Independent Limited Assurance Report

to the Directors of SteelAsia Manufacturing Corporation

SteelAsia Manufacturing Corporation ("SteelAsia") commissioned DNV Business Assurance Germany GmbH (hereafter "DNV", "us" or "we") to provide limited assurance over Selected Information used by SteelAsia to calculate the product carbon footprint ("product CO_2 intensity") for the product types *Billet* and *Rebar*, calculated as the total Global Warming Potential of all Greenhouse Gas emitted as a result of production of 1 tonne of product, related to activity year 2023 at the site of: Calaca Works (High Street Manufacturing Inc.), Gate 1 Calaca Industrial Seaport, KM 117 National Highway Calaca, Batangas 4212, Republic of the Philippines.



Our Conclusion: Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material aspects, in accordance with the Criteria. In our opinion, SteelAsia's methodology and calculation of the product carbon footprint of product types Billet and Rebar, have been prepared in alignment with the WRI/WBCSD GHG Protocol Product Lifecycle Accounting and Reporting Standard. This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

Selected Information

The scope and boundary of our work is restricted to the following, including detailed KPIs listed in Appendix A of this Assurance Report:

- SteelAsia's product carbon footprint **methodology** ('SteelAsia Calaca Works PCF Report 2023.pdf', dated 23 December 2024), which is a detailed report of the processes and data sources used to calculate the product CO_2 intensities.
- SteelAsia's product carbon footprint **model** ('SteelAsia Calaca Works PCF Worksheets 2023 – final.xlsx'), which includes the inventory spreadsheets containing activity data from SteelAsia's Calaca Works and calculations of the product CO_2 intensities. The model is based on the worldsteel CO2 Report Template.
- Products covered:
  - **Billet:** I.e. Crude steel/billet. Direct output from the electric arc furnace ('EAF') melt shop.
  - **Rebar:** I.e. Hot-rolled steel reinforcing bar. Billets from the melt shop which have been hot-rolled in a subsequent production step. This implies that the rebar emissions contain all billet-related emissions in addition to emissions associated with the hot-rolling process.
- The following GHG emissions per product lifecycle stage were covered:
  - **Material acquisition and pre-processing**: Cradle-to-gate and transport emissions of feedstock materials for the melt shop (billet and rebar) and the rolling mill (only rebar).
  - **Production:** Energy-related emissions of combustible feedstock materials as well as electricity in the melt shop (billet and rebar) and rolling mill (only rebar).
- Only production and activity data from calendar year 2023 have been verified. Carbon dioxide is the only greenhouse gas considered; other gases were excluded on the basis of materiality (<5%).

Our competence, independence and quality control

DNV's established policies and procedures which are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Criteria

To assess the Selected Information, we have used the following criteria (the "Criteria");

- The publicly available Greenhouse Gas Protocol Product Life Cycle Accounting and Reporting Standard, as issued by WRI/WBCSD, and based on principles of LCA (ISO 14040/44) and product carbon footprint assessment (ISO 14067).

Scope of Work and Limitations

DNV have verified activity data related to the product lifecycle stages mentioned above and emission factors selected by SteelAsia. DNV have validated SteelAsia's methodology (report available on request from SteelAsia) and the calculation model against the criteria listed above. In the scope of this limited assurance engagement, DNV have reviewed and tested specific systems, underlying processes and datasets applied in the product carbon footprint calculations to form an opinion on the robustness of the Selected Information and their preparation in accordance with the criteria.

We have not performed any work, and do not express any conclusion, on any other information, restatements or claims that may be published in external reporting or on SteelAsia's website.

Standard and level of assurance

We performed a limited assurance engagement using the criteria listed above and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised) issued by the International Auditing and Assurance Standards Board.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 – Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

Basis of Our Conclusion

DNV used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both SteelAsia and its stakeholders. DNV applied a materiality threshold of five percent for all GHG emissions.

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Assessing the appropriateness of the Criteria for the Selected Information;
- Conducting interviews with SteelAsia data owners to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on a sample of the Selected Information to check that data had been appropriately measured, recorded, collated and reported; and
- Reviewing that the evidence, measurements and their scope provided to us by SteelAsia for the Selected Information is prepared in line with the Criteria.

For and on behalf of DNV Business Assurance Germany GmbH

Oliver Bley, Reviewer

Timothy Bankroff, Lead Auditor

Essen, Germany

24 February 2025

Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities.

Our assurance relies on the premise that the data and information provided to us by SteelAsia have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Responsibilities of the Directors of SteelAsia and DNV

The Directors of SteelAsia have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to SteelAsia in the form of an Independent Limited Assurance Conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the data or report.

Appendix A: Selected information

Life Cycle Stage	Total Emissions for Billets (tCO_2)				Emission Intensity (tCO_2/tBillet)	
	Scope 1	Scope 2	Scope 3	Total	Average	%
Material Acquisition	0	0	9.925	9.925	0,02	8%
Meltshop Production	48.695	23.850	37.450	109.995	0,26	92%
TOTAL	**48.695**	**23.850**	**47.375**	**119.920**	**0,28**	**100%**

Life Cycle Stage	Total Emissions for Rebars (tCO_2)				Emission Intensity (tCO_2/tRebar)	
	Scope 1	Scope 2	Scope 3	Total	Average	%
Material Acquisition	0	0	9.623	9.623	0,02	7%
Meltshop Production	45.831	22.447	35.247	103.525	0,26	71%
Rolling Mill Production	27.454	3.484	2.606	33.544	0,08	23%
TOTAL	**73.285**	**25.931**	**47.476**	**146.692**	**0,36**	**100%**

Material	Emission Intensity (tCO_2/ton Material)			
	Scope 1	Scope 2	Scope 3	Total
Billet	0,12	0,06	0,11	0,28
Rebar	0,18	0,06	0,12	0,36