This slide deck incorporates slides from two calls on ResponsibleSteel GHG Requirements: Upstream Scope 3 emissions (including default data):

1\textsuperscript{st} February 2022, 8.00am – 9.30am (GMT)
1\textsuperscript{st} February 2022, 16.00pm – 17.30pm (GMT)

The content of the two calls was the same, but the order in which issues were discussed was changed for the 2\textsuperscript{nd} call. The lists of issues on slides 6 & 7 shows the order of discussion for the 1\textsuperscript{st} call, and the lists on slides 11 & 12 shows the order for the 2\textsuperscript{nd} call. I have included both decks as this may be helpful if you are reviewing the slides against the Zoom recordings for the two sessions.
ResponsibleSteel GHG Requirements:
Upstream Scope 3 emissions (including default data)

1st February 2022, 8.00am – 9.30am (GMT)
1st February 2022, 16.00pm – 17.30pm (GMT)
ResponsibleSteel™ is committed to complying with all relevant antitrust and competition laws and regulations. Failure to abide by these laws and regulations can potentially have extremely serious consequences for ResponsibleSteel™ and its members, including heavy fines and, in some jurisdictions, imprisonment for individuals. ResponsibleSteel™ has therefore adopted an Antitrust Policy, compliance with which is a condition of ResponsibleSteel™ membership and participation. You are asked to have due regard for this Policy today and indeed in respect of all other ResponsibleSteel™ activities.

1. Upstream Scope 3 emissions
Agreement in principle:
• Generally high level of support for general approach of Criterion 8.4
• The basis for determining the GHG emissions intensity of steel should take a ‘mine to crude steel’ approach

Key issues for finalisation (8.4.2, 8.4.3):
• Scope to include upstream emissions associated with extraction, processing and transportation of input materials (8.4.2.a)
• Which input materials should be considered? (see list, 8.4.3.a)
• Specific guidance on the requirements applicable to different types of input materials (8.4.3.b, and see guidance notes and table)
• The use of supply-specific data vs industry-average, supplier-average or ‘indicative’ upstream emissions factors (8.4.1.d, and 8.4.3.d)
Issues arising...

- **Primary vs default data (1):** how to operationalise ‘preference’ for primary data?
- **Primary vs default data (2):** what if top decile data not available?
- **Should mining companies be required to include their own upstream scope 3 emissions in their GHG measurement and reporting?**
- **Whose responsibility is it to measure and ‘own’ the GHG emissions of transportation from mine gate through to steelmakers input?**
- **How should mines allocate emissions between multiple products that are co-produced at the same mine?**
- **Exclusion of offsets (by steelmakers, and mine sites)**
- **Offsets: definitions**
- **Scope 2, renewable energy certificates, RECS (steelmakers and mine sites)**
- **CCS accounting rules**
- **Application and verification of GHG accounting rules to sites not directly covered by the RS standard**
- **Does mine level disclosure have to be site specific?**
- **GHG emissions of charcoal**
- **Linkage with ESG issues for charcoal – deforestation/ degradation**
Issues...

- **Primary vs default data (1):** how to operationalise ‘preference’ for primary data?
- **Which GHGs are measured by mines?**
- **Requirement for RS-certification for pig iron, DRI, GRI, HBI**
- **Concerns about consistency of approach by mines sited in different jurisdictions**
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**Upstream Scope 3 emissions**

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Issues arising...

• Application and verification of GHG accounting rules to mine sites
• Which GHGs must be measured by mines?
• Should mining companies be required to include their own upstream scope 3 emissions in their GHG measurement and reporting?
• Offsets:
  • Exclusion of offsets from crude steel GHG emissions intensity determination (by steelmakers, and mine sites)
  • Offsets: definitions
• CCS accounting rules
• Scope 2, renewable energy certificates, RECS (steelmakers and mine sites)
• How should mines allocate emissions between multiple products that are co-produced at the same mine?
• Concerns about consistency of approach by mines sited in different jurisdictions
• Does mine level disclosure have to be site specific?
• Whose responsibility is it to measure and ‘own’ the GHG emissions of transportation from mine gate through to steelmakers input?
Issues arising...

- **Charcoal:**
  - GHG emissions of charcoal
  - Linkage with ESG issues for charcoal – deforestation/ degradation

- **Primary vs default data:**
  - How to operationalise ‘preference’ for primary data?
  - what if top decile data not available?

- **Requirement for RS-certification for pig iron, DRI, GRI, HBI**