

Press Release

February 20, 2025

Further SALCOS® building block: Cornerstone laid for one of Europe's largest plants for the production of green hydrogen

- 100 MW electrolysis plant for the production of green hydrogen for low-carbon steel production
- A further significant building block in the green hydrogen economy is rising in Salzgitter

Salzgitter, Graz. On February 12, the cornerstone was laid for one of the largest production plants for green hydrogen in the whole of Europe. Starting from 2026, the plant will generate around 9,000 tons of green hydrogen a year to be used for the production of carbon-reduced steel. This will mark the start of the industrial use of hydrogen in SALCOS® - Salzgitter Low CO₂ Steelmaking. SALCOS® is aiming for virtually carbon-free steel production. The 100 MW electrolysis plant will be supplied on an EPC basis by the international technology company ANDRITZ, using the pressurized alkaline electrolysis technology of HydrogenPro.

Gerd Baresch, Managing Director Technical division of Salzgitter Flachstahl GmbH, explains: *"Today's cornerstone laying represents a further major step in our SALCOS® program. This shows that the transformation of our company to low-carbon steel production is progressing on schedule. With this system for on-site hydrogen production, we are fulfilling our side of the bargain. The onus is now on governments to create suitable framework conditions for green production. The priorities here are competitive grid costs and a committed incentivization for promoting of the hydrogen economy."*

Sami Pelkonen, Executive Vice President, Green Hydrogen at ANDRITZ, adds: *"We are very proud to be making a contribution to the conversion to climate-friendly steel with the laying of the cornerstone today for our 100 MW electrolysis plant. Our extensive experience in the construction of major plants provides us with a solid foundation for realizing this innovative project. It fits perfectly with our long-term growth strategy which is focused on decarbonization and supports our customers such as Salzgitter in mastering their green transformation."*

SALCOS® is being realized in stages and it consists of a direct reduction plant, an electric arc furnace (both already under construction) and the 100 MW electrolysis plant for the production of hydrogen. Salzgitter Flachstahl GmbH will launch products using the new route on the market as early as 2026. Conversion to virtually carbon-free steel production at the Salzgitter facility is due to be completed by 2033.



From left: Andrea Prevedello (Global Director Project Management Green Hydrogen, ANDRITZ), Walther Hartl (Project Manager Electrolysis, ANDRITZ), Sami Pelkonen (Executive Vice President Green Hydrogen, ANDRITZ), Gerd Baresch (Managing Director Technical division SZFG), Thorsten Hinrichs (Head of Pipeline Infrastructure SZFG)

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Salzgitter AG

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® - Salzgitter Low CO₂ 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 160 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 2023, we generated external sales of around € 11 billion, with a crude steel capacity of 7 million tons.

Further information: www.salzgitter-ag.com

ANDRITZ Group

International technology group ANDRITZ offers a broad portfolio of innovative plants, equipment, systems, services and digital solutions for a wide range of industries and end markets. Sustainability is an integral part of the company's business strategy and corporate culture. With its extensive portfolio of sustainable products and solutions, ANDRITZ aims to make the greatest possible contribution to a sustainable future and help its customers achieve their sustainability goals. ANDRITZ is a global market leader in all four of its business areas – Pulp & Paper, Metals, Hydropower and Environment & Energy. Technological leadership and global presence are cornerstones of the group's strategy, which is focused on long-term profitable growth. The publicly listed group has around 30,000 employees and over 280 locations in more than 80 countries.

Further information: www.andritz.com