

## RHI Magnesita's Position on Carbon Capture & Utilisation treatment under EU Regulation

## **Our Messages**

- CCU technologies require clear regulatory recognition as a viable decarbonization pathway for hardto-abate sectors. They should be acknowledged alongside Carbon Capture and Storage (CCS) as a complementary solution in industrial decarbonization efforts.
- The current EU ETS Directive Article 12(3b) recognizes only CO<sub>2</sub> stored in construction materials as "permanently chemically bound," which limits CCU's broader potential. It is essential to broaden the scope of CCU applications beyond construction to other sectors and products (Plaster and cardboard manufacturing, paper production etc.)
- Instead of a predefined "whitelist" of CCU applications, bottom-up approach in defining compliance with these rules is preferred to ensure that investments in this circular solution are encouraged
- Greater access to EU funding, particularly through the Innovation Fund and Horizon Europe, is necessary to scale CCU solutions. Dedicated CCU funding streams should be created to address high upfront costs and incentivize industrial uptake.

## RHI Magnesita's Commitment to CCU

As a producer of highly energy- and emissions-intensive refractory materials, RHI Magnesita is committed to investing in innovative decarbonization technologies, with CCU playing a key role.

We collaborate with MCi Carbon, an Australian start-up developing mineral carbonation technology that converts CO<sub>2</sub> from industrial processes into chemically stable industrial minerals, such as:

- Magnesium carbonate
- Amorphous silica

These minerals have applications in multiple industries, including:

- Building materials (concrete, cement)
- Refractory Ceramics
- Plaster and cardboard manufacturing
- Fertilizers
- Paper production and others

This solution supports a climate-neutral refractory industry and offers scalability for other  $CO_2$ -intensive sectors while reducing reliance on  $CO_2$ -intensive primary raw materials.