

PRESS RELEASE

FOR IMMEDIATE RELEASE

10 November 2020

LIBERTY Steel launches major carbon neutral project in Czech Republic

- **Sanjeev Gupta, Executive Chairman of LIBERTY Steel Group launches tender for Ostrava's new hybrid furnaces**
- **The project is the first of its kind in Europe and is aimed at achieving Ostrava's carbon neutrality by 2030**
- **New furnaces will transform the plant's steel-making operations, reducing dust emissions by 60% and carbon emissions by more than 50%**

At LIBERTY Ostrava today Sanjeev Gupta, the Executive Chairman of LIBERTY Steel Group, has launched the public tender process for LIBERTY Ostrava's new hybrid furnaces. This is a major step in Ostrava's journey of transformation towards new low carbon technologies in line with LIBERTY Steel Group's overall target to become carbon neutral by 2030.

The tender process is part of LIBERTY Ostrava's ambitious investment plan to transform its steel-making operations through the use of two hybrid furnaces, the first of their kind in Europe. The modern hybrid technology will have a significantly lower environmental footprint, reducing particulate emissions by 60% by 2023 due to a new dedusting plant. Once the 400kV electricity line is installed by 2025, carbon emissions will be reduced by 50% as the furnaces will be able to use 70% scrap. Full carbon neutrality will be achieved once the plant has transitioned to using 100% scrap or captures and recycles the CO₂ from its primary units while offsetting residual carbon produced through GFG's peat restoration project at JAHAMA Highland Estates in Scotland.

The two hybrid furnaces will replace the plant's existing four tandem furnaces by 2023. The new hybrid steel-making technology will allow the business to; use higher volumes of abundant local steel scrap, reducing its reliance on imported coal and iron ore; produce significantly lower CO₂ emissions; and have greater flexibility to respond to changing market situations, by enabling it to switch between or blend coal based blast furnace and scrap based electric arc furnace produced steel.

Sanjeev Gupta, Executive Chairman of LIBERTY Steel Group, part of sustainable industry leader GFG Alliance, said: "This is an important step forward for the LIBERTY Ostrava transformation and for LIBERTY Steel Group's ambitions to be carbon neutral by 2030. These new furnaces will reduce the carbon emissions from the plant by half once combined with the new high voltage power line, which

LIBERTY Steel Group

40 Grosvenor Place
London, SW1X 7GG United Kingdom

www.libertysteelgroup.com

we expect to be installed by 2025, which means we will be well on the way to produce carbon neutral GREENSTEEL at LIBERTY Ostrava.”

Vaclav Habura, COO of LIBERTY Ostrava, commented: “When I joined Ostrava steelworks in 1985, I was told that the plant’s existing tandem furnaces were not competitive and should be changed as quickly as possible. LIBERTY has managed to do more to achieve this ambition within the last year, than the business has done in its previous thirty-five. This is a great day and the start of an exciting journey towards the commercial and environmental sustainability of LIBERTY Ostrava and the wider Czech steel industry.”

LIBERTY Steel Group plans to invest a total of EUR 750 million in the development of its Ostrava steelworks over the course of the next ten years. In addition to the modernization of the steel shop the transformation will also include an extensive modernization of the steel rolling mills, which will improve the quality of steel and expand the product portfolio with high added value products.

Further information from:

Barbora Černá Dvořáková Head of Communications LIBERTY Ostrava	+420 606 774 346	barbora.cerna-dvorakova@libertysteelgroup.com
Paddy Toyne-Sewell Head of Communications - Europe GFG Alliance	+44 (0) 7767 498 195	Patrick.toyne-sewell@gfgalliance.com

Note to the editors:

GFG Alliance is a collection of global businesses and investments owned by Sanjeev Gupta and his family. The Alliance is structured into three core industrial pillars; LIBERTY Steel Group, ALVANCE Aluminium Group and SIMEC Energy Group, independent of each other yet united through shared values and a purpose to create a sustainable future for industry and society. GFG Alliance employs 35,000 people, across 10 countries and has revenues of USD \$20bn. GFG Alliance is a leader in sustainable industry with a mission to become Carbon Neutral by 2030 (CN30).

LIBERTY Ostrava is an integrated steel business with an annual production capacity of approximately 3.6 million tonnes per annum serving construction, machinery and oil & gas industries. The company is a domestic leader in the manufacture of road barriers and tubes. In addition to the Czech market, it supplies its products to more than 40 countries around the world. Together with its subsidiaries in Ostrava, the company has 6,000 employees. The company manufactures its products with a minimum possible environmental footprint.

www.libertyostrava.cz

www.libertysteelgroup.com

www.gfgalliance.com