



# LRQA Independent Assurance Statement

## Relating to Corporación Aceros Arequipa S.A. GHG Report for the calendar year 2022

### Terms of Engagement

This Assurance Statement has been prepared for Corporación Aceros Arequipa S.A.

LRQA was commissioned by Corporación Aceros Arequipa S.A. (hereafter referred to as CAASA) to assure its GHG Report for the calendar year 2022, (hereafter referred to as “the Report”).

The Report relates to direct GHG emissions, energy indirect GHG emissions, and other indirect GHG emissions related to transportation and products purchased by the organization.

CAASA’s geographical boundary includes its main site located at Pisco, Perú and other 12 sites located within the cities of Arequipa, Callao, Trujillo and Lima. The main activities of the organization include the manufacture, processing, marketing, distribution and sale of iron, steel, other metals and their derivatives, and the GHG emissions have been consolidated using Operational control.

### Management Responsibility

Head of Environment of CAASA was responsible for preparing the report and for maintaining effective internal controls over the data and information disclosed. LRQA’s responsibility was to carry out an assurance engagement on the Report in accordance with our contract with CAASA.

Ultimately, the Report has been approved by, and remains the responsibility of CAASA.

### LRQA’s Approach

Our verification has been conducted in accordance with ISO 14064–3:2019, ‘Specification with guidance for verification and validation of greenhouse gas statements’ to provide limited assurance that GHG data as presented in the Report have been prepared considering ISO 14064–1:2018, ‘Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals.

To form our conclusions the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- conducted remote interviews and remote review, for data verification of CAASA facilities, and review of processes related to data control and records of direct GHG emissions, energy indirect GHG emissions, other indirect GHG emissions related to transportation and products purchased by the organization, and mitigation activities;
- interviews to key staff of the organization responsible for managing GHG emissions data and records; and
- verified GHG emissions data and records at an aggregated level for the calendar year 2022.

### Level of Assurance & Materiality

In accordance with our contract agreement, the assurance was conducted at a limited level of assurance at a materiality of 5% for Categories 1, 2, 3 and 4. The opinion expressed in this Assurance Statement has been accordingly formed.



### **LRQA's Opinion**

Based on LRQA's approach nothing has come to our attention that would cause us to believe that the GHG emissions for direct GHG emissions (Category 1), indirect GHG emissions from imported energy (Category 2), Indirect GHG emissions from transportation (Category 3) and indirect GHG emissions from products used by organization (Category 4), disclosed in the Report as summarized in Table 1 below are not materially correct, and that the Report has not been prepared in conformance with ISO 14064-1:2018.

### **LRQA's Recommendations**

CAASA should consider adding other categories of indirect emissions to the inventory.

Dated: 14 April 2023

A handwritten signature in black ink, appearing to read 'Antonio Moreno', is written over a horizontal line.

**Antonio Moreno**

LRQA Lead Verifier

On behalf of LRQA

LRQA reference number: CLO00000086



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**Table 1. Summary of CAASA, GHG Emissions Inventory 2022**

Scope of GHG emissions	Tonnes CO <sub>2</sub> e
Direct GHG emissions (Category 1)	245 432
Indirect GHG emissions from imported energy (Category 2, Location-based)	172 942
Indirect GHG emissions from imported energy (Category 2, Market-based)	172 942
Indirect GHG emissions from transportation (Category 3)	289 506
Indirect GHG emissions from products used by the organization (Category 4)	473
<b>Total GHG emissions considered in GHG Inventory 2022</b>	<b>708 353</b>
Location based and Market based are terminologies from Annex E of ISO 14064-1:2018.	

GHG mitigation activities	Tonnes CO <sub>2</sub> e
GHG emission reduction initiatives *	424
* Replacement of diesel cranes by electric cranes.	

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