![Ubiratã logo]

Gerdau and SpaceTime Labs co-invests in Ubiratã to deliver hyper-productivity, decarbonization and resilience to leading industries

- Ubiratã is a 50/50 joint venture between Gerdau, Brazilian largest steel producer, and SpaceTime Labs that aims to deliver breakthrough performance in resource efficiency, decarbonization and resilience in industrial value chains leveraging novel sensing, machine learning, and autonomous systems & robotics.
- Ubiratã integrates leaders with deep domain expertise in industrial value chains (Gerdau) and in machine learning, computer vision and robotics & autonomous systems (SpaceTime Labs).
- The partners have co-developed a first of its kind Digital Twin for online quality monitoring of mineral input supply into a large integrated steel mill that once scaled will create significant improvements in resource efficiency and decarbonization of steelmaking.
- For more information, please visit www.ubirata.ai

São Paulo, October 13, 2022

The Ubiratã Joint Venture will deliver Digital Twins, Horizontal Optimization and Early Warning System platforms for breakthrough performance in resource efficiency, decarbonization and resilience in leading industries starting with steelmaking, leveraging novel sensing, machine learning, and autonomous systems & robotics.

Ubiratã was born in April 2021 as a joint project of Brazil's steel producer Gerdau (via Gerdau Next, its new business arm) and SpaceTime Labs. Since then, Gerdau and SpaceTime Labs have co-invested significant resources to capture unique synergies through integration of complementary assets and skillsets to structure the new business, in which each holds a 50% interest.

The Joint Venture relies on Gerdau's expertise in industrial value chains and SpaceTime Labs' deep expertise in machine learning, computer vision and robotics & autonomous systems.

"Ubiratã is an anchor venture of Gerdau Next's new technology cluster, working across the board with other strategic mobility, sustainability, and construction clusters, as well as with businesses related to steel production in the Americas, Gerdau's core business. This joint venture will play a key role in integrating artificial intelligence and machine learning platforms into our operations," said Juliano Prado, global vice president at Gerdau and head of Gerdau Next.

The partners have pioneered a first of its kind Digital Twin for online quality monitoring of mineral input supply into a large integrated steel mill that once scaled will create significant improvements in resource efficiency, contribute to its decarbonization efforts and create significant cost savings. Ubiratã will first focus its joint innovation development and productization efforts in South and North America, before scaling its operations worldwide.

"In the context of a perfect storm that results from the interplay of multiple global and regional challenges, this strategic partnership between innovative and purpose-driven companies will help accelerate multiple industry transitions towards decarbonized, hyper-productive, and resilient operations that are in harmony and inspired by Nature," said Juan Carlos Castilla Rubio, chairman of SpaceTime Labs.

Gerdau

With a story spanning 121 years, Gerdau is the largest Brazilian steel producer, one of the leading producers of long steel in the Americas and of special steel in the world. In Brazil, it also produces flat steel and iron ore for its own use. Guided by its purpose of empowering people who build the future, the company is present in nine countries and has over 36,000 direct and indirect employees in its operations. Gerdau is the largest recycling company in Latin America and uses scrap as an important input, 73% of the steel it produces comes from scrap. Every year, Gerdau transforms 11 million tonnes of scrap into a variety of steel products. The company is also the world's largest charcoal producer, with over 250,000 hectares of planted forests in the state of Minas Gerais. As a result of its sustainable production matrix, Gerdau currently has one of the industry's lowest average greenhouse gas emissions (CO_2e), of 0.90t/CO_2e per tonne of steel, which is about half the global industry average of 1.89 t/CO_2e per tonne of steel (worldsteel). By 2031, Gerdau's carbon emissions are planned to decline to 0.83 t/CO_2e per tonne of steel. Gerdau's shares are listed on the São Paulo (B3), New York (NYSE) and Madrid (Latibex) stock exchanges).

SpaceTime Labs

Founded in 2014, SpaceTime Labs integrates best-in-class machine learning, computer vision, biophysical sciences, computational biology, and autonomous & robotic technologies to create science-based ventures that accelerate multiple industry transitions towards decarbonized, hyper-productive, and resilient operations that are in harmony and inspired by Nature.

Ubiratã Joint Venture

Ubiratã will integrate Digital Twins, Horizontal Optimization and Early Warning System platforms across industrial value chains for breakthrough performance in resource efficiency, decarbonization and resilience, leveraging breakthroughs in novel sensing, machine learning, and autonomous systems & robotics.

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