

Greenhouse Gas Verification Opinion

The inventory of Greenhouse Gas emissions in the period
01/01/2023 - 31/12/2023 for

ACERINOX GROUP

has been verified in accordance with ISO 14064-3:2019 as
meeting the requirements of

GHG PROTOCOL

*For the following activities: manufacture of stainless steel at the Acerinox group
facilities:*

Acerinox Europa, S.A.U.: (Cádiz, Spain); **Roldán** (Ponferrada, Spain); **Inoxfil**
(Igalada, Spain); **North American Stainless. "NAS"** (Kentucky, USA.);
Columbus Stainless (Middelburg, South Africa); **Bahru Stainless** (Johor Bahru,
Malaysia); **VDM Metals GMBH** (Unna, Duisburg, Siegen, Altena y Werdohl in
Germany & New Jersey and Nevada in USA)

Approved by



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Date: 29th August 2024

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This Opinion is not valid without the full verification scope, objectives, criteria and conclusion available on pages 2 to

7 of this Opinion



Greenhouse Gases Verification Opinion

ACERINOX GROUP provided the GHG statement based on the requirements of GHG Protocol. The GHG emissions for the year 2023 have been verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

The emissions are broken down into the following categories:

t CO2e	Year 2023
Scope 1- Direct GHG emissions	778,992
Scope 2- Electricity indirect GHG emissions	1,483,866
Scope 3- Other indirect GHG emissions	3,384,875
TOTAL	5,647,734

EMISSIONS	GHG CATEGORIES	STAINLESS (tCO2e)	HIGH-PERFORMANCE ALLOYS (tCO2e)
DIRECT	1. 1. Stationary	535,105	105,712
	1. 2. Mobile	6,200	0
	1. 3. Process	125,211	1,642
	1. 4. Fugitives	5,029	95
	TOTAL DIRECT	671,544	107,448
INDIRECTS	2. 1. Energy	1,454,623	29,243
	3. 1. Purchased Goods and Services	2,350,237	247,079
	3. 3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	209,356	10,125
	3. 4. Upstream Transportation and Distribution	47,737	1,280
	3. 5. Waste Generated in Operations	252,158	355
	3. 6. Business Travel	1,001	88
	3. 7. Employee Commuting	6,649	1,438
	3. 9. Downstream Transportation and Distribution	249,127	7,179
	3.12. End-of-Life Treatment of Sold Products	1,039	27
TOTAL INDIRECT	4,571,928	296,814	
TOTAL ACERINOX GROUP	5,243,472	404,262	



SGS has planned and performed the current work to obtain the information, explanations and evidence considered necessary to provide a limited level of assurance that the CO2 equivalent emissions for the year 2023 are fairly stated.

Our verification of the GHG Statement of ACERINOX GROUP includes the evaluation of the GHG information system, its control, and its notification protocol. This verification has included the collection of evidence supporting the reported data, and the verification of the correct application of ACERINOX GROUP procedures.

Opinion

Based on the process and procedures conducted, SGS concludes that there is no evidence that the presented GHG statement:

- Is not materially correct and is not a fair representation of GHG data and information, and
- Has not been prepared in accordance with the requirements of GHG Protocol, in relation to its quantification, control and notification.

This opinion shall be interpreted with the GHG statement "Informe GEI Acerinox 2023. Abril 2024" as a whole.



Note: This Opinion is issued, on behalf of Client, by SGS Tecnos S.A.U. ("SGS") under its General Conditions included in http://www.sgs.com/terms_and_conditions.htm. A full copy of this opinion and the supporting GHG Statement may be consulted at ACERINOX GROUP. This Opinion does not relieve Client from compliance with any bylaws, federal, national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are not binding on SGS and SGS shall have no responsibility vis-à-vis parties other than its Client.

Schedule Accompanying Greenhouse Gas Verification Opinion

SGS has been contracted by ACERINOX GROUP, for the verification of direct and indirect carbon dioxide (CO₂) equivalent emissions as provided by ACERINOX GROUP in their GHG statement “Informe GEI Acerinox 2023. Abril 2024”, covering the period 01/01/2023 - 31/12/2023 and considering 2021 as the base year.

Responsibilities

The Director of Sustainability and Communications of ACERINOX GROUP is responsible for the organization’s GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.

It is SGS’ responsibility to express an independent GHG verification opinion on the GHG emissions as provided in their GHG Statement for the period 01/01/2023 - 31/12/2023,

SGS conducted a third party verification following the requirements of GHG Protocol and ISO 14064-3:2019 of the provided GHG statement “Informe GEI Acerinox 2023. Abril 2024”, for the period 01/01/2023 - 31/12/2023.

Level of Assurance

The level of assurance agreed for the assignment is a limited level of assurance.

Scope

ACERINOX GROUP has commissioned an independent verification by SGS of reported CO₂ equivalent emissions arising from their activities, to establish conformance with the requirements of GHG Protocol in their facilities located in:

- **Acerinox Europa** (Palmones-Los Barrios, Cádiz, Spain)
- **Roldán** (Ponferrada, Spain)
- **Inoxfil** (Igalada, Spain)
- **North American Stainless. “NAS”** (Kentucky, USA)
- **Columbus Stainless** (Middelburg, South Africa)
- **Bahru Stainless** (Johor Bahru, Malaysia).
- **VDM Metals GMBH** (Unna, Duisburg, Siegen, Altena y Werdohl in Germany & New Jersey and Nevada in USA).



The reporting boundaries have been:

- Scope 1: Direct GHG emissions:
 - Category 1.1: Emissions from stationary combustion sources.
 - Category 1.2: Emissions from mobile combustion sources.
 - Category 1.3: Emissions from process combustion sources.
 - Category 1.4: Fugitive emissions from air conditioning equipment.
- Scope 2: Electricity indirect GHG emissions:
- Scope 3: Other indirect GHG emissions:
 - Category 3.1: Emissions from purchased goods and services.
 - Category 3.3: Emissions from fuel and energy-related activities not included in scope 1 or scope 2.
 - Category 3.4: Emissions from upstream transport and distribution.
 - Category 3.5: Emissions from waste management generated in operations.
 - Category 3.6: Emissions from business travel.
 - Category 3.7: Emissions from the commuting of employees.
 - Category 3.9: Emissions from downstream transport and distribution.
 - Category 3.12: Emissions from end-of-life treatment of products sold.



The exclusions have been:

- Emissions from the supply of non-significant raw materials not covered by GRI and EU ETS.
- Emissions from water consumption and treatment: Excluded due to its low significance in emissions.
- Emissions from the transport of customers and visitors. Excluded due to lack of access to information and low influence.
- Emissions from the supply of non-main auxiliary materials.
- Emissions derived from the use of services: (advice, cleaning, maintenance, postal delivery, banking, etc.). Excluded due to lack of accuracy of the available data and low influence.
- Emissions from the use phase of the product. Excluded due to the low magnitude of emissions, access to information and level of influence.
- Downstream leased asset issuances. Excluded due to the low accuracy of the data, poor access to information and partial influence.
- Investment issues. Excluded due to the low accuracy of the data, poor access to information and partial influence.
- Other indirect emissions not identified in the above categories. No other indirect emissions are identified.

The organizational boundaries were established following the **operational** control approach.

This engagement covers verification of emissions and removals of greenhouse gases included within the organization's boundaries and meets the requirements of ISO 14064-3:2019.

- **Title and description of activities:** Verification of the GHG statement for ACERINOX GROUP year 2023.
- **Location of the activities:**
 - **Acerinox Europa** (Palmones-Los Barrios, Cádiz, Spain)
 - **Roldán** (Ponferrada, Spain)
 - **Inoxfil** (Igalada, Spain)
 - **North American Stainless. "NAS"** (Kentucky, USA)
 - **Columbus Stainless** (Middelburg, South Africa)
 - **Bahru Stainless** (Johor Bahru, Malaysia).
 - **VDM Metals GMBH** (Unna, Duisburg, Siegen, Altena y Werdohl in Germany & New Jersey and Nevada in USA)
- **Activities of the organization:** manufacture of stainless steel.
- Types of **GHGs** included: CO₂, CH₄, N₂O, HFCs, SF₆, NF₃ and PFC.
- The **verification** period is: 01/01/2023 - 31/12/2023

Objectives

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the CO₂ equivalent emissions are as declared by the organization's GHG statement.
- That the data reported are accurate, complete, consistent, transparent and free of material error or omission.
- Whether the inventory system complies with the criteria and scope established in the GHG Protocol.

Criteria

Criteria against which the verification assessment is undertaken are the requirements of ISO 14064-3:2019.

Materiality

The materiality required of the verification was considered by SGS to be below 10%.

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