



GravitHy signs a letter of intent with EDF to secure part of the electricity supply to its future plant in Fos-sur-Mer (France)

Active since July 2022 in the development of the direct reduced iron market, GravitHy is moving ahead with its project to build France's first low-carbon DRI/HBI1 production plant in Fos-sur-Mer (France). In order to guarantee a stable and competitive supply of electricity for its future site, GravitHy has signed a letter of intent (LOI) with EDF for a Nuclear Production Allocation Contract (CAPN).

This is a major milestone that confirms GravitHy's pioneering position in the low-carbon iron market

The two companies' signature of a letter of intent (LOI) for a Nuclear Production Allocation Contract (CAPN) will enable GravitHy to secure part of its future electricity supplies in France, a necessary condition for the realisation of this project.

CAPNs are industrial partnership contracts under which electricity-intensive companies are allocated a share of the power generated by the operating nuclear fleet, for a period of more than 10 years, in return for a share of the costs and risks of the actual output of the fleet. The price reflects the existing nuclear fleet's actual production costs and includes an upfront payment.

"Our mission to decarbonise the steel industry depends essentially on a supply of green, low-carbon electricity, in sufficient quantities and at a competitive price. We are delighted with this major step forward with EDF, which marks a major contribution to the creation of our first direct reduced iron plant in Fos-sur-Mer." said José Noldin, CEO of GravitHy.

"Projects such as those of GravitHy are central to the energy transition, particularly in the metallurgical industry, which is responsible for 8% of global CO2 emissions². This partnership will enable GravitHy to benefit from low-carbon electricity at a price that is competitive and stable over the long term. It demonstrates EDF's determination to support its electricity-intensive customers by offering customised solutions. It also allows EDF to stabilize its income by engaging its partners in the long term in a logic of sharing the costs and the risks of the nuclear fleet." said Marc Benayoun, EDF Group Senior Executive Vice-President, Customers & Energy Services.

¹ DRI : Direct Reduction Iron / HBI : Hot Briquetted Iron

² Source : [world steel association](#)

This is paving the way for a 90% reduction in the CO2 footprint of the iron needed to produce steel

GravitHy is an industrial company focused on speeding up the decarbonization of the steel industry. GravitHy will use electrolytic hydrogen to produce low-carbon direct reduced iron.

It will supply the fast growing low-carbon steel market, driven both by steelmakers keen to produce green steel and by their end-customers, steel users wanting to reduce their carbon footprint in the transport and construction industries and in the manufacture of wind turbines, for example. The GravitHy plant in Fos-sur-Mer will be a trailblazer for the production of carbon-free iron on the Mediterranean coast and will be the first of a series.

This project is also facilitated by the Government's support for the transformation of the steel industry through the France 2030 Investment Plan. What is more, in February 2024, the Government spotlighted the quality and ambition of GravitHy's operations by selecting it as a candidate for the "Première Usine" call for projects by Bpifrance, as part of the France 2030 programme.

www.gravithy.eu

ABOUT GRAVITHY

GravitHy is a sustainable steel company launched in July 2022. GravitHy will cater to the fast-growing market for green and decarbonated steel. It aims to reduce the sector's emissions by producing and using green, low-carbon hydrogen to produce direct reduced iron. This iron will be sold in France and worldwide as raw material for green steel. The company's shareholders include EIT InnoEnergy, Engie New Ventures, FORVIA, IDEC GROUP, Plug and Primetals Technologies.

ABOUT EDF

The EDF Group is a key player in the energy transition, as an integrated energy operator engaged in all aspects of the energy business: power generation, distribution, trading, energy sales and energy services. The Group is a world leader in low-carbon energy, with a low carbon output of 434TWh, a diverse generation mix based mainly on nuclear and renewable energy (including hydropower). It is also investing in new technologies to support the energy transition. EDF's raison d'être is to build a net zero energy future with electricity and innovative solutions and services, to help save the planet and drive well-being and economic development. The Group supplies energy and services to approximately 40.9 million customers (1) and generated consolidated sales of €139.7 billion in 2023.

(1) Customers are counted per delivery site. A customer may have two delivery points.

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