

SMS group and Metinvest sign MOU to face decarbonisation challenge together

With a shared ambition to reduce carbon emissions from iron and steelmaking, Metinvest, the international vertically integrated group of steel and mining companies (“Metinvest” or “the Group”), and SMS group and its subsidiary, Paul Wurth, have signed a Memorandum of Understanding (MOU) to work together to meet this challenge head-on.



SMS group, as the world leader in iron and steelmaking technologies, will support Metinvest in improving its operational efficiency and environmental performance. The MOU also sets out an agenda for discussions about future areas of cooperation with the greatest potential.

The MOU is also expected to provide the parties with the opportunity to develop and test new technologies to enhance both iron and steelmaking, as well as downstream processes. Any concrete projects that emerge from these early discussions will be subject to further cooperation agreements and contracts.

Yuriy Ryzhenkov, Chief Executive Officer of Metinvest:

“Metinvest is following the way to the decarbonised metals and mining industry of the future. In working together with SMS group we will be able to better consider the available technical solutions that will improve steelmaking processes. Our particular focus will be on solutions that reduce greenhouse gas emissions. We are convinced we will be able to find a common basis for action. As an industry, we have to find solutions on the timescale the world requires”.

Georges Rassel, Chief Executive Officer of SMS group Europe:

“We will examine a whole range of technological solutions together. These will include the application of innovative Paul Wurth technologies for sustainable ironmaking, such as Direct Reduced Ironmaking with our partner MIDREX, ‘blue’ blast furnace with reduced CO2 emissions, the use of hydrogen, electrification, digitalisation, industrial gas recovery (including carbon capture, usage and storage), and energy efficiency and recovery”.

The MOU was signed by Yuriy Ryzhenkov, Chief Executive Officer of Metinvest, and by Georges Rassel, Chief Executive Officer Europe, and Marina Keller, Director of Sales, Region Eastern Europe, on behalf of SMS group.

About Metinvest

Metinvest is a vertically integrated group of steel and mining companies that manages every link of the value chain, from mining and processing iron ore and coal to making and selling semi-finished and finished steel products. It comprises steel and mining production facilities located in Ukraine, the EU, the UK and the US, as

well as a sales network covering all key global markets. Metinvest's business is divided for financial reporting purposes into two segments: Metallurgical and Mining. Its strategic vision is to become a leading vertically integrated steel producer in Europe, delivering sustainable growth and profitability resilient to business cycles and providing investors with returns above the industry benchmarks. For the first six months of 2021, the Group reported revenues of US\$8.5 billion and an EBITDA margin of 45%.

About SMS group

SMS group is renowned worldwide for its future-oriented technologies and outstanding service for the metals industry. The company applies its 150 years of experience and its digital know-how to provide the industry continuously with innovative products and processes – even beyond its core business – and generates worldwide sales of more than 2.7 billion euros. SMS is the right partner for challenging projects, and supports its customers throughout the lifecycle of their plants, enabling profitable and resource-efficient value creation chains. Paving the way for a carbon-neutral and sustainable metals industry is the company's stated goal. As a global player with German roots, SMS takes responsibility for its about 14,000 employees.

<https://metinvestholding.com/en/media/news/sms-group-and-metinvest-sign-mou-to-face-decarbonisation-challenge-together>