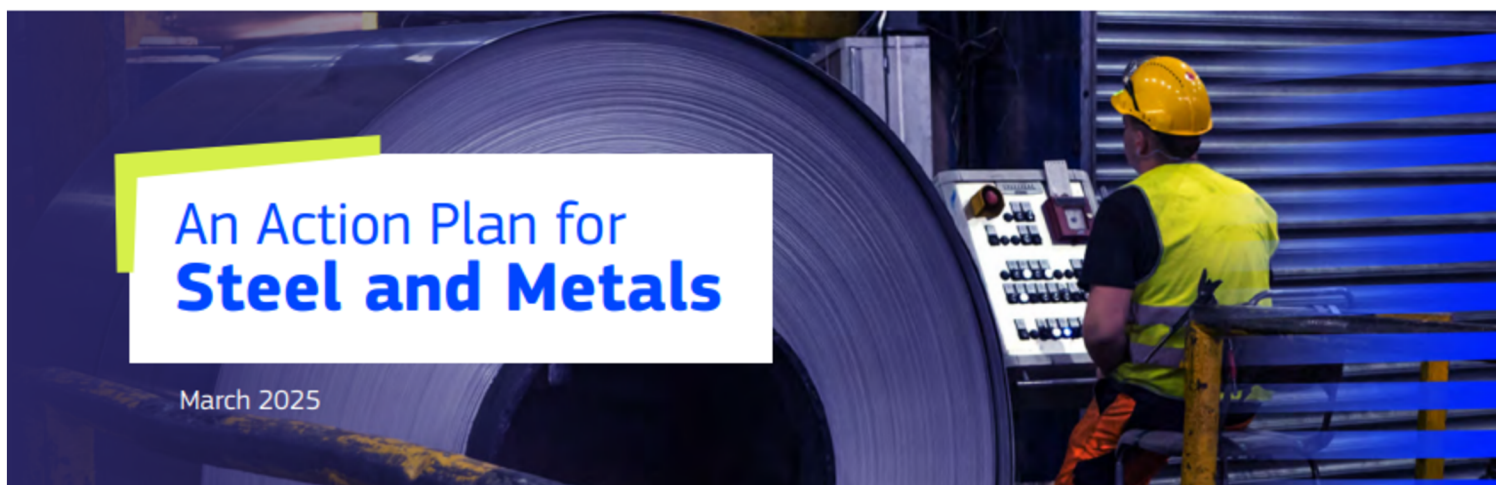


Green steel to boost Europe's industrial decarbonisation



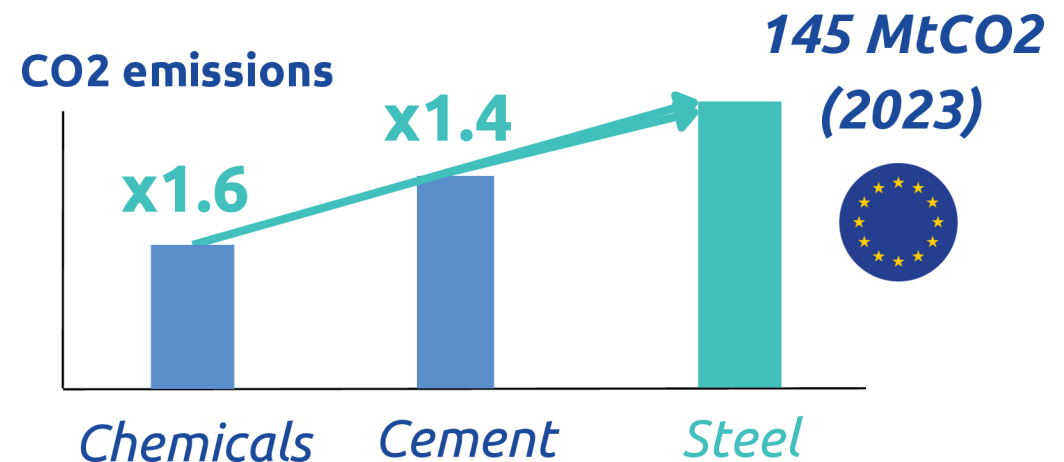
April 3, 2025



- Steel is a carbon intensive industry, accounting for **5% of the EU's total emissions** and more than **25% of its industrial emissions**
- The EU announced the **Action Plan on Steel and Metals** to kickstart its clean industrial transition
- **Over 30 projects** have been announced across Europe for steel plant decarbonisation, with the earliest COD in 2025

European steel industry is faced with multiple challenges

Steel is one the **most polluting heavy industries** in Europe, ahead of chemicals and cement



The sector is responsible for **5%** of the EU's total GHG emissions and **25%** of industrial emissions

Once the backbone of European strength, the steel industry is losing its competitiveness due to multiple challenges.

Challenges faced by the European steel sector ...

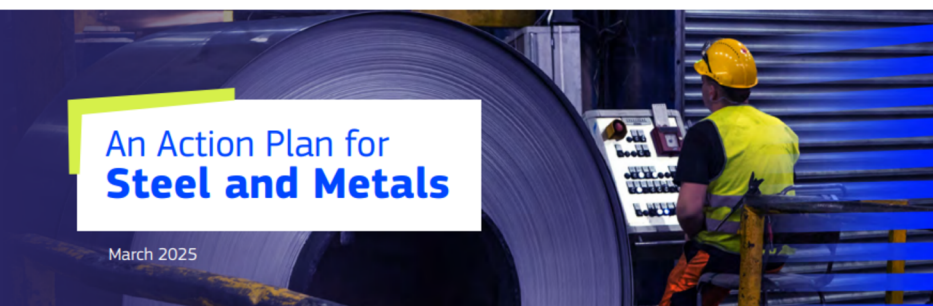
- ↑ High energy costs
- ↑ Global overcapacity
- ↑ Unfair competition (tariffs)
- ↑ Aging fleets

- 30% **decrease** in domestic steel production between 2018-2023
- Increasing **reliance on steel imports** marking 27% of the EU market
- 60% **capacity utilisation** is unsustainable for business

Source: Eurofer

EU's Action Plan for Steel and Metals

In response to these challenges, the EU Commission released an action plan to build a **competitive** and **decarbonised** steel industry in Europe



Main Proposals are...

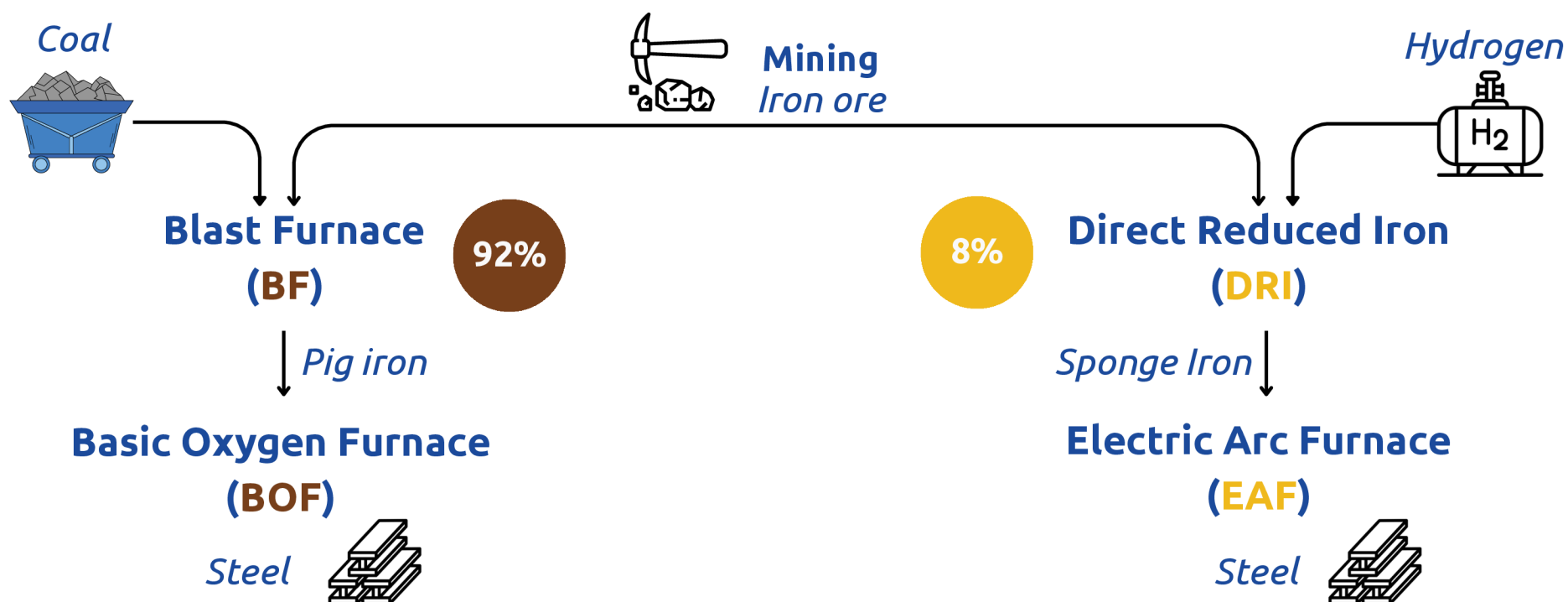
- Reduced energy tax and network tariffs
- Faster grid access
- Trade protection policy
- Subsidies and incentives

Why steel among others?

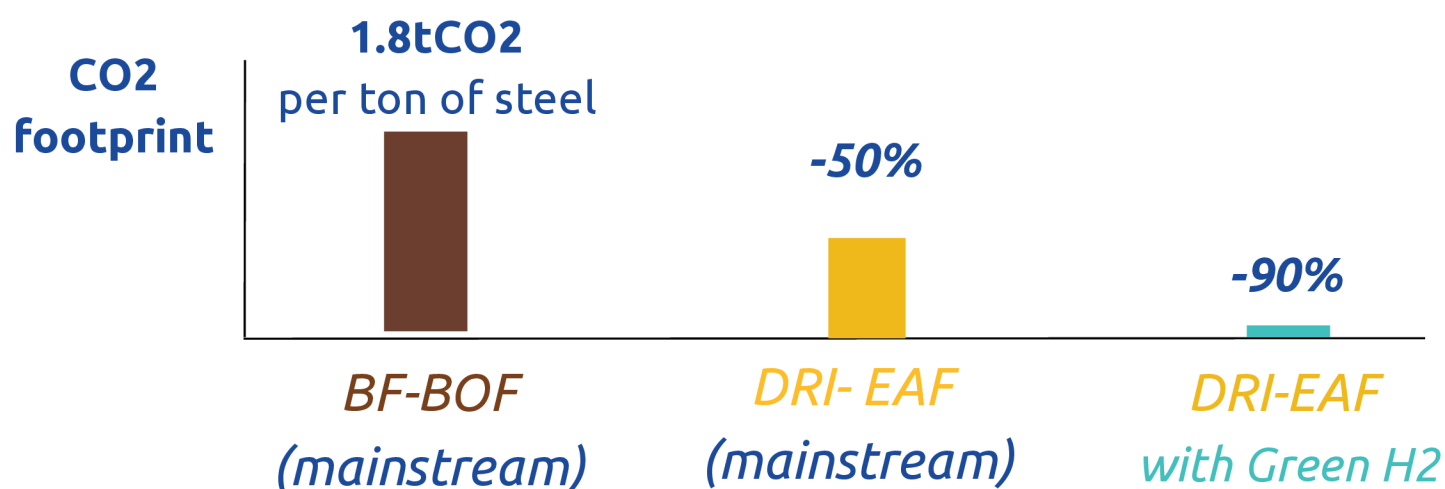
- ✓ **High emissions reduction impact**
cutting carbon in one of the most polluting industries
- ✓ **Essential for key sectors**
serving as a base material to automotive, clean tech, defense, etc.
- ✓ **Strategic for economic resilience**
protecting jobs and boosting domestic manufacturing
- ✓ **Reforming the EU foundation**
and strengthening the geopolitical ties within Europe

[Recap] How do we decarbonise steelmaking?

Two ways of producing steel today

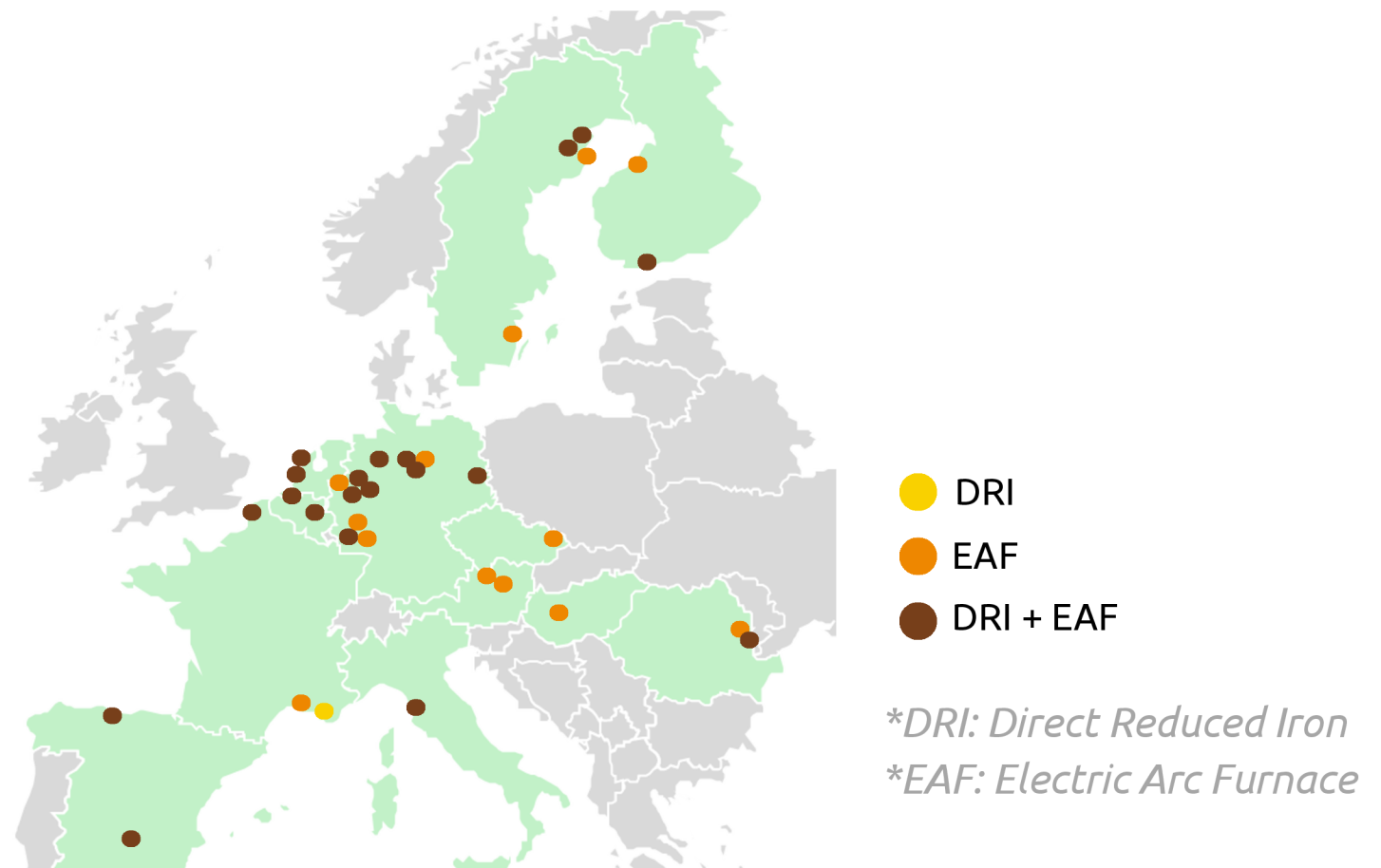


- **Hydrogen** is already used today in the steel value chain (in the **DRI** process) but only marginally compared to coal in **BF** (92% of global iron production)
- Green hydrogen use in **DRI-EAF** process can significantly reduce CO₂ footprint



Scaling up green steel in Europe

Over 30 steel decarbonisation projects have been announced or under construction, mainly replacing blast furnaces to DRI plants and EAFs



Source: The State of the European Steel Transition (March 2025)

“ The H₂-DRI projects announced by the European steel sector will require a projected **2.12Mt/year** of hydrogen ”

-Eurofer (2024)



Yamna, green molecules producer, is ready to supply clean and cost-competitive molecules to help decarbonise the European steel industry

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