

Shaping the global **energy transition.**

H2Global | Idea, Instrument, and Intention

December 2022

Overview: Targets

Key points and core elements



BRIDGING

- Create business cases and investment security
- Shifting the timing of a market creation by promoting the market ramp-up until a viable green market has developed



DEFINED SYSTEM

- Long-term purchase agreements over 10 years
- Clear definition of max. funding volume, products, geography and (sustainability) criteria by funding body



CONTRACTS FOR DIFFERENCE

- Financial compensation in analogy to CfD mechanism
- Set up of an PtX intermediary - the **Hydrogen Intermediary Company**



TWIN-AUCTION-BASED

- Competitive bidding procedures on the supply and demand side
- Minimization of the price difference to be compensated by contributions

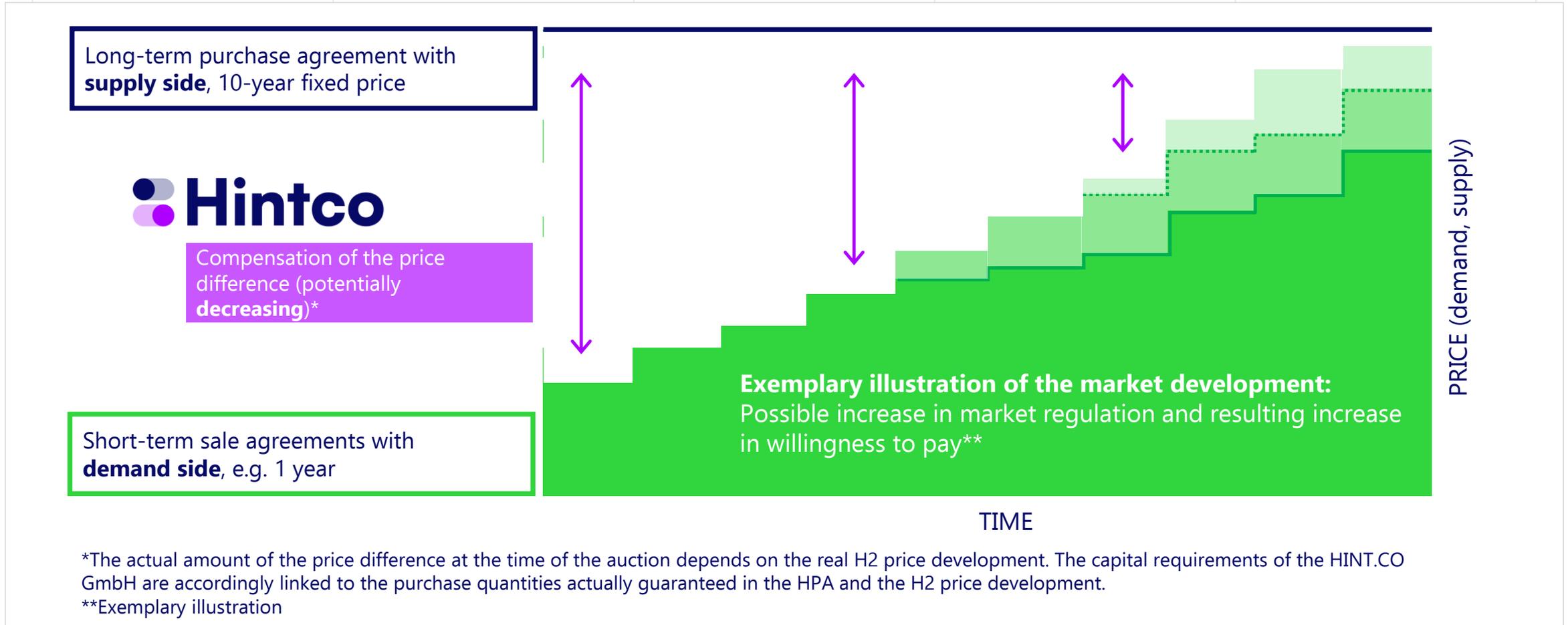
The Intermediary: HINT.CO GmbH

Auctions for the purchase and resale of PtX products take place in Germany



Compensating the price difference

The Hintco compensation mechanism over time during market development



Flexibel instrument

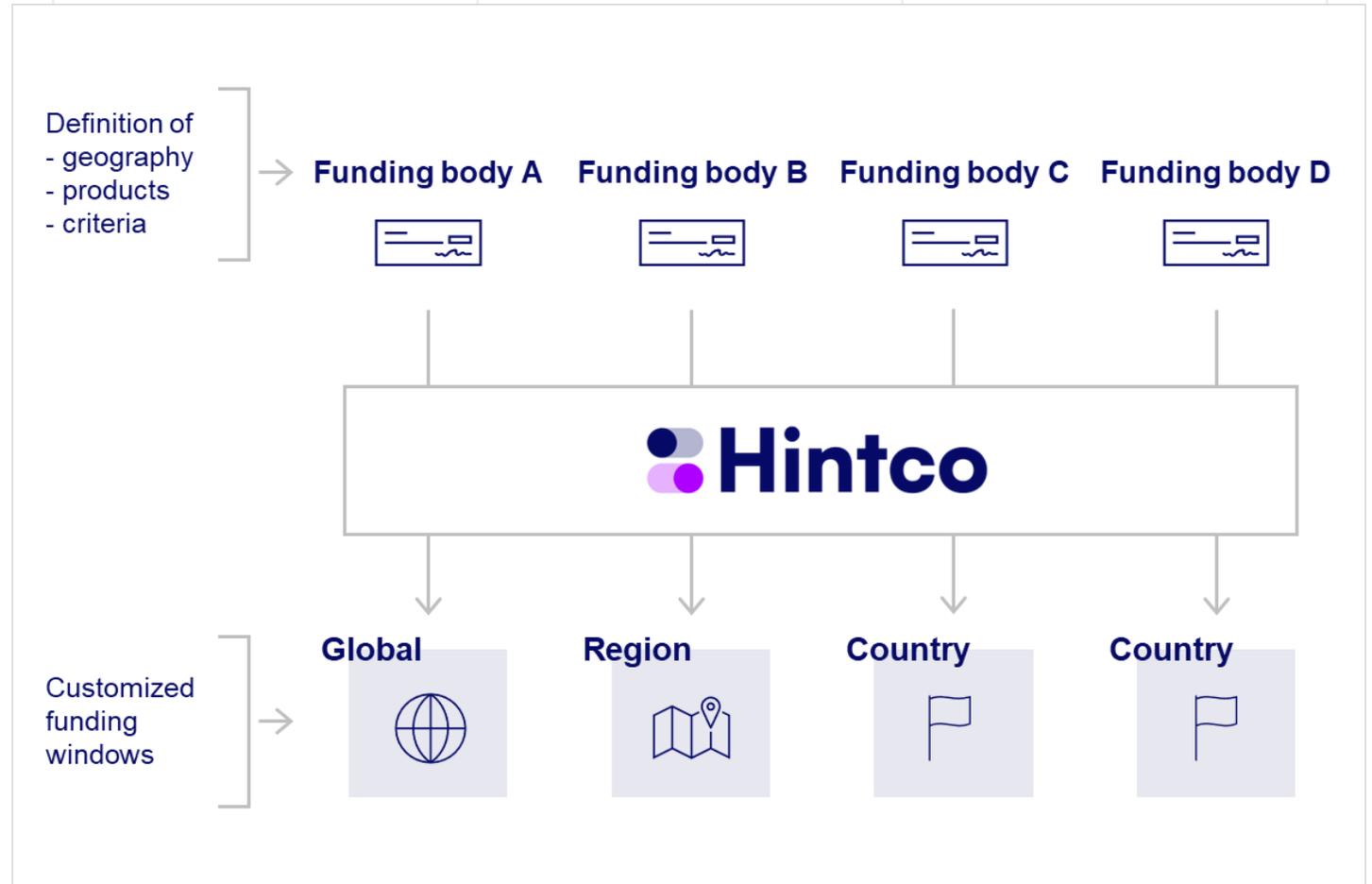
Funding windows adapted to the needs of the funding body

Customized regarding:

- Geography (global, regions, countries)
- PtX-product selection
- Product and sustainability criteria

Adaptable to targets:

- Price optimization
- Promotion of green technology
- Energy policy
- Decarbonization of specific sectors
- Development policy



Modular system

BMWK grant notification in the amount of 900 million euros

Geography*

- Competition-based purchasing beyond EU and EFTA; delivery to Germany and Europe.
- Competition-based sale to German and European companies; awarded to the highest bidder.

Products produced based on green H2*

- Ammonia, methanol, jet fuel.

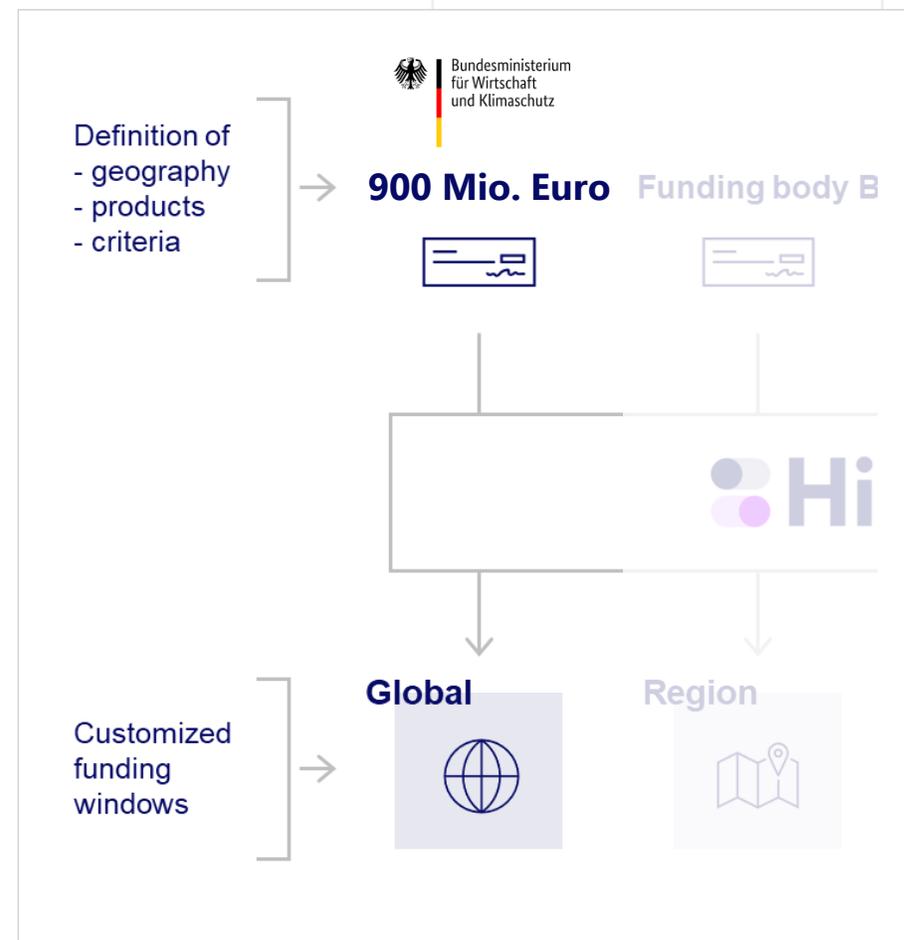
Criteria*

- Electricity from additional renewable sources must be used for production.
- Criteria for electricity purchase, greenhouse gas balancing and CO2 sourcing are to be oriented towards REDII.
- Emission savings of the product shall be at least 70% according to Art. 25 para. 2 of the Renewable Energy Directive.

*Incomplete information. All details are without guarantee. Details, see:

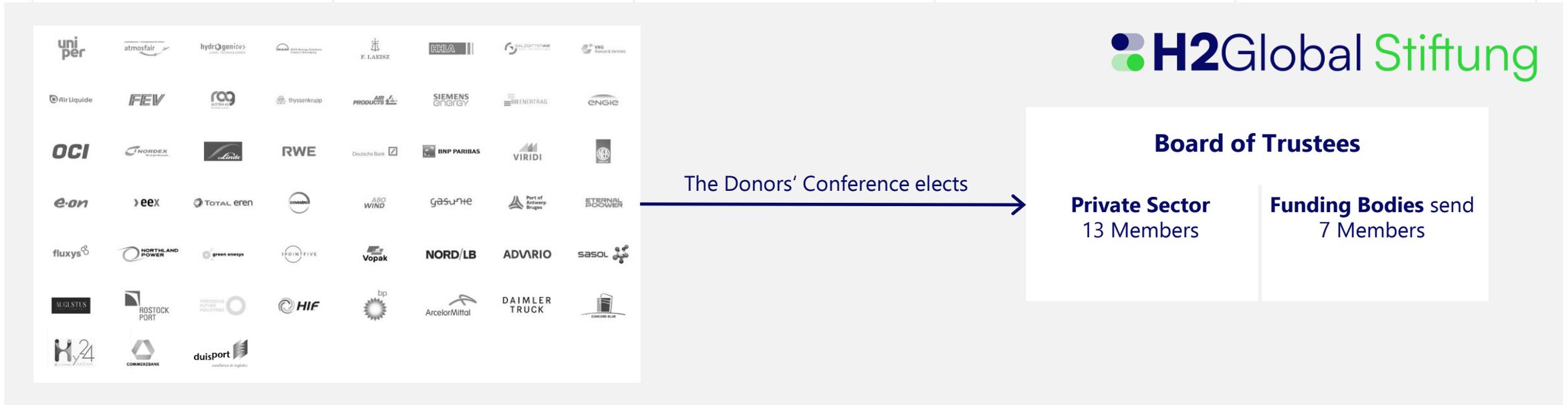
a) Zuwendung aus dem Bundeshaushalt, Einzelplan 09, Kapitel 0904, Titel 896 02, https://www.bmwk.de/Redaktion/DE/Downloads/XYZ/zuwendung-aus-dem-bundeshaushalt-einzelplan-09-kapitel-0904.pdf?__blob=publicationFile&v=6

b) Anlage 2: Weitere Nebenbestimmungen und Hinweise, https://www.bmwk.de/Redaktion/DE/Downloads/XYZ/anlage-2-weitere-nebenbestimmungen-und-hinweise-wnuh.pdf?__blob=publicationFile&v=4



H2Global implementation structure

Implemented by a non-profit foundation



H2Global Advisory GmbH holds the company shares as trustee of the foundation

Hintco

← Stimulus Package 2021
0,9 billion EUR

 Bundesministerium für Wirtschaft und Klimaschutz

← Federal budget 2023
3,53 billion EUR

 Die Bundesregierung

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