

Press Release April 1, 2021

Uniper Site in Wilhelmshaven Set to Cease Coal-Based Power Generation this Year and Focus Attention on Hydrogen

- The German Federal Network Agency has accepted a bid from the power plant as part of the second round of auctions for the closure of coal-fired power plants
- Electricity generation to cease as early as December 2021
- Uniper COO David Bryson: "We want to move toward clean forms of energy as quickly as possible."
- · Hydrogen infrastructure is already being planned

Uniper is working intensively to transform the company and complete the decarbonization of its portfolio. For example, the Wilhelmshaven coal-fired power station (757 megawatts) is already set to cease electricity generation and to be shut down for good until 8 December 2021. This is provided for in the schedule set out by the German Law on the Reduction and Termination of Coal-Fired Power Generation (Gesetz zur Reduzierung und Beendigung der Kohleverstromung) of August 13, 2020 for the power plants that were awarded closure by the German Federal Network Agency in the second round of auctions held on January 4. Today, the Federal Network Agency announced the bid for the plant in Wilhelmshaven had been approved.

Uniper presented a plan for closing its coal-fired power plants in Germany in January last year. This plan aims to save up to 18 million metric tons of  $CO_2$  per year. It also set out that Uniper intends to close the coal-fired power plant blocks at the Gelsenkirchen Scholven, Heyden, Staudinger and Wilhelmshaven sites by the end of 2025 at the latest. These power plants have a combined total output of around 2900 megawatts.

The Wilhelmshaven power plant was commissioned in 1976 and is one of the pioneers of flue gas purification. Germany's first desulfurization plant went into operation here in 1978. Wilhelmshaven is set to remain an energy hub even after the end of coal-fired power generation, which is why a comprehensive hydrogen infrastructure is currently being constructed. Uniper is working in collaboration with the companies Rhenus and Salzgitter on a feasibility study to plan and implement a plant for direct reduction using hydrogen during the production of iron ore. The nearby port provides the opportunity to import hydrogen or other forms of gas on a large scale (project "Green Wilhelmshaven"). Other options include joining the neighboring Huntorf compressed air storage power plant and connecting to the gas storage system.

A reconciliation of interests is currently being prepared for the approximately 80 employees at the Wilhelmshaven power plant. The intention is to transfer as much of the workforce as possible to the new projects. In a partial reconciliation of interests, the formation of a residual organization for the operation of the Wilhelmshaven power plant group after the closure of the hard coal unit has already been agreed. In addition to the hard coal-fired power plant, the Wilhelmshaven power plant group includes the compressed air storage power plant in Huntorf and the fully automated Audorf and Itzehoe gas turbine power plants in Schleswig-Holstein.

The last coal-fired power plant in Germany owned by Uniper will be the Datteln 4 power plant. It is one of the most modern power plants of its kind in the world and forms part of the Uniper strategy to reduce the company's CO<sub>2</sub> emissions. Uniper is aiming to

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once again reduce its  $CO_2$  emissions in Germany by up to 40 percent over the next five years through the planned voluntary closure of old and inefficient plants, while at the same time maintaining the security of supply for the customers and municipalities it serves.

The German Federal Network Agency will be accepting bids for the closure of further coal plants on fixed dates until 2026. Participants in the auction offer to close a power plant at the time set out in their bid, in return for a payment of the bid value submitted by the participant. In the first auction, which began on September 1, 2020, a capacity of four gigawatts was tendered; in the second auction on January 4, 2021, 1.5 gigawatts were tendered. The third auction for around 2.5 gigawatts of capacity is scheduled for April 30.

David Bryson, COO of Uniper: "This closure comes earlier than we had previously announced as we advance our withdrawal from coal-fired generation. Nevertheless, I am confident that we will need our employees until the end of 2022 as we prepare the plant for closure and the site for regeneration. Our Wilhelmshaven site offers excellent opportunities to remain an important industrial site even after coal-fired electricity generation has ceased, and there are a number of energy options for maintaining added value and jobs in the region. We want to move toward clean forms of energy as quickly as possible. Hydrogen and green gases will play a central role in this shift. We will talk to each of our employees concerned at the site about either an alternative job within the company or an alternative offer based on the reconciliation of interests."

## **About Uniper**

Uniper is an international energy company with around 12,000 employees in more than 40 countries. The company plans to make its power generation CO<sub>2</sub>-neutral in Europe by 2035. With about 35 GW of installed generation capacity, Uniper is among the largest global power generators. Its main activities include power generation in Europe and Russia as well as global energy trading, including a diversified gas portfolio that makes Uniper one of Europe's leading gas companies. In 2020, Uniper had a gas turnover of more than 220 bcm. Uniper is also a reliable partner for municipalities, public utilities, and industrial companies for developing and implementing innovative, CO<sub>2</sub>-reducing solutions on their way to decarbonizing their activities. As a pioneer in the field of hydrogen, Uniper is active worldwide along the entire value chain and is implementing projects to make hydrogen usable as a mainstay of energy supply.

The company is headquartered in Düsseldorf and currently the third-largest listed German utility. Together with its main shareholder Fortum, Uniper is also the third-largest producer of CO<sub>2</sub>-free energy in Europe.

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