

AÇO VERDE DO BRASIL S/A.

Address: BR 222 – Gleba Itinga; Km 14,5; Lote 69; Dist. Ind. de Pequiá; ZipCode 65930-000; Açailândia- MA

The Greenhouse Gas Emissions Inventory for the **year 2025** has been verified in accordance with the requirements of the **ISO 14064-1:2018, Brazilian GHG Protocol Program**

For the following activities:

"Production and marketing of pig iron, steel bills, long steel rolled products, electric power and gases (nitrogen, argon and oxygen)"

Total Emissions

Scope 1: 34,596.490 tons of CO₂ equivalent

Scope 2 – location-based approach: 9,312.384 tons of CO₂ equivalent

Scope 2 – purchase choice-based approach: 0.000 tons of CO₂ equivalent

Scope 3: 45,507.038 tons of CO₂ equivalent

Lead Auditor: Adriana Aparecida Silva

Declaration Date: 04/08/2026

Authorized by

Fabio Sianga

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SGS was hired by AÇO VERDE DO BRASIL S/A. (hereinafter referred to as "client"), located at Rod. BR 222 – Gleba Itinga; Km 14,5; Lote 69; Dist. Ind. de Pequiá; ZipCode 65930-000; Açailândia - MA - Brazil, for the verification of direct and indirect emissions of Greenhouse Gases (GHG) in accordance with the

ISO 14064-3: 2019

According to the willing in the Declaration of Gases of Effect Greenhouse in form of the documented inventory covering GHG emissions for the period from January 01, 2025 to December 31, 2025.

Functions and Responsibilities

The client is responsible for the organization's GHG information system, development and maintenance of records and reporting procedures in accordance with that system, including the calculations and determination of GHG emissions and the reporting of GHG emissions.

It is the responsibility of SGS to express an independent opinion on the verification of the emissions of GHG according to the willing in the declaration of GHG.

SGS conducted a Third Party verification of the GHG statement provided against the principles of ISO 14064-1:2018 and ISO 14064-3:2019 and the Brazilian GHG Protocol Program in the period from January 1, 2025 to December 31, 2025. The verification was based on the scope of verification, objectives and criteria as agreed between the client and SGS on April 7, 2025

Confidence Level

The agreed level of confidence is Reasonable.

Scope

The client requested an independent verification by SGS do Brasil LTDA of the GHG emissions report to establish compliance with the principles of ISO 14064 within the scope of verification as indicated below.

The data and information supporting the GHG declaration were calculated based on monitored and historical data.

This commitment includes the verification of emissions from anthropogenic sources of greenhouse gases included in organizational boundaries and is based on ISO 14064-3:2019.

- The organizational boundary was established following the operational control approach.
- Title or description of activities: "Production and marketing of pig iron, steel bills, long steel rolled products, electric power and gases (nitrogen, argon and oxygen)"Location/limits of the activities visited: Rod. BR 222 – Gleba Itinga; Km 14,5; Lote 69; Dist. Ind. de Pequiá; Zipcode 65930-000; Açailândia -MA - Brazil
- Physical infrastructure, activities, technologies and processes of the organization administrative areas, raw material storage areas, blast furnace, and finished product storage area.
- GHG sources, sinks and/or reservoir included: this inventory covers Scope 1,2 and 3 emissions.
Scope 1: Direct emissions: emissions from stationary sources, mobile sources, fugitive emissions, and effluents.
Scope 2: Indirect emissions: Acquisition of electricity based on location and purchase choice.
Scope 3 Indirect emissions from the categories – Category 1: Goods and services purchased; Waste generated in operations; Business travel.

- Types considered: CO₂, CH₄, N₂O, HFC, HCFC, PFC, SF₆ and NF₃.
- Exclusions: Not Applicable.
- Removals: Not Applicable
- Directed Actions: Not applicable.
- GHG information for the following period has been verified: January 01, 2025 to December 31, 2025.
- Intended users of the verification statement: AÇO VERDE DO BRASIL S.A. and interested parties.

Objective

The purpose of verification is the review of objective evidence, and an independent review to determine:

- Whether GHG emissions are, as stated by the organization's GHG statement.
- Whether the reported data is correct, complete, consistent, transparent, and free of errors or omissions.

Criteria

Criteria according to which the verification is carried out are the principles of ISO 14064:2018 and the Brazilian GHG Protocol Program.

Materiality

The materiality required for verification was considered by SGS to be 5%, in line with the need of the intended user of the GHG declaration.

Conclusion

The client provided the GHG declaration based on the requirements of ISO14064-1:2018 and the GHG Protocol. The GHG information for the period of the year 2025, containing the emissions presented in the tables below, has been verified by SGS to a reasonable level of confidence, consistent with the agreed scope of verification, objectives and criteria.

Total verified emissions across the organization

GHG	GHG emissions in tons of CO ₂ equivalent (tCO ₂ e)			
	Scope 1 (Category 1)	Scope 2 (Category 2) Location-based approach	Scope 2 (Category 2) Purchase Choice-Based Approach	Scope 3 (Category from 3 to 15) (If applicable)
CO ₂	34,273.804	9,312.384	-	45,504.422
CH ₄	114.896	-	-	0.654
N ₂ O	59.330	-	-	1.962
HFCs	148.461	-	-	-
PFCs		-	-	-
SF ₆		-	-	-
NF ₃		-	-	-
Total	34,596.460	9,312.384	-	45,507.038
Biogenic CO ₂	861,006.524	-	-	0.053

Total removal verified across the organization

GHG	Biogenic CO ₂ (tCO ₂ e) removal			
	Scope 1 (Category 1)	Scope 2 (Category 2) Location-based approach	Scope 2 (Category 2) Purchase Choice-Based Approach	Scope 3 (Category from 3 to 15) (If applicable)
Biogenic CO ₂	-	-	-	-

Other greenhouse gases not covered by the Kyoto Protocol (tCO₂)

GHG	Emissions (tCO ₂)
-	-

SGS's approach is based on understanding the risks associated with reporting GHG emissions information and the controls to mitigate them. Our analysis included the evaluation of relevant evidence, based on tests, related to the quantities and information of GHG emissions reported by the organization.

We have carried out our verification work to obtain the information, explanations and evidence deemed necessary to obtain a reasonable level of confidence that GHG emissions for the period of the year 2025 are reasonably declared.

We conduct our verification in accordance with the client's GHG declaration including GHG information system verification, monitoring and reporting. This verification included that the provisions of the reference protocol were consistently and properly applied.

In SGS's opinion, the GHG declaration presented:

- It is materially correct and is a fair representation of the GHG data and information, and
- It has been prepared in accordance with ISO14064-1:2018 in GHG quantification, monitoring and reporting.

This declaration should be interpreted with the customer's GHG statement together.