

CORPORATE SOCIAL RESPONSIBILITY REPORT



UPDATED WITH 2020 DATA
NEW INFORMATION WILL
BE LISTED IN ORANGE.

2019



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At Big River Steel, we do things differently. We ignore the status quo. Our team members, customers, community and the environment deserve nothing less.

As the world's first Flex Mill®, Big River was designed to be an industry leader in all areas, including sustainability. And as we progress as a company and continue to expand our operations, we will always find additional ways to support our environment and our community while keeping our team members safe and making a profit. We invite you to browse this year's report to learn how we're taking active steps toward a better world in all these ways.

Big River is determined to go beyond expectations to prove to the world – and to ourselves – what a steel company is capable of achieving. That's what rebels do.

From our start in 2014 with a \$1.3 billion investment, Big River Steel has been relentless in the pursuit of excellence.

For us, that passion extends far beyond producing the highest quality steels in the industry. We are committed to operating Big River in ways that create deep and lasting relationships with the community and our team members, all while positively impacting the environment. From our community giving efforts, to supporting vocational training in the surrounding areas, to protecting the integrity of the land on our industrial campus as we complete our Phase Two expansion, our commitment has never been stronger.

The data included in this report illustrates the progress we've made towards our environmental, community and operational goals in the last five years. We look forward to improving these metrics in the years to come as our operations and team continue to grow and thrive.

**DAVID STICKLER**

Chief Executive Officer

**LENORE TRAMMELL**

Chief Administrative Officer

AT OUR CORE WE'RE A TECHNOLOGY COMPANY. WE JUST HAPPEN TO MAKE STEEL.

Big River Steel has always been about more than just building a steel mill. We've always had a visionary, entrepreneurial approach to the ever-changing American manufacturing industry. From our Flex Mill® equipment to artificial intelligence technology to our partnerships with academic research institutes, we're daring to be more than what you'd expect from a steel company. We will continue to reimagine what it means to be a steel company in the global marketplace.

BRAGGING POINTS



The world's first Flex Mill®, merging the wide product mix and superior grade capabilities of an integrated mill with the nimbleness and technological advancements of a mini mill.



The only steel production facility in the world to be LEED (Leadership in Energy and Environmental Design) certified.



Within three years of production, began construction on Phase Two expansion to meet the demands of the expanding steel market.

NOTABLE MILESTONES



DARING TO REIMAGINE WHAT IT MEANS TO BE A STEEL COMPANY

OUR JOINT VENTURE WITH U. S. STEEL

In 2019, we attracted a \$700 million investment from U. S. Steel to form a joint venture partnership between a 118 year old steel company and a 5 year old technology company that just happens to make steel. U. S. Steel now holds a 49.9% minority interest in Big River at an implied enterprise value of \$2.325 billion, prior to the expected completion of Phase Two expansion. The partnership is an opportunity to bring together the best of integrated steelmaking and mini mill steelmaking.

OWNERSHIP STRUCTURE

Our ownership includes a blend of industrial and financial investors with the shared objective of building a steel industry growth platform. Our owners include:



In December 2020, U.S. Steel announced their intent to acquire Big River Steel.

LEADERSHIP TEAM

Our sustainability initiatives are guided by several members of our Executive Committee, including:



SABY BANDYOPADHYAY
Chief Technology Officer



JIM BELL
Director of Construction
Member of Board of Directors



AMAR DE
Director of Product Technical Support



DENIS HENNESSY
Director of Product Development



TOMMIE KIFER
Operations Manager



ART LADER
Director of Health & Safety



KASANDRA LUTZKO
General Manager of Sales & Administration



CRISTINA RYAN
Chief Sourcing Officer



KEITH SHUTTLESWORTH
Chief Commercial Officer



LENORE TRAMMELL
Chief Administrative Officer /
Chief Compliance Officer

DOUBLING OUR COMMITMENT TO CUSTOMERS

In January 2019, we contracted a \$700 million Phase Two expansion project to double our Flex Mill®’s annual production capacity from 1.65 million tons to 3.3 million tons of flat-rolled steel. In November 2020, we completed the Phase Two expansion project ahead of schedule and under budget. The expansion allows us to produce even higher grades of electrical steel, for which demand continues to increase as the world focuses on energy efficiency and hybrid and electric vehicles.

The project was set on a 24-month schedule for completion, led by our Director of Construction, Jim Bell, who also managed the initial construction of our Osceola mill and serves on our Executive Committee. All was set for a smooth plan from beginning to end, but fast forward to just over halfway through the project and we were faced with an unexpected, unprecedented challenge: a pandemic.

Despite the complications and hurdles that the COVID-19 pandemic presented to the Phase Two expansion project, we managed to remain not only ahead of schedule but also under budget. While many businesses found themselves temporarily shutdown during the coronavirus outbreak, we were able to remain operational with order books full and the entire operations and construction teams working on site. Not only did this help keep the Phase Two expansion project moving, but it allowed us to continue providing high paying jobs during an economic downturn.

PHASE TWO ADDITIONS

Gas Cleaning Plant

Electric Arc Furnace

Ladle Metallurgical Furnace

Continuous Caster

Tunnel Furnace

Covered Automated Coil Yard

Hot Mill Downcoiler

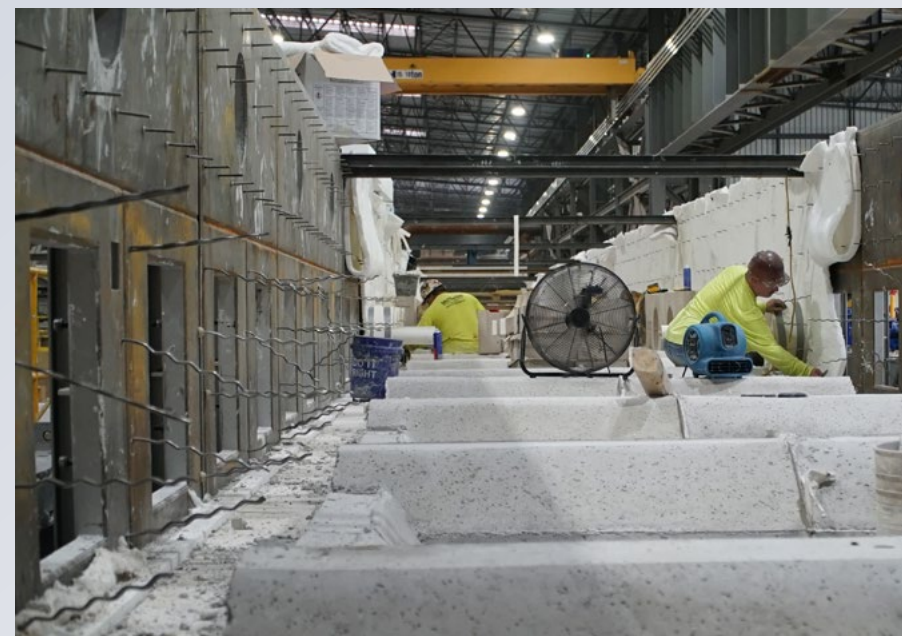


OUR COMMITMENT TO HEALTH & SAFETY

It was not “business as usual” at Big River Steel. To keep employees and contractors safe, Jim and his team implemented several precautions at the recommendation of the Centers for Disease Control and Prevention, including:

- Reworking construction schedules to ensure team members could maintain a distance of six feet from others
- Providing masks and hand sanitizer throughout the facility and construction site
- Prohibiting physical contact, such as hand shaking
- Reducing the maximum bus capacity to 20 people per bus for onsite transportation
- Pre-screening employees and checking temperatures prior to allowing individuals on site each day
- Implementing rigorous contact tracing

These precautions directly contributed to zero known COVID-19 cases at Big River from March to July. With an average of 580 employees and contractors on site each week, this is an accomplishment that we do not take lightly.



COORDINATING A GLOBAL PROJECT DURING A PANDEMIC

Besides the health risks that came with the pandemic, there was another major hurdle thrown at the 24-month construction plan: equipment delivery. During the pandemic, deliveries from other countries including China, Korea, Italy and Germany were significantly delayed. However, our experienced team was able to strategically divert from the original construction plan to keep the project moving. For example, pipe and electrical were installed before the mechanical components, an unusual but necessary adjustment that was made to keep the project on track.

CELEBRATING A SUCCESSFUL PHASE TWO COMPLETION

In November 2020, we produced our first coil using the new equipment installed during the Phase Two expansion. Jim Bell, Director of Construction, said, “I’ve been part of several construction projects in my career and this is one that was executed almost perfectly and during a pandemic, nonetheless. I’m incredibly proud of our team and contractors for helping us make this project not only a success but to also come out under budget and ahead of schedule.”

Big River Steel would like to thank the following partners for their contribution to the successful completion of Phase Two expansion:

- | | |
|--------------------------------|------------------------------------|
| ASSOCIATED BRIGHAM CONTRACTORS | LEXICON |
| AVALOTIS | MALOUF |
| BRACKEN | NORTH AMERICAN SUBSTATION SERVICES |
| BOWMAN | PRECISION |
| CACHE VALLEY ELECTRIC | RAZORBACK CONCRETE |
| D&L | SPEAKES ELECTRIC |
| DOZIER | SOUTHWEST ELECTRICAL |
| EUTAW | STRACENER BROTHERS |
| FIRELINE | STEEL SERVICE |
| GANT CONCRETE PUMPING | STEVENS |
| HALE CONSTRUCTION | SYSTEMS |
| HEMI | THOMPSON CONSTRUCTION |
| JT THORPE | |



For this report, we’ve used the standards set by the Global Reporting Initiative (GRI), an independent, international non-governmental organization. GRI is a universally accepted set of reporting standards that’s utilized across all industries. Their mission is to help organizations around the world publicly disclose their contributions towards sustainable development.

ACCORDING TO THE GRI

*The GRI Standards create a common language for organizations and stakeholders, with which the economic, environmental, and social impacts of organizations can be communicated and understood. The Standards are designed to enhance the global comparability and quality of information on these impacts, thereby enabling greater transparency and accountability of organizations.*¹

To begin, we defined our key stakeholders. For the purposes of this report, we consider stakeholders to be any person or group that has the potential to be significantly impacted by our products, services and activities. Additionally, stakeholders have the potential to impact our operations and pursuit of our goals.

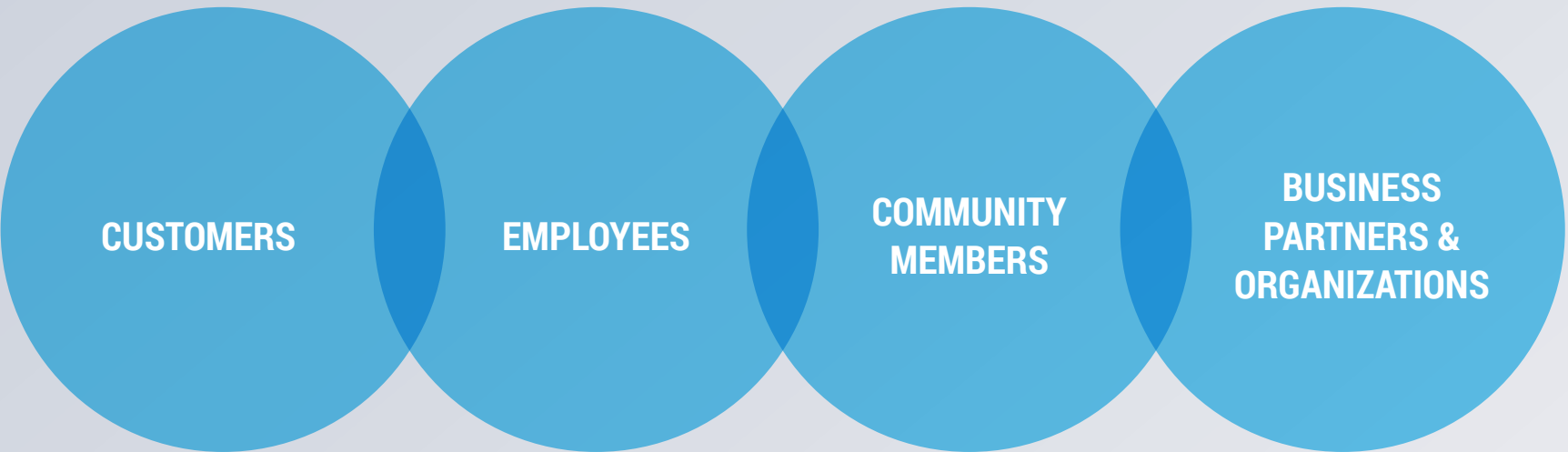
The GRI lists a wide range of potential initiatives that can be used in a company’s reporting. In order to be included in this report, the initiatives had to meet the following criteria:

- 1. The initiative is an important factor in demonstrating Big River Steel’s environmental, social and operational impacts.
- 2. The initiative must be relevant to Big River Steel’s overall mission as well as the interests of our stakeholders.
- 3. The initiative should have measurable, accurate data that supports its underlying assumptions, is consistent with the accompanying qualitative statements, and is comparable to that of other steel manufacturers.

WITH OUR STAKEHOLDERS AND GRI CRITERIA IN MIND, WE ARE REPORTING ON:

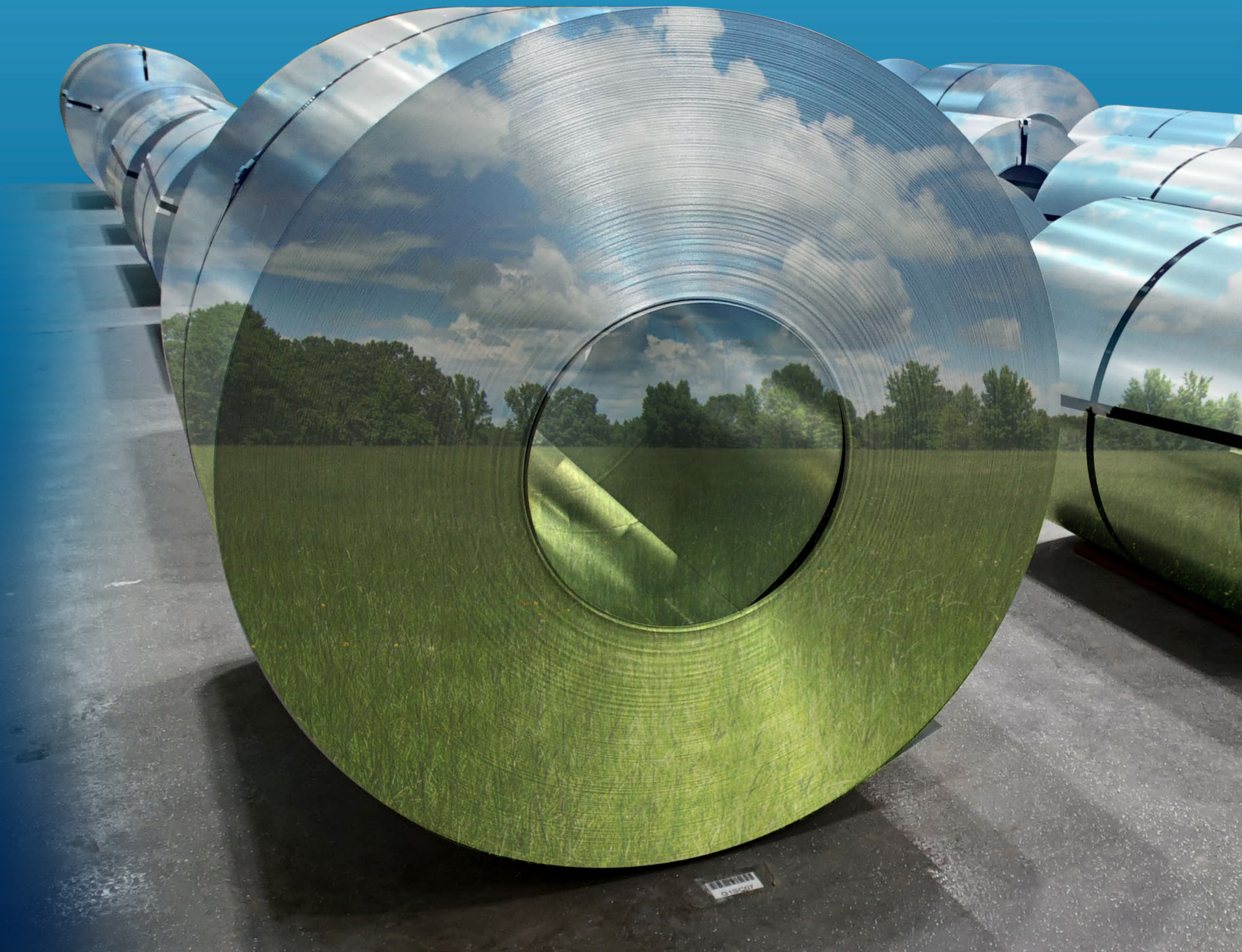
- ENVIRONMENTAL PERFORMANCE & STEWARDSHIP
- COMMUNITY STEWARDSHIP
- HUMAN RESOURCES
- SAFETY PERFORMANCE
- AWARDS
- CERTIFICATIONS
- FUTURE GOALS

OUR STAKEHOLDERS



1. Global Reporting Initiative www.globalreporting.org/standards/gri-standards-download-center/gri-101-foundation/

ENVIRONMENTAL STEWARDSHIP



WE HAVE A VISION FOR THE FUTURE

Steel production isn't known for being an environmentally friendly industry. We're diligently working to change that. From the beginning, Big River Steel was designed to be an environmentally conscientious company. As a brand new facility, we had the ability to utilize the latest in sustainability technology. Our buildings, equipment, production methods and consumption rates all strive to be models for environmental stewardship in the steel industry.

We conduct systematic reviews to ensure compliance with environmental policies and regulations. We have also adopted our own company-wide sustainability policies. In addition to meeting the standards that are mandated by the EPA, we have also met the more strict environmental standards of European regulatory agencies.

As the most recycled material in the U.S., steel's inherent recyclability is a major factor for LEED certification. According to the Steel Recycling Institute, steel is the most recycled material on the planet². And according to the American Iron and Steel Institute, more than 80 million tons of steel are recycled each year in North America.³

Developed by the U.S. Green Building Council, the Leadership in Energy and Environmental Design (LEED) certification is a globally recognized rating system that evaluates buildings that are designed, constructed, maintained, and operated with a focus on environmental sustainability and human health. In March of 2017, Big River Steel became the first LEED certified steel production facility in the United States.



STEEL is the most recycled material on the planet, more than all other materials combined.²



2. Steel Recycling Institute www.steelsustainability.org/recycling
3. American Iron and Steel Institute www.steel.org/~media/Files/AISI/Fact%20Sheets/50_Fun_Facts_About_Steel.pdf

A PIONEER OF THE STEEL INDUSTRY'S GREEN MOVEMENT



Our Electric Arc Furnace (EAF) uses a hydraulic power roof system, which reduces its heat loss to a fraction of traditional roof systems.



To conserve energy, our drives and motors idle at much lower speeds than those at traditional steel mills, which typically run nonstop at full horsepower.



We've implemented a comprehensive water recycling program, where cooling tower blowdown water is recycled into process water.



After processing in our energy-efficient wastewater treatment facility, the process water is then returned to the Mississippi River cleaner than it was before.



Overall, we use 30% less water and 18% less energy than other steel producers.

ENVIRONMENTAL PERFORMANCE

PRODUCTION	2017	2018	2019	2020
Total Liquid Steel Production (Metric Liquid Tons)	1,278,440 Liquid Steel Tons	1,550,789 Liquid Steel Tons	1,504,289 Liquid Steel Tons	1,634,409 Liquid Steel Tons
Recycled Scrap Used in Production	1,048,792.59 Tons	1,220,046 Tons	1,306,296 Tons	1,823,911 Tons
Total Electrical Consumption in Kilowatt Hours per Liquid Steel Ton Produced	654.53 Kwh per EAF Tap Ton	733.10 Kwh per EAF Tap Ton	692.31 Kwh per EAF Tap Ton	681.50 Kwh per EAF Tap Ton
Natural Gas Consumption	1,499,405 MMBTU	2,233,950 MMBTU	2,571,693 MMBTU	2,635,621 MMBTU
Total Greenhouse Gases Process Emissions (US EPA)	245,217 Metric Tons	312,792 Metric Tons	325,968 Metric Tons	350,311 Metric Tons
EAF & RH Degasser Steelmaking Annual CO2e Emissions (US EPA)	165,552.00 Metric Tons	194,615.00 Metric Tons	185,951.00 Metric Tons	210,321 Metric Tons
Total CO2e Emission Factor for EAF & RH Degasser (US EPA)	0.1295 Metric Tons of CO2 per Metric Ton of Feed or Production	0.12549 Metric Tons of CO2 per Metric Ton of Feed or Production	0.12361 Metric Tons of CO2 per Metric Ton of Feed or Production	0.12868 Metric Tons of CO2 per Metric Ton of Feed or Production
RECYCLING	2017	2018	2019	2020
Hazardous Waste / By-Products Recycled *	29,025 Tons	42,500 Tons	37,299 Tons	43,314 Tons
Hazardous Waste Sent to Landfills	74 Tons	264 Tons	100 Tons	368 Tons
Shredded Paper Recycled	1,680 Pounds	13,690 Pounds	62,935 Pounds	45,380 Pounds
Loose Cardboard Recycled	1,800 Pounds	1,340 Pounds	17,020 Pounds	17,620 Pounds
Baled Cardboard Recycled	N/A	11,100 Pounds	13,880 Pounds	14,840 Pounds
Plant Trash Sent to Landfill	1,617 Tons	1,739 Tons	1,860 Tons	2,670 Tons **
Wastewater Discharged to the Mississippi River	213,000,000 Gallons	199,058,263 Gallons	178,910,640 Gallons	179,015,221 Gallons

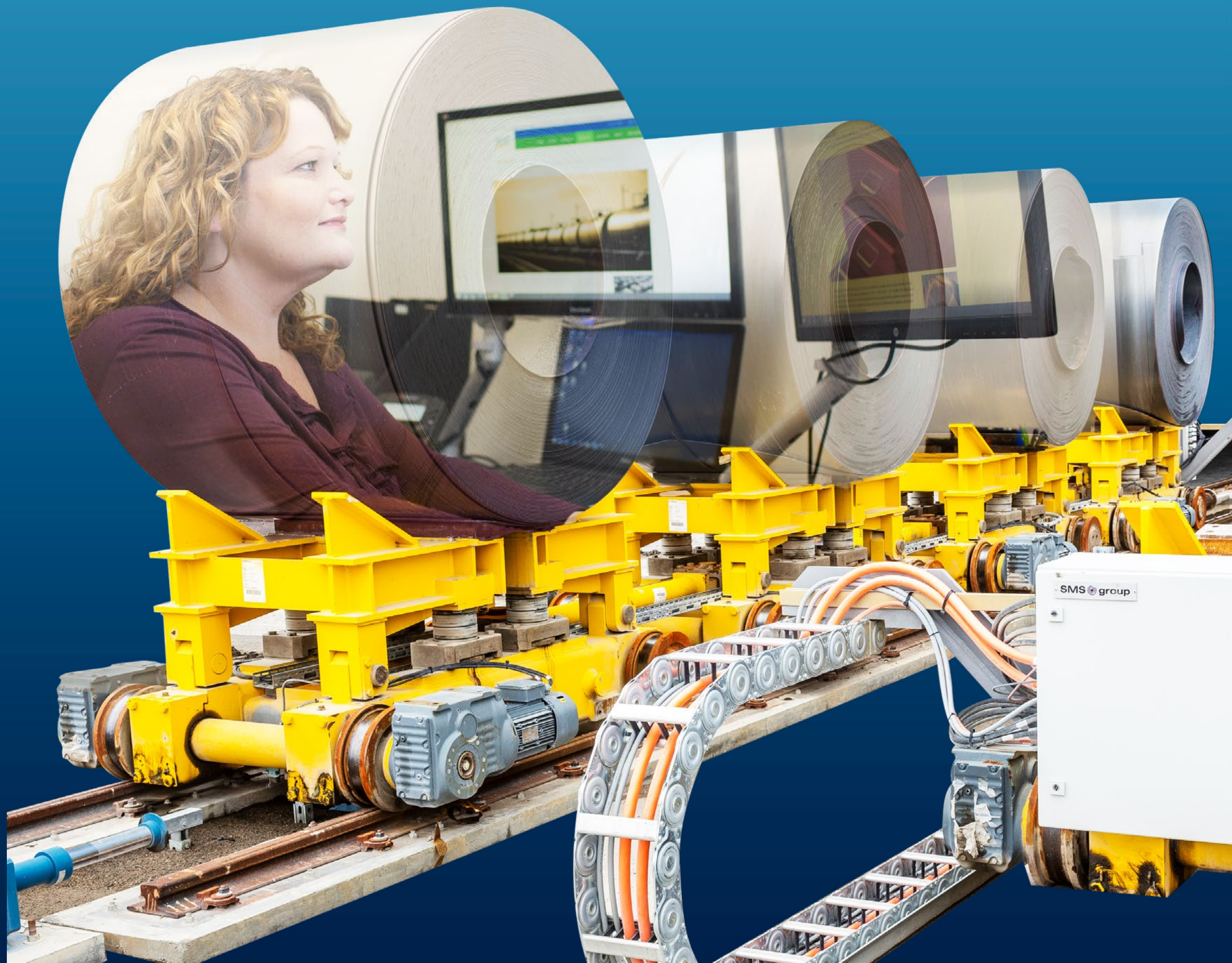
* EAF Dust & Ferrous Chloride combined

** Phase Two construction resulted in 906 extra Tons



- ENVIRONMENTAL:**
- 1,340,495 Square Feet of LEED Buildings
 - 660 Acres of Land Dedicated to “Green Space”
 - 30 Acres of Land Dedicated to Habitat Restoration
 - 1 Protected Historical Site
 - 2 RAISED GARDEN BEDS
 - 1 HONEY BEE HIVE RESCUE
 - 23 Acres of Wetlands Added
 - 9,000 Seedlings Planted
 - Issued industry’s first “Green Bonds”

COMMUNITY STEWARDSHIP



OPERATIONAL INITIATIVES

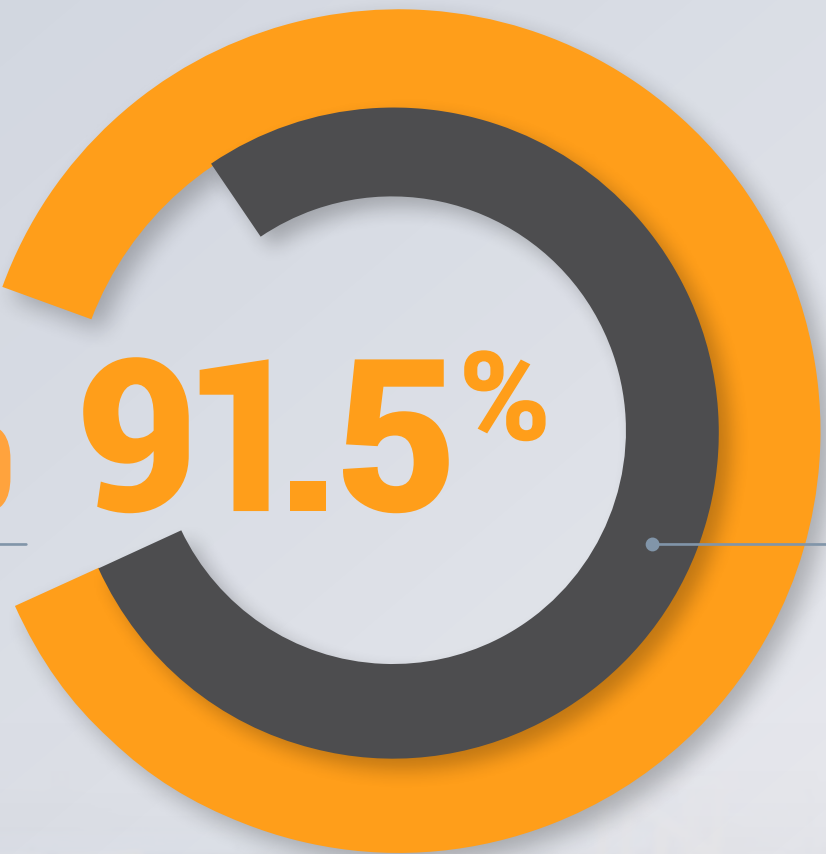
We care deeply about the people that surround us, and we’re committed to developing and retaining a diverse and empowered workforce. To that end, Big River Steel is dedicated to making sure that our people are treated, and treat each other, fairly and with respect.

The first policy we wrote at Big River was our Code of Conduct. We believe that our most important asset is our integrity, and our Code of Conduct provides the framework for how we operate as a company and with each other. Abiding by our Code of Conduct motivates all of us at Big River to maintain high standards of behavior at all times.

Big River Employee Retention Rates



2020

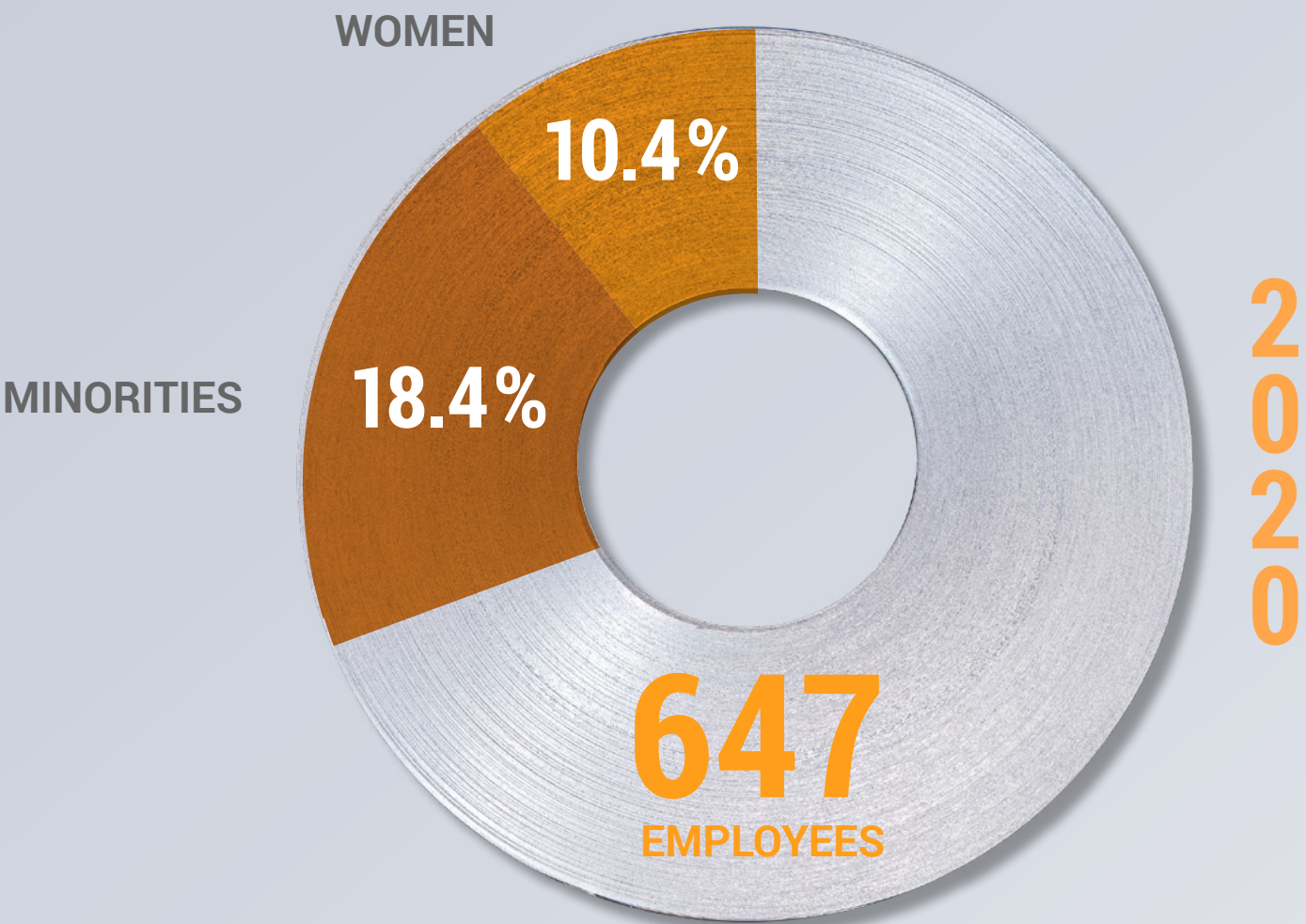


Durable Goods
Average Employee
Retention Rate **71.7%**⁴

4. Bureau of Labor Statistics
https://www.bls.gov/news.release/archives/jolts_03172020.pdf

OPERATIONAL INITIATIVES

WORKFORCE DEMOGRAPHICS

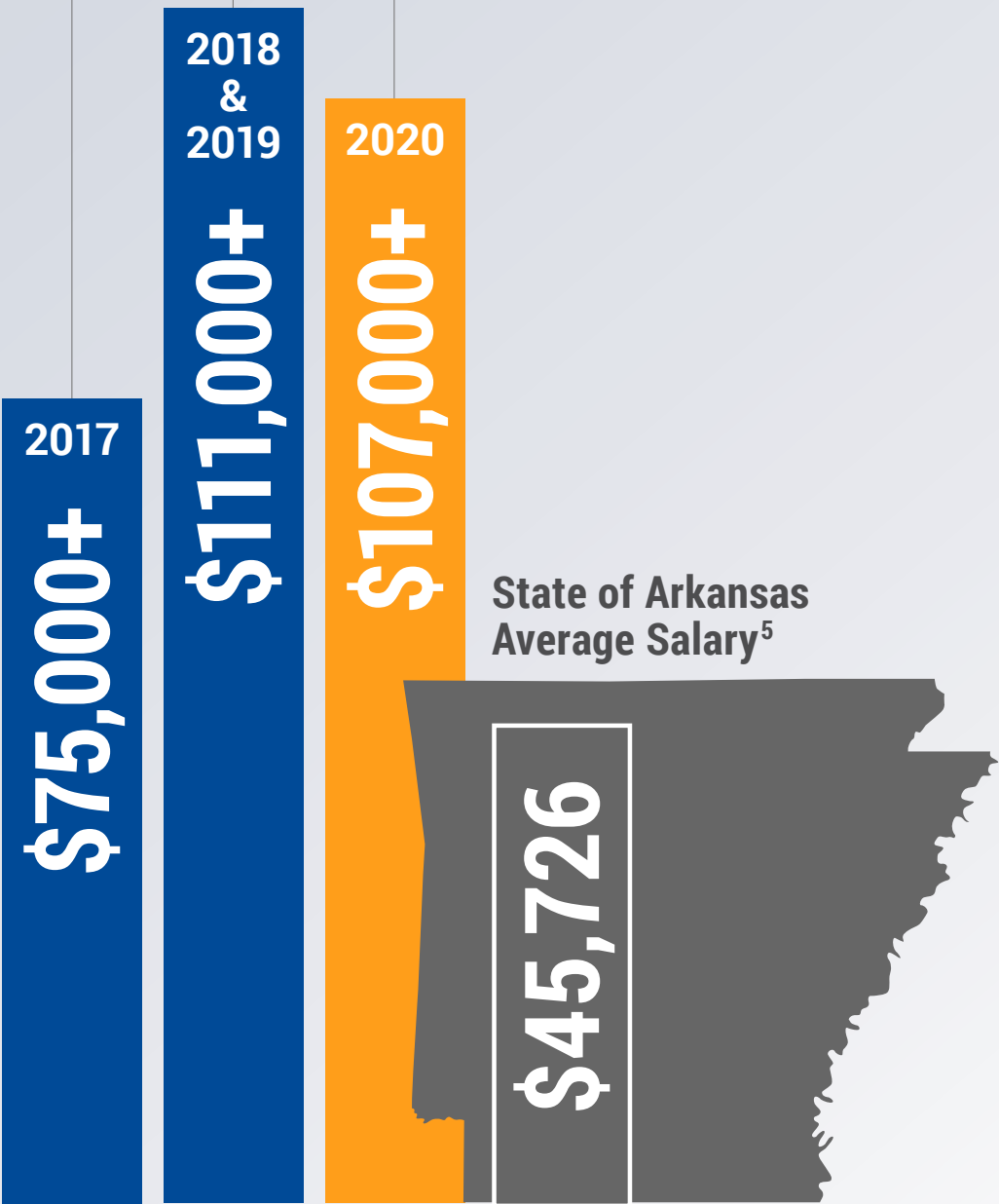


2017
Number of Employees: 479
Percentage of Women: 9%
Percentage of Minorities: 19%

2018
Number of Employees: 497
Percentage of Women: 9.4%
Percentage of Minorities: 16.7%

2019
Number of Employees: 556
Percentage of Women: 9.7%
Percentage of Minorities: 17.7%

Average Big River Salary plus benefits and production incentives



5. United States Census https://www.census.gov/search-results.html?q=arkansas+average+salary&page=1&stateGeo=none&searchtype=web&cssp=SERP&_charset=UTF-8

BIG RIVER STEEL GIVES BACK

We believe that a good relationship with our community facilitates good business. Since the city of Osceola and the greater Mississippi County area have been so instrumental in our success, we are dedicated to investing in our community both financially and with our time.

We have supported our community in the following engagements:

Angel Tree Program: Since 2017, our employees have taken part in the Osceola Junior Auxiliary Angel Tree program by helping to provide Christmas gifts for local children.

National Night Out: For three years, we have partnered with Osceola Police Department’s National Night Out, an annual campaign that promotes police and community partnerships and relationships.

City and County Youth Program: Since 2015, we have joined with the City and County Youth Program of Mississippi County to help provide backpacks and school supplies for local children at the beginning of the school year. In addition, as a part of this program, nutritional food for the weekends is sent home with children as the need arises.

Osceola Heritage Music Festival: We have been a supporter of the Osceola Heritage Music Festival for the last four years. The annual festival draws on Arkansas and Mississippi County’s rich musical heritage to highlight local performers while raising money to support music programs in the local elementary and high schools.

Girls in STEM: In July 2019, we partnered with the Museum of Discovery to provide a free, one-week workshop at Arkansas Northeastern College in Blytheville to introduce girls aged 12-15 to female STEM (Science, Technology, Engineering and Mathematics) professionals and STEM career responsibilities. The intent is to encourage young girls to pursue STEM education and become the future scientists, engineers and computer programmers of tomorrow.



TOP: GIVING THANKS BY GIVING MEALS | BOTTOM: ANGEL TREE PROGRAM

BIG RIVER GIVES BACK CONTINUED

Relay for Life: We participated in the city of Osceola’s 2019 Relay for Life. Through various fundraisers, Big River team members raised almost \$7,000 to benefit the American Cancer Society, more than any other participating team.

Disaster Response: When a tornado hit Tyronza, Arkansas in Mississippi County in October of 2019, we donated water, sleeve protectors, and safety glasses to first responders and volunteers during the cleanup of the area. In 2020, a tornado ripped through Jonesboro, Arkansas in neighboring Craighead County. Big River donated 20 pallets of water and 3 pallets of large plastic bags to the Jonesboro Police Department which were then distributed to multiple agencies throughout Craighead County to assist those affected by the tornado and first responders.

Pocket Garden and Park: We continue to assist in the maintenance of the Reggie Young Park established in 2019 in memory of award-winning musician Reggie Young, who was raised in Osceola.

Giving Tuesday: Since 2017, we have held a “Giving Tuesday” fundraiser the Tuesday after Thanksgiving to raise money for local charities. In 2019, our team members raised money for and donated food to Shift Family Outreach of Osceola, a program that provides meals to local families not only during the holidays, but also throughout the year. In 2020, our team members donated toys, bikes, and electronic devices to Shift Family Outreach, providing Christmas to local children.

Robotics Teams: In 2019, we donated funds to three Mississippi County middle schools’ robotics teams, promoting creative thinking, problem solving strategies, and an introduction to programming and STEM education.



TOP: DISASTER RESPONSE | BOTTOM: RELAY FOR LIFE

BIG RIVER GIVES BACK CONTINUED

Community Food Donation: At the beginning of the COVID-19 pandemic, Big River closed its on-site cafeteria to adhere to precautionary and safety mandates. We then donated all the food from our cafeteria to Shift Family Outreach, a local organization that provides meals to the homeless and families in need.

Earth Day: To celebrate and recognize the 50th anniversary of Earth Day, Big River donated 50 trees to the City of Osceola and over 900 seed packets to students at local schools.

United for a Clean Osceola: Big River and Big River Steel Cares, Inc., collaborated with the City of Osceola to organize a city-wide fall clean-up, “United for a Clean Osceola.” Over the course of two Saturdays in October, volunteers from Big River, the city, local businesses, churches, and the local high school gathered in their assigned areas to pick up trash and complete special clean-up projects.

Giving Thanks by Giving Meals: Big River Steel Cares, Inc., partnered with Walmart for “Giving Thanks by Giving Meals”. Volunteers from Big River, the city of Osceola, and local churches distributed 200 Thanksgiving meals to the residents of Osceola in less than an hour.



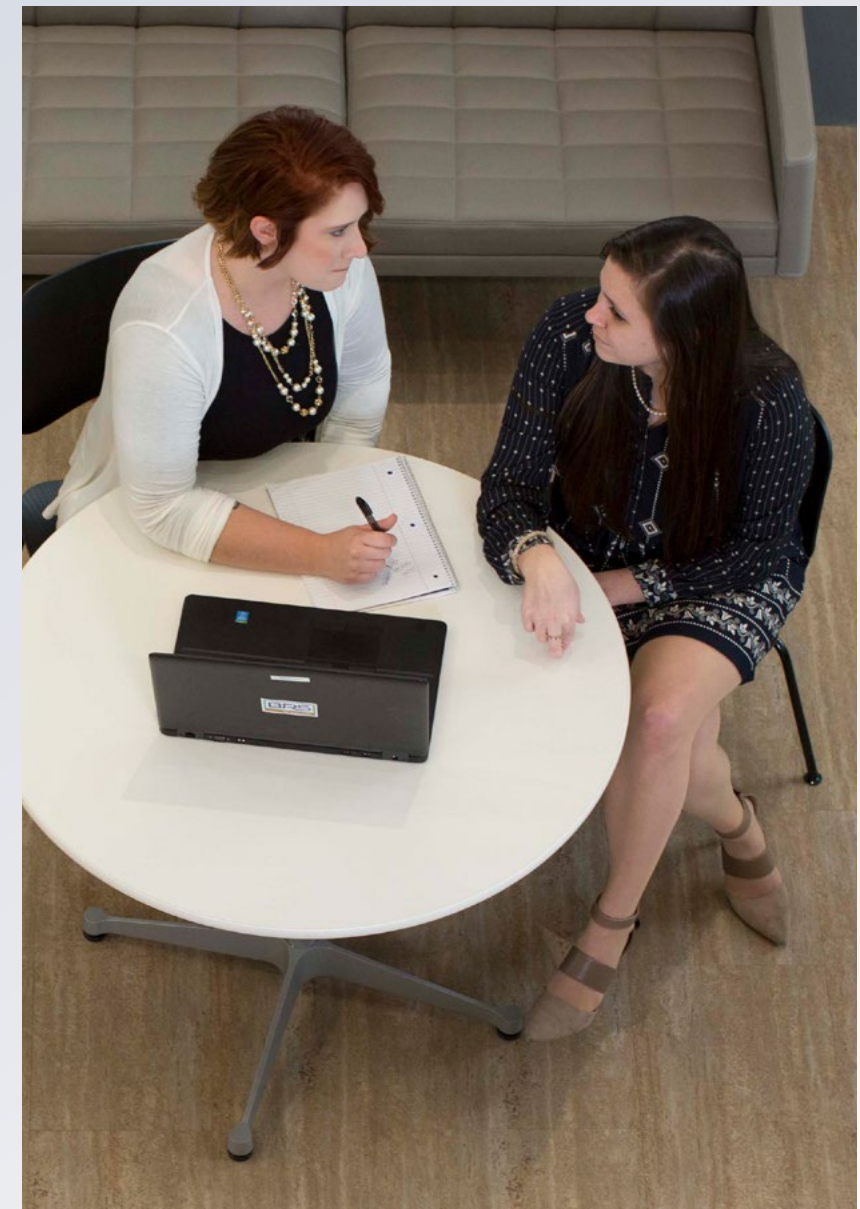
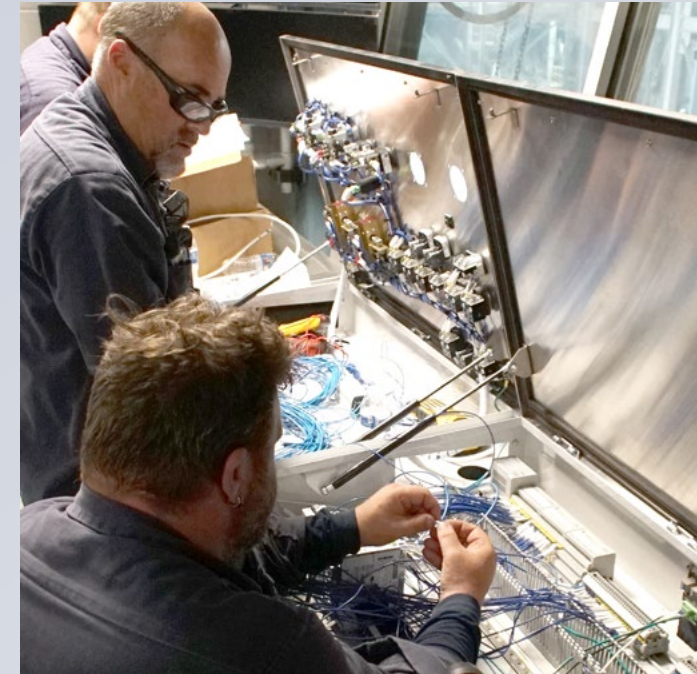
TOP: UNITED FOR A CLEAN OSCEOLA | BOTTOM: EARTH DAY

HUMAN RESOURCES PROGRAMS

We also believe in adding value to the surrounding community through education and training, including:

Internship Program: Created in 2017, our internship program gives students the chance to get out of the classroom and into the workplace. Interns in the program work with innovative ideas and technology while gaining an insider's view to a possible career path. College level participants have the opportunity to work on various projects in engineering, quality, electrical and mechanical maintenance and safety. We currently have interns from Arkansas State University, Arkansas Northeastern College, University of Memphis, University of Texas and the University of Alabama. Our high school internship program, which seeks out candidates from local high schools in Mississippi County, gives participants the opportunity to work in administrative departments such as accounting or shipping.

JAG Program: We are proud to participate in the Jobs for Arkansas Graduates (JAG) program at Osceola High School. JAG is committed to helping young people overcome barriers to graduation from high school and become college and career ready.



OPERATIONS

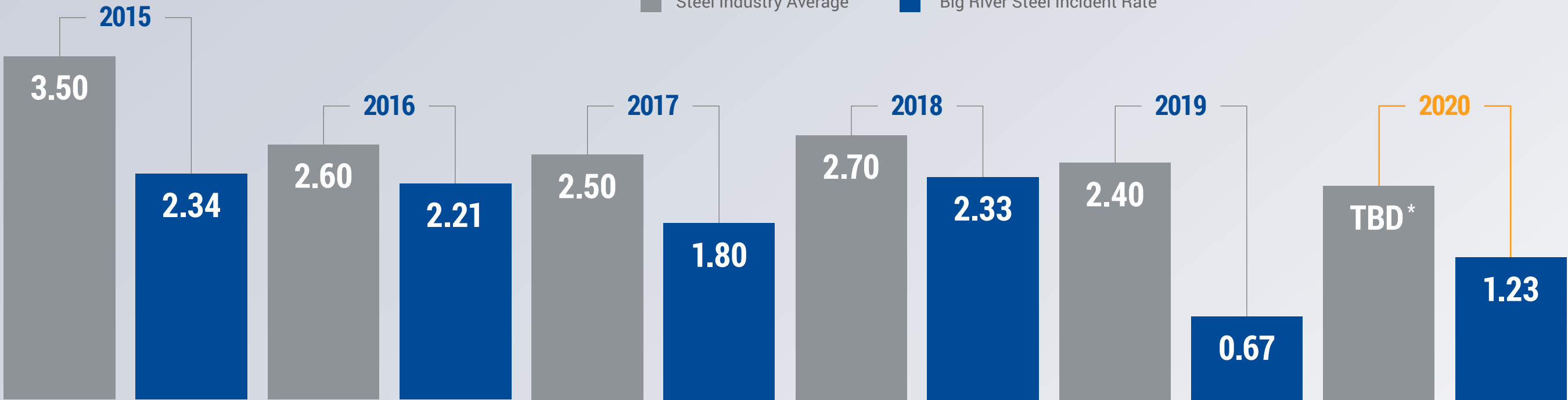


SAFETY PERFORMANCE

The health and safety of our employees is one of our core values. We believe that every workplace incident is preventable, so we're taking steps to ensure that all of our facilities are clean and safe for our team members and our guests.

EMPLOYEE HEALTH AND SAFETY INCIDENT DATA

INCIDENT RATE:



We have implemented a hazard recognition and reporting system to help avoid potential incidents. Our incident rate is far below the industry average, but we intend to continue to work towards our ultimate goal of Absolute Zero – zero employee health and safety events. To achieve that goal, we're continuously monitoring our procedures and processes, including being accountable for the safety of each other in our work environment.

LOST WORKDAY INCIDENT RATE:

2015	2016	2017	2018	2019	2020
1.00	0.70	0.60	0.70	0.60	TBD *
0.00	0.55	0.00	0.18	0.17	0.15

Steel Industry Average Big River Steel Incident Rate

* Data for 2020 will be updated in Q4 of 2021 when steel industry averages become available.

CERTIFICATIONS & AWARDS



ISO 14001:2015 CERTIFICATION



2019 ARKANSAS DEPARTMENT OF
ENVIRONMENTAL QUALITY ENERGY
EXCELLENCE (E²) AWARD FINALIST



2019 FASTMARKETS AMM AWARDS
FOR STEEL EXCELLENCE FINALIST



2019 S&P GLOBAL PLATTS GLOBAL
METALS AWARD FINALIST



2020 ARKANSAS BUSINESS
OF THE YEAR AWARD FINALIST



2020 THV11 KTHV LITTLE ROCK'S
ARKANSAN OF THE DAY

FUTURE GOALS

REDUCE OUR
WASTE BY



BY 2021

INCREASE OUR
RECYCLING BY



BY 2021

GROW NORTH AMERICAN
MARKET SHARE TO



THROUGH PHASE TWO
EXPANSION



a **U. S. Steel** company

WE HAVE A VISION FOR THE FUTURE

The data we've highlighted in this report demonstrates the progress we've made towards our environmental, community, human resources, and safety goals in 2019 and 2020. We will continue to showcase our efforts and progress towards making a positive impact on our community. If you have any input on how we can communicate our plans and impact, please contact us. For more information visit www.bigriversteel.com

