



Decarbonisation of the SIJ Group

Slavko Kanalec, Chief Production, Technology and Investment Officer

January, 2024

AGENDA

- 1. About SIJ Group**
2. Decarbonisation: achievements and future plan
3. Innovative CCU solution – Innovation Fund



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CIRCULAR
ECONOMY



SIJ Group effectively utilizes strategic location, own scrap collection network and wide distribution network to maintain leading market presence in key markets.

SIJ locations with key data Vertically integrated group, which comprises five divisions with 35 companies worldwide

SIJ Acroni, Slovenia



Stainless steel production plant

Location: Jesenice, Slovenia

Select products:

- stainless plates **SINOXX**
- special steel **SIDUR** **SIMAXX** **SIMOLD**
- electrical steel **SIWATT**
- structural plates **SIQUAL**

SIJ Metal Ravne, Slovenia

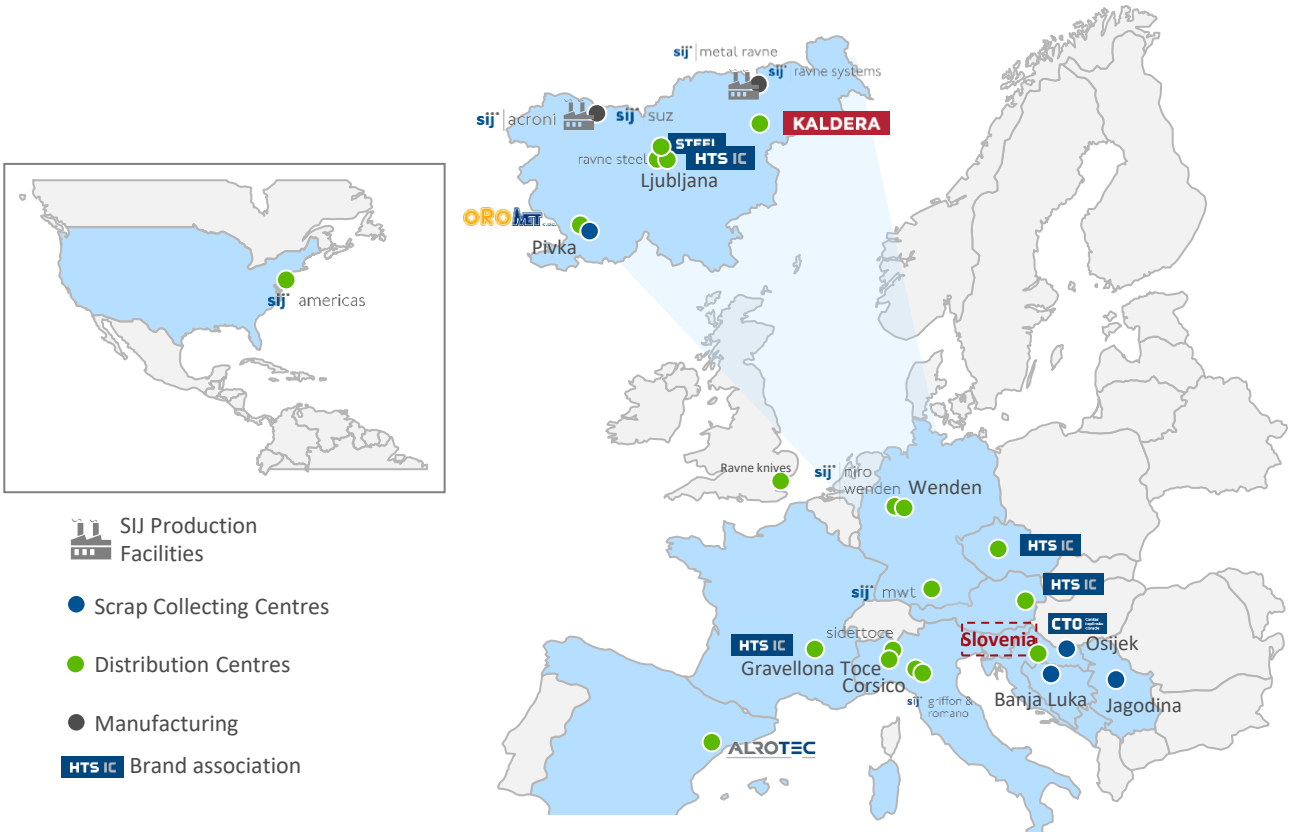


Tool steel and special steel production plant

Location: Ravne na Koroškem, Slovenia

Select products:

- plastic moulding steel **SIMOLD**
- cold work tool steel **SIHARD**
- hot work tool steel **SITHERM**
- stainless steel **SINOXX**
- alloyed construction steels **SIQUAL**



Strategic location

SIJ leverages its strategic location close to the main European manufacturing centres to maintain its competitive advantage and leading market presence

Scrap collection

The scrap collection sites are situated strategically in

- Slovenia
- Croatia
- BIH
- Serbia

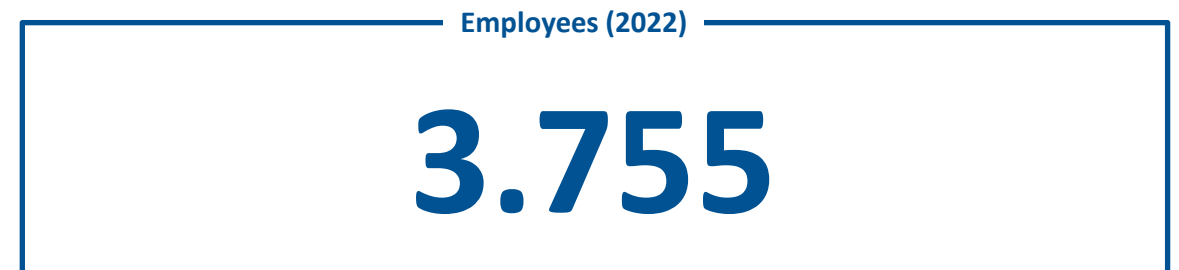
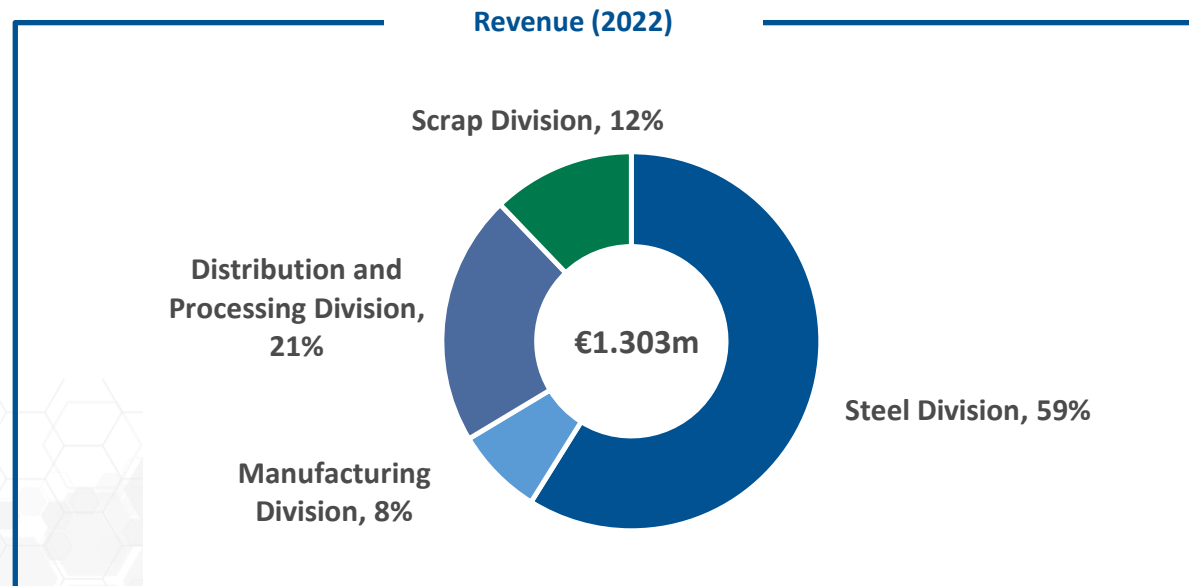
to benefit from low scrap sourcing costs

Distribution: Direct access to the customer base

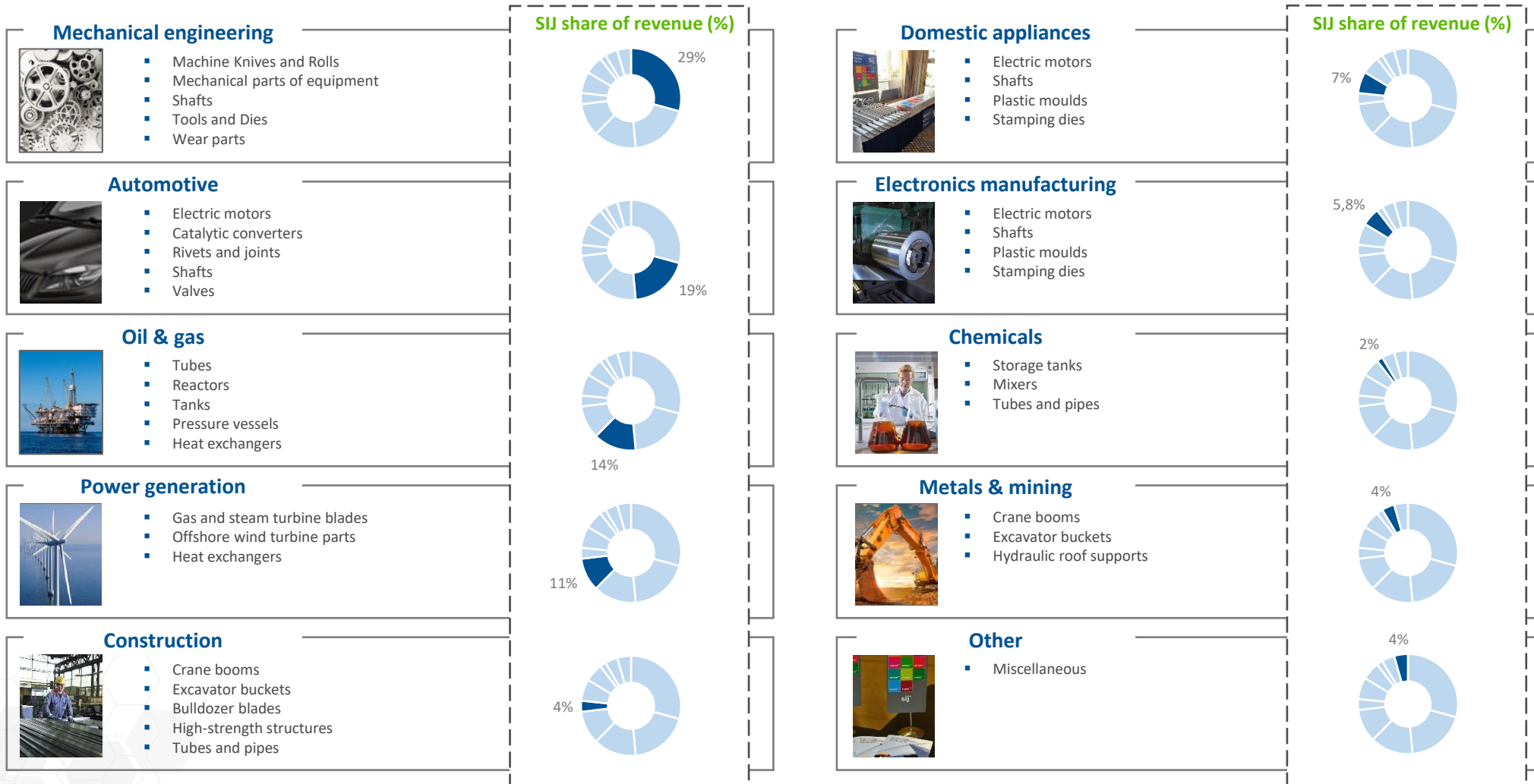
- Physical distribution centres in Slovenia, Italy, Germany and the US
- Own sales offices in Italy and Germany

Source: Company information

SIJ Group Divisions overview



SIJ group serves multiple attractive end markets...



AGENDA

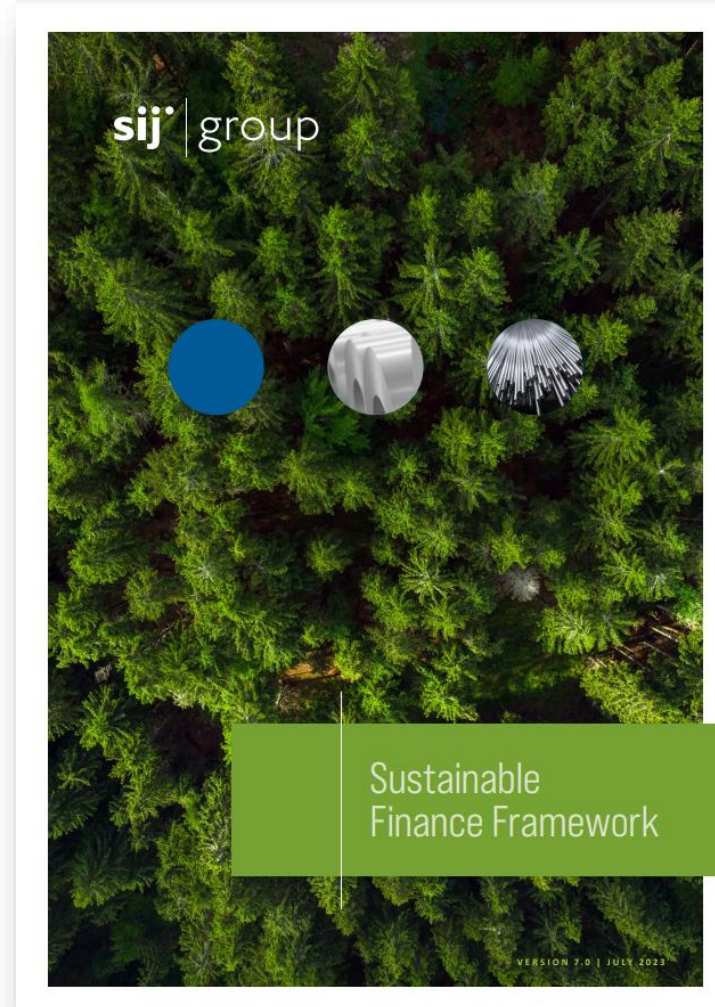
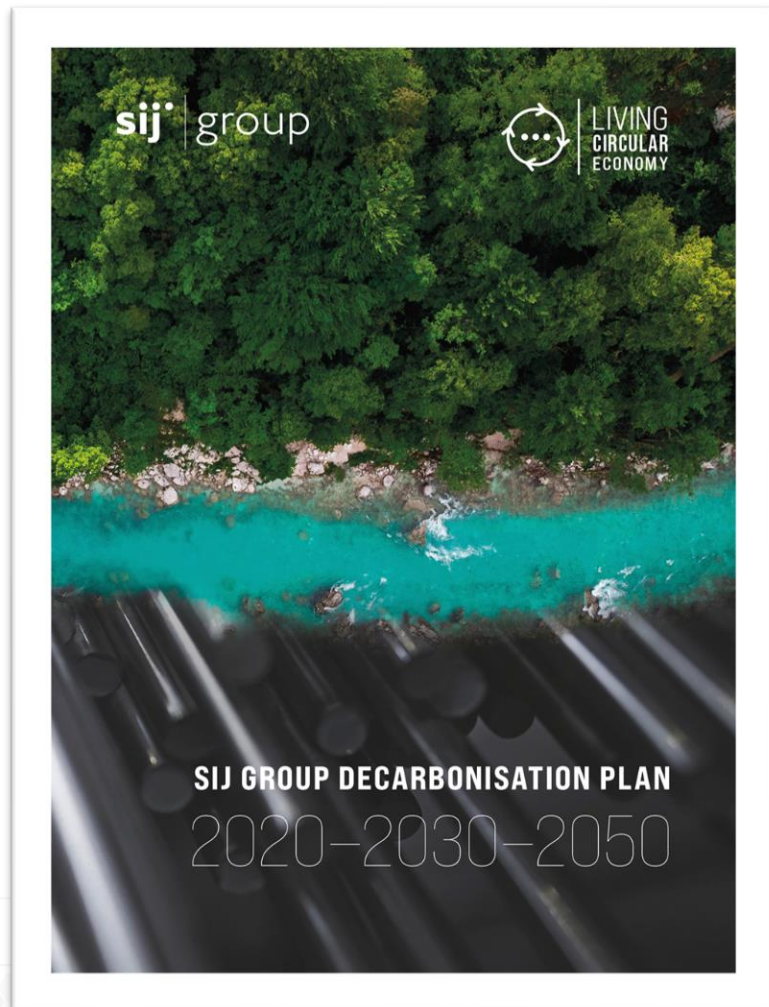
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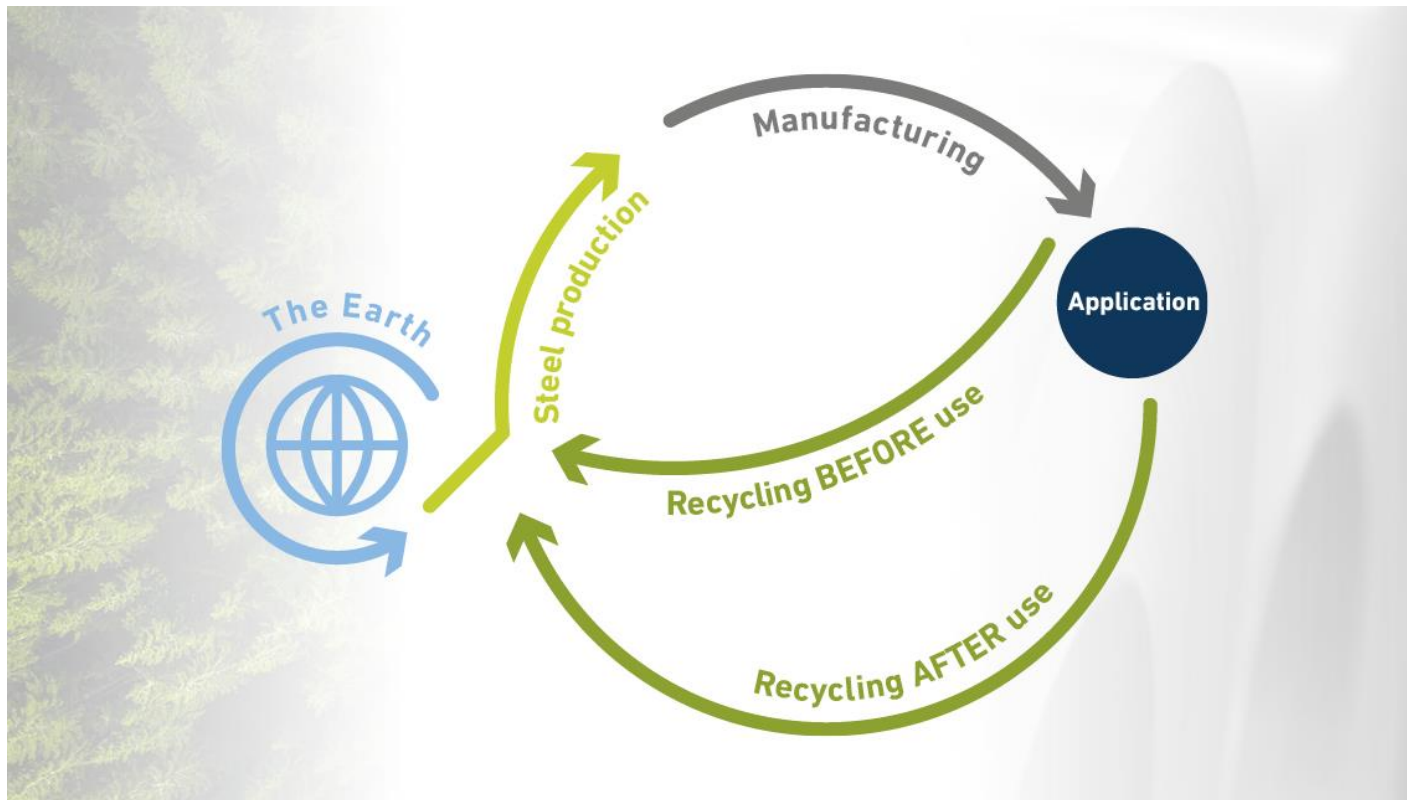
Commitments to SIJ Group's Sustainable Operations



TARGET #1: CO₂ emissions
By 2030, compared to 2020, the SIJ Group's specific CO₂ emissions will be reduced by 51%.

TARGET #2: Health and safety at work
The key companies of the SIJ Group in Slovenia will meet the requirements of the ISO 45001 occupational health and safety standard.

We are living circular economy



The SIJ Group uses **steel scrap** as the basic raw material for steel production.

The vertical integration of the SIJ Group enables us to establish well-thought-out material flow cycles and operate according to the principles of the **circular economy**.

CO₂ EMISSIONS: achievements – technologies and emissions by base 2020

With transition of steel plants from blast furnaces to production from steel scrap SIJ Group achieved a level of CO₂ emissions 30 years ago that is now considered as a benchmark for our industry.

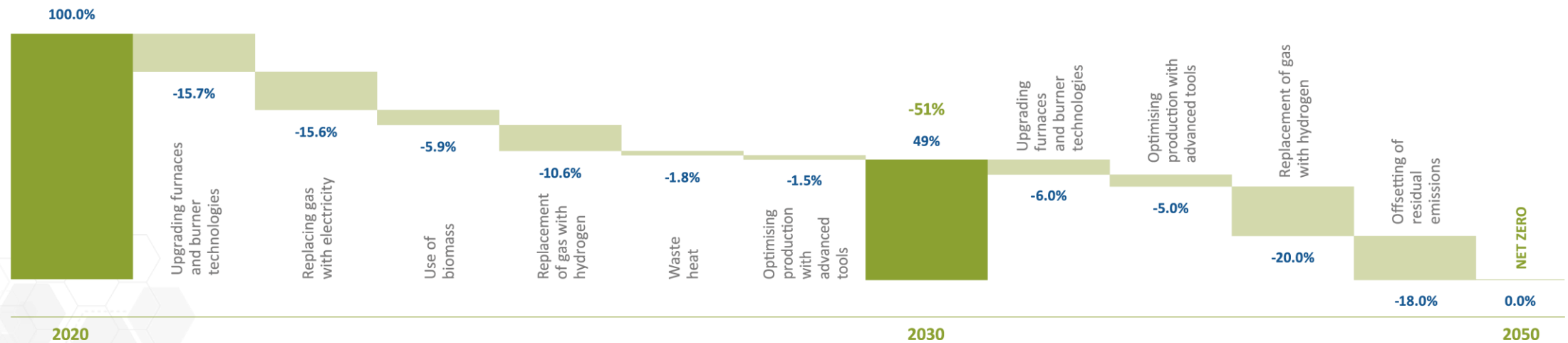
Update milestones and reduction of CO₂ intensity of the SIJ Group



CO₂ emissions reduction 2020 - 2030

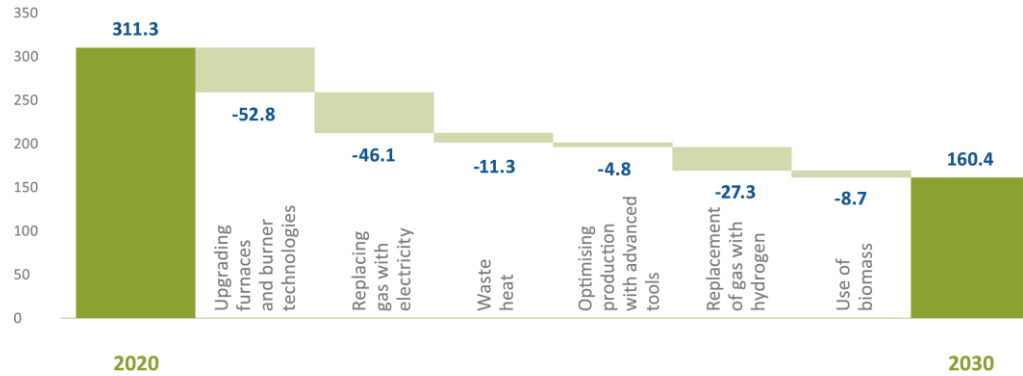


Reduction of CO₂ Intensity of the SIJ Group, Scope 1 (in percent)

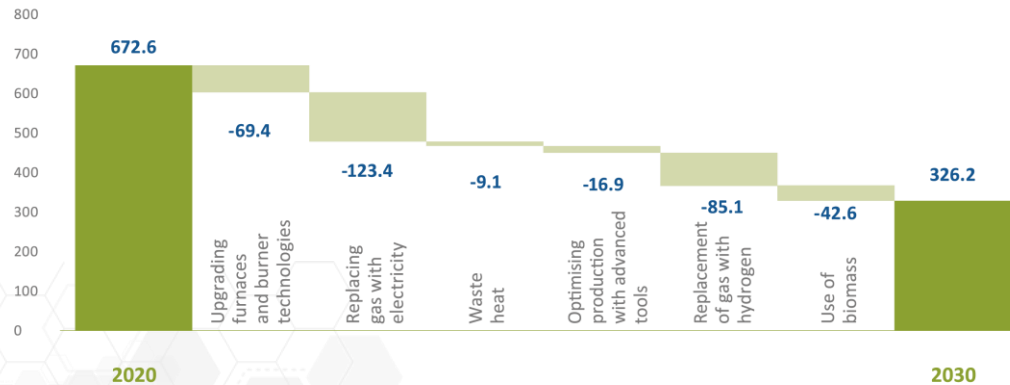


Scope 1: Reduction of emissions from operations

Reduction of CO₂ intensity of the company SIJ Acroni (kg CO₂/t crude steel)



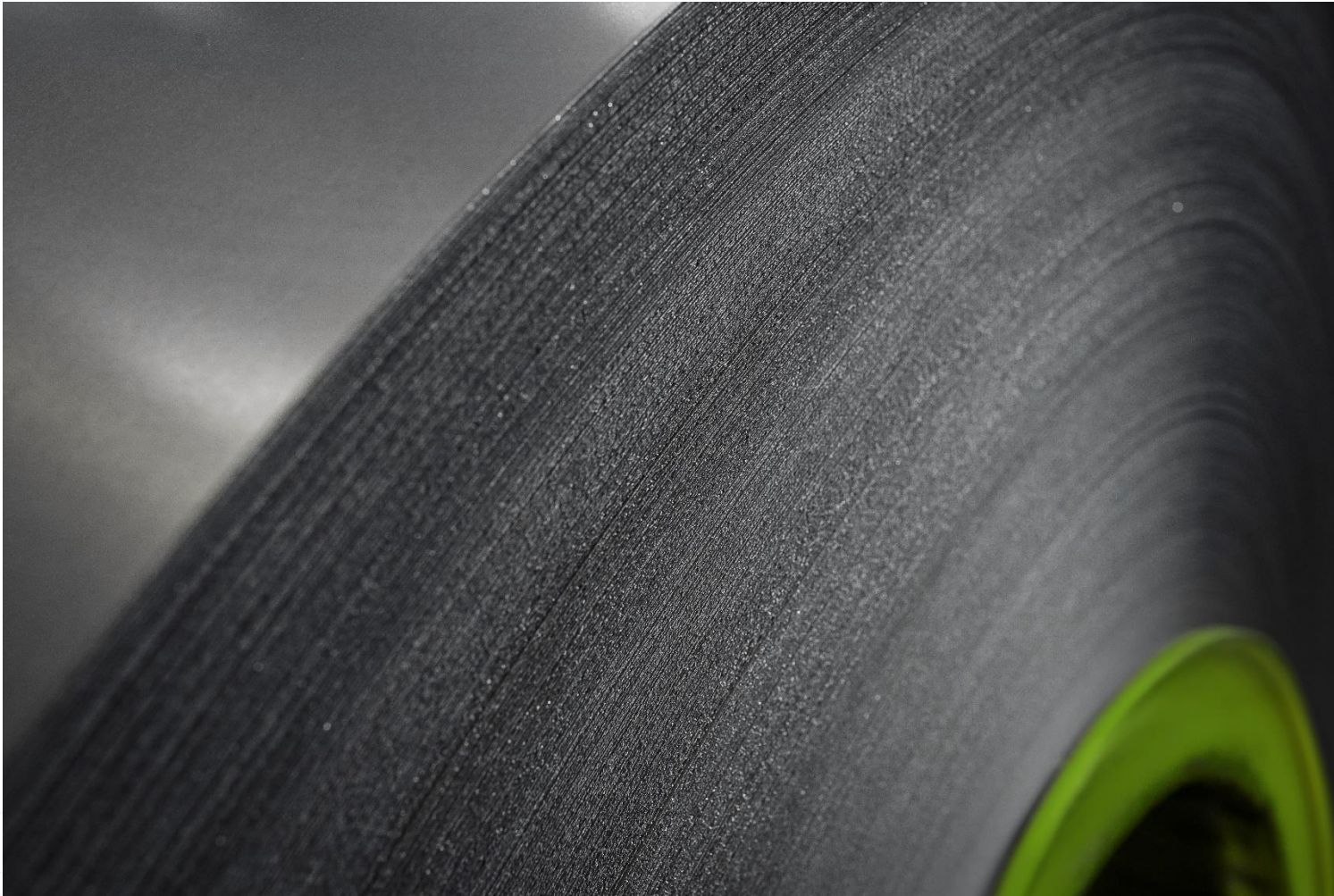
Reduction of CO₂ intensity of the company SIJ Metal Ravne (kg CO₂/t crude steel)



The most important planned measures include:

- 1) Upgrading furnaces and burner technologies
- 2) Replacing gas with electricity
- 3) Replacing gas with hydrogen
- 4) Reusing waste heat
- 5) Use of biomass
- 6) Optimising production with advanced tools

2024 Q1: certified for sustainable steel production



- high requirements for sustainable steelmaking along the entire value chain
- certification: planned for 1Q 2024

SIJ Group is among the most responsible and sustainable steel producers in the world.

The purity of honey bees is a sign of the purity of the environment in which they live



We share our natural environment with an indigenous bee species – the carniolian honeybee.



The levels of heavy metals (Ni, Mn, Cr, Ni, Mo, Cd, Pb) in the samples analysed are within the levels expected for honey of Slovenian origin.



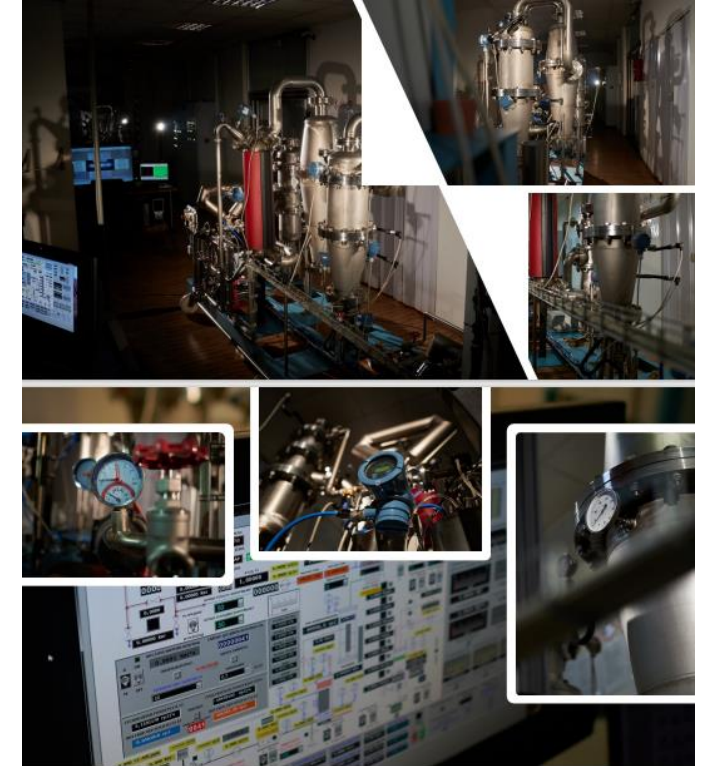
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ICCU – Innovative Carbon Capture and Utilization

1. Laboratory device (batch proces) existing, results verified.
2. Pilot device (continuous, processing 7 kg CO₂/h) being installed, verification **Q2 2024**.

3. Industrial scape up device – Innovation fund (2024 - 2029)



Thank you for your attention.

QUESTIONS?