

Building Resilience in the Transformer Industry: A Call to Action

As one of the leading grain-oriented electrical steel (GOES) producers in the European Union as well as globally, I've witnessed firsthand the challenges and weaknesses our industry faces. With the increasing focus on resilience within the transformer industry, it's time we address the pressing issues in our supply chains head-on. GOES is a critical component of transformer cores, and ensuring its stable supply is essential for the reliability of our electricity grids and the broader goals of energy transition and economic stability. This leads me to the following key takeaways.

The Crucial Role of GOES

GOES is not just another material; it's the backbone of transformer efficiency. Its unique properties allow transformers to reduce energy losses and enhance performance, playing a pivotal role in maintaining the health of our electricity grids. However, the current state of our supply chain is precarious, and disruptions could have far-reaching consequences. Supply chain disruptions, as we have seen in recent years, must be mitigated as effectively as possible. This means that European GOES production plays a key role in this effort.



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The Need for Strategic Partnerships and Policy Support

Resilience isn't built in isolation. It requires a concerted effort from both the private sector and policymakers. Governments must step up with regulatory support to foster growth and innovation within the GOES production industry. Ensuring a fair level playing field in the respective markets must be mandatory. Additionally, fostering collaborations to secure supply agreements will further diversify our risk profile and strengthen our position.



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A Call for Industry Unity

Resilience in the transformer industry cannot be achieved by individual companies working alone. It demands a unified effort from all stakeholders within the value chain. As we navigate these challenging times, collaboration is more critical than ever. We are already working on initiatives among the supply chain with our customers, but also their respective customers, the TSOs and DSOs, because tomorrow it is too late to tackle these important topics. These initiatives and



discussions focus on various important topics within the supply chain of electricity grids, where resilience is one part besides other crucial aspects such as decarbonization. By addressing weaknesses, investing in innovation, and fostering strong partnerships, we can ensure the continued stability and efficiency of our electricity grids.



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Looking Ahead

The future of the transformer industry depends on the strength and stability of our supply chains. As a GOES producer, I am committed to supporting initiatives that create and maintain a healthy environment, one that can withstand potential disruptions. It's imperative that we, as an industry, come together to build a resilient and robust future.

In conclusion, the transformer industry's resilience is not just about safeguarding our operations; it's about ensuring the continuous supply of reliable electricity for generations to come. I urge my colleagues and partners in the industry to join me in this critical endeavor. Together, we can achieve a sustainable, resilient future for our industry and beyond.



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