



NEWS RELEASE

18 February 2025

Neath Port Talbot Council approves plans for Electric Arc Furnace in Port Talbot

Neath Port Talbot Council's Planning Committee today approved Tata Steel UK's proposals to deliver state-of-the-art Electric Arc Furnace steelmaking in Port Talbot.

Rajesh Nair, CEO of Tata Steel UK, said: "We are very pleased to have secured approval to build sustainable steelmaking in Port Talbot. Amidst a challenging global market, this is a significant milestone for the project and we are committed to begin large-scale work on site this summer, ahead of the Electric Arc Furnace starting up from the end of 2027.

"This 1.25-billion-pound investment is the most significant investment made in the UK steel industry in decades. The facility will secure high-quality steel production, preserve thousands of jobs and safeguard steel making in Port Talbot for generations to come."

Supported by £500 million of UK Government funding, the investment will preserve 5,000 Tata Steel UK jobs and cut on-site CO_2 emissions by 90% compared to previous blast furnace-based steelmaking – equivalent to 1.5% of the UK's total direct CO_2 emissions.

Business and Trade Secretary Jonathan Reynolds said: "This is a major step forward in securing a bright, long-term future for steel in South Wales, following the improved deal for Port Talbot's transition we agreed with Tata Steel and the next phase of our Plan for Steel – unveiled last week.

"Today's news will provide security for Port Talbot's green steel transition and help give Welsh steelmaking the certainty it needs to drive growth and attract investment, as part of our Plan for Change."

Sensitivity: general

Tata Steel UK Limited 18 Grosvenor Place London, SW1X 7HS T: +44 (0) 20 7717 4444 www.tatasteeleurope.com The planning application sought permission to construct an Electric Arc Furnace, two new Ladle Metallurgy Furnaces for secondary steelmaking, and supporting infrastructure.

An Electric Arc Furnace uses electricity to melt predominantly scrap steel – of which there is an abundance in the UK – rather than requiring imported iron ore and coal. The site's ageing iron and steelmaking assets—which included the harbour, coke ovens, sinter plant and blast furnaces—were closed last year.

This is the latest major milestone Tata Steel has passed on its transition to green steelmaking. In December the company signed a deal with JCB ⁽¹⁾ for the supply of green steel, and last month, the company appointed Sir Robert McAlpine ⁽²⁾ as the project's mains works contractor. In October last year Tata Steel appointed the world-leading metals technology manufacturer Tenova to supply the new furnace ⁽³⁾.





Artist's impression of the extended steelplant in Port Talbot which will house the new Electric Arc Furnace and conveyor feeding scrap steel into the furnace.

Notes to editors:

1. Tata Steel and JCB sign green steel deal | Tata Steel UK

2. www.tatasteeluk.com/corporate/news/sir-robert-mcalpine-appointed-contractor-fordecarbonisation-of-port-talbot-steelworks#contractor

<u>3. www.tatasteeluk.com/corporate/news/tata-steel-signs-contract-for-green-steelmaking-technology</u>

For media enquiries please contact:

- Tim Rutter (tim.rutter@tatasteeleurope.com 07850 990755) or
- Abigail Thomas (Abigail.thomas@tatasteeleurope.com)
- Nick Jones (<u>nick.jones@turley.co.uk</u>) or
- Marley Bennett (<u>marley.bennett@turley.co.uk</u>)

Further details are available on the dedicated project website https://www.tatasteeleurope.com/green-steel-future/planning

About Tata Steel UK

- The Tata Steel Group has been named one of the most ethical companies in the world, and is among the top producing global steel companies with an annual crude steel capacity of 34 million tonnes.
- Tata Steel in the UK has the ambition to produce net-zero steel by 2045 at the latest, and to have reduced 30% of its CO₂ emissions by 2030.
- In October 2024, Tata Steel ceased ironmaking at its Port Talbot site and temporarily
 paused steelmaking pending the construction of a 3.2Mtpa Electric Arc Furnace, due to
 be commissioned late in 2027 / early 2028. For that period, the business will import slab
 and hot rolled coil to support manufacturing and distribution operations at sites across
 Wales, England and Northern Ireland as well as Norway, Sweden, France, Germany
 and UAE. It also benefits from a network of sales offices around the world.
- Throughout 2024 Tata Steel UK has been undergoing a restructuring that will reduce the size of its workforce to around 5000 direct employees, supplying high-quality steel products to demanding markets, including construction and infrastructure, automotive, packaging and engineering.
- Tata Steel Group is one of the world's most geographically-diversified steel producers, with operations and a commercial presence across the world.
- The group recorded a consolidated turnover of around US\$27.7 billion in the financial year ending March 31, 2024.

Follow us on social media





