PRESS RELEASE

May 13, 2022 – Oslo, Norway

Nel ASA: Spain´s King Felipe opens the 'king of electrolysers'

(Oslo, 13 May 2022) A new Nel installation for Iberdrola at Fertiberia's fertilizer plant in Puertollano shows even existing facilities can be made less polluting in a cost-effective manner.

The 20 MW PEM electrolyser plant, which was officially opened today, is Europe's biggest and will reduce CO2 emissions from fertilizer production as green hydrogen will replace hydrogen produced from fossil fuels.

"This really is the 'king of electrolysers' and shows what we can achieve in green-hydrogen production for European industry," says Jon André Løkke, Nel´s CEO.

The electricity needed for the hydrogen production will be produced at Iberdrola´s new solar park, which is located a few kilometers from the hydrogen and fertilizer plant in Puertollano, approximately 250 km south of Madrid.

Cost is often the factor that hinders industrial development and transition to new technologies. Existing systems work well enough and typically have many years´ life left in them. To build a new facility featuring new technology is a huge investment, and one that might also imply a reduction in production capacity for a company whose shareholders are expecting regular dividends.

But Fertiberia´s fertilizer factory at Puertollano in Spain, shows there is an in-between option when it comes to the green transition. The plant was built using legacy steam-reformation technology, where large amounts of gas are burned to heat further amounts of gas mixed with steam.

This process releases hydrogen from the natural gas, which can then be combined with nitrogen to form ammonia, the key ingredient of agricultural fertilizer. But the process also releases huge amounts of carbon dioxide.

Now, Nel´s Wallingford factory in the USA has produced Europe´s biggest electrolyser to help reduce those emissions.

16 cells combine to form a 20 MW system powered by solar panels. The green hydrogen produced will replace parts of the natural gas used hitherto, which translates into an annual CO2 output reduction of almost 50,000 tonnes.

This is a first step towards a greener ammonia industry, and Fertiberia and other ammonia producers are planning to make 100% green-hydrogen fertilizer production a reality in the coming years. As with many developments in industry, progress depends largely on funding throughout the value chain, and clear policy direction at both the national and international level.

Nel and the entire hydrogen industry are eagerly anticipating the publication of the European Commission's RePowerEU implementation plan on 18 May. This should provide further clarity on the regulatory framework for renewable hydrogen and funding tools available.

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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. Since its origins in 1927, Nel has a proud history of development and continual improvement of hydrogen plants. Our hydrogen solutions cover the entire value chain from hydrogen production technologies to manufacturing of hydrogen fueling stations, providing all fuel cell electric vehicles with the same fast fueling and long range as conventional vehicles today.