

Current Report

No. 54/30.06.2022

To: Financial Supervisory Authority
Bucharest Stock Exchange

Current report in compliance with the stipulations of the Law no. 24/2017 (republished) and of the FSA Regulation no.5/2018 (including the subsequent amendments) regarding the issuers of financial instruments and market operations

Date of report: **30.06.2022**

Name of issuer: **ALRO S.A.**

Headquarters: **Slatina, 116 Pitesti Street, Olt County**

Telephone/ fax number: **+40 249 431 901 / +40 249 437 500**

Sole registration number at the Trade Register Office: **RO 1515374**

Trade Register Number: **J28/8/1991**

The European Unique Identifier (EUID): **ROONRCJ28/8/1991**

Legal Entity Identifier (LEI): **5493008G6W6SORM2JG98**

Subscribed and paid-in share capital: **356,889,567.5 RON**

Regulated market on which the issued shares are traded: **Bucharest Stock Exchange – Premium Tier Category** (market symbol: **ALR**)

We hereby inform all persons who may be interested about the following **important event to be reported**:

Press Release

ALRO publishes its 2021 Consolidated Sustainability Report

- ***This report, titled “ALong with a durable ROmania”, includes an overview of the Group’s contribution to the Romanian economy and its ambition to reduce the carbon footprint by using state-of-the-art technologies and focusing on innovation at all levels;***
- ***The report shows the Group’s contribution to the worldwide circular economy by producing aluminium, a post-transition metal;***
- ***Aluminium can be indefinitely recycled and contributes to the decarbonization of other sectors – aerospace, automotive, building&construction, engineering, etc;***
- ***Since 2013, the Group processed more than 600,000 tonnes of aluminium scrap;***
- ***More than 62,000 training hours for the Group’s employees and a functional vocational school in a dual system at the plant’s premises;***
- ***About 3,000 suppliers are engaged at all levels within the Group’s activity;***
- ***Active contributor to Romania’s local and national economy focused on protecting and maintaining community health and safety while granting several sponsorships for institutions and organizations in health, environment protection, and education;***

Slatina, 30 June 2022 – ALRO S.A. (BVB: ALR, “the Company” or “ALRO”), one of the largest vertically integrated aluminium producers in Europe, measured by production capacity, publishes today its Consolidated Sustainability Report for 2021, presenting an overview of the Group’s sustainability performance and its key achievements in 2021, such as increasing efficiency of its operations, better analysing and measures implemented to lower the impact on the environment while remaining one of the main contributors to Romanian economy.

“In 2021, we continued to lead by example as a responsible business that complies with the best available practices and technologies, aiming to create a better and durable future for our Group and the Romanian society”, said Marian NĂSTASE, Chairman of the Board of Directors at ALRO. “Being an important pillar of the Romanian economy, we feel even more pressure to find solutions to maintain our operations and create value across the value chain for all our stakeholders while building a sustainable future”, added Marian NĂSTASE.

In 2021, the Group invested approximately USD 40 million, focusing on electric power dependence by increasing the quantity of molten metal from recycled aluminium scrap, increasing the operational reliability and improving the energy efficiency, thus reducing the environmental footprint while providing a safe and reliable workplace. The Group kept its focus on its programme to reduce energy consumption and continued the implementation of the AP12LE project, with 87 pots being relined with this innovative technology in 2021, reaching a total of 165 pots relined since the project start-up. In 2021, the largest amount of aluminium scrap recycled in the Cast-House and Eco-Recycling Facility was reported, i.e. around 94,000 tonnes.

Investments in technology and research and development led ALRO to reduce even more its environmental footprint, reaching a 79% water recirculation and 95.3% degree of waste recirculation and recovery in/from ALRO out of the total waste generated. Also, in 2021, the degree of traceability held by ALRO waste documents was of 100% for recoverable waste by third parties and for the eliminable waste by third parties and 99.3% for the dangerous waste eliminable by third parties. Moreover, the specific emission has a value of 1.36 tCO₂e/tAl (cast aluminium) at ALRO Primary Aluminium and in 2021 compared to 2002, ALRO reduced the perfluorocarbon emissions (PFC) by 98.3%. The CO₂ emissions related to the production of cast aluminium decreased 5 times in 2021 compared to 2001. Also, ALRO reached in 2021, the lowest DC-specific consumption in the Company’s history and one of the lowest in the aluminium industry.

The employees were also a significant part of 2021 investments programme. ALRO Group recorded more than 62,000 training hours in 2021, including initiation, qualification, authorization, improvement, specialization programs, and health and safety courses. At the level of Olt County, ALRO is in the top three employers and companies with the highest turnovers and has engaged around 3,000 suppliers are engaged at all levels within the Group’s activity, supporting the development of the Romanian economy with a significant impact on the local communities, as well.

ALRO continued to support the local communities where it activates, supporting through donations several institutions and associations in health, education, and environmental protection areas. Furthermore, ALRO Group donated, since the beginning of the COVID-19 crisis, around RON 2.5 million to institutions involved in preventing and combating the effects of the pandemic. Last year, it opened two vaccination centres for the Group’s employees and their families in Slatina and Tulcea.

This report is available on the sustainability section of ALRO’s website: [Sustainability Reports | Alro](#) and has been prepared in accordance with the Romanian legislation regarding the non-financial reporting, Ministry of Public Finance (MPF) Orders No. 1938/ 2016 and No. 2844/2016 and in accordance with the Global Reporting Initiative (GRI) Core Option Standard and GRI G4 Mining and Metals Sector Supplement.

Marian-Daniel NĂSTASE
Chairman of the Board of Directors

Gheorghe DOBRA
Chief Executive Officer

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Notes to the Editor:

ALRO Group

The companies' part of ALRO Group are: ALRO S.A. – manufacturer of aluminium, Alum S.A. – producer of alumina, Sierra Mineral Holdings I, Ltd. – bauxite mining, Vimetco Extrusion S.R.L. – extrusion business line, Conef S.A. – holding and management company, Global Aluminium Ltd. – holding company and Bauxite Marketing Ltd – marketing, Vimetco Trading – aluminium sales. Having this structure, the Group created an integrated production chain assuring the raw materials for ALRO.

ALRO

ALRO is subsidiary of Vimetco PLC (Republic of Cyprus), a global, vertically-integrated primary and processed aluminium producer. The structure of ALRO's shareholders is: Vimetco PLC (54.19%), Paval Holding (23.21%), Fondul Proprietatea (10.21%) and others (12.38%).

ALRO is one of the largest vertically integrated aluminium producers, by capacity, in Europe, having an installed production capacity of 265,000 tonnes per annum of electrolytic aluminium, 35,000 tonnes per annum of recycled aluminium and the Cast-House has a total cast aluminium capacity of 335,000 tonnes per annum and processing facilities of 130,000 tpa of hot and cold rolling facilities and extrusion shop.

The main market for ALRO products is represented by the European Union; the Company exports its products to the USA and Asia, as well. ALRO is ISO 9001 certified for quality management and has NADCAP and EN 9100 certificates for aerospace production organizations, ALRO's products adhere to the quality standards for primary aluminium on the LME, as well as international standards for flat rolled products.

Starting from 18 March 2019, the Index Committee of the Bucharest Stock Exchange approved the inclusion of ALRO (code ALR) in BET, the main index of the market, and in BET-TR, the total return version of BET. ALRO's shares have been listed on the Bucharest Stock Exchange since October 1997 and ALRO represents the first company in the aluminium industry present in these two indices.

Since 2020, ALRO and Vimetco Extrusion are members of ASI (Aluminium Stewardship Initiative), an international association that contributes to enhancing sustainability in the global aluminium sector.