Perspectives on hydrogen use

in the steel industry

tk**H**2Steel

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April 13th, 2021 | Dr. Markus Schöffel | Manager Sustainable Production | thyssenkrupp Steel Europe AG

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thyssenkrupp

We have defined clear climate targets

-30% Emissions from our own production operations and processes¹

2030 - 30% Emissions from energy procurement²

2050 KLIMANEUTRAL CLIMATE NEUTRAL

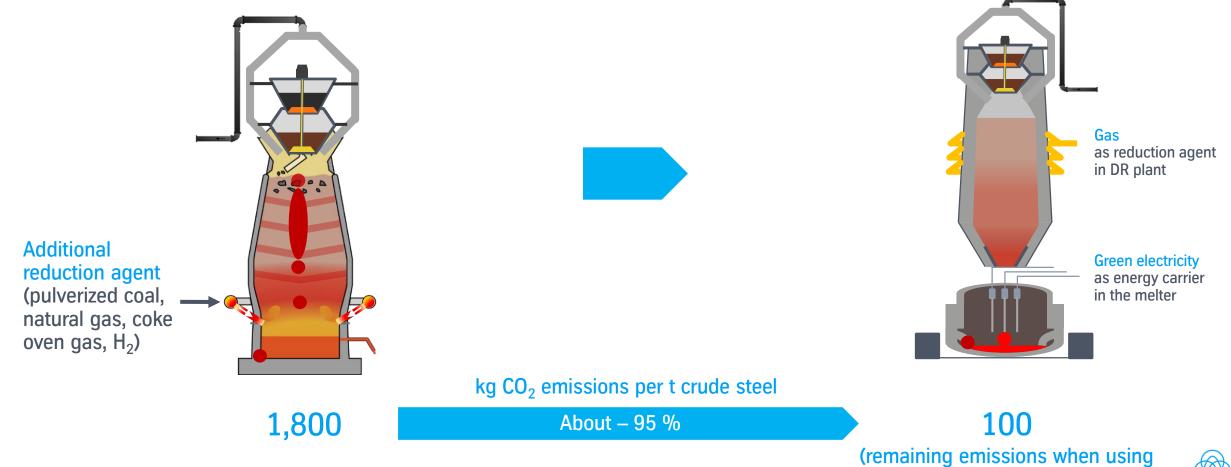
¹⁾ SCOPE 1-Emissions; ²⁾ SCOPE 2-Emissions (Base year 2018)



Gas and electricity will replace coal in future steelmaking

Blast furnace needs coke as reduction and structural agent to produce liquid hot metal

Direct reduction plant uses gas (natural gas, coke oven gas or hydrogen) to produce solid sponge iron subsequently liquefied in electric melter



hydrogen and green electricity)

Carbon2Chem[®] will support decarbonization parallel to hydrogen metallurgy

2 MW Water electrolysis

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Cleaning of gases from coke oven, blast furnace and basic oxygen furnace

Syngas

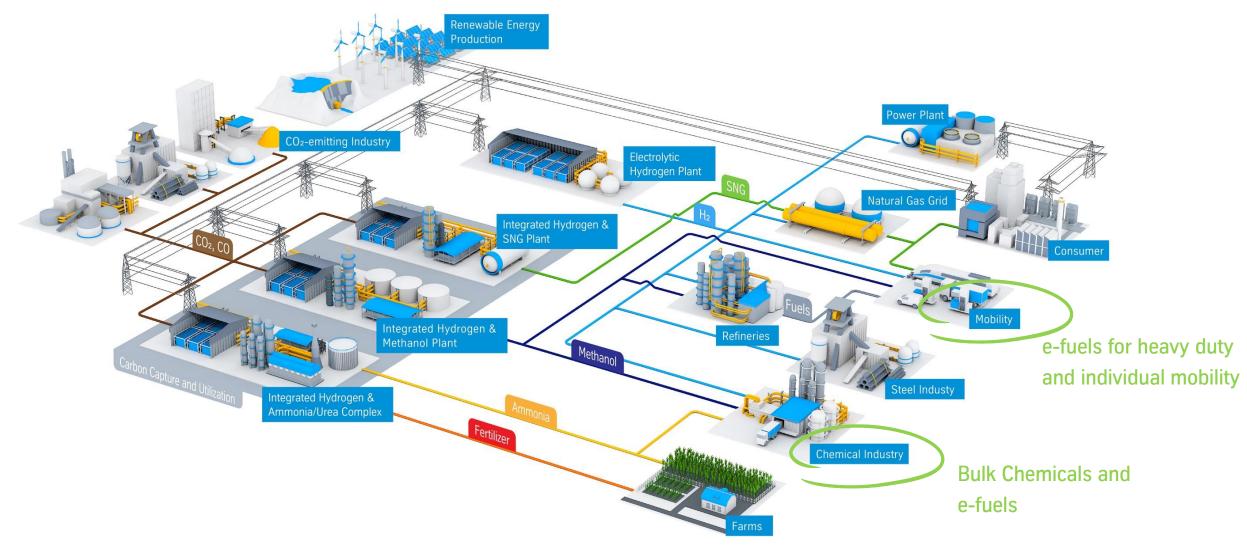
1st production: 21st December 2018

Methanol

1st production: 20th September 2018

Ammonia

Steel mills can be integrated in sustainable green value chains







Hydrogen for

climate-neutral steel

2024 onwards The milestone

Using a large-scale direct reduction plant (DR) which will be operated using green H₂ in the future, thyssenkrupp will produce sponge iron which will then be processed in the blast furnaces (BF), allowing a further reduction in emissions.

2019 - 2022 H₂ in the blast furnace

We have been testing the use of hydrogen in a working blast furnace since 2019. The goal: The equipment of blast furnace 9.

Available quantity of climate-neutral steel (per year)



2026 onwards

The melting unit

Avoiding CO 2 (Hydrogen path)

Using CO2 Carbon 2 chem®

We will optimize the hot metal unit. system using a new, electrically powered melting unit. The sponge iron from the DR plant is thus liquefied for the BOF meltshop. In this way, we will replace the first coal-based blast furnace.

The scale-up We will replace another coal-based blast furnace using a second, larger DR plant and another melting

2030 onwards

2050 onwards **Climate-neutrality**

We will produce our steel climate-neutrally in four DR plants and four melting units.

Further proc

2018

The world first

2020 onwards Industrialization

The pilot system at the Duisburg steel plant uses steel mill gases to produce base chemicals.

The concept: CO₂ becomes raw materials. In September 2018, thyssenkrupp produced methanol from steel mill gases for the first time at its Carbon2Chem® technical center in Duisburg.

2025 onwards Large-scale production

We will use the unavoidable CO₂ as a raw material on an industrial scale. The Carbon2Chem® technology can also be used in other sectors, like the cement industry.



From

2030:

3m t

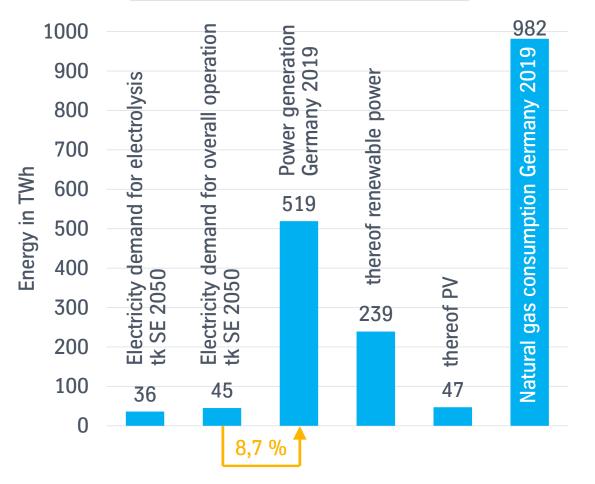


-20 million t CO

The energy demand is significant compared to the German electricity and gas market



Assumption: 10 mtpa steel from hydrogen direct reduction, Carbon2Chem not included



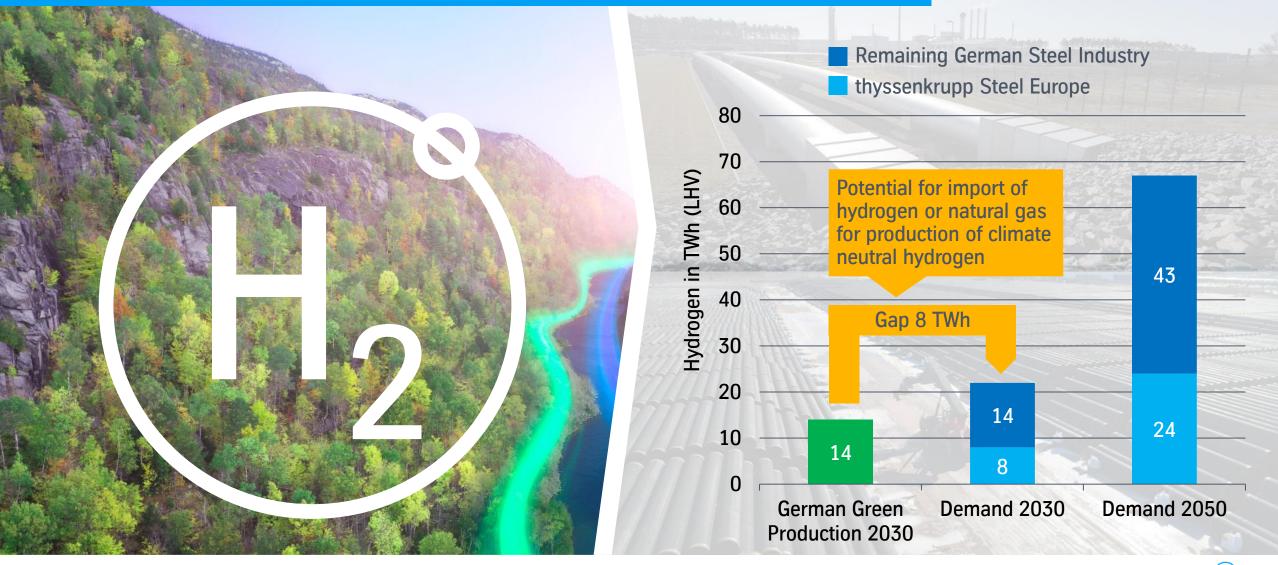
Sources:

https://www.energy-charts.de/energy_pie_de.htm?year=2019

https://www.bdew.de/media/documents/Erdgasverbrauch_Vgl_2018_2019_monatlich_online_o_monatlich_Ki_12032020.pdi



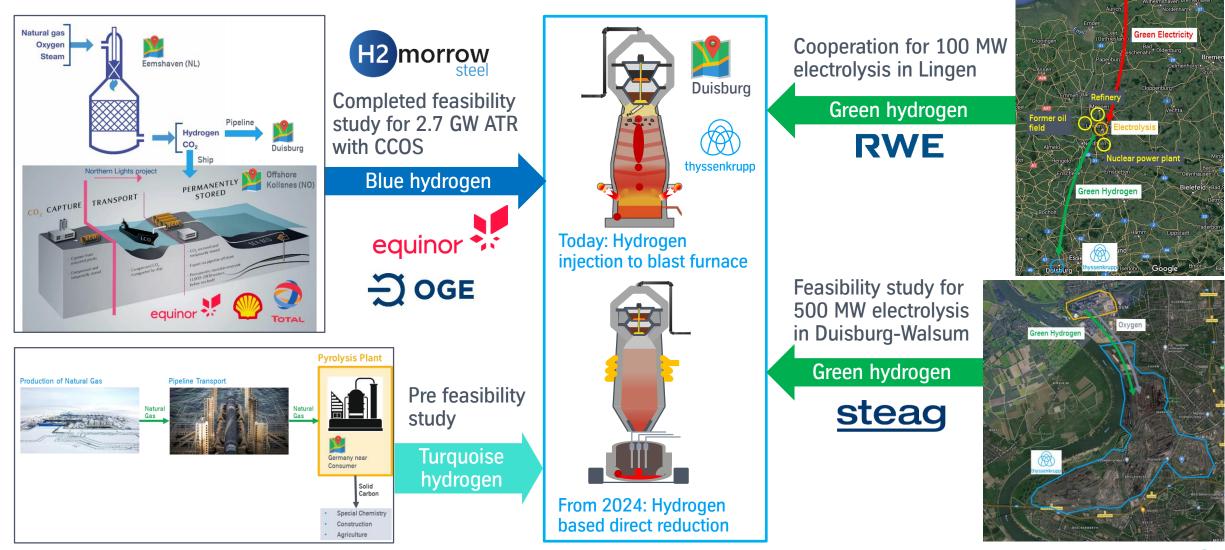
German green domestic hydrogen production will not be sufficient



Sources: Fakten zur Stahlindustrie in Deutschland 2020, WV Stahl, 2020; Nationale Wasserstoffstrategie, BMWi, 2020; Survey of WV Stahl, 2020 Photos: www.nord-stream.com, www.nord-stream2.com

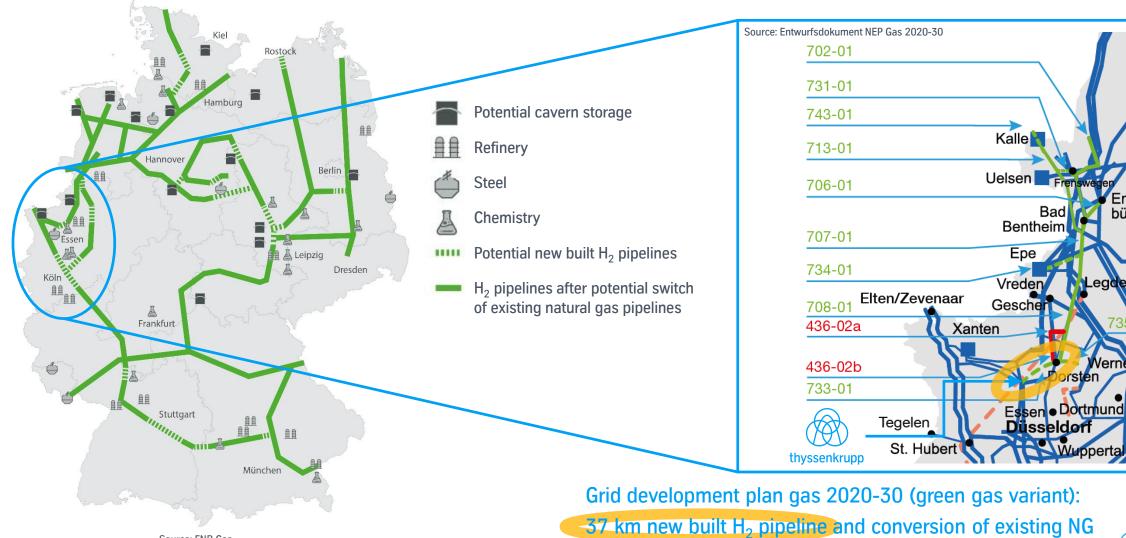


We follow an technology open approach in hydrogen supply projects





Hydrogen pipeline connection is a prerequiste for a succesful transformation ...



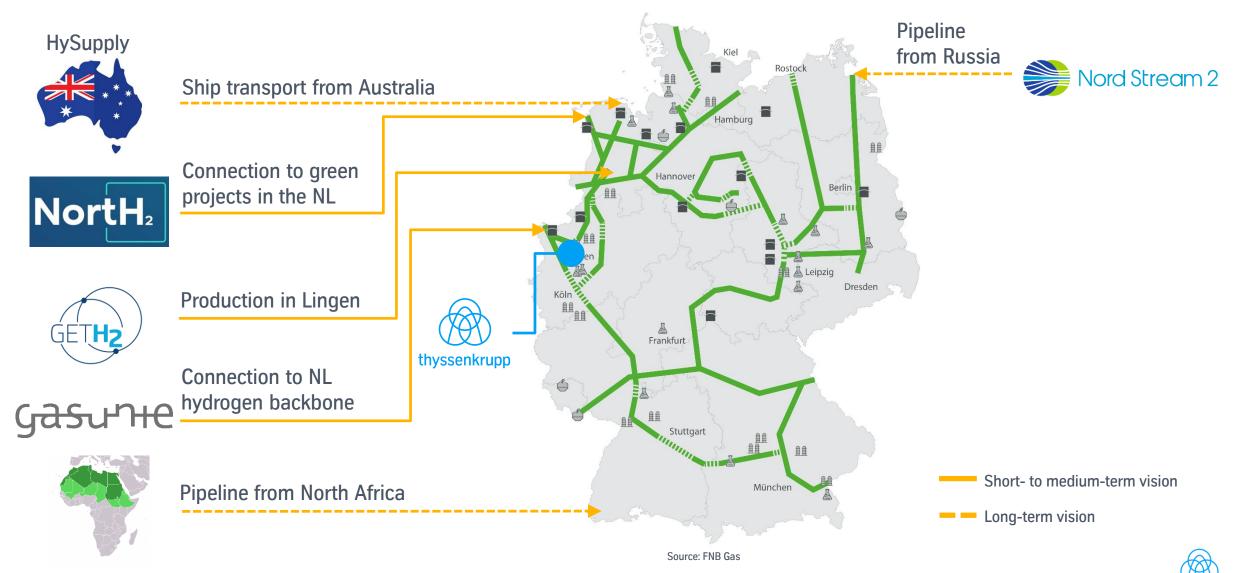
Source: FNB Gas

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pipelines to H₂ for supply of tk SE Duisburg by end of 2026

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... and enables further future partnerships



Thank you

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for your attention!



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