

SUSTAINABILITY INDICATORS 2003 - 2017

October 2018

Environmental performance															
1	Greenhouse gas emissions (tonnes CO₂/tonne crude steel cast) - data updated April 2018														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	1.6*	1.7*	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.87	1.88	1.83 (p)
2	Energy Intensity (GJ/tonne crude steel cast) - data updated April 2018														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	19*	19.1*	20.0	20.6	20.3	20.4	20.6	20.3	19.9	19.6	19.9	19.8	20.3	20.3	20.0 (p)
3	Material efficiency (% of materials converted to products & byproducts)														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	97.1	96.1	97.9	97.2	97.9	98.0	97.9	97.7	94.4	96.5	96.4	97.5	96.8	97.5	96.3
4	Environmental management systems (EMS) (% of employees & contractors working in EMS-registered production facilities)														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	86.4	91.9	84.0	85.5	85.1	86.6	88.9	87.6	89.9	89.5	90.2	94.0	93.6	97.1	96.8
Social performance															
5	Lost-time injury frequency rate (injuries/million hours worked)														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
		4.8	4.1	4.6	4.4	3.1	2.5	2.3	1.9	1.5	1.6	1.4	1.2	1.0	0.97
6	Employee training (training days/employee)														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	8.1	9.9	12.1	10.5	11.1	8.0	8.5	6.7	7.7	7.9	7.8	6.4	6.8	7.0	6.1
Economic performance															
7	Investment in new processes and products (Percent of revenue)														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	6.0	6.2	6.7	7.8	7.9	8.3	10.2	8.8	8.3	10.3	8.6	7.4	12.6	13.0	5.9
8	Economic Value Distributed (Percent of revenue)														
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
					83.0	68.2	92.3	91.7	93.1	97.4	96.1	96.6	96.7	98.8	97.0

Notes:

(p) = preliminary; data collection in progress

Indicators 1 & 2: These indicators are calculated using route-specific energy and CO₂ intensity for the basic oxygen furnace and electric arc furnace. The indicators are also weighted based on the production share of each route. Indicator 1 includes CO₂ emissions only as these make up approximately 93% of all steel industry greenhouse gas emissions.

Indicator 5: Lost time injury frequency rate includes fatalities and is calculated based on figures including contractors and employees.

Indicator 7: Investment in new processes and products includes capital expenditure and R&D investment.

SUSTAINABILITY INDICATORS DEFINITIONS AND RELEVANCE

Environmental performance			
	INDICATOR	DEFINITION	RELEVANCE
1.	Greenhouse gas (GHG) emissions	This indicator calculates tonnes of CO ₂ emissions normalized against production (tonnes of crude steel cast). The calculation is based on route-specific energy and CO ₂ intensities for 3 steel production routes: 1) basic oxygen furnace 2) electric arc furnace, and 3) open hearth furnace. This indicator is weighted based on the production share of each route.	Reducing GHG emissions in steelmaking must be tackled on a global level. Making the substantial CO ₂ reductions required will need technology transfer, collaboration and breakthrough technologies. Steel products also play an important role in a low carbon economy due to their long life cycle, 100% recyclability, and innovative qualities.
2.	Energy intensity	This indicator measures the energy consumed normalized against production (tonnes of crude steel cast). The calculation is based on route-specific energy and CO ₂ intensities for 3 steel production routes: 1) basic oxygen furnace 2) electric arc furnace, and 3) open hearth furnace. This indicator is weighted based on the production share of each route.	Steel production is energy-intensive. The steel industry has made significant reductions in energy consumption in the past decades resulting in benefits to the environment while ensuring economic competitiveness.
3.	Material efficiency	This indicator measures the percentage of raw materials used on-site to make crude steel converted to products and by-products. The industry's goal is zero waste.	The recovery and use of by-products within and outside the steel industry combined with the responsible management of natural resources contribute to material efficiency and help to prevent waste.
4.	Environmental management system (EMS)	This indicator measures the percentage of employees and contractors who work in a production facility that has been certified to a recognised international EMS standard such as ISO 14001*, or EMAS**.	Registered environmental management systems are an effective way to manage environmental performance and to ensure legal compliance.
Social performance			
	INDICATOR	DEFINITION	RELEVANCE
5.	Lost time injury frequency rate (LTIFR)	A Lost Time Injury (LTI) is an incident that causes an injury that prevents the person from returning to his next scheduled shift or work period. Lost Time Injury Frequency Rate (LTIFR) is the number of Lost Time Injuries per million man-hours. LTIFR includes fatalities.	Our industry employs millions of people. Nothing is more important than the safety and health of the people who work in the steel industry.
6.	Employee training	This indicator measures the total days of training per employee. The result of the calculation is the average number of training days per employee and year. Training may include various types of development programmes such as classroom instruction, computer-based training, self-study and learning or on-the-job instruction. Employee training does not focus on safety and health, but may include it.	Human capital is a key asset for all organisations and a main driver for the creation of value. Training programmes aim to expand the knowledge and skills of employees and help them to make the best use of their talents.

* <http://www.iso.org/iso/home/standards/management-standards/iso14000.htm>

** http://ec.europa.eu/environment/emas/index_en.htm

SUSTAINABILITY INDICATORS DEFINITIONS AND RELEVANCE

Economic performance			
	INDICATOR	DEFINITION	RELEVANCE
7.	Investment in new processes and products	This indicator measures the value of investments made on capital expenditure, and research and development expressed as a percentage of revenue. Capital expenditure refers to money used to acquire or improve long-term physical assets such as property, plants, machinery and equipment, industrial buildings and warehouses. Research and development refers to money used with the prospect of gaining new scientific or technical knowledge to develop new products, processes, and services. The result is presented as percentage of annual revenue.	Investments in new processes and R&D contribute to a sustainable steel industry.
8.	Economic value distributed (EVD)	<p>This indicator aims to quantify the value distributed to society by the steel industry. It includes direct and indirect contributions, regardless of the country's financial structure (e.g. all contributions are captured - whether made directly from the company to the community or indirectly from the company through government taxes, shareholder dividends or employee wages, etc.).</p> <p>It is a sum of:</p> <ul style="list-style-type: none"> • Operating costs (payments to suppliers, contractors, etc.) • Employee wages and benefits (gross values, including employee tax paid) • Dividends paid to all shareholders (including non-controlling interest) • Interest payments made to providers of loans • Payments to government (gross taxes and royalties, not including employee tax paid) • Community investments (voluntary contributions and investments of funds in the broader community, including donations and scholarships, etc.). <p>The result is presented as billion US\$ and US\$ as a percentage of total revenue.</p>	Steel is critical to economic growth. It is important to quantify the value companies create and to establish how much of this wealth is distributed to society.