Re Alloys

Going Green Strategy

September 2021

RE ALLOYS IS A MAJOR FERROSILICON PRODUCER WITH A CRITICAL ROLE TO PLAY IN EUROPEAN ECONOMY DECARBONISATION

Key facts about Re Alloys:

- the only ferrosilicon producer in Poland and 3rd largest in Europe;
- producing ferrosilicon since 1920s;
- ferrosilicon is a critical component for steel production, improving its essential properties (strength, ductility, and fatigue or corrosion resistance);
- almost 100% of sales intended for export to European customers;
- since ferrosilicon production is energy intensive, Re Alloys is placed to play a major role in the decarbonisation of the European economy;
- active energy market participant holding an electrical power trading license, member of the PPX (Polish Power Exchange);
- 100% owned by Luma Holding-a privately held group of companies.

Broad scope of market applications of ferrosilicon:

- Electric steel
- Stainless steel
- Structural steel
- Cast iron

Selected sectors using steel and, thus, ferrosilicon:

- Construction
- Mechanical engineering
- Heavy industry
- Automotive
- Transport
- Consumer goods

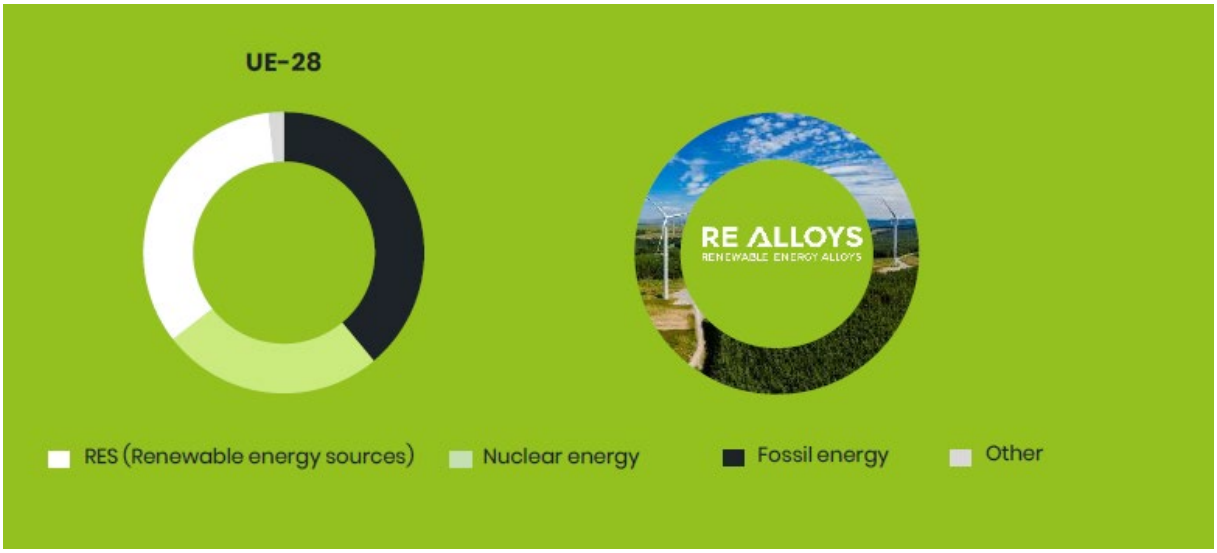
RE ALLOYS HAS LONG-LASTING BUSINESS RELATIONSHIPS IN ENTIRE EUROPE

- Offering highest quality products brings long-term business relations with the most demanding customers;
- Business collaboration with several customers dating back to the beginning of the last century;
- Collaborating with many customers in the development of new and enhanced ferrous alloys needed for the production of high-quality special steels.

COMMITMENT TO TRUE ESG VALUES REQUIRES A HOLISTIC APPROACH…

Our holistic approach:

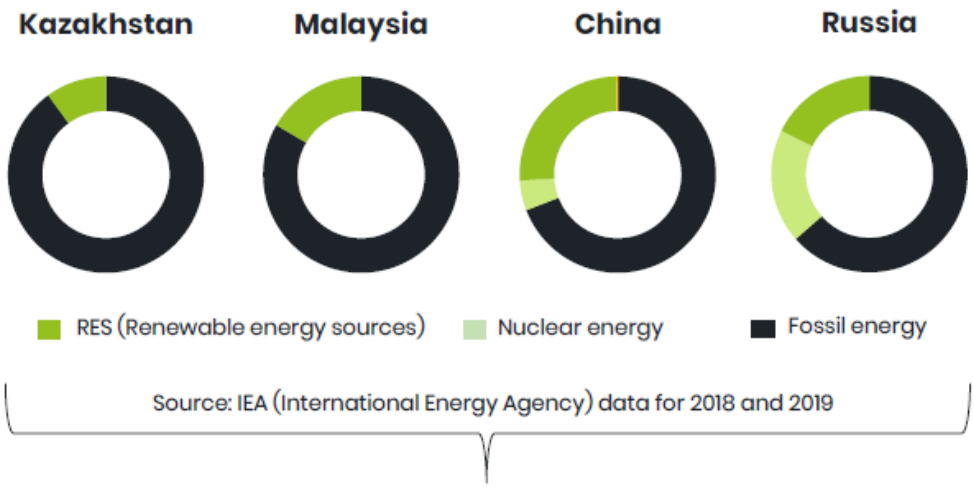
- Supporting Poland and the EU in achieving the carbon footprint reduction goal;
- Protecting high quality jobs in the Silesia region exposed to adverse effects of the Green Transformation;
- Balancing local government tax income and maintaining high quality of public services.



Source: Report from the Commission 2019 Annual Report on CO2 Emissions from Maritime Transport

...THAT PREVENTS CARBON LEAKAGE

Energy type used in the countries of the biggest silicon producers



13%

greenhouse gas emissions in the EU caused by maritime transport

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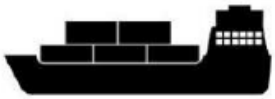

>138 mt/year of CO_2

CO_2 emissions generated by maritime transport

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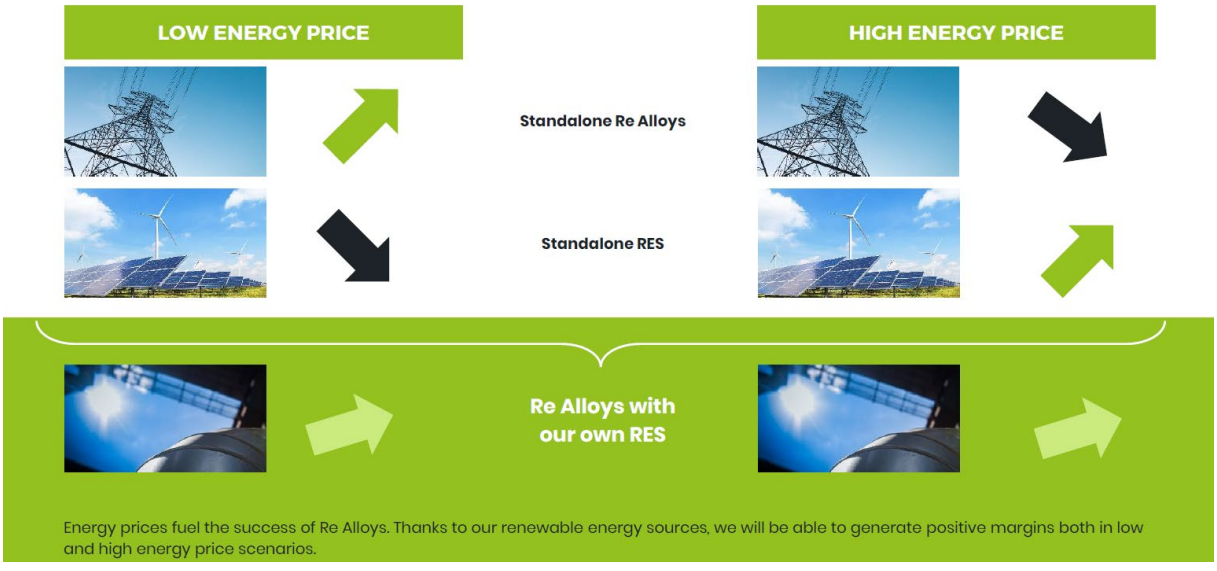
IMPORT OF CO_2 TO EUROPE

SUSTAINABLE BUSINESS MODEL REGARDLESS OF ENERGY PRICE FLUCTUATIONS



RE ALLOYS STRATEGIC GOING-GREEN OBJECTIVES

Environmental objectives:

For the Wind Farm:

- reducing carbon footprint by about 523 000 tonnes CO2 yearly;
- reducing about 405 tonnes of SO2 emissions;
- reducing about 375 tonnes of NOx emissions.

For the Steam Unit:

- reducing carbon footprint by ca. 189 000 tonnes CO2 yearly;
- reducing about 146 tonnes of SO2 emissions;
- reducing about 3136 tonnes of NOx emissions.

For the PSE grid connection:

- reducing carbon footprint by ca. 26 000 tonnes CO2 yearly;
- reducing about 21 tonnes of SO2 emissions;
- reducing about 20 tonnes of NOx emissions.
- unburden of local distribution networks.

Social and governance objectives:

- preserving quality workplaces in the region exposed to adverse effects of the Urban Green Transformation;
- safeguarding the quality of public services in the region threatened by side-effects of the Urban Green Transformation.