



SALZGITTER AG
People, Steel and Technology



Press Release

December 19, 2022

Stahlo and Salzgitter Flachstahl GmbH conclude partnering agreement

- **Green steel for plant-independent steel service center**
- **Markets for CO₂-reduced steel continue to establish themselves**

Dillenburg / Salzgitter. The Stahlo Steel Service Center and Salzgitter Flachstahl GmbH have concluded a partnering agreement on the supply of green steel. With this step, the company, which is part of the Friedhelm Loh Group, is already securing CO₂-reduced steel that will be produced and supplied according to the SALCOS® concept as from the end of 2025.

With the implementation of the SALCOS® - Salzgitter Low CO₂ Steelmaking transformation program, the Salzgitter Group will gradually convert its steel production to hydrogen-based processes. The aim is to achieve virtually CO₂-free production as from 2033 onwards. The Salzgitter Group is already producing CO₂-low steel products by way of the scrap-based electric steel route. In 2021, Stahlo had already included these products in the company's delivery program.

Ulrich Grethe, Chairman of the Executive Board of Salzgitter Flachstahl GmbH commented: "The Salzgitter Group is working closely with customers and partners to achieve climate targets - true to our strategic mission of Partnering for Transformation. The cooperation with Stahlo is further evidence that customers are following us on the course towards green steel production. The large number of our partnering agreements shows that the markets for green steel are becoming further established in various customer sectors."

"Very many of our customers are pursuing a decarbonization roadmap that outlines savings in consistent steps over the next few years. Our goal is to support them in achieving their CO₂ optimizations in steel procurement for the coming years and in meeting the upstream Scope 3 requirements," as Oliver Sonst, Managing Director of Stahlo, stated. "Consequently, we are therefore very pleased to further expand our long-standing, trust-based partnership with Salzgitter Flachstahl and to position ourselves as a reliable supplier of Green Steel for our customers in the future."

In future, Stahlo customers will be able to source green SALCOS® steel from all three Stahlo plant locations - in Dillenburg, Gera and Nordhausen. With these offerings, the steel service center will be supporting its customers in optimizing the product carbon footprint (PCF) of the steel products they purchase. Stahlo supplies both Friedhelm Loh Group companies as well as customers in the processing and automotive industries with a sophisticated range of flat steel products.

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Stahlo Stahlservice

Stahlo is one of the most modern and plant-independent steel service centers in Germany. The range includes the complete delivery program for all important materials in the thin sheet market. At its locations in Dillenburg, Gera and Nordhausen, the company produces – individually and according to customer requirements – slit strip, blanks, standard formats, and special shaped blanks in all common finishes and grades – all the way through to high-strength and ultra-high-strength.

Headquartered in Dillenburg, the company was founded in 1983 and is part of the Friedhelm Loh Group. With 12 production sites and 94 international subsidiaries the group commands a global presence. The Friedhelm Loh Group employs 11,600 people and generated sales of 2.5 billion euros in 2021. For the thirteenth time in a row, the family-owned company was named Top Employer Germany in 2021.

For more information, visit www.stahlo.de or www.friedhelm-loh-group.de.

Salzgitter AG ranks as one of Germany's leading steel and technology groups.

As a pioneer in the circular economy, we focus on sustainable innovation and on transforming products and processes in the business units of Steel Production, Steel Processing, Trading and Technology.

With our Salzgitter AG 2021" strategy and anchored in the principle of "Pioneering for Circular Solutions", we are setting new benchmarks in the industry. Our aspirations are realized through strong initiatives and programs such as SALCOS® - Salzgitter Low CO₂ Steelmaking. Through partnerships and in networks, we are actively driving the process of development towards a circular economy.

With around 25,000 employees worldwide at 150 national and international subsidiaries and associate companies, we live up to our global aims for growth, profitability and our pioneering position. In the financial year 2021, we generated external sales of around € 10 billion, with a crude steel capacity of 7 million.

More information is available at: [People, Steel and Technology | Salzgitter AG \(salzgitter-ag.com\)](https://www.salzgitter.com/en/people-steel-and-technology)