

Thank you.. The annual report on the Environmental, Social And Governance Disclosures has been successfully registered and your registration code number is 35038. You are kindly requested to print the report and attach it to the annual report of the Board of Directors attached to the annual financial statements for the year 2023/2024.



الهيئة العامة للرقابة المالية
FINANCIAL REGULATORY AUTHORITY



Annual report for FY 2023/2024

on Environmental, Social and Governance Disclosures Related to Sustainability (ESG)

In implementation of the authority's Decrees no. (107) and (108) for the year 2021

First: Introduction

This report on the disclosure of Environmental, Social and Governance (ESG) reflects the strength of the company's management to implement the principles of sustainable development and integrate sustainability practices into the company's activities and operations, which generates confidence among investors that enables them to make informed investment decision, By identifying risks and opportunities that may not be monitored by traditional financial reports, especially in light of the increasing demand by investors for **ESG** Data and how companies integrate sustainability practices into the daily operations and activates in order manage the risks and opportunities associated with the various dimensions of sustainability, and thus enhance its financial position. Based on the **FRA** responsibility towards **NBFI** including listed Companies on the Egyptian Stock Exchange, and within the framework of assisting these companies to submit annual reports to disclose ESG sustainability standards in accordance with the **FRA** decisions No. **107** and **108** of **2021**, and to facilitate them, the **FRA** has prepared this electronic form to companies to fulfill the **KPIs** for the disclosure of sustainability standards **ESG**.



Therefore, please be careful, accurate and transparent when filling out this form, and please attach the report form within the annual report prepared by the Board of Directors attached to the annual financial statements for the year 2023/2024 In case of any inquiries related to this matter, you can contact sustainable development department via email

sustainable.development@fra.gov.eg

Secand: Basic Data on The Status of Company

-
1. Select the company's name: Misr National Steel - Ataqa
 2. Select the company's sector: Building Materials

Third: Basic Data of The Person Responsible for Completing The Report

-
1. Name : shimaa mohamed Kamel Rashwan
 2. Job Title: IR
 3. Email: ir@misrns.com

Fourth: Environmental KPIs

1. Environmental Operations & Oversight (E1)

1. Has the company developed any official Environmental and Social (E&S) or Sustainability policies?

No



MNS has just finalized its first ESG report where it aimed to identify the current status of MNS ESG practices and highlight the gaps that need to be addressed to fulfill all ESG requirements. So our next steps will be developing E&S policies and integrating them with our current policies and scope of work

2. Is this policy originating from within the company or derived from global or national policies?

Yes

MNS will consider both global and national context, frameworks and strategies when developing its ESG policies.

3. Does the company identify and assess the environmental and social risks arising from its economic activity?

Yes

MNS in its first ESG report identified and assessed different E&S impacts due to its activities such as Greenhouse Gases emissions, water withdrawal and discharge, and work-related injuries. MNS used GRI disclosures to report on these risks and impacts in its report

4. Does the company follow specific policies concerned with waste recycling, water consumption, or energy consumption?

Yes

MNS utilizes its waste during operation by recycling it and using it again in the production process, and in the last 3 years MNS has managed to reduce its waste to less than 0.34% of total inputted material.

Regarding water consumption, MNS has managed to reduce its consumption by 21% in the last 4 years due to implementing multiple Sustainable Water Practices such as: Zero Interaction with Water, Zero Liquid Discharge, and Zero Impact on Water Bodies

Regarding energy, MNS has implemented multiple energy-reducing initiatives such as replacing normal lighting systems to LED and reducing 40% of the energy required for lighting.

5. Does the company set any goals related to reducing greenhouse gas (GHG) emissions?

No



MNS will consider working on this topic based on discussing the findings of the ESG report with the relevant stakeholders.

6. Does the management have any system/certification regarding the company's environmental practices (ISO 14001 certification)?

Yes

In 2020 MNS has attained its ISO 14001 : 2015 - Environmental Management Systems certificate

2. Carbon Emissions / Greenhouse gases (GHG) (E2)

1. Does the company calculate the total amount of carbon emissions (Carbon Footprint) in metric tons?

No

In its first ESG report, MNS has just calculated GHG emissions related to energy usage, Natural Gas consumption (under Scope 1) and Electricity consumption (Scope 2), but still didn't calculate the full carbon footprint, and it will be considered in the future reports.

3. Energy sources usage and diversification (E3)

1. Does the company calculate the total amount of energy directly consumed?

Yes

MNS monitors and calculates the total energy consumption from natural gas and electricity and the numbers are reported in its first ESG report

2. Does the company calculate the percentage of energy consumption according to the type of generation source?



Yes

All the utilized energy is from non-renewable sources (Natural gas and electricity)

3. Does the company calculate the percentage of annual saved energy?

Yes

Energy consumption trends and reduction due to initiatives are reported in our ESG report

4. Water Usage (E4)

1. Does the company calculate the total amount of water annual consumed?

Yes

Water consumption trends are reported in our ESG report

2. Does the company calculate the total amount of annual water recycled and treated?

No

MNS will consider measuring its discharge and treated water in future reports

5. Waste Management (E5)

1. Does the company calculate the total amount of waste generated or recycled and that, which has been treated according to type and weight?

No

MNS will consider tracking and classifying its waste streams in suture reports

1. Gender Diversity & Pay Ratio (S1)

1. Does the company disclose the number of male and female employees according to the type of employment (temporary or permanent)?

Yes

MNS discloses its gender employment ratios in its ESG report

2. Does the company disclose the percentage of total employees who are male and female?

MNS discloses its gender employment ratios in its ESG report

3. Does the company disclose the percentage of positions held by males and females (specifically for entry-level and mid-level jobs)

Confidential information, but will discussed to disclose it in the upcoming ESG reports

4. Does the company disclose the percentage of positions held by males and females (specifically for senior-level and executive positions)?

Confidential information, but will discussed to disclose it in the upcoming ESG reports

5. Does the company disclose the average pay ratio for females compared to the males?

Confidential information, but will discussed to disclose it in the upcoming ESG reports

2. Employee Turnover rate (S2)

1. Does the company disclose the annual percentage rate of turnover for full-time employees?

MNS discloses its turnover rates and new hires in its ESG report

2. Does the company disclose the annual percentage rate of turnover for part-time employees?

MNS will consider collecting this data in the upcoming ESG reports

3. Does the company disclose the annual percentage rate of turnover for contract employees and consultants?

MNS will consider collecting this data in the upcoming ESG reports

3.Non-Discrimination (S3)

1. Does the company follow a policy condemning sexual harassment and a non-discrimination policy based on any racial, religious, or gender basis?

There are policies adopted and communicated with employees condemning sexual harassment and any kind of discrimination

4.Global Health & Safety Standards (S4)

1. Does the company follow an occupational health and safety (OHS) policy and/or a policy related to global health and safety standards (for example ILO's International Labor Standards on Occupational Safety and Health)?

MNS adopts OHS policies and practices to all its employees and acquired ISO 45001 :2018 - Occupational health and safety management systems, in 2020

2. What is the number of occupational accidents if any?

No occupational accidents during the last year

3. Does the company offer trainings related to environmental, social AND Occupational Health and safety (OHS) issues for employees. If the answer is yes, please disclose the number of trainings hours?

MNS has provided a Course for the Members of the Occupational Safety and Health Committee, which reached 32 accumulated training hours

5.Children & Forced Labor (S5)

1. Does the company follow a policy prohibiting child labor and forced labor?

MNS is committed to implementing the Children's Law regarding the prohibition of employing or training children before the specified age.

2. Does that policy apply to the suppliers and vendors dealing with the company?

MNS procurement considers the Children's Law regarding the prohibition of employing or training children before the specified age when dealing with vendors.

6.Labor Rights (S6)

1. In addition to the requirements of Egyptian Labor Law, does the company follow the laws and standards of the International Labor Organization or any other international framework, standards, or laws related to labor's rights?

Till now no, but will be considered in the development process of the upcoming ESG reports

2. Does that policy include the suppliers and vendors dealing with the company?

No regulations or policies are imposed on employees outside the company.

Sixth: Governance KPIs

1.Board Diversity (G1)

1. Does the company disclose the number and percentage of the board of directors occupied by males and females?

Yes



Specific standards and procedures are established for nominating a number of male and female employees for these positions.

2. Does the company disclose the number and percentage of committee chairs occupied by males and females?

Yes

MNS is keen to have both genders chair all committees within the company.

2. Bribery / Anti-corruption (G2)

1. Does the company issue any decisions related to combating bribery / corruption and follow them?

Yes

MNS has zero-tolerance for corruption and adheres to high ethical standards wherever it operates. The Code of Conduct provides a clear direction to all our stakeholders including employees and suppliers about how to behave ethically according to our standards. The code covers a wide range of topics, including anti-corruption.

3. Ethics and Code of Conduct (G3)

1. Does the company issue code of conduct / Ethic and follow them?

Yes

The Code of Conduct laid down by MNS, along with our core values, provides a clear direction to all our stakeholders including employees and suppliers about how to behave ethically according to our standards. The code covers a wide range of topics, including human rights, and anti-corruption- It also helps to ensure regulatory adherence and prevents potential risks and liabilities. Ethical behavior is the cornerstone of our company's values.



4.Data Privacy (G4)

1. In addition to the requirements of the Egyptian data protection law, does the company follow any other international frameworks, rules, or recommendations regarding data privacy?

Yes

MNS offers comprehensive services and support, leveraging the latest advancements in IT. MNS has also established a strategic partnership with SoftTrend, Oracle certified professional, Cisco Certified Network Associate (CCNA), Azure Certification, and other certification to enhance the IT department's abilities, contributing to improved data integrity, security, and operational efficiency within MNS

5.Sustainability Reporting & Disclosure (G5)

1. Does the company issue sustainability report according to GRI, CDP, SASB, IIRC, UNGC, or any other type of sustainability reports frameworks?

Yes

MNS is about to issue its first ESG report according to GRI standard

2. Is the company striving to achieve specific goals from the United Nations Sustainable Development Goals?

No

This will be worked on in the near future with the help of specialists and experts.

3. Does the company identify these goals and report on the progress made within the framework of the United Nations Sustainable Development Goals (SDGs)?

No

This will be worked on in the near future with the help of specialists and experts.



4. Has the company clearly declared its commitment towards corporate social responsibility standards?

No

MNS actively engages in various Corporate Social Responsibility (CSR) initiatives, aiming to make a positive impact on the communities we operate in and the lives of those we touch. Our dedication to giving back and fostering societal well-being is an integral part of our corporate ethos.

5. Does the company follow a clear and explicit policy / principle regarding community investments?

Yes

MNS actively engages in various Corporate Social Responsibility (CSR) initiatives, aiming to make a positive impact on the communities we operate in and the lives of those we touch. Our dedication to giving back and fostering societal well-being is an integral part of our corporate ethos.

6. Does the company participate in public or private sector initiatives concerned with community development?

Yes

Many partnerships take place between the private and public sectors with the aim of training and acquiring practical skills.

6.External Assurance (G6)

1. Are the company's ESG disclosures assured by an independent third party?

Yes

Our sustainability report will be assured by DCarbon, our environmental consultant.

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