

Press release
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ENGIE and POSCO Holdings announce an important step towards a green steel industry in Australia

ENGIE, a world leader in the renewable energy transition and POSCO Holdings, a leading provider of eco-friendly materials for a greener and sustainable future, have signed an agreement to conduct a pre-feasibility study for a flagship green hydrogen project in the Pilbara region of Western Australia.

The project will supply green hydrogen to POSCO Group's proposed Hot Briquetted Iron (HBI) plant for the production of green iron in Port Hedland, with the potential to supply green fuel to South Korea to decarbonise POSCO's existing assets.

The study will support and refine the development plans for inland renewable energy sites in the Pilbara, including wind and solar generation, a hydrogen electrolyser, large-scale storage capability and pipeline capable of delivering green hydrogen to POSCO Group's HBI plant, once operational.

ENGIE Australia & New Zealand Chief Executive Officer, Mr Rik De Buyserie, said the study was an important first step in extending ENGIE's hydrogen activities in Australia and signals the start of the ENGIE Group involvement in an emerging sector of the energy market.

"ENGIE is committed to accelerating the transition to a carbon-neutral economy. Developing green hydrogen as a feedstock to reduce heavy manufacturing emissions is key to helping our partners to achieve their sustainability goals," he said.

"Business and the community in the Pilbara can see the opportunities and benefits to decarbonising. This also means more jobs in new industries and providing a boost in economic activity across the region in the short and long term.

"Australia is a market where ENGIE is actively looking to grow its hydrogen operations, and we're optimistic that this study will help us progress a second significant hydrogen development in the Pilbara, to help achieve the net zero goals of another hard-to-abate industry."

The Head of POSCO Holdings' Hydrogen business team, Mr Ju-ik Cho said "Australia is one of the key strategic countries for achieving POSCO Group's carbon neutrality and advancing green hydrogen businesses for a sustainable future," he said.

"POSCO Holdings aims to create a success story of green hydrogen development that can be integrated into green steel production in Australia, as well as the establishment of an achievable business structure that fosters POSCO Group's local synergy.

“POSCO Group will do more than simply produce export-bound hydrogen in Australia. We will add value by investing not only in producing hydrogen but also in developing hydrogen-using industries.”

POSCO aims to achieve carbon neutrality by 2050, through adopting hydrogen reduction processes in iron and steel making. The POSCO Port Hedland Green Steel (PHGS) project plans to secure low-carbon iron and steel by reducing iron ore through Direct Reduced Iron (DRI) technology and Hot Briquetted Iron) production. The produced green hydrogen will be utilised as a reducing agent under this process.

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About ENGIE ANZ

ENGIE Australia & New Zealand, a joint venture with Mitsui & Co Ltd, is accelerating the transition to a carbon-neutral economy by providing innovative, sustainable energy solutions to households, businesses, communities and cities. We have 1,100MW of low-carbon generation capacity and more than 3,000MW of renewable energy under development. Our retail business, Simply Energy, has more than 700,000 customer accounts. ENGIE's trading arm, Global Energy Management & Sales (GEMS) provides long-energy supply agreements, energy trading, risk management and asset management services to business customers across the ENGIE ANZ portfolio. ENGIE's Hazelwood Rehabilitation Project is progressing the delivery of a safe, stable and sustainable site after the closure of the mine and power station in 2017.

About POSCO Holdings

POSCO Holdings, as a future eco-friendly materials provider, manages POSCO Group's business portfolio and models corporate governance and environmental, social and governance (ESG) management practices. The group comprises affiliated operating companies representing steel, energy, the 2nd battery, construction and trade industries

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