX GOVERNANCE

Tax governance is supported by system-driven controls and external advisory. VAT is calculated monthly within SAP and paid by the statutory deadline (28th of each month); an independent VAT assessment has validated our coverage and compliance. For Corporate Tax, we implemented SAP CT modules ahead of the new regime and completed our first corporate tax filing and payment within required timelines with advisory support from PwC. Our Transfer Pricing Policy governs intercompany transactions on an arm's-length basis and was prepared to mitigate potential profit-shifting risks between jurisdictions. We supplement internal controls with external audits and specialist advice to ensure tax risk is proactively managed.

ETHICAL INCIDENTS

At AGSI, we prioritize integrity and transparency in all aspects of our operations. Ethical behavior forms the foundation of our corporate values, and we are committed to fostering a culture where accountability and ethical decision-making are integral to how we operate. We have established robust policies and a Code of Conduct that clearly outlines expectations for ethical behavior for all employees, contractors, and stakeholders.

Our approach to managing ethical incidents begins with prevention. When ethical incidents are reported, we take them seriously and act swiftly. Each case is assessed through a transparent and impartial investigation process led by our dedicated team. We also encourage proactive reporting through multiple confidential channels, ensuring employees feel safe and supported in bringing concerns to light.

Our response framework is designed to ensure fairness, confidentiality, and compliance with all relevant laws and regulations. We take corrective actions as necessary, ranging from additional training and policy updates to disciplinary measures, depending on the severity of the issue. We view ethical incidents as opportunities for improvement. We conduct root-cause analyses to identify underlying issues and implement preventative measures to reduce the likelihood of recurrence. Lessons learned are shared across teams to reinforce our culture of continuous improvement and accountability.

We educate our employees on the seriousness of ethical behavior and any non-adherence is taken with the strictest action.

We do not engage in political financing or contribute to political parties, candidates, or events. In 2024, we made no political donations or contributions, reaffirming our commitment to impartiality and ethical neutrality in public affairs.



RESPONSIBLE SOURCING

At AGSI, responsible sourcing is at the core of our mission to produce sustainable and innovative steel solutions. Our products are crafted with a deep commitment to ethical practices, environmental stewardship, and supply chain transparency, ensuring that every step in our value chain aligns with global standards for sustainability and responsibility.

We understand the importance of a responsible supply chain and have committed to developing a Supplier Code of Conduct that will be shared with our suppliers. We want to ensure that our suppliers support our sustainability best practices and targets and are on a journey to adopting robust sustainability practices themselves. We also require our contractors to undergo the HSE induction before entering our plants, which includes critical health and safety aspects as well as sustainability awareness.

LOCAL SOURCING & IN-COUNTRY VALUE

Our carbon neutral steel plant is underpinned by the circular economy model that significantly contributes to the local economy. Our responsible and localized sourcing is based on key principles outlined below.



AGSI LOCAL SOURCING



LOCAL GREEN SOURCING PRACTICES

One of our key commitments is sourcing raw materials exclusively from local suppliers, ensuring that our operations support regional economies, minimize environmental impact, and align with our sustainability vision. Furthermore, our focus on sustainability is evident in supporting green sourcing principles, whereby 100% of our input is procured locally and 100% output is delivered to local partners for a use in projects within the UAE. This directly supports local economies and reducing environmental impact, while creating in-country value and circular economy. Our steel plant is located within a 500km proximity from major construction projects allowing for local supply and demand model and emphasizing local material usage. This also supports an adherence to the ESTIDAMA's principles of raw material sourcing and product distribution within a 500km radius.



REDUCING CARBON FOOTPRINT

Sourcing locally significantly reduces transportation emissions associated with long-distance shipping. AGSI is therefore significantly avoiding the emissions of CO₂ into the atmosphere in the UAE by using domestic raw materials for local production, lowering the country's average emissions. Our steel production based on 100% local raw material avoided approximately 1.56 million CO₂ emissions annually compared to the conventional method of steelmaking at average 2.6tCO₂e/tcs. Given our planned expansion of the steel plant and rolling mill in Abu Dhabi, AGSI is committed to consume additional volumes of local raw materials and hence further avoiding CO₂ emissions released to the atmosphere.



CIRCULAR ECONOMY

Utilizing locally sourced raw materials supports the recycling and reuse of resources within the region. Our emphasis on an infinite steel circularity is at the heart of our circular model and underscores our commitment to resource conservation and promotion of steel reuse and recycling from local construction sites. We require to provide our suppliers with 100% recycled post-consumer material, thereby promoting a circular approach to resource usage. This further reinforces AGSI's commitment to a closed-loop system, reducing dependence on raw material extraction.

RESPONSIBLE SOURCING (cont.)



Make It In The Emirates



In 2024, AGSI participated in the Make It In The Emirates (MIITE) scheme where we showcased our contributions to the UAE's industrial transformation, including a positive impact on local economy, diversification of the GDP, local sourcing and circular economy.

The UAE National In- Country Value (ICV) Program



In 2022, AGSI proudly joined the UAE's In-Country Value (ICV) program, reinforcing our dedication to fostering local economic growth, supporting industrial development, and aligning with the nation's strategic vision for sustainability and resilience.

The ICV program, a key pillar of the UAE's industrial and economic strategy, focuses on maximizing the value derived from local resources, enhancing economic diversification, and promoting sustainable development. By participating in this initiative, AGSI solidifies its role as a driving force in advancing the UAE's industrial ambitions while adhering to global sustainability standards.

AGSI has scored one of the highest scores for the program and set a clear strategic plan to implement in-country value to enhance our local procurement

and contribute to the local economy through GDP growth and diversification, innovation and technology in manufacturing sector, creation of jobs, Emiratization, integrating circular economy practices within the organization and the value chain.

We continue to promote ICV certification along our value chain and raise awareness internally and externally about our commitment to creating in-country value.

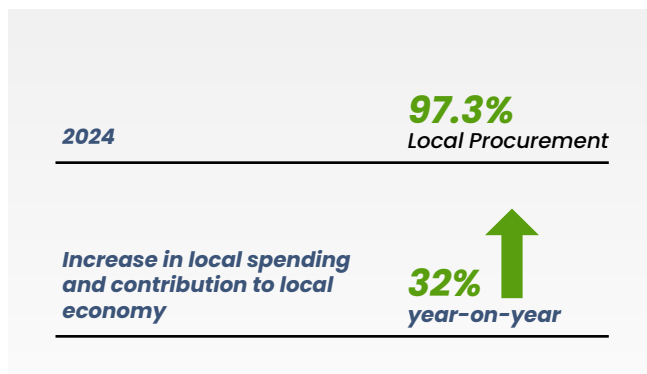
As this is one of our strategic priorities supporting our ESG and Business Strategy, we continuously review our processes and awarding model associated to procurement and tendering policies, and other procedures that set basis for the ICV scoring system. We make adjustment, where applicable, to ensure that we continuously improve our score.

RESPONSIBLE SOURCING (cont.)

PARTNERS AND SUPPLIERS

The effectiveness of our supply chain, which includes multiple suppliers of materials, goods, and services, is essential to the competitiveness of our business. 99% of our partners and suppliers are based in the UAE, which directly contributes to the local economic growth and is at the heart of our In-Country Value model and Green Sourcing Practices.

AGSI'S BUSINESS THROUGH LOCAL PARTNERS (%)



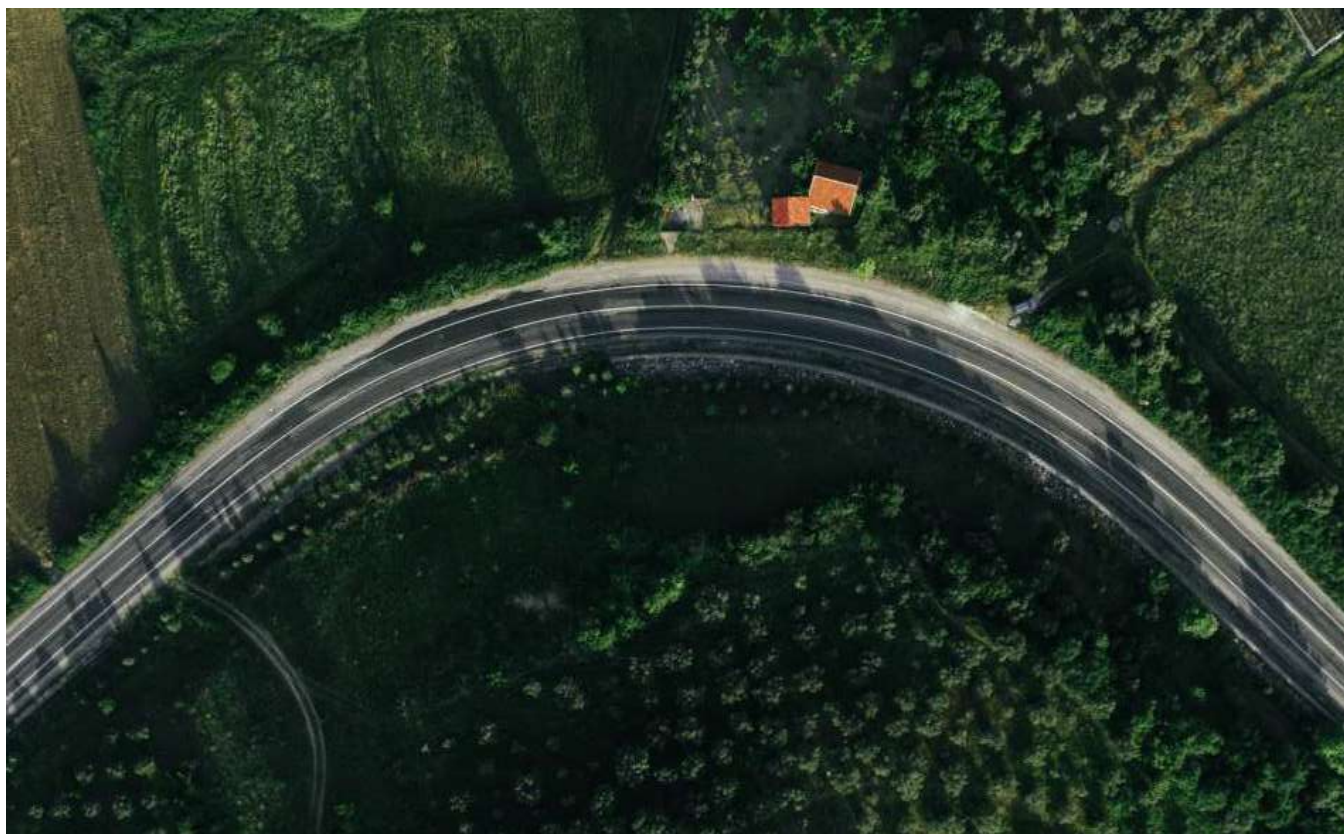
COMMITMENT TO HIGHEST STANDARDS ACROSS VALUE CHAIN

We are actively embedding our ESG priorities across the entire supply chain to ensure our suppliers and partners uphold the same high standards we commit to. All suppliers are expected to demonstrate clear alignment with AGSI's values on human rights, labor rights, conflict-free sourcing, health and safety, workplace ethics, and zero tolerance for corruption and bribery.

To reinforce this commitment, we conduct rigorous assessments of our suppliers against defined environmental and social criteria. In 2024 alone, all 167 newly onboarded suppliers underwent ESG screening to verify their adherence to responsible business practices. This process strengthens our supply chain resilience while advancing our broader sustainability goals.

COMMITMENT TO DECARBONIZING THE STEEL VALUE CHAIN

AGSI is committed to decarbonizing the steel value chain and has initiated efforts to empower our suppliers to lower their emissions. Through active collaboration, we aim to work with our supply chain partners to advance sustainable practices, drive emissions reductions, and foster collective climate action. Through training and awareness sessions, we are planning to educate our partners in supply chain about our ESG ambitions and provide them with necessary tools to raise their awareness. Wherever possible, we will be integrating carbon emissions data into our supplier evaluation processes, ensuring that sustainability considerations play a key role in procurement decisions. By fostering transparency and accountability, we aim to create a more resilient, low-carbon supply chain that aligns with our Net Zero ambitions and the UAE's sustainability goals.



Social Responsibility and Stakeholder Impact



WORKFORCE PROTECTION: SAFETY LEADERSHIP AND PERFORMANCE

OUR HEALTH & SAFETY MANAGEMENT APPROACH

At AGSI, the health, safety, and well-being of our employees, contractors, and neighboring communities are our top priorities. Ensuring safe and healthy working conditions is a fundamental commitment embedded in our core policies, code of conduct, and the way we operate.

We recognize the importance of both physical and mental well-being, integrating comprehensive health and safety measures into our management systems. We foster a strong safety culture that extends across our employees, contractors, and suppliers. Our goal is to prevent all incidents that could cause harm, damage assets, or negatively impact the environment, ensuring a secure and sustainable workplace for all.

We take a proactive approach to identifying and mitigating occupational hazards across all our operations. We actively engage our employees and contractors in fostering a culture of safety and risk awareness. Using a structured hierarchy of controls, we prioritize the elimination of hazards whenever possible and implement rigorous measures to minimize any risks. Through continuous improvement and collaboration, we ensure a safe and resilient work environment for all.

OUR HEALTH & SAFETY MANAGEMENT SYSTEM

Our facilities operate according to the Occupational Health and Safety Management System (OSHAD) and in compliance with the local authorities, which aligns with the Abu Dhabi Occupational and Health Center System Framework. Our Health & Safety Policy is built on a foundation of proactive risk management, regulatory compliance, and continuous improvement to ensure a safe and secure workplace.

We conduct regular internal audits and risk identification, control identification, and hazard elimination of our health and safety management system and processes, and we are regularly audited by independent third-party auditors to ensure the compliance and alignment with OSHAD, as well as statutory regulations. The audits by the external party are focused on risks, operational controls, and performance monitoring system and compliance against regulatory

requirements.

Our dedicated safety team conducts continuous and thorough reviews of safety data across all our operational and project sites. By systematically analyzing this data, we identify potential hazards, detect emerging trends, and proactively address any areas of concern. This ongoing assessment allows us to uncover opportunities for improvement, refine our safety protocols, and enhance risk mitigation strategies. Through this vigilant approach, we ensure that high-risk areas receive the necessary focus and resources, reinforcing our commitment to maintaining a safe and secure working environment for all employees and stakeholders.

SAFETY CULTURE AGSI'S COMMITMENT TO SHARED SAFETY PRINCIPLES

1. "Safety First" Principle
2. Safety is everyone's responsibility
3. All incidents are preventable
4. Leadership drives safety excellence
5. Proactive hazard identification and risk reduction
6. Empowering employees through training and awareness
7. Commitment to safety-first and wellbeing leads to business excellence
8. Health and safety are at the core of everything we do
9. Working safely is a condition of employment and career advancement



HEALTH AND SAFETY MANAGEMENT SYSTEMS AND CULTURE

EMPLOYEE TRAINING ON OCCUPATIONAL HEALTH & SAFETY

At AGSI, we prioritize the health, safety, and well-being of our employees through a comprehensive Occupational Health & Safety (OHS) training program. Our structured approach ensures that every worker is equipped with the knowledge, skills, and resources needed to identify hazards, mitigate risks, and maintain a safe working environment.

Safety Induction for New Employees All new employees, contractors, and visitors undergo a mandatory safety induction program before accessing operational areas. The training covers AGSI's safety policies, emergency procedures, hazard identification, PPE requirements, and safe work practices.

Regular Safety Training & Awareness Programs We conduct ongoing safety training sessions tailored to different job roles and risk levels to reinforce workplace safety. Some of the areas of the training program include teaching employees how to recognize and assess workplace hazards, training on risk assessment for non-routine tasks, hands-on training on fire safety and emergency response, fire prevention, evacuation procedures, and firefighting equipment use, Permit To Work (PTW) ensuring compliance with work permits for high-risk activities like confined space entry, hot work, and working at heights, safe handling of tools and equipment ensuring proper use and maintenance of machinery, hand tools, and lifting equipment.

Safety Culture & Employee Engagement We foster a proactive safety culture by encouraging employees to actively participate in safety initiatives. The Plant's Management reinforces the safety and embeds the safety measure across all operations. Employees are empowered to report unsafe conditions, contribute to safety discussions, and suggest improvements through regular safety meetings, toolbox talks, and suggestion programs.

EMERGENCY PREPAREDNESS

Safety Drills & Practical Exercises As part of its strong Health, Safety, and Environment (HSE) culture, AGSI regularly conducts Safety Drills & Practical Exercises to enhance emergency preparedness and ensure employees are well-equipped to respond to potential hazards. These mock-up drills and simulations include fire evacuation exercises, chemical spill response, and other exercises, providing hands-on experience in real-life scenarios. AGSI reinforces quick decision-making, teamwork, and compliance with safety protocols. Regular emergency drills, safety demonstrations, and refresher training help employees stay vigilant, fostering a proactive safety culture where risk awareness and rapid response become second nature.

CONSULTATION AND COMMUNICATION

We have effective communication and consultation channels throughout the operations that are integral to fostering health and safety culture. We actively engage our employees at the plants at all levels through structured programs that ensure awareness, transparency, and continuous improvement. Activities for consultations and communications are as follows:

- Regular safety meetings and toolbox talks.
- HSE Committee consisting of our HSE manager, plant management, and respective department's managers and representatives, supervisors, and employee safety champions.
- Regular consultation sessions allow workers to voice safety concerns, propose improvements, and participate in decision-making regarding workplace safety.
- We also organize safety awareness campaigns and themed events to reinforce and promote strong safety culture



SAFETY PERFORMANCE

OUR HEALTH & SAFETY PERFORMANCE

**TOTAL HSE TRAINING
HOURS DELIVERED IN
2024**

8,955

**INCREASE IN HSE TRAINING
HOURS DELIVERED IN 2024
COMPARED TO PRIOR YEAR**

25%



Description (Employees)	Unit	2024
Total Hours Worked	Number	733,631
Total Recordable Injuries (TRI)	Number	5
Lost Time Injuries (LTI)	Number	2
Total Recordable Injury Frequency Rate (TRIFR)	Rate	6.82
Lost Time Injury Frequency Rate (LTIFR)	Rate	2.73
HSE Training Hours delivered	Number	8,955

0

In 2024, AGSI recorded zero fatalities, disabilities, or occupational health incidents among employees, contractors, and subcontractors.

HEALTH & SAFETY MANAGEMENT & INCIDENTS INVESTIGATION

At AGSI, we prioritize safety and continuous improvement through a structured Incident Investigation Process aimed at identifying root causes and implementing corrective actions to prevent recurrence, including all accidents, near misses, and injuries. Our approach integrates Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and the Hierarchy of Controls to ensure comprehensive risk management.

Our HSE team and Plant Head oversees the health & safety processes and procedures, ensuring risk reduction, prevention of accidents, and fostering a culture of safety and accountability. The process is structured to include the following:

- **Incident Reporting and initial response** - All accidents, near misses, and injuries must be reported and documented immediately to the respective supervisor or safety officer. Employees are encouraged to document and communicate all incidents, ensuring transparency and prompt action.
- **Incident Investigation and Root Cause Analysis (RCA)** - our dedicated team is assigned to perform root cause analysis. Using structured methodologies, the team thoroughly examines contributing factors, including human error, equipment failure, environmental conditions, and procedural gaps.
- To ensure workplace safety, AGSI Steel Plant follows a **Hazard Identification and Risk Assessment (HIRA)** framework to proactively evaluate risks associated with work activities: identifying hazards, assessing risks, implementing controls, review and monitoring.
- For tasks that are non-routine or high-risk, **Job Safety Analysis (JSA)** is conducted to break down tasks into individual steps and identify associated hazards.
- Based on the investigation and risk assessment, corrective and preventive actions are implemented following strict **Hierarchy of Controls**. This includes elimination and removing the hazard entirely, substitution, engineering controls, administrative controls, and personal protective equipment (PPE).
- **Digital Tracking and Continuous Monitoring** - all incidents, investigations, and corrective actions are recorded in the AGSI's HSE system ensuring real-time tracking and closeout verification.
- **Learning and Continuous Improvement** - the HSE team ensures that the lessons learned from incidents are shared across departments through safety meetings, toolbox talks, and training programs. Regular safety drills are conducted to reinforce safety culture.

AGSI complies with local standards and regulations and upholds industry best practices.

HEALTH & WELLBEING INITIATIVES CASE STUDY

Case Study

AGSI CARES -PROMOTING EMPLOYEE HEALTH AND WELLBEING

Health of our Employees is Our Priority



SUPPORTING RESILIENT AND ENGAGED WORKFORCE CULTURE

At AGSI, employee health and wellbeing are central to our commitment to sustainability and corporate responsibility. As part of our "AGSI Cares" Wellbeing Program, we actively promote a healthy work-life balance, preventive healthcare, and overall wellness through various initiatives. We regularly conduct the AGSI Health & Wellness Days in all locations. All our employees have an opportunity to undergo health screening and check-ups, providing valuable insights into their overall health. Qualified healthcare professionals conduct health screening for common health indicators, such as blood pressure, random blood sugar testing, eye vision check. Employees were given advice from the nurses and doctors for the areas to address and give more attention to for their health. Our AGSI HR team, together with HSE and Administration team were assisting all the way through the events. Our Health & Wellness Program is designed to:

- Promote physical and mental wellbeing among employees.
- Provide preventive healthcare services and lifestyle awareness.
- Encourage a safety-first mindset by integrating occupational health with wellness.
- Foster a positive and engaging work culture centered around employee care.

As part of the "AGSI Cares" Wellbeing Program, we actively collaborate with hospitals, medical institutions, and health experts in Abu Dhabi, Hamriyah, and Dubai, to provide our employees with comprehensive healthcare services. Through these partnerships, AGSI ensures access to preventive health screenings, medical consultations, vaccination drives, and specialized wellness programs designed to promote long-term health and wellbeing. Our collaborations also extend to occupational health providers, ensuring that employees working in high-risk environments receive regular health checkups, ergonomic assessments, and fitness-for-duty evaluations.

To support our employees' financial security, we have implemented a Group Life Insurance Policy in 2024 for all staff. Coverage is based on employee grade, ensuring appropriate protection aligned with roles. This reflects our commitment to employee well-being and safeguarding the long-term interests of our workforce and their families. At AGSI, we believe that investing in the health and wellness of our employees is essential to creating a positive and productive work environment.

To that end, our AGSI initiatives under AGSI Cares aim to prioritize your well-being, health, balanced life, and healthy food choices. We want to empower you to perform at your best and thrive both personally and professionally.

AGSI's Health Program, part of the "AGSI Cares" Wellbeing Initiative, is designed to promote a safe, healthy, and supportive workplace while aligning with the United Nations Sustainable Development Goals (SDGs). Through preventive healthcare, mental well-being initiatives, and strategic partnerships with hospitals and medical institutions, AGSI directly contributes to multiple SDGs, reinforcing its commitment to sustainability and corporate responsibility.



HOLISTIC
ADVICE ON
WELLBEING
AND HEALTHY
LIFESTYLE



REGULAR
SCREENING AND
HEALTH CHECK-
UPS PROVIDED



PROMOTING
HEALTH, SAFETY
& WELLBEING
MINDSET



HEALTH SERVICES & WELLBEING

HEALTH & WELLBING PROGRAMS

At AGSI, the health and well-being of our employees are fundamental to our sustainability and social responsibility commitments. Through a comprehensive healthcare strategy, we ensure that our workforce has access to quality medical care, preventive health

services, and well-being initiatives that foster a safe and healthy work environment.

Our "AGSI Cares" Program provides a holistic approach to health and wellbeing, ensuring that employees have access to comprehensive healthcare support.

To provide high quality healthcare services, we established strong partnerships with local healthcare providers, medical clinics, and hospitals. These collaborations enable us to provide necessary support for all our employees, and include:

- On-site and off-site medical consultations, screening, and treatments.
- Immediate access to specialized healthcare services when needed.
- Emergency medical support and occupational health programs and health days for employees at the facilities.

In addition, we have on-site nurses at our plant locations who ensure that all employees receive immediate first aid, routine check-ups, and health monitoring during working hours as part of our workplace safety measures. We operate within a rigorous framework to ensure the highest standards of quality, safety, and compliance in steel manufacturing.

Our approach integrates global best practices, and we comply with the UAE's regulations and laws, including adherence to the Abu Dhabi Public Health Center and Abu Dhabi Health Authority, the Occupational Safety and Health Management System (OHSAD) regulations, and environmental regulations in line with ISO14001.

In full alignment with the regulations, we perform regular health risk assessments and workplace safety audits conducted by an external third-party independent auditor.

Also, we proactively monitor and conduct programs to reduce workplace-related illnesses and injuries. Our efforts for proactive healthcare services and wellbeing programs ensure that AGSI directly contributes to a healthier, safer, and more engaged workforce, and builds a culture of workplace excellence and social responsibility.

HEALTH & SAFETY KPIS

We have developed the highest safety standards through our structured Key Performance Indicators (KPIs) and are continuously tracking, reporting and monitoring health and safety performance, ensuring proactive data-driven approach to the health and safety of our people.

By implementing safety KPIs and continuous improvement initiatives, we made significant progress in minimizing workplace risks, enhance health education and foster a culture of proactive health and safety management.



AWARENESS CAMPAIGNS

As part of our AGSI Cares Wellbeing Program, we actively promote health awareness and early detection initiatives. In support of Breast Cancer Awareness Month, AGSI organized a Breast Cancer Awareness Campaign, providing employees with educational sessions and expert consultations in partnership with healthcare providers. Through this initiative, we reinforced the importance of early detection, regular check-ups, and overall well-being, empowering our workforce with knowledge and access to critical healthcare resources.



HEALTH DAYS AND CHECK-UPS

As part of our AGSI Cares Wellbeing Program, we actively promote health awareness and early detection initiatives. In support of Breast Cancer Awareness Month, AGSI organized a Breast Cancer Awareness Campaign, providing employees with educational sessions and expert consultations in partnership with healthcare providers. Through this initiative, we reinforced the importance of early detection, regular check-ups, and overall well-being, empowering our workforce with knowledge and access to critical healthcare resources.



TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT

At AGSI, the commitment to people and society is at the heart of our operations. We believe in equal opportunities, diversity, and inclusion, ensuring that every individual feels valued and empowered. As a leading sustainable steel manufacturer, we recognize that a skilled, engaged, and diverse workforce is essential to driving our sustainability goals.

To that end, we prioritize attracting, developing, and retaining top talent while fostering a positive, inclusive, and supportive workplace culture.

As a company operating in the UAE, we take great pride in supporting local talent development and are deeply committed to hiring and empowering Emirati Nationals. By aligning with the UAE's Emiratization goals, we are strengthening our workforce with highly skilled local professionals, ensuring sustainable growth and contributing to the nation's economic and industrial development.

We are committed to employee wellbeing, professional growth, and fair treatment, aligning with the UAE Labour Laws and International Labour Organization (ILO) standards to uphold fairness, equity, and continuous learning opportunities. Through structured initiatives, training programs, and strong workplace policies, we ensure that our people remain at the core of our success, shaping a sustainable and responsible future.

AGSI'S DIVERSIFIED AND EMPOWERED WORKFORCE

At AGSI, we are committed to building a diverse, inclusive, and future-ready workforce, recognizing that empowering youth and women is key to driving innovation and long-term success. Over the past year, we have increased our workforce by 8%, reflecting our strategic focus on attracting top talent and fostering an environment where all employees can thrive.

A significant achievement in our diversity efforts is the 79% increase of female employees with 50% increase in women in managerial roles, reinforcing our dedication to gender equality and leadership development.

Through initiatives such as the Women in Steel program and Women Leadership Training, we continue to provide growth opportunities for female professionals, ensuring their meaningful contribution across all levels of the organization. We provide training and development opportunities for all employees ensuring that they have career progression and rewarding career paths.

Additionally, we have strengthened our efforts to recruit and develop young professionals, with a focused approach on hiring graduates. By investing in the next generation, we aim to nurture a skilled and empowered workforce that will shape the future of the steel and manufacturing industry. Our commitment to diversity, inclusion, and professional development aligns with global sustainability goals, reinforcing AGSI's position as a responsible and forward-thinking employer.

We embrace a diverse workforce across all age groups, recognizing the value that experience, fresh perspective, and innovation bring to our organization.

We foster an inclusive environment that integrates employees from all ages and backgrounds. By merging experienced professionals with emerging talents, we create a balanced workplace that supports knowledge-based economy, sharing experiences, mentorship, and continuous learning.

We aim to attract and develop young professionals, while retaining experienced industry experts. This ensures that AGSI has a strong, future-ready workforce that is capable of driving sustainable growth and innovations across our company.

We offer all our employees a comprehensive range of benefits that support their health, wellbeing, development, and overall quality of life. We do that through providing a competitive benefits package, including compensation, healthcare coverage, and other benefits, for both the employees and their families.



At AGSI, our people are our greatest strength. We are committed to creating a safe, inclusive, and dynamic workplace where every employee is valued, empowered, and supported in reaching their full potential.

By fostering a culture of diversity, well-being, and continuous growth, we cultivate an environment where innovation thrives.

Guided by visionary leadership and a spirit of collaboration, we strive to build a sustainable future—one where our people flourish and contribute to a lasting, positive impact on the world.

In 2024, we taken significant steps to enhance employee wellbeing, health and safety, diversity, and professional growth. Our initiatives reflect our dedication to creating an inclusive, safe, and dynamic workplace that empowers all employees and strengthens our industry's future.

We've expanded our Wellbeing Program with a new initiative 'AGSI Cares' that offers our employees' health advice and awareness programs. In 2023 and 2024 we have been leading change by actively promoting gender diversity and inclusion.

We launched 'AGSI Women in Steel', a dedicated platform to support and mentor women in steel industry across the region, a significant increase in the number of women in our workforce, including managerial positions.

We have strengthened our inclusive policies to ensure equal opportunities for all employees.

We also aim to continuously improve the capabilities of our people offering them training and programs. We have launched new employee communications platform that enhanced engagement, collaboration, and knowledge sharing.



79%

Female Employees
Increase



50%

Female Employees in
Managerial positions
Increase



8%

All Work Force Increase



OUR DIVERSE WORKFORCE

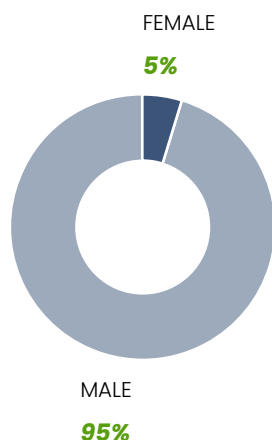
DIVERSITY AND INCLUSION

At AGSI, we recognize that our people are our greatest asset, and their dedication and expertise drive our success. As we continue

to expand our operations, we have made significant progress in growing our workforce, ensuring we have the talent and skills

needed to support our long-term strategic vision.

OUR DIVERSIFIED WORKFORCE



718 ↑
Total Employees

5% ↑
Female % of Total Employees

20% ↑
Females in Senior Management Roles

29% ↑
Under 30 years old

10% ↑
Female New Hires % of Total New Hires

40% ↑
Female Graduates New Hires % of Total Graduates New Hires

15 ↑
Nationalities

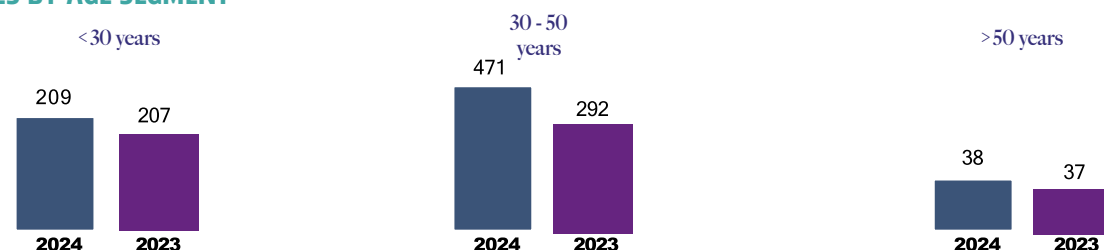
Unit (numbers)	2023	2024
Total Employees	667	718
Senior Management	4	5
Middle Management	32	40
STAFF	631	673
Female	19	34
Male	648	684
UAE Nationals*	3	4
Employee Turnover	21%	15%

- We reported none of UAE Nationals holding senior or top management positions.

We at AGSI value diversity across all age groups, recognizing that a blend of experience and fresh perspectives drives innovation and operational excellence. In 2024, the average basic salary for female employees was AED 8,942, compared to AED 4,395 for male employees, reflecting equitable and performance-based remuneration practices across job categories.

No discrimination incidents were reported during the year, underscoring AGSI's commitment to maintaining an inclusive, respectful, and fair workplace for all employees.

EMPLOYEES BY AGE SEGMENT



In 2023 and 2024, AGSI engaged a total of 10 contractors and subcontractors on-site, comprising 6 security guards and 4 cleaners. These individuals provided essential support services, with security personnel responsible for safeguarding facilities and ensuring site access control, while cleaning staff maintained hygiene and sanitation across operational areas. All engagements were structured as ongoing service contracts to support daily operations.

HUMAN RIGHTS

OUR APPROACH TO HUMAN RIGHTS

Human Rights are fundamental priority for us at AGSI. It is embedded in our operations and our culture. Is it underpinning our values as an ethical business and stated explicitly in our Code of Conduct.

Respect for Human Rights

Respect for human rights is embedded in AGSI's culture and across the value chain. It is reflected in our Code of Conduct and A Policy on Human Rights.

To demonstrate this commitment, we developed a comprehensive Human Rights Policy that covers areas such as, nondiscrimination,

fair wages, safe working conditions, and the prohibition of child and forced labor. Through regular audits and

continuous training, we ensure that these principles are consistently applied, reinforcing our commitment to social

responsibility and fostering a culture of respect and dignity for all individuals associated with AGSI.

We are signatory to the United Nations Global Compact and a supporter of the UN Guiding Principles on Business and Human Rights.

as well as the UN International Labor Organization (ILO) Declaration on Fundamental Principles and Rights and Work.

As well as supporting the UN Guiding Principles on Business and Human Rights (UNGPs), we are committed the UN International Labor Organization (ILO) Declaration on Fundamental Principles and Rights and Work and the UAE Human Rights Principles and the UAE's Labor Law.

In addition, our Human Rights approach is in line with the UAE Human Rights Principles, Federal Decree - Law No. 47 on Unified Rules of Labor in the United Arab Emirates; federal Law No. 12 of 2021 Regarding National Human Rights Institution; International Standards such as The International Bill of Rights.

The Management is responsible for ongoing identification of potential or actual adverse human rights impacts across AGSI and establishing mitigation strategies.

We ensure that our management system, mitigation, approaches, policies and actions address salient human rights issues, while looking for preventative measures.

Respecting the labor rights of our workers is paramount, whether at the AGSI's offices, steelmaking operations, suppliers, contractors, or other value chain partners.

We prohibit all forms of modern slavery, forced labor and child labor in our organization and value chain. We have zero-tolerance approach which is mandated in our policies.

We educate our employee and partners on our principles and have a strict compliance policies. We conduct regular 'refresher' trainings of our Code of Conduct including Human Rights, forced labor, child labor, harassment, and other policies.



As a company, we believe that respect for human rights is essential to building a fair, inclusive, and ethical workplace. Our commitment to upholding human rights ensures that every individual, whether an employee, partner, or community member, is treated with dignity and respect. This commitment is at the core of our values and drives the way we operate every day."



HUMAN RIGHTS (cont.)

Grievance Management and Resolution

At AGSI, we are committed to fostering a fair, transparent, and respectful workplace, ensuring that all employees, stakeholders, and community members have a safe and structured process to voice concerns. Our formal grievance mechanism overseen by Human Resources Department is available for all employees and provide a confidential and accessible platform for reporting issues related to workplace conditions, ethics, human rights, discrimination, harassment, health and safety, and other concerns. AGSI maintains a formal grievance policy to ensure employee concerns are addressed fairly, transparently, and in a timely manner.

The procedure includes informal resolution through direct engagement with managers, followed by a structured three-stage process: written grievance submission, formal hearing, and appeal. Investigations are led by the HR Manager or CPO, with documented outcomes and defined timelines for response.

In 2024, AGSI received zero formal grievances, reflecting a stable and supportive workplace environment. The grievance system remains active and accessible to all employees, with clear protocols for reporting, investigation, and resolution.

Through the structured process we aim to provide all our people an easy access to voice their concerns and respond quickly with actionable solutions.

We ensure confidentiality and non-retaliation as we uphold a strict non-retaliation policy, ensuring that all grievances are handled with discretion and without fear of repercussions. We regularly review and enhance our grievance policies and procedures to align with global best practices and the UAE labor laws.

Open Communication and Employee Engagement

We are committed to fostering a transparent, inclusive, and collaborative workplace. While the freedom of association and collective bargaining are restricted under the UAE's laws, we encourage open communications across all levels of our company to provide our people an opportunity to voice their concerns, ideas, and feedback. Through the regular and open dialogue, we ensure that every member of our teams is heard, and we strive for continuous improvement.

We engage with our people through different channels, some of which include:

- Regular communication and updates through internal communications channels, newsletters, announcements, emails from managers and executives.
- Face-to-face communications through team and departmental meetings.
- Company's Portal (AGSI HUB) – we have launched a new platform where we communicate any updates, news and achievements, as well as share key documents on processes and initiatives.
- On-site visits by Executives.

Employee Engagement Committee

Additionally, we recognize that an engaged workforce is key to achieving our sustainability goals, including our commitment to carbon-neutral operations. We actively foster a workplace culture where employees feel empowered, valued, and involved in our sustainability journey.

Our Employee Engagement Committee that ensures that voices from across the organization are heard and fosters the collaboration amongst employees at all levels. The Committee drives the engagement through team-building activities, social events, and sustainability-driven initiatives. It also plays a key role in well-being programs through regular initiatives that are focused on wellness and wellbeing of our people.

We aim to create a positive work environment that enhances morale and productivity, empowering employees and fostering

engagement at all levels, which is fundamental to building a connected, motivated, and future-ready workforce aligned with our sustainability and business goals.

Anti-Bribery and Business Integrity

AGSI enforces a strict zero-tolerance policy toward bribery and corruption, recognizing such practices as unethical, illegal, and incompatible with our

corporate values. We prohibit offering, soliciting, or accepting any form of bribe or improper payment in all business dealings, whether with public officials, suppliers, contractors, customers, or communities. This principle applies to all employees and third parties acting on our behalf.

To uphold this commitment, all AGSI employees are required to comply with the Business Integrity Policy and participate in mandatory training sessions provided by the HR Department.

These include onboarding orientation, refresher courses, and regular compliance workshops to reinforce awareness and accountability.

Confidential reporting channels are maintained to allow employees to report suspected violations without fear of retaliation, and all concerns are investigated objectively.

AGSI also ensures accurate and transparent financial records in line with applicable accounting standards, and actively encourages suppliers and partners to adopt similar anti-corruption practices.

TALENT MANAGEMENT & DEVELOPMENT

INVESTING IN OUR WORKFORCE

In 2024, we launched several strategic initiatives to develop a future-ready workforce aligned with our commitment to carbon-neutral steel manufacturing. We have introduced a structured framework for Talent Management and Development, along with an enhanced Performance Management Program, to attract, retain, and empower employees with the necessary skills to drive sustainable operations. We have also launched inaugural Women in Steel initiative to empower women in steel industry and support diversity of our teams. Through structured career development programs, specialized technical training, development of green skills, and continuous learning opportunities, we are preparing our workforce to lead the transition toward sustainable steel production. We foster a culture of innovation and inclusivity and ensure that every employee contributes meaningfully to our long-term sustainability goals, reinforcing our leadership in the global shift towards a low-carbon steel industry.

**TOTAL HOURS OF
PROFESSIONAL AND
TECHNICAL TRAINING IN 2024** **44,121**

**INCREASE IN PROFESSIONAL
AND TECHNICAL TRAINING
HOURS IN 2024 COMPARED TO
THE PREVIOUS YEAR** **38%**

**EMPLOYEES RECEIVED
REGULAR PERFORMANCE
AND CAREER DEVELOPMENT
REVIEWS** **100%**

We significantly enhanced our commitment to employee growth and capability building by increasing total hours for professional and technical training for all employees by 38% compared to prior year. This reflects our strategic focus on investing in our people through technical upskilling, professional development, and building sustainability competencies. This set the company well with the future skills needed to deliver on our commitments, from both commercially and sustainability point of view.

Tailored training modules were introduced in various departments to equip our workforce with the skills necessary to navigate evolving industry demands, including automation, decarbonization technologies, digital tools, leadership and management, low-carbon steel materials, amongst others. By investing in continuous development, we empower our people to lead with confidence, drive innovation, and contribute meaningfully sustainability to our long-term goals.

Description	Unit	2024	2023
Senior Management	Hours	307	192
Middle Management	Hours	2,458	1,538
Staff	Hours	41,356	30,332
Average training hour per employee	Hours/Employee	61	48
Female	Hours	2,089	913
Male	Hours	42,032	31,150

OUR TALENT & DEVELOPMENT PROGRAMS & INITIATIVES INCLUDE



- Performance Management Program
- Career Development & Progression Program
- ASPIRE Graduates Program
- Employee Engagement
- Upskilling Programs
- Green Skills Development
- Emiratization Program
- Women in Steel Program
- Leadership Development Program for Managers

TALENT MANAGEMENT & DEVELOPMENT (cont.)

EMPLOYEE COMPENSATION AND BENEFITS

AGSI maintains competitive compensation and benefits practices across its workforce. In 2024, the median annual total compensation for employees—excluding the highest-paid individual—was AED 4,826. While the UAE does not mandate a minimum wage, AGSI is recognized as one of the top-paying employers in the steel industry. All full-time employees are entitled to a comprehensive benefits package, including various types of leave, medical insurance, group life insurance, weekly production bonuses, and annual performance bonuses. Parental leave is provided in accordance with UAE Labour Law: five days of paid paternity leave and 60 days of maternity leave (45 days fully paid, 15 days half-paid). In 2024, one employee utilized maternity leave, while no paternity leaves were recorded. AGSI ensures transparency and fairness in workforce management, offering a minimum notice period of 30 days for operational changes affecting staff, and 90 days for C-level and senior management. Additionally, 100% of employees—across all categories and genders—received regular performance and career development reviews during the year.

UPSKILLING OUR PEOPLE FOR SUSTAINABLE OPERATIONS AND INNOVATION

AGSI is dedicated to equipping its workforce with the skills and knowledge necessary to support carbon neutrality, sustainable steel operations, and the adoption of cutting-edge technologies in our facilities. To achieve this and maintain our commitment to carbon neutrality and low carbon steel production, we have implemented comprehensive upskilling programs tailored to specific needs of our operations and our evolving sustainability objectives.

Some of the initiatives include:

- Upskilling on sustainability aspects and carbon neutrality training.
- Technology and Innovation training including our technology systems and digitization.
- Green Skills development including our circular operating model and circular economy principles, energy efficiencies, waste reduction to support AGSI's commitment to Net Zero Waste ambition.
- Technical and operational skills ensuring that our technical employees are equipped with the specialized skills to support sustainable steel manufacturing.

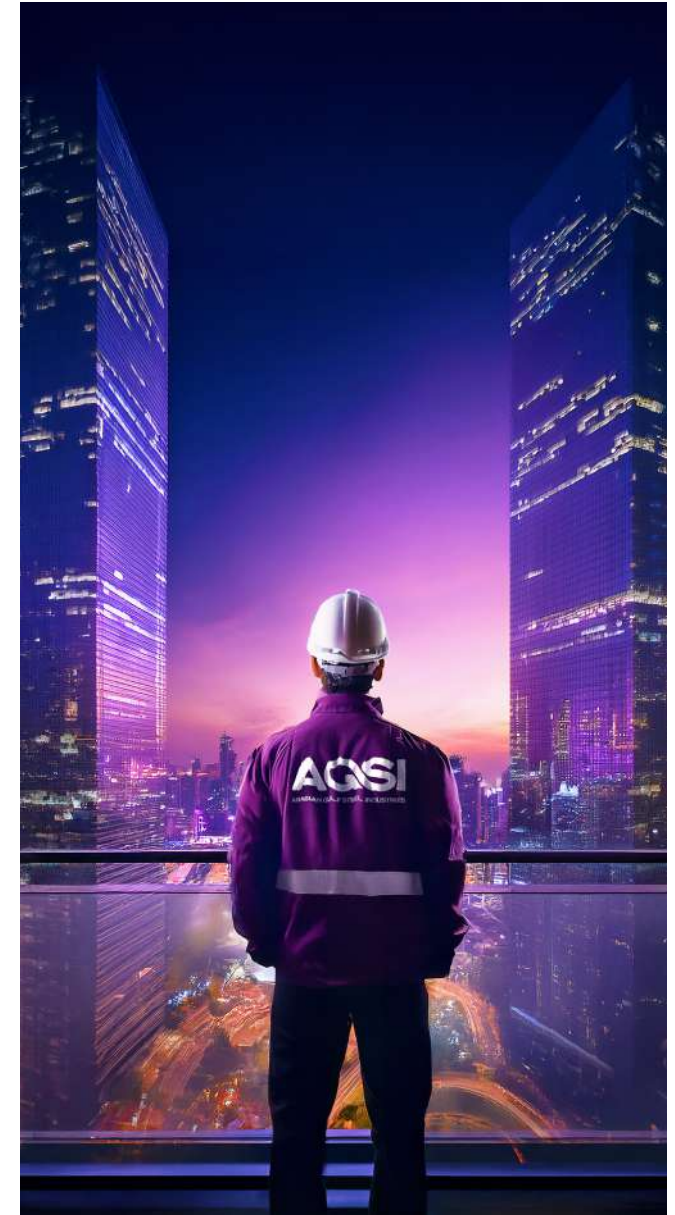
• Leadership training preparing employees to lead change, sustainability transition, and foster a culture of innovation and continuous improvement.

CAREER DEVELOPMENT & PROGRESSION

Our Career Development Program is built on clear Career Pathways and Progression Guidelines and Policies that provide both managers and employees with a transparent and structured approach to career advancement, in various career pathways, including technical, professional, and managerial career pathways. These guidelines offer a comprehensive understanding of job grading and levels, progression pathways, promotion and increment policies, and associated benefits.

Employees are supported in their professional growth through structured Career Development Plans and Career Improvement Plans, ensuring they have clear objectives and access to the necessary resources to enhance their skills and advance within AGSI. By fostering a culture of continuous development, we enable employees to take ownership of their careers while aligning their aspirations with the company's strategic goals.

Additionally, we have a structured graduate program, called ASPIRE, that aims to attract, develop and retain talented graduates from a variety of universities and programs. We aim to provide our graduate trainees with a practical experience, professional development opportunities, and comprehensive exposure to various aspects of AGSI. This includes operations, multiple departments within the plant, and business administration functions. As a part of our targeted graduate recruitment program, we have onboarded 17 Graduate Trainees in 2024 recruited from top-tier institutions. The program begins with a structured rotation period of 45 days, during which trainees get immense exposure working across different operational functions and departments. Upon completion of the rotation, they are placed in the preferred departments to begin their focused development and contribute meaningfully to the organization.



EQUITY AND INCLUSION

EQUAL OPPORTUNITIES

AGSI is committed to fostering a diverse, equitable, and inclusive workplace where all employees, regardless of gender, background, or experience, have equal opportunities to thrive. We take pride in having a truly global and inclusive workforce, bringing together talent from 15 nationalities, an increase of 15% year-on-year. Aligned with the UAE's vision for economic growth and the UAE's In-Country Value, we are committed to empowering local talent and increasing local Emirati Nationals within our workforce. through targeted recruitment strategies, we actively increasing the representation of the UAE Nationals ensuring they have meaningful career opportunities within our company and steel industry.

In 2024, 20% of our senior management roles were held by women. Additionally, 10% of Leadership roles were held by female employees and 53% of administration roles were held by females. Our total workforce increased by 8% from prior year showcasing our dedication to attracting and retaining talent from diverse backgrounds, equal opportunities, and a workplace culture that values different perspectives. Through our People Strategies, we aim to give our employees opportunities to grow and drive sustainable progress within our company and steel industry.

SUPPORTING WOMEN IN STEEL

Recognizing the importance of gender diversity, we have made significant strides in increasing female representation across all levels of our organization. We achieved significant milestones in 2024 creating all-inclusive work environment for female employees in a traditionally male-dominated industry. We challenge the stereotypes and create an environment where women can thrive. This includes:

- Updated DEI Policy and targets to increase female representation at all levels.
- Significant increase of AGSI's female representation across all levels, with 79% increase in the number of females employed at AGSI. Further, we increased women in managerial positions by 50% year-on-year, demonstrating our commitment to gender balance and leadership development.
- Established a women empowerment initiative through leadership coaching, mentorship, and career development advice.
- Engagement with external networks such as Emirates Green Building Council Women Network which strengthens our involvement in women initiatives in the sector.

Our target is to increase female representation by 20% year-on-year and increase female employees to 7% of total workforce by 2030.

HIGHLIGHTS

79%

increase in women representation year-on- year

5%

of total workforce are female

40%

of New Hire Graduates were female

10%

of females in Leadership positions

50%

increase in women in managerial positions year-on-year

20%

of female representation in Senior Management

AGSI Women in Steel Established

Increase in female New Hire Graduates



COMMUNITY INVESTMENT AND SOCIAL PARTNERSHIPS

We recognize that our responsibility extends beyond our operations and are committed to making a meaningful impact on the communities where we operate.

As the Corporate Social Citizen, we aim to fostering strong relationships with the communities, local authorities, partners and a broader society where it operates, ensuring that the business is contributing positively to social, economic, and environmental wellbeing.

Our Social Corporate Responsibility initiatives as well as the Code of Conduct and Environmental Policy are built on inclusivity, sustainability and shared value that are aligned with the UAE's national priorities and regulations. We ensure that our actions and behaviors are guided by set of principles based on the social responsibility, labor rights, community concerns, and are in line with the local laws and regulation, and international best practices.

We actively engage with representatives of local community in the UAE, residents, partners, customers, local authorities, and other relevant stakeholders. We ensure to have an open communication through various communication channels that enable the stakeholders to voice their concerns, should there be a need. This ensures transparency, accountability, and a culture of action and continuous improvement.

Through our CSR initiatives, we aim to create a positive impact in the communities where we operate and leave a positive and lasting change for the next generations.

ENVIRONMENTAL RESPONSIBILITY

As the responsible steel manufacturer and good corporate citizen, we prioritize environmental impact and protecting the health of local communities.

We do that through activities such as:

- noise and air pollution control
- waste management and circular economy practices to enhance recycling and waste reduction efforts
- water conservation through our Water Treatment Plant. citizen, we ensure that we minimizing

HEALTH AND WELLBEING CAMPAIGNS

Breast Cancer Awareness and Donations Every year we support health and wellness campaigns, including Breast Cancer Awareness and fundraising for treatment and prevention. We run fundraising campaigns with the focus on helping raise awareness across the communities and help those in need.

EDUCATION AND KNOWLEDGE SHARING

Education is one of the key aspects for our community engagement. We believe that investing in education is a key opportunity to driving socio-economic progress. We collaborate with universities to deliver programs that equip students with the knowledge about sustainable steel manufacturing and its potential in decarbonization efforts within the UAE and globally. We aim to equip local students and communities with the knowledge and skills for the future careers in the sustainability and manufacturing.

IN HARMONY WITH NATURE

We have run the "Steel in Harmony with Nature: Trees for a Brighter Tomorrow" initiative aimed at enhancing biodiversity within the industrial area where we operate. We engaged with the community members to plant trees at our Steel Plant in Abu Dhabi emphasizing the importance of reforestation and environmental protection. Our vision is to integrate green infrastructure into our industrial operations, showcasing that steel and sustainability can co-exist in harmony with nature.



COMMUNITY AND SOCIETY (cont.)

EMPOWERING FUTURE TALENT

We have signed Memorandums of Understanding (MoUs) with several universities to offer short-term internships ranging from one to two months. These programs provide students with hands-on industry exposure, helping them develop practical skills and gain insight into the steel manufacturing sector.

COMMUNITY AND EMPLOYEE ENGAGEMENT

We actively foster a vibrant workplace culture through regular sports and wellness activities, including an in-house cricket tournament that brings employees together and promotes well-being. These initiatives strengthen team spirit and contribute to a healthy work environment.

CHARITABLE COMMITMENT BEYOND BUSINESS

Our commitment to social responsibility extends beyond corporate boundaries. Mr. Asam Hussain, a key leader at AGSI, runs a personal charitable trust that supports community welfare initiatives, reflecting our values of compassion and civic engagement.

INDUSTRY LEADERSHIP AND COLLABORATION

AGSI plays a leading role in regional industry dialogue by hosting the MENA Steel Conference—a major platform for knowledge sharing and networking. We are also a founding member of the Energy Efficiency Club, promoting innovation and collaboration in sustainable industrial practices.



AGSI STEEL FOR A SUSTAINABLE FUTURE CONTRIBUTION TO LOW CARBON ECONOMY

Steel plays a critical role in decarbonization efforts and transitioning to low-carbon economy. With steel contributing to approximately 9% of global emissions, it presents a significant opportunity to reduce emissions. Buildings and construction sectors are one of the most critical to decarbonize as they are responsible for almost 40% of global emissions and 50% of all extracted materials. It is estimated that between 2020 and 2050, new construction projects will generate half of their emissions from embodied carbon sources, such as steel and concrete. Two-thirds of people will live in cities by 2060, and half of the urban fabric to accommodate them is not yet built.

In the UAE, buildings and construction contributed to 28% GHG emissions in 2019 and the country set an ambition reduction target of 79% by 2035 in buildings sector from the 2019 baseline. This sector has experienced significant growth in recent years, reflecting its pivotal role in the nation's development. In 2023, the sector's market size reached approximately AED 265 billion, marking 6.9% increase from previous year. Looking ahead, the industry is projected to continue its upward trajectory while meeting emissions reduction targets set by the country.

DECARBONIZATION INITIATIVES

Achieving decarbonization is complex challenge that relies on multiple factors, including availability of low-carbon materials, advanced technology, infrastructure, supportive policies and building codes, and demand for near zero products from the market. At AGSI, we have been actively working on decarbonization of our own operations providing the most sustainable products to our clients and helping them on their net zero journey (also see section on our emissions).

We also understand that innovation and collaboration are essential in tackling climate change. As a leader in global decarbonization of the steel industry, we actively participate in key international initiatives and collaborate with our customers to drive transition to net zero. We are at the forefront of a global initiative, The Industrial Transition Accelerator (ITA) under the Mission Possible Partnership (MPP) secretariat, aiming to accelerate decarbonization of the hard-to-abate industry. Through this initiative, we support industry-wide advancements in innovation, investment, market demand, policy and procurement to accelerate the shift toward sustainable steelmaking.

Additionally, AGSI plays a key role in driving the UAE's decarbonization efforts by prioritizing in-country sourcing, supporting the In-Country Value (ICV) program, and actively engaging with the Emirates Green Building Council. By sourcing raw materials locally and reducing transportation emissions, we enhance supply chain sustainability while strengthening the national economy. We collaborate with industry leaders in the built environment in the UAE to promote and raise awareness of low-carbon steel as a sustainable building material to advance sustainable construction practices, helping the developers to reduce their embodied carbon emission, while aligning to the nation's net zero ambition.

At AGSI, we recognize the critical role that steel plays in building a sustainable, low-carbon future. As a leader in carbon-neutral steel production, we are committed to decarbonizing society by providing innovative, low-emission solutions and work with our customers to help reduce their carbon footprint and achieve their net-zero goals.



HELPING OUR CUSTOMERS TO BE SUSTAINABLE

LOWER EMISSIONS IN BUILDINGS AND CONSTRUCTION

With increased focus on climate change action, our customers in the UAE are increasingly facing a carbon reduction challenge: developers, regulators, and end-users are demanding lower carbon materials across the value chain, but the availability, as well as awareness, of decarbonized building material, such as steel, remains limited given a projected growing demand. AGSI is bridging the gap by leading the supply of low-carbon steel, providing sustainable solutions that support our customers and the UAE's net zero goals

As demand for sustainable materials grows, steel end-users are increasingly focused on environmental credentials, including responsible sourcing, circularity, and overall carbon footprint. The CO₂ emitted during the production process (also known as embodied carbon) is recognized as the major factor in the overall carbon footprint of the projects. The standard organizations and specifiers are now actively settling thresholds to overall performance of the buildings aiming to lower the carbon footprint, including upfront embodied carbon of the building materials per square meter of the building. For our customers, the embodied carbon of steel constitutes an upstream Scope 3 emissions, which is inherited through the purchase of goods. Our rebar and sections products directly reduce their embodied carbon emissions of new construction projects and also meet their emissions reduction targets.

SUSTAINABLE BUILDINGS & INFRASTRUCTURE

100%

Recycled local content

75% - 95%

Lower GHG emissions (scope 1 & 2) compared to conventional steelmaking methods

Lower embodied carbon in steel building materials

Sustainable building material

Circular Economy

Using recycled demolition waste as raw material

In-Country Value

Local sourcing and distribution model

Net Zero 2030 & building Codes

Supporting net zero targets and building codes regulations



SUSTAINABILITY IN ACTION

AGSI delivers low-carbon steel solutions

AGSI's steel production in the UAE has 75%-95% lower carbon intensity compared to the global average for other steelmaking methods and has the same strength and durability as steel products manufactured in conventional ways. In light with the GHG emissions reduction targets, AGSI's products are well positioned to drive the decarbonization of the hard-to-abate and also delivering lower carbon products to support sustainable construction and infrastructure development in the UAE.

HELPING OUR CUSTOMERS TO BE SUSTAINABLE (cont.)

Case Study

DRIVING NATIONAL AGENDAS

AGSI CONTRIBUTION TO THE UAE'S THIRD NATIONALLY DETERMINED CONTRIBUTION (NDC)

In 2024, AGSI proudly contributed to the UAE's 3rd Nationally Determined Contribution (NDC), aligning with global efforts under the UN Framework Convention on Climate Change (UNFCCC) and the Paris Agreement.

Through its continued efforts, AGSI is contributing to the UAE's transformative journey towards knowledge-based green economy, emphasizing the need for comprehensive and inclusive approach to sustainable development. This UAE's 3rd NDC marks a significant milestone on the UAE's ongoing journey, underscoring its commitments to contribution towards reaching global climate goals. This NDC sets a target of reducing emissions by 47% by 2035 compared to 2019 baseline, ensuring that the Paris Agreement 1.5 C remains within reach. The UAE's third NDC outlines a unified vision for addressing climate change that is aligned and informed by the UAE Consensus adopted at COP28.

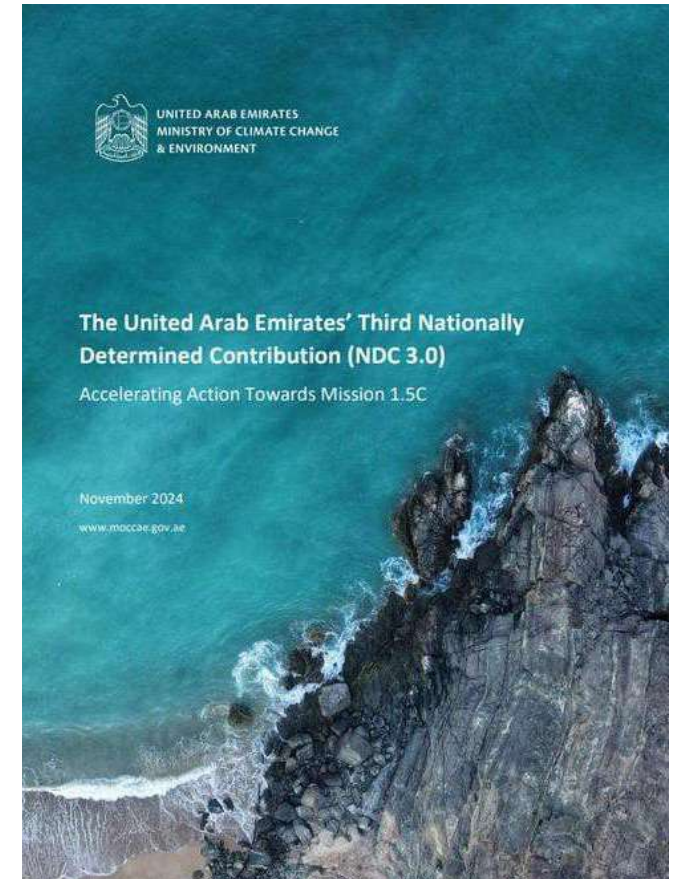
By producing low-carbon steel made from 100% recycled local raw materials and implementing circular economy practices, AGSI actively supports the decarbonization of the steel industry. These initiatives reduce GHG emissions, enhance resource efficiency, and reinforce the UAE's commitment to achieving Net Zero by 2050, setting a benchmark for sustainable industrial practices on a global scale.

Abu Dhabi based, AGSI not only reduces emissions within its own operations but also plays a pivotal role in decarbonizing other industries and hard-to-abate sectors such as construction, infrastructure, and manufacturing. This commitment reinforces AGSI's leadership in advancing the UAE's efforts towards Paris Agreement, while collaborating with stakeholders on achieving shared vision.



Company Initiatives

Several companies in the UAE are actively participating in industrial decarbonization efforts. Arabian Gulf Steel Industries LLC (AGSI) has been championing the decarbonization efforts through its sustainable steelmaking of steel products that are produced from 100% locally sourced steel raw material (scrap) and electric Induction Furnace powered by 100% electricity. The company received the Greenhouse Gas Verification statement certifying its carbon emissions at 0.2 tCO₂e/tcs for 2022 and 0.14tCO₂e/tcs for 2023, audited by DNV. This 30% improvement in carbon emissions reductions shows the possibilities of decarbonizing the steelmaking processes. AGSI has also become the first steel producer to achieve Carbon Neutrality for 2023 with commitment to maintain for subsequent years, in line with the international standard PAS2060:2014, certified by DNV.



Appendix



GRI INDEX

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 2: General Disclosures 2021	2-1 Organizational details	Strategic Reporting Approach, About AGSI		3, 6
	2-2 Entities included in the organization's sustainability reporting	About The Report, Strategic Reporting Approach, About AGSI		2, 3, 6
	2-3 Reporting period, frequency and contact point	Strategic Reporting Approach		3
	2-4 Restatements of information	-	Not Applicable	
	2-5 External assurance	Appendix		117
	2-6 Activities, value chain and other business relationships	OUR PRODUCTS, SUSTAINABLE PRODUCTION, HELPING OUR CUSTOMERS TO BE SUSTAINABLE		11, 32, 104
	2-7 Employees	OUR DIVERSE WORKFORCE		94
	2-8 Workers who are not employees	OUR DIVERSE WORKFORCE		94
	2-9 Governance structure and composition	GOVERNANCE STRUCTURE		77
	2-10 Nomination and selection of the highest governance body	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-11 Chair of the highest governance body	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-12 Role of the highest governance body in overseeing the management of impacts	GOVERNANCE STRUCTURE, Delivering our responsible growth		77, 78
	2-13 Delegation of responsibility for managing impacts	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-14 Role of the highest governance body in sustainability reporting	GOVERNANCE STRUCTURE, Delivering our responsible growth		77, 78
	2-15 Conflicts of interest	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-16 Communication of critical concerns	Delivering our responsible growth		78
	2-17 Collective knowledge of the highest governance body	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-18 Evaluation of the performance of the highest governance body	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-19 Remuneration policies	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-20 Process to determine remuneration	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT		72 – 76
	2-21 Annual total compensation ratio	-	Confidentiality Constraints	
	2-22 Statement on sustainable development strategy	Group CEO message		4 – 5
	2-23 Policy commitments	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81

GRI INDEX (cont.)

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	AGSI SUSTAINABILITY FRAMEWORK		23 – 24
	2-25 Processes to remediate negative impacts	HUMAN RIGHTS		95 – 96
	2-26 Mechanisms for seeking advice and raising concerns	HUMAN RIGHTS		95 – 96
	2-27 Compliance with laws and regulations	MANAGEMENT SYSTEMS & CONTROLS, COMMUNITY INVESTMENT AND SOCIAL PARTNERSHIPS		36, 99 – 100
	2-28 Membership associations	PARTNERSHIPS FOR A SUSTAINABLE FUTURE		16 – 17
	2-29 Approach to stakeholder engagement	STAKEHOLDER ENGAGEMENT		20 – 21
	2-30 Collective bargaining agreements	HUMAN RIGHTS		95 – 96
GRI 3: Material Topics 2021	3-1 Process to determine material topics	MATERIALITY ASSESSMENT		19 – 23
	3-2 List of material topics	OUR MATERIALITY MATRIX		23
GRI 201 Economic Performance 2016	201-1 Direct economic value generated and distributed	–	Confidentiality Constraints	
	201-2 Financial implications and other risks and opportunities due to climate change	–	Information unavailable	
	201-3 Defined benefit plan obligations and other retirement plans	–	Confidentiality Constraints	
	201-4 Financial assistance received from government	–	Not Applicable	
GRI 202 Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	OUR DIVERSE WORKFORCE		94
	202-2 Proportion of senior management hired from the local community	OUR DIVERSE WORKFORCE		94
GRI 203 Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	INVESTING IN A GREENER FUTURE		43
	203-2 Significant indirect economic impacts	INVESTING IN A GREENER FUTURE		43
GRI 204 Procurement Practices 2016 (1)	204-1 Proportion of spending on local suppliers	RESPONSIBLE SOURCING		83 – 85

GRI INDEX (cont.)

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
	205-2 Communication and training about anti-corruption policies and procedures	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
	205-3 Confirmed incidents of corruption and actions taken	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
GRI 206 Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
GRI 207 Tax 2019	207-1 Approach to tax	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
	207-2 Tax governance, control, and risk management	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
	207-3 Stakeholder engagement and management of concerns related to tax	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81
	207-4 Country-by-country reporting	-		
GRI 301 Materials 2016	301-1 Materials used by weight or volume	CIRCULAR ECONOMY FOR STEEL, MATERIALS, WASTE MANAGEMENT		59 – 66
	301-2 Recycled input materials used	CIRCULAR ECONOMY FOR STEEL, MATERIALS, WASTE MANAGEMENT		59 – 66
	301-3 Reclaimed products and their packaging materials	CIRCULAR ECONOMY FOR STEEL, MATERIALS, WASTE MANAGEMENT		59 – 66
GRI 302 Energy 2016 (1)	302-1 Energy consumption within the organization	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS		54 – 55
	302-2 Energy consumption outside of the organization	-	Not Applicable	
	302-3 Energy intensity	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS		54 – 55
	302-4 Reduction of energy consumption	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS		54 – 55
	302-5 Reductions in energy requirements of products and services	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS		54 – 55
GRI 303 Water and Effluents 2018	303-1 Interactions with water as a shared resource	WATER STEWARDSHIP AND RESOURCE EFFICIENCY		57 – 58
	303-2 Management of water discharge-related impacts	WATER STEWARDSHIP AND RESOURCE EFFICIENCY		57 – 58
	303-3 Water withdrawal	WATER STEWARDSHIP AND RESOURCE EFFICIENCY		57 – 58
	303-4 Water discharge	WATER STEWARDSHIP AND RESOURCE EFFICIENCY		57 – 58
	303-5 Water consumption	WATER STEWARDSHIP AND RESOURCE EFFICIENCY		57 – 58
GRI 304 Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	BIODIVERSITY AND HABITAT STEWARDSHIP		68 – 71

GRI INDEX (cont.)

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 304 Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	BIODIVERSITY AND HABITAT STEWARDSHIP		68 – 71
	304-3 Habitats protected or restored	BIODIVERSITY AND HABITAT STEWARDSHIP		68 – 71
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	BIODIVERSITY AND HABITAT STEWARDSHIP		68 – 71
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	AGSI GHG EMISSIONS PERFORMANCE		49 – 51
	305-2 Energy indirect (Scope 2) GHG emissions	AGSI GHG EMISSIONS PERFORMANCE		49 – 51
	305-3 Other indirect (Scope 3) GHG emissions	–	Information unavailable	
	305-4 GHG emissions intensity	AGSI GHG EMISSIONS PERFORMANCE		49 – 51
	305-5 Reduction of GHG emissions	AGSI GHG EMISSIONS PERFORMANCE, AGSI SUSTAINABILITY FRAMEWORK		49 – 51, 23
	305-6 Emissions of ozone-depleting substances (ODS)	–	Not Applicable	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	AIR QUALITY MANAGEMENT AND EMISSIONS CONTROLS		67
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	WASTE MANAGEMENT		64 – 66
	306-2 Management of significant waste-related impacts	WASTE MANAGEMENT		64 – 66
	306-3 Waste generated	WASTE MANAGEMENT		64 – 66
	306-4 Waste diverted from disposal	WASTE MANAGEMENT		64 – 66
	306-5 Waste directed to disposal	MATERIALS		60
GRI 308 Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	RESPONSIBLE SOURCING		83 – 85
	308-2 Negative environmental impacts in the supply chain and actions taken	RESPONSIBLE SOURCING		83 – 85
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	OUR DIVERSE WORKFORCE		90
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT, TALENT MANAGEMENT & DEVELOPMENT		92 – 93, 97 – 98
	401-3 Parental leave	TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT, TALENT MANAGEMENT & DEVELOPMENT		92 – 93, 97 – 98
GRI 402 Labor and Management Relations 2016	402-1 Minimum notice periods regarding operational changes	TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT, TALENT MANAGEMENT & DEVELOPMENT		92 – 93, 97 – 98

GRI INDEX (cont.)

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-2 Hazard identification, risk assessment, and incident investigation	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-3 Occupational health services	WORKFORCE PROTECTION: SAFETY LEADERSHIP AND PERFORMANCE		91
	403-4 Worker participation, consultation, and communication on occupational health and safety	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-5 Worker training on occupational health and safety	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-6 Promotion of worker health	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-8 Workers covered by an occupational health and safety management system	WORKFORCE PROTECTION: SAFETY LEADERSHIP AND PERFORMANCE		87
	403-9 Work-related injuries	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
	403-10 Work-related ill health	SAFETY LEADERSHIP AND PERFORMANCE		87 – 91
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee	TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT, TALENT MANAGEMENT & DEVELOPMENT		92 – 93, 97 – 98
	404-2 Programs for upgrading employee skills and transition assistance programs	TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT, TALENT MANAGEMENT & DEVELOPMENT		92 – 93, 97 – 98
	404-3 Percentage of employees receiving regular performance and career development reviews	TALENT, INCLUSION AND LEADERSHIP DEVELOPMENT, TALENT MANAGEMENT & DEVELOPMENT		92 – 93, 97 – 98
GRI 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	EQUITY AND INCLUSION		99
	405-2 Ratio of basic salary and remuneration of women to men	OUR DIVERSE WORKFORCE		94
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	OUR DIVERSE WORKFORCE		94
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	HUMAN RIGHTS		95 – 96

GRI INDEX (cont.)

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 408 Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	HUMAN RIGHTS		95 – 96
GRI 409 Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	HUMAN RIGHTS		95 – 96
GRI 410 Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	–	Not Applicable	
GRI 411 Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	–	Not Applicable	
GRI 413 Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	COMMUNITY INVESTMENT AND SOCIAL PARTNERSHIPS		100
	413-2 Operations with significant actual and potential negative impacts on local communities	COMMUNITY INVESTMENT AND SOCIAL PARTNERSHIPS		100
GRI 414 Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	RESPONSIBLE SOURCING		83 – 85
	414-2 Negative social impacts in the supply chain and actions taken	RESPONSIBLE SOURCING		83 – 85
GRI 415 Public Policy 2016	415-1 Political contributions	ENTERPRISE RISK MANAGEMENT AND RESILIENCE		82
GRI 416 Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	–	Not Applicable	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	–	Not Applicable	

GRI INDEX (cont.)

GRI standard	Disclosure	Section	Reason for Omission	Page Number
GRI 417 Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	PRODUCT QUALITY & CUSTOMER SATISFACTION		35
	417-2 Incidents of non-compliance concerning product and service information and labeling	PRODUCT QUALITY & CUSTOMER SATISFACTION		35
	417-3 Incidents of non-compliance concerning marketing communications	ENTERPRISE RISK MANAGEMENT AND RESILIENCE		82
GRI 418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ETHICS, COMPLIANCE AND POLICY FRAMEWORK		78 – 81

ADX INDEX

Metric	Indicator	SECTION	Page Number
E1. Environmental Operations	"E1.1) Does your company follow a formal Environmental Policy? Yes/No E1.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No E1.3) Does your company use a recognised energy management system? Yes/No "	OUR ENVIRONMENT STEWARDSHIP	41
E2. Water Usage	"E2.1) Total amount of water consumed E2.2) Total amount of water reclaimed "	WATER STEWARDSHIP AND RESOURCE EFFICIENCY	57 – 58
E3. Waste Generation	"E3.1) Total waste generated, per waste type E3.2) Percentage of waste recycled, per waste type "	WASTE MANAGEMENT	64 – 66
E4. Energy Usage	"E4.1) Total amount of energy directly consumed E4.2) Total amount of energy indirectly consumed "	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS	54 – 55
E5. Energy Intensity	E5.1) Total direct energy usage per output scaling factor	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS	54 – 55
E6. Energy Mix	E6.1) Percentage: Energy usage by generation type	ENERGY MANAGEMENT AND EFFICIENCY INNOVATIONS	54 – 55
E7. GHG Emissions	"E7.1) Total amount in CO2 equivalents, for Scope 1 E7.2) Total amount, in CO2 equivalents, for Scope 2 (if) applicable E7.3) Total amount, in CO2 equivalents, for Scope 3 (if) applicable "	AGSI GHG EMISSIONS PERFORMANCE	49 – 51
E8. Emissions Intensity	"E8.1) Total GHG emissions per output scaling factor E8.2) Total non-GHG emissions per output scaling factor "	AGSI GHG EMISSIONS PERFORMANCE	49 – 51
E9. Climate Strategy	"E9.1) Describe the climaterelated risks and opportunities that could reasonably be expected to affect your organisation's prospects. Also explain, for each climaterelated risk your organisation has identified, whether your organisation considers the risk to be a climate-related physical risk or transition risk. E9.2) Describe the current and anticipated impacts of climaterelated risks and opportunities on your organisation's business model and value chain. E9.3) How has your organisation responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including the plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation? E9.4) What are the current effects (during the reporting period) of climate-related risks and opportunities on your organisation's financial position, financial performance and cash flows for the reporting period (current financial effects)? "	DECARBONIZATION STRATEGY	45 – 46
E10. Climate Related Risks and Opportunities	"E10.1) Describe the processes and policies your organisation uses to identify, assess, prioritise, and monitor climaterelated risks, and the inputs and parameters used in these processes. E10.2) Whether and how does your organisation use climaterelated scenario analysis to inform the identification of climate-related risks?"	-	Information unavailable

ADX INDEX (cont.)

Metric	Indicator	SECTION	Page Number
E11. Climate Governance	"E11.1) Which governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) is responsible for oversight of climate-related risks and opportunities? E11.2) How does the body or individual consider climaterelated risks and opportunities when overseeing your organisation's strategy? E11.3) Are performance metrics related to climate targets included in remuneration policies? If so, how? E11.4) Has your organisation delegated the role of overseeing climate-related risks and opportunities to a specific management-level position or committee, and how is oversight over this role or committee exercised? "	-	Information unavailable
E12. Climate Targets		-	Information unavailable
S1. CEO Pay Ratio	"S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation, S1.2) Does your company report this metric in regulatory filings? Yes/No"	-	Confidentiality Constraints
S2. Gender Pay Ratio	S2.1) Ratio: Median male compensation to median female compensation	OUR DIVERSE WORKFORCE	94
S3. Employee Turnover	"S3.1) Percentage: Year-over-year change for full-time employees S3.2) Percentage: Year-over-year change for part-time employees S3.3) Percentage: Year-over-year change for contractors/consultants "	OUR DIVERSE WORKFORCE	94
S4. Gender Diversity	"S4.1) Percentage: Total enterprise headcount held by men and women S4.2) Percentage: Entry- and mid-level positions held by men and women S4.3) Percentage: Senior- and executive-level positions held by men and women "	OUR DIVERSE WORKFORCE	94
S5. Temporary Worker Ratio	"S5.1) Percentage: Total enterprise headcount held by part-time employees S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants "	-	Not Applicable
S7. Nationalisation	S7.1) Percentage of national employees, per employment category	OUR DIVERSE WORKFORCE	94
S8. NonDiscrimination	S8.1) Does your company follow non-discrimination policy? Yes/No	OUR DIVERSE WORKFORCE	94
S9. Health, Safety and Wellbeing	S9.1) Does your company follow an occupational health and/or health & safety policy? Yes/No	SAFETY LEADERSHIP AND PERFORMANCE	87 - 91
S10. Injury Rate	S10.1) Percentage: Frequency of injury events relative to total workforce time	SAFETY LEADERSHIP AND PERFORMANCE	87 - 91
S11. Child and Forced Labor	"S11.1) Does your company follow a child and/or forced labour policy? Yes/No S11.2) If yes, does your child and/or forced labour policy also cover suppliers and vendors? Yes/No "	HUMAN RIGHTS	95 - 96
S12. Human Rights	"S12.1) Does your company follow a human rights policy? Yes/No S12.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No "	HUMAN RIGHTS	95 - 96
S13. Community Investment	S13.1) Amount invested in the community, as a percentage of company revenues.	COMMUNITY INVESTMENT AND SOCIAL PARTNERSHIPS	94

ADX INDEX (cont.)

Metric	Indicator	SECTION	Page Number
G1. Board Independence	"G1.1) Does company prohibit CEO from serving as board chair? Yes/No G1.2) Percentage: Total board seats occupied by independent board members "	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT	73 - 76
G2. Board Diversity	"G2.1) Percentage: Total board seats occupied by men and women G2.2) Percentage: Committee chairs occupied by men and women "	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT	73 - 76
G3. Supplier Code of Conduct	"G3.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/No G3.2) If yes, what percentage of your suppliers have formally certified their compliance with the code "	ETHICS, COMPLIANCE AND POLICY FRAMEWORK	79 - 81
G4. Ethics and Prevention of Corruption	"G4.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No G4.2) If yes, what percentage of your workforce has formally certified its compliance with the policy "	ETHICS, COMPLIANCE AND POLICY FRAMEWORK	79 - 81
G5. Data Privacy	"G5.1) Does your company follow a Data Privacy policy? Yes/No G5.2) Has your company taken steps to comply with GDPR rules? Yes/No "	ENTERPRISE RISK MANAGEMENT AND RESILIENCE	82
G6. Sustainability Strategy	"G6.1) Describe the sustainability-related risks and opportunities that could reasonably be expected to affect your organisation's prospects. G6.2) Describe the current and anticipated impacts of sustainability-related risks and opportunities on your organisation's business model and value chain. G6.3) Describe how your organisation responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making. G6.4) Describe the current and anticipated effects (during the reporting period) of sustainability-related risks and opportunities on your organisation's business model, financial position, performance, and cash flows. How are these risks considered in financial planning (current financial effects)? "	EMBEDDING SUSTAINABILITY INTO CORPORATE STRATEGY	31
G7. Sustainability Risks Management	"G7.1) Describe the processes and policies your organisation uses to identify, assess, prioritise, and monitor sustainability-related risks, and the inputs and parameters used in these processes. G7.2) How are the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities integrated into and informing your organisation's overall enterprise risk management process? "	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT	73 - 76
G8. Sustainability Governance	"G8.1) Which governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) is responsible for oversight of sustainability-related risks and opportunities? G8.2) How does the body or individual consider sustainability-related risks and opportunities when overseeing your organisation's strategy? G8.3) Are performance metrics related to these targets included in remuneration policies? If so, how? G8.4) Has your organisation delegated the role of overseeing sustainability-related risks and opportunities to a specific management-level position or committee, and how is oversight over this role or committee exercised? "	CORPORATE GOVERNANCE FRAMEWORK AND BOARD OVERSIGHT	73 - 76
G9. Sustainability Targets	G9.1) What metrics does your organisation use to measure and monitor each sustainability-related risk or opportunity identified above?	AGSI GHG EMISSIONS PERFORMANCE	49 - 51

ADX INDEX (cont.)

Metric	Indicator	SECTION	Page Number
G10. Disclosure Practices	"G10.1) Does your company publish a sustainability report? Yes/No G10.2) Does your company publish a GRI, IFRS, CDP, SASB, IIRC, or UNGC based report? "	Yes	
G11. External Assurance	G11.1) Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/No	Appendix	
I1. Sustainability Reporting	I1.1) Does your company publish a sustainability report? Yes/No	Yes	
I2. ESG Ratings	"I2.1) Has your company received an ESG rating (solicited or unsolicited)? Yes/No I2.2) If yes, provide the latest overall ESG score. "	No	
I3. Stakeholder Engagement	"I3.1) Does your company engage with stakeholders on ESG/sustainability topics? Yes/No I3.2) If yes, report on frequency and effectiveness of engagement. "	STAKEHOLDER ENGAGEMENT	20 – 21

AGSI INDEPENDENT LIMITED GREENHOUSE GAS (GHG) VERIFICATION STATEMENT



INDEPENDENT LIMITED GREENHOUSE GAS (GHG) VERIFICATION STATEMENT

DNV Business Assurance Group AS - Dubai Branch ("DNV", "us", or "we") has been commissioned by Arabian Gulf Steel Industries LLC, ICAD II, Musaffah, Abu Dhabi ("AGSI" or "Company") to conduct an independent limited level verification of its Greenhouse Gas (GHG) emission data (scopes 1 and 2) for the period from 01st January 2024 to 31st December 2024 (Year 2024).



Our Conclusion: Based on our verification procedures and agreed-upon scope of work, nothing has come to our attention to suggest that the GHG emissions in the tables below are not materially correct or a fair representation of AGSI's scopes 1 and 2 GHG emissions calculated in line with the reporting criteria outlined below, covering AGSI's operations for the year 2024.

GHG Emission Sources		GHG Emission Intensity for the year 2024 Post-Offset allocation and market-based (tCO ₂ e/t Crude Steel)
Scope 1		0
Scope 2		0
Total (Scope 1 and Scope 2)		0

GHG Emission Sources	Verified values for the Year 2024 (tCO ₂ e)	GHG Emission Intensity for the year 2024 - Pre-Offset Allocation (tCO ₂ e/t Crude Steel)
Scope 1	3,211	0.007
Scope 2 (Location based)	70,454	0.155
Scope 2 (Market based) ¹	0	0
Total (Scope 1 and Scope 2) - Location-based	73,665	0.162

DNV confirms that AGSI utilized 100% scrap material in the production of crude steel in the year 2024.

Reporting Criteria and Verification Standards:

AGSI has prepared its GHG accounting methodology and GHG data in reference with the requirements of

- ✓ Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and calculated GHG emission intensity from the verified data of GHG emission and production data of crude steel.

DNV has carried out this customized engagement in accordance with the verification principles and requirements as per ISO 14064-3:2019 and relevant sections of DNV VeriSustain™, version 6.0. This verification provides a limited level of assurance of AGSI's GHG performance data based on the principles of Relevance, Completeness, Consistency, Transparency, and Accuracy applying a ±5% materiality threshold for errors and omissions.

Scope of Work and Boundary:

The scope of work agreed upon with the Company includes verification of its GHG corporate footprint as below:

- ✓ **Direct GHG emissions (Scope 1 emissions):** covers the stationary combustion (Diesel, Gasoline, Propane and LPG), use of refrigerants, process emissions, CO₂ emissions from the use of fire extinguishers.
- ✓ **Indirect GHG emissions (Scope 2 emissions):** covers the GHG emissions due to use of purchased electricity from the grid at AGSI facility.

¹ AGSI has purchased the IREC certificates, equal to 310,368 MWh of electricity generated from renewable sources. This is detailed further in Annexure 1 of this statement. DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Hævik, Norway. Tel: +47 67 57 99 00. www.dnv.com

DNV Business Assurance Group AS - Dubai Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

STATEMENT NUMBER: DNV-2025-ASR-753497



Page 2 of 3

Verification was conducted at AGSI's steel manufacturing facility in Abu Dhabi, reviewing the company's internal protocols, processes, and controls related to the collection and collation of its GHG emissions data. AGSI consolidates its scopes 1 and 2 emissions using the GHG protocol's operational control approach, accounting for all operations where it has control.

Basis of our conclusion:

DNV planned and performed verification work to obtain the evidence that was considered necessary to provide a limited level of assurance while adopting a risk-based approach toward the selection of samples for assessing the robustness of the underlying data management system, information flow, controls, quality assurance and check procedures. DNV carried out the following activities:

- ✓ Desk review of the scopes 1 and 2 emissions in year 2024.
- ✓ Understanding of the GHG management procedures, including formats, assumptions, emission factors and calculation methodologies, as well as the company's GHG data management processes used to generate, aggregate, and report the GHG data, as well as assessment of the completeness, accuracy, and reliability of the data.
- ✓ Carried out on-site verifications with data owners and management teams across AGSI's facility for reviewing the procedures for measuring, validating and verifying the identified activities and emission sources and related evidence maintained by the management teams.
- ✓ Interaction with key managers and data owners to review data consolidation systems related to the GHG inventory including reviews of emission factors and assumptions used to report the GHG data.
- ✓ Verification of calibration status of equipment being used to monitor and generate activity data on a sample basis.

Responsibility of the Company:

AGSI is responsible for the collection, analysis, aggregation, and presentation of data and information related to its GHG assertions by adopting the 'Operational Control'(Gate to Gate approach) model as a performance data consolidation approach defined in frameworks and standards mentioned above in reporting criteria.

DNV's Responsibility:

Our responsibility for performing this work in accordance with the scope of work agreed with AGSI. The verification engagement assumes that the data and information provided to us are complete, sufficient, and true. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement. The verification was carried out in February - August 2025 including the onsite assessment by a team of qualified GHG assessors.

For DNV Business Assurance AS - Dubai Branch			
Banerjee, Sauvik Lead Verifier	Digitally signed by Banerjee, Sauvik DN: cn=AGSI, o=AGSI, ou=AGSI, email=sauvik.banerjee@agsi.com, c=IN	Banjar, Vikas Technical Reviewer	Digitally signed by Banjar, Vikas DN: cn=AGSI, o=AGSI, ou=AGSI, email=vikas.banjar@agsi.com, c=IN
Lele, Sandeep Approver	Digitally signed by Lele, Sandeep DN: cn=AGSI, o=AGSI, ou=AGSI, email=sandeep.lele@agsi.com, c=IN	Lele, Sandeep Approver	Digitally signed by Lele, Sandeep DN: cn=AGSI, o=AGSI, ou=AGSI, email=sandeep.lele@agsi.com, c=IN

August 13, 2025

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the verification engagement and maintains independence where required by relevant ethical requirements as detailed in DNV VeriSustain™, version 6.0.

This engagement work was carried out by an independent team of sustainability and GHG assurance professionals. DNV was not involved in the preparation of any statements or data except for this Assurance Statement. DNV maintains complete impartiality toward AGSI's internal stakeholders interviewed during the assurance process. DNV did not provide any services to AGSI or its subsidiaries in the scope of verification for the year 2024 that could compromise the independence or impartiality of our work.

Inherent Limitations

DNV's assurance engagements assume that the data and information provided by AGSI to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The engagement excludes the sustainability management, performance, and reporting practices of the company's suppliers, contractors, and any third parties mentioned in the Report. We did not review financial disclosures and data as they are not within the Scope of our assurance engagement. No external stakeholders were interviewed as part of this verification engagement.

During the verification process, DNV did not come across any significant limitations to the Scope of the agreed engagement.

Some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation, and aggregation errors and the errors have been corrected.

STATEMENT NUMBER: DNV-2025-ASR-753497

AGSI INDEPENDENT LIMITED

GREENHOUSE GAS (GHG)

VERIFICATION STATEMENT (cont.)



Page 3 of 3

Annexure I - Details of purchased International Renewable Energy Certificates (I-RECs) and Verified Carbon Units (VCUs)

I-REC/VCU	Project	Quantity purchased	Certificates ID for CEC/Serial Numbers for VCU
International Renewable Energy Certificates (I-REC) - MWh	Nuclear	310,368.00	From 0000-0219-6043-7280.000000 To 0000-0219-6074-7647.999999
Verified Carbon Units (VCU) - tCO2e	Hubei Hongshan IFM (Conversion of Logged to Protected Forest) Project	3,211.00	9918-159371091-159374301-VCS-VCU-324- VER-CN-14-1935-01012017-31122017-1

AGSI - INDEPENDENT ASSURANCE STATEMENT ON CARBON NEUTRALITY



INDEPENDENT ASSURANCE STATEMENT

DNV Business Assurance Group AS – Dubai Branch (DNV, “us”, or “we”) has been commissioned by Arabian Gulf Steel Industries LLC, ICAD II, Musaffah, Abu Dhabi (“AGSI” or “Company”) to conduct an independent assurance of Company’s “Declaration of achievement of Carbon Neutrality” in line with ISO 14068-1:2023 for the period from 01st January 2024 to 31st December 2024 (Year 2024).



Our Conclusion: Based on our verification procedures and agreed-upon scope of work, nothing has come to our attention to suggest that the Company’s “Declaration of achievement to Carbon Neutrality” as presented in the Carbon Neutrality report for the year 2024, has not been prepared, in all material respects, in line with the defined criteria set out in “ISO 14068-1:2023 - Climate change management – Transition to net zero – Part 1- Carbon Neutrality”

Reporting Criteria and Verification Standards:

AGSI has prepared its GHG data and Carbon Neutrality report in line with the requirements of

- ✓ Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and calculated GHG emission intensity from the verified data of GHG emission and production data of crude steel.
- ✓ ISO 14068-1:2023 - Climate change management – Transition to net zero – Part 1- Carbon Neutrality

DNV has carried out this customized engagement in accordance with the verification principles and requirements as per ISO 14064-3:2019 and relevant sections of DNV VeriSustain™, version 6.0 which is based on the principles of ISAE 3000 (revised). This verification provides a limited level of assurance of AGSI’s GHG performance data, and company’s declaration of achievement of carbon neutrality based on the principles of Relevance, Completeness, Consistency, Transparency, and Accuracy applying a ±5% materiality threshold for errors and omissions in GHG accounting. The Company’s declaration of carbon neutrality adheres to the ISO 14068-1:2023 principles, including Transparency, Conservativeness, Hierarchy approach, Supporting Transition, Ambition, Urgency, Science-Based Approach, Avoiding adverse impacts, Accountability, and Value chain and life cycle approach. Limitations associated with the reporting principles are outlined on the following page.

Scope of Work and Boundary:

The scope of work agreed with the Company includes the verification, at a limited level of assurance, of the Company’s “Declaration of Achievement of Carbon Neutrality” for its operations at crude steel production facility in Abu Dhabi for the year 2024, as well as the confirmation of the Company’s continued commitment to maintain carbon neutrality for the period from 1st January 2025 to 31st December 2030. The base period selected for this assessment is year 2023.

- ✓ Direct GHG emissions (Scope 1 emissions): covers stationary combustion (Diesel, Gasoline, Propane and LPG), use of refrigerants, process emissions, CO₂ emissions from the use of fire extinguishers.
- ✓ Indirect GHG emissions (Scope 2 emissions): covers the GHG emissions due to use of purchased electricity from the grid at AGSI facility.

Verification was conducted at AGSI’s steel manufacturing facility in Abu Dhabi, reviewing the company’s internal protocols, processes, and controls related to the collection and collation of its GHG emissions data. AGSI consolidates its scopes 1 and 2 emissions using the GHG protocol’s operational control approach, accounting for all operations where it has control.

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Havik, Norway. Tel: +47 67 57 99 00. www.dnv.com

DNV Business Assurance Group AS – Dubai Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

Our competence, and independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the verification engagement and maintains independence where required by relevant ethical requirements as detailed in DNV VeriSustain™, version 6.0.

This engagement work was carried out by an independent team of sustainability and GHG assurance professionals. DNV was not involved in the preparation of any statements or data except for this Assurance Statement. DNV maintains complete impartiality toward AGSI’s internal stakeholders interviewed during the assurance process. DNV did not provide any services to AGSI or its subsidiaries in the scope of verification for the year 2024 that could compromise the independence or impartiality of our work.

STATEMENT NUMBER: DNV-2025-ASR-828372



Page 2 of 4

Basis of our conclusion:

DNV planned and performed verification work to obtain the evidence that was considered necessary to provide a limited level of assurance while adopting a risk-based approach toward the selection of samples for assessing the robustness of the underlying data management system, information flow, controls, quality assurance and check procedures. DNV carried out the following activities:

- ✓ Desk review of the scopes 1 and 2 emissions in year 2024.
- ✓ Understanding of the GHG management procedures, including formats, assumptions, emission factors and calculation methodologies, as well as the company’s GHG data management processes used to generate, aggregate, and report the GHG data, as well as assessment of the completeness, accuracy, and reliability of the data.
- ✓ Assessment of the organizational and operational boundaries applied for carbon neutrality to ensure they are consistent, transparent, and aligned with ISO 14068 and the GHG inventory boundary.
- ✓ Carried out on-site verifications with data owners and management teams across AGSI’s facility for reviewing the procedures for measuring, validating and verifying the identified activities and emission sources and related evidence maintained by the management teams.
- ✓ Interaction with key managers and data owners to review data consolidation systems related to the GHG inventory including reviews of emission factors and assumptions used to report the GHG data.
- ✓ Review of emission reductions achieved during the current reporting period and verification of the purchase of Renewable Energy Certificates (RECs) and Verified Carbon Units (VCUs) for compensating the remaining emissions.
- ✓ Reviewing evidence of redemption and retirement of RECs and VCUs within their respective registries to confirm that the environmental attributes have been uniquely claimed and are not subject to double counting.
- ✓ Review of the Company’s defined Carbon Management Framework, including the selected base year, carbon reduction strategy, timelines for mitigation actions, and alignment with the “Declaration of Commitment to Carbon Neutrality.”
- ✓ Verification of calibration status of equipment being used to monitor and generate activity data on a sample basis.

Limitations:

During the verification, it was observed that the Company’s GHG inventory for the reporting year 2024 was prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard instead of ISO 14064-1:2018 as referenced under ISO 14068-1:2023, particularly with respect to the identification and quantification of Scope 3 (other indirect) emissions. The Company excluded Scope 3 emissions in 2024 on the basis that such data was not monitored during the reporting year, which is permissible under the GHG Protocol as Scope 3 reporting is optional. However, this exclusion presents limitations under ISO 14068-1:2023, particularly given the likely significance of Scope 3 emissions in the Company’s overall carbon footprint. The 2024 carbon neutrality declaration is based solely on the reduction and offsetting Scope 1 and Scope 2 emissions. This approach limits the application of the “Value chain and life cycle approach” principle.

The Company has formally committed to:

- Expand its GHG inventory boundary to include relevant Scope 3 emission categories and align fully with ISO 14064-1:2018 requirements during the 2025 reporting cycle, and
- Update its Carbon Reduction Plan to reflect the inclusion of Scope 3 emissions from 2025 onwards.

In addition, it is noted that the Company is planning to integrate the rolling mill facility into the existing operational boundary. As a result, the Company has agreed to redefine the product boundary from “crude steel” to “rolled products” and to recalculate the baseline emissions and revise the Carbon Reduction Plan accordingly in the 2026 reporting cycle onwards, to ensure accurate representation of emissions and carbon neutrality claims going forward.

Inherent Limitations

DNV’s assurance engagements assume that the data and information provided by AGSI to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The engagement excludes the sustainability management, performance, and reporting practices of the company’s suppliers, contractors, and any third parties mentioned in the Report. We did not review financial disclosures and data as they are not within the Scope of our assurance engagement. No external stakeholders were interviewed as part of this verification engagement.

During the verification process, DNV did not come across any significant limitations to the Scope of the agreed engagement.

Some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation, and aggregation errors and the errors have been corrected.

November 20, 2025

STATEMENT NUMBER: DNV-2025-ASR-828372

AGSI - INDEPENDENT ASSURANCE STATEMENT ON CARBON NEUTRALITY (cont.)



Page 3 of 4

These matters do not affect the verification conclusion for the 2024 carbon neutrality declaration, but they are highlighted as important considerations for the Company's ongoing carbon neutrality commitment and continuous improvement in accordance with ISO 14068-1.

The details of the verified Scope 1 and Scope 2 GHG emissions, as well as the purchased Renewable Energy Certificates (RECs) and Verified Carbon Units (VCUs), are provided in Annexures I and II of this statement.

Responsibility of the Company:

AGSI is responsible for the collection, analysis, aggregation, and presentation of data and information related to its GHG assertions and declaration on carbon neutrality by adopting the 'Operational Control' Gate to Gate approach model as a performance data consolidation approach defined in frameworks and standards mentioned above in reporting criteria. As part of the carbon neutrality claim, AGSI is further responsible for selection of the base period, the identification of residual emissions, and the acquisition and retirement of RECs and VCUs used to offset remaining emissions, in alignment with the principles and requirements of ISO 14068-1:2023.

DNV's Responsibility:

Our responsibility has been to perform this verification in accordance with the scope of work agreed with AGSI. The verification engagement was conducted on the basis that the data and information provided by the Company are complete, accurate, and reliable. DNV does not accept any liability or responsibility for decisions made by any third party based on this verification statement

The verification of the GHG data was conducted during the period February to August 2025, including the onsite assessment, followed by the review of the Carbon Neutrality Report carried out between September to November 2025. The work was performed by a team of qualified GHG assessors.

For DNV Business Assurance AS - Dubai Branch	
<div><div>Bankar, Vikas</div><div>Digitally signed by Bankar, Vikas Date: 2025.11.20 15:54:31 +0400'</div></div>	<div><div>Lele, Sandeep</div><div>2025.11.21 07:43:41 +04'00'</div></div>
Vikas Bankar Lead Verifier	Sandeep Lele Technical Reviewer

Purpose and Restriction on Distribution and Use

This verification statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this verification statement. The use of this verification statement shall be governed by the terms and conditions of the contract between DNV and the AGSI.



Page 4 of 4

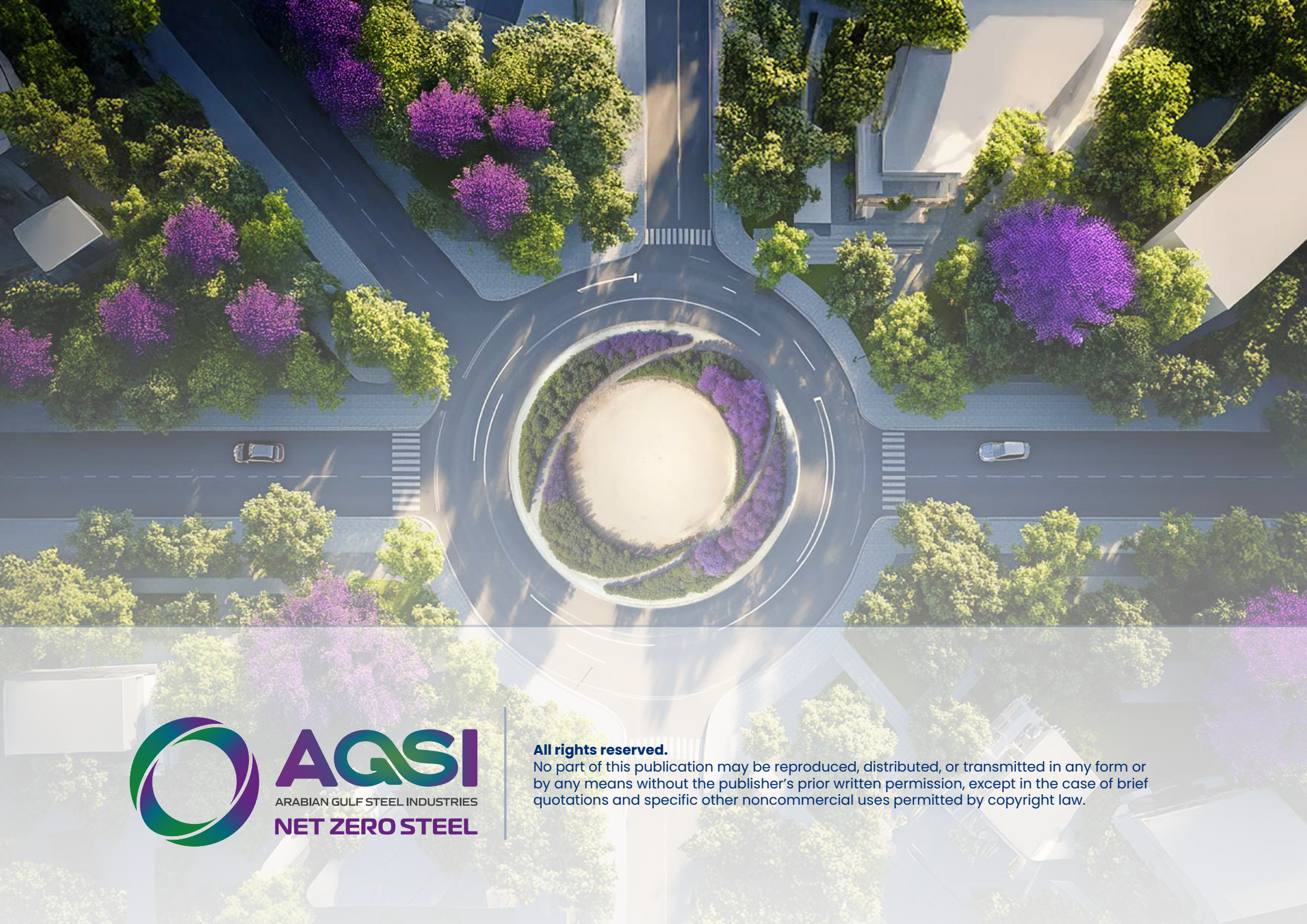
Annexure I - Details of verified GHG Emissions and GHG Emission Intensities

GHG Emission Sources	Verified GHG Emissions for the Year 2024 (tCO ₂ e)	GHG Emission Intensity for the year 2024 - (tCO ₂ e/t Crude Steel)
Scope 1	3,211	0.007
Scope 2 (Location based)	70,454	0.155
Scope 2 (Market based) ¹	0	0
Total (Scope 1 and Scope 2) - Location-based	73,665	0.162

Annexure II - Details of purchased International Renewable Energy Certificates (I-RECs) and Verified Carbon Units (VCUs)

I-REC/VCU	Project	Quantity purchased	Certificates ID for CEC/Serial Numbers for VCU
International Renewable Energy Certificates (I-REC) - MWh	Nuclear	310,368.00	From 0000-0219-6043-7280.000000 To 0000-0219-6074-7647.999999
Verified Carbon Units (VCU) - tCO ₂ e	Hubei Hongshan IFM (Conversion of Logged to Protected Forest) Project	3,211.00	9918-159371091-159374301-VCS-VCU-324- VER-CN-14-1935-01012017-31122017-1

¹ AGSI has purchased the IREC certificates, equal to 310,368 MWh of electricity generated from renewable sources. This is detailed further in Annexure I of this statement.



All rights reserved.

No part of this publication may be reproduced, distributed, or transmitted in any form or by any means without the publisher's prior written permission, except in the case of brief quotations and specific other noncommercial uses permitted by copyright law.