

Joint Press Release

MALAYSIA STEEL INSTITUTE, RAM SUSTAINABILITY SDN BHD and PENJANA EKO SDN BHD

**MOU signed by Malaysia Steel Institute (MSI) jointly with
RAM Sustainability Sdn Bhd and Penjana Eko Sdn Bhd to facilitate adoption
of Environmental, Social and Governance (ESG) in the
Iron and Steel Industry**

KUALA LUMPUR, 30 September 2022 - Malaysia Steel Institute (MSI) today signed a memorandum of understanding (MOU) with RAM Sustainability Sdn Bhd and Penjana Eko Sdn Bhd. The MOU aims to facilitate the adoption of Environmental, Social and Governance (ESG) best practices to improve the Malaysian steel industry's compliance with international standards.

According to the World Economic Forum (WEF), steel is the largest carbon emitting manufacturing sector, generating 7% of all man-made emissions. More than 85% of its energy consumption comes from fossil fuels. The emphasis for the steel industry to move towards ESG is relevant, apt, and essential.

During the signing of the MOU, CEO of MSI, Mr. Jarrod Lim Keng Yow, echoed that this collaborative effort is a crucial first step in carving a pathway to further assist the industry's adoption of ESG best practices, in line with global trends. An ESG-compliant steel industry will also in turn better support other steel-consumer industries like automotive, electrical, electronic and shipbuilding in the country.

The Deputy Group CEO of RAM Holdings Berhad & CEO of RAM Sustainability, Promod Dass highlighted that "the Malaysian steel sector should get on board the ESG train as the banking fraternity is becoming more averse to carbon-intensive sectors like steel". International cooperation on carbon pricing, carbon border tax adjustments or product specification standards will help create a differentiated and economically viable market for first movers into the low-emission steel industry. "Therefore, bringing together RAM Sustainability's ESG acumen, MSI's strong base on standards and industry network, together with Penjana Eko's access to global ESG data platform technology will be key to the development of green standards," said Penjana Eko CEO, Nor' Azamin Salleh.

**MALAYSIA STEEL INSTITUTE
30 SEPTEMBER 2022**

About MSI

MSI is an industry-driven enterprise supported and funded by the Ministry of International Trade & Industry on a shared responsibility basis with the iron and steel industry. MSI's vision is to reshape and facilitate the necessary environment for a sustainable iron and steel industry. MSI was established with the objectives to:

- Promote and develop the competitiveness, resilience and sustainability of the Malaysian iron and steel industry;
- Provide advisory services and carry out, commission, or promote the study of the scientific, technology and economic aspects of iron and steel industry development in Malaysia; and
- Promote iron and steel product standardisation and utilisation within Malaysia.

About RAM Sustainability

RAM Sustainability is a provider of sustainability services and ESG analytics. It is the first ASEAN-based provider of sustainability ratings and second opinions and has the distinction of being the first Registered Observer of the International Capital Market Associations' (ICMA) Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainability Bond Guidelines in ASEAN. It is a member of ICMA's Advisory Council to the GBP and SBP Executive Committee for a third consecutive term. On 12 August 2020, RAM Sustainability became an Approved Verifier for the certification of climate bonds under the Climate Bonds Standard & Certification Scheme after having been awarded the status by the Climate Bonds Standards Board. For further details, visit <https://www.ram.com.my/sustainability>.

About Penjana Eko

Penjana Eko is a management consulting company specialising in ESG enterprise platforms and carbon credit, trading and exchange technologies. It was set up with the idea of generating environmental / ecological solutions through innovative technology and thinking.

Penjana Eko, through exclusive agreements with our technology partners, has solutions that can help organisations collect, manage and analyse ESG data, either from the organisational perspective or the clients' perspective and facilitate more transparent and acceptable reporting. Penjana Eko's partner, Turnkey Group, a leading global ESG analytics provider, offers an ESG platform product called Sustainion – a SaaS deployment that can capture data in terms of energy, operations, water, waste, business travel, health and safety, and any other ESG-related parameter, and translate them in accordance with globally acceptable frameworks like GRI, TCFD and PRI, among many more. The platform will also help organisations achieve their Net Zero target by predicting and analysing future scenarios.

Our carbon technology partner, Metaverse Green Exchange Pte Ltd (MVGX), offers a carbon management system which is able to quantify, verify and certify carbon credits for trading while placing this on a blockchain to ensure the integrity of the carbon credit is traceable. Licensed by the Monetary Authority of Singapore, MVGX has signed partnerships with banks in Singapore to help them assess carbon emissions of potential lending clients for green funds.

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