

Press Release

**AFV BELTRAME GROUP INVESTS IN GREEN ENERGY
INCORPORATION OF SOCIETÀ IDROELETTRICHE RIUNITE S.P.A. NOW COMPLETE****Vicenza-based steel group becomes owner of 12 plants between Veneto and Piedmont**

Vicenza, January 30, 2024 – AFV Beltrame Group, a leading European steel group, announces the incorporation of Idroelettriche Riunite S.p.A., a company operating in renewable energy production for more than a century. With this transaction, the Vicenza-based group marks another step on the investment path for the development of its decarbonization plan, launched in 2022, concretely responding to the Sustainable Development Goals of the UN 2030 Agenda.

Raffaele Ruella, Managing Director of AFV Beltrame Group, explains, *"AFV Beltrame Group's goal of pushing the accelerator in the area of sustainability is a broad project that sees us engaged on several fronts. It certainly starts with having state-of-the-art, efficient plants with controlled emissions, while at the same time paying great attention to the energy needs of the processes. Thus, with the acquisition and incorporation of Idroelettriche Riunite, we reinforce the rigorous strategy of reducing CO2 emissions that we have structured through the procurement of energy from renewable sources. This will enable us to achieve remote self-consumption and significantly reduce Scope 2 emissions while also allowing us to be increasingly competitive in the market. The acquisition of Idroelettriche Riunite is also fully in line with the strategy set out in our decarbonization plan, one which we are strongly committed to. It is important to consider that the energy produced by the 12 hydroelectric power plants will not be sold in the market for speculative purposes but rather will be consumed at our own group's production sites. To achieve this, it was necessary to work and build appropriate contracts with traders and suppliers in self-consumption at a distance. These contracts will make it possible not only to reduce supply costs but also stabilize costs for production sites; given what has happened in recent years with the explosion of energy prices we believe this is a very important point."*

There are 12 hydroelectric plants owned and operated as of January 2024 and are located at 10 sites in northern Italy, between Piedmont and Veneto, namely: Carturo (PD), Collicello (VI), Valstagna (VI), Colzè (VI), Debba (VI), Agrasina (VB), Cipata (VB), Montecretese (VB), Nuova Ceretti (VB), and Pontetto (VB).

These are small and large-scale power plants with an average production of 160 GWh/year of renewable energy, accounting for 30 percent of the Italian plants' energy needs and leading to a reduction of about 36,000 tons of carbon dioxide released into the atmosphere.

Gianmaria Zanni, Group Energy Manager, states, *"This project adds to our energy efficiency plans and will certainly lead to business enhancement with further developments as well. It is also worth mentioning, however, other important initiatives that we are pursuing. The first concerns all direct investments in the photovoltaic sector at sites we own (Veneto and Piedmont), in which case we are working hard on the projects and related authorizations. The second, with plants already in operation, is the signing of long-term green power PPA (Power Purchase Agreement) contracts. The final initiative, but no less important, is AFV Beltrame's membership in the*

Renewability Consortium which, thanks to the plants located in Lazio, Abruzzo, and Sicily, will produce 14 GWh that will in turn be self-consumed remotely at our production sites."

AFV Beltrame Group

Founded in 1896, AFV Beltrame Group is currently one of the largest producers of merchant and specialty rolled steels in Europe. The group has four electric-furnace steel mills and twelve rolling mills, counting 7 plants in Italy, France, Switzerland and Romania, with a total of nearly 3,000 employees, more than 2 million tons of steel sold each year, and commercial activities in more than 40 countries.

Its presence in the European market has grown over time thanks to a constant policy of acquisitions, which since the 1990s has led both to a consolidation of its leadership in merchant bars and special profiles and to diversification into other businesses. This is complemented by a commercial presence in all European markets and the Mediterranean basin through investee companies, agents and direct sales forces.

Info for media

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