

Steel Dynamics Sets Goal to Achieve Carbon Neutrality by 2050

FORT WAYNE, INDIANA, July 7, 2021 / PRNewswire / Steel Dynamics, Inc. (NASDAQ/GS: STLD) today announced a goal to be carbon neutral by 2050 for its electric arc furnace (EAF) steel mill operations. To achieve this target, the company also set interim emissions reduction and renewable energy milestones to be achieved by 2025 and 2030.

On the path to carbon neutrality, Steel Dynamics is targeting a 20% Scope 1 and Scope 2 combined greenhouse gas (GHG) emissions intensity reduction across its EAF steel mills by 2025 and a 50% reduction by 2030, compared to a 2018 baseline. Additionally, the company plans to increase the use of renewable electrical energy for its EAF steel mills to 10% by 2025 and 30% by 2030.

These goals expand on Steel Dynamics' existing sustainability focus, leading the steel industry for more than 25 years with its exclusive use of electric arc furnace technology, circular manufacturing model, and innovative teams creating solutions to increase efficiencies, reduce raw material usage, reuse secondary materials, and promote material conservation and recycling. Steel Dynamics plans to be a leader in this area with focus toward:

- Identifying and implementing emission reduction projects
- Improving energy management to reduce emissions and enhance operational efficiency
- Increasing the use of renewable energy, including partnering with local utilities
- Researching and developing innovative technologies

"Our commitment to all aspects of sustainability is embedded in our founding principles — valuing our teams, our partners, our communities, and our environment," stated Mark D. Millett, Chairman, President and Chief Executive Officer. "As evidence of our ongoing commitment, our Scope 1 and Scope 2 emissions are already among the lowest in the industry. We are embarking on a path to carbon neutrality from a position of strength — and we are committed to the continued reduction of our environmental footprint."

Based on International Energy Agency recommendations for the steel sector, Steel Dynamics' current steelmaking operations already fall within the 2050 intensity targets designed to meet the Paris Agreement and its 2°C scenario. Further, the company is aligned with the Science Based Targets Initiative (SBTi) as its EAF steel mills plan to meet the SBTi "well below 2°C" scenario target for Scope 1 and 2 combined emissions intensity by at least 2030, based on the Iron & Steel Sectoral Decarbonization Approach.

"Steel is a vital resource in building a sustainable future," said Millett. "With these new targets and a proven track record of progress, we are demonstrating that steel must continue to play a critical role in the 'green' transition."

About Steel Dynamics, Inc.

Steel Dynamics is one of the largest domestic steel producers and metals recyclers in the United States, based on estimated annual steelmaking and metals recycling capability, with facilities located throughout the United States, and in Mexico. Steel Dynamics produces steel products, including hot roll, cold roll, and coated sheet steel, structural steel beams and shapes, rail, engineered special-bar-quality steel, cold finished steel, merchant bar products, specialty steel sections and steel joists and deck. In addition, the company produces liquid pig iron and processes and sells ferrous and nonferrous scrap.

Forward-Looking Statements

This press release contains some predictive statements about future events, including statements related to conditions in domestic or global economies, conditions in steel and recycled metals market places, Steel

Dynamics' revenues, costs of purchased materials, future profitability and earnings, and the operation of new, existing or planned facilities. These statements, which we generally precede or accompany by such typical conditional words as "anticipate", "intend", "believe", "estimate", "plan", "seek", "project", or "expect", or by the words "may", "will", or "should", are intended to be made as "forward-looking," subject to many risks and uncertainties, within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. These statements speak only as of this date and are based upon information and assumptions, which we consider reasonable as of this date, concerning our businesses and the environments in which they operate. Such predictive statements are not a guarantee of future performance, and we undertake no duty to update or revise any such statements. Some factors that could cause such forward-looking statements to turn out differently than anticipated include: (1) domestic and global economic factors; (2) global steelmaking overcapacity and steel imports, together with increased scrap prices; (3) pandemics, epidemics, widespread illness or other health issues, such as the COVID-19 pandemic; (4) the cyclical nature of the steel industry and the industries we serve; (5) volatility and major fluctuations in prices and availability of scrap metal, scrap substitutes, and our potential inability to pass higher costs on to our customers; (6) cost and availability of electricity, natural gas, oil, or other resources are subject to volatile market conditions; (7) compliance with and changes in environmental and remediation requirements; (8) increased regulation associated with the environment, climate change, greenhouse gas emissions and sustainability; (9) significant price and other forms of competition from other steel producers, scrap processors and alternative materials; (10) availability of an adequate source of supply for our metals recycling operations; (11) cybersecurity threats and risks to the security of our sensitive data and information technology; (12) the implementation of our growth strategy; (13) litigation and legal compliance, (14) unexpected equipment downtime or shutdowns; (15) governmental agencies may refuse to grant or renew some of our licenses and permits; (16) our senior unsecured credit facility contains, and any future financing agreements may contain, restrictive covenants that may limit our flexibility; and (17) the impacts of impairment.

More specifically, refer to Steel Dynamics' more detailed explanation of these and other factors and risks that may cause such predictive statements to turn out differently, as set forth in our most recent Annual Report on Form 10-K under the headings Special Note Regarding Forward-Looking Statements and Risk Factors, in our quarterly reports on Form 10-Q, or in other reports which we file with the Securities and Exchange Commission. These are available publicly on the Securities and Exchange Commission website, www.sec.gov, and on the Steel Dynamics website, www.steeldynamics.com under "Investors — SEC Filings".

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