

Press Release

<u>Lhoist project "EVEREST" for carbon-neutral lime production at Europe's largest plant (in Wülfrath, Germany) in the preselection for funding by the EU Innovation Fund</u>

EU supports innovative decarbonisation of the lime industry

Wülfrath, 28 July 2023. Europe's largest limestone plant, the Flandersbach plant of Lhoist Germany Rheinkalk GmbH in Wülfrath, is preselected to receive funding in the amount of millions from the EU Innovation Fund. Unique in its planned scale to date, the "EVEREST" project for carbon-neutral lime production is to be implemented with the help of the fund. Lhoist Germany is currently investigating the implementation of a large-scale industrial plant for carbon dioxide capture in conjunction with its project partner Air Liquide. More than one million tonnes of CO₂ emissions per year could be avoided in the future.

Lime as a mineral raw material is indispensable in many established and new industrial value chains, such as steel production, flue gas treatment, production of battery materials, but also water treatment and agriculture. Lime production generates large amounts of CO₂, two thirds of which are unavoidable due to the chemical processes. With the planned "EVEREST" project, these CO₂ emissions are to be captured and stored in the long term in CO₂ storage facilities in the North Sea. The process is called Carbon Capture and Storage (CCS).

"It is a great success that our project gives us the opportunity to receive funding. This brings us one important step closer to carbon-neutral lime production in Europe's largest lime plant," says Thomas Perterer, Managing Director of Lhoist Germany Rheinkalk GmbH. "As a co-signatory of the "Industrial Pact for Climate Neutrality and Competitiveness" with the North Rhine-Westphalia state government, EU funding now enables us to strengthen our efforts to significantly reduce the carbon footprint of lime products."

"We are delighted with this success of our partner Lhoist. Together, we can make another important technological contribution to the decarbonisation of industry in North Rhine-Westphalia," adds Gilles le Van, Vice President Large Industries and Energy Transition for Air Liquide Central Europe.



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Progress in planning for decarbonisation plant

Lhoist will now begin detailed planning to develop a decision basis for a possible investment in a largescale plant to capture the carbon dioxide generated during lime production at the Wülfrath site.

Two innovative technical approaches are being pursued concurrently for the purpose of carbon-neutral lime production. On the one hand, part of the current lime kiln fleet is to be equipped with a capture system for CO₂, and on the other hand, some older kilns are to be replaced by ones with a new burning technology for limestone and an adapted CO₂ capture system. The successful demonstration of the large-scale implementation of both methods could accelerate the decarbonisation of the lime industry.

For this purpose, the company is drawing on Air Liquide's many years of experience. With technologies already proven in other industries, the CO₂ can be captured, liquefied, and transported further by rail and ship or pipeline transport infrastructure.

The funding decision of the EU Commission, which is expected for the end of 2023, would be a milestone for the company towards carbon-neutral production and an important signal for the successful transformation of industrial companies both in Germany and globally.

EU promotes innovative technologies

The EU Innovation Fund aims at promoting innovative solutions to decarbonise European industry, bringing it to market successfully, whilst at the same time promoting the competitiveness of companies. During the application process, companies can submit proposals for major projects that provide solutions for decarbonisation of industrial processes in Europe. The projects are then examined and evaluated by an expert panel for their eligibility based on selection criteria such as the effectiveness of the avoidance of greenhouse gas emissions, the degree of innovation, or cost efficiency.

At present, the "EVEREST" project has successfully passed preselection in addition to six other major projects in Germany. In total, 41 projects from 15 EU countries from all industrial sectors with a funding volume of around EUR 3.6 billion were identified in the preselection procedure. A total of 293 projects had applied for funding.



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For the Lhoist Group, Rheinkalk GmbH's successful application for the "EVEREST" project is part of its global sustainability strategy. The Lhoist Group is currently pursuing two other projects funded by the EU Innovation Fund: "CalCC" for CO₂ capture in France's largest lime plant and "CO2ncrEAT", a project in Belgium to use CO₂ from lime production to produce masonry blocks.

About Lhoist Germany

Lhoist Germany operates 10 plants with around 1,200 employees. Lhoist Germany takes its responsibility towards people and nature seriously and combines centuries of experience and in-depth knowledge of the founding companies in dealing with limestone with state-of-the-art mining, production and recultivation technology. The products are used in steel and iron production, environment protection applications, the chemical industry, the construction industry, water and wastewater treatment as well as agriculture and forestry.

About Lhoist Group

The Lhoist Group is a global leader in lime (including dolomitic lime), limestone, and mineral solutions for an ever-growing range of applications, since 1889. This family-owned business combines a traditional industrial culture with a dynamic and entrepreneurial approach.

With roots and headquarters in Belgium, the Lhoist Group has grown from generation to generation and now has a presence in more than 25 countries with more than 100 facilities around the globe, delivering over 80 countries from sites in Europe, North America, Latin America and Asia-Pacific. Lhoist's solutions are used in a wide variety of traditional and emerging applications due to their unique chemical and physical properties. In particular, lime is a critical and necessary product for the energy transition development.

The Lhoist Group has continuously embraced Sustainability at the heart of its actions and long-term vision. Reducing its carbon footprint is part of an overall commitment to develop Lhoist as a sustainable company. The group acknowledges its responsibility to plan ahead and be an actor of the global transition to a decarbonized economy.