

# Independent Limited Assurance Report

## to the Management of Georgsmarienhütte GmbH.

Georgsmarienhütte GmbH (“Georgsmarienhütte”) commissioned DNV Business Assurance B.V., (“DNV”, “us” or “we”) to perform a limited assurance engagement over Selected Information used by Georgsmarienhütte as the basis for the certification in accordance with the Low Emission Steel Standard (LESS) for the labelling of products produced at their site at Georgsmarienhütte, Germany.

### Our Conclusion is as follows:

**Statement on the validation of the determination model.** In our opinion based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Georgsmarienhütte’s “Manual for calculating the emissions of rolled steel according to Low Emission Steel Standard, v1.4” (“Selected Information”) has not been prepared, in all material aspects, in accordance with the “Rulebook for the classification system in LESS<sup>1</sup>” (“Criteria”).

**Statement on the verification outcome.** In our opinion based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the LESS classification warranties (Label Classes ‘B’, ‘C’ and ‘D’) (“Selected Information”) prepared by Georgsmarienhütte are not fairly stated and have not been prepared, in all material respects, in accordance with Georgsmarienhütte’s “Manual for calculating the emissions of rolled steel according to Low Emission Steel Standard, v1.4”.

This conclusion relates only to the Selected Information and is to be read in the context of this Assurance Report, particularly the inherent limitations explained overleaf. A detailed Audit Report has been prepared and shared with Georgsmarienhütte Management and the LESS Standard aisbl.

## Selected Information

The scope and boundary of our work is restricted to the ‘**determination model**’ (methodology), **software** and **LESS label classes** described below (the “Selected Information”):

- Georgsmarienhütte’s **determination model** that sets out the calculation steps, system boundaries and other aspects in line with LESS.
  - Manual for the calculation of the Product Carbon Footprint for products of Georgsmarienhütte GmbH - Revision 1
  - Manual for calculating the emissions of rolled steel according to Low Emission Steel Standard – Version 1.4
- Georgsmarienhütte’s underlying **GHG calculation software**
  - Infradat (PCF calculation)
  - Qlik Sense (Calculation of scrap content, adjustments and label classes on a batch-level and on a 20-batch-average)
- **Georgsmarienhütte’s LESS Label Class B, Class C and Class D** calculated using the determination model and GHG calculation software described above for **quality steel** (‘Qualitätstahl’ according to the LESS definition) products produced at Georgsmarienhütte.
  - Data used in these calculations are taken from ‘real-time’ datasets which include data from the current accounting period (year to date). These datasets are collected within the same data collection systems that are used for reporting data under the EU Emissions Trading Scheme. These datasets **do not** include data from previous accounting periods that have already been audited for EU Emissions Trading Purposes.

## Criteria

We assessed the Selected Information against the following **Criteria** and **definitions** (the “Criteria”):

- Rulebook for the classification system of LESS – Version 1.1, published by WV Stahl
- Operator guidelines for LESS – Version 1.0, published by LESS aisbl<sup>1</sup>

## 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;
- Reviewing Georgsmarienhütte’s data, software and calculations as they were prepared in accordance with the criteria;

## Our competence, independence and quality control

DNV 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 sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

<sup>1</sup> <https://www.stahl-online.de/less/>

**Basis of our conclusion (contd.)**

- Site visit to Georgsmarienhütte’s Headquarter in Georgsmarienhütte including on-site audit on the 24<sup>th</sup> and 25<sup>th</sup> of February 2025;
- Performing limited substantive testing on a sample of the Selected Information to check that data had been appropriately collated and reported;
- The full audit report of this assurance engagement.

**Limitations & Validity**

DNV’s assurance focused on the validation of the determination model, and the calculation procedure of the LESS label classes based on the use of real-time data (see Selected Information above). The verification included the continued use of the determination model and its procedures, appropriate classification of products within groups, and confirmation and reporting of the PCF certificate, including applicable standards. No assurance is provided for specific values generated from real-time datasets. When DNV re-verifies Georgsmarienhütte according to LESS in 2026 we will also verify that the LESS labels issued after the date of this assurance statement are in accordance with the Criteria of this assurance. This assurance statement remains valid for a period of three years, provided that annual re-verification audits are conducted and confirm continued compliance throughout that time.

**Standard and level of assurance**

We performed a limited assurance engagement using the verification protocol “ISO 14064-3: 2019: Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions”.

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 – General principles and 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.

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 opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

**For and on behalf of DNV Business Assurance B.V.**

*JP Woodhead*

**Jon Woodhead, Lead Verifier**

*T-Bankroff*

**Timothy Bankroff, Technical Reviewer**

Barendrecht, Netherlands

15.08.2025

**Responsibilities of the Management of Georgsmarienhütte and DNV**

The Management of Georgsmarienhütte 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 reporting to stakeholders

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 Georgsmarienhütte 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 data or calculations, or any other information published about the Selected Information.

**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 Georgsmarienhütte 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 Limited Assurance Report.