SSAB in 90 seconds

SSAB is a leading producer of high-strength and quenched and tempered steels with production in Sweden and the United States. We develop solutions which increase our customers’ competitiveness. In 2008, sales amounted to SEK 54 billion and earnings were the highest in the Company’s history.

SSAB PLATE
Production in: Oxelösund, Sweden
Iron ore and coal
Smelting
SSAB STRIP PRODUCTS
Production in: Luleå, Borlänge, Sweden
Refining
SSAB NORTH AMERICA
Production in: Mobile, Alabama and Montpelier, Iowa, USA
Casting
Steel products
Customers
Different methods for different qualities: Annealing, Quenching, Hardening/Tempering and in certain cases: Blasting, Galvanization, Organic coating

Share of the Group’s sales¹

<table>
<thead>
<tr>
<th>Steel products</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plate</td>
<td>31,756</td>
<td>30,054</td>
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<tr>
<td>Strip</td>
<td>19,171</td>
<td>7,873</td>
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<tr>
<td>Plate</td>
<td>526</td>
<td>255</td>
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<tr>
<td>Strip</td>
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<td>1,710</td>
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<tr>
<td>Plate</td>
<td>722</td>
<td>549</td>
</tr>
<tr>
<td>Total</td>
<td>54,329</td>
<td>40,441</td>
</tr>
</tbody>
</table>

¹ Share of the Group’s sales does not include sales from Tibnor and Other companies.
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**About this report**

This is SSAB’s first separate sustainability report and covers events during the 2008 calendar year. The report covers the parent company, SSAB, as well as the major divisions: SSAB Strip Products, SSAB Plate, SSAB North America, and the subsidiaries, Tibnor and Plannja. Data presented in the report has been compiled during the reporting period and covers all parts of the operations, unless otherwise stated. The content of the report reflects the most important sustainability aspects of SSAB’s operations, and is based on the Global Reporting Initiative (GRI). A complete GRI table is presented on pages 30-31. In the event of questions or comments, please contact SSAB at info@ssab.com
Our vision is to work for a “stronger, lighter and more sustainable world”. The vision is based on our strategy of being the leader within high-strength steels. With high-strength steels it is possible to produce products which weigh less and are more durable than products made of ordinary steel. Thus, our customers can, for example, reduce fuel consumption and thereby reduce both costs and emissions.

Interest in high-strength steels has been constantly growing in recent years and the portion of high-strength steels in SSAB’s production has increased. The focus on niche products has been important for SSAB’s earnings trend.

In order to continue to build on this strategy, in 2008 we decided to invest SEK 5.3 billion in developing our production of high-strength steels. This is taking place primarily at our plant in Mobile, Alabama, but we are also now creating opportunities to produce quenched strip products in Borlänge. At the same time, we are strengthening our already significant production of quenched and tempered plate in Oxelösund.

In many ways, 2008 was a turbulent year for SSAB.

We were pleased, of course, to announce that once again we were able to deliver a strong result for the full year. But the dramatic slump in demand that we experienced towards the end of the year was more worrying.

Following a strong start to the year, demand for steel plummeted towards the end of the year. This was the case in all geographic markets and all customer segments. The decline was particularly marked in the automotive industry, construction industry and infrastructure. Global steel production closed 1.2 percent lower on an annual basis, following a decline of not less than 19 percent during the final quarter. Towards the end of the year, it was extremely difficult to make any assessment regarding the trend going forward.

Under these circumstances, it is important to have a clear and unambiguous strategy for the future. SSAB’s strategy of growth in the niche business, increasing profitability at our plants and developing the organization is more important than ever. We are convinced that, to an ever increasing degree, high-strength steels will replace standard steels in the coming years. When competition intensifies, as at present, it is also of the utmost importance that production be well trimmed and that we deliver on our promises to our customers. Good management is a prerequisite for achieving these objectives. During the year, we have invested in management development within SSAB and now have a joint plan of action for developing our managers. We have also continued the work on productivity improvements, more efficient purchasing and management of capital. During a series of visits to all major production plants, together with several of my colleagues from the Group Executive Committee, I met with almost all employees to discuss and gain support for our strategy, our values and our vision for the future.

In light of the dramatic downturn in the market towards the end of the year, we were forced to make significant cuts in production. Thus, our carbon dioxide emissions also fell sharply and we were able to conclude that we did not require all of the emission rights which we had been allocated for 2008. Thus, during the fourth quarter emission rights were sold corresponding to 1.5 million tonnes of carbon dioxide.

Within the EU, trading takes place in carbon dioxide emission rights, whereby countries and industries are allocated emission rights in accordance with governmental authority decisions. The idea is that those companies that conduct their operations efficiently and do not need their emission rights can sell them to companies with larger emissions, which then must pay a market price for their increased emissions. We do not believe that this system is ideal. Similar to our trade organization in the steel industry, the World Steel Association, we believe that it would be better with a system based on different sectors, with the best companies being rewarded and those companies which are not as efficient being penalized as a spur to reducing their emissions.

The current system also runs the risk of distorting competition since it is not global. In the worst case, we risk...
Introduction /Letter from the CEO

operations being moved out of Europe, with both Europe and the environment losing out.

More stringent carbon dioxide emission targets impose demands for new steel production technology. Compared with the other steel producers in the world, SSAB has low emissions from its production. With existing technology, it is possible to reduce SSAB’s emissions only marginally. This will not be sufficient to satisfy the increased demands. New technology must be developed and, in the long-term, a functioning carbon capture and storage system should be produced. Thus, SSAB will participate in continued research to develop production techniques and, at the same time, find new methods for carbon capture and storage.

As a consequence of the sharp fall in demand for steel towards the end of the year, we were forced to announce an extensive costs savings program which also involves cutbacks in personnel. We will, of course, do what we can in order to mitigate the effect of these cutbacks on those of our employees who must now leave SSAB. At the same time, it is important that we achieve our savings goals and do not incur costs that reduce the possibilities for future investments.

The fact that we have succeeded in posting such a strong result during the past year is, first and foremost, attributable to our knowledgeable and skilled employees and I truly wish to thank all who have contributed to our fine performance.

Even if the prospects for the coming year initially appear to be bleak, I am optimistic with regard to the long-term. The world needs steel. There are many countries that need to develop their infrastructure, their housing and their transportation systems. Increased demands to reduce carbon di-

oxide emissions mean that increasing numbers of customers are seeking new, lighter, more durable and stronger products. This provides great advantages for the environment and will have a positive impact on demand for SSAB’s products.

SSAB will enjoy a strong position in the future steel market.

This is the first time we are presenting a separate sustainability report. In the future, we will develop the reporting of our sustainability work as a continued dialogue with our owners, employees, customers and other stakeholders.

Olof Faxander
President and Chief Executive Officer
SSAB’s values and vision

In 2008, SSAB commenced extensive work to clarify the common corporate profile and identify the values associated with the SSAB brand. Together, values and vision constitute a basis for SSAB’s joint endeavors going forward and these values are reflected also in the Company’s code of conduct, SSAB’s Code of Business Ethics.

What SSAB stands for
SSAB’s shared values were identified through discussions in working groups from all parts of the Group. The values shall serve as the foundation for all work within the Group and each employee shall be aware of what they mean for his or her role. The work resulted in the following three values:

Customers’ business in focus
We always take an active interest in the customers’ business and seek long-term relationships. By sharing knowledge, together we create value.

True
We are dedicated and proud of what we do. We build strong relationships by being open-minded, straightforward and honest and by sharing information and knowledge.

Always ahead
We are result-oriented. To achieve the highest performance we always proactively seek to be innovative and enhance our expertise further.

Vision for the future
SSAB’s shared values are a prerequisite to ensure the entire Group is working in the same direction. They create conditions for confidence among stakeholders and externally. Thus, the Company’s long-term vision is formulated based on these values. The vision is linked to the Company’s strategy:

A stronger, lighter and more sustainable world.
Together with our customers, SSAB will go further than anyone to realize the full potential of lighter, stronger and more durable steel products.

Relevant vision for sustainable development
SSAB wishes, in cooperation with our customers, to identify new areas and markets where the Company’s high-strength steels can be used and create added value. The development of infrastructure in developing countries stimulates socio-economic development and, with SSAB’s products, the impact on the environment in the user stage is reduced through products which are lighter and have a longer life. Consequently, the vision has a bearing on sustainable development.

Work on securing support
During the autumn of 2008, SSAB’s President and CEO Olof Faxander, together with members from the Group Executive Committee, visited all major production plants in the Group and met with most of SSAB’s employees. This was part of an extensive project focused on securing support for the Company’s strategy, values and SSAB in the future.

Read more about SSAB’s Code of Business Ethics on page 11.
Sustainability strategy

SSAB’s strategy for the coming years is based on increasing growth within niche products, increasing profitability at current plants and strengthening the organization. All of these aspects have clear links to sustainability with regard to economic, environmental and social dimensions.

Increased growth in current niche markets

Global focus on the issue of climate change and an increased environmental awareness in all markets make SSAB’s high-strength steels attractive. SSAB is one of the world’s leading manufacturers of high-strength steels and it is the Company’s stated strategy to grow within this niche. A design using abrasion-resistant and high-strength steel requires smaller quantities of steel than with the use of traditional steel. Less of materials reduces the environmental impact at all stages. Advanced high-strength steel makes it possible to design applications for vehicles which weigh significantly less, thereby increasing payload efficiency and reducing emissions during transportation.

Since 2008, economic developments have dampened growth in all world markets, but growth primarily in Asia and other emerging economies accounts for continued demand for environmentally sustainable steel products.

Increased profitability at current plants

SSAB is focusing on increased production efficiency in order to increase profitability. New solutions reduce costs and, in many cases, there are clear connections with environmental savings. The investment in a new quenching line for strip products in Borlänge is an example. The new technology shortens the process by one stage. Instead of heating up and cooling the material in conjunction with rolling and then again with quenching, the new line allows the steel to be quenched directly after hot rolling. This is a process which saves energy and is thereby more cost efficient.

Strengthen the organization

Generational changes and exchange of skills are an important element in strengthening the organization. Thus, SSAB is engaged in clarifying possibilities for skills development and internal career paths for its employees. This also imposes demands on SSAB to act responsibly in those cases where employees leave the organization, irrespective of whether this is on a voluntary basis in the generational change program or due to other cutbacks in personnel.
Strategy and governance / Stakeholders

Stakeholders in focus

“SSAB is committed to creating added value for its stakeholders and building relationships based upon respect, responsibility and excellence with its employees, customers, consumers, shareholders and other business partners – and to do so in a socially and environmentally responsible manner.”

SSAB’s Code of Business Ethics opens with a stakeholder perspective. The Company seeks openness and transparency in the dialogue with stakeholders concerning sustainability work. SSAB’s stakeholders are those who are affected by the operations and who, in turn, affect SSAB. Different stakeholder groups have different expectations regarding the Company’s behavior.

Owners
As a listed company, SSAB has a responsibility to create value for its owners. In addition to a strong financial result, an increasing number of owners are imposing demands for growth which also takes into consideration environmental and social issues in order to create long-term stakeholder value.

SSAB’s sustainability work is reviewed by a number of owners and investors and it is the Company’s ambition to provide transparent reporting to the entire market. For example, in 2008 SSAB reported its climate work in the Carbon Disclosure project (CDP). This is a project initiated by investors to increase companies’ awareness of the link between financial impact and climate change.

Employees
SSAB’s employees seek a responsible employer with a good reputation, who offers a workplace with a high degree of safety, and creates favorable career development opportunities. In addition to the ongoing dialogue with employees, in 2008 an extensive employee engagement survey was carried out. The survey was aimed at providing a basis for improvements in SSAB’s management.

SSAB has open and regular contact with employee representatives regarding issues which affect employees, such as working conditions or personnel changes.

Customers
One of SSAB’s competitive advantages is its close cooperation with its customers to create new areas of application for the advanced high-strength steels. This creates environmental benefits and cost savings for the customers. In conjunction with purchasing, increasing numbers of customers are also imposing demands regarding SSAB’s sustainability work, in the form of certified environmental management systems and good working conditions.

The customer dialogue contributes to a mutual learning. This takes place in several forms; for example, through the exchange of knowledge in SSAB Strip Products’ Knowledge Service Center and within SSAB Plate’s Market Projects.

The community
In several localities where SSAB has its plants, the Company is an important part of the community. The impact of the operations on the environment is an important issue in the relationship with the community, as is the issue of how local jobs are affected by changes in the operations.

SSAB communicates actively with the community through contacts with the media, environmental groups, and with local and regional political representatives. This is the case, for example, in public environmental impact assessments, environmental reports and in conjunction with changes in the operations.

Governmental authorities and organizations
SSAB conducts an open dialogue with governmental authorities not only with regular reporting of environmental data to local bodies, but also in conjunction with applications for permits or changes in operations, as well as other issues which affect SSAB and the local community. On an international level, SSAB participates directly – and through membership of industry organizations – in discussions with governmental authorities, primarily focused on competitive conditions in the global steel industry.

Together with research institutions and the steel industry, SSAB actively contributes to research into new techniques for steel production with a reduced impact on the environment.

Suppliers
SSAB works closely with its suppliers in order to increase their awareness of environmental issues and labor conditions. It is important for SSAB, in its relations with customers and other stakeholders, that the entire production stage, from raw material to finished product, takes place under similar conditions with regard to quality, the environment and social issues. Any suspicion of violations or deficient environmental routines in the supply chain can damage confidence in SSAB’s brand.

SSAB informs suppliers of SSAB’s Code of Business Ethics and suppliers are encouraged to comply with these guidelines.
SSAB – 30 years as a company

In 2008, SSAB celebrated 30 years as a company, but its history goes back much further than that. SSAB was formed in 1978 through a merger of Domnarvets Jernverk in Borlänge, Norrbottens Järnverk in Luleå and Oxelösunds Järnverk in Oxelösund. The Company is firmly rooted in local communities and its history is clearly interwoven with the development of the communities around the mills. Today, SSAB is one of the most profitable steel producers in the world, with a well-defined strategy focused on selected niche segments.

New communities develop around the iron mill
Just as paper mills have given rise to many small villages in Sweden, a large part of society developed around two factors that were the seeds of today's Swedish steel industry, namely mines and iron mills. As a result of rationalizations due to increased international competition at the end of the 1800s, the small-scale iron mills in Bergslagen were replaced by larger mills. With the introduction of the new railway line between Falun and Gothenburg, in 1872, a decision was taken to establish a new iron mill, Domnarvets Jernverk, at Domnarvsforsen in Borlänge. Together with a nearby paper mill, the iron mill contributed to a large population influx. The owners of the mills built housing for the substantial number of industrial workers and professional and clerical staff who were employed in the industry.

Following an extensive modernization and development program in the middle of the 1950s, steel production in Domnarvet amounted to 400,000 tonnes per year. At one time this was the largest steel mill in Sweden and, in 1973, employed 6,300 people.

Steel mill along the coast
Iron ore for export was transported by rail from Grängesberg to Oxelösund, which is the deepest port in northern Europe. It was a natural development to establish an iron mill in Oxelösund, which took place between 1914 and 1917. The mill was the first in Sweden to use coke, extracted from stone coal in the plant's own coking plant, in the production of iron. During the 1950s, the iron mill developed into the largest workplace in Oxelösund and was of great importance for the economy of the town.

Proximity to iron ore
In 1938, the report of the so-called Pig Iron Committee proposed that an iron mill be established in Luleå and, in 1940, Norrbottens Järnverk AB, NJA, was formed with the Swedish State as owner. The modern city of Luleå had developed since the Malmbanan railway was built towards the end of the 1880s. At the beginning of the 1960s, NJA was Sweden’s second-largest steel producer with an annual production of 400,000 tonnes and accounted for 30 percent of Sweden’s exports of rolled steel products.

SSAB is formed
In the middle of the 1970s, the steel industry in the western world was characterized by an extensive need for restructuring due to the energy crisis. In combination with significant excess capacity, outdated equipment and high labor costs, the situation was devastating. Faced with competition from new manufacturing countries with modern equipment and low production costs, the losses became great. In addition, there was a lack of capital for necessary investments.

Following a decision by the Swedish Parliament in 1977, NJA, Domnarvets Jernverk and Oxelösund were merged into a single company, SSAB, with the Swedish State as the owner. SSAB commenced its operations on January 1, 1978. In 1989, SSAB’s shares were listed on the Stockholm Stock Exchange.

The decades that followed since the formation have been characterized by upturns and downturns in the economy. At an early stage, SSAB decided to focus on niche products in the form of high-strength steel qualities and the business has been gradually streamlined in order to increase profitability. At the time of formation, SSAB had eight blast furnaces. Today, the Company has three blast furnaces but produces significantly greater quantities than previously.

With the acquisition of IPSCO in North America in 2007, SSAB carried out one of the largest Swedish corporate acquisitions of modern times. Through the acquisition, SSAB can increase its competitiveness and profitability outside Europe. Today, the Company has a clear and strong presence on two important domestic markets and remains an important factor in the community in those localities where the Company operates.
Corporate governance

SSAB is listed on Nasdaq OMX Stockholm and applies the Swedish Code on Corporate Governance. Corporate governance within SSAB entails constant development of the regulatory system and routines which ensures transparency, a clear allocation of responsibilities between various company bodies, and close ties with the Board of Directors.

External and internal rules and regulations

In addition, there are a number of internal rules and regulations and policies that affect corporate governance: the By-laws, the Rules of Procedure for the Board of Directors with instructions for the President, instructions for Board Committees and a finance manual (Financial Guidelines including Finance Policy). In addition, the internal rules include SSAB’s Code of Business Ethics.

Shareholder governance
The general meeting is the Company’s highest decision-making body. At ordinary general meetings (AGM), the shareholders decide, among other things, on the members of the Board of Directors, the Nomination Committee, compensation to the Board as well as guidelines for compensation to the President and senior executives. Shareholders can submit matters for consideration by the general meeting in accordance with established routines that are available on SSAB’s website, under Corporate Governance.

The Board of Directors
SSAB’s Board of Directors currently comprises eight members elected by the general meeting, of whom one is a female director. SSAB’s President is also a member of the Board. Taking into consideration the Company’s operations, phase of development and circumstances in general, the Board shall have an appropriate composition which is characterized by diversity and breadth as regards the experience, expertise and background of its members. Five of the directors are independent in relation to both the Company and SSAB’s major shareholders. The Board is responsible for the internal control and has established a process based on the internationally established framework from The Committee of Sponsoring Organizations of the Treadway Commission (COSO). The process is based on five components: control environment, risk assessment, control activities, information and communications, as well as follow-up.

The Chairman of the Board is responsible for presiding over the work of the Board, represents SSAB on owner issues, and is responsible for the evaluation of the work of the Board. The Chairman of the Board also serves as the link between the Board and the President.
Overall guidelines for sustainability initiatives

SSAB has adopted a sustainability policy. It establishes the most important ambitions regarding SSAB’s sustainability initiatives and covers both environmental and social aspects which are considered to be central for a sustainable development of SSAB’s business. In addition, SSAB’s Code of Business Ethics provides guidelines as to how SSAB is to act in relation to stakeholders and in the market.

The sustainability policy provides a broad framework

Customers and the world at large demand an efficient use of resources. At the same time, competition is increasing with regard to access to resources. Thus, it is a necessity that SSAB’s business strategy takes into account the entire operations from a sustainability perspective. SSAB’s Sustainability Policy states, among other things, that SSAB shall offer and develop products that meet the customers’ demands and needs based on all aspects: functionality, economy, safety and environmental impact. SSAB regularly evaluates the possibility to enhance efficiency in the use of finite resources and to use recyclable raw materials in the production of steel.

The Sustainability Policy requires, among other things, that SSAB works systematically on environmental issues in alignment with environmental management systems. Through ongoing evaluations, SSAB is able to formulate new targets for reducing the impact on the environment. SSAB measures environmental impact during the production process and in the various stages in the steel’s life cycle, which demands consideration of the environment also in the supply chain.

SSAB’s Sustainability Policy also covers the Company’s employees. The Company shall provide a safe working environment, which shall be continuously improved. SSAB shall also be a non-discriminatory workplace. Sustainable development requires that SSAB’s culture continues to attract the best and most suitable employees.

Clear standards in SSAB’s Code of Business Ethics

SSAB operates in an increasingly global world in which stakeholders have increased access to information regarding the Company’s behavior. By always seeking to act as a responsible corporate citizen, SSAB can build trust among those groups who are crucial for our continued success. This includes relations with employees and customers, as well as consumers, shareholders and other business partners.

While the Sustainability Policy provides an overview of SSAB’s ambitions for sustainable development, SSAB’s Code of Business Ethics provides clearer guidance. The Code of Business Ethics prevails over all the policies on the division or subsidiary level and, in certain cases, can go further than statutory or regulatory provisions. In addition, SSAB has special instructions regarding the Giving and Acceptance of Bribes.

Summary of SSAB’s Sustainability Policy:
- Sustainable development for SSAB covers economic, environmental and social dimensions
- SSAB attaches importance to renewable and recyclable raw materials and environmentally sound products
- Continuous improvements within the environment area shall be encouraged and take place within the corporate governance and management systems
- SSAB shall provide good working conditions for its employees
- Transparency and openness are key

SSAB’s Code of Business Ethics provides guidance within several areas:
- Employee health and safety
- Diversity and internationally recognized labor law guidelines
- Business ethics and integrity
- Human rights
- Stakeholder and community relations
- The environment
- Communication

Read more about SSAB’s Sustainability Policy, SSAB’s Code of Business Ethics and SSAB’s Instructions regarding the Giving and Acceptance of Bribes at www.ssab.com
Creating economic value in the long term

By addressing the challenges and opportunities of the immediate future, SSAB can create economic value for its stakeholders in both the short- and long-term. Through its operations, SSAB’s presence in the market also contributes to economic development in society.

Challenges posed by extraneous changes
SSAB is an international steel group and is affected by a number of changes in extraneous factors; for example, access to natural resources, energy and public demand for a good environment. Increased environmental awareness and more stringent restrictions stimulate innovation and new technology within the steel industry.

ACCESS TO RAW MATERIALS
Price trends for iron ore pellets and coal are affected by the balance between supply and demand. In 2008, both iron ore and coal prices increased dramatically as a consequence of rapidly expanding demand. In the long-term, demands are increasing for efficient use of resources and utilization of by-products in both the manufacturing and user stage.

EMISSION RIGHTS
Within the EU, trading takes place in carbon dioxide emission rights, with countries and industries being allocated emission rights in accordance with governmental authority decisions. Today, the trading involves 730 Swedish industrial and energy plants. In total, approximately 13,000 plants are affected throughout the EU, corresponding to approximately 40 percent of the total carbon dioxide emissions within the Union. In the long-term, demands are expected to become more restrictive. For the European steel industry, it is important that the system does not curb or distort competition on the global market.

CARBON DIOXIDE TARGETS
More stringent targets for reduced carbon dioxide emissions impose demands for new steel production technology. Merely increasing the efficiency of the current processes will not be sufficient to meet the increasing demands. New technology must be developed and, in the long-term, a functioning carbon capture and storage technology should also be developed.

Opportunities for the steel industry
An increased focus on climate issues also creates direct opportunities to be seized. SSAB’s products can contribute to improvements within areas which have a significant impact on the environment today.

INCREASED DEMAND FOR HIGH-STRENGTH STEEL
By using high-strength steels, smaller quantities of steel are required per construction. Thus, increased global demands for lower carbon dioxide emissions should lead to increased demand for high-strength steels.

TRANSPORTATION
According to the United Nation’s calculations, global transportation accounts for 23 percent of global greenhouse gas emissions. Lighter steel constructions in, for example, truck beds and containers provide possibilities for increased payload and thereby more efficient transportation, leading to a reduction in emissions.

RENEWABLE ENERGY
Demand for renewable energy is increasing sharply. Steel is an important component in new technical solutions for utilizing nature’s renewable resources. Steel is included in wind power, solar energy and hydroelectric power plants.

SSAB creates economic value
Through its operations, SSAB contributes to economic development in society, both directly and indirectly. Employees’ wages, salaries and social security payments are expenditures which contribute to the individual’s purchasing power and indirectly stimulate the economy. Dividends to the shareholders are a part of the Company’s economic responsibility and contingent on strong economic results. The production of steel requires raw materials and equipment that SSAB purchases from a number of suppliers around the world; this creates jobs in several stages. Taxes paid to the State contribute to the national economy and interest payments constitute a part of the financial system.

Generated and distributed economic value, SEK m

<table>
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<td>Interest payments to lenders (1,620)</td>
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SSAB contributes to increasing customers’ competitiveness

SSAB’s focus on niche products is based on close cooperation with customers in order to continuously identify new applications in which advanced high-strength steels can create benefits. There are a number of clear examples as to how SSAB’s steel creates added value to the customers’ market offering and offers the potential for significant cost savings.

**Swedish Steel Prize 2008**

For the tenth consecutive year, SSAB has invited the submission of entries to the Swedish Steel Prize competition. The competition is open to all who use high-strength steels in their production or in a product, and is aimed at stimulating new, innovative ways of using high-strength steels. In all nominations for the 2008 prize, the use of high-strength steels gave rise to environmental benefits compared with traditional steels.

**WINNER IN 2008 – KUHN**

The winning contribution by the French company, Kuhn, was a new grass cutter made of advanced high-strength steel which can be mounted on a tractor. Through the use of the high-strength material, Kuhn has succeeded in creating a design which is 20 percent lighter and stronger than a design made of traditional steel. The Pro-Longer unit is mounted at the end of a rotatable arm which is attached to a tractor. The rotatable arm allows the driver to gain access and clear up from various angles. The weight of the grass cutter unit is crucial with regard to wear and tear; the lighter the weight, the less wear and tear since the torsion element is reduced when the tractor is driven on uneven ground. In this way, the lifespan of the unit is extended, at the same time, a lighter design reduces fuel consumption and thereby the impact on the environment.

**OTHER NOMINATIONS IN 2008**

The Swedish company, LKAB, has developed an iron ore car which facilitates the transportation of larger quantities of iron ore, thereby increasing transportation efficiency. Through the use of high-strength steels, the design has become lighter and more durable. Since the weight of the car has been reduced, it is possible to increase the payload by approximately 25 percent compared with previous designs. In turn, this reduces energy consumption per tonne of transported ore.

Modec from Great Britain has developed an electric-powered vehicle for commercial use with high-strength steel in the chassis. The vehicle is adapted to be able to replace traditional vehicles used for courier and small deliveries in metropolitan areas. The light design allows for increased load, with retained performance. It increases the user possibilities and thereby creates a competitive and environmentally friendly alternative to traditional vehicles in use today.

The Spanish company, Silos Cordoba, has designed a new silo which uses high-strength steels. It weighs 25 percent less than traditional alternatives, thereby giving rise to both operational and economic advantages. Thanks to the lighter design, it is easier to transport and assemble the silo on site. The cost of transporting the lighter silo has been reduced by almost 30 percent, thanks to reduced fuel consumption.

**Other product innovations with environmental benefits**

Moving forward, SSAB’s major focus is on the niche products, the advanced high-strength and quenched and tempered steels. But there are other steel products in the product portfolio. Prelaq Energy is a product which can create significant economic benefits for the user.

SSAB Strip Products has developed the thin organic-coated steel, Prelaq Energy. The unique feature of the steel is the thermal qualities of the organic-coated surface, which can save energy. Through the use of Prelaq Energy Exterior outdoors, the heat is kept out, which can reduce the need for air conditioning in premises which require cooling. Calculations demonstrate that savings can be achieved of up to 35 percent of energy needs.

Prelaq Energy Interior is a passive infra-heater which reflects the heat from floor heating or other heat sources back into the premises. This can be directly translated into reduced energy costs.
SSAB’s environmental work

SSAB’s commercially strategic investments place the Company at the forefront of environmental work on an international scale. Focus on niche products, in the form of advanced high-strength steels results in a more efficient use of resources throughout the entire chain, and in particular for SSAB’s customers.

Steel builds the modern society
Steel is one of the cornerstones of a modern and functioning society. It comprises the framework in buildings, bridges and railways and is used in machinery and vehicles. Thus, demand for steel increases as society develops and demand is growing rapidly in those countries where development has accelerated in recent years.

Global steel production exceeds 1,300 million tonnes and, in 2007, China accounted for 30 percent of consumption. Using steel, important infrastructure is built which contributes to economic and societal growth.

Steel contains a high percentage of recycled materials. Today, approximately 35 percent of the world’s steel is produced using recycled scrap metal. From an environmental perspective, this is a much higher figure than for many other raw materials, and thus steel will continue to be an attractive material in the use cycle in the future. Measured by tonnage, steel is the most recycled construction material in the world.

Reduced environmental impact from a life cycle perspective
SSAB’s strategy entails a focus on niche products in the form of advanced high-strength steels. The qualities of the steel make it possible to reduce the impact on the environment when they are used in end products. Lighter, high-strength designs require smaller volumes of steel, and lighter vehicles consume less fuel. Higher abrasion resistance leads to increased lifespan, which once again means savings in the use of steel. Compared to ordinary steel, the high-strength steels generate lower carbon dioxide emissions from a life cycle perspective.

The British company, Trend MF, has designed a dumper bed for European Metal Recycling, EMR, one of the leading recycling companies in Great Britain. Through the use of SSAB’s high-strength steels, the weight of the vehicle has been reduced by two tonnes compared with ordinary steel. For EMR, this means that an additional two tonnes of metal scrap can be transported during each trip.

According to the United Nations climate panel, transportation currently contributes to approximately 23 percent of global greenhouse gas emissions. A research program conducted by the Swedish trade organization, the Swedish Steel Producers’ Association, indicates that increased use of advanced high-strength steels in heavy transport vehicles might reduce transportation’s contribution to global carbon dioxide emissions by 5 percent, or 100 million tonnes per year.

Environmental benefit and commercial opportunities
SSAB is working toward a sustainable solution in which environmental benefit goes hand in hand with commercial economic development. During 2008, the environmental strategy has been clarified and SSAB has identified three cornerstones on which SSAB’s business is based. This involves a number of activities and investments in the short- and long-term.

More efficient use of resources
Continuous improvements for a more efficient use of natural resources contribute directly to increased profitability in the operations. Increased energy efficiency reduces energy costs. Innovative use of by-products from the production process further contributes to a more efficient use of resources.

Cooperation and impact
Through cooperation and dialogue, SSAB participates in, and develops, the environmental impact work. Results from research projects strengthen the organization’s own work and contribute to increased knowledge. Dialogue with the media, customers and governmental authorities leads to increased awareness of SSAB’s environmental work and creates conditions for a competitive steel industry.

Environmental benefits stimulate demand
Continuous improvements and increased cooperation provide a basis for actively marketing the environmental benefits of SSAB’s advanced high-strength steels. This creates increased awareness of, and stimulates demand for, SSAB’s steel. As SSAB’s steels replace ordinary steels, additional important environmental resources are saved.
Systematic environmental work

SSAB’s environmental work is conducted in a systematic, goal-oriented and preventive manner in order to continuously mitigate the impact on the environment. Knowledge, understanding and the participation of all employees are important factors for attaining the result.

The overarching principles for SSAB’s environment work are laid down in SSAB’s Sustainability Policy and also in SSAB’s Code of Business Ethics. All divisions and subsidiaries are responsible for establishing and complying with their own environmental policies in line with the overall Group guidelines.

Within each division and subsidiary there are special environmental departments which are responsible for ensuring compliance with laws and contracts, administering permit applications and measuring and reporting emissions. The Group has a joint body for coordinating environmental work, namely the Environmental Council, which is a matrix organization. Central figures in the Council are SSAB’s environmental management team for Sweden, Europe and in North America and rest of the world.

The Environmental Council held a number of meetings in 2008 and, between meetings, endeavors to conduct regular progress audits which facilitate and strengthen the work of the Council. All divisions and subsidiaries within SSAB have ISO 14001 certified environmental management systems. The environmental management systems are an integral part of the operational systems of the units. In this way, the external environment, product quality and working environment are coordinated to ensure alignment with purchasing, development and production technology.

Each locality with production plants has identified its most significant environmental aspects. The most important is the impact on climate through emissions into the air and water, as well as consumption of raw materials and energy use. In order to achieve progress, focused activities are carried out within these areas. A number of such activities and measures are presented in the section regarding production.

Special programs guarantee control of the local environment at all SSAB production plants; for example by taking water, air and noise samples. The results are reported to the relevant supervisory authorities.

Environmental conditions for the operations

Swedish environmental legislation is affected to a great extent by decisions taken by the European Parliament and the Council of Ministers. The Environmental Court establishes conditions for the operations at SSAB’s major plants following public assessment. In the United States, environmental legislation is controlled through the Federal Government and through the United States Environmental Protection Agency. SSAB’s operations are covered by several hundred environmental conditions which, among other things, regulate production levels, emissions to the air and water, noise levels and rules regarding deposits. All production units comply with their respective local environmental requirements.

The Group holds mandatory environmental damage insurance as well as liability insurance covering damage to third parties.

In Sweden, production permits are based mainly on a maximum permitted produced tonnage per year, while in North America permits are based on productivity restrictions in the form of maximum produced tonnage per hour.

Environmental organization
The maximum permitted production levels for the Swedish operations are shown in the table below.

<table>
<thead>
<tr>
<th>Thousand tonnes</th>
<th>Locality</th>
<th>Permitted production</th>
<th>Production 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coke</td>
<td>Luleå</td>
<td>800</td>
<td>530</td>
</tr>
<tr>
<td></td>
<td>Oxelösund</td>
<td>530</td>
<td>428</td>
</tr>
<tr>
<td>Hot metal</td>
<td>Luleå</td>
<td>2,300</td>
<td>2,237</td>
</tr>
<tr>
<td></td>
<td>Oxelösund</td>
<td>2,000</td>
<td>1,328</td>
</tr>
<tr>
<td>Crude steel</td>
<td>Luleå</td>
<td>2,500</td>
<td>2,278</td>
</tr>
<tr>
<td></td>
<td>Oxelösund</td>
<td>1,900</td>
<td>1,337</td>
</tr>
<tr>
<td></td>
<td>Borlänge</td>
<td>3,200</td>
<td>2,362</td>
</tr>
<tr>
<td></td>
<td>Oxelösund</td>
<td>820</td>
<td>640</td>
</tr>
<tr>
<td>Hot-rolled steel</td>
<td>Borlänge</td>
<td>2,500</td>
<td>1,544</td>
</tr>
<tr>
<td>Pickled steel</td>
<td>Borlänge</td>
<td>1,400</td>
<td>947</td>
</tr>
<tr>
<td>Cold-rolled steel</td>
<td>Borlänge</td>
<td>650</td>
<td>492</td>
</tr>
<tr>
<td>Annealed steel</td>
<td>Borlänge</td>
<td>680</td>
<td>454</td>
</tr>
<tr>
<td>Organic-coated</td>
<td>Borlänge</td>
<td>140</td>
<td>104</td>
</tr>
<tr>
<td>products[1]</td>
<td>Luleå</td>
<td>85</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>Köping</td>
<td>30</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Malmö</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Finspång</td>
<td>40</td>
<td>26</td>
</tr>
</tbody>
</table>

\[1\] Units, million m²

TRADING IN EMISSION RIGHTS WITHIN THE EU

Within the framework of the Kyoto Protocol, the EU Member States have jointly undertaken to reduce carbon dioxide emissions by 8 percent during the period 1990–2012. Within the EU, to a certain extent, this takes place through a system for trading in carbon dioxide emission rights, affecting approximately 13,000 plants throughout the EU, corresponding to approximately 40 percent of emissions within the EU. SSAB’s operations in Sweden are among over 730 Swedish plants covered by the system.

The intention is that companies will reduce their emissions when it becomes more expensive to purchase emission rights than it is to carry out environmental improvement measures. Thus, in order for trading to lead to reduced emissions, there must be a shortage of emission rights on the market. Industry has, in part, obtained a free allocation of emission rights, since it is exposed to global competition from countries which are not covered by the trading system.

Steel production accounts for approximately 8 percent of total global carbon dioxide emissions, but most of the world’s steel production is not covered by the EU’s trading system.

<table>
<thead>
<tr>
<th>Steel production</th>
<th>Carbon dioxide emissions</th>
<th>EU’s trading system</th>
</tr>
</thead>
<tbody>
<tr>
<td>Million tonnes steel</td>
<td>Million tonnes CO₂</td>
<td>Million tonnes CO₂ per year</td>
</tr>
<tr>
<td>SSAB Sweden</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sweden total</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>EU (15)</td>
<td>169</td>
<td>176</td>
</tr>
<tr>
<td>USA</td>
<td>6,049</td>
<td>98</td>
</tr>
<tr>
<td>China+Taiwan</td>
<td>5,010</td>
<td>489+20</td>
</tr>
<tr>
<td>The world</td>
<td>5,010</td>
<td>2,724+6</td>
</tr>
</tbody>
</table>

The trading period which commenced in 2008 extends until 2012. SSAB’s plants in Borlänge, Luleå and Oxelösund were allocated emission rights in 2008. The allocation of emission rights is based on historic emissions and forecasts made in 2006. A reduction in the rate of production toward the end of 2008 resulted in a surplus of emission rights. Thus, during the fourth quarter, SSAB sold emission rights corresponding to 1.5 million tonnes of carbon dioxide at a value of SEK 240 million.
Environmental impact during the production process

Steel production includes several elements that are critical from an environmental perspective. SSAB’s environmental work is aimed at constantly developing more efficient processes to reduce the impact on the environment.

Raw materials, by-products and types of energy in the processes

Two different process methods are used in the production of SSAB’s steel.

In Sweden, iron ore-based hot metal is produced from iron ore pellets at SSAB’s three blast furnaces in Luleå and Oxelösund. Iron ore is reduced to hot liquid metal through the use of coal and coke. Oxygen is used to lower the hot metal’s carbon content before it becomes steel and contaminants are removed through the use of lime. The process takes place in an oxygen converter and generates excess heat, which is cooled through the addition of scrap metal primarily derived from the plants themselves.

Production of the most advanced high-strength steels still depends on a large share of virgin iron raw material.

In North America, the production process is based on smelting recycled steel or scrap metal. By smelting scrap metal in electric arc furnaces, crude steel can be produced. The scrap metal is purchased on the open market. The electric arc furnaces are operated using electrical power.

SSAB’s total production of steel is 47 percent based on iron ore and 53 percent based on recycled scrap metal. This can be compared with the international average, where recycled steel accounts for 35 percent of produced steel.

The liquid steel produced by the methods described above is refined and processed into alloys in various finishing stages, before being cast in the continuous casting line. The slabs that are manufactured in the continuous casting line are further processed in the rolling mills into different grades of steel. Today, SSAB produces both strip steel and plate in Sweden, and plate in North America.

Apart from steel, the processes give rise to large quantities of heat, gas, slag and particulates, which to a large extent are utilized.

80–90 percent of the blast furnaces’ coke requirements are supplied by SSAB’s coking plants. The coking process generates several by-products in the form of coke furnace gas, tar, ammonium sulphate, benzene, sulphur and sulphuric acid. The coke furnace gas constitutes a source of energy in various heating ovens and in heat and power plants. In these cases, the gas replaces oil. Other by-products are sold on the market; for example, to the pharmaceuticals industry.

Different types of energy are used in SSAB’s heating furnaces for steel and slabs. Natural gas is used in North America, while in the Swedish operations coke furnace gas, LPG, oil and electrical power are used.

The energy-rich coke oven and blast furnace gases that are not used in the steel production are utilized in heat and power plants, among other things to supply SSAB with approximately 50 percent of the electrical power needed in the Swedish operations. In addition, deliveries of district heating take place to over 70 percent of the population in the urban areas of Oxelösund and Luleå, and approximately 15 percent of the population in Borlänge.

Emissions into the air from the steel production

SSAB’s steel production generates emissions into the air, primarily of carbon dioxide, but also sulphur dioxide, nitrogen oxides and particulates. All new plants are constructed according to best available techniques with the aim of reducing emissions.
**CARBON DIOXIDE**

Carbon dioxide is emitted due to the use of coal, coke, oil, natural gas and LPG in the various processes. The production of iron takes place through iron ore being reduced with the help of coal and coke in blast furnaces. The process gives rise to carbon dioxide. International comparisons demonstrate that SSAB’s blast furnaces are at the forefront in terms of low carbon dioxide emissions per tonne of hot metal. There are several reasons for this: high quality raw materials in the form of iron ore pellets, high quality coke, and efficient processes. It is also important that the blast furnaces are able to produce without interruption. This has been facilitated in Oxelösund by a granulation plant for hot metal which enables the blast furnaces to continue producing even if subsequent stages in the production chain are standing idle.

In the United States, SSAB’s plants manufacture steel based on recycled scrap metal. Certain quantities of coal and natural gas are used in the manufacturing process, but electricity is primarily used for smelting the scrap metal, which generates smaller emissions of carbon dioxide than is the case with the production of steel from iron ore. Consequently, since the acquisition of IPSCO in 2007 SSAB has reduced its carbon dioxide emissions per produced tonne of steel for the Group as a whole.

In 2008, SSAB delivered approximately 1.4 million tonnes of advanced high-strength steels. If the use of the high-strength steel were to be replaced by ordinary steel, an additional 0.6 million tonnes of steel would be required to withstand the same load. Since the production of each tonne of finished steel generates approximately 2 tonnes of carbon dioxide, thanks to the use of SSAB’s high-strength steels, carbon dioxide emissions are 1.2 million tonnes lower than if ordinary steel were to be produced for the same use.
The example is based on the high-strength steel having a yield point which is twice as high as that of the ordinary steel, with the weight consequently being reduced by approximately 30 percent.

NITROGEN AND SULPHUR DIOXIDES
Emissions of nitrogen and sulphur dioxides derive from various types of combustion. The most significant sources are under-firing of the coke batteries, firing of heating apparatus for the blast furnaces and preheating of slabs prior to rolling. In Sweden, the fuel consists of blast furnace gas, coke oven gas, LPG and oil. In North America, natural gas is used. Through continuous work to adjust the burners, it has been possible to reduce nitrogen oxide emissions. In order to minimize sulphur dioxide emissions, SSAB chooses low sulphur content coal and oil.

PARTICULATES
All new plants which are built meet the most stringent standards with regard to particulate emissions from the operations. Particulate emissions are measured regularly in many places. For older plants, constant improvement work is taking place in order to reduce particulate emissions. In 2008, SSAB decided to invest in a new flue gas filter at the steel mill in Luleå. The new filter is expected to be installed in the summer of 2009 and will significantly reduce particulate emissions, which will have a positive impact on both the internal and external environment.

At SSAB North America’s plant in Mobile, 25,000 tonnes of electric arc furnace dust are generated annually in the furnace dust separation process in the electric arc furnace. The first furnace dust recycling plant of its type opened in Alabama at the end of 2008. Commencing 2009, SSAB will send furnace dust to the plant for recycling.

Emissions to water from the steel operations
Large quantities of water are used for cooling furnaces, coke and steel. A large part of the use takes place in closed systems and the water is purified through sedimentation and filters before leaving the industrial area. SSAB conducts extensive controls of water quality to ensure compliance with all governmental authority requirements.

More efficient use of raw materials and natural resources
In order to minimize the use of iron ore and coal, as well as energy, SSAB’s goal is to have as high a degree of recycling as possible. First and foremost, this involves returning materials and energy by-products to the processes in which they are created, and re-using them. In other cases, new production stages are introduced for manufacturing products from these materials for the external market.

Through the use of scrap and recycling of slag, SSAB reduces, to a minimum, the need for iron ore and lime. Approximately one-half of all converter slag is returned to the blast furnaces. Slag contains 15-20 percent iron and 40 percent burnt lime.

Coal and coke requirements are minimized in several ways. One example is that particulates containing coal from the blast furnaces’ gas purification plants are returned to the blast furnace. The electric arc furnace in Mobile, Alabama represents another example. A certain quantity of coal is used for the electric arc furnaces. Since 2004, close to 2.5 million worn out tires have replaced a corresponding quantity of coal. During 2008, a successful trial was commenced on recycling coal residue from spills in connection with loading at the docks in Alabama. Previously, the coal residue has been treated as waste and been cleaned up. SSAB’s trials demonstrated that coal residue particles of a certain size can be treated and replace up to 60 percent of the coal used for the electric arc furnaces.

By recycling process gases, SSAB is reducing oil and electricity requirements to a minimum. This reduces not only the need internally within SSAB but also for the local community through the production of district heating.

By-products
SSAB’s production processes also create by-products which are then sold for various purposes. Thanks to the very exact control of the steel production process, by-products are very well defined and quality adapted.

Slag is a by-product which can be recycled and sold.
Environment / Environment impact during the production process

In Sweden, SSAB Merox develops high-quality products based on by-products from the steel operations. For example, Hyttsten, which is used for road construction purposes and gives the road a significantly longer life, allowing roads to be built using less materials. The cement and concrete materials, Merit 5000 and Merolit, which replace burnt lime so that one tonne of slag raw material reduces carbon dioxide emissions by one tonne. Other products include Paddex, for riding tracks, as well as M-kalk, an organic plant fertilizer. Another example is Black iron, which is sold for the manufacture of ferrite magnets, which today are included in almost all electronic goods, from cellular phones to cars. In the United States, the largest by-products are steel slag and oxide scale. These are used, among other things, in asphalt and cement production.

SSAB actively engages in research together with third parties in order to identify new areas in which by-products can be used as raw materials.

Responsible waste management
Steel production also generates waste. “Waste” means material for which, at present, there is no suitable area of use from an environmental or economic perspective, as well as materials which, for environmental reasons, are removed from the use cycle. At SSAB, this largely comprises flue gas purification particulates which currently cannot be reused due to characteristics such as form or content. Waste is handled either through destruction or depositing. The Company’s deposits are strictly regulated by governmental authorities as regards management and security. Deposits are handled in such a way as to make it possible to utilize these resources in the future.

Greatest volume of rail transports
Transportation takes place primarily by railway and ship, but also by truck. All divisions within SSAB have their own logistics departments with the objective of making transportation both efficient and economic.

No other company in Sweden transports as many goods by rail as SSAB. Raw materials are transported to Luleå and Oxelösund by train or boat. Transportation of slabs between the production plants takes place by rail. The return journeys are utilized for transporting strip products to the export port in Oxelösund and for transportation from Borlänge to Plananja in Luleå and other customers in the north.

Goods to and from SSAB constitute the largest single railway tonnage in Sweden. Traffic in the railway system is heavy and the sector is sometimes congested. One way of enhancing infrastructure capacity is to increase the payload of the railway cars. SSAB has participated in several projects in which the payload has been increased significantly, through a reduction in the weight of the railway cars. The pellet trains between LKAB in Kiruna and SSAB in Luleå, which are constructed of high-strength steel, are one example. The payload has been increased by 25 percent.

Both SSAB Strip Products and SSAB Plate in Sweden have been awarded Green Cargo’s “Climate certificate for transportation” in recognition of the fact that they meet the criteria established by the Swedish Society for Nature Preservation with regard to Good Environmental Choice for transportation. Activities are also underway to reduce emissions of particulates and nitrogen oxides during transportation.

Prior to the construction of SSAB North America’s two electric steel plants in Montpelier and Mobile, the locations were chosen based on the potential market and access to the scrap metal raw material. This strategy minimizes the environmental impact of the transportation since all plants have access to railways. In North America, the inland waterway system is also used.
Environmental events and developments in 2008

INVESTMENTS TO INCREASE NICHE PRODUCT CAPACITY

In 2008, SSAB announced an extensive strategic investment program in the Group. SSAB intends to invest SEK 5.3 billion to increase capacity for the production of advanced high-strength and quenched steels. The investment program includes a new quenching line in Mobile, new capacity for quenched strip products in Borlänge, as well as increased quenched steel capacity in Öxelösund. SSAB will also construct a new research and development facility in the United States at the Company’s plant in Montpelier, Iowa.

NEW PERMIT APPLICATION FOR PRODUCTION IN LULEÅ

In October, SSAB submitted an application to the Environmental Court to increase hot metal production at SSAB Strip Products’ plant in Luleå. Demand for high-strength steels has increased, hence a need for increased hot metal production. The Environmental Court has previously granted SSAB a permit for temporary increases during 2008-2009, but SSAB wishes to increase its long-term preparedness. As a part of the application, SSAB has submitted a technical description, an environmental impact assessment, a safety report and a consultation report. It is believed that an increase in production will not increase emissions of particulates, sulphur dioxide or nitrogen dioxide. On the other hand, carbon dioxide emissions will increase. The use of resources and access to surplus energy will also increase. The procedure is expected to result in a decision during 2010.

STAGE TWO OF THE STÅLKRETSLOPPET [STEEL ECO-CYCLE]

SSAB was one of the participants in stage one of the Stålkretsloppet program and, in 2008, participated in stage two as one of the industrial financiers. The second phase of the program is focused on producing specific models and methods for achieving the overarching goals of reduced energy use, lower carbon dioxide emissions and more efficient use of resources. The research will be carried out during 2009-2012 based on the knowledge and results produced during the first phase of the program.

STUDY OF RENEWABLE TYPES OF ENERGY IN THE UNITED STATES

During 2008, a decision was taken to commence a study in Montpelier, Iowa to investigate the possibility of constructing a wind power plant adjacent to the steel production. The study will demonstrate whether certain parts of the electricity requirements can be replaced by renewable sources of energy.
Investments in research and development

Cutting edge know-how is crucial for a leading manufacturer of advanced high-strength steels. Through its own development work as well as through joint environmental research projects together with other steel manufacturers, SSAB promotes continued development for a sustainable production process.

IMPORTANT PLAYERS AND COOPERATION PARTNERS

Know-how is developed within, among other things, the scope of the Nordic joint research or within research projects financed by the EU. In the United States, research projects are conducted in a cooperation program with the US Department of Energy.

The institutions, Mefos (Metallurgical Research Institute AB), KIMAB and IVL Swedish Environment Institute, the PRIMA skills center as well as the trade organizations, the Swedish Steel Producers’ Association, Eurofer, American Iron and Steel Institute (AISI) and the World Steel Association (formerly iiSi), are important players within environmental research, as are universities, colleges and governmental authorities. SSAB is involved in all of these forums in various ways.

ONGOING PROJECTS

The issue of carbon dioxide emissions is one of the most important environmental issues facing SSAB and the steel industry. SSAB is actively participating in the work to reduce emissions. An important aspect of this work – via the trade organizations, the Swedish Steel Producers’ Association, Eurofer, American Iron and Steel Institute (AISI) and the World Steel Association (formerly iiSi), are important players within environmental research, as are universities, colleges and governmental authorities. SSAB is involved in all of these forums in various ways.

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ULCOS

Since 2004, the major five-year EU ULCOS project has been underway, aimed at further halving carbon dioxide emissions in conjunction with steel production. The method involves studying entirely new steel production technology and the project is now in a phase in which the most promising technology is being tested in a pilot project. SSAB is participating in the project with both personnel and as a partial financier. The next stage in the project is to apply the results on a larger scale in the form of test plants.

The steel eco-cycle

SSAB participates in the Stålkretsloppet (steel eco-cycle) program, which is co-financed by the Swedish steel industry and Mistra (the Foundation for Strategic Environmental Research). This is a four-year research program which began in 2005 and is aimed at “developing safe, resource-efficient and recyclable products which satisfy the more stringent demands of society.” SSAB is particularly active in four sub-projects. One is aimed at using vanadium from slag and at the same time obtaining reusable slag. The second project involves the further development of high-strength steels in an environmentally friendly and energy efficient manner. A third project involves an environmental evaluation of construction built using high-strength steel. The fourth project addresses the development of new methods for environmental evaluation of processes and products from an eco-cycle perspective.
Employees

In 2008, SSAB’s personnel work has focused on skills supply, improved health and safety and the internal launch of SSAB’s values. At the end of the year, SSAB had 9,284 employees.

Responsibility in conjunction with operational changes
In December 2008, SSAB’s Board decided to pursue a cost savings program which involves cutbacks in personnel during 2009. The cutbacks in personnel are expected to affect approximately 1,100 employees and approximately 200 external consultants and contractors. Negotiations with the labor unions commenced at the end of 2008. SSAB is actively working with the unions to mitigate the effects for SSAB’s employees and those localities in which the Company operates.

During the year, SSAB sold the North American tubular business comprising 13 tubular mills with a total of approximately 3,250 employees.

Joint personnel strategy
Since 2007, SSAB has pursued a joint Group personnel strategy aimed at ensuring sound management and access to key expertise. The personnel strategy also supports the work of creating a shared corporate culture and promoting SSAB as an attractive employer of choice.

The personnel strategy includes both rights and obligations. The Company expects its employees to perform and deliver, contribute to constant improvements and exchange of skills, and be loyal and committed to the organizations success. In return, the Company offers good employment conditions, skills development, career opportunities throughout the Group and rewards for good performance.

Health and safety working group
In 2008, a health and safety working group was set up to share experiences and identify effective methods for disseminating best practice within SSAB’s divisions. The working group consists of experienced safety officers from all parts of the Group. During the year one of the projects involved identifying joint key performance indicators for health and safety in order to develop a joint platform for measuring results and improvements.

SSAB systematically analyzes accident statistics to identify areas where preventive routines should be introduced. One specific measure initiated by the health and safety working group has been to draw further attention to all accidents or incidents where safety has been deficient. SSAB currently investigates and provides information about every reported event, but the new procedure entails that all incidents are communicated in a more accessible manner. A brief summary stating what happened, the consequences, and the measures taken is distributed to employees by e-mail and made available on the intranet and bulletin boards. The method has been used in the North American operations for a long time, with successful results.

In the North American operations, the method has had a major impact on personnel. The “incident gram” shows both the analysis of an event and the rectification measures taken. This creates conditions for identifying preventive measures, making the employees aware of the problem and demonstrating solutions. Employee involvement in safety issues increases with awareness and it has stimulated several innovative solutions, with the employees contributing new ideas for a safer working environment. The routines were implemented at Group level at the end of 2008.
Social responsibility / Employees

SSAB - Working Environment Industrial Company of the Year

In September 2008, SSAB was named as the Working Environment Industrial Company of the Year by the newspaper, Dagens Arbete, in cooperation with Folksam and Swedbank. The award is based on the following criteria: low absenteeism due to sick leave, employee influence, favorable psychological and physical environment, low number of industrial injuries and work on preventive health care and rehabilitation.

SSAB was awarded the prize for the following reasons:

SSAB Strip Products in Luleå has been engaged in systematic and long-term working environment work in cooperation with the labor unions. This has resulted in an improved physical and psychological working environment and a sharp reduction in the number of work accidents. The Company considers healthy personnel in a good working environment to be crucial for economic success and is continuing to work for an even better working environment.

Health and safety high up on the agenda

SSAB’s most important responsibility to its employees is to ensure that work on preventive measures takes place constantly to maintain a secure working environment. A safe workplace for the Group’s employees is a must in order for the Company to be viewed as a good employer and to attract and retain the best employees.

The steel industry requires a very high level of safety high level of commitment to safety and this is one of the most important issues within SSAB’s personnel work. The Group has clearly focused on increased safety in recent years and conducts safety work in close cooperation with the labor unions.

During 2008, a coordination manager for health and safety issues was appointed within the Group. This is an important step towards the goal of the SSAB Group being a world-class company within this area.

PREVENTIVE HEALTH CARE

SSAB has a major commitment to improved health. Health representatives, health inspirers, and supervisors are active in encouraging a healthier SSAB. A number of preventive health care projects are underway in the Group.

In North America, for example, SSAB has participated in building hiking paths in the vicinity of the steel mills in order to provide employees with an opportunity to exercise far away from heavy traffic. In Oxelösund, the Group together with Oxelösund port and Oxelösund municipality, has refurbished a 30-year-old swimming and sports center, converting it into a preventive health care center. In Luleå, for the past six years SSAB has been conducting health programs focusing on the working environment as well as ergonomy and health. The work method, referred to as HälsosAM, has been further developed and now serves as a model for the systematic health work in Borlänge.

The health work has yielded good results. Sick leave within the Group during the year fell to 4.2 percent. Sick leave within the Swedish part of the Group amounted to 5.5
Social responsibility / Employees

(5.6) percent for blue collar workers and 2.1 (2.6) percent for white collar staff.

**Equality and diversity**

SSAB’s diversity and equality work begins with the Group Executive Committee. Of the Group Executive Committee’s nine members, two are women and four were born outside Sweden. The Group Executive Committee also reflects large diversity with regard to age and education.

SSAB operates in a traditionally male-dominated industry, primarily with respect to production workers. But the percentage of women in the Group has increased and, in 2008, was 18 percent. 14 percent of managers in the Group are women. SSAB’s objective is that this level shall correlate with the percentage of female employees. In order to increase career opportunities for women within the Group, SSAB is involved in mentor programs and female networking. Diversity and equality are taken into consideration in conjunction with new recruitments.

**Focus on supply of skills**

Access to the right skills and good leadership are absolutely crucial for SSAB’s continued success. Systematic succession planning is taking place with the aim of stimulating internal mobility. The need for internal mobility and succession planning is due to the fact that the employee age structure is such that a large group of employees will enter retirement in the next few years.

The Group Executive Committee has decided on a manager supply process involving six common manager criteria. These shall be used when identifying, appointing, developing and evaluating SSAB’s managers.

An important element in the succession planning and skills supply work is to identify specialist roles and clarify the opportunities for specialist careers within the Company. In 2008, people from different parts of the Group have taken part in a project to clarify career paths and specialist roles within SSAB.

There are approximately 300 roles within SSAB and it is valuable that employees change roles. Primarily, SSAB seeks to recruit internally to managerial positions within the Group. The aim is that there will be three suitable internal candidates for each vacant managerial position in 2010.

An internal CV database was introduced in 2008 in which all employees who are interested in developing within the Company can place their CV. In conjunction with each recruitment process, the internal CV database is consulted first.

During 2008, SSAB commenced a skills development program for managers in cooperation with the world’s leading executive education company, Duke Corporate Education, and the Stockholm School of Economics. The most senior managers as well as a number of selected “high potentials” are participating in the development program, Change Accelerator Program. The aim of the program is to support the implementation of the Group’s strategy, strengthen management, develop skills with regard to change management and strengthen implementation of the Company’s culture and values.

SSAB is also continuing to work on developing a common corporate culture. Managers receive support for Performance Management and carry out progress and planning reviews. Each employee shall have a development plan and training is available at all levels within the Company.

**Profit sharing scheme**

Employees within SSAB in Sweden are covered by a profit sharing scheme. The strong profit for 2008 means that the ceiling for profit sharing has been reached. For a full-time employee, the profit share is thus SEK 24,250 (24,150)
before tax. Employees in North America are covered by a separate profit sharing scheme.

The total payments to employees amounted to SEK 5,707 (4,983) million, equal to 10 (12) percent of sales.

**Dialogue and employee survey**

In 2008, an employee survey, Voice 08, was conducted throughout the Group. Similar surveys have been conducted in the past, but this was the first time that all employees answered the same survey. The Voice survey will be carried out once a year in order to measure, compare and evaluate results. Through Voice 08, SSAB obtains an impression of how employees perceive the situation at the Company. The results will serve as a tool for further developing leadership, attitudes and work methods within the Group.

The Voice 08 employee survey was carried out in November, all employees were asked to answer a number of questions in digital format. The response rate was 78 percent. The results were presented at the beginning of 2009 and a process has begun to help each department identify areas to work on and improve.

**Management by objectives and shared values**

The work of strengthening the management by objectives process has continued during 2008. The aim is to increase employees’ knowledge about the Company’s objectives and values and thereby increase motivation, commitment and performance.

Three shared values have been identified during 2008. The values were identified in a project covering the entire Group, which has also resulted in a definition of SSAB’s vision: “a stronger, lighter and more sustainable world.” The values will function as a foundation for all work conducted within the Group and each employee shall be aware of what they mean for his or her role within the Company.

During the second half of 2008, the CEO and other members of the Group Executive Committee visited all of the Company’s units in order to provide information regarding SSAB’s vision and values and to commence the work of making the vision a natural part of the employees’ day-to-day activities.
Social responsibility / Suppliers

Responsible relations with suppliers and customers

Products and components that SSAB uses in the steel business are manufactured by suppliers throughout the world. Working conditions and social conditions vary from country to country, but SSAB is attentive to maintaining internationally accepted principles regarding human rights in areas where the Company can exercise influence.

SSAB supports internationally accepted principles

SSAB’s work with the Company’s suppliers is based on SSAB’s Code of Business Ethics. In the Code, SSAB has formulated its support for fundamental human rights based on the United Nations Declaration of Human Rights, particularly with respect to the abolition of forced labor and child labor. Respect for fundamental human rights is a criterion when choosing suppliers. In contacts with suppliers, SSAB communicates its Code of Business Ethics and encourages the suppliers to comply with it.

Relations with suppliers are also affected by SSAB’s Instructions regarding the Giving and Acceptance of Bribes, which supplement SSAB’s Code of Business Ethics. The Instructions provide employees with clear information on how SSAB defines bribery and improper benefits, and how employees are expected to act in relation to suppliers, customers and other business partners in order to comply with the prohibition on the giving and acceptance of bribes.

Long-term relations and risk assessments

The divisions and subsidiaries which have relations with suppliers are responsible for monitoring the suppliers’ compliance with SSAB’s principles. This takes place through compiling and verifying certain suppliers’ own codes of conduct or certificates that they comply with the United Nations Declaration of Human Rights. Another method is to verify conditions at factories and plants through site visits.

Each division and subsidiary has undergone a risk assessment with regard to its suppliers, and they proceed on the basis of such assessment when monitoring working conditions. Industries or countries which are associated with higher risks in respect to fundamental human rights are accorded priority in terms of monitoring.

In order to ensure quality in the products, SSAB cultivates long-term relations with suppliers of the most important resources. This provides conditions for developing confidence and trust, and the ability to have a positive influence.

Activities in 2008

SSAB’s Code of Business Ethics conveys the overarching guidelines and principles which the divisions and subsidiaries implement in specific plans of action for purchasing, and in relations with suppliers.

During 2008, SSAB Plate has engaged in extensive training efforts in order to disseminate the Group’s policy on various issues within the organization. Within SSAB Plate, 200 technicians, 100 supervisors, 50 project managers and 21 purchasers were involved in training with respect to SSAB’s Code of Business Ethics, Sustainability Policy and Instructions regarding the Giving and Acceptance of Bribes.

Within SSAB Strip Products, the work of monitoring work conditions at suppliers has been prioritized in those countries where there are considered to be risks of child labor or poor working conditions in the sub-contractor stage. This covers, for example, manufacturers of safety equipment and work clothes.

In North America, contracts include clear references to rules concerning working conditions and working environment. SSAB North America also has a whistle-blower routine whereby a supplier can anonymously notify breaches of law or the Company’s policy. The majority of SSAB’s suppliers have a long-term relationship with the Company.

Since 2008, Plannja has established a new contract policy which obliges Plannja’s suppliers to comply with SSAB’s Code of Business Ethics and Sustainability Policy, in addition to Plannja’s own policy regarding quality, environment and social responsibility.

CUSTOMERS IMPOSE DEMANDS REGARDING SSAB’S WORKING ENVIRONMENT

For a few years, IKEA has been using steel from SSAB in some of its furniture “We do not do business with a supplier which fails to meet our demands regarding the external and internal environment, working environment and working conditions,” says Camilla Albertsson, Quality and Environment Manager for IKEA Europe.

Thus, IKEA’s auditors regularly review the degree to which SSAB complies with IKEA’s code of conduct, IWAY. In 2008, IKEA conducted a quality audit at SSAB Strip Products in Borlänge.
SSAB’s role in the community

SSAB’s presence is of great importance for those localities where the Company operates. This imposes major demands for an open dialogue with politicians, governmental authorities, the media and the public, particularly in the event of major changes in operations. SSAB also wishes to contribute to knowledge about steel and steel production and welcomes study visits at its plants.

SSAB’s local sponsoring in Sweden

In Sweden, SSAB contributes to local initiatives which allow employees and their families to enjoy a wide range of recreational activities in the various localities. This is a way of contributing locally to positive activities, at the same time it promotes a positive image of SSAB. Examples include the sponsoring of local sports associations, or knowledge exchange with schools. SSAB also has the possibility to support associations, sport and cultural organizations in which employees are involved.

Mercury Program in the United States

Together with the US Department of the Environment, SSAB North America has participated in and developed a program for gathering mercury in circuit breakers. The program, National Vehicle Mercury Switch Recovery, endeavors to prevent mercury contamination in the air, ground and water in connection with the recycling of scrap metal. In the US, mercury circuit breakers were used in automobiles until 2003. SSAB cooperates with scrap firms in order to gather the mercury circuit breakers in connection with the dismantling and scrapping of cars. In 2008, the program celebrated the collection of one million mercury circuit breakers.

Nature preservation in Iowa and Alabama

In the North American operations, SSAB has participated in two projects for promoting flora and fauna. In Iowa, SSAB has planted significant quantities of trees and prairie grass which help protect and create natural environments for fauna. A similar project, of approximately the same size, has been carried out in Alabama.

Employees decide in a committee in Montpelier

In Montpelier, Iowa, a number of employees are members of a local committee which decides sponsorships to various projects that the employees wish to support. This is an important aspect of being a member of the community. Larger contributions are decided upon by a senior committee within the division.

One of the larger projects SSAB has contributed to is the construction of a fire station and a combined fire, police and ambulance station in Montpelier and in a neighboring community.

Mobile’s foundation supports local schools

In Mobile, SSAB has saved costs by replacing parts of the coal requirements with worn-out tires. The savings of approximately US $100,000 annually are donated to a foundation which distributes the money. SSAB is a member of Partners in Education and thereby supports eight local schools with funds from the foundation.

Just as in Montpelier, there is a local support committee which reviews the projects that the members wish to support. These involve young people and families, as well as culture and education. For example, SSAB supports Mobile University of South Alabama and has made donations to a national maritime museum in Mobile.

Other projects supported by SSAB include scholarships to Iowa State University and the University of Iowa and contributions to a new library in the region. Other contributions have gone to research and culture.

SSAB conducts nature preservation projects adjacent to the North American plants
Initiatives and awards

SSAB participates in initiatives to promote mutual learning regarding important sustainability issues and understanding of stakeholder expectations. SSAB’s work has resulted in positive attention from the Company’s stakeholders.

SSAB awarded good grade for the working environment

During the year, SSAB’s operations in Luleå were awarded the accolade, “Working environment industrial company of the year” by Dagens Arbete, Swedbank and Folksam. The award is based on the following criteria: low absenteeism due to sick leave, employee influence, favorable psychological and physical environment, low number of industrial injuries and the Company’s work on preventive health care and rehabilitation.

Folksam’s responsible business index 2008

Each year, the Folksam insurance company reviews the work of Swedish companies concerning the environment and human rights. A total of 261 Swedish companies from OMX Nasdaq Stockholm’s Large, Mid and Small cap lists are included in the study. In the Mining and Metal industry, SSAB is ranked second-highest among companies within the industry on account of its environmental work, which in total gave it 27th place among all assessed companies based on an environmental score.

Within issues relating to human rights, the Mining and Metal industry as a whole has a lower score than for environmental work. SSAB was ranked in total number 37 out of the 261 investigated Swedish companies and increased its score, primarily as a consequence of the reporting about suppliers.

Carbon disclosure project

In 2008, SSAB disclosed detailed information regarding climate change and carbon dioxide within the scope of the investor initiative, Carbon Disclosure Project. This was the sixth round of the project and 1,550 companies participated. The result is an annual report on the companies’ climate work, which is intended to provide a basis for investors when assessing how companies identify and address risks and opportunities resulting from climate changes.

Climate certificate for transportation in Sweden

This year, both SSAB Strip Products and SSAB Plate received Green Cargo’s “Climate certificate for transportation”, which entails meeting the criteria established by the Swedish Society for Nature Preservation with regard to good environmental choice for transportation.

Swedbank Robur chooses SSAB

Swedbank Robur’s Ethica funds include funds with a high environmental and ethical profile. Companies which qualify for inclusion in the funds are considered to assume responsibility for ethical issues and the environment in a credible manner.

“The steel industry is considered to be a high-risk industry with regard to human health and the environment. Stringent requirements are imposed on the steel companies which are approved for our ethical funds. We want companies to manage their risks and demonstrate sound sustainability work, but we also encourage companies to seize the commercial opportunities presented by sound sustainability work and to contribute to sustainable development of society,” says SRI analyst Charlotta Sydstrand, who monitors SSAB.

“We have analyzed SSAB for many years. One of the most important issues in our sustainability analysis is how SSAB addresses its significant impact on the environment, first and foremost from the blast furnace processes. We can see that SSAB is constantly working to reduce this impact, but the large emission reductions have already been made within the limits of currently available technology. New technology is required in order to significantly reduce emissions in the future. This is a challenge for the entire steel industry and SSAB is participating in industry cooperation internationally. Examples of other important issues in the analysis of SSAB include personnel issues as well as the working environment, and how the Company’s suppliers of raw materials (scrap, coal and coke) assume their responsibility for human health and the environment.

SSAB is one of a handful of companies within the mining and metal industry which are approved for investment by the Ethica funds. Swedbank Robur has witnessed a concrete improvement in results regarding a number of critical parameters in our analysis, and the fact that all production plants are environmentally certified guarantees continuous improvements. We believe that SSAB’s niche within high-strength steels has great sustainability potential and that the Company’s products can contribute to reducing the customers’ impact on the environment.

We view positively the management’s ambition to coordinate the sustainability work within the strongly decentralized Group and we look forward to a more clearly formulated overall strategy for the Group.”

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SSAB reports level C in accordance with the GRI (Global Reporting Initiative) guidelines for reporting sustainability work. SSAB is engaged in producing joint key performance indicators for the entire Group, but in certain respects data is reported only for the Swedish operations. Where this is the case, it is made clear. During 2008, parts of the North American operations were divested, resulting in adjustments of revenues and expenses as well as personnel expenses. Previously issued figures for 2007 have been adjusted to obtain a fair comparison with the results for 2008. In other respects, the reporting follows the same principles as reporting in previous years. The table below states where information is available in the 2008 Sustainability Report. Since the Report is a supplement to the 2008 Annual Report, the table also includes references thereto, which are indicated by ‘AR’. The GRI table contains all core indicators, as well as those additional indicators which SSAB has considered to be relevant for its operations based on the Company’s most important sustainability issues.

### GRI table

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  - Degree of reporting: n n n

#### Biodiversity
- EN11. Location/scope of land owned near protected areas/areas of biodiversity value
- EN12. Impacts of products and operations on biodiversity

#### Emissions, effluents and waste
- EN16. Direct and indirect greenhouse gas emissions
  - Page reference: 18
  - Degree of reporting: n n n
- EN18. Initiatives to reduce greenhouse gas emissions
  - Page reference: 14, 17-22
  - Degree of reporting: n n n
- EN19. Emissions of ozone-depleting substances
- EN20. NO, SO and other significant air emissions
  - Page reference: 18
  - Degree of reporting: n n n
- EN21. Total water discharge
  - Page reference: 19
  - Degree of reporting: n n n
- EN22. Waste by type and disposal method
  - Page reference: 18, 20
  - Degree of reporting: n n n
- EN23. Number and volume of significant spills

#### Products and services
- EN26. Initiatives to mitigate environmental impacts of products and services
  - Page reference: 13, 17-22
  - Degree of reporting: n n n
- EN27. Products sold and their packaging materials that are reclaimed

#### Compliance
- EN28. Fines and/or non-monetary sanctions for non-compliance with environmental laws

#### Transport
- EN29. Environmental impact of transports
  - Page reference: 20
  - Degree of reporting: n n n

### 7. SOCIAL PERFORMANCE INDICATORS

#### Employment
- LA1. Total workforce by employment type, contract and region
  - Page reference: 25, AR 26, 34
  - Degree of reporting: n n n
- LA2. Rate of employee turnover by age group, gender and region
  - Page reference: 25
  - Degree of reporting: n n n
- LA3. Percentage of employees covered by collective bargaining agreements
- LA5. Minimum notice period(s) regarding operational changes
- LA7. Rates of injury, occupational diseases, lost days, work-related fatalities
- LA6. Education, training, prevention and risk-control programs in place
  - Page reference: 23-24
  - Degree of reporting: n n n
- LA8. Average hours of training per year per employee
  - Page reference: 25
  - Degree of reporting: n n n
- LA9. Composition of governance bodies and employees according to diversity indicators
  - Page reference: 10, 25
  - Degree of reporting: n n n

#### Human rights
- HR1. Investment agreements that include human rights clauses
  - Page reference: 27
  - Degree of reporting: n n n
- HR2. Suppliers that have undergone screening on human rights and actions taken
  - Page reference: 27
  - Degree of reporting: n n n
- HR4. Total number of incidents of discrimination and actions taken
  - Page reference: 27
  - Degree of reporting: n n n
- HR5. Operations identified as having significant risk for incidents of child labor and actions taken
  - Page reference: 27
  - Degree of reporting: n n n
- HR6. Operations where freedom of association and collective bargaining may be at significant risk and actions taken
  - Page reference: 27
  - Degree of reporting: n n n
- HR7. Operations identified as having significant risk for incidents of child labor and actions taken
  - Page reference: 27
  - Degree of reporting: n n n

#### Society
- SO1. Programs for evaluating the operation’s impacts on communities
  - Page reference: 8
  - Degree of reporting: n n n
- SO2. Business units analyzed for risks related to corruption
  - Page reference: 27
  - Degree of reporting: n n n
- SO3. Employees trained in the organization’s anti-corruption policies and procedures
  - Page reference: 27
  - Degree of reporting: n n n
- SO4. Actions taken in response to incidents of corruption
  - Page reference: 27
  - Degree of reporting: n n n
- SO5. Participation in public policy development and lobbying
  - Page reference: 4-5, 22
  - Degree of reporting: n n n
- SO6. Monetary value of fines for non-compliance with applicable laws

#### PR
- PR1. Life cycle stages in which health and safety impacts of products and services are assessed
  - Page reference: 14, 17-22
  - Degree of reporting: n n n
- PR3. Time of products and service information required by procedures, and percentage of products subject to such information requirements

#### Environmental performance indicators

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**Explanation of reporting level:**
- n n n: Fully reported
- n n: Partially reported
- n: Not reported
Steel Talk ABC — a glossary

A
- After-treatment – Next treatment, cooling, etc., in order to
- Air-cooled – Material that is cooled in air without the application of external cooling methods.

B
- Barcode technology – Industry involving the extraction and processing of raw materials, fundamental for the Swedish economy.

C
- Cast iron – Ternary (refractory) bricks, used by integrated steel mills to line blast furnaces.
- Cast iron furnaces – Ternary (refractory) bricks, used by integrated steel mills to transform molten steel from process to process in a steel plant.
- Change-over – Switch from an empty to a full container of steel.

D
- Dry distillation process – Combustion without entry of air.
- Dry structure – The name for the molten iron produced in a blast furnace under high pressure.

E
- Electric arc furnace (EAF) – Steel slab furnace where scrap is completely melted in a couple of minutes.

F
- Fatigue – Material – A coating that is different from a slab because of its outer dimensions; the name for the molten iron produced in a blast furnace under high pressure.

G
- Glossary – An extract from the more detailed glossary presented in the “Steel Book” published in February 2009.

H
- Hardness – Process that increases the hardness of steel, which makes it more wear-resistant, abrasion, penetration, bending, and smoothening.

I
- Iron ore pellets – Mineral containing enough iron to be commercially sold as the source of the element for use in steelmaking. Except for fragments of meteorites found on earth, iron is not a raw material; instead, it is the earth’s crust in its oxidized form.

L
- Ladle – The basic fuel consumed in blast furnaces in the production of molten hot metal.

M
- Mill stand – Number of times a billet passes through a pair of rollers.

P
- Plate – A heat or thermal treatment process by which a steel slab is rolled into thinner dimensions without prior heating.

S
- Slab furnace – Number of times a billet passes through a pair of rollers.

Steel slabs – A semi-finished steel form that is used for “long” products, i.e., the degree to which steel will resist cutting, as well as whether it will easily break or crack. Steel slabs are the most common type of semi-finished steel.

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