

Current Report

No. 37/28.06.2019

To: **Financial Supervisory Authority
Bucharest Stock Exchange**

Current report in compliance with the stipulations of the Law no. 24/2017 and of the FSA Regulation no.5/2018 regarding the Issuers of financial instruments and market operations

Date of report: **June 28, 2019**

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 Group increases its energy efficiency and reports lower resource consumption rates, while raising production levels

- **ALRO Group continues to invest in energy efficiency, while its production levels are increasing and resource and energy consumption rates are lower, according to ALRO Group`s 2018 Sustainability Report;**
- **Alum`s natural gas and electricity consumption rates decreased in the past five years, while production levels increased**
- **The average number of employees at Group level increased in 2018, reaching 4,111 employees**
- **ALRO Group continued to be, in 2018, an active member in the communities where it activates, being a pillar of stability for the national and local economy**

Slatina, 28 June 2019 – ALRO S.A. (BSE: ALR, “the Company” or “ALRO”), one of the largest vertically integrated aluminium producers, by capacity, in Europe published its 2018 consolidated Sustainability Report (“The Report”). Data included in this Report covers, among others, ALRO Group’s (“The Group”) accomplishments in respect of the environment, health and safety, education and involvement in the local communities, with emphasis on ALRO, the parent-company.

In 2018, ALRO Group continued to consolidate its strategy of increasing the high and very high-value products’ percentage in the total production and also invested in research and development and state-of-the-art equipment and technology, with the purpose of improving the products’ quality and quantity, while reducing the total resource consumption rates and, in the same time, its impact on the environment.

„Last year, ALRO Group invested up to RON 305 million in return-seeking capital projects aiming to enhance the Group’s profitability and competitive position on the specialized market”, said Gheorghe Dobra, CEO ALRO. „As a direct consequence of these investments and the Group’s strategy, production levels rose in 2018, YoY, and the number of employees also increased”, added Gheorghe Dobra.

Alum continued its modernization process, through investments of 1.7 million USD, primarily targeting energy efficiency increasing. Alum managed to decrease its natural gas and electricity consumption rates in the past five years. Also in 2018, Alum secured a USD 25 million loan from The Black Sea Trade and Development Bank and Garanti Bank Romania, in order to continue investments aimed at reducing its carbon footprint and at increasing the output of high value added products.

„ALRO Group’s strategy is centered around our commitment about raising the energy efficiency, waste management and recycling, in line with our financial objectives, but with a minimum impact on the environment and natural resources usage”, said Marian Năstase, Chairman of ALRO’s Board of Directors. „We remain committed to the objectives of the European Aluminium Sustainability Roadmap and we take environmental stewardship very seriously. Reducing the environmental impact of our activities, the efficient utilisation of resources and energy efficiency are amongst our strong commitments throughout the whole aluminium value chain”, continued Marian Năstase.

One of the Group's main objectives regarding its production facilities is to achieve the Green Factories, Next Generation Factories, Innovating and Sustainable status, with near-zero waste and emissions. The first steps in this direction have already been taken as ALRO Group signed, in 2018, an agreement with Aluminium Pechiney (Rio Tinto Aluminium) to implement, at its plant in Slatina, a technology that will allow a further reduction in electricity consumption rates.

Involvement of ALRO Group in the communities in which it operates continued in 2018 through countless sponsorships in education (including the dual-training program continuation for preparing the future specialists) or support for sporting and cultural events, as well as the internship programs for students at specialized faculties within the Group companies.

The Sustainability Report of ALRO Group for the financial year 2018 is available and can be consulted on ALRO website, *About ALRO - Corporate Social Responsibility* section.

For further information, please contact:

www.alro.ro

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Notes to the Editors:

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. Having this structure, the Group created an integrated production chain assuring the raw materials for ALRO.

ALRO

ALRO is a subsidiary of Vimetco N.V., a global, vertically-integrated primary and processed aluminium producer. ALRO is one of the largest vertically integrated aluminium producers, by capacity, in Europe, having an installed production capacity of 265,000 tonnes per year.

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 ISO 14001, OHSAS 18001, ISO 50001 and has NADCAP, IATF 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. The BET index will thus include 16 companies, which is a first time in the history of the local capital market, and it represents an unprecedented diversification of the sectors reflected by the index. ALRO's shares have been listed on the Bucharest Stock Exchange since October 1997, and following this decision ALRO becomes the first company in the aluminium industry present in the two indices.