

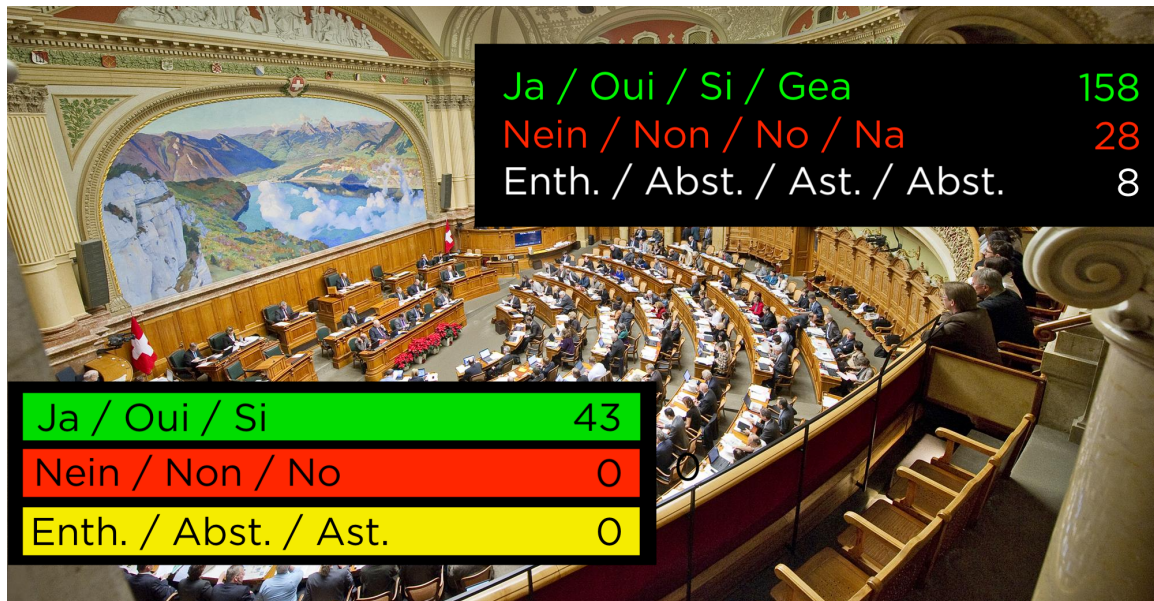


Press release by Cargo sous terrain AG

Basel, 17 December 2021

A solid legal foundation for Cargo sous terrain

In today's final vote, the National Council and the Council of States have both definitively approved the Federal Law on Underground Freight Transport (UGüTG). This places the once-in-a-century project Cargo sous terrain (CST) on a firm legal foundation, and allows it to meet the main prerequisite for the investment of a further CHF 100 million for the planning of its first section, from Härkingen/Niederbipp to Zurich.



Peter Sutterlüti, Chairman of the Board of Directors of CST, stated: "We are extremely grateful to the Swiss Parliament, but also to the Federal Council and the federal authorities, for making Cargo sous terrain possible with this law". He added: "The investments made by the CST shareholder companies are now bearing fruit, as is the committed work of our entire team." Parliament has been carefully studying and debating the new law since the beginning of the year. The establishment of a solid legal foundation for underground freight transport and city logistics is new to Switzerland; the new federal law will aim to ensure the smooth economic operation of CST, an exclusively privately financed project, while at the same time safeguarding the interests of the general public.

A solution-oriented balance of interests

The shareholder companies, management bodies and employees of CST AG are grateful to the members of Parliament for the constructive and efficient debate on the law. The

critical voices raised throughout the legislative process also contributed significantly to raising awareness regarding the legitimate concerns of various interest groups. CST will incorporate these concerns in its future planning operations, and ensure that a fair, solution-oriented balance of interests is at the heart of its implementation efforts. CST AG also commits to being attentive and circumspect in handling any means that the federal planning approval will place at its disposal.

Going forward, CST AG will work on adapting its structures so that they meet the requirements of the legal planning and approval process that lies ahead. As of February 2022, Dominik Cajochen will take over as overall project manager for market and operations, while the overall project management for construction and technology will be retained by Klaus Juch.

The project's major investors will now be able to bring in the CHF 100 million pledged to help advance the CST planning process until the project is permit-ready. Planning for the first section, from Härkingen-Niederbipp to Zurich, should be completed by 2025. This will involve working in close coordination with cantons and municipalities, in order to ensure that all bodies are able to participate actively when it comes to the sectoral and structure plan approval process. Construction of the first section is set to begin in 2026, and that section will be operational in 2031.

New Swiss investments and City Logistics

Two new investors from Switzerland, Helbling Group from Zurich, and BG Consulting Engineers from Lausanne, have joined the over 80 shareholder companies, bringing with them valuable technical and planning knowledge.

BG Consulting Engineers was founded in Switzerland in 1954 and, as an internationally acclaimed engineering and consulting company, offers top-quality expertise in the areas of infrastructure, the environment, construction, and energy. Their expertise in logistics systems will be an invaluable asset to CST. "The BG Group was greatly impressed by the concept developed by CST. Together with other private stakeholders, we will work directly on the future of freight transport in Switzerland in terms of sustainability and innovation, issues that have been the focus of BG Consulting Engineers for years", said Pierre Epars, who will be joining the CST Supervisory Board.

The internationally active Helbling Group will also be contributing its engineering and consulting expertise. A unique combination of competencies enables the Helbling Group to fully support companies from product innovation to product development as well as with overall corporate decisions. "The visionary, future-oriented project Cargo sous terrain is at the core of the range of services provided by the four companies of the Helbling Group. It is part of our vision of developing sustainable innovation for a future worth living in. We are therefore thrilled to be contributing to CST's success with our commitment", noted Christian Péclat, who will also join the Supervisory Board.

In the past few months, CST has also started providing its own city logistics services in Zurich and Basel. CST works together with several logistics companies to provide inner-city last-mile transport. CST's city logistics offering, just like the rest of the project, was developed based on the principle of collaborative innovation, combined with the basic principles of digitization and sustainability.

More Information for the media:

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CST means quality of life

CST ensures emission-free and climate-neutral goods delivery. As a sustainable complete logistics system, it will become an important part of everyday Swiss logistics and radically change the supply chains for trade, industry, and the general population. As of 2031, Switzerland will benefit from the privately financed and automated complete logistics system that is CST. The CST system will ensure the punctual delivery of goods, boost economic competitiveness and help preserve the high quality of life of the Swiss population in the long term. CST will not be using any public funds. It will transport and distribute small goods seamlessly and reliably. The backbone of the system will be a 490 km-long tunnel system spanning from Geneva to St. Gallen and from Basel to Lucerne, with an additional branch connecting Bern and Thun. The CST city logistics system will seamlessly link the tunnels to the cities, and will rely on synergies to ensure smooth above-ground supply and disposal. The project will relieve cities of up to 30% of the current delivery traffic, and is expected to cut noise emissions by half. The CST goods transport system, operated exclusively with renewable energy, is a significant improvement on conventional transport from an ecological viewpoint. Compared to today's road transport options, there will be up to 80% CO₂ savings per ton of goods transported. The first section, from Härkingen to Zurich, is expected to save 40,000 tons of CO₂ equivalents every year.