Less than half of top 50 steel producers have a net zero target

Press release

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Key points

- Twenty companies now target net zero by 2050 or earlier, up from 17 in 2023.
- Twenty-three of the top 50 producers lack concrete intermediate milestones like a 2030 emissions reduction target, making it challenging to achieve the goal of net zero by 2050.
- Fifteen of the top 50 steel producers, only one more since last year, have defined emission scopes in their net zero targets.

San Francisco, Stockholm — Less than half of the world's top steel producers have targets to reach net zero emissions by midcentury, and even fewer track the full scope of emissions produced by their business, jeopardizing the sector's ability to meet long-term climate aims, finds a new report from Global Energy Monitor and the Leadership Group for Industry Transition, hosted at the Stockholm Environment Institute.

The analysis of the top 50 steel producers — which rely more heavily on higher emissions steelmaking technologies than the global industry average and are responsible for more than 60% of the sector's emissions — follows the latest production ranking provided by the World Steel Association.

The steel sector accounts for an estimated 7–9% of direct global greenhouse gas emissions, and the International Energy Agency has said that CO2 emissions from heavy industries need to drop 93% in order to reach net zero emissions by 2050.

As of September 2024, half of the top 50 steel producers still lack a net zero target: Sixteen companies have not stated a net zero target in their public reporting, and nine companies have provided no information on climate targets at all. Five companies have targets to reach net zero after 2050.

Seventeen companies have set a 2030 emissions reduction goal, three fewer top 50 producers than in the 2023 update. Two of these companies removed their 2030 goals, while one reduction is due to the shift in rankings of the top 50 steel producers.

Conversely, ten companies have now established milestones between 2030 and 2040, an increase of five companies compared to 2023.

Only fifteen of the top 50 steel producers have specified the emission scopes they plan to address in order to reach their net zero targets. Scope 1 emissions refer to those resulting directly from the production process, Scope 2 emissions refer to those from purchased electricity and steam, and Scope 3 are indirect emissions resulting from supply chain activities like coal mining and shipping.

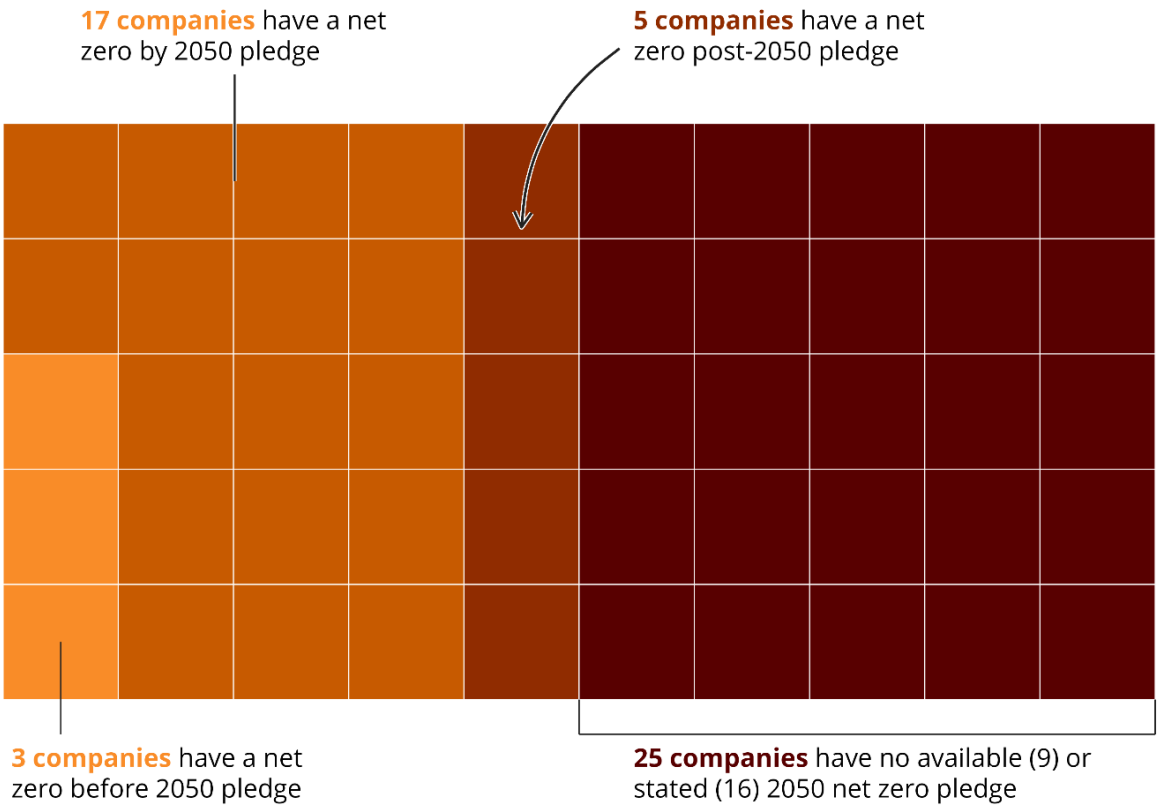
Just four companies have included measures to address Scopes 1, 2, and 3 in their plans. Three of these companies aim to achieve net zero by 2050, while one plans to reach this goal before 2050.

Caitlin Swalec, Program Director for Heavy Industry, Global Energy Monitor, said, “The increase in target reporting among the top 50 steel producers is a positive sign of progress, yet it falls short of what is needed to reach net zero by midcentury. The top 50 steel firms can set an example of leadership as not only steel producers, but emissions reducers through target setting and collective action to reach net zero 2050.”

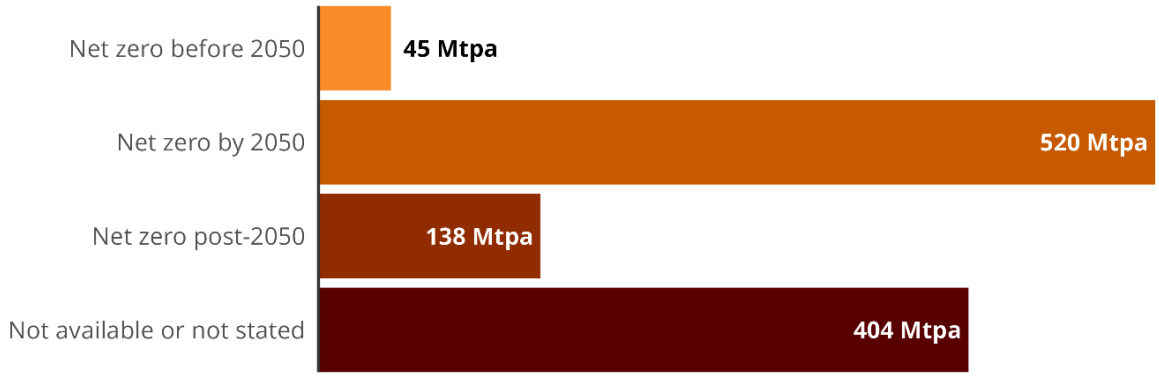
Eileen Torres Morales, Analyst, Leadership Group for Industry Transition, said, “Greater transparency from steel producers is essential to demonstrate commitment to decarbonisation. While some companies have made initial progress, clearer plans are needed from the majority to reach net zero by 2050, including plans for specific emission scopes reductions. Establishing intermediate targets, tracking progress, and sharing updates publicly can motivate the sector to accelerate its transition towards net zero."

Less than half of top steel producers have pledged to reach net zero by 2050

Net zero by 2050 commitments of the world's top 50 steel producers; each square represents one company



Steel production from top 50 producers grouped by their net zero pledge status, in million tonnes per annum (Mtpa)



Note: Not available means no publicly-available information about the sustainability reporting of the company could be found, while not stated means the company has sustainability reporting but no net zero pledges to 2050 are mentioned.

Source: Green Steel Tracker

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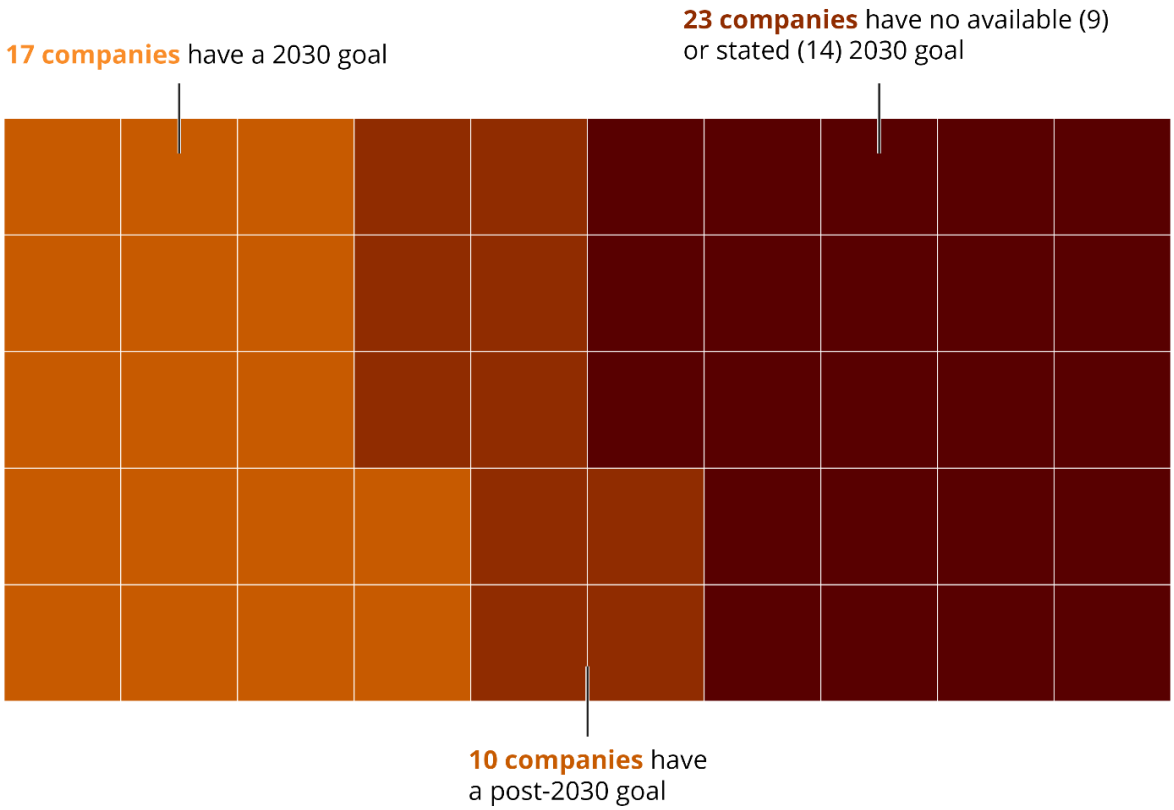
Global Energy Monitor

More than half of top steel producers lack a 2030 emissions goal

Emissions reduction targets of the world's top 50 steel producers; each square represents one company



Steel production from top 50 producers grouped by their emissions reduction goal status, in million tonnes per annum (Mtpa)

Note: Not available means no publicly-available information about the sustainability reporting of the company could be found, while not stated means the company has sustainability reporting but no emissions reduction targets to 2030 are mentioned.

Source: Green Steel Tracker

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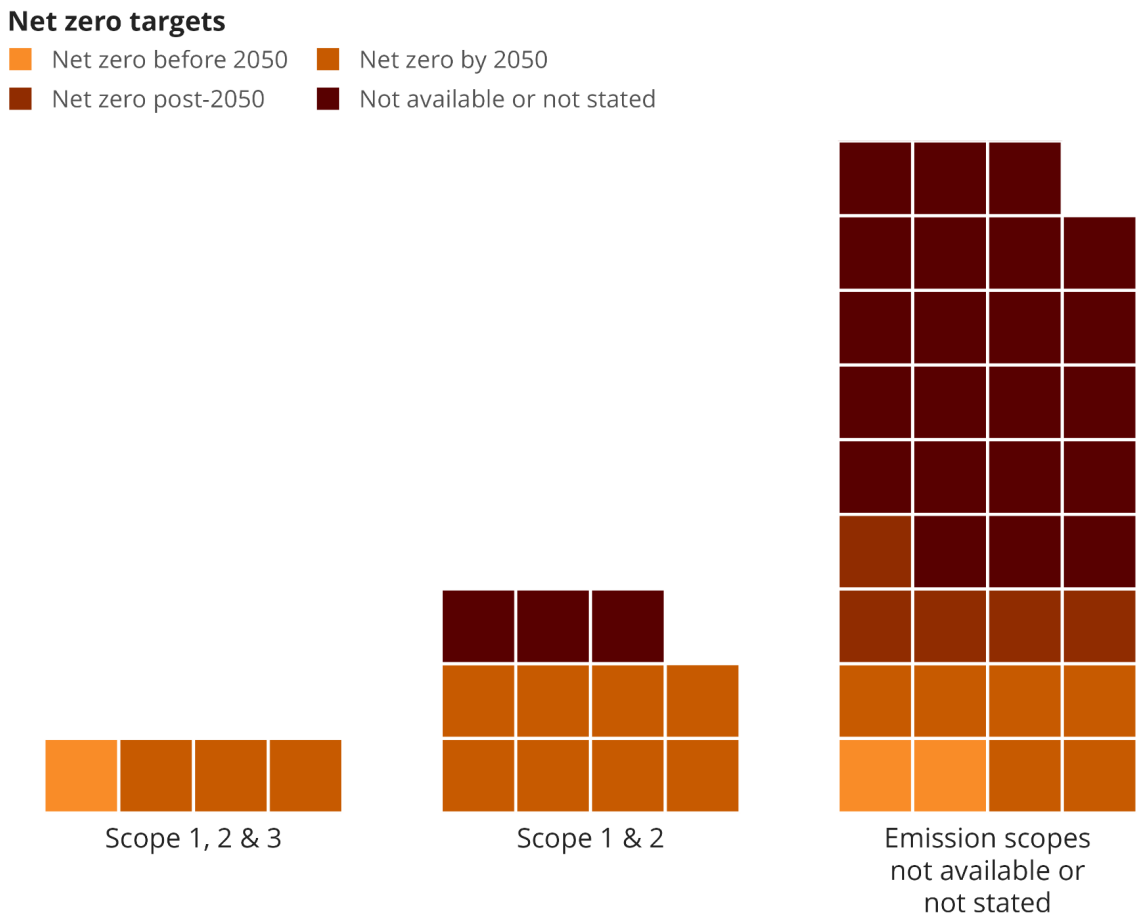
Only four of the top 50 steel firms currently have plans to measure Scope 3 emissions

Emission scopes planned to be measured by the top 50 steel producers; each square represents one company



Note: Not available means no publicly-available information about the sustainability reporting of the company could be found, while not stated means the company has sustainability reporting but no emissions reduction targets to 2030 are mentioned.

Source: Green Steel Tracker

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About Global Energy Monitor

Global Energy Monitor (GEM) develops and shares information in support of the worldwide movement for clean energy. By studying the evolving international energy landscape, creating databases, reports, and interactive tools that enhance understanding, GEM seeks to build an open guide to the world's energy system. Follow us at www.globalenergymonitor.org and on Twitter @GlobalEnergyMon

About Leadership Group for Industry Transition (LeadIT)

The Leadership Group for Industry Transition (LeadIT) gathers countries and companies that are committed to action to achieve the Paris Agreement. It was launched by the governments of Sweden and India at the UN Climate Action Summit in September 2019 with support from the World Economic Forum. In recognition of the progress made by LeadIT, India and Sweden reaffirmed their commitment to its mission and established a new work pillar for LeadIT with a focus on technology transfer and codevelopment, and a dedicated industry transition platform (ITP) between the two countries.

The LeadIT Secretariat is hosted by the Stockholm Environment Institute (SEI) and manages the work of the Leadership Group. Follow LeadIT and the Green Steel Tracker at www.industrytransition.org and on LinkedIn.

About The Global Steel Plant Tracker

The Global Steel Plant Tracker (GSPT) provides information on global crude iron and steel production plants and includes every plant currently operating at a capacity of 0.5 million tonnes per year (mtpa) or more of crude iron or steel. The GSPT also includes all plants meeting the 0.5 mtpa threshold that have been proposed or are under construction since 2017 or retired or mothballed since 2020.

About The Global Blast Furnace Tracker

The Global Blast Furnace Tracker (GBFT) is a worldwide dataset of blast furnace units. It tracks each of the furnaces at iron and steel plants in GEM's Global Steel Plant Tracker (GSPT) and includes unit-level capacities, key dates, and statuses for each furnace. Relining data, including dates and costs, are also tracked for each furnace where available.