

## Fact Sheet

### **ThyssenKrupp CSA: Biggest private investment in Brazil**

The integrated iron and steel mill being built by ThyssenKrupp in the state of Rio de Janeiro at a cost of ≈5.2 billion is the biggest industrial investment in Brazil in the past ten years and is also the first major steel mill to be built in the country since the mid 1980s. The Brazilian iron ore producer Vale holds a 26.87% share in the subsidiary ThyssenKrupp CSA Siderúrgica do Atlântico.

#### State-of-the-art plant configuration

The investment project is a central element of ThyssenKrupp's growth strategy for premium carbon flat steel in Europe and North America. After start-up, the plant will produce 5 million metric tons of high-quality, low-cost slabs. 3 million tons will be supplied to the processing plant also under construction near Mobile in Alabama, and 2 million tons will go to ThyssenKrupp's plants in Germany for processing into end products for customers in Europe.

The foundation stone was laid on the 9 km<sup>2</sup> site near Santa Cruz at the end of September 2006. Key to the choice of location in Sepetiba Bay were cost advantages based on direct access to the Atlantic Ocean and the rail line, ending at the site, for the transportation of iron ore from the mines operated by Vale in the Minas Gerais region.

The project involves the construction of a state-of-the-art plant complex with its own port terminal for importing coal and exporting slabs, raw material handling facilities, coke plant, sinter plant, two blast furnaces, a BOF melt shop and a power plant.

#### Project progress

The steel mill comprises two production lines, each with one blast furnace and one converter. The first line has started production on June 18, 2010. Ramp-up of the second line is scheduled for the first half of 2011.

## New jobs

During the construction phase there were more than 30,000 people working on the site. Once operations are underway, the company will provide 3,500 jobs, which will mainly be filled by Brazilians. The investment is expected to create roughly four times that number of indirect jobs.

## Investment in training

ThyssenKrupp CSA and FIRJAN, the industry federation of Rio de Janeiro state, signed a cooperation agreement in April 2007 to train 1,500 employees. Training will be provided by the FIRJAN subsidiary Senai-RJ. The agreement is worth around ten million Brazilian reais (≈3.5 million) and is the biggest contract of this kind ever concluded between Senai and a private company. People from the vicinity of the plant will be given preference in the selection of participants for the training courses.

ThyssenKrupp CSA will also build a technical academy in the municipality of Itaguaí. Training courses will be tailored to the needs of the industries located in the region. Senai will also use this facility for its own courses, again tailored to the needs of the local economy.

## Sustainability and social responsibility

In the construction of the integrated steel mill, ThyssenKrupp CSA is meeting not only Brazilian environmental standards but also the more stringent European standards. The project was examined and approved by the local environmental authorities. Particularly sensitive topics, such as the conservation of a roughly 1.5 square kilometer mangrove forest in Sepetiba Bay and the dredging measures in the port terminal area, were discussed at length with various interest groups. At the same time, all necessary precautions were taken to minimize the environmental impact of the investment.

The production lines at ThyssenKrupp CSA will be equipped with the same monitoring and filtration systems utilized by ThyssenKrupp Steel at its Duisburg site. These systems are among the most advanced in the world and reduce pollution from steel production to an absolute minimum. ThyssenKrupp CSA will use process gases from the coke plant, blast furnace and BOF melt shop in its own power plant to generate electricity for the plant facilities, further reducing the impact on the environment. The power plant has a capacity of 490

megawatts, around 200 megawatts more than needed in the plant. This portion has already been sold to a power utility and will be available from 2011.

Based on an extensive analysis of the project's socioeconomic impact and in close dialogue with local communities, ThyssenKrupp CSA will invest more than ten million reais in projects to improve living conditions in the surrounding region. They will include the construction of a quay, a cold storage facility and a fish farm for local fishermen, along with literacy programs and occupational training measures in the surrounding communities. The local fire services will be fitted out with modern equipment by ThyssenKrupp CSA.

We are also contributing to the preservation of local biodiversity with a 200,000-tree program. 25,000 saplings of tree species from the Atlantic rainforest threatened by extinction are being planted on our plant site. A further 175,000 trees will grow in the Guandu river landscape park. This initiative is part of a project by the state of Rio de Janeiro.