



PRESS RELEASE

THE FERALPI GROUP & ITS CLIMATE STRATEGY

100 MILLION EURO FOR A LOW-IMPACT ENERGY MIX

*The investment is directed at the production of **renewable energy in Italy**.
The 5-year target: to install new **self-consumption capability to cover 20% of the Group's energy requirements in its production sites in Italy**.*

PRODUCTION ABOVE PRE-COVID LEVELS 2021 PROGRESSING POSITIVELY

- **Steel output (tonnes): +7% in the first 8 months compared with 2019**
- **Revenue (Consolidated Feralpi Holding): +56.9% H1 2021 vs H1 2020**

*Lonato del Garda (BS), 7 October 2021 – **The Group will be investing in the next five years to produce renewable energy**. For the Feralpi Group, the resulting reduction in environmental impact will allow the business to develop via a **greener energy mix**.*

The 5-year target is to achieve more than 100 megawatts of installed power for self-consumption, to **cover 20% of the Group's energy requirements in its production sites in Italy**. The investment will be to the **order of 100 million euro**.

Thanks to the new investment, the Feralpi Group is set to reduce its **CO₂ emissions by approximately 85,000 tonnes a year on completion of the project**.

The investment will also have a positive economic impact thanks to electricity costs which are competitive with respect to market values, and is part of the Group's ESG (Environment, Social, Governance) strategy to incorporate carbon neutrality in its development approach. One of the Feralpi Group's aims is to contribute to ecological transition by focusing on clean energy and applying energy-efficient solutions, along with continuing to develop circular economy models in line with the EU 2030 and 2050 targets.

*"Energy is a strategic resource for our business", states **Giuseppe Pasini, chairman of the Feralpi Group**. "And the objectives in our development plan also include a desire to proactively contribute to the decarbonisation of industrial processes and energy transition. This means focusing more on clean energy. The investment not only supports this aim but also ethically combines the three ESG aspects. The environment first of all, because we want to produce green energy and use it. The social element, because we'll be creating value in the community as investments will be made in Italy. And last but not least, we'll be having a positive economic impact on the Group thanks to reduced energy costs. Furthermore, such an important, strategic investment will also impact the governance of the Group itself."*



Technical Graduate Program - tackling the skills challenge

This investment will be in addition to those already earmarked for the 2021-2026 period, which exceed 300 million euro for strategic initiatives targeting technological excellence.

The acceleration requires new skills sufficiently advanced to steer the change. Feralpi has set up, in Italy, a **Technical Graduate Program** for young technicians to tackle the skills challenge, which aims to develop specialist expertise to fill roles in technical departments, both at an operational and Group level. This defined, structured initiative will be able to be replicated, and involves recruiting young engineers to implement technological development in the coming years. The project is part of the Feralpi Group Technical Excellence pathway, and is under the Group's Technical Management Team who coordinate the company's technical and technological skillset.

Production (8 months 2021 vs 8 months 2019)

The Feralpi Group closed **the first eight months of the year with steel production higher than pre-Covid levels**. Growth was actually 7% compared with the same period in 2019, reaching 1.73 million tonnes.

Financial results (H1 2021 vs H1 2020)

In the first six months of 2021, revenue (Consolidated: Feralpi Holding) increased by 56.9% compared with the same period in 2020, reaching 879 million euro.

Investing in downstream integration with cold working processes on steel for use in infrastructure and large development projects has further strengthened Feralpi in its **core business focusing on construction steels**. In the first eight months of the year, Presider (company specialising in pre-processing steel produced by the Group's steelworks) increased its sales volumes by 27.4% compared with the first eight months of 2019, the year prior to Covid. Unifer, a Group subsidiary, recorded a 22.4% growth in sales in the first eight months of the year compared to the same period in 2019.

Performance also improved for the **special steels business unit**, thanks to industrial synergy between Acciaierie di Calvisano and Caleotto, with increases in sales volumes of 22.1% and 49.6% respectively (compared with the first eight months of 2019).

*"From 2019 until now – so remarks **Giuseppe Pasini** - steel manufacturing has experienced an economic cycle that would have taken more than 10 years in the past. Managing these extremely rapid phases requires companies to be highly organised. The Feralpi Group has coped with volatile markets thanks to a solid financial and industrial structure which, organised by business unit, has made it possible to manage each market vertically, to meet the requirements of the construction market and the engineering industry".*



The Feralpi Group

The Feralpi Group is one of the leading steel producers in Europe (€1.24 bn turnover, with over 1700 direct employees) and specializes in the production of steels for both construction and special applications. From the parent company Feralpi Siderurgica, founded in 1968 in Lonato del Garda (Brescia), a path of growth has given rise to an international, diversified and verticalized Group upstream and downstream of the production and marketing chain. The Feralpi Group is one of the leaders on the national and European markets in the production of reinforcing steel in bars, smooth and ribbed wire rod, rebar, drawn wire and welded mesh.

Feralpi's mission is not only to produce the best construction steels, but to do so in the most sustainable way possible, i.e., by reducing consumption and emissions using the best technologies available thanks to extensive in-house innovation and research activities

www.feralpigroup.com



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