

**FORTESCUE  
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## Investor News

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Covestro AG  
Investor Relations  
51373 Leverkusen  
Germany

IR Contact  
Ronald Köhler  
Telephone  
+49 214 6009 5098  
Email  
ronald.koehler  
@covestro.com

IR Contact  
Ilia Kürten  
Telephone  
+49 214 6009 7429  
Email  
ilia.kuerten  
@covestro.com

IR Contact  
Carsten Intveen  
Telephone  
+49 214 6009 5861  
Email  
carsten.intveen  
@covestro.com

### **Fortescue Future Industries and Covestro announce plans to enter a long-term green hydrogen supply agreement**

- **Fortescue Future Industries intends to supply green hydrogen and its derivatives including green ammonia to Covestro**
- **FFI will supply up to 100,000 tonnes of green hydrogen equivalent per year, starting as early as 2024**

**Leverkusen/Perth** Fortescue Future Industries (FFI), a global green energy and green industry company based in Australia, and Covestro, a world-leading, Germany-based supplier of high-tech polymer materials, intend to enter into a long-term agreement for the supply of green hydrogen and its derivatives, including green ammonia.

According to the Memorandum of Understanding (MoU), FFI and Covestro will formalise an agreement under which FFI will supply Covestro with the equivalent of up to 100,000 tonnes of green hydrogen (GH<sub>2</sub>) per year. The arrangement will enable Covestro to reduce its greenhouse gas emissions by up to 900,000 tonnes of CO<sub>2</sub> per year, by replacing grey hydrogen and its derivatives with GH<sub>2</sub>. The deliveries are earmarked for three potential locations – Asia, North America and Europe – and could commence by 2024.

FFI and Covestro view the non-binding MoU as the first step towards a broader strategic partnership to accelerate the green energy transition, particularly in energy-intensive industry.

FFI Chairman Dr Andrew Forrest AO said, “This is a ground-breaking collaboration which reinforces the power of green hydrogen to accelerate the decarbonisation of some of the most energy-intensive industries around the world.”



“FFI and Covestro share the belief that green hydrogen and green ammonia will play a crucial role in enabling companies to reach their climate targets and preventing runaway global warming. We look forward to working with Covestro to supply their green hydrogen needs, and collaborating with Germany to enable it to become the world leader in global decarbonisation, green hydrogen and ammonia,” Dr Forrest said.

Dr Markus Steilemann, CEO of Covestro said, “We are delighted that FFI shares our circular economy vision and is willing to take courageous steps to foster the urgently needed market ramp-up for green hydrogen.”

“Our collaboration with FFI underlines our ambition to pioneer the transition towards a circular economy and climate-neutral production. Green hydrogen and its derivatives play a key role for the chemical industry, both as an alternative feedstock and a source of clean energy. The transition towards green hydrogen and its derivatives will be an important step forward in our efforts to offer more sustainable products that also reduce the carbon footprint of our customer industries,” Dr Steilemann concluded.

FFI CEO Julie Shuttleworth AM said, “Covestro is a global leader in its field with its materials used in nearly every area of modern life, including in the automotive, construction and electronics industries.”

“This collaboration reinforces that green hydrogen is a practical, implementable solution for a range of difficult-to-decarbonise industries,” Ms Shuttleworth said.

Green hydrogen is made from renewable energy, producing zero pollution – it’s only by-product is steam. FFI’s ambition is to grow its green hydrogen production to 15 million tonnes of green hydrogen per year by 2030, accelerating to 50 million tonnes per year in the next decade thereafter.

Covestro uses hydrogen and its derivatives as feedstock in the production of high-performance polymers. As part of a broader circular economy strategy, Covestro committed itself to completely transition towards the use of fossil-free alternative raw materials and renewable energies. The partnership with FFI is an important milestone towards this goal.

**About Fortescue Future Industries (FFI):**

Fortescue Future Industries (FFI) is a global green energy company committed to producing zero-emission green hydrogen from 100 per cent renewable sources. [Green hydrogen](#) is the practical and implementable solution that will revolutionise the way we power our planet, decarbonising heavy industry and



creating jobs globally. FFI is establishing a global portfolio of renewable green hydrogen and [green ammonia](#) projects with a target to supply 15 million tonnes per year of renewable green hydrogen by 2030, rising to 50 million tonnes per year in the decade thereafter.

Find more information at [ffi.com.au/](https://ffi.com.au/)

Follow FFI on Twitter: [twitter.com/FortescueFuture](https://twitter.com/FortescueFuture)

#### **About Covestro:**

With 2020 sales of EUR 10.7 billion, Covestro is among the world's leading polymer companies. Business activities are focused on the manufacture of high-tech polymer materials and the development of innovative, sustainable solutions for products used in many areas of daily life. In doing so, Covestro is fully committed to the circular economy. The main industries served are the automotive and transportation industries, construction, furniture and wood processing, as well as electrical, electronics, and household appliances industries. Other sectors include sports and leisure, cosmetics, health and the chemical industry itself. At the end of 2020, Covestro has 33 production sites worldwide and employs approximately 16,500 people (calculated as full-time equivalents).

Find more information at [covestro.com/investors](https://covestro.com/investors).

#### **Forward-looking statements**

This investor news may contain forward-looking statements based on current assumptions and forecasts made by the management of Covestro AG. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Covestro's public reports, which are available at [www.covestro.com](https://www.covestro.com). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.