

Assurance Statement

The GHG Inventory for the calendar year 2020 prepared by:

Corporación Aceros Arequipa S.A.

Located at Carretera Panamericana Sur N° 241, Paracas, Pisco, Ica, Perú

has been verified by Lloyd's Register Central and South America Ltd.
Sucursal del Perú in accordance with:

ISO 14064-3:2006¹

as conforming to the requirements of:

ISO 14064-1:2006²

The assurance has been formed on the basis of a limited level of assurance
and at a materiality of the professional judgment of the Verifier.

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	95 304
Energy indirect GHG emissions (Scope 2, Location-based) *	76 816
Energy indirect GHG emissions (Scope 2, Market-based) *	76 816
Total GHG emissions considered in GHG Inventory 2020 (Scope 1 + Scope 2)	172 120
<small>* Scope 2, Location-based and Scope 2, Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015</small>	

GHG emission reductions	Tonnes CO ₂ e
Directed Actions *	17
<small>* Replacement of diesel crane by electric crane. Directed action period: October - December 2020.</small>	



Antonio Moreno
LR Lead Verifier

Date: June 02, 2021



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On behalf of
Lloyd's Register, represented in Perú by:
Lloyd's Register Central and South America Limited
Av. Santa Cruz 888, Int. 401, Miraflores, Lima, Perú
LR reference number: CLO00000086

This summary is not valid without the full Assurance Statement attached on pages 2 to 3 to which it applies.

¹ ISO 14064:2006 Greenhouse gases — Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions

² ISO 14064:2006 Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

Assurance Statement
related to
GHG Inventory 2020
Prepared for Corporación Aceros Arequipa S.A.

Terms of Engagement

This Assurance Statement has been prepared for Corporación Aceros Arequipa S.A. (hereafter referred to as “CAASA”)

Lloyd’s Register (LR) was commissioned by CAASA to assure its greenhouse gas (GHG) Emissions Inventory for the calendar year 2020 (hereafter referred to as “the Inventory”).

The Inventory relates to direct GHG emissions and energy indirect GHG emissions, and includes data on emissions from the following facilities: Steel Complex (Pisco), Distribution Center of Arequipa, Callao, Trujillo and Lima (Trapiche), Storage yards of Callao (Oquendo) and Lima (Cajamarquilla), and Administrative Offices of Lima (Magdalena).

Verification of a directed action is also included.

Management Responsibility

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

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

LR’s Approach

Our verification has been conducted in accordance with ISO 14064–3:2006, ‘*Specification with guidance for validation and verification of greenhouse gas assertions*’ to provide limited assurance that GHG data as presented in the Inventory have been prepared in conformance with ISO 14064–1:2006, ‘*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 and a directed action;
- interviewed 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 2020.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a limited level of assurance and at a materiality of the professional judgment of the Verifier.

LR's Opinion

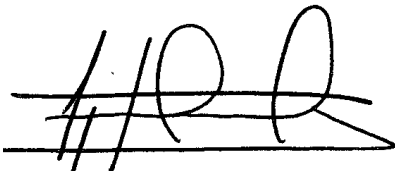
Based on LR's approach nothing has come to our attention that would cause us to believe that the total direct GHG emissions, energy indirect GHG emissions and the directed action disclosed in the Inventory are not materially correct, and that the Inventory has not been prepared in conformance with ISO 14064-1:2006.

LR's Recommendations

In order to improve future GHG emission inventories, CAASA should consider the following improvement approaches:

- Continue the establishment of directed actions to reduce GHG emissions.
- Include verification of other indirect (Scope 3) GHG emissions.
- Improve access to lime production source data records, in such a way that the verification of the effectiveness of the data collection process and its transcription to the computer system (SAP) can be more efficient.

Dated: June 02, 2021



Antonio Moreno
LR Lead Verifier

On behalf of

Lloyd's Register, represented in Perú by:
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Av. Santa Cruz 888, Int. 401, Miraflores, Lima, Perú
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Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the verification has not been performed continuously throughout the period and the verification carried out on the relevant internal controls were on a test basis. Any projection of the evaluation of control to future periods is subject to the risk that the processes may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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