

## Press release

### **Klöckner & Co expands its cooperation with GMH Gruppe and purchases high-grade CO<sub>2</sub>-reduced quality steel**

- Both companies to increase the availability of high-grade CO<sub>2</sub>-reduced quality steel
- First 25 tonnes of CO<sub>2</sub>-reduced quality steel delivered to Kloeckner Metals Netherlands
- Cooperation helps customers establish sustainable value chains and achieve climate targets

**Duisburg/Georgsmarienhütte (Germany), June 22, 2023** – Klöckner & Co and Georgsmarienhütte GmbH, a subsidiary of GMH Gruppe, are expanding their cooperation. In the future, Georgsmarienhütte GmbH will provide Klöckner & Co with high-grade CO<sub>2</sub>-reduced quality steel that the company will then sell in the 'Plus' category under its Nexigen® umbrella brand. An initial delivery from Georgsmarienhütte GmbH comprised 25 tonnes of CO<sub>2</sub>-reduced quality steel, which was sent to Kloeckner Metals Netherlands, a subsidiary of Klöckner & Co.

Bernhard Weiß, member of the Management Board and CEO Europe of Klöckner & Co SE: *“Our cooperation with Georgsmarienhütte GmbH allows us to expand our range of green products under our Nexigen® umbrella brand. This enables us to significantly increase the availability of green steel for our customers. In this way, we are able to ensure that our customers can more easily establish a reliable and at the same time sustainable value chain in the future.”*

Marc-Oliver Arnold, Member of the Management Board of Georgsmarienhütte GmbH: *“Our cooperation with Klöckner & Co is yet another milestone on our path to meeting the immense demand for green steel. Through our commitment to sustainability, we are making it possible to better reconcile climate protection with economic efficiency. At the same time, by providing companies with green steel, we are helping them achieve their own climate targets.”*

Going forward, Klöckner & Co and Georgsmarienhütte GmbH want to make greater volumes of CO<sub>2</sub>-reduced steel available to customers. This steel is what is referred to as “quality steel” – it is characterized by its high level of resistance and is mainly used in the automotive industry and the field of mechanical engineering. Klöckner & Co's Dutch subsidiary, Kloeckner Metals Netherlands, will primarily be responsible for processing the delivered volumes of steel.

#### **Klöckner & Co bundles CO<sub>2</sub>-reduced products under its Nexigen® brand**

With Nexigen®, Klöckner & Co has developed its own categories for transparent, CO<sub>2</sub>-reduced solutions in the areas of materials, processing and logistics. In this way, the company is making it easier for its customers to reliably procure green steel and metal products, and offers them complete transparency in terms of their carbon footprint. At the same time, the independently certified Nexigen® PCF Algorithm is used to calculate the individual product carbon footprint (PCF) of nearly every one of Klöckner's roughly 200,000 products.

**Georgsmarienhütte GmbH recycles metal scrap to produce green steel**

Georgsmarienhütte GmbH recycles steel scrap with the help of an electric arc furnace at their electric steel plant in Georgsmarienhütte. Compared to the standard blast furnace method, the electric steel plant generates five times fewer carbon emissions. The use of renewable energy (green power) drastically reduces emissions even further. Moreover, Georgsmarienhütte GmbH can offer their customers the option to use biochar during steel production in order to reduce these values by an additional 25 percent (Green Power Premium).

**About GMH Gruppe**

GMH Gruppe is a full-service provider of steel as a feed material, recycled steel melted down from scrap, all the way to ready-to-assemble components. It is one of the largest privately managed metalworking groups in Europe. The group is comprised of 20 medium-sized companies in the steel, forging, and casting industries with locations in more than 50 countries. With around 6,000 employees, GMH Gruppe generated annual sales of around EUR 2 billion in 2021.

GMH Gruppe is a pioneer in sustainable steel production and has been accepted into the Association of Climate Protection Companies. The company recycles metal scrap to produce green steel, thereby making an important contribution to the circular economy. The use of electric arc furnaces at four locations reduces carbon emissions fivefold compared to the use of traditional blast furnaces. This in turn reduces the carbon footprint of customers who purchase their steel from GMH.

These include international companies from the automotive sector; the fields of mechanical and plant engineering, railway technology, energy production, and transport logistics; as well as the aerospace, agricultural and construction equipment industries.

GMH Gruppe has set itself the goal of becoming completely climate-neutral by 2039.

**About Georgsmarienhütte GmbH**

Georgsmarienhütte GmbH, located in Georgsmarienhütte in Lower Saxony, is a leading European supplier of as-cast steel, steel bars, and bright steel made from high-grade structural and stainless steels. They also manufacture processed and ready-to-use components. Today, Georgsmarienhütte is already one of the most environmentally friendly steel companies in Germany. With their comparatively low-CO<sub>2</sub> value chain, in which scrap is melted in an electric arc furnace and recycled to make new steel, they make an important contribution to the circular economy and are a pioneer in sustainable steel production. In addition to the automotive sector and its suppliers, Georgsmarienhütte mainly serves customers in the fields of mechanical and plant engineering and in the energy industry. Steel from Georgsmarienhütte is used wherever loads are the greatest, force is generated or transferred, and safe, wear-resistant operation is required. More information is available at [www.gmh.de](http://www.gmh.de).

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[h.neumann@bmb-consult.com](mailto:h.neumann@bmb-consult.com)**About Klöckner & Co:**

Klöckner & Co is one of the largest producer-independent distributors of steel and metal products and one of the leading steel service companies worldwide. Based on its distribution and service network of around 150 sites in 13 countries, Klöckner & Co supplies more than 90,000 customers. Currently, the Group has around 7,200 employees. Klöckner & Co had sales of some €9.4 billion in fiscal year 2022. With the expansion of its portfolio of CO<sub>2</sub>-reduced materials, services and logistics options under the new Nexigen® umbrella brand, the company is underscoring its role as a pioneer of a sustainable steel industry. At the same time, Klöckner & Co leads the way in the steel industry's digital transformation and has set itself the target of digitalizing and largely automating its supply and service chain. In this way, the Company aims to develop into the leading one-stop shop for steel, other materials, equipment and processing services in Europe and the Americas.

The shares of Klöckner & Co SE are admitted to trading on the regulated market segment (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) with further post-admission obligations (Prime Standard). Klöckner & Co shares are listed in the SDAX® index of Deutsche Börse.

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