

AGSI
ARABIAN GULF STEEL INDUSTRIES
NET ZERO STEEL

Building the future responsibly

Sustainability Report 2025

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01

Introduction

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Introduction

About this Report

This report strengthens our transparency and accountability. It sets out the strategic context for our business, the trends shaping our markets, and the issues that matter most to our stakeholders. We present our value creation model, our priorities, performance against key metrics, and the choices and trade-offs we make to deliver sustainable growth. The report also explains our approach to risk and opportunity, and how we are advancing responsible operations and shared value for customers, employees, investors, partners and the communities we serve.

Framework, standards and guidelines

Our sustainability report is prepared in accordance with the GRI Standards and considers the disclosure expectations of the ADX Sustainability Reporting Guide, the UN Sustainable Development Goals, TCFD Guide and relevant sustainability practices for the steel sector. The report builds on AGSI's previous sustainability disclosures and reflects a more structured approach to reporting, with stronger focus on material topics, performance data, governance and future priorities.

AGSI also reports in alignment with the Communication on Progress (CoP) requirements for United Nations Global Compact. We report our GHG emissions data in accordance with the GHG Protocol requirements.

Scope and boundary

This report presents AGSI's sustainability performance, initiatives and progress for the period 1st January 2025 to 31st December 2025. The report covers Arabian Gulf Steel Industries LLC and its two operating facilities: the Abu Dhabi plant and the Sharjah plant . The Sharjah plant is included for the first time in 2025. Data are consolidated using the operational control approach.

The reporting scope includes key environmental, social, governance topics, also reflecting value chain considerations, including raw material sourcing, supplier engagement, logistics, customer expectations and sustainability-linked market requirements. There are no restatements of information reported based on previous AGSI sustainability reports.

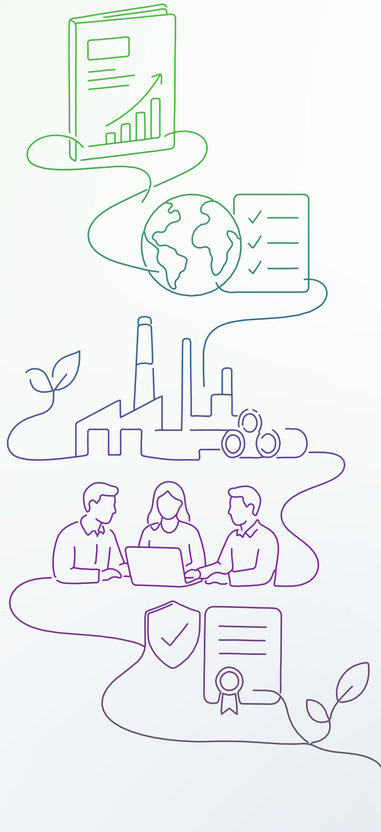
Internal validation and external assurance

The report has been prepared using information collected from AGSI's internal departments, including sustainability, HSE, operations, quality, procurement, HR, finance, and other relevant functions. Data and case studies were reviewed internally with responsible teams to improve completeness, consistency, and traceability.

AGSI continues to strengthen the credibility of its sustainability disclosures through external certifications, product verifications, and assurance-related documentation.

Relevant certifications and verification references have been considered while preparing this report, particularly in areas such as environmental management, energy management, quality and greenhouse gas emissions.

Limited assurance on selected sustainability indicators in this report has been provided by DNV in accordance with International Standard on Assurance Engagements (ISAE) 3000.



Disclaimer

AGSI has made every effort to ensure the accuracy and reliability of the information in this report. The report contains statements that may be deemed as "forward-looking statements" as they express the way in which AGSI currently intends to conduct its activities. Such statements are subject to inherent risks and uncertainties that could cause a difference in actual results.

UNGC Communication on Progress

https://unglobalcompact.org/what-is-gc/participants/161355-Arabian-Gulf-Steel-Industries

For any feedback or clarification, please reach out to our sustainability team on sustainability@agsi.ae

About AGSI

UAE's largest private-sector sustainable steel manufacturer

Arabian Gulf Steel Industries LLC (AGSI) is a UAE-based private steel manufacturer operating in Abu Dhabi and Sharjah with Head Office in Dubai, specializing in sustainable, low carbon steel products for the construction and infrastructure sectors. Our steelmaking model is built around electric steelmaking technology, a production route that supports the use of recycled steel inputs, improves resource efficiency, and advances our commitment to lower-carbon, responsible manufacturing. As the UAE's largest steel recycling company, AGSI produces steel using 100% locally sourced scrap, helping retain material value within the local economy while reducing reliance on conventional, high-emission steelmaking routes.

By recycling domestic steel waste into new steel products, we support circularity, resource efficiency, and lower embodied carbon in the built environment. As we continue to expand, we aim to increase this avoided emissions impact and contribute further to the decarbonization of the UAE's construction and industrial value chain.

Through sustainable production, local recycling, and verified low carbon products, AGSI is strengthening its position as a leading contributor to responsible industry and climate action in the UAE.

AGSI plans to expand its production capacity by the end of 2026 to 840,000 MT of billet, 1.4 million MT of rebar and 240,000 MT of sections. Compared with a conventional steelmaking route of similar scale, this expanded low carbon production model is projected to avoid approximately 1.8 million tonnes of CO_2 per year, strengthening AGSI's role in advancing the UAE Net Zero by 2050 Strategy and Abu Dhabi's position as a regional hub for low carbon heavy industry.

The capacity growth will be delivered through a phased project development approach, including the planned rolling mill expansion in Abu Dhabi and further furnace upgrades at the Sharjah plant. These investments are intended to strengthen production capability while supporting the company's low carbon steelmaking pathway.



Our Vision

To be the leading global net zero steel provider.

Our Mission

NETZERO.



Our business model

AGSI's business model converts locally sourced recycled steel scrap into high-quality steel products through an electric steelmaking based production route. The model is designed to reduce dependence on virgin raw materials, lower emissions intensity, support resource efficiency, and provide customers with steel products that can contribute to sustainable construction and infrastructure outcomes.

AGSI's value creation approach connects five core elements:

- Local recycled raw material
- Efficient steelmaking
- Certified products
- Customer value
- Circular economy contribution through low carbon steel



This model supports AGSI's ambition to grow responsibly while helping customers respond to rising demand for lower-carbon and more transparent construction materials.

Our products

AGSI produces a range of steel products for the construction and infrastructure sector, including rebars, billets, and steel sections. The company's product portfolio is supported by quality certifications, product traceability, and sustainability-related verification.

AGSI's sustainable product proposition is centered on providing customers with steel that combines technical performance with lower embodied carbon and improved transparency. Its product offering includes sustainable rebar under the company's Net Zero Steel range.

In 2025, AGSI's Sustainable Rebar and Steel Sections were recognized as Sustainable Product of the Year – Construction Material at the MENA Green Building Awards.





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 (KSMO), SASO, Emirates Conformity Assessment Scheme (ECAS)



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 Meters

APPROVALS

- DIN, JIS, and others



GRADES

As per required specification

SIZES

100 x 100 mm to 100 x 160 mm

LENGTH

Length up to 12 metres

Our net-zero journey

2016
Establishing AGSI's Steelmaking Foundation
Created the foundation for a production model that would later be positioned around recycled steel inputs, electric steelmaking technology and lower-carbon manufacturing.

2016-2022
Building a Circular, Scrap-Based Production Model
Expanded steelmaking capacity using locally sourced recycled steel as a core input which positioned AGSI within the UAE's circular industrial economy by reducing dependence on virgin raw materials and supporting local recycling value chains.

2022
Establishing an Early Carbon Baseline
AGSI developed its early carbon performance baseline for steelmaking operations which was a critical first step in moving from sustainability ambition to measurable emissions performance, creating the evidence base for AGSI's low carbon steel proposition.

Oct 2023
Signing the UAE Climate-Responsible Companies Pledge
AGSI signed the UAE Climate-Responsible Companies Pledge under the Ministry of Climate Change and Environment which aligned AGSI's decarbonization ambition with the UAE Net Zero by 2050 Strategic Initiative and strengthened its role within the national private-sector climate action agenda.

Nov 2023
GHG Verification for 2022 Performance
AGSI received third-party GHG verification for its 2022 steelmaking performance, reporting 0.20 tCO_2e per tonne of steel produced, providing externally verified evidence of AGSI's low carbon steelmaking route and positioning the company among the region's lower-emission steel producers.

Dec 2023
Net Zero Steel Visibility at COP28
AGSI leveraged COP28 as a platform to engage stakeholders on low carbon steel and the decarbonization of hard-to-abate sectors. This elevated AGSI's journey from an internal operational achievement to a wider climate-transition story connected to construction, heavy industry and national decarbonization priorities.

2023-2024
Joining Global Transition Platforms
AGSI joined the United Nations Global Compact and the Industrial Transition Accelerator, connecting its steel decarbonization journey with global responsible business principles, SDG alignment and collaborative heavy-industry transition efforts.

2024
Carbon Neutrality Verification under PAS 2060
AGSI achieved externally verified carbon neutrality for its Abu Dhabi steelmaking facility under PAS 2060 which marked a major step from low carbon reporting to independently assured carbon-neutral steelmaking operations, strengthening stakeholder confidence in AGSI's Net Zero Steel position.

May 2024
National Recognition at Make it in the Emirates
AGSI's carbon-neutral steel plant was announced and recognized at Make it in the Emirates. The milestone connected AGSI's Net Zero Steel achievement with the UAE's industrial strategy, circular economy priorities, In-Country Value agenda and Net Zero by 2050 ambitions.

2024
Launch of AGSI Net Zero Steel Brand
AGSI launched its Net Zero Steel brand to convert verified operational performance into a clear customer-facing proposition.

2024-2025
Expanding Strategic Partnerships for Low-Carbon Construction
AGSI expanded strategic partnerships with developers, contractors and knowledge partners, including Aldar, Modon, SEE Holding, SEE Institute, Trojan Construction Group and other built-environment stakeholders. These partnerships support early design engagement, low carbon material adoption, circular material reintegration, technical documentation, EPD support, workshops and project-level sustainability collaboration.

2025
Recognition for Circularity, Product Leadership and ESG Performance
AGSI's sustainability performance received wider external recognition in 2025. The company received the Zero Waste Leadership Award 2025 by MEWAR, won Sustainable Product of the Year – Construction Material at the MENA Green Building Awards for its Sustainable Rebar and Steel Sections, and was recognized through further ESG and energy-efficiency platforms.

2025
Sustainable Finance to Scale Emissions-Reduced Steel
AGSI secured a strategic AED 126 million sustainable financing facility from Mashreq to support cleaner industrial practices, production efficiency and the company's certified Net Zero operations.

2026
Scaling the Model through Expansion and Upgrades
AGSI's next phase focuses on scaling low carbon production. The company plans to deliver capacity growth through rolling mill expansion in Abu Dhabi and further furnace upgrades at the Sharjah plant.

Sustainability Highlights

Sustainability Performance Dashboard for 2025

Environmental

16%
Reduction in energy intensity[1]

53%
Reduction in NOx intensity

98%
Water Recycling Rate

1.8 mn tCO_2e
Expected emission avoidance[2]

16 cars
Number of EVs onboarded into our fleet[3]

Social

AED 100,000
Grants for Youth Circularity Initiative with Sustain Labs Paris

10,700 hours
Training provided to employees

163%
Increase in female employees from 2023 baseline

333%
Increase in Emirati employees from 2023 baseline

ZERO
HSE incidents (fatality, injury etc.)

Governance

20%
Female representation on the Board

69.63%
ICV Score

100%
Raw material procurement spend within the UAE

AED 126 mn
Sustainable financing facility awarded by Mashreq Bank

ZERO
Instances of bribery, corruption, anti-trust practices

[1] Data represents Sharjah's energy performance. [2] Emission avoidance is calculated for the succeeding year's production plan compared with conventional steel making route based on World Steel Association Benchmark. [3] EVs include both business travel and employee commute.

Key Achievements

Sustainable Product

AGSI won the Sustainable Product of the Year – Construction Material award at the MENA Green Building Awards 2025 for its Sustainable Rebar and Steel Sections.



Circular economy

AGSI received the Zero Waste Leadership Award 2025 by MEWAR, recognizing its recycling-led production approach and contribution to resource efficiency.



Energy Efficiency

AGSI received recognition for showing leadership initiatives in energy efficiency at TAQA's Energy Efficiency Conference.



ESG Performance

AGSI won the Best ESG Industrial Program Award at CARE 2025 MENA.



Low-carbon construction partnerships

AGSI signed strategic agreements with leading real estate and construction players, including Aldar, SEE Holding, and Trojan Construction Group, to support the use of lower-carbon steel in UAE construction projects and accelerate embodied carbon reduction across the built environment.



Sustainability Leadership

KEZAD Group formally recognized AGSI for its Sustainability Leadership during the KEZAD Connect event.



Youth Circularity Program

AGSI partnered with Sustain Labs Paris at GITEX 2025 to launch the AGSI Youth Microgrant for Circularity, an AED 100,000 initiative supporting UAE students in developing circularity-focused community projects.



Sustainable Finance

AGSI secured an AED 126 million sustainable financing facility from Mashreq and an AED 73.45 million sustainability linked financing from HSBC, supporting growth in low carbon steel production and reinforcing confidence in AGSI's sustainability-led business model.



Leadership Message

CEO's Message

Growing with greater resource efficiency

For AGSI, 2025 was a year of building on commitments already in motion. We carried forward the momentum created during the UAE's extended Year of Sustainability in 2024, using it as an opportunity to move from intent towards increasingly measurable improvements in the way we use energy, water and materials.

That progress became particularly meaningful as our operations grew. Combined production across Abu Dhabi and Sharjah increased during the year, yet resource demand did not rise at the same pace. Electricity intensity improved, while total energy intensity also declined at both sites. Water productivity followed the same direction, with Sharjah reducing water intensity by maintaining a 98% water-recycling rate through its semi-closed-loop system.

Circularity continues to sit at the heart of our production model. In 2025, we continued to maintain 100% recycled steel input and 100% local raw-material procurement spend.

Our progress is also being strengthened through collaboration. Continued engagement with the Industrial Transition Accelerator and UN Global Compact, and our Category A recognition under the electricity tariff incentive framework have enabled us to learn, benchmark and contribute to the wider industrial transition.

Importantly, sustainability is also influencing how we finance growth. The sustainable financing facility with Mashreq provides another pathway for directing capital towards lower-carbon technologies, efficiency and cleaner production.

As we move into 2026, our focus is to combine capacity expansion with deeper efficiency through rolling-mill development, furnace upgrades, ESG digitalization, stronger product transparency and further decarbonization investments.

Our ambition remains to grow by creating more value from every unit of energy, water and material we use.



"Scaling the efficiency will define the next phase of AGSI's growth"

Asam Hussain
CEO, Arabian Gulf Steel Industries

Executive Director's Message

2025 was a year of considerable growth for AGSI, bringing new people, fresh perspectives and opportunities across the organisation.

Welcoming more colleagues into AGSI has reinforced the importance of providing a safe and supportive workplace where people feel valued and can develop professionally. Our continued investment in employee wellbeing, training and engagement is an important part of creating that environment.

I was especially encouraged by the progress we made in Emiratization and women's participation during the year. Creating opportunities for Emirati talent and supporting more women in our workforce are commitments we take seriously. Beyond recruitment, we want to ensure that our people have the support and opportunities to develop their skills, take on new responsibilities and build rewarding careers with AGSI.

I also believe strongly in the value of education and investing in young people. Preparing them to address environmental challenges requires more than academic knowledge. They need opportunities to develop practical skills, explore new ideas and understand how they can contribute. This is why we continue to work with academia to encourage innovation, green skills and environmental responsibility. Our student-led circularity initiative builds on this commitment, giving young people the chance to put their ideas into practice and see the environmental impact they can achieve.

Our involvement in the community is also an area we continue to invest in. During the year, we reviewed our existing initiatives to better understand where we can make a meaningful contribution and how we can assess the difference they make. This will help us build on our CSR efforts and ensure that the programmes and partnerships we support create lasting impact.

Looking to 2026, I want us to build on the progress we have made, with the same commitment to our employees, their development and the social initiatives we support.

As AGSI grows, I believe we should never lose sight of the people who make that growth possible and the responsibility we have towards the communities around us.



"Our strength comes from the people and communities we grow with"

Chanda Hussain
Executive Director, Arabian Gulf Steel Industries

02

Strategy & Governance

Our Approach to Sustainability

Stakeholder Engagement
Materiality Assessment
Sustainability Strategy
Sustainability Governance Structure
Policy Framework





Strategy & Governance

Our Approach to Sustainability

Stakeholder Engagement

AGSI engages with stakeholders to understand expectations, strengthen trust, and align its sustainability priorities with business, regulatory, customer, community and industry needs.

In 2025, AGSI's engagement focused on customers, employees, government and industrial ecosystem partners, financial institutions, suppliers, communities, NGOs and industry associations. These engagements helped inform AGSI's sustainability priorities, partnership agenda, product positioning, community initiatives and reporting approach.



We are committed to adopting a more structured and focused approach to stakeholder engagement. As part of this commitment, we will develop a stakeholder engagement plan that outlines targeted actions to strengthen engagement with each of our identified key stakeholder categories.



Materiality Assessment

In 2025, AGSI conducted a double materiality assessment to identify the sustainability topics most relevant to its business and stakeholders.

The assessment considered two dimensions:

- **Impact materiality** focusing on how AGSI's operations, products and value chain affect the environment, people and society.
- **Financial materiality** considering how sustainability-related topics may influence AGSI's business performance, market positioning, compliance, financing, customer demand and long-term resilience.

The assessment has identified 17 key material topics across AGSI's sustainability agenda.



Material Topics

Environmental

1. Climate & Emissions
2. Energy Management & Operational Efficiency
3. Water Stewardship
4. Circular Economy
5. Biodiversity & Local Environment

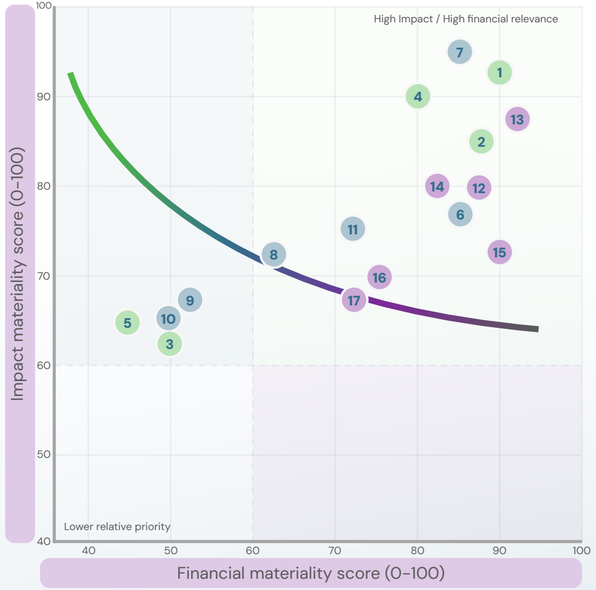
Social

6. Responsible Sourcing & Supply Chain Management
7. Health, Safety & Employee Wellbeing
8. Inclusion & Talent Engagement
9. Community Development
10. Social Impact
11. Stakeholder Engagement

Governance

12. Product Transparency
13. Corporate Governance, Risk & Compliance Management
14. Disclosure, Assurance & Digitalization
15. Sustainable Finance
16. Strategic Partnerships
17. Memberships & Certifications

Double Materiality Matrix



Sustainability Strategy

In 2025, AGSI began laying the foundation for its Sustainability Strategy, designed to guide the company's next phase of sustainable growth, performance management and stakeholder value creation.

The strategy is built around AGSI's ambition to strengthen its role as a responsible, low carbon steel producer supporting the UAE's industrial and sustainability agenda.

Vision

To be the leading global net zero steel producer.

Mission

NETZERO

- **N** Net-zero steel production leadership
- **E** Efficient energy & resource management
- **T** Technology-driven decarbonization
- **Z** Zero-carbon leadership through people, safety and partnership
- **E** Engage stakeholders transparently
- **R** Responsible sourcing & recycling
- **O** Ongoing ESG excellence, governance and accountability

Values

- Climate Stewardship
- Circularity
- Innovation
- Accountability
- Collaboration

Strategy Framework

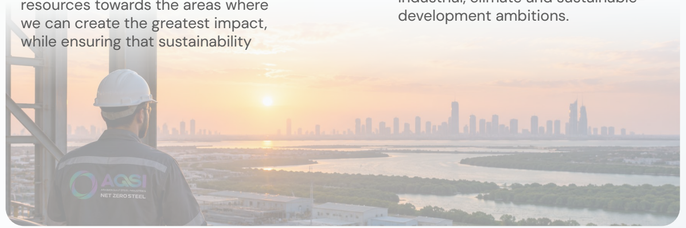
AGSI's sustainability strategy provides a structured pathway for integrating environmental, social and governance considerations across our operations, products and stakeholder relationships. Anchored in our vision and mission, the framework translates our sustainability ambitions into six interconnected strategic pillars, each supported by defined focus areas and external alignments.

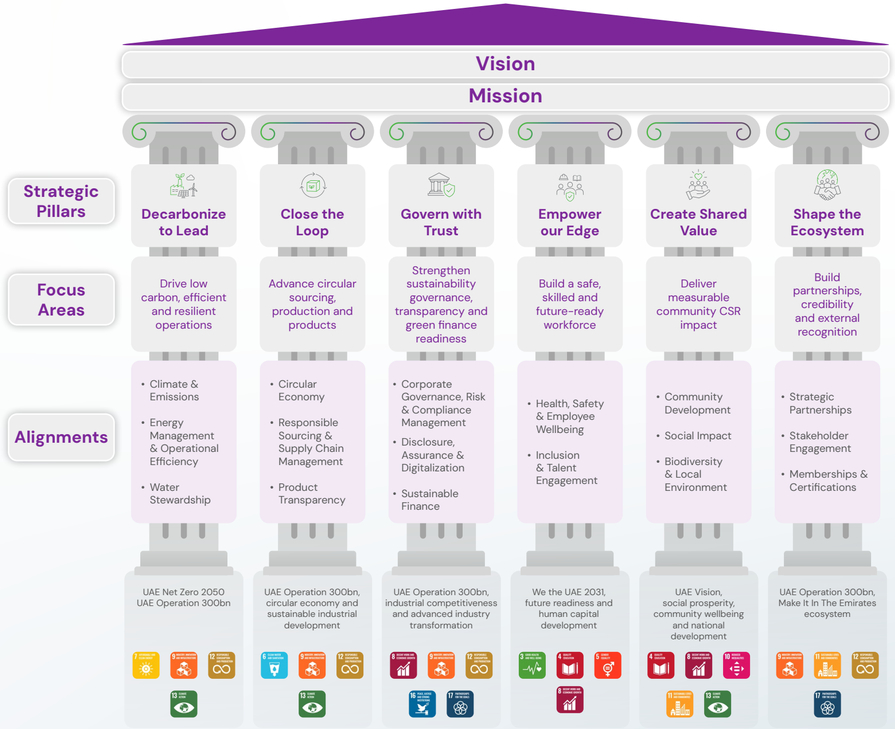
The framework is designed to move sustainability from a set of individual initiatives to a coordinated business agenda. It provides a common direction for how we manage our environmental footprint, strengthen operational resilience, support our people and communities, and create long-term value across the steel and construction ecosystem.

The whole strategy is informed by AGSI's 17 material sustainability topics, business priorities and stakeholder expectations. It helps us direct resources towards the areas where we can create the greatest impact, while ensuring that sustainability considerations are embedded into operational planning, capital decisions, risk management, product development and external engagement.

Each strategic priority is translated into defined initiatives, responsibilities and performance indicators, enabling progress to be monitored consistently across the organization. The framework also provides the foundation for strengthening accountability, improving the quality of sustainability data and supporting transparent reporting to our stakeholders.

As AGSI grows and expands its operations, the strategy will continue to evolve in response to emerging risks, regulatory developments, market expectations and technological opportunities. This enables us to remain focused on measurable outcomes while contributing to the UAE's industrial, climate and sustainable-development ambitions.





Sustainability Governance Structure





AGSI's sustainability governance structure ensures that environmental, social and governance priorities are integrated into strategic decision-making and day-to-day operations. The Board of Directors provides overall oversight and direction, supported by the ESG Committee, which reviews sustainability priorities, performance, risks and emerging opportunities.

The Chief Executive Officer and Executive Director provide executive direction, facilitate cross-functional alignment and support the implementation of approved sustainability initiatives.

In 2025, the Board and ESG Committee received briefings on EU CBAM, carbon neutrality and sustainable finance from the sustainability team expert. The Head of Sustainability coordinates AGSI's sustainability agenda, including strategy development, performance monitoring, reporting, stakeholder engagement and alignment with relevant standards and commitments.

The Sustainability Team works with other business functions across AGSI to translate strategic priorities into measurable actions. Through defined responsibilities, regular performance reviews and cross-functional collaboration, sustainability considerations are progressively embedded across operational planning, investment decisions, risk management and organizational performance.



Policy Framework

AGSI's sustainability approach is supported by a policy framework that defines expected behavior, responsibilities and controls across environmental, social, governance and ethical business topics. Together, these policies help AGSI translate sustainability commitments into day-to-day behavior, operational controls and responsible decision-making.

AGSI's policies are aligned with the UN Global Compact Ten Principles, the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and AGSI applies a precautionary approach to environmental risks. Each policy has a designated owner responsible for implementation and monitoring. Policies are embedded through AGSI's ISO standards and other management systems, operating procedures and annual compliance reviews.

ESG Policy

Guides AGSI's broader ESG commitments. Covers topics like environmental stewardship, social responsibility, economic viability, governance excellence, continuous improvement, implementation and monitoring.

Health & Safety Policy

Supports safe operations, risk controls, incident prevention and employee wellbeing.

Human Rights Policy

The policy demonstrates our fundamental commitment to respecting locally and internationally recognized human and labor rights within our employment practices. It covers key principles like Freedom of association, collective bargaining, forced labor, child labor and non-discrimination.

Diversity, Equity & Inclusion

The policy reinforces key principles and guidelines focused on non-discrimination, equal employment opportunity, accessibility, pay equity, employee resource groups and supplier diversity.

Waste Management Policy

Guides waste reduction, segregation, reuse, recycling and responsible disposal.

Employee Code of Conduct

AGSI's Employee Code of Conduct sets out the standards of behavior expected from all employees, covering health and safety, conflict of interest, ethical business practices, protection of company assets and information and responsible engagement with stakeholders.

Energy Policy

Guides AGSI's approach to improving energy performance through efficient energy use, monitoring and operational controls.

Environmental Policy

Sets out AGSI's commitment to environmental protection through pollution prevention, responsible use of natural resources and compliance with environmental requirements.

03

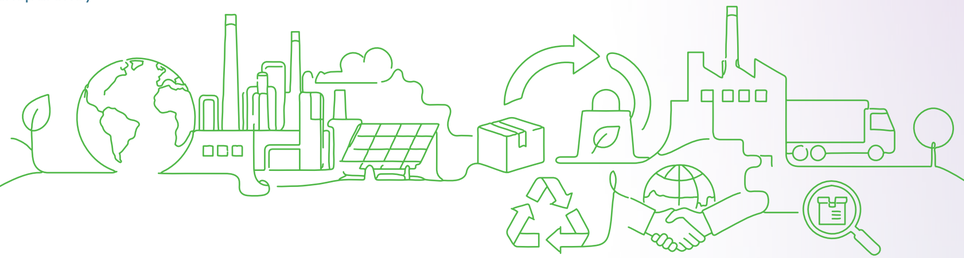
Planet & Product

Decarbonize to Lead

Climate & Emissions
Energy Management & Operational Efficiency
Water Stewardship

Close the Loop

Circular Economy
Responsible Sourcing & Supply Chain Management
Product Transparency





Planet & Product

Decarbonize to Lead

Climate & Emissions

Climate action is central to AGSI's approach to operational resilience, resource efficiency and long-term value creation. As demand for lower carbon construction materials continues to grow, we are strengthening the systems, technologies and partnerships required to reduce the emissions associated with steel production and support the transition of the UAE's construction sector.

Our steelmaking model is built around the use of 100% recycled scrap and electric steelmaking based production routes, avoiding reliance on primary ironmaking processes associated with conventional blast-furnace steel. We continue to improve this foundation through operational optimization, energy efficiency measures, renewable electricity procurement and investments in lower emission production capacity.

In 2025, AGSI expanded its greenhouse gas reporting boundary to include the Sharjah plant, establishing a more complete multi-site emissions baseline.

At Abu Dhabi plant, combined Scope 1 and Scope 2 emissions increased by approximately 18% in 2025. The increase was mainly driven by higher production which rose by an estimated 12.5% and 7% increase in the EWEC emission factor. Emissions intensity increased more moderately by around 5%, from 0.162 to 0.170 tCO_2e per tonne. This indicates that most of the absolute increase was volume-driven, while the remaining movement may reflect changes in energy efficiency, operating conditions, production mix and the electricity grid emission factor applied in 2025.

We also achieved notable improvements in stack emissions at the Abu Dhabi plant. NOx emissions decreased by approximately 53%, while CO emissions reduced by approximately 98.69% compared with 2024. These reductions indicate the impact of improved combustion control, operational discipline, and air emission management practices.

Our Decarbonization Approach

Our climate actions follow a clear hierarchy:

Reduce at source

Improve furnace performance, energy efficiency, process control and material yield to minimize emissions arising from production.

Transition energy use

Increase the use of lower carbon electricity and procure renewable electricity attributes through recognized instruments such as Clean Energy Certificates (CECs).

Address value-chain impacts

Engage suppliers, logistics partners and customers to improve emissions data, strengthen responsible sourcing and identify opportunities for collaborative reductions.

Manage residual emissions responsibly

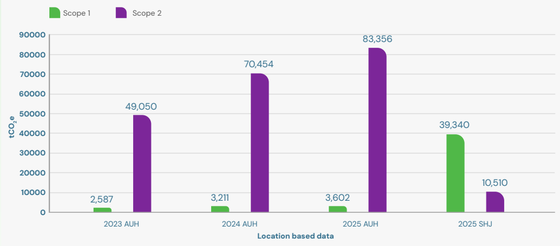
Use credible environmental instruments only for emissions that cannot yet be eliminated, supported by transparent criteria and appropriate documentation.

AGSI is in the process of developing a climate change adaptation and mitigation plan. Its main physical risks include extreme heat affecting workers and equipment, and water scarcity are managed through heat-stress protocols and water recycling.



Our Climate & Emissions Performance

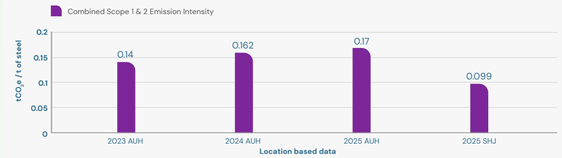
Operational GHG Emissions



Location & Year	Abu Dhabi – 2023	Abu Dhabi – 2024	Abu Dhabi – 2025	Sharjah – 2025
Scope 1 & 2	51,687 tCO_2e	73,665 tCO_2e	86,958 tCO_2e	49,850 tCO_2e

Boundary note: 2025 includes Sharjah for the first time. Like-for-like trend compares Abu Dhabi only.

Operational Emission Intensity



Air Emissions

Stack emissions in tonnes

Pollutants	AUH 2024	AUH 2025
NOx	26.91	12.71
SOx	12.03	13.08
CO	1,037.92	13.64

NOx and CO reductions indicate improved emissions control. SOx increased slightly based on production mix and operating hours.

Trend Analysis

Growth drove most of the increase

Abu Dhabi Scope 1 and 2 emissions rose by 18% while intensity increased by only 5%, mainly due to increased production and increased EWEC emission factor of 7%.

Air-emissions performance improved overall

NOx fell by 53% and CO by approximately 99%, reflecting improved combustion control.

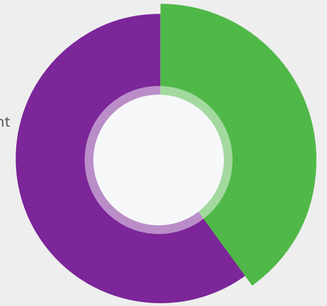
Scope 3 hotspots vary by site

Abu Dhabi was led by processing of sold products, while Sharjah was dominated by upstream transportation and distribution.

Scope 3 Emissions

The 2025 data model expands beyond operational emissions to include priority value-chain categories

60%
38,869 tCO_2e
Abu Dhabi Plant



40%
25,114 tCO_2e
Sharjah Plant





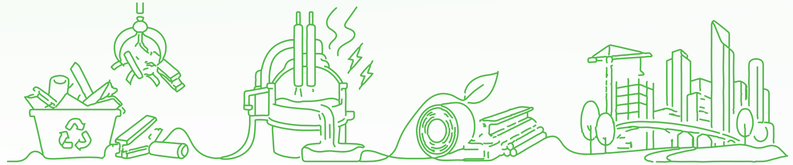
Maintaining Carbon Neutrality, Advancing Decarbonization

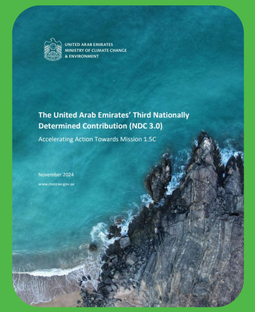
AGSI's Abu Dhabi steel plant achieved carbon neutrality for its defined operational boundary, supported by an independently verified greenhouse gas inventory and certified by DNV in accordance with PAS 2060:2014. AGSI subsequently committed to maintaining this status through 2030 and beyond.

For AGSI, carbon neutrality is not treated as a one time achievement or a substitute for operational decarbonization. Our approach prioritizes reducing emissions at source through recycled material based steelmaking, electricity driven production, energy efficiency improvements, process optimization and the progressive use of lower carbon electricity. Credible environmental instruments are used only to address residual emissions that cannot yet be eliminated through available operational measures.

This commitment is supported by annual emissions measurement, documented calculation methodologies, independent verification and the transparent retirement of relevant renewable energy and carbon instruments. These controls strengthen the integrity of our claim while helping us identify where further reductions can be achieved.

AGSI's low carbon steelmaking model and carbon neutrality journey were also recognized in the UAE's Third Nationally Determined Contribution, highlighting the role of recycled inputs, electric steelmaking and industrial innovation in supporting national decarbonization.





"Arabian Gulf Steel Industries LLC (AGSI) has been championing decarbonization efforts through its sustainable steelmaking from 100% locally sourced steel raw material (scrap) and electric steelmaking methodology.

The company received the Greenhouse Gas Verification statement certifying its carbon emissions at 0.2 tCO_2e/tcs for 2022 and 0.14 tCO_2e/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 PAS 2060:2014, certified by DNV."

Project Spotlight

Strengthening CBAM Readiness through DNV Pre-verification

The Challenge

The EU Carbon Border Adjustment Mechanism is increasing expectations for credible, traceable and product level emissions data. For AGSI, demonstrating readiness requires robust calculation methodologies, clearly defined reporting boundaries and supporting evidence across the production process.

Action taken

AGSI proactively engaged DNV to conduct a pre-verification assessment of its CBAM related emissions data and reporting approach. The review examined the underlying methodology, data sources, calculation controls and documentation supporting the embedded emissions of products.

Value delivered & impact

AGSI achieved lowest GHG intensity based on CBAM requirements for Billets – 0.165 tCO_2e, Rebar – 0.272 tCO_2e and Sections – 0.308 tCO_2e. It also enhanced preparedness for customer and regulatory requests on carbon disclosure.





Accelerating the Shift to Electric Mobility

The Challenge

Conventional vehicles contribute to fuel consumption and transport-related emissions across both company operations and employee commuting. Supporting lower emission mobility therefore requires action beyond the production boundary.

Action taken

AGSI onboarded 16 electric vehicles into its fleet and introduced measures to encourage employees to select EVs as their personal vehicles. This included prioritizing electric mobility and providing company backed financing support to improve affordability and access.

Value delivered & impact

The initiative is helping reduce dependence on conventional fuels while building awareness and adoption of cleaner transport solutions across the workforce. The effort has contributed to an estimated 40 tCO_2e per year of emission avoidance.



Improving Air Quality at the CCM Casting Floor

The Challenge

Particulate matter generated at the Continuous Casting Machine casting floor affected operational visibility, working conditions and atmospheric quality within the area. More effective extraction was required to control emissions at source.

Action taken

AGSI implemented a dedicated smoke-control improvement by integrating additional extraction ducting with the existing fume treatment plant system. The intervention was designed to capture particulate emissions more effectively at the point of generation.

Value delivered & impact

The initiative reduced particulate matter concentrations to negligible levels, achieving a reduction of more than 95%. It restored operational visibility, improved working conditions and personnel safety, and strengthened compliance with atmospheric quality requirements. The project demonstrates the value of targeted engineering solutions in controlling operational emissions and improving plant reliability.



Energy Management & Operational Efficiency

Energy efficiency remains one of AGSI's most important decarbonization levers, as purchased electricity represents the largest contributor to our reported operational emissions. Our energy management approach therefore focuses not only on total consumption, but also on how efficiently energy is used for every tonne of steel produced.

In 2025, electricity consumption increased at both operating sites as production volumes and operational activity expanded. Consumption rose by approximately 11% in Abu Dhabi and 25% in Sharjah. Despite this growth, electricity intensity improved at both locations, demonstrating that output increased faster than electricity use.

At Abu Dhabi, electricity intensity declined approximately by 2% while Sharjah recorded a stronger improvement of 16% reduced intensity. These gains reflect the energy efficiency measures AGSI implemented across both sites, including equipment upgrades, variable frequency drives, compressed-air leak detection and real-time energy monitoring. Together, they enabled AGSI to improve energy intensity even as production expanded.

AGSI's Category A classification under the Energy Support Program reflects the strength of its energy management practices and continued progress in improving operational efficiency. This performance is supported by regular monitoring of energy consumption, production linked intensity and the implementation of energy efficiency projects, with resulting savings and operational impacts periodically reported to TAQA and reviewed by AGSI's senior management.

Recognized Leadership in Energy Efficiency by TAQA

AGSI was also recognized at TAQA Distribution's Industrial Efficiency Central Conference for its active contribution to the UAE's industrial energy efficiency agenda. As a member of TAQA's Energy Efficiency Club's programme and host of the AGSI chapter, the company contributes practical insights, shares best practices and supports collaboration across the industrial sector reinforcing its commitment to responsible operations and the UAE's sustainability and Net Zero ambitions.

Our Approach

Our energy management actions follow:

Measure and understand

Track electricity consumption, production volumes and energy intensity to identify abnormal movements and improvement opportunities.

Optimize operations

Improve equipment loading, production scheduling, process controls and maintenance practices to minimize avoidable energy losses.

Invest for efficiency

Integrate energy performance into equipment upgrades, automation initiatives and future capital-investment decisions.

Collaborate for progress

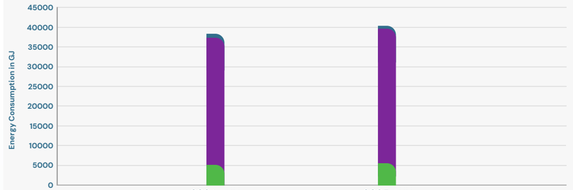
Work with utilities, technology providers and internal teams to identify efficiency opportunities and support the transition towards lower carbon energy.



Our Energy Performance

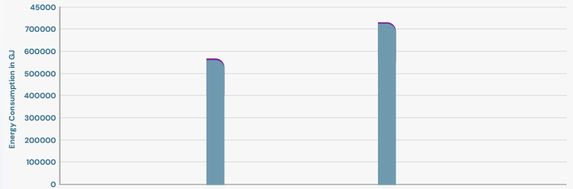
Total Energy Consumption (other than electricity)

Abu Dhabi Location (in GJ)



	2024 AUH	2025 AUH
Petrol	1,144.81	1,034.10
Diesel	32,627.02	34,163.71
Propane	4,834.51	5,377.57

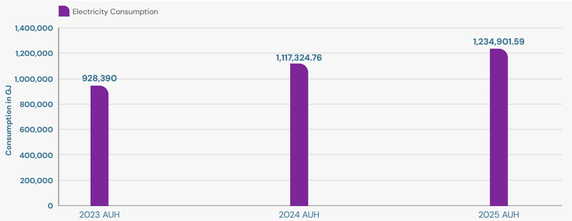
Sharjah Location (in GJ)



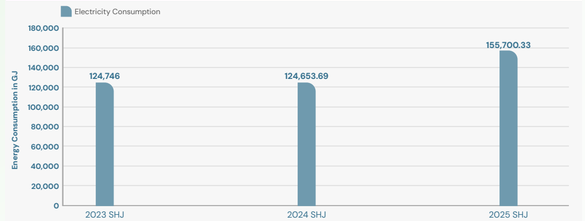
	2024 SHJ	2025 SHJ
Diesel	3,465.66	3,818.79
Natural Gas	559,881.36	727,559.10

Total Electricity Consumption

Abu Dhabi Location (in GJ)



Sharjah Location (in GJ)



All energy figures were converted into GJ using conversion factors based on the US EPA.

Trend Analysis

Energy growth remained below production growth: Although absolute energy consumption increased in 2025, energy intensity improved by approximately **2% in Abu Dhabi** and **13% in Sharjah**, demonstrating stronger energy productivity across both operations.

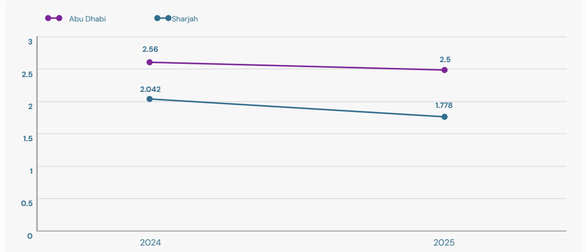
Sharjah achieved a notable efficiency gain during expansion: Despite increases in both electricity and natural gas consumption, the significant reduction in energy intensity indicates that higher output was delivered with proportionately less energy per tonne.

Distinct site profiles enable targeted action: Abu Dhabi's energy demand is predominantly electricity-based, while Sharjah is largely natural gas driven. This provides a clear basis for prioritizing electrical process efficiency and lower-carbon power in Abu Dhabi, and combustion optimization in Sharjah.

AGSI increased operational output without a proportional rise in energy demand.

Our energy management actions follow:

Total Energy Intensity
(in GJ / t of steel)



Project Spotlight

Embedding efficiency through an IE3 premium efficiency motor

The Challenge

The commissioning of the FTP 3 (Fume Treatment Plant) ID Fan presented an opportunity to integrate energy efficiency into the equipment design from the outset. Selecting a conventional motor would have increased electrical losses, operating costs and lifecycle energy consumption.

Action taken

AGSI installed an IE3 premium efficiency motor in place of a standard-efficiency motor. The motor was selected to reduce electrical losses, improve operating efficiency and maintain the reliability required for continuous plant operations. The initiative also formed part of AGSI's broader effort to apply higher efficiency specifications to new equipment and capital projects.

Value delivered & impact

The installation delivered approximately 38% energy savings, while improving motor performance and equipment reliability. Beyond the immediate reduction in electricity consumption, the project established a stronger internal benchmark for the future adoption of energy efficient motors across the plant.



Increasing furnace efficiency through an electrical panel upgrade

The Challenge

The existing 12 MW electrical panel serving the furnace had become a constraint to improving electrical efficiency and supporting increased production requirements. The ageing system contributed to higher electrical losses and limited power availability, creating the need for a more efficient and future ready power distribution solution.

Action taken

AGSI replaced the existing panel with a 15 MW energy efficient electrical panel. As the upgrade was implemented within an operating facility, the project required detailed cross-functional planning, statutory approvals and close coordination of procurement, shipment and installation activities to minimize operational disruption.

Value delivered & impact

The upgraded panel reduced electrical losses, strengthened system reliability and increased power availability for production. It is estimated to deliver approximately 12,397,500 kWh of annual electricity savings, while improving the plant's capacity to support future operational requirements more efficiently.



Matching Pump Operation to Demand through VFD Integration

The Challenge

The 15-kW pump at the Water Treatment Plant operated continuously at full speed through a direct-on-line starter, irrespective of actual process demand. This resulted in unnecessary electricity consumption, high starting current and increased mechanical stress on the pump and motor.

Action taken

AGSI replaced the conventional starter with a Variable Frequency Drive (VFD) that automatically adjusts pump speed according to real-time water requirements. This enabled more precise process control and eliminated unnecessary full speed operation while maintaining a reliable water supply.

Value delivered & impact

The upgrade reduced operating demand from 15 kW to 12 kW, delivering approximately 20% energy savings and an estimated annual electricity reduction of 25,290 kWh. It also reduced mechanical wear, improved equipment reliability and extended the expected service life of the pumping system.



Modernizing Casting Machine Steam Extraction through Variable Frequency Drive Control

The Challenge

The 75-kW CCM steam exhaust fan previously operated continuously at full speed, regardless of the actual steam extraction requirement. This fixed-speed operation increased electricity consumption, accelerated wear on the motor and fan assembly, and resulted in higher maintenance needs.

Action taken

AGSI installed and commissioned a Variable Frequency Drive to regulate fan speed in line with changing process conditions. The upgrade was carefully integrated to maintain the required extraction performance and workplace conditions while minimizing downtime during implementation.

Value delivered & impact

The project eliminated unnecessary full-speed operation and improved control of the steam-extraction process. It is estimated to deliver approximately 129,600 kWh in annual electricity savings, while reducing mechanical stress, improving equipment reliability and lowering future maintenance requirements.



Transforming Energy Visibility through a Smart Management System

The Challenge

As AGSI expanded its operations, monitoring energy use across multiple production areas became increasingly complex. The absence of a centralized, real-time monitoring platform limited visibility into equipment-level consumption and delayed the identification of abnormal energy use patterns.

Action taken

AGSI implemented the Digital Energy Platform, integrating smart meters on the main across the plant. The platform provides real-time electricity monitoring, equipment and production area tracking, historical analysis, automated alerts and daily performance reporting. Compatibility and connectivity risks were addressed through coordinated hardware configuration and a dedicated communication network.

Value delivered & impact

The system significantly strengthened visibility over plant energy performance and enabled faster, data-driven corrective action. Improved monitoring contributed to an estimated 1% reduction in overall plant energy consumption, equivalent to approximately 3,103,680 kWh annually.



Reducing Compressed-Air Losses through Advanced Leak Detection

The Challenge

Compressed air is among the plant's most energy intensive utilities, and even small leaks can lead to continuous energy losses, increased compressor loading and higher operating costs. Many leaks are difficult to detect through routine inspections, particularly across an extensive distribution network.

Action taken

AGSI conducted a comprehensive leakage audit using ultrasonic leak-detection technology. The system enabled maintenance teams to locate leaks without interrupting production. Each leak was tagged according to location and severity, allowing repairs to be prioritized. AGSI also introduced recurring audits, prompt repair practices and improved piping specifications for future upgrades.

Value delivered & impact

The initiative established a proactive framework for systematically identifying, prioritizing and addressing compressed-air losses. It supports lower compressor demand, reduced electricity consumption, improved pressure stability and lower maintenance costs over the long term.



Water Stewardship

Improving water productivity through recovery and efficient use

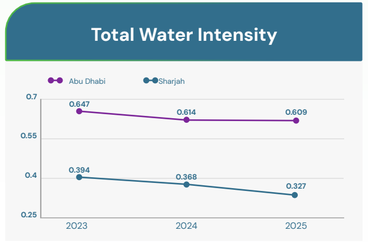
Water is essential to AGSI's process cooling, equipment reliability and operational continuity. Our water stewardship approach focuses on monitoring consumption, recovering and recirculating water, improving cooling-system efficiency, preventing avoidable losses and reducing the amount of water required for every tonne of steel produced.

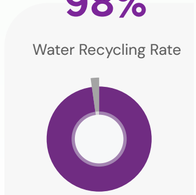
In 2025, AGSI improved water productivity across both sites, supported by water conservation efforts, enhanced recycling and more efficient equipment. While expanded production increased overall water consumption, output grew faster than water demand, reducing the volume of water consumed per tonne of steel produced.

Abu Dhabi's water intensity fell by approximately 1%, while Sharjah achieved a stronger improvement of approximately 11%

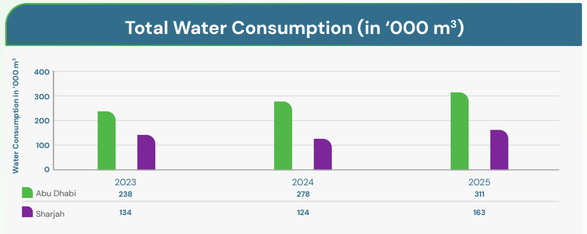
Across both operations, combined production increased by approximately 28%, compared with an 18% increase in water consumption. Abu Dhabi also maintained a 98% water recycling rate, recycling 304,730 m³ through its semi-closed loop water system. Going forward, AGSI plans to commission a reverse osmosis plant that will enable 100% water recycling, moving the system from a semi-closed to a fully closed loop.

Water Intensity (in m³ / t of steel)





Water Performance



Trend Analysis

Production growth outpaced water demand:

Combined production increased by approximately **28%** in 2025, compared with an **18% rise in water consumption**, reducing blended water intensity by around **8%**.

Efficiency improved across both sites:

Between 2023 and 2025, water intensity reduced by approximately **6% in Abu Dhabi** and **17% in Sharjah**, indicating sustained improvement in water productivity.

Circular water use remained strong:

Abu Dhabi maintained a **98% water recycling rate**, demonstrating the effectiveness of its semi-closed loop system in limiting additional water demand.

AGSI expanded production without a proportional increase in water demand, while improved intensity and high water recycling strengthened both resource efficiency and operational resilience.

Project Spotlight

Optimizing the Water Treatment and Billet Cooling System for Enhanced Casting Performance

The Challenge

The Water Treatment Plant and billet cooling system faced recurring operational issues that affected casting quality, cooling reliability and production continuity. Insufficient pump pressure resulted in uneven billet cooling and increased bulging during continuous casting, while cooling-water temperatures of approximately 75°C contributed to excessive evaporation and water losses of around 40 m³ per day. Water quality was also affected by mill scale, clay, mud and oil contamination, which frequently blocked filters and spray nozzles. Repeated manual cleaning disrupted operations, while limited reservoir pumping capacity and fluctuating water levels reduced the reliability of the cooling-water supply.

Action taken

AGSI implemented a plant-wide optimization programme across the KW cooling circuit, covering pumping, filtration, cooling and water management. The existing pump was replaced with a higher capacity DSM pump, increasing discharge pressure from 8.1 bar to 12 bar to improve the consistency of billet cooling. A dedicated sprinkler cooling network with ten branch outlets was installed to improve heat removal and reduce tank temperature.

Manual filtration was replaced with an automatic self-cleaning 100-micron basket filter, significantly reducing clogging and maintenance requirements. Two high capacity reservoir pumps were also commissioned to accelerate water replenishment and provide emergency backup. In addition, the cooling tower was upgraded, reducing cooling-water temperature from 75°C to 41°C, while three oil skimmers were installed to continuously remove oil contamination and improve water quality.

Value delivered & impact

The integrated upgrades significantly improved the efficiency, reliability and stability of the billet cooling system. More uniform cooling enhanced casting performance and reduced billet bulging, while the lower water temperature substantially reduced evaporation losses and improved thermal stability.

Automatic filtration reduced filter clogging by approximately 70%, nearly eliminated nozzle blockages and enabled uninterrupted casting operations. Reservoir refill time was reduced to less than 30 minutes, strengthening water availability and emergency preparedness.

The installation of oil skimmers further improved water quality and reduced maintenance requirements. Together, the measures improved operational reliability, strengthened cooling performance and enhanced the long-term sustainability of the Water Treatment Plant.



Close the Loop

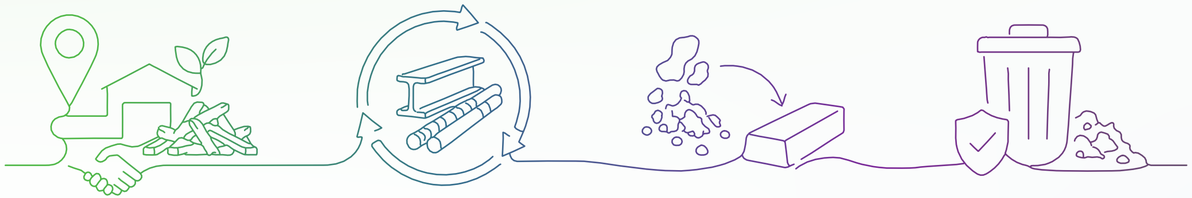
Circular Economy

Circularity is fundamental to AGSI's steelmaking model. We turn recycled steel into new construction-grade products, which extends the useful life of steel, reduces dependence on virgin raw materials and supports lower carbon development across the UAE.

Recycled steel scrap remains our principal raw material. Our Abu Dhabi melt shop consumed 11% more scrap in 2025 compared 2024 consumption, all of it sourced from local suppliers. To achieve the required steel grades, we also added ferro-alloys, over the recycled scrap input. Recycled material therefore made up 99.1% of the metallic inputs to our steelmaking. All raw-material procurement spend remained with UAE suppliers.

Our circular economy approach extends beyond steelmaking. We recover and repurpose operational by-products, improve waste segregation and traceability, and eliminate avoidable materials from our operations. Through the Net Zero Bottles initiative, for example, we have avoided the use of 57,423 single-use plastic bottles, preventing waste at source.

Our approach to circularity



Source locally and responsibly

Prioritize locally available recycled steel and strengthen domestic value creation

Keep steel in circulation

Convert recovered steel into new products without compromising material performance

Recover value from by-products

Improve segregation, traceability and opportunities for reuse, recycling and industrial symbiosis

Prevent avoidable waste

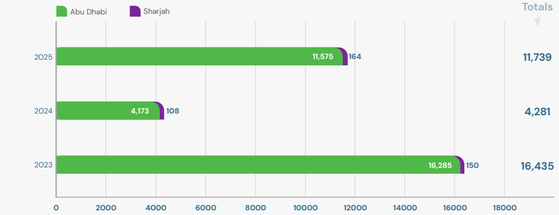
Reduce disposable materials and embed circular practices across day to day operations

Waste & Recycling Performance

YoY Increase in recycled raw material consumption (in %)



Waste Generated (in tonnes)



AGSI scaled production while keeping recycled and locally sourced steel at the centre of its operating model. Higher material throughput, lower waste relative to the 2023 baseline and continued waste-prevention initiatives demonstrate the growing economic and environmental value of circular steelmaking.

Trend Analysis

Circular material throughput expanded:

Recycled material consumption increased by 38.61% in 2025 compared to the year 2023, reflecting higher production while maintaining the use of recycled steel as principal input.

Local circularity remained embedded:

Abu Dhabi retained 100% recycled steel use, and 100% local raw-material procurement spend, strengthening both resource circularity and domestic economic value.

Waste performance remained stronger than the 2023 baseline:

Although waste increased from the unusually low 2024 level, combined waste generated in 2025 remained approximately 29% below 2023, despite production being around 43% higher.

Project Spotlight

Converting Food Waste into Agricultural Resources

The Challenge

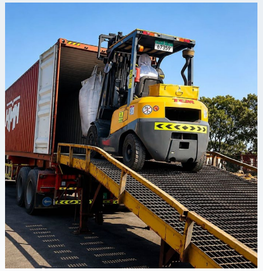
Food waste from employee cafeterias and dining facilities would otherwise be disposed of as general waste, contributing to landfill volumes and associated emissions. At the same time, the agricultural sector faces growing pressure to improve soil quality while reducing water use and dependence on conventional fertilizers.

Action taken

AGSI partnered with Tadweer to establish a source segregated food-waste collection programme. Through Tadweer's collaboration with Aquagrain, the collected organic waste is processed into a high quality soil enhancer for agricultural use, converting an unavoidable waste stream into a productive resource.

Value delivered & impact

The initiative diverts food waste from landfill and supports Abu Dhabi's circular economy by returning organic material to productive use. The resulting soil enhancer can improve soil health, retain moisture and reduce reliance on conventional fertilizers, with potential reductions of up to 50% in water and fertilizer use. The partnership demonstrates how cross-sector collaboration can create environmental value beyond AGSI's operational boundary.



Closing the Material Loop through Slag and Iron-Dust Recycling

The Challenge

Steelmaking generates by-products such as slag and iron dust which, without effective recovery routes, may contribute to landfill disposal, resource loss and increased environmental impacts. AGSI therefore sought reliable end use applications capable of retaining these materials within productive value chains.

Action taken

AGSI partnered with specialized recyclers to recover and repurpose both streams. In 2025, 16,332 tonnes of slag were supplied to Mawaad, where residual metallic content is recovered and returned to AGSI's steelmaking process, while the processed slag is used in road construction applications. AGSI also diverts approximately 300–400 tonnes of iron dust each month to Green Earth Solutions for use in producing galvanized iron sheets.

Value delivered & impact

The initiative reduces disposal volumes, recovers valuable metallic content and lowers demand for virgin raw materials. It also extends the productive life of steelmaking by-products through industrial symbiosis, converting one industry's residual materials into useful inputs for another and strengthening AGSI's circular resource management model.



Eliminating Single-Use Plastics through "Net Zero Bottles"

Single-use plastic water bottles contributed to avoidable waste and environmental impacts across AGSI's facilities. The company needed to reduce plastic consumption while continuing to provide employees and visitors with convenient access to safe, high quality drinking water.

AGSI partnered with No More Bottles to replace disposable bottled water with advanced filtered water dispensers and reusable bottles. The solution was introduced across sites to provide reliable drinking water access while encouraging employees and visitors to adopt reusable alternatives.

The initiative has prevented the use of more than 50,000 plastic bottles across all AGSI sites, reducing plastic waste and the environmental footprint associated with bottle production, transportation and disposal. Beyond the measurable waste reduction, the programme has encouraged more responsible consumption habits and strengthened a workplace culture centered on waste prevention and circularity.



Recognized for Zero-Waste Leadership

Achieving meaningful waste reduction in steel manufacturing requires more than isolated recycling activities. It demands a production model that maximizes material recovery, embeds responsible waste management across operations and demonstrates credible performance through monitoring and independent review.

AGSI implemented a circular production model centered on locally sourced recycled steel, resource efficient manufacturing and the recovery and repurposing of operational by-products. The company also strengthened transparency through independent audits and third-party assurance of its sustainability performance.

AGSI received the MEWAR Zero Waste Leadership Award 2025, recognizing its contribution to circular manufacturing and waste reduction. The company was also shortlisted for Sustainability Champion's Award and Metals Recycling Company of the Year – Manufacturer, reinforcing the credibility of its circular-economy performance and demonstrating that large scale steel production can support both industrial growth and responsible resource use.



Responsible Sourcing & Supply Chain Management

AGSI's responsible sourcing approach is rooted in local procurement, supply chain resilience, ethical business conduct and national value creation.

In 2025, AGSI maintained 100% procurement spend within the UAE, supporting domestic suppliers, strengthening local recycling markets and reducing dependence on imported virgin raw materials. This local sourcing model also contributes to shorter and more resilient supply chains.

Our local economic contribution continued to strengthen during the year, with AGSI's ICV score improving from 62.61% in 2024 to 69.63% in 2025. The improvement reflects stronger alignment with the UAE's national industrial development agenda. Our score is held back by a structural constraint in the supplier base. Most of our scrap suppliers operate from free zones and are not registered under the ICV programme, so spend with them does not count towards our score, even though the material is sourced locally. Had these suppliers been ICV registered, we estimate our score would be above the range of 80% instead of the current 70% range.

Building the Foundation for Sustainable Procurement

AGSI is currently undertaking a benchmarking and gap-assessment exercise to understand how sustainability considerations can be systematically integrated into procurement. The findings will inform the development of a Sustainable Procurement Strategy in 2026, together with the governance mechanisms, supplier expectations and performance indicators required to support implementation.

100%

Procurement spend within the UAE



ICV
القيمة المحلية المضافة
IN-COUNTRY VALUE

69.63%

In-Country Value Score in 2025



Our approach to circular value chain

From current-state assessment to systematic supplier expectations



Assess & Benchmark

Review existing procurement practices and identify policy, process and data gaps.

Define Expectations

Develop the strategy, supplier code and ESG criteria covering ethics, HSE, human rights and environment.

Integrate into Procurement

Embed sustainability considerations into onboarding, tender evaluation and sourcing decisions.

Engage & Improve

Work with suppliers to improve awareness, accountability and responsible practices.

Monitor & Report

Introduce KPIs to track supplier screening, local value, corrective actions and ESG performance.

Responsible Sourcing in Practice

Procurement Performance at a glance

Metric	2024	2025
Total Suppliers	299	293
Procurement spend within UAE	100%	100%
ICV-certified suppliers	70%	80%
AGSI ICV score	62.61%	69.63%

Trend Analysis

Local sourcing remained firmly embedded, with **100%** of procurement spend retained within the UAE, reinforcing supply chain resilience and local economic value creation.

The supplier base remained broadly stable while ICV-certified suppliers increased from **70%** to **80%**, indicating a stronger concentration of suppliers aligned with national value creation.

AGSI's ICV score improved by **7 percentage** points, showing continued progress in linking procurement decisions with UAE industrial priorities.

Environmental and Social criteria will be built into supplier onboarding through the Sustainable Procurement Policy and Supplier Code of Conduct in 2026.

Project Spotlight

Benchmarking & Current-State Assessment of Procurement

The Challenge

AGSI's procurement model has historically focused on cost, quality, availability and operational continuity. With sustainability expectations increasing across the steel and construction value chain, AGSI identified the need to understand current maturity and define the policies, supplier requirements and KPIs required for a more responsible sourcing model.

Action taken

In 2025, AGSI initiated a benchmarking and current-state assessment of the procurement function. The review covers governance, supplier onboarding, ESG due diligence, human rights and labour expectations, HSE requirements, ethical conduct, local procurement, supplier engagement and performance monitoring.

Value delivered & impact

The assessment is establishing a practical baseline for procurement maturity and identifying the priority interventions needed to embed sustainability into sourcing decisions. Its outcomes will inform the Sustainable Procurement policy and Supplier Code of Conduct planned for 2026, enabling stronger supplier accountability and improved visibility of supply chain ESG risks and opportunities.



Product Transparency

Transparent by design. Verified by standards.

Product transparency is becoming increasingly important across the construction value chain as customers, developers and regulators seek clearer information on product quality, origin, recycled content, embodied carbon and regulatory compliance. For AGSI, transparency is a core part of building customer confidence and enabling informed material selection decisions.

AGSI supports this through product certification, traceability systems and environmental disclosure. We regularly conduct Environmental Product Declaration (EPD) assessments for our products and publish independently verified results, providing transparent information on their environmental performance and embodied carbon. For our carbon steel reinforcing bars, the assessment covers one tonne of reinforcing steel manufactured through AGSI's secondary, scrap based production route.

Alongside environmental disclosure, AGSI maintains established product conformity and quality certifications that demonstrate compliance with applicable UAE and international requirements. Together, these systems provide customers with steel that is technically compliant and traceable to its production source. No incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of AGSI's products were identified in 2025.

Environmental Product Declaration

Assessing readiness for conducting product level environmental disclosure for reinforcing steel

Traceability

Using the Product Digital Passport to trace heat, bundle and product level identification

Market Access

Compliance with UAE and international steelmaking quality requirements

Project Spotlight

From Product Traceability to a Digital Product Passport

The Challenge

Construction customers increasingly require product information that goes beyond a traditional mill certificate. Specifications, heat numbers, bundle references, conformity credentials and origin information can sit across multiple documents, making verification time consuming and reducing visibility across the product journey.



Action taken

AGSI introduced a QR-enabled product identification and verification system on reinforcing steel bundles and certification records. Each label captures producer details, material specification, size, length, cast or heat number, bundle reference, number of bars and bundle weight. QR codes provide a digital route to product and certification verification, including validation through the CARES Cloud/App ecosystem.



Value delivered & impact

The initiative improves batch level traceability, reduces dependence on fragmented paper based information and enables customers to verify product and certification details more efficiently. It also creates the foundation for a broader Product Digital Passport, where recycled content, EPD data and embodied carbon information can be progressively connected to individual product batches.

Key Product Certifications & Market Assurance

BS 4449: 2005+A3:2016

ISO 6935-2:2019

ISO14001:2015 Cert. No. CN021153 CB-EMS-101

ISO14001:2015 Cert. No. CN021152 CB-EMS-101

ISO 9001:2015 Cert. No. 1816

ISO 50001:2018 Cert. No. EnMS-K22001

24-12-23514/Q24-11-049775/NB0030

24-12-23514/Q24-11-049776/NB0030

Product Conformity Cert. No. 220203

Product Conformity Cert. No. 220204

Product Conformity Cert. No. 220205

Product Conformity Cert. No. 220206

ECAS 24-12-132475/E24-12-137495/NB0030

ECAS 24-12-132475/E24-12-137496/NB0030

2388-CPR-22-64391

8501-CPR-22-64392

QAD-2025.0654.01-ST

QAD-2024.0369.01-ST

KWS GSO ISO 6935-2:2012

20220385001

PAS 2060:2014 DNV-2024-ASR-694945

Product Digital Passport

04

Governance

Govern with Trust

Corporate Governance & Risk Management
Disclosure, Assurance & Digitalization
Sustainable Finance





Governance

Govern with Trust

Corporate Governance & Risk Management

AGSI's governance approach supports responsible growth by connecting strategic oversight, ethical decision-making, compliance discipline and sustainability performance. In 2025, Board and committee structures continued to provide regular oversight of business priorities, ESG matters and long-term stakeholder value.

The performance of AGSI's Board of Directors, including how it oversees the company's impacts on the economy, the environment and people, is reviewed annually through an internal self-assessment led by the Chair and its findings inform the Board's agenda, committee responsibilities and director development.

2025 Board at a glance

5	2	3	4
Board Members	Executive Directors	Non-Executive Directors	Board Meetings

1 in 5 Board seats held by women

Female representation at Board level 20%

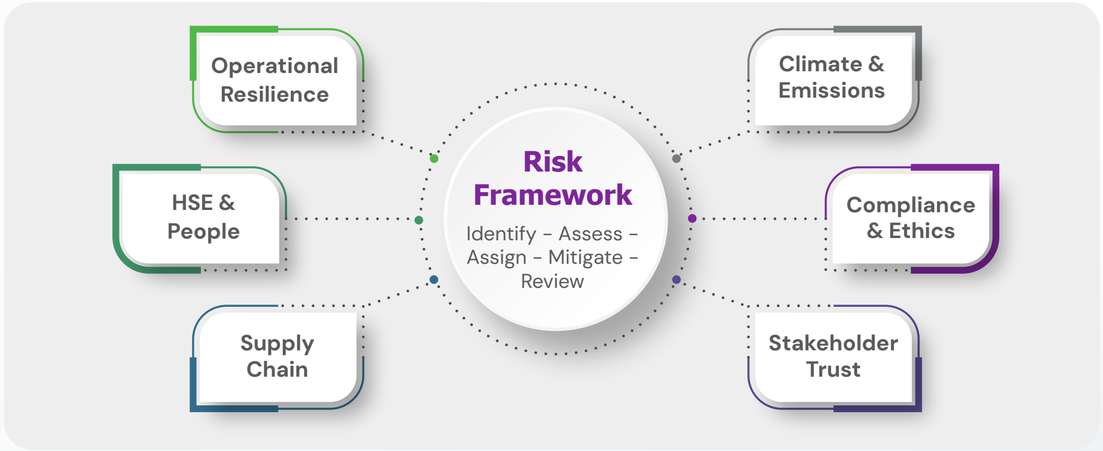


Governance is overseen through the Board, executive leadership and six governance committees, including a Sustainability Committee comprising the CEO, three non-executive directors and one executive director.

The board is chaired by a non-executive director. Directors are nominated by AGSI's shareholders and appointed in accordance with the Articles of Association and UAE Commercial Companies Law. Selection considers industry and technical expertise. Committee members are appointed by the Board based on relevant expertise.

Board oversight through AGSI's Risk Management Framework

AGSI uses its risk management framework to bring sustainability topics into governance discussions, helping leadership review ESG matters as business risks and opportunities linked to resilience, compliance, financing and market access.



Oversight flow

The Board approved AGSI's sustainability strategy and sustainability related policies. The ESG Committee meets for reviewing sustainability KPIs, targets and initiatives during board meetings. The Board reviews the effectiveness of these processes annually as part of its risk-management review. The Committee specifically reviews and approves the list of material topics to guide the sustainability strategy and reporting.

Customer Management Performance

Customer trust is strengthened through consistent service quality, traceable product information and timely complaint resolution. In 2025, AGSI recorded an average customer satisfaction score of 92%, a 5 point improvement from the previous year level.

KPI	2023	2024	2025
Customer satisfaction score	90%	87%	92%
Customer complaints received	-	-	10
Complaints resolved	-	-	10
Complaint resolution rate	100%	100%	100%
Sales volume covered by product passport	100%	100%	100%

92%
Customer satisfaction score

100%
Complaint resolution rate

100%
Sales volume covered by product passport

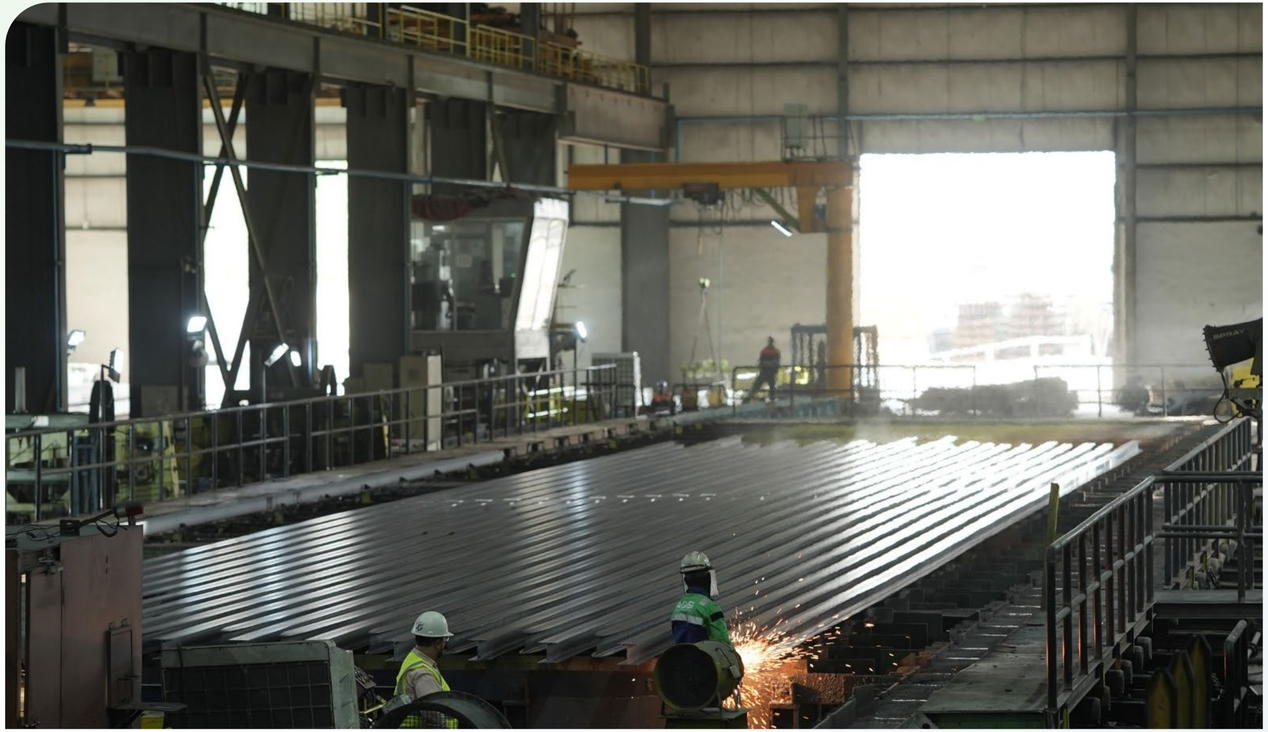
Trend Analysis

Satisfaction improved to **92%** in 2025, indicating stronger customer experience after a temporary dip in 2024

All **10** customer complaints recorded in 2025 were resolved, maintaining a **100%** resolution rate

Product passport coverage remained at **100%**, strengthening traceability, product transparency and customer confidence

No incidents of non-compliance concerning product labelling or marketing communications were identified in 2025.



Anti-Corruption & Business Integrity

AGSI's approach to business integrity is anchored in responsible conduct, regulatory compliance and a zero-tolerance position on bribery and corruption. The company expects employees, contractors and business partners to act ethically and transparently in all dealings.

Integrity expectations across the value chain

Zero Tolerance
Bribery, corruption, facilitation payments and unethical conduct are not accepted.

Responsible Conduct
Employees are expected to comply with applicable policies, laws and ethical business standards.

Fair Dealing
Procurement, sales and customer interactions are expected to be conducted transparently and without improper influence.

Supplier Accountability
AGSI aims to extend business integrity expectations to suppliers and contractors through future procurement frameworks.

Speak-up Culture
Concerns are expected to be escalated through appropriate channels for review and corrective action.

Critical concerns raised through the whistleblowing channel, audits or risk reviews are escalated by internal audit team to the Audit Committee and resolved in the board meeting.

In 2025, AGSI recorded no significant instances of non-compliance with laws and regulations including environmental, labour, health and safety and product regulations and paid no fines or non-monetary sanctions.

Disclosure & Assurance

AGSI uses disclosure, verification and digital tools to help stakeholders understand its sustainability performance, claims, boundaries and progress with greater confidence. Our reporting suite brings together the Sustainability Report, Carbon Neutrality Report, third party verification statement and product level disclosures.

In 2025, AGSI strengthened ESG disclosure through clearer performance tables, more disciplined internal validation, evidence backed case studies and improved stakeholder communication. This shift is helping transform sustainability reporting from a year end publication into a management discipline supported by traceable data and documented evidence.

AGSI is now moving toward a more integrated ESG management system, where digital platforms, dashboards and analytics strengthen visibility of energy use, emissions, resource efficiency and sustainability actions across operations.

Build a system where disclosures are not only reported, but also verified, monitored and used to improve performance.

4
priority disclosure layers

2025
stronger data discipline

Energy
data monitoring and optimizing platform



Disclosure & Assurance Ecosystem

A structured pathway to improve credibility, transparency and data maturity

01 Report & Explain
Annual Sustainability Report, material topics, performance tables and clear narrative on progress

02 Verify & Assure
Carbon Neutrality Report, external assurance, GHG verification statements and boundaries

03 Disclose Product-Level Performance
Product certifications, EPD initiation and customer-facing disclosures on quality, traceability and carbon

04 Strengthen Controls
Internal validation, calculation methodologies, evidence libraries and data ownership across functions

05 Digitize & Monitor
Integrated ESG platform for real-time visibility, analytics, action tracking and management review

Key Reporting Frameworks

- **GRI Standards**
Primary framework guiding AGSI's sustainability disclosures, material topics, management approach and performance indicators
- **ADX ESG Disclosure Guidance**
Referenced to strengthen the structure, comparability and market relevance of ESG performance disclosures
- **UN Global Compact – CoP**
Supports disclosure of AGSI's progress against the Ten Principles of UNGC through CoP
- **TCFD Recommendations**
Applied to strengthen climate-related governance, risk assessment and strategic resilience
- **GHG Protocol**
Provides the methodological basis for measuring and reporting Scope 1, Scope 2 and relevant Scope 3 greenhouse gas emissions.

Reporting Assurance

- **GHG Verification Statement**
AGSI's greenhouse gas inventory and carbon-related data is supported through independent verification, strengthening confidence in emission boundaries, calculations, methodologies and underlying evidence
- **Sustainability Report Verification Statement**
Selected sustainability performance indicators are subject to external assurance to assess the reliability, completeness and consistency of reported data and supporting records

Digitalization - Energy Monitoring

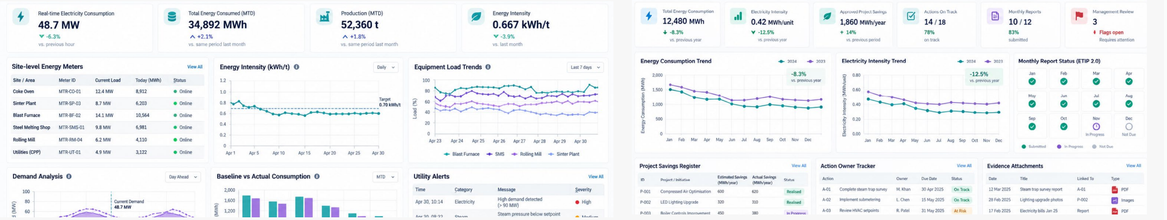
Energy platform enabling smarter energy monitoring, efficiency action and Energy Support Program reporting

From energy data to operating discipline

AGSI is strengthening energy management through the Energy monitoring platform, which consolidates meter level electricity data and converts it into dashboard-based insights for operations and management review.

The platform helps AGSI track electricity consumption, energy intensity and site level performance more consistently. By improving visibility of abnormal consumption patterns, it supports faster operational follow-up and sharper identification of efficiency opportunities.

It also strengthens AGSI's Energy Support Program reporting by improving the traceability of energy data, project savings evidence and periodic performance documentation submitted for review.



How the platform supports AGSI

Building the digital backbone for energy performance and efficiency governance

1 Real-time energy visibility

Meter based dashboards support regular monitoring of electricity use across operating areas and enable faster detection of unusual consumption patterns.

2 Energy intensity and variance review

Consumption can be reviewed against production trends, helping teams distinguish between volume-driven growth and avoidable efficiency losses.

3 Efficiency project tracking

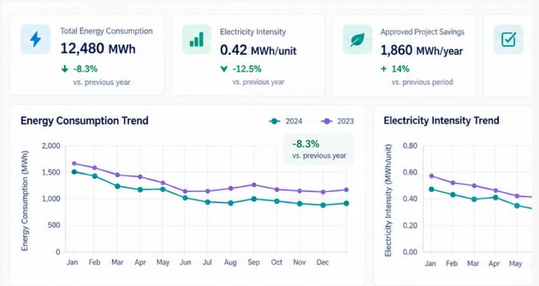
Energy saving initiatives, estimated savings and actual performance can be documented, reviewed and linked to operational action owners.

4 Energy Support Program reporting support

Structured data, report status, evidence attachments and project records help improve the quality and traceability of submissions.

5 Management review and accountability

Dashboards create a shared view of performance, open actions and decision points for senior management and cross-functional review.



Energy Support Program reporting logic

Consumption data → Energy intensity → Efficiency project savings → Evidence attachments → Management review

Next Phase: Development of an internal ESG dashboard

Why it matters

The platform helps AGSI move from periodic reporting to continuous performance management by improving energy visibility, supporting Energy Support Program credibility and creating a stronger digital foundation for future ESG data management.

Sustainable Finance

AGSI's sustainable finance approach is designed to connect capital with the technologies, processes and business model shifts required to scale lower-carbon steelmaking.

In 2025, AGSI secured sustainable financing facility with leading financial institutions, including Mashreq. Sustainable financing supports low carbon steel production, operational growth, recycled material use and decarbonisation-linked improvements.

Sustainable finance also strengthens AGSI's credibility with lenders, investors, customers and regulators by linking financing readiness to measurable emissions data, governance discipline, verified performance and transparent reporting.

Develop a repeatable financing pathway where sustainable capital is directed to eligible projects and evidenced through measurable impact.

AED 126 Mn
Mashreq sustainable financing facility

2025
First Sustainable Finance facility secured

Sustainable Finance Framework
planned for next year

Roadmap for Sustainable Finance Readiness

01 **Use of Proceeds** –Define eligible green investments

Create eligibility criteria for energy efficiency, lower carbon technologies, renewable electricity, circular production and resource efficiency projects

02 **Project Selection** –Evaluate and govern projects

Assess projects against environmental benefit, strategic relevance, technical feasibility and sustainability risks, with clear internal ownership

03 **Management of Proceeds** –Track sustainable capital allocation

Link financing records with project expenditure, implementation status and allocation evidence to demonstrate traceability

04 **Impact Reporting** –Measure and report impact

Report project KPIs such as energy saved, emissions avoided, operating efficiencies and resource productivity improvements

05 **Sustainability Linked Loans Readiness** –Prepare for KPI-linked finance

Strengthen ESG data, targets and verification so future facilities can link pricing or terms to material sustainability performance

Project Spotlight

AED 126 Million Sustainable Financing Facility from Mashreq

The Challenge

Scaling lower carbon steelmaking requires capital that can support cleaner production practices, energy efficiency investments, green technologies and operational growth. The challenge was to connect AGSI's verified sustainability performance with financing that enables the next stage of industrial transition.

Action taken

In 2025, AGSI secured a strategic AED 126 million sustainable financing facility from Mashreq. The facility is designed to support environmentally focused projects that improve production efficiency, accelerate adoption of green technologies and reduce operating costs through better energy use.

Value delivered & impact

The facility demonstrates how sustainable finance can operate as both a funding tool and a transition mechanism. It links capital, technology, operational efficiency and climate performance by strengthening AGSI's ability to scale recycled steelmaking while building credibility with lenders and stakeholders.



05

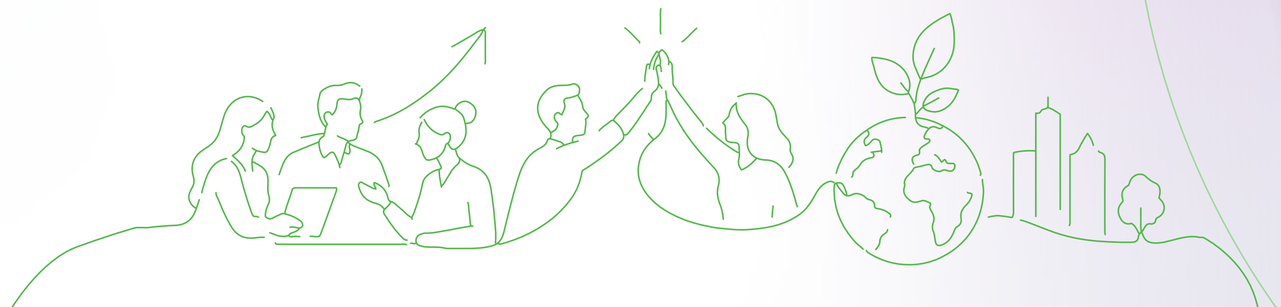
People & Shared Value

Empower Our Edge

Health, Safety & Employee Wellbeing
Talent Development & Learning
Inclusion, Diversity & Engagement

Create Shared Value

Building a Structured CSR
Biodiversity & Local Environment





People & Shared Value

Empower Our Edge

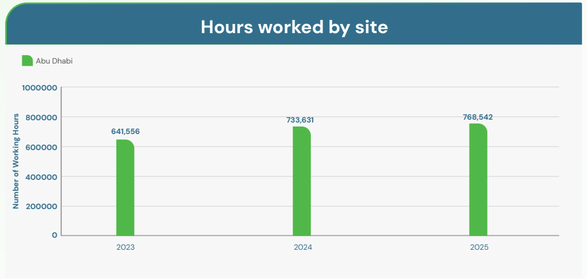
Health & Safety

AGSI's health, safety and wellbeing approach is focused on protecting employees, strengthening operational discipline and building a culture where safe performance is part of everyday work. In 2025, AGSI maintained zero fatalities across both Abu Dhabi and Sharjah operations. The rate of high consequence work-related injuries reduced to zero at both sites, reflecting stronger control of high risk work and continued focus on safe execution across melt shop, rolling and supporting plant activities.
AGSI also successfully completed the Occupational, Health & Safety Management System (OHSMS) compliance audit by Abu Dhabi Occupational Safety & Health Management (ADOSH), demonstrating continued alignment with Abu Dhabi occupational safety and health requirements, documented procedures and workplace implementation practices.

The HSE function also supports environmental and workplace monitoring, including air quality, noise exposure, stack emissions, illumination and water quality parameters. These activities connect occupational health, environmental compliance and operational risk management.

As part of our Sustainability Strategy, AGSI is developing a comprehensive HSE strategy to strengthen safety performance, organizational capabilities and continuous improvement.

Health & Safety Performance



0
Work-related fatalities across Abu Dhabi and Sharjah

0
High-consequence work-related injuries

0.7 Mn
Hours worked in Abu Dhabi plant operations

Trend Analysis

Total worked hours increased by **7%** in 2025, while fatality and high-consequence injury performance remained at **ZERO.**

Safety controls are reinforced through audits, inspections, toolbox talks, emergency drills and department level participation.

Workplace monitoring strengthens the link between occupational health, environmental compliance and operational risk management.

Project Spotlight

Strengthening readiness through practical drills and safety communication

The Challenge

A high risk industrial environment requires safety messages to be translated into practical readiness. AGSI needed to keep employees alert to emergency response expectations, heat-stress risks and safe operating behaviours during daily plant activities.

Action taken

In 2025, AGSI conducted emergency preparedness drills, awareness campaigns, toolbox talks, practical briefings and department level safety communication. Heat-stress awareness was reinforced during summer, supported by refreshments and welfare arrangements for employees working in high-temperature conditions.

Value delivered & impact

The programme strengthened employee participation, improved team coordination and reinforced evacuation, communication and incident control practices. It also helped build readiness for high risk operating conditions and reinforced safe behaviour across operational teams.



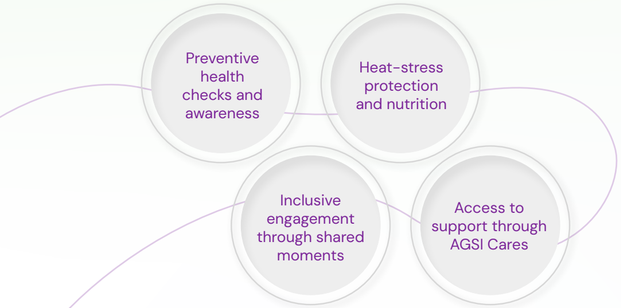
Employee Wellbeing - Building a Culture of Care

AGSI's wellbeing approach focuses on preventive healthcare, mental health, heat-stress protection, nutrition and inclusive employee engagement. Through the AGSI Cares Initiative, the company promotes access to quality medical support and encourages employees to take a proactive approach to health.

Our activities in 2025 included regular health check-ups, workplace awareness sessions and seasonal welfare initiatives. During summer, plant employees working in high heat areas were provided with cold milk and water to support hydration and nutrition.

AGSI also continued employee engagement activities such as Fruit Fridays, Ramadan Iftar food packs and an Iftar gathering involving leadership, workers and families. These initiatives supported inclusion, belonging and connection across the workforce.

Wellbeing focus areas



Project Spotlight

Fruit Fridays

As part of AGSI's commitment to employee nutrition and wellbeing, we conduct Fruit Friday on the last Friday of every month. Fresh fruits are provided to employees to encourage healthier eating habits, promote balanced nutrition, and support overall health and wellbeing. This simple initiative also creates a positive workplace culture and reinforces the importance of making healthy choices in everyday life.



Breast Cancer Awareness Drive

AGSI actively driven an enterprise wide Pink October campaign, we organized dedicated awareness sessions for our employees across all AGSI locations and encouraged both female as well as male employees to participate in the campaign.

The sessions aimed to enhance awareness about breast cancer, emphasizing the importance of early detection, regular screening, prevention, and timely medical consultation. In Abu Dhabi, the initiative was conducted by healthcare experts from Al Ahaliya Group, while the Sharjah session was organized in collaboration with Thumbay Hospital. The events provided employees with an opportunity to gain valuable insights directly from medical professionals and address their health-related questions. Special Pink October goodies were also distributed to women employees, making the initiative an engaging and meaningful celebration of good health and awareness.



Medical Camps & Health Screening

AGSI organized a comprehensive Health Screening Camp at its Abu Dhabi office as part of its ongoing commitment to employee health and wellbeing. Healthcare experts from Al Ahaliya Group visited the facility to provide essential health assessments and medical guidance to employees. The camp included consultations with a General Physician, random blood sugar testing, vision screening, and basic vital signs assessments. A total of 105 employees participated in the health camp, benefiting from convenient access to preventive healthcare services and valuable insights into their overall wellbeing. The initiative reflects AGSI's continued efforts to promote a healthy workplace and encourage employees to prioritize their health through regular screening and early detection.





Ramadan Season & Iftar Gathering

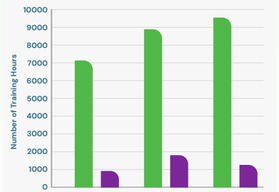
During the holy month of Ramadan, AGSI made sure to support the workers with proper nutrition by distributing 16,500 food boxes. AGSI also organized special Iftar gatherings for employees and their families, separately at its Abu Dhabi and Sharjah plants. The gatherings brought together around 560 employees and their families, providing a meaningful opportunity to connect and fostering a strong spirit of unity, togetherness, and community. As part of AGSI's commitment to employee wellbeing and support, food packages were also distributed to employees throughout the month of Ramadan, reflecting the values of care, generosity, and compassion.



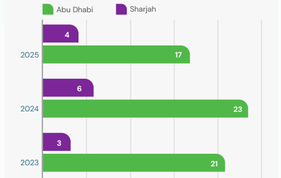
Talent Development & Learning - Building a future-ready workforce

AGSI's talent and development agenda is designed to strengthen performance, build technical capability and prepare employees for the future needs of low carbon steelmaking. The company's development programmes include Capability Building Sessions, Employee Engagement Initiatives and Emiratization Program. In 2025, 100% of AGSI employees received annual performance and career development reviews.

Total Training hours by site



Average hours of training per employee



Trend Analysis

Total plant site training hours remained above **10,700** hours in 2025, sustaining the step-up achieved in 2024.

Training hours at Abu Dhabi increased by **6%**, while Sharjah training reduced from the 2024 peak, indicating scope to rebalance capability-building across sites.

Average hours per employee declined because workforce growth outpaced training expansion, making structured upskilling a priority for upcoming years.

Project Spotlight

Workforce Upskilling Roadmap

The Challenge

AGSI's expanding operations require stronger technical, safety, digital and sustainability capabilities across workers, supervisors, engineers and managers. The challenge is to move from activity based training to a more structured capability building model.

Action taken

AGSI is developing an integrated upskilling approach covering performance management, career pathways, leadership development, green skills, integrated management system capability, digital tools and targeted programmes for the workforce.

Value delivered & impact

The roadmap will help link training to business needs, improve succession readiness and create clearer development pathways. It also supports operational excellence by connecting technical skills, safety maturity and sustainability capabilities.



Inclusion, Diversity & Engagement

AGSI's inclusion, diversity and engagement approach focuses on building a workplace where employees feel connected, respected and able to contribute. As the organization expands, engagement activities and inclusive workforce practices are becoming increasingly important to maintain morale, belonging and cross-functional collaboration.

In 2025, AGSI's total workforce across both plants increased to 919 employees, reflecting a major growth phase. The company also increased female participation and strengthened Emirati representation, particularly at the Abu Dhabi site. AGSI did not engage temporary contractors in 2025; outsourced service providers were engaged for security, cleaning and catering services under service contracts.

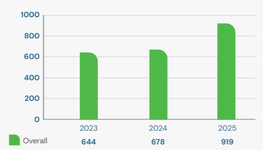
Employee engagement is supported through structured communication, shared events, sports, wellbeing initiatives and leadership led activities. These initiatives provide informal opportunities for employees across locations, functions, nationalities and job levels to connect beyond day to day work.



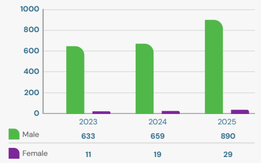
AGSI's priority is to sustain workforce growth while creating stronger pathways for women, UAE nationals and emerging talent across operational, technical and leadership roles.

Workforce Trends

Total Employees

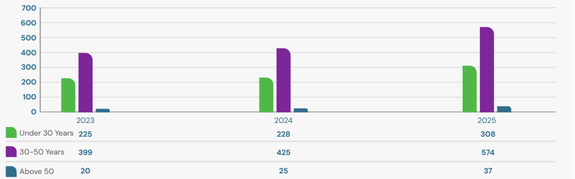


Gender Mix



There were no incidents of discrimination reported in the reporting year of 2025

Age Profile



Trend Analysis

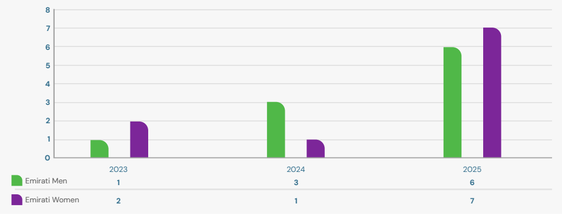
Total headcount increased from 678 to **919** employees **(+36%)**, reflecting the scale-up of AGSI's operations and a corresponding expansion of its workforce capacity.

The number of women increased from **11** in 2023 to **29** in 2025, more than doubling over the period. The trend indicates gradual progress towards greater gender inclusion.

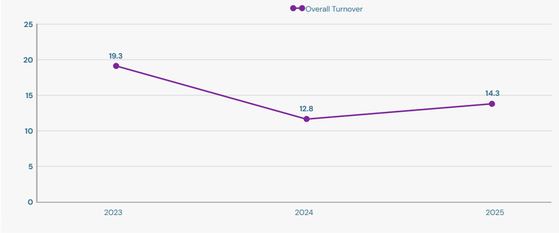
Employees aged 30–50 continue to form the majority at **574** employees **(62%)**, while the under-30 population increased to **308**, strengthening the pipeline of emerging talent alongside experienced employees.

Engagement & Representation

Emirati Employee Representation



Employee Turnover



+36%
Overall workforce growth in 2025

13
Emirati employees

241
Overall workforce growth in 2025

No parental leaves were availed during the reporting period for 2025.

Trend Analysis

UAE national headcount increased from **4** employees in 2024 to **13** in 2025, more than tripling in one year and reflecting stronger progress on Emiratization.

Emirati women increased from **1 to 7** employees, surpassing Emirati men in 2025 and strengthening female participation within the national workforce.

While overall turnover increased slightly from **12.8% to 14.3%**, it remained well below the **19.3%** recorded in 2023, despite workforce expansion.

Project Spotlight

Inter-Department Cricket Match

AGSI Abu Dhabi proudly organized an exciting Inter-Department Cricket Tournament on 5th November 2025 at the iconic Community Oval, Sheikh Zayed Cricket Stadium, Abu Dhabi. The tournament brought together 6 enthusiastic teams and around 90 participants, making it a vibrant celebration of teamwork, dedication, healthy competition, and the strong spirit of sportsmanship that defines the AGSI family. Employees showcased their talent and team spirit both on and off the field, creating an enjoyable and memorable experience for everyone involved. The winning team was overjoyed to receive the prestigious trophy, individual medals, and a well deserved cash award of AED 5,000, recognizing their outstanding performance and teamwork. The tournament further strengthened companionship and employee engagement across departments.



Create Shared Values

Building a Structured CSR

AGSI is strengthening its approach to community development by moving from activity-led CSR to a more structured, strategy-led social impact model. The company is assessing its current CSR footprint, community context and stakeholder expectations to identify where its resources, partnerships and industrial capabilities can create the most meaningful value.

This work will inform the development of a standalone CSR Strategy focused on clearer priorities, defined beneficiary groups, governance mechanisms, partnerships, KPIs and impact measurement. The intent is to align social investment with AGSI's wider sustainability strategy and the needs of communities connected to its operations and value chain.

Building CSR

01
Benchmark
Review leading CSR models and best practices

02
Assess
Map current initiatives, stakeholders and community needs

03
Prioritize
Define themes, partnerships and measurable outcomes

04
Scale
Implement, monitor and report social impact

Project Spotlight

AGSI Youth Microgrant for Circularity with Sustain Labs Paris

The Challenge

Circularity requires a new generation of problem solvers who can turn sustainability concepts into practical community solutions. Students often have ideas, but need structured learning, mentorship and starter capital to test them on the ground.

Action taken

AGSI and Sustain Labs Paris launched the AGSI Youth Microgrant for Circularity at GITEX 2025. The programme combines microgrants, a 20-hour circular economy learning journey, mentorship clinics and community implementation for UAE students developing projects on material reuse, water conservation and waste reduction.

Value delivered & impact

The initiative is extending AGSI's circularity commitment beyond operations by nurturing green skills, youth entrepreneurship and measurable community action. As the programme progresses, students will be able to demonstrate implemented projects and share outcomes by Earth Day 2026.



AED 100k
Education corpus

200
Students engaged

AED 500
Grant per student

20 Hrs
Course journey

Biodiversity & Local Environment

AGSI operates two plants in areas designated for heavy industry. Our Abu Dhabi plant in the Industrial City of Abu Dhabi (ICAD II, Musaffah), while our Sharjah plant in the Hamriyah Industrial Zone. Neither site lies within or next to a protected area or Key Biodiversity Area. No natural habitat was converted during 2025, and both sites have remained intensively modified industrial land since 2023.

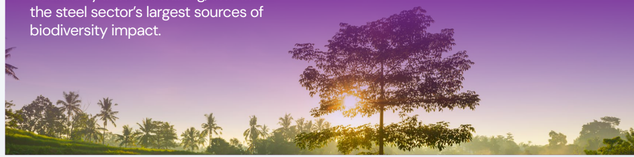
Our direct impact on biodiversity is therefore limited. It comes mainly from three local pressures. The first is water, as our operations are in a region of extremely high water stress. The second is air emissions covering Abu Dhabi stacks' nitrogen oxides, sulphur oxides and carbon monoxide. The third is waste generated.

Our wider value chain has a positive effect. Because our steel is made from 100% recycled scrap, it avoids the land clearance and habitat loss caused by iron-ore mining, one of the steel sector's largest sources of biodiversity impact.

We manage these pressures through a mitigation hierarchy rather than relying on offsets. We avoid impacts by operating only on land designated for industry, and we minimise those that remain. In 2025, improved emission controls reduced nitrogen oxides by 53% and casting-floor particulates by more than 95%.

Our Abu Dhabi plant recycled 98% of its water, and slag and iron dust were recovered for reuse rather than discarded. We have also greened our sites by planting around 800 trees and creating a Biodiversity Protective Area at the Abu Dhabi plant in 2024, which we maintained during 2025.

As our operations have not degraded natural habitat, no restoration or biodiversity offsets are required. The Net Positive Impact ambition we set in 2024 remains our long-term direction.

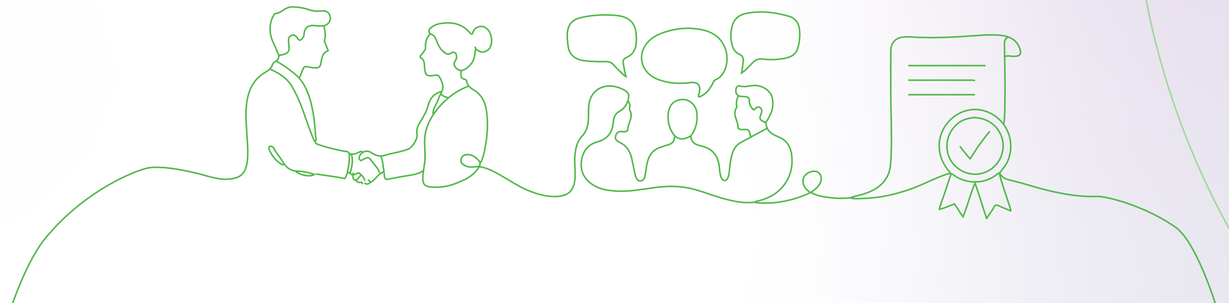


06

Engagement

Shape the Ecosystem

Strategic Partnership
Stakeholder Engagement





Engagement

Shape the Ecosystem

Strategic Partnerships

Partnerships as a driver for sustainability

AGSI views strategic partnerships as a critical lever for scaling sustainability impact beyond its own operations. By working across the construction value chain, the company is helping build market demand for low carbon steel, strengthen circular material flows and improve visibility of embodied carbon reduction opportunities.

AGSI's partnership model moves beyond a traditional supplier relationship. It brings together developers, contractors, consultants, industry platforms and sustainability networks to support early design engagement, responsible procurement, technical collaboration and knowledge sharing across the UAE built environment.

Ecosystem

Developers

MODON · ALDAR · SEE HOLDING

Contractors

TROJAN CONSTRUCTION GROUP

Consulting

SEE INSTITUTE – Sustainability through Research & Education · Emirates GBC – Emirates Green Building Council

Industry & Transition Partners

UN Global Compact · Mission Possible Partnership · ITA Industrial Transition Accelerator · لجنة منتجي الحديد Steel Producers Committee · وزارة الصناعة والتكنولوجيا المتقدمة Ministry of Industry & Advanced Technology · Green Earth Solutions · tadweer group · MAWAAD Environmental Services · شركة أبوظبي للتوزيع Abu Dhabi Distribution Co.

Project Spotlight

Building demand for low carbon steel through strategic MoUs

The Challenge

Embodied carbon outcomes are often influenced early in design and procurement, yet low carbon materials may be considered too late in the project cycle. This limits opportunities to align specifications, supply planning, carbon visibility and circular recovery before project decisions are locked.

Action taken

AGSI advanced strategic MoUs across four stakeholder groups: developers, contractors, consulting, industry and transition partners. These collaborations support early design engagement, low carbon steel specification, technical workshops, project-level sustainability documentation, performance monitoring and circular material recovery.

Value delivered & impact

The model positions AGSI as a sustainability partner to the built environment, not only a material supplier. It strengthens demand visibility, improves the likelihood that sustainable steel is considered earlier, and creates a stronger basis for project-level carbon reduction, procurement alignment and circularity outcomes. Several collaborations remain in progress, but together they form a scalable ecosystem pathway for lower carbon construction in the UAE.



Stakeholder Engagement

Stakeholder engagement helps AGSI test its thinking, strengthen credibility and contribute more effectively to the wider sustainability transition. In 2025, AGSI's executives and technical teams engaged through industry groups, conferences, roundtables, panels and working groups on Net Zero Steel, industrial decarbonization, circular economy, embodied carbon, energy efficiency and inclusive workforce development.

These engagements allow AGSI to share practical experience, learn from peers and build wider market confidence in low carbon and circular steel solutions. The appointment of AGSI's CEO as Vice Chairman of the UAE Steel Producers Committee in 2025 further reflects the company's growing role in coordinated sector development and responsible steelmaking.

Industry & Transition

- UNGC Signatory
- Industrial Transition Accelerator
- UAE SPC
- CEO Summit

Built Environment & Knowledge

- Green Building Council
- Big 5 Global
- EGBC Women's Network Member

National Industry Platforms

- MIITE
- KEZAD Connect
- Global Climate Conference
- Power On

Project Spotlight

Industry engagement through Make it in the Emirates and KEZAD Connect

Low carbon steel requires stronger market visibility, clearer stakeholder understanding and closer alignment with the UAE's industrial growth and sustainability agenda. AGSI used major industrial platforms to demonstrate how Net Zero Steel supports local manufacturing, circular production and lower carbon construction. At Make it in the Emirates, AGSI engaged stakeholders on sustainable steelmaking and industrial collaboration. At KEZAD Connect, AGSI's sustainability leadership within the industrial ecosystem was recognized. These engagements strengthened AGSI's visibility and credibility, connected its low carbon steel model to national industrial priorities and created stronger pathways for partnership, customer engagement and practical decarbonization dialogue across the UAE market.



Capability Building with UN Global Compact on Climate Ambition Accelerator (CAA) & Target Gender Equality (TGE)

As AGSI advances its sustainability strategy, progress depends not only on external commitments, but also on internal capability in climate action, target setting and inclusive workforce development. AGSI engaged with UN Global Compact learning and accelerator program of capacity building. CAA supports stronger GHG management, science-based target understanding and climate transition planning. TGE supports measurable action on women's representation, equal pay, leadership and gender-inclusive policies aligned with the Women's Empowerment Principles. The engagement strengthened internal awareness and capability on climate planning, emissions management and inclusion priorities. It also supports AGSI's evolving sustainability roadmap by translating global guidance into policies, targets and implementation plans.

United Nations Global Compact

07

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Assurance & Index

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Sustainability Verification

DNV

Independent Verification Statement

Introduction

DNV Business Assurance Group AS – Dubai Branch ('DNV'), has been commissioned by Arabian Gulf Steel Industries LLC (AGSI or 'the Company') to undertake an independent verification of the Company's selected quantitative disclosures for the calendar year 2025, which have been prepared in bespoke spreadsheets using selected topic-specific indicators from the Global Reporting Initiative (GRI) Standards 2021. Our verification engagement was planned and conducted during the period of July 2026.

Responsibilities of the Management of AGSI and of the Assurance Provider

The Management of the Company has the sole responsibility for the collection, analysis, aggregation, preparation and presentation of the data presented to us. The Company is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on sustainability performance. In performing this assignment, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the verification to the stakeholders of AGSI.

DNV has carried out the assurance engagement in accordance with the international standard in Assurance Engagements, ISAE 3000 (revised) – Assurance Engagements other than Audits and DNV's VeriSustain™ protocol, V6.0[1], which is based on our professional experience and international assurance practice. DNV's VeriSustain™ protocol has been developed in accordance with the most widely accepted reporting and assurance standards. While using DNV VeriSustain™ for this engagement, the assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. DNV has not assessed the reporting organisation's overall adherence to reporting principles or the preparation of the report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and ensuring the quality and consistency of the information presented in the report, the company is also responsible for ensuring the maintenance and integrity of its websites and any referenced disclosures on their website. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement.

The engagement assumes that the data and information provided by the Company to us as part of our review has been provided in good faith and is complete, sufficient, authentic and free from misstatements.

Scope, Boundary and Limitations

The scope of work as agreed upon with AGSI includes a limited level of assurance of the selected quantitative GRI disclosures for AGSI sites in Abu Dhabi and Sharjah, UAE. Boundary covers the performance of the Company's operations that fall under the direct operational control of the Company's Legal structure, for the period from 1st January 2025 to 31st December 2025. Data verified for below GRI disclosures is presented in Annexure 1.

GRI Standard	Disclosure
GRI 2-7: Employees	B.(iv):Total number of full time employees and a breakdown by gender and by region
GRI 302-3: Energy Intensity	a: Energy intensity ratio for the organization
GRI 303-5: Water consumption	a: Total water consumption from all areas in megaliters
GRI 305-1: Direct (Scope 1) GHG emissions	a: Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent
GRI 305-2: Energy Indirect (Scope 2) GHG emissions	a: Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent
GRI 305-3: Other indirect (Scope 3) GHG emissions	a: Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent Category 1: Purchased goods and services

DNV

GRI Standard	Disclosure
	Category 3: Fuel & energy related activities not included in scope 1 and scope2 Category 4: Upstream transportation and distribution Category 5: Waste generated in operations Category 6: Business travel Category 7: Employee commuting Category 10: Processing of sold products
GRI 306-3: Waste generated	a: Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste
GRI 403-9: Work-related injuries	a. For all employees i: The number and rate of fatalities as a result of work-related injury; ii: The number and rate of high-consequence work-related injuries (excluding fatalities)
GRI 404-1: Average hours of training per year per employee	a: Average hours of training that the organization's employees have undertaken during the reporting period; by i.gender; ii.employee category

DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement. We did not engage any external stakeholders as part of this engagement. During the verification process, we did not come across limitations to the scope of the agreed verification engagement.

Reporting Criteria and Verification Standards

AGSI has prepared its data in reference to the requirements of the below:

- ✓ Global Reporting Initiative (GRI) Standards 2021
- ✓ GHG Protocol: A Corporate Accounting and Reporting Standard

DNV has carried out this customized engagement in accordance with the verification principles and requirements as per ISO 14064-3:2019. This verification provides a limited level of assurance on AGSI's sustainability performance KPI (selected) based on the principles of Relevance, Completeness, Consistency, Transparency and Accuracy applying a ±5% materiality threshold for errors and omissions.

Inherent limitations

DNV's assurance engagements assume that the data and information provided by the company 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 encounter a few significant limitations to the Scope of the agreed engagement.

Basis of our Opinion

During the verification, we adopted a risk-based approach, and a sample-based verification was carried out towards the selection of samples for assessing the robustness of the underlying data management system, information flow and controls, for a limited level of assurance. We carried out the following activities:

- Review of the data management processes that AGSI has in place to report the selected data based on chosen GRI topic-specific standards. We examined and reviewed supporting evidence such as supporting documents, secondary data and other information made available by AGSI to us.

DNV

- Review of systems and procedures for data collection and aggregation, including the calculation methodology and assumptions of the selected consolidated sustainability performance data prepared for the Company's internal reporting purposes.
- Assessment of AGSI's performance data through on-site audits at AGSI's sharjah facility, complemented by remote audits with AGSI's sustainability team and other representatives, including process owners from different divisions and departments of the Company, to review the processes and systems for preparing, generating, aggregating and reporting of the data. DNV was free to choose the site and those interviewed for the purpose of carrying out our verification.
- Verification of sample data to check accuracy and reliability for a limited level of assurance through interaction with data owners.

Opinion

Based on the limited level of assurance undertaken and mutually agreed upon scope of work, nothing has come to our attention that would cause us to believe that the data verified, as listed in Annexure 1, is not a reliable and accurate representation of AGSI's performance data. Some of the findings identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors, and the errors have been communicated for correction and corrected.

Statement of 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.

We have complied with the DNV Code of Conduct[2] during the assurance engagement and maintain independence in line with the relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Verification Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. We did not provide any services to AGSI in the scope of assurance for the reporting period that could compromise the independence or impartiality of our work.

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For DNV Business Assurance Group AS – Dubai Branch,

Digitally signed by Banerjee, Sauvik Date: 2026.07.30 00:34:20 +04'00'	Oliveira, Mayara Digitally signed by Oliveira, Mayara Date: 2026.07.29 17:53:43 -03'00'
Sauvik Banerjee Lead Verifier	Mayara Oliveira Assurance Reviewer

30 July,2026, Dubai, United Arab Emirates.

[2] *The DNV Code of Conduct is available on request from www.dnv.com (https://www.dnv.com/about/in-brief/corporate-governance.html)*

Annexure 1: Verified Performance Data – 2025

GRI 2-7: Employees

GRI 2-7: Employees	**Verified Value**		**Unit**
b)permanent employees and a breakdown by gender and by region	**Abu Dhabi**	**Sharjah**	
Male	541	349	Number
Female	24	5	Number

- Breakdown by employee age

Age of Employee	**Verified Value**		**Unit**
	Abu Dhabi	**Sharjah**	
Under 30 years old	201	107	Number
30-50 years old	342	232	Number
Over 50 years old	22	15	Number

GRI 302: Energy 2016

GRI 302-3: Energy Intensity	**Verified Value**		**Unit**
a) Energy intensity ratio for the organization.	**Abu Dhabi**	**Sharjah**	
	671.35	86.68	kWh/ton

GRI 303: Water and Effluents 2018

GRI 303-5: Water consumption	**Verified Value**		**Unit**
a) Total water consumption from all areas in megaliters.	**Abu Dhabi**	**Sharjah**	
	310.94	163.03	Megaliters

GRI 305: Emissions 2016

GRI 305-1: Direct (Scope 1) GHG emissions	**Verified Value**		**Unit**
a) Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent.	**Abu Dhabi**	**Sharjah**	
	3,602	39,340	tCO2e

GRI 305: Emissions 2016

GRI 305-2: Energy Indirect (Scope 2) GHG emissions	**Verified Value**		**Unit**
a) Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.	**Abu Dhabi**	**Sharjah**	
	83,356	10,510	tCO2e

GRI 305: Emissions 2016

GRI 305-3: Other Indirect (Scope 3) GHG emissions	**Verified Value**		**Unit**
a) Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent	**Abu Dhabi**	**Sharjah**	
1.Purchased goods and services	9,246	-	tCO2e
3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	8,650	6,901	tCO2e
4.Upstream transportation and distribution	893	18,135	tCO2e
5. Waste generated in operations	6,049	78	tCO2e
6.Business Travel	15	-	tCO2e
7. Employee Commuting	464.09	14.40	tCO2e
10.Processing of sold products	14,924	-	tCO2e

GRI 306: Waste 2020

GRI 306-3: Waste generated	**Verified Value**		**Unit**
a) Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste	**Abu Dhabi**	**Sharjah**	
Total waste generated	11,574.84	164.40	Tons
Total non-hazardous waste generated	11,574.84	156.80	Tons
Total waste recycled/sold	6.51	-	Tons
Waste sent to landfills from direct production lines	11,568.33	-	Tons

GRI 403: Occupational health and safety 2018

GRI 403-9: Work-related injuries	**Verified Value**		**Unit**
a. For all employees:	**Abu Dhabi**	**Sharjah**	
i: The number and rate of fatalities as a result of work-related injury;	-	-	Number
ii: The number and rate of high-consequence work-related injuries (excluding fatalities)	-	-	Number

GRI 404 Training and Education 2016
404-1(a) Average hours of training per year per employee

- **Average training hours – breakdown by facility**

Training Details	**Verified Value**		**Unit**
	Abu Dhabi	**Sharjah**	
Total training hours	9,514	1,263	hours

Note: For the reporting period, training hours reported relate exclusively to HSE training provided to workers and the on-site workforce. As this training population did not include any female employees during the period, the average training hours reported for female employees is zero.

GHG Verification

DNV

Independent Greenhouse Gas (GHG) Verification Statement

Arabian Gulf Steel Industries LLC, Plot Number 105H89A, ICAD11, Musaffah, P.O. 92819, Abu Dhabi, United Arab Emirates ("AGSI" or "Company") commissioned DNV AS – Dubai Branch ("DNV", "us" or "we") to conduct a verification at **limited level of assurance** of the Greenhouse Gas ('GHG') emission data (Scope 1, Scope 2 and selected Scope 3) of AGSI for the period 1st January 2025 to 31st December 2025 (Year 2025).

Our Conclusion: Based on our verification procedures and agreed-upon scope of work, nothing has come to our attention to suggest that the values presented in **Table 1 (a and b)** and **Table 2** below are not materially correct or not a fair representation of AGSI's reported GHG emissions and GHG emission intensity metrics for the calendar year 2025, as calculated by AGSI using operational control approach in accordance with the 'GHG Protocol: A Corporate Accounting and Reporting Standard.

AGSI's total location-based GHG emissions (Scope 1, Scope 2 and selected Scope 3) for the Abu Dhabi and Sharjah facilities for the year 2025 are 200,791 tCO_2e. At AGSI's request, the verified GHG emissions and GHG emission intensity metrics are presented separately in Tables 1(a), 1(b) and Table 2 to meet stakeholder reporting expectations.

Table 1(a): Verified Post-Offset GHG emission intensity for AGSI's Abu Dhabi facility

GHG emission sources	Abu Dhabi facility GHG emission intensity for the year 2025 Post-Offset allocation and market-based (tCO2e/t Crude Steel)
Scope 1	0.0000
Scope 2 (Market based)	0.0000
Scope 3	0.0000
Total GHG emissions intensity (Market based)	0.0000

Note: A verified summary of I-RECs redeemed and Verified Carbon Units (VCUs) retired to offset emissions and achieve the above-reported GHG emission intensity for AGSI's Abu Dhabi facility is provided in Annexure A.

Table 1 (b): Verified GHG emissions and emission intensity for AGSI's Abu Dhabi facility

GHG emission sources	Verified GHG emissions for the year 2025 (tCO2e) Abu Dhabi	Abu Dhabi facility GHG emission intensity for the year 2025 Pre-Offset allocation (tCO2e/t Crude Steel)
Scope 1	3,602	0.0071
Scope 2 (Location based)	83,356	0.1631
Scope 2 (Market based)	0	0.0000
Scope 3	38,869	0.0761
Total Scope-1 and Scope-2 (Location based)	86,958	0.1701
Total Scope-1, Scope-2 and Scope-3 (Location based)	125,827	0.2463
Total Scope-1, Scope-2 and Scope-3 (Market based)	42,471	0.0831

Table 2: Verified GHG emissions and emission intensity for AGSI's Sharjah facility

GHG Emission Sources	Verified GHG emissions for the year 2025 (tCO2e) Sharjah	Sharjah facility GHG emission intensity for the year 2025 (tCO2e/t finished product[1])
Scope 1	39,340	0.0788
Scope 2 (Location based)	10,510	0.0211
Scope 2 (Market based)	10,510	0.0211
Scope 3	25,114	0.0503
Total Scope-1 and Scope-2 (Location based)	49,850	0.0999
Total Scope-1, Scope-2 and Scope-3 (Location based)	74,964	0.1502
Total Scope-1, Scope-2 and Scope-3 (Market based)	74,964	0.1502

Note: There are no I-RECs and/or Verified Carbon Units (VCUs) retired to offset emissions for Sharjah facility operations.

1 The Sharjah facility primarily comprises steel rolling mill operations to produce rebar and structural sections.

DNV

Scope of Work and Boundary

The scope of work agreed upon with the Company includes verification of its GHG corporate footprint as below;

- **Scope 1:** Direct emissions from AGSI's operations, including stationary fuel combustion, mobile fuel combustion, process emissions, and refrigerant emissions.
- **Scope 2:** Indirect emissions associated with the consumption of purchased electricity .
- **Scope 3:** Other indirect emissions from the following categories :
  - Category 1: Purchased goods and services
  - Category 3: Fuel and Energy-related activities (not included in scope 1 and scope 2)
  - Category 4: Upstream transportation and distribution – included for the Sharjah facility
  - Category 5: Waste generated in operations
  - Category 10: Processing of sold products

Based on its materiality assessment, AGSI included Scope 3 Category 4 – Upstream transportation and distribution for the Sharjah facility due to its significance and excluded it for the Abu Dhabi facility, where it represented less than 5% of the facility's total Scope 3 emissions for the 2025 reporting year.

The operational boundary includes the AGSI's operations in Sharjah and Abu Dhabi facilities. Verification was carried out at AGSI's assets as part of the process of review of their internal processes and controls related to the collection and collation of its GHG emissions assertions. AGSI consolidates the GHG emissions of Scope 1, Scope 2 and selected Scope 3 emissions using the GHG Protocol's operational control consolidation approach.

Basis of our conclusion

DNV planned and performed the verification assessment to obtain the necessary evidence to provide a limited level of assurance, adopting a risk-based approach in selecting samples to assess the robustness of the underlying data management system, information flow, controls, quality verification, and check procedures. DNV carried out the following activities:

- **Desk review** of the Scope 1,2 and 3 emissions for the year 2025.
- **Understanding the GHG management procedures**, including formats, assumptions, emission factors and consolidated GHG emission calculation sheet or GHG calculation processes, as well as the GHG data management processes used to generate, aggregate, and report the GHG data, assessing completeness, accuracy, and reliability.
- **Interactions with data owners** and management teams across assets to review procedures for measuring, validating, and verifying the identified activities and emission sources, and related evidence maintained by the management teams.
- **Interactions with key managers and data owners** to review data consolidation systems related to the GHG inventory, including reviews of emission factors and assumptions used in the calculation methodology.
- **Evaluation of GHG emissions data** using the reliability principle in conjunction with GHG Protocol on data analysis, aggregation, measurement, and reporting.
- **Verification of the calibration status** of equipment being used to monitor and generate activity data by the AGSI facilities on a sample basis.

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 verification professionals. DNV was not involved in the preparation of any statements or data except for this Verification Statement. DNV maintains complete impartiality toward company's internal stakeholders interviewed during the verification process. DNV did not provide any services to company or its subsidiaries in the scope of verification for the year 2025 that could compromise the independence or impartiality of our work.

DNV

Reporting Criteria and Verification Standards

AGSI has prepared its GHG data in reference to the requirements of the below

- ✓ GHG Protocol: A Corporate Accounting and Reporting Standard

DNV has carried out this customized engagement in accordance with the verification principles and requirements as per ISO 14064-3:2019. This verification provides a limited level of assurance on 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.

Responsibility of the AGSI

AGSI is responsible for the collection, analysis, aggregation, and presentation of data and information related to its GHG assertions adopting the 'operational control consolidation approach' 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 is in accordance with the scope of work agreed with the 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 from June 2026 to September 2026 by a team of qualified GHG assessors.

Inherent Limitations

DNV's verification engagements assume that the data and information provided by the company 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 statement. We did not review financial disclosures and data as they are not within the scope of our verification 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.

Purpose and Restriction on Distribution and Use

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DNV AS – Dubai Branch	
Gourav Panwar Digitally signed by Gourav Panwar DN: cn=Gourav Panwar, c=AE Reason: Email:gpanwar@dnv.com, c=IN Date: 2026.09.14 16:53:49 +04'00'	Digitally signed by 9d171a5 1648-4117-bd1 Vikas Bankar Date: 2026.09.14 16:53:49 +04'00'
Gourav Panwar Lead Verifier	Vikas Bankar Technical Reviewer

DNV

Annexure I - Details of Redeemed International Renewable Energy Certificates (I-RECs) and Verified Carbon Units (VCUs) for Abu Dhabi Facility

I-REC / VCU	Project Details	Quantity Purchased	Certificate ID / Serial Number
I-REC	Barakah Nuclear Plant, United Arab Emirates. Redeemed for Scope 2 reporting for electricity consumption in Abu Dhabi Facility. Reporting period: 01 Jan 2025 to 31 Dec 2025.	250,000 MWh	Certificate ID Range: 0000-0218-1495-4195.000000 to 0000-0218-1520-4194.999999
I-REC	Barakah Nuclear Plant, United Arab Emirates. Redeemed for Scope 2 reporting for electricity consumption in Abu Dhabi Facility. Reporting period: 01 Jan 2025 to 31 Dec 2025.	93,029 MWh	Certificate ID Range: 0000-0218-1520-6195.000000 to 0000-0218-1529-9223.999999
VCU (Scope 1 Offset)	Zhangye Improved Grassland Management Project (Project ID: 2748), Vintage 2021, Verified Carbon Standard (VCS). Retirement for offsetting Scope 1 emissions of AGSI.	3,602 tCO_2e (3,602 VCUs)	Serial Number: 14008-545115131-545118732-VCS-VCU-291-VER-CN-14-2748-01012021-31122021-1
VCU (Scope 3 Offset)	Guangzhou Xingfeng Landfill Gas to LNG Project (Project ID: 4057), Vintage 2021, Verified Carbon Standard (VCS). Retirement for offsetting Scope 3 emissions of AGSI.	38,869 tCO_2e (38,869 VCUs)	Serial Number: 19957-1141908438-1141947306-VCS-VCU-1310-VER-CN-4057-04082021-31122021-

Note: The I-REC redemption supports market-based scope 2 reporting, while the retired VCUs support separate Scope 1 and Scope 3 offset claims of AGSI's Abu Dhabi facility.

Appendix

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
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	2-12 Role of the highest governance body in overseeing the management of impacts	23, 52	
	2-13 Delegation of responsibility for managing impacts	23	
	2-14 Role of the highest governance body in sustainability reporting	52	
	2-15 Conflicts of interest	24	
	2-16 Communication of critical concerns	54	
	2-17 Collective knowledge of the highest governance body	23	
GRI 2: General Disclosures	2-18 Evaluation of the performance of the highest governance body	51	
	2-19 Remuneration policies		Confidentiality constraints – As a privately held company, AGSI does not publicly disclose this information to protect the privacy and confidentiality of all involved parties and individuals
	2-20 Process to determine remuneration		Confidentiality constraints – As a privately held company, AGSI does not publicly disclose this information to protect the privacy and confidentiality of all involved parties and individuals
	2-21 Annual total compensation ratio		Confidentiality constraints – As a privately held company, AGSI does not publicly disclose this information to protect the privacy and confidentiality of all involved parties and individuals
	2-22 Statement on sustainable development strategy	15-16	
	2-23 Policy commitments	24, 54	
	2-24 Embedding policy commitments	24	
	2-25 Processes to remediate negative impacts	53-54	
	2-26 Mechanisms for seeking advice and raising concerns	54	
	2-27 Compliance with laws and regulations	54	
	2-28 Membership associations	11, 33, 77	
	2-29 Approach to stakeholder engagement	19, 77	
	2-30 Collective bargaining agreements		Collective bargaining agreements do not form part of the UAE labour framework, and no such agreements are in place at AGSI. Accordingly, this disclosure is not applicable.

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	20	
	3-2 List of material topics	20	
ENVIRONMENT			
Biodiversity → AGSI topic 5: Biodiversity & Local Environment (GRI 101: Biodiversity 2024)			
GRI 3: Material Topics 2021	3-3 Management of material topics	72	
GRI 101: Biodiversity 2024	101-2 Management of biodiversity impacts	72	
	101-5 Locations with biodiversity impacts	72	
	101-6 Direct drivers of biodiversity loss	29, 39, 72	
	101-7 Changes to the state of biodiversity	72	
Climate Change → AGSI topic 1: Climate & Emissions (GRI 102: Climate Change 2025 – early adoption)			
GRI 3: Material Topics 2021	3-3 Management of material topics	27, 31	
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	27, 31	
	102-2 Climate change adaptation plan	27	
	102-4 GHG emissions reduction targets and progress	31	
	102-5 Scope 1 GHG emissions	29, 81, 85	
	102-6 Scope 2 GHG emissions	29, 81, 85	
	102-7 Scope 3 GHG emissions	30, 81, 85	
	102-8 GHG emissions intensity	29, 81	
	102-10 Carbon credits	31, 82	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	27, 32, 52, 59	

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
Materials → AGSI topic 4: Circular Economy			
GRI 3: Material Topics 2021	3-3 Management of material topics	41-42	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	41-42	
	301-2 Recycled input materials used	41-42	
Energy → AGSI topic 2: Energy Management & Operational Efficiency			
GRI 3: Material Topics 2021	3-3 Management of material topics	33-38, 57-58	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	34-35	
	302-3 Energy intensity	33, 35, 85	
	302-4 Reduction of energy consumption	36-38	
Water & Effluents → AGSI topic 3: Water Stewardship			
GRI 3: Material Topics 2021	3-3 Management of material topics	39-40	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	39-40	
	303-5 Water consumption	39, 85	
Emissions → AGSI topic 1: Climate & Emissions (GRI 305)			
GRI 3: Material Topics 2021	3-3 Management of material topics	27, 31	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	29, 81, 85	
	305-2 Energy indirect (Scope 2) GHG emissions	29, 81, 85	
	305-3 Other indirect (Scope 3) GHG emissions	30, 81, 85	
	305-4 GHG emissions intensity	29, 81	
	305-5 Reduction of GHG emissions	32, 36-38	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	27, 29, 33	

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
Waste → AGSI topic 4: Circular Economy			
GRI 3: Material Topics 2021	3-3 Management of material topics	41-44	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	41, 43-44	
	306-2 Management of significant waste-related impacts	43-44	
	306-3 Waste generated	42, 85	
	306-4 Waste diverted from disposal	43, 85	
	306-5 Waste directed to disposal	85	
SOCIAL			
Employment → AGSI topic 8: Inclusion & Talent Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	69-70	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	70	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	69	
	401-3 Parental leave	70	
Occupational health and safety → AGSI topic 7: Health, Safety & Employee Wellbeing			
GRI 3: Material Topics 2021	3-3 Management of material topics	63-66	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	63	
	403-2 Hazard identification, risk assessment, and incident investigation	63-64	
	403-3 Occupational health services	63, 65-66	
	403-4 Worker participation, consultation, and communication on occupational health and safety	63-64	
	403-5 Worker training on occupational health and safety	63-64, 86	
	403-6 Promotion of worker health	65-66	
	403-8 Workers covered by an occupational health and safety management system	63	
	403-9 Work-related injuries	63, 85	
	403-10 Work-related ill health	63	
Training and education → AGSI topic 8: Inclusion & Talent Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	67-68	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	67, 86	
	404-2 Programs for upgrading employee skills and transition assistance programs	67-68	
	404-3 Percentage of employees receiving regular performance and career development reviews	67	
Diversity & equal opportunity → AGSI topic 8: Inclusion & Talent Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	24, 69-70	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	51, 69-70, 85	
	405-2 Ratio of basic salary and remuneration of women to men		Confidentiality constraints – As a privately held company, AGSI does not publicly disclose this information to protect the privacy and confidentiality of all involved parties and individuals
Non-discrimination → AGSI topic 8: Inclusion & Talent Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	24, 69	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	69	

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
Local communities → AGSI topic 9: Community Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	71-72	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	19, 71-72	
Customer Health and Safety → AGSI topic 12: Product Transparency			
GRI 3: Material Topics 2021	3-3 Management of material topics	47-48, 53	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	47-48	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	47	
GOVERNANCE			
Procurement Practices → AGSI topic 6: Responsible Sourcing & Supply Chain Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	45-46	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	45-46	
Anti-corruption → AGSI topic 13: Corporate Governance, Risk & Compliance Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	24, 52, 54	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	52	
	205-2 Communication and training about anti-corruption policies and procedures	24, 54	
	205-3 Confirmed incidents of corruption and actions taken	13	

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
Anti-competitive behaviour → AGSI topic 13: Corporate Governance, Risk & Compliance Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	54	
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	13	
Supplier Environmental Assessment → AGSI topic 6: Responsible Sourcing & Supply Chain Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	45-46	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	46	
	308-2 Negative environmental impacts in the supply chain and actions taken	46	
Supplier Social Assessment → AGSI topic 6: Responsible Sourcing & Supply Chain Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	45-46	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	46	
	414-2 Negative social impacts in the supply chain and actions taken	46	
Marketing and labeling → AGSI topic 12: Product Transparency			
GRI 3: Material Topics 2021	3-3 Management of material topics	47-48, 53	
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	47	
	417-2 Incidents of non-compliance concerning product and service information and labeling	53	
	417-3 Incidents of non-compliance concerning marketing communications	53	

GRI STANDARD	DISCLOSURE	LOCATION/ CLARIFICAITON	OMISSION
ECONOMIC			
Indirect Economic Impacts → AGSI topic 10: Social Impact			
GRI 3: Material Topics 2021	3-3 Management of material topics	45-46, 71-72	
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	7, 45-46, 72	
ADDITIONAL DISCLOSURES			
Additional material topics without a corresponding GRI disclosure			
GRI 3: Material Topics 2021	3-3 Management of material topics – Stakeholder Engagement (topic 11)	19, 77-78	
	3-3 Management of material topics – Disclosure, Assurance & ESG Digitalization (topic 14)	55-58	
	3-3 Management of material topics – Sustainable Finance (topic 15)	59-60	
	3-3 Management of material topics – Strategic Partnerships (topic 16)	75-76	
	3-3 Management of material topics – Memberships & Certifications (topic 17)	11, 48, 77	

ADX (Abu Dhabi Securities Exchange) ESG Disclosure Index

CATEGORY	METRIC	CALCULATION	PAGE NUMBER OR DIRECT RESPONSE
Environment	E1. GHG Emissions	Total amount of Scope 1, Scope 2 and Scope 3 emissions (tCO2e)	29-30, 81, 85
	E2. Emissions Intensity	Total GHG emissions per output scaling factor; total non-GHG emissions per output scaling factor	29, 81
	E3. Energy Usage	Total amount of energy directly consumed; total amount of energy indirectly consumed	34-35
	E4. Energy Intensity	Total direct energy usage per output scaling factor	33, 35, 85
	E5. Energy Mix	Percentage of energy usage by generation type	27, 34-35, 82
	E6. Water Usage	Total amount of water consumed; total amount of water reclaimed	39, 85
	E7. Environmental Operations	Does your company follow a formal Environmental Policy? Specific waste, water, energy and/or recycling policies? Recognized energy management system?	Yes – Environmental Policy, Energy Policy and Waste Management Policy; ISO 14001 and ISO 50001 certified (p. 24, 48)
	E8. Climate Oversight / Board	Does your Board of Directors oversee and/or manage climate-related risks?	Yes (p. 23, 52)
	E9. Climate Oversight / Management	Does your senior management team oversee and/or manage climate-related risks?	Yes (p. 23, 33)
	E10. Climate Risk Mitigation	Total amount invested annually in climate-related infrastructure, resilience and product development	36-38, 59-60
Social	S1. CEO Pay Ratio	Ratio: CEO total compensation to median full-time equivalent (FTE) total compensation	Not disclosed – confidentiality constraints
	S2. Gender Pay Ratio	Ratio: median male compensation to median female compensation	Not disclosed – confidentiality constraints
	S3. Employee Turnover	Percentage: year-over-year change for full-time employees, part-time employees, contractors and/or consultants	70
	S4. Gender Diversity	Percentage of total enterprise headcount held by men and women; entry/mid-level and senior/executive-level	69
	S5. Temporary Worker Ratio	Percentage of total enterprise headcount held by part-time employees; contractors and/or consultants	No temporary contractors were engaged in 2025 (p. 69)
	S6. Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy?	Yes – Diversity, Equity & Inclusion Policy and Human Rights Policy (p. 24)
	S7. Injury Rate	Frequency of injury events relative to total workforce time	63, 85

CATEGORY	METRIC	CALCULATION	PAGE NUMBER OR DIRECT RESPONSE
Social	S8. Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy?	Yes – Health & Safety Policy; OHSMS audited by ADOSH (p. 24, 63)
	S9. Child & Forced Labor	Does your company follow a child and/or forced labor policy? Does it also cover suppliers and vendors?	Yes – Human Rights Policy covers child and forced labour (p. 24). Suppliers to be covered through the Supplier Code of Conduct planned for 2026 (p. 46)
	S10. Human Rights	Does your company follow a human rights policy? Does it also cover suppliers and vendors?	Yes – Human Rights Policy (p. 24). Suppliers to be covered through the Supplier Code of Conduct planned for 2026 (p. 46)
	S11. Nationalization	Percentage of national employees	70
	S12. Community Investment	Amount invested in the community, as a percentage of company revenue	72
Governance	G1. Board Diversity	Percentage of total board seats occupied by women; percentage of committee chairs occupied by women	51
	G2. Board Independence	Does the company prohibit its CEO from serving as board chair? Percentage of board seats occupied by independents	The Board is chaired by a non-executive director (p. 51)
	G3. Incentivized Pay	Are executives formally incentivized to perform on sustainability?	Not disclosed - confidentiality constraints
	G4. Supplier Code of Conduct	Are your vendors or suppliers required to follow a Code of Conduct? If yes, what percentage have formally certified compliance?	No – Supplier Code of Conduct planned for 2026 (p. 46)
	G5. Ethics & Anti-Corruption	Does your company follow an Ethics and/or Anti-Corruption policy? If yes, what percentage of your workforce has formally certified compliance?	Yes – Employee Code of Conduct and zero-tolerance position on bribery and corruption (p. 24, 54)
	G6. Data Privacy	Does your company follow a Data Privacy policy? Has it taken steps to comply with data protection rules?	Yes - Data Privacy Policy covering data protection rules
	G7. Sustainability Reporting	Does your company publish a sustainability report? Is sustainability data included in regulatory filings?	Yes – annual Sustainability Report and Carbon Neutrality Report (p. 55)
	G8. Disclosure Practices	Does your company provide sustainability data to sustainability reporting frameworks? Focus on specific SDGs? Set targets?	Yes – GRI, ADX, TCFD, UNGC CoP and GHG Protocol (p. 5, 56); GHG reduction target (p. 31)
	G9. External Assurance	Are your sustainability disclosures assured or validated by a third party?	Yes – DNV (p. 5, 81-86)

TCFD (Task Force on Climate-Related Financial Disclosures) Recommendations

PILLAR	TCFD RECOMMENDATION	PAGE NUMBER
Governance	a. Describe the board's oversight of climate-related risks and opportunities.	23, 52
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	23, 33
Strategy	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	27, 32, 52
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	21-22, 31-32, 59-60
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	22
Risk Management	a. Describe the organisation's processes for identifying and assessing climate-related risks.	20, 52
	b. Describe the organisation's processes for managing climate-related risks.	27, 52
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	52
Metrics & Targets	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	29, 32-33, 35, 39
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	29-30, 81, 85
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	31

AGSI

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