



Standard Revision P10 Working Group Meeting #5

21st October 2025

www.responsiblesteel.org



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House rules



Keep your camera on



Mute your mic when you're not speaking



Raise your hand to avoid interruptions



Chatham house rules



Transcribed for note-taking

Agenda



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 for ResponsibleSteel certification
- Agree on key terminology & definitions



Reflection on last meeting



WG meeting #4 reflections



Topic: Corporate Climate-Related Financial Disclosures (focus on 10.2)

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.

Point 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).



Results from ResponsibleSteel's Business Member Survey on Climate transition Plans

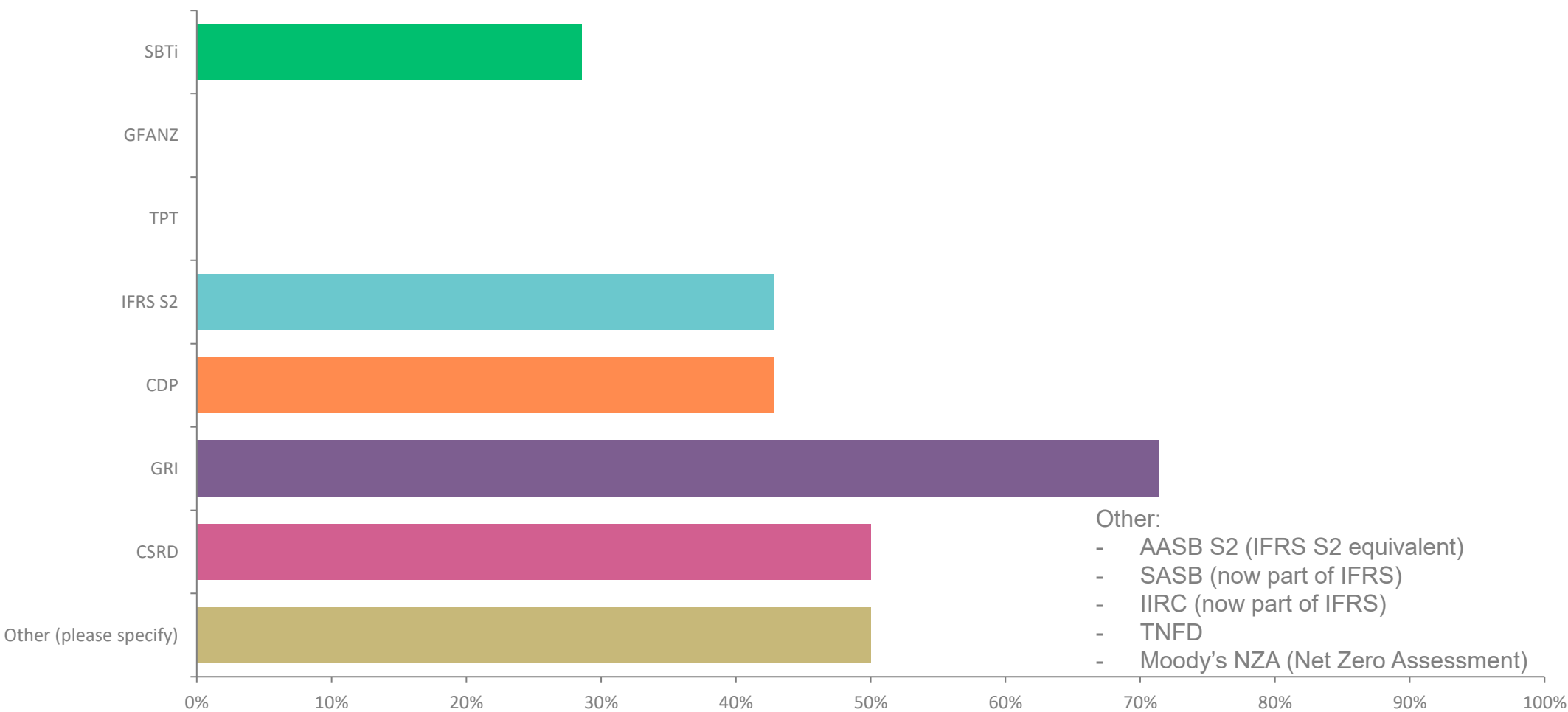


Trends: Corporate Climate Transition Planning

- Total **14 responses** from different corporates (all ResponsibleSteel members, but not necessarily with ResponsibleSteel certification), covering **33** ResponsibleSteel certificates, equivalent to **40%** of total certificates, and **110** Mt crude steel production
 - 12 of 13 cover steelmaking operations.
- **GHG Protocol** is most widely cited for corporate-level emissions determination, followed by ISO 14064 and worldsteel guidelines (site).
- **GRI, IFRS S2 (or equivalent), EU CSRD and CDP** (in descending order) were the most widely cited frameworks for sustainability reporting.
- **All** companies have a climate transition plan (although 1 company does not disclose it publicly).
- Transition plans are generally **reviewed every 12 months** and **updated publicly every 12–24 months**.
- Regulatory requirements for climate transition plan disclosure are **currently mandatory, or emerging, in most regions**.
- **More than half** of the corporates surveyed have climate transition plans that **consider aspects beyond climate** (JT and/or biodiversity, but generally to a **limited extent**).
- Most companies have **site/portfolio-level transition plans**, but **40% of these are not publicly available**.
- **1/3rd of companies include select Scope 3 emissions** within the company's emission reduction targets.
- **93% use emissions metrics targets** (t CO₂e/t steel, t CO₂e/t pellet), and 54% use absolute emissions metrics targets.
- **Baseline years range from 2005 to 2023**, with the most common year being 2018.
- Near-term emission reduction targets range significantly in scope, units and % reduction, making it very **difficult to compare near-term ambition**.
- Long-term emission reduction targets are generally **'net zero by 2050' (or similar)**, with some specifying this includes just scope 1 & 2 emissions. Residual emissions are generally not yet estimated. **One** company has a **net zero goal** that extends **beyond 2050** (to 2060, in line with the national goal).
- Interim targets (between near-term and long-term) are uncommon.

Q4: What standard(s)/framework(s) does your company use for sustainability reporting, or plan to use in the near-future?

Answered: 14 Skipped: 0





Clarifying Ambition



Ambition (corporate-level)



Option	Definition	Pros	Cons
Paris Agreement-aligned	<i>A pathway compatible with the goals of the Paris Agreement – limiting warming to well below 2 °C and supporting efforts to limit to 1.5 °C</i>	• Flexible and inclusive: allows participation of all markets and acknowledges progressive alignment. • Already embedded in current ResponsibleSteel Standard (maintains continuity). • Recognised phrasing across international standards and policies.	• Low auditability: "Paris-aligned" lacks a fixed metric; interpretation varies. • Risk of greenwashing; companies can claim alignment without quantified evidence. • Ambition drift: weaker than current scientific consensus requiring 1.5°C limit
1.5°C-aligned	<i>A '1.5°C-aligned global pathway' is one in line with credible scenarios that yield a long-term heating outcome of around 1.5°C, with (i) an assigned probability (e.g. 50% or 66%), and (ii) an amount of overshoot (e.g. no or low), both of which should be explicitly specified.</i>	• Highest ambition: aligns with the most stringent Paris goal and current science. • Clear reference frameworks: validation possible via SBTi 1.5 °C or IEA NZE 2050 pathways. • Strong alignment with IFRS S2, ESRS E1, and CDP disclosure requirements. • Easier comparability across companies and sectors using a single benchmark (IEA NZE 2050). • Highly auditable (considering SBTi Steel SDA (based on scrap %): >93 % CO₂ reduction by 2050 for iron and steel)	• Feasibility: very few steelmakers can yet demonstrate 1.5°C alignment at a corporate level. • Data and methodology burden: requires validated scope 1–3 coverage and modelled trajectories. • Risk of excluding emerging-economy producers who cannot yet commit to a 1.5°C-compliant pathway.
Well-below 2°C-aligned	<i>Aligned with pathways limiting warming to well below 2 °C and pursuing 1.5 °C (as stated in the Paris Agreement)</i>	• Broader feasibility: attainable for more steelmakers, especially in transitional markets. • Still Paris-consistent: matches the Paris text literally ("well below 2°C and pursuing 1.5°C")	• Increasingly outdated: most voluntary and financial frameworks have moved to 1.5°C only. • Ambiguity: "Well below 2°C" not quantitatively defined for the steel sector, making assurance weaker, or requiring ResponsibleSteel to develop these pathways (very resource-intensive). • No existing time-based thresholds like SBTi's steel SDA for 1.5°C (although MPP TM pathway and IEA Iron and Steel Technology Roadmap could be referred to).
Net-zero by 2050	<i>Commitment to reach net-zero GHG emissions across all scopes by 2050 at the latest, consistent with global climate-neutrality objectives</i>	• Quantifiable target year: simple, auditable end-state. • Recognised milestone: aligns with UN HLEG, ISO Net Zero, SBTi and IEA NZE 2050. • Communicable and comparable for stakeholders and financiers.	• Ambiguity on pathway: net-zero 2050 can correspond to 1.5°C or 2°C (or greater) depending on trajectory. • Offset dependency: could rely on removals rather than actual emission cuts. • Sector context: may not reflect earlier decarbonisation timelines required for steel (IEA targets ≈ 2045). • Equity considerations: exclusionary to regions with emerging economies, NDCs post-2050

Corporate long-term commitments in existing frameworks



FRAMEWORK / STANDARD	"IN LINE WITH THE PARIS AGREEMENT"	1.5 °C ALIGNMENT (NO/LIMITED OVERSHOOT)	"WELL-BELOW 2 °C"	NET-ZERO BY 2050
RESPONSIBLESTEEL INTERNATIONAL PRODUCTION STANDARD V2.1.1	Explicit (Paris-aligned pathway required)	Implicit – Paris compatibility implies 1.5 °C ambition	Implicit via Paris goals	Referenced / implied
RMI SUSTAINABLE STEEL PRINCIPLES	Indirect – via sector methodologies consistent with Paris	Requires 1.5 °C alignment (delegated to recognised methods)	✗	Implied through referenced methods
CDP	Explicit – disclosure asks about Paris compatibility	Implicit – 1.5 °C reference in questionnaire	Implicit via Paris goals	Disclosure asks for net-zero timing (often 2050)
ESRS E1 (EU CSRD / EFRAG)	Explicit	Explicit – 1.5 °C no/limited overshoot	Explicit – well-below 2 °C + 1.5 °C	Explicit – net-zero by 2050
IFRS S2 (ISSB)	Explicit (reference to "latest international agreement")	✗	✗	✗
TPI (TRANSITION PATHWAY INITIATIVE)	Explicit – benchmarks vs Paris scenarios	Category for 1.5 °C alignment	Category for well-below 2 °C	Benchmarks include 2050 net-zero
MSCI ESG RATINGS	Indirect – considers Paris context but not prescriptive	✗	✗	✗
EXPONENTIAL ROADMAP INITIATIVE	Implied through 1.5 °C language	Explicit – 1.5 °C pathway / halve by 2030	✗	Implied – net-zero by 2050
KEY COUNTRY LEGISLATIONS				
CHINA	Explicit – commitments framed under the Paris Agreement	✗	✗	Net-zero by 2060 target
INDIA	Explicit – Paris Agreement referenced in NDCs	Partial – ambition discussed but no binding 1.5 °C path	Implicit via Paris Agreement	Net-zero by 2070 (target policy, not law)
AUSTRALIA	Explicit – Paris Agreement referenced in law and targets	Partial – ambition toward 1.5 °C path but not legally enforced	✗	Net-zero by 2050 (in law)
EUROPEAN UNION (EU)	Explicit – Paris Agreement anchored in EU Climate Law	Explicit – policy and pathways consistent with 1.5 °C no/limited overshoot	Explicit – "well-below 2 °C and pursue 1.5 °C" in legal text	Net-zero by 2050 (in law)
UNITED STATES (USA)	Explicit – Paris Agreement basis for NDCs and policy	✗	✗	Net-zero by 2050 (policy commitment, not statute)
BRAZIL	Explicit – Paris Agreement basis for NDCs	Partial – aim to align with 1.5 °C mission but not legally binding	✗	Net-zero by 2060 (target in NDC)

Guiding Qs

1. ResponsibleSteel sets mandatory requirements (any failure is a major non-conformance). ResponsibleSteel aims to shift the wider industry, whilst celebrating the progress of leaders (especially for decarbonisation and responsible sourcing). Yet, corporate climate transition plans are required for Core Site Certification (i.e. not a progress requirement).

Accordingly, what ambition level should ResponsibleSteel set?

Proposal to start discussion: Maintain Paris Agreement alignment flexibility but identify and celebrate 1.5C compliance in the ResponsibleSteel GHG Dashboard (1.5C/WB2C-alignment becomes a public disclosure requirement).

2. Net zero 2050 is a requirement for 1.5C alignment, but not necessarily for WB2C alignment.

How should equity be considered for companies operating in major developing economies with national net zero targets post-2050?



What ambition level should ResponsibleSteel set?

Mentimeter



Referenceable frameworks



Referenceable Frameworks for corporate-level criteria (10.1)



Corporate Emissions Accounting

- GHG Protocol Corporate Standard / Value Chain (Scope 3) Standard
- ISO 14064-1: Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

Note: GHGP-ISO partnership for harmonisation announced September 2025.

Corporate Target Setting (Steel Pathways)

- SBTi Steel SDA (1.5°C)
- SBTi CNZE

Credible Transition Plans – I&S specific

- TPT Metals & Mining Guidance
- ACT Iron & Steel Methodology

Climate-related Disclosures

- TCFD
- IFRS S2 (or eqv)
- CDP

Sustainability Reporting Frameworks

- GRI
- EU CSRD

Figure 11. Steps of the CDP's Climate Transition Plan Journey



10.2

10.1 &
10.5

10.1

10.7



EU CSRD – covers all

Key terminology & definitions



Key terminology

Current Term & Definition	Proposed Term & Definition	Reasoning
Medium-term (10.1 Guidance Material): 5–15 years from present time	Near-term: 5 years from year of certification	Consistent with other frameworks. All frameworks reference a near-term target of no more than 5 years.
Long-term (10.1 Guidance Material): 15–35 years	Long-term: 25 years from year of certification, including a 2050 target	Consistent with other frameworks. 2050 is a key target for net-zero.
Regular (Glossary): Scheduled at planned, appropriate intervals. The determination of appropriate intervals depends on the matter at hand. The intervals must be frequent enough to detect change and must take account of risk. Annual might be a suitable frequency for some matters. Where changes can happen quickly or where risk is high, the intervals must be shorter.	Regular (in relation to review of the climate transition plan, to be added to 10.1 Guidance Material): at least annually	Consistent with other frameworks. Annual review ensures timely updates, improved accountability, and alignment with best practice.



Results from SteelZero's Member Survey on GHG Data



Summary: Survey on GHG Data-driven Decision Making



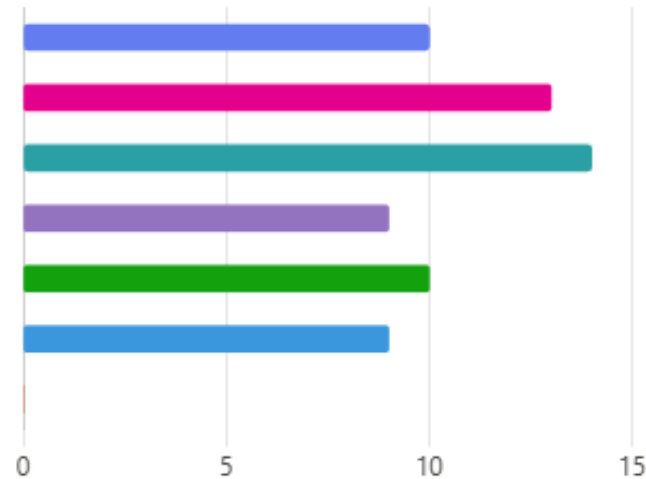
- Total 15 responses, approximately 30% of total SteelZero members (awaiting further responses to achieve at least 50%)
- All respondents see value in publicly-available steel emissions data that is comparable, robust and 3rd party verified
- Key GHG data requirements (in priority order)
 1. Scrap %
 2. Finished steel emissions intensity (t CO₂e/t finished steel)
 3. Crude steel emissions intensity (t CO₂e/t crude steel)
Near-term emissions reduction target
 4. Decarbonisation Progress Level
Long-term emissions reduction target
- Willingness to pay for:
 - a) PL2 steel (lower emissions, to align with the SteelZero 2030 commitment)
 - 33% (5 respondents) willing to pay between 10–25% more
 - 33% (5 respondents) willing to pay between 5–10% more
 - 20% (3 respondents) not willing to pay more
 - 2 did not answer
 - b) PL4 steel (near-zero emissions, to align with the SteelZero 2050 commitment)
 - 40% (6 respondents) willing to pay between 10–25% more
 - 26% (4 respondents) willing to pay between 5–10% more
 - 20% (3 respondents) not willing to pay more
 - 2 did not answer

GHG Data Requests



2. What are the key inclusions in the emissions data you are looking for? Please select all that apply.

● Crude steel emissions intensity (t CO ₂ e/t crude steel)	10
● Finish steel emissions intensity (t CO ₂ e/t finished steel)	13
● Scrap %	14
● Decarbonisation Progress Level	9
● Near-term emissions reduction target	10
● Long-term emissions reduction target	9
● Other	0



Further enquiries:

- Was DPL not selected by some respondents because it can be determined using the crude steel emissions intensity and scrap % data, or another reason?
- Temporal considerations -> near-term / long-term emission reduction targets in relation to the *product, site and/or corporate emissions*?
- Scrap % of finished steel, or crude steel (effects home scrap definition; +/- 2%)?
- Product focus?
- Region focus?

Utilisation of GHG Data



What will you do with the data? How will it inform your procurement decisions?

Common responses:

1. Support procurement decisions
2. Compare suppliers
3. Scope 3 reporting using quality data
4. Reporting progress against SteelZero commitments
5. Reporting progress against the company's own climate targets, including SBTi commitments

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- It will help with information that is increasingly being asked by the Clients we work for. Eventually, I see this data being used to determine [future procurement decisions](#).
 - Calculate our current standing in embodied carbon for our products. Specifying to our [supplier's](#) a [preference](#) in steel with lower emission intensity or from suppliers with active SBTi's.
 - Decision making in the [sourcing](#) phase, [programme steering](#) during development and then to support [product claims](#) in production
 - Use for internal and external [reporting](#)
 - [Scope 3 footprint calculation](#), project footprint calculation [procurement decisions](#): tender requirements > engagement > contractually defined engagement with bonus-malus > procurement
 - It will help [compare suppliers](#), but the decision on where we procure (BOF and EAF) is driven by our clients.
 - It will allow us to have a [precise emission factor](#) for the finish steel used to measure our carbon footprint (scope 3). It will allow us to follow the [progress against our 2030 sustainability targets](#), and our [SBTi commitment](#).
 - Alignment with [SteelZero commitment](#) and reporting.
 - Data is used to provide client with sustainability reports and helps us to support producers who have invested in decarbonising the products we buy and those [key strategic suppliers](#) who have a credible plan to transition. Premiums are currently out of reach as clients resist until mandated, although most recognise that going greener has a cost.
 - [Assessing suppliers](#).
 - We will use this data to see how we [align with SteelZero](#) (2024) 2030 targets and what do we need to do in order to achieve it.
 - We'll use the data for [Scope 3 reporting](#) and project-level embodied carbon calculation. We'll [add the specification in tenders](#) and [filter vendors](#) by comparing the suppliers' data with the specification.
 - Decision making for low carbon emissions [steel procurement](#) and better [data quality for disclosure](#).
 - Consideration in [supplier and product selection process](#). Monitoring of [SteelZero requirement](#) compliance. Input [data for Digital Product Passport](#).



Next Steps





Upcoming Working Group Topics

1. **Paris Agreement 10 years on** — *Criterion 10.1: Corporate commitment to achieve the goals of the Paris Agreement* — determine best practice for climate transition planning
2. **Balancing ambition and feasibility** — *Criterion 10.5: Site-level GHG emissions reduction targets and planning* — science-based target setting and planning
3. **Championing accountability** — *Criterion 10.7: GHG emissions disclosure and reporting* — determine material data points for auditor and public disclosure
4. **Championing accountability** — *Criterion 10.2: Corporate Climate-Related Financial Disclosure*
5. **Supporting consistency** — Connections between 10.1, 10.2, 10.5 and 10.7 — clarifying "ambition" (equity considerations), key terminology, emissions parameters and referenceable frameworks — results from business members survey

Contingent on Just Transition WG developments:

Driving equity — Taking into account regional disparities in transition planning and exploring whether transition plan requirements should go beyond climate

NEXT MEETING

25th November — draft proposed revisions to be sent to WG at least 1.5 weeks beforehand

Plus, potentially: 4th November — specific discussion on consequences for not reaching ambition (following SACC meeting on 28th October)

Contact us at anytime — we welcome feedback and inputs:
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