

— The SteelZero initiative

FAQs

What is SteelZero?

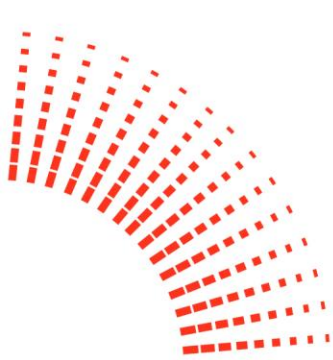
SteelZero, led by the **Climate Group** in partnership with **ResponsibleSteel**, is a global initiative that brings together forward-looking organisations to speed up the transition to a net zero steel industry. Organisations that join SteelZero make a public commitment to use, procure and specify 100% net zero steel by 2050. By harnessing their collective purchasing power and influence, SteelZero sends a strong demand signal to shift global markets and policies towards responsible production and sourcing of steel.

Why is it important to address the future of steel?

Steel is the world's most widely used material – from buildings to bridges, scissors to saucepans, cars to wind turbines, it's found in almost every aspect of our lives.

Steelmaking is currently one of the biggest emitters globally, despite the fact that technologies exist for its production to be decarbonised. Total emissions from the steel sector alone account for around 8% of global annual greenhouse gas emissions, and this is projected to rise in line with increasing demand.

Given we have to halve global carbon emissions by 2030 to get the world on track to reach net zero by mid-century, decarbonising steelmaking needs to be a critical part of the journey.



Why join SteelZero?

Corporate and public sector demand for low emission steel has a critical role to play in decarbonisation: encouraging new steel production technologies as well as reducing emissions through greater use of recycled steel and the re-use of steel-based products.

SteelZero is the first initiative which focuses on driving a powerful demand signal for net zero steel. We enable leading organisations, their peers and suppliers to come together and address key barriers currently faced in their steel supply chains. Working groups and/or roundtables assist organisations in developing a roadmap to fulfil their commitment to net zero steel - agendas will be driven by the needs of members and coordinated by SteelZero.

SteelZero members are climate leaders

- They're the front-runners of a global initiative focused on driving demand for net zero steel – the first initiative of its kind.
- They're at the forefront of addressing supply chain emissions, including embodied emissions in the production of the world's most widely used material.
- They're taking responsibility and holding themselves accountable by making an ambitious public commitment to transition to 100% net zero steel by 2050.

SteelZero members are driving change

- They're using their purchasing power and influence to send a powerful demand signal to steel producers, investors and policymakers to speed up widescale production of net zero steel.
- They're raising ambition and giving their supply chain confidence to transition to 100% net zero steel.
- They're working together with their peers, other leading organisations and suppliers, to address decarbonisation barriers facing the steel supply chain.

SteelZero members are future-proofing their organisation

- They're getting ahead and preparing for inevitable changes across their supply chains to remain economically competitive in the transition to a low carbon world.

What do organisations commit to?

Organisations that join SteelZero must be willing to make a public commitment to procuring, specifying or stocking 100% net zero steel by 2050. The full criteria is set out in the SteelZero Commitment Framework, however a summary of the minimum commitment criteria includes a long term commitment to procure 100% net zero steel by 2050; and an interim commitment to procure 50% of its steel requirement by 2030, meeting one or a combination of:

- **Steel produced by a steelmaking site** where the site's corporate owner has defined and made public both a long-term emissions reduction pathway and a medium-term, quantitative science-based GHG emissions target for the

corporation. A **target approved by the SBTi (Science Based Targets initiative) or equivalent** would meet this interim requirement in full.

- **ResponsibleSteel™ Certified Steel**, or equivalent
- **Low Embodied Carbon Steel**, with a defined specific emissions intensity which takes into account the proportion of end of life scrap

Organisations are encouraged to commit to the most ambitious, credible target that fits with their strategy and may go beyond the minimum commitment criteria.

Who are the current members?

The list of committed organisations can be found [here](#).

Can steel producers join SteelZero?

No, steel producers are not eligible to sign up to the SteelZero commitment. SteelZero is a demand side initiative which sends a powerful signal to steel producers that key users of steel, downstream in the supply chain from crude steel production, are willing to procure net zero steel. However SteelZero will engage steel producers directly to share the message from demand side businesses and steel producers may be involved in complementary working groups to support the transition to net zero steel.

Why sign up to SteelZero when we already have a broader net zero commitment?

A growing number of organisations are setting net zero commitments, some of which include the emissions from their supply chain. A broad net zero commitment is important, however specific attention needs to be channelled towards the decarbonisation of certain materials, especially those such as steel, which is an essential input to many sectors across the global economy. As the steel sector accounts for around 8% of annual greenhouse gas emissions and global end-use demand for steel is projected to grow by almost 40% by 2050 it is crucial that users of steel send a clear message that they wish to procure net zero steel.

Signing up to the SteelZero commitment complements existing net zero commitments, particularly as our work can assist organisations in developing a roadmap to fulfil their overarching net zero targets with the opportunity to share best practices to achieve the highest and most robust standards of sustainability.

Is the commitment achievable?

The commitment is designed to strike the most appropriate balance between being ambitious for leading companies to demonstrate their commitment to transition to net zero steel, whilst also being practical to achieve by the companies in all regions of operations and supply chain. There is currently a limited supply of steel that meets both the interim and long-term commitment, but the SteelZero commitment is designed to demonstrate and amplify the aggregate demand for low and net zero carbon steel providing a strong message to producers to accelerate their transition and ensure the supply is there to meet rapidly growing demand. We also provide our members with a mapping of commitments by steelmakers towards achieving the

three SteelZero 2030 interim pathways. This is updated annually with support from our partner, ResponsibleSteel.

Why does SteelZero focus on decarbonisation of crude steel? What about other emissions and wider sustainability issues?

The SteelZero commitment focuses on the decarbonisation of crude steel production to send a clear message to steel producers and policymakers that steel production needs to accelerate towards net zero. The production of crude steel contributes the largest proportion in the emissions produced from steel products. In the case of primary steelmaking, 90% of the emissions is in the ironmaking processes. Therefore, the production of primary steel is the biggest focus for decarbonisation within the industry¹.

We also recognise that there is great scope to tackle wider emissions within the steel supply chain and broader sustainability issues. SteelZero's work provides the opportunity to address these issues and may include topics such as efficient design practices, fabrication, the shift towards the circular economy and improving the quality of emissions data that flows through the supply chain. Member working groups coordinated by SteelZero will be driven by the potential for driving emissions reductions and the needs of members.

How does SteelZero fit in with the work of ResponsibleSteel?

SteelZero is led by the [Climate Group](#) in partnership with [ResponsibleSteel](#). SteelZero is a separate initiative to the development of the ResponsibleSteel international standard and certification. However the SteelZero commitment references the procuring/specifying of ResponsibleSteel™ Certified Steel as one of the options for the interim commitment.

What is ResponsibleSteel Certified Steel?

The ResponsibleSteel™ Standard was initially published on 5 November 2019. It was developed to recognise steel sites that are operated in a responsible manner. On 14 September 2022, the [ResponsibleSteel™ International Standard V2.0 was launched](#), incorporating additional requirements on GHG emissions and the sourcing of input materials. The 13 Principles of the Standard cover environmental, social and governance issues, which were identified and agreed upon with members and stakeholders, including SteelZero.

The ResponsibleSteel International Standard V2.0 introduced four Progress Levels in addition to the Standard's core requirements, for both the GHG emissions intensity of crude steel production and the responsible sourcing of input materials. These Progress Levels give steelmaking sites the opportunity to not only demonstrate performance in these areas, but to make claims about their steel products, and to market them as 'ResponsibleSteel certified steel'. Therefore, [ResponsibleSteel has](#)

¹ *What is Green Steel? Definitions and Scopes from Standards, Initiatives, and Policies around the World*, Ali Hasanbeigi and Adam Sibal, January 2023. Download [here](#).

[also introduced new certification marks](#) and achieving a minimum of Progress Level 1 on decarbonisation and materials sourcing is required to enable steelmaking sites to make claims about certified steel products from the certified site. SteelZero defines 'ResponsibleSteel Certified Steel' as those carrying such a certification mark.

What scope of emissions are included within the net zero 2050 commitment and low embodied carbon steel definition?

Direct GHG emissions from steelmaking sites (scope 1), the indirect emissions of GHGs associated with energy generation (scope 2), as well as other upstream (scope 3a) indirect GHGs of steelmaking are included. Scope 1, 2 and 3 emissions are as referred to in The Greenhouse Gas Protocol.

Why does the SteelZero Commitment Framework reference ResponsibleSteel Certified Steel and the Science Based Targets initiative?

Within the SteelZero commitment framework, we recognise the need for businesses to demand steel with a low CO2 footprint whilst also recognising the value in supporting producers who have committed to near-term and long term decarbonisation through the ResponsibleSteel standard and the Science Based Targets initiative. These are useful certification and target-setting tools to contribute to the commitment and demand signal for producers to set clear roadmaps in the near-term and achieve 100% net zero steel production in the long term by 2050, to support SteelZero members' commitments.

How was the definition of Low Embodied Carbon Steel developed?

SteelZero recognises it is important that all steelmaking production methods are decarbonised. The Low Embodied Carbon Steel threshold is designed so it is technology neutral, however the calculation of the threshold takes into account the proportion of end of life scrap as we recognise that steel produced with greater levels of end of life scrap as an input material will characteristically have a lower footprint than steel with lower levels of end of life scrap. This encourages steel with both high end of life scrap content and steel with low end of life scrap content to be decarbonised.

What is SteelZero's view on scrap steel?

We acknowledge that whilst increasing the percentage of steel that is recycled at the end of its life can play an important role in assisting the steel industry to reach net zero, it is not the sole answer to decarbonise the industry. A significant proportion of steel is already recycled and current projections show that even with increasing circularity and recycling of steel, demand for primary steel will continue to increase so it is important that all steelmaking production methods are decarbonised. This is why within the SteelZero Commitment Framework the Low Embodied Carbon Steel threshold takes into account both steel with high end of life scrap content and steel with low end of life scrap content.

What reporting is required?

Organisations are required to report to the Climate Group annually on their progress towards their SteelZero commitment. Information reported will include summaries of the quantity and embodied carbon of steel procured and will be aligned with existing standards. Additional information may be requested to clarify an organisation's progress towards their commitment.

Is there a fee for joining SteelZero?

Yes, SteelZero members contribute a fee to support the running of the SteelZero initiative. This tops up the majority funding we receive from philanthropic grant-making organisations. The fee for 2024-25 is US\$8,000 for organisations with an annual revenue of over US\$500m, and US\$3,000 for organisations with an annual revenue less than US\$500m.

Has SteelZero considered competition laws?

We have developed a SteelZero Competition Law Compliance Guidelines to ensure all SteelZero work and participants act in compliance with applicable antitrust and competition laws in respect of all SteelZero activities. Please [contact us](#) for more information on this.

Who is the Climate Group?

The **Climate Group** drives climate action. Fast. Our goal is a world of net zero carbon emissions by 2050, with greater prosperity for all. We focus on systems with the highest emissions and where our networks have the greatest opportunity to drive change. We do this by building large and influential networks and holding organisations accountable, turning their commitments into action. We share what we achieve together to show more organisations what they could do. We are an international non-profit organisation, founded in 2004, with offices in London, New Delhi and New York.

Who is ResponsibleSteel?

ResponsibleSteel is an international, not for profit membership organisation. Its mission is to maximise steel's contribution to a sustainable society. ResponsibleSteel is the industry's first global multi-stakeholder standard and certification initiative.

With members from every stage of the steel supply chain, ResponsibleSteel is developing an independent certification standard to ensure businesses and consumers can be confident that the steel they use has been sourced and produced responsibly at every stage.

For more information on SteelZero please contact

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