

# Independent Limited Assurance Report

to the Directors of Swiss Steel Holding A.G.

Swiss Steel Holding A.G. (“Swiss Steel”) commissioned DNV Business Assurance Germany GmbH (“DNV”, “us” or “we”) to conduct a limited assurance engagement over Selected Information presented in the “Swiss Steel Group - Annual Report 2022” and on the sustainability section of the SSG website (the “Report”), for the year ended 31 December 2021.



## 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.

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 metrics included within the Report (the “Selected Information”), listed in Appendix A.

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used the following criteria (the “Criteria”);

- The publicly available Greenhouse Gas Protocol for Corporate Accounting and Reporting Standard, as issued by WRI/WBCSD;
- Swiss Steel’s corporate GHG reporting manual which is a methodology document [summary available on request from Swiss Steel] for calculating GHG emissions and CO<sub>2</sub>e intensities
- Swiss Steel’s carbon emissions reporting criteria, which can be found here: <https://www.swissgreensteel.com/uploads/content/greensteel/SSG-Emissions-Reporting-Principles.pdf>

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on Swiss Steel’s website for the current reporting period or for previous periods.

## 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.

## Standard and level of assurance

We performed a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, 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

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 Swiss Steel management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Site visits to Ascometal (Fos-sur-Mer & Hagondange), Deutsche Edelstahlwerke (Hagen, Krefeld, Siegen, Witten), Finkl Steel (Chicago, Sorel), Steeltec (Emmenbrücke), Ugitech (Imphy, Milan, Ugine) to review processes and systems for preparing site level data consolidated at Head Office. We were free to choose sites, selection was on the basis of materiality;
- Performing limited substantive testing on a sample of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by Swiss Steel for the Selected Information is prepared in line with the Criteria; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

## DNV Business Assurance Germany GmbH

Essen, Germany

8 March 2023

## 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 Swiss Steel 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 Swiss Steel and DNV

The Directors of Swiss Steel 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 Swiss Steel 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 Report.

Appendix A: Selected information

Metric	Unit	Value
Scope 1 CO2 emissions, SSG Group, absolute	kt CO2e	595
Scope 1 CO2 emissions, SSG Group, intensity	t CO2e/t at-gate	0.32
Scope 1 CO2 emissions, melt shops, absolute	kt CO2e	199
Scope 1 CO2 emissions, rolling mills, absolute	kt CO2e	166
Scope 1 CO2 emissions, melt shops, intensity	t CO2e/t crude steel	0.094
Scope 1 CO2 emissions, rolling mills, intensity	t CO2e/t hot-rolled steel	0.100
Scope 2 (market-based) CO2 emissions, SSG Group, absolute	kt CO2e	311
Scope 2 (market-based) CO2 emissions, SSG Group, intensity	t CO2e/t at-gate	0.167
Scope 2 (market-based) CO2 emissions, melt shops, absolute	kt CO2e	214
Scope 2 (market-based) CO2 emissions, rolling mills, absolute	kt CO2e	24
Scope 2 (market-based, net) CO2 emissions, rolling mills, absolute	kt CO2e	22
Scope 2 (market-based) CO2 emissions, melt shops, intensity	t CO2e/t crude steel	0.101
Scope 2 (market-based, net) CO2 emissions, rolling mills, intensity	t CO2e/t hot-rolled steel	0.013
Scope 2 (location-based) CO2 emissions, SSG Group, absolute	kt CO2e	332
Scope 2 (location-based) CO2 emissions, SSG Group, intensity	t CO2e/t at-gate	0.18
Scope 2 (location-based) CO2 emissions, melt shops, absolute	kt CO2e	224
Scope 2 (location based) CO2 emissions, rolling mills, absolute	kt CO2e	26
Scope 3 (category 1), SSG Group, absolute	kt CO2e	1,378
Scope 3 (category 1), SSG Group, intensity	t CO2e/t at-gate	0.74
Scope 3 (category 1), melt shop and rolling mills, absolute	kt CO2e	1277
Scope 3 (category 3), SSG Group, absolute	kt CO2e	89
Scope 3 (category 3), SSG Group, intensity	t CO2e/t at-gate	0.048
Scope 3 (category 3), melt shop and rolling mills, absolute	kt CO2e	42
Scope 3 (category 4), SSG Group, absolute	kt CO2e	115
Scope 3 (category 4), SSG Group, intensity	t CO2e/t at-gate	0.062
Scope 3 (category 4), melt shop and rolling mills, absolute	kt CO2e	59
Scope 3 (category 5, net), SSG Group, absolute	kt CO2e	66
Scope 3 (category 5, net), SSG Group, intensity	t CO2e/t at-gate	0.036
Scope 3 (category 5, net), melt shop and rolling mills, absolute	kt CO2e	66
Scope 3 (category 6), SSG Group, absolute	kt CO2e	0.9
Scope 3 (category 6), SSG Group, intensity	t CO2e/t at-gate	0.001
Scope 3 (category 6), melt shop and rolling mills, absolute	kt CO2e	0.6