

**The power of
accountability – why good
data is at the heart of the
green transition**



At Climate Group we believe in the power of climate leadership

Our mission is to drive 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 - both governments and businesses - 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.

A business-led; government-enabled transition

Our work is focused in systems with the highest emissions and where our networks have the greatest opportunity to drive change.

- Our network includes over 500 multinational businesses in 175 markets worldwide.
- We also work closely with governments at all levels. The Under2 Coalition, for which we are the Secretariat, is made up of 167 state and regional governments and has been named by the New Climate Institute as one of the international cooperative initiatives with the highest potential for emissions reductions.
- SteelZero is a global initiative bringing together leading organisations to speed up the transition to a net zero steel industry.

The power of data

At Climate Group, transparency and accountability are fundamental to the relationships we build with our members and partners.

- Across our systems- renewable energy, electric vehicles, built environment and heavy industry- we work closely with our members and their suppliers to help define and reduce the environmental impacts of their businesses.
- SteelZero members commit to procure 100% net zero steel by 2050 with an interim commitment to procure, specify or stock 50% of their steel requirement by 2030 by meeting any combination of:
 - Steel produced by a steelmaking site where the steelmaker has a science-based emissions target.
 - ‘Lower emission steel’ (aligning with ResponsibleSteel Decarbonisation Progress Level 2)
- We strongly support the Steel Standards Principles – but much work remains to be done.

What we've learned so far (1)

We amplify the voice of steel buyers

- Our aim is simple: we want businesses and governments to be confident that the data they receive on emissions relating to the production of steel is clear, comparable and accurate.
- SteelZero's aim is to provide a voice for steel buyers in the discussions affecting the future of the global steel industry by:
 - Helping them identify and report on steel emissions related to their products.
 - Sharing best practice on supplier engagement and collaboration across different geographies.
 - Working with steelmakers to help make emissions data available across the whole supply chain on an ongoing basis – not just through annual reporting.
 - Engaging policy makers to create a level playing field for lower emission steel.

What we've learned so far (2)

Why reporting matters to SteelZero members

- SteelZero members want to be accountable for their commitment and therefore commit to reporting on their steel usage
- Our first round of reporting was completed in 2024 – today the data available to steel buyers does not meet the requirements that customers need.
- Climate Group campaigns such as RE100 and EV100 build links between buyers and sellers – collaboration is vitally important, especially in emerging markets.
- Environmental claims are coming under increasing scrutiny – Climate Group initiatives like SteelZero help companies back up their claims.

What we've learned so far (3)

Some of the issues we have encountered

- EPDs are a great first step – but they don't always have the right information.
- Buyers want to know more than product level data:
 - What is the emissions intensity of the crude steel that went into a product?
 - Which site did the steel actually come from?
 - EPDs don't have a consistent approach to LCAs and standards – how can we address this?
- We are working with our members, steelmakers and regulators to develop an updated reporting framework.
 - How should steel buyers be asking for data?
 - How should data be made accessible and understandable to downstream buyers?

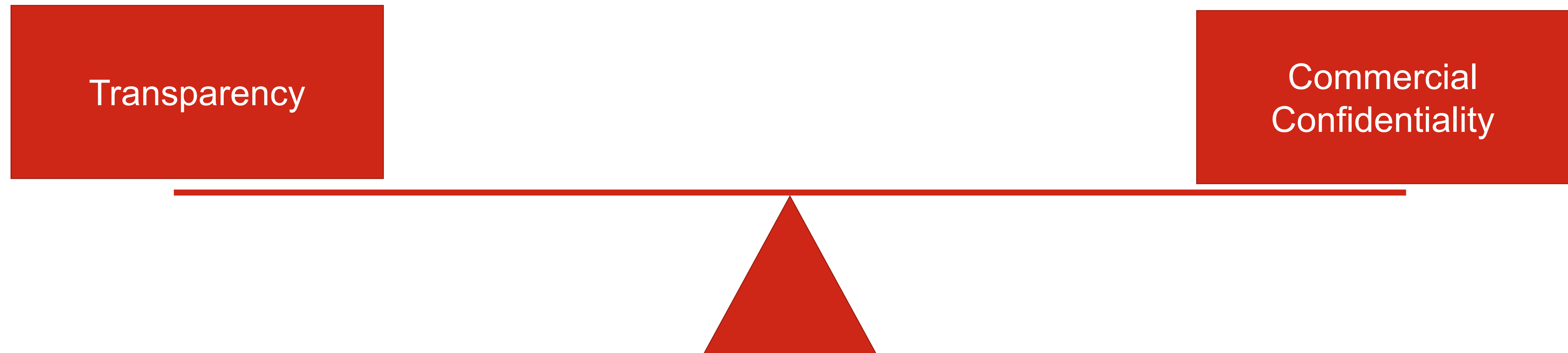
We need to talk about accountability

Businesses who use steel need to be confident in their environmental claims

- We believe that greater transparency is an essential tool in enabling the market-led decarbonisation of the global steel industry.
- Transparency must go hand in hand with emissions targets that create the conditions for investment.
- Public and private sector buyers want to help – but the data available today doesn't enable them to make verifiable claims and track the steel they are buying.
- Companies we talk to are clear: The lack of transparency from steelmakers makes it impossible for steel buyers to have the confidence to commit to purchasing lower emission steel products.

Decision time for the steel industry

- **The market for lower emission steel will require behaviour change – customers will need to pay more, steelmakers will need to be more open with their customers.**
- **The steel industry needs to accept that emissions data is not commercially confidential – the faster this happens, the faster the market will grow.**
- **How can we change the discussion?**



A better way forward

Global markets need globally relevant data

- We recognise that the transition to low emission steel production is a process not an overnight change.
- Your customers want to work with you and support your journey – talk to them about your plans for 2030, 2040 and beyond!
- Initiatives like SteelZero, FMC and IDDI are the carrot. The stick is waiting in the wings – and is getting impatient. That scares your customers and investors.
- We can help
 - What data should consumers and regulators be asking for?
 - How can we effectively track steel data moving through each step of the supply chain?
 - How can governments work with steel buyers to help make it easier for steelmakers to decarbonise?