



Press conference for media representatives

Uniper's business performance for 6M 2023

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Presentation by:

Michael Lewis

CEO, Uniper SE

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Ladies and gentlemen,

The crisis last year demonstrated the central role Uniper plays in the energy market.

We were financially stabilized by the German government just under eight months ago, and only a short time afterward we achieved the turnaround.

We've significantly diversified our gas procurement, and our supply obligations to municipal utilities and industrial customers for 2023 and 2024 are almost fully hedged by forward transactions.

Our successful stabilization and financial recovery have again given us latitude for new growth and corporate transformation.

Today our company again has strong earnings and solid finances.

Last Tuesday we issued an ad hoc release on our preliminary results. We recorded adjusted EBIT of around €3.7 billion and adjusted net income of just under €2.5 billion in the first half of 2023. Those are without doubt exceptionally strong numbers.



This enabled us to adjust our earnings forecast for the financial year. We now expect full-year adjusted EBIT and adjusted net income in a middle single-digit billion range.

Jutta will provide you with detailed commentary in a moment.

The results give us the strength and confidence to hit the ground running again. Now is precisely the right moment for a fresh start.

We are at the starting point of our new strategy, which I'd like to present to you today. It's called "Accelerating the energy transition: flexible, balanced, bespoke."

As reporters, you're well aware of the energy transition. Europe wants to reduce its greenhouse-gas emissions by at least 55% by 2030 and to achieve climate neutrality by 2050. Germany aims to be climate-neutral by 2045. A truly mammoth task.



It reminds me of the construction of the Great Wall of China in terms of magnitude and ambition, but also the short amount of time we have available.

We're in the middle of the biggest transformation of the economic structures since the start of industrialization. The prerequisite for climate neutrality is the transformation of the energy supply.

The International Energy Agency's (IEA) scenarios predict that power generating capacity in Europe will increase by 50% by 2030 and will far more than double by 2050. At the same time, demand for green energy will rise dramatically—initially primarily for green electricity. In the years after 2030 at the latest, a broad multi-sectoral shift to green energy must succeed.

In sum, we believe that the future will bring the following:

- 1) multi-sector electrification with significantly more renewables,
- 2) a massive expansion of dispatchable, increasingly green power generating capacity that's available when the wind isn't blowing and the sun isn't shining,



3) the establishment of a hydrogen economy that includes both production and imports.

We consider Uniper to be very well positioned for these changes. All three market trends offer significant opportunities for us to do our part, which is what I'd like to talk about today.

We want to play a decisive role in the transformation of the energy system. We can and will accelerate the energy transition.

We want to use our core competencies in power and gas to enable the energy transition to make decisive progress. In short, we'll deliver exactly what the energy system needs.

At the Annual General Meeting as well as at the presentation of our first-quarter results, we underscored that our business model works and that Uniper is earning a profit.

But we're in a rapidly changing market environment.



For Uniper to hold its own in this environment, we must continue to develop systematically.

For this reason, we conducted an intensive strategy process in recent months. Its purpose was to design a target picture for Uniper in 2030.

In essence, this target picture has four focus areas:

First, we'll align our activities even more closely to our customers' needs and secure the energy supply.

Second, we'll increasingly provide customers with green electricity, precisely when they need it.

Third, we will ensure security of supply by providing a supply of gas that's reliable and increasingly environmentally friendly.

Fourth, we will optimize the interplay between energy procurement, generation, storage, and supply.

This is what Uniper is supposed to look like in 2030:

- We'll remain a power and gas company that expertly manages the interplay between both energy sources.



- We'll remain a reliable partner that supports our customers.
- By 2030 we'll have invested over €8 billion in our green transformation; that is more than three times our average growth investments of the past three years.
- We'll have gone a very long way towards carbon neutrality; we want to be carbon-neutral by 2040, ten years earlier than previously planned. That is not something to be taken for granted. It's a big step.
- We'll again be an independent company with an investment-grade rating.

I'll now explain in detail our new strategy for the future.

I'll start with customers.

We're already a reliable partner for more than 1,000 municipal utilities, industrial enterprises, and grid operators. Municipal utilities and industrial customers in particular are facing an immense challenge: they'll need to significantly reduce their carbon emissions in the years ahead while ensuring their profitability.



We see it as our task to support them. By providing them with a reliable supply of power and gas, but increasingly also with bespoke energy solutions.

The same applies to grid operators. They need reliable reserve capacity for when renewables output slackens yet grid stability must still be ensured at all times.

As more renewables are added, this task will become more demanding and the role of flexible generating capacity will become more important.

I'll talk next about our first strategic area: green and flexible power

Today, wind and solar power partly already account to a large extent for most of the electricity supply.

As a result, low-carbon, zero-carbon, and flexible and reliable capacity will become increasingly valuable to shield people from power outages.



We have a strong portfolio of dispatchable and highly efficient power plants. About 20% of our capacity is already zero-carbon.

This means we generate energy reliably and also help ensure grid stability.

A number of our power plants—including Irsching 6 and Staudinger 4 in Germany, Killingholme and Grain in Britain, and Karlshamn in Sweden—already provide dispatchable backup capacity to grid operators to keep their grids stable.

Some of our power plants help maintain uniform grid frequency, while others can reboot the grid after a power outage. When needed, they're all available swiftly and reliably.

The future orientation of our flexible generation portfolio is a key element of our strategy. We'll exit coal-fired power generation by 2029—in order words, in just six years, which is eight years earlier than previously planned. Our target for 2030 is to have generation portfolio of 15 to 20 GW that's more than 80% carbon-free.



We'll expand our flexible generating capacity on a gigawatt (GW) scale, focusing on plants that can be dispatched swiftly—like Irsching 6 near Ingolstadt—and that, in the future, can be operated with zero-carbon energy sources.

This plant is used exclusively for grid stability.

We'll make our gas-fired power plants—which are already very efficient—even climate-friendlier and progressively convert them to green fuels.

In addition, we'll continue to develop our battery solutions. For example, we've already equipped two of our hydropower plants in Sweden with special batteries that provide fast-frequency reserve. During normal operations, the batteries are charged with electricity from the hydropower plant.

If the grid experiences a disturbance or imbalance, the battery system eliminates frequency deviations within seconds.



In the event of prolonged disturbances, the batteries request help from the hydropower plant, whose turbine increases power output so that the batteries can be recharged.

This system is a cost-effective solution that ensures both swift and stable frequency control.

For the first time, Uniper will make direct, strategic, and long-term investments in solar and wind power. We have more than 1 GW of secured projects as well as an early-stage pipeline of 4 GW. This puts us well on our way.

And the planned evolution of our energy mix through the addition of significantly more renewables goes beyond generation.

Alongside building a number of new wind and solar farms, we plan to significantly expand our business of securing power purchase agreements (PPAs).

PPAs enable us to provide investment security for developers of solar and wind projects. They're therefore just as important for the energy transition as direct investments. Green PPAs also enable us to support our customers' decarbonization plans.



Hydropower, which has been one of our core competencies for over a hundred years, is another area where we'll stay on the ball.

For example, we're currently exploring whether to recommission Happurg, a 160 megawatt (MW) pumped-storage hydro plant near Nuremberg.

The final decision, which is subject to regulatory approvals and commercial feasibility, will be made at the end of the year.

In sum, we'll remain a reliable provider of dispatchable electricity and of a continually increasing number of green products for our customers.

I'll turn now to gas, Uniper's second core competency.

We're all aware that the green electrification of heating, mobility, and other sectors won't be a reality tomorrow. Until then, natural gas will remain an important and flexible energy source.



Gas is the low-carbon bridge to a zero-carbon future. And some sectors, especially in industry, will continue to require liquid and gaseous fuels.

Uniper is one of Europe's largest gas merchants. Each year we supply more than 200 terawatt-hours (TWh) of gas to municipal utilities and industrial customers in Germany alone. That's enough to supply 22 million single-family homes with heat.

We'll remain a pillar of security of supply. At the same time, however, we're also orienting this business toward the future:

First, by further diversifying our gas sources, thus minimizing our own and macroeconomic risks. Second, by shifting our gas portfolio to more environmentally friendlier fuels.

Our objective is to successively replace natural gas in our portfolio with environmentally friendly fuels like hydrogen, biomethane, and other green gases. In line with the evolving market, we aim to have a portfolio consisting of 5% to 10% green gases by 2030.



Two power-to-gas projects in Germany give us more than a decade of practical experience in hydrogen. We intend to have more than 1 GW of electrolyzer capacity in operation by 2030.

Energy storage will play a decisive role in the establishment of a sustainable energy system.

We operate a total of more than 7 billion cubic meters, or over 70 TWh, of underground gas storage capacity in Germany, Austria, and Britain.

This makes us one of Europe's biggest storage operators.

We intend to repurpose part of this capacity so that it can store large amounts of hydrogen from one season to the next.

A good example of this is our project in Krummhörn, where we're testing the conversion of a former gas storage facility for hydrogen.

The demonstration plant, which will be able to store up to 250,000 cubic meters of hydrogen, is scheduled to enter service in 2024.



We're partnering with strong companies to establish a Europe-wide hydrogen infrastructure.

Examples include our Energy Transformation Hubs in Northern Germany, Maasvlakte in the Netherlands, and Killingholme in Northeast England.

The hubs, combine exemplary hydrogen production and import with other activities and can thus play a key role in decarbonizing nearby industry.

Our Air project in Sweden will use hydrogen to produce carbon-neutral liquid fuels for the chemicals industry and possibly also for aviation.

Another important project is Bad Lauchstädt Energy Park in Saxony-Anhalt, in which we're involved as a partner and which is being funded by the German Federal Government as a real-world laboratory program.

The big task here will be to combine about 30 MW of green hydrogen production with storage and distribution. Uniper is responsible for the electrolyzer.



We're currently conducting more than 20 hydrogen and green-gas projects. But production alone won't be enough.

In Europe—and particularly Germany—we will need to import large quantities of green gas molecules for the long term.

Here too we want to use our many years of procurement experience to help shape the energy system of the future and are taking a close look at the possibilities for importing hydrogen and its derivatives.

It's currently uncertain, however, which modality will emerge as the most viable and, above all, economic.

I've now reported to you in detail on our power and gas activities.

At this point, I'd again like to underscore our decisive value contribution.

I'm talking about optimization. We're the optimization experts in the energy industry.



What does this mean?

It means that we can bring together the different elements of energy supply according to our customers' needs—in real time.

It's about continuity and flexibility—together. Each factor by itself is demanding. Together, they're highly complex.

I'll explain what I mean:

In the future, power and gas—both increasingly green—will grow even closer together. We'll combine our expertise in both areas to create value.

In the establishment of a functioning green hydrogen economy, for example, we'll benefit in particular from our comprehensive expertise.

Hardly any other company in Germany can offer our combination of strengths in power, gas, and energy trading.



I'm talking here, among other things, about importing by means of our trading capabilities, building our own electrolysis plants and supplying them with green power, and storing green molecules.

We view our operations holistically, not separately. Our power-generation and gas businesses as well as our trading and procurement operations reinforce one another.

For example, we generate dispatchable and increasingly zero-carbon electricity ourselves. But our trading activities also make it available to our customers under PPAs.

We will transfer our commercial capabilities to climate-friendlier products and make our energy products and services available exactly as they're needed in order to create the most value for our customers and to help them mitigate the risks of their decarbonization strategies.

We intend to draw on our wealth of experience to accelerate the energy transition without for a moment losing sight of security of supply — not today or tomorrow.

We've set ambitious climate targets in order to be greener faster.



We aim to be carbon-neutral by 2040—ten years earlier than previously planned—and to cover a significant portion of this distance by 2030.

Our 5 GW of hydro and nuclear capacity already make our portfolio 20% zero carbon.

The above-mentioned options will further shrink our power plants' carbon footprint in the years ahead.

Following the planned sale of Datteln 4, our last coal-fired power plant—Maasvlakte 3—will go offline by year-end 2029 at the latest.

We'll therefore exit coal-fired generation eight years earlier than previously planned. The decommissioning of our coal assets will create space for the expansion of, for example, hydrogen production and import facilities.

It goes without saying that we fulfill our social responsibilities, ensure safety, and bring diversity, equity, and inclusion to life at our company.

We've set ambitious targets in these areas as well.



These targets include increasing the proportion of women in management positions to 30% by 2030 so that it corresponds to the total proportion of women employed at our company.

By 2030 we'll have invested more than €8 billion in our green transformation.

We invested about €300 million a year in growth between 2018 and 2022.

Compared with this, our annual investment budget for growth and transformation will more than triple.

I think this gives us reason to be optimistic about our company's value creation.

These investments will be prioritized in three areas:

First, in the decarbonization of our assets and the construction of new dispatchable power plants with the potential to reach net zero.

Second, in renewables assets, PPAs, the selective expansion of our hydro capacity, and batteries.

Third, in the transformation of our gas portfolio and gas infrastructure.



This will enable us to create a system that ensures continuity while allowing flexibility.

Ladies and gentlemen,

much of what I've described is already a reality at our company. The gas crisis last year, however, overshadowed many things.

Uniper intends to again become an independent company with an investment-grade rating as quickly as possible. We're also pursuing the clear objective of being much greener in 2030 than we are today.

We're working on this with our full commitment and everything we have. Fortunately, we can now look toward the future from a position of strength.

Above all, however, we're acting out of a sense of responsibility and with the knowledge that—in addition to the necessary policy foundations and public support—it is primarily up to us if the energy transition is to succeed.



That is Uniper. That's who we are.

Thanks for listening.

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