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## **Introduction to the Steel Production Greenhouse Gas Emissions Calculation Methodology Guidelines**

In recent years, there has been a surge of interest in the calculation and reporting of greenhouse gas (GHG) emissions from industrial sectors as part of a broader focus on decarbonization in the United States and around the world. These GHG emissions values are used in various ways, including in environmental disclosures and reports, policy and trade decision-making, life cycle assessment studies involving steel products, sustainable certifications and sustainability messaging or marketing. As a result, various U.S. and international groups are studying and developing calculation approaches to determine GHG emissions from steel production to develop standards, policies, procurement frameworks and decarbonization roadmaps.

This document aims to provide clarity on the topic of GHG emissions calculations and presents a set of guidelines for use when engaging in initiatives and policy-related discussions pertaining to the development of carbon steel and stainless steel production GHG emissions calculations. It is designed to be a living document and will be updated to reflect new standards and evolving best practices as they emerge. It is not intended to be a new standard but is instead intended to inform efforts underway by others working to directly or indirectly develop GHG emissions calculation methodologies.

The primary objective of this document is to establish a consistent and robust calculation approach for GHG emissions from steel production with a focus on product-level disclosures and corporate-level reporting. It includes guidance on important aspects of these calculations, including the scope of any assessment, incorporation of renewable energy credits (RECs) and power purchasing agreements (PPAs), biogenic inputs, co-product allocation and carbon offsets.