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American

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Iron and Steel

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AISI RELEASES GHG EMISSIONS GUIDELINES FOR STEEL

WASHINGTON, D.C. -The American Iron and Steel Institute (AISI) today released recommended steel industry greenhouse gas (GHG) emissions calculation guidelines to provide consistent and comprehensive data across the industry on GHG emissions from steel production, with a focus on product-level disclosures and corporate-level reporting. The proposed guidelines are the result of months-long collaboration with key American steel producers and Institute staff.

"The American steel industry's leadership on reducing emissions is well-known, but there are often disparate sources and avenues for calculating and reporting. Our industry wants to remain transparent, accurate and outspoken in our advocacy on decarbonization-related activities — and these guidelines can be an important tool to achieve those goals," said Kevin Dempsey, AISI president and CEO. "AISI staff researched and compiled information on how external initiatives and programs are addressing scoping and methodology for GHG emissions which has resulted in this initial set of recommendations. A consistent set of data will help ensure policymakers and other stakeholders employ the most accurate information in their decision-making."

Highlights of the recommendations for GHG emissions calculation are:

- Calculations should include a comprehensive "cradle-to-gate" (all processing steps required to manufacture a defined product) scope analogous to Scope 1, 2, and upstream raw materials, energy, and transportation Scope 3 emissions;
- Calculation of direct (Scope 1) emissions should use the EPA GHG Reporting Rule methodology for U.S.-based facilities, with the addition of those facilities below the 25,000 metric tons CO₂e per year reporting threshold;
- Emissions from the purchase of electricity should be based on local electricity grid factors and reflect renewable energy instruments in specified instances; and
- Emissions should be calculated at the product level for trade, procurement, and environmental product declaration purposes, while a company-wide basis should be used for corporate reporting

25 Massachusetts Avenue, NW Suite 800 Washington, DC 20001 Dempsey concluded that the recommendations are not intended to be a formal industry standard, but a means to inform efforts underway by American and international steel producers and others working to develop GHG emissions calculation methodologies.

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AISI serves as the voice of the American steel industry in the public policy arena and advances the case for steel in the marketplace as the preferred material of choice. AISI's membership is comprised of integrated and electric arc furnace steelmakers, and associate members who are suppliers to or customers of the steel industry. For more news about steel and its applications, view AISI's website at <u>www.steel.org</u>. Follow AISI on <u>Facebook</u> or Twitter (<u>@AISISteel</u>).