



Al Khaleej Steel Industries (AKSI) ESG Report 2024



TABLE OF CONTENTS

Introduction and Company Overview	3	Our Social Performance	41
Our Background and Operations	4	Workforce Profile and Labor Practices	43
Ownership and Structure	4	Occupational Health and Safety	46
Our Products and Markets	4	Training and Human Rights	51
Our Geographic Footprint	5	Employee and Local Community Engagement	54
Our Workforce	5		
Leadership Message	6	Governance and Ethics	56
Message from Group Leadership: Taurani Holdings	7	Ethics, Compliance, and Risk Management	58
Message from AKSI Leadership	8	Responsible Supply Chain and Data Privacy	60
ESG Commitment and Safety Culture	9	Operational Excellence and Product Quality	61
Alignment with Taurani Holdings' ESG Strategy and Materiality	9		
About this Report	10	Future Commitments and Outlook	62
Reporting Period and Boundary	11		
Use of Group Materiality Assessment	11	Appendix	64
Assurance	11	GRI Index	65
Sustainability Governance	12		
Sustainability Governance Framework	13		
Stakeholder Engagement	17		
Materiality Assessment	20		
Our Environmental Performance	22		
Energy Management	24		
Water Management	29		
Air Emissions and Air Quality (Non-GHG)	31		
Waste Management	35		
Material Efficiency and Resource Use	38		
Environmental Initiatives and Site-Level Improvements	39		
Product Sustainability and Emerging Regulatory Developments	40		



AL KHALEEJ STEEL INDUSTRIES



مصنع الخاليج

01

**INTRODUCTION AND
COMPANY OVERVIEW**

OUR BACKGROUND AND OPERATIONS

Al Khaleej Steel Industries L.L.C. (AKSI) is a steel manufacturing company based in Abu Dhabi, United Arab Emirates, operating within the industrial and construction materials value chain. The company specializes in the production of galvanized and drawn steel wire products used across construction, infrastructure, fencing, and industrial applications. AKSI operates from an integrated manufacturing facility located in ICAD-III, Abu Dhabi, where all core production and support activities are carried out. Our operations are supported by structured operating procedures, periodic environmental monitoring, and established occupational health and safety controls, ensuring compliance with applicable UAE regulatory requirements.

OWNERSHIP AND STRUCTURE

We are a subsidiary of Taurani Holdings Ltd, a diversified industrial group with manufacturing and trading operations across the UAE and selected international markets. As part of the Taurani Group, we align with group-level governance frameworks, human resources policies, and risk management practices, while maintaining clear accountability for entity-level operations and performance.

OUR PRODUCTS AND MARKETS

Our product portfolio primarily comprises:

Galvanized steel wires

Drawn steel wire products

Industrial wire solutions for construction and infrastructure applications

We primarily serve customers within the UAE, including contractors, industrial clients, and distributors. Selected products are supplied to regional export markets through established trading and distribution channels. Our products support downstream applications in infrastructure development, industrial manufacturing, and construction activities.



OUR GEOGRAPHIC FOOTPRINT

Our operations and commercial presence include:

Primary Manufacturing Facility: ICAD-III, Abu Dhabi, United Arab Emirates, where all core production, galvanizing, wire drawing, and packaging activities are undertaken.



Commercial and Market Presence: Sales and customer engagement activities focused primarily within the UAE, supported through established logistics and distribution networks.



Regional Market Reach: Selected products are supplied to regional markets through trading and distribution partners, supporting infrastructure, construction, and industrial applications.



This geographic footprint enables us to operate in close proximity to key industrial zones, infrastructure developments, logistics hubs, and customers across the UAE, while maintaining efficient access to regional markets.

OUR WORKFORCE

Our workforce is predominantly operational, supporting production, maintenance, quality, logistics, and administrative functions. Our employees include skilled and semi-skilled personnel, reflecting the technical requirements of steel manufacturing.

Key aspects of our workforce include:

Permanent employees across production and support functions

Centralized human resources management supported by a digital

HRMS platform, as part of our digital transformation initiatives.

Structured recruitment, onboarding, training, and performance management processes

Occupational health surveillance, health awareness initiatives, and employer-provided medical insurance

We operate in compliance with UAE labor regulations, including Emiratization and local hiring requirements, and we place strong emphasis on employee health, safety, and wellbeing.





02

**LEADERSHIP
MESSAGE**

MESSAGE FROM GROUP LEADERSHIP: TAURANI HOLDINGS GROUP

At Taurani Holdings Ltd, sustainability is a core pillar of our long-term strategy and an essential enabler of resilient and responsible growth. As an industrial group operating in manufacturing and resource-intensive sectors, we recognize our responsibility to manage environmental impacts, safeguard the health and safety of our people, and uphold strong governance standards across all our entities.

Our approach to environmental, social, and governance (ESG) matters is grounded in a Group-wide materiality assessment that identifies the topics most relevant to our operations, stakeholders, and long-term value creation. These material priorities guide decision-making, risk management, and operational oversight across the Group, ensuring a consistent and disciplined approach to sustainability.

AKSI plays an important role within Taurani Holdings' industrial portfolio. The entity's focus on maintaining regulatory compliance, strengthening operational controls, and embedding safety and environmental management into daily operations reflects the Group's commitment to responsible industrial practices and continuous improvement. As our ESG journey continues to mature, we remain focused on improving data quality, enhancing transparency, and strengthening performance management across all entities.



Anil A Taurani

Managing Director

Lalit A Taurani

Managing Director



MESSAGE FROM AKSI LEADERSHIP

At AKSI, safety, operational discipline, and product quality have long been fundamental to how we operate. This ESG Report represents an important step in formally documenting our practices, performance, and approach to sustainability, while aligning more closely with the Taurani Holdings ESG framework.

During the reporting period, we focused on maintaining strong foundations across our operations, including environmental compliance, occupational health and safety management, and workforce wellbeing. Our efforts included routine environmental monitoring, structured health surveillance programs, employee training and awareness initiatives, and the continued application of standardized operating procedures across production activities.

These efforts are driven by our people at all levels of the organization, from shopfloor operators and technicians to supervisors and management, and are reinforced through a culture that emphasizes accountability, compliance, and continuous improvement.

ESG COMMITMENT AND SAFETY CULTURE

At AKSI, we are committed to operating responsibly and providing a safe and healthy working environment for our employees, contractors, and visitors. Safety remains our highest priority and is supported through structured training programs, clear operating procedures, regular monitoring, emergency preparedness measures, and employee health and wellbeing initiatives.

Environmental responsibility is embedded into our day-to-day operations through compliance with applicable regulations, systematic monitoring of air quality, noise, and emissions, preventive maintenance practices, and waste management controls. We encourage employee awareness and participation in safety and environmental improvement through training programs, toolbox talks, and ongoing communication across operational teams.

ALIGNMENT WITH TAURANI HOLDINGS' ESG STRATEGY AND MATERIALITY

At AKSI, our ESG approach is aligned with Taurani Holdings' Group ESG strategy and materiality assessment. We apply Group-defined priority ESG topics at the entity level, focusing on areas most relevant to steel manufacturing operations, including environmental compliance, energy and resource use, occupational health and safety, workforce development, and ethical business conduct. This alignment ensures consistency across the Group while allowing us to address AKSI-specific operational risks and opportunities. As ESG data maturity continues to improve, we remain committed to strengthening performance measurements, enhancing disclosure quality, and contributing to the Group's long-term sustainability objectives.





03

ABOUT THIS REPORT



REPORTING PERIOD AND BOUNDARY

This ESG Report presents AKSI's sustainability-related disclosures for the reporting period from 1 January 2024 to 31 December 2024. This report is intended to be issued on an annual basis to provide stakeholders with a consistent and transparent overview of our ESG practices, performance, and management approach. The reporting boundary for this report covers AKSI's operations only. Disclosures included herein relate exclusively to our manufacturing activities, workforce, and governance practices at the entity level. This report does not include data from other subsidiaries or operations within the Taurani Group unless explicitly stated.

This report has been prepared in accordance to the applicable and available GRI Standards (2021). As one of AKSI's initial formal ESG disclosures, certain information is based on available operational data, management records, and third-party monitoring reports for the reporting period. In some areas, historical data may be limited, and baseline values are therefore established using 2024 as the reference year. All ESG data disclosed in this report has been internally compiled, reviewed, and validated by senior management prior to publication. Where applicable, data gaps, estimations, or methodological limitations are explained within the relevant sections of the report. We expect data completeness and quality to improve progressively as ESG systems and reporting maturity continue to develop.

USE OF GROUP MATERIALITY ASSESSMENT

Our ESG disclosures are informed by the Group-wide materiality assessment conducted by Taurani Holdings Ltd. This assessment identifies the environmental, social, and governance topics most relevant to the Group's operations, stakeholders, and long-term value creation. AKSI applies these Group-defined material topics at the entity level, focusing on those most relevant to steel manufacturing and industrial operations. This approach ensures consistency across the Group while allowing for entity-specific context and prioritization.



ASSURANCE

We are currently undertaking external independent assurance of this ESG Report; however, this is not being conducted in accordance with the AA1000 Assurance Standard. The data presented is supported by internal records, regulatory submissions, and third-party documentation where applicable, including environmental monitoring and occupational health reports. Internal governance and review processes are in place to support the accuracy and reliability of reported and assured information.



04

SUSTAINABILITY GOVERNANCE

SUSTAINABILITY GOVERNANCE

At AKSI, sustainability governance sets out how we integrate ESG into our management structure, decision-making, and oversight. This section outlines our governance framework and roles, our stakeholder engagement approach, and how we apply the Taurani Holdings Group materiality assessment to AKSI to prioritize the ESG topics most relevant to our operations. Together, these elements support accountability, transparency, and alignment with evolving stakeholder and regulatory expectations.



OUR SUSTAINABILITY APPROACH

At AKSI, our approach to sustainability is grounded in responsible industrial operations, regulatory compliance, and continuous improvement. As a steel manufacturing entity, we focus on managing our environmental and social impacts through disciplined operational controls, strong health and safety practices, and sound governance processes. Our sustainability strategy is integrated into our overall business operations rather than managed as a standalone function. We prioritize ESG topics that are most relevant to our operational footprint and risk profile, with particular focus on environmental compliance, occupational health and safety, workforce practices, and ethical business conduct. This approach enables us to address sustainability risks and opportunities in a structured and pragmatic manner, aligned with our operational realities.

ESG GOVERNANCE AT AKSI

ESG governance at AKSI is embedded within our existing management and operational structures. Responsibility for ESG-related matters is distributed across relevant functions, including operations, health and safety, human resources, finance, and the Environmental Compliance (EC) Committee, ensuring that sustainability considerations are integrated into day-to-day decision-making.

We maintain documented policies, procedures, and management systems that support compliance with applicable legal and regulatory requirements. ESG performance is monitored through internal reporting, operational reviews, and periodic assessments, supported by third-party environmental monitoring and internal audits where applicable.



ROLES AND RESPONSIBILITIES

Clear roles and responsibilities are defined to support effective ESG integration and governance across the organization:

Senior Management is responsible for overseeing ESG-related risks and performance, ensuring compliance with applicable requirements, and integrating sustainability considerations into operational and strategic decisions.

Functional Heads are accountable for implementing ESG-related controls within their respective areas, including environmental management, health and safety, human resources, and compliance.

Environmental Compliance (EC) Committee is responsible for overseeing environmental performance, monitoring compliance with applicable regulations, and supporting implementation of health, safety, and environmental procedures across operations. The Committee contributes to internal monitoring, reporting, and continuous improvement of ESG-related practices.

Operational Teams are responsible for adhering to established procedures, participating in training and awareness programs, and reporting incidents, risks, or improvement opportunities.

ESG data and performance information are compiled internally and reviewed by senior management as part of regular management oversight processes.



OVERSIGHT BY TAURANI HOLDINGS

As a subsidiary of Taurani Holdings Ltd, our sustainability governance framework is aligned with the Group's ESG strategy and governance structure. Group-level oversight provides strategic direction, consistency in governance practices, and alignment with Group-wide material ESG topics.

At AKSI, we apply Group-defined policies, standards, and guidance where relevant, while maintaining entity-level accountability for implementation and performance. ESG-related matters may be escalated to the Group as required, particularly in relation to material risks, compliance matters, or strategic initiatives.

BOARD AND MANAGEMENT OVERSIGHT OF SUSTAINABILITY

Oversight of sustainability-related matters is exercised through the Group's governance structure, with senior management at AKSI responsible for implementation and monitoring at the entity level. ESG considerations are incorporated into management discussions, operational reviews, and risk management processes.

At the Group level, the Board and senior leadership provide oversight of ESG strategy, material topics, and performance trends across entities, including AKSI. This governance arrangement ensures that sustainability is considered within broader business oversight, supports accountability, and enables alignment between entity-level actions and Group-wide sustainability objectives.

STAKEHOLDER ENGAGEMENT

KEY STAKEHOLDERS AND ENGAGEMENT METHODS

At AKSI, we engage with a range of internal and external stakeholders to support responsible operations, effective governance, and long-term value creation. As a subsidiary of Taurani Holdings Ltd, AKSI aligns its engagement approach with the Group's stakeholder framework, ensuring consistency across entities while addressing entity-specific operational priorities. All engagement is conducted through formal and informal channels to understand stakeholder expectations, manage ESG risks, and strengthen long-term relationships. Through routine engagement activities, stakeholders raise a range of environmental, social, and governance topics relevant to AKSI's operations. These discussions typically relate to:

- 01 Occupational health and safety
- 02 Environmental compliance and operational controls
- 03 Energy use, emissions management, and resource efficiency
- 04 Workforce training, development, and engagement
- 05 Product quality, reliability, and customer requirements
- 06 Ethical conduct, compliance, and governance practices
- 07 Supplier standards and responsible sourcing practices



Stakeholder Group	Purpose of Engagement	Engagement Methods and Frequency
Customers and Business Partners	Ensure product quality and reliability, understand market expectations, collaborate on innovation, manage ESG-related requirements (e.g., compliance, carbon, quality standards), and strengthen long-term partnerships.	<ul style="list-style-type: none"> ▪ Ongoing commercial meetings and site visits. ▪ Technical discussions and product feedback sessions. ▪ Quality audits and compliance reviews. ▪ Complaint handling and resolution mechanisms. <p>Frequency: Continuous, with formal reviews quarterly or project-based.</p>
Employees	Foster a safe and inclusive workplace, support professional development, communicate performance expectations, and encourage participation in ESG and safety initiatives.	<ul style="list-style-type: none"> ▪ Town halls and management briefings. ▪ Performance appraisals and development reviews. ▪ Safety toolbox talks and HSE committee meetings. ▪ Training programs and internal communication channels. <p>Frequency: Ongoing; safety engagement daily/weekly; performance reviews annually.</p>
Executive Management (AKSI & Group Level)	Provide strategic direction, oversee operational and ESG performance, ensure regulatory compliance, manage risks, and align entity-level activities with Taurani Holdings' strategy and governance framework.	<ul style="list-style-type: none"> ▪ Management meetings and operational reviews <p>Frequency: Continuous</p>
Suppliers and Contractors	Promote responsible sourcing, ensure compliance with quality, safety, and environmental standards, manage supply chain risks, and support sustainable procurement practices.	<ul style="list-style-type: none"> ▪ Prequalification and evaluation processes ▪ Procurement meetings and contractual reviews ▪ HSE and quality compliance audits

Stakeholder Group	Purpose of Engagement	Engagement Methods and Frequency
Suppliers and Contractors	Promote responsible sourcing, ensure compliance with quality, safety, and environmental standards, manage supply chain risks, and support sustainable procurement practices.	<ul style="list-style-type: none"> ▪ Supplier performance monitoring <p>Frequency: Onboarding; performance reviewed periodically and contractually</p>
Industry Associations	Engage on sector-specific issues, standards development, and industry best practices.	<ul style="list-style-type: none"> ▪ Participation in sector discussions and industry engagement forums <p>Frequency: Periodic</p>
Community and Local Authorities	Maintain transparent communication regarding operational impacts, environmental compliance, safety, and community well-being; support local socio-economic development.	<ul style="list-style-type: none"> ▪ Regulatory reporting and inspections ▪ Environmental and safety compliance submissions ▪ Engagement through permits and operational approvals <p>Frequency: As required by regulation and operational activities</p>
Shareholders / Investors (via Taurani Holdings)	Provide transparent performance reporting, demonstrate sound governance and risk management, and ensure alignment with Group sustainability strategy and long-term value creation objectives.	<ul style="list-style-type: none"> ▪ Reporting through Taurani Holdings ▪ Strategic reviews and governance oversight ▪ ESG disclosures and performance reporting <p>Frequency: Annual and periodic reporting through Group channels</p>

These topics inform management discussions, operational priorities, or materiality outcomes, and are addressed through formal governance and assessment processes.

ESCALATION TO GROUP

Stakeholder feedback and ESG-related matters identified through engagement are addressed at the entity level through AKSI's management systems and governance processes. Where relevant, key issues, risks, or themes are escalated through established reporting channels, executive management reviews, risk management structures, and ESG oversight frameworks at Taurani Holdings.

This escalation process ensures visibility, alignment, and consistency across the Group, supporting coordinated decision-making and enabling entity-level insights to contribute to Group-level oversight and strategic consideration.

MATERIALITY ASSESSMENT

GROUP MATERIALITY ASSESSMENT METHODOLOGY

During the reporting period, Taurani Holdings Ltd undertook a comprehensive reassessment of its material ESG topics to ensure alignment with evolving stakeholder expectations, regulatory developments, and global sustainability frameworks. The updated process included:

Review and refinement of ESG topics.

Mapping of topics against Global Reporting Initiatives (GRI) Standards, Morgan Stanley Capital International (MSCI) ESG ratings methodology, Sustainability Accounting Standards Board (SASB) standards, and peer disclosures.

A Group-wide stakeholder survey engaging internal and external stakeholders.

Consolidation and analysis of qualitative importance ratings (High, Medium, Low).

The stakeholder groups presented in the previous section of the report reflect AKSI's broader stakeholder ecosystem. For the purposes of this materiality assessment, a selected group of internal and external stakeholders from all Taurani Holdings Group entities and AKSI stakeholders, participated in the survey based on relevance, engagement level, and ability to provide informed input. As such, selected stakeholders were asked to assess each ESG topic based on its perceived importance to the business and to stakeholders. Responses were aggregated and plotted to generate a Group Materiality Matrix, which visually reflects the relative importance of each topic. The materiality matrix evaluates topics across two dimensions:

Importance to the Company (Internal Impact)

Importance to Stakeholders (External Impact)

GROUP MATERIAL TOPICS

The materiality assessment resulted in the identification and prioritization of ESG topics categorized as High, Medium, and Low importance.

High Importance Topics	
Environment	Hazardous Materials and Chemical Safety
Social	Product Quality, Safety and Customer Welfare
Environment	Energy Management and Efficiency
Governance	Data Privacy, Cybersecurity and Information Security
Environment	Waste Management and Circular Economy
Environment	Air Emissions and Air Quality
Social	Human Rights and Labor Standards
Environment	GHG Emissions and Climate Change
Governance	Business Ethics, Integrity and Anti-Corruption
Governance	Corporate Governance and Oversight
Environment	Materials Sourcing and Material Efficiency
Governance	Risk Management and Business Resilience
Social	Occupational Health and Safety
Medium Importance Topics	
Environment	Product Design and Lifecycle Management
Social	Local Communities and Socioeconomic Impact
Environment	Biodiversity, Land Use and Ecosystems
Environment	Environmental Compliance and Regulatory Management
Environment	Water Management and Effluents
Social	Employee Engagement
Low Importance Topics	
Social	Human Capital Development and Training
Social	Diversity, Equity and Inclusion (DEI)

APPLICATION TO AKSI

As a subsidiary of Taurani Holdings, AKSI contributed to the Group materiality assessment through input from management and relevant functional representatives. AKSI adopts Group-level material topics and applies them proportionately to its operational profile as a steel manufacturing and galvanizing entity. The identified material topics inform AKSI's ESG performance focus areas presented in this report. Given the nature of AKSI's operations as an energy-intensive industrial facility, the material topics reflect key operational risks, regulatory requirements, and stakeholder expectations. High-priority topics are aligned with areas such as energy consumption, emissions management, occupational health and safety, environmental compliance, material handling, and product quality.





05

OUR ENVIRONMENTAL PERFORMANCE



OUR ENVIRONMENTAL PERFORMANCE

At AKSI, environmental management is integrated into our operational and decision-making processes to ensure compliance with regulatory requirements and support responsible resource use. As a steel manufacturing entity, our key environmental impacts relate to energy consumption, greenhouse gas emissions (GHG), water use, air emissions, and waste generation. We manage these impacts through structured monitoring, operational controls, and engagement with licensed service providers, while continuously working to improve data quality, efficiency, and environmental performance.

Environmental Highlights

	2024
Energy Consumption	106,940 GJ
Energy Intensity	2.27 GJ/ton
Total GHG Emissions (Scope 1, 2)	6,434.82 tCO ₂ e
Total Scope 3 Emissions	77,709.52 tCO ₂ e
Carbon Intensity	0.14 tCO ₂ e/ton
Total Water Withdrawal	30,201 m ₃
Water Intensity	0.64 m ₃ / ton
Average Noise Level (Indoor and Outdoor)	60.96 dB(A)
Stack Emissions Compliance	100%
Air Quality Compliance	100%
Waste Generated	2,204.79 tons



ENERGY MANAGEMENT

Energy management and GHG emissions control are central to our environmental performance and operational efficiency. As an industrial steel manufacturing operation, our energy consumption is closely linked to production processes, equipment operation, and supporting utilities. We manage energy consumption and emissions through structured monitoring, operational controls, and continuous improvement practices integrated into our environmental management approach. Energy consumption and associated emissions are closely linked to production volumes and operational intensity.

ENERGY CONSUMPTION BY SOURCE

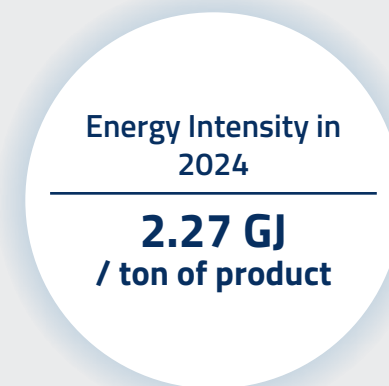
We monitor energy consumption across our operations to support efficient resource use, cost management, and emissions control. Energy is primarily consumed through purchased electricity used for production equipment, galvanizing operations, utilities, and auxiliary systems. Where applicable, direct fuel consumption is associated with operational equipment and supporting activities.

Energy consumption data is tracked using utility invoices, operational records, and internal monitoring systems. This data is reviewed as part of operational performance monitoring and management review processes. Scope 1 and Scope 2 emissions represent the primary emission sources for AKSI, while Scope 3 reporting is currently limited to selected categories due to data availability.

	2024
Direct Energy (Acetylene, Natural Gas, Diesel, Vehicles)	77,608 GJ
Indirect Energy (Electricity)	29,332 GJ
Total Energy Consumed	106,940 GJ

ENERGY INTENSITY

Energy intensity is used to assess operational efficiency by measuring energy consumption relative to production output. This indicator supports performance tracking over time and helps identify opportunities to improve efficiency and reduce energy demand per unit of production. As 2024 represents the baseline year for formal ESG reporting at AKSI, energy intensity values presented in this report serve as a reference point for future comparison.





OUR CARBON FOOTPRINT

We measure and manage our greenhouse gas emissions in line with internationally recognized methodologies and internal environmental management practices. Our carbon footprint includes:

Scope 1 emissions:

greenhouse gases resulting from fuel combustion from sources the company owns or operates, like vehicles or natural gas for heating.

Scope 2 emissions:

arising from purchased electricity consumed across manufacturing and support operations.

Scope 3 emissions:

(Category 1: Purchased Goods and Services and Category 5: Waste Generated in Operations), covering relevant indirect emissions where data is currently available.



Scope 1 GHG Emissions

Scope 1 Emissions	2024
Total CO ₂ Emissions	4,424.15 tCO ₂ e
Total CH ₄ Emissions	19.19 tCO ₂ e
Total N ₂ O Emissions	15.57 tCO ₂ e
Total CO₂e Emissions (Scope 1)	4,454.91 tCO₂e

Scope 2 GHG Emissions

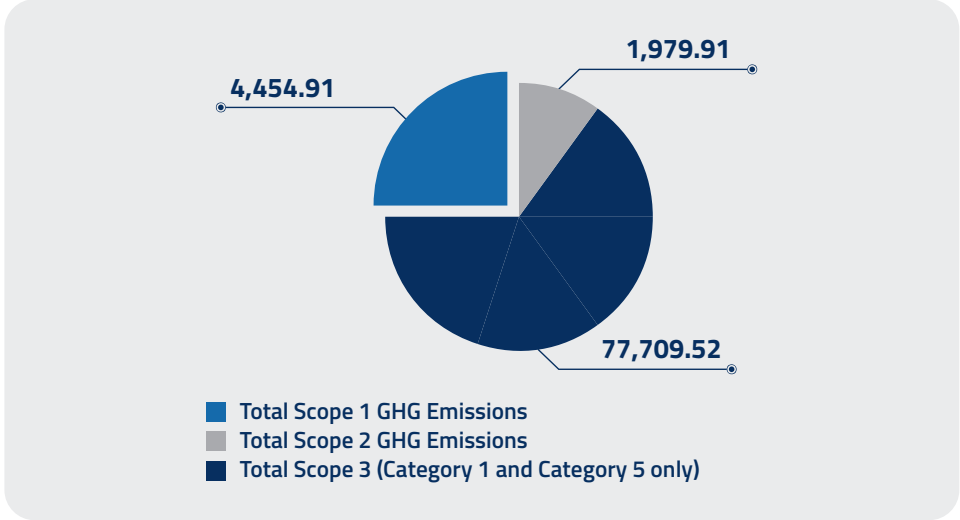
Scope 2 Emissions	2024
Electricity Consumption	1,979.91 tCO ₂ e

Scope 3 GHG Emissions

Scope 3 Emissions	2024
Category 1: Purchased Goods and Services	
Water	4.62 tCO ₂ e
Steel	77,433 tCO ₂ e
Total Category 1 Emissions	77,437.86 tCO₂e
Category 5: Waste Generated in Operations	
Steel Waste	10.93 tCO ₂ e
ETP Sludge Waste	259.65 tCO ₂ e
Wastewater	1.08 tCO ₂ e
Total Category 5 Emissions	271.66 tCO₂e
Total Scope 3 Emissions (Selected Categories)	77,709.52 tCO₂e

AKSI's total GHG emissions are calculated using recognized emission factors aligned with the GHG Protocol. Scope 3 emissions include selected categories based on relevance to operations and do not represent the full Scope 3 inventory.

2024 Carbon Footprint Chart



Scope 3 emissions represent the largest share of the total carbon footprint, primarily driven by upstream activities, while Scope 1 and Scope 2 emissions reflect direct operational energy use.

Total GHG Emissions
(Scope 1 & 2) in 2024

6,434.82
tCO₂e





CARBON INTENSITY

We track carbon emissions intensity to assess GHG emissions relative to production output. This metric supports emissions performance evaluation independent of production volume and enables comparison over time. Given the baseline nature of 2024 data, carbon intensity values presented are intended to support future trend analysis rather than serve as performance targets.

Carbon Intensity
(Scope 1 and 2) in
2024

**0.14 tCO₂ / ton of
product**



ENERGY AND EMISSIONS REDUCTION INITIATIVES

We implement a range of operational initiatives aimed at improving energy efficiency and managing GHG emissions across our operations. These initiatives are embedded within operational planning, maintenance practices, and continuous improvement processes. Key initiatives include:

Monitoring energy consumption and emissions to identify efficiency opportunities

Preventive maintenance and optimization of production equipment

Operational controls to reduce unnecessary energy use

Employee awareness and training related to energy efficiency and environmental responsibility

Consideration of energy and emissions performance within operational improvement initiatives

While we have not yet established formal energy or emissions reduction targets, we recognize the importance of improving efficiency and emissions performance over time and will continue to evaluate opportunities aligned with operational feasibility and regulatory expectations.





WATER MANAGEMENT

At AKSI, water use is primarily associated with manufacturing operations, utilities, and employee welfare facilities. We manage water use and discharge through operational controls, monitoring practices, and compliance with applicable regulatory requirements.



WATER WITHDRAWAL AND CONSUMPTION

We monitor water withdrawal to support responsible water use and operational efficiency. Water is sourced primarily from municipal supply and is used for production-related processes, equipment cooling where applicable, utilities, and domestic purposes. Water withdrawal data is tracked through utility records and internal monitoring systems and reviewed as part of operational and environmental performance oversight.

Water Withdrawal for
2024

30,201 m³

WATER INTENSITY

Water intensity is used to assess our water use relative to production output. This indicator supports performance tracking over time and helps identify opportunities to improve water efficiency within manufacturing operations.

Water Intensity for
2024

**0.64 m³ / ton of
product**

DISCHARGE MANAGEMENT

We monitor water discharges in accordance with applicable environmental regulations and permit requirements. Process-related wastewater and domestic effluent are handled through approved treatment systems and licensed service providers, where applicable. Discharge management is supported by defined operational controls and procedures, the use of approved treatment or disposal facilities, and periodic monitoring and compliance checks.

Wastewater
Discharged in 2024

5,840 m³

WATER-RELATED RISKS AND MANAGEMENT APPROACH

We assess water-related risks primarily in the context of operational continuity, regulatory compliance, and efficiency of use. Given our reliance on municipal water supply, our focus remains on responsible consumption, monitoring, and maintaining compliance with local requirements.

AIR EMISSIONS AND AIR QUALITY (NON-GHG)

Air emissions and air quality are monitored at AKSI to ensure compliance with applicable environmental regulations and to manage potential impacts from industrial operations. Monitoring is conducted periodically by accredited third-party service providers in accordance with regulatory requirements. Monitoring covered ambient air quality, indoor air quality, stack emissions, and noise levels across the facility.



AMBIENT AIR QUALITY MONITORING

We conduct periodic ambient and indoor air quality monitoring at our facility to assess environmental conditions within and around operational areas. Monitoring is performed by approved third-party consultants, and results are reviewed internally to confirm compliance with applicable standards. During the reporting period, monitoring was conducted at multiple indoor and outdoor locations across the facility. All parameters were within applicable regulatory limits, and no material non-compliance was identified.

Air Quality Monitoring and Compliance

We conduct periodic ambient and indoor air quality monitoring across our facility through accredited third-party assessments. Monitoring results confirmed full compliance with UAE environmental regulations, including Cabinet Decree (12) of 2006.

STACK EMISSIONS MONITORING (NON-GHG AIR EMISSIONS)

Stack emissions monitoring was conducted during the reporting period by an accredited third-party consultant as part of regulatory compliance requirements. Monitoring was performed at two furnace stacks, with three readings recorded for each parameter. Average emission values were calculated based on these readings, excluding parameters expressed in percentage (%), in line with standard environmental reporting practices.

Furnace 1 - Average Emissions

Parameter	2024
CO	34.33 mg/Nm ³
NO ₂	19.33 mg/Nm ³
NO	65.67 mg/Nm ³
NO _x	57.00 mg/Nm ³

Furnace 2 - Average Emissions

Parameter	2024
CO	32.67 mg/Nm ³
NO ₂	20.33 mg/Nm ³
NO	51.00 mg/Nm ³
NO _x	69.00 mg/Nm ³

All measured stack emission parameters were within the limits specified under UAE Cabinet Decree (12) of 2006 (Regulation Concerning Protection of Air from Pollution).

NOISE MONITORING

Noise monitoring was conducted across multiple indoor and outdoor locations within the facility, including operational areas and boundary points. Monitoring was performed by a qualified third-party service provider in accordance with Abu Dhabi Occupational Safety and Health (ADOSH SF) requirements. Average noise levels were calculated based on 12 readings collected across four monitoring locations.

Average Noise Level (Indoor & Outdoor) in 2024

60.96 dB(A)

The calculated average represents noise levels across both indoor and outdoor operational areas of the facility. All recorded noise levels were compliant and within permissible limits (80 dB(A) for 24-hour exposure and 83 dB(A) for 12-hour exposure) in year 2024.



COMPLIANCE WITH AIR QUALITY AND NOISE STANDARDS

Compliance with applicable air quality and noise regulations is supported through:

Periodic third-party ambient air quality and noise monitoring

Preventive maintenance of production equipment

Operational controls and defined procedures

Internal review and validation of monitoring results

Monitoring results were evaluated against UAE environmental regulations, including Cabinet Decree (12) of 2006 for air emissions and ADOSH SF requirements for noise.

No Identified Material Incidents of Non-Compliance Related to Air Emissions or Noise during the reporting period.



WASTE MANAGEMENT

As a steel manufacturing operation, waste generation arises from production processes, maintenance activities, packaging, and supporting operations. We manage waste through segregation at source, engagement with licensed waste management service providers and approved treatment and disposal facilities, and compliance with applicable regulatory requirements. In addition, AKSI focuses on material optimization, waste segregation, and engagement with licensed recycling and waste management contractors to ensure responsible handling of by-products and minimize material losses.



WASTE GENERATED BY TYPE

We identify and monitor waste streams generated across our operations to support responsible handling, recycling, and disposal.

Waste Type (Generated)	2024
Metal Scrap (Steel Waste)	1,704.99 tons
ETP Sludge Waste	499 tons
Inert / Street Sweeping	0.80 tons
Total Waste Generated	2,204.79 tons

Waste quantities are tracked through internal records and supported by documentation from licensed waste contractors, including official waste manifests issued by authorized entities such as Tadweer. For example, inert waste generated from housekeeping and facility maintenance activities (street sweeping) amounted to 0.8 tons in 2024, as recorded through official Tadweer waste manifests and contractor documentation. Metal scrap and production offcuts generated during operations are segregated at source and transferred to licensed contractors for recycling or recovery, ensuring responsible material handling and compliance with regulations.



WASTE DIVERSION AND DISPOSAL

Waste is transferred through authorized channels, with traceability maintained through waste manifests and contractor documentation. During the reporting period, waste collection, transport, and disposal were carried out in coordination with licensed entities, including Tadweer-approved contractors and transfer stations, ensuring compliance with Abu Dhabi waste management regulations.

2024 Waste Disposal

Waste Recycled /
Recovered (Steel)

1,704.99

Waste Disposed
(Landfill / Other)

499.00

Inert waste was transferred to a Tadweer-approved transfer station, with disposal quantities verified through official waste manifests and contractor records. We implement practical waste prevention measures focused on reducing avoidable waste generation and improving material efficiency. Waste management practices are aligned with GRI 306 requirements, focusing on waste generation, handling, and disposal through licensed service providers. These initiatives include:

Segregation of waste streams at source

Reuse of packaging materials where operationally appropriate (wooden pallets within logistics and material handling processes, reducing packaging waste and supporting resource efficiency)

Monitoring and reduction of waste through awareness and tracking

Operational discipline to reduce material losses and unnecessary disposal

These measures support waste reduction at source and contribute to improved operational efficiency.





HAZARDOUS WASTE HANDLING

Hazardous waste generated from maintenance activities and production-related processes is handled with heightened controls. We manage hazardous waste in accordance with applicable regulations and ensure that collection, transport, and disposal are carried out exclusively by licensed and approved waste management service providers. Hazardous waste handling is supported by formal documentation and traceability through licensed service providers and regulatory reporting systems where applicable. Hazardous waste handling includes:

Segregation and secure storage

Clear labeling and documentation

Transfer through licensed transporters

Disposal or treatment at approved facilities

ENVIRONMENTAL COMPLIANCE

At AKSI, we maintain compliance with applicable environmental regulations related to waste management. Compliance is supported through:

Engagement with licensed waste contractors

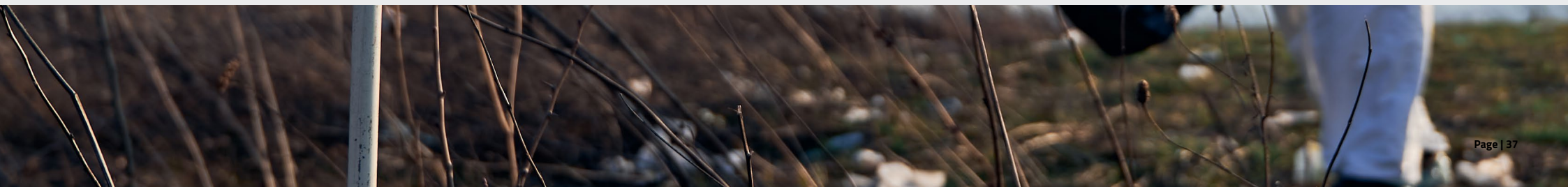
Maintenance of waste transfer notes and official waste manifests (Tadweer)

Internal monitoring and record keeping

Periodic review of waste handling practices

We manage waste through licensed contractors and maintain waste manifests for all transfers, ensuring compliance with applicable regulatory requirements.

As ESG data systems mature, AKSI intends to further enhance quantitative tracking of waste recovery and recycling performance.





MATERIAL EFFICIENCY AND RESOURCE USE

RESOURCE EFFICIENCY IN PRODUCTION PROCESSES

We monitor resource efficiency by assessing material inputs relative to production output and waste generated. Resource efficiency is supported through:

Optimized production planning

Preventive maintenance to reduce material losses

Standard operating procedures to minimize offcuts and rework

Segregation of reusable and recyclable materials at source

Resource efficiency indicators are reviewed as part of operational performance monitoring to support continuous improvement. The recorded total product output for 2024 reflects stable production performance and efficient operational management across our manufacturing processes. This output level demonstrates our ability to meet customer demand while maintaining consistent quality standards and process reliability. Efficient production contributes to optimized resource utilization and supports our broader sustainability objectives related to operational efficiency and reduced waste generation.



ENVIRONMENTAL INITIATIVES AND SITE-LEVEL IMPROVEMENTS

Circular economy and resource efficiency practices are integrated into our broader environmental management approach. Oversight is provided through operational controls, waste management procedures, contractor management, and internal monitoring processes. Data related to material use, waste generation, recycling, and recovery is reviewed internally as part of environmental performance monitoring and management review. This integrated approach ensures consistency between waste management, resource efficiency, and environmental compliance.

AKSI has implemented site-level environmental initiatives to enhance sustainability and workplace conditions. These include the development of green areas around the facility, such as tree planting, a green fence perimeter, and landscaped garden spaces near the front office.

These initiatives contribute to improved air quality, reduction in noise levels, and enhanced workplace wellbeing, while also supporting broader environmental stewardship objectives. Integrating greenery into operational infrastructure reflects AKSI's commitment to responsible industrial practices and continuous environmental improvement.



PRODUCT SUSTAINABILITY INITIATIVES AND EMERGING REGULATORY COMPLIANCE

CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

Product-Level Carbon Assessment Compliance

In 2024, AKSI initiated the implementation of the Carbon Border Adjustment Mechanism (CBAM) for its galvanized steel wire products and PCV wire products, in alignment with European Union transitional requirements. This marks the beginning of a structured and ongoing process to quantify and report product-level greenhouse gas emissions.

The CBAM assessment captures both direct emissions from on-site fuel combustion and production processes, as well as indirect emissions associated with electricity consumption. The analysis is conducted at the installation level using production and energy data, in accordance with applicable CBAM monitoring and reporting requirements.

CBAM implementation is an ongoing exercise extending through the transitional period up to 2026, supporting AKSI's readiness for international carbon regulations and enhancing its ability to provide transparent, product-level emissions data to customers and stakeholders.





06

OUR SOCIAL PERFORMANCE



OUR SOCIAL PERFORMANCE

At AKSI, social performance is centered on workforce wellbeing, occupational health and safety, employee development, and responsible labor practices. As an industrial manufacturing entity, we prioritize maintaining a safe and healthy work environment, supporting employee engagement and development, and ensuring compliance with applicable labor and human rights standards. Our approach integrates structured management systems, operational controls, and continuous monitoring to support a stable, productive, and responsible workforce while contributing to the broader socioeconomic environment.

Environmental Highlights

	2024
Total Employees	120
Lost Time Injury Frequency Rate (LTIFR)	0%
Total Recordable Injury Rate (TRIR)	0.4%
Percentage of Employees Covered by Health Check Programs	98%
Percentage of Employees Trained on HSE Procedures	97%
Average Training Hours per Employee	14.26



WORKFORCE PROFILE AND LABOR PRACTICES

Our workforce is central to our operational success and long-term sustainability. As a manufacturing entity, we rely on skilled and semi-skilled personnel across production, maintenance, quality, logistics, and administrative functions. We manage workforce data through structured HR processes and a centralized HRMS platform, supporting compliance, workforce planning, and performance monitoring

WORKFORCE OVERVIEW

We maintain visibility over our workforce size and structure to support effective operational planning and human resource management.

In 2024, our total workforce consisted of 120 employees

Our workforce is predominantly operational, reflecting the labor-intensive nature of steel manufacturing activities. As data systems continue to mature, AKSI aims to enhance workforce segmentation and diversity disclosures in future reporting periods.





EMPLOYEE TURNOVER AND EMPLOYMENT PRACTICES

We track employee turnover to assess workforce stability and support effective workforce planning. Employee turnover is currently tracked at an aggregate level and reviewed as part of HR oversight and operational management, and further segmentation (e.g., by gender, age group, and employment category) will be incorporated in future reporting periods. Employee turnover remained low during the reporting period, indicating workforce stability across operations.



Employment practices at AKSI are governed by formal policies and procedures, including recruitment and selection guidelines, onboarding processes, performance management practices, and compliance with applicable labor regulations.



EMPLOYEE BENEFITS

We provide employee benefits in line with UAE labor law requirements and internal company policies. These benefits are designed to support employee wellbeing, workplace satisfaction, and compliance. Our employee benefits and packages include:

Medical Insurance
Provided to All Eligible Employees



Health Surveillance Programs
Implemented



Overtime Compensation and Food allowance support for eligible operational staff
As per UAE Labor Law



End-of-Service Benefits
As per UAE Labor Law



A high level of workforce coverage was maintained through annual health checkups, supporting employee wellbeing and occupational health monitoring. At AKSI, we communicate material changes in employment conditions, where applicable, in accordance with regulatory requirements and internal governance processes.

OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety (OHS) is a core operational priority at AKSI. As a steel manufacturing entity, we operate in an industrial environment where structured safety management, risk controls, and employee awareness are essential to protecting our workforce and maintaining operational continuity.

OHS MANAGEMENT SYSTEM

At AKSI, we maintain an occupational health and safety framework that integrates risk assessment, operational controls, training, incident reporting, and monitoring. Safety responsibilities are embedded across management and operational teams. Our OHS approach includes:

Defined safety procedures and standard operating instructions

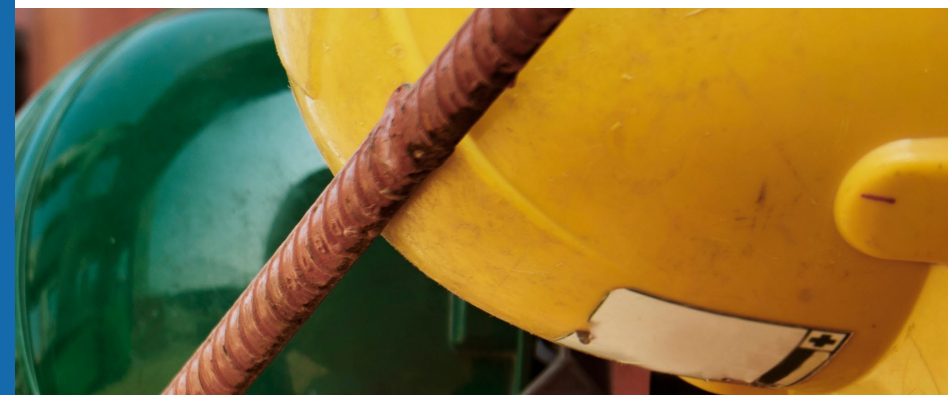
Risk assessments and hazard identification processes

Incident reporting and investigation protocols

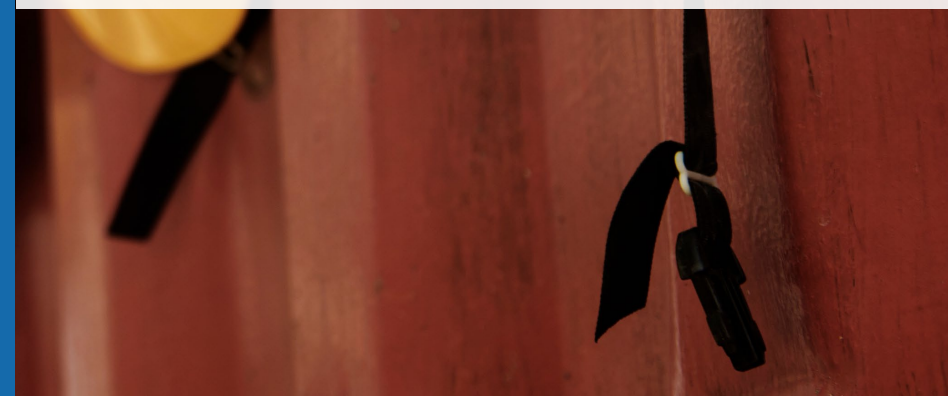
Emergency preparedness and response planning

Periodic third-party monitoring where required

Occupational health and safety governance at AKSI is supported by documented procedures, ongoing risk assessments, implemented emergency preparedness measures, and periodic third-party environmental and safety monitoring, ensuring a structured and compliant approach to workplace safety.



Environmental and occupational health monitoring, including air emissions, ambient air quality, noise, and workplace exposure monitoring, is conducted periodically by accredited third-party laboratories in accordance with regulatory requirements and environmental permit conditions. Monitoring results are reviewed by management and used to ensure compliance with applicable environmental, health, and safety standards. Third-party environmental monitoring includes stack emissions testing, ambient air quality monitoring, and noise measurements, while occupational health monitoring includes workplace exposure assessments such as dust, fumes, and noise exposure measurements.



INCIDENTS, MONITORING, AND SEVERITY

We monitor workplace incidents and safety performance indicators to assess risk exposure and identify improvement opportunities. Incident data is recorded internally and reviewed by management. Monitoring and review of incidents support corrective actions and continuous improvement in safety practices.

Safety Performance Indicators for 2024

0%

Lost Time Injury Frequency Rate (LTIFR)

0.4%

Total Recordable Injury Rate (TRIR)



HEALTH SURVEILLANCE AND WELLBEING

We implement structured health surveillance programs to monitor employee health risks associated with industrial operations. These programs are conducted with approved medical providers and include periodic health assessments where applicable. Health surveillance measures include:

Health and Wellbeing Programs

Employee health and wellbeing are supported through periodic medical check-ups, health awareness programs, medical insurance coverage, specialized examinations for high-risk roles, and emergency medical preparedness drills.

HEALTH AND SAFETY TRAINING AND AWARENESS

Safety training is provided to employees to promote awareness of operational risks and reinforce safe work practices. Training is delivered through structured programs, toolbox talks, and operational briefings. The regular health, safety, and environmental (HSE) awareness sessions cover critical topics such as hygiene, use of personal protective equipment (PPE), workplace safety, and environmental awareness. A high level of workforce coverage is maintained through regular HSE training and awareness programs.

Training Sessions	Topics Covered
Training 1 Session (HSE Session)	<ul style="list-style-type: none"> Basics of viral fever Transmission and prevention Self-hygiene Use of masks Drinking water safety Plant welfare
Training 2 Session (Site Safety Induction)	<ul style="list-style-type: none"> General site safety induction Workplace hazards and controls Department-specific safety practices (Production, QC, Logistics, ETP)

During the reporting period, multiple HSE training and awareness sessions were conducted across the workforce. Participation in individual sessions varies depending on the topic and target audience. For example, one HSE awareness session was attended by 20 employees, while a site safety induction session included 18 participants.

Health and Safety Training Awareness

AKSI conducts at least 2 HSE training sessions annually, with 4.16% of employees receiving specialized training in heavy machinery safety in 2024. Regular safety briefings and toolbox talks are conducted to reinforce safe work practices.

Employees Trained in HSE Procedures and Systems in 2024

97%



WORKER PARTICIPATION AND COMMUNICATION

Worker participation in health and safety is encouraged through communication channels, reporting mechanisms, and engagement sessions. Employees are encouraged to report hazards, near misses, and improvement opportunities without fear of retaliation. Worker participation mechanisms include:

Safety meetings and briefings

Incident and near-miss reporting channels

Management reviews of safety feedback

Participation in safety awareness initiatives

TRAINING AND HUMAN RIGHTS

We recognize that workforce development, diversity, and respect for human rights are essential components of responsible operations. As a manufacturing entity, we focus on building employee competencies, maintaining fair employment practices, and ensuring compliance with applicable labor regulations.

TRAINING AND DEVELOPMENT

At AKSI, we provide training and development opportunities to support operational competence, safety awareness, and professional growth. Training programs are delivered through structured sessions, operational briefings, health and safety programs, and skill-based development initiatives. Our training categories include:

- Health and safety training

- Technical and operational skills development

- Health awareness programs

- Job-specific competency enhancement

Training Hours in 2024

14.26 hours
Average training hours per employee

1,711 hours
Total training hours calculated

Total training hours are derived based on average training hours per employee and total workforce size. Performance development and role-based skill enhancement are supported through structured evaluation processes and operational oversight.

DIVERSITY AND INCLUSION

At AKSI, we are committed to maintaining a workplace environment that is respectful, fair, and inclusive. Employment practices are governed by internal policies and UAE labor regulations, ensuring non-discrimination in recruitment, compensation, and employment conditions.

At AKSI, we do not tolerate discrimination or harassment in any form and maintain internal mechanisms to address workplace grievances where applicable. A formal anti-discrimination policy is in place and communicated across the organization.

ZERO

Recorded incidents of Discrimination in 2024, with 0 recorded disciplinary actions undertaken related to discrimination



HUMAN RIGHTS

AKSI operates in compliance with UAE labor law and upholds principles aligned with internationally recognized human rights standards. Our recruitment and employment practices prohibit child labor, forced labor, and involuntary employment. Formal processes are in place to ensure compliance with minimum working age requirements and legal employment conditions, including employee eligibility verification and adherence to contractual employment standards.

We remain committed to maintaining fair labor practices and monitoring compliance through established HR and governance processes.



EMPLOYEE AND LOCAL COMMUNITY ENGAGEMENT

At AKSI, we recognize that employee engagement and responsible community interaction are important components of our social performance. As an industrial manufacturer operating within an established industrial zone, our primary social impact relates to workforce wellbeing, local employment, regulatory compliance, and responsible operational practices.

EMPLOYEE ENGAGEMENT

We promote employee engagement through structured communication, training programs, health and safety briefings, and operational participation mechanisms. Engagement is embedded within day-to-day operations through structured communication channels and supervisory oversight. Our employee engagement mechanisms include toolbox talks and safety briefings, training sessions and awareness programs, operational meetings and performance discussions, health and wellbeing initiatives, and a formal grievance system and reporting mechanisms.

Grievance Management

1 Recorded and Resolved Grievance Case in 2024

AKSI maintains formal grievance mechanisms to address employee concerns in a timely and structured manner.

Employee engagement is primarily embedded within operational processes and is not currently tracked through standalone quantitative indicators. AKSI intends to further formalize and enhance the measurement of engagement metrics in future reporting periods.





LOCAL AND SOCIOECONOMIC IMPACT

Our socioeconomic contribution primarily arises from local employment, compliance with national labor initiatives, and responsible industrial operations within Abu Dhabi. We contribute to the local economy through direct employment, engagement with licensed local suppliers and service providers, compliance with local regulatory requirements, and participation in health awareness and workforce development initiatives. Given the nature of operations within a designated industrial zone, community engagement is primarily indirect and focused on regulatory compliance, environmental management, and responsible operational practices.

Community Impact

No material community-related incidents or complaints were identified in 2024.



07

GOVERNANCE AND ETHICS

GOVERNANCE AND ETHICS

At AKSI, governance is centered on ethical business conduct, structured risk management, responsible supply chain practices, and data protection. As a subsidiary of Taurani Holdings Ltd, we align with Group-level governance frameworks while maintaining entity-level accountability for compliance, operational oversight, and decision-making. Our governance approach integrates policies, internal controls, and monitoring mechanisms to ensure transparency, regulatory compliance, and responsible business practices across all operations.

Governance Highlights

	2024
Code of Conduct in Place	Yes
Code Communicated to Employees	Yes
Documented Risk Management Framework	Yes
Material Compliance Incidents	0
Confirmed Data Breaches	0
Regulatory Fines Related to Data Privacy	0
Product Defect Rate	0.12%



ETHICS, COMPLIANCE, AND RISK MANAGEMENT

Strong governance, ethical conduct, and structured risk management are fundamental to our operations at AKSI. As a subsidiary of Taurani Holdings Ltd, we align with Group governance frameworks while maintaining entity-level accountability for compliance and risk oversight.

CODE OF CONDUCT

We operate under established governance policies that define expected standards of professional conduct, integrity, and compliance. Our Code of Conduct outlines principles relating to ethical behavior, compliance with laws and regulations, avoidance of conflicts of interest, and responsible business practices. Our Code of Conduct applies to employees and management and is supported through internal communication and supervisory oversight.



ANTI-CORRUPTION AND ETHICAL BUSINESS PRACTICES

We maintain a zero-tolerance approach to corruption, bribery, and unethical conduct. Anti-corruption expectations are embedded within internal policies, employment terms, and governance practices. We assess corruption risks in the context of our operational environment and apply controls including:

Defined approval authorities

Segregation of duties

Financial oversight and review processes

Supplier and contractor due diligence where applicable

Anti-corruption awareness is embedded within governance practices and will be further formalized through structured training programs.

ZERO

Recorded incidents of corruption during the reporting period.

RISK MANAGEMENT

At AKSI, we maintain structured risk management practices aligned with Group oversight and operational requirements. Risks are assessed across operational, financial, regulatory, environmental, and health and safety dimensions. Our risk management processes and procedures include:

Periodic operational and compliance reviews and risk reviews

Monitoring environmental and safety performance

Internal reporting and escalation mechanisms

Documented risk management framework

Alignment with Group-level risk governance

ZERO

Recorded material and compliance incidents during the reporting period.

We escalate material risks and compliance matters to Taurani Holdings where appropriate, ensuring alignment and oversight at the Group level. Risk management practices are integrated into overall governance processes and support informed decision-making across the organization.



RESPONSIBLE SUPPLY CHAIN AND DATA PRIVACY

We recognize that responsible supply chain management and protection of data are essential components of strong governance. As a manufacturing entity, our supply chain includes raw material suppliers, service providers, logistics partners, and licensed waste management contractors. We manage supplier relationships through structured procurement processes, compliance requirements, and oversight mechanisms.

SUPPLIER SCREENING

We assess suppliers based on quality, compliance, operational capability, and adherence to applicable regulatory requirements. Where relevant, supplier evaluation includes environmental, health and safety, and compliance considerations aligned with operational risk exposure. Supplier oversight mechanisms include:

Review of trade licenses and regulatory compliance documentation

Evaluation of operational capability and performance

Engagement with licensed waste and service providers

Ongoing performance monitoring

No material supplier non-compliance incidents were identified during the reporting period.

LOCAL SOURCING

We contribute to the local economy by engaging suppliers and service providers operating within the UAE. Local sourcing supports economic participation, regulatory alignment, and supply chain efficiency. At AKSI, we engage with licensed local waste contractors.

Local sourcing decisions are based on operational requirements, quality standards, and compliance considerations.

DATA PROTECTION AND PRIVACY

We maintain controls to safeguard employee, supplier, and business-related information. Documented data protection practices are embedded across HR, finance, and operational processes, supported by internal governance measures and controlled access mechanisms to ensure that sensitive information is appropriately restricted.

0 material data privacy breaches were identified during the reporting period, with 0 regulatory fines related to data privacy.

We remain committed to maintaining confidentiality, integrity, and responsible handling of personal and business data in line with applicable regulations and internal policies.

OPERATIONAL EXCELLENCE AND PRODUCT QUALITY

At AKSI, product quality and reliability are critical to our operations and customer relationships. We maintain strict quality control procedures across our production processes, including raw material inspection, in-process quality checks, and final product inspection prior to dispatch.

During the reporting period, AKSI maintained a product defect rate of 0.12%, reflecting the effectiveness of our quality management systems, process controls, and continuous improvement practices. This low defect rate demonstrates our commitment to delivering consistent product quality, minimizing rework and waste, and maintaining high levels of customer satisfaction.

Product Defect Rate in
2024

0.12%

Quality performance is monitored through internal quality inspections, testing procedures, customer feedback, and non-conformance tracking systems. Where defects or non-conformances are identified, corrective and preventive actions are implemented to address root causes and prevent recurrence. Maintaining a low defect rate contributes not only to customer satisfaction and operational efficiency but also supports our sustainability objectives by reducing material waste, energy use associated with rework, and overall resource consumption in the production process.

AKSI remains committed to continuous improvement in product quality, process efficiency, and customer satisfaction through ongoing monitoring, employee training, and process optimization initiatives.



08

FUTURE COMMITMENTS AND OUTLOOK

FUTURE COMMITMENTS AND OUTLOOK

At AKSI, we recognize that sustainability requires ongoing development and structured progression beyond compliance. This report establishes our ESG baseline for 2024, providing a foundation for strengthening governance, performance monitoring, and transparency in the years ahead.

During 2024, AKSI introduced key environmental and regulatory initiatives to enhance sustainability performance and readiness for evolving market requirements. This includes the development of an Environmental Product Declaration (EPD) for a selected product category, supporting improved product-level environmental transparency and lifecycle-based reporting.

In addition, AKSI initiated alignment with international carbon reporting requirements through participation in the Carbon Border Adjustment Mechanism (CBAM) framework for a selected reporting period. This marks an important step toward strengthening greenhouse gas data management and compliance with emerging regulatory expectations.

Building on this progress, AKSI intends to further enhance its environmental and ESG performance through improved data systems, expanded emissions tracking, and broader application of product-level and regulatory disclosures across operations.

The company also plans to participate in a recognized sustainability benchmarking platform, such as an EcoVadis assessment, to evaluate ESG maturity against global standards and identify structured improvement opportunities across environmental, social, and governance dimensions.

As we continue to build on the 2024 baseline developments, our focus will remain on enhancing operational efficiency, reinforcing health and safety performance, strengthening governance controls, and improving transparency for stakeholders.

AKSI remains committed to steady, disciplined progress toward more structured and internationally aligned sustainability practices.



09

APPENDICES

GRI CONTEXT INDEX

Statement of use	Al Khaleej Steel Industries has reported in accordance with the GRI Standards for the period 1 January 2024 - 31 December 2024
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	Introduction and Company Overview (pp. 3–4)	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	About this Report - Reporting Period and Boundary (p. 7)				
	2-3 Reporting period, frequency and contact point	About this Report - Reporting Period and Boundary (p. 7).				
	2-5 External assurance	Assurance, p. 7.				
	2-6 Activities, value chain and other business relationships	Our Background and Operations; Our Products and Markets; Our Geographic Footprint, pp. 3-4. Responsible Supply Chain and Data Privacy, p. 39.				
	2-7 Employees	Our Workforce, p. 4. Workforce Profile and Labor Practices, p. 28.				
	2-9 Governance structure and composition	Sustainability Governance Framework - ESG Governance at AKSI; Roles and Responsibilities; Board and Management Oversight of Sustainability, p. 9.				
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance Framework - Board and Management Oversight of Sustainability, p. 9.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance Framework - Roles and Responsibilities, p. 9.	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-14 Role of the highest governance body in sustainability reporting	About this Report - Reporting Period and Boundary, p. 7. Sustainability Governance Framework - Board and Management Oversight of Sustainability, p. 9.				
	2-16 Communication of critical concerns	Stakeholder Engagement - Escalation to Group, p. 11.				
	2-22 Statement on sustainable development	Leadership Message; Future Commitments and Outlook, pp. 5-6, 41.				
	2-23 Policy commitments	ESG Commitment and Safety Culture, p. 6. Ethics, Compliance, and Risk Management, p. 37.				
	2-24 Embedding policy commitments	ESG Commitment and Safety Culture, p. 6. Sustainability Governance Framework, p. 9. Ethics, Compliance, and Risk Management, p. 37.				
	2-25 Processes to remediate negative impacts	Employee and Local Community Engagement - Grievance Management, p. 35. Ethics, Compliance, and Risk Management, p. 37.				
	2-26 Mechanisms for seeking advice and raising concerns	Occupational Health and Safety - Worker Participation and Communication, p. 32. Employee and Local Community Engagement - Grievance Management, p. 35.				
	2-27 Compliance with laws and regulations	Waste Management - Environmental Compliance, p. 23. Governance Highlights; Ethics, Compliance, and Risk Management, pp. 36-37.				
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, p. 11.				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment - Group Materiality Assessment Methodology, p. 13.				
	3-2 List of material topics	Materiality Assessment - Group Material Topics; Application to AKSI, pp. 13-14.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Climate Change						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Future Commitments and Outlook, p. 41. No formal transition plan disclosed.				
	102-4 GHG emissions reduction targets and progress	Energy and Emissions Reduction Initiatives, p. 19.				
	102-5 Scope 1 GHG emissions	Our Carbon Footprint - Scope 1 GHG Emissions, p. 17.				
	102-6 Scope 2 GHG emissions	Our Carbon Footprint - Scope 2 GHG Emissions, p. 17.				
	102-7 Scope 3 GHG emissions	Our Carbon Footprint - Scope 3 GHG Emissions, p. 17.				
	102-8 GHG emissions intensity	Carbon Intensity, p. 18.				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 103: Energy 2025	103-1 Energy policies and commitments	Energy Management; Energy and Emissions Reduction Initiatives, pp. 16, 19.				
	103-2 Energy consumption and self-generation within the organization	Energy Consumption by Source, p. 16.				
	103-4 Energy intensity	Energy Intensity, p. 16.				
	103-5 Reduction in energy consumption	Energy and Emissions Reduction Initiatives, p. 19. Quantified reduction not disclosed.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Economic performance (non-material topic)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Future Commitments and Outlook, p. 41.				
Indirect economic impacts (non-material topic)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Employee and Local Community Engagement - Local and Socioeconomic Impact, p. 35.				
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible Supply Chain and Data Privacy - Local Sourcing, p. 39. Proportion of spending omitted.				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethics, Compliance, and Risk Management - Anti-Corruption and Ethical Business Practices, p. 37.				
	205-2 Communication and training about anti-corruption policies and procedures	Ethics, Compliance, and Risk Management - Anti-Corruption and Ethical Business Practices, p. 37. Structured training to be further formalized.				
	205-3 Confirmed incidents of corruption and actions taken	Ethics, Compliance, and Risk Management - Anti-Corruption, p. 37.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Tax (non-material topic)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 207: Tax 2019	207-2 Tax governance, control, and risk management	Ethics, Compliance, and Risk Management, p. 37.				
Materials						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	Waste Management - reuse of packaging materials where operationally appropriate, p. 23.				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management - Energy Consumption by Source, p. 16.				
	302-3 Energy intensity	Energy Intensity, p. 16.				
	302-4 Reduction of energy consumption	Energy and Emissions Reduction Initiatives, p. 19. Quantified reduction not disclosed.				
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Water and effluents						
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management - Water-Related Risks and Management Approach, p. 20.				
	303-2 Management of water discharge-related impacts	Water Management - Discharge Management, p. 20.				
	303-3 Water withdrawal	Water Management - Water Withdrawal and Consumption, p. 20.				
	303-4 Water discharge	Water Management - Discharge Management, p. 20.				
	303-5 Water consumption	Water Management - Water Withdrawal and Consumption; Water Intensity, p. 20.				
Emissions						
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our Carbon Footprint - Scope 1 GHG Emissions, p. 17.				
	305-2 Energy indirect (Scope 2) GHG emissions	Our Carbon Footprint - Scope 2 GHG Emissions, p. 17.				
	305-3 Other indirect (Scope 3) GHG emissions	Our Carbon Footprint - Scope 3 GHG Emissions, p. 17.				
	305-4 GHG emissions intensity	Carbon Intensity, p. 18.				
	305-5 Reduction of GHG emissions	Energy and Emissions Reduction Initiatives, p. 19. Quantified reduction not disclosed.				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Emissions and Air Quality (Non-GHG) - Stack Emissions Monitoring, p. 21.				
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Waste						
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, p. 23.				
	306-2 Management of significant waste-related impacts	Waste Management; Hazardous Waste Handling; Environmental Compliance, p. 23.				
	306-3 Waste generated	Waste Generated by Type, p. 23.				
	306-4 Waste diverted from disposal	Waste Management - metal scrap transferred for recycling or recovery; reuse of packaging materials, p. 23. Quantified diversion omitted.				
	306-5 Waste directed to disposal	Waste Management - inert waste transferred to Tadweer-approved transfer station, p. 23. Quantified disposal by stream omitted.				
Supplier environmental assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain and Data Privacy - Supplier Screening, p. 39.				
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain and Data Privacy - Supplier Screening, p. 39. No material supplier non-compliance incidents identified.				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Workforce Profile and Labor Practices - Employee Turnover and Employment Practices, p. 28.				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workforce Profile and Labor Practices - Employee Benefits, p. 28.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Labor/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Workforce Profile and Labor Practices, p. 28. Specific minimum notice periods omitted.				
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety - OHS Management System, p. 30.				
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety - OHS Management System, p. 30.				
	403-3 Occupational health services	Occupational Health and Safety - Health Surveillance and Wellbeing, p. 30.				
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety - Worker Participation and Communication, p. 32.				
	403-5 Worker training on occupational health and safety	Occupational Health and Safety - Health and Safety Training and Awareness, p. 30.				
	403-6 Promotion of worker health	Occupational Health and Safety - Health Surveillance and Wellbeing; Health and Wellbeing Programs, p. 30.				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety - third-party environmental and occupational health monitoring; supplier and contractor controls referenced across report, pp. 30, 39. Detailed disclosure omitted.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational health and safety						
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, pp.30-32				
	403-9 Work-related injuries	Occupational Health and Safety - Incidents, Monitoring, and Severity, p. 30.				
	403-10 Work-related ill health	Occupational Health and Safety - Health Surveillance and Wellbeing, p. 30. Quantified work-related ill health omitted.				
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Human Rights - Training and Development, p. 33.				
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Human Rights - Training and Development, p. 33.				
	404-3 Percentage of employees receiving regular performance and career development reviews	Our Workforce, p. 4. Workforce Profile and Labor Practices, p. 28. Specific percentage receiving reviews omitted.				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Workforce Profile and Labor Practices, p. 28. Further segmentation and diversity disclosures to be enhanced in future reporting periods.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Training and Human Rights - Diversity and Inclusion, p. 33.				
Child labor (non-material topic)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Training and Human Rights - Human Rights, p. 33.				
Forced or compulsory labor (non-material topic)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Training and Human Rights - Human Rights, p. 33.				
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Employee and Local Community Engagement, p. 35.				
	413-2 Operations with significant actual and potential negative impacts on local communities	Employee and Local Community Engagement - Community Impact, p. 35.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Supplier social assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain and Data Privacy - Supplier Screening, p. 39.				
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain and Data Privacy - Supplier Screening, p. 39. No material supplier non-compliance incidents identified.				
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Operational Excellence and Product Quality, p. 40.				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Operational Excellence and Product Quality, p. 40. Product defect rate disclosed; incidents of non-compliance omitted.				
Marketing and labeling						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Operational Excellence and Product Quality, p. 40.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Customer privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Governance; Our Environmental Performance; Our Social Performance; Governance and Ethics, pp. 8-40.				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Responsible Supply Chain and Data Privacy - Data Protection and Privacy, p. 39.				