

Our journey developing one of the largest solar facilities in North America

ABOUT

One of our 10 principles at Gerdau is Generating Value for All. This doesn't only mean value for our customers, shareholders, and employees. It also means value for our environment. That is why Gerdau invests millions of dollars to protect the environment, has preserved 12,500 acres of forest, and is now thinking solar when it comes to the energy it takes to power our steelmaking operations.

TEXAS SOLAR PROJECT

We have partnered with 174 Power Global, a leading solar energy company, to build a solar facility next to our Midlothian, Texas steel mill. Solar panels will provide power directly to our mill using Gerdau's industry-leading solar beam pilings. This initiative contributes to shaping the future of our communities, partners, employees, and the world.



231,000 SOLAR PANELS ON 700 ACRES



OFFSETS EMISSIONS
OF +13,000
HOUSEHOLDS



CREATES +200
CONSTRUCTION
JOBS



GENERATES \$19
MILLION IN TAX
REVENUE

FROM OUR EMPLOYEES

"From an environmental perspective, this is a huge win. The 200,000 megawatts of electricity generated each year is enough to offset all of Gerdau North America employee and contractor homes. That's something we can all be proud of!"

Sam Harper, Regional Energy Manager

"Gerdau has a culture of sustainability. The products from our Midlothian facility are already made from 98% recycled scrap metal. Developing and utilizing green energy is an innovative way to further enhance our environmental contributions."

Chia Yuan Wang, GLN President





174 Power Global Announces Partnership with Gerdau for Development of Solar Facility in North Texas

Signs 20-Year PPA for 80-Megawatt Behind-The-Meter Facility

Project to Generate Clean, Renewable Electricity for Gerdau Steel Mill

MIDLOTHIAN, TX and **IRVINE, CA** (June 2, 2020) – 174 Power Global, a leading solar energy company, and Gerdau Long Steel North America (Gerdau), a leading steel producer, today announced that the companies have entered into a 20-year Power Purchase Agreement (PPA) to develop one of the largest behind-the-meter (BTM) solar facilities in the nation.

The 80-megawatt Gerdau Solar project, located adjacent to the Gerdau Midlothian Steel Mill in Midlothian, Texas, will be comprised of more than 231,000 solar panels, spanning more than 700 acres. The BTM system will provide power directly to the Midlothian steel mill, creating cost and energy consumption benefits. The Gerdau Solar will offset the emissions of more than 13,000 average Texas households, create more than 200 construction jobs and generate \$19 million in tax revenue over the next 30 years.

"174 Power Global is pleased to enter into this partnership with Gerdau, one of the world's most environmentally responsible steel producers, as we continue to develop our solar generation footprint and behind-the-meter projects in Texas," said 174 Power Global President Henry Yun, PhD. "We look forward to breaking ground on the construction of this important and innovative project and continuing to provide clean energy solutions to the state."

"Gerdau has a culture of sustainability," said Gerdau Long Steel North America President Chia Yuan Wang. "The products from our Midlothian facility are already made from 100% recycled scrap metal. Developing and utilizing green energy is an innovative way to further enhance our environmental contributions."

Gerdau Midlothian General Manager Dean Peery added, "The Midlothian mill has been producing steel in the community since 1975, and we are grateful for the city's ongoing support and partnership. Our new Gerdau Solar facility will provide environmental and economic benefits to Midlothian, and we are pleased to work alongside the 174 Power Global team."

"The Gerdau Solar project will provide near-term stimulus, revenue for the city and schools, as well as long lasting economic benefits. Midlothian is a great place to do business, and we are pleased that Gerdau continues to invest in our community," said Midlothian Mayor Richard Reno.

Construction on the Gerdau Solar facility is expected to commence by the end of 2020 and be completed at the end of 2021.

About 174 Power Global

Irvine, California-headquartered 174 Power Global is a leading solar energy company that is wholly owned by the Hanwha Group. With deep expertise across the full spectrum of the project development cycle, 174 Power Global works closely with landowners, local communities, financial investors and other partners to build highly productive, utility scale solar power plants throughout North America. Since its formation in 2017, 174 Power Global has signed nearly two gigawatts (GW) of power purchase agreements has built an extensive project development pipeline. The Company was ranked as the 2018 #1 solar project development company in the United States by Wood Mackenzie.

174 Power Global's name was inspired by the 174 petawatts (PW) of power the earth receives from the sun. For more information, visit: www.174powerglobal.com.

About Gerdau Long Steel North America

Gerdau Long Steel North America (GLN) manufactures structural steel, piling, rebar, merchant bar, and special bar quality products for the agricultural, automotive, civil construction, distribution, energy, industrial, and mining markets. GLN operates seven mills in the United States and three in Canada, and is a wholly owned subsidiary of Gerdau S.A.

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GERDAU'S SUSTAINABILITY

WHO WE ARE

Gerdau was founded in 1901 and has since grown to be one of the leading suppliers of steel in the Americas. We operate in 10 countries and have over 30,000 employees with the purpose of empowering our employees, customers, and communities to shape a better, safer, and greener future.



WHAT WE DO

One of our principles is Generating Value for All: value for our employees, customers, and communities. And also for our environment. Gerdau invests millions of dollars to protect the environment through social responsibility donations and our sustainable steelmaking processes.



\$67 MILLION

to protect the environment

12,500 ACRES

of preserved forests

9,000 HOURS

of environmental training education

97.6 PERCENT

of water we reuse in our processes

GIVING OLD THINGS NEW LIFE

That old car you took to the junkyard -- we recycle that and more by melting it down into new steel. Each year, we transform more than 14 million tons of recycled scrap into new steel products, making recycling a big part of our business.

TAKING A WALK IN NATURE

We maintain green areas on our mill properties to coexist with the surrounding land, providing a buffer for neighboring properties, and allowing nature to prosper. Some of our locations even have walking trails in these green spaces for employees to use on their breaks.

SOAKING UP THE SUN

How many solar panels does it take to power a steel mill? 231,000! We are building a solar facility to power our Texas mill. The electricity that will be generated annually is enough to offset all of the homes of our North America employees and contractors.