



Joint Press Release April 23, 2024

## Salzgitter AG and Uniper SE sign pre-contract for the supply and purchase of green hydrogen

- Significant contribution to reducing the CO<sub>2</sub> footprint
- Delivery of up to 20,000 tons of certified green hydrogen to Salzgitter starting in 2028

Salzgitter AG and Uniper SE have signed a pre-contract for the supply and purchase of green hydrogen. This is to be produced in the large-scale electrolysis plant planned by Uniper, which is scheduled to be commissioned in Wilhelmshaven in 2028. The green hydrogen will be required for the SALCOS® - Salzgitter Low CO<sub>2</sub> Steelmaking program and will be used in the direct reduction plant being constructed in Salzgitter to produce almost CO<sub>2</sub>-neutral steel. In this way, both companies want to make a significant contribution to reducing the CO<sub>2</sub> footprint of the German steel industry.

The preliminary agreement covers, among other things, the technical and commercial framework conditions for the supply of hydrogen. Depending in particular on the availability of the German H2 core network and a specific pipeline route from Wilhelmshaven to Salzgitter, Uniper could supply up to 20,000 tons of certified green hydrogen to Salzgitter every year starting 2028 at the earliest. This will be produced using renewable energies in the 200 MW electrolysis plant that Uniper plans to build on the site of the former hard coal-fired power plant in Wilhelmshaven. This is the first step towards an external hydrogen supply for SALCOS®, which will require up to 150,000 tons of hydrogen per year in its first stage. A pipeline connection from Wilhelmshaven to Salzgitter is absolutely essential and must be established as quickly as possible. The pipeline operators and political decision-makers, together with Salzgitter AG and Uniper SE, urgently need to agree on an accelerated timetable for this.

*Gunnar Groebler, CEO of Salzgitter AG:* "With SALCOS®, we are a pioneer in the decarbonization of raw materials industry. From the beginning, we have relied on a network of strong partners to implement the program. The production and availability of green hydrogen is a key success criteria for SALCOS®. This agreement with Uniper is therefore another important step on our path to green steel. The energy infrastructure and the associated power grids now urgently need to be expanded."

*Holger Kreetz, COO of Uniper:* "At Uniper, we pursue the clear goal of supporting companies in the decarbonization of their production processes. Green hydrogen plays a crucial role in this - especially in energy-intensive industries such as the steel industry. We look forward to working with Salzgitter AG and helping to reduce Salzgitter AG's emissions. Such partnerships demonstrate the added value of our Energy Transformation Hub Northwest, strengthen the region's role as an energy hub for the future and make a valuable contribution to achieving Germany's climate targets together."

Wilhelmshaven is the ideal location for Unipers Green Wilhelmshaven projects due to its easy access to renewable energies, particularly from the offshore wind farms in the North Sea, the early connection to the German hydrogen pipeline system, and the planned hydrogen storage facilities in northern Germany. The plan is to expand electrolysis to a capacity of 1 GW, which will enable hydrogen production of 100,000 tons per year. In addition, Uniper will build a terminal in Wilhelmshaven for the import of green ammonia by ship with an output volume of at least 300,000 tonnes of H2, which can be converted into hydrogen and also fed into the German nuclear grid.

The Salzgitter Group is pursuing a carbon direct avoidance strategy and will significantly reduce its carbon footprint. To achieve this, the SALCOS® program is gradually converting traditional coal-based steel production via the blast furnace route to direct reduction technology (DRI production with downstream EAF),





which will initially mainly use natural gas and increasingly green hydrogen as a reducing material. The first step has been prepared by concluding a pre-contract with Uniper. Infos zu SALCOS®: <u>https://salcos.salzgitter-ag.com/de/index.html</u>

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## **About Salzgitter**

Salzgitter AG ranks as one of Germany's leading steel and technology groups. As a pioneer in the circular economy, we focus on sustainable innovation and on transforming products and processes in the business units of Steel Production, Steel Processing, Trading and Technology.

With our "Salzgitter AG 2030" strategy and anchored in the principle of "Pioneering for Circular Solutions", we are setting new benchmarks in the industry. Our aspirations are realized through strong initiatives and programs such as SALCOS<sup>®</sup> - Salzgitter Low CO<sub>2</sub> Steelmaking. Through partnerships and in networks, we are actively driving the process of development towards a circular economy.

With around 25,000 employees worldwide at 150 national and international subsidiaries and associate companies, we live up to our global aims for growth, profitability and our pioneering position. In the financial year 2022, we generated external sales of around  $\in$  12 billion, with a crude steel capacity of 7 million tons.

More information is available at: People, Steel and Technology | Salzgitter AG (salzgitter-ag.com)

## **About Uniper**

Düsseldorf-based Uniper is an international energy company with activities in more than 40 countries. The company and its roughly 7,000 employees make an important contribution to supply security in Europe, particularly in its core markets of Germany, the United Kingdom, Sweden, and the Netherlands.

Uniper's operations encompass power generation in Europe, global energy trading, and a broad gas portfolio. Uniper procures gas—including liquefied natural gas (LNG)—and other energy sources on global markets. The company owns and operates gas storage facilities with a total capacity of more than 7 billion cubic meters.





Uniper intends to be completely carbon-neutral by 2040. Uniper aims for its installed power generating capacity to be more than 80% zero-carbon by 2030. To achieve this, the company is transforming its power plants and facilities and investing in flexible, dispatchable power generating units. Uniper is already one of Europe's largest operators of hydropower plants and is helping further expand solar and wind power, which are essential for a more sustainable and secure future. The company is progressively expanding its gas portfolio to include green gases like hydrogen and biomethane and aims to convert to these gases over the long term.

Uniper is a reliable partner for communities, municipal utilities, and industrial enterprises for planning and implementing innovative, lower-carbon solutions on their decarbonization journey. Uniper is a hydrogen pioneer, is active worldwide along the entire hydrogen value chain, and is conducting projects to make hydrogen a mainstay of the energy supply.

This press release may contain forward-looking statements based on current assumptions and forecasts made by Uniper SE management and other information currently available to Uniper. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. Uniper SE does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to modify them to conform with future events or developments.



From left to right: Sandrina Sieverdingbeck, Geschäftsführerin DEUMU (Deutsche Erz- und Metall-Union GmbH), Holger Kreetz, Uniper SE COO, Gunnar Groebler, Salzgitter AG CEO, Christian Stuckmann, Uniper SE VP Business Development Hydrogen