

Methodology of the Met Coal Exit List (MCEL)

Which companies are covered by the Met Coal Exit List?

The aim of Urgewald's database is to capture all companies that are still developing new met coal mines or expanding their existing ones in terms of capacity or lifetime. The first MCEL contains 160 parent companies from around the globe, along with all relevant subsidiaries. The MCEL is a sister database of Urgewald's Global Coal Exit List (GCEL), which covers the whole thermal coal value chain.

Sources

Relevant coal-related data is mainly extracted from the companies' own reporting. This includes company websites, annual reports, financial reports, credit rating reports, and other company documents such as investor presentations and stock exchange filings. In some countries, we rely on official information provided on government-owned regional or national websites. In China, additional sources, such as bidding websites, university, and recruitment sites are used. For coal power and mining expansion data, we also check Global Energy Monitor's Global Coal Plant & Mine Trackers. When no company-specific reports are available, we refer to information from parent companies, sister companies, or subsidiaries, if they provide relevant data.

We always use the most recent information available during the research period and rely on the latest reports before the research period concludes.

Distinguishing between met and thermal coal

The distinction between thermal coal and metallurgical (met) coal is primarily demand-driven, based on their differing uses. While not all coal is suitable for use in a shaft furnace for steel production, there is no strict categorization between the two types. To determine whether a mine produces thermal or met coal, we rely on information provided by the company. In many cases, both types of coal are extracted from the same mine. When this occurs, the company is listed on both the MCEL and the GCEL. Similarly, if no specific information about the type of coal produced is available, the mine is included on both lists by default.

Listing of Subsidiaries, Affiliates, and Joint Ventures

The MCEL includes many subsidiaries (with over 50% ownership) of the companies that meet our criteria. Companies vary greatly in how they structure their business across subsidiaries. Our stance on the parent/subsidiary issue is informed by the fact that corporations often shift funds and assets between divisions and subsidiaries. Since large conglomerates may have hundreds of subsidiaries, the MCEL lists only the key subsidiaries that are directly engaged in met coal mining expansion.

For financial subsidiaries, we provide basic information, such as their coal sector activity, country of headquarters, and financial identifiers.

Affiliates or joint ventures ($\leq 50\%$ ownership) are listed separately if they are already included in the MCEL either as a parent company or as subsidiaries of another parent company.

Identification

For identification, we provide the legal name, headquarters, and website of each company. Additionally, we provide identification codes, including ISINs for shares, LEIs, Bloomberg names, and IDs upon request. There are only a few companies that cannot be identified through these systems. We use a consistent GCEL company ID, which allows financial institutions to track companies over the years.

Data Monitoring and Updates

Company Reports:

For the first year of the MCEL, our research period finished in August, and publication occurred in January of the following year. If a company does not release a report by the end of the research period, we use the latest available report, which may be up to a year old. In rare cases, older data may be used if no updated information is available and it is deemed reliable

Other Data Sources:

There are cases where information in the annual report is not the most up-to-date. For instance, if a met coal mining project is retired, converted, or sold outside the period covered by the company's report, we use more recent information and update the data accordingly. In these cases, our numbers may differ from those reported by the company.

Corporate Events:

Events such as mergers, acquisitions, or restructuring (e.g., insolvency, liquidation) can lead to the addition or removal of companies from the MCEL. These developments are accounted for during the annual review. In exceptional cases, key developments may be incorporated before the end of July.

Corrections:

If incorrect entries are discovered, the information will be updated during the year. These updates may result in the addition or removal of a company from the list but mainly focus on individual data points.

Estimates:

Wherever available, the company's own reporting is used to calculate different data points. However, sometimes companies do not provide enough information to calculate the exact numbers. In these cases, we provide a conservative estimate based on the company's available information. Estimates for annual coal production and expansion plan capacities are denoted by ">" signs. For the coal share of revenue, estimates are specified in the quality as "estimated lower bound interval", "estimated lower bound roughly", or "exact lower bound".

Watch List

Companies are removed from the MCEL if they are no longer involved in met coal mining expansion. If the information availability changes and no reliable calculations can be done anymore, the company is also removed from the list, even if it may still fulfill the criterion. We keep track of all companies researched, and even if they do not qualify for the MCEL, they are placed on our "watch list". This list also contains companies undergoing restructuring for which no reliable data is currently available. If you have any questions about a company not listed in our public database, please contact us via coalexit@urgewald.org.

No Database is Perfect

We strive to achieve a broad coverage of coal industry companies worldwide and to find and document the relevant information for each of these companies. However, gaps and uncertainties may still exist, as some information is hard to find or simply unavailable. We welcome any additions or corrections to further develop this database!

Explanation of the Columns of the MCEL:

Abbreviations:

NA: “not available”: Specific numbers are not available, but from our research we see that the company has coal activities in the respective field (e.g. coal production).

/: “not existent” or “not applicable”: no calculation possible.

NI: No information was found or is available

Empty cell: The respective information for this cell was not researched.

csr: Coal share of revenue.

HQ: Headquarters.

Mt: Million metric tons.

Column A: *GCEL Company ID*

The GCEL company ID is a unique identification number used by Urgewald throughout the years of the GCEL project. They also apply to companies listed in the MCEL.

Column B: *GCEL Company*

Indicates whether the company is also listed on the GCEL or only exists on the MCEL.

Column C: *Parent Company*

The term “Parent Company” refers to the highest level within the corporate structure of a company that fulfills the MCEL criterion. While this column is sorted alphabetically, the subsidiaries/affiliates/joint ventures appear beneath their parent company.

Column D: *Company*

Both parent companies and subsidiaries/affiliates/joint ventures appear in this column. Parent companies are marked in blue and subsidiaries/affiliates/joint ventures in white.

Column E: *Company Type*

Indicates whether the company is a parent, subsidiary (>50% ownership) or an affiliate (<50% ownership). All affiliates are at least listed a second time as a subsidiary or parent.

Column F: *Coal Industry Sector*

Coal-related activities are summarized into three sectors: Power, Mining and Services.

Financial subsidiaries are categorized as Services (finance). On the MCEL, all companies (except financial subsidiaries) are at least engaged in mining, though some may also be active in other coal industry sectors.

Column G: Country of Headquarters

Country in which the company is headquartered.

Column H: Region

Geographical region¹ where the company is headquartered.

Column I - K: Coal Share of Revenue

The met coal share of revenue (CSR) includes all revenue which is generated from met coal mining, met coal transport, and met coal marketing & trading. As detailed financial information regarding a company's coal-related business activities is not always available, we provide an estimate where possible, based on the information in the annual report or on the company's website. Column J indicates whether an estimation or an exact number is used.

If it's not possible to determine a dedicated met CSR, the total CSR is considered. Column K indicates whether the CSR applies to met coal only or to coal in general.

Business activities relevant for the calculation of the CSR include: coal mining, coal transport, coal marketing & trading, coal power & distribution, coal processing, coal equipment, coal exploration and all other coal-related activities.

Revenue from coke, coalbed methane, steel and cement production are not included in our CSR calculation.

Entry	Explanation
Number	YX percent of the company's revenue is coal-related.
0%	0% of the company's revenue is coal-related.
NA	The company has coal-related revenue, but no exact data is available.
NI	There is no information as to whether the company engages in any revenue-generating coal business.
/	The company has no operating revenue as of yet.
Empty	No entry for financial subsidiaries.

¹ guided by the United Nations geoscheme with some adaptations

Column L – M: Annual Coal Production

Column L indicates the met coal production of a company in million metric tons. If the company does not differentiate between thermal and met coal, its total coal production is recorded. This distinction is specified in Column M. In cases, where no production numbers were available, capacity numbers are used instead of indicating 'NA'.

Entry	Explanation
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Number	XY million tons coal production. If met coal production numbers are available, they show up here. If the company does not provide distinct numbers for met coal, total coal production figures are listed.
> Number	The company produces at least exactly XY million tons of coal. There could be more coal production, that cannot be assessed (exact lower bound). If met coal production numbers are available, they show up here. If the company does not provide distinct numbers for met coal, total coal production figures are listed.
0	No met coal production, but the company produces thermal coal.
NA	The company produces coal, but no exact data is available.
NI	No information as to whether the company produces coal.
/	The company has no coal production.
Empty	Not researched.

Column N: Expansion Plans Coal Mining - Countries

This column provides the name of the countries where the company's coal mining expansions are planned. The mining expansion criterion is met by companies, which are planning to develop new coal mines, extend their coal mines or the life of their coal mines by applying for new permits, or that are involved in coal exploration activities.

1. Parent companies that owns 50% or more of a subsidiary flagged for mining expansion are also considered responsible for the project and meet the criterion.
2. Parent companies that own between 10% and 50% of an affiliate or joint venture meet the criterion if the mining expansion project's capacity exceeds 10 million tons.
3. Parents companies that own less than 10% of a coal mining are not flagged as coal mine developers.

Column O: Company Website

The link to the website of the company is included here.

Column P: Company Reports

If the company has an Annual Report, the link to the report is provided here. If the company has no Annual Report, a link to other reports, such as the Financial Report (FR), Social Responsibility Report (SR), Sustainability Report (SR), Financial Statement (FS), Credit Rating Report (CRR), Environmental and Social Assessment (ESIA) is included here. When information has been obtained from the parent or subsidiary company's report, a link to the relevant report is provided here. Sometimes the information in the respective row has been obtained from the parent company's or subsidiary's report. In this case, the annual report of the parent company or subsidiary is provided here.