

## Gestamp targets low emissions steel from Salzgitter Flachstahl

- This collaboration is related to the circular economy strategy that Gestamp is applying throughout its business model as part of its road to neutrality using low-CO<sub>2</sub> steel and recycled steel from high-quality scrap
- Choosing SALCOS® steel from Salzgitter Flachstahl will offer Gestamp the opportunity to supply its customers with low-CO<sub>2</sub> steel as of 2026

**Salzgitter, 5 June. 2024.** Gestamp, the Spanish multinational specialized in the design, development, and manufacture of metal components for the automotive industry, and Salzgitter Flachstahl GmbH, have signed an agreement to supply OEMs with low emissions steel components. As part of its ESG strategy, Gestamp will rely on low-CO<sub>2</sub> steel produced using SALCOS® process and investigate the establishment of circularity routes, for example, combining steel deliveries to Gestamp's European plants (such as Germany) with the return of scrap from these sites.

Partnering with Salzgitter is a further step in the circular economy that the Spanish multinational company is applying throughout its business model. Circularity is a key pillar for the decarbonization of the industry across the entire supply chain towards the goal of contributing, in the long term, to the Net Zero Car. SALCOS® (Salzgitter Low CO<sub>2</sub> Steelmaking) is the transformation program pursued by the Salzgitter Group to progressively convert its steel production to hydrogen-based processes by 2026. It aims to achieve almost fully CO<sub>2</sub>-free production by 2033. This undertaking includes replacing the conventional blast furnace method with direct reduction plants and electric arc furnaces.

In line with the company's roadmap to promote and extend the business' circular economy model, Gestamp also focuses on the use of recycled steel. Securing the availability of high-quality scrap will support the increased usage of these low-emission steels in automotive parts. Along with the agreement, both companies will investigate the establishment of circularity routes that supply Salzgitter with scrap collected from Gestamp plants for the production of low-CO<sub>2</sub> steel. The integration of scrap management into Gestamp's business strategy allows for complete life-cycle traceability by integrating the collection, sorting and reuse of quality steel scrap into its production chain, in an environment where this secondary raw material is scarce.

Salzgitter Flachstahl can already provide its customers with low-CO<sub>2</sub> steel via the so-called Peiner route. This involves producing slabs from high-quality steel scrap using the electric arc furnace at the company's Peine site.

“The partnership between Gestamp and Salzgitter supplying low-emission steel and the opportunity of establishing circularity routes to return scrap for the production of SALCOS® is a progression towards the decarbonization of the industry, towards a Net Zero car”, says **Javier Imaz CPO (Chief Purchasing Officer) at Gestamp**.

**Dr. Ralf Koch, Head of Automotive Industry Sales at Salzgitter Flachstahl GmbH:** “With our SALCOS® products, we have offered Gestamp the opportunity to supply its customers with low-CO<sub>2</sub> steel from 2026 and become a pioneer of the route to climate-neutral products”.

Gestamp is a long-standing partner of Salzgitter Flachstahl for hot-rolled and cold-rolled flat steel products. These products are dispatched to Gestamp’s locations worldwide.

### About Gestamp

Gestamp is a multinational specialized in the design, development, and manufacture of highly engineered metal components for the main vehicle manufacturers. It develops products with an innovative design to produce lighter and safer vehicles, which offer lower energy consumption and a lower environmental impact. Its products cover the areas of BiW, chassis and mechanisms.

The Company is present in 24 countries with more than 115 production plants (5 of those under construction), 13 R&D centers and a workforce of more than 44,000 employees worldwide. Its turnover in 2023 was €12,274 million. Gestamp is listed on the Spanish stock exchange under the ticker GEST.

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### About Salzgitter

Salzgitter AG ranks as one of Germany’s leading steel and technology groups. As a pioneer in the circular economy, we focus on sustainable innovation and on transforming products and processes in the business units of Steel Production, Steel Processing, Trading and Technology.

With our “Salzgitter AG 2030” strategy and anchored in the principle of “Pioneering for Circular Solutions”, we are setting new benchmarks in the industry. Our aspirations are realized through strong initiatives and programs such as SALCOS® - Salzgitter Low CO<sub>2</sub> Steelmaking. Through partnerships and in networks, we are actively driving the process of development towards a circular economy.

With around 25,000 employees worldwide at 160 national and international subsidiaries and associate companies, we live up to our global aims for growth, profitability and our pioneering position. In the financial year 2023, we generated external sales of around € 11 billion, with a crude steel capacity of 7 million tons.

More information is available at: [People, Steel and Technology | Salzgitter AG \(salzgitter-ag.com\)](https://www.salzgitter-ag.com)

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