

P10 Working Group

Minutes

Meeting #5 – 21.10.2025

Session A: 8am CEST

Session B: 4pm CEST

Attendance

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Agenda & Intended Outcomes

1. Reflections on last week's discussions (5 mins)
 - points of convergence & divergence
2. Overview of Results – ResponsibleSteel survey (10 mins)
3. Clarifying ambition (15 mins)
4. Referenceable frameworks (10 mins)
5. Key terminology & definitions – near/medium-term, long-term, regular review (5 mins)
6. Overview of Results – SteelZero survey (10 mins)
7. Next steps (5 mins)

Intended Outcomes

- Define ambition with respect to corporate climate transition plans for ResponsibleSteel Core Site Certification
- Agree on key terminology & definitions related to climate transition plans

Minutes

Last meeting's reflections (WG Meeting #4)

Point of Convergence

- Clarify the **purpose** of climate-related **risk and opportunity** assessments within criterion 10.2.
- Forge **connections between 10.1 and 10.2**. The company's climate risk register and management strategy should **stress-test transition plans** and demonstrate resilience.
- Identify and clearly explain the **value of GHG data disclosure** on the ResponsibleSteel website, with audience specificity (e.g. steel buyers, investors, banks).
- General agreement that since TCFD's disbandment in 2023, IFRS S2 is now the globally recognised framework for corporate climate-related disclosure. IFRS S2 is already, or due to soon become, mandatory in several jurisdictions. There is support for allowing companies to reference **either TCFD or IFRS S2** in disclosures.
- Caution against being **too prescriptive** (e.g., requiring specifically IFRS S2 compliance, or quantitative finance data) given ResponsibleSteel's certified companies cover diverse regions and include a large range of company sizes.

Points of Divergence

- Debate on whether to **remove the 3-year implementation** period for TCFD (seen as BAU by investors).
- Mixed views on whether IFRS S2 should also have a grace period due to its complexity.
- Whether the corporate-level **medium and long-term emission reduction targets**, which are already public disclosure requirements in the standard, should be collated and published on the ResponsibleSteel website.

- Whether a single **corporate average emissions intensity** figure should become a public disclosure requirement (without splitting by technology or scrap dependence), to be collated and published on the ResponsibleSteel website.
- Uncertainty about whether **investors** actively use ResponsibleSteel as a data platform. Some questioned whether the certification should aim to serve investor needs directly or focus on other stakeholders (e.g. steel buyers and specifiers).

Feedback from Participants: Session A & B

- For clarifying ambition on a corporate-level (10.1). Four proposed options were discussed (refer to the pre-read material for a detailed analysis):
 - **Maintain Paris alignment**
 - **1.5°C alignment** (most ambitious, enhanced auditability via SBTi steel SDA).
 - **Well below 2°C alignment** (more feasible, however lacks defined time-based thresholds to assess compliance).
 - **Net zero by 2050** (defined end point without considering the emissions expenditure over the period, not inclusive for all companies given operations in geographies with national net zero goals beyond 2050).
- Proposal for discussion: Maintain Paris alignment but **highlight 1.5°C or well below 2°C alignment** on ResponsibleSteel's GHG dashboard.
- Concerns:
 - Highlighting 1.5°C alignment as an objective that is becoming increasingly unfeasible and lacking scientific integrity in some cases
 - Auditor consistency for well below 2°C alignment
 - Managing stakeholder expectations given industry realities.
- Strong emphasis on **credibility, feasibility, and transparency** over rigid ambition metrics.
- Suggestion to adopt a **"comply or explain"** approach similar to CSRD.
- In the analysis of referenceable frameworks, we must consider **mandatory vs. voluntary** frameworks.
- For near-term and long-term terminology, there should be clarity on no requirements for baseline year. Additionally, we should look to align with SBTi which has defined near-term as 5–10 years. This is likely to be revised to 5 years in SBTi CNZS v2.

Members' survey results on current climate transition plans

- 14 responses covering 110 million tonnes of crude steel across 33 certificates.
- Most used emissions accounting frameworks: GHG Protocol, ISO 14064, and World Steel Guidelines (site-level).
- Most cited sustainability reporting frameworks: GRI, IFRS S2 (or equivalent), CSRD, and CDP.
- All companies have climate transition plans; only one does not disclose publicly.
- Plans reviewed internally annually; public updates vary.
- Scope 3 emissions included by ~33% of companies.
- Baseline years range from 2005 to 2023; most common is 2018.
- 93% use emissions metrics targets, ~50% also use absolute targets.
- Only one company has a net zero target beyond 2050 (2060).
- Interim targets are rare.

SteelZero survey results

- 15 responses (~30% of members); goal is 50%.
- Top GHG data priorities:
 - Scrap percentage (most requested).
 - Finished steel emissions intensity.
 - Crude steel emissions intensity.
 - Near-term emissions reduction targets.
 - Decarbonisation Progress Level (DPL) ranked lower than expected.
- Willingness to pay:
 - ~33–40% willing to pay 10–25% more for low-emission steel.
 - ~20% not willing to pay more.
- Data used for: Procurement decisions, supplier comparison, scope 3 reporting, and tracking climate targets.
- Noted that intermediaries in the supply chain may hesitate to pay premiums without assurance of cost-sharing downstream.

Next meeting

- 25th November – draft proposed revisions to be sent to WG 1.5 weeks beforehand
- Plus, potentially: 4th November – specific discussion on consequences for not reaching ambition (following SACC meeting on 28th October)

Points of Convergence & Divergence

Convergence

- **Need for Flexibility in Climate Ambition:** agreed that rigid alignment with 1.5°C is not feasible for all companies, especially downstream producers or those in developing economies. There was support for maintaining Paris Agreement alignment with flexibility to recognize higher ambition (e.g. 1.5°C) where applicable.
- **Importance of Transparency and Disclosure:** Consensus that companies should be transparent about their targets and limitations. Suggestion to build in opportunities for companies to justify deviations from ideal targets, i.e. identify the gap between ambition and implementation.
- **Recognition of Regional and Operational Differences:** Agreement that companies operate in different jurisdictions with varying national targets and enabling environments. Participants emphasized the need for ResponsibleSteel to **accommodate diverse contexts** rather than enforce uniform standards.
- **Value of Quantitative Targets:** General agreement that companies should have quantitative climate targets to demonstrate credibility. Even if not 1.5°C aligned, having measurable goals is seen as essential.

Divergence

- **Use of Temperature Alignment as a Disclosure Metric:** the utility of publishing temperature alignment (e.g. 1.5°C vs. well below 2°C), arguing it may be misleading or outdated. Some saw value in distinguishing ambition levels for visibility, and to meet the data needs of certain stakeholder groups.
- **Role of ResponsibleSteel in Providing Investor-Relevant Data:** Some participants questioned whether investors actually use ResponsibleSteel data, suggesting they rely on direct engagement or other platforms. Others believed ResponsibleSteel could play a role in signposting ambition and supporting procurement decisions.
- **Disclosure of Corporate-Level Targets on the Website:** Mixed views on whether publishing corporate-level medium and long-term targets on Responsible Steel's website adds value. Concerns included comparability issues due to differing baseline years, scopes and units.