



INTENTIONALLY
SUSTAINABLE



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01

OUR COMMITMENT

About This Update

This update was developed to share our long-standing commitment, dedication, and achievements regarding sustainability. Based on discussions with numerous constituents concerning the most useful disclosures related to sustainability information, we provided metrics using the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board's (SASB) Iron & Steel Producers Standards within this report. GRI provides a framework for organizations to report on the impact and management of economic, social, and environmental matters. SASB provides a framework for organizations to report on industry-specific sustainability topics that are deemed to be material. Our sustainability update was developed to highlight 2022 data for some of the metrics in our 2022 GRI and SASB indices, which are available in totality on our website at steeldynamics.com under Sustainability Reporting.



On behalf of everyone at Steel Dynamics, I thank our loyal customers, vendors, communities, and shareholders for their support of our company. My heartfelt thanks to our extraordinary team members for your passion, innovation, and dedication to excellence.

We have been committed to all aspects of sustainability since our founding. Our commitment is embedded in our founding principles—valuing our people, our partners, our communities, and our environment. These strategic principles drive long-term value creation for us all.

With our electric arc furnace (EAF) steelmaking, North America's largest metals recycling business, circular manufacturing model, and innovative teams, we started our decarbonization journey from a leadership position within the steel industry, with a commitment to achieve even more. We are excited to share our progress on this journey.

Sincerely,

Mark D. Millett

Co-Founder, Chairman, and Chief Executive Officer





02 2022 Performance

\$3.9B

Record Net Income

12.2M

Tons Record Steel Shipments

1.8

Total Recordable Injury Rate (Meaningfully better than industry benchmarks)

17%

Reduction in our Steel Mills' Scope 1 & 2 GHG Emissions Intensity Since 2018

14%

Use of Renewable Electricity

75%

Less Energy Used than World Steel Averages¹

40%

of our Board Members are Ethnically Diverse or Female

\$7.6M

Combined Companywide and Foundation Charitable Donations

\$3.2M

of Scholarships Earned by Children of our Team Members

100%

of our Steel Mill Production Utilizes Electric Arc Furnace Technology

12.4M

Tons of Ferrous Scrap Reintroduced into the Manufacturing Life Cycle

1.1B

Pounds of Nonferrous Scrap Reintroduced into the Manufacturing Life Cycle

¹ Our steel mill energy intensity compared to World Steel Association 2021 data.

03

VALUING PEOPLE



Our long-term success is driven by our culture, individual health and safety, respect, inclusion and diversity of experiences and backgrounds, and talent development opportunities. We value the dedicated people whose passion, innovation, and spirit of excellence have helped successfully grow our company and serve our customers.

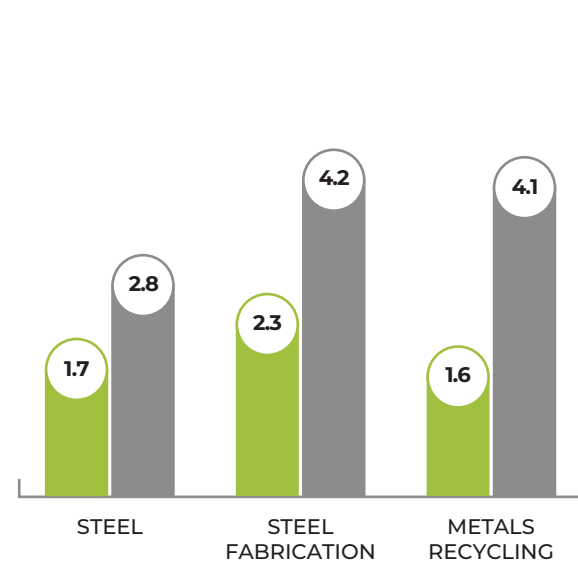
Health and Safety

Valuing people includes providing a healthy and safe work environment, and creating a culture of safety that extends beyond the workplace, into our homes and communities. Safety is, and always will be, our primary focus and core value. We intend for each individual to arrive at the workplace safely and return home safely each day. This is achievable when we all work together. It requires commitment from leadership and team members at every level to take ownership and responsibility for their safety and the safety of others. Under no circumstance does anything—including the desire to maximize production or earnings—override the value of individual safety.

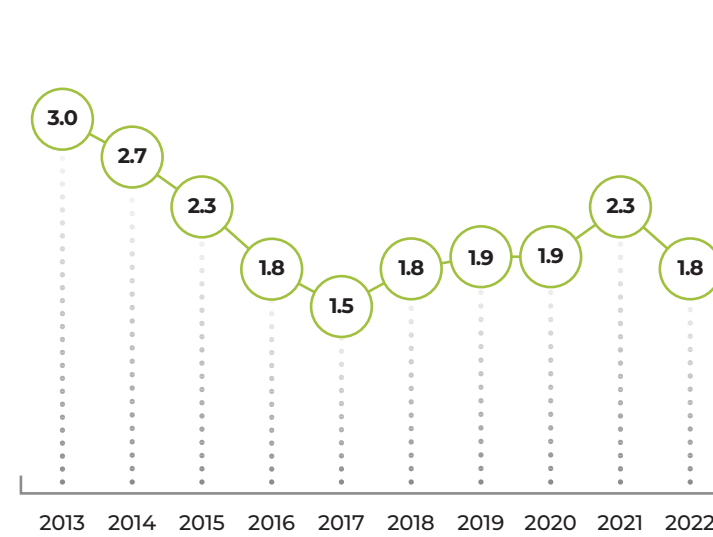


Safety is our first core strategic pillar—it is the foundation of our decision-making. We are committed to achieving world-class safety performance throughout our operations. This commitment is foundational and integral to our culture. Working as one team, we will achieve it.

Platform Total Recordable Injury Rate¹



Companywide Total Recordable Injury Rate¹



● Steel Dynamics ● Industry²

¹ Total Recordable Injury Rate is defined as OSHA recordable incidents x 200,000 / hours worked.
² Source: 2021 U.S. DOL Bureau of Labor Statistics.

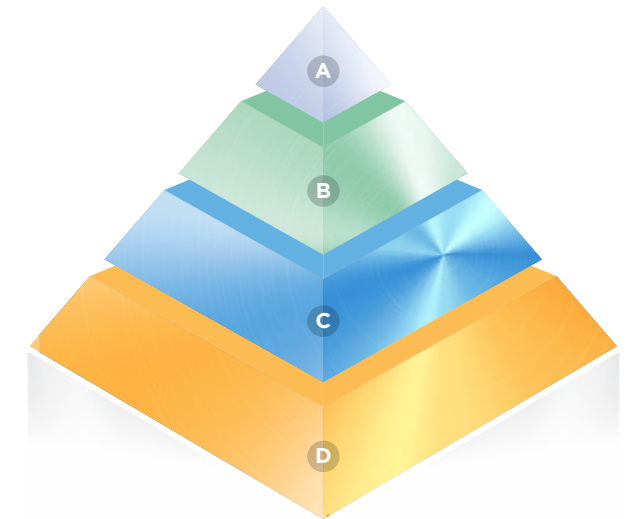


Performance-Based Incentives Drive Superior Results

We have a culture of trust, fostered through individual empowerment and accountability that drives decision-making throughout our business. We empower our teams with performance goals, align their interests with the company's long-term strategy, provide them with the right tools and resources, and watch them succeed. Our performance-based incentive compensation programs align us with the interests of our strategic long-term growth and our customers, communities, and shareholders. We know our teams will do what is right and that trust comes from effective communication and transparency.

Performance-Based Incentive Compensation

- A Stock Awards**
Aligns team members with shareholders in pursuit of long-term value creation
- B Profit Sharing, 401(k) Match**
Unites team members of the business segments in promoting the success of the company as a whole
- C Production, ROA, Conversion Bonuses**
Teamwork and performance bonuses focus on productivity, cost control, and efficient use of assets
- D Base Pay**
Rewards individuals for superior performance, responsibilities, and personal skill level



Talent Development

Our people represent the foundation of our six strategic pillars. Their continued education and talent development are paramount to our success. Our educational assistance and development programs encourage personal growth so individuals can remain current in their areas of responsibility, as well as develop new skills for advancement. Senior leadership plays a key role in our development programs, linking our culture to critical, proven leadership concepts. As we continue to grow, building talent and creating opportunities within our teams is one of our most important tasks and critical to our long-term success.





Workplace Philosophy— Inclusion and Diversity

Our people are the foundation of our success and are our most important resource. Our culture safeguards all people and requires each person to be treated fairly and with dignity. We have equal employment opportunity, no tolerance for harassment of any kind, respect for human rights, inclusion, and diversity—all of which focus on our expectations of treating every person with the utmost respect.

We recognize the value of having a business that reflects diversity of backgrounds and experiences. We work together as a unified team and respect each other as individuals. Our team-based compensation structure reinforces this philosophy. We strive to create a welcoming, open, and inclusive environment, ensuring the best ideas are heard and valued regardless of the position or the individual. We believe these ideals will continue to drive our success.

Our teams and colleagues represent the diversity of the communities where we live and work. Our teams are representative of our industry and communities with 11% of our colleagues being female and 33% of our colleagues considered ethnically diverse in 2022. Additionally, of the seven individuals that were on our senior leadership team in 2022, one is female and one is ethnically diverse (Hispanic).



2022 Employee Diversity Metrics

| | |
|--------------------|-----|
| Gender | |
| Male | 89% |
| Female | 11% |
| Ethnicity | |
| Caucasian | 67% |
| Ethnically Diverse | 33% |
| Age | |
| Under 30 Years Old | 21% |
| 30–50 Years Old | 55% |
| Over 50 Years Old | 24% |



VALUING RELATIONSHIPS

We are supported by numerous external constituents, including our customers, suppliers, vendors, communities, and shareholders. These relationships have contributed to our sustainable growth and continued success.

\$41M

Combined companywide and foundation charitable donations over the last 10 years

Innovative Partnerships

We grow and innovate alongside our customers, providing differentiated high-quality products and supply-chain solutions to meet their current and future needs.

Supplier and Vendor Relationships

We have strong long-term relationships with our suppliers, ensuring quality service, supplies, and other deliverables, resulting in efficient and effective operations. We expect all of our service providers to operate with the same level of safety and social practices as we demand from ourselves.

Community Support

We strongly believe in making a positive social impact on our communities through financially supporting organizations where our teams are involved and by empowering and encouraging our teams to volunteer and take leadership roles in these organizations.

Engagement

We value the support, interest, and feedback of our shareholders. Thus, we actively engage shareholders to build and sustain long-term relationships.





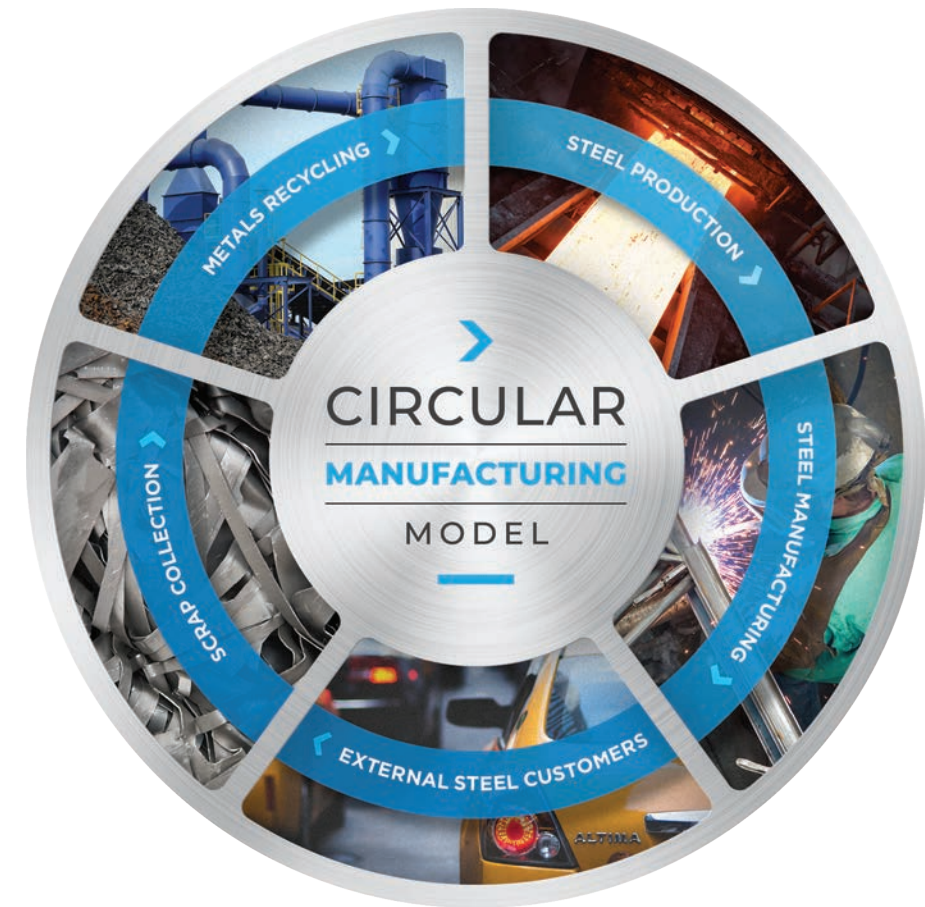
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VALUING THE ENVIRONMENT

At Steel Dynamics, we take pride in our intentionally sustainable approach. We are committed to operating our business in an environmentally responsible manner and have been since our founding. Our steel mills exclusively use EAF technology with recycled ferrous scrap as the primary raw material, producing lower-carbon emission quality steel products for our customers and driving returns for our shareholders. Additionally, our companywide performance-based incentive programs encourage our teams to create innovative solutions to increase efficiencies, reduce raw material usage, reuse secondary materials, and promote material conservation and recycling.



We intentionally developed a vertically connected operating model, further strengthening our company. Our metals recycling platform collects and processes scrap from manufacturing and end-of-life items, such as automobiles, appliances, and machinery. This processed scrap is then sold to end users for reuse, including our EAF steel mills, which produce new steel from the scrapped material. Our steel is then sold to consumers that both further process steel and manufacture end products. We sell a meaningful amount of steel to our own manufacturing businesses that in turn sell finished products to consumers. Ultimately, when these products reach the end of their useful lives, they can be collected as scrap and used again in our steelmaking operations, creating our circular manufacturing model.



100%

of our steel mill production utilizes EAF technology

35M

Tons of ferrous scrap reintroduced into the manufacturing life cycle from 2020 to 2022

3.1B

Pounds of nonferrous scrap reintroduced into the manufacturing life cycle from 2020 to 2022

82%

of the material used in our steel mills in 2022 was recycled ferrous scrap and internally produced iron

We Make the Steel Required for a Sustainable Future

Steel is the most recycled material in the world, and we are the largest North American recycler of ferrous and nonferrous scrap. American steel production is governed by stringent environmental regulations, and EAF production is the steel technology that currently generates the lowest GHG emissions per ton of steel as compared to other commercially available methods. The steel industry is vital to a healthy manufacturing base and sustainable infrastructure. Steel is essential to connect our energy grid and utilities, and to build roads, bridges, automobiles, hospitals, schools, and businesses. To achieve a lower-carbon economy, consumers must buy EAF steel and other manufactured goods that are made in America.

With our EAF steelmaking, circular manufacturing model, and innovative teams, Steel Dynamics is already a leader in the production of lower-carbon steel products within the global industry.

Our steel mills' Scope 1 and 2 combined GHG emissions intensity is currently the lowest among all the global steel companies Transition Pathway Initiative tracks and shares for the sector.¹



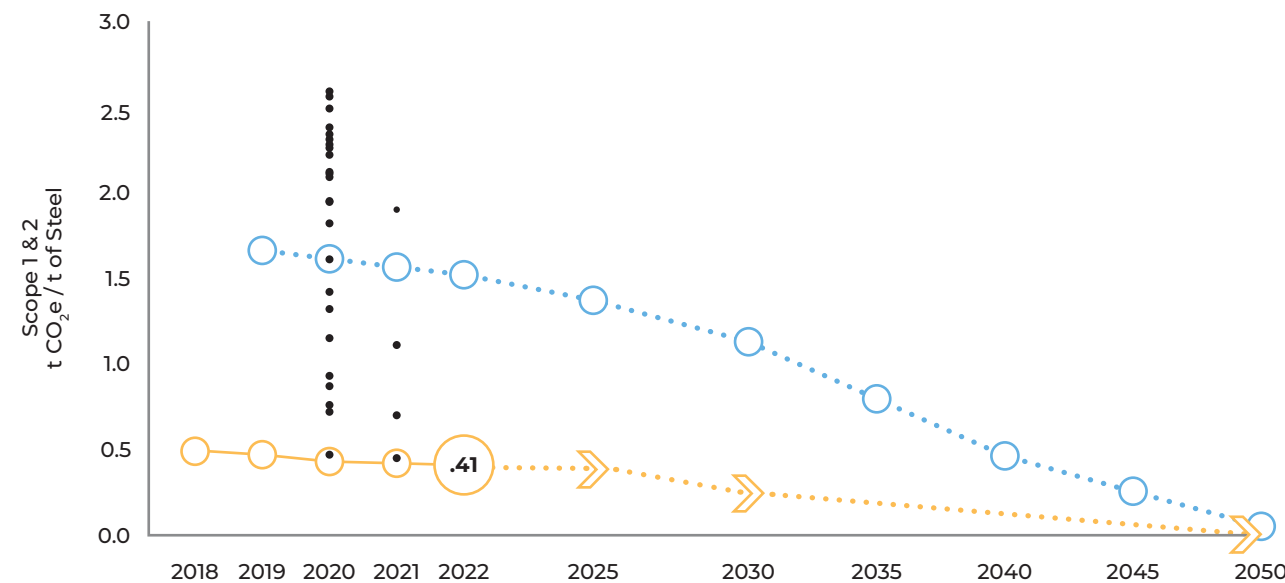
WITH THE ADDITION OF OUR DECARBONIZATION GOALS, WE ARE RAISING THE BAR EVEN FURTHER FOR SUSTAINABLE STEELMAKING. WE PRODUCE THE STEEL REQUIRED FOR A SUSTAINABLE FUTURE.



Environmental Goals and Progress

In 2021, we announced that we are taking further action to reduce our environmental footprint through our 2025, 2030, and 2050 goals for GHG emissions reduction and increased renewable electrical energy usage.

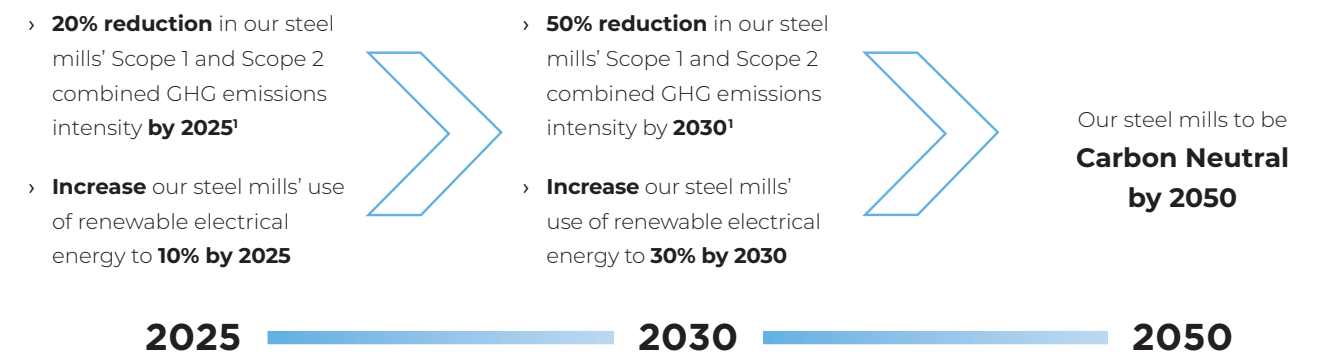
Transition Pathway Initiative
Global Steel Industry Carbon Performance



- Steel Sector 1.5 Degrees¹
- Global Peers¹
- Steel Dynamics Performance
- Steel Dynamics Steel Mills' GHG Intensity Goals

¹ Based on Transition Pathway Initiative (TPI) publicly available data for the steel sector (<https://www.transitionpathwayinitiative.org/sectors/steel>) as of June 2023. TPI global peer data for 2021 and 2020 were the most recently available years and are reflected in the chart.

CARBON NEUTRAL BY 2050



¹ Compared to our 2018 baseline.



Performance

Since 2018 (our baseline year), we have reduced our steel mills' Scope 1 and 2 GHG emissions intensity by 17%, and we have increased our use of renewable electrical energy to 14% within our steel mill operations, already achieving our 2025 renewable electrical energy goal.

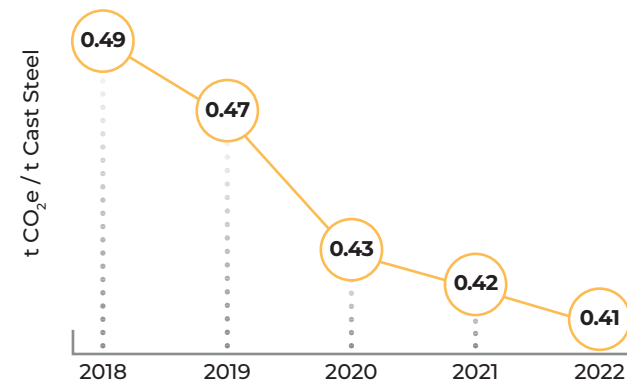
17%

Reduction in GHG Emissions Intensity Since 2018

14%

Use of Renewable Electricity in 2022

Steel Mills' GHG Scope 1 & 2 Emissions' Intensity



¹ 2022 and 2021 Scope 1 and Scope 2 emissions data were verified by a third party in accordance with ISO 14064-3: 2019.



Our entrepreneurial, innovative, performance-based culture supports our decarbonization efforts through the continuation of EAF steelmaking technology development, the continuation of new technologies in our metals recycling operations, the identification of lower-carbon raw material alternatives, and increased operating efficiency initiatives.

While we believe we operate some of the most efficient steel operations in the world, we recognize the need for continuous improvement. In 2022, we announced SDI Biocarbon Solutions, a strategic investment to meaningfully reduce our Scope 1 GHG emissions through our partnership with Aymium, a leading producer of renewable biocarbon products. This investment represents a significant step toward the decarbonization of our steel mills. The joint venture plans to build its first biocarbon production facility to provide a renewable product alternative to anthracite used in our steelmaking operations, which could result in as much as a 35% reduction in our steel mills' Scope 1 GHG absolute emissions. The facility is planned to begin operations in the first half of 2024.

TO ACHIEVE CARBON NEUTRALITY AT OUR STEEL MILLS, WE PLAN TO CONTINUE WORKING TO:



Identify and implement emission reduction projects



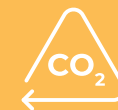
Improve energy management to reduce emissions and enhance operational efficiency



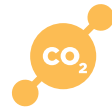
Increase the use of renewable energy, including partnering with utilities



Research, develop, and implement innovative technologies



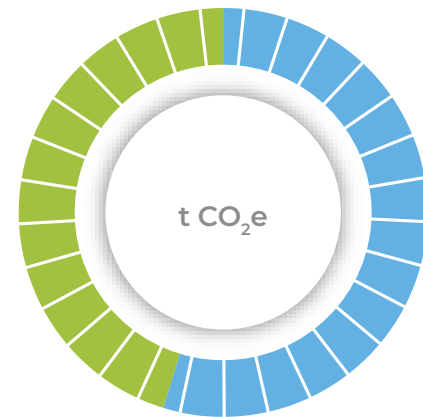
SDI Biocarbon Solutions represents a significant step forward on our path to carbon neutrality at our steel mills and our continued commitment to reduce our impact on the environment.



Emissions

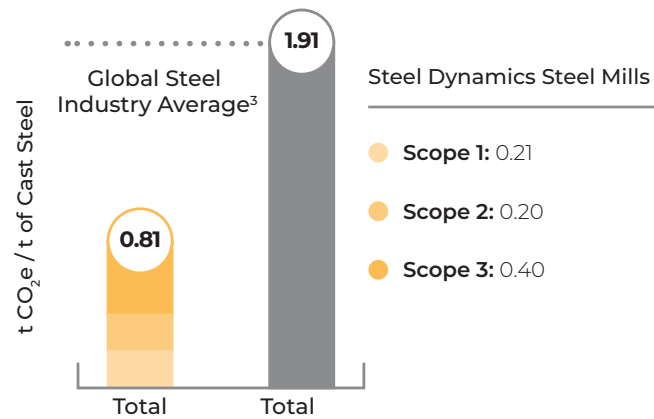
Exclusively using EAF steelmaking technology, we generate substantially less GHG emissions per metric ton than those generated from traditional blast furnace technology, which creates significant emissions through the conversion of iron ore, coke, and coal into steel. During 2022, our steel mills generated only 13% of the Scope 1 GHG emissions, on a per metric ton of steel basis, of average United States blast furnace steelmaking operations.¹

Companywide GHG Emissions^{2, 4} 2022 (t CO₂e)



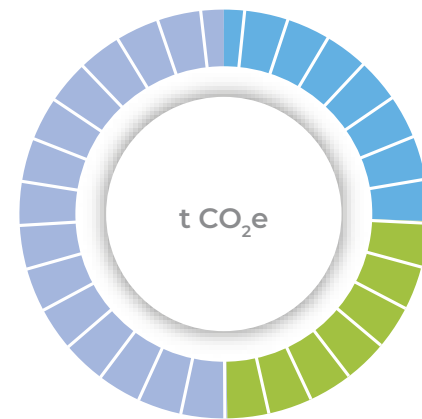
- Scope 1: 2,719,805
- Scope 2: 2,230,225

Steel Mills' Scope 1, 2, & 3 GHG Emissions² Intensity 2022



- Steel Dynamics Steel Mills
- Global Steel Industry Average

Steel Mills' GHG Emissions² 2022 (t CO₂e)



- Scope 1: 2,081,536
- Scope 2: 1,932,232
- Scope 3: 3,865,204

¹ Based on 2021 Scope 1 CO₂ equivalent emissions reported to the U.S. EPA.

² 2022 Scope 1, 2, and 3 emissions data were verified by a third party in accordance with ISO 14064-3: 2019.

³ World Steel Association, Sustainability Indicators December 2022 report.

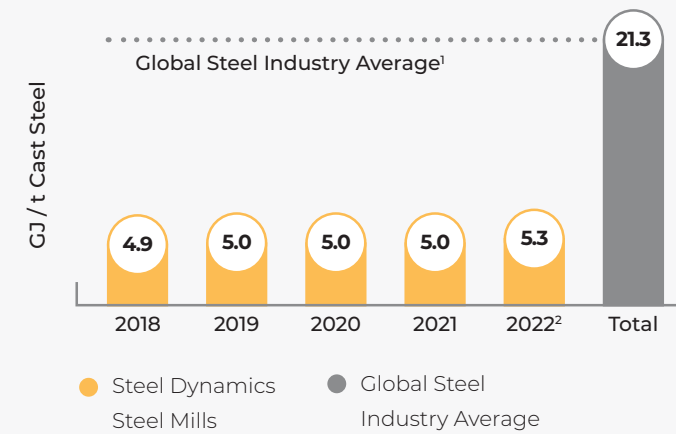
⁴ All sites for which Steel Dynamics has operational control have been included in this companywide assessment.



Energy

By connecting the casting and rolling processes in our flat roll steel mills, we roll slabs into steel coils while the steel is still hot, requiring significantly less energy compared to traditional blast furnace technology, which typically requires reheating slabs before rolling. In 2022, our EAF steel operations, on a per metric ton basis, required only 25% of the energy intensity of average steel operations worldwide, when compared to the World Steel Association.

Steel Mills' Energy Intensity



- Steel Dynamics Steel Mills
- Global Steel Industry Average

¹ World Steel Association, Sustainability Indicators December 2022 report.

² Our Sinton steel mill began operations in late 2021 and continues to ramp up production, contributing to the increased energy intensity in 2022. Once Sinton is operating at a higher utilization rate on a consistent basis, we anticipate energy intensity will lower to pre-2022 levels.

OUR SINTON STEEL MILL RECEIVED 100% OF ITS ELECTRICAL POWER FROM LOWER-CARBON SOURCES (NUCLEAR).



Water

Our EAF steel operations recycled and reused 100% of water withdrawn in 2022. In fact, the average gallon of water was recycled and reused multiple times before it was lost either to evaporation or discharge.



Waste

We continually look for ways to minimize waste generation, and we continue to monitor all waste streams for ways to improve our recycling and reuse. To minimize disposal of other byproducts of the manufacturing process, we assess what materials are considered reusable and, where feasible, redirect those materials to be reused or recycled versus sent to a landfill.

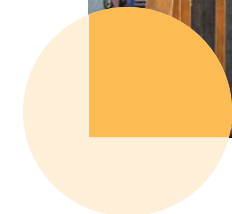


Forward-Looking Statements

This update contains some predictive statements about future events, including statements related to conditions in domestic or global economies, conditions in steel, aluminum, and recycled metals market places, Steel Dynamics' revenues, costs of purchased materials, future profitability and earnings, and the operation of new, existing, or planned facilities. These statements, which we generally precede or accompany by such typical conditional words as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project," or "expect," or by the words "may," "will," or "should," are intended to be made as "forward-looking," subject to many risks and uncertainties, within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. These statements speak only as of this date and are based upon information and assumptions, which we consider reasonable as of this date, concerning our businesses and the environments in which they operate. Such predictive statements are not guarantees of future performance, and we undertake no duty to update or revise any such statements. Some factors that could cause such forward-looking statements to turn out differently than anticipated include: (1) domestic and global economic factors; (2) global steelmaking overcapacity and imports of steel, together with increased scrap prices; (3) pandemics, epidemics, widespread illness or other health issues, such as COVID-19 or its variants; (4)

the cyclical nature of the steel industry and the industries we serve; (5) volatility and major fluctuations in prices and availability of scrap metal, scrap substitutes and supplies, and our potential inability to pass higher costs on to our customers; (6) cost and availability of electricity, natural gas, oil, or other energy resources are subject to volatile market conditions; (7) increased environmental, greenhouse gas emissions and sustainability considerations or regulations; (8) compliance with and changes in environmental and remediation requirements; (9) significant price and other forms of competition from other steel and aluminum producers, scrap processors, and alternative materials; (10) availability of an adequate source of supply of scrap for our metals recycling operations; (11) cybersecurity threats and risks to the security of our sensitive data and information technology; (12) the implementation of our growth strategy; (13) litigation and legal compliance; (14) unexpected equipment downtime or shutdowns; (15) governmental agencies may refuse to grant or renew some of our licenses and permits; (16) our senior unsecured credit facility contains, and any future financing agreements may contain, restrictive covenants that may limit our flexibility; and (17) the impacts of impairment charges.

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



Additional Disclosure

For purposes of this report, we have determined materiality based on the relevant sustainability reporting framework definitions, which is different than the definition used in the federal securities laws for filings with the Securities and Exchange Commission (SEC). Issues deemed material, and use of the term material, for purposes of this report may not be considered material for SEC reporting purposes.

