SteelSummit

SUSTAINABILITY & CLIMATE PROGRAM

ANNUAL REPORT 2025

+1 615-641-3301
1500 Medical Center Pkwy.
Suite 3B
Murfreesboro, TN 37129
https://steelsummit.com/

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Background

This report is written according to the Climate Disclosure Standards Board (CDSB) Framework. CDSB is a non-profit organization working to provide material information for investors and financial markets through the integration of climate change-related information into mainstream financial reporting. CDSB operates on the premise that investors and financial institutions can make better informed decisions if companies are open, transparent, and analyze the risks and opportunities associated with climate change-related information. To this end, CDSB acts as a forum for collaboration on how existing standards and practices can be used to link financial and climate change-related information using its Framework for reporting on environmental information, natural capital, and associated business impacts.

This report covers materials through SteelSummit Holdings, Inc.'s (SSH) Fiscal Year 2025 (FY2025), which occurred from April 1st, 2024, to March 31st, 2025. SSH declares that environmental information disclosures within this annual report are prepared in line with the CDSB Framework. SSH applied the principles of relevance and materiality to identify the most significant environmental impacts related to operations and disclosed information on climate change risks and opportunities, greenhouse gas emissions, water usage, and resource management strategies in accordance with the CDSB reporting requirements. While significant efforts were made to adhere to all aspects of the CDSB framework, certain disclosures may be limited due to data and resource availability constraints. SSH will continue to strive for greater transparency and alignment with the CDSB framework in future reporting periods. This report reflects achievements from the past fiscal year but remains forward-looking at achieving goals that are subject to change depending on legal or business requirements.

A Message from Our CEO Todd Rollins

As we move forward into 2025, I am pleased to share our company's progress and commitment to sustainability. SteelSummit's first annual sustainability report reflects our ongoing journey to create positive change in the world through responsible environmental practices, social impact initiatives, and transparent governance.

At SteelSummit, we are deeply committed to minimizing our environmental footprint, empowering the communities we serve, and fostering a culture of ethics and accountability. Our sustainability initiatives are guided by the belief that long-term success is inseparable from our ability to create shared value for all our stakeholders—employees, customers, investors, and society at large.

Key Highlights

Over the past year, we have made significant strides in several key areas:

1. **Carbon Reductions**: We've announced our Low Carbon Transition Plan to align our carbon reduction goals with a 1.5°C ambition and ultimately achieve net zero emissions by 2050.
2. **Environmental Stewardship**: We've started key partnerships with other organizations to create circular processes to reduce our waste being sent to landfill and increase recycling rates at all four SteelSummit plant locations. We also began our journey to achieve ISO-14001 Environmental Management System certification at all locations.
3. **Governance & Transparency**: We continue to strengthen our governance framework, ensuring that sustainability is integrated at all levels of decision-making. Our ESG (Environmental, Social, and Governance) reporting is fully aligned with the CDSB standards, demonstrating our dedication to accountability and transparency.

Looking Ahead

While we are proud of our accomplishments, we recognize that there is more work to be done. We are committed to further reducing our environmental impact through achieving ISO-14001 EMS certifications at all four of our production plants and supporting sustainable development goals that foster economic, social, and environmental well-being.

Sustainability is not just a corporate responsibility, it is a mindset that defines how we do business, how we innovate, and how we lead. Together, with the dedication of our employees, the support of our customers, and the engagement of our partners, we are building a future that is both prosperous and sustainable.

Thank you for your continued trust in SteelSummit. I look forward to the exciting opportunities ahead and to continuing our shared journey towards a more sustainable world.

Todd Rollins
Chief Executive Officer

Executive Summary

SteelSummit Holdings, Inc. (SSH), a leading flat rolled metals processor and distributor, continues its strategic transformation toward sustainability in fiscal year 2025 (FY2025), aligning its environmental and social objectives with the Science Based Targets initiative (SBTi) and the Climate Disclosure Standards Board (CDSB) framework. As part of this transformation, SSH released a Low Carbon Transition Plan (LCTP) in July 2024 to guide the company's efforts in reducing greenhouse gas (GHG) emissions and aligning emission reductions with the Paris Agreement's 1.5°C target.

SSH committed to substantial short- and long-term emissions reduction targets across Scopes 1, 2, and 3. According to the Environmental Protection Agency (EPA), "Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization." SSH's audits show that the sources of Scope 1 emissions are natural gas, used for heating, and propane, used for forklift and crane operations. The EPA's description of Scope 2 emissions is defined as "…indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling." SSH's audits show that the only source of Scope 2 emissions is purchased electricity.

The company aims for a 42% reduction in Scope 1 and 2 emissions by 2030, and a 90% reduction by 2050. Scope 3 emissions, which represent the bulk of SSH's carbon footprint, are targeted for a 46.2% reduction by 2032 and 90% by 2050. In FY2025, SSH achieved a 6.97% year-over-year reduction in combined Scope 1 and 2 location-based emissions and fully offset Scope 2 market-based emissions through the purchase of Renewable Energy Certificates (RECs).

To reach its goals, SSH is implementing various initiatives, including transitioning to electric forklifts, conducting energy efficiency audits, improving data tracking systems, and increasing the purchase of materials from mini mills with lower emissions. In FY2025, SSH diverted 95% of its total waste from landfills and saw increased recycling efforts across all facilities, contributing to cost savings and reduced environmental impact.

SSH maintains robust social responsibility programs focused on employee safety and human rights across the supply chain. FY2025 marked significant community engagement across SSH locations, including volunteering, charitable donations, and the company's first Earth Day celebration at all facilities.

Looking ahead, SSH will continue to invest in sustainability technology, expand supplier engagement on carbon reductions, pursue third-party verifications, and set additional waste and social impact targets. SSH is positioning itself as a leader in sustainable metal processing, committed to long-term climate goals, and resilient, responsible growth.

Outlook

SteelSummit Holdings, Inc. (SSH) is a leading flat rolled metals processor-distributor producing specialized processed metal products. A subsidiary of Sumitomo Corporation of Americas, SSH is guided by our founder's precepts to create new value and realize prosperity by engaging in sound business practices and building relationships of trust among our customers, suppliers and partners.

In July 2024, SSH released our Low Carbon Transition Plan (LCTP) to establish proper governance and oversight of corporate actions in the environmental and social domains of the metals industry. The metals industry is resource intensive and relies heavily on coal, a fossil fuel, to extract iron from ore and to provide the necessary carbon content for steelmaking. Scientists found that human activities, primarily those that rely on the burning of fossil fuels like coal, oil, and gas, are the main driver of climate change. In a series of reports and agreements from the United Nations (UN), most notably the Paris Agreement, thousands of scientists and government reviewers agreed that limiting global temperature rise to no more than 1.5°C would help avoid the worst climate impacts and maintain a livable climate. This Agreement's overarching goal is to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels" and pursue efforts "to limit the temperature increase to 1.5°C above pre-industrial levels." SSH's LCTP sets out a range of targets and actions designed to deliver an emissions reduction pathway consistent with the 1.5°C ambition of the Paris Agreement.

Climate change risks such as drought, wildfires, extreme temperatures, heavy precipitation, and storms present significant environmental risks to direct operations and value chains. These risks are present in ways that can potentially decrease production numbers, increase capital costs, and decrease revenue. These potential risks associated with climate change make it clear that SSH must decrease environmental impacts. In addition, SSH received strong indicators from upstream and downstream value chains that sustainability practices are a high priority moving forward. Suppliers and customers in our value chain pledged to decrease emissions, continually improve environmental practices, and release annual sustainability reports. SSH looks forward to joining them in what is becoming a new standard for the metals industry. SSH is confident that over time we will be a prime example of sustainability in the steel and metals servicing industry.

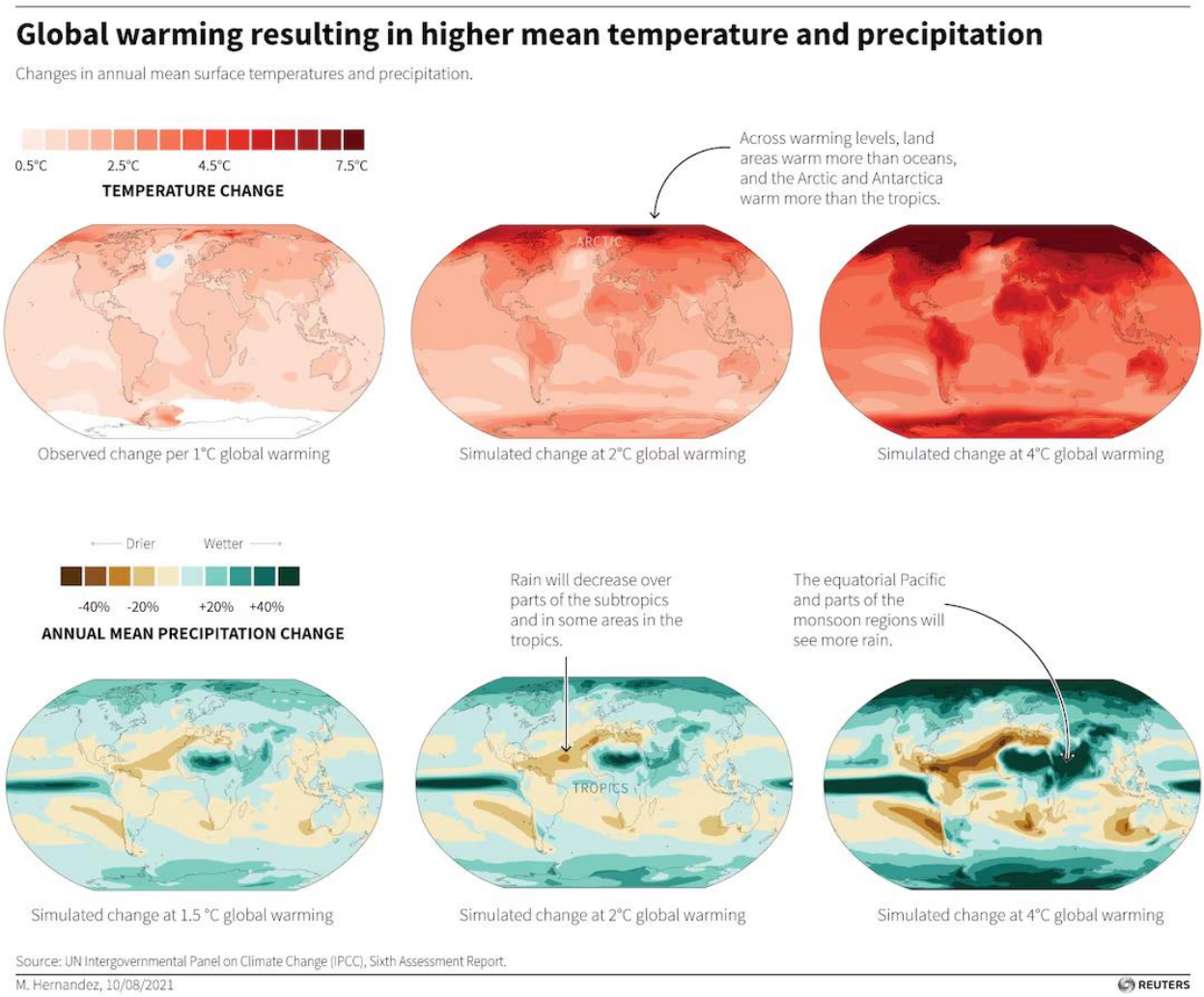


***Figure 1**: Graphic from Reuters displaying simulated changes in temperature and precipitation with 1°C, 2°C, and 4°C global temperature increases.*

In the future, SSH looks forward to improving direct operations by using renewable energy sources, thus improving ratings by sustainability and ESG indexes. For example, to reduce Scope 1 emissions, SSH committed to replacing all propane powered forklifts with electric forklifts. This initiative is already complete at the Grand Rapids and Decatur facilities.

Scope 2 emissions can be accounted for as market- or location-based. Location-based emissions calculate emissions based on the average intensity of the grid where electricity is consumed, regardless of the origin of the electricity, thus reflecting what SSH is physically putting into the air. The renewable energy mix of each subregion of the United States' electricity grid where each SSH plant operates is listed in the table below.

Location	Energy Mix
SRTV: SERC Tennessee Valley (La Vergne & Decatur)	32.8% Nuclear 7.6% Hydro 0.7% Biomass 0.8% Solar
RFCM: RFC Michigan (Grand Rapids)	10.2% Nuclear 8.8% Wind 1.5% Biomass 1.3% Solar
RFCW: RFC West (Cincinnati)	28.4% Nuclear 1% Hydro 5.5% Wind 0.3% Biomass 0.8% Solar

Table 1: *Renewable energy mix of the electricity grid where each SSH operates from the US EPA Power Profiler*

SSH's facilities do not operate in locations where Utility Green Power Products or Green Pricing is offered. Therefore, SSH opted to remedy this by purchasing renewable energy credits (RECs) to account for Scope 2 market-based emissions. Market-based emissions reflect emissions from the specific electricity a company purchases, thus reflecting the emissions SSH is responsible for through purchasing decisions. SSH purchased RECs for the next three years (beginning in FY2025) to decrease Scope 2 market-based emissions. In the long term, SSH hopes utility companies will directly provide renewable energy, thus minimizing Scope 2 location-based emissions.

Increased expectations of disclosures to customers provides an additional opportunity for SSH to evaluate data being tracked and find ways to improve data quality in the future. There is potential for investment in software programs to automate this tracking and to calculate emissions in the future. As more of customers request sustainability policies and emissions information, there is a distinct advantage in investing in sustainability programs to increase rapport with customers. The increased interest in sustainability from customers presents opportunities for SSH to develop products with reduced environmental impacts to accommodate the shift in consumer preferences. SSH will continue to evaluate purchasing trends and analyze shifting purchasing preferences to mills using renewable energy and recycled materials to aid in reducing Scope 3 emissions.

Additionally, SSH will continue to put more time and resources into supply chain mapping, particularly for our upstream supply chain. While we have mapped our Tier 1 suppliers, we will continue to analyze our supply chain to ensure the purchasing of materials from ethical and sustainable metals producers, with a potential focus on purchasing more frequently from facilities with lower emissions and sustainability goals in place.

Governance

SSH understands the significance of establishing a distinguished position of oversight for environmental goals and targets. SSH appointed board-level oversight through a steering committee to ensure SSH sets, meets, and sustains targets, and is crucial in steering the business strategy toward emission reductions aligned with a 1.5°C trajectory according to the Paris Agreement. The board ensures each division of SSH is educated on environmental goals and progress. The board meets once a quarter to go over concerns and progress.

Specifically, the Chief Operating Officer (COO) is responsible for reporting to the board on sustainability initiatives taking place. The COO is responsible for gathering qualitative and quantitative sustainability information and reports to the board on progress. The COO attends monthly Environmental, Social, and Governance (ESG) meetings where sustainability progress is reviewed and tracked, and tasks are assigned to individuals on the ESG Committee. Quantitative and qualitative data is collected and presented to the parent company, Sumitomo Corporation (SC). This information is gathered continuously throughout the year and reported to the Steering Committee semi-annually to ensure that SC is meeting their sustainability goals. SC also coordinates with SSH to ensure all sustainability disclosures are accurate and meet legal standards in the rapidly changing ESG landscape. In addition to the COO, the Chief Executive Officer (CEO), and Chief Financial Officer (CFO) attend both board and ESG meetings to keep SSH on track with goals. The COO, CEO, and CFO have expertise in SSH's business model, governance, and financial strategies and consult with subject matter experts, such as the Corporate Sustainability Specialist, to gain background knowledge on environmental and social issues.

In addition to the governance of the COO, CEO, and CFO, SSH has an ESG Committee as mentioned above. This committee was created to ensure that no area in SSH's operations is unsupported or under-represented while new goals and initiatives are implemented. This ESG Committee meets monthly and includes roles involved in environmental, social, financial, and governance-related areas. Roles include the Corporate Environmental Health and Safety (EHS) manager, the Corporate ESG and Sustainability Specialist, the VP of Planning and Control, the VP of Operations, the CEO, the CFO, and the COO. Each person brings a unique perspective on sustainability and ESG to the table to allow proper governance and oversight of SSH's Low Carbon Transition Plan (LCTP) and ESG strategy. This team continues to meet monthly to track improvements in each area and to discuss options for progressing implementation of our LCTP. Release of environmental and social information is based upon agreement of the ESG Committee and is not subject to the same disclosure controls as financial information.

As of FY2025, much of SSH's progress in sustainability stems from encouragement and incentivization from customers. Sustainability is now intertwined with governance and financial viability and vice versa. SSH and the board recognize that future business depends upon the proper implementation of ESG goals. Due to their interconnectedness, many business departments within SSH now work together to meet customers' environmental goals and to grow the business.

The Environmental, Health, Safety, and Sustainability (EHS&S) department is responsible for implementing the goals and objectives determined by the board, steering committee, and ESG

committee at each SSH facility, which include plants located in La Vergne, TN; Decatur, AL; Cincinnati, OH; and Grand Rapids, MI. In particular, the Corporate Sustainability Specialist tracks utility usage data, calculates emissions, and is assisted by the Corporate EHS Manager in determining new projects and directions for SSH depending on internal or customer goals. The EHS&S team will report the progress on projects to the ESG Committee, then the COO will reiterate the messages to the board.

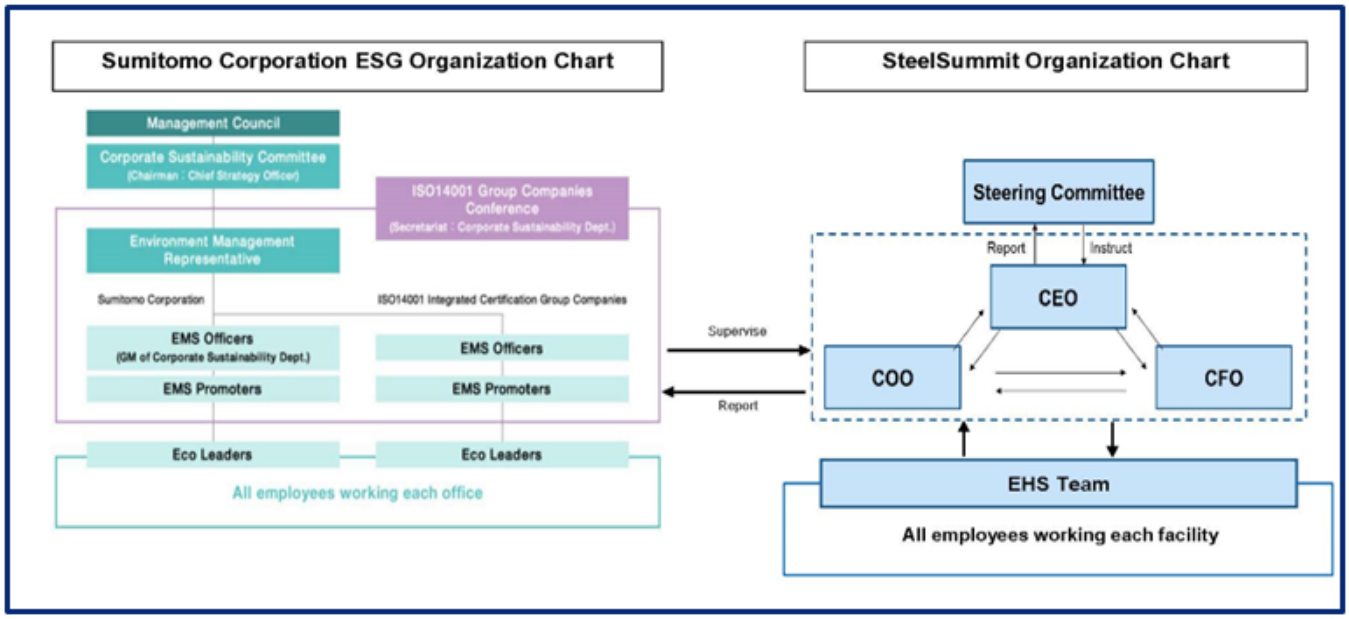


Figure 2: *ESG Governance Map – Sumitomo to SSH*

An overview of SSH's Environmental Management System branching from the parent company can be found in *Figure 1*. This demonstrates that sustainability governance for the ESG program is on multiple levels, all the way up to the parent company.

In addition to oversight at the board level, SSH has the support of Stevens EHS Consulting, LLC (SEC). SEC provides guidance and assistance to ensure projects stay on track to meet current and future goals. A member of SEC attends the ESG meeting and assists in the tracking and progression of projects.

Business Risks & Opportunities

Risks

Financial planning and strategizing are crucial when demonstrating that SSH is aligning with climate goals and that it will be relevant and profitable in a 1.5°C world. Climate-related issues can affect several important aspects of an organization's financial position, both now and in the future, including capital expenditures and future cash flow for the company. SSH has a VP of Planning and Control, which is an accounting and financial position on the ESG committee to oversee the economic data of this initiative. This allows for proper financial planning towards ESG goals while tracking and reporting accurate spending information. For example, SSH invested in external consulting firms to acquire the necessary knowledge and capabilities and in FY25, created a full-time, internal sustainability position. Additionally, SSH invested in eco-friendly technologies within operations through purchases of LED lightbulbs, electric forklifts, and RECs.

At present and in the future, SSH predicts a risk of not prioritizing sustainability in operations to be the potential loss of business and lack of capabilities to expand to new customers. More companies are requesting sustainability and environmental data than ever before. Many customers are based in Europe and are subject to the Carbon Border Adjustment Mechanism (CBAM) and require SSH's cooperation in supplying emissions data to them in the future to remain a supplier. Customers are also requiring SSH to invest in verifications of emissions reductions targets from organizations such as the Science Based Targets Initiative (SBTi) and to upload data and policies to service providers such as Ecovadis and CDP. In addition, SSH is subject to the regulations of California Assembly Bill No. 1305 (AB-1305) and is legally liable for any public statements of carbon emissions and reductions. There is more pending legislation in relevant markets in California, New York, and Canada that may require SSH to invest in a third party to verify our statements of future carbon neutrality and emissions numbers.

Due to SSH's wide variety of customer locations and production types, the risks mentioned above are applicable organization wide. Many of the risks are material now and require investments to work towards ISO-14001 certification, the creation of an in-house sustainability position, and education of the entire organization on the topic of sustainability. ISO-14001 provides a framework for organizations to design and implement an EMS and continually improve their environmental performance by minimizing their environmental footprint, complying with legal requirements, and achieving other environmental objectives. Without considering these risks and incorporating necessary changes into operations and management, SSH predicted a loss of current and potential customers, specifically those that made emission reduction commitments or those operating in Europe.

Opportunities

These risks present SSH with an opportunity to invest further in automated data programs to streamline emissions calculations and data collection in the future. SSH predicts that within the next five years, more customers and suppliers will begin requesting or requiring that companies begin verifying their emissions through a third-party auditor. This assessment will further ensure the

accuracy, completeness, and compliance of SSH's GHG emission reports. By completing this before it becomes a requirement from customers, SSH can further showcase our commitment to sustainability.

SSH has opportunities to engage further with our suppliers to learn about their sustainability goals. We are witnessing downstream changes in our supply chain and hope our upstream suppliers will invest in carbon emission reductions and sustainability measures for manufacturing operations. SSH's purchased materials are carbon intensive and major emission reductions can be achieved if steel mills, and non-ferrous producers invest in low carbon technologies. SSH predicts potential opportunities in creating new "low carbon" steel and aluminum products. As more suppliers begin investing in their own low carbon technologies, we predict that the cost of creating "low carbon" metals will lessen over time, driving customer demand.

Environmental & Social Policies

Environmental Policies

At SSH, we believe it is our responsibility to align our corporate actions with ethical behavior in the environmental and social domains of our operations. To establish proper governance to oversee and enforce these actions is SSH's LCTP, which was finalized in July 2024 by our ESG Committee and the board. The creation of the LCTP was informed by policies found in sustainability reporting frameworks such as CDP and SBTi. The full document is used to inform decisions internally and an executive summary of our LCTP is published on SSH's website for customers, suppliers, and stakeholders to review at any time. It is important to us and our customers that the actions we take now, and those planned, support the sustainability goals that the LCTP outlines. In terms of environmental responsibility, this plan summarizes each area associated with how SSH is going to decrease any negative environmental impact and make SSH a leading sustainable company in the metals industry.

SSH identified the environmental challenges and opportunities we face as a company. We aim to reduce consumption of materials to conserve natural resources and reduce emissions to address the pressures of climate change and become world-class in our sustainability practices.

To meet emission reduction goals in line with a 1.5°C ambition, our primary focus in the 2020s and 2030s will be on absolute reductions of Scope 1, Scope 2, and Scope 3 emissions. The reductions in each Scope will ultimately result in a "net zero" future for SSH by 2050. Net-zero not only removes carbon sources from the company's emissions but also works to capture and permanently store any emissions that are released into the atmosphere.

SSH aims to reach Scope 1 targets by investigating the installation of geothermal heat pumps and air-to-air pumps in our Grand Rapids and La Vergne plants. This decision was made due to the necessary heating and cooling system upgrades needed in these facilities as well as the potential emission reductions this investment will have. This can reduce the usage of natural gas to heat facilities when outdoor temperatures drop and can be used to cool facilities in the summer. Scope 1 emissions can also be reduced by replacing propane powered forklifts with electric forklifts in our fleets. Our Decatur and Grand Rapids facilities are currently operating with all-electric forklift fleets. At our Cincinnati and La Vergne facilities, propane powered forklifts will gradually be replaced as they reach the end of their lifetimes, with replacements beginning in FY2026.

SSH plans to reach Scope 2 targets by purchasing renewable energy from local utilities and RECs in the green energy marketplace. Energy audits are currently underway by local Industrial and Training Assessment Centers (ITAC) at all facilities to determine best practices and future investments needed to decrease energy usage and increase energy efficiency. As of FY2025, there are limited community solar programs in the areas where SSH operates. As described previously, RECs were purchased to lower Scope 2 market-based emissions in the meantime. RECs are market-based instruments that represent the property rights to the environmental, social, and other non-power attributes of renewable electricity generation. When a renewable energy facility generates electricity, it also generates RECs, which can be sold separately from the electricity itself as the physical

electricity received through the utility grid says nothing of its origin or how it is generated. RECs help track and verify the use of renewable energy and allow SSH to help fund the development and operation of renewable energy facilities.

SSH plans to reach Scope 3 targets in a variety of ways including mapping our supply chain and purchasing more carbon steel from mini mills using electric arc furnaces (EAFs), which have lower carbon emissions than traditional integrated mills. Most of SSH's Scope 3 emissions are due to the resources and energy needed to make carbon steel at integrated mills, however, many of our metal suppliers released emission reduction goals of their own. Coupling the changes by suppliers with our own future changes in purchasing should be sufficient for SSH to reach our Scope 3 reduction goals.

SSH committed to verification of our emission reduction targets by SBTi in February 2024 for Scope 1, 2, and 3 emissions in the short and long term. By the end of FY2026, these targets, listed below, will be verified by SBTi.

Short/Medium Term Targets:

SCOPE	**BASE YEAR EMISSIONS FY2020 (tCO2e)**	**TARGET YEAR EMISSIONS FY2030 (tCO2e)**	**% REDUCTION**
Scope 1	745	432	42.0%
Scope 2 (market-based)	1,626	943	42.0%
Scope 1 & 2	2,371	1,375	42.0%
Scope 3	**BASE YEAR EMISSIONS FY2022 (tCO2e)**	**TARGET YEAR EMISSIONS FY2032 (tCO2e)**	**% REDUCTION**
Scope 3	1,435,179.7	772,126.7	46.2%

***Table 2**: SSH's emissions reduction targets for FY2030 (April 1, 2029-March 31, 2030)*

Long Term/Net Zero Targets:

SCOPE	BASE YEAR EMISSIONS FY2020 (tCO2e)	TARGET YEAR EMISSIONS FY2050 (tCO2e)	% REDUCTION
Scope 1	745	74.5	90.0%
Scope 2 (market-based)	1,626	162.6	90.0%
Scope 1 & 2	2,371	237.1	90.0%
Scope 3	**BASE YEAR EMISSIONS FY2022 (tCO2e)**	**TARGET YEAR EMISSIONS FY2050 (tCO2e)**	**% REDUCTION**
Scope 3	1,435,179.7	143,517.97	90.0%

***Table 3**: SSH's emissions reduction targets/net-zero emissions targets for FY2050 (April 1, 2049-March 31, 2050)*

To ensure progress towards emissions reduction targets, emissions are calculated on an annual basis. Data is collected throughout the fiscal year (April 1-March 31) on direct emissions from manufacturing activities and indirect emissions from electricity purchased and supply chain activities. Emissions are then compared from the prior and current year and from base years to determine if we are on track for emission reduction goals.

SSH understands that our LCTP is an important first step on our sustainability journey as it is the framework to help the company outline our goals and transition to a more sustainable future. Besides reducing emissions, SSH aims to create targets for reducing natural resource consumption in all facilities. For example, water is not used in any industrial or manufacturing processes at SSH, rather it is only used by employees for sanitary purposes. SSH is committed to minimizing usage by installing water-saving technologies as facilities are updated and remodeled in the future. Examples include motion-detecting sinks, low flow toilets, and dual flush toilets. SSH also committed to decreased use of disposable water bottles by installing water filtration systems in our plants, with plans to introduce this into our corporate headquarters in FY26.

SSH aims to reduce the amount of waste that is sent to landfills and to increase our recycling rates. All facilities recycle scrap metal by selling it to businesses who reuse scrap metal to build new materials, reducing the number of materials extracted from the Earth. To reduce reliance on wood products, SSH instituted a pallet return program for customers. Facilities reuse and fix wooden skids that materials are shipped on, thus maximizing the life of each wooden pallet and reducing demand for lumber. Once the skids are no longer safe to use, they are recycled into mulch or firewood by local companies. Additionally, at our Decatur and Grand Rapids plants, all waste is incinerated at a local steam plant that provides energy to other manufacturers, further reducing waste sent to landfills.

In FY2025, new, extensive recycling programs were implemented at our La Vergne and Cincinnati plants. Both plants are now recycling plastics, paper, cardboard, aluminum cans, and wooden skids. Our Grand Rapids plant previously implemented these recycling programs due to extensive local recycling resources. In FY2026, our goal is for our Decatur plant to establish and implement a recycling program like other plants. In the future, SSH will evaluate the applicability of quantitative targets for waste and recycling.

Category	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Totals FY25
Skids Returned	3346	2646	2964	3112	2320	3160	2478	3062	1975	2436	3345	2025	**32869**
Skids Recycled	738	596	1413	543	399	910	263	645	281	662	363	117	**6930**
Skids Re-used	2608	2050	1551	2569	1921	2250	2215	2417	1694	1774	2982	1908	**25939**

Table 4: *SSH's wooden skids that were returned by customers to be reused by SSH. About 80% of returns were able to be reused by SSH by sending orders to other customers and the other 20% were recycled. This resulted in net savings of $381,424.90 by avoiding purchasing of new skids.*

Waste Sent to Landfill (tons)	Waste Incinerated (tons)	Waste Recycled (tons)	Total Waste (tons)	% Diverted from Landfill
93.1	546.5	12,486.7	13,126.3	95.8%

Table 5: *Total tonnages of waste from our four offices and plants and how they were disposed of in FY2025. SSH was able to divert 95% of waste from landfill and was reused as waste to energy or recycled.*

Landfill Change from FY2024	*Incineration Change from FY2024*	*Recycling Change from FY2024*	*Total Waste Amount Change from FY2024*
+2.9%	**-6.2%**	**+6.7%**	**+6.4%**

Table 6: *SSH's percent change in waste disposal methods from FY2024 to FY2025. More overall waste was produced, and slightly more was sent to landfill, while more was also recycled, and less was incinerated.*

Through targets and metrics, SSH aims to reduce emissions and become a world-class leader in the sustainability of our planet. In the future, we aim to develop and include more social programs into our environmental, social, and governance programs (ESG) such as addressing diversity, equity, and inclusion (DEI) targets; volunteering and giving back in our local communities; addressing the sustainability of our own supply chain; addressing biodiversity targets; addressing UN Sustainable Development Goals; decreasing water usage; and other topics as they progress.

Social Policies:

The safety and well-being of our employees is SSH's top priority. Therefore, it is the policy of SSH to ensure a safe, healthy workplace for all its employees. It is always the goal at SSH to have zero incidents at each facility annually. SSH employs an effective accident and illness prevention program that involves all its employees in the effort to eliminate workplace hazards.

Management, including on-site Plant Managers and EHS Managers, is accountable for preventing workplace incidents, injuries, and illnesses. Management provides top-level support for safety program initiatives and will consider all employee suggestions for achieving a safer, healthier workplace.

Supervisors are responsible for training workers in safe work practices. Supervisors must enforce company safety rules and work to eliminate hazardous conditions. Supervisors shall lead safety efforts by example. All employees are expected and encouraged to participate in safety and health program activities including the following: reporting hazards, unsafe work practices, and accidents immediately to their supervisors or a safety committee representative; wearing required personal protective equipment (PPE); and participating in and supporting safety committee activities.

The safety committee includes employer and employee representatives who are responsible for recommending safety and health improvements in the workplace. The committee is also responsible for identifying hazards and unsafe work practices, removing obstacles to incident prevention, and helping the company evaluate the accident and illness prevention program.

Should an incident occur, employees report the incident to their supervisor who then reports to the plant manager who reports to the Corporate EHS Manager. The EHS Manager involves the CEO and HR in determining workers' compensation and other legal requirements. The supervisor conducts an incident investigation that the Plant Manager and EHS Manager review and then issues corrective action to prevent a similar incident from occurring in the future.

Other than the physical safety of plant employees, SSH cares about the safety and social policies of our supply chain. SSH reports each year on the Responsible Minerals Initiative (RMI) Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) to ensure responsible sourcing of minerals in our supply chain. Additionally, SSH ensures that modern slavery including forced labor, child labor, and human trafficking are not taking place within our business and supply chains. SSH expects employees to report violations of this policy to their immediate manager, HR, or the Ethics Helpline. SSH deployed training in business and human rights to all employees to properly educate the workforce. As of FY2025, there have been no identified forms of modern slavery within our business and supply chains.

Sources of Environmental and Social Impact

Environmental Impacts

For SSH, the key performance indicators (KPIs) that hold the most significance in decarbonizing the business processes within the company and within the value chain can be found in the table below:

Key Performance Indicator (KPI)	Area of Processing/Value Chain
Waste to Landfill (tons)	Processing/Value Chain
Waste Incinerated (tons)	Processing/Value Chain
Waste Recycled (tons)	Processing/Value Chain
Water Usage (gallons)	Processing
Natural Gas Usage (ccf)	Processing
Propane Usage (gallons)	Processing
Energy Usage (kWh)	Processing
Purchased Steel (Mini Mill vs. Integrated) (tons)	Value Chain

***Table 7**: KPIs being tracked by SSH to calculate emissions and analyze our environmental impacts of operation*

Natural gas, propane, and electricity usage are used to calculate our Scope 1 and 2 emissions. Waste to landfill, waste incinerated, waste recycled, and purchased steel are all parts of our Scope 3 emissions calculations.

Social Impacts

As an integral part of its corporate vision, SSH strives to build and maintain a meaningful, effective, and practical ethics and compliance program that our employees support and understand, while tracking data and KPIs on its effectiveness in the future. SSH expects all associates and business partners to conduct business in an ethical and honest manner, in full compliance with all applicable laws and regulations.

SSH maintains a robust health and safety program that complies with all laws and regulations governing workplace safety and plans to align with ISO 45001:2018, an international standard for occupational health and safety, in the future. In incidents where there is an injury or a near miss, SSH is committed to conducting a thorough investigation, identifying root causes, and implementing countermeasures. SSH may ask suppliers for documentation supporting their own health and safety programs. Suppliers must agree to cooperate with such requests and provide timely responses.

SSH takes human rights obligations very seriously. SSH will not do business with suppliers who do not have a sound and comprehensive program to ensure that no slavery, forced labor, child labor, or inhumane conditions exist in its operations or supply chains. SSH implemented a policy of conflict-free sourcing and expects its suppliers of raw materials and components containing conflict minerals

to provide complete conflict minerals declarations. SSH will reconsider partnering with suppliers that fail to comply with this policy and fail to improve their practices.

SSH is committed to fostering, cultivating, and preserving a culture of diversity and inclusion. Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, innovation, self-expression, unique capabilities, and talent that our employees invest in their work represents a significant part of our culture, reputation, and the company's achievement as well.

SSH embraces our employees' differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique.

Our diversity initiatives are applicable—but not limited—to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- Respectful communication and cooperation between all employees.
- Teamwork and employee participation, permitting the representation of all groups and employee perspectives.
- Employer and employee contributions to the communities we serve to promote greater understanding and respect for diversity.

All employees have a responsibility to always treat others with dignity and respect and are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored events.

SSH does not tolerate and prohibits unlawful discrimination, harassment, and retaliation, including any behavior that creates an intimidating, offensive, or hostile work environment. SSH prohibits discrimination based on race, color, citizenship, national origin, ancestry, religion, gender, gender identity, sexual orientation, family/marital status, age, disability, or pregnancy. SSH expects suppliers to implement strong equal employment opportunities (EEO), compensation and personnel policies, and to educate their employees on diversity and EEO issues. All applicable EEO, wages, and personnel policies must be consistent with current laws, regularly disseminated to all employees, and strictly enforced.

Organizational Boundary

For this report and emissions calculations, SSH defines our organizational boundary as entities over which it has operational control. SSH has operational control over any process if the former has the full authority to introduce and implement its working policies at the operation. SSH accounts for 100% of emissions from operations at which it has the full authority to introduce and implement operating policies. Having operational control does not mean that SSH necessarily has the authority to make all decisions concerning an operation. Emissions data from each applicable reporting unit was collected regarding the assets operated by SSH, including those assets partly owned by SSH (operated joint venture). This approach is defined in order to collect and consolidate all data from assets that meet either of the following criteria:

1. The asset is operated by SSH, whether for itself or under a contractual obligation to other owners or participants in the asset; or
2. The asset is operated by a joint venture or equivalent arrangement of which SSH can determine management and board-level decisions of the joint venture.

SSH does not account for any emissions from operations in which it owns interest but does not have operational control over. This approach excludes data from assets that are partly owned by SSH but operated by another company (a non-operated joint venture).

The following are a list of facilities for which SSH has operational control:

1. Decatur, Alabama plant
2. Grand Rapids, Michigan plant
3. La Vergne, Tennessee plant
4. Cincinnati, Ohio plant

Reporting Policies

According to the Science-Based Target Initiative framework (SBTi), "[t]argets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C."

SSH set targets in line with SBTi to ensure emission reductions are aligned with the goals of the Paris Agreement. SSH signed a commitment letter to SBTi in February 2024 and plans to have emissions reduction targets verified by SBTi by the end of calendar year 2025. As of FY2025, emissions are not audited or verified by a third party.

Scope 1 & 2 Emissions

SBTi requires that the Scope 1 and Scope 2 emissions inventory covers at least 95% of the company-wide Scope 1 and Scope 2 emissions. The prepared inventory utilized documentation from all Scope 1 and 2 activities at each location owned by SSH. Therefore, all emissions have been accounted for in the preparation of the inventory.

The *GHG Protocol Corporate Standard* includes a list of which greenhouse gases (GHGs) should be included in an emissions inventory. These GHGs combine to form the carbon dioxide equivalent (CO2e) emissions total based on their individual global warming potentials (GWPs). SSH reviewed and verified that our emissions accounting covers all relevant emissions of the different GHGs covered by the UNFCCC Paris Agreement. These are:

- Carbon Dioxide (CO_2),
- Methane (CH_4),
- Nitrous Oxide (N_2O),

The following GHG's are not in the processes at SSH and therefore will not be tracked/have no emissions at SSH:

- Hydrofluorocarbons (HFCs).
- Perfluorocarbons (PFCs),
- Sulphur Hexafluoride (SF_6),
- Nitrogen Trifluoride (NF_3).

The SBTi framework outlines specific criteria that must be met for targets to be recognized and ultimately verified by SBTi. In addition, SSH follows the *GHG Protocol Corporate Standard*, *Scope 2 Guidance*, and *Corporate Value Chain (Scope 3) Accounting and Reporting Standard* when establishing the baseline years and Science Based Targets. The *Greenhouse Gas Protocol* states that companies should choose and report a baseline year for which verifiable and reliable emissions data are available. The inventory baseline year is also used as a basis for setting and tracking progress toward the company's GHG target.

SSH elected to use FY2020 (April 1, 2019-March 31, 2020) as the base year for emissions targets for Scope 1 and Scope 2 emissions. During FY2020, SSH acquired another company, Magic Steel, which altered the company structure and emissions inventory. According to the Environmental Protection Agency (EPA), "Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization." SSH's audits show that the sources of Scope 1 emissions are natural gas, used for heating, and propane, used for forklift and crane operations. The EPA's description of Scope 2 emissions is defined as "…indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling." SSH's audits show that the only source of Scope 2 emissions is purchased electricity.

SSH tracks both location-based and market-based electricity use, via requirements from the *GHG Protocol Scope 2 Guidance.* The location-based calculations are used to determine electricity usage and to track the energy efficiency of our plants and operations. The location-based approach is based on a grid average estimation to which uses the average emission factors from all operating electric grids in the United States. The market-based method allows SSH to calculate emissions using provider-specific factors from purchasing RECs. SSH uses this to determine Scope 2 emission reductions and reporting of our targets. On a broader market scale, SSH purchasing RECs signals to utility markets the higher demand for renewable energy and the need for expansion of renewable energy in the Southern and Midwestern regions of the United States. In the future, SSH hopes to purchase renewable energy directly from our utility providers to further decrease Scope 2 location-based emissions.

SteelSummit does not purchase or sell carbon credits.

Scope 3 Emissions

SSH elected to use a different baseline year for Scope 3 emissions, FY2022 (April 1, 2022-March 31, 2023), as data for these emissions were not tracked prior to then. Scope 3 emissions occur from sources owned or controlled by other entities in the value chain. A value chain refers to the full lifecycle of a product or process, including material sourcing, production, consumption, and the disposal or recycling processes. Due to the vast range of entities accounted for in Scope 3 emissions, SSH defines our organizational boundary as entities which we have operational control over. SSH mapped our value chain to help determine the Scope 3 inventory within our operational control per the Greenhouse Gas Protocol – *Technical Guidance for Calculating Scope 3 Emissions.*

SSH completed a value chain map/list of activities that included:

- Each of the Scope 3 categories and activities.
- List of purchased goods and services.
- List of goods and services sold.

SSH accounted for all applicable Scope 3 emissions as defined in the standard and will disclose and justify any exclusions. SSH will account for emissions from each Scope 3 category according to the minimum boundaries provided in the standard. The table below lists every category of Scope 3,

accompanied by a description of each.

Scope 3 Category	Description
1. Purchased Goods & Services	Production of goods and services purchased or acquired.
2. Capital Goods	Production of capital goods (physical assets used by a business to produce goods and services for consumers) purchased or acquired.
3. Fuel and Energy Related Activities	Production and transportation of fuels and energy purchased or acquired, not already accounted for in Scope 1 or Scope 2.
4. Upstream Transportation and Distribution	Transportation and distribution of products and services purchased by SteelSummit.
5. Waste Generated in Operations	Disposal and treatment of waste generated in operations.
6. Business Travel	Transportation of employees for business-related activities.
7. Employee Commuting	Transportation of employees between their homes and their worksites.
8. Upstream Leased Assets	Operation of leased assets not reported in Scope 1 or 2.
9. Downstream Transportation and Distribution	Transportation and distribution of products and services sold by SteelSummit.
10. Processing of Sold Products	Processing of intermediate products sold.
11. Use of Sold Products	End use of goods and services sold.
12. End-of-Life Treatment of Sold Products	Waste disposal and treatment of products sold.
13. Downstream Leased Assets	Operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in Scope 1 and 2.
14. Franchises	Operation of franchises.
15. Investments	Operation of investments (including equity and debt investments and project finance).

***Table 8**: Scope 3 emissions category types and descriptions of what is included within them*

Of the 15 categories of Scope 3 listed above, the following will be excluded from the inventory of Scope 3 emissions:

1. **Upstream Leased Assets**: SSH does not have any upstream leased assets.
2. **Downstream Leased Assets**: SSH does not have any downstream leased assets.
3. **Processing of Sold Products:** SSH deemed this to be out of operational control due to the wide range of uses of metal products making it nearly impossible to account for all possibilities.
4. **Use of Sold Products**: SSH deemed this to be out of operational control due to the wide range of uses of metal products making it nearly impossible to account for all possibilities.
5. **Franchises**: SSH does not own any franchises.

Performance and Comparative Analysis

Environmental

Below are detailed tables and figures of SSH's Scope 1, 2, and 3 emissions from their base years to present. From FY2024 to FY2025, SSH's Scope 1 and 2 emissions decreased while Scope 3 emissions increased.

Around 90% of Scope 3 emissions come from Category 1, Purchased Goods and Services, due to the carbon intensity of producing steel. From FY2024 to FY2025, purchased steel and other metals increased by 15%, thus increasing associated Scope 3 emissions. One department of SSH, Summit Global Trading, purchases metals from suppliers that are shipped directly to customers and not processed at SSH facilities. While the tons of metals purchased increased in FY25, the number of metals processed at SSH decreased, which explains why Scope 3 emissions and emission intensity increased while Scope 2 location-based emissions decreased.

Scope 1 emissions decreased by 15% from FY2024 to FY2025 due to milder winters and decreased natural gas consumption for heating. Scope 2 location-based emissions decreased slightly. This was also the first year SSH purchased RECs, so SSH's Scope 2 market-based emissions were fully supported by renewable energy, leading to zero emissions from purchased electricity – a 100% decrease in emissions.

Scope	Base Year Emissions (Scope 1 and 2) FY2020	Target Year Emissions FY2030	Target Year Emissions FY2050	FY2021	Base Year Emissions (Scope 3) FY2022	FY2023	FY2024	FY2025
Scope 1	745	432	74.5	689	695	664	826	699
Scope 2 (location-based)	1,626	943	162.6	1470	1380	1354	1257	1239
Scope 2 (market-based)	1,626	943	162.6	1470	1380	1354	1257	0
Scope 3	NA	772,126.7	143,517.97	NA	1,435,179.70	906,858.758	989,839.389	1,285,184.48
Emission Intensity (tonnes CO2e per ton of metal processed)	NA	NA	NA	NA	2.50	1.84	2.04	3.41

Table 9: *Emissions (in tonnes of CO_2e) of Scope 1, 2, and 3 from base years to present. FY2025 has 0 tonnes CO_2e of Scope 2 market-based emissions due to the purchase of RECs.*

Current Year vs Prior Year Emissions Comparison

FY2025			% Change	FY2024		
Scope 1	699	**Tonnes**	-15.33%	**Scope 1**	826	**Tonnes**
Scope 2 (location)	1239	**Tonnes**	-1.48%	**Scope 2 (location)**	1257	**Tonnes**
Scope 2 (market)	0	**Tonnes**	-100%	**Scope 2 (market)**	1257	**Tonnes**
Scope 1&2 (location)	1938	**Tonnes**	-6.97%	**Scope 1&2 (location)**	2083	**Tonnes**
Scope 1&2 (market)	699	**Tonnes**	-66.44%	**Scope 1&2 (market)**	2083	**Tonnes**
Scope 3 Emissions	1285184	**Tonnes**	29.84%	**Scope 3 Emissions**	989839	**Tonnes**

Table 10: *A comparison of emissions from FY2024 and FY2025 in tonnes of CO_2e.*

Current Year vs Base Line Year Emissions Comparison

FY2025			% Change	Base Years		
Scope 1	699	**Tonnes**	-6.67%	**Scope 1**	749	**Tonnes**
Scope 2 (location)	1239	**Tonnes**	-23.82%	**Scope 2 (location)**	1626	**Tonnes**
Scope 2 (market)	0	**Tonnes**	-100%	**Scope 2 (market)**	1626	**Tonnes**
Scope 1&2 (location)	1938	**Tonnes**	-18.41%	**Scope 1&2 (location)**	2375	**Tonnes**
Scope 1&2 (market)	699	**Tonnes**	-70.57%	**Scope 1&2 (market)**	2375	**Tonnes**
Scope 3 Emissions:	1285184	**Tonnes**	-10.45%	**Scope 3**	1435180	**Tonnes**

Table 11: *A comparison of emissions, in tonnes of CO_2e, beginning from base years to FY2025. The base year for Scope 1 and 2 emissions is FY2020 while the base year for Scope 3 emissions is FY2022.*

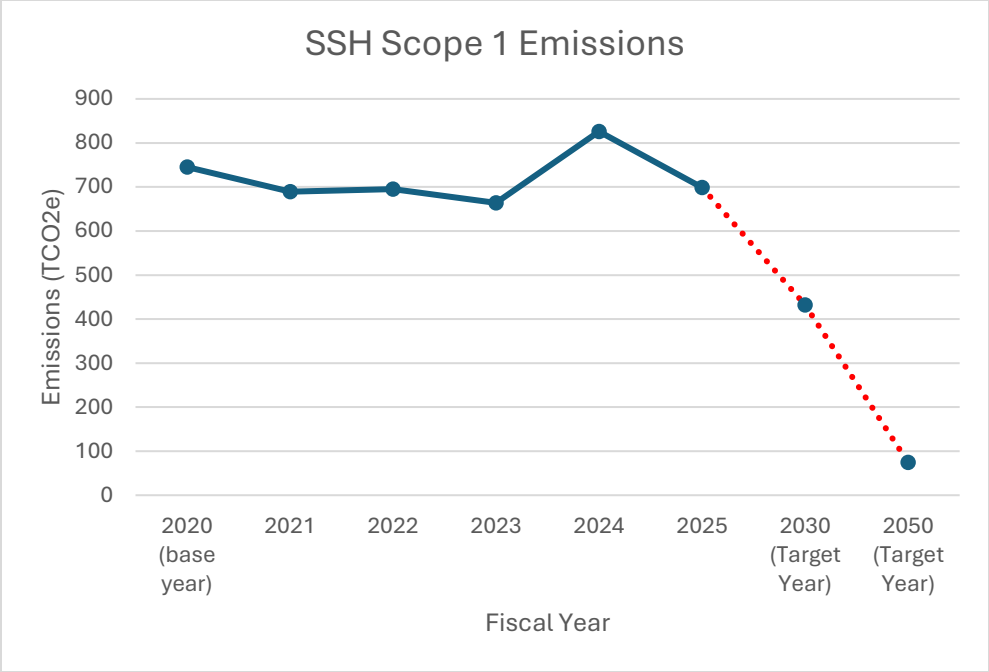


Figure 3: *Scope 1 emissions from FY2020 to FY2025. FY2030 represents our short-term emission targets. FY2050 represents our target emissions to achieve carbon neutral emissions*

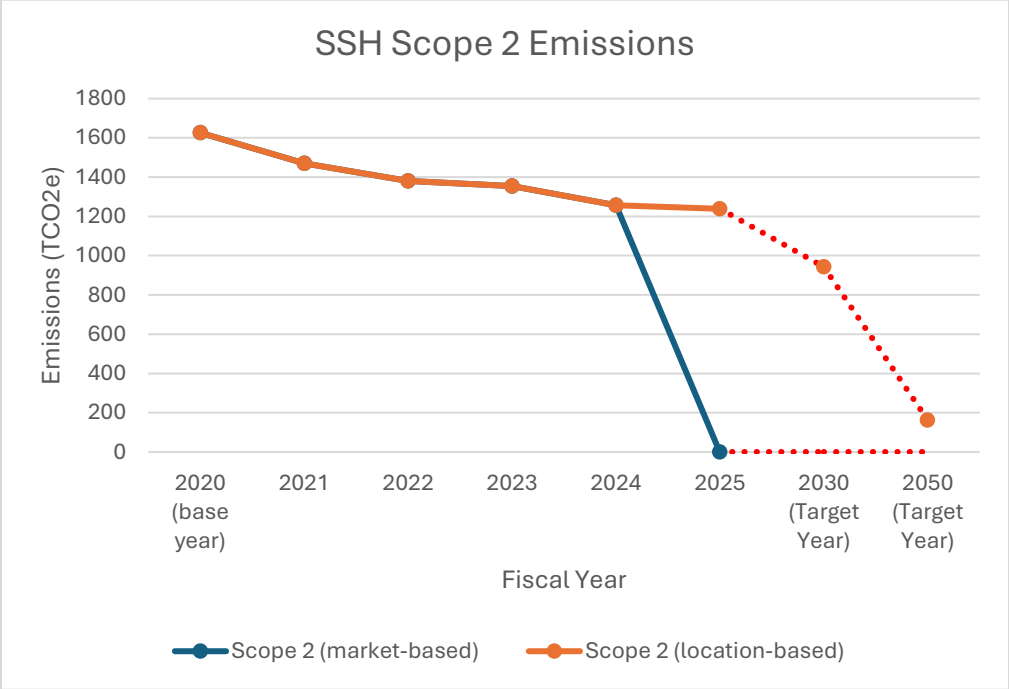


Figure 4: *Scope 2 emissions from FY2020 to FY2025. FY2030 represents our short-term emission targets. FY2050 represents our target emissions to achieve carbon neutral emissions. Scope 2 market-based and location-based emissions were the same until FY2025. Scope 2 market-based targets have been achieved as of FY2025 through the purchase of RECs.*

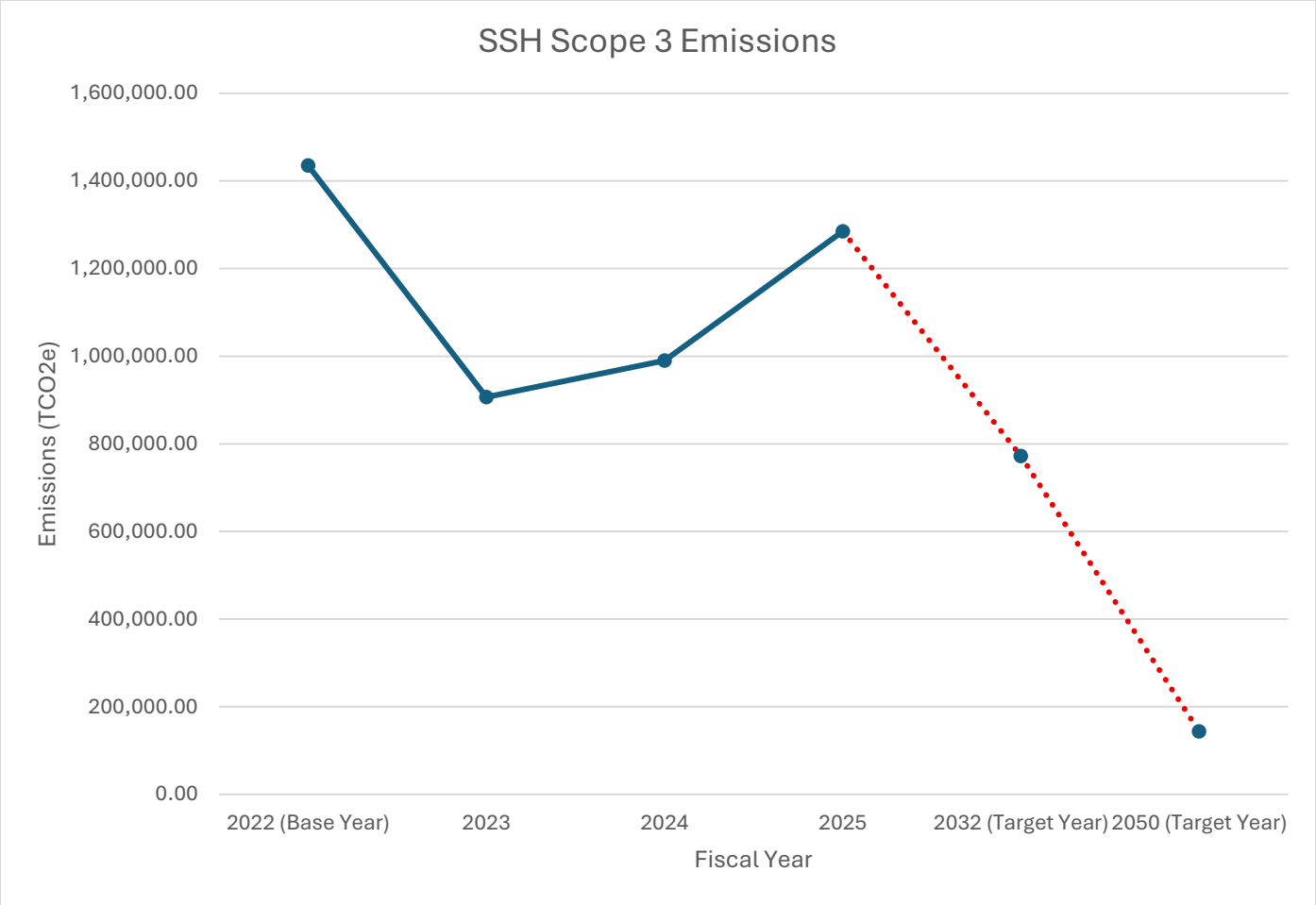


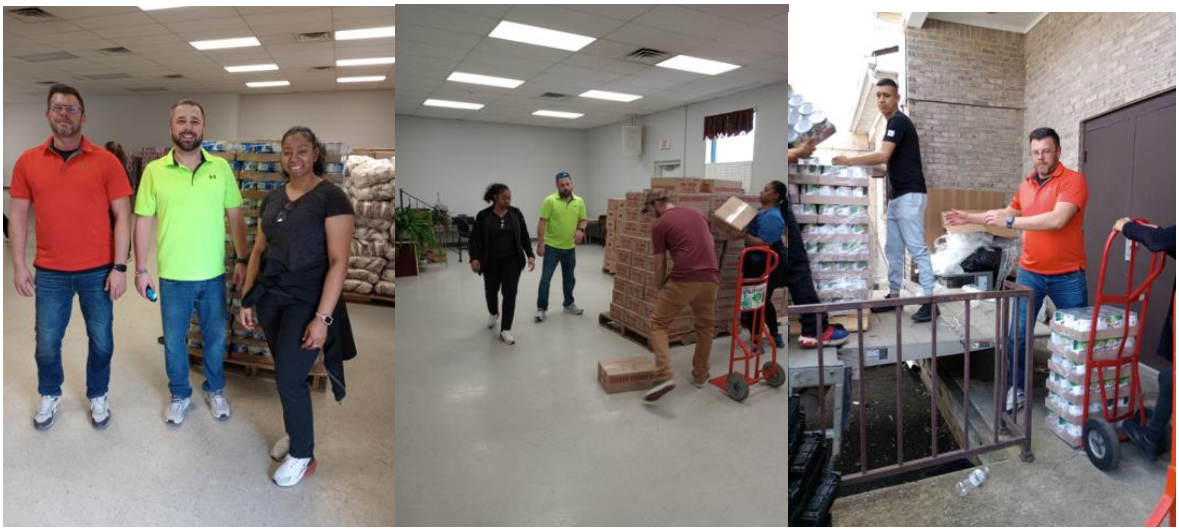
Figure 5: *Scope 3 emissions from FY2022 to FY2025. FY2030 represents our short-term emission targets. FY2050 represents our target emissions to achieve carbon neutral emissions.*

Social

All locations of SSH have opportunities throughout the year to volunteer and give back to local communities. Here are some highlights:

La Vergne, TN

A SSH team volunteered for a total of 12 hours at Mid-Cumberland Community Action Agency (MCCAA) in Lebanon, TN. MCCAA is a non-profit organization that works to improve the lives of low-income families, children, and individuals throughout multiple counties in Middle Tennessee. Our SSH team volunteers helped to load trucks with food supplies for those in need.



Multiple times throughout the year, SSH teams volunteered at Second Harvest Food Bank in Smyrna, TN, for a total of 80 hours. Second Harvest focuses on nourishing and empowering the people of Middle Tennessee by taking in donated surplus food from grocery stores, farmers, and others to divert food that would otherwise end up in landfills, decreasing food insecurity in the community and decreasing food waste.

Grand Rapids, MI:

Employees held and contributed to a food drive for the Family Network of Wyoming. The Family Network is a non-profit organization that began with the goal of providing a dependable source of healthy foods for neighbors and families during periods of economic downturns. Since 2004, the Family Network grew to offer non-food services such as a Durable Medical Equipment Loan Closet

and an annual Wyoming Christmas Store. SSH's Grand Rapids location was able to donate 380 pounds of non-perishable food items this year!

Decatur, AL:

A team of SSH employees participated in the annual Dragon Boat Race along the banks of the Tennessee River from Point Mallard Water Park in Decatur, Alabama to support the Decatur Morgan Hospital Foundation. This event raised over $2.5 million in the last five years for the Foundation's mission to provide exceptional healthcare services to the Decatur community! This includes technology and equipment upgrades in hospitals, facility improvements, and a fund for employee scholarships.

Photo courtesy of Decatur Morgan Hospital Foundation

Murfreesboro, TN Corporate Office:

Employees donated their time and money to provide Christmas presents for the Child Advocacy Center of Rutherford and Cannon counties. The Child Advocacy Center provides safety, justice, and healing for child abuse victims in Rutherford and Cannon counties in Tennessee.

SSH also donated financially to a wide variety of causes in each location's local communities, including the following:

Association of Women in the Metal Industries (AWMI)
BMW Supplier Diversity
Children's of Alabama Hospital
Inspired by Giving Golf Charities
Lascassas Elementary School
Michigan Ovarian Cancer Alliance
National Down Syndrome Association
The Phillips Family Scholarship Foundation
Tubular Steel, Inc. Mental Health Scholarship

Earth Day 2024:

On April 22nd, 2024, all SSH plants and office locations gathered for their first annual Earth Day Celebration. The 2024 Earth Day theme was "Planet vs. Plastics" and employees were educated on the health and environmental effects of plastics and how they can phase out single use plastics in their daily lives. All employees received a plant to take home, and lunch catered by local businesses who focus on providing healthy foods that are sustainably sourced.

Our La Vergne plant and Corporate Office catered lunch from the Nashville Food Project, a non-profit that grows organic food in their gardens, uses donated food and garden-grown food to cook made from scratch meals, and shares these nourishing meals with local poverty-disrupting nonprofits and community groups. By catering from the Nashville Food Project, SSH provided a monetary donation to further support the organization's efforts on alleviating hunger in the Nashville area.

Earth Day Celebration at our La Vergne Plant!

Earth Day Celebration at our Decatur Plant!

Earth Day Celebration at our Grand Rapids Plant!

Earth Day Celebration at our Murfreesboro Corporate Office!

SteelSummit: Built to Last, Committed to Change

One of SSH's core values is to be a good corporate citizen who contributes positively to the local communities and environments surrounding our operations. This drives SSH to continuously invest in the improvement of our sustainability and climate program. This past year, we are proud of our public commitment to reducing our carbon emissions and to achieve net zero emissions by 2050. Over time, SSH will substitute propane powered forklifts for electric and explore the opportunity to procure renewable energy to create new, low carbon metals for customers, and to showcase sustainability opportunities for hard to abate emission industries such as steel.

SSH understands the social aspect of sustainability is as important in our sustainability journey, as our people are our most important asset. All people, regardless of their backgrounds, have the resources and opportunities to thrive at SSH. SSH continues to ensure that our supply chain is preventing modern slavery, which includes forced labor, child labor, and human trafficking.

SSH looks forward to the next steps of our sustainability journey and helping our customers and suppliers with improving the sustainability of their own supply chains and operations. Without our customers we have no purpose, and we strive to continue to exceed customers' expectations. By disclosing this information, we hope to foster further trust amongst our stakeholders and accountability for our sustainability commitments.

Appendix

Figures

***Figure 1**: Graphic from Reuters displaying simulated changes in temperature and precipitation with 1°C, 2°C, and 4°C global temperature increases.*

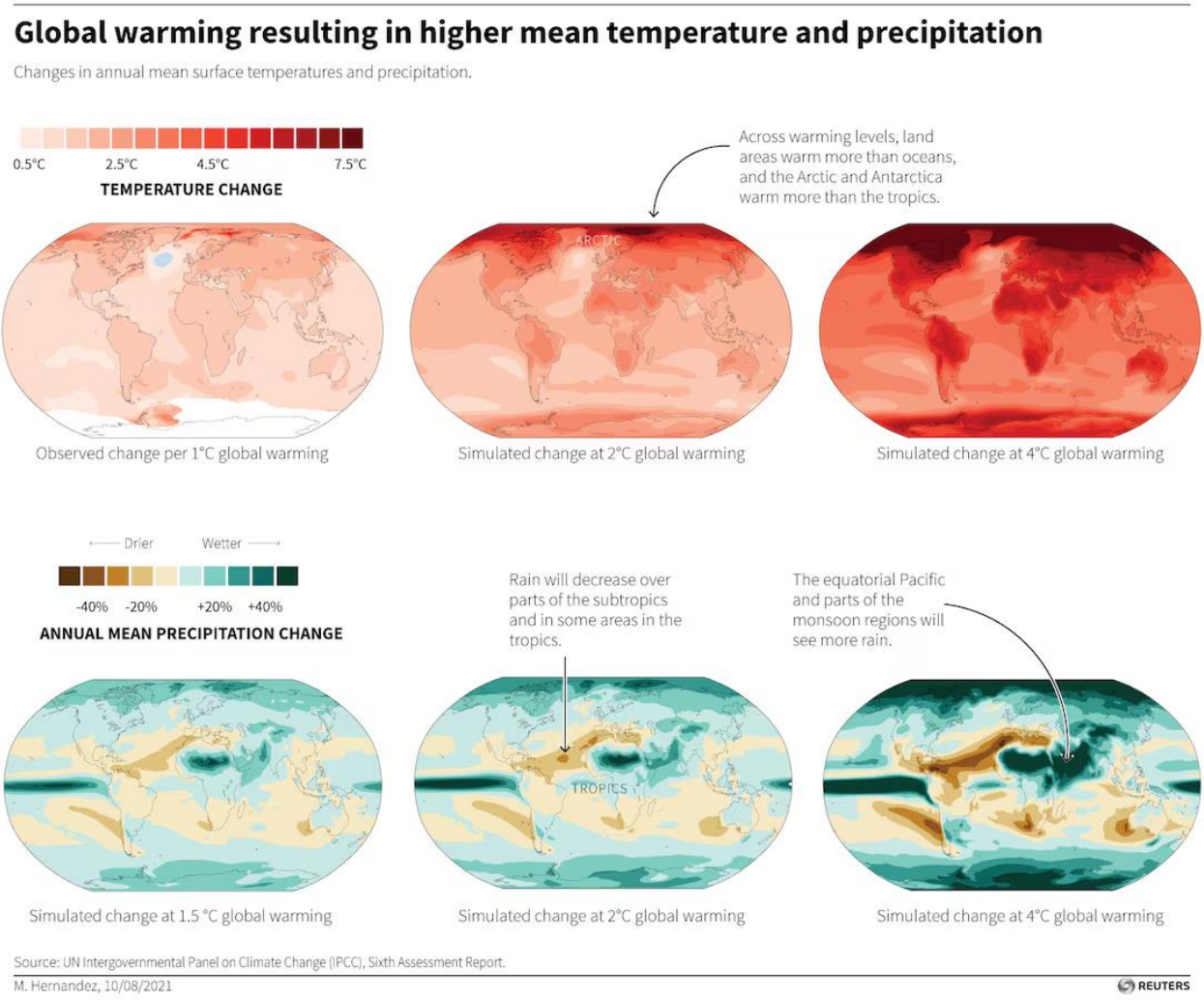


Figure 2: *ESG Governance Map – Sumitomo to SSH*

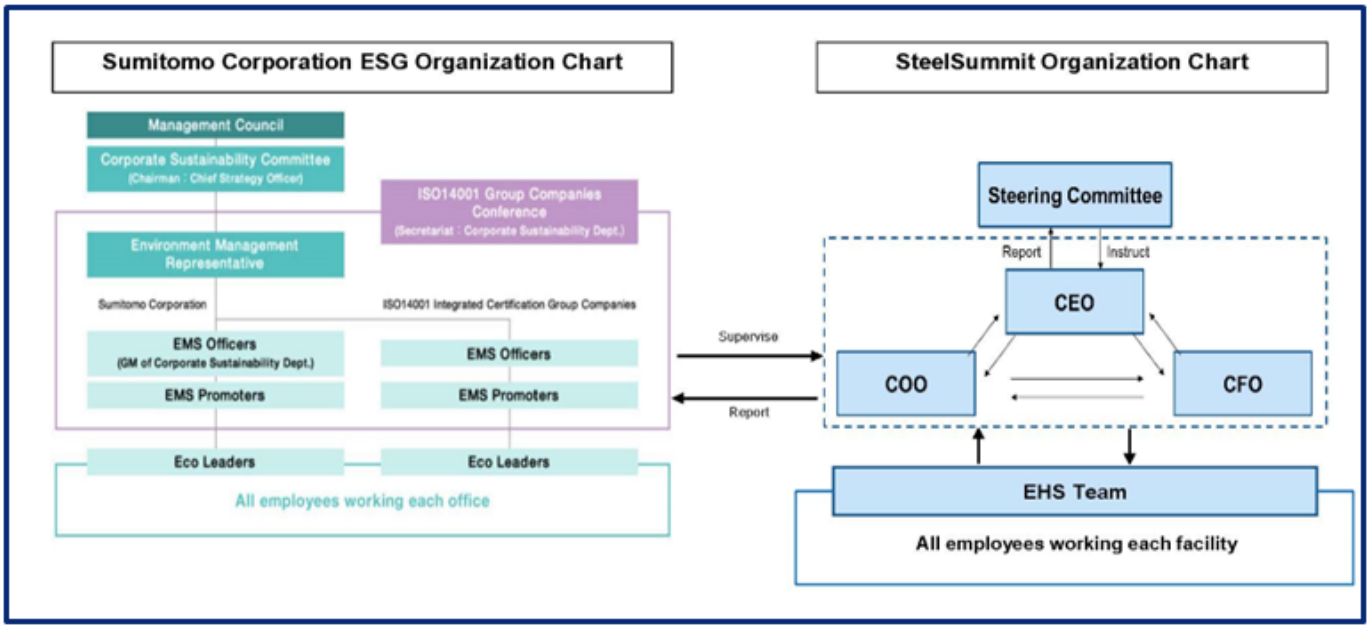


Figure 3: *Scope 1 emissions from FY2020 to FY2025. FY2030 represents our short-term emission targets. FY2050 represents our target emissions to achieve carbon neutral emissions.*

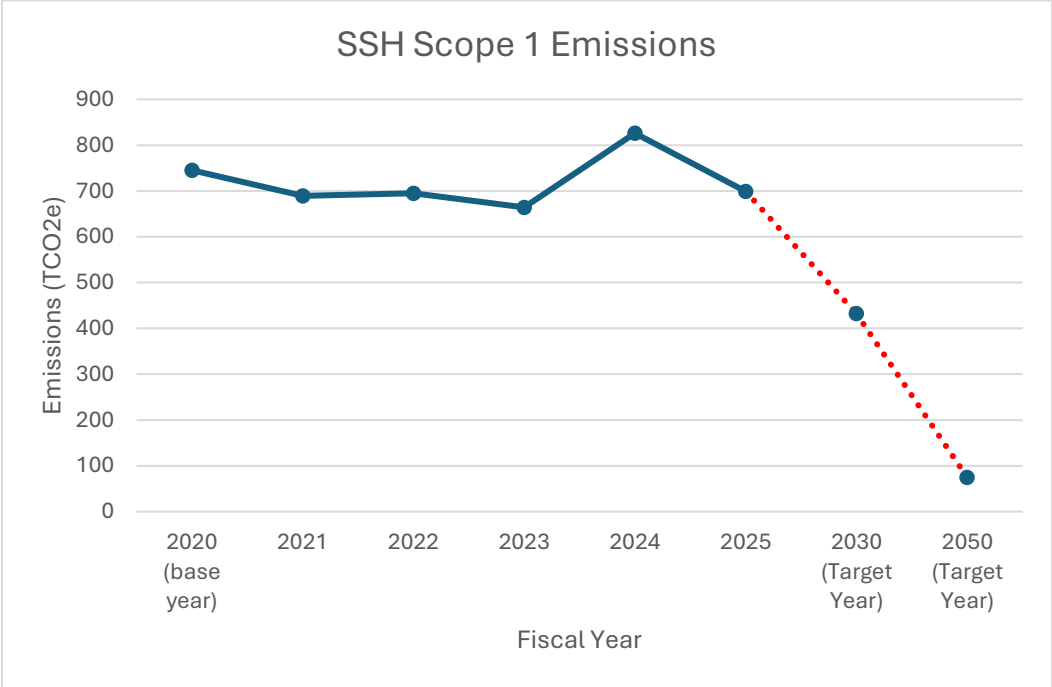


Figure 4: *Scope 2 emissions from FY2020 to FY2025. FY2030 represents our short-term emission targets. FY2050 represents our target emissions to achieve carbon neutral emissions. Scope 2 market-based and location-based emissions were the same until FY2025. Scope 2 market-based targets have been achieved as of FY2025 through the purchase of RECs.*

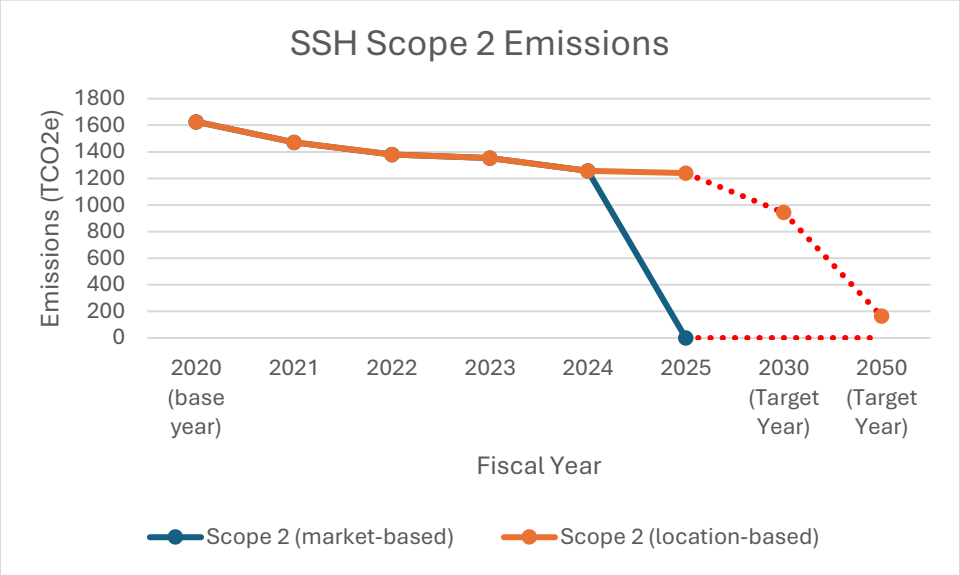
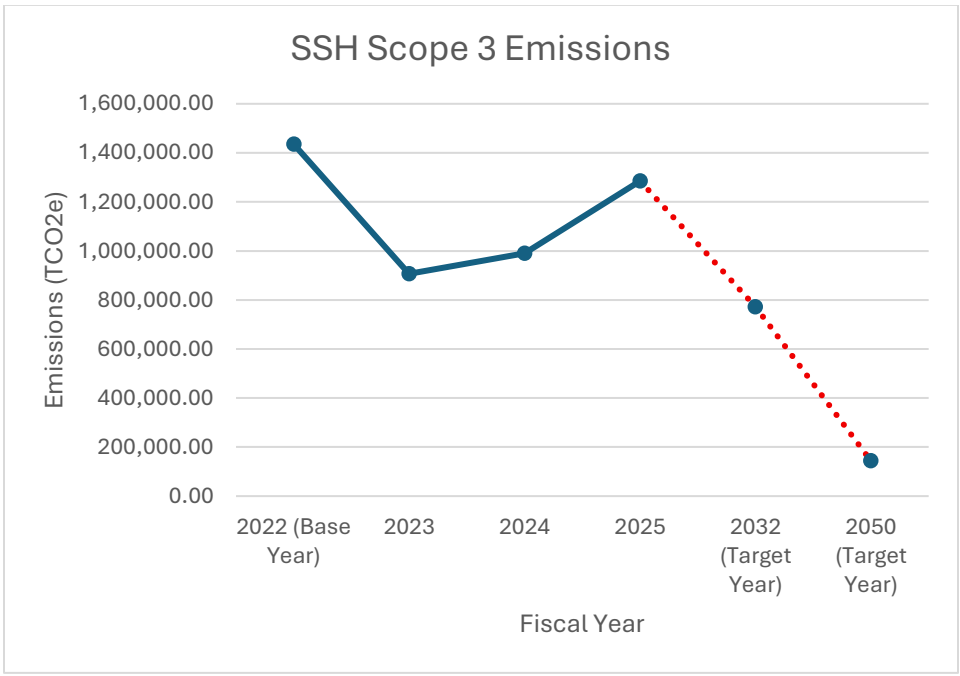


Figure 5: *Scope 3 emissions from FY2022 to FY2025. FY2030 represents our short-term emission targets. FY2050 represents our target emissions to achieve carbon neutral emissions.*



Tables

Table 1: *Renewable energy mix of the electricity grid where each SSH operates from the US EPA Power Profiler*

Location	Energy Mix
SRTV: SERC Tennessee Valley (La Vergne & Decatur)	32.8% Nuclear 7.6% Hydro 0.7% Biomass 0.8% Solar
RFCM: RFC Michigan (Grand Rapids)	10.2% Nuclear 8.8% Wind 1.5% Biomass 1.3% Solar
RFCW: RFC West (Cincinnati)	28.4% Nuclear 1% Hydro 5.5% Wind 0.3% Biomass 0.8% Solar

Table 2*: SSH's emissions reduction targets for FY2030 (April 1, 2029-March 31, 2030)*

Short/Medium Term Targets:

SCOPE	**BASE YEAR EMISSIONS FY2020 (tCO2e)**	**TARGET YEAR EMISSIONS FY2030 (tCO2e)**	**% REDUCTION**
Scope 1	745	432	42.0%
Scope 2 (location-based)	1,626	943	42.0%
Scope 1 & 2	2,371	1,375	42.0%
Scope 3	**BASE YEAR EMISSIONS FY2022 (tCO2e)**	**TARGET YEAR EMISSIONS FY2032 (tCO2e)**	**% REDUCTION**
Scope 3	1,435,179.7	772,126.7	46.2%

***Table 3**: SSH's emissions reduction targets/net-zero emissions targets for FY2050 (April 1, 2049-March 31, 2050)*

Long Term/Net Zero Targets:

SCOPE	BASE YEAR EMISSIONS FY2020 (tCO2e)	TARGET YEAR EMISSIONS FY2050 (tCO2e)	% REDUCTION
Scope 1	745	74.5	90.0%
Scope 2 (location-based)	1,626	162.6	90.0%
Scope 1 & 2	2,371	237.1	90.0%
Scope 3	**BASE YEAR EMISSIONS FY2022 (tCO2e)**	**TARGET YEAR EMISSIONS FY2050 (tCO2e)**	**% REDUCTION**
Scope 3	1,435,179.7	143,517.97	90.0%

***Table 4:** SSH's wooden skids that were returned by customers to be reused by SSH. About 80% of returns were able to be reused by SSH by sending orders to other customers and the other 20% were recycled. This resulted in net savings of $381,424.90 by avoiding purchasing of new skids.*

Category	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Totals FY25
Skids Returned	3346	2646	2964	3112	2320	3160	2478	3062	1975	2436	3345	2025	**32869**
Skids Recycled	738	596	1413	543	399	910	263	645	281	662	363	117	**6930**
Skids Re-used	2608	2050	1551	2569	1921	2250	2215	2417	1694	1774	2982	1908	**25939**

Table 5: *Total tonnages of waste from our four offices and plants and how they were disposed of in FY2025. SSH was able to divert 95% of waste from landfill and was either reused as waste to energy or recycled.*

Waste Sent to Landfill (tons)	Waste Incinerated (tons)	Waste Recycled (tons)	Total Waste (tons)	% Diverted from Landfill
93.1	546.5	12,486.7	13,126.3	95.8%

Table 6: *SSH's percent change in waste disposal from FY2024 to FY2025. More overall waste was produced, and slightly more was sent to landfill, while more was also recycled, and less was incinerated.*

Landfill Change from FY2024	*Incineration Change from FY2024*	*Recycling Change from FY2024*	*Total Waste Change from FY2024*
+2.9%	**-6.2%**	**+6.7%**	**+6.4%**

Table 7*: KPIs being tracked by SSH to calculate emissions and analyze our environmental impacts of operation*

Key Performance Indicator (KPI)	Area of Processing/Value Chain
Waste to Landfill (tons)	Processing/Value Chain
Waste Incinerated (tons)	Processing/Value Chain
Waste Recycled (tons)	Processing/Value Chain
Water Usage (gallons)	Processing
Natural Gas Usage (ccf)	Processing
Propane Usage (gallons)	Processing
Energy Usage (kWh)	Processing
Purchased Steel (Mini Mill vs. Integrated) (tons)	Value Chain

***Table 8**: Scope 3 emissions categories and descriptions of what is included within them*

Scope 3 Category	Description
1. Purchased Goods & Services	Production of goods and services purchased or acquired.
2. Capital Goods	Production of capital goods (physical assets used by a business to produce goods and services for consumers) purchased or acquired.
3. Fuel and Energy Related Activities	Production and transportation of fuels and energy purchased or acquired, not already accounted for in Scope 1 or Scope 2.
4. Upstream Transportation and Distribution	Transportation and distribution of products and services purchased by SteelSummit.
5. Waste Generated in Operations	Disposal and treatment of waste generated in operations.
6. Business Travel	Transportation of employees for business-related activities.
7. Employee Commuting	Transportation of employees between their homes and their worksites.
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11. Use of Sold Products	The end use of goods and services sold.
12. End-of-Life Treatment of Sold Products	Waste disposal and treatment of products sold.
13. Downstream Leased Assets	Operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in Scope 1 and 2.
14. Franchises	Operation of franchises.
15. Investments	Operation of investments (including equity and debt investments and project finance).

Table 9: *Emissions (in tonnes of CO_2e) of Scope 1, 2, and 3 from base years to present. FY2025 has 0 tonnes CO_2e of Scope 2 market-based emissions due to the purchase of RECs.*

Scope	Base Year Emissions (Scope 1 and 2) FY2020	Target Year Emissions FY2030	Target Year Emissions FY2050	FY2021	Base Year Emissions (Scope 3) FY2022	FY2023	FY2024	FY2025
Scope 1	745	432	74.5	689	695	664	826	699
Scope 2 (location-based)	1,626	943	162.6	1470	1380	1354	1257	1239
Scope 2 (market-based)	1,626	943	162.6	1470	1380	1354	1257	0
Scope 3	NA	772,126.7	143,517.97	NA	1,435,179.70	906,858.79	989,839.389	1,285,184.48
Emission Intensity (tonnes CO2e per ton of metal processed)	NA	NA	NA	NA	2.50	1.84	2.04	3.41

Table 10: *A comparison of emissions from FY2024 and FY2025 in tonnes of CO_2e.*

Current Year vs Prior Year Emissions Comparison

FY2025			% Change	FY2024		
Total Scope 1	699	**Tonnes**	-15.33%	**Total Scope 1**	826	**Tonnes**
Total Scope 2 (location)	1239	**Tonnes**	-1.48%	**Total Scope 2 (location)**	1257	**Tonnes**
Total Scope 2 (market)	0	**Tonnes**	-100%	**Total Scope 2 (market)**	1257	**Tonnes**
Scope 1&2 (location):	1938	**Tonnes**	-6.97%	**Scope 1&2 (location):**	2083	**Tonnes**
Scope 1&2 (market):	699	**Tonnes**	-66.44%	**Scope 1&2 (market)**	2083	**Tonnes**
Scope 3 Emissions:	1285184	**Tonnes**	29.84%	**Scope 3 Emissions:**	989839	**Tonnes**

Table 11: *A comparison of emissions, in tonnes of CO_2e, beginning from base years to FY2025. The base year for Scope 1 and 2 emissions is FY2020 while the base year for Scope 3 emissions is FY2022.*

Current Year vs Base Line Year Emissions Comparison

FY2025			% Change	Base Years		
Scope 1	699	**Tonnes**	-6.67%	**Scope 1**	749	**Tonnes**
Scope 2 (location)	1239	**Tonnes**	-23.82%	**Scope 2 (location)**	1626	**Tonnes**
Scope 2 (market)	0	**Tonnes**	-100%	**Scope 2 (market)**	1626	**Tonnes**
Scope 1&2 (location)	1938	**Tonnes**	-18.41%	**Scope 1&2 (location)**	2375	**Tonnes**
Scope 1&2 (market)	699	**Tonnes**	-70.57%	**Scope 1&2 (market)**	2375	**Tonnes**
Scope 3 Emissions:	1285184	**Tonnes**	-10.45%	**Scope 3**	1435180	**Tonnes**