



LRQA Independent Assurance Statement

Relating to Hyosung Steelcord (Qingdao) Co., Ltd.'s carbon footprint of product

This Assurance Statement has been prepared for Hyosung Steelcord (Qingdao) Co., Ltd. in accordance with our contract.

Terms of engagement

LRQA was commissioned by Hyosung Steelcord (Qingdao) Co., Ltd. to provide independent assurance on the carbon footprint of steel cord (“the CFP”) against the assurance criteria below to a limited level of assurance using LRQA’s verification procedure, which is in accordance with ISO 14064-3:2019.

Our assurance engagement covered steel cord which were manufactured by Hyosung Steelcord (Qingdao) Co., Ltd., and specifically the following requirements:

- Verifying conformance with ISO 14067: 2018 *Greenhouse gases - Carbon footprint of products - Requirements and guidelines for quantification*
- Evaluating the accuracy and reliability of data and information for the product GHG inventory

LRQA’s responsibility is only to Hyosung Steelcord (Qingdao) Co., Ltd. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Hyosung Steelcord (Qingdao) Co., Ltd.’s responsibility is for collecting, aggregating, analysing and presenting all the data and information relating to the CFP and for maintaining effective internal controls over the systems from which the CFP is derived. Ultimately, the CFP has been approved by, and remains the responsibility of Hyosung Steelcord (Qingdao) Co., Ltd.

LRQA’s opinion

Based on LRQA’s approach, nothing has come to our attention that would cause us to believe that Hyosung Steelcord (Qingdao) Co., Ltd. has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable data and information as summarized in Table 1 below.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA’s approach

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Reviewed processes related to the control of GHG emissions data and records.
- Verified historical GHG emissions data and records at an aggregated level.



- Auditing Hyosung Steelcord (Qingdao) Co., Ltd.'s data management systems to confirm that there were no significant errors, omissions or mis-statements in the CFP. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for quantification of the CFP.
- Checking whether secondary data used were from recognized sources and transposed correctly into the product GHG inventory.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification engagement is the only work undertaken by LRQA for Hyosung Steelcord (Qingdao) Co., Ltd. and as such does not compromise our independence or impartiality.

Dated: 30 March 2022

Byung-Gil Lim
LRQA Lead Verifier
On behalf of LRQA
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LRQA reference: SEO00000990





Table 1. Summary of the CFP of steel cord

Product and model no.	Steel cord
Manufacturer and location	Hyosung Steel cord (Qingdao) Co., Ltd. Located at No.15, Huanghe West Road, Qingdao Economic and Development Zone, Shandong, China
GHG inventory period	From 01 July 2020 to 30 June 2021
System boundary	Cradle-to-Gate
Declared unit	Steel cord 1kg
Carbon footprint	4.86 kgCO ₂ eq per kg

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