

## **Toho Gas and TES sign Agreement for close collaboration for the value chain of e-methane**

Toho Gas Co., Ltd. (“Toho Gas”, President: Nobuyuki Masuda), and TES, a global green energy company leading the way in the production of e-methane, are pleased to announce that both companies have signed a comprehensive agreement to explore the development of an e-methane supply chain in order to support Japan’s decarbonization goals.

E-methane is synthetic methane produced from non-fossil fuel energy sources such as green hydrogen. Because it can utilize existing city gas infrastructure and consumer appliances, it is expected to be a fuel that will help smooth the transition to carbon neutrality and reduce additional social costs in Japan. Several e-methane production plants have already been approved in Europe and the United States, and they are attracting increasing attention as a promising option toward achieving carbon neutrality.

As part of this collaboration, both companies will work together to raise awareness of e-methane and design systems such as CO<sub>2</sub> counting rules and financial support as well as the early implementation of e-methane in society, with the aim of achieving carbon neutrality.

**Takeo Haigou, Managing Executive Officer of Toho Gas**, commented: “Toho Gas understands that TES is a leading company for creating the international supply chains and global implementation of e-methane, and we are very encouraged to collaborate with TES as a partner. Toho Gas has set a goal for carbon neutral including our customer's site by 2050. To achieve this goal, we believe that e-methane will play a key role, and aim to supply e-methane more than 1% of our city gas sales volume by 2030. Toho Gas will accelerate these plans through the collaboration with TES.”

**Marco Alverá, CEO of TES**, commented: “We are proud to partner with Toho Gas, a company who shares our ambition of accelerating the energy transition and recognises e-NG (electric natural gas derived from green hydrogen, widely referred to as e-methane in Japan) as a tool for achieving this goal. Current climate targets can only be met with equally ambitious new energy projects, and close collaboration is essential to develop the necessary regulatory framework to facilitate this. We are delighted to work alongside Toho Gas to deliver green, affordable energy across all industries.”

### **About Toho Gas**

Toho Gas Co., Ltd. is a Japanese company incorporated in June 1922 and is headquartered in Nagoya, Japan. The company announced its “2050 Carbon Neutrality Initiative” in July 2021 to promote actions towards achieving carbon neutrality. In particular, it focuses on climate neutral e-methane as its main pillar in its effort to decarbonize city gas with the aim to introduce at least 1% of e-methane in its city gas sales.

### **About TES**

TES is a global green energy company leading the way in the production of e-NG. Headquartered in Europe, TES is committed to making reliable and affordable green energy accessible to all by implementing giga-scale projects using a proven, scalable and cost-effective method. With a presence in the United States, Middle East, Asia and Australia, the company's green hydrogen model uses solar and wind energy in low-cost areas with abundant sunlight or wind. The green hydrogen is then combined with climate-neutral CO<sub>2</sub> and transformed into e-NG, a renewable molecule, easy to transport and store using existing infrastructure. Through the supply of e-NG to various industries, TES aims to win the climate race ensuring the mass adoption of green molecules across the globe.