



Meeting with Federal Minister Reiche

Decarbonization in Germany

Video Conference
11 Feb 2026

CONFIDENTIAL



CONFIDENTIAL



02

A proposal to accelerate
H2 economy in Germany

CONFIDENTIAL



Linde welcomes the realignment of German economic and energy policy toward greater flexibility and pragmatism

Significant progress has been made in the right direction:

→ **BMW's 10 key measures from the monitoring report**

A welcome shift toward a more pragmatic approach and realistic goals, equal treatment of low-carbon hydrogen, and a move away from overly complex requirements for RFNBOs

→ **Adoption of amendment of the German CCS law (KSpTG)**

Overdue adaptation and clarification of the legal framework to enable CCUS projects in hard-to-abate sectors and low-carbon hydrogen with CCS

→ **Continuation and expansion of German CCfD scheme**

Expansion to include CCS and low-carbon hydrogen will enable projects and provide certainty to industrial emitters willing to decarbonize

A proposal to accelerate H2 economy in Germany

Decarbonizing steel & Chemicals industry through domestic H2 supply by 2030 still possible



CONFIDENTIAL

Industrial users require steady and reliable supplies (intermittent production require expensive storage solution)
Large-scale facilities necessary to ramp-up infrastructure & drive costs down for off-takers

- Investment in both Low Carbon & Renewable Hydrogen necessary to achieve affordable decarbonization for industries
- Linde is developing production facilities¹ at scale to promote decarbonization of steel & chemicals sector in Germany
- Together with German partners Linde intend to invest € [REDACTED] bn by 2030 in Germany to accelerate the Hydrogen economy

Investments need enablement from Federal Government through:

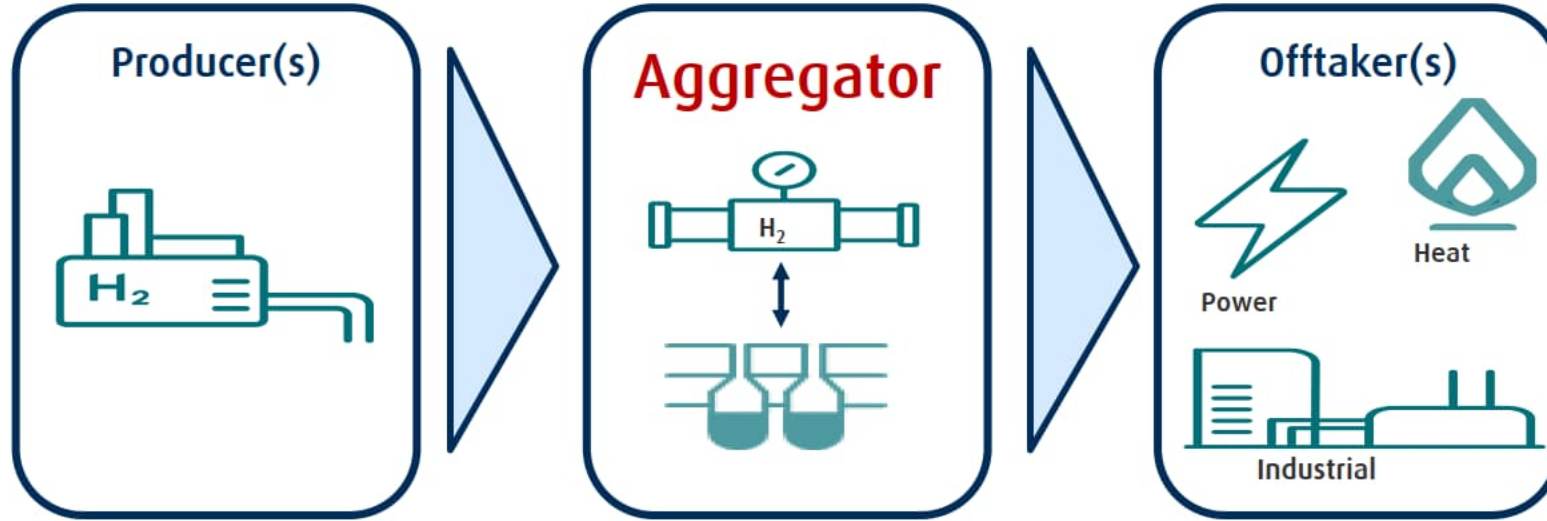
- Appointment of an aggregator (e.g. SEFE, H2Global) to commit long-term off-take for Low Carbon & Renewable H2
- Bridging the difference in production cost² to willingness to pay (WtP)
- Setting clear product labelling to support premium for low-carbon products (steel & cement on priority)

A Gov. appointed Aggregator is essential to progress

and enable domestic production as well as purchase by pipeline from neighbouring countries (Denmark)



CONFIDENTIAL



Current Challenges for uptake of Low Carbon & Renewable Hydrogen:

- Capital Grants alone does not enable investments without long-term Operating Cost support
- Producers need commitment from multiple anchor customers facing very challenging competitive landscape
- Aligning timelines for investment decision in distribution infrastructure versus production assets

