



Responsible Steel: Supporting the Steel Industry's Journey to Net Zero

Sustainable Steel Strategies Summit

23rd June 2021

Climate Change, the new normal

Climate Change is not a trend, it is a new business reality

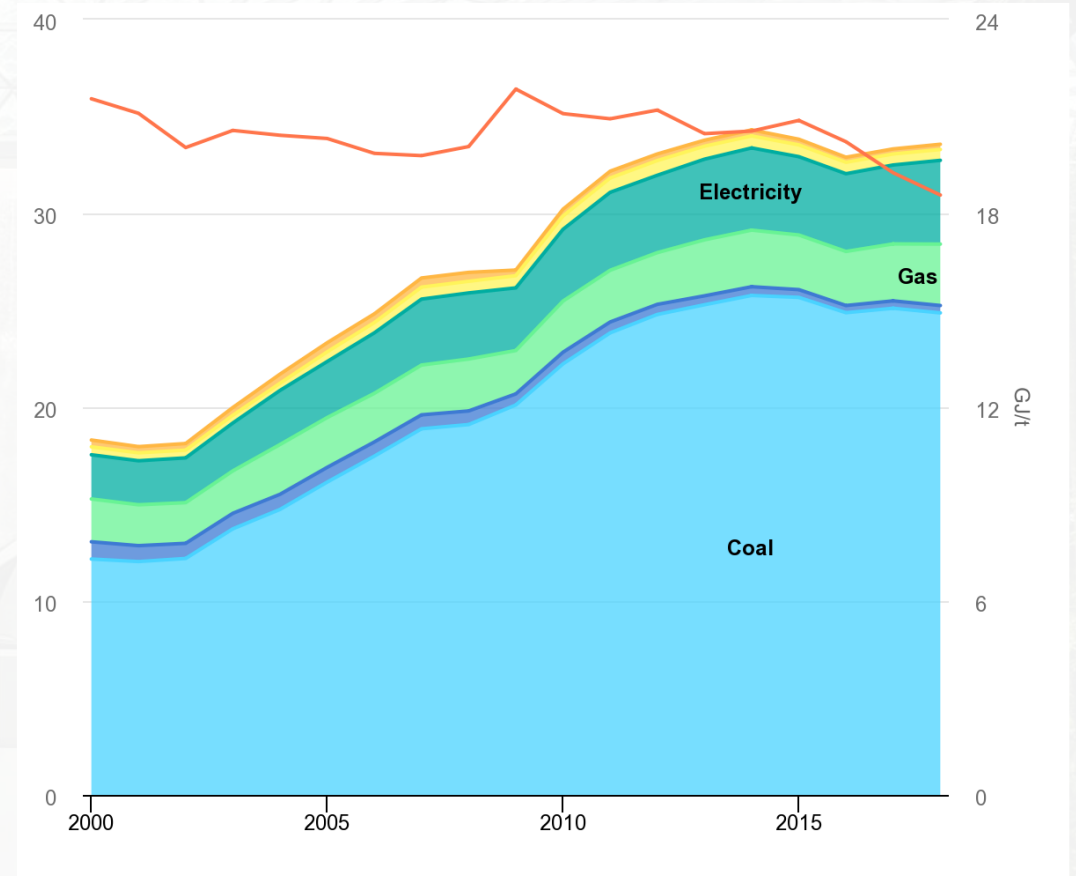
- 2050 horizon enshrined in law in some countries
- 2050 commitments from companies across the globe
- Legislation on carbon reduction
- Green Deal in Europe
- Rebuild Better
- Carbon Border Adjustment Mechanism
- ...

But we need shorter term targets and greater ambition



Why steel matters

- 7-9% of GHG emissions
- 10% of global coal production
- 93% of all metal produced annually
- 20% of tin and tungsten
- 60% of nickel and zinc
- 75% of chromium
- 85% of manganese and vanadium for steel alloys and coatings



IEA, *Energy demand and intensity in iron and steel, 2000-2018*

Steel: infinitely recyclable & central to the energy transition and development of nations

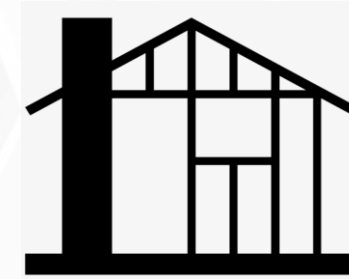
Mining of virgin iron ore



Smelting iron ore into steel



Steel in Use



EAF Furnace



Recycled Scrap Steel



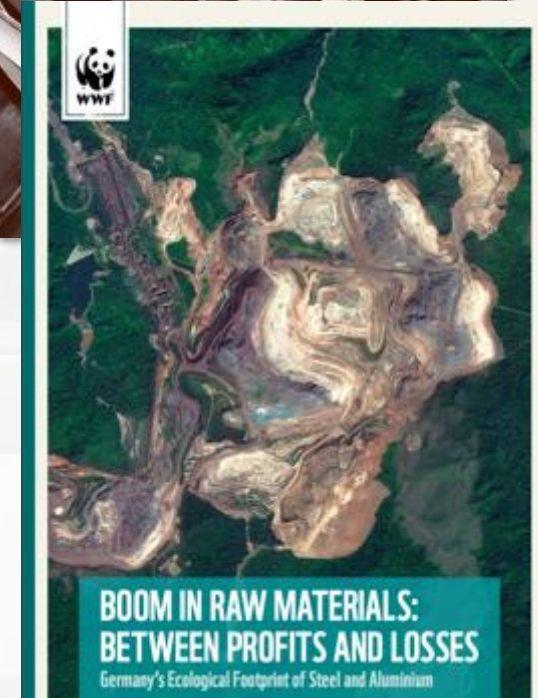
The need for “Responsible” steel

The steel industry has ESG risk and issues throughout the supply chain, from mine site to end of life materials.

- Human Rights
- Labour Rights
- HSE
- Quality Control
- Greenhouse Gas Emissions
- Biodiversity ...

Customers, stakeholders, and society increasingly expect businesses to take responsibility for their social and environmental impacts, up and down the supply chain

ResponsibleSteel designed to provide steel makers, their suppliers and customers with an integrated response



Our Mission

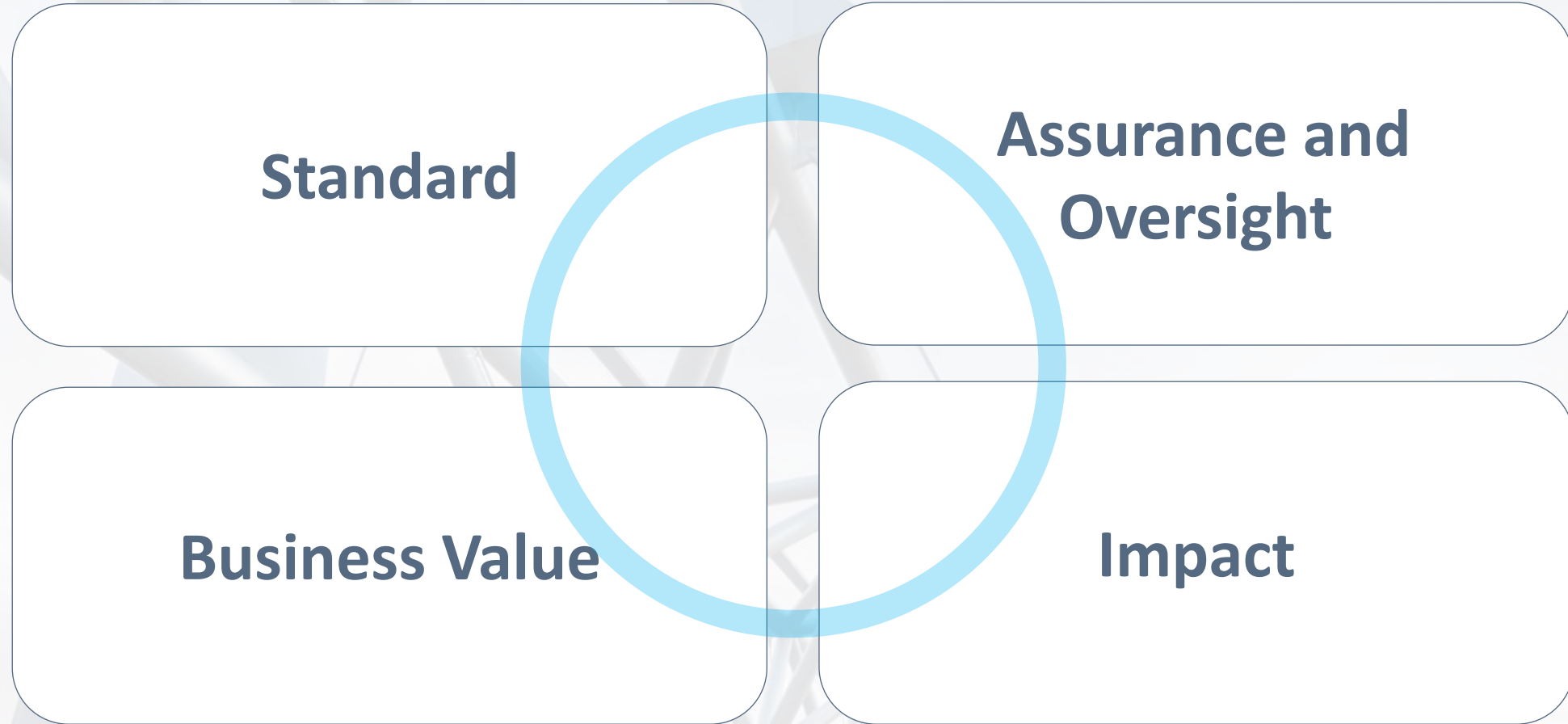
Our mission is to achieve net zero carbon emissions for the steel sector and to enhance the responsible sourcing, production, use and recycling of steel



A multi-stakeholder approach

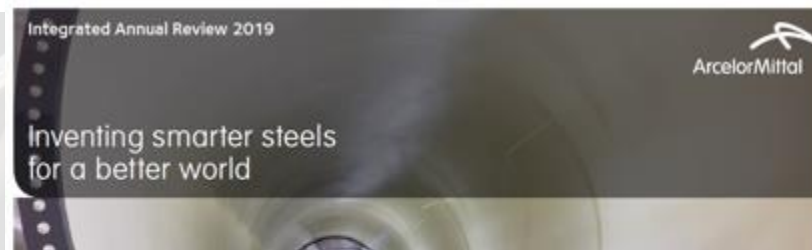


The ResponsibleSteel programme



Business Value

- Internal
 - Brand value
 - Civil society support
 - Effective management of ESG issues
 - Statements, claims & reporting
 - Risk mitigation
- Demand
 - Public procurement specifications
 - Customer specifications
- Policy
 - Legal compliance
 - Policy preparedness
- Finance & investment
 - Green/ transition finance
 - Company/ project finance



ResponsibleSteel Standard

Governance Principles

1. Corporate Leadership
2. Social, Environmental, Governance Management Systems

Social Principles

3. Occupational Health and Safety
4. Labour Rights
5. Human Rights
6. Local Communities
7. Stakeholder Engagement and Communication
12. Decommissioning and Closure

Environment Principles

8. Climate Change and Greenhouse Gas Emissions
9. Noise, Emissions, Effluents and Waste
10. Water Stewardship
11. Biodiversity

Our supply chain approach: mine to final product

ResponsibleSteel will rely on **credible, third party mining assurance schemes** to provide mine site certification

2021

ResponsibleSteel site certification is about auditing the responsible business practices of steel making sites

2019



ResponsibleSteel steel product certification is about driving demand for low GHG steel products made at ResponsibleSteel certified steel making sites, using raw materials from certified mine sites.

2021



Pathways to Net-0



- Corporate commitment to achieve the goals of the Paris Agreement
- Corporate Climate-Related Financial Disclosures
- Site-level GHG emissions measurement and intensity calculation
- Corporate and site-level GHG reduction targets and planning



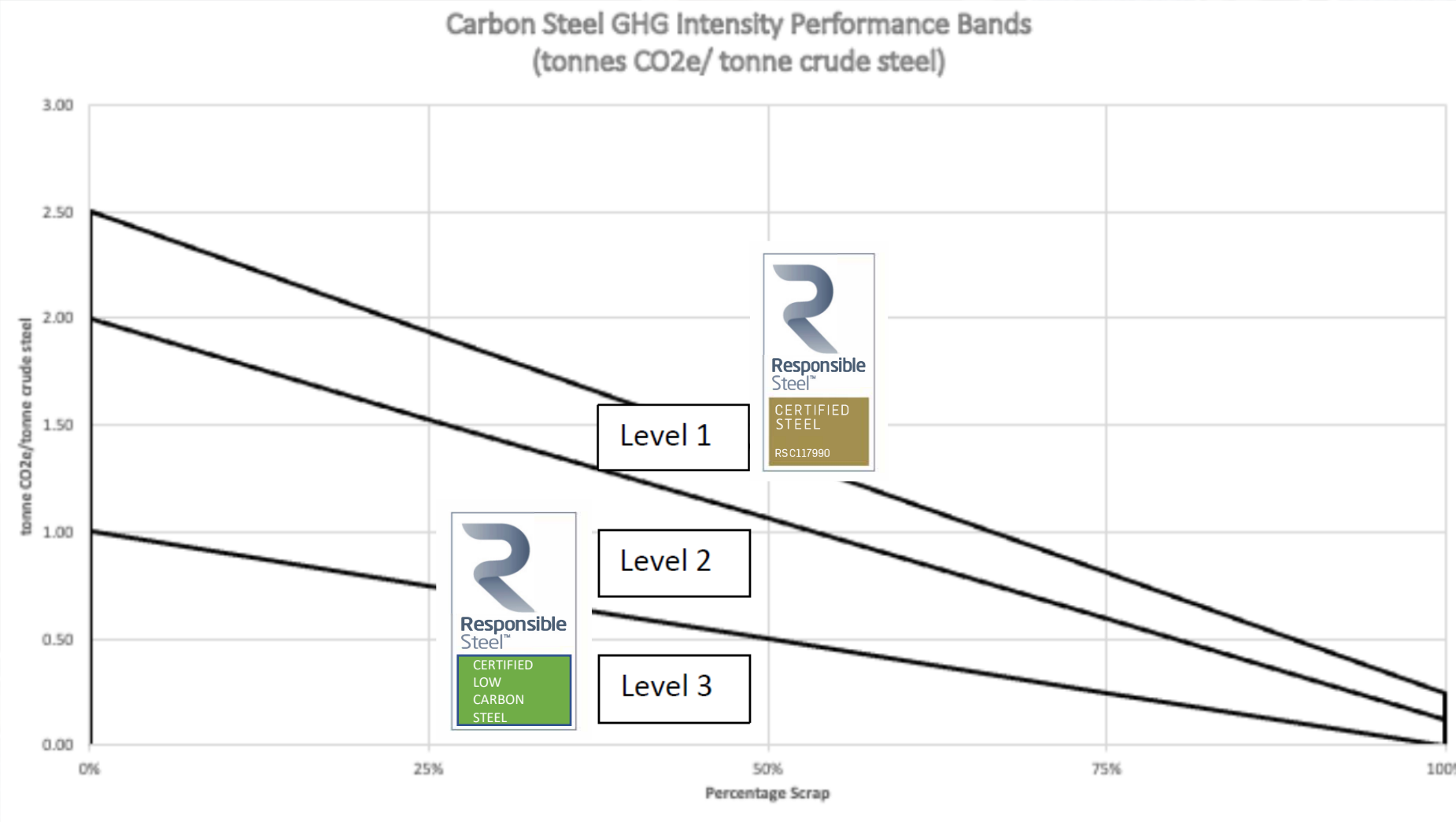
- Produced at a certified site or portfolio of sites
- Minimum CO2e intensity performance threshold, taking account of scrap use
- Consistent GHG accounting rules to determine crude steel GHG emissions intensity performance
- Steel Product carbon footprint (in accordance with recognised standards)



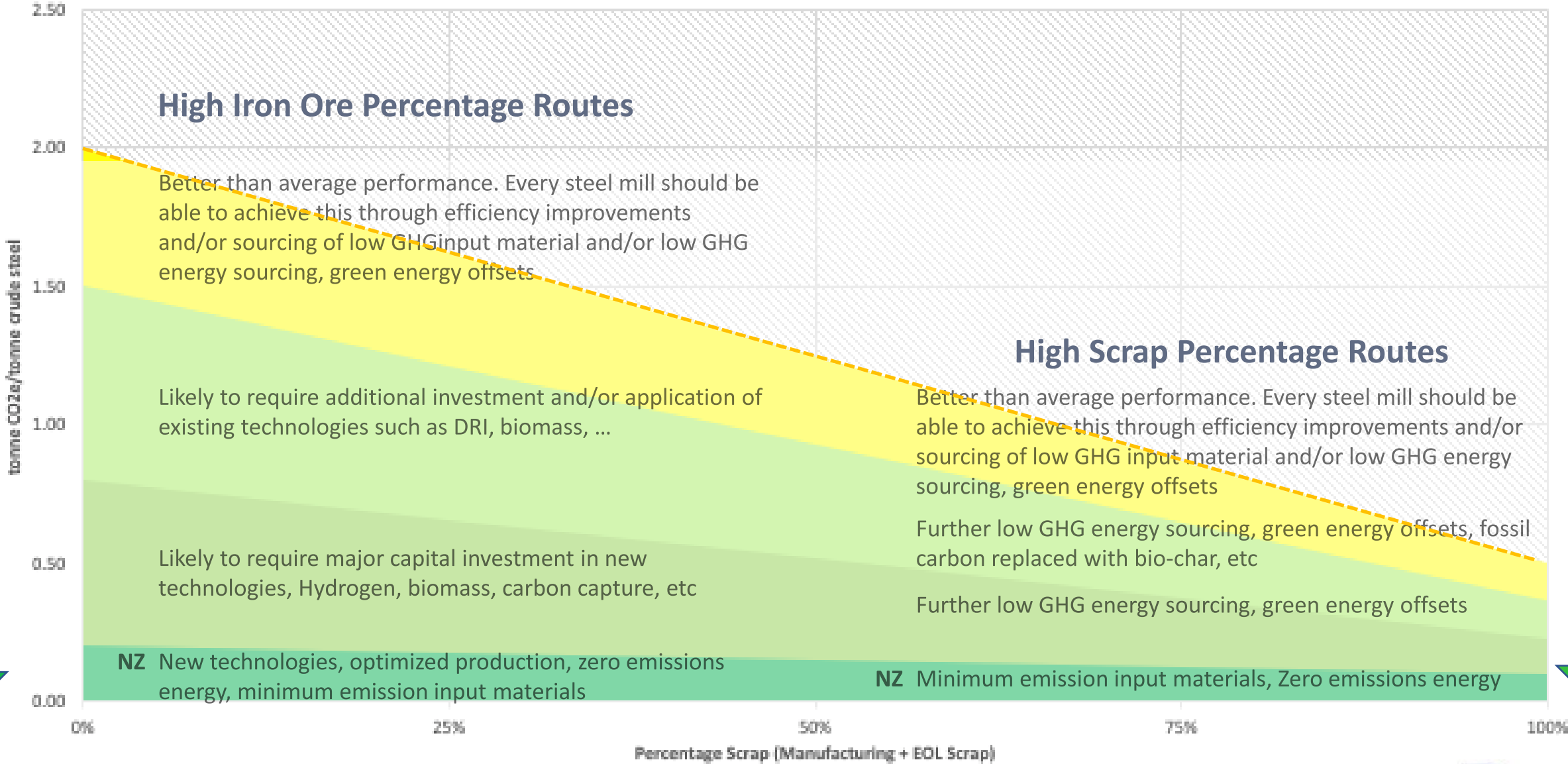
- Same requirements as certified steel but with a low CO2e threshold for the site's GHG emissions intensity performance

MUST MEET THRESHOLD FOR RESPONSIBLE SOURCING OF INPUT MATERIALS CRITERIA

Pathways to Net-0

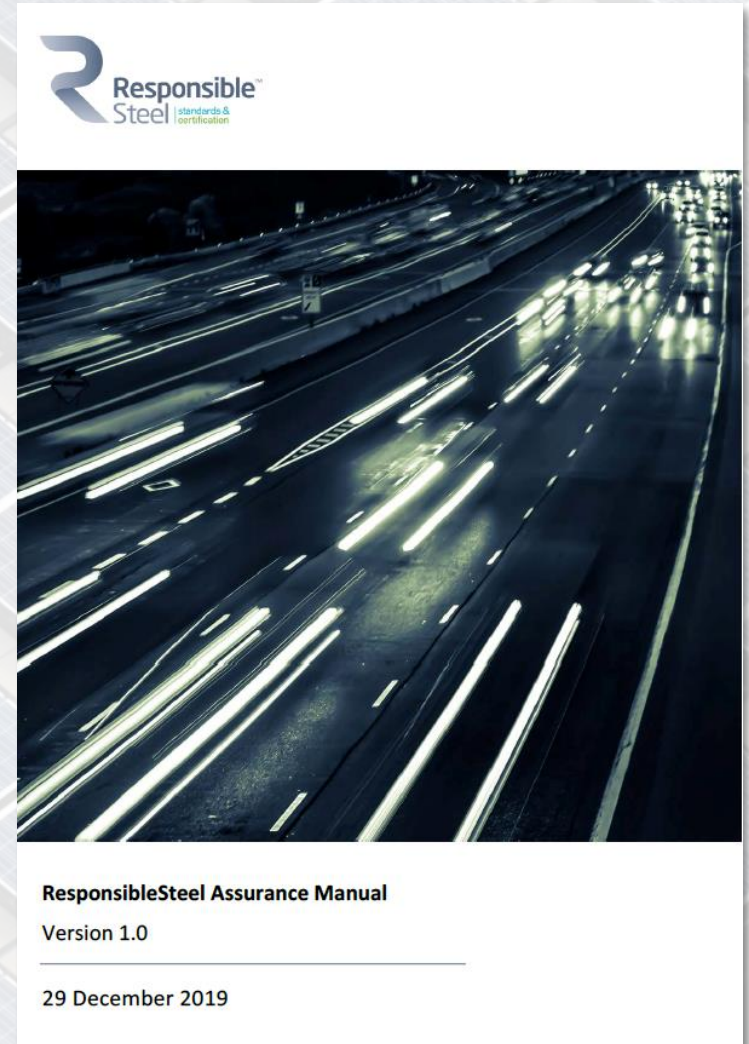


Carbon Steel GHG Intensity Performance Bands (tonnes CO₂e/ tonne crude steel)



Assurance

- Assurance Programme fully operational, including certification body approval, auditor training and Assurance Panel
- Approved Certification Bodies:
 - AFNOR Certification
 - DNV GL – Business Assurance
 - ERM Certification and Verification Services
 - GUT Zertifizierungsgesellschaft für Managementsysteme mbH
- First steel site certification(s)
- Recognition of mining assurance systems





Thank you!

Please contact us achoward@responsiblesteel.org