

Swedish Energy Agency supports carbon-dioxide-free ironmaking project

The Swedish Energy Agency has today decided to contribute SEK 6.7 million to support the pre-feasibility study in SSAB, LKAB and Vattenfall's joint initiative for carbon-dioxide-free ironmaking.

"We are delighted that the Swedish Energy Agency has chosen to support the pre-feasibility study in the initiative for carbon-dioxide-free ironmaking. The success of the project is not only important for the steel industry, but is also an important contribution to the drive to make Sweden fossil free by 2045," said SSAB's CEO and President **Martin Lindqvist**.

The initiative is split into three phases beginning with a pre-feasibility study, which will analyze all the conditions and which will continue until the end of 2017. This will be followed by a more concrete research and development program in a pilot study, which will last until 2024 before finally progressing to demonstration plant trials, which will continue until 2035.

In early April, SSAB, LKAB and Vattenfall announced their joint initiative to solve the carbon dioxide problem in the Swedish steel industry. By using hydrogen in the direct iron ore reduction process instead of blast furnaces using coal and coke as is the case today, the goal is to create a steel process that releases water instead of carbon dioxide.

"This project could be the starting point of radical change in the Swedish steel industry. In the long run, it can mean Sweden becoming the first country in the world to use hydrogen in ironmaking on an industrial-scale," said **Klara Helstad**, head of the Sustainable Energy Unit at the Swedish Energy Agency.

SSAB's existing production system is already one of the world's most efficient in terms of carbon dioxide emissions. Nevertheless, existing steelmaking technology means SSAB is Sweden's largest single source of carbon dioxide emissions. The success of the project will also mean a major contribution to a fossil-free Sweden.

With its specialized, innovative steel industry, access to fossil-free electricity and the highest quality iron ore in Europe, Sweden is uniquely placed for the initiative.

Nevertheless, completion of the project requires continued significant national contributions from the state, research institutes and universities over a period of 20-25 years.

For more information, please contact:

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SSAB is a Nordic and US-based steel company. SSAB offers value added products and services developed in close cooperation with its customers to create a stronger, lighter and more sustainable world. SSAB has employees in over 50 countries. SSAB has production facilities in Sweden, Finland and the US. SSAB is listed on the Nasdaq OMX Nordic Exchange in Stockholm and has a secondary listing on the Nasdaq OMX in Helsinki. www.ssab.com.