

Kansai Electric Power Group and Hartree Partners sign first term contract in Japan coupling LNG supply with carbon investments.

Japan, 14th December 2023: Japanese power company, Kansai Electric Power Group (Kansai Group), has signed a binding term agreement with Hartree Partners for the supply of LNG alongside investment in a nature-based carbon project in Australia, the first deal of its kind in Japan. The deal represents Kansai Group's long-term commitments to decarbonisation and the provision of low-carbon energy for its customers.

This LNG supply agreement enables KE Fuel Trading Singapore Pte. Ltd (KEFTS) to grow its LNG portfolio which will support Kansai Group's LNG supply-demand situation and customers around the globe.

Also through its expertise in global carbon markets and its project portfolio in Australia, specifically focused on nature restoration, Vertree Partners, Hartree's global carbon market arm, will support The Kansai Electric Power Co., Inc. (Kansai Electric) to access future supply of high-integrity carbon credits to support its Zero Carbon Vision.

Both companies will explore potential opportunities to support Japan's national net zero targets in areas such as LNG, renewable energy, environmental products and carbon capture and storage (CCS).

Hartree Partners is a well-established global energy and commodities firm with decades of experience in the physical and financial energy and commodities market. Its wholly-owned subsidiary, Vertree Partners, is focused on decarbonisation and environmental markets.

"Carbon credits have an important role to play in realizing a zero-carbon society," said Hideaki Ikai, Executive Officer, Operation and Trading Division in Kansai Electric. "Kansai as a leading company of zero-carbon energy, is proactively studying ways to create a carbon neutral society, and I believe that this collaboration with Hartree Partners will accelerate our activities to achieve the goal of carbon net zero by 2050."

Shinichi Kudo, Chief Executive Officer, KEFTS, added "Combination of LNG and carbon credit will give us a promising option to attain our mission to provide our customers with stable energy supply and decarbonization solution."

Ahmed S Al-Awa, Managing Director of Hartree Partners Singapore Pte. Limited and a Partner of Hartree Partners, said "this forward-looking move by Kansai Electric Power Group sends an important signal that carbon markets are likely to become a key component of the natural gas/LNG value chain as the sector moves to decarbonise."

Ariel Perez, Managing Partner of Vertree Partners added "We are committed to supporting Kansai Electric Power Group to make credible investment in the carbon market. The market is evolving rapidly, and companies may be increasingly exposed. Investments such as these support future preparedness whilst also directing finance to nature-based solutions, without which we face continued environmental degradation and eco-system loss and increase the risk of missing our global climate goals."

About The Kansai Electric Power Co., Inc.

Kansai Electric Power Group, as a Japan's leading electric power company, is aiming for carbon neutrality throughout the entirety of its business activities by 2050 to limit global warming, while increasing energy independence to secure energy supply for its customers, Kansai Group can be found at <https://www.kepco.co.jp/english/>

About KE Fuel Trading Singapore Pte. Ltd

KEFTS, a 100% subsidiary of Kansai Electric, was established as an LNG trading arm of Kansai Group in April 2017. KEFTS has been supporting Kasai Electric's LNG supply-demand balance and providing LNG portfolio for customers around the globe, and now enhances its activity to support Kansai Group's carbon neutrality as the base in Singapore.

About Hartree Partners

Hartree Partners, LP is a leading global energy and commodities firm with an international reputation for integrity developed over decades. Our expertise enables us to capitalise on the transition from fossil fuels to a low carbon economy. Hartree's global breadth and reach provide a competitive presence in a comprehensive range of commodity markets, enriched by the firm's employees who add deep insight, expertise and innovative thinking. More information concerning Hartree can be found at www.hartreepartners.com

About Vertree Partners

Vertree Partners enables leading companies and institutions to invest in both nature and innovative climate technologies to assist them in reaching their decarbonisation goals. Founded in 2020, Vertree is focused on driving positive environmental and social impact, and providing its customers access to existing and future supply of high-integrity environmental commodities. It does this through directly financing quality emissions reductions and removals projects; partnering with renowned project developers; investing in innovative organisations and technology-based solutions; and providing its expertise in voluntary and compliance markets, trading, market analytics and risk management. Vertree is wholly owned by Hartree Partners.

www.vertree.earth