

SSAB ranked second best in the CDP steel industry report

CDP (formerly the Carbon Disclosure Project) recently published steel report concludes that steel companies need technological transformation in order to meet Paris Agreement objectives on emission reductions. CDP ranked SSAB as second best in the report. SSAB's emissions intensity is low, driven by significant electric arc furnace operations in the US, and some of the world's most carbon-efficient blast furnaces in Europe. SSAB's emissions reduction target is one of the most ambitious of the companies assessed. In addition, earlier this year, SSAB, LKAB and Vattenfall jointly announced a long-term breakthrough emissions reduction project (HYBRIT), which is working toward a hydrogen-based steelmaking process.

The CDP report ranks companies on a number of emissions and water-related metrics, which could have a material impact on the company's earnings and therefore affect also investor decisions. These metrics include emissions and energy management, emissions targets and pathways, carbon cost exposure, water resilience and climate governance. The CDP report shows that progress has been uneven across the steel industry, which accounts for 7% of global greenhouse gas emissions. Although China produces 50% of steel globally, only one of the 15 largest Chinese steelmakers publicly discloses its greenhouse gas emissions.

"Our blast furnaces are already among the world's most efficient in terms of carbon dioxide emissions, so for us further reductions are not easy with traditional production methods. The environment and sustainability have been part of SSAB's long-term strategy for many years and it is great to be one of the highest ranked companies in such a respected report. However, we also know that to find a long-term solution to the carbon dioxide problem, we need a technological transformation. This is why earlier this year, together with LKAB and Vattenfall, we launched a joint industrial development project HYBRIT to create steel production that emits water instead of carbon dioxide. There is a long way to go before implementing this technology, but we are highly committed to do so and to reduce emissions also in the long run," said SSAB's President and CEO **Martin Lindqvist**.

The HYBRIT project is working toward a hydrogen-based steelmaking process using renewable energy that envisages elimination of almost all the process emissions originating in steelmaking. The project aims for a working demonstration plant in around 2025. The steel industry needs a technological transformation that will reduce its emissions by 2050 by over 70% per tonne of steel produced in order to meet Paris Agreement objectives.

CDP is an international, not-for-profit organization providing a global system for companies, cities, states and regions to measure, disclose, manage and share vital environmental information. Its industry sector research is part of a series of in-depth sector analysis to provide investors with the most comprehensive environmental data analysis. CDP works with 827 institutional investors with assets of US\$100 trillion. More than 5,600 companies disclosed environmental information through CDP in 2015. The report summary is attached.

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SSAB is a Nordic and US-based steel company. SSAB offers value added products and services developed in close cooperation with its customers to create a stronger, lighter and more sustainable world. SSAB has employees in over 50 countries. SSAB has production facilities in Sweden, Finland and the US. SSAB is listed on the Nasdaq OMX Nordic Exchange in Stockholm and has a secondary listing on the Nasdaq OMX in Helsinki. www.ssab.com.