

— The SteelZero initiative

FAQs

What is SteelZero?

SteelZero, led by [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.

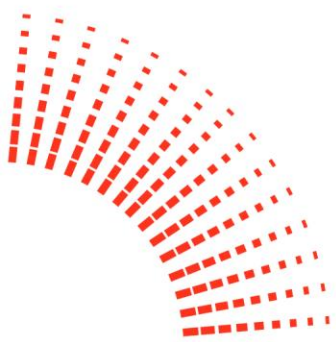
Why is it important to address the future of steel?

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 taskforces assist organisations in developing a roadmap to fulfil their commitment to net zero steel – the agenda is 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, through an interim commitment to use 50% lower emission steel by 2030 and signalling to their supply chain to set decarbonisation transition pathways (or roadmaps).
- They're working 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 or earlier and an interim commitment to procure 50% of its steel requirement by 2030, meeting one or both of the following criteria:

- **Steel produced by a steelmaking site** where the site's corporate owner has defined and made public both a long-term and near-term emissions reduction target, validated by the Science-based Targets initiative (SBTi) or another quantitative, scientifically justified target of comparable ambition, quality and coverage.
- Steel meeting the ResponsibleSteel Decarbonisation Progress threshold for '**Lower Emission Steel**', or equivalent.

Organisations are encouraged to commit to the most ambitious, credible target that fits with their strategy and may go beyond the minimum commitment criteria. The SteelZero Commitment Framework v1.1 can be found [here](#).

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. Our work can assist organisations in developing a roadmap to fulfil their overarching net zero targets with the opportunity to share best practices with other member organisations to achieve the highest and most robust standards of sustainability.

The SteelZero theory of change is to secure credible and ambitious commitments from leading businesses and supporting businesses to take action by providing platforms and tools for peer-learning and best practices. We take the combined power of our members and networks further by influencing policy and market developments in critical geographies and sharing stories of leadership and progress to encourage widespread action on steel decarbonisation to secure further commitments.

Is the SteelZero 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 two 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?

The boundary of steel production up to crude steelmaking (cradle to crude steel) is the point of comparability between all global steel producing sites, despite the technology, energy or input materials used. 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 are 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 [Climate Group](#) in partnership with [ResponsibleSteel](#). SteelZero is a separate initiative to the development of the ResponsibleSteel international production standard and certification. We work together to speed up the transition to a net zero steel industry. SteelZero focuses on the role of buyers and how they can influence the market by publicly declaring their own sourcing commitments.

ResponsibleSteel focuses on developing universally accepted production standards for steelmakers with multi-stakeholder member engagement across the steel value chain and civil society. Together we update best practice across the full life cycle of steel, bringing different groups of stakeholders to the conversation and influencing all the key levers affecting the net zero steel transition – demand, supply, technology innovation, policy and finance.

Both supply and demand are needed to create the net zero steel market. The SteelZero commitment references the procurement, specifying or stocking of steel meeting the ResponsibleSteel Decarbonisation Progress threshold for '**Lower Emission Steel**' as one of the options for the interim commitment.

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](#).

What is Lower Emission Steel?

Lower Emission Steel is steel which meets the quantitative threshold of ResponsibleSteel Decarbonisation Progress Level 2. This is described as the GHG emissions intensity threshold of ≤ 2000 to ≤ 350 kgCO₂e/tonne of crude steel dependent on 0-100% scrap share of metallic inputs.

Alignment between our commitment framework and ResponsibleSteel helps to drive common understanding and interoperability of steel standards across the supply chain, so that steel buyers like our members and steelmakers can both assess their steel against ResponsibleSteel Decarbonisation Progress Levels. More information on the lower emission steel threshold can be found [here](#).

What scope of emissions are included within the net zero 2050 commitment?

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 the Science Based Targets initiative?

The SteelZero commitment framework recognises the need to create a market for low emission steel imminently for the steel industry to meet climate-aligned targets by mid-century. In the transition to net zero, we also recognise the value in supporting steel producers who have committed to near-term and long term decarbonisation targets through the Science Based Targets initiative or an equivalent emission reduction target setting mechanism with similar ambition, quality and coverage. Science based targets are useful tools for producers to set clear roadmaps in the near-term and achieve 100% net zero steel production in the long term by 2050, and through SteelZero members' commitments we're catalysing this shift towards clear and credible target setting.

What is SteelZero's view on scrap steel?

Steel recycling and circularity practices are crucial for the steel industry to meet its climate-compatible goals. SteelZero has been involved in working groups, discussions and report publications that speak to the importance of circularity, for example inputs into the Sustainable Shipping Initiative's (SSI) Green steel and shipping report and the Roundtable on the Responsible Recycling of Metals (RRRM). Our India team have conducted a study on scrap steel from ship recycling and will be publishing a report.

We acknowledge the increasingly important role of recycling and ferrous scrap as one of the routes assisting the steel industry to decarbonise. As a significant proportion of globally available scrap steel is already recycled, current projections show that even with maximised circularity and recycling of steel, demand for primary steel will continue to increase. So, it is important that all steelmaking production methods are incentivised to decarbonise. This is why SteelZero aligns with the International Energy Agency (IEA) and ResponsibleSteel to set a steel demand

threshold that takes a dual decarbonisation approach showing the steelmaking pathway towards near zero steel production dependent on the access to available ferrous scrap.

What reporting is required?

Organisations are required to annually disclose, to Climate Group, their progress towards meeting their SteelZero commitment. The data disclosed includes procured steel volume, mill of origin, greenhouse gas emissions intensity of crude steel and share of scrap as a percent of input materials in crude steelmaking, in alignment with the ResponsibleSteel International Production Standard. 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 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.

For more information on SteelZero please contact

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