



ResponsibleSteel Framework for Credible Interoperability

Version 1.0

November 2025

Introduction

In the race to drive market value from the challenge of decarbonisation, a world of variable GHG measurement frameworks, unverified calculations and unscrutinised claims is emerging.

Without clarity, consistency, coherence and credibility, these developments will not support an effective market for near-zero or low-emissions steel. To build this, buyers need to have confidence in the claims that are made.

Efforts to increase alignment and enable interoperability between frameworks and standards are encouraging comparisons and estimations of equivalency. Conversion between jurisdictional standards is likely to become necessary to facilitate fair terms of trade.

A framework is needed to shape how interoperability should support credible claims and trusted data for comparison and equivalency. This document provides such a framework, including the principles and procedures to be observed.

Rationale

Since ResponsibleSteel developed its measurement rules and classification system for Decarbonisation Progress Levels in consultation with stakeholders (2020–2022), sector-specific efforts to define steel industry decarbonisation have accelerated. The result has been a proliferation of standards and initiatives, with particular additional impetus from regional trade associations looking to create a consistent basis for their members to assess their progress.

These systems — with distinct accounting rules and classifications — function like separate currencies for measuring decarbonisation. Yet steel is one of the most widely traded commodities globally. Without a way to convert between these systems, the market for low– and near–zero emissions steel risks fragmentation, inefficiency and slow progress.

The ideal context for sectoral decarbonisation is a coherent market in which the embodied emissions of steel are measured against standards that are fully aligned, where they serve the same purpose. This may not be immediately achievable, and interoperability provides a practical solution in the meantime, enabling conversion between methodologies that are sufficiently aligned. Interoperability can allow different standards to 'speak the same language', enabling steel producers to compare their emissions performance across multiple systems. But for steel producers to make marketable claims about the equivalency of their emissions, guardrails are needed to bring reliability and credibility.

Who benefits from interoperability?

Credible interoperability mechanisms enable

- Steel producers to demonstrate their decarbonisation progress across different standards.
- **Buyers** to consistently benchmark suppliers by requesting data against their preferred standard, enabling better informed procurement choices.
- Investors to gain clarity about the outputs from the projects they finance.
- Policymakers to design more equitable regulations by enabling steelmakers to reference equivalency to a nominated standard.

About ResponsibleSteel

ResponsibleSteel is a global, multistakeholder initiative that provides standards and certification tools to help the steel industry decarbonise responsibly. These tools are developed through transparent processes involving industry experts, civil society, and public consultation. By offering a robust certification system for producers, buyers, policymakers and investors, ResponsibleSteel supports stakeholders in making informed decisions.

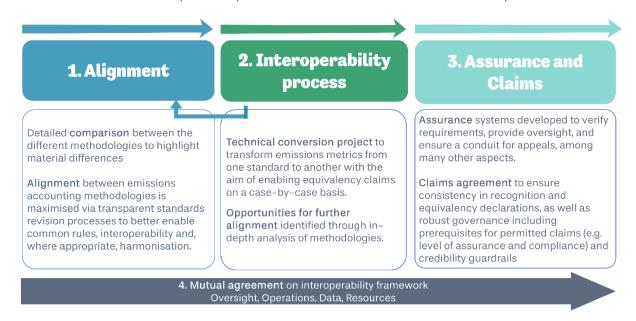
Components of a credible sustainability standards system



These components, based on the <u>ISEAL Code of Good Practice</u>, form the basis of the ResponsibleSteel system and the credibility on which it rests.

Steps to Interoperability

The essence of an interoperability mechanism can be set out in three steps below.



Importantly, the process of comparing standards and developing interoperability mechanisms fosters mutual understanding. This can lead to greater alignment over time, reducing complexity, and improving consistency across the industry.

The Framework

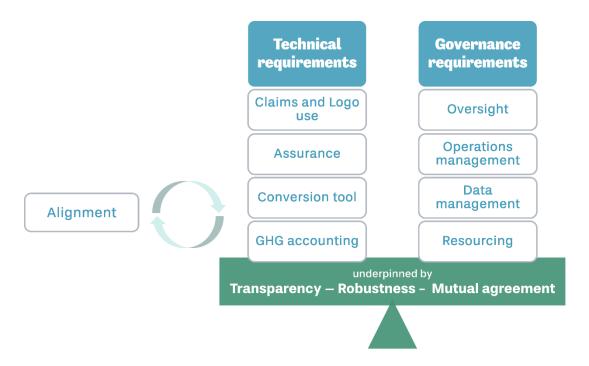
The framework consists of technical and governance components, both of which are essential for credibility. Mutual agreement is essential to the smooth implementation of an interoperability mechanism between two standards.

Components of the framework

Technical Requirements

- GHG Accounting: A GHG accounting comparison enables a detailed understanding of how the methodologies overlap and differ, and identification of the additional data needed to enable conversion.
- Conversion tool: A conversion tool is designed to translate GHG data calculated under the rules of one standard to those of another, paving the way to equivalency or recognition. Given misalignment across some rules, additional data inputs may be required.
- Assurance: The Assurance rules and processes required by each standards body for ensuring rigorous data verification (e.g. audit process, auditor qualifications) should be explicitly agreed. Standards may agree to align their requirements, recognise those of the other organisation, or retain their existing rulebooks.
- Claims and Logo Use: Mutual agreement on the rules for what claims can be made about the results from the conversion tool (e.g. claims of equivalency), and

by whom, is essential for trust and credibility and may be set out in the respective governance documents of the standards bodies or via a joint agreement.



Governance requirements

- Operations management: Underpinned by a commitment to transparency, robustness, and mutual agreement, the standards bodies establishing an interoperability mechanism should aim to explicitly agree on how it will be governed and operationalised what measures will be put in place to ensure its accessibility, sustainability, and proper use.
- Oversight: This should include clarity about who is permitted to use the
 interoperability mechanism and under what terms, how assurance is authorised,
 how any tools will be maintained and updated over time. It may include terms
 relating to data management, including terms to manage confidentiality, security,
 storage and access.
- Data: Fundamental to all interoperability work is the data being compared. It is essential that data ownership, sharing and confidentiality arrangements are agreed and clearly described.
- Resourcing: An interoperability mechanism also needs sustainable sources of funding to enable its operation and maintenance, which may be agreed between the organisations.

To build clarity and confidence in the interoperability mechanism, the agreed requirements should be publicly available, just as they would be for any credible standard system.

Use of this Framework

This Framework for Credible GHG Interoperability sets out the elements of a robust interoperability mechanism for decarbonisation standards systems. It forms the basis of

agreements between standards bodies, helping to ensure that emissions data can be translated reliably and transparently.

The ultimate goal is to foster transparency, comparability, and progress in decarbonisation across the global steel industry. The framework is not exclusive to ResponsibleSteel, and may be regarded as a contribution to the wider goal of interoperability between GHG standards as espoused under the Steel Standards Principles, and a tool for others to adopt.