## TATA STEEL



**NEWS RELEASE** 

30 September 2024

End of an era with closure of Blast Furnace 4 but green steel project will ensure next generation of steelmaking

Today Tata Steel is ceasing operations at Blast Furnace 4 along with other associated iron and steelmaking assets at Port Talbot, the UK's largest steel plant, bringing an end to ironmaking at the site.

Many of the existing 'heavy end' assets —such as blast furnaces and coke ovens — in Tata Steel UK's Port Talbot works, had reached the end of their operational life. Sustaining the current configuration any longer, or further investment in the traditional heavy end, was not economically or environmentally viable.

Following the closures earlier this year of the deep-water harbour, Morfa Coke Ovens, Blast Furnace 5 and Continuous Caster 2, the planned iron and steelmaking asset closures are completed today with the cessation of the Sinter Plant, Blast Furnace 4 and primary steelmaking, along with some secondary steelmaking and energy systems.

However, steelmaking at the site will resume in 2027/2028 through the investment of £1.25 billion in Electric Arc Furnace based steelmaking, using UK-sourced scrap steel. Tata Steel's planned £750 million investment in low-CO<sub>2</sub> 'green' steelmaking will be augmented by the £500 million Grant Funding Agreement signed recently with the UK Government. Additionally, Tata Steel has started to share detailed drawings and virtual reality simulations of the new electric arc furnace with local communities, customers and the local planning department. The company also expects to announce the electric arc furnace equipment manufacturer in the coming weeks. Some of the secondary steelmaking assets and two remaining continuous casters are being retained for major investments in advance of the start of the electric arc furnace.

Sensitivity: general

Rajesh Nair, CEO of Tata Steel UK said: "I am deeply conscious how difficult today is for everyone associated with our business. Throughout this transition we are doing everything possible to minimise the impact on all those who are affected by the changes we are making.

"Today marks a significant event in the history of iron and steelmaking in the UK as the legacy steel making assets in Port Talbot close, having reached their end-of-life.

"It is important at this juncture, to pause, recognise and credit the huge contribution of the many thousands of people and the technologies that have sustained our industry and communities here for generations.

"At the same time, we know that Port Talbot has been a steel plant where industrial processes and new technologies have been introduced to enhance its output, often setting standards for other steelmakers. In that tradition, we are planning a brighter, greener future through our £1.25 billion investment in low CO<sub>2</sub> scrap-based steelmaking, that will sustain more than 5,000 jobs across the UK, and which will also give Tata Steel businesses across the UK a competitive market advantage.

"I also believe our ability to supply customers with the highest quality low CO<sub>2</sub> steels will provide a catalyst for others to co-invest in the South Wales region, and we look forward to future collaborations between business partners, academia, governments and communities that will secure that future."

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## Video:

A Virtual Reality simulation of the new electric arc furnace can be found here: (2) See Tata Steel UK's new Electric Arc Furnace! - YouTube

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