

Climate strategy 2012 for DanSteel A/S

DanSteel A/S intends to take his part of the responsibility for a better climate and will now put the climate on the agenda. The consequence of a much too large CO2 emission brings the climate out of balance with hurricanes, floods and drought in the world our children shall inherit.

DanSteel A/S made the climate strategy for the Kyoto period until the year 2012 and it is the basis for more specific initiatives. DanSteel A/S is a quote registered company and we have an agreement with the Energy Authority about energy savings and our energy management system has been certified according to the standard DS2403. Besides the general saving of natural gas and electricity in the production which we are working with, we intend to inform our customers of the CO2 data for our steel products. The climate strategy is a part of DanSteel A/S general environment and energy policy and has to be evaluated every year. While the environmental strategy concentrates about items like water, energy and waste an independent climate strategy will help us to minimise the CO2 emission within the areas of production and transportation and goes therefore a step further. The climate strategy is published on www.dansteel.dk

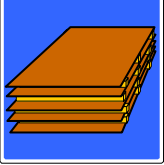



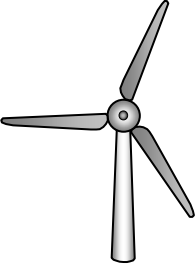
The total CO2 emission from DanSteel A/S and the climate impact has been calculated for 2008 to be 97.950 tons of CO2 per year. The energy distribution is shown in the table together with the planned targets for the reduction every year ahead until 2012:

ENERGY CONSUMPTION 2008	Emission 97.950 ton CO2 per year	Emission: kg CO2 per ton steel plate	Emission: kg CO2 per ton normalised steel plate per year	Reduction target: kg CO2 per ton normalised steel
Prod. 483.908 Mt				
Natural gas and propane, report	77.677	161	91	1
Electricity, calculated kWh	18.788	39	-	1
Transportation, internal (app.)	1.485	3	-	

DanSteel A/S produce steel plates with high quality by hot rolling mill, combined with other energy demanding treatments of steel plates at high temperatures. Qualities which are sought for on the World market. To this production big investments in new energy consuming machinery is necessary with a high efficiency in the use of energy. At the same time the old machinery will be phased out from the factory, for a better energy use. Although the total production process will demand more energy supply caused by new investments a little decline in the consumption of natural gas and electricity can be predicted. Acts we intend to carry through are a use of the excess heat from furnaces and optimising of process. Reduction targets = CO2 benchmarks will be settled for normalised steel plates to be compared over the period.

A reduction of 2 kg CO2 per ton steel plate per year will be equal to a total reduction of app.1.000 ton CO2 per year, and this aim will be possible to reach, provided there are a complete utilization of the production capacity at DanSteel A/S.

Focus areas of the new climate strategy:

	<p>Steel plates – all kind</p> <ul style="list-style-type: none"> - Increase of the yield percentage - Effective use of natural gas in the slab furnaces - Lower degree of re-milling
	<p>Steel plates – normalised, hot levelled</p> <ul style="list-style-type: none"> - Investment in better and new technology - Investment in new thick plate centre and normalising furnace
	<p>Transport</p> <ul style="list-style-type: none"> - More transportation by the railway - Mafi Trucks will replace Kiruna Trucks - Education in more environmentally friendly driving - Better logistic at the new V10 cutting center
	<p>Other climate acts</p> <ul style="list-style-type: none"> - Courses in low energy consumption for the furnace workers - On-line registration of energy consumption - Isolation of buildings and machinery - Using the waste heat from furnaces to bathing and rooms - Participation in climate campaigns (1 ton less a.o.)
	<p>Products</p> <ul style="list-style-type: none"> - Wind mill production must be a part of the DanSteel image - Co operation about developing the wind energy and wind mills