MOODY'S RATINGS

ASSESSMENT
10 February 2026

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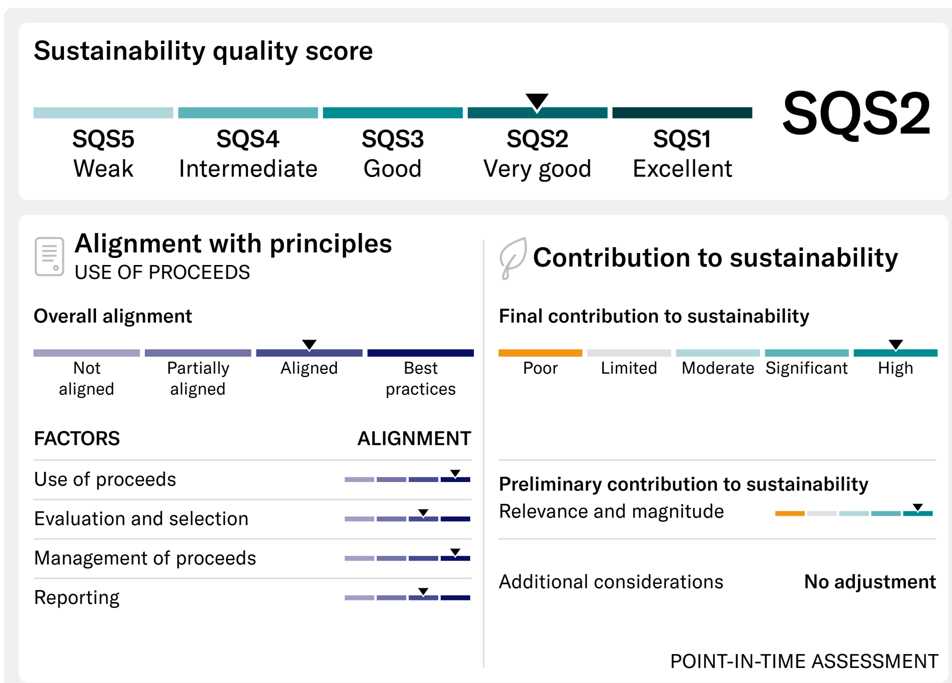
SteelAsia Manufacturing Corporation

Second Party Opinion – Sustainable Finance Framework Assigned SQS2 Sustainability Quality Score

Summary

We have assigned an SQS2 Sustainability Quality Score (Very Good) to SteelAsia Manufacturing Corporation's (SteelAsia) sustainable finance framework, dated January 2026. The issuer has established its use-of proceeds framework with the aim of financing projects across four eligible green categories and one eligible social category. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2025, Social Bond Principles (SBP) 2025, Sustainability Bond Guidelines (SBG) 2021; and Loan Market Association, the Asia-Pacific Loan Market Association and the Loan Syndications & Trading Association's (LMA/APLMA/LSTA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLP) 2025. The framework demonstrates a high contribution to sustainability.



This Second Party Opinion was originally assigned on a private basis on 6 February 2026 and is being published on 10 February 2026 at the request of the issuer.

Scope

We have provided a Second Party Opinion (SPO) on the sustainability credentials of SteelAsia's sustainable finance framework dated January 2026, including the framework's alignment with the ICMA's GBP 2025, SBP 2025 and SBG 2021; and the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. Under this framework, SteelAsia plans to issue Sustainable Finance Instruments (SFIs) to finance projects across four green and one social eligible categories, as outlined in Appendix 3 of this report.

Our assessment is based on the last updated version of the framework received on 06 February 2026, and our opinion reflects our point-in-time assessment[1] of the details contained in this version of the framework, as well as other public and non-public information provided by the company.

We produced this SPO based on our Assessment Framework: Second Party Opinions on Sustainable Debt, published in October 2025.

Issuer profile

SteelAsia Manufacturing Corporation ("SteelAsia") is a steel manufacturing company based in the Philippines, with a total production capacity of over 2.4 million metric tons of rebar annually. Headquartered in Taguig, Metro Manila, SteelAsia operates four manufacturing facilities across Luzon, Visayas, and Mindanao, with plans to expand its product line and manufacturing capacity. By 2028, the issuer aims to expand capacity to 3.9 million metric tons annually—2 million metric tons of finished steel made using the Scrap-Electric Arc Furnace (EAF) process and 1.9 million metric tons of finished steel from imported billets.

Overall, the global steel sector faces high environmental risk, particularly carbon transition challenges and regulatory pressures. Producers using blast furnaces are more exposed to Scope 1 emissions than EAF operators. The growth of EAFs to replace blast furnace production is expected to continue amid tightening global regulations and the industry's transition toward sustainable practices.

Social risks in the creation and expansion of the steel industry include community displacement or land use conflicts if not managed responsibly. Health and environmental hazards in operating steel plants due to heavy machinery and high-temperature processes impact the community where the business operates. Labor-related risks include unfair labor practices, workplace health and safety, and skills gaps. While these risks are generally well-regulated, proactive engagement and transparent practices remain critical to maintaining social license to operate.

Strengths

- Under green steel category, the issuer will finance Scrap-EAF which has greater decarbonization ability through electrification, especially when the required electricity comes from renewable sources.
- The issuer commits to using at least 70% scrap as feedstock input; thus, contributing to circularity and a substantial reduction in Scopes 1 and 3 related CO_2 emissions.
- There are clearly defined and relevant environmental objectives and benefits associated with all the eligible categories.

Challenges

- The clean transportation covers financing for electric vehicles, including but not limited to cars and buses, which pose a less significant challenge to the issuer's carbon emission footprint compared to heavy-duty trucks like flatbeds and trailers.
- There is no firm commitment on whether an external reviewer will be engaged for the impact reporting.

Alignment with principles

SteelAsia's sustainable finance framework is aligned with the four core principles of ICMA's GBP 2025, SBP 2025 and SBG 2021; and the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. For a summary alignment with principles scorecard, please see Appendix 1.

- ☑ Green Bond Principles (GBP)
- ☑ Green Loan Principles (GLP)
- ☑ Social Bond Principles (SBP)
- ☑ Social Loan Principles (SLP)
- ○ Sustainability-Linked Bond Principles (SLBP)
- ○ Sustainability Linked Loan Principles (SLLP)

Use of proceeds

Not aligned | Partially aligned | Aligned | Best practices

Clarity of the eligible categories – BEST PRACTICES

SteelAsia has clearly communicated the nature of the expenditures, including capital expenditures, operational expenditures, and research and development expenses. The framework clearly defines eligibility and exclusion criteria, particularly for the green steel category, with eligibility considerations in line with international taxonomies like the EU Taxonomy and the Singapore-Asia Taxonomy, as well as the ASEAN Taxonomy. SteelAsia has confirmed that the financed projects will be based in the Philippines.

Clarity of the environmental or social objectives – BEST PRACTICES

SteelAsia has communicated the environmental and social objectives applicable to all eligible categories. All the eligible categories under the framework are relevant to their respective social and environmental objectives to which they aim to contribute. The company has also referenced the United Nations' (UN) Sustainable Development Goals (SDGs) in articulating the objectives of the eligible categories, making the framework coherent with international standards.

Clarity of expected benefits – BEST PRACTICES

SteelAsia has clearly identified the expected environmental and social benefits for all eligible categories. These benefits are measurable and will be quantified in the company's annual post-issuance reporting, which will be made readily available to key stakeholders, including bondholders and lenders. The company has committed to disclose the expected share of refinancing prior to issuance and actual share of refinancing in post-issuance reporting. The company has specified a look-back period of 36 months. For the corporate and project debt associated with the long-lived assets that meet eligibility criteria, the look-back period is not applicable.

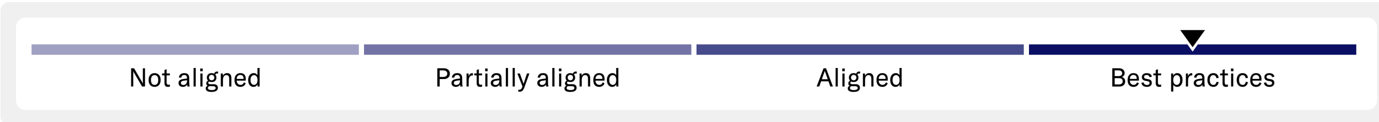
Process for project evaluation and selection

Not aligned | Partially aligned | Aligned | Best practices

Transparency and clarity of the process for defining and monitoring eligible projects – ALIGNED

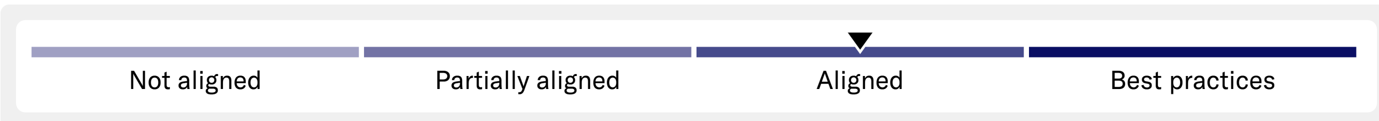
SteelAsia has established a clear and structured decision-making process for determining the eligibility of projects. This process is outlined in the framework, which will be made available to key stakeholders, including bondholders and lenders. The Sustainable Finance Committee, consisting of senior representatives from key functions—Finance, Sustainability, Operations/Project Management, Legal, Audit, and Investor Relations (as needed)—is responsible for evaluating and selecting eligible projects. These projects will be reviewed at least annually throughout the duration of the bond or loan. If a project ceases to meet the eligibility criteria for green or social initiatives, the committee will reallocate proceeds to an eligible project. The issuer has a due diligence process in place to mitigate environmental and social risks, and all SteelAsia's operating plants are externally audited for ISO 45001 (Occupational Health and Safety Management Systems).

Management of proceeds



Allocation and tracking of proceeds – BEST PRACTICES
SteelAsia has established a clear process for the management and allocation of proceeds under its framework. Proceeds will be tracked through registry, and the treasury team will monitor SFI proceeds at the portfolio level. It will adjust balances at least annually to match allocations to eligible projects. The company commits to allocate proceeds within 24 months of issuance. Temporarily unallocated proceeds will be managed according to SteelAsia's treasury and liquidity policies, and will not be invested in GHG intensive or high environmental impact activities. These details are disclosed in the framework.

Reporting

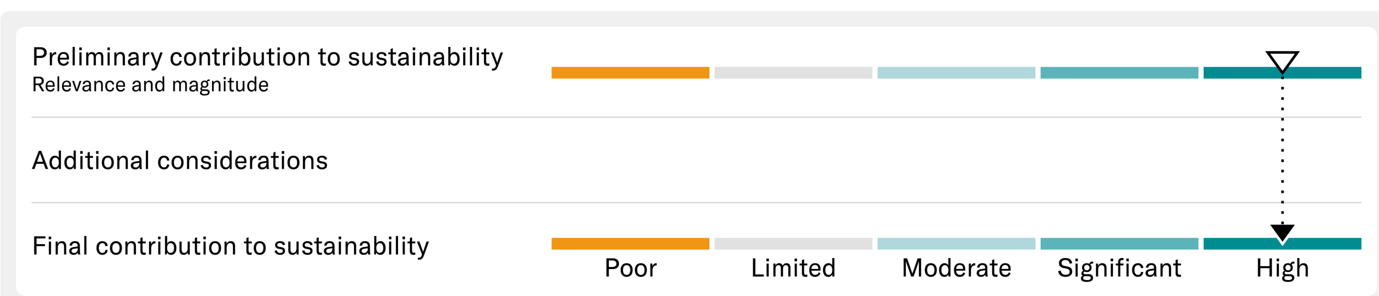


Reporting transparency –ALIGNED
SteelAsia commits to issuing allocation and impact reporting annually until full allocation of proceeds and on a timely basis in case of material developments. These reports will be disclosed on company's official website for bonds. For loans, it will be disclosed to participating lenders. It will include, at a minimum, project size by category, remaining unallocated proceeds (if applicable), share of new financing versus refinancing, and project locations where feasible. Impact reporting will cover relevant impact metrics and, where feasible, case studies for selected social projects.

The company has identified clear and relevant indicators for environmental and social benefits across all five eligible categories. The methodologies and assumptions used for calculations will be disclosed, where feasible. Allocation reporting will be subject to annual limited assurance by an independent auditor until the maturity of the bond or repayment of the loan, while impact reporting verification will be considered only where practical.

Contribution to sustainability

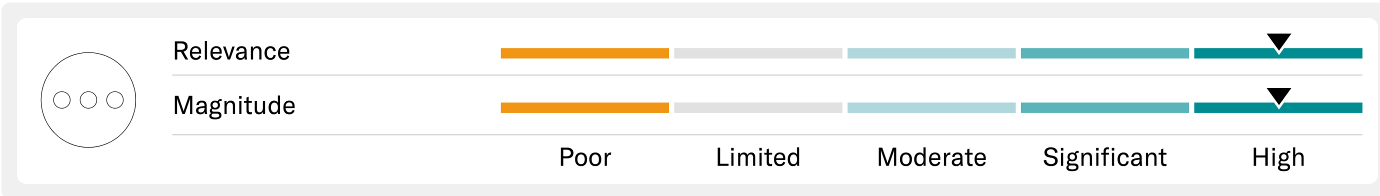
The framework demonstrates a high overall contribution to sustainability. This reflects a preliminary contribution to sustainability score of high, based on the relevance and magnitude of the eligible project categories, and we have not made an adjustment to the preliminary score based on additional contribution to sustainability considerations.



Preliminary contribution to sustainability

The preliminary contribution to sustainability is high, based on the relevance and magnitude of the eligible project categories. The issuer has indicated that 90% of the proceeds will be allocated to the 'green steel' category; therefore, we have assigned a higher weight to this category in determining the expected contribution to sustainability. A detailed assessment by eligible category has been provided below.

Green steel production

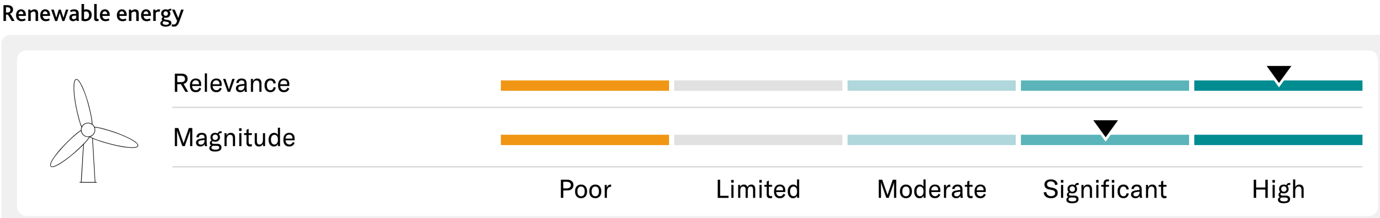


This category is highly relevant because decarbonizing the steel production process by financing low-carbon EAF method for steelmaking is crucial for both the steel manufacturing sector and the issuer. Steel production is an energy-intensive process, contributing approximately 2.8 gigatons of CO2 emissions annually, which accounted for about 7% of global CO2 emissions in 2023. The Philippines, with one of the lowest steel consumption rates in the region at 63 kg per capita compared to the world average of 225 kg per capita, is expected to see increased steel demand, driven by massive government infrastructure initiatives like “Build Better More”, rapid urbanization, and industrial expansion. Although the country heavily relies on imports of high carbon steel from blast furnaces to meet this demand, increased local investments in EAFs are enhancing the use of domestic scrap and scaling up of low-carbon steelmaking methods.

Projects financed in this category are likely to make a high contribution because, in the near term, the issuer will finance three Scrap-EAF plants that will utilize 100% scrap feedstock and be powered by long-term renewable energy contracts, with Scopes 1 and 2 emissions expected to be 0.18 tCO2/t crude steel or lower. Upcoming SFI issuances over the next two years will be used to: (a) finance working capital and capex for Calaca Works, and/or (b) expand Scrap-EAF capacity by 1.5 million metric tons across two new mills. Calaca Works, an existing plant, uses 100% local scrap and sources geothermal power through physical PPAs, achieving Scopes 1 and 2 emissions of 0.18 tCO2/t crude steel,[2] which surpasses the EU Taxonomy threshold of 0.209 tCO2e/t product. The new plants, expected to be commissioned between 2026 and 2028, will have Scopes 1 and 2 emissions similar to or lower than those of Calaca, achieving efficiency through an enhanced scrap pre-heating process. Like Calaca, they will utilize 100% scrap feedstock and be powered by long-term renewable contracts. According to our Moody's Implied Temperature Rise (ITR) tool, these financed projects are expected to align with the 1.5°C temperature rise scenario until 2040 based on the global steel sector carbon intensity benchmark and until 2050 based on the emerging-market steel sector carbon intensity benchmark. Given such visibility, we expect the near-term financing projects to highly contribute to climate change mitigation objectives.

However, it is important to note that the EAF eligibility definition under the framework is based on two sets of criteria: 1) emission intensity, set at 0.209 tCO2e/t for carbon steel and 0.266 tCO2e/t for high alloy steel for Scopes 1 and 2, aligning with current EU Taxonomy requirements; and 2) a minimum of 70% scrap input, adhering to current Singapore-Asia Taxonomy standards. A project only needs to meet one of these criteria to qualify, meaning that emission performance is not a mandatory requirement for eligibility. Consequently, on a standalone basis, if an EAF project is financed using 70% scrap without a known emission footprint, it will be considered to make a significant contribution only, as we lack visibility into the extent to which the project aligns with the 1.5°C-aligned scenario.

Renewable energy

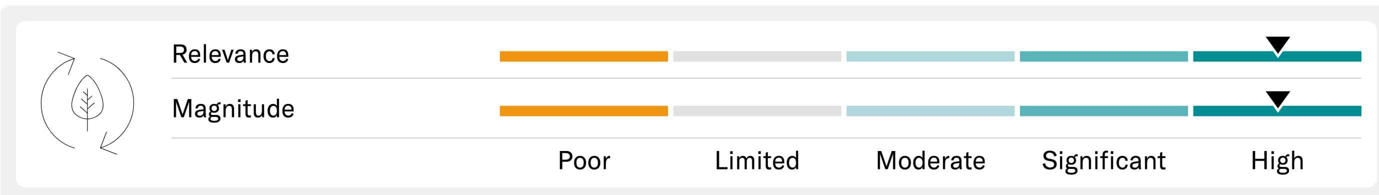


The relevance of this category is high, as both developing and procuring renewable energy capacities to power EAF steelmaking are crucial for the issuer's decarbonization efforts. Scrap-based producers likely have the ability to decarbonize faster than ore-based producers: their production is mostly electricity-based and thus switching to renewable sources serves as the main decarbonization lever. With regards to the local context, given fossil fuels contributed to more than 77% of the Philippines' electricity generation as of 2023, there is an elevated need for increased generation of renewable energy to alleviate the country's high reliance on fossil fuels and to decrease the associated high levels of carbon intensity in the local grid. The country aims to achieve a renewable energy share of 35% in power generation by 2030, 50% by 2040, and more than 50% by 2050, as per the Philippine Energy Plan (PEP) 2023-2050.[3]

The magnitude of this category is significant, as the issuer will primarily finance physical Power Purchase Agreements (PPAs), with the underlying renewable projects mostly adhering to the best available technologies. The issuer has indicated that PPAs contracts will range from 2 to 15 years, and currently it is sourcing renewable energy through several long-term PPAs.[4] The underlying projects for physical PPAs will focus on solar, wind, geothermal, and hydro energy, with minimal lock-in, except for hydro, which has an emission threshold of 100 gCO2e/kWh—less stringent than the best available technology standards.

PPAs are important for steelmakers to procure the large-scale, certified renewable energy necessary for powering EAFs and achieving decarbonization goals. With government support, more physical PPAs tied to new projects are anticipated in the energy market, supporting the issuer's efforts to secure high-impact PPAs. While physical PPAs are key to a steel producer's renewable strategy, on-site and captive renewable plants, per RE100 technical criteria, have greater impact but will receive less funding within this category. Some funds will be allocated to on-site solar PV projects located within the project or site vicinity. The issuer has confirmed that RECs and virtual PPAs are excluded, addressing concerns associated with using market instruments with limited additionality.

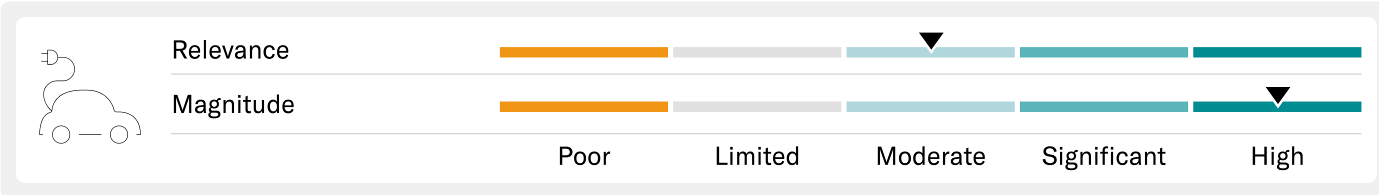
Circular economy



Projects financed under this category are highly relevant because scrap metal and by-products from steel production are essential materials for low-carbon steel manufacturing and the construction sector. Scrap metal serves as a key input for EAFs, which represent the primary approach to decarbonizing the steel industry. Research shows that currently, approximately one-third of global steel production utilizes scrap metal, and within the next five decades, secondary steel could supply nearly half of the world's steel demand. According to the World Steel Association, 90% of solid by-products generated during steel production is slag, which is commonly utilized in road base construction due to its strength and resilience, as well as in concrete for enhanced durability and reduced carbon emissions. Given its increasing demand to source scrap steel, SteelAsia's efforts to advance the circular economy within the industry are highly relevant. The issuer has confirmed that the circularity efforts, including the use of scrap metal, will not be linked to the blast oxygen furnace (BOF) process, thereby making these initiatives highly relevant to the issuer's steelmaking decarbonization efforts.

This eligible category is considered having a high magnitude because collecting, sorting, and processing scrap metal and by-products from steel plants are expected to help reduce iron ore mining and support the decarbonization of production processes. Projects that focus on recovering and processing scrap metal may assist the issuer's EAF expansion, allowing them to bypass the carbon-intensive blast furnace process used for reducing iron ore. This leads to notable emissions reductions. The issuer plans to form partnerships with large companies that generate scrap and aggregators that collect scrap from small generators to boost scrap metal collection. Recent collaborations include recycling scrap from Metro Pacific Investments Corporation and demolition waste from Ayala Land and Makati Development Corporation. SteelAsia has confirmed that no scrap metal will be processed using the BOF method, which mainly relies on coal. Although there are currently no specific thresholds set as eligibility criteria, SteelAsia aims to increase its green steel capacity from 0.5 to 2 million metric tons by 2028, largely through circularity efforts by sourcing more scrap metal.

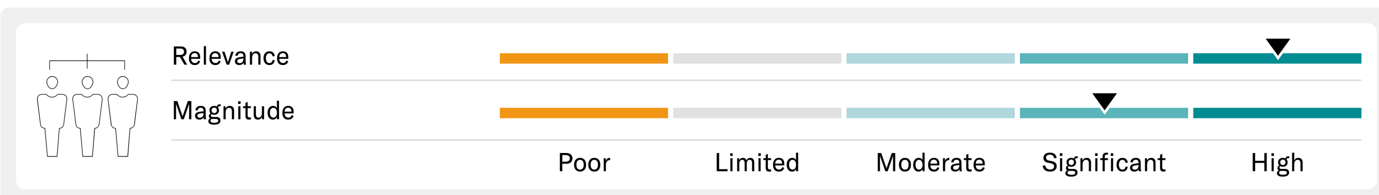
Clean transportation



The relevance of this category is moderate since it addresses a portion of direct emissions. It includes funding for electric vehicles, including but not limited to cars and buses, which have a less significant impact on a steelmaker's carbon footprint compared to heavy-duty trucks such as flatbeds and trailers. Promoting clean transportation is essential for the Philippines' decarbonization efforts because switching to cleaner vehicles reduces air pollution, combats climate change, and benefits public health. Almost 90% of GHG emissions from the Philippine transport sector come from road vehicles, and these emissions are expected to increase steadily due to economic and population growth.

Projects financed in this category have a high magnitude, as the vehicles and charging infrastructure will support decarbonization in the Philippines. The vehicles purchased will be zero-emission, use the best available technology without causing lock-in effect, and include trucks, cars and buses. SteelAsia may also finance infrastructure, such as EV charging stations, to facilitate zero-emission transport. Both the vehicles and charging stations meet the Green Tier requirements set by the latest ASEAN Taxonomy. While the environmental benefits of these projects in areas with fossil fuel-dependent electricity grids may be limited in the short to medium term, they are expected to yield substantial environmental advantages over time as the energy grid becomes cleaner.

Employment generation, socioeconomic advancement and empowerment



Employment generation is highly relevant for tackling various challenges in the Philippine job market, such as large informal economy, underemployment, skill mismatches, and declining manufacturing employment. The steelmaking industry is vital for the economic growth of developing countries like the Philippines, as it provides key materials for industrial progress, construction, infrastructure, and import substitution. The global steel industry directly employs over 6 million people, but its total economic impact supports over 50 million jobs worldwide, driven by its supply chain (raw materials, energy, and services) and downstream industries (construction and automotive), according to the World Steel Association. Although much of the Philippines' economy depends on informal employment, which provides essential income and flexibility to vulnerable groups, it also has drawbacks like job instability, lack of social protections, low wages, poor working conditions, exclusion from legal rights, and limited opportunities for skills development. The issuer's training academy aims to address these issues by offering education and employment opportunities in steel production, precisely targeting skill gaps and facilitating formal employment. This category will focus on job creation supported by four upcoming EAF facilities, fostering significant opportunities within the low-carbon economy and generating approximately 18,000 direct and indirect jobs.

Projects financed in this category demonstrate a significant magnitude because SteelAsia's Training Academy is anticipated to help develop skilled workers in the steel industry and create indirect job opportunities within host communities, particularly in second-tier cities and countryside, thereby providing long-term employment benefits. The academy provides a free five-month training course in steel manufacturing. The target population is out-of-school youth and indigenous peoples – individuals who are frequently considered vulnerable in the Philippine job market. Trainees who successfully complete the program are offered employment at SteelAsia plants, thus boosting local formal employment rates. In addition, building new plants creates indirect employment opportunities for communities in the municipalities or provinces where SteelAsia's manufacturing facilities are located, even if the beneficiaries are not necessarily among the most vulnerable populations. For example, jobs may be generated for those producing items like gloves used in steel operations. SteelAsia reports that its four upcoming EAF mills could generate approximately 18,000 direct and indirect jobs, promoting just transition and supporting broader employment goals. The company also offers free education programs to the host communities, focusing on business management and financial literacy; however, we lack visibility into how these initiatives provide structural solutions to the stated objectives.

Additional contribution to sustainability considerations

We have not made an adjustment to the preliminary contribution to sustainability score based on additional considerations.

SteelAsia manages ESG risks through a multi-level governance system. The Board of Directors and Sustainability Committee oversee strategy, while the Chief Sustainability Officer and Corporate Sustainability Office implement and monitor initiatives. At the project level, SteelAsia conducts due diligence through impact assessments, risk analysis, management plans, and emergency protocols, supported by stakeholder engagement, grievance mechanism and compliance. Compliance checks include adherence to national environmental and social standards, local laws and regulations, and international standards such as the ISO 14001 Environmental Management System and the ISO 45001 Occupational Health and Safety System.

SteelAsia's projects are aligned with its sustainability strategy, which emphasizes on climate change mitigation, circularity, and employment generation. The company is addressing its environmental footprint by scaling up green steel production using EAF technology powered by renewable energy. SteelAsia plans to expand its Scrap-EAF capacity from 0.5 million metric tons in 2025 to 2 million metric tons by 2028, while maintaining finished steel production from imported billets at 1.9 million metric tons. Circular initiatives include closed-loop steel recycling partnerships, which support sustainable growth and supply chain integration. On the social front, SteelAsia invests in workforce development and job creation through its Training Academy, promoting inclusive growth alongside its environmental objectives.

Appendix 1 - Alignment with principles scorecard for SteelAsia's sustainable financing framework

Factor	Sub-factor	Component	Component score	Sub-factor score	Factor score
Use of proceeds	Clarity of the eligible categories	Nature of expenditure	A	Best practices	**Best practices**
		Definition of content, eligibility and exclusion criteria for nearly all categories	A		
		Location	A		
		BP: Definition of content, eligibility and exclusion criteria for all categories	Yes		
	Clarity of the objectives	Relevance of objectives to project categories for nearly all categories	A	Best practices	
		Coherence of project category objectives with standards for nearly all categories	A		
		BP: Objectives are defined, relevant and coherent for all categories	Yes		
	Clarity of expected benefits	Identification and relevance of expected benefits for nearly all categories	A	Best practices	
		Measurability of expected benefits for nearly all categories	A		
		BP: Relevant benefits are identified for all categories	Yes		
		BP: Benefits are measurable for all categories	Yes		
		BP: Disclosure of refinancing prior to issuance and in post-allocation reporting	Yes		
		BP: Commitment to communicate refinancing look-back period prior to issuance	Yes		
Process for project evaluation and selection	Transparency and clarity of the process for defining and monitoring eligible projects	Clarity of the process	A	Aligned	**Aligned**
		Disclosure of the process	A		
		Transparency of the environmental and social risk mitigation process	A		
		BP: Monitoring of continued project compliance	No		
Management of proceeds	Allocation and tracking of proceeds	Tracking of proceeds	A	Best practices	**Best practices**
		Periodic adjustment of proceeds to match allocations	A		
		Disclosure of the intended types of temporary placements of unallocated proceeds	A		
		BP: Disclosure of the proceeds management process	Yes		
		BP: Allocation period is 24 months or less	Yes		
Reporting	Reporting transparency	Reporting frequency	A	Aligned	**Aligned**
		Reporting duration	A		
		Report disclosure	A		
		Reporting exhaustivity	A		
		BP: Allocation reporting at least until full allocation of proceeds, and impact reporting until full bond maturity or loan payback	No		
		BP: Clarity and relevance of the indicators on the sustainability benefits	Yes		
		BP: Disclosure of reporting methodology and calculation assumptions	No		
		BP: Independent external auditor, or other third party, to verify the tracking and allocation of funds	Yes		
		BP: Independent impact assessment on environmental and social benefits	No		
				Overall alignment with principles score:	**Aligned**

Legend: BP - Best practice, A - Aligned, PA - Partially aligned, NA - Not aligned

Appendix 2 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The five eligible categories included in SteelAsia's sustainable finance framework are likely to contribute to nine of the United Nations' Sustainable Development Goals (SDGs), namely:

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 1: No Poverty	*Employment generation, socioeconomic advancement and empowerment*	1.4: Ensure all have equal rights to economic resources, access to basic services, property ownership and finance
GOAL 4: Quality Education	*Employment generation, socioeconomic advancement and empowerment*	4.4: Increase the number of youth and adults with technical and vocational skills for employment and entrepreneurship
GOAL 7: Affordable and Clean Energy	*Renewable energy*	7.2: Increase substantially the share of renewable energy in the global energy mix
	Green steel production	7.B: Expand infrastructure and upgrade technology for sustainable energy services to all in emerging markets
GOAL 8: Decent Work and Economic Growth	*Employment generation, socioeconomic advancement and empowerment*	8.5: Achieve full, productive employment and decent work for all women and men, and equal pay for work of equal value
GOAL 9: Industry, Innovation and Infrastructure	*Clean Transportation*	9.1: Develop sustainable infrastructure to support economic development and human well-being, focusing on equitable access
	Employment generation, socioeconomic advancement and empowerment	9.2: Promote sustainable industrialization and raise industry's share of employment and GDP, and double its share in the least developed countries
	Green steel production; Renewable energy	9.4: Upgrade infrastructure and retrofit industries to make them sustainable, with all countries taking action
GOAL 10: Reduced Inequality	*Employment generation, socioeconomic advancement and empowerment*	10.3: Ensure equal opportunity and reduce inequalities, including by promoting legislation, policies and action
GOAL 11: Sustainable Cities and Communities	*Clean Transportation*	11.2: Provide access to safe, affordable, accessible and sustainable transport systems for all
	Green steel production	11.6: Reduce the adverse per capita environmental impact of cities, with special attention to air quality and waste management
GOAL 12: Responsible Consumption and Production	*Eco-efficient products and/or circular economy adapted products, production technologies and processes*	12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse
GOAL 13: Climate Action	*Green steel production; Eco-efficient products and/or circular economy adapted products, production technologies and processes*	13.B: Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries

The United Nations' Sustainable Development Goals (SDGs) mapping in this SPO considers the eligible project categories and associated sustainability objectives/benefits documented in the issuer's sustainable finance framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 3 - Summary of eligible categories in SteelAsia's sustainable finance framework

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Green steel production	» Expenditure to support the construction, development, acquisition, installation, connection and/or operation and maintenance of one or more of the following: • Manufacture of steel where greenhouse gas emissions (Scope 1 and Scope 2) do not exceed the relevant values applied to the different manufacturing steps below: - EAF high alloy steel = 0.266 tCO2e/t crude steel product; - EAF carbon steel = 0.209 tCO2e/t crude steel product • Electric Arc Furnace (EAF) - Needs to use 70% of scrap as total annual inputs; or - The combined scrap and (100%) Hydrogen based DRI meeting Taxonomy criteria for DRI (Green category) should add to at least 70% of the EAF total annual inputs Adheres to the technical screening criteria set forth in the following taxonomies: - ASEAN Taxonomy Version 4, 241[001] Manufacture of ferrous metals and materials - Commission Delegated Regulation (EU) 2021/2139, 3.9 Manufacture of iron and steel - Singapore-Asia Taxonomy for Sustainable Finance 2023 Edition, 4.3 Manufacture of basic iron and steel	Climate change mitigation	- Annual GHG emissions reduced and/or avoided (tons of CO2e)
Renewable energy	» Development, acquisition, operation and maintenance of renewable energy generation and technologies, including but not limited to: • Solar energy • Wind energy • Geothermal energy, with lifecycle emissions from generation of electricity by the entire facility lower than 100gCO2e/kWh » Expenditure, investment, acquisition in energy storage systems, including battery energy storage systems • Costs associated to the procurement of renewable energy including power purchase agreements (PPAs) Adheres to the technical screening criteria set forth in the ASEAN Taxonomy Version 4 for the following activities: - 351[021] Electricity generation using solar photovoltaic technology - 351[030] Electricity generation from wind power - 351[050] Electricity generation from geothermal energy	Climate change mitigation	- Installed renewable energy capacity (GW) - Annual renewable energy generation (GWh) - Annual GHG emissions avoided (tons of CO2e)

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Eco-efficient products and/or circular economy adapted products, production technologies and processes	» Investments in expenditure, research and development, equipment, assets and infrastructure to collect, sort and/or process scrap metal or steel plant by-products, supporting the circular economy including but not limited to the following: • Projects focused on the recovery and/or processing of scrap metal from various sources to prepare them as suitable raw material for green steel production • Projects focused on the development, recovery and/or processing of steel plant by-products (e.g. slag and dust) for industrial, construction or other applications	Climate change mitigation; Pollution prevention and control	- Annual GHG emissions reduced and/or avoided (tons of CO2e) - Reduction of waste in number / weight (kg) - Percentage of scrap steel used (%)
Clean transportation	» Investments and expenditure in low energy or emission transportation, development of projects and related infrastructure, including: • Vehicles with zero direct (tailpipe) CO2 emissions • Electric vehicles including but not limited to trucks, cars and buses • Infrastructure to support zero-emission transport i.e., EV charging infrastructure Adheres to the technical screening criteria set forth in the ASEAN Taxonomy Version 4 for the following activities: - 68[001] Electric vehicle charging stations - 492[002] Transport by motorbikes, passenger cars and light commercial vehicles	Climate change mitigation	- Annual GHG emissions reduced and/or avoided (tons of CO2e) - Number of clean vehicles deployed (e.g. electric)

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Employment generation, socioeconomic advancement and empowerment	1. Investments related to supporting employment generation in the steel sector, including SteelAsia's Training Academy. » The Training Academy aims to upskill communities, develop competent and skilled manpower while creating jobs in the Philippines. There are three key roles of the Training Academy: • Skills building and upgrading • Develop quality standards through theoretical knowledge and practical learning • Identify qualifications needed to climb the skills ladder - Target population of the trainee recruitment includes out-of-school youths and indigenous peoples 2. Investments related to supporting the creation of indirect jobs, as a result of the growth of the steel sector in the Philippines, including SteelAsia's livelihood programs. An example of the livelihood program is the creation of jobs for communities to make gloves used in the steel plant operations. - Target population includes host communities, which are communities residing in municipalities and/or provinces where SteelAsia's manufacturing plants are located in. 3. Investments related to supporting the socioeconomic advancement and empowerment of locals, including • Skills upgrading programs aimed at educating communities on managing businesses and livelihoods • Financial literacy programs aimed at educating communities on proper money management - Target population includes host communities.	Decent work; Inclusive and sustainable communities and societies	- Number of people employed - Number of people benefiting from livelihood programs - Number of people participating in skills upgrading programs, and financial literacy programs

Endnotes

1 Point-in-time assessment is applicable only on date of assignment or update.

2 SteelAsia: News (Product carbon footprint of Calaca Works - activity year 2023), 24-Feb-2025.

3 Philippine Energy Plan 2030-2050, accessed on 29-Dec-2025.

4 Think Geoenergy: Aboitiz Power eyes electricity deal with large iron and steel project, 16-Jan-2019.

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