

Manage, 26/11/2008

REACH: a priority for all entities belonging to the SIF(1) Group

Dear Sir/Madam,

We are writing in order to keep you informed of our commitment to "REACH". In effect, this European Regulation (EC No 1907/2006) concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals, which came into force on 1st June 2007, also concerns our entities.

What does REACH consist of?

The objective of REACH is to identify the hazardous properties of chemicals and the resultant risks for human health and the environment and to recommend measures for the management of these risks throughout the supply chain. It also concerns the manufacture, the placing on the market or the use in the European Union of all chemicals, either as such or in "preparations" or "articles" (as defined in the Regulation).

Consequently, any manufacturer or importer in the European Union of a chemical, either alone or in "preparations" or "articles", but in the latter case only if there is an intention to release, in quantities of one tonne or more per year, must, on pain of no longer being permitted to manufacture or import this substance, submit a registration dossier to the European Chemicals Agency (ECHA), unless exempted.

This registration stage will follow a pre-registration stage which began on 1st June 2008 and will run until the end of November 2008. If this first stage has not been completed within this period, the manufacturer or importer must register immediately or suspend manufacture or importation. Registration is a cumbersome procedure which can only be envisaged after thorough preparation of the dossier, so that in practice pre-registration is essential. It provides the necessary time whilst being able legally to continue one's activity.

Rest assured that we are doing everything possible to pre-register the substances contained in the products which we supply to you.

REACH is being incorporated in our management

Aware of what is at stake with this new Regulation, the Steel Invest & Finance Group (SIF), a joint venture between Duferco and NLMK, intends to incorporate the REACH objectives in its day-to-day management and particularly in its customer relations, especially through:

- the organisation of a steering committee responsible for guiding all the Group's companies in implementation of the Regulation;
- an inventory of all substances present in raw materials used in manufacturing, common utility consumables and our finished products;

- the preparation of pre-registrations and registrations of substances by the Group's legal entities for which REACH entails this obligation;
- monitoring of REACH compliance by our suppliers;
- relevant information to our clientele as regards the actions undertaken by SIF within the framework of REACH.

Information of interest to you

We shall inform you as soon as possible concerning the substances that will have been pre-registered by the Group's legal entities for the products that we supply to you.

We shall also communicate to you all information obtained from our suppliers as regards the substances used in our products.

With regard to substances of very high concern likely to be included in Annex XIV to the Regulation, to date we have not detected any in our products. If this was to occur in the future, we would do everything necessary to ensure substitution provided that this would not impair the quality of our products.

Finally, as required by REACH, our Group will sound out its clientele concerning exposure scenarios connected with the substances contained in our products according to their own uses or those of their "downstream users". Any information that you can provide in this respect is welcome.

We remain at your service for any questions that you may have. We invite you to send your answer to the present letter or any question to the following e-mail address:

steeltoreach-sif@duferco.be

You will find additional information on the web site www.dufercobelgium.com

Thanking you for your confidence, we remain,

Yours faithfully,

Commercial Director

Mauro Amadi

