

EMSTEEL Building Materials PJSC

Steel | AE

PROVISIONAL ESG RATING

MSCI
PROVISIONAL
ESG RATINGS

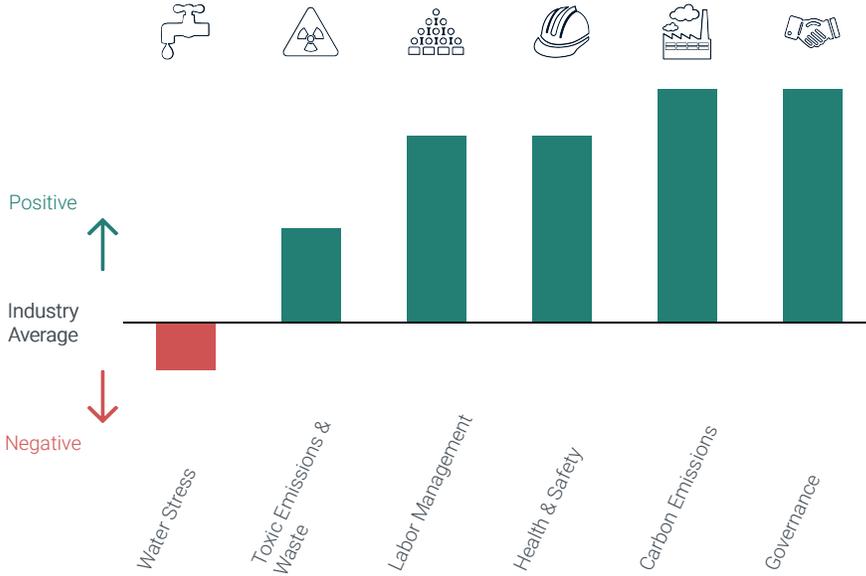


(p) CCC (p) B (p) BB (p) BBB (p) A (p) AA (p) AAA

As of May 2025

Score attribution by key issue

This chart highlights the company's positioning relative to the industry average for each Key Issue that contributed to its ESG Rating as of May 21, 2025.



Last ESG Rating action

Rating action date: May 21, 2025

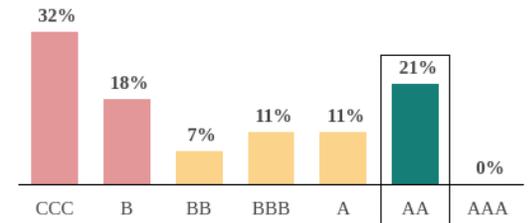
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ESG Rating history

ESG Rating History is not yet available for this company.

ESG Rating distribution

Universe: MSCI ACWI Index constituents, Steel, n=28



Key scores

	Weight	Score (0-10)
Industry-Adjusted Score (Last Updated: May 21, 2025)		8.0
Weighted-Average Key Issue Score (Last updated: {})		5.5
Environmental Pillar Score	42%	4.7
Social Pillar Score	25%	6.8
Governance Pillar Score	33%	5.7

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What is an ESG Rating? MSCI ESG Ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant Key Issues based on a company's business model.

ESG Rating scorecard

As of May 21, 2025

KEY ISSUE	WEIGHT	INDUSTRY AVERAGE	SCORE (0-10)	CHANGE	EXPLANATION
Weighted-Average Key Issue Score		3.6	5.5		
> ENVIRONMENT	42%	3.5	4.7		
<u>Carbon Emissions</u>	14%	4.9	8.4		<ul style="list-style-type: none"> 100% of operations in regions with limited carbon regulatory oversight Carbon Intensity 9% lower than industry average
<u>Toxic Emissions & Waste</u>	14%	2.4	3.5		<ul style="list-style-type: none"> Initiatives to reduce toxic emissions and waste include aggressive targets
<u>Water Stress</u>	14%	3.2	2.1		<ul style="list-style-type: none"> 100% of operations located in water-stressed regions
> SOCIAL	25%	4.2	6.8		
<u>Health & Safety</u>	14%	3.6	5.9		<ul style="list-style-type: none"> Strong safety performance relative to peers
<u>Labor Management</u>	11%	4.9	7.9		<ul style="list-style-type: none"> Limited risk of operational disruptions, employment litigation or reduced productivity relative to peers Robust compensation practices including variable performance-based components to pay
> GOVERNANCE	33%	4.9	5.7		
<u>Corporate Governance</u>		5.6	5.6		<ul style="list-style-type: none"> The company falls into the average scoring range relative to global peers, reflecting relatively few areas of concern.
<u>Corporate Behavior</u>		5.8	7.7		<ul style="list-style-type: none"> Evidence of detailed policies on business ethics and corruption

* denotes company-specific Key Issue

This table shows the Key Issue scores and weights contributing to the company's ESG Rating and any changes to those scores since the last ESG Rating action. The range of possible scores is 0-10, where 10 is best and 0 is worst.

Rating model details

EMSTEEL Building Materials PJSC was rated based on a standard version of the Steel Industry ESG Rating Model.

MODEL VERSION: 4.3.3

Represents the MSCI ESG Ratings model version used to assess the company. Please refer to the "ESG Ratings Methodology" document for more details on the model versions.

Data review policy

EMSTEEL Building Materials PJSC was provided the opportunity to review its data prior to publication of this report.

This section only captures inputs provided by companies through our online issuer portal that may have an impact on the weighted Key Issues for the company

Key documents used for updates, as of May 21, 2025

Company Filing	Fiscal Year	Filing Release Date	Incorporated in data and scores	Incorporated in ESG Rating
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Key document types reflected here include Annual Reports (AR), CSR, Sustainability or ESG reports. Partially Incorporated = some but not all of the underlying data and related scores reflect the latest filing; Pending = Not yet incorporated; Fully Incorporated = All relevant data from filing has been incorporated into the underlying data and scores. Updates related to Carbon data are not included here. Please refer to "Recent developments affecting ESG scores" for more information.

Recent developments affecting ESG scores

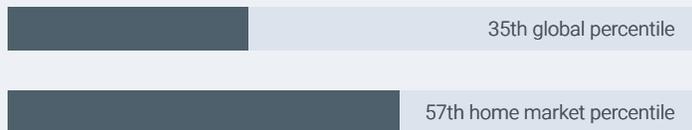
Date ▲	Type	Score (0-10)	Change	Explanation
	Current Weighted-Average Key Issue Score	5.5		
May 21, 2025	ESG Rating action	5.5	▲ 5.5	We initiate coverage of EMSTEEL Building Materials PJSC at 'AA'.
May 21, 2025	Data Update: Corporate Governance			Flags Added: Annual Director Elections, Audit Board/ Committee Independence, Audit Committee Industry Expert, CEO Equity Policy, Clawbacks & Malus, Controlling Shareholder, Controlling Shareholder Concerns, Director Equity Policy, Independent Chair, Internal Pay Equity, Not 30% Female Directors, Related Party Transactions, Risk Management Expertise, Say on Pay Policy, Short-Term Pay Performance, Voting Rights Limits Residency Governance Score changed based on the listed Key Metric(s): Auditor Tenure, Majority Voting
May 21, 2025	Data Update: Carbon			Increase in practices score, performance score, management score, exposure score
May 21, 2025	Data Update: Exposure			Change in exposure score for the following Key Issue(s): Corporate Behavior, Labor Management, Corporate Behavior, Health & Safety, Toxic Emissions & Waste, Corporate Behavior

This table outlines the latest changes to specific data points that have occurred, the trigger for change (e.g. issuer feedback, data update or methodology enhancements) and the overall impact on the company's Weighted Average Key Issue Score.

Most recent controversies

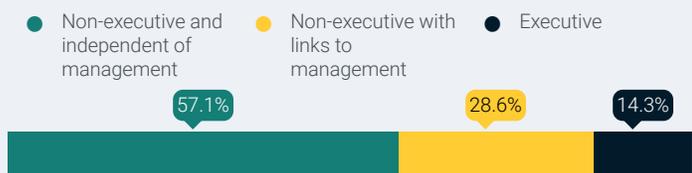
There are no recent new controversies or updates to ongoing controversies for this company.

Corporate governance summary

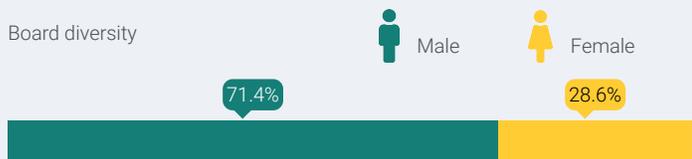


Board of directors

Board type: Unitary Board



Board diversity



Ownership summary

Capital structure Single Equity Class; Foreign shareholder restrictions

Top shareholders Abu Dhabi Developmental Holding Company PJSC ("ADQ") - 87.5%

Ownership classification Controlling Shareholder

Key Owner Types State Owned; Subsidiary

CEO

Name: Saeed Ghumran Saeed Salem Al Remeithi

Tenure: 24 Years

Total realized pay*: USD 1,545,663.69

Total summary pay*: USD 1,545,663.69

*CEO pay figures are sourced from listed company annual reports and proxy filings. When a new CEO is named the pay figures for the previous CEO will be displayed until this information has been updated for the new CEO

Peer benchmarking

	Carbon Emissions	Toxic Emissions & Waste	Water Stress	Health & Safety	Labor Management	Corporate Governance	Corporate Behaviour	Rating & Trend
EMSTEEL Building Materials PJSC	●●●●	●●●●	●●	●●●●	●●●●	●●●	●●●●	AA ◀▶
KUMBA IRON ORE LIMITED	●●●●	●●●	●	●●●●	●●●●	●●●	●●	AA ◀▶
EREGLI DEMIR VE CELIK FABRIKALARI TURK ANONIM Sirketi	●●	●	●	●●	●●●	●	●●●	B ◀▶
Saudi Steel Pipes Company SJSC	●●	●●	●	●	●●●●	●●	●●	B
East Pipes Integrated Company for Industry CJSC	●●	●●	●	●	●●●●	●●●	●	B ◀▶
KG DONGBUSTEEL CO., LTD.	●	●	●●	●	●	●	●	CCC ◀▶

QUARTILE KEY : Bottom Quartile ● Top Quartile ●●●●

RATING TREND KEY : Maintain ◀▶ Upgrade ▲ Upgrade by two or more notches ▲▲ Downgrade ▼ Downgrade by two or more notches ▼▼

The five industry peers are companies in the Steel ESG Rating Industry, as of May 21, 2025, selected based on similarities in four attributes (ESG Key Issue weights, industry classification, region, and size), sorted by ESG Rating (best to worst).

ESG Rating drill down

Description	As of prior rating action date:		As of last rating action date: May 21, 2025		As of last report update date:		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
ESG Rating Letter Grade			AA				-	-
Industry Adjusted Score			8.0				-	-
Industry Minimum Score			2.3				-	-
Industry Maximum Score			6.3				-	-
Weighted Average Key Issue Score			5.5				-	-
Environmental Pillar Score			4.7	42.0%			-	-
Carbon Emissions Key Issue Score			8.4	14.0%			-	-
Exposure Score			4.4				-	-
Business Segment Exposure Score			7.1				-	-
Geographic Exposure Score			1.3				-	-
Management Score			5.8				-	-
Management Score - Excluding Controversies			5.8				-	-
Practices Score			6.0				-	-
Performance Score			5.4				-	-
Water Stress Key Issue Score			2.1	14.0%			-	-
Exposure Score			10.0				-	-
Business Segment Exposure Score			7.3				-	-
Geographic Exposure Score			10.0				-	-
Management Score			5.1				-	-
Management Score - Excluding Controversies			5.1				-	-
Practices Score			3.8				-	-
Performance Score			7.9				-	-
Controversy Deduction			0.0				-	-
Toxic Emissions & Waste Key Issue Score			3.5	14.0%			-	-
Exposure Score			8.7				-	-
Business Segment Exposure Score			8.7				-	-
Management Score			5.2				-	-
Management Score - Excluding Controversies			5.2				-	-
Practices Score			5.2				-	-
Performance Score			5.3				-	-
Controversy Deduction			0.0				-	-
Social Pillar Score			6.8	25.0%			-	-
Health & Safety Key Issue Score			5.9	14.0%			-	-
Exposure Score			8.8				-	-
Business Segment Exposure Score			7.5				-	-
Geographic Exposure Score			6.7				-	-
Management Score			7.7				-	-
Management Score - Excluding Controversies			7.7				-	-
Practices Score			7.0				-	-

Description	As of prior rating action date:		As of last rating action date: May 21, 2025		As of last report update date:		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
Performance Score			9.0				-	-
Controversy Deduction			0.0				-	-
Labor Management Key Issue Score			7.9	11.0%			-	-
Exposure Score			3.8				-	-
Business Segment Exposure Score			6.4				-	-
Geographic Exposure Score			3.5				-	-
Company-Specific Exposure Score			2.6				-	-
Management Score			4.7				-	-
Management Score - Excluding Controversies			4.7				-	-
Practices Score			4.7				-	-
Controversy Deduction			0.0				-	-
Governance Pillar Score*			5.7	33.0%			-	-
Governance Pillar Deductions**			-4.3				-	-
Corporate Governance Deductions			-3.4				-	-
Board			-1.7				-	-
Pay			-0.7				-	-
Ownership & Control			-1.0				-	-
Accounting			0.0				-	-
Corporate Behavior Deductions			-0.9				-	-
Business Ethics			-0.9				-	-

**Beginning November 2020, the Environmental Pillar Score and Social Pillar Score are calculated based on the weighted average of underlying Key Issue Scores, while the Governance Pillar Score is calculated based on 10 minus the sum of Corporate Governance and Corporate Behavior deductions. In the ESG Rating drill-down, deductions are scaled to indicate impact on the overall Governance Pillar Score. In subsequent sections of the report, deductions are scaled to show impact on the Corporate Behavior and Corporate Governance Theme Scores.



Corporate Governance

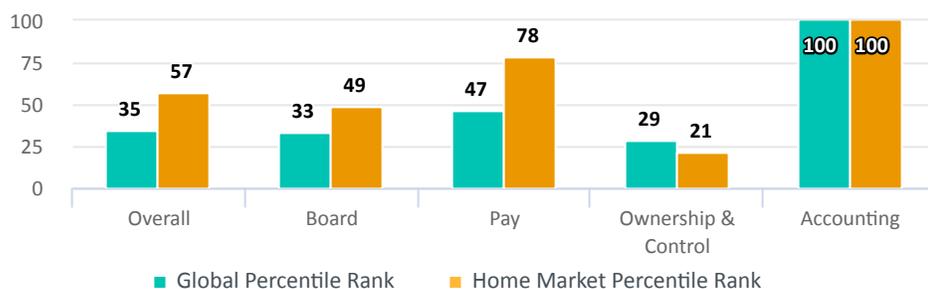


Score	Change (since rating)	Quartile	Last score change date
5.6	n/a	•••	Apr 15, 2025

Market Cap: 0 USD Home Market: Other EMEA Emerging

Last Data Update: Apr 15, 2025

GOVERNANCE THEMES AND RANKINGS



KEY DATES

Financial Year End	December 31
Annual Filing Date	Mar 12, 2025
AGM Date	Apr 23, 2025

*Key areas of concern include flagged key metrics within the three sub-issues that represent the largest scoring deductions. Please review the full report to see the complete set of flagged key metrics.

SUMMARY

EMSTEEL Building Materials PJSC falls into the average scoring range for all the companies we assess relative to global peers and reflects a relatively low level of governance risk in most areas.

KEY AREAS OF CONCERN*

Board Independence	(-1.58)
Related Party Transactions	
Ownership Structure	(-1.01)
Controlling Shareholder	
Controlling Shareholder Concerns	
Pay Performance Alignment	(-0.60)
Short-Term Pay Performance	
CEO Equity Policy	
Clawbacks & Malus	

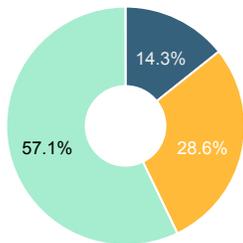
SCORING DEDUCTIONS

BOARD OVERVIEW

Board Type: Unitary Board

Board of Directors

CEO	Saeed Ghumran Saeed Salem Al Remeithi	Since: Jan 07, 2001
Chair	Hamad Abdulla Mohamed Alshorafa Al Hammadi	Since: Oct 22, 2024
Deputy Chair	Ahmed Ali Mohamed Ali Alshamsi	Since: Oct 22, 2024



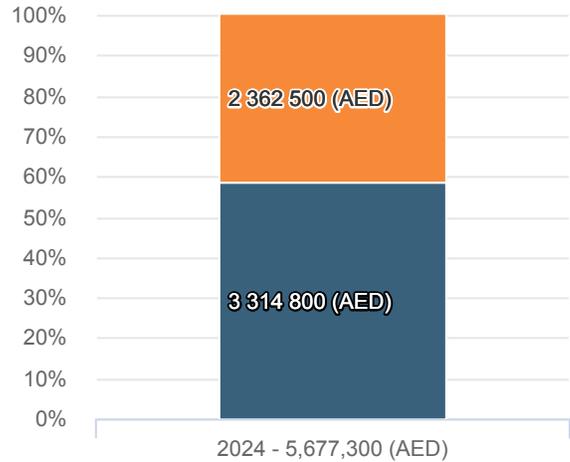
Executive Leadership

CFO Mark Tonkens Since: Sep 02, 2024

■ Executive ■ Links to Management ■ Independent of Management

PAY OVERVIEW

Highest Paid Executive - Saeed Ghumran Saeed Salem Al Remeithi



■ Long Term Incentives Awarded	0 (AED)
■ Short Term Incentives Awarded	2,362,500 (AED)
■ Fixed Pay	3,314,800 (AED)

BOARD

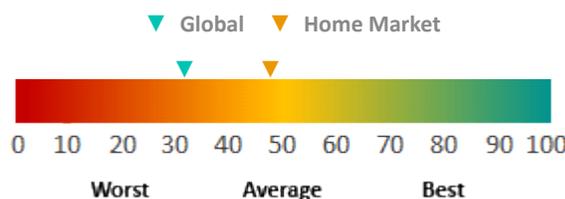
The policies and practices of the EMSTEEL Building Materials PJSC board fall within the average scoring range relative to global peers. We have flagged this board for potential concerns regarding the presence of certain related party transactions.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
6.3	33 rd (Average)	49 th (Average)

KEY METRICS SCORING

	Deduction
AUDIT OVERSIGHT	
🚩 Audit Board/ Committee Independence	-0.10
🚩 Audit Committee Industry Expert	-0.10
BOARD INDEPENDENCE	
🚩 Related Party Transactions	-1.58
BOARD LEADERSHIP	
🚩 Independent Chair	-0.10
BOARD SKILLS & DIVERSITY	
🚩 Risk Management Expertise	-0.20
🚩 Not 30% Female Directors	-0.10

BOARD PERFORMANCE VS.



LEADERSHIP

CHIEF EXECUTIVE OFFICER

History	CEO Since	Until	Name	Gender	Age
Current	Jan 2001		Saeed Ghumran Saeed Salem Al Remeithi	M	50

CHIEF FINANCIAL OFFICER

History	CFO Since	Until	Name	Gender	Age
Current	Sep 2024		Mark Tonkens	M	63

CHAIR

History	Chair Since	Until	Name	Gender	Age
Current	Oct 2024		Hamad Abdulla Mohamed Alshorafa Al Hammadi	M	40

BOARD OF DIRECTORS

The EMSTEEL Building Materials PJSC board currently has an independent majority, which enables it to more effectively fulfill its critical function of overseeing management on behalf of shareholders. We note that this board's majority independence is typical in this market, as non-majority independent boards are flagged for 9% of companies in all covered universe for Other EMEA Emerging.

Number of Board Meetings: 5

Non-executives meet in absence of Executives: No

Name	M/F	Age	Tenure (Years)	Boards	Independent of Mgmt	Independent of Other Interests	Management Link/ Designation Reason	Nationality
Abdulaziz Abdulla Ismail Mohamed Al Hajri	M	61	3	2	No	Yes	Material related party transaction	United Arab Emirates
Ahmed Ali Mohamed Ali Alshamsi DC	M	36	< 1	1	Yes	Yes		United Arab Emirates
Farah Abdulla Mohamed Al Mazrui	F	38	3	2	Yes	Yes		United Arab Emirates
Fatima Abdulla Mohamed Sharif Abdulla Alfahim	F	41	3	1	Yes	Yes		United Arab Emirates
Hamad Abdulla Mohamed Alshorafa Al Hammadi COB \$	M	40	3	3	No	No	Executive of controlling shareholder; Material related party transaction; Other	United Arab Emirates
Nabeel Qadir \$	M	46	3	1	Yes	Yes		Canada
Saeed Ghumran Saeed Salem Al Remeithi CEO I	M	50	3	1	No	Yes	Executive	United Arab Emirates
	F	# >= 70	# >= 15 yrs	# >= 4				
Total (of 7)	2	0	0	0	4	6		
Percentage	28.6%	0%	0%	0%	57.1%	85.7%		

Note: Board count includes the membership of this board.

\$ - Financial Expert (2) I - Industry Expert CEO - Chief Executive Officer COB - Chair of the Board DC - Deputy Chair

RELATED PARTY TRANSACTIONS

The risk to minority shareholders arising from related party transactions is a function of the nature of the related party, the relative size of the transaction and the pricing of the transaction. The board, and in particular the independent directors or audit committee, play a key role in the protection of minority shareholders' interests, and monitoring and managing potential conflicts of interest of management, board members and shareholders. We note that the following circumstances which suggest elevated risk for independent shareholders:

The company has been flagged for Controlling Shareholder Concerns and there are related party transactions with the controlling shareholder. The company is a state owned enterprise and there are related party transactions with the State.

Reported Transactions

Related parties comprise shareholders, directors, key management staff and business entities in which they have the ability to control or exercise significant influence in financial and operating decisions.

For the two most recently reported fiscal years, these value of these transactions can be summarised as follows :

Fiscal Year	Related Party Types	Aggregate Transaction Value		Type
		Value (CUR)	% of Total	
Dec 31, 2024	Controlling Owner, State, Non-executive director	1,326,339,203 AED	16.694% of Expenses	Recurring purchases from related party
Dec 31, 2023	Controlling Owner, State, Non-executive director	1,188,184,457 AED	14.320% of Expenses	Recurring purchases from related party

Sources : 2024 Annual Report Page 43, 2023 Annual Report Page 34

BOARD EFFECTIVENESS

Nomination Committee - Number Of Meetings: 10

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt of Other Interests		Committee Status
Ahmed Ali Mohamed Ali Alshamsi	M	36	< 1	Yes	Yes	Chair
Farah Abdulla Mohamed Al Mazrui	F	38	3	Yes	Yes	Member
Fatima Abdulla Mohamed Sharif Abdulla Alfahim	F	41	3	Yes	Yes	Member

BOARD SKILLS & DIVERSITY

We have flagged the EMSTEEL Building Materials PJSC board for gender diversity concerns.

AUDIT OVERSIGHT

Audit Committee - Number Of Meetings: 7

The EMSTEEL Building Materials PJSC board of directors does not currently include a fully independent audit committee. We note that 42% of company boards in this market maintain a fully independent audit committee, which may help to provide effective oversight of accounting practices. This concern may be magnified by the presence of a controlling shareholder which heightens the focus investors should place on the integrity of financial reporting.

Name	M/F	Age	Board Tenure (Years)	Boards	Independent of Mgmt of Other Interests		Committee Status
Abdulaziz Abdulla Ismail Mohamed Al Hajri	M	61	3	2	No	Yes	Chair
Fatima Abdulla Mohamed Sharif Abdulla Alfahim	F	41	3	1	Yes	Yes	Member
Nabeel Qadir \$	M	46	3	1	Yes	Yes	Member

\$ - Financial Expert

Risk Committee - Number Of Meetings: 7

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	Independent of Other Interests	Committee Status
Abdulaziz Abdulla Ismail Mohamed Al Hajri	M	61	3	No	Yes	Chair
Fatima Abdulla Mohamed Sharif Abdulla Alfahim	F	41	3	Yes	Yes	Member
Nabeel Qadir 	M	46	3	Yes	Yes	Member

 - Financial Expert

PAY OVERSIGHT

Pay Committee - Number Of Meetings: 10

The EMSTEEL Building Materials PJSC board includes an independent pay committee, which is considered best practice for oversight of executive pay according to international corporate governance standards.

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	Independent of Other Interests	CEO Role?	Committee Status
Ahmed Ali Mohamed Ali Alshamsi	M	36	< 1	Yes	Yes		Chair
Farah Abdulla Mohamed Al Mazrui	F	38	3	Yes	Yes		Member
Fatima Abdulla Mohamed Sharif Abdulla Alfahim	F	41	3	Yes	Yes		Member

CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.

PAY

Executive pay practices at EMSTEEL Building Materials PJSC fall into the average scoring range relative to global peers.

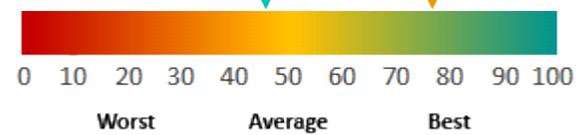
0-10 Score	Global Percentile Rank	Home Market Percentile Rank
5.9	47th (Average)	78th (Above Average)

KEY METRICS SCORING

	Deduction
NON-EXECUTIVE DIRECTOR PAY	
Director Equity Policy	-0.10
PAY FIGURES	
Internal Pay Equity	-0.20
PAY PERFORMANCE ALIGNMENT	
Short-Term Pay Performance	-0.20
CEO Equity Policy	-0.20
Clawbacks & Malus	-0.20

PAY PERFORMANCE VS.

▼ Global ▼ Home Market



PAY FIGURES

EXECUTIVE PAY - 2024

Executive	Title	Tenure (Years)	Total Awarded Pay (USD)	Total Realized Pay (USD)
Mark Tonkens I \$	CFO	< 1	188,989	188,989
Saeed Ghumran Saeed Salem Al Remeithi I	CEO	3	1,545,664	1,545,664

\$ - Financial Expert I - Industry Expert (2)

CEO PAY DETAILS - Saeed Ghumran Saeed Salem Al Remeithi

Pay Awarded		2024
Fixed Pay		
Salary		3,314,800 AED
Fees		0 AED
Pension		0 AED
Perks & Other Pay		0 AED
Variable Pay		
<i>Short-term incentives</i>		
Annual Bonus		2,362,500 AED
Other Non-equity Incentive Plan		0 AED
<i>Long-term incentives</i>		
Grant date value of Stock Options		0 AED
Grant date value of Stock Awards		0 AED
Total Awarded Pay		5,677,300 AED

Pay Realized		
Fixed Pay		
Salary		3,314,800 AED
Fees		0 AED
Pension		0 AED
Perks & Other Pay		0 AED
Variable Pay		
<i>Short-term incentives</i>		
Annual Bonus		2,362,500 AED
Other Non-equity Incentive Plan		0 AED
<i>Long-term incentives</i>		
Options Exercised		0 AED
Stock Awards Vested		0 AED
Total Realized Pay		5,677,300 AED

PAY PERFORMANCE ALIGNMENT

CEO & EXECUTIVE EQUITY

No effective stock ownership guidelines have been identified.

Executive	Tenure (Years)	Shares Held	YoY % Change	Shareholding As % of Salary
Saeed Ghumran Saeed Salem Al Remeithi I	3	125		0.01%

I - Industry Expert

CLAWBACK & MALUS

No clawback or malus provisions have been identified.

NON-EXECUTIVE DIRECTOR PAY

NON-EXECUTIVE EQUITY

Director	Tenure (Years)	Shares Held
Fatima Abdulla Mohamed Sharif Abdulla Alfahim	3	1,500

NON-EXECUTIVE PAY TABLES

There are insufficient disclosures available to present non-executive pay data.

CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.

OWNERSHIP & CONTROL

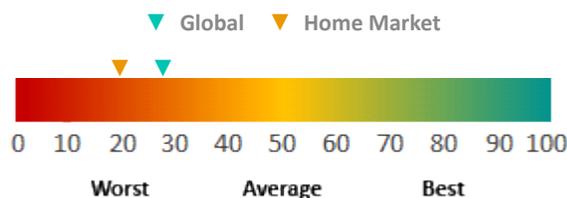
The company's ownership structure and shareholder rights at EMSTEEL Building Materials PJSC fall within the average scoring relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
5.5	29th (Average)	21st (Below Average)

KEY METRICS SCORING

	Deduction
DIRECTOR ELECTIONS	
 Annual Director Elections	-0.10
ONE SHARE ONE VOTE	
 Voting Rights Limits Residency	-0.10
OWNERSHIP STRUCTURE	
 Controlling Shareholder	0.00
 Controlling Shareholder Concerns	-1.01
SHAREHOLDER RIGHTS	
 Say on Pay Policy	-0.10

OWNERSHIP & CONTROL PERFORMANCE VS.



CORPORATE STRUCTURE

Public Company

CAPITAL STRUCTURE

Capital Type	Votes Per Share	Shares Outstanding
Ordinary Shares	1.0	6,850,000,000

Ordinary Shares

OWNERSHIP STRUCTURE

OWNERSHIP CATEGORIES

- Controlling Shareholder
- State Owned Enterprise

NOTABLE SHAREHOLDERS

Abu Dhabi Developmental Holding Company PJSC ("ADQ") - 87.5%	87.5%
5%+ shareholders - Aggregate Voting Power	87.5%

EMSTEEL Building Materials PJSC is a controlled company, where a single shareholder or shareholder block holds 30% or more of the voting shares or has effective control of the board. The controlling shareholder controls 87.5% of the voting power.

Controlling Shareholder Concerns Criteria

No Independent Directors	No	Controlling Shareholder Percentage of Voting Rights	87.5%
Leadership Concerns	No	Controlled via Stock Pyramid	No
Undersized Board	No	Cross Shareholdings	No
Structured as a Limited Partnership	No	Golden Shares	No
Poison Pill	No		

TAKEOVER PROVISIONS

Fair Price Provision	Mandatory Bid Provision	Mandatory Bid Ownership Threshold
Yes	Yes	30.0

% of Votes to Approve a Merger
75%

GOVERNING DOCUMENTS

MAJORITY REQUIREMENTS

	Bylaws	Charter
Default percentage of votes required to amend a provision	75%	0%

Amendment of Articles of Association is possible only with Special Resolution of Shareholders that own no less than three quarters of the Shares represented in the meeting of General Assembly.

SHAREHOLDER RIGHTS

There may be governance risks for investors in relation to shareholder rights and management-controlled takeover defense mechanisms at EMSTEEL Building Materials PJSC including:

- Limits on the right of shareholders to take action by written consent
- Voting rights limitations based on the shareholder's country of residence

SHAREHOLDER MEETINGS & RESOLUTIONS

	Call Special Meeting	Requisition a Resolution at AGM	Act by Written Consent
Percentage of shares required	10%		N/A - no right exists

RESTRICTIONS ON LEGAL ACTION BY SHAREHOLDERS

No exclusive forum provision has been identified.

SAY ON PAY

Despite a global trend towards providing shareholders with the ability to review and approve executive pay practices, the company does not operate in a market which requires regular 'say on pay' votes nor has it extended this right to shareholders.

DIRECTOR ELECTIONS

BOARD RE-ELECTION PROVISIONS

Not all board members are subject to annual re-election. While considered by some governance experts as a means of ensuring board continuity, a classified board structure may limit the ability of shareholders to hold directors accountable and serve as a takeover defense. Some 95% of boards in the home market are flagged for not requiring directors to stand for re-election on an annual basis.

Board Re-election Provisions	
Board Re-election Frequency (Years)	3
% of Board subject to re-election	100%

DIRECTOR ELECTION STANDARD

The company has a majority standard for director elections (with immediate resignation if the director does not receive a majority of the votes cast), which enables shareholders to hold directors accountable in uncontested elections.

Director Election Rules	
Vote Standard	Majority
Immediate Binding Resignation	Yes

2024 Sustainability Report, p.73: "Our BoD comprises seven board members. Our independent BoD is committed to ensuring that EMSTEEL adheres to the laws and regulatory requirements. As part of our commitment to robust governance, we prohibit the Group CEO from serving as the Board Chair and directors are typically required to stand for re-election at the Annual General Meeting (AGM) every three years."

ACCOUNTING

Based on the company's disclosures and other public information, accounting and financial reporting practices at EMSTEEL Building Materials PJSC appear to be generally appropriate and effective relative to global peers.

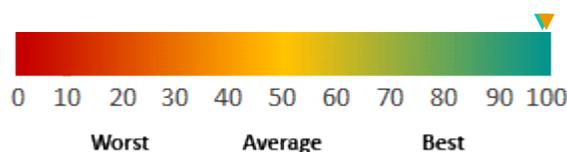
0-10 Score	Global Percentile Rank	Home Market Percentile Rank
10.0	100 th (Best In Class)	100 th (Best In Class)

KEY METRICS SCORING

Deduction - None

ACCOUNTING PERFORMANCE VS.

▼ Global ▼ Home Market



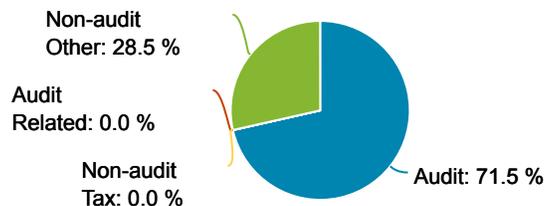
EXTERNAL AUDITORS

Type	Since	Firm	Most Recent Fiscal Year End Signed Off
Primary	2017	Deloitte & Touche Middle East	2023
Primary	2024	Ernst & Young Middle East	2024

AUDITOR FEES

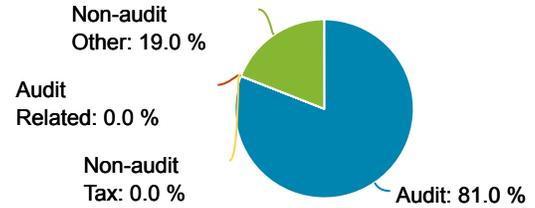
Fees paid to: Deloitte & Touche Middle East (Primary)

Fee	Dec 31, 2023 (AED)
Audit	882,000
Audit Related	
Total Audit + Audit Related	882,000
Tax Compliance/Advice	
Other Non-audit Services	352,000
Total Non-audit Fees	352,000
Total Fees	1,234,000



Fees paid to: Ernst & Young Middle East (Primary)

Fee	Dec 31, 2024 (AED)
Audit	983,398
Audit Related	
Total Audit + Audit Related	983,398
Tax Compliance/Advice	
Other Non-audit Services	231,000
Total Non-audit Fees	231,000
Total Fees	1,214,398



AUDITOR'S REPORT

	Dec 31, 2024	Dec 31, 2023
Report Disclosed	Yes	Yes
Opinion	Unqualified Opinion	Unqualified Opinion
Emphasis of Matter	No	No

CONTROVERSIES & EVENTS

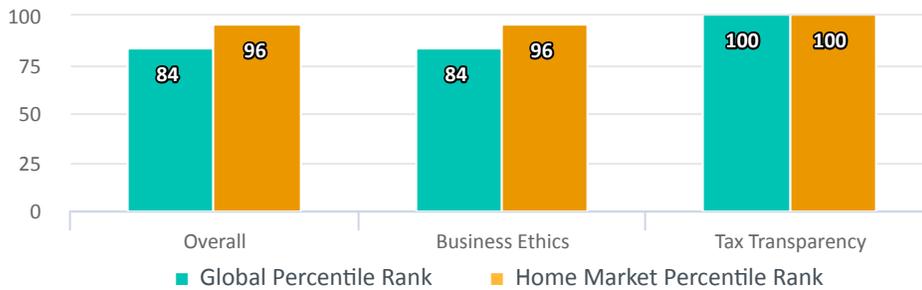
No major relevant controversies have been uncovered.



Corporate Behavior

0-10 Score	Change (since rating)	Quartile	Last score change date
7.7	▲ 7.7	●●●●	May 21, 2025

CORPORATE BEHAVIOR THEME AND KEY ISSUE RANKINGS



METHODOLOGY NOTE

This theme evaluates the extent to which companies may face ethics issues such as fraud, executive misconduct, corruption scandals, money laundering, anti-trust violations, or tax-related controversies.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

KEY AREAS OF CONCERN*

SCORING DEDUCTIONS

Business Ethics Policies & Practices	(-1.70)
Regular Audits of Ethical Standards	
Employee Training on Ethical Standards	
Business Ethics Risk & Controversies	(-0.60)
Corruption Risk Exposure & Controversies	

*Key areas of concern include flagged key metrics that represent the largest scoring deductions. Please review the full report to see a complete set of flagged key metrics.

CORPORATE BEHAVIOR SCORE HISTORY



BUSINESS ETHICS

KEY METRICS SCORING

	Deduction
BUSINESS ETHICS POLICIES & PRACTICES	-1.70
Regular Audits of Ethical Standards	-0.70
Employee Training on Ethical Standards	-1.00
BUSINESS ETHICS RISK & CONTROVERSIES	-0.60
Corruption Risk Exposure & Controversies	-0.60

Note: Business Ethics Policies & Practices deductions as well as Business Ethics Risk & Controversies are capped at a maximum of -7.0. Cumulative deductions are capped at 10.

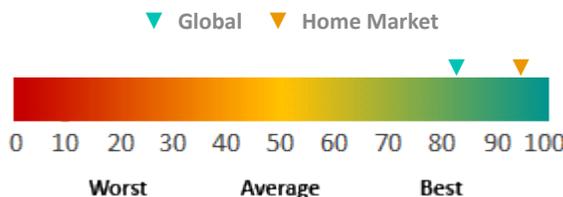
0-10 Score	Change (since rating)	Global Percentile Rank	Home Market Percentile Rank
7.7	▲ 7.7	84th (Above Average)	96th (Best In Class)

METHODOLOGY NOTE

Companies are evaluated on their oversight and management of business ethics issues such as fraud, executive misconduct, corrupt practices, money laundering, or anti-trust violations.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]

BUSINESS ETHICS VS.



BUSINESS ETHICS POLICIES & PRACTICES

Indicators	Company Practice	Best Practice	Deduction
Responsibility for ethics issues	Board-level committee	Board-level committee or C-suite or Executive committee	0.00
Policy against bribery and corruption	Detailed formal policy on bribery and anti-corruption	Detailed formal policy on bribery and anti-corruption	0.00
Regular Audits of Ethical Standards	Evidence of audits but no specific details / Audits conducted but not on a regular schedule	Audits of all operations at least once every three years	-0.70
Whistleblower protection	Policy provides whistleblowers with protection from retaliation	Policy provides whistleblowers with protection from retaliation	0.00
Employee training on ethical standards	General statements on employee training on ethical standards	Programs covering all employees (including part-time) and contractors	-1.00
Policy against bribery and corruption for suppliers	All suppliers are required to have anti-corruption policies and programs to verify compliance	All suppliers are required to have anti-corruption policies and programs to verify compliance	0.00
Anti-money laundering policy	NA	Policy and implementation strategy articulated	0.00

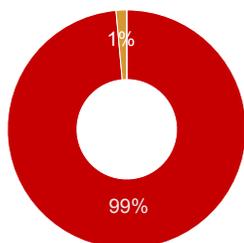
*Business Ethics Policies & Practices deductions are capped at a maximum of -7.0.

CORRUPTION RISK EXPOSURE

Exposure to: Regulatory risks or lost market access due to corruption scandals or political and social instability

Business Types : Percentage of operations in business segments perceived most likely to pay or receive bribes

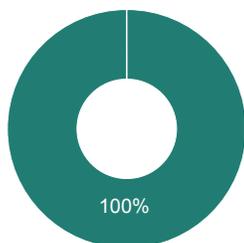
■ High Risk ■ Medium Risk ■ Low Risk



- Blast furnaces and steel mills, Concrete blocks and bricks
- Plastic pipes
- No exposure to low risk segments

Source: Bribe Payers Index (Transparency International); State Capture Index (Transparency International); Refinitiv; MSCI ESG Research; company disclosures

Business Locations : Percentage of operations in countries with high/moderate/low level of corruption and political instability, violence or terrorism



- No operations in markets with high risks
- No operations in markets with medium risks
- United Arab Emirates

Source: Corruption Perceptions Index (Transparency International); World Governance Indicators (World Bank); Refinitiv; MSCI ESG Research; company disclosures

Additional Drivers of Exposure

Government ownership (%): **Over 50%**

CORRUPTION RISK EXPOSURE SCORING DEDUCTION KEY

% of operations in medium and high risk geographies	% of operations in high risk business segments	>=20% government ownership	<20% government ownership	No evidence of government ownership
20% or more	50% or more	-4.00	-2.60	-2.00
	Less than 50%	-1.20	-1.20	-1.20
Less than 20%	50% or more	-0.60	-0.60	-0.60
	Less than 50%	0.00	0.00	0.00

*The Corruption Risk and Controversies Deduction is based on the maximum of deductions from the corruption risk exposure and corruption controversies category listed below

BUSINESS ETHICS CONTROVERSIES

Controversy Cases

Category	Assessment	Headline	Status	Last Updated	Deduction
Business Ethics & Fraud	--	No ongoing controversies.	--	--	--
Anticompetitive Practices	--	No ongoing controversies.	--	--	--

Category	Assessment	Headline	Status	Last Updated	Deduction
Corruption	--	No ongoing controversies.	--	--	--

**The maximum deductions from the Anticompetitive Practices and Business Ethics & Fraud categories are summed to arrive at the overall Business Ethics Controversies deduction, which is capped at a maximum of -7.0.*

TAX TRANSPARENCY

TAX GAP ASSESSMENT

Indicators	
Tax Gap	
Estimated Effective Tax Rate	
Estimated Corporate Income Tax Rate	3.8%
Estimated Tax Gap	
Tax Gap Assessment	
Revenue	
Foreign Revenue	
Confidence	
Confidence Level of Estimation	High
Involvement in Controversies	
	NO

0-10 score	Change (since rating)	Global Percentile Rank	Home Market Percentile Rank
10.0	▲ 8.0	100th (Best In Class)	100th (Best In Class)

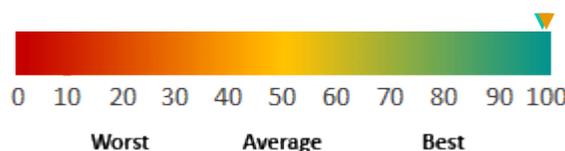
METHODOLOGY NOTE

Companies are evaluated on their estimated corporate tax gap (i.e. gap between estimated effective tax rate and estimated corporate income tax rate) and their involvement in tax-related controversies.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]

TAX TRANSPARENCY VS.

▼ Global ▼ Home Market



TAX CONTROVERSIES

Controversy Cases					
Category	Assessment	Headline	Status	Last Updated	Deduction
Tax Transparency	--	No ongoing controversies.	--	--	--

TAX CONTROVERSIES SCORING DEDUCTION KEY

Involvement in tax controversies	Estimated tax gap	Tax gap assessment	Deduction
Yes	Below 5%	Low	-0.80
	5-10%	Moderate	-1.40
	Above 10%	High	-2.00
No	Below 5%	Low	0.00
	5-10%	Moderate	0.00
	Above 10%	High	0.00

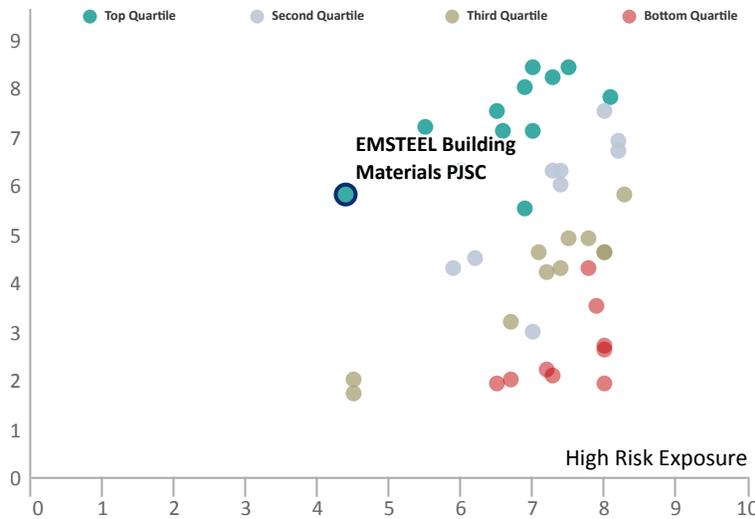
Tax related controversies are not considered for companies in Real Estate Management services or Mortgage REITs industries. Tax gap assessment is effectively low for companies with less than 5% of total revenue categorized as foreign.



Carbon Emissions

Score	Change (since rating)	Quartile	Weight	Last score change date
8.4	n/a	●●●●	14.0%	May 21, 2025

Strong Risk Management



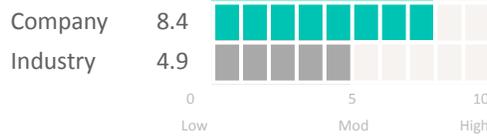
KEY ISSUE SCORE DISTRIBUTION*



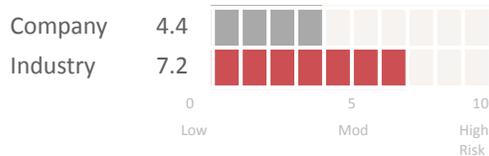
TOP 5 INDUSTRY LEADERS

VALE S.A.	8.7
STEEL DYNAMICS, INC.	8.6
APL APOLLO TUBES LIMITED	8.1
NUCOR CORPORATION	7.9
KUMBA IRON ORE LIMITED	7.5

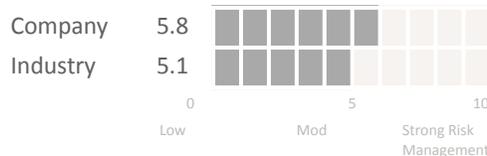
KEY ISSUE ASSESSMENT



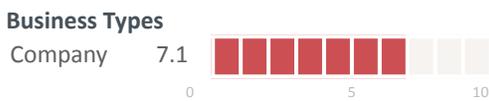
RISK EXPOSURE ASSESSMENT



RISK MANAGEMENT ASSESSMENT



Drivers of Risk Exposure



Drivers of Risk Management



Business Locations



Performance Score



BOTTOM 5 INDUSTRY LAGGARDS

Inner Mongolia Baotou Steel Union Co., Ltd	2.3
JINDAL STEEL AND POWER LIMITED	2.0
Pangang Group Vanadium & Titanium Resources Co., Ltd.	1.8
NanJing Iron & Steel Co., Ltd.	1.7
CITIC Pacific Special Steel Group Co., Ltd	0.9

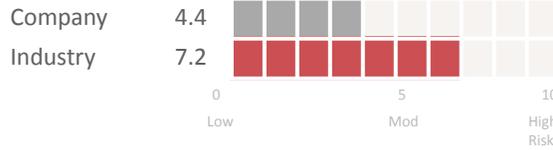
METHODOLOGY NOTE

Companies are evaluated on the carbon intensity of their operations and their efforts to manage climate-related risks and opportunities.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

EXPOSURE

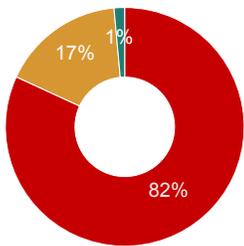
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risks of having to pay increased compliance costs tied to carbon emissions regulations

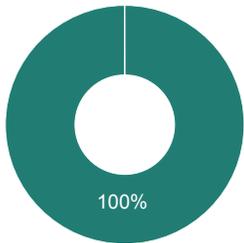
Business Types : Percentage of operations in business segments with high/moderate/low carbon intensity



- Blast furnaces and steel mills
- Concrete blocks and bricks
- Plastic pipes

Source: IERS' Comprehensive Environmental Data Archive (CEDA); Air Emissions Accounts (Eurostat); Refinitiv; MSCI ESG Research; company disclosures

Business Locations : Percentage of operations in countries with strengthening or pending carbon emissions regulation

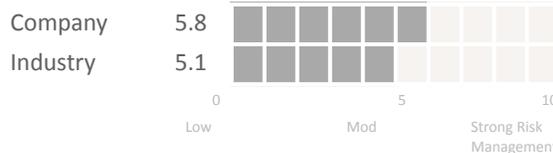


- No operations in markets with high risks
- No operations in markets with medium risks
- United Arab Emirates

Source: MSCI ESG Research; Refinitiv; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²
Targets			
Aggressiveness of the company's reduction target in the context of its current performance	Aggressive target with a low base	Aggressive target with a low base	- LOW MID TOP
Demonstrated track record of achieving its carbon reduction targets	On pace to achieve current reduction target	Previously set & met targets	- LOW MID TOP

Carbon Improvement Targets

Baseline Year	Target Year	Target Description	Target Reduction (%)
2023	2030	Reduce energy consumption by 7% until 2030	7.00%
2019	2030	Emirates Steel: reduce GHG emissions by 40% by 2030	40.00%
2019	2030	Emirates Cement: reduce GHG emissions by 30% by 2030	30.00%
2019	2030	100% of clean energy consumption in 2030 compared to the 2019 baseline	100.00%
2019	2050	Aim to be Net Zero by 2050, in line with the UAE Net Zero Strategy	100.00%

Mitigation

Strength of Greenhouse Gas Mitigation Strategy (0-10 Score, 0=worst, 10=best) 3.00

Programs or actions to reduce the emissions intensity of core operations

Use of cleaner sources of energy	Limited efforts / information	Aggressive efforts	- LOW MID TOP
Capture GHG emissions	Limited efforts / information	Aggressive efforts	- LOW MID TOP
Energy consumption management and operational efficiency enhancements	Limited efforts / information	Aggressive efforts	- LOW MID TOP
CDP disclosure	Yes	Yes	- LOW TOP

Performance

Carbon Emissions Performance Relative to Peers (0-10 Score, 0=worst, 10=best) 5.40

GHG Emissions - metric tons CO₂e

Year	Scope 1 Disclosed	Scope 1 Estimate Key	Scope 2 Disclosed	Scope 2 Estimate Key	Scope 1+2 Disclosed	Scope 3 (upstream)	Scope 3 (downstream)	Scope 3 (undefined)	Scope 1 Estimated	Scope 2 Estimated	Scope 1+2 Estimated	Scope 1+2 Estimate Key	GHG Emissions Details
2024	1,979,000.0	Reported	556,000.0	Reported	2,535,000.0	1,635,556.0	236,403.0					Reported	
2023	2,105,000.0	Reported	614,000.0	Reported	2,719,000.0			1,928,000.0				Reported	
2022	2,194,000.0	Reported	625,000.0	Reported	2,819,000.0			2,041,000.0				Reported	
2021	2,095,000.0	Reported	564,000.0	Reported	2,659,000.0			2,907,000.0				Reported	
2020	1,905,000.0	Reported	630,000.0	Reported	2,535,000.0			2,631,000.0				Reported	

GHG Emissions Intensity - metric tons CO₂e / USD million sales

Year	GHG Intensity	GHG Intensity Details	GHG Intensity - Reported	GHG Intensity - Reported Details
2024	1,116.94		0.67	tonne CO ₂ e/tonne of steel
2023	1,122.29		0.72	tonne CO ₂ e/tonne of steel
2022	1,095.45		0.78	tonne CO ₂ e/tonne of steel)
2021	819.92	Industry average intensity	0.86	tonne CO ₂ e/tonne of steel
2020	1,116.22	Industry average intensity	0.91	tonne CO ₂ e/tonne of steel

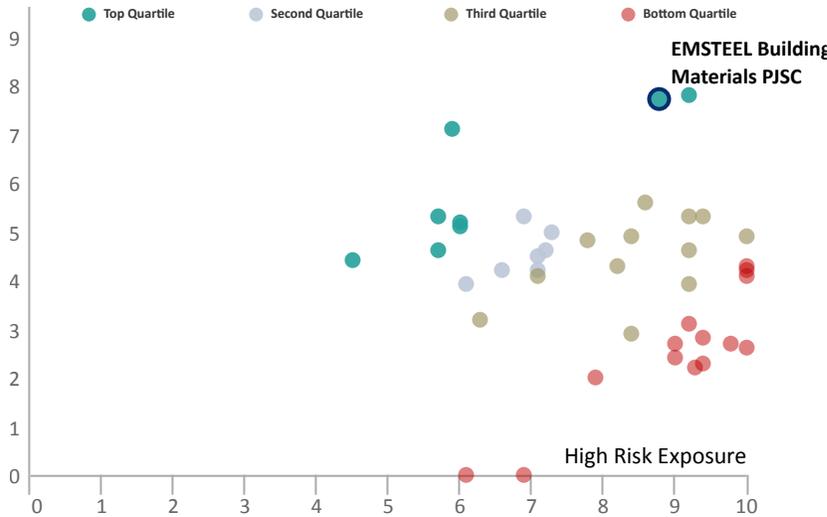
Energy Consumption

Year	Total energy consumption (reported)	Total energy consumption (MWh)	Energy intensity (reported)	Reported intensity details	Total energy consumption intensity	Energy consumption details
2024	17,978,611.11	17,978,611.11	17.13	GJ/tonnes of crude steel	7,921.49	Total Energy Consumption
2023	18,836,666.67	18,836,666.67	17.43	GJ/tonnes of crude steel	7,775.01	Total Energy consumption
2022	18,650,555.56	18,650,555.56	16.95	GJ/tonnes of crude steel	7,247.52	Total Energy Consumption
2021	18,802,222.22	18,802,222.22	18.58	GJ/tonnes of crude oil steel		Total Energy Consumption

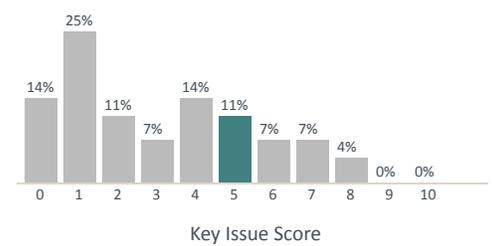
Health & Safety

Score	Change (since rating)	Quartile	Weight	Last score change date
5.9	▲ 5.9	●●●●	14.0%	May 21, 2025

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION*



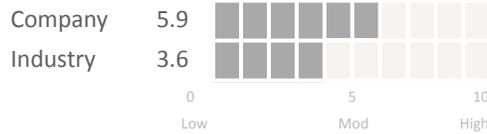
TOP 5 INDUSTRY LEADERS

KUMBA IRON ORE LIMITED	8.2
FORTESCUE LTD	6.9
JFE Holdings, Inc.	6.6
China Steel Corporation	5.6
NIPPON STEEL CORPORATION	4.8

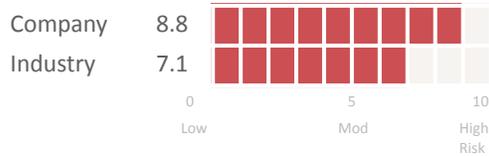
BOTTOM 5 INDUSTRY LAGGARDS

NanJing Iron & Steel Co., Ltd.	0.7
Huaibei Mining Holdings Co.,Ltd.	0.4
ArcelorMittal SA	0.1
JINDAL STEEL AND POWER LIMITED	0.0
NMDC LIMITED	0.0

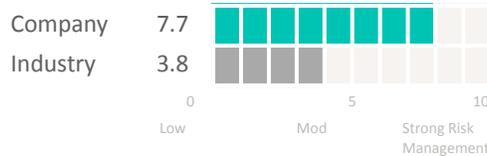
KEY ISSUE ASSESSMENT



RISK EXPOSURE ASSESSMENT



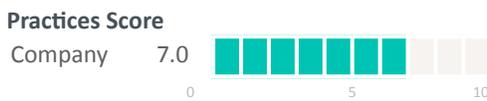
RISK MANAGEMENT ASSESSMENT



Drivers of Risk Exposure



Drivers of Risk Management



Business Locations



Performance Score



METHODOLOGY NOTE

Companies are evaluated on their management of workplace safety and the workplace safety standards in the industries and regions in which they operate.

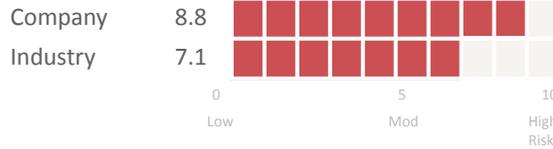
* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

Controversy Deduction



EXPOSURE

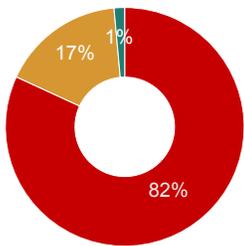
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of accidents that can lead to production disruptions, litigation, and liabilities

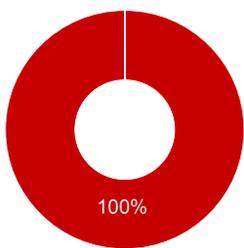
Business Types : Percentage of operations in business segments with high/moderate/low level of fatalities and industrial injuries



- Blast furnaces and steel mills
- Concrete blocks and bricks
- Plastic pipes

Source: US Occupational Health & Safety Administration (OSHA); UK Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR); US Bureau of Labor Statistics; Refinitiv; MSCI ESG Research; company disclosures

Business Locations : Percentage of operations in countries with high/moderate/low employee fatality rates (total fatalities per 100,000 employees)

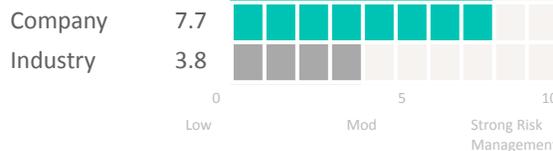


- United Arab Emirates
- No operations in markets with medium risks
- No operations in markets with low risks

Source: International Labour Organization; Refinitiv; MSCI ESG Research; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²
-------------	------------------	---------------	------------------------------

Governance and Strategy

Percentage of operations having health and safety management systems certified to recognized standard	100.00%		
Evidence of health and safety management system certified to recognized standard	Yes	Yes	- LOW TOP

What executive body is responsible for H&S strategy and performance?

Board-level committee is responsible for health and safety strategy	Yes	Yes	- LOW MID TOP
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Health & safety policy

Scope of health and safety policy	Yes	Yes	- LOW MID TOP
Applicability of health and safety policy to contractors	Yes	Yes	- LOW MID TOP

Targets

Target to improve health and safety performance	Non-zero target (contractors included)	Non-zero target (contractors included)	- LOW MID TOP
---	--	--	---------------

Operations

Health & safety performance relative to peers	9.00
---	------

Lost Time Incident Rate

Year	Lost Time Incident Rate	Lost Time Incident Rate (per million hours)	Lost Time Incident Rate Unit	Details
2024	0.16	0.16	per million hours	Group (Employees + Contractors) LTIF
2023	0.17	0.17	per million hours	Group (Employees + Contractors) LTIF
2022	0.13	0.13	per million hours	Group (Employees + Contractors) LTIF

Total Recordable Injury Rate

Year	Total Recordable Injury Rate	Total Recordable Injury Unit	Total Recordable Injury Rate (per million hours)	Details
2024	0.36	per million hours	0.36	Group (Employees + Contractors) TRIR

Year	Total Recordable Injury Rate	Total Recordable Injury Unit	Total Recordable Injury Rate (per million hours)	Details
2023	0.56	per million hours	0.56	Group (Employees + Contractors) TRIR
2022	0.48	per million hours	0.48	Group (Employees + Contractors) TRIR

Fatalities

Year	Contractor Fatalities	Employee Fatalities	Fatalities	Details
2024	0	0	0	Scope: Emirates Steel and Emirates Cement
2023	0	0	0	Scope: Emirates Steel and Emirates Cement
2022	0	0	0	Scope: Emirates Steel and Emirates Cement

CONTROVERSIES

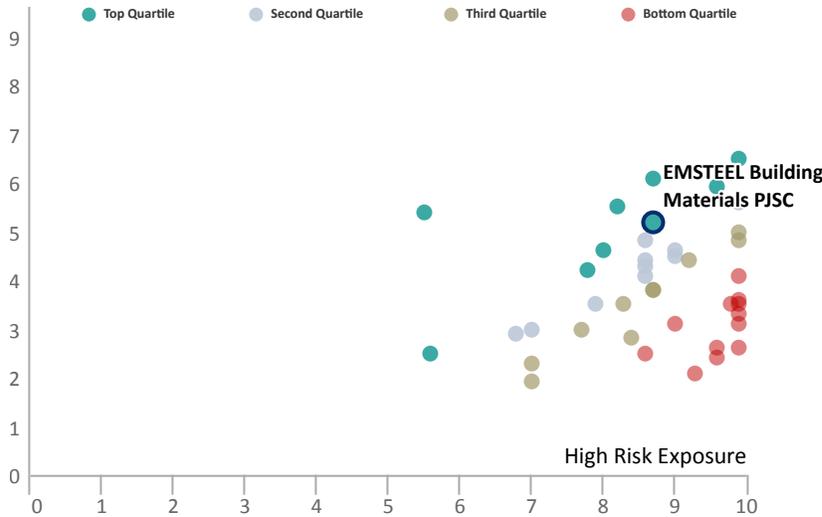
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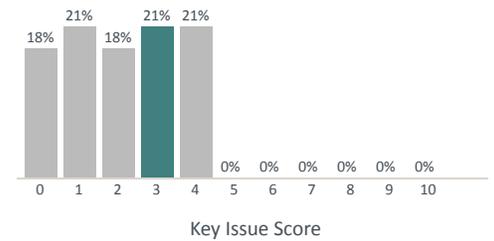
Toxic Emissions & Waste

Score	Change (since rating)	Quartile	Weight	Last score change date
3.5	▲ 3.5	●●●●	14.0%	May 21, 2025

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION*



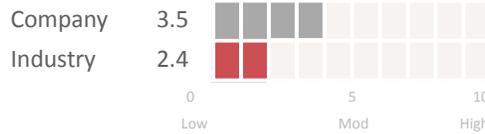
TOP 5 INDUSTRY LEADERS

POSCO Holdings Inc.	4.4
NIPPON STEEL CORPORATION	4.3
Huaibei Mining Holdings Co.,Ltd.	3.9
China Steel Corporation	3.6
JFE Holdings, Inc.	3.6

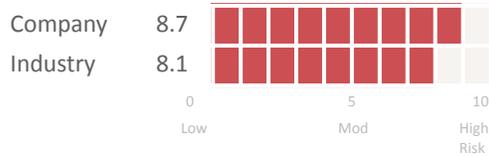
BOTTOM 5 INDUSTRY LAGGARDS

NanJing Iron & Steel Co., Ltd.	0.4
Inner Mongolia Baotou Steel Union Co., Ltd	0.2
ArcelorMittal SA	0.0
JINDAL STEEL AND POWER LIMITED	0.0
Western Superconducting Technologies Co., Ltd.	0.0

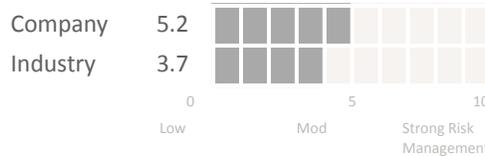
KEY ISSUE ASSESSMENT



RISK EXPOSURE ASSESSMENT



RISK MANAGEMENT ASSESSMENT



Drivers of Risk Exposure



Drivers of Risk Management



Business Types



Practices Score



Performance Score



METHODOLOGY NOTE

Companies are evaluated on the potential environmental contamination and toxic or carcinogenic emissions arising from their operations and the strength of their environmental management systems.

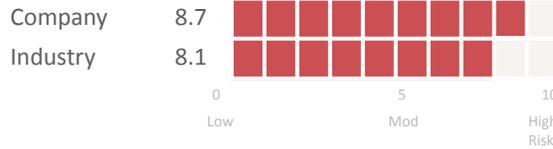
* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

Controversy Deduction



EXPOSURE

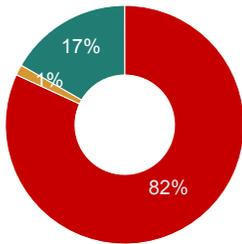
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of increased compliance costs and liabilities associated with damaging health, property; risk of losing access to markets due to community opposition or heightened regulatory hurdles

Business Types : This represents the portion of the company's revenues derived from lines of business that are High Risk (typically generate large amounts of toxic emissions), Medium Risk (typically generate moderate amounts of toxic emissions), and Low Risk (typically generate low amounts of toxic emissions).

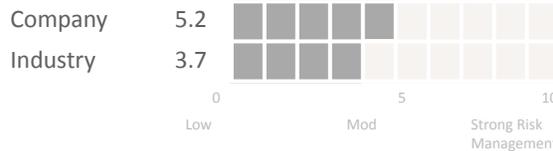


- Blast furnaces and steel mills
- Plastic pipes
- Concrete blocks and bricks

Source: Toxics Release Inventory (US Environmental Protection Agency); National Emissions Inventory (US Environmental Protection Agency); Risk-Screening Environmental Indicators (US Environmental Protection Agency); US Economic Census; Refinitiv; MSCI ESG Research; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²
Governance and Strategy			
Existence of Environmental Management System (EMS)	ISO 14001 or equivalent	ISO 14001 or equivalent	- LOW MID TOP
Percentage of sites with an environmental management system certified to ISO 14001 or similar	100.00%		
Disclosure around the number or percentage of sites with HAZWOPER or ISO 14001 certification	Disclosed	Disclosed	- LOW MID TOP
Evidence of regular environmental impact audits	Yes	Yes	- LOW MID TOP
Evidence of audits across all locations of operations	Yes	Yes	- LOW MID TOP
Evidence of annual environmental impact audits	Yes	Yes	- LOW MID TOP

Targets

Aggressiveness of toxic emissions and waste reduction target	1		
Track record of achieving toxic emissions targets	No previous targets	Met previous targets	- LOW MID TOP

Performance

Toxic releases performance relative to peers 5.30

Air Emissions: NOx Performance

3 Year Average Intensity 0.42
 Average Annual % Change in Intensity 13.10%

Air Emissions: NOx Performance

Year	NOx Emissions	NOx Emissions Intensity (tons/ USD million sales)
2024	1,124	0.50
2023	835	0.34
2022	1,075	0.42

Air Emissions: SOx Performance

3 Year Average Intensity 0.17
 Average Annual % Change in Intensity 2.51%

Air Emissions: SOx Performance

Year	SOx Emissions	SOx Emissions Intensity (tons/ USD million sales)
2024	394	0.17
2023	283	0.12
2022	533	0.21

Air Emissions: Ozone Depleting Substances Performance

3 Year Average Intensity	0
Average Annual % Change in Intensity	-47.22%

Air Emissions: Particulate Matter Performance

3 Year Average Intensity	0.10
Average Annual % Change in Intensity	44.90%

Air Emissions: Particulate Matter Performance

Year	Quantities	Intensity
2024	312	0.14
2023	210	0.09
2022	170	0.07

Releases to Water: Water Effluents Performance

3 Year Average Intensity	0
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Releases to Land: Non-hazardous Waste Performance

3 Year Average Intensity	94.87
Average Annual % Change in Intensity	-5.29%

Releases to Land: Non-hazardous Waste Performance

Year	Non-hazardous Waste Quantities	Non-hazardous Waste Intensity (tons/ USD million sales)
2024	206,600	91.03
2023	222,600	91.88
2022	261,700	101.70

Releases to Land: Hazardous Waste Performance

3 Year Average Intensity	4.05
Average Annual % Change in Intensity	94.26%

Releases to Land: Hazardous Waste Performance

Year	Hazardous Waste Quantities	Hazardous Waste Intensity (tons/ USD million sales)
2024	13,400	5.90
2023	10,900	4.50
2022	4,500	1.75

CONTROVERSIES

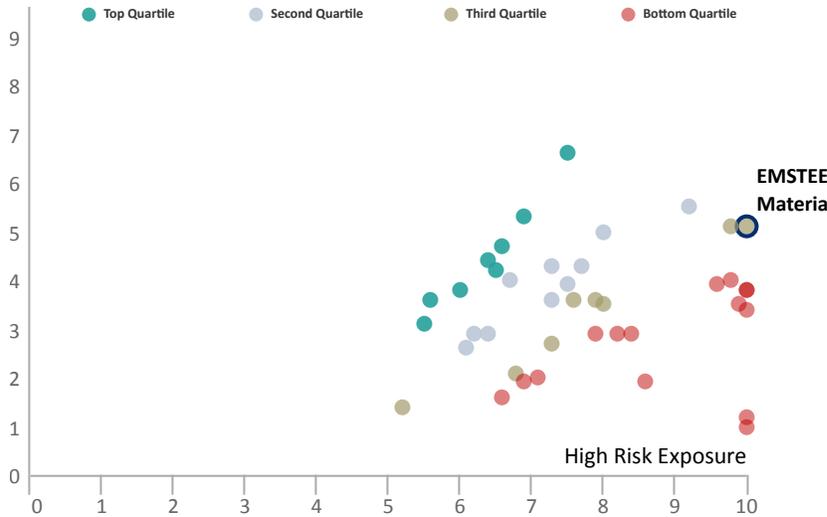
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Water Stress

Score	Change (since rating)	Quartile	Weight	Last score change date
2.1	▲ 2.1	●●	14.0%	May 21, 2025

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION*



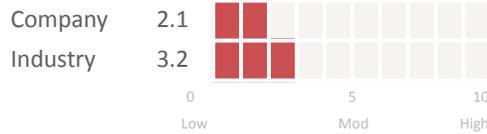
TOP 5 INDUSTRY LEADERS

China Steel Corporation	6.1
POSCO Holdings Inc.	5.4
BLUESCOPE STEEL LIMITED	5.1
NIPPON STEEL CORPORATION	5.0
JFE Holdings, Inc.	4.8

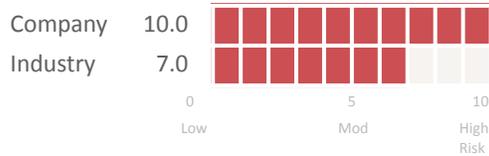
BOTTOM 5 INDUSTRY LAGGARDS

JINDAL STEEL AND POWER LIMITED	1.2
KUMBA IRON ORE LIMITED	0.8
NMDC LIMITED	0.8
JINDAL STAINLESS LIMITED	0.6
EREGLI DEMIR VE CELIK FABRIKALARI TURK ANONIM SIRKETI	0.3

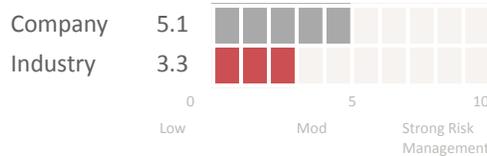
KEY ISSUE ASSESSMENT



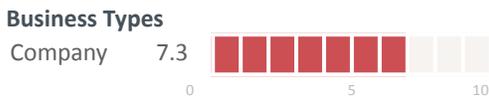
RISK EXPOSURE ASSESSMENT



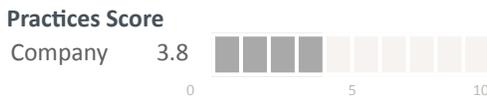
RISK MANAGEMENT ASSESSMENT



Drivers of Risk Exposure



Drivers of Risk Management



Business Locations



Performance Score



METHODOLOGY NOTE

Companies are evaluated on the water intensity of their operations, levels of water stress in their areas of operation and their efforts to manage water-related risks and opportunities.

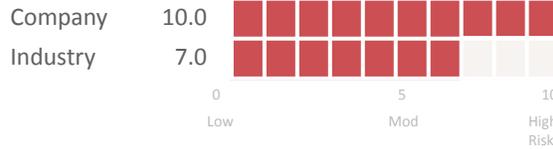
* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

Controversy Deduction



EXPOSURE

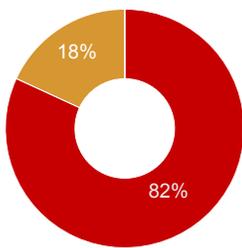
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of increased cost of input, disputes around access rights to key resources or operational disruptions to production processes requiring water as a critical input

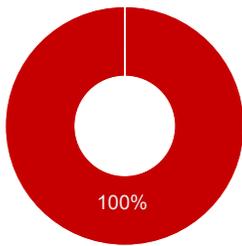
Business Types : Percentage of operations in business segments with high/moderate/low water intensity



- Blast furnaces and steel mills
- Concrete blocks and bricks, Plastic pipes
- No exposure to low risk segments

Source: IERS' Comprehensive Environmental Data Archive (CEDA); MSCI ESG Research; Refinitiv; company disclosures

Business Locations : Percentage of operations in countries or regions with high/moderate/low percent of territory affected by oversubscription to water resources

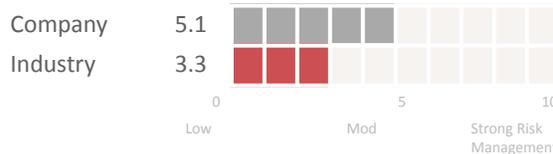


- United Arab Emirates
- No operations in markets with medium risks
- No operations in markets with low risks

Source: WRI Aqueduct; Refinitiv; MSCI ESG Research; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²
Governance and Strategy			
Implementation of water-efficient production processes	5.00		
Percentage of water use from alternative water sources	84.39%		
Evidence of using alternative water sources	Yes	Yes	- LOW TOP
Executive body responsible for water management strategy and performance:			
CEO is responsible for water management strategy and performance	Yes	Yes	- LOW MID TOP
Other	ESG Steering Committee (ESGSC)		

Performance

Water performance relative to peers 7.90

Water Withdrawal Performance

Year	Freshwater Withdrawal (m3)	Freshwater Withdrawal Intensity (m3/ USD million sales)
2024	1,448,200	638.09
2023	1,402,100	578.73
2022	1,356,100	526.97

Water Consumption Performance

Year	Freshwater Consumption (m3)	Freshwater Consumption Intensity (m3/ USD million sales)	Details
2024			
2023			
2022			

Water Intensity Reported

Year	Intensity Reported	Intensity Reported Details
2024		
2023		
2022		

CONTROVERSIES

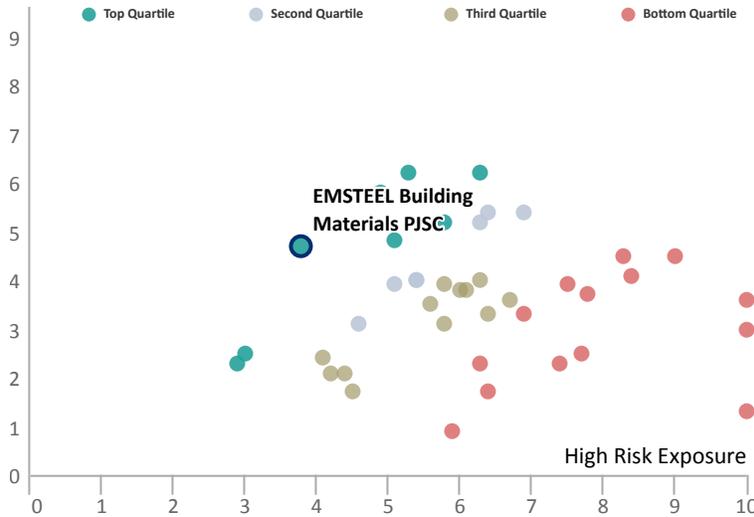
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Labor Management

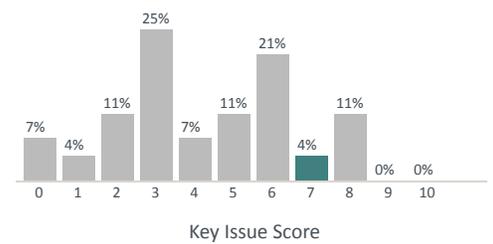


Score	Change (since rating)	Quartile	Weight	Last score change date
7.9	▲ 7.9	●●●●	11.0%	May 21, 2025

Strong Risk Management



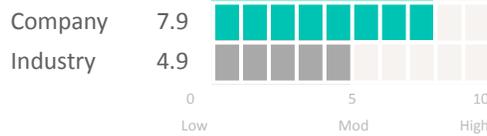
KEY ISSUE SCORE DISTRIBUTION*



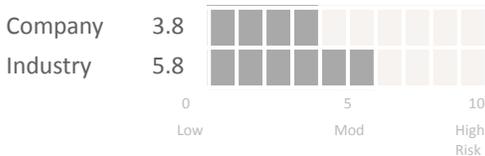
TOP 5 INDUSTRY LEADERS

KUMBA IRON ORE LIMITED	7.9
Pangang Group Vanadium & Titanium Resources Co., Ltd.	7.9
NUCOR CORPORATION	6.9
China Steel Corporation	6.0
APL APOLLO TUBES LIMITED	5.9

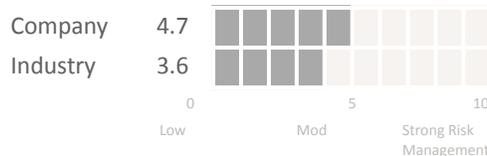
KEY ISSUE ASSESSMENT



RISK EXPOSURE ASSESSMENT



RISK MANAGEMENT ASSESSMENT



Drivers of Risk Exposure



Drivers of Risk Management



Business Locations



Controversy Deduction



BOTTOM 5 INDUSTRY LAGGARDS

GERDAU S.A.	1.9
NMDC LIMITED	1.8
TATA STEEL LIMITED	0.6
ArcelorMittal SA	0.0
VALE S.A.	0.0

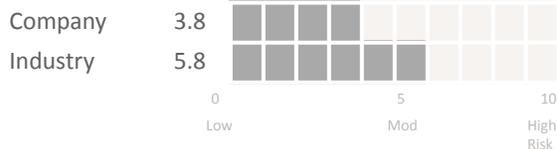
METHODOLOGY NOTE

Companies are evaluated on the complexity of their workforce (size, labor intensity, and regions of operation), employee relations, strength of worker protections, and employee engagement efforts.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

EXPOSURE

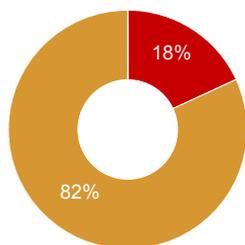
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of workflow disruptions due to labor unrest, or reduced productivity due to poor job satisfaction

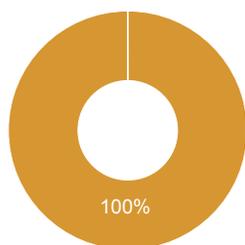
Business Types : Percentage of operations in business segments with high/moderate/low labor intensities, as measured by average sales per employee of industries



- Concrete blocks and bricks, Plastic pipes
- Blast furnaces and steel mills
- No exposure to low risk segments

Source: MSCI ESG Research; Refinitiv; company disclosures

Business Locations : Percentage of operations in countries with high/moderate/low likelihood of labor unrest (based on historic precedent)



- No operations in markets with high risks
- United Arab Emirates
- No operations in markets with low risks

Source: International Labour Organization; Refinitiv; MSCI ESG Research; company disclosures

Additional Drivers of Exposure

Collective bargaining negotiation expected in next 12 months: **Not Disclosed**

Layoffs Events

Major Layoffs: **No**

Size and Composition of Workforce

Number of employees: **3,703**

Number of Employees

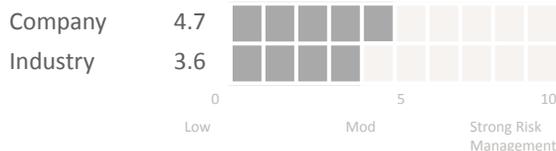
Year	Number of employees	Part time workers (%)	Contract or temporary workers (%)	Estimated Part time/contract %
2024	3,703	20.15%		
2023	3,763	20.14%		



Year	Number of employees	Part time workers (%)	Contract or temporary workers (%)	Estimated Part time/contract %
2022	3,663	19.25%		

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²
Strategy			
Evidence of collective agreements	No	Yes	- LOW TOP
Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)	No evidence of ESOP or ESPP	Sector-leading number of employees eligible for ESOP and/or ESPP	- LOW MID TOP
Scope of workforce eligibility for variable performance-based component to pay	Strong performance-based incentive pay structure covers all employees	Strong performance-based incentive pay structure covers all employees	- LOW MID TOP
Non-compensation benefits including pension and retirement	No evidence	Benefits cover all employees	- LOW MID TOP

Performance

External recognition as employer of choice (last three years)	Not Disclosed
Company witnessed strikes / lock-outs in the last three years	No

Employee turnover

Year	Annual employee turnover (%)	Details
2024	6.00%	
2023	4.00%	
2022	3.70%	

CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. There is no evidence of the EMSTEEL Building Materials PJSC's current involvement in prominent controversial events or alleged misconduct.

APPENDIX

CONTENTS

CONTROVERSIES DETAIL

ADDITIONAL CORPORATE GOVERNANCE CONTENT

KEY METRIC & SCORE CHANGES

GOVERNANCE STANDARDS

DIRECTOR PROFILES

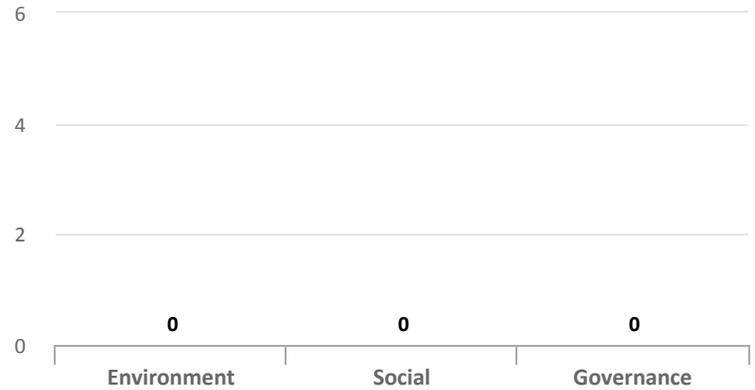
CONTROVERSIES DETAIL

Here you will find the narratives for all controversies relevant to the company. Please note while every controversy case may signal reputational risk, not every controversy is judged to pose material risks; therefore, not every controversy affects the company's overall rating.

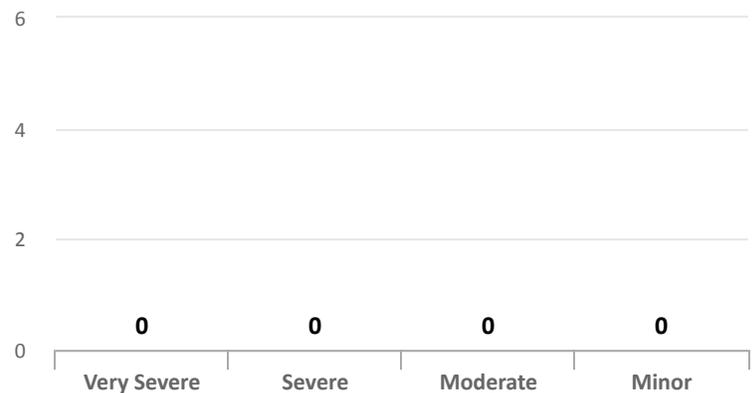
CONTROVERSY CARD

	ASSESSMENT				CONTROVERSY COUNT
	VERY SEVERE	SEVERE	MODERATE	MINOR	
Environment					
Carbon Emissions	0	0	0	0	0
Water Stress	0	0	0	0	0
Toxic Emissions & Waste	0	0	0	0	0
Social					
Labor Management	0	0	0	0	0
Health & Safety	0	0	0	0	0
Governance					
Corporate Governance	0	0	0	0	0
Corporate Behavior	0	0	0	0	0

NUMBER OF CONTROVERSIES BY PILLAR



NUMBER OF CONTROVERSIES BY ASSESSMENT



CONTROVERSIES

- **Very Severe:** Indicates an action by a company that results in a very large impact on society and/or the environment.
- **Severe:** Indicates an action by a company that results in a large impact on society and/or the environment.
- **Moderate:** Indicates an action by a company that results in a moderate impact on society and/or the environment.
- **Minor:** Indicates an action by a company that results in a low impact on society and/or the environment.
- **None:** There is no evidence that a company is involved in any controversy.

KEY METRIC & SCORE CHANGES

ALL KEY METRIC & SCORE CHANGES (SINCE JANUARY 2024)

Key Metric	Key Metric Change	Date	Score Change	Change Notes
Voting Rights Limits Residency	Flag Added	Apr 22, 2025	-0.10	
Short-Term Pay Performance	Flag Added	Apr 22, 2025	-0.20	
Say on Pay Policy	Flag Added	Apr 22, 2025	-0.10	
Risk Management Expertise	Flag Added	Apr 22, 2025	-0.20	
Related Party Transactions	Flag Added	Apr 22, 2025	-1.58	
Not 30% Female Directors	Flag Added	Apr 22, 2025	-0.10	
Majority Voting	Score Change	Apr 22, 2025	0.00	
Internal Pay Equity	Flag Added	Apr 22, 2025	-0.20	
Independent Chair	Flag Added	Apr 22, 2025	-0.10	
Director Equity Policy	Flag Added	Apr 22, 2025	-0.10	
Controlling Shareholder Concerns	Flag Added	Apr 22, 2025	-1.01	
Controlling Shareholder	Flag Added	Apr 22, 2025	0.00	
Clawbacks & Malus	Flag Added	Apr 22, 2025	-0.20	
CEO Equity Policy	Flag Added	Apr 22, 2025	-0.20	
Auditor Tenure	Score Change	Apr 22, 2025	0.00	
Audit Committee Industry Expert	Flag Added	Apr 22, 2025	-0.10	
Audit Board/ Committee Independence	Flag Added	Apr 22, 2025	-0.10	Audit board/committee assessed as not independent of management
Annual Director Elections	Flag Added	Apr 22, 2025	-0.10	

UNITED ARAB EMIRATES

CURRENCY: EMIRATI DIRHAM (AED)

The United Arab Emirates (UAE) is a federation of seven emirates that are subject to UAE federal laws in addition to their individual emirate laws. Further, the UAE has established various free zones, each of which is regulated by their respective free zone authority. The Dubai International Finance Centre (DIFC) is one of the largest economic free zones in the UAE. It is an independent jurisdiction within the UAE authorized to create its own legal and regulatory framework for all civil and commercial matters.

On the federal level, corporate governance in the UAE is based on the Federal Law (No.2) of 2015 on Commercial Companies, the Federal Law (No.4) of 2000 Concerning the Emirates Securities & Commodities Authority Market and the Chairman of Authority's Board of Director's Resolution (No.7) of 2016 Concerning the Standards of Institutional Discipline and Governance of Public Shareholding Companies. They have also adopted the UAE Corporate Governance Code, which is binding and punishes non-compliance. Companies listed on the Dubai Financial Market, Abu Dhabi Securities Exchange and Nasdaq Dubai are further subject to the respective listing rules of each.

The legislative framework in UAE DIFC is based on the DIFC Companies Law, DIFC Markets Law and the Corporate Governance Principles outlined in the Dubai Financial Services Authority (DFSA) Markets Rules. Compliance with the DFSA Corporate Governance Principles is mandatory. This can be achieved by either complying with all 67 best practice standards outlined in Appendix 4 of the DFSA Markets Rules, or through a "comply or explain" approach in which, the company may use an alternative method to achieve the intended outcome.

Companies in the UAE federal jurisdiction adopt a unitary board structure. The size requirement for a board is a minimum of three directors and a maximum of 11. Directors are usually appointed for a term of three years and are eligible for reappointments. The law requires the role of CEO and board chair to be separated. The minimum ratio of independent directors required is 33%.

UAE federal jurisdiction companies are required to establish an audit, pay and nomination committee. The chair of these individual committees must be independent and at least two members of the committee must be independent from management. Furthermore, at least 20% of the board members in a public company must be female. A company must disclose the reasons if no female member is nominated and must also disclose the rate of female representation on the board in its annual governance report.

Board structures in UAE DIFC can be unitary or two-tier. The best practice standards require that at least one third of the board should be comprised of non-executive directors, of which at least two non-executive directors should be independent. There are no maximum term limits for the appointment of directors on the board. The Code recommends the roles of the CEO and chair to be separated. It further requires the establishment of the audit, pay and nomination committees. Audit committees must include at least two independent members, including the chair of the committee. The pay and nomination committees must be majority independent. There are no requirements to disclose board gender statistics in UAE DIFC.

Cumulative voting is mandatory in board elections for UAE federal companies.

For companies in the UAE federal jurisdiction, the articles of association determine the method of calculating the pay of directors, provided that the pay does not exceed more than 10% of the net profits for that fiscal year. A listed company must disclose directors' pay and the details and reasons for such pay and allowances. Shareholder approval is not required. With regards to UAE DIFC, there is no quantitative limit on directors' pay, but pay policies are recommended to be aligned to the long-term interests of the company.

Notice of annual shareholders' meetings (AGM) must be given at least 15 days in advance in UAE federal jurisdiction. Unless a company's articles of association provide otherwise, the minimum shareholding required to convene a general meeting of shareholders is 20%. Shareholders owning at least 10% of the share capital can propose agenda items.

Issuing a class of shares with limited voting rights, multiple voting rights, non-voting rights, voting caps or without preferential rights to dividends is not permitted for UAE federal jurisdiction. A mandatory takeover bid is triggered when an individual, alone or jointly, acquires 30% or more of the company's share capital (previously 50%).

Notice of AGM in UAE DIFC is given at least 21 days in advance. As per the DIFC Companies Law, shareholders with at least 5% of the share capital can request to convene a general meeting of shareholders and propose agenda items. Issuing a class of shares with limited voting rights, multiple voting rights, non-voting rights or without preferential rights to dividends is allowed. Only voting caps are disallowed.

The DFSA Takeover Rules resemble the UK Takeover Code. The threshold for a mandatory takeover bid is triggered upon acquisition of 30% or more of the voting shares of a target company.

Companies in UAE DIFC and federal jurisdiction must prepare and maintain all financial statements and accounts in line with the International Financial Reporting Standards (IFRS).

All companies in UAE federal jurisdiction must have their accounts audited annually. Auditors of companies that are subject to UAE federal laws cannot hold office for more than three consecutive years. Auditors of listed companies must meet the following criteria: approval by the Securities and Commodities Authority, licensing to practice the profession and at least five years' experience in auditing PJSCs.

Auditors in UAE DIFC must be rotated every five years to ensure the independence of the external auditor.

DIRECTOR PROFILES

ABDULAZIZ ABDULLA ISMAIL MOHAMED AL HAJRI

Age: 61
 Gender: M
 Nationality: United Arab Emirates

Financial: No
 Risk: No
 Industry: Energy - Oil, Gas & Consumable Fuels, Materials - Chemicals

BIOGRAPHICAL INFORMATION

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
Abu Dhabi National Energy Company PJSC	Board Member	2	Mar 15, 2023		Yes	Yes	
EMSTEEL Building Materials PJSC	Board Member	3	Nov 04, 2021		No	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
Abu Dhabi National Energy Company PJSC	Audit	Member
Abu Dhabi National Energy Company PJSC	Pay	Member
Abu Dhabi National Energy Company PJSC	Nomination	Member
Abu Dhabi National Energy Company PJSC	Risk	Member
EMSTEEL Building Materials PJSC	Audit	Chair
EMSTEEL Building Materials PJSC	Risk	Chair

FARAH ABDULLA MOHAMED AL MAZRUI

Age: 38
 Gender: F
 Nationality: United Arab Emirates

Financial: No
 Risk: No
 Industry:

BIOGRAPHICAL INFORMATION

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
EMSTEEL Building Materials PJSC	Board Member	3	Nov 04, 2021		Yes	Yes	
RAK Ceramics PJSC	Board Member	3	Jun 01, 2021		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
EMSTEEL Building Materials PJSC	Pay	Member
EMSTEEL Building Materials PJSC	Nomination	Member
RAK Ceramics PJSC	Audit	Chair
RAK Ceramics PJSC	Risk	Chair

FATIMA ABDULLA MOHAMED SHARIF ABDULLA ALFAHIM

Age: 41
 Gender: F
 Nationality: United Arab Emirates

Financial: No
 Risk: No
 Industry:

BIOGRAPHICAL INFORMATION

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
EMSTEEL Building Materials PJSC	Board Member	3	Nov 04, 2021		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
EMSTEEL Building Materials PJSC	Audit	Member
EMSTEEL Building Materials PJSC	Pay	Member
EMSTEEL Building Materials PJSC	Nomination	Member
EMSTEEL Building Materials PJSC	Risk	Member

HAMAD ABDULLA MOHAMED ALSHORafa AL HAMMADI

Age: 40
 Gender: M
 Nationality: United Arab Emirates

Financial: Yes
 Risk: No
 Industry: Financial Services - Capital Markets

BIOGRAPHICAL INFORMATION

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
EMSTEEL Building Materials PJSC	Board Member, Chairman	3	Nov 04, 2021		No	No	
Abu Dhabi National Energy Company PJSC	Board Member	4	Mar 18, 2021		No	No	

BOARD COMMITTEES

Company	Committee Type	Position
Abu Dhabi National Energy Company PJSC	Pay	Chair
Abu Dhabi National Energy Company PJSC	Nomination	Chair

NABEEL QADIR

Age: 46
 Gender: M
 Nationality: Canada

Financial: Yes
 Risk: No
 Industry:

BIOGRAPHICAL INFORMATION

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
EMSTEEL Building Materials PJSC	Board Member	3	Nov 04, 2021		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
EMSTEEL Building Materials PJSC	Audit	Member
EMSTEEL Building Materials PJSC	Risk	Member

SAEED GHUMRAN SAEED SALEM AL REMEITHI

Age: 50
 Gender: M
 Nationality: United Arab Emirates

Financial: No
 Risk: No
 Industry: Materials - Construction Materials

BIOGRAPHICAL INFORMATION

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
EMSTEEL Building Materials PJSC	Executive, Board Member, CEO	3	Nov 04, 2021		No	Yes	

EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
EMSTEEL Building Materials PJSC	CEO	3	2024	1,545,664	1,545,664	1,545,664	125

GLOSSARY

MSCI ESG RATINGS AND SCORES

FINAL ESG RATING

- Letter ratings are relative within each MSCI ESG Ratings industry. Each Final Industry-Adjusted Company Score is converted to an equivalent rating on the AAA-CCC scale.

ESG PILLARS

- the **Environment Score** represents the weighted average of all Key Issues that fall under the Environment Pillar
- the **Social Score** represents the weighted average of all Key Issues that fall under the Social Pillar
- the **Governance Score** represents the sum of score deductions derived from Key Metrics included in Corporate Governance (including Board, Pay, Ownership & Control, and Accounting) and Corporate Behavior (including Business Ethics and Tax Transparency)
- the **Environment Weight** represents the sum of the weights of all Key Issues that fall under the Environment Pillar
- the **Social Weight** represents the sum of the weights of all Key Issues that fall under the Social Pillar
- the **Governance Weight** represents the sum of the weights of Corporate Governance and Corporate Behavior, with a minimum weight set at 33% for all rated issuers

KEY ISSUES

For each industry and Company-Specific Key Issue that contributes to the final rating:

- Weight** contribution to the final rating
- Exposure Score** (available for companies published since June 2011; excluding Raw Material Sourcing – Environmental)
- Management Score** (available for companies published since June 2011; excluding Raw Material Sourcing – Environmental)
- Overall **Key Issue Score**

WEIGHTED-AVERAGE KEY ISSUE SCORE VS. INDUSTRY RELATIVE SCORE

- the **Weighted-Average Key Issue Score** is dynamic, reflecting changes in any underlying scores as of the Last Update date, while the **Industry Relative Score** is more static and corresponds to the Rating Date. Issues that we determine do not present material risks or opportunities to companies in a given industry receive 0% weight and do not impact the overall ESG rating.

SCORES AND CALCULATION OF AVERAGE, PERCENTILE AND RATING DISTRIBUTION

All averages, percentiles, and rating distributions found in the report are based on companies in the relevant MSCI ESG Ratings Industry that are constituents of the MSCI ACWI and are calculated based on industry scores as of the date of publication of this report.

ESTIMATED CARBON EMISSIONS

Carbon estimates are based on carbon intensity (carbon emissions/sales). The Estimate Key represents the source of the estimated carbon emissions data. E.CSI represents Company-Specific Intensity estimates based on previously disclosed data. E.GICSSI represents estimates based on the GICS Sub-Industry average. For E.GICSSI we set five levels of confidence (High, Moderately High, Moderate, Moderately Low, and Low). The Carbon Estimation Methodology document, available on ESG Manager, describes the estimation model in greater detail.

GOVERNMENT SUPPORT RATING

We calculate the 'government support rating' for Supranationals and Development Banks based on the weighted average of member countries' Governance scores using the MSCI ESG Government Ratings methodology. These scores are based on measures of political governance (strength of institutions, corruption control, civil liberties, and human rights) and financial accountability.

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