



Aperam and IFC Partner to Advance Sustainability in the Steel Industry

Luxembourg – March 19, 2025 (14:00 CET) – The International Finance Corporation (IFC), a member of the World Bank Group, and Aperam, a global stainless, alloys, specialties and electrical steel manufacturer as well as metals recycler, are pleased to announce a financing package to support Aperam's decarbonization efforts through the production of sustainably-produced charcoal, a renewable fuel for steel manufacturing (instead of commonly used coke). This financing aligns with IFC's broader strategy to promote the sustainability of the steel industry.

The stainless, alloys and electrical steel industries are a cornerstone of the global economy, with applications spanning in capital goods, construction, energy, automotive and transport, manufacturing and general industry. As a key driver of infrastructure development and economic growth, the sector faces significant challenges in reducing carbon emissions. According to IFC estimates, the overall steel production is responsible for approximately eight percent of the world's carbon dioxide emissions.

IFC's €250 million financing package includes up to €150 million from IFC's own account and up to €100 million in mobilized funds from other lenders, such as ING. This funding will bolster the sustainable forest management program of Aperam BioEnergia, Aperam's forestry and renewable energy subsidiary in Brazil. Aperam BioEnergia manages 150,000 hectares of forest, including over 60,000 hectares of natural vegetation preserves and wildlife corridors. Aperam has fully replaced fossil coal with charcoal from FSC®-certified forests in its Brazilian production facilities, significantly reducing its carbon footprint.

The investment will support the acquisition of complementary eucalyptus plantations and the modernization of Aperam's charcoal-producing kilns with cleaner and more efficient technology, further enhancing the sustainability of Aperam BioEnergia operations. Additionally, it will finance the increase of its seedling nursery capacity to meet the growing demand for superior qualitative seedlings from other forestry companies and the development of improved tree varieties that yield higher biomass while requiring fewer resources, such as water. Finally, as a key innovation, this investment will help pioneer the company's commercial-scale production of bio-oil, captured from the waste of the charcoal production process. This bio-oil can replace synthetic fuel products, helping to avoid Green House Gas emissions and improving the circularity of Aperam's operations.

"We are pleased to establish this partnership with Aperam to foster innovative solutions in the steel industry. This investment underscores IFC's commitment to sustainable development and environmental stewardship. By supporting such project, IFC aims to provide innovative solutions that benefit both the economy and the environment," said Olaf Schmidt, IFC Regional Industry Director.

This investment marks IFC's first initiative to support the sustainability of the metals sector in Brazil. It will create employment opportunities, reduce carbon emissions, and enhance sustainable forest management practices. Moreover, the application of IFC's Environmental and Social Performance Standards will help Aperam mitigate risks and upgrade processes to ensure best practices in managing environmental impacts.

"At Aperam, sustainability is at the core of our strategy, and this partnership with IFC reinforces our commitment to pioneering low-carbon steel production. Through this investment, we will continue to lead the industry in innovative and responsible solutions that not only reduce our carbon footprint but also promote circular economy practices. From increasing the share of recycled materials in our products to leveraging our own sustainably managed forests for carbon sequestration, we are taking tangible steps to drive real impact. We are proud to work alongside IFC to accelerate the transformation of the steel sector towards a more sustainable future." said Timoteo Di Maulo, Aperam's CEO.



"At Aperam South America, sustainability is a fundamental pillar of our strategy and operations. This partnership with IFC represents a crucial step in our ongoing efforts to advance low-carbon steel production through innovation and responsible resource management. By investing in sustainable forestry and circular economy practices, we are strengthening our leadership in environmentally responsible steel manufacturing while contributing to Brazil's broader decarbonization goals. This initiative underscores our commitment to delivering high-performance steel solutions that align with global sustainability standards and drive long-term value for all stakeholders", said Frederico Ayres Lima, Aperam South America's CEO.

By setting high environmental monitoring and performance standards, IFC plays a crucial role in demonstrating the feasibility of sustainable steel production in Brazil and South America. This initiative will contribute to the resiliency of steel manufacturing, expanding sustainable forest management, and improving charcoal production efficiency and waste utilization.

Aperam and IFC remain committed to innovation and sustainable development, reinforcing the steel industry's transition towards a more resilient future.

About IFC

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2024, IFC committed a record \$56 billion to private companies and financial institutions in developing countries, leveraging private sector solutions and mobilizing private capital to create a world free of poverty on a livable planet. For more information, visit www.ifc.org. Stay Connected with IFC on [social media](#).

About Aperam

Aperam is a global player in stainless, electrical, alloys, specialty steel and recycling, with customers in over 40 countries. Starting from 1 January 2022, the business is organized in four primary reportable segments: Stainless & Electrical Steel, Services & Solutions, Alloys & Specialties and Recycling & Renewables; committed to be the leading value creator in the circular economy of infinite, world-changing materials.

Aperam has a flat Stainless and Electrical steel capacity of 2.5 million tonnes in Brazil and Europe and is a leader in Alloys & high value specialty products with presence in France, China, India and United States. In addition to its industrial network, spread over sixteen production facilities in Brazil, Belgium, France, United States, India & China, Aperam has a highly integrated distribution, processing and services network and a unique capability to produce low carbon footprint stainless and special steels from biomass, stainless steel scrap and high performance alloys scrap. With BioEnergia and its unique capability to produce charcoal made from its own FSC®-certified forestry and with ELG, a global leader in collecting, trading, processing and recycling of stainless steel scrap and high performance alloys, Aperam places sustainability at the heart of its business, helping customers worldwide to excel in the circular economy, as demonstrated by its ResponsibleSteel™ certification, which ensures high standards of environmental, social, and governance (ESG) performance.

In 2024, Aperam had sales of EUR 6,255 million and shipments of 2.29 million tonnes.

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