

حديد الإمارات أركان

emirates steel arkan

Reference Number:

Date: 27/02/2024

To whom it may concern

We **Emirates Steel Industries Co. PJSC** confirm that we are calculating our Carbon footprint on the following basis: -

1. Company Greenhouse gas (GHG) emissions corporate performance based on GHG Accounting and Reporting Standard and ISO 14404-2 covering scope 1, 2, and 3. according to calculation equation detailed below:

Carbon intensity (CO₂e t/ton of steel) = [(Scope1+Scope2+Scope3) – offsets]/ steel produced

Where:

Scope1 covers: Stationary Combustion, Mobile Combustion, Fugitive Emissions, and CO₂ emissions associated with the carbon content of the raw materials consumed and output products.

Scope2 covers: Purchased Electricity

Scope 3 emissions cover indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream activities. This includes emissions from sources such as purchased goods and services, business travel, employee commuting, transportation and distribution, use of sold products, and end-of-life treatment of sold products.

2. Green steel product based on GHG Accounting and Reporting Standard and ISO 14404-2 covering the emissions inventory of three primary life cycle stages A1 to A3 (Cradle to gate) according to calculation equation detailed below:

Product Carbon intensity (CO₂e t/ton of steel) = [(Scope1+Scop2+Scope3 upstream) – offsets]/ steel produced

Where:

Scope1 covers: Stationary Combustion, Mobile Combustion, Fugitive Emissions, and CO₂ emissions associated with the carbon content of the raw materials consumed and output products.

Scope2 covers: Purchased Electricity

Scope 3 (Upstream) covers: include emissions associated with purchased goods and services, upstream transportation and distribution, process fuel combustion, electricity consumption, upstream T&D, waste, and water (as relevant to the cradle-to-gate approach)

Offsets covers: CO₂ emission reductions from the Validated Carbon capture project & Utilization of clean energy by means of purchased Renewable Energy Certificates (REC's).

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These emission calculations are verified by a third-party, an independent certification body.

Note that the relationship between life cycle stages A1 to A3 and scopes 1, 2, and 3 lies in the fact that emissions associated with each life cycle stage can be categorized within the corresponding scopes of the GHG Protocol.

It may also be noted that while the EPD (Environmental Product Declaration) provides a guidance for the GHG emissions associated with the specific steel product produced as per the process laid out in the Registered EPD Certificate, the Green Steel Certificate stands testimony to the actual GHG emissions associated with the mass of Steel Produced. It is based on the A1 – A3 GHG emissions of the product (cradle to gate), based on the Product Carbon Footprint, PCF, calculated based on ISO 14067 and follows the guidelines laid out in the Product Category Rules, PCR, for the Steel Industry. A Green Steel certificate is a verified document, based on the PCF-PCR as per ISO 14067, which confirms the GHG emissions associated with the mass of product declared in the Certificate and Emirates Steel Industries Co. PJSC, stands by the GHG emission values declared in the Certificate.

Sincerely,

Emirates Steel Industries Co. PJSC

Name of Authorized Representative : Dr. Dimitrios Dimitriou

Company Designation : Vice President ESG & Sustainability

Authorized Signature :

