



thyssenkrupp

Press release

Steel Europe

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Page 1/2

CO₂-reduced steel – a scarce resource: thyssenkrupp Steel and Mercedes-Benz sign memorandum of understanding on deliveries

thyssenkrupp Steel and Mercedes-Benz have agreed to expand their existing cooperation to include CO₂-reduced steel, and signed a memorandum of understanding to this effect in April. It is intended for Mercedes-Benz to receive CO₂-reduced products from thyssenkrupp Steel for integrating into its own fleet of new passenger cars from the second half of 2026 onward. According to current planning, the new direct reduction plant (DR-plant) at thyssenkrupp's Duisburg site will also have been taken into operation by this date.

The new DR-plant is a central component of thyssenkrupp's green transformation, and will be operated in conjunction with melting units and using green hydrogen. Compared to the conventional blast furnace process, CO₂ emissions from steelmaking that are a feature of production can be significantly reduced by this innovative technology while maintaining product quality – which also significantly reduces the carbon footprint of products with a high steel content, for example in the automotive industry. With this plant, thyssenkrupp Steel's efforts to play a leading role in the green steel markets of the future is bearing fruit – and at the same time this expresses the company's goal to support automotive customers such as Mercedes-Benz in achieving their decarbonization targets.

"Under the agreement we have now reached, the CO₂-reduced steels from thyssenkrupp Steel used by Mercedes-Benz will come from the new DR-Plant production route from 2026 onwards, and can be supplied over the entire life cycle of the corresponding series. We are pleased to be able to support our customer Mercedes-Benz on its way to CO₂-neutral passenger car production," says Heike Denecke-Arnold, COO of thyssenkrupp Steel.

Steel production at thyssenkrupp Steel Europe is planned to be completely carbon-neutral by 2045 at the latest. A decisive step in this direction was taken with the contract awarded to the SMS group in March of this year for the construction of hydrogen-based direct reduction plants in combination with innovative melting units. This marks the start of one of the biggest industrial decarbonization projects worldwide, which at one stroke will avoid more than 3.5 million metric tons of CO₂ per year in the future. The direct reduction plant has a capacity of 2.5 million tons of directly reduced iron and can be seamlessly integrated into the existing steel mill thanks to its innovative concept. This allows all downstream process steps from the steel mill to be retained, thus ensuring consistently high product quality. In this way, not only can the existing plant structure be used efficiently, but customers also continue to receive the complete, high-value product portfolio in the usual premium quality. This makes the CO₂-reduced steel produced via this production route particularly interesting for the auto industry.

June 13, 2023

Page 2/2

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