PRESS RELEASE
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Nel ASA: The EU accelerates renewable hydrogen measures

(March 17, 2023 - Oslo, Norway,) Thursday, the European Commission presented initiatives to increase the speed and scale-up of the renewable hydrogen industry.

The Net Zero Industry Act identifies electrolysers as a strategic net zero technology for Europe. It aims to accelerate permitting and reduce the administrative burden on electrolyser manufacturers when applying for permits. Until now, there have been no harmonized rules across the European internal market regarding the permitting of clean-tech manufacturing.

“We look forward to the implementation of the numerous EU initiatives intending to create an attractive investment framework in Europe,” says Nel's CEO, Håkon Volldal.

The EU package also includes an aspirational target of meeting at least 40% of the EU's annual electrolyser manufacturing deployment needs by 2030 with electrolysers made in Europe.

“There is fierce competition between continents for global leadership in renewable hydrogen technology, and we welcome the EU setting a target for the production of electrolysers made in Europe,” says Volldal.

The Commission also communicated on the highly anticipated “Hydrogen Bank.” A first pilot auction of the Hydrogen Bank with an indicative budget of €800 million will be launched in the autumn of 2023. Winners of the auction will receive a fixed premium for each kg of renewable hydrogen produced over 10 years.

In addition, the European Commission presented a proposal for a “Critical Raw Materials Act” aimed at strengthening the European critical raw materials value chain as well as diversifying the EU’s imports of critical raw materials whilst reducing strategic dependencies.

The world's first
Nel's production of alkaline electrodes at Herøya in Norway, where the company has established the world’s first fully automated electrolyser factory, does not depend on any rare earth metals or other scarce resources. The facility has a capacity of 500 MW and the company has started the construction of a second production line, which will take the manufacturing capacity in Herøya to 1 GW by April 2024. The facility can be further expanded to 2GW manufacturing capacity.

In addition, Nel recently announced that the company has made a final investment to expand its existing manufacturing facility in Wallingford (US) from 50 to 500MW annual output.

The company is also in the final site selection phase for a new gigafactory in the United States of America. The gigafactory will have a potential annual manufacturing capacity of up to 4 GW.

Volldal says Nel is committed to adding capacity when and where the market needs it.

“We will continue to search for sites for further expansion. With our fully automated manufacturing concept, we have a great starting point for building more production lines and factories,” says Volldal.

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About Nel ASA | www.nelhydrogen.com
Nel has a history tracing back to 1927 and is today a leading pure play hydrogen technology company with a global presence. The company specializes in electrolyser technology for production of renewable hydrogen, and hydrogen fueling equipment for road-going vehicles. Nel's product offerings are key enablers for a green hydrogen economy, making it possible to decarbonize various industries such as transportation, refining, steel, and ammonia.