

CONARES

SUSTAINABILITY PERFORMANCE DATA - YEAR 2022



صنع في الإمارات
MADE IN UAE

Corporate Performance

KPI	Unit	Target	Performance
Steel Produced	MT	400,000.00	308,921.00
Sales	MT	400,000.00	275,540.00

Health & Safety Performance

KPI	Unit	Target	Performance
Employee Lost Time Injury Frequency Rate (LTIFR)	Nos.	> 7.62	5.83
Employee Reportable Injuries	Nos.	-	4
Contractor Lost Time Injury Frequency Rate (LTIFR)	Nos.	-	0
Contractor Reportable Injuries	Nos.	-	0

Environmental Performance

KPI	Unit	Target	Performance
Energy consumption	GJ	-	486,301.00
Energy intensity	GJ/MT	-	1.62
Water Recycled or Reused	m3	-	75,021.00
Water Recycled	%	-	0.25
Waste Recycled	KG/MT	-	30,210.00
By Product Generation	MT	-	9,092.00

Community & People

KPI	Unit	Target	Performance
Full time employees	Nos.	-	161
Contractors	Nos.	-	0
Employees by gender	F/M	-	1/161
Turnover	Nos.	-	12
Average training per year for employee	hours	-	8.84

Stakeholder Analysis

Interested parties	Needs and Expectations	Ways of engagement
Lenders, Owners, Investors, shareholders	Manage/ minimize risks that can affect ability to operate successfully and profitably, corporate responsibility management, Code of ethics/ business conduct, corporate governance, Employee Health and Safety, Climate change, environment	Risk assessment and risk reduction, Minutes, Resolutions, Memos, Letters, circulars, Memos, Emails.
Neighbors and local community	Clean environment, no odours or excessive noise, responsive to complaints and neighbourhood concerns, social investments, Community engagement process, Employment opportunities, Compliance for regulation	Local community comments and complaints process with process for responding. Effective operation of manufacturing facilities.
Employees	Safe and healthy work environment, treated with dignity and respect, trainings and skills development, Employee welfare, Adequate facilities and services, Compensation and benefits, Job security, Career development	Health & Safety and employee wellness programs established to promote worker safety and well-being. Appropriate engineering controls, administrative controls, and protective equipment as necessary to work safely. Emergency preparedness and response plans effectively communicated and tested.

Stakeholder Analysis

Interested parties	Needs and Expectations	Method of Interaction
Supply Chain, Suppliers, Utility Companies (external service providers)	Contract terms including pricing & payment, Supplier code of conduct, Ethical business practices, Fair treatment, No discrimination, Terms & conditions equal for every supplier, long term business, Legal compliance, Health, Safety & Environment, Good working relationship	Clearly communicated Supplier Sustainability (including environmental) requirements.
Non-government organizations	Formal meeting, Correspondences, Publication, Internet, media releases, Event	Interviews, press releases, advertisements, website, web posts, Meeting minutes, Correspondence, Event review, photos
Government agencies/ authorities/ Regulators	Compliance to applicable regulatory requirements and obligations, Social and economic development, employment opportunities, Investments, Biodiversity	Applicable permits, licenses, and registrations. Filing of all required reporting obligations.
Accreditation, Certification Authorities	Effective implementation of ISO standards with all relevant clauses in the organization, Product conformity, corporate policies & governance, Standards & schemes, Environment, Health & Safety, Biodiversity	Yearly Audits to achieve and maintain certification by fulfilling all requirements as per ISO standard. Standards, newsletters, website, brochure.

Stakeholder Analysis

Interested parties	Needs and Expectations	Method of Interaction
Customers, Competitors & Distributors	Control/ minimization of impacts to the environment from business operations, environmentally friendly product, Product safety & Technology, Quality of products & services, Customer satisfaction. Ontime delivery, Response to complaints	Production compliant to applicable regulatory requirements and customer specifications, manufacturing operations with environmental controls to minimize impacts, operations with continuous environmental improvement mechanisms.
Media	Industry challenges & developments, Health & Safety, Environment concerns	Interviews, press releases, advertisements, website, web posts, Meeting minutes, Correspondence
Contractors and Sub-contractors	Timely payment, Pragmatic work schedule, Training, Clear understanding of requirements, Safe and healthy work condition, Medical Assistance, Facilities, and services	Contractual agreements, Applicable permits and licenses, Contractor progress reports, Product, and service inspections
Visitors	Safety and security, Duty of care, Clear communication and guidance	Visitor safety policy, Visitor log sheet, Health and safety training,
Bankers/ Financiers	Payment of loan/ interest as agreed on time.	Feedback from Finance/ Accounts Manager
Interns	Good company culture, Gaining Experience, Safe working environment, Social welfare, Opportunities to develop skill	Orientation, Health and safety training,

Maturity Matrix

A maturity matrix is an effective tool for assessing organizational processes and guiding improvement efforts, as it provides organizations with a structured framework for continuous improvement, and enables them to develop a clear understanding of where they are at and where they need to go to achieve their goals.

On the basis of sustainability principles of inclusivity, integrity, stewardship, and transparency, CONARES has addressed its maturity level, objectives, and plans which are publicly available at our companies website.

<https://www.conares.com/maturitymatrix/>

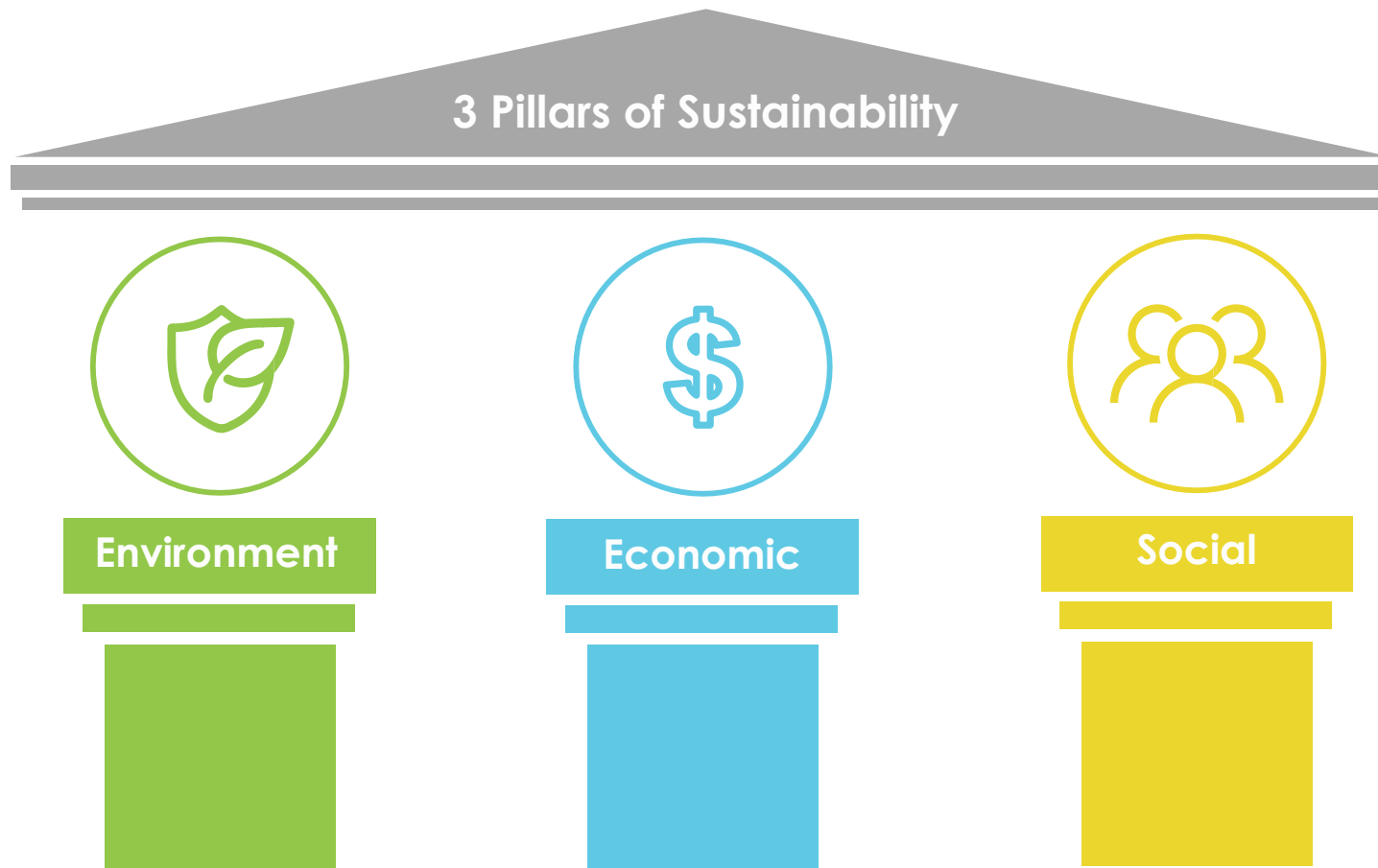
Materiality Matrix

The materiality matrix helps organizations to focus their sustainability efforts on the issues that are most important to their stakeholders and to their business success which can lead to better decision-making, improved communication with stakeholders, and ultimately, enhanced sustainability performance.

Based on the Global Reporting initiative (GRI) standard, we have identified the sustainability issues and placed them into the matrix based on the level of importance and materiality

<https://www.conares.com/materialitymatrix/>

Sustainability Development Definition

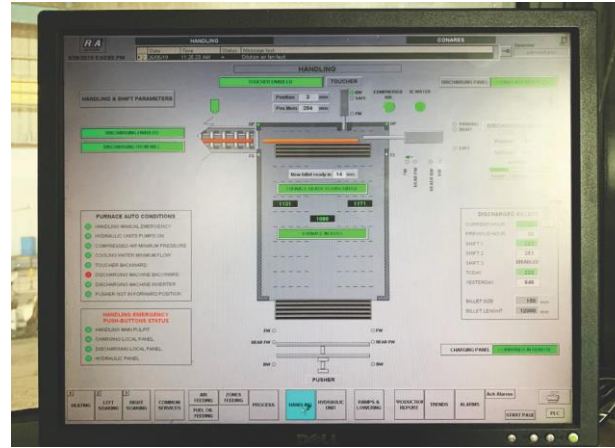


Conares contribution towards Sustainability Development





Environmental Aspects



Global Warming Potential (GWP) and Greenhouse Gas Emissions Air Emission

- Conares Steel has reduced energy consumption and the emission of SOx (sulfur oxide) and NOx (Nitric Oxide) during the manufacturing process with efforts such as:
 - Furnace automation (SCADA Software) for controlled combustion, optimum fuel consumption
 - Use of low-sulfur fuels
 - Reductions of fuel consumption
 - Low NOx burners
 - Air-Oil Ratio Automation
 - Heat recovery from flue gases
 - Trained & Skilled Employees
 - Yearly monitoring of Air Emission from TRAKHESS



Environmental Aspects

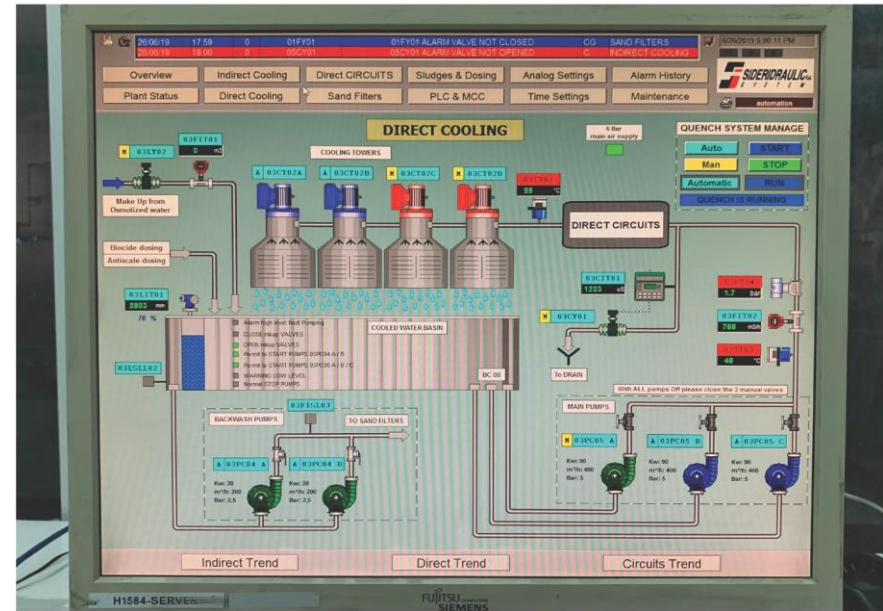


Transport Impacts

- The environmental impacts of transport are significant due to major use of energy and natural resources (e.g. petroleum). This creates air pollution, including nitrous oxides and particulates and is a significant contributor to global warming through emission of CO2 considering these issues we procure raw materials locally reducing transport impacts.
- CONARES has set KPI to monitor the transport impacts are less as feasible possible.



Environmental Aspects



Water Usage

- Conares Steel's Sustainability Roadmap Objectives have prioritized water management as a material issue.
- The water used for the company's operations is freshwater from DEWA and is primarily used as circulating cooling water for the process and machineries.
- The Water Management approach focuses on three objectives :
 - Decrease freshwater consumption
 - Reducing wastewater discharge.
 - Increase recycling rate of processed water.
- Water quality is maintained as per TRAKHEES standard and the same water is used for irrigation for tree plantation.



Environmental Aspects



Energy Usage

- Energy is a major part of Conares Steel's production costs and the company's aspiration is to greatly improve energy efficiency given that it operates in an energy intensive industry. This decision also makes business sense as electricity is a major element in the unit cost of steel
- Conares Steel owes it to future generations to produce steel in the most energy-efficient way possible. To stay competitive and manage escalating costs, Conares Steel continuously invests in its facilities and processes, which reduces energy consumption and expenditures.
- Regenerative AC drives, VF drives
- LED lights for plant illumination
- Employee awareness to reduce energy consumption



Environmental Aspects



Waste, Recycling and By-Product Management

- Conares Steel's operation is based on a central principle that by-products should be reused where possible. Extra steps have been taken to be faithful to this.
- We are producing by products as Mill Scale, rebar End cut, Billet End cut. All the byproducts are Recycled.
- Billet end cut and Rebar End Cut is send to Steel making industry.
- Mill scale is sent to cement/refractory industries.
- Residue waste is inevitably generated during the production process; however, by recycling this residue, Conares Steel can reduce both raw material expenditures and volumes going to the landfill.
- Conares Steel also works with other industries to find sustainable end uses for waste, as part of wider synergy initiatives.
- The preventative maintenance program and policies have resulted in zero oil or chemical spills over the past five years.



Environmental Aspects

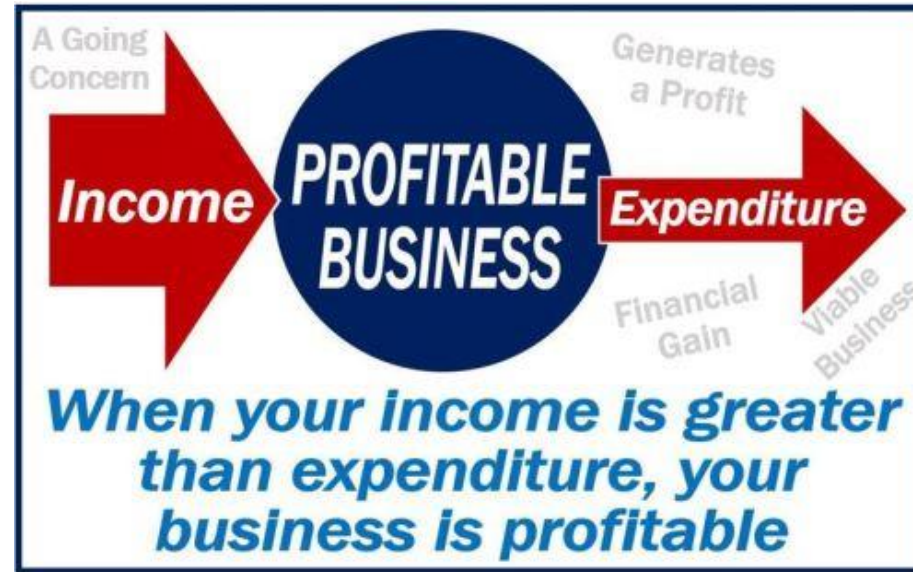


Biodiversity and Eco-toxicity

- In general, our area of operation is not considered to have high biodiversity value. No species from the international union for conservation of nature (IUCN) Red List have habitats in the area. In addition, the species' biological taxonomy and conservation status plan is inapplicable.
- Nevertheless, we are committed to preserving the natural environment as outlined in the National Biodiversity Strategy and Action of the operation on the ground water pollution.
- Conares Steel affirms that the operations are not resulting in any harmful impact on the biodiversity in the region.



Economic Aspects



Long-term Financial Viability

- Financial viability is the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels. Assessment of financial viability is an integrated process involving a review of an organization's audited financial statements, financial performance reports, business plan and other information that supports financial analysis.
- To ensure long-term financial viability is followed, CONARES undergo yearly financial audit from MORE STEPHENS



Economic Aspects



Pursuing Innovation in processes, products and management methods

- CONARES management allows the organization to respond to external or internal opportunities, and use there creativity to introduce new ideas, processes or products.



Social Aspects



Skills & Training Development

- Annual Training Program
- Technical Workshop
- Human resources policies and procedure which covers the following:
 - Equal opportunity policy
 - Welfare policy
 - Fair employment practises
 - Labor and ethics policy



Social Aspects



Skills & Training Development

- CSR Activity
- Yearly Safety & Hygiene Campaign
- Team Building
- Annual Awards





Social Aspects



Human Rights and Ethical Labor Practices

- CONARES promote respect for workers and human rights by setting policies and procedure which covers the following
 - Equal opportunity policy
 - Welfare policy
 - Fair Employment practices
 - Labor and Ethics policy
 - A Set of Rules and Regulations with appropriate disciplinary action to be taken
 - Working Hours and Holidays are compensated for
 - Child Labor is not accepted and workers of age 20 and above are recruited





**Environmental
Aspects**



**Economic
Aspects**



**Social
Aspects**



