



Press release

June 22, 2021 – Oslo, Norway

Nel ASA: Joins hydrogen initiative with leading players to enable fossil-free steel rolling/milling

(Oslo, 22 June 2021) Nel Hydrogen Electrolyser, a division of Nel ASA (Nel, OSE:NEL), has entered into a collaboration for a fossil-free hydrogen facility in Hofors, Sweden, together with partners Ovako, Volvo, Hitachi ABB, and H2 Green Steel. The conversion to green hydrogen in the production process will reduce CO2-emissions from the facility by 50% from current levels with possibilities for future development of hydrogen infrastructure for transportation.

"We are very excited to enter into this shared initiative to jointly develop fossil-free alternatives for the steel industry. Green hydrogen has the characteristics to significantly reduce CO2 emissions from steel rolling and milling, and this will be the first project in the world to heat steel with hydrogen prior to rolling. The target would be for Nel to supply the project with our industry leading electrolyser equipment, and we look forward to working with our partners to further develop fossil free steel production – a potential huge market for the application of green hydrogen." says Jon André Løkke, Chief Executive Officer, Nel.

The initiative will focus on developing a fossil-free steel production facility, with the intention of taking the first step towards creating a future hydrogen infrastructure for the transport sector. The investment of approximately SEK 180 million is supported by the Swedish Energy Agency via the Industriklivet initiative and will create significant benefits for wider society from multiple perspectives.

"We will work collaboratively together to make this project a success, based on the joint learnings we will standardize the overall solution and ensure that this can be replicated in different locations all across Europe", adds Jon André Løkke, CEO of Nel Hydrogen.

The conversion to hydrogen will enable reduction of CO2 emissions for steel production in Hofors by 50 percent from already low levels. The plant can be used flexibly and can therefore support the stability of the electrical grid, which in turn will permit more use of renewable energy sources. Additionally, it will be a step in the direction of developing a hydrogen infrastructure for the transportation sector, with locally produced fossil-free hydrogen for fuel cell vehicle trucks.

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About Nel ASA | www.nelhydrogen.com

Nel is a global, dedicated hydrogen company, delivering optimal solutions to produce, store, and distribute hydrogen from renewable energy. We serve industries, energy, and gas companies with leading hydrogen technology. Our roots date back to 1927, and since then, we have had a proud history of development and continuous improvement of hydrogen technologies. Today, our solutions cover the entire value chain: from hydrogen production technologies to hydrogen fueling stations, enabling industries to transition to green hydrogen, and providing fuel cell electric vehicles with the same fast fueling and long range as fossil-fueled vehicles - without the emissions.