AGSI
ARABIAN GULF STEEL INDUSTRIES
NET ZERO STEEL

ISO 14068-1

Carbon Neutrality Declaration

NOVEMBER 2025

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AGSI Carbon Neutrality Declaration

Carbon neutrality of steelmaking operations achieved by Arabian Gulf Steel Industries (AGSI), Abu Dhabi, United Arab Emirates, in accordance with ISO 14068 -1:2023 for a period of 1st January 2024 – 31st December 2024 with the commitment to maintain to 31st December 2030. Our declaration of carbon neutrality has been externally assured by DNV.

Asam Hussain
Chief Executive Officer.

Introduction

This document presents the Carbon Neutrality Report to demonstrate that AGSI has achieved carbon neutrality for its Abu Dhabi Steel Plant facility on 31st December 2023 in accordance with PAS 2060:2014, with the commitment to maintain such achievement for all subsequent years to 31st December 2030, in line with the AGSI's Carbon Management Plan.

This report provides details on how the carbon emissions of AGSI's Abu Dhabi Plant facility are assessed, AGSI's Carbon Management Plan inclusive of carbon emissions reduction initiatives and the carbon offset process used to demonstrate achievement of carbon neutrality. AGSI has been implementing carbon reduction activities in line with its Carbon Management Plan reducing its footprint to a minimal and have offset the residual footprint of its operations in scope through the use of Clean Energy Certificates (CECs) at the end of 2024 and through the purchase and retirement of carbon credits for a period of 1st January 2024 – 31st December 2024.

AGSI's achievement of carbon neutrality and commitment to the future have been reviewed and verified by DNV.

The assurance certificate from DNV is provided in Annexure 2.

Table 1 – Description of the subject and boundary:

ISO 14068 -1:2023 Requirement	AGSI Response
Name of the entity	Arabian Gulf Steel Industries, Abu Dhabi Industrial City, ICAD II. 105HR9A, United Arab Emirates
Individual responsible for the evaluation and provision of data necessary for the substantiation of the declaration including that of preparing, substantiating, communicating and maintaining the declaration	• Asam Hussain, Chief Executive Office • G. Tripathi, Chief Financial Officer • Mohammed Noufal, Chief Operating Officer
Subject of the declaration	Operational emissions of AGSI Abu Dhabi Steel Plant facility. Abu Dhabi Industrial City, ICAD II. 105HR9A, United Arab Emirates
Boundary	GHG emissions related to the Abu Dhabi Steelmaking operations located at ICAD II, Abu Dhabi Industrial City, UAE, including steelmaking plant, storage facilities, scrapyard, and main administrative building.
Characteristics of the subject	As the Abu Dhabi based steel company, AGSI is the first and largest private manufacturer to produce steel with low carbon emissions in the region and achieved carbon neutrality. Its operations are based on the use of 100% locally bought steel scrap and an Induction Furnace is used in steelmaking process.
Rationale for the selection of the subject and boundary	The subject represents all major activities related to operations of AGSI Abu Dhabi steelmaking facility that the business has control over. This enables the business to have direct influence over the reduction of emissions and take necessary steps to achieving carbon neutrality. Accordingly, our boundary for Scope 1 and Scope 2 emissions are drawn up based on operational control.
GHG Emission Scopes included	Scope 1 and Scope 2
Type of assessment	Independent third-party verification
Period for carbon neutrality	1 January 2024 - 31 December 2024
Period of future commitment	1 January 2025 - 31 December 2030
Base period date for ISO 14068-1:2023	1 January 2023 – 31 December 2023

The Carbon Neutral Pathway

AGSI has set up an ambitious 2030 vision where it has set goals to:

1. Maintain Carbon Neutrality every year until 2030.
2. Further reduce Scope 1 and 2 (direct and energy indirect emissions) from their current minimum levels.
3. Initiate the reporting of Scope 3 (other indirect emissions) starting from 2026 and achieve residual emission levels by 2030.

Since achieving carbon neutrality in 2023 as verified by DNV in its report published in 2024 based on PAS 2060 standard, we have now transitioned to the ISO 14068-1:2023 standard in FY2025. This transition further strengthens our commitment to accurately measuring, reducing, and offsetting our greenhouse gas emissions.

AGSI Stages for the development of Carbon Neutrality

1 GHG Emissions Inventory

Develop GHG Emissions inventory based on boundary, reporting year, GHGs reported, GHG emission scopes collecting the data and calculating the emissions.

2 Base Year Assessment

The base year is set up for the purposes of a comparison of emissions over time.

3 Carbon Management Plan

Reductions in emissions are calculated by comparing changes in the company's actual emissions inventory over time relative to a base year.

4 Carbon Neutrality

Based on the GHG inventory results, select the carbon neutrality scenario offsets, and achieve carbon neutrality.

Management commitment

AGSI is proudly committed to reinforcing our dedication to credible and measurable climate action. As part of this commitment, 2023 serves as our base period for our decarbonization pathway, ensuring a structured science-aligned pathway toward emissions reductions across all scopes and Net Zero goals. Our sustainability and carbon reduction plan is fully integrated into our governance framework, operational activities, and budgetary targets, including Board-level KPIs. A dedicated budget is allocated specifically to support sustainability initiatives. We adopt a balanced performance approach that incorporates both financial and non-financial metrics—such as revenue growth, profitability, carbon emission reductions, workforce diversity, employee engagement, and strong governance practices. By linking compensation to ESG performance as well as financial results, we promote accountability, encourage sustainable business practices, and support the company's broader commitment to creating long-term value for shareholders and society.

Our carbon neutrality management plan is directly linked to supply chain performance. We have updated our Procurement and Stores Policy to align with our sustainability goals, particularly in preparation for Scope 3 emissions reporting. As part of this initiative, we are actively engaging with our suppliers and vendors to require the submission of GHG (Greenhouse Gas) emission certificates. This will enable us to assess the emissions performance of our vendors, track year-on-year progress, and ensure that suppliers are actively working to reduce their carbon footprint.

We do not anticipate any significant adverse environmental or social impacts from future expansion projects, given the robustness of our carbon neutrality management plan. Any planned expansion will trigger a review and adjustment of our carbon-reduction pathway and management plan, ensuring that any potential adverse impacts are identified, evaluated, and appropriately addressed.

We buy our carbon removal projects in line with the Verified Carbon Standards (VCS) which is run by Verra, non-for-profit organization, and aligns with international best practices such as UNFCCC and IPCC.

We are committed to the Science Based Target Initiative (SBTi) and plan to incorporate SBTi targets in future reporting and report both location-based and market-based approach to ensure transparency and accountability.

We have clearly defined roles and responsibilities at all levels of senior management. The Board of Directors provides strategic oversight, while the CEO is accountable for overall ESG performance. The Head of Sustainability leads the development and execution of sustainability initiatives, supported by an ESG Committee that coordinates efforts across departments. The Chief Operating Officer (COO) plays a key role in operationalizing ESG strategies across business units, ensuring that sustainability targets are integrated into core processes and supply chain practices. Business Unit Heads and functional leaders (e.g., HR, Finance, Operations) are responsible for integrating ESG objectives into daily operations. A dedicated sustainability budget is allocated annually to fund key initiatives such as emissions reduction, renewable energy, DEI programs, and ESG reporting. Management is held accountable through specific ESG-related KPIs, including carbon emission reduction targets, renewable energy usage, diversity in leadership, employee engagement scores, and supplier ESG compliance. Progress is monitored frequently, with a formal escalation process in place: issues are addressed at the business unit level, escalated to the ESG Committee if unresolved, then to the Executive Leadership Team, and finally to the Board for strategic or material risks. This structured approach ensures ESG priorities are effectively governed, financially supported, and transparently reported.

We are also committed to ESG reporting in line with TCFD ensuring that we take into account the climate-related risks and their financial implications on the business.

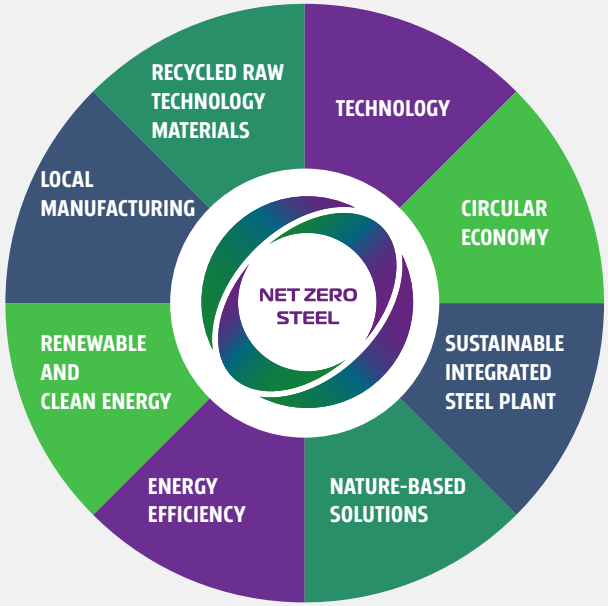
In line with our commitment, AGSI completed an independent assurance verification for its Scope 1 and 2, as well as the Carbon Neutrality Verification Statement. We have conducted a Scope 3 emissions assessment and provided a supporting justification tailored to our operations and value chain. We continue to use the independent assurance verification to ensure accuracy and transparency of the data and processes involved.

The emissions of all applicable categories are in line with the requirement of the international standard, GHG Protocol and ISO 14068-1:2023.

AGSI's value chain for carbon neutrality

In 2023, AGSI became the First Steel Plant in the World to achieve Carbon Neutrality. Our 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.

PILLARS OF OUR LOW CARBON OPERATIONS



Our steel making process is carbon neutral powered by renewable electricity, and based on 100% locally sourced scrap

By declaring Carbon Neutrality, we are committed to protecting the environment and ensuring that the emissions from our operations do not contribute to a net increase in the global emissions levels.

As part of our ongoing commitment to carbon neutrality, we are committed to reducing our scope 3 emissions throughout our supply chain. We have performed a full assessment of our downstream and upstream emissions for Scope 3 and reviewed for its materiality and applicable justification. The Scope 3 categories have been considered, such as indirect emissions from upstream transportation and distribution, business travel, employee commute, fuel and energy related emissions not included in scope 1 and 2, indirect emissions from products used by the organization, indirect emissions associated with the use of products from the organization.

Quantification Of Carbon Footprint

The verification of the GHG emissions has been conducted for three consecutive years from 2022-2024, by an independent third-party auditor, DNV.

a. GHG Emissions Calculations Methodology

The data collection process included the collection of primary data such as electricity consumption, material consumption, refrigerant consumption, and other relevant inventory items. The secondary data was used from reputable sources such as local emission factors sourced from national reports, namely Abu Dhabi Distribution Company (ADDC) in the UAE and other internationally renowned databases like Department for Environment, Food & Rural Affairs, International Panel on Climate Change.

SCOPE 1. Process, Refrigerants and Ancillary

$$GHG\ Emission_y = AD_y \times EF$$

$GHG\ Emission_y$ = GHG Emission in year y (tCO_2-eq)

AD_y = Activity Data in Year y (/annum)

EF = Emission Factor

SCOPE 2. Purchased Electricity

$$GHG\ Emission_y = EX_y \times GEF$$

$GHG\ Emission_y$ = GHG Emission in year y (CO_2-eq)

EC_y = Electricity Consumption in ear y (MWh/annum)

GEF = Grid Emission Factor of Abu Dhabi (tCO_2-eq/MWh)

*NOx and SOx

NOx and SOx are primarily caused by the combustion of fuels. SOx are only emitted if the fuels contain sulphur content. The primary source of power is electricity used in AGSI process. Liquid fuels contribute to a much lesser extent, as they are only used for vehicles and to run emergency equipment.

b. GHG Emissions Profiles

AGSI's scrap-based Induction Furnace (IF) technology does not involve iron ore or coking coal, unlike the primary steel making. An electric Induction Furnace used at AGSI steelmaking operations is charged with 100% locally sourced steel scrap where it is heated and melted into new steel.

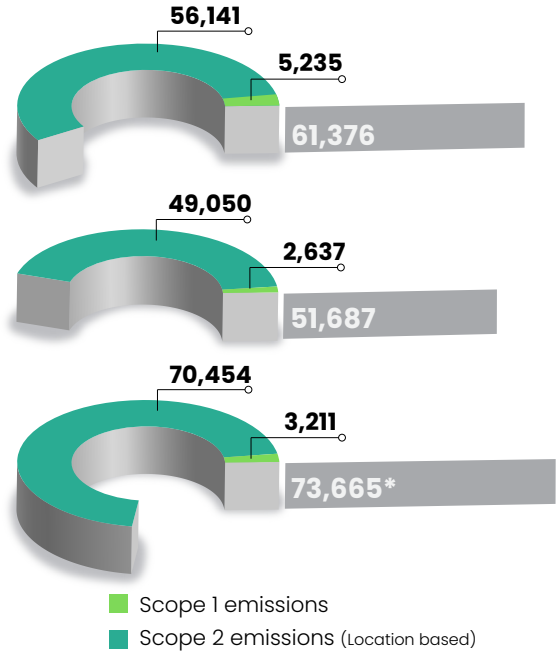
The Induction Furnaces are powered by electricity mix including renewable and clean energy (from low carbon energy sources). The emission in melting process in the 12 Induction Furnace are negligible as there is no emission of carbon dioxide (CO_2), nitrogen oxide (NOx), sulphur dioxide (SO_2) during the melting in IF.

Scope 1 GHG emissions are negligible with only 0.007 tCO_2e/tcs and constitute just 4% of AGSI's GHG emissions. This shows that 96% of the steelmaking operations are carbon free.

In comparison, the emissions from Scope 2 are relatively insignificant (0.155 tCO_2e/tcs) particularly when contrasted with blast furnace (BF-BOF) route[0] (1.0 tCO_2e/tcs) & DRI EAF route (0.4 tCO_2e/tcs) and are indirect in nature—originating from the electricity grid that supplies power to plant operations and therefore remaining outside the company's direct control. AGSI further reduced this by securing clean energy certificates (CEC) for carbon neutrality. Scope 2 (Location-based) constitutes ~96% of the company's total emissions and remains out of company's control and out of direct influence as it is heavily dependent on the energy supply from the local energy supplier.

The company has abated ~92% of its emissions in Scope 1 and 2 than the steel industry average.

Absolute Emission (tCO_2e)



Note: *Scope 2 emissions included the Emissions Factor from the local energy supply, ADDC. Scope 2 emissions increased in 2024 due to a high Grid Emissions Factor as compared to 2023

The boundaries for Scope 1 and 2 remain for the Abu Dhabi Steel Plant.

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

0: ieefa.org/sites/default/files/2022-06/steel-fact-sheet.pdf

GHG emission sources	GHG emission intensity (tCO_2e/t Crude Steel) 2022	2023	2024
Scope 1[1]	0.017	0.007	0.007
Scope 2 (Location-Based)[2]	0.183	0.133	0.155
Total (Scope 1 and 2)	**0.200**	**0.140**	**0.162**

Notes: (1) Direct emissions from steelmaking operations.
(2) From the use of electricity

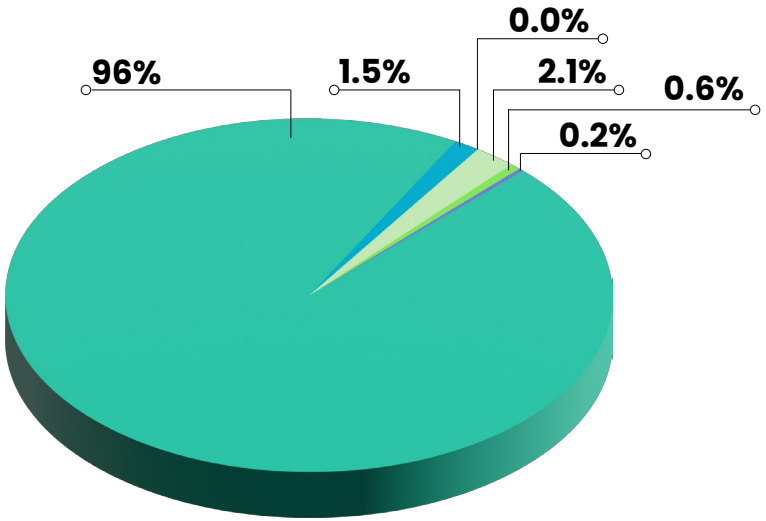
AGSI's market-based Scope 2 emission for the year 2024 is 0, reflecting the purchase of certificates equivalent to 310,368 MWh of electricity sourced from renewable energy. Further details are provided in Annexure 3 of this statement.

GHG emissions have been accounted as per the GHG protocol and ISO 14068-1:2023. As part of our commitment, 2023 serves as our base period for our decarbonization pathway, ensuring a structured science-aligned pathway toward emissions reductions across all scopes and Net Zero goals. Carbon removal enhancement is currently not applicable to our facility; however, we plan to implement biodiversity initiatives and landscaping within our premises, which will contribute to carbon removal over time.

AGSI GHG Emissions contributions for boundaries of the subject

Scope 1 (Steelmaking operations) 4%
- Stationary Combustion 1.5%
- Mobile Combustion 2.1%
- Refrigerants - Fugitive 0.6%
- Process Emissions 0.2%
- Fire extinguisher CO_2 0.0%

Scope 2 (Electricity kWh) 96%



The company's scope 1 GHG emission intensity at the Abu Dhabi steel plant remained consistent at 0.007 tCO_2e/tcs in both 2023 and 2024. This stability indicates that a base period level of emissions has been achieved in our operations, reflecting our continued commitment to innovation and operational excellence. Key drivers of this progress include increased energy efficiency, electrification of equipment, reduced reliance on fossil fuel-based machinery, and overall improvements in energy consumption. These efforts are supported by ongoing investments in technology and workforce development.

Our energy intensity has improved over the years, with a reduction of 16 kWh/ton in 2024 compared to 2023, as shown in the table below. However, there was a slight increase in Scope 2 emission intensity in 2024 compared to 2023, primarily due to a higher grid emission factor, which rose from 0.1902 tCO_2e/MWh in 2023 to 0.227 tCO_2e/MWh in 2024, coupled with an increase in production during the same period.

Given the expected variability in factors such as grid emission intensity and projected production growth, our emission reduction targets are set on an intensity basis rather than absolute emissions. Absolute emissions are still expected to decrease over time when compared to the adjusted base period emissions, in line with material changes to these variables.

Year	Energy Consumption kWh (a)	Production ton (b)	EnPI* kWh / ton (c) = (a) / (b)	Grid Emission factor (d)	Scope 2 emissions (e) = (a) * (d) / 1000
2023	257,885,581	368,051	700.68	0.1902	49,050
2024	310,367,989	453,393	684.55	0.2270	70,454

*EnPI: Energy Performance Indicator

If we use the normalized figures for 2023, i.e. applying the same emission factors for 2024, we would have achieved a 2.3% reduction in emission intensity in 2024 compared to 2023

as provided in the table below.

	Absolute Emissions tCO_2e 2024	GHG emission intensity tCO_2e/t Crude Steel	Absolute Emissions tCO_2e 2023 (Normalised)	GHG emission intensity tCO_2e/t Crude Steel (Normalised)
Scope 1	3,211	0.007	2,680	0.007
Scope 2	70,454	0.155	58,540	0.159
Total	**73,665**	**0.162**	**61,220**	**0.166**
GHG emission intensity reduction (in %)		2.3%		
Absolute emission reduction tCO_2e	1408			

Scope 1 emissions account for 4% of our total emissions, showing that 96% of our operations are already carbon-free. While Scope 2 remains out of AGSI's direct control and heavily dependent on the energy supply from local energy distributor, the company has made immense strides and improvements in that scope.

c. GHG Emissions Sources

A detailed verification of GHG impact at the AGSI Abu Dhabi Steel Plant has been carried out across various activities related to AGSI steelmaking operations and has been categorized accordingly. GHG emission sources includes stationary & mobile combustion, process emissions, fugitive emissions & emissions from electricity purchased.

Scope	Activity/Source	Unit	Emission factors	2024 Consumption	GHG Emissions tonnes CO_2e	Total GHG Emissions tonnes CO_2e	GHG Emissions intensity tCO_2e/t	%age of Total Emissions (Scope2+1)
Scope 1+2	**Total Emissions Scope 1+2**					**73.665**	**0.162**	

d. Data Source

Various data sources have been used for the carbon quantification process. Primary data was mostly used for all necessary calculations. Types of data used are as follows:

- Primary data relates to data that was retrieved directly from AGSI for parameters for a defined boundary. This includes stationary combustion, mobile combustion, refrigerants, raw material, process emissions, other process-related data, purchased energy.
- Secondary data was used at minimal level as the primary data has been used for majority of the study, which was either measured or based on the original data from the company's databases. Secondary data was used for some emission factors where primary data was not available.
- Emissions factors were sourced from government and industry recognized databases. For energy emission factors, the Abu Dhabi Grid Emission factor published by Emirates Water & Electricity Company (EWEC) was applied and other emission factors were sourced from DBEIS database.

e. Data Quality and Uncertainty

Data quality assessments were performed for all activity and emission factor data, considering criteria such as time period, geography, technology, completeness, and reliability. Uncertainty is managed through regular instrument calibration and internal checks, ensuring accuracy, consistency, and confidence in emissions reporting.

f. Scope 3 Emissions Progress

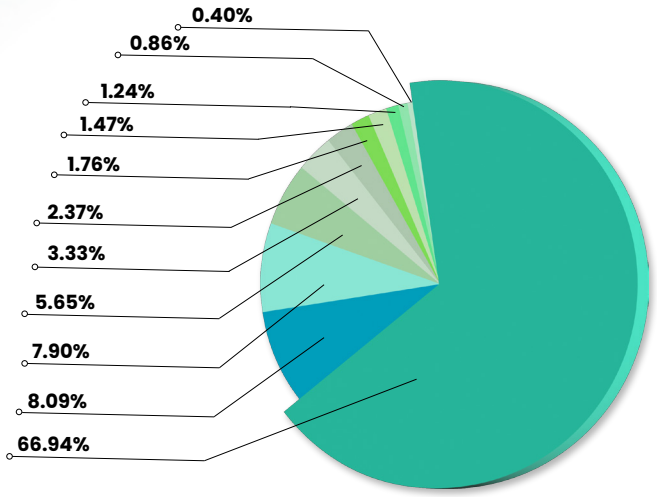
The basic processes of steelmaking are highly energy and material-intensive, constituting almost 90% of final energy and material consumption (Carmona et al., 2019:894). Consequently, Scope 1 and 2 emissions are typically larger than Scope 3 emissions in the steel sector. Scope 3 category 1, "Purchased goods and services," accounts for the majority of the steel sector's Scope 3 emissions (Mission Possible Partnership, 2021:13). Nonetheless, it is not directly applicable to AGSI operations since they are 100% scrap-based, making the category likely immaterial.

Additionally, Scope 3 category 5, "Waste generated in operations," is highly relevant for the circular economy business model, showcasing AGSI's high recycling rates with factual data available. Due to the nature of AGSI operations, Scope 3 categories 4, "Upstream transportation and distribution," and 9, "Downstream transportation and distribution," representing the transportation of materials and final products, will be assessed and reported once AGSI's data is mature. It's worth mentioning that this category in the inventory also accounts for the transportation impact on the life cycle assessment.

Scope 3 category 10, "Processing of sold products," category 11, "Use of sold products," and category 12, "End-of-life treatment of sold products," may also be relevant to steel companies, accounting for downstream manufacturing, use, and end-of-life treatment of steel (Mission Possible Partnership, 2021:13), and are currently under assessment by AGSI. In particular, AGSI has a significant influence on potential emissions reductions in category 12 through material recirculation, contributing to increased steel reuse and scrap recovery. Category 11 comprised a significant proportion of Scope 3 emissions reported by the sector – 7.9% of total Scope 1+2+3 emissions, hence it will be closely assessed by AGSI.

As AGSI's carbon neutrality study is holistic, Scope 3 category 7, "Employee commuting," represents short-term GHG emissions reduction initiatives in the Carbon Management Plan, with some of the initiatives implemented on the ground, for example, the use of electric vehicles as company's car by employees is therefore relevant for the 2025 reporting cycle, but excluded from this document.

Scope 3 Categories as % Total Scope 1+2+3 Emissions, Steel Sector, Source: CDP



Other Downstream Categories	0.40%
Other Upstream Categories	0.86%
Investments	1.24%
Use of Sold Products	1.47%
Processing of Sold Products	1.76%
Downstream Transportation and Distribution	2.37%
Upstream Transportation and Distribution	3.33%
Fuel-and-Energy-related Activities (Not included in Scope 1 or 2)	5.65%
Purchased Goods and Services	7.90%
Scope 2	8.09%
Scope 1	66.94%

AGSI is currently focusing on its upstream suppliers, including raw materials suppliers like scrap and ferro silica, in order to partner with them to help lower Scope 3 emissions. Due to data set incompleteness and fragmentation, the first step is to improve the data quality of AGSI's reporting of Scope 3 emissions, which is currently under assessment with the progress as below.

AGSI has implemented many of the decarbonization initiatives as part of its commitment in 2024 to decarbonization and to achieve energy efficiency. Some of these initiatives include energy efficiency, renewable and clean energy, fossil-free electricity for machinery, manufacturing innovation and technology, and electrification.

Achieving carbon neutrality and GHG emissions reduction in steelmaking for all three scopes requires significant engagement with the supply chain and intervention from policymakers, including government subsidies, which are not found feasible for the reporting period. Despite financial, infrastructure, and regulatory challenges, AGSI will pursue its commitment to achieve Net Zero for the entire value chain and will accelerate Scope 3 emissions accounting and Carbon Neutrality for Scope 3 for the years to come. For the reporting period 2025, we plan to include Scope 3 emissions and adjust our carbon reduction plan accordingly.

AGSI materiality of Scope 3 categories and progress

Category	Included?	Commonly reported in industry	Rationale
1. Purchased goods and services	✗	✓	Likely immaterial, due to the nature of AGSI operations and 100 % scrap based.
2. Capital Goods	✗	✓	Likely material, AGSI have machinery and equipment.
3. Fuel and energy related not included in Scope 1 or Scope 2	✗	✓	Likely material as T&D losses are relevant for AGSI.
4. Upstream transportation and distribution	✗	✓	Material, AGSI uses upstream logistics. Scrap is transported to the facility.
5. Waste generated in operations	✗	✓	Relevant to AGSI operations & data is available.
6. Business travel	✗	✓	AGSI has insignificant business travel, therefore category is likely immaterial.
7. Employee commuting	✗	✓	Material, will be considered for inclusion in future reporting.
8. Upstream leased assets	✗	✗	AGSI doesn't lease buildings & vehicles, therefore category is likely immaterial
9. Downstream transportation and distribution	✗	✓	Material, final products are transported and distributed.
10. Processing of sold products	✗	✓	Likely material, though AGSI does not sell goods that emit emissions when processed. However, this is an area where materiality could be explored further.
11. Use of sold products	✗	✓	Likely immaterial, AGSI do not sell goods that are installed in the buildings that emit emissions when operating (buildings and infrastructure).
12. End of life treatment of sold products	✗	✓	Likely material, AGSI sell goods that at the end-of-life treatment become a post consumer input for the construction materials making, hence its infinite recycling quality.
13. Downstream leased assets	✗	✗	Likely immaterial
14. Franchises	✗	✗	Likely immaterial, AGSI has no franchises.
15. Investments	✗	✗	Likely immaterial, AGSI has no investments.

✗ Not included in this reporting period ✓ Most likely material to AGSI ✓ Likely immaterial

*Categories marked in green are currently under assessment, however due to vast majority of emissions is Scope 1 and 2 centric and have been assessed and prioritized for carbon neutrality purposes.

** Based on source: CDP Technical Note Scope 3 Relevance by Sector: https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/504/original/CDP-technical-note-scope-3-relevance-by-sector.pdf

Carbon Management Framework

AGSI has achieved carbon neutrality of the Abu Dhabi Steel Plant for the first period of 1st January to 31st December 2023 and is committed to achieve carbon neutrality for the subsequent periods in accordance with ISO 14068-1:2023.

AGSI is committed to continuously seeking opportunities to reduce its carbon footprint by focusing on key products designed to lower carbon emissions and collaborating with industry and technology partners. To avoid adverse impacts on the environment and society, safeguards are implemented, including waste minimization and recycling programs, regular environmental monitoring, energy efficiency measures, and stakeholder engagement to ensure community well-being.

Carbon Management Plan has been developed outlining clear milestones for carbon reduction from the base period, including Scope 1, 2, and 3. It underlines key initiatives, operational and technology improvements aimed at increasing energy and recourse efficiencies. The carbon management plan is presented at the Board Meeting on annual basis as well as regularly reviewed by the ESG (Environment, Social, Governance) Steering Committee and Leadership Steering Committee, where the progress of carbon reduction and energy efficiency of the operations is reviewed together with the energy reduction options and initiatives.

We are committed to maintaining Carbon Neutrality throughout the committed period with an ultimate target to decarbonize all three scopes. 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.

01 Carbon Reduction Plan and Initiatives

AGSI's carbon reduction plan is a comprehensive approach covering activities across Scope 1, 2 and 3 emissions in support achieving its net zero emissions by 2030 vs 2023 base period. The 2030 timeline aligns with global climate targets and allows sufficient time to implement low-carbon technologies, operational efficiencies, and nature-based solutions while ensuring measurable and sustainable emission reductions. Beyond 2030, AGSI will maintain its carbon neutrality status through continuous monitoring, improvement, and adoption of innovative solutions.

We have already minimized emissions in our operations and plan to further reduce them following a hierarchy approach (GHG Reduction→GHG Removal Enhancement →Offset): prioritizing reduction through low-carbon technologies, renewable and clean energy, operational efficiencies, optimized processes, and automation; reusing and optimizing 21 resources wherever possible; and enhancing carbon removal through nature-based solutions.

Some of the initiatives to reduce carbon emissions include replacing standard coils with energy efficiency coils, installing energy efficient LED lighting, installing solar panel in parking area, implementing smart energy management system etc.

We are classified as Category A for three consecutive years under the Abu Dhabi Energy Support Program (ESP) by the Industrial Development Bureau, having achieved the highest scores for energy efficiency and responsible energy use (refer Annexure 4). We are also a founding member of the Energy Efficiency Club under this program.

AGSI has developed a comprehensive plan activity related to improvements in the energy efficiency based on the ISO 50001 Management System (refer annexure 5 for the ISO 50001 certificate) and in line with the Abu Dhabi IDB Industrial Strategy Framework. The energy efficiency initiatives that we plan to implement over the years are as follows:

Induction Furnace:

We plan to replace the Standard coils with Energy Efficient Coils. In a scrap melting facility, particularly one using an induction furnace, the energy-efficient coil refers to the induction coil used to generate the electromagnetic field that heats and melts the scrap metal. Induction coils are designed to maximize the conversion of electrical energy into heat with minimal losses. High-quality insulation materials are used to prevent energy losses and ensure the coil's longevity.

ID fan motors:

We plan to replace the ID fan motors with IE-3 motors and highly efficient blowers. By matching the fan's capacity to the actual load requirements (e.g., varying melting rates and exhaust needs), operations can ensure that the fan is neither over- nor under-utilized, both of which can lead to energy inefficiencies. An ID fan motor with energy efficiency class IE-3 (93.6%), which is 1.7% more energy efficient than the conventional motor, is used. The blower is designed with a better efficiency curve, which further reduces energy consumption by 5%.

Water treatment plant:

We plan to implement variable speed drives in place of the existing soft starters, as this will allow for more efficient flow control and present an opportunity for significant energy savings through reduced power consumption.

Energy Efficient (EE) VIP Panel for Induction Furnace:

We plan to replace the existing 12 MW panel with a 15 MW energy-efficient (EE) panel. The upgraded panel is designed to reduce energy consumption per ton of production, resulting in overall energy savings.

Car Parking Shed:

We plan to install solar panels in the parking area to increase the share of renewable energy in our operations. Additionally, the integration of Electric Vehicles (EVs) into the company's fleet for employee transportation is a strategic step toward supporting our carbon emissions reduction plan

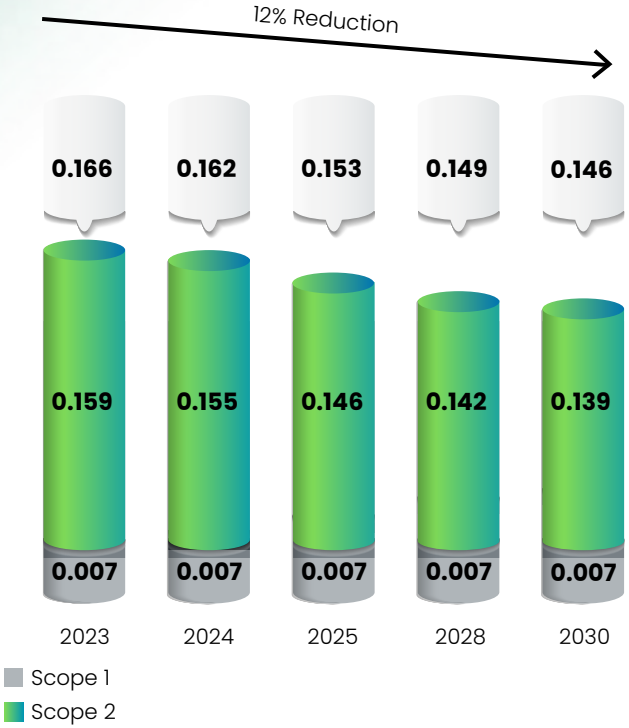
Smart Energy Management System:

Through a smart energy management system, we plan to install smart main and sub-meters to enhance control through continuous monitoring and loss reduction. This system will enable more accurate analysis to identify energy losses. A real-time dashboard will provide visibility into energy consumption patterns and highlight where energy is being used

Air compressor:

An air leakage audit was conducted in 2024 to identify sources of air leaks and assess their impact. Moving forward, we plan to implement a regular leak detection and repair program through routine air quality surveys and audits.

GHG Emission Intensity (tCO_2e /tcs)



Based on the initiatives outlined above, we aim to reduce our GHG emission intensity by 12%, from 0.166 tCO_2e/tcs in 2023 (normalized figures) to 0.146 tCO_2e/tcs by 2030. We have assumed that the grid emission factor remains the same as the current year (0.227 tCO_2e/MWh). However, this factor is expected to decrease over time due to the increasing share of renewable energy in the overall power generation mix of TAQA. Historically, TAQA has been increasing the share of renewables in its monthly generation plan and we can expect the trend to continue. Additionally, we keep investing in in-house energy efficiency projects as our initiative for being a Category A company under TAQA's ESP program and being the host of AGSI Energy Efficiency club. We are also investing in renewable energy projects such as solar power.

The above target represents the residual emission level achievable with the best available technology currently in the market. We plan to adopt these technologies and take all measures within our control to minimize emissions to the lowest possible levels by the year 2030. This commitment aligns with our Sustainability Strategy—specifically the Environment & Climate Change pillar—our GHG emission-reduction pathway, and our carbon neutrality target for 2030. This approach reflects our strong commitment to achieving net-zero emissions and aligns with the urgency principle outlined in ISO 14068-1. AGSI is committed to maintaining its carbon-neutral status beyond 2030, ensuring continuous improvement and long-term sustainability performance.

Safeguards are in place to address any shortfall in meeting GHG reduction targets, including periodic performance reviews, corrective action plans, technology upgrades, and investment in additional mitigation measures to ensure the company stays on track to achieve net zero. To address residual emissions, we will continue to invest in carbon offset projects through the purchase of Clean Energy Certificates (CECs) and carbon credits certified under the Verified Carbon Standards (VCS).

For the reporting period 2025, we plan to include Scope 3 emissions. Our carbon reduction plan will be updated accordingly once reporting for these additional emissions begins. For the reporting period 2026, the scope boundary will also include the rolling mill operations at the Abu Dhabi facility, which will be commissioned in 2026. The carbon reduction plan will be adjusted accordingly during the reporting cycle to reflect this addition and maintain alignment with overall emissions reduction targets.

02 Carbon Management Team

Title	Responsibilities
COO	Monitor and provide leadership in sustainability and carbon reduction initiatives. Defining the Key Performance Indicators (KPIs) for the team
ESG Team	A team of dedicated professionals leading the initiative.

03 Levers of our Decarbonization Strategy

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.

Electrification and shifting from fossil fuel: We have made strategic steps to reduce our reliance on fossil-fuels: 1) Electrification of our machinery and moving away from fossil fuels equipment. 2) Moving to Electric Vehicles for employees.

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. Low-carbon technologies, circular economy principles, and energy-efficient processes are adopted to minimize environmental impact and drive transition to carbon-neutral steelmaking.

Technology: Our low carbon steel production operates on 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 ~92% compared to the average of conventional steelmaking methods (BOF, DRI-EAF).

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.

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. Some of the initiatives that we implemented in 2024 are as follows.

No.	Measure	Annual Savings achieved in 2024 (kWh)
1	Adding new energy efficient 15 MW VIP	980,000
2	Electric material handlers	265,000
3	IE-3 motor and highly efficient blower	2,540,034
4	Carry out laser alignment b/w motor and pump	9,875
5	Trimming of impeller	8,700
6	Steel manipulator	1,012,573
7	Others	112,643
	Total	**4,928,825**

Renewable and Clean Energy: We increased the use of renewable energy through purchasing clean and renewable energy certificates to support our decarbonization pathway.

Nature-based solutions: While we substantially reduced our GHG emissions from the base period, 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.

Offsetting The Carbon Footprint

AGSI invested in carbon offsetting projects to mitigate its carbon footprint impact and to balance emissions that could not be eliminated through operational improvements.

In 2023 for the first declaration period, AGSI implemented two initiatives for its Carbon Offset Program through:

1 **Clean Energy Certificates (CECs)**

2 **Carbon Credits**

Both initiatives were used to offset minimal residual emissions in scope 1 and 2.

AGSI buys its carbon removal projects in line with the Verified Carbon Standards (VCS), which is a carbon credit certification program that sets rigorous rules and methodologies for measuring, verifying, and issuing carbon credits from projects that reduce or remove GHG emissions. It provides third-party validation and verification by accredited bodies. VCS is run by Verra, non-for-profit organization, and aligns with international best practices such as UNFCCC and IPCC. Verra administers the registry for the Verified Carbon Units (VCU) retirement providing VCU serial number to avoid double counting.

Scope	2024 Energy MWh	2024 Emissions (tCO_2e) to offset for 2024	Clean Energy Offsets Purchased (CECs)	tCO_2 Carbon Credit Purchased	
Scope 1	-	3,211	-	3,211	tCO_2e
Scope 2	310,368.0	70,454	310,368 MWh (equivalent to 70,454 tCO_2e)	-	tCO_2e
Total	**310,368.0**	**73,665**	**70,454**	**3,211**	

Carbon Neutrality achievement and retirement in the future

AGSI achieved carbon neutrality in 2023. AGSI is committed to sustainability and continues to take significant measures to reduce Scope 1 and 2 emissions through operational efficiency and an increased reliance on renewable energy sources. AGSI is also actively working to identify Scope 3 emissions and reduce it by implementing supply chain initiatives and promoting sustainable employee commute options. To address residual emissions, AGSI will continue to monitor and manage carbon offset projects, ensuring they effectively neutralize any remaining emissions.

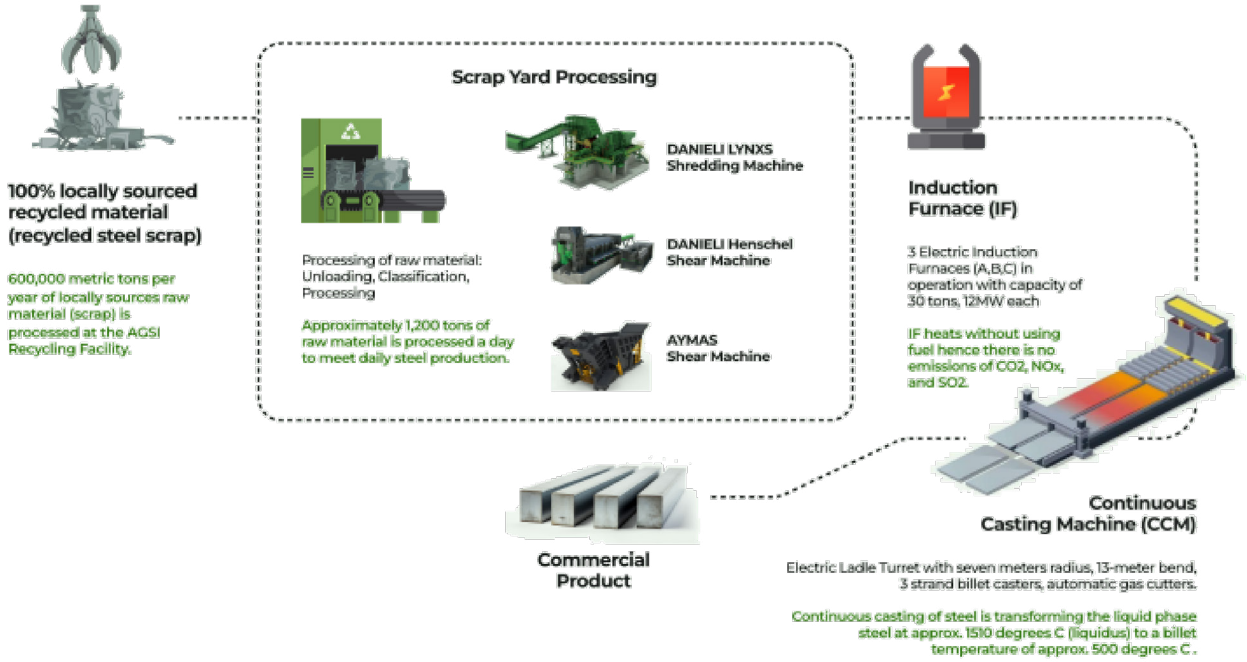
Annexures

Annexure 1: Boundaries of the subject

The achievement and commitment to maintain carbon neutrality covers greenhouse gas emissions related to the Abu Dhabi Steelmaking operations located at ICAD II, Abu Dhabi Industrial City, UAE, including steelmaking plant, storage facilities, scrapyard, main administrative building. The GHGs reported here relate to operations where AGSI can implement its own operating policies and hence exert the greatest control to reduce GHG emissions.

The Facility produces steel by recycling process using four electric induction furnaces (IF). The overall process is utilizing locally sourced recycled raw material to melt it into liquid steel in the IF, refine it to meet quality aspects in the Ladle Refining Furnace (LRF) and to cast it into steel in the Continuous Casting Machine (CCM). The boundary of this report considered in assessing the carbon footprint of these products is depicted in the figure below.

AGSI Steel manufacturing process as defined in the boundaries of the subject



Emissions Scopes and Categories

This declaration covers scope 1 and scope 2 for Greenhouse Gas (GHG) emissions. Various activities and segments, such as operations and raw material consumption contributing directly or indirectly to GHG emissions of AGSI, are categorized under different scope categories.

Carbon Management Plan

A Carbon Management Plan has been developed for the entire value chain and implementation initiated to reduce emissions across the lifecycle of AGSI's operations within defined boundaries, where the business is able to have a direct influence over the carbon emissions. The Carbon Management Plan targets AGSI's near-term and long-term science-based carbon reductions activities and initiatives. These efforts will be achieved through providing actionable plan and support to projects, programs, and solutions that offer quantifiable benefits to the climate change. This approach is in line with the Science Based Target Initiative (SBTi) and Beyond Value Chain Mitigation (BVCM) by SBTi and is considered a best practice that must be met for a company's net-zero target. This is intended to be validated by SBTi. Given that AGSI has received ISO 50001 in 2021, the company developed a robust energy efficiency and reduction plan that outlines annual reduction and continuous annual improvement of the energy consumption and GHG emissions in the steelmaking operations.

Annexures

Annexure 2: Carbon Neutrality Independent Assurance Statement

DNV

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 VeriSustainTM, 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.

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.

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 Høvik, Norway. Tel: +47 67 57 99 00. www.dnv.com

DNV

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.

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.

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.

DNV

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.

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.

For DNV Business Assurance AS - Dubai Branch	
Bankar, Vikas Digitally signed by Bankar, Vikas Date: 2025.11.20 15:34:31 +04'00'	Lele, Sandeep 2025.11.21 07:43:41 +04'00'
Vikas Bankar Lead Verifier	Sandeep Lele Technical Reviewer

Annexure I - Details of verified GHG Emissions and GHG Emission Intensities

GHG Emission Sources	Verified GHG Emissions for the Year 2024 (tCO_2e)	GHG Emission Intensity for the year 2024 - (tCO_2e/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) - 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

[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.*

Annexures

Annexure 3: Details of purchased and redeemed/retired 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_2e	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

Carbon Offset Program – Certificate

VERRA

Verified Carbon Standard

Certificate of Verified Carbon Unit (VCU) Retirement

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 11 Aug 2025, 3,211 Verified Carbon Units (VCUs) were retired on behalf of:

Arabian Gulf Steel Industries LLC

Project Name
Hubei Hongshan IFM (Conversion of Logged to Protected Forest) Project

VCU Serial Number
9918-159371091-159374301-VCS-VCU-324-VER-CN-14-1935-01012017-31122017-1

Additional Certifications
CCB-No Distinction

Powered by APX

I-REC Certificates

The International Tracking Standard Foundation
Founders of I-REC

This Redemption Statement has been produced for

ARABIAN GULF STEEL INDUSTRIES LLC

by

ARABIAN GULF STEEL INDUSTRIES LLC

confirming the Redemption of

310 368.000000

I-REC Certificates, representing 310 368.000000 MWh of electricity generated from renewable sources

This Statement relates to electricity consumption located at or in

Abu Dhabi
United Arab Emirates

in respect of the reporting period

2024-01-01 to 2024-12-31

The stated Redemption Purpose is

Scope 2 Reporting

Redeemed Certificates

Production Device Details

Device	Country of Origin	Energy Source	Technology	Supported	Commissioning Date	Carbon (CO_2 / MWh)
Barakah Nuclear Plant	United Arab Emirates	Nuclear: Unspecified	Nuclear: Unspecified	No	2020-08-17	0.000000

Redeemed Certificates

From Certificate ID	To Certificate ID	Number of Certificates	Offset Attributes	Period of Production	Issuer
0000-0219-6043-7280.000000	0000-0219-6074-7647.999999	310 368.000000	Incl	2023-07-01 - 2023-12-31	Department of Energy Abu Dhabi

Annexure 4: Energy Support Program Certificate (ESP)

شهادة برنامج دعم الطاقة

Energy Support Program Certificate

Company Name	الخليج العربي للصناعات الحديدية ذ. م. م ARABIAN GULF STEEL INDUSTRIES L.L.C	اسم الشركة
Ind. Licenses No.	IN-1002203	رقم الرخصة الصناعية
Transaction No.	IETR-4313568	رقم الطلب

Gas	Approved Score:	NA	النتيجة المعتمدة:
	Category:	NA	الفئة:
	Issue Date:	NA	تاريخ الاصدار:
	Expiry Date:	NA	تاريخ الانتهاء:
	Account Number:	NA	رقم الحساب:
غاز			
Electricity	Approved Score:	84.50%	النتيجة المعتمدة:
	Category:	A	الفئة:
	Issue Date:	06/2025	تاريخ الاصدار:
	Expiry Date:	06/2026	تاريخ الانتهاء:
	Account Number:	9743652136, 9704591010, 2273426964	رقم الحساب:
كهرباء			

Disclaimer

"This certificate is not the final approval for obtaining the electricity related assistance. The electricity distribution companies (ADDC and AADC) are responsible for assigning the final rates and activation dates."

"Kindly note that the manufacturing entity will lose its right to claim the assistance for gas or electricity if 3 months passed without initiating a request for assistance for gas in the system or sending the certificate officially to the distribution company."

اخلاء مسؤولية

"هذه الشهادة ليست الموافقة النهائية للحصول على دعم الكهرباء. وتتولى شركات توزيع الكهرباء (شركة أبوظبي للتوزيع وشركة العين للتوزيع) مسؤولية اصدار الأسعار النهائية ومواعيد التفعيل."

"يرجى ملاحظة أن المنشأة الصناعية ستفقد حقها في المطالبة بالمساعدة الخاصة بالغاز أو الكهرباء المنخفضة إذا مرت 3 أشهر دون تقديم طلب المساعدة للغاز عبر النظام أو إرسال الشهادة رسميا إلى شركات التوزيع."

@AbuDhabiDED

شهادة برنامج تحفيز القطاع الصناعي عبر تعرفة الطاقة

ETIP 2.0 Certificate

Company Name	الخليج العربي للصناعات الحديدية ذ. م. م ARABIAN GULF STEEL INDUSTRIES L.L.C	اسم الشركة
Ind. Licenses No.	IN-1002203	رقم الرخصة الصناعية
Transaction No.	IETR-4264618	رقم الطلب

Gas	Approved Score:	NA	النتيجة المعتمدة:
	Category:	NA	الفئة:
	Issue Date:	NA	تاريخ الاصدار:
	Expiry Date:	NA	تاريخ الانتهاء:
	Account Number:	NA	رقم الحساب:
غاز			
Electricity	Approved Score:	88.00%	النتيجة المعتمدة:
	Category:	A	الفئة:
	Issue Date:	06/2024	تاريخ الاصدار:
	Expiry Date:	06/2025	تاريخ الانتهاء:
	Account Number:	9743652136, 9704591010, 2273426964	رقم الحساب:
كهرباء			

Disclaimer

"This certificate is not the final approval for obtaining the electricity tariff subsidy. The electricity distribution companies (ADDC and AADC) are responsible for assigning the final tariff rates and activation dates."

"Kindly note that the manufacturing entity will lose its right to claim a rebate for gas or the reduced electricity tariff if 3 months passed without initiating a rebate request for gas in the system or sending the certificate officially to the distribution company."

اخلاء مسؤولية

"هذه الشهادة ليست الموافقة النهائية للحصول على دعم تعرفة الكهرباء. وتتولى شركات توزيع الكهرباء (شركة أبوظبي للتوزيع وشركة العين للتوزيع) مسؤولية اصدار الأسعار النهائية للتعرفة ومواعيد التفعيل."

"يرجى ملاحظة أن المنشأة الصناعية ستفقد حقها في المطالبة باسترداد المبلغ الربحي للغاز أو تعرفة الكهرباء المخفضة إذا مرت 3 أشهر دون تقديم طلب خصم للغاز عبر النظام أو إرسال الشهادة رسميا إلى شركات التوزيع."

@AbuDhabiDED

Annexure 5: Energy Support Program Certificate (ESP)

KBSG Quality Certification Services LLC
Office 203 Unit 207, AJD Business Centre, Al. Fajer Complex, OUD Metha Dubai UAE
Tel: +9715564016901 E-mail: office@kbscertification.com

Certificate of Registration

Awarded To

ARABIAN GULF INDUSTRIES LLC
105HR9A, ICAD II, Musaffah, P.O Box 92819,
Abu Dhabi, UAE

for their Energy Management System that complies to the requirements of the standard

ISO 50001: 2018

Scope of Certification

Manufacturing & Supply of Steel Billets

Recertification: 04 June, 2025
Issue Date: 16 June, 2025
Expiry Date: 16 June, 2028

Certificate No. EnMS-K22001
Rev. (03)

*This certificate will be valid until 16 June, 2028 and will be replaced by a new certificate after successful completion of the surveillance audit and compliance with contract terms.

JAS-ANZ
Acc No. M449051017
www.jas-anz.org/register

Kaushal Goyal
Managing Director

KBS CERTIFICATION SERVICES PVT. LTD.
S.No. KBSG-0004
Head Office: 414-424, Om Shubham Tower, Neelam Bata Road, N.I.T. Faridabad – 121 001, Haryana, India Tel: +91 -129 - 4034513, 4178070 - 71 | Fax: +91 -129 - 4035139,
For current validity of the certificate, visit : www.kbscertification.com

F-46 JAS-ANZ/N IAF KBSG (Version 3.00, Mar 2024)

AGSI
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