PRESS RELEASE

Appeal to the German Government from Industry Leaders to Future Proof Country's Carbon Management Strategy

TES one of seventeen industry co-signatories of proposal submitted

Brussels, 22 March 2023 – As Germany begins to develop a National Carbon Management Strategy (CMS), TES, alongside MAN Energy Solutions, CEMEX and 14 other German industry players have submitted a joint position paper to the German government urging it to prioritise a comprehensive carbon management strategy and implement it swiftly. In the paper, ten areas for action have been outlined to lead a successful CMS at both the developmental and implementation stages.

The companies list among other things a close connection between CMS and the National Hydrogen and Biomass Strategy, the development of integrated networks and systems, the quick growth of a pipeline network, and a certificate of origin for CO2 as essential points.

The proposal is part of a broad-reaching collaboration in the private sector in Germany to identify the hurdles posed in the existing legal regulations and market conditions for the use and storage of captured CO_2 (CCU/S), preventing the implementation of CCU/S at the required speed and the necessary standard. Proper implementation is of great importance in terms of location policy for the preservation of Germany as an industrial location and a condition for meeting both Germany and Europe's climate goals.

Marco Alverà, Group CEO of TES said: " This paper addresses the urgent need for policy changes that align Germany's defossilization efforts with the necessary conditions for sustainable economic growth. The U.S. Inflation Reduction Act impressively demonstrates the potential of an effective regulatory framework. A carbon management strategy is crucial for Germany's industrial future and climate goals. CO2 should be integrated into the market as the ideal and safest hydrogen carrier. When combined with hydrogen, it forms eNG (renewable natural gas) staying within a closed-loop without being released into the air."

"Hydrogen and the raw material CO2 must be thought of together," said **Uwe Lauber**, CEO of MAN Energy Solutions. "Shipping, aviation, the chemical industry, they all depend on synthetic fuels. And these are predominantly derived from H2 and CO2. Technologies for CO2 capture and utilization are therefore indispensable for decarbonizing Germany as an industrial location. Only with their help can we ensure that German defossilization does not lead to deindustrialization."

Rüdiger Kuhn, Chairman of the Managing Board, CEMEX Deutschland AG, stated: "CO2 emissions are to a large extent unavoidable in the cement industry. Without the use of capture technologies, the complete decarbonisation of cement is simply not possible. We therefore need legal and political clarity quickly."

About TES

Tree Energy Solutions (TES) is a green hydrogen company providing long-term, non-intermittent, carbon-neutral, on-demand, industrial-scale energy. TES aims to accelerate the energy transition by leveraging existing global energy infrastructure to provide customers with green hydrogen, green gas and green electricity while accelerating the fossil fuel phase-out of the global energy system and embracing a circular carbon economy. TES is currently developing power supply sites and import terminals in Germany, Belgium, France, the Netherlands, and the United States to create an integrated network of significant global reach. First production and export terminal locations are developed in Australia, the Middle East, and North America.

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