

# Independent Validation Opinion

DNV Business Assurance Korea Ltd. (hereafter “DNV”) has been commissioned by Aju Steel Co., Ltd. (hereafter “Company”) to conduct an independent third-party validation of self-declared environmental claims for products produced at the CGCL plant in Korea<sup>1</sup>.

## Scope of Validation

The validation was conducted against ‘the Aju steel environmental policy statement\_REV.1’ (hereinafter referred to as “Statement”) which prepared by the Company, and focusing on the following criteria:

- Type of Environmental Claim: Greenhouse Gas (GHG) emissions
- Declaration Unit: 1 ton of products (color steel sheets and panel inner plates) produced by CGCL
- Process: CGCL (Combined Galvanizing and Color Coating Line)
- System Boundary: Gate-to-Gate
- Purpose of Environmental Declaration: Improvement of GHG emissions per declaration unit product by introduction of the CGCL process
- Data Collection Period: (Baseline) January 1, 2023 ~ December 31, 2023  
(Project) July 11, 2024 ~ August 22, 2024
- Evaluation Methodology: GHG emission reductions according to ISO 14064-2

## Validation Criteria

The validation was referred to the principles and requirements of ‘ISO 14020:2000’, ‘ISO 14021:2016’, ‘ISO 14067:2018’ and ‘ISO 14064-2:2019 (Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of GHG emission reductions or removal enhancements)’. DNV’s validation was performed in accordance with the GHG validation principles of ISO 14064-3:2019 (Part 3: Specification with guidance for the verification and validation of GHG statements) under the limited assurance level. DNV assessed the validity of the data on energy consumption and product production volume for the baseline plant in 2023 and assessed the appropriateness of the method for calculation the reduction in GHG emissions for products based on the energy consumption of the CGCL plant in 2024.

## Limitations

The scope of the validation is limited to the GHG emission reductions for the target process products, calculated based on the ‘Statement’ prepared by the company. The company is required to calculate GHG emissions according to the requirements of ISO 14021, which necessitates a partial product carbon footprint calculation according to ISO 14067. However, due to data collection limitations, the environmental declaration of the product was conducted by estimating the reduction before and after the introduction of the CGCL process according to ISO 14064-2. This evaluation was conducted based on the activity data provided by the company for the period and the equipment within the selected process. DNV does not offer the guarantee of reliability if any material changes of the process or data occur after the validation.

## Opinion

DNV evaluated the GHG emission reductions for products produced by the CGCL plant based on the company’s ‘Statement’ and found no material errors or inappropriate calculations according to the above criteria. DNV recommends that the company is specific as to the environmental aspect or environmental improvement which is claimed as a product’s entire process or life cycle perspective.

### Responsibilities of the Directors of Aju Steel and DNV

The Company has sole responsibility for the preparation of the ‘Statement’. Our opinion represents our independent opinion and is intended to inform all related stakeholders.

DNV was not involved in the preparation of any statements or data included in the Assessment except for this validation opinion.

DNV’s assurance engagement is based on the assumption that the data and information provided by the Company to us as part of our review 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 Independent Validation Opinion.

### Competence and Independence

DNV’s established policies and procedures 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 GHG assurance professionals.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019 – Conformity Assessment Requirements for validation and verification bodies, 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.

### DNV - Business Assurance

DNV Business Assurance Korea Ltd. is part of DNV Group, a global provider of certification, verification, assessment and training services, assisting customers to achieve sustainable business performance.

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<sup>1</sup> Location on CGCL plant: 107, Industrial Complex 5-ro, Eomo-myeon, Gimcheon-si, Gyeongsangbuk-do

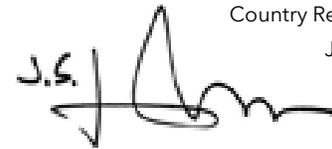
## Conclusions

DNV confirms that the GHG emission reductions of products produced at the CGCL plant in 2024 (compared to the previous process) is calculated as below.

Product Type	Result of Emission reduction (tCO <sub>2</sub> /ton-product)	Remarks
color steel sheets, panel inner plates	0.17684	GHG emission reductions compared to the previous process in the company

September 27, 2024  
Seoul, Korea

**DNV Business Assurance Korea**



Country Representative  
Jang-Sup Lee