20230627183571

Årsredovisning

för

Sydkraft AB

559012-0316

Räkenskapsåret

2022-01-01 -- 2022-12-31

Undertecknad styrelseledamot i Sydkraft AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 21 juni 2023.
Årsstämman beslutade att godkänna styrelsens förslag till hur vinsten ska fördelas.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Malmö 2023-06-22
Ort och datum

Underskrift

Ann-Marie Bjerström
Namnförtydligande

20230627183572

Förvaltningsberättelse

Styrelsen och verkställande direktören för Sydkraft AB, org.nr 559012-0316 får härmed avge årsredovisning för räkenskapsåret 2022-01-01 -- 2022-12-31.

Om inte annat särskilt anges, redovisas alla belopp i tusental kronor (tkr). Uppgifter inom parentes avser föregående år.

Verksamhetens art och inriktning

Sydkraft AB är holdingbolag för Unipers verksamhet i Sverige. Verksamheten i Sydkraft AB består av centrala funktioner som stöder verksamheten i dotterbolagen.

Unipers verksamhet i Sverige består i att bedriva elproduktion i koncernens konventionella produktionsanläggningar.

Energimarknaden genomgår stora förändringar. Energisystemet utvecklas mot mer förnybar energi och mer mikroproduktion där elkunder även kan bli elproducenter. En utveckling som i ett större systemperspektiv innebär en utmaning, att balansera tillgång och efterfrågan på el och då blir leveranssäkerhet allt viktigare i elsystemet, då förnybar kraft är väderberoende och starkt volatil.

Det är utifrån denna utmaning som Uniper har ett viktigt uppdrag. Genom sina anläggningar för elproduktion ska marknaden garanteras tillgång till leveranssäker el till ett konkurrenskraftigt pris.

I Sverige driver Uniper ett flertal hel- eller delägda vattenkraftverk. Elproduktion från vattenkraft bidrar med både stabilitet och flexibilitet till energisystemet.

Tillsammans med vattenkraften, är kärnkraften också en viktig del av basen i det svenska energisystemet. Uniper är majoritetsägare i OKG AB och minoritetsägare i Ringhals AB och i Forsmark Kraftgrupp AB. Uniper äger också Barsebäck Kraft AB, det första kommersiella kärnkraftverk i Sverige som avvecklas och rivs i linje med det svenska systemet.

Uniper äger även Karlshamnsverket, ett topp- och reservkraftverk. I ägandet ingår också sju gasturbiner i den så kallade störningsreserven samt Öresundsverket i Malmö.

Uniper är också ägare till det nybildade Sydkraft Hydrogen AB som ett led i Unipers vätgasstrategi.

Ägarförhållande

I Sverige är Uniper registrerat under bolagsnamnet Sydkraft AB. Sydkraft AB är moderbolag till de helägda dotterbolagen Sydkraft Hydropower AB, Sydkraft Nuclear Power AB, Sydkraft Thermal Power AB , Sydkraft Hydrogen AB och Sydkraft Försäkring AB.

Sydkraft AB är ett helägt dotterbolag till det tyska bolaget Uniper International Holding GmbH som är ett bolag inom Uniper SE koncernen med säte i Tyskland.

20230627185713

Väsentliga händelser under räkenskapsåret

Den tyska regeringen, Uniper och Fortum fattade under 2022 ett gemensamt beslut om ett åtgärdspaket för att stabilisera Uniper ekonomiskt, mot bakgrund av de avbrutna gasleveranserna från Ryssland samt Unipers systemkritiska roll för Tysklands energiförsörjning. Det innebär att den tyska staten under slutet av 2022 förvärvade samtliga Fortums aktier och därmed äger 99% av aktierna i Uniper.

Efter separationen med Fortum har en verksamhetsöverlåtelse av Unipers nordiska vattenkraft skett den 1 december, från Fortum tillbaka till Uniper. Nu tar Uniper fullt ansvar för såväl förvaltning som drift av Unipers vattenkraftstillgångar i Sverige, samt för den fysiska handeln och optimeringsverksamheten i Norden.

Ringhals 4 har varit frånkopplat från elnätet sedan augusti 2022, på grund av en skada i anläggningens tryckhållare. Skadan är omfattande och återstarten av Ringhals 4 beräknas till den 19 mars 2023.

Under december kopplades Oskarshamn 3 ifrån elnätet under nio dagar för ett planerat driftstopp. Reparationsarbetet gick bra och anläggningen var tillbaka på nätet ett dygn tidigare än planerat.

Karlshamnsverket är ett reservkraftverk och huvuduppgiften är att agera livlina för den svenska elförsörjningen när andra produktionsresurser är uttömda. Under 2022 producerade Karlshamnsverket dubbelt så mycket el jämfört med 2021, 221 GWh jämfört med 110 GWh föregående år.

Sydkraft Hydrogen AB har bildats under året, som ett led i Unipers vätgasstrategi att skapa tydligare fokus för vätgasprojekt i Sverige. Ett av projekten inom Sydkraft Hydrogens framtida verksamhet är Project Air, ett samarbetsprojekt mellan kemiföretaget Perstorp och Uniper, i syfte att producera hållbar metanol och därmed minska utsläppen av växthusgaser. Uniper kommer att leverera vätgas till metanolanläggningen som Perstorp skall bygga i Stenungsund. Under slutet av 2022 beviljades Project Air 97 miljoner EUR i stöd från EUs innovationsfond och 30 miljoner EUR från svenska Energimyndigheten, för att med den nya teknologin möjliggöra för den europeiska kemiindustrin att bli koldioxidneutral.

Under året har också ytterligare andelar förvärvats i Liquid Wind AB och Uniper är nu den tredje största ägaren i bolaget, som skall tillverka eMetanol baserat på vätgas. Den första anläggningen är planerad att byggas i Örnsköldsvik och tas i drift 2023/2024.

Flerårsöversikt (Mkr)	2022	2021	2020	2019	2018
Resultat efter finansiella poster	-242	-260	-191	-236	-181
Balansomslutning	58 173	57 190	57 201	57 532	56 507
Soliditet (%)	44	47	49	50	51
Antal anställda	75	79	77	74	80

För definitioner till nyckeltal hänvisas till Not 1.

Användning av finansiella instrument

Finansieringsrisk
Med finansieringsrisk avses risken att Sydkraft AB vid en viss tidpunkt inte skulle ha tillgång till finansiella medel till acceptabla villkor. Bolagets finansiering sker via Uniper SE. Sydkraft AB har avtal om kreditlöfte från Uniper SE i SEK. Per balansdagen uppgick kreditlöftet till 25 000 Mkr (25 000 Mkr), där utnyttjad del uppgick till 18 804 Mkr (19 388 Mkr), och förfaller den 26 september 2023.

20230627163734

Ränterisk
Sydkraft ABs finansiering från Uniper SE sker genom kortfristig upplåning via internbankskonto i Uniper SEs internbank. Även utlåning till Sydkraft ABs dotterbolag sker genom kortfristig utlåning via internbankskonto i Sydkraft ABs internbank. Då upplåning och utlåning sker till samma villkor finns ingen egentlig ränterisk.

Valutarisk
Sydkraft ABs valutaexponering är hänförlig till verksamheten i dotterbolagen. Dotterbolagen tecknar valutaderivat kontrakt med Sydkraft AB för att kurssäkra och reducera effekterna från kursförändringar i framtida betalningsflöden i utländsk valuta. Sydkraft AB använder valutaterminer och valutaswappar som säkringsinstrument och det avser främst transaktioner i EUR, men även transaktioner i USD, CHF, DKK, NOK och GBP är förekommande.

Från den 1 januari 2018 tecknar Sydkraft Nuclear Power AB och Sydkraft Hydropower AB valutaderivatkontrakt med Sydkraft AB för att kurssäkra och reducera effekterna från kursförändringar i framtida betalningsflöden för elproduktion i EUR.

Sydkraft AB har Uniper SE som motpart för den externa valutasäkringen.

Marknadsvärdet per balansdagen för portföljen som helhet uppgick till 0 Mkr (0 Mkr), varav del med positivt marknadsvärde uppgick till +434 Mkr (+115 Mkr) samt del med negativt marknadsvärde uppgick till -434 Mkr (-115 Mkr). Marknadsvärdet totalt med Uniper SE som motpart uppgick till -406 Mkr (+42 Mkr) samt totalt med dotterbolag som motpart uppgick till +406 Mkr (-42 Mkr).

För redovisningsprinciper hänvisas till Not 1, Finansiella instrument.

Kreditrisk
Sydkraft ABs finansiella kreditrisk utgörs främst av motpartsrisken i varje transaktion avseende finansiering och finansiella instrument.

Kreditrisk avseende placering av likvida medel begränsas genom att placering endast får ske genom korta placeringar i svensk affärsbank. Likvida medel placeras till övervägande del hos Uniper SE.

En del av Sydkraft ABs kreditrisker hänför sig till derivatprodukter med dotterbolag och Uniper SE som motpart.

Hållbarhetsrapport

Sydkraft AB upprättar ingen hållbarhetsrapport med hänvisning till ÅRL 6:10. Moderbolag i koncernen där Sydkraft AB är dotterbolag och hållbarhetsrapport upprättas är Uniper SE, registreringsnummer 77425, Düsseldorf, Tyskland. Hållbarhetsrapport för Uniper SE återfinns på www.uniper.energy.

Förväntad framtida utveckling

Den framtida utvecklingen för Sydkraft AB är beroende av verksamheterna i dotterbolagen.

20230627135735

Risker och osäkerhetsfaktorer

Sydkraft AB och dotterbolagen bedriver ett omfattande, samordnat och systematiskt riskhanteringsarbete, som baseras främst på ISO 31000 men också andra styrande dokument, för att hantera hot och möjligheter med anledning av de risker som verksamheten exponeras för. Målet med riskhanteringsarbetet är att koncernledningen och ledningen i dotterbolagen ska ha så god och relevant information som möjligt som stöd för sina affärsbeslut. Detta möjliggörs genom att information från lokalt riskansvariga inom koncernen samlas in och presenteras för respektive ledning.

Sydkraft ABs risker är framför allt förknippade med aktieinnehaven i dotterbolagen. Häri ingår ett ansvar att löpande bevaka dotterbolagens verksamhet och utveckling med anledning av att säkerställa substansen i de aktieinnehav som Sydkraft AB äger och förvaltar.

Förslag till vinstdisposition

Till årsstämmans förfogande står följande vinstmedel (kronor):

Balanserat resultat	24 798 046 233
Årets resultat	41 062 472
Kronor	**24 839 108 705**

Styrelsen föreslår att vinstmedlen disponeras så att

i ny räkning överförs	24 839 108 705
Kronor	**24 839 108 705**

Styrelsens yttrande över den föreslagna vinstdispositionen

Koncernbidrag har erhållits med 2 308 000 000 kr samt lämnats med 2 025 000 000 kr.

Efter koncernbidrag uppgår bolagets soliditet till 44% (47). Soliditeten är, mot bakgrund av att bolagets verksamhet fortsatt bedrivs med lönsamhet, betryggande.
Likviditeten i bolaget bedöms kunna upprätthållas på en betryggande nivå.

20230627135736

Resultaträkning (Tkr)	Not	2022	2021
	1, 2		
Övriga rörelseintäkter	3	110 480	105 253
		110 480	**105 253**
Rörelsens kostnader			
Övriga externa kostnader	4,5,6	-276 217	-210 549
Personalkostnader	7	-111 898	-112 949
Avskrivningar och nedskrivningar av materiella och immateriella anläggningstillgångar	8	-8 346	-3 974
Övriga rörelsekostnader		-347	-50 828
Summa rörelsens kostnader		**-396 808**	**-378 300**
Rörelseresultat	9	**-286 328**	**-273 047**
Resultat från finansiella poster			
Övriga ränteintäkter och liknande resultatposter	10	634 416	504 734
		634 416	**504 734**
Räntekostnader och liknande resultatposter	11	-589 877	-491 796
		-589 877	**-491 796**
Resultat efter finansiella poster		**-241 789**	**-260 109**
Bokslutsdispositioner	12	283 000	320 050
Resultat före skatt		**41 211**	**59 941**
Skatt på årets resultat	13	-149	-12 895
ÅRETS RESULTAT		**41 062**	**47 046**

20230627135717

Balansräkning (Tkr)

	Not	2022-12-31	2021-12-31
	1, 2		
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Koncessioner, patent, licenser, varumärken samt liknande rättigheter	15	366	915
		366	**915**
Materiella anläggningstillgångar			
Inventarier, verktyg och installationer	16	31 749	30 904
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	17	689	2 915
		32 438	**33 819**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	18	31 200 050	31 200 000
Ägarintressen i övriga företag	19	59 117	7 619
Uppskjuten skattefordran	14	1 518	1 247
Andra långfristiga fordringar	20	5 441	4 119
		31 266 126	**31 212 985**
Summa anläggningstillgångar		**31 298 930**	**31 247 719**
Omsättningstillgångar			
Kortfristiga fordringar			
Kundfordringar		1 332	0
Fordringar hos koncernföretag		26 823 330	25 911 753
Aktuella skattefordringar		9 552	0
Övriga fordringar		3 928	4 194
Förutbetalda kostnader och upplupna intäkter	21	9 040	9 692
		26 847 182	**25 925 639**
Kassa och bank		26 531	16 219
Summa omsättningstillgångar		**26 873 713**	**25 941 858**
SUMMA TILLGÅNGAR		**58 172 643**	**57 189 577**

20230627185778

Balansräkning (Tkr)

	Not	2022-12-31	2021-12-31
	1, 2		
EGET KAPITAL, AVSÄTTNINGAR OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital	22	1 000 014	1 000 014
		1 000 014	**1 000 014**
Fritt eget kapital			
Balanserat resultat		24 798 046	25 551 000
Årets resultat		41 062	47 046
		24 839 108	**25 598 046**
Summa eget kapital		**25 839 122**	**26 598 060**
Avsättningar			
Övriga avsättningar	23	8 851	7 117
Summa avsättningar		**8 851**	**7 117**
Kortfristiga skulder			
Leverantörsskulder		14 530	14 098
Skulder till koncernföretag		32 273 411	30 522 019
Aktuella skatteskulder		0	12 724
Övriga skulder		1 233	1 205
Upplupna kostnader och förutbetalda intäkter	24	35 496	34 354
Summa kortfristiga skulder		**32 324 670**	**30 584 400**
SUMMA EGET KAPITAL, AVSÄTTNINGAR OCH SKULDER		**58 172 643**	**57 189 577**

20230627185579

Förändringar av eget kapital (Tkr)

	Aktie-kapital (1)	Fritt eget kapital	Summa eget kapital
Eget kapital 2020-12-31	**1 000 014**	**26 751 000**	**27 751 014**
Årets resultat		47 046	**47 046**
Utdelning		-1 200 000	**-1 200 000**
Eget kapital 2021-12-31	**1 000 014**	**25 598 046**	**26 598 060**
Årets resultat		41 062	**41 062**
Utdelning		-800 000	**-800 000**
Eget kapital 2022-12-31	**1 000 014**	**24 839 108**	**25 839 122**

(1) Se not 22

20230627118580

Kassaflödesanalys (Tkr)	Not	2022	2021
Den löpande verksamheten			
Rörelseresultat		-286 328	-273 047
Justering för poster som inte ingår i kassaflödet	27	8 758	5 653
Erhållen ränta och liknande		634 416	504 734
Erlagd ränta och liknande		-589 877	-491 796
Betald inkomstskatt		-22 696	-1 239
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**-255 727**	**-255 695**
Förändring av rörelsefordringar		-2 116 218	-1 597 255
Förändring av rörelseskulder		2 024 364	1 606 726
Kassaflöde från den löpande verksamheten		**-347 581**	**-246 224**
Investeringsverksamheten			
Förvärv av materiella anläggningstillgångar		-6 416	-8 098
Förvärv av dotterföretag		-50	0
Förvärv av ägarintressen i övriga bolag		-51 498	-7 619
Lämnade lån till koncernföretag		-931 978	-727 153
Erhållna amorteringar från koncernföretag		796 964	632 097
Kassaflöde från investeringsverksamheten		**-192 978**	**-110 773**
Finansieringsverksamheten			
Amortering av skuld		-576 179	-418 212
Erhållet/Lämnat koncernbidrag		1 927 050	1 975 472
Utbetald utdelning		-800 000	-1 200 000
Kassaflöde från finansieringsverksamheten		**550 871**	**357 260**
Ökning/minskning av likvida medel		**10 312**	**263**
Likvida medel vid årets början		16 219	15 956
Likvida medel vid årets slut	28	**26 531**	**16 219**

20250527185831

Noter (Tkr)

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen har upprättas i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3). Redovisningsprinciperna är oförändrade i jämförelse med föregående år.

Uppgift om moderföretaget
Sydkraft AB, 559012-0316, bedriver verksamhet i associationsformen aktiebolag och har sitt säte i Malmö i Sverige. Bolaget ägs av Uniper International Holding GmbH, registreringsnummer 88330, Düsseldorf, Tyskland. Moderbolag i koncernen där Sydkraft AB är dotterföretag och koncernredovisning upprättas är Uniper SE, registreringsnummer 77425, Düsseldorf, Tyskland. Årsredovisning för Uniper SE återfinns på www.uniper.energy.

Koncernredovisning
Sydkraft AB upprättar ingen koncernredovisning med hänvisning till ÅRL 7:2.

Fordringar och skulder i utländsk valuta
Monetära fordringar och skulder i utländsk valuta värderas till balansdagens kurs. Valutakursvinster och valutakursförluster som uppkommer vid omvärdering av kundfordringar och leverantörskulder redovisas i posterna *Övriga rörelseintäkter* och *Övriga rörelsekostnader*. Övriga valutakursvinster och valutakursförluster redovisas under rubriken *Resultat från finansiella poster*.

Intäktsredovisning
Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Leasingavtal
Samtliga leasingavtal där bolaget är leasetagare redovisas som operationell leasing, oavsett om avtalen är finansiella eller operationella. Leasingavgiften redovisas som en kostnad linjärt över leasingperioden.

Bolaget disponerar tillgångar via leasingavtal endast i mycket liten omfattning och till kostnader som icke är väsentliga för bolaget.

Låneutgifter
Samtliga låneutgifter kostnadsförs i den period som de hänförs till och redovisas i posten *Räntekostnader och liknande resultatposter*.

Koncernbidrag
Lämnat eller erhållet koncernbidrag redovisas över resultaträkningen som bokslutsdisposition.

20230627165582

Inkomstskatter

Inkomstskatter utgörs av aktuell skatt och uppskjuten skatt. Inkomstskatt redovisas i resultaträkningen utom då den underliggande transaktionen redovisas i eget kapital varvid även tillhörande skatteeffekt redovisas i eget kapital. Aktuella skattefordringar och skatteskulder samt uppskjutna skattefordringar och skatteskulder kvittas om det finns en legal rätt till kvittning.

Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller per balansdagen och nuvärdesberäknas inte.

Uppskjuten skatt är inkomstskatt för skattepliktiga resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser. Uppskjuten skatt beräknas på samtliga temporära skillnader dvs. skillnaden mellan de redovisade värdena för tillgångar och skulder och deras skattemässiga värden samt skattemässiga underskott. På grund av sambandet mellan redovisning och beskattning redovisas den uppskjutna skatteskulden på obeskattade reserver som en del av de obeskattade reserverna. Förändringar i uppskjuten skatteskuld eller uppskjuten skattefordran redovisas i resultaträkningen om inte förändringen är hänförlig till en post som redovisas i eget kapital.

Uppskjuten skatteskuld och uppskjuten skattefordran värderas enligt de skattesatser och skatteregler som är beslutade före balansdagen. Uppskjuten skattefordran värderas till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat. Värderingen omprövas per varje balansdag för att återspegla aktuell bedömning av framtida skattemässiga resultat.

Immateriella anläggningstillgångar

Immateriella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och nedskrivningar.

Immateriell anläggningstillgång tas bort från balansräkningen vid utrangering eller avyttring eller när inte framtida ekonomiska fördelar väntas från användning, utrangering eller avyttring av tillgången.

Aktiveringsmodellen tillämpas för internt upparbetade immateriella tillgångar. Det innebär att samtliga utgifter för forskningsarbete kostnadsförs fram till den tidpunkt som företaget har definierat som forskningsfas. Samtliga utgifter under utvecklingsfasen redovisas som immateriell anläggningstillgång i balansräkningen, om det är sannolikt att framtida ekonomiska fördelar som är förknippade med tillgången sannolikt kommer att tillfalla bolaget och anskaffningsvärdet kan mätas på ett tillförlitligt sätt.

Avskrivningar görs linjärt över den bedömda nyttjandeperioden. Avskrivningstiden för internt upparbetade immateriella anläggningstillgångar uppgår till fem år.

20230627135583

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas som tillgång i balansräkningen om det är sannolikt att framtida ekonomiska fördelar som är förknippade med tillgången sannolikt kommer att tillfalla bolaget och anskaffningsvärdet kan mätas på ett tillförlitligt sätt. Materiella anläggningstillgångar värderas till anskaffningsvärdet med avdrag för ackumulerade av- och nedskrivningar.

I anskaffningsvärdet ingår inköpspriset och utgifter som är direkt hänförbara till inköpet och syftar till att bringa tillgången på plats och i skick för att utnyttjas i enlighet med företagsledningens avsikt med förvärvet. Som direkt hänförbara utgifter hänförs utgifter för leverans, hantering, installation och montering, lagfarter och konsulttjänster. Låneutgifter ingår inte i anskaffningsvärdet. Anskaffningsvärdet reduceras med offentliga bidrag som erhållits för förvärv av anläggningstillgångar.

Tillkommande utgifter aktiveras endast om det är sannolikt att de framtida ekonomiska fördelar som är förknippade med tillgången kommer att komma bolaget till del och anskaffningsvärdet kan beräknas på ett tillförlitligt sätt. Utbyte av komponenter räknas in i tillgångens redovisade värde. Om inte kostnadsförs utgifter under det räkenskapsåret som de uppkommer. Eventuella oavskrivna redovisade värden på utbytta komponenter, eller delar av komponenter, utrangeras och kostnadsförs i samband med utbytet. Även i de fall ny komponent skapats läggs utgiften till anskaffningsvärdet.

Tillkommande utgifter som avser tillgångar som inte delas upp i komponenter läggs till anskaffningsvärdet till den del tillgångens prestanda ökar i förhållande till tillgångens värde vid anskaffningstidpunkten.

Reparationer och underhåll kostnadsförs löpande.

Materiella anläggningstillgångar skrivs av systematiskt över tillgångens bedömda nyttjandeperiod.

Följande avskrivningstider tillämpas:

Inventarier, verktyg och installationer	3-5 år

Nedskrivningar av materiella och immateriella anläggningstillgångar

När det finns en indikation på att en tillgångs värde minskat, görs en prövning av nedskrivningsbehov. Har tillgången ett återvinningsvärde som är lägre än det redovisade värdet, skrivs den ned till återvinningsvärdet.

För tillgångar, andra än goodwill, som tidigare skrivits ner görs per varje balansdag en prövning av om återföring bör göras. En tidigare nedskrivning återförs när det har skett en förändring i de antaganden som vid nedskrivningstillfället låg till grund för att fastställa tillgångens återvinningsvärde. Det återförda beloppet ökar tillgången redovisade värde, dock högst till det värde tillgången skulle ha haft (efter avdrag för normala avskrivningar) om ingen nedskrivning gjorts.

20230627185834

Finansiella instrument

Allmänna principer

Finansiella instrument som redovisas i balansräkningen *inkluderar värdepapper, kundfordringar och övriga fordringar, kortfristiga placeringar, kassa och bank, leverantörsskulder, låneskulder och derivatinstrument.* En finansiell tillgång eller finansiell skuld redovisas i balansräkningen när bolaget blir part enligt instrumentets avtalsenliga villkor. Bolagets finansiella instrument värderas och redovisas utifrån anskaffningsvärden i enlighet med K3 kapitel 11. Finansiella instrument redovisas initialt till anskaffningsvärde vilket motsvarar instrumentets verkliga värde med tillägg för transaktionskostnader.

En finansiell tillgång tas bort från balansräkningen när rättigheterna i avtalet realiseras, förfaller eller när bolaget förlorar kontrollen över rättigheterna. Detsamma gäller för del av en finansiell tillgång. En finansiell skuld tas bort från balansräkningen när förpliktelsen i avtalet fullgörs eller på annat sätt utsläcks. Detsamma gäller för del av en finansiell skuld. Övervägande del av finansiella tillgångar och skulder tas bort från balansräkningen genom erhållande eller erläggande av betalning.

Kundfordringar och liknande fordringar

Kundfordringar och liknande fordringar är finansiella tillgångar med fasta betalningar eller betalningar som går att fastställa med belopp. Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader, vilka klassificeras som anläggningstillgångar. Fordringar värderas till det värde som beräknas inflyta, det vill säga med avdrag för osäkra fordringar. Nedskrivning av kundfordringar redovisas i posten *Övriga externa kostnader*.

Andelar i dotterföretag, intresseföretag och andra långfristiga värdepappersinnehav

Andelar i dotterföretag, intresseföretag och andra långfristiga värdepappersinnehav redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader. Eventuella kapitaltillskott läggs till anskaffningsvärdet när de uppkommer.

Låneskulder och leverantörsskulder

Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instrumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas. Leverantörsskulder som har kort förväntat löptid värderas till nominellt belopp.

20230627185835

Derivatinstrument som inte ingår i säkringsredovisning
Bolagets innehav och transaktioner med valutaderivat sker enbart i syfte att hantera risk genom ekonomisk säkring och handlas på en aktiv marknad med standardiserade instrument. De redovisas och värderas därför konsekvent i en värdepappersportfölj i enlighet med K3.

Koncernens transaktioner med valutaderivat sker mot Sydkraft ABs Finansfunktion som motpart och som i sin tur agerar med Uniper SE som motpart. Det är enbart Uniper SE som utför affärstransaktionerna externt mot finansmarknaderna.

Valutaderivat värderas i enlighet med officiella marknadspriser, men värderingen sker i en värdepappersportfölj som helhet. Det innebär att vid prövning av portföljens marknadsvärde avräknas orealiserade förluster mot orealiserade vinster inom portföljen.

Ett negativt marknadsvärde som uppkommer vid värdering av derivatportföljen redovisas i resultaträkningen som en orealiserad förlust (Räntekostnader och liknande resultatposter) eller orealiserad vinst (*Övriga ränteintäkter och liknande resultatposter*). Värdet för orealiserade negativa derivatpositioner redovisas som kort respektive lång *Skuld till koncernföretag* i balansräkningen.

För respektive kategori av bolagets derivatinnehav redovisas dessas verkliga värde per balansdagen i Förvaltningsberättelsen under avsnitt Användning av finansiella instrument.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast där legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida reglering av tillgången och reglering av skulden avses ske.

Nedskrivningar av finansiella anläggningstillgångar
Per varje balansdag görs en bedömning av om det finns någon indikation på att en eller flera finansiella anläggningstillgångar har minskat i värde. Om en sådan indikation finns beräknas tillgångens återvinningsvärde. Har tillgången ett återvinningsvärde som är lägre än det redovisade värdet, skrivs den ned till återvinningsvärdet.

Nedskrivning av finansiella anläggningstillgångar återförs om de skäl som låg till grund för nedskrivningen har förändrats.

Avsättningar
Avsättningar redovisas när bolaget har en legal eller informell förpliktelse till följd av inträffade händelser, det är mer sannolikt att ett utflöde av resurser krävs för att reglera åtagandet än att så inte sker, och beloppet har kunnat beräknas på ett tillförlitligt sätt.

Pensioner
Bolaget redovisar förmånsbestämda pensionsplaner i enlighet med K3s förenklingsregel. Det innebär att förmånsbestämda planer redovisas som avgiftbestämda när pensionspremien betalas. De pensionsförpliktelser vars värde är beroende av värdet på en kapitalförsäkring, redovisas till kapitalförsäkringens redovisade värde.

20230627135856

Kassaflödesanalys
Kassaflödesanalysen upprättas enligt indirekt metod. Det redovisade kassaflödet omfattar endast transaktioner som medför in- eller utbetalningar.

Som likvida medel klassificeras, förutom kassa- och banktillgodohavanden, kortfristiga finansiella placeringar som dels är utsatta för endast en obetydlig risk för värdefluktuationer, dels handlas på en öppen marknad till kända belopp eller har en kortare återstående löptid än tre månader från anskaffningstidpunkten. Koncernintern cashpool klassificeras som kortfristiga fordringar och skulder.

Nyckeltalsdefinitioner
Nettoomsättning: Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter och intäktskorrigeringar.
Resultat efter finansiella poster : Rörelseresultat plus finansiella intäkter med avdrag för finansiella kostnader.
Balansomslutning : Summan av bolagets tillgångar.
Soliditet (%) : Justerat eget kapital (eget kapital inklusive obeskattade reserver med avdrag för uppskjuten skatt) i förhållande till balansomslutning.
Antal anställda : Medelantalet anställda under räkenskapsåret.

Not 2 Uppskattningar och bedömningar
Upprättande av årsredovisning enligt K3 kräver att företagsledning och styrelse gör antaganden om framtiden och andra viktiga källor till osäkerhet i uppskattningar på balansdagen som innebär en betydande risk för en väsentlig justering av de redovisade värdena för tillgångar och skulder i framtiden. Det görs också bedömningar som har betydande effekt på de redovisade beloppen i denna årsredovisning. Uppskattningar och bedömningar baseras på historisk erfarenhet och andra faktorer som under rådande förhållanden anses vara rimliga. Resultatet av dessa uppskattningar och bedömningar används sedan för att fastställa redovisade värden på tillgångar och skulder som inte framgår tydligt från andra källor. Uppskattningar och bedömningar ses över årligen. Det slutliga utfallet av uppskattningar och bedömningar kan komma att avvika från nuvarande uppskattningar och bedömningar. Effekterna av ändringar i dessa redovisas i resultaträkningen under det räkenskapsår som ändringen görs samt under framtida räkenskapsår om ändringen påverkar både aktuellt och kommande räkenskapsår.

<u>Finansiella anläggningstillgångar</u>
Bolaget undersöker regelbundet om något nedskrivningsbehov föreligger avseende de finansiella anläggningstillgångarna i enlighet med den redovisningsprincip som beskrivs i Not 1 under avsnittet Nedskrivningar av finansiella anläggningstillgångar.

20230627185387

Not 3 Övriga rörelseintäkter	2022	2021
Valutakursvinster	185	864
Allokering av centrala kostnader till dotterbolag	96 377	97 668
Vidarefakturering av personalkostnader	5 596	2 439
Övrigt	8 322	4 282
	110 480	**105 253**

Not 4 Ersättning till revisorerna	2022	2021
PricewaterhouseCoopers AB		
Revisionsuppdraget	1 887	1 787
Övriga tjänster	0	152
	1 887	**1 939**

Not 5 Operationella leasingavtal	2022	2021
Framtida minimileasingavgifter som ska erläggas avseende icke uppsägningsbara leasingavtal:		
Förfaller till betalning inom ett år	8 267	7 886
Förfaller till betalning senare än ett men inom fem år	1 422	1 179
Förfaller till betalning senare än fem år	0	0
	9 689	**9 065**
Under perioden kostnadsförda leasingavgifter	11 311	9 613

Uppgifterna i denna not inkluderar även finansiella leasingavtal, vilka redovisas som operationella. Förutom hyra av lokaler, avser avtalen leasing av maskiner, inventarier och bilar för transportändamål. Maskiner och inventarier leasas normalt på fem år med möjlighet till förlängning med ett år i taget. Bilar leasas på tre år med möjlighet till utköp.

Not 6 Övriga externa kostnader	2022	2021
Försäkringspremier	144 287	112 383
Köpta tjänster	73 948	52 688
Övrigt	57 982	45 478
	276 217	**210 549**

20230627185538

Not 7 Anställda och personalkostnader	2022	2021
Medelantalet anställda		
Kvinnor	42	45
Män	33	34
	75	**79**
Könsfördelning bland ledande befattningshavare på balansdagen		
Andel kvinnor i styrelsen	14%	14%
Andel män i styrelsen	86%	86%
Andel kvinnor bland övriga ledande befattningshavare	17%	17%
Andel män bland övriga ledande befattningshavare	83%	83%
Löner och andra ersättningar		
Styrelse och verkställande direktör	5 650	4 884
Övriga anställda	61 619	60 963
	67 269	**65 847**
Sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	3 491	2 484
Pensionskostnader för övriga anställda	17 581	21 389
Sociala kostnader för styrelse och verkställande direktör	1 775	1 535
Sociala kostnader för övriga anställda	19 521	19 328
	42 368	**44 736**
Övriga personalkostnader	2 261	2 366
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**111 898**	**112 949**

Förpliktelser avseende pensioner och liknande förmåner till styrelseledamöter och verkställande direktörer
Bolagets verkställande direktör har möjlighet att avgå med pension från och med 62 års ålder. Kostnaden för detta åtagande kostnadsförs löpande. Pensionsförpliktelser avseende VD uppgående till 7 371 tkr (6 055) återfinns i posten övriga avsättningar, se not 23.

Avtal om avgångsvederlag
Med verkställande direktör har avtal träffats om avgångsvederlag uppgående till 12 månadslöner.

20230527185939

Not 8 Avskrivningar, nedskrivningar och återföringar	2022	2021
Andra immateriella anläggningstillgångar	549	549
Inventarier, verktyg och installationer	7 797	3 425
	8 346	**3 974**

Not 9 Inköp och försäljning mellan koncernföretag	2022	2021
Andel av årets totala inköp som skett från andra företag i koncernen	68%	73%
Andel av årets totala försäljningar som skett till andra företag i koncernen	94%	99%

För moderföretaget avser 57 (67) procent av årets inköp och 89 (94) procent av årets försäljning egna dotterföretag.

Vid inköp och försäljning mellan koncernföretag tillämpas samma principer för prissättning som vid transaktioner med externa parter.

Not 10 Övriga ränteintäkter och liknande resultatposter	2022	2021
Ränteintäkter koncernföretag	265 643	90 021
Valutakursvinster	368 773	414 713
	634 416	**504 734**

Not 11 Räntekostnader och liknande resultatposter	2022	2021
Räntekostnader koncernföretag	221 550	77 127
Övriga räntekostnader	2	7
Valutakursförluster	368 325	414 662
	589 877	**491 796**

Not 12 Bokslutsdispositioner	2022	2021
Erhållet koncernbidrag	2 308 000	1 927 050
Lämnat koncernbidrag	-2 025 000	-1 607 000
	283 000	**320 050**

20230627118590

Not 13 Aktuell och uppskjuten skatt		2022		2021
Skatt på årets resultat				
Aktuell skatt		-420		-13 239
Uppskjuten skatt		271		344
		-149		**-12 895**
Avstämning av effektiv skatt	**Procent**	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		41 211		59 941
Skatt enligt gällande skattesats	20,60%	-8 489	20,60%	-12 348
Ej avdragsgilla kostnader		-635		-353
Ej bokförda men avdragsgilla kostnader		9 066		0
Skatt avseende tidigare perioder		-405		-194
Skattereduktion		314		0
Redovisad effektiv skatt	**0,36%**	**-149**	**22,00%**	**-12 895**

Not 14 Uppskjutna skatter	2022-12-31	2021-12-31
Uppskjutna skattefordringar		
Kapitalpensionsförsäkring	1 518	1 247
Summa	**1 518**	**1 247**
Förändring av uppskjuten skatt		
Ingående anskaffningsvärde	1 247	903
Kapitalpensionsförsäkring	271	344
Redovisas i resultaträkningen	**271**	**344**
Utgående redovisat värde	**1 518**	**1 247**

20230627118591

Not 15 Koncessioner, patent, licenser, varumärken samt liknande rättigheter

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	2 745	2 745
Utgående ackumulerade anskaffningsvärden	**2 745**	**2 745**
Ingående avskrivningar	-1 830	-1 281
Årets avskrivningar	-549	-549
Utgående ackumulerade avskrivningar	**-2 379**	**-1 830**
Utgående redovisat värde	**366**	**915**

Not 16 Inventarier, verktyg och installationer

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	42 981	14 139
Inköp	6 416	5 227
Omklassificeringar	2 226	23 615
Utgående ackumulerade anskaffningsvärden	**51 623**	**42 981**
Ingående avskrivningar	-12 077	-8 652
Årets avskrivningar	-7 797	-3 425
Utgående ackumulerade avskrivningar	**-19 874**	**-12 077**
Utgående redovisat värde	**31 749**	**30 904**

Not 17 Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	2 915	23 659
Under året nedlagda kostnader	0	2 871
Omklassificeringar	-2 226	-23 615
Utgående ackumulerade anskaffningsvärden	**689**	**2 915**
Utgående redovisat värde	**689**	**2 915**

20230627135592

Not 18 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	31 200 000	31 200 000
Förvärv	50	0
Utgående ackumulerade anskaffningsvärden	**31 200 050**	**31 200 000**
Utgående redovisat värde	**31 200 050**	**31 200 000**

Namn	Kapital-andel	Röst-andel	Antal andelar	Bokfört värde 2022	Bokfört värde 2021
Sydkraft Thermal Power AB	100%	100%	1 000	100	100
Sydkraft Nuclear Power AB	100%	100%	1 000 000	8 105 900	8 105 900
Sydkraft Hydropower AB	100%	100%	100 000	22 182 000	22 182 000
Sydkraft Försäkring AB	100%	100%	100 000	912 000	912 000
Sydkraft Hydrogen AB	100%	100%	50 000	50	0
				31 200 050	**31 200 000**

	Org.nr	Säte
Sydkraft Thermal Power AB	556112-5666	Karlshamn
Sydkraft Nuclear Power AB	556132-6371	Malmö
Sydkraft Hydropower AB	556026-3120	Sundsvall
Sydkraft Försäkring AB	516401-6551	Malmö
Sydkraft Hydrogen AB	559383-1588	Malmö

Not 19 Ägarintressen i övriga företag

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	7 619	0
Förvärv	51 498	7 619
Utgående ackumulerade anskaffningsvärden	**59 117**	**7 619**
Utgående redovisat värde	**59 117**	**7 619**

Namn	Kapital-andel	Röst-andel	Antal andelar	Bokfört värde 2022	Bokfört värde 2021
Liquid Wind AB	16%	16%	1 648 300	59 117	7 619
				59 117	**7 619**

	Org.nr	Säte
Liquid Wind AB	559113-8267	Göteborg

Not 20 Andra långfristiga fordringar

	2022-12-31	2021-12-31
Kapitalpensionsförsäkring	5 441	4 119
	5 441	**4 119**

20230627185933

Not 21 Förutbetalda kostnader och upplupna intäkter	2022-12-31	2021-12-31
Förutbetald serviceavgift branschorganisation	48	47
Förutbetalda försäkringspremier	5 311	6 208
Förutbetalda hyror	2 881	2 697
Övriga poster	800	740
	9 040	**9 692**

Not 22 Aktiekapital

Aktiekapitalet består av 1 000 014 st aktier med kvotvärde 1 000 kr.

Not 23 Övriga avsättningar	2022-12-31	2021-12-31
Saldo vid årets början		
Incitament företagsledning inklusive löneskatter	1 062	0
Kapitalpensionsförsäkring inklusive löneskatter	6 055	4 386
	7 117	**4 386**
Förändring under året		
Incitament företagsledning inklusive löneskatter	418	1 062
Kapitalpensionsförsäkring inklusive löneskatter	1 316	1 669
	1 734	**2 731**
Utgående redovisat värde		
Incitament företagsledning inklusive löneskatter	1 480	1 062
Kapitalpensionsförsäkring inklusive löneskatter	7 371	6 055
	8 851	**7 117**

Not 24 Upplupna kostnader och förutbetalda intäkter	2022-12-31	2021-12-31
Upplupna löner	16 108	16 306
Upplupna sociala avgifter	9 052	9 089
Övriga poster	10 336	8 959
	35 496	**34 354**

Not 25 Ställda Säkerheter	2022-12-31	2021-12-31
Kapitalpensionsförsäkring	5 441	4 119
	5 441	**4 119**

20230627185941

Not 26 Eventualförpliktelser	2022-12-31	2021-12-31
Borgernsförpliktelser för pensionsåtagande	598 926	514 104
Kapitalpensionsförsäkring	2 568	3 862
	601 494	**517 966**

Kapitaltäckningsgaranti
Sydkraft AB har som aktieägare i Sydkraft Nuclear Power AB och Sydkraft Thermal Power AB utställt garantier för att eget kapital i bolagen inte skall understiga en fastställd nivå.

Efterborgen
Sydkraft AB har ställt ut en efterborgen åt Sydkraft Nuclear Power AB gällande säkerhetsbelopp enligt lagen (2008:715) om finansiering av framtida utgifter för använt kärnbränsle. Beloppet uppgår till 13 188 Mkr (8 801) fördelat på OKG AB 8 034 Mkr (5 666), Forsmark Kraftgrupp AB 2 102 Mkr (1 116) samt Barsebäck Kraft AB 3 052 Mkr (3 610). Uniper SE har tecknat en andra hands efterborgen på dessa borgensåtaganden.

Not 27 Justering för poster som inte ingår i kassaflödet	2022-12-31	2021-12-31
Planenliga avskrivningar	8 346	3 974
Förändring skuld för avsättningar	1 734	2 731
Förändring kapitalpensionsförsäkring	-1 322	-1 052
	8 758	**5 653**

Not 28 Likvida medel	2022-12-31	2021-12-31
Banktillgodohavande	26 531	16 219
	26 531	**16 219**

Not 29 Händelser efter balansdagen

Inga väsentliga händelser har inträffat efter räkenskapsårets utgång.

20230627185955

Not 30 Förslag till vinstdisposition (kronor)

Till årsstämmans förfogande står följande vinstmedel:

Balanserat resultat	24 798 046 233
Årets resultat	41 062 472
Kronor	**24 839 108 705**

Styrelsen föreslår att vinstmedlen disponeras så att

I ny räkning överförs	24 839 108 705
Kronor	**24 839 108 705**

Resultat- och balansräkning 2022-12-31 kommer att föreläggas på årsstämma för fastställelse.

Malmö 2023-04-14

Johan Svenningsson
Verkställande direktör

Anders Bergdahl

Ann-Marle Bjerström

Jan Taschenberger

Pedro Lopez Estebaranz

Magnus Nicklasson

Magnus Notini

Vår revisionsberättelse har lämnats 2023-06-20

PricewaterhouseCoopers AB

Viktoria Persson
Auktoriserad revisor

20230627118596

Not 30 Förslag till vinstdisposition (kronor)

Till årsstämmans förfogande står följande vinstmedel:

Balanserat resultat	24 798 046 233
Årets resultat	41 062 472
Kronor	**24 839 108 705**

Styrelsen föreslår att vinstmedlen disponeras så att

I ny räkning överförs	24 839 108 705
Kronor	**24 839 108 705**

Resultat- och balansräkning 2022-12-31 kommer att föreläggas på årsstämma för fastställelse.

Malmö 2023- 04 -14

Johan Svenningsson
Verkställande direktör

Anders Bergdahl

Ann-Marie Bjerström

Jan Taschenberger

Pedro Lopez Estebaranz

Magnus Nicklasson

Magnus Notini

Vår revisionsberättelse har lämnats 2023-

PricewaterhouseCoopers AB

Viktoria Persson
Auktoriserad revisor

20230627113537

Not 30 Förslag till vinstdisposition (kronor)

Till årsstämmans förfogande står följande vinstmedel:

Balanserat resultat	24 798 046 233
Årets resultat	41 062 472
Kronor	**24 839 108 705**

Styrelsen föreslår att vinstmedlen disponeras så att

I ny räkning överförs	24 839 108 705
Kronor	**24 839 108 705**

Resultat- och balansräkning 2022-12-31 kommer att föreläggas på årsstämma för fastställelse.

Malmö 2023- 04 -14

Johan Svenningsson
Verkställande direktör

Anders Bergdahl

Ann-Marie Bjerström

Jan Taschenberger

Pedro Lopez Estebaranz

Magnus Nicklasson

Magnus Notini

Vår revisionsberättelse har lämnats 2023-

PricewaterhouseCoopers AB

Viktoria Persson
Auktoriserad revisor

20230627185598

Not 30 Förslag till vinstdisposition (kronor)

Till årsstämmans förfogande står följande vinstmedel:

Balanserat resultat	24 798 046 233
Årets resultat	41 062 472
Kronor	**24 839 108 705**

Styrelsen föreslår att vinstmedlen disponeras så att

I ny räkning överförs	24 839 108 705
Kronor	**24 839 108 705**

Resultat- och balansräkning 2022-12-31 kommer att föreläggas på årsstämma för fastställelse.

Malmö 2023- 04 -14

Johan Svenningsson
Verkställande direktör

Anders Bergdahl

Ann-Marie Bjerström

Jan Taschenberger

Pedro Lopez Estebaranz

Magnus Nicklasson

Magnus Notini

Vår revisionsberättelse har lämnats 2023-

PricewaterhouseCoopers AB

Viktoria Persson
Auktoriserad revisor

20230627185599

Revisionsberättelse

Till bolagsstämman i Sydkraft AB, org.nr 559012-0316

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Sydkraft AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Sydkraft ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för Sydkraft AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Sydkraft AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Sydkraft AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

20230627183600

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Sydkraft AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Malmö den 20 juni 2023

PricewaterhouseCoopers AB

Viktoria Persson
Auktoriserad revisor

uniper

Annual Report 2022

Financial Results

20230627118767

Performance Indicators at a Glance

Financial and Non-Financial Indicators for the Uniper Group[1]

	Unit	2022	2021	2020	2019	2018
Power purchases and owned generation	Billion kWh	289.7	413.6	558.0	616.8	709.0
Electricity sales	Billion kWh	288.9	412.9	552.9	612.7	707.0
Gas volume sold	Billion kWh	1,661.5	2,258.5	2,205.9	2,179.3	2,019.3
Direct fuel-derived carbon emissions	Million t CO_2	55.6	50.9	42.6	47.0	59.5
Carbon intensity[2]	g/kWh	477.5	454	453	445	499
Sales	€ in millions	274,121	162,968	50,968	65,804	91,813
Adjusted EBIT[3]	€ in millions	-10,859	955	998	863	865
For informational purposes: Adjusted EBITDA[3]	€ in millions	-10,175	1,512	1,657	1,561	1,543
Net income/loss	€ in millions	-19,124	-4,106	402	644	-442
Earnings per share[4 5]	€	-33.05	-11.39	1.08	1.67	-1.10
Dividend proposal / Dividend per share[4]	€	0.00	0.07	1.37	1.15	0.90
Cash provided by operating activities of continuing operations (operating cash flow)	€ in millions	-15,637	3,296	1,241	932	1,241
Adjusted net income[3 6]	€ in millions	-7,386	743	774	614	N/A
Investments	€ in millions	552	589	743	657	642
Growth	*€ in millions*	*189*	*293*	*406*	*297*	*325*
Maintenance and replacement	*€ in millions*	*363*	*297*	*336*	*361*	*317*
Economic net debt	€ in millions	3,049	324	3,050	2,650	2,509
Employees as of the reporting date		7,008	11,494	11,751	11,532	11,780
Proportion of female employees	*%*	*24.5*	*25.4*	*25.2*	*24.6*	*24.2*
Average age	*Years*	*46*	*45*	*45*	*45*	*44*
Employee turnover rate	%	4.9	4.6	3.7	4.5	4.7

[1]Due to the classification of the Russian Power Generation business division as discontinued operations in 2022, the figures for the operating and financial indicators have also been restated for 2021. Figures for carbon emissions and employees have not been restated.

[2]Uniper's carbon intensity is defined as the ratio between direct fossil-fuel-derived CO_2 emissions from electricity and heat generation from Uniper's fully consolidated stationary facilities (financial control approach) and Uniper's generation volume. This indicator does not include facilities that produce only heat and/or steam.

[3]Adjusted for non-operating effects.

[4]Basis: outstanding shares as of reporting date.

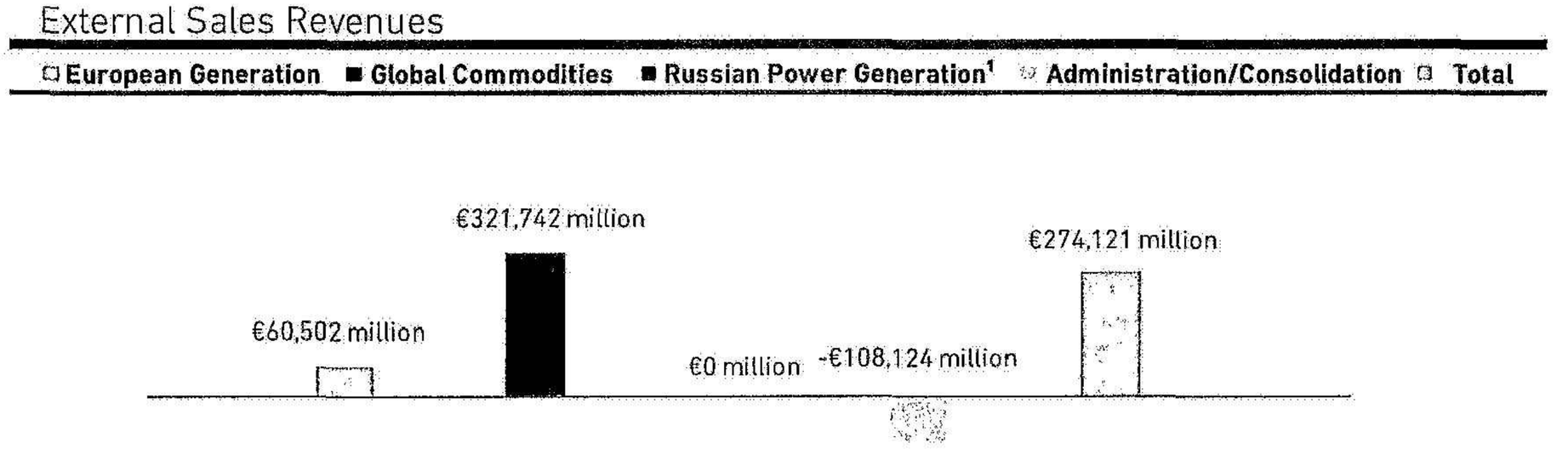
[5]For the respective fiscal year.

[6]Adjusted net income is used as a management indicator for the entire Group for the first time beginning in 2020. The figure for 2019 is disclosed solely for informational purposes to provide year-over-year comparability.

20230627187568

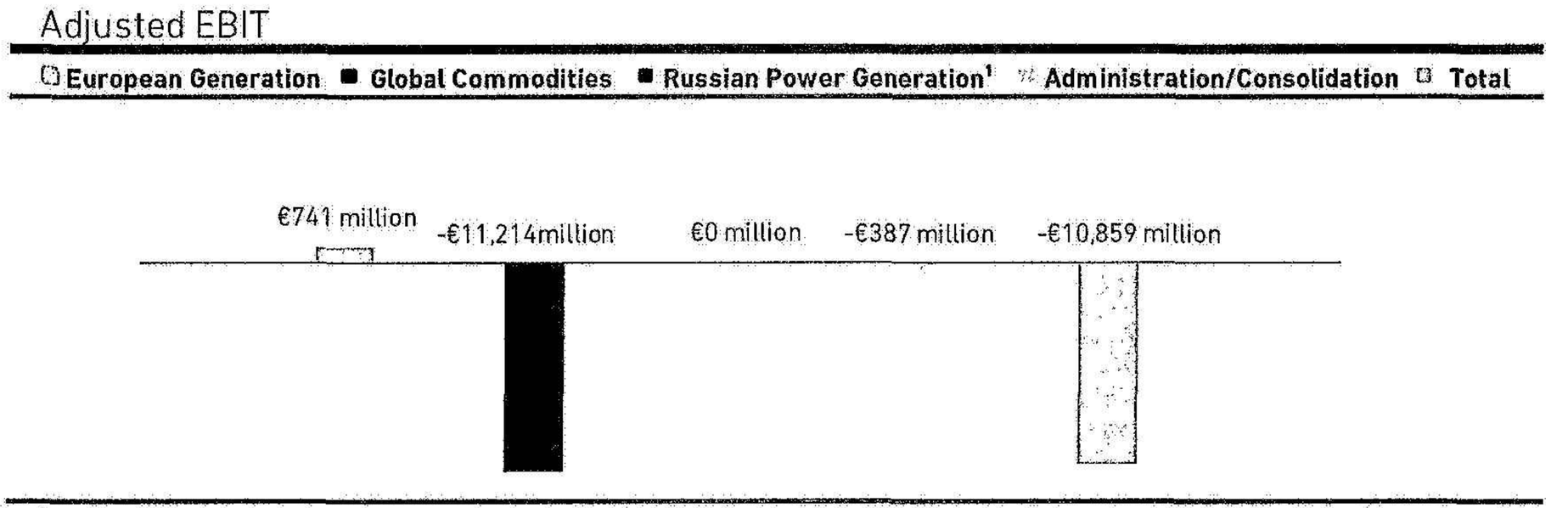
Selected Financial Performance Indicators by Segment

External Sales Revenues



[1]See also the additional information in the "Business Model" section.

Adjusted EBIT



[1]See also the additional information in the "Business Model" section.

Only the German version of this Annual Report is legally binding.

This Annual Report, and especially the Forecast Report section, contains certain forward-looking statements that are based on current assumptions and forecasts made by Uniper SE management and on other information currently available to Uniper SE management. Various known and unknown risks, uncertainties and other factors could cause the actual results, financial condition, development or performance of the Company to differ materially from that anticipated in the estimates given here. Risks and chances of this nature include, but are not limited to, the risks and chances specifically described in the Risk and Chances Report. Uniper SE does not intend, and specifically disclaims any obligation, to update such forward-looking statements or to revise them in line with future events or developments.

20230527118770

Content

Report of the Supervisory Board 2

Uniper Stock 9

Strategy and Targets 12

Combined Management Report 16
Corporate Profile 16
Business Report 19
Macroeconomic and Industry Environment 19
Business Performance 29
Earnings 41
Financial Condition 51
Assets 56
Earnings, Financial Condition and Net Assets of Uniper SE 59
Non-Financial Performance Indicators 61
Risk and Chances Report 66
Forecast Report 81
Internal Control System for the Accounting Process 86
Closing Statement by the Board of Management in Accordance with Section 312 (3) AktG 88
Additional Disclosures Regarding Takeovers 88
Corporate Governance Declaration 92

Separate Non-Financial Group Report 2022 (incl. EU-Taxonomy Regulation and Task Force on Climate-related Financial Disclosures) **106**

Independent Auditor's Report **163**

Consolidated Financial Statements **174**
Consolidated Statement of Income 174
Consolidated Statement of Recognized Income and Expenses 175
Consolidated Balance Sheets 176
Consolidated Statements of Cash Flows 178
Statements of Changes in Equity 180
Notes 183
List of Shareholdings 294
Members of the Supervisory Board 298
Members of the Board of Management 299
Declaration of the Board of Management 300

Additional Indicators 301
Financial Calendar 303

20230527183771

Report of the Supervisory Board

Dear Shareholders,

The year 2022 marked a turning point in Uniper's history. The outbreak of the Russian war against Ukraine and the resulting consequences for the entire energy industry, and in particular for Uniper as Germany's largest gas importer, presented the Group with special challenges. Uniper's liquidity and equity came under severe pressure due to the lack of gas supplies from Russia, the resulting need to procure replacement volumes of gas and, at the same time, enormous price increases on the energy markets. This required Uniper to apply for stabilization measures from the German government. After months of negotiations with the German government, a framework agreement was concluded between Uniper and the federal government in December 2022, which will safeguard Uniper's financial stability going forward. Uniper can thus continue to make a significant contribution to the security of energy supply in Germany and Europe.

There were some personnel changes on the Supervisory Board in 2022, which are described in detail below.

In the 2022 fiscal year, the Supervisory Board of Uniper SE carefully performed all its duties and obligations under law, the Company's Articles of Association, and its own rules of procedure. It thoroughly examined the Company's situation and discussed in depth the consequences of its continually changing energy policy and economic environment.

The Supervisory Board advised the Board of Management regularly about the Group's management and continually monitored the Board of Management activities. The Supervisory Board assured itself that the Group's management was legal, purposeful, and orderly. The Supervisory Board was closely involved in all business transactions of key importance to the Company and discussed these transactions thoroughly based on the Board of Management reports, among other things. In view of the tight liquidity, equity and earnings situation, the frequency of meetings of the Supervisory Board and the relevant committees was increased significantly in 2022 to take account of the Supervisory Board's increased monitoring and advisory duties.

The Board of Management regularly provided the Supervisory Board with timely and comprehensive information in both written and oral form. At its plenary meetings and in its committees, the Supervisory Board had sufficient opportunity to actively discuss the Board of Management reports, motions, and proposed resolutions. Where required by law, the Group's Articles of Association, or the rules of procedure, the Supervisory Board decided on the resolutions proposed by the Board of Management after thoroughly examining and discussing them.

In four ordinary and 25 extraordinary meetings, the Supervisory Board dealt with issues relevant to the Group, in particular the tight liquidity situation and the development of the credit rating and the negotiations with the German government and Fortum in order to stabilize the company, and adopted necessary resolutions. A detailed list of meetings and the corresponding individual meeting attendance can be found on page 7 of the Annual Report.

Key Topics of the Supervisory Board's Discussions

After the Russian attack on Ukraine began, the Supervisory Board placed special focus on the war's consequences for Uniper, in particular the increased liquidity requirements, the preservation of the Company's credit rating and the stabilization of the Company as a whole to ensure security of supply in Germany. A "Special Committee on the Impact of the Russian War on Ukraine" was also established for this purpose.

20230627187772

With respect to the Group's operating business, the Supervisory Board discussed in detail the extreme price movements in the national and international energy markets, resulting in particular from Russia's war against Ukraine, and the business situation of the Group, about which the Board of Management provided continuous information. More specifically, the Supervisory Board discussed Uniper SE's and the Uniper Group's current assets, financial condition and earnings, as well as workforce developments and the earnings opportunities and risks for Uniper SE and the Uniper Group. Further to that, margining requirements and the liquidity situation were monitored closely and discussed intensely in order to cope with the highly volatile market price developments. Further financing measures, which were necessary in this context, were presented to and approved by the Supervisory Board.

The Supervisory Board was also provided information on a regular basis about the Company's health, (occupational) safety, and environmental and sustainability performance. This included reports on progress in the implementation of the Company-wide HSSE & S (Health, Safety, Security, Environment and Sustainability) improvement plan and the development of accident figures and greenhouse gas emissions. Other focal points in the area of sustainability were the topics of diversity in the Company and dialog with non-governmental organizations. The Supervisory Board also established a Sustainability Committee, which is chaired by Prof. Dr. Werner Brinker.

Other central topics of the discussions included the geopolitical situation and the consequences of the Russian war against Ukraine, developments in European and German energy policy, the ongoing development of the regulatory environment, and the macroeconomic and economic-policy situation in the countries in which Uniper is active, especially as regards their impact on each of Uniper's various business areas. In particular, the Supervisory Board dealt with Uniper's position on the coal phase-out in Germany, the United Kingdom and the Netherlands, which is of considerable importance for Uniper's business model.

The Board of Management reported in detail to the Supervisory Board at the beginning of the year on the status of strategy implementation and later in the year on necessary adjustments to the strategy and on M&A transactions. A particular focus was on Uniper's transformation, with its market entry into the renewable energies business and the expansion of the hydrogen business. In response to the changed market conditions, Uniper has also begun to fundamentally review its business model in the gas business.

Current developments in Uniper's business activities were thoroughly discussed. The Board of Management informed the Supervisory Board in detail about generation activities. The Supervisory Board intensely followed legal proceedings related to Datteln 4 and potential resulting risks.

Regarding the global trading business, the Supervisory Board was informed in detail about significant procurement and sales contracts as well as price renegotiation requests from major gas suppliers. Reports were also provided on an ongoing basis on Uniper's involvement in the Nord Stream 2 pipeline project – which has since been halted due to the geopolitical situation.

As mentioned above, the Board of Management discussed Uniper Group's financing requirements with the Supervisory Board in particular detail and held ongoing intensive discussions on the Company's current and future rating situation.

The Supervisory Board discussed in detail with the Board of Management the Uniper Group's medium-term planning for the years 2023 to 2025 based on updated assumptions regarding the long-term development of energy and commodity prices, capacity market premiums, and seasonal price differences, and approved the budget for 2023 following in-depth discussions.

At the end of the reporting year as a result of the withdrawal of Fortum as the main shareholder, the Supervisory Board also dealt with the termination of the joint cooperation fields previously formed with Fortum in the areas of hydrogen, renewables, and Nordic hydroelectric power and optimization.

20230627183773

The Supervisory Board also dealt with the summarized separate non-financial Group report as of December 31, 2022 prepared by the Board of Management. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, conducted an audit ("limited assurance") and issued an qualified opinion on an audit to obtain limited assurance on the separate non-financial Group report. Following its examination, the Supervisory Board had no objections.

The Supervisory Board also approved the report of the Supervisory Board and the compensation report.

Finally, the Supervisory Board also discussed the activity reports of the Supervisory Board's committees.

Report on Relationships with Affiliated Companies 2022

The Board of Management of Uniper SE prepared a report on Uniper SE's relationships to affiliated companies for the period from January 1, 2022 to December 21, 2022 in accordance with Section 312 AktG and immediately submitted it to the Supervisory Board.

Until December 21, 2022, Fortum Deutschland SE has been Uniper SE's controlling shareholder. On December 21, 2022 Fortum Deutschland SE sold its entire shares in Uniper SE to the Federal Entity UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany). This entity had before assumed a majority holding in Uniper SE by way of a capital increase, thus replacing Fortum Deutschland SE as the controlling company. Therefore, the report on Uniper SE's relationships to affiliated companies ceased to exist during the year, as of December 21, 2022. According to Section 29 (2) no 2 EnSiG in conjunction with Section 7d WStBG the provisions of the AktG on controlling companies, including Section 312 AktG are not applicable to UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany).

The auditor has issued the following opinion on the report on relationships with affiliated companies:

> "In accordance with our mandate, we have audited the report of the Board of Management pursuant to Section 312 AktG on relationships with affiliated companies pursuant to Section 313 AktG for the reporting period from January 1, 2022 to December 21, 2022. Since the results of our audit did not give rise to any objections, we are issuing the following audit report in accordance with Section 313 (3) sentence 1 AktG:
>
> On the basis of our proper audit and judgment we confirm that
>
> 1. the factual disclosures provided in the report are correct,
>
> 2. the Company's consideration concerning legal transactions referred to in the report was not unduly high and
>
> 3. there are no circumstances that would justify a materially different assessment of the measures listed in the report than that made by the Board of Management."

The Supervisory Board has examined the report of the Board of Management on relationships with affiliated companies. It discussed the report in detail with the Board of Management at its meeting on February 16, 2023; the auditor attended this meeting and reported on the key findings of its audit.

On the basis of its examination, the Supervisory Board has come to the conclusion that the report of the Board of Management on relationships with affiliated companies complies with the legal requirements. Following the final result of the Supervisory Board's examination, there are no objections raised to the declaration of the Board of Management at the end of the report on relationships with affiliated companies.

20230627187T4

Corporate Governance

In January 2023, the Supervisory Board dealt in detail with the German Corporate Governance Code and, on this basis, jointly with the Board of Management issued the annual declaration of compliance with the German Corporate Governance Code (GCGC) pursuant to section 161 of the German Stock Corporation Act (AktG) for Uniper SE in January 2023. Since then, this has been publicly accessible on Uniper SE's website. Further information on corporate governance is available in the Corporate Governance Declaration.

The Supervisory Board also dealt extensively with regulatory issues in regular dialog with the auditor, in addition to the financial figures.

Committee Work

To fulfill its duties carefully and efficiently, the Supervisory Board has created the committees described in detail below. Information about the committees' composition and responsibilities can also be found in the Corporate Governance Declaration. Within the scope permissible by law, the Supervisory Board has transferred to the committees the authority to adopt resolutions on certain matters. Committee chairs reported the agenda and results of their respective committee's meetings to the full Supervisory Board on a regular basis, typically at the Supervisory Board meeting subsequent to their committee meeting. The meetings of the Supervisory Board and its committees were held in person, with the option of participating via telephone or video conference.

- The Executive Committee of the Supervisory Board met a total of six times in the 2022 fiscal year. This committee mainly prepared the meetings of the full Supervisory Board. In addition, the Executive Committee prepared the Supervisory Board's resolutions to determine that the Board of Management met its targets for 2022 and to set the targets for 2023. Furthermore, the Executive Committee discussed Board of Management compensation and did comprehensive preparatory work for the Supervisory Board's resolutions on these matters.

- The Audit and Risk Committee met 12 times in the 2022 fiscal year. In an in-depth examination – taking into account the auditor's reports and in discussion with the auditor – the committee dealt in particular with the annual financial statements and consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) for the 2022 fiscal year and, each quarter, the interim reports of Uniper SE in 2022, including the quarterly statements. The committee discussed the proposal for the appointment of the auditor and gave instructions for its audit services, defined the focal points and costs of the audit as well as reviewed the quality of the audit, the auditor's qualification and its independence in accordance with the requirements of the German Corporate Governance Code. The committee also discussed in detail the Combined Management Report and the proposal for the appropriation of profits, prepared the corresponding recommendations to the Supervisory Board and reported to the Supervisory Board. The Audit and Risk Committee also intensively addressed the effects of the Russian war against Ukraine, market conditions, especially market changes, as well as regulatory and political developments and the resulting impairment consequences for Uniper's activities. Given the very critical liquidity and rating situation for Uniper in 2022, the Audit and Risk Committee held eight additional meetings and was kept closely informed about current developments and possible stabilization measures by the German government. The Chairwoman of the Audit Committee also received daily updates on liquidity planning. The Audit and Risk Committee received the liquidity planning on a weekly basis.

20230627181775

Extensive discussions were also held on issues relating to accounting, the internal control system (ICS) and the audit of risk management, the Company's risk-bearing capacity and quality assurance of the risk management system. This examination was based on consultations with the independent auditor and, among other things, reports from the Company's Risk Committee. Based on the quarterly risk reports and weekly reports on the rating and liquidity situation, the Audit and Risk Committee was continuously informed about the serious risks to which the Group was exposed in 2022, some of which jeopardized the continued existence of the Group. Further to that, intense discussions on the margining and liquidity situation were held. The committee also addressed in detail the work performed by internal audit, including the audits conducted in 2022, and dealt with audit planning and the determination of audit priorities. Furthermore, the committee discussed the compliance reports and the compliance system, as well as other issues related to auditing. The Board of Management also reported on ongoing proceedings and on legal and regulatory risks for the Uniper Group's business. The Committee regularly discussed the current status and development of Uniper's rating.

The Chairwoman of the Audit Committee also maintained a close dialog with the auditors and the Board of Management and relevant executives outside the meetings. Interim reports were discussed by the Board of Management with the Audit Committee of the Supervisory Board and the auditor prior to publication.

- The Sustainability Committee, which was newly established in 2022, met once in the 2022 fiscal year to deal with specific details in the areas of responsibility and cooperation with the Audit and Risk Committee.

- The "Special Committee on the Impact of the Russian War on Ukraine", also newly established in 2022, met once in the 2022 fiscal year to deal with aspects of stabilizing the Group. Subsequently – due to the materiality of the issues – the entire Supervisory Board dealt with all aspects of stabilization and the corresponding negotiations with the German federal government. Following the agreement reached with the federal government on the stabilization of Uniper in December 2022, the special committee was dissolved.

- The Nomination Committee did not meet in the 2022 fiscal year.

The following overview shows the individual participation of the members of the Supervisory Board in the meetings of the Supervisory Board and its committees; in each case as the participation of that member in the meetings of the Supervisory Board during the term of office or committee activity of the respective member. In 2022, the frequency of meetings of the Supervisory Board and the relevant committees was increased significantly due to the tight liquidity situation and the stabilization measures.

20230527187776

Overview of the Attendance of Supervisory Board Members at Meetings of the Supervisory Board and Its Committees

Supervisory Board member	Supervisory Board meetings	Executive Committee	Audit and Risk Committee	Nomination Committee	Sustainability Committee	Special Committee
Thomas Blades	1/1	0/0	–	0/0	–	–
Markus Rauramo	28/28	6/6	–	0/0	–	1/1
Oliver Biniek	3/4	–	4/4	–	–	–
Prof. Dr. Werner Brinker	29/29	6/6	–	0/0	1/1	1/1
Judith Buss	29/29	–	12/12	–	–	–
Dr. Jutta Dönges	1/1	–	0/0	–	0/0	–
Holger Grzella	3/25	1/4	1/3	–	–	–
Dr. Bernhard Günther	28/28	6/6	11/12	0/0	–	–
Esa Hyvärinen	27/28	–	–	–	–	–
Barbara Jagodzinski	4/4	2/2	–	–	–	–
Diana Kirschner	23/25	–	8/8	–	–	–
Victoria Kulambi	29/29	–	–	–	1/1	–
André Muilwijk	4/4	–	4/4	–	–	–
Magnus Notini	25/25	–	–	–	1/1	–
Immo Schlepper	25/29	5/6	4/5	–	–	1/1
Harald Seegatz	29/29	6/6	–	–	–	1/1
Dr. Marcus Schenck	1/1	0/0	–	0/0	–	–
Nora Steiner-Forsberg	27/28	–	–	–	1/1	–
Prof. Dr. Ines Zenke	1/1	0/0	–	0/0	–	–

Examination and Approval of the Annual Financial Statements, Approval of the Consolidated Financial Statements for the Year Ended December 31, 2022

PricewaterhouseCoopers Aktiengesellschaft, Wirtschaftsprüfungsgesellschaft, Düsseldorf, the independent auditor chosen by the Annual General Meeting and appointed by the Supervisory Board, audited and submitted an unqualified opinion on the Annual Financial Statements of Uniper SE and the Combined Management Report for the year ended December 31, 2022.

Furthermore, the auditor examined Uniper SE's early-warning system regarding risks. This examination revealed that the Board of Management has taken appropriate measures to meet the requirements of risk monitoring and that the early-warning system regarding risks is fulfilling its tasks.

At the meeting of the Supervisory Board on February 16, 2023, the Supervisory Board thoroughly discussed – in the presence of the independent auditor and with knowledge of, and reference to, the Independent Auditor's Report and the results of the preliminary review by the Audit and Risk Committee – Uniper SE's Annual Financial Statements, Consolidated Financial Statements, Combined Management Report, and the Board of Management proposal for profit appropriation. The independent auditor was available for supplementary questions and answers. After concluding its own examination, the Supervisory Board determined that there are no objections to the findings and, therefore, acknowledged and approved the Independent Auditor's Report.

The Supervisory Board approved the Annual Financial Statements of Uniper SE prepared by the Board of Management and the Consolidated Financial Statements. The Annual Financial Statements are thus adopted. The Supervisory Board agrees with the Combined Management Report and, in particular, with its statements concerning the Company's future development.

20230627187T7

Personnel Changes on the Supervisory Board and Its Committees

The terms of office of the shareholder representatives on the Supervisory Board ended at the close of the Annual General Meeting on May 18, 2022. At the Annual General Meeting on May 18, 2022, Markus Rauramo, Dr. Bernhard Günther, Prof. Dr. Werner Brinker, Judith Buss, Esa Hyvärinen and Nora Steiner-Forsberg were elected to the Supervisory Board as shareholder representatives. In accordance with Section 8 (3) of the Articles of Association of Uniper SE, they are elected effective from the close of the Annual General Meeting of May 18, 2022, through the close of the General Meeting resolving on their discharge for the fourth fiscal year after their election.

Among the employee representatives, Oliver Biniek, Barbara Jagodzinski and André Muilwijk departed from the Supervisory Board on May 18, 2022. Holger Grzella, Diana Kirschner and Magnus Notini had already been elected to the Supervisory Board as new employee representatives at the Uniper SE Works Council meeting on March 22, 2022, effective from the close of the Annual General Meeting on May 18, 2022.

Subsequently, at its inaugural meeting on May 18, 2022, the Supervisory Board elected Markus Rauramo as Chairman of the Supervisory Board. Dr. Bernhard Günther was elected Deputy Chairman of the Supervisory Board. Harald Seegatz, as employee representative, also continues to hold the position of Deputy Chairman of the Supervisory Board.

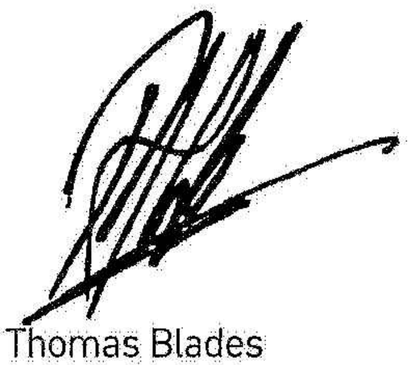
With Fortum's exit as a shareholder of Uniper, Markus Rauramo, Dr. Bernhard Günther, Esa Hyvärinen and Nora Steiner-Forsberg resigned from the Supervisory Board with effect from the end of December 21, 2022. The Düsseldorf Local Court then appointed Thomas Blades, Dr. Jutta Dönges, Dr. Marcus Schenck and Prof. Dr. Ines Zenke as new members of the Supervisory Board with effect from December 22, 2022. At its inaugural meeting on December 22, 2022, the Supervisory Board elected Thomas Blades as Chairman of the Supervisory Board and Prof. Dr. Ines Zenke as Deputy Chairwoman of the Supervisory Board, and made new appointments to the committees.

The Supervisory Board sincerely thanks the members of the Board of Management and of the Works Councils, as well as all the employees of the Uniper Group, for their extraordinary efforts, dedication and outstanding work in the particularly challenging 2022 fiscal year.

Düsseldorf, February 16, 2023

The Supervisory Board

Sincerely,



Thomas Blades
Chairman

Uniper Stock

- → Uniper share price impacted by Russian freeze on gas supplies
- → German state new majority shareholder with 99.12% stake
- → No dividend payment during period of stabilization

Stock Market Year 2022 Shaped by Global Crisis

The international stock markets were marked by a series of crises in 2022. In particular, the war against Ukraine initiated by Russia led to major political upheavals and unprecedented price increases on the international commodity exchanges. The recovery of the global economy from the Covid-19 pandemic with a surge in demand for goods was met with economic flows that were still affected by occasional disruptions in global supply chains. This led to a significant increase in inflation in many countries, the economic impact of which will need to be addressed in 2023. Economic experts still have widely divergent opinions as to how severe these drags on the economy could be and how quickly the recovery will begin in the course of 2023.

Utilities Sector Slightly Outperforms European Market

These developments, which were subject to multiple uncertainties, impacted the international stock markets until the early fall of 2022. A significant price recovery then set in during the fourth quarter of 2022. This reflected the expectation of many market participants that the conditions for a "soft landing" for the global economy had improved significantly in recent months.

In 2022, the European stock markets (STOXX Europe 600) were down by almost 20% by the end of the third quarter before prices began to recover, enabling the stock market to close the year with a negative total return of around 10%. The individual stock market sectors presented a mixed picture. The oil and parts of the gas sector and the raw materials sector in particular were among the winners with a clearly positive share price performance. The technology sector brought up the rear.

The European utilities sector (STOXX Europe Utilities) fared somewhat better than the European stock market as a whole, with a negative total return of 7% in 2022. Uncertainties about political intervention in the European energy markets and a sharp rise in bond yields, which reduced the attractiveness of the dividend yield of the energy utilities sector, had a dampening effect on share price performance. This was largely offset by the rise in energy prices with the outlook for rising earnings in the future in an uncertain global economic environment.

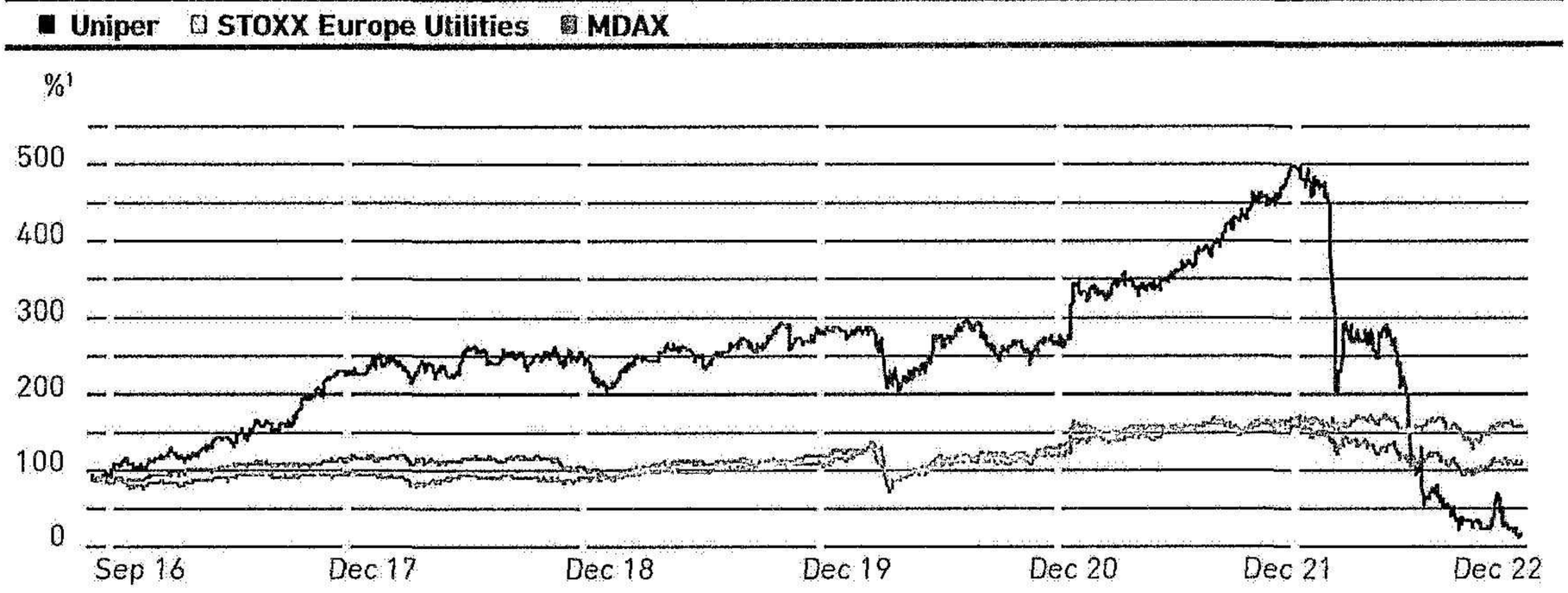
20230627187778

20230627183779

Uniper Share Price Impacted by Russian Freeze on Gas Supplies

Many energy utilities listed on the European stock market recorded a similar performance in 2022. The winners included diversified companies that further expanded their renewables business and also benefited from rising commodity prices. Stock market losers included utilities that had a strong business link to Russia in the 2022 fiscal year; this includes Uniper in particular.

Performance of Uniper Stock Since Initial Listing September 12, 2016, through December 2022



[1]Total return of Uniper stock and of the MDAX and STOXX Europe Utilities; indexed, 100 = Xetra closing price on September 12, 2016.
Source: Bloomberg

The Uniper share started the 2022 stock-market year with record highs. The first significant drop in the share price occurred with the start of the Russian war of aggression against Ukraine in February 2022. The initial focus was on the uncertainties surrounding the recoverability of Uniper's stake in Unipro, one of Russia's leading power producers, and the exposure to the Nord Stream 2 gas pipeline. The second sharp drop in the share price occurred in June 2022, when Gazprom, Europe's most important gas supplier, breached a contract and restricted gas deliveries to Uniper and other European energy traders or discontinued them completely at the end of August 2022.

German State New Majority Shareholder with 99.12% Stake

In order to secure gas supplies for its customers, Uniper was forced to accept high losses of up to three-digit million euros per day for the procurement of alternative gas supplies on the European gas trading hubs due to the high price level. At the end of June 2022, Uniper announced the withdrawal of its earnings forecast for the 2022 fiscal year and entered into talks with the German government about possible stabilization measures.
On December 19, 2022, the German government and Uniper concluded a framework agreement with concrete terms of the stabilization measures for Uniper agreed between the German government, Uniper and Fortum on September 21, 2022. The agreement forms the basis for the government stabilization of Uniper in the form of a capital increase of around €8 billion and the creation of an additional authorized capital 2022 of around €25 billion. Shareholders approved the agreed capital measures by a large majority at an extraordinary shareholders' meeting on December 19, 2022.

20230627191780

In order to restore equity and absorb the additional costs incurred from the replacement gas procurement for 2022, a first cash capital increase of around €8 billion was carried out on December 21, 2022, at an issue price of €1.70 per share, excluding subscription rights for existing shareholders. This price corresponds to the par value of the Uniper share. At the same time as this first capital measure, the Federal Republic of Germany took over Fortum's entire Uniper share package from the former main shareholder. Immediately thereafter, on December 22, 2022, the Federal Republic of Germany subscribed for a first tranche of around €5.5 billion from newly created authorized capital 2022 of around €25 billion. The resulting new shares were also issued at an issue price of €1.70 per share. The German federal government's entire share package in Uniper is pooled in the newly established UBG Uniper Beteiligungsholding GmbH, Berlin.

The number of Uniper shares outstanding increased from 365,960,000 shares to 8,329,506,651 shares within one year. As of December 31, 2022, the Federal Republic of Germany – through UBG Uniper Beteiligungsholding GmbH – held 99.12% of the outstanding equity. The free float was 0.87% as of December 31, 2022. This corresponds to 72,983,403 shares. Of these shares, 0.55% were held by private shareholders. The remaining 0.32% of shares were held by institutional investors.

In the course of 2022 Deutsche Börse removed Uniper's shares from the MDAX and subsequently from the SDAX.

Dividend

Because of the net loss recorded by Uniper SE, no separate resolution on the appropriation will be submitted to the 2023 annual general meeting. No dividend will be distributed for the 2022 fiscal year.

As part of the stabilization agreement between the German government and Uniper, it was stipulated that Uniper will not make any dividend payments during the period of stabilization without the written consent of the German government.

Facts and Figures on Uniper Stock

	Unit	2022	2021	2020	2019	2018	2017
Year-end closing price[1]	€	2.59	41.80	28.24	29.51	22.60	26.00
High for the year[1]	€	42.00	42.11	30.70	30.64	27.74	26.00
Low for the year[1]	€	2.23	28.78	21.54	22.30	21.55	12.31
Number of shares	Millions	8,329.51	365.96	365.96	365.96	365.96	365.96
Market capitalization[2]	€ in billions	21.6	15.3	10.3	10.8	8.27	9.51
Dividend	€	0.00	0.07	1.37	1.15	0.90	0.74
Total distribution	€ in millions	0.00	25.6	501.4	420.9	329.4	270.8
Dividend yield	%	0.00	0.2	4.9	3.9	4.0	2.8

[1]Xetra prices.

[2]Based on the year-end price.

20230627187831

Strategy and Targets

Strategic Priorities

Climate change is one of the biggest global challenges today. To address this challenge and to achieve the goals of the Paris Agreement, the aim is to significantly reduce emissions. Worldwide, 189 countries have signed or otherwise joined the Paris agreement. At the beginning of 2020, the European Parliament passed a resolution strengthening the EU's climate targets, aiming to reduce CO2 emissions by 55% by 2030 compared to the base year 1990 and to achieve climate neutrality by 2050.

Uniper is contributing to a more sustainable and lower-carbon world while supporting the energy transition. At the same time, Uniper is committed to making a significant contribution to security of supply. In 2020, Uniper communicated its new strategy, which envisages a gradual transformation into a greener, more sustainable group while creating value for its shareholders and other stakeholders. As a result of the changed market and business situation in 2022, Uniper is currently reviewing its strategic direction.

Uniper has committed to becoming carbon neutral by 2050. The transformation path is being continuously driven forward in all business areas.

To achieve this ambitious transformation, Uniper is focusing on growing existing green businesses and establishing green businesses. Two of the most important business areas established in this context are: Hydrogen and Renewable Power Generation.

As a hydrogen player, Uniper has already gained many years of experience in operating hydrogen plants, as Uniper was one of the first European utilities to produce green hydrogen based on electrolysis processes. Some of its most recent hydrogen projects, such as the Bad Lauchstädt Energy Park, which is promoted as a real laboratory for the energy transition, the infrastructure project in Wilhelmshaven for the import and production of climate-friendly hydrogen in Germany, and the Air project in Sweden, which aims to produce climate-friendly methanol from green hydrogen together with the Perstorp chemical group, demonstrate the breadth of Uniper's hydrogen activities. In addition, Uniper is developing projects in the Netherlands (e.g., in Maasvlakte/Rotterdam) and in the United Kingdom (e.g., in the Humber region).

Uniper has developed an extensive project pipeline aimed at both the production of low-carbon hydrogen in Europe and the import and trading of hydrogen and its derivatives such as ammonia, methanol and sustainable fuels. In the coming years, Uniper will focus on realizing this project pipeline to supply the low-carbon hydrogen needed in Germany and Europe for a successful energy transition.

With its existing gas and storage infrastructure and its many years of experience in procurement, optimization, and trading, Uniper is very well positioned in both the emerging hydrogen market and the dynamically developing biomethane market.

In the field of renewable energy generation, Uniper has a business unit for European onshore wind and solar power plants, which bundles competences in the development as well as in the operation, marketing and management of solar and wind power plants. Growth is targeted both through the development and subsequent sale of the renewable projects and through the operation of the owned renewable projects. In this regard, Uniper is looking at a pipeline of 3 GW of projects, ready-to-build by 2026, of which already 1 GW is substantiated with concretely secured projects either greenfield or via co-development partnerships. In addition, Uniper is continuously expanding its network of partnerships with local developers as well as its own internal capacities for greenfield project development.

20230527187782

European Generation

In the European Generation segment, Uniper is self-committed to reduce greenhouse gas emissions by at least 50% by 2030 compared to 2019. Furthermore, Uniper aims to reach carbon neutrality in the European Generation by 2035. A total of 5 GW of carbon-free generation capacity, consisting of hydro generation in Germany and Sweden as well as nuclear generation in Sweden, represent the backbone of Uniper's carbon free generation portfolio.

The path to reach the decarbonization goals comprises mainly a clearly defined coal phase-out strategy and decarbonization of the gas-fired generation fleet.

Uniper currently still owns and operates around 6 GW of coal-fired capacity in Europe. In Germany, Uniper is actively driving the coal phase-out forward. In early 2020, Uniper presented an ambitious shutdown plan for its hard-coal-fired power plants, which will save up to 18 million tons of carbon per year. Due to the energy crisis in 2022, which has led to an unprecedented challenge for security of supply in Germany and Europe, the decommissioning of four Uniper coal-fired power plants will be delayed. Heyden 4 (875 MW), Scholven C (345 MW), Staudinger 5 (510 MW) and Scholven B (345 MW) will continue to be utilized under the Substitute Power Plant Provision Act (EKBG) to conserve natural gas and guarantee energy security in case of potential gas shortages, ensuring the safe operation of the German power system.

The shutdown plan also outlined the intention to cease the commercial operation of the hard-coal-fired plant Wilhelmshaven (757 MW) by 2025 at the latest. As a result of the coal exit auctions held by the Federal Network Agency, Wilhelmshaven ceased operations in December 2021, ahead of schedule. In addition, Uniper has undertaken to fulfill a number of structural measures as a consequence of the EU Commission's approval under state aid law. These include the disposal of the Datteln 4 hard coal-fired power plant, which must be completed by the end of 2026 at the latest.

In the UK and the Netherlands, Uniper will follow the national coal phase-out plans. In the UK, the Government asked Uniper to postpone the decommissioning of one unit of Ratcliffe (500 MW), which was planned to cease operations in September 2022, to help maintain energy supply security in this unprecedented situation. For the winter of 2022/23, Uniper has concluded an agreement with the National Grid Electricity System Operator (NGESO) on a cost-recovery basis for Unit 1 of the Ratcliffe power plant; the agreement also covers the dispatch of the power plant. At the request of the British government, Uniper is assessing whether Unit 1 can be operated for another winter under normal market conditions, and Uniper has prequalified the unit for participation in the capacity market auction for the year 2023/24. The remaining units (in total 1,500 MW) are scheduled to be closed by the end of September 2024 at the latest. During that time, the plant will continue to fulfil its commitments under the capacity market. In the Netherlands, Maasvlakte 3 (1,070 MW) will be closed by the end of 2029.

In gas-fired generation, Uniper owns and operates power plants in Germany, the Netherlands, the UK and Hungary with a total capacity of approximately 8 GW. To reach the 2035 carbon-neutrality target as well as the 2030 interim target of at least 50% reduction in carbon emissions (Scope 1 and 2) compared to 2019, Uniper continues to work with General Electric and Siemens Energy on alternatives to reduce the carbon footprint of its assets. With this collaboration, Uniper evaluates the possibilities for converting these power plants to the use of hydrogen and it is exploring co-firing pilot opportunities to support development towards 100% hydrogen gas turbines. The joint work includes, for example, feasibility assessments of using hydrogen in gas turbines and compressors.

Besides that, Uniper is assessing the feasibility of carbon capture and storage (CCS) and carbon capture and utilization (CCU) as potential contributors to reaching the 2035 target.

20230627187783

In response to market demand, Uniper continues to develop and transform its power plant sites and assets. For example, Uniper's project of site conversion from coal-fired to gas-fired generation at Scholven is in full swing. Ratcliffe is another example, where Uniper is closely working with stakeholders from across the region to understand how the Ratcliffe site can be part of continued economic growth in the East Midlands. Other examples include development of sites to provide data center hubs. With these solutions, Uniper aims to support industrial customers in reducing their own carbon footprint whilst creating new opportunities in the respective regions.

Uniper has always been a reliable partner in providing security of supply to individual customers and broader energy systems and, by consequence, an enabler of the European renewables build-out. Due to the increasing share of intermittent renewable energy, transmission system operators (TSO) face challenges to maintain the balance in the electricity grid. Uniper helps TSOs to address these challenges and contribute to the security of supply, not least during the recent energy crisis in 2022. In response to the TSO demand for grid services in Germany, Uniper is constructing a new gas-fired power plant, Irsching 6 (300 MW), which is expected to be commissioned during 2023. In the UK, Uniper was awarded four six-year contracts in 2021 to deliver innovative grid stability services in Killingholme and Grain, which started in 2021.

Furthermore, Uniper contributes to decarbonizing the infrastructure required for security of supply of its customers. More specifically, Uniper provides green industrial customer solutions, which enable its customers to decarbonize their own processes and products.

Finally, Uniper provides a solution for grid stability in Sweden based on large-scale batteries at hydroelectric power plants, helping the Swedish TSO to control frequency deviations in the system. The first hydro battery projects have been implemented at the hydroelectric power plants of Edsele and Lövön with a total installed capacity of approximately 21 MW. Two new systems were additionally installed in 2022 at the Bodum and Fjällsjö power plants, with a total capacity of approximately 12 MW. With a total capacity of 33 MW, Uniper is the leader in innovative hybrid systems with the combination of batteries and hydropower.

Global Commodities

Uniper is committed to reduce indirect carbon emissions (Scope 3) by 35% until 2035, compared to 2021, and be climate neutral by 2050. Even though this is a group-wide target, the majority of Scope 3 emissions result primarily from business activities in the Global Commodities segment. In the first period until 2035, natural gas in particular will be an essentially important part of European security of supply. Uniper will jointly work with its suppliers and customers on measures to reduce indirect emissions. One concrete measure is the membership of Uniper's storage business in the Oil & Gas Methane Partnership (2.0), which seeks to reduce methane leakage across the entire gas value chain.

As part of its immediate priority actions, Uniper is structurally reshaping its gas portfolio while implementing the market-opening remedies as set out by the state aid approval of the EU Commission. In its position as one of Europe's leading gas suppliers, Uniper will continue to contribute to security of supply in Germany and Europe. Uniper's LNG business plays an important role here, not least due to the recent energy crisis. Uniper has successfully built up an extensive LNG portfolio in recent years. Moreover, in December 2022, Uniper commissioned for service the first German floating terminal for importing liquefied natural gas (LNG) in Wilhelmshaven. At the request of the Federal Republic of Germany, Uniper will be operating the terminal. It is Uniper's goal to strengthen Germany's supply security and to pave the way towards a sustainable energy future.

20230527187784

Already at the beginning of 2022, the German government had set the new course for the energy supply in order to strengthen the energy security as early as this winter and to diversify its gas sourcing. The implementation was only made possible through tight collaboration between politics, authorities, and companies. Involved in the fast implementation were some 1,000 people. Parts of the infrastructure of the LNG terminal, like the jetty and pipelines, were planned in a 'hydrogen-ready' way, thus enabling synergies for the move towards a CO2-neutral energy economy. In parallel, Uniper aims to actively reduce carbon emissions of natural gas-based businesses by exploring ways to decarbonize related up- and downstream emissions and taking respective measures. For example, Uniper seeks to actively manage environmental impacts such as methane leakage of its LNG business across the full value chain.

Uniper aims to apply its position as a leading gas player to implement the decarbonization agenda by adding new hydrogen and hydrogen-related commodities, such as low carbon ammonia or methanol, to its global business portfolio. For example, Germany put forward a plan to achieve 5 GW green hydrogen capacity by 2030, translating into approx. 14 TWh production. At the same time, Germany's hydrogen demand in 2030 is expected to be 90-100 TWh. Accordingly, Uniper expects a significant gap and the resulting need for hydrogen imports. Uniper is continuously working on innovative business ideas to supply the import needs identified by Germany's hydrogen strategy.

Uniper has a well established long-term solar and wind power purchase agreements (PPA) portfolio, of around 5 TWh per annum. These long-term PPAs help renewables developers to realize their projects and enable Uniper to grow its renewables portfolio based on long-term contracts.

As described in more detail above, Uniper defined hydrogen and renewables as its two key sustainable business areas; for the build-up of those two businesses, Uniper's expertise in traded power and gas markets will play a decisive role.

Moreover, as most of Uniper's customers strive to transform their businesses as well, the growing renewables portfolio is one building block of the wholesale sales activities to support industrial companies and municipalities in their decarbonization roadmaps. Structuring volatile power generation from renewable sources like wind and solar to the needs of industrial and commercial customers is one core competence of Uniper's trading and wholesale sales business. Green gases are for many of the customers part of their decarbonization measures as well. Uniper is going to help their clients on this journey with several initiatives and products on green gases like hydrogen, biomethane and ammonia.

Russian Power Generation – Discontinued Operations

Uniper also announced on November 30, 2022 that it has decided to further distance itself as far as possible, legally and in terms of personnel, from its Russian business unit Unipro. However, a planned transaction with a local buyer is currently uncertain as the presidential approval necessary for the transaction is outstanding and remains questionable. Unipro management has not been involved in the Uniper SE's information processes for some time, and financial flows and IT systems have been separated. Due to the loss of decision-making rights and inability to direct activities as well as due to the fact that significant amounts of financial and non-financial information – which is needed for mandatory reporting under IFRS and what is in the view of the Unipro management sensitive – is no longer provided to Uniper, Unipro was deconsolidated from Uniper's consolidated financial statements as of December 31, 2022 and had to be classified as discontinued operations in the 2022 Annual Report. Uniper cannot demand this information in a legally enforceable manner, since Russian law does not provide a corresponding regulation or legal basis for doing so. Further details are described in the section "Business developments and key events in 2022".

The deconsolidation as well as the classification of Unipro as discontinued operations of Unipro in the consolidated group financial statements of Uniper SE have no impact regarding the operational business of PAO Unipro.

20230627187785

- → Adjusted EBIT and adjusted net income due to realized additional costs of gas procurement significantly below prior-year
- → IFRS net loss exacerbated by recognition of anticipated losses from the procurement of replacement volumes of gas and by the deconsolidation of Unipro
- → Significantly higher economic net debt mainly due to negative operating cash flow
- → Uniper stabilization package finalized and implementation ongoing
- → Outlook for 2023:
  Adjusted EBIT above prior-year level;
  Adjusted net income above prior-year level expected

Corporate Profile

Business Model

Uniper is an international energy company with operations in more than 40 countries and with some 7,000 employees. Its business is the secure provision of energy and related services in an increasingly decarbonizing environment in accordance with the requirements of energy and climate policy and the regulatory environment, as well as related voluntary commitments. The parent company of the Uniper Group is Uniper SE; the corporate headquarters are in Düsseldorf, Germany. Until December 21, 2022, the majority shareholder of Uniper SE had been Fortum Oyj, Helsinki, Finland, a company whose majority owner is the Republic of Finland. Since December 21, 2022, the Federal Republic of Germany (the German state) has held a 99.12% interest and thus has control over Uniper SE via UBG Uniper Beteiligungsholding GmbH a wholly owned subsidiary of the Federal Republic of Germany. As a separate listed group, Uniper publishes its own quarterly statements, half-year interim financial statements, and consolidated annual financial statements.

The shares of Uniper SE are traded on the Frankfurt Stock Exchange's regulated market in its subsegment with additional post-admission obligations (the "Prime Standard"). Following its quarterly composition review of the German stock indices, Deutsche Börse removed Uniper's shares from the MDAX and added them to the SDAX effective September 19, 2022. Effective December 27, 2022, Uniper was removed from the SDAX since its free float dropped below 10% in connection with the takeover by the German state. Uniper remains in the CDAX.

Prior to the end of 2022, the Uniper Group was composed of three operating segments: European Generation, Global Commodities and Russian Power Generation. Combined separately under Administration/Consolidation are administrative functions that are performed centrally across segments, as well as the consolidations required to be carried out at Group level. As of December 31, 2022, the business activities of Russian Power Generation were deconsolidated owing to the loss of decision-making rights and inability to direct activities and classified as discontinued operations in the 2022 Annual Report. At the same time, it is also no longer possible for Uniper to allocate resources there or otherwise assess profitability. Since December 31, 2022, the Russian Power Generation business unit has therefore no longer qualified as an operating segment within the meaning of IFRS. Given their size and the resulting impact on the Uniper Group's assets, financial condition and earnings – as well as the fact that they qualified as an operating segment throughout most of the reporting periods – the Russian business activities are separately stated and discussed with regard to time-period-related measures such as the items of the income statement for the

20230627187786

2022 fiscal year. Because the management of the Russian company PAO Unipro has decided not to provide what in its view is sensitive financial and non-financial information, it is not possible to report all time-period-related measures and disclosures up to the point of deconsolidation. Each of the issues to which this limitation pertains is discussed separately in the report sections affected. To improve readability, Russian Power Generation will continue to be referred to as a segment in the remainder of the 2022 Annual Report.

Management System

Uniper uses adjusted EBIT and adjusted net income for the financial management of the Uniper Group. Both key performance indicators are applied unchanged for the 2021 and 2022 reporting periods.

Adjusted EBIT

Unadjusted earnings before interest and taxes (unadjusted EBIT) represents the Uniper Group's income/loss before financial results and taxes in accordance with IFRS with net income/loss from equity investments added back. Unadjusted EBIT is adjusted for certain non-operating effects (see table) in order to increase its meaningfulness as an indicator of the operating performance of Uniper's business.

Adjusted EBIT

Adjustment	Explanation	Income statement items
Certain book gains/losses	Sum of book gains and losses from disposals	Other operating income and expenses
Gains and losses from the fair value measurement of derivative financial instruments used in hedges, if the underlying transaction does not affect EBIT in the current period	• Hedges entered into as part of the energy trading business • No impact on adjusted EBIT until realization	Other operating income and expenses
Certain effects resulting from the measurement of physically settled contracts within the scope of IFRS 9, which are measured at the market price at physical settlement instead of the contractually hedged price	• According to IFRS IC, physically settled forward purchases or sales must be realized at the market price applicable at the time of physical settlement, i.e. they must be accounted for like physical spot contracts with a financial hedge and the hedged margin must be realized in EBIT before physical settlement • As a result, revenues and cost of materials are not measured at the contractually agreed prices • Adjustment of EBIT by the difference between the economically and contractually hedged contract price and the spot price on the settlement date that is relevant for income	Revenues/ cost of materials
Impairment charges/reversals in the context of impairment tests	Based on: • Non-current assets • Companies accounted for under the equity method • Other financial assets • Goodwill	Various income statement items
Expenses for (and income from) restructuring and cost-management programs	• Additional expenses and income that are not directly attributable to the operating business	Various income statement items
Other contributions to non-operating earnings	• Unique or rare in nature • Depending on the particular case, such income and expenses may affect different line items in the income statement	Various income statement items

20230627183737

Adjusted Net Income

The Uniper Group uses adjusted net income as an additional internal management indicator and as a further key indicator of the after-tax and financial result profitability of its operations – one that also takes into account important income and expense components that are not included in adjusted EBIT but aggregated as economic interest and tax result – as well as for determining the variable compensation of the Board of Management and of all executive personnel, non-pay-scale employees, and pay-scale employees.

Unadjusted net income is earnings after financial results and income taxes. To focus this indicator on the operating business and increase its meaningfulness, unadjusted net income is adjusted for certain non-operating effects.

Adjusted EBIT is the starting point for further adjustments, and it is adjusted for the following selected non-operating items:

- Net non-operating interest income
- Other financial results
- Income taxes on non-operating earnings
- Non-controlling interests in non-operating earnings

Included in other financial results are effects such as measurement effects from changes in the fair value of securities and of the KAF (the Swedish Nuclear Waste Fund; "Kärnavfallsfonden"). Not being a component of adjusted EBIT, other financial results are added back to adjusted EBIT in a first step to determine adjusted net income, together with net interest income, so that all earnings components of the income statement are also shown in the reconciliation to adjusted net income. They are then eliminated in a second step, together with non-operating interest expense and income. Additionally adjusted for is the interest expense incurred for loans granted by KfW to cover the added cost of procuring replacement volumes, because the utilization of these loans relates directly to, and is triggered by, the financing of the procurement of replacement volumes. Other financial results thus have no effect on adjusted net income. Non-operating interest effects include, for example, interest on provisions financed through the KAF, which are eliminated correspondingly with other financial results. Also eliminated are measurement effects on liabilities to minority shareholders. The adjustments additionally include, among other things, the related income taxes, and the overall result is adjusted net income.

Additional Performance Indicators

Alongside those most important management indicators, Uniper also presents additional financial and non-financial performance indicators in the Combined Management Report to highlight developments in the operating business and in the context of responsibility to all stakeholders – its employees, customers, shareholders and creditors, as well as the Uniper companies. The Group's financial condition, for example, is monitored using the additional financial performance indicators operating cash flow before interest and taxes, economic net debt and net financial position, as well as cash-effective investments, which are also included among the financial performance targets that govern long-term compensation.

Indicators of non-financial performance still used by Uniper include the proportion of women in leadership positions within the Uniper Group, direct CO_2 emissions and the HSSE & Sustainability Improvement Plan. Moreover, for the 2022 fiscal year only, Uniper used the severity rate of recordable safety incidents as a non-financial short-term-incentive performance indicator to measure safety performance. The Non-Financial Performance Indicators section contains explanatory information about these four performance indicators.

20230527187?3

Business Report

Macroeconomic and Industry Environment

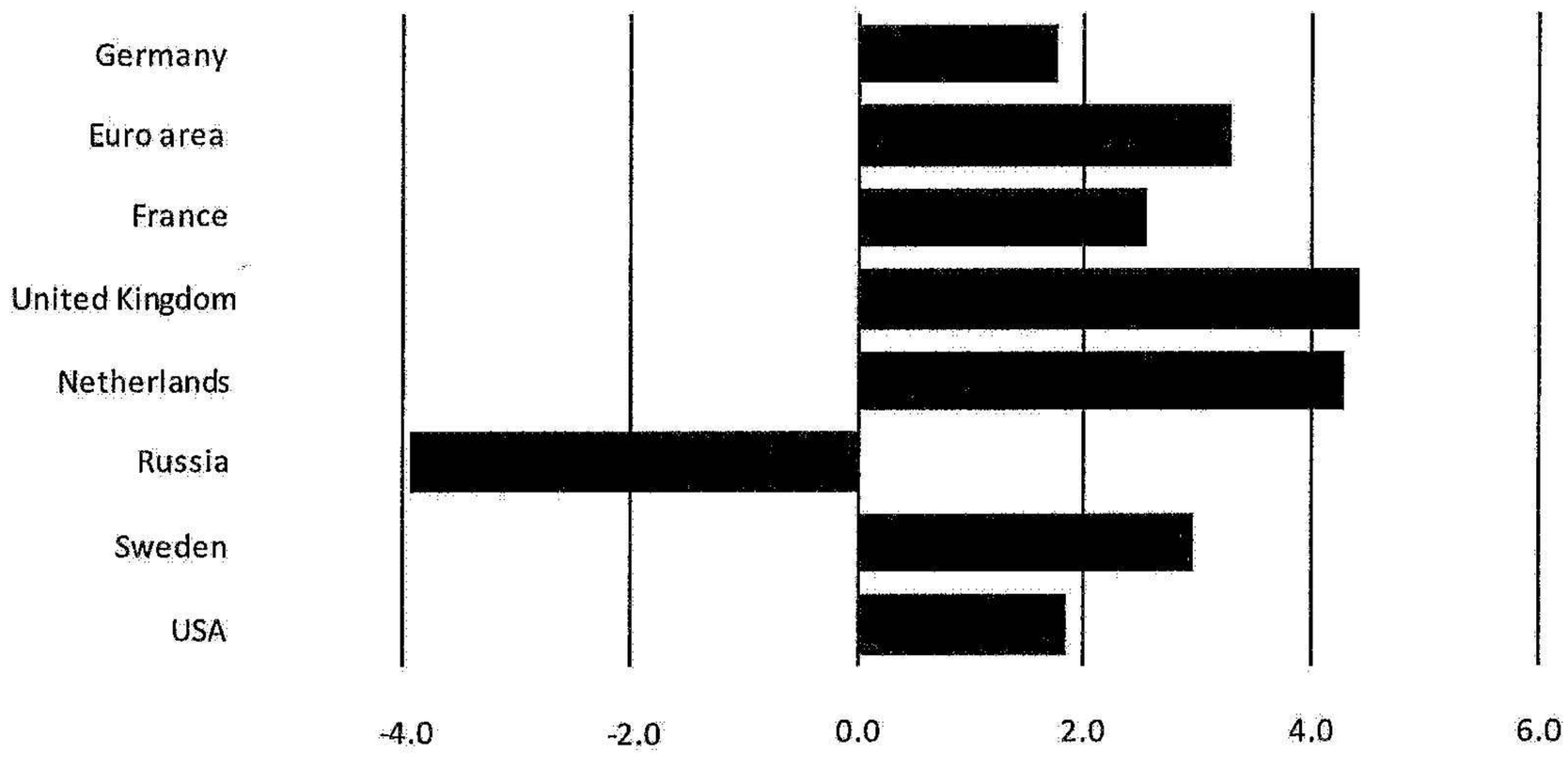
Macroeconomic Environment

The global economy once again experienced serious difficulties in 2022 and is facing significant challenges. After global GDP growth of 5.6% in 2021, as the economy emerged from the Covid-19 crisis, the Organisation for Economic Cooperation and Development (OECD) estimates growth in 2022 at 3.1%. The Russian war in Ukraine has driven up prices considerably, especially for energy. Wage increases have failed to keep pace with inflation, causing real incomes to fall, despite numerous measures taken by governments to cushion the impact of higher food and energy prices on households and businesses.

Global financing conditions have tightened considerably in light of the drastic increases in key interest rates by central banks, putting pressure on interest-sensitive spending and investment. In the US, the Federal Reserve raised the key interest rate from near zero to as high as 4.5% during the year, and the Bank of England hiked rates from 0.25% to 3.5%. In the euro area, the ECB ended its long-standing zero interest rate policy in July 2022 and had raised the main refinancing rate to 2.5% by the end of 2022. As a result of the faster rise in interest rates in the US, the US dollar appreciated steadily against the euro, and was trading at parity for the first time in 20 years in July 2022. It rose even further to 0.96 US dollar/euro by the end of September 2022. The US dollar did not depreciate again until the fourth quarter of 2022, due to easing inflationary pressure in the USA and the associated slight drop in market interest rates. The British pound was significantly influenced by political turmoil in the British government. After the Prime Minister was forced to resign in July 2022, his successor met the same political fate after only a few weeks in office. Her plans for tax cuts presented at the end of September 2022 shook the financial markets deeply. However, after the next successor as Prime Minister took office in October 2022, the markets calmed down again.

2022 GDP Growth in Real Terms

Annual change in percent



Source: OECD (December 2022)

20230527118739

Energy Policy and Regulatory Environment

European Union

The increase in energy prices and the impact of the Russian war against Ukraine on the security of supply were at the forefront of energy policy discussions in the European Union in 2022. A revised EU regulation on gas storage took effect on June 30, 2022, which requires member states, among other things, to ensure that their underground gas storage facilities are filled to at least 80% capacity by November 1, 2022. On May 18, 2022, the European Commission presented its REPowerEU plan, which seeks to reduce dependence on fossil fuels from Russia and accelerate the transition to green technologies, while additionally imposing an EU-wide embargo on Russian coal and oil, effective in 2022.

In addition, EU member states adopted a Council regulation on emergency intervention measures in the energy sector on October 6, 2022 aimed at limiting the impact of the energy crisis. The regulation includes the introduction of a €180/MWh cap on market revenues for electricity producers from December 1, 2022, and measures to reduce electricity demand. To reduce demand for natural gas, unspecified voluntary consumption reductions in member states of 15% between August 1, 2022 and March 31, 2023 were approved in early July 2022. This gas demand reduction measure could become mandatory if a "Union Alert" is declared at EU-level. To further mitigate the impact of the gas crisis, EU member states agreed on December 19, 2022 to introduce a dynamic cap of at least €180/MWh on the gas price if certain conditions are met.

The delegated act supplementing the climate strategy ("EU taxonomy") was officially adopted on July 15, 2022, and applies from January 1, 2023. It recognizes nuclear power and gas as environmentally sustainable economic activities under the EU taxonomy if they meet specified criteria. On December 18, 2022, the EU institutions reached a preliminary agreement on the reform of the EU carbon market, i.e., the review of the EU Emissions Trading Scheme and the Market Stability Reserve, and the introduction of a border adjustment mechanism for carbon-intensive products. The negotiation process for the remaining legislative packages "Fit for 55" and "Hydrogen and decarbonized gas market", which aim to make the EU's climate, energy and transport policies fit for the target of reducing greenhouse gas emissions by at least 55% by 2030, will continue in the European Parliament and Council in 2023.

Germany

Due in part to the tense situation on the energy markets as a result of the war, 2022 was marked by a significant amount of legislation in Germany, with some regulations also being amended several times during the year. Before the start of the Russian war against Ukraine, the German Federal Ministry of Economics and Climate Protection (BMWK) presented an "opening balance sheet on climate protection" on January 11, 2022, with initial measures to underpin the climate protection targets agreed in the German government's coalition agreement. On July 8, 2022, the so-called "Easter Package" was adopted, which includes a reform of the EEG. Its main elements are the achievement of a share of renewable energies in gross electricity consumption of 80% in 2030 and the significant expansion of tenders in the area of wind and solar energy. Furthermore, on February 27, 2022, the German government announced the construction of LNG terminals on the German coast, including in Wilhelmshaven, due to the energy price crisis and Russia's war against Ukraine. In order to accelerate the approval procedures for these projects, the LNG Acceleration Act was passed on May 19, 2022. Against the background of the comparatively low levels in gas storage facilities in fall 2021, a new section was added to the Energy Industry Act to specify minimum filling levels for natural gas storage facilities in Germany to supplement the regulations adopted by the EU. The corresponding Gas Storage Levels Act came into force on April 30, 2022. Based on this law and supplemented by an ordinance of the BMWK, a minimum filling level of 95% of capacity in national natural gas storage facilities must be guaranteed in a coordinated procedure by November 1 of each year, for the first time in 2022, in order to secure supply. The law will expire on April 1, 2025.

20230627113790

The Replacement Power Plant Standby Act was passed on July 8, 2022 in order to avert a possible gas shortage. This act allows the federal government to issue or amend ordinances that provide for the restart of coal- and oil-fired power plants from the reserve and for the possibility of imposing limits on the generation of gas-fired power plants. On July 13, 2022, the regulation based on this law entered into force, which provides for hard-coal-fired power plants that are in reserve to be operational until March 31, 2024, combined with an option to return to the market. Uniper is taking advantage of this statutory option at its Staudinger 5, Heyden 4, Irsching 3 and Scholven C power plants to extend the operation of the plants as a contribution to securing the power supply. At the same time, Uniper is currently preparing for the continued operation of the Scholven B hard coal-fired power plant (345 MW) beyond June 2023. In addition, the German government is allowing lignite-fired power plants to return from security standby to the electricity market until June 30, 2023. Additionally, the Energy Security Act (EnSiG) was amended. The first amendment, which came into force on May 20, 2022, provided for price adjustment rights (section 24 EnSiG) in the event of a crisis, entitling those gas suppliers affected along the supply chain to adjust their gas prices to customers to "an appropriate level" if a "significant reduction in gas import volumes to Germany" was identified after the alert and emergency status had been declared. After concerns were raised in the industry about the feasibility of implementing section 24, the EnSiG was amended again on July 8. Among other things, the amendment allows the German government to take stabilization measures in critical infrastructure companies (section 29 EnSiG); Uniper SE, among other companies, has requested that these measures to be applied. There was an option provided for in the EnSiG and planned for in the summer of using a gas levy to finance the replacement costs for gas from Russia. The recension of the levy was announced at the end of September 2022, shortly before its scheduled introduction, and a corresponding resolution was passed at the beginning of October 2022.

On December 16, 2022, the German Bundesrat passed the Natural Gas Heat Price Brake Act (EWPBG) and the Electricity Price Brake Act (StromPBG). The EWPBG builds on the "Gas and Heat" recommendations of the European Commission of October 31, 2022, which recommended to the German government a one-time payment for gas customers in 2022 and a gross price cap on a gas quota for residential and commercial customers, as well as a price cap on a fixed quota in procurement prices for industry. The one-time payment for December 2022, which will be handled through the power utilities, was implemented in the "Emergency Relief Act". Some of the caps on electricity and gas prices in the two laws for households and commerce and for industry do not expire until April 30, 2024. A similar approach has been adopted for district heating customers. It will be handled by the utilities, which have advance payment claims against the Federal Republic of Germany to safeguard their liquidity. Furthermore, the Electricity Price Brake Act regulates the levy on surplus revenues from electricity producers for the period from December 1, 2022 to June 30, 2023 for selected technologies. The selection of qualifying technologies is in line with EU requirements: Electricity generation from lignite, nuclear energy, waste, mineral oil and renewables, among others, is covered. Storage, natural gas, biomethane and other gases, among others, are excluded. The StromPBG contains an enabling ordinance that makes it possible to include hard coal in the levy on surplus revenue retroactively.

United Kingdom

The UK government's Energy Security Strategy published April 7, 2022, increased the targets previously announced in the Net Zero Strategy: doubling the hydrogen production target to 10 GW by 2030 and an increase in the offshore wind target to 50 GW, as well as setting a nuclear generation target of 24 GW by 2050. The Energy Security Bill is currently progressing through parliament and will put in place the legislation needed to implement business models for carbon capture, use and storage, low carbon hydrogen production and industrial carbon capture, and will also establish a new Future System Operator (FSO), providing strategic oversight across electricity and gas systems. The FSO duties are to include progress towards net zero strategy, energy security and minimizing consumer costs.

20230627183791

In view of the sharp increase in the cost of living, the British government has introduced a windfall tax on North Sea oil and gas producers and the introduction of an Electricity Generators Levy on low carbon generation without a Contract for Difference in place - a temporary 45% levy on extraordinary profits, defined as electricity sold above £75/MWh to be applied from January 1, 2023 to generators whose generation output exceeds 100 GWh across a period and to extraordinary returns exceeding £10 million. It will replace the Cost Plus Revenue Limit introduced in the Energy Prices Act (but not yet implemented).

The British government has launched a consultation process to reform electricity trading arrangements, and the expectations are to see changes to the Capacity Market and a review of carbon pricing in the coming year.

The Netherlands

In the Netherlands, the Minister for Economic Affairs and Energy withdrew the carbon emissions cap for coal-fired power plants completely as of June 22, 2022. A law to implement the withdrawal of the production cap is being drafted. The law is expected to be enacted during the first quarter of 2023. This law will also contain provisions specifying how compensation for the period from January 1, 2022 through June 22, 2022, should be handled. The government implemented a price cap for coal-fired powerplants on December 1, 2022. This will need to be incorporated into a law. The process of finalizing the law will be precisely completed before summer 2023 and will come into force retroactively from December 1, 2022.

Sweden

Following the elections that took place in Sweden in September 2022, the leader of the conservative Moderate Party, formed a new center-right governing coalition consisting of his Moderates, the Christian Democrats and the Liberal Party. Although not officially part of the government, the far-right Sweden Democrats will be involved in the government's work for the first time since they entered the Swedish parliament in 2010. The overall energy policy of the government is to a large extent governed by the Tidö Agreement, with a focus on all fossil-free power sources, and in particular new nuclear power.

Russia – Discontinued Operations

Presidential Decree No. 520 dated August 5, 2022 introduced restrictive measures in respect of foreign legal entities owning securities, stocks or contributions in Russian companies. Until December 31, 2022, it is prohibited to carry out transactions that entail change, termination or encumbrance of share ownership rights, stocks (contributions) of joint-stock companies included in the list of strategic enterprises, strategic JSCs and economic entities involved in production of heat and electric power. The ban on transactions may be lifted by a special permission of the President of the Russian Federation. The term of this Decree was extended until December 31, 2023 by the Presidential Decree dated December 5, 2022.

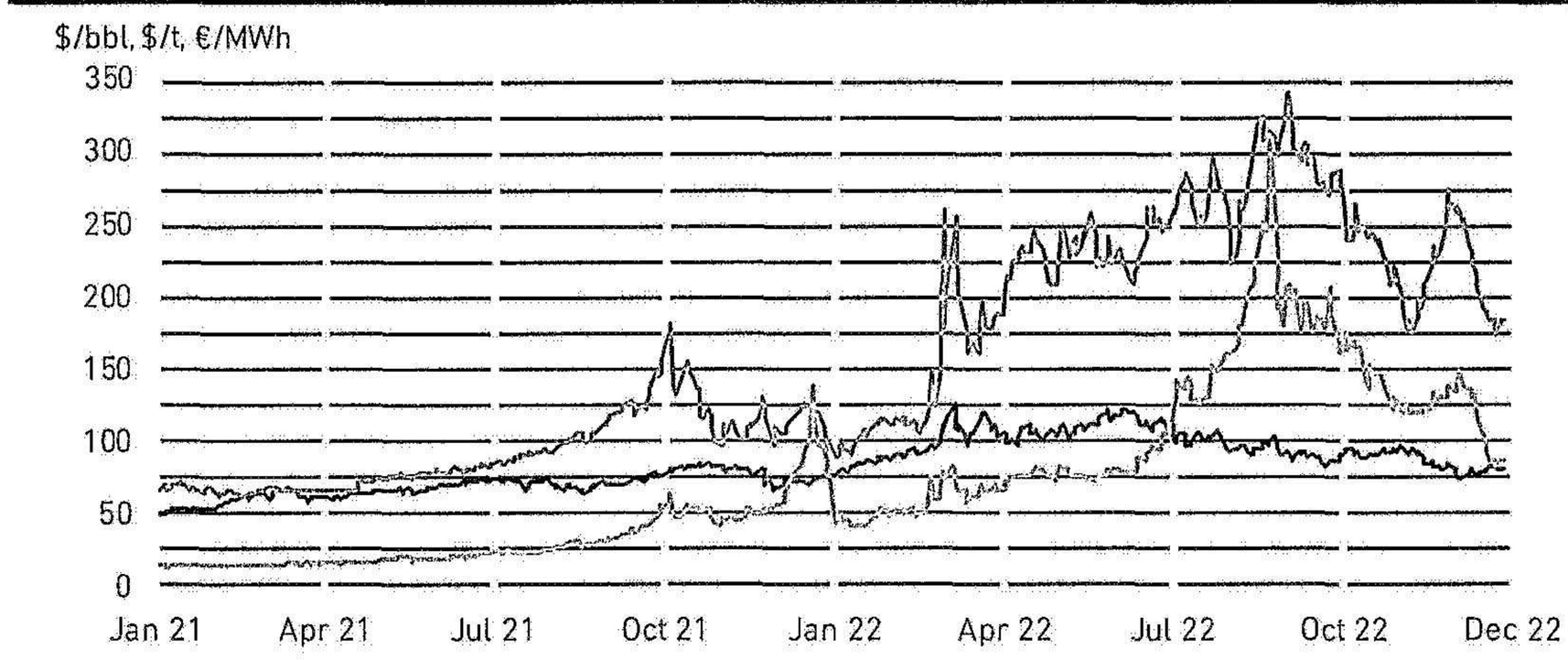
20230527183792

Energy Prices

In 2022, the primary influences on the energy markets in Europe were the Russian war against Ukraine and its effects, as well as the Covid-19 pandemic. The three main factors were:

- the strong rise in international energy commodities, especially gas and coal,
- the general global macroeconomic and developments and forecasts, which were still partly shaped by the Covid-19 pandemic, and by fears of recession due to a slowing economy,
- the renewed increase in the use of conventional energy sources, especially coal, which, however, did not lead to an increase in energy-related carbon emissions in Germany due to the sharpest overall decline in energy consumption in Germany since reunification.

Energy Price Movements for Oil, Coal and Gas in Uniper's Core Markets



Coal and gas: front-year contracts, Brent crude: front-month contracts

Global growth in demand for oil is estimated to total 2.6 million barrels per day in calendar year 2022 compared to the prior year. Demand in non-OECD countries increased by a combined total of only around 1.2 million barrels per day, while demand in the OECD countries rose by a combined total of around 1.4 million barrels per day. While in North America and Europe lower fuel consumption in the transportation sector in particular more than offset an increase in jet fuel demand, in China the recurring lockdowns in the context of the Covid-19 pandemic which had a negative impact on oil demand there, so that for China as a whole a decline in oil demand can be assumed for 2022. In the first half of the year, the main concern was a supply deficit due to expected shortfalls in Russian deliveries, while the focus in the second half was on the demand side, as sentiment deteriorated due to fears of recession caused by the economic downturn. Despite these fears, the all-time high of the Brent price from 2008 was not reached and oil prices in mid-December 2022 were back at their level from the beginning of the year.

20230627187793

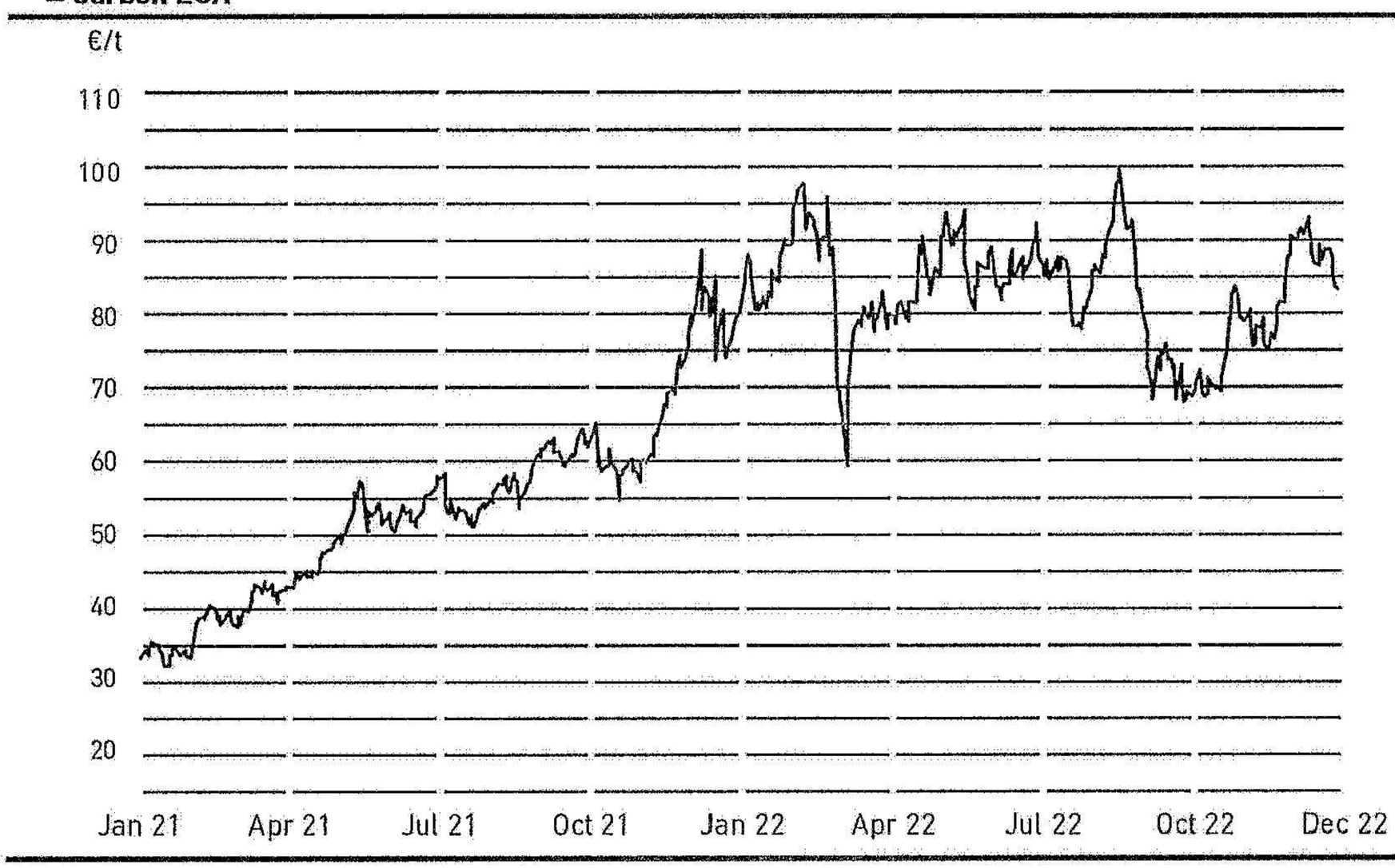
Similar to last year, the European coal market started 2022 with little volatility. The situation did not change fundamentally until after the start of the Russian war against Ukraine at the end of February 2022. Both prices and volatility in the market have increased significantly since then. Rising gas prices and fears that the war would have an impact on Russian coal exports intensified concerns about security of supply on the international coal market. Shortly after the EU coal embargo against Russia came into effect at the beginning of August 2022, the conflict regarding the European coal market reached its peak to date. The standard API#2 front year product rose to an all-time high of $342/t in September 2022, but this was short-lived. A general easing of tensions on the energy markets in Europe, as well as China's weakening economy as a result of its zero-Covid policy and the resulting drop in demand for coal imports, helped prices on the coal market to stabilize again. In addition, European coal-fired power plant operators sought alternatives to Russian coal early in the year in order to avoid supply bottlenecks in the winter of 2022/2023. With a generally sufficient supply of coal in Europe, only the low water levels of the rivers, above all the Rhine, repeatedly led to logistical bottlenecks in the summer and fall of 2022 in efforts to bring the coal from the sufficiently full stockpiles at the seaports such as Amsterdam, Rotterdam and Antwerp to the power plants.

In the European gas market, the TTF gas price level, which was already very high at the beginning of 2022 – the spot price was around €85/MWh at the start of the year – continued to move upwards, reaching a level of €212/MWh after the Russian attack on Ukraine, surpassing the previous peak from December 2021. In April and May 2022, the spot price mostly recovered to a level below €100/MWh, but rose to €200/MWh by the end of July 2022, peaking at €316/MWh on August 26, 2022. By the end of December 2022, the TTF spot price had eased to around €73.4/MWh due to the numerous countermeasures taken and other factors. The renowned Oxford Institute for Energy Studies characterizes the events of 2022 as a "real-time 'stress test'" for the European market in view of the historic highs in price levels and unprecedented volatility in gas prices.

Russian gas exports to the EU had already fallen sharply in the first quarter of 2022, with imports from Belarus ("Yamal route") down 71%, deliveries via the Ukraine route down 41%, and deliveries via the Nord Stream 1 gas pipeline down 4% compared to the first quarter of 2021. However, from mid-June 2022, Nord Stream 1 deliveries were steadily reduced, and by the end of August 2022, they had stopped completely. The loss of Russian supply volumes was exacerbated by Russia's sanctions against the owner of the Polish section of the Yamal pipeline. Gazprom further declared force majeure on its long-term supply obligations to European business partners due to various alleged problems with the operation of the Nord Stream 1 pipeline. Due to suspected acts of sabotage on the two lines of Nord Stream 1 and one line of Nord Stream 2 pipelines on September 26, 2022, these pipelines were damaged so significantly that they are not expected to be able to supply gas again in the foreseeable future, especially since certification of the Nord Stream 2 pipeline was suspended indefinitely by the German government on February 22, 2022. The suspected acts of sabotage also focused increased attention on infrastructure risks in energy-related areas. Since the end of the third quarter of 2022, Russian supply volumes have only flowed via the Turk Stream pipeline to Bulgaria and via Ukraine to Slovakia and thus to the EU. The first quarter of 2022 showed a trend that was characteristic for the whole of 2022: LNG imports increased by 72% in this period compared to the first quarter of the previous year. In May 2022, the EU set a record for LNG imports per month, with the EU Energy Commissioner emphasizing in particular the "close cooperation with the United States." By October 1, 2022, total EU gas storage was 89% full, above the EU's 80% fill level target. On November 1, 2022, the fill level in the EU was even higher at 94.9%. Although it was originally planned to end production at the Groningen gas field at the end of 2022, the Dutch government decided to continue production at a maximum of 2.8 bcm in the fiscal gas year, strengthening the supply side from October 2022. Exceptionally mild weather in October and the first half of November 2022 allowed high storage levels to be largely maintained before withdrawals rose sharply in December 2022 due to colder temperatures. Nevertheless, gas prices did not reach the same heights as in summer 2022. With milder weather around Christmas time, TTF prices even fell back below €100/MWh.

Price differentials between European gas markets widened over the summer, with NBP and LNG prices at a discount to the TTF and THE from early April 2022. High LNG imports made the UK a gas re-exporter to mainland Europe. However, with the commissioning of the first German regasification plant - the Wilhelmshaven terminal delivered LNG for the first time on December 20, 2022 - these spreads should gradually even out.

European Union Allowance Price Movements

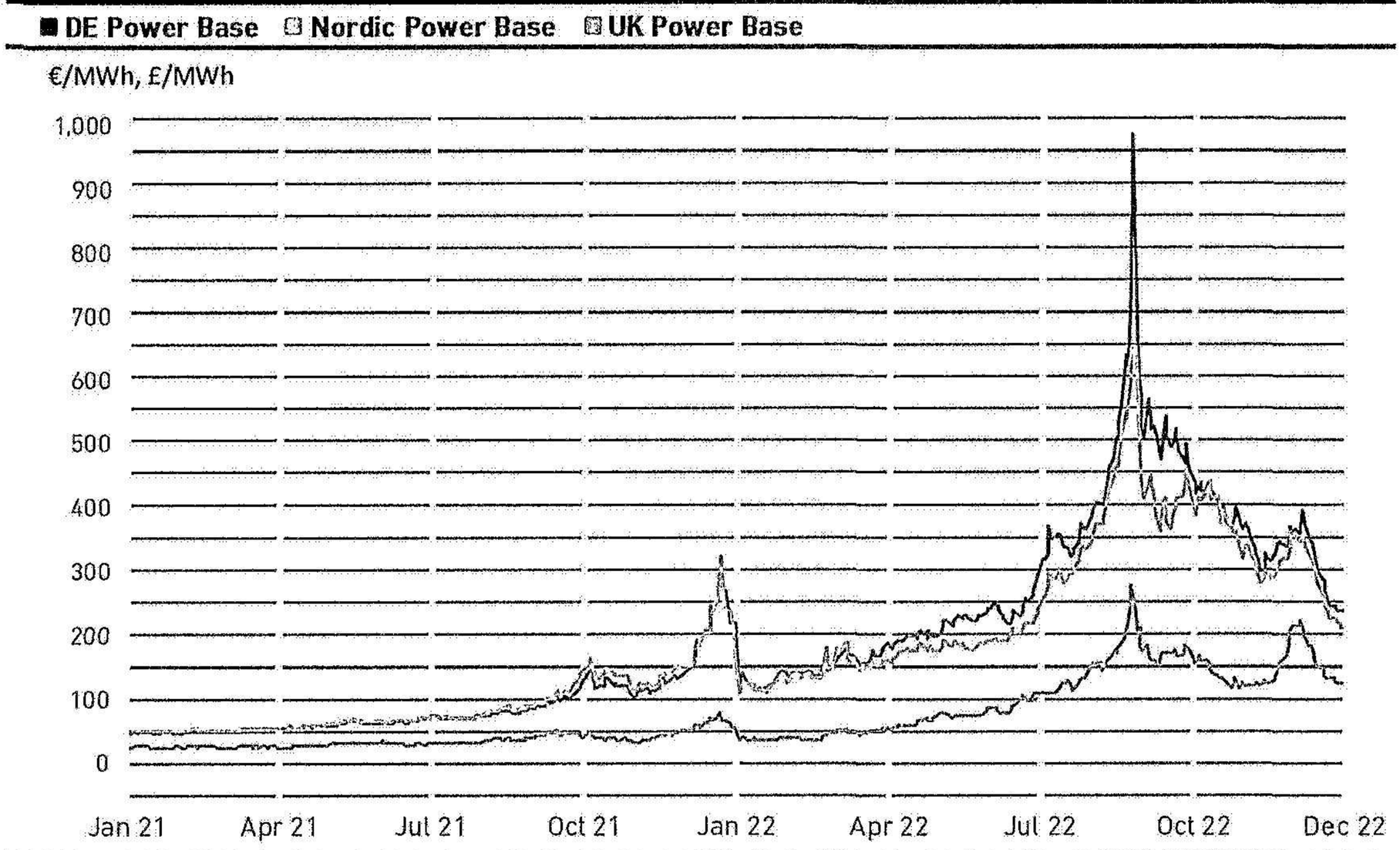


Price in €/t for front-year contracts

The price of allowances in European emissions trading was subject to strong fluctuations in 2022, but remained largely above the prices of the previous year, and ended 2022 at roughly the same level at which they started the year. The strong support for the allowance price during the year resulted from the fact that, as a consequence of the latest market reforms and following the start of the new trading period in 2021, the primary supply of allowances has been severely restricted and is significantly below actual emissions. Key factors influencing the carbon price in 2022 were the impact of the Russian war against Ukraine on the energy markets and the ongoing emissions trading reform process under the EU's "Fit-for-55" initiative. The Russian war against Ukraine had several, partly counteracting effects on emissions trading: the tense situation on the gas market and the associated high natural gas prices improved the relative competitiveness of emissions-intensive coal-based power generation (despite high coal prices) and consequently led to a high utilization of coal-fired power plants to the point of reactivating lignite and hard coal-fired power plants from reserve, which led to an overall increase in expected emissions in the power generation sector compared with the previous year. At the same time, high prices weighed on industrial production with a corresponding negative impact on demand for emission allowances from the industrial sectors. Further strain on demand also resulted from the very low liquidity of the electricity markets at times and the high margin requirements on the exchanges as a consequence of the high price volatility.

20230627187795

Electricity Price Movements in Uniper's Core Markets



Prices in €/MWh (DE, Nordic) and £/MWh (UK) for front-year contracts

The German power market was marked by significantly higher and volatile prices in both spot and forward trading. The front-year contract for base load (Cal-23) started 2022 at €121/MWh and closed at €239/MWh, 97.5% higher. This contract reached record prices of around €1,000/MWh at the end of August 2022. Both the basic trend and the extreme prices were largely influenced by the development of the corresponding natural gas prices. A similar picture was seen on the spot market: the average spot price in 2022 of €235/MWh was almost €140/MWh higher than the previous year's prices. In addition to the high gas prices, the heat and drought, as well as the historically low availability of French nuclear power plants, supported electricity prices in the summer of 2022. Reactivations of lignite and hard coal-fired power plants from the reserve as well as delayed closures increased the available generation capacity in Germany. In addition to security of supply, one aim of these measures is to reduce gas consumption for power generation. In the generation mix, hard coal stood out with an increase of 21% compared to the previous year. However, in addition to the intended 16% reduction in the use of natural gas, it was also necessary to compensate for a drop in the use of nuclear energy by almost half, as three of the remaining six German nuclear power plants were taken off the grid at the end of 2021. The increase in electricity generation from coal and France's dependence on imports was also reflected in increased electricity exports from Germany. In terms of renewables, wind and photovoltaics showed a significant increase in generation compared with the previous year, while generation from hydroelectric power was lower.

In Scandinavia, the calendar year 2022 started with well below-average reservoir levels, which still stemmed from 2021. The southern regions of Norway, with their relevance for the system price and high reservoir capacities (57 TWh out of a total of 121 TWh), made a particular contribution to this. The price was thus stable to start the year, both in spot and forward products, which in turn showed a low spread between calendar products.

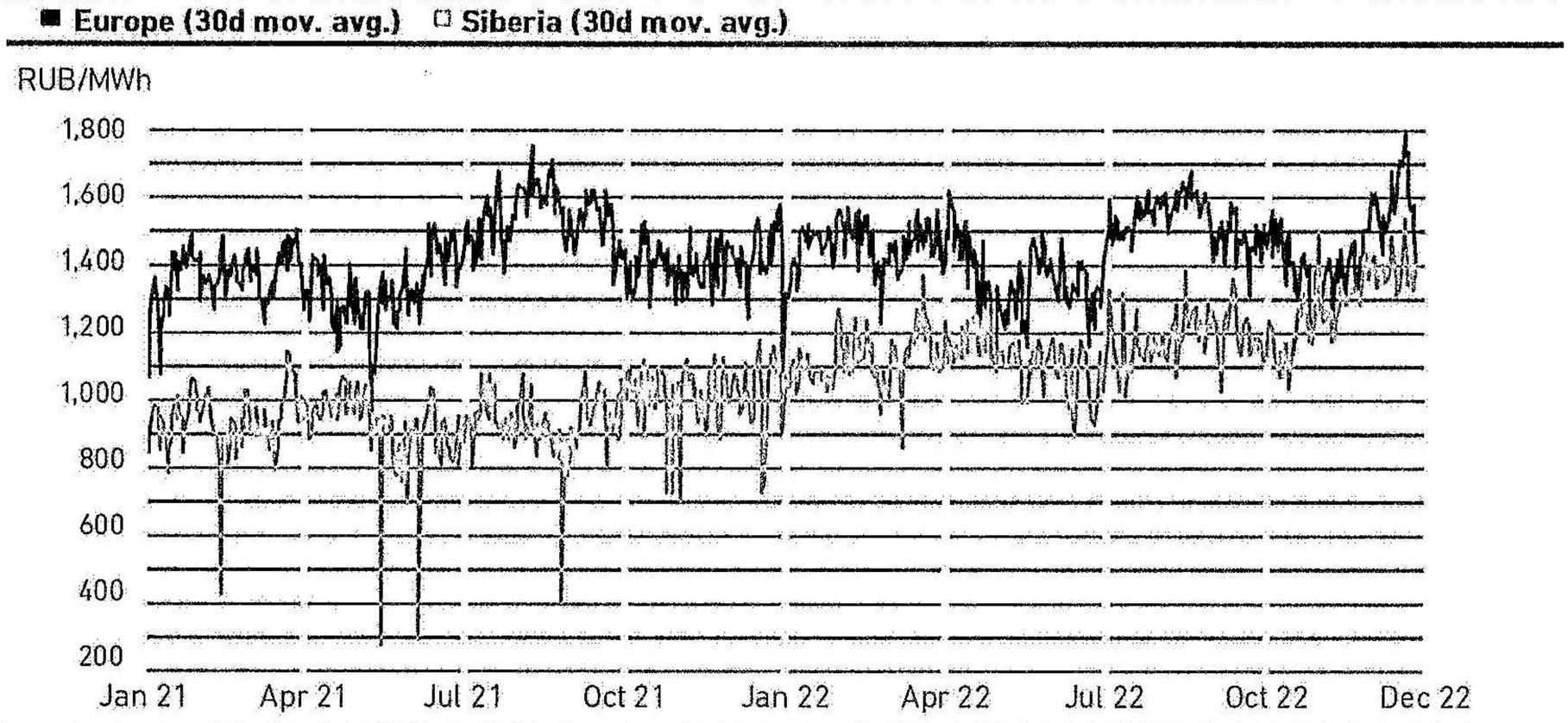
20230527187795

In the first months of 2022, accumulated snow volumes and reservoir levels developed such that transmission capacities were often fully utilized, resulting in a segregation of price zones. High spot price levels persisted into roughly the summer of 2022. The high prices in continental Europe led to substantial exports from Norway and Sweden – partly via Denmark. The 1,400 MW-capacity link from Norway to the UK, available since mid-2021, also allowed high exports. Combined with low precipitation, this led to a stronger influence of high continental prices on the system price. However, from mid-September to late October 2022 – and thus before precipitation falls as snow – levels in Norway recovered considerably and monthly price averages eased from €222/MWh in August 2022 to €74/MWh in October 2022. The very mild period from the beginning of October to early November 2022 kept prices at low levels, and it was not until December 2022 that high system spot prices returned due to cold weather and unexpected nuclear power plant overhauls. The basic hydrological situation as well as very high continental prices also had the effect of increasing prices on Nordic forward products. As a result, Nordic forward prices recorded their highest levels in August 2022, in line with continental markets, before dropping significantly in October 2022. The front year showed the strongest price movements, although prices remained below €200/MWh in most cases. The 2024 and 2025 calendar products, on the other hand, rarely reached or exceeded €100/MWh. The new Finnish nuclear power plant Olkiluoto 3, with a capacity of 1,600 MW, should have completed its final commissioning in 2022. Regular operation will not be possible until March 2023 at the earliest. An important aspect of the Nordic power market is the ongoing transmission grid constraints with the strongest impact on connections to and from southern Sweden, including Stockholm. This affects both the east-west connection Finland – southern Sweden – southern Norway and the north-south connection within Sweden. Several projects have increased the line capacity of the north-south connection within Sweden to some extent. Nevertheless, the capacity constraints are relevant and limiting. This is further exacerbated by the expansion of wind energy. In Finland, about 1,300 MW of new wind turbines were installed in 2022, and in Sweden, about 1,200 MW.

The British electricity market, like the pan-European energy market, was significantly affected by the Russian war against Ukraine in 2022. In particular, the high dependency on natural gas in the British electricity mix caused prices on the electricity market to rise to historic highs. The UK electricity market also underwent a significant change: previously a net importer of electricity from its neighboring countries, this situation changed during the spring of 2022. Influenced by the historically low availability of French nuclear power plants and even higher gas prices on the European mainland, the UK has become a net exporter of electricity. In addition to higher gas prices and increased demand for electricity from the mainland, the planned closures of two nuclear power plants, Hunterston and Hinkley Point B, contributed significantly to rising electricity prices. By contrast, electricity demand recorded a 4% year-on-year decline to 261 TWh. This was mainly caused by uncertainty in the UK economy and the decline in demand from industry and households influenced by inflation. However, on balance, price-increasing developments in the UK electricity market outweighed weaker electricity demand, resulting in an annual average price of £204/MWh, corresponding to an increase of 74% compared with the prior year.

20230627187797

Price Movements in the Russian Power Market



Daily spot prices (30-day average)

In discontinued operations Russia, the day-ahead electricity price in the European price zone increased by only 2.7% year-on-year in 2022, although the indexed gas tariff increased by 3.7%. This divergent development is due to stronger power generation with low marginal costs: Hydroelectric and nuclear generation increased by 4.8% and 1.5%, respectively, while conventional generation decreased by 1.0%. The relatively weak recovery (0.2%) in electricity demand from 652.8 TWh in 2021 to 654.3 TWh in 2022 did not affect prices. The average day-ahead electricity price in Siberia increased by 22% year-on-year in 2022 due to an exceptionally dry year: for example, hydropower plants in the Siberian part of Russia recorded a 13.9% drop in electricity generation from 107.5 TWh to 92.5 TWh due to low water levels. The missing share of hydroelectric power was covered by coal-fired power plants, where generation increased to 84.3 TWh, up 24.9% year-on-year. Electricity demand growth in the Siberian zone exceeded growth in demand in the European price zone by 3.1% in 2022 (from 170.2 TWh to 175.4 TWh). In 2022, renewable generation capacity increased by 162 MW year-on-year, with actual renewable generation increasing by 1.6 times from 4.6 TWh to 7.4 TWh. At the same time, the share of renewables in total generation capacity remains negligible at 0.6%. The disclosures presented regarding Russian Power Generation correspond to the information provided by Unipro.

Product Price Movements in Uniper's Core Markets

Product	Unit	Dec. 30, 2022	Jan. 3, 2022	Change	2022 high	2022 low
DE Power Base (Cal-23)	€/MWh	238.9	121.6	96%	985.0	113.6
Nordic Power Base (Cal-23)	€/MWh	126.0	37.3	238%	279.0	35.5
UK Power Base (Cal-23)	£/MWh	211.3	109.4	93%	650.0	109.4
Brent Oil (front month)	$/bbl	82.3	79.0	4%	128.0	76.1
Coal API #2 (Cal-23)	$/metric ton	185.4	90.8	104%	342.3	90.8
Gas TTF (Cal-23)	€/MWh	88.4	44.8	97%	312.0	42.5
Carbon EUA (Dec-23)	€/metric ton	84.0	84.9	-1%	100.8	59.6

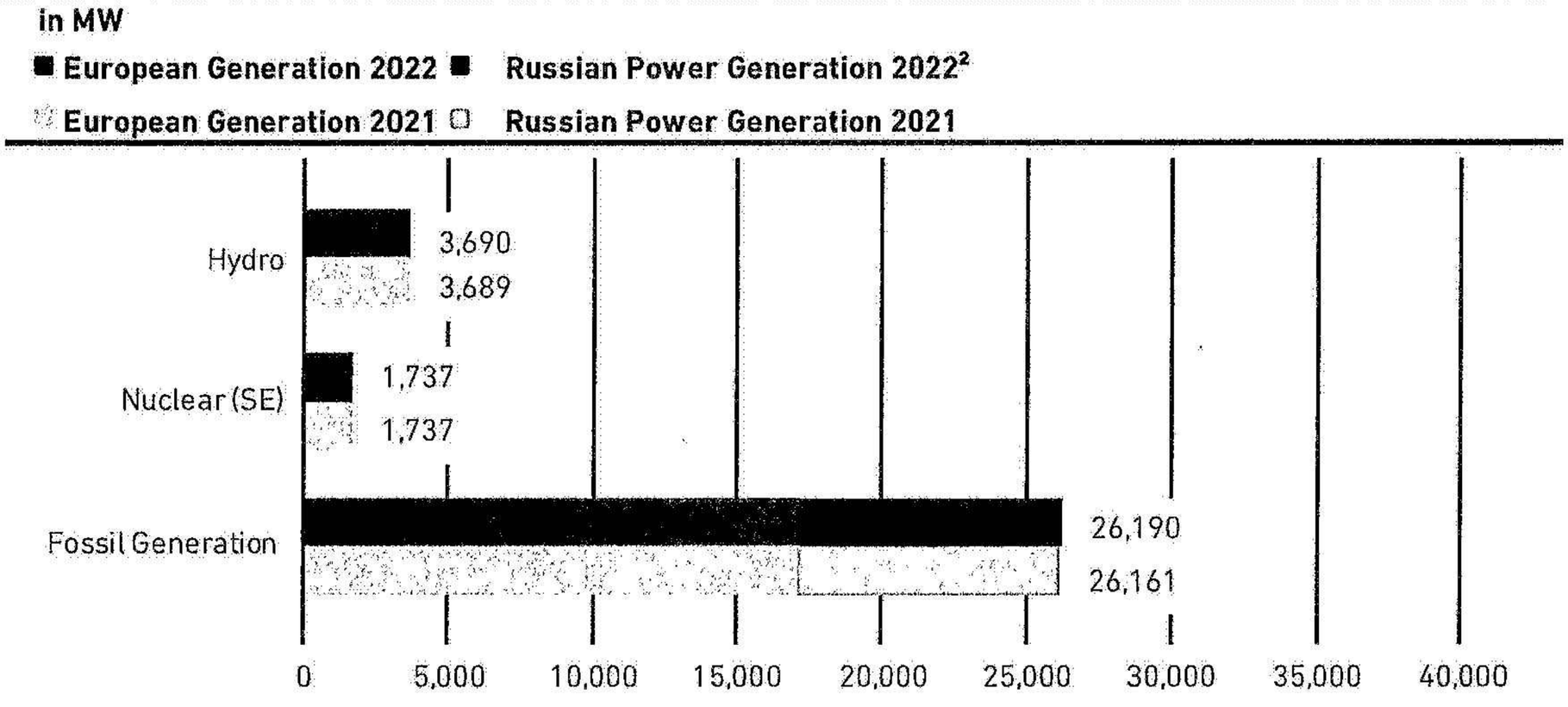
20230527119798

Business Performance

Generation Capacity

The Uniper Group's legally attributable generation capacity (the capacity that reflects Uniper's ownership interest in the power plants) increased to 31,617 MW as of December 31, 2022, or 0.1% (30 MW) above that of the previous year (31,587 MW). The increase in generation capacity was mainly due to technical improvements in the output of the Cottam Development Center power station in the United Kingdom by 13 MW, and the Surgutskaya power station in Russia (reported only within the legally attributable power plant output due to the legal shareholding) by 16 MW. A further increase in generation capacity additionally resulted from minor adjustments to the capacities of some hydroelectric power plants by a total of 1 MW in Germany. The data presented regarding Russian power generation corresponds to the information provided by Unipro.

Uniper Group: Legally Attributable Generation Capacity[1]



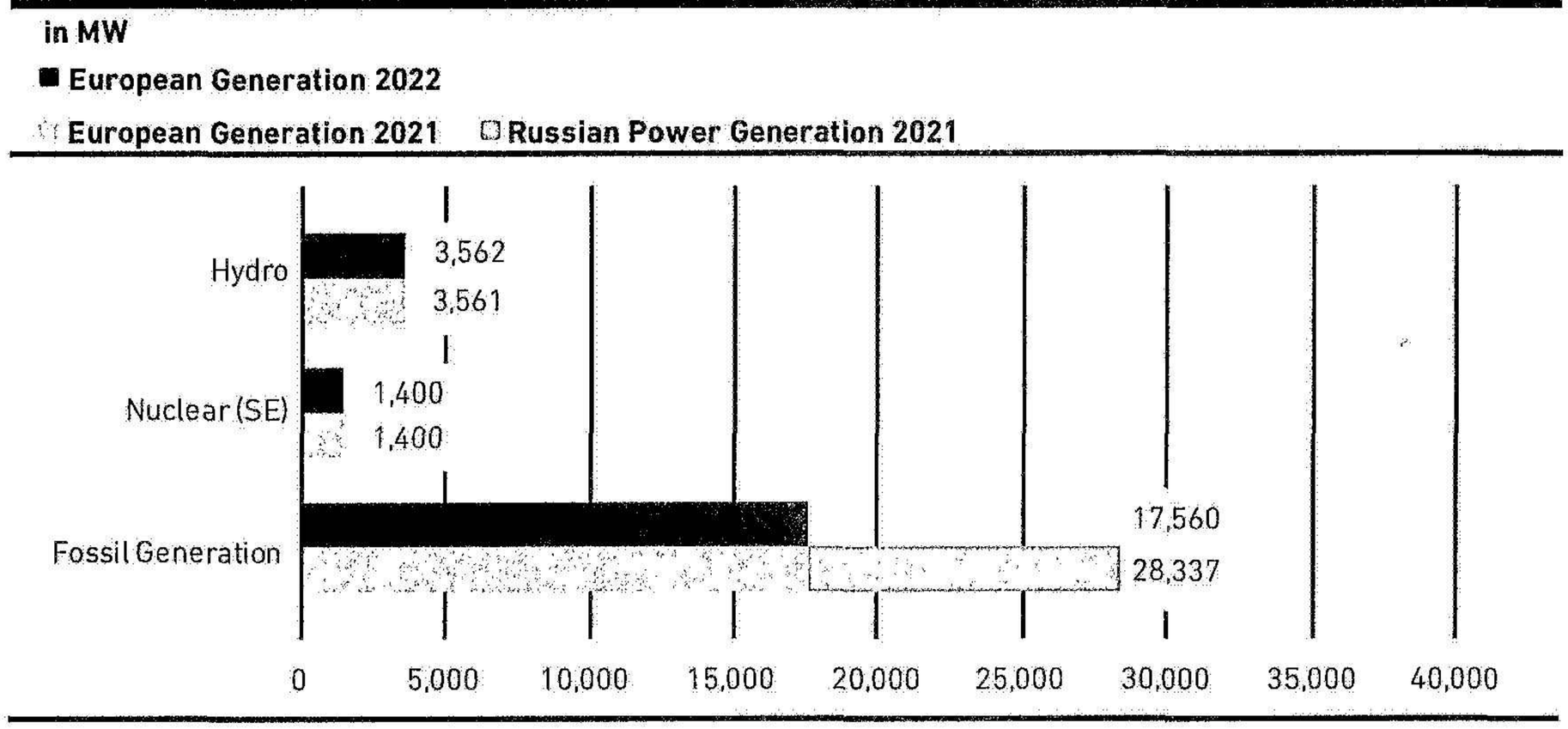
[1]Any rounding differences between individual volumes and totals are accepted.

[2]See also the additional information in the "Business Model" section.

The following table shows the at 22,522 MW, fully consolidated power plant output was 32% (10,776 MW) below the previous year's level of 33,298 MW. The decrease in capacity resulted from the deconsolidation of Unipro as of December 31, 2022, as a result of which from a balance sheet oriented "accounting view" the power plant output is no longer attributable to the Uniper Group as of the reporting date of the 2022 fiscal year. Russian power generation is classified as discontinued operations in the 2022 Annual Report. The technical improvements described above were not able to compensate for this decline.

20230627187799

Uniper Group: Fully Consolidated Generation Capacity[1]

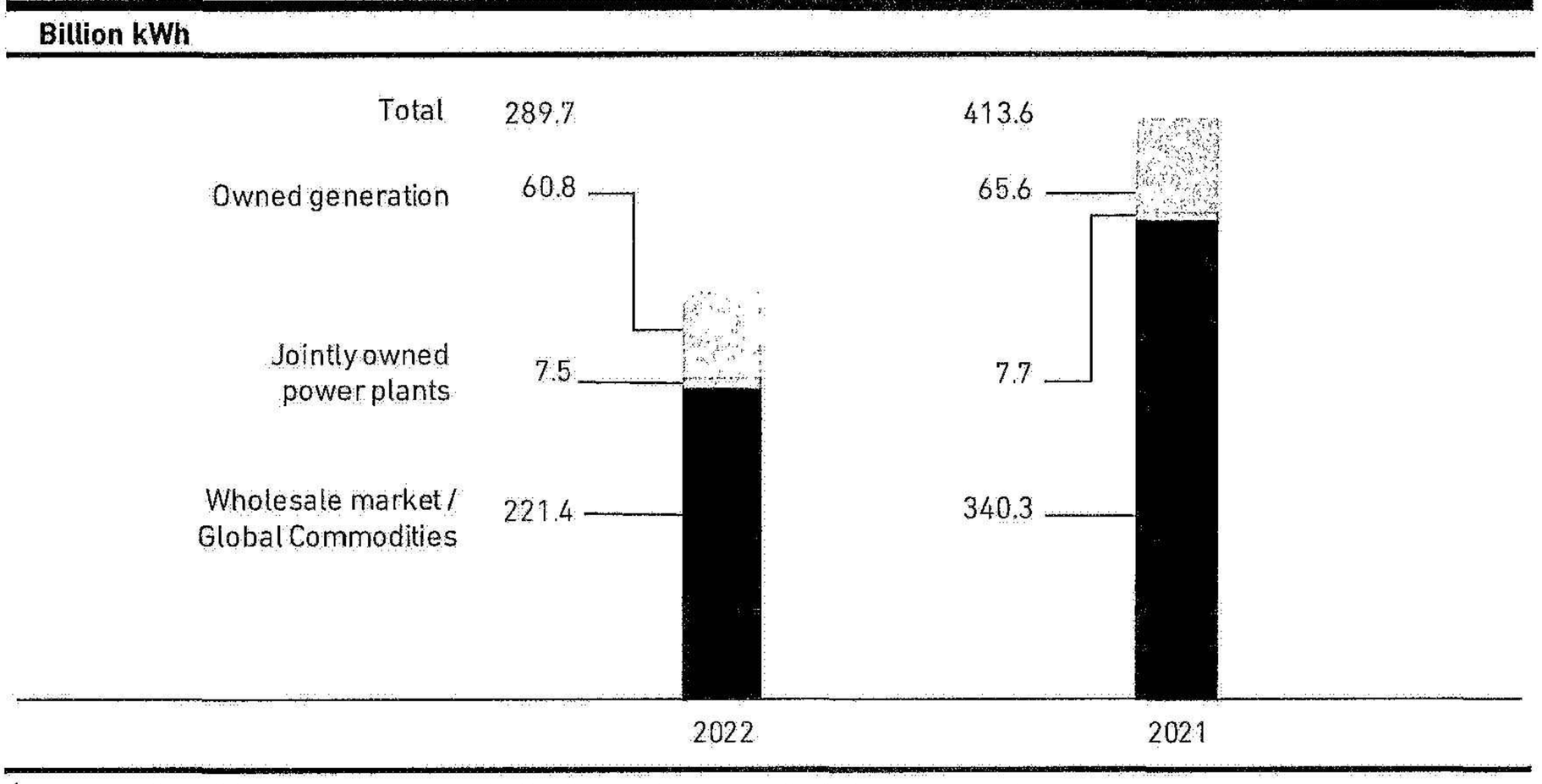


[1]Any rounding differences between individual volumes and totals are accepted.

Power Procurement and Owned Generation

In the 2022 fiscal year, the volume of power generated by our own power plants amounted to 60.8 billion kWh, a noticeable decrease of 4.8 billion kWh (7.4%) from the prior year's figure of 65.6 billion kWh. Purchased power decreased significantly by 118.9 billion kWh, or 34.9%, from 340.3 billion kWh to 221.4 billion kWh.

Power Procurement and Owned Generation[1, 2, 3]



[1]Any rounding differences between individual volumes and totals are accepted.

[2]The consolidation approach used in financial control means that only fully consolidated power plants (shareholding of more than 50%) are included in the generation volume, regardless of who operates these power plants.

[3]The figures include only amounts of the continued operations.

The significant reduction in electricity procurement via the wholesale markets is primarily due to lower optimization and trading activities in the Global Commodities segment resulting from Uniper's current liquidity situation.

20230527:18800

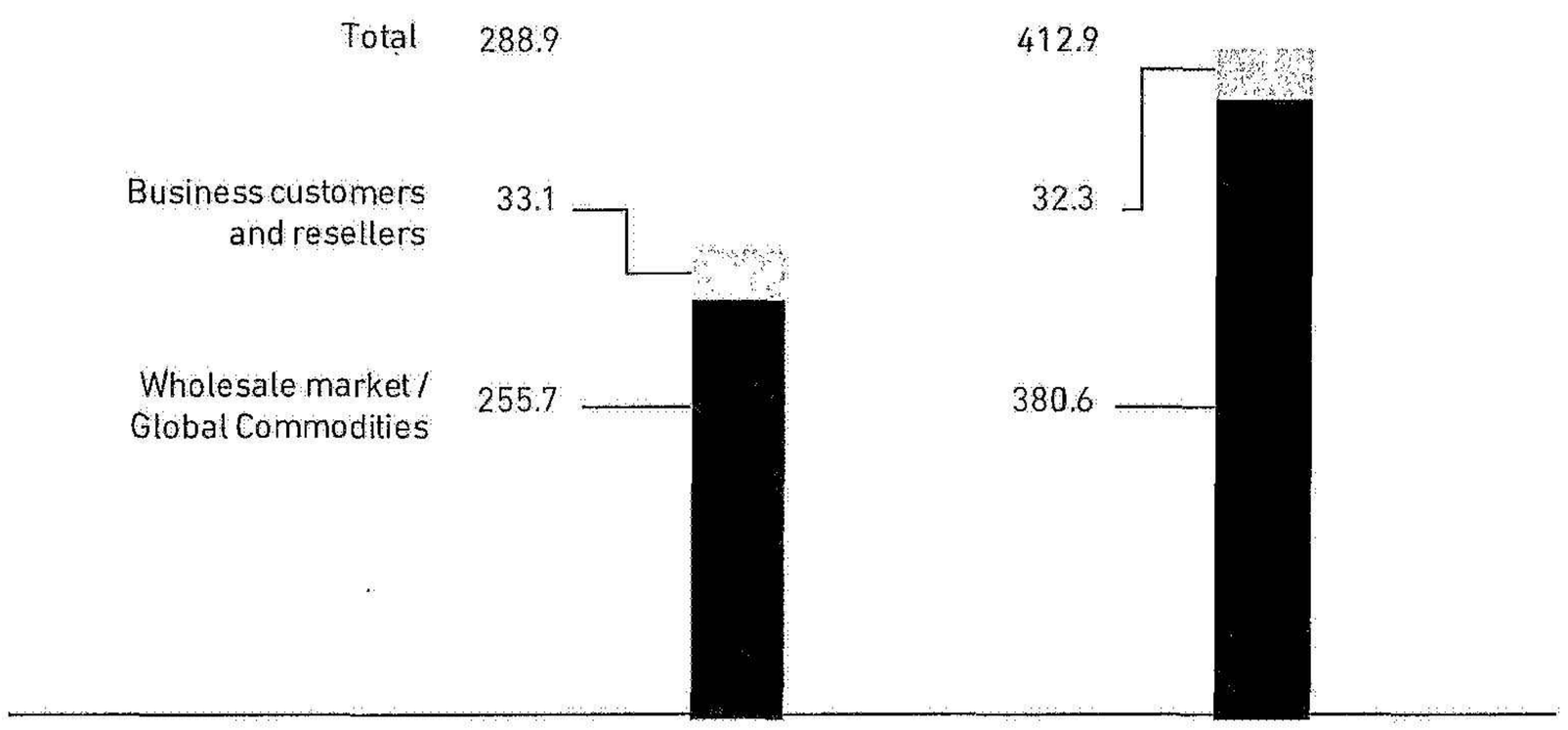
The European Generation segment's owned generation amounted to 60.8 billion kWh, a noticeable decrease of 4.8 billion kWh (7.4%) from the prior year level of 65.6 billion kWh. This was due to the disposal of the Schkopau lignite-fired power plant in the second half of 2021, which reduced owned generation. In addition, the operating hours of gas-fired power plants in the United Kingdom decreased due to unplanned unavailability. Conversely, the operating times of the hard-coal-fired power plant portfolio increased due to the improved market conditions for these power plants. Generation volumes from Swedish nuclear power were down slightly, mainly due to the Ringhals 4 and Oskarshamn 3 nuclear power plants, which were temporarily not used commercially due to unplanned unavailability. The volume of electricity generated by hydroelectric power plants decreased slightly compared with the prior-year figure; this was due mainly to lower precipitation in the summer of 2022, which negatively impacted the water supply in the German run-of-river power plants.

Electricity Sales

In 2022, electricity sales of the Uniper Group stood at 288.9 billion kWh, a significant decrease of 30.0% below the prior year's sales of 412.9 billion kWh.

Electricity Sales[1, 2, 3]

Billion kWh



[1] Difference from electricity procurement results from operating consumption and network losses.

[2] Any rounding differences between individual volumes and totals are accepted.

[3] The figures do not include amounts regarding the discontinued operations Russian Power Generation.

The significant reduction in electricity sales is primarily due to lower optimization and trading activities in the Global Commodities segment resulting from Uniper's current liquidity situation.

Alongside electricity trading in the energy markets, a portion of the Uniper Group's electricity sales to major customers such as municipal utilities and industrial customers in Germany and in Europe is transacted through an internal sales unit, Uniper Energy Sales GmbH (UES). In addition to sales, UES also handles marketing for the Uniper Group. It also offers its customers services in consulting, service and the electricity industry.

Electricity sales by UES in 2022 fiscal year amounted to 28.3 billion kWh, which was at the prior-year level (26.4 billion kWh). Sales volumes in financial year 2022 were therefore up by a total of 1.9 billion kWh compared with financial year 2021. While volumes in the industrial and power plant customer segments declined, volumes in the reseller customer segment (e.g., municipal utilities) increased significantly.

20230627113801

Gas Business

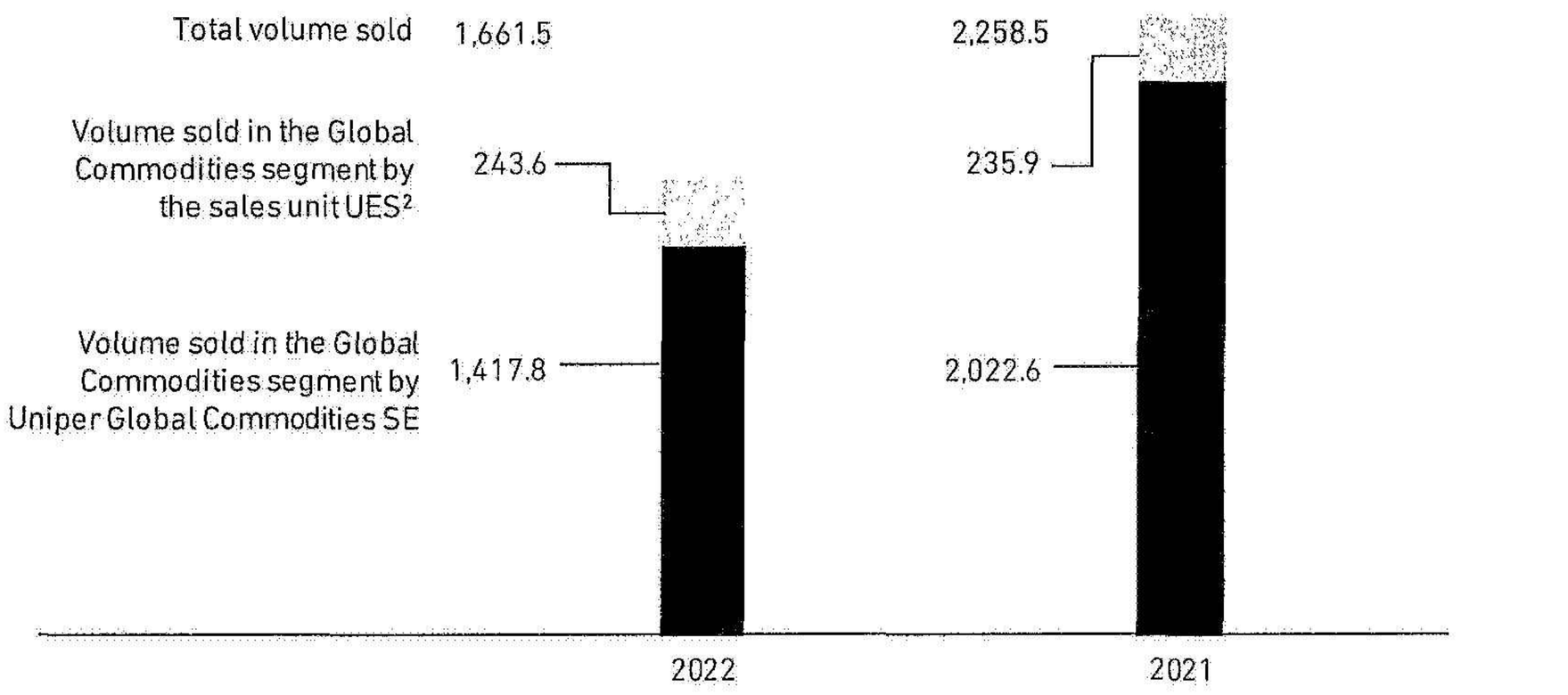
The total volume of natural gas sold in 2022 fiscal year was 1,661.5 billion kWh (2021: 2,258.5 billion kWh). During the same period, the Uniper Group acquired a total volume of natural gas of 1,683.9 billion kWh (2021: 2,245.0 billion kWh). The majority of the handled volumes results from transactions on domestic and foreign trading markets, which are carried out to manage the Group's own gas-fired power plants, to optimize booked natural gas storage or transport capacities, and to commercially exploit regional price differences.

Sales Business

Uniper sells natural gas to resellers (e.g., municipal utilities), large industrial customers and power plant operators through its internal sales unit UES. The volume of gas sold by UES in 2022 fiscal year amounted to 243.6 billion kWh, slightly above the prior year's volume (235.9 billion kWh). While volumes in the industrial and power plant customer segments declined, volumes in the re-seller customer segment increased significantly.

Gas Volume Sold[1]

Billion kWh



[1] Any rounding differences between individual volumes and totals are accepted.

[2] Including intragroup volumes.

Long-Term Gas Supply Contracts

The procurement of natural gas is largely based on long-term contracts with suppliers from Germany, the Netherlands, Norway and Russia. In 2022 fiscal year, Uniper had long-term contracts amounting to 356 billion kWh (2021: 368 billion kWh). Since June 14, 2022, Gazprom has curtailed gas supplies to Uniper. Uniper was therefore forced to purchase substitution volumes in the spot market. After a period in which there were interruptions of varying amounts, Russian gas supplies to Uniper have been completely suspended since the end of August 2022.

Gas Storage Capacity

Uniper Energy Storage GmbH is responsible for the operation of gas storage for the Uniper Group. Its activities include technical and commercial development, the construction and operation of underground storage facilities for natural gas, the marketing of capacities, services and products on the European storage market and the development of new storage technologies. Uniper Energy Storage GmbH manages natural gas storage facilities in Germany and Austria. In addition, a British Uniper Group company operates a gas storage facility in England. As of December 31, 2022, gas storage capacity stood at 7.4 billion m^3, at prior-year level (7.4 billion m^3).

20230527118802

Technology and Innovation

Innovations and new technologies play a key role for Uniper in meeting its strategic goals in the areas of decarbonization, supply security and customer focus. Uniper views decarbonization as the key trend for the transformation of the energy landscape. The decentralization of the energy supply and generation and digitalization are the two other significant factors influencing the expected changes.

Uniper continuously analyzes technological developments and innovations for their potential for new, scalable business models. To achieve this objective, the company pursues a broad portfolio of technology and innovation projects. One focus is on leveraging existing capabilities and assets to realize competitive advantages and generate new value.

One of Uniper's areas of activity is the development of solutions with renewable molecules, which can decarbonize applications that are difficult to electrify and serve as energy storage. Initiatives and pilot projects are being developed with various technical options, for example in the area of synthetic fuels (e-fuels) or in the production of sustainable chemical feedstocks for platform chemicals. Among other things, Uniper and its partners are developing a project in Sweden to produce sustainable kerosene (Sustainable Aviation Fuel) from biomass and green hydrogen.

Besides these activities, Uniper also analyzes and develops innovative business models around the commercial capture, use and storage of carbon as a valuable raw material ("Carbon Capture Usage and Storage" - CCUS).

In addition to the above-mentioned areas of activity, Uniper is simultaneously working on innovative solutions along the entire value chain of sustainably generated electricity. In addition to analyzing new types of renewable power generation technology, Uniper is also developing innovative flexibility solutions for storing and converting renewable energy. For example, a pilot project will launch the innovative use of a large-scale, megawatt-class, clean electricity storage system. Together with a partner, this novel battery storage technology is being tested at Uniper's Staudinger power plant.

Uniper is also working on the further development of "power-to-gas technology" for the conversion and storage of electricity from renewable energies, i.e. the conversion of electricity into hydrogen. The production and trading of decarbonized hydrogen and its derivatives will be developed into a major business area for Uniper. Uniper's efforts in this regard include involvement in the Energiepark Bad Lauchstädt living lab funding project in which the large-scale demonstration of sector coupling with hydrogen will take place. Another example is Uniper's "large-scale electrolysis" and "ammonia import terminal" projects in Wilhelmshaven. Uniper is also developing plants of this kind for the clean production of hydrogen in the Netherlands, the United Kingdom and Sweden. In addition, Uniper is pursuing some initiatives for the future import of hydrogen from regions with high availability of renewable energy (e.g. Canada, Oman, Abu Dhabi). Uniper is also actively involved in the "H2Global" foundation; Uniper is a founding member and represents the chairman of the board of trustees as part of the effort to accelerate the market ramp-up of green hydrogen. In addition to the conversion and storage of electricity from renewable energies, Uniper is assessing other technologies for the production of climate-friendly blue and turquoise hydrogen.

Uniper is also focused on the flexible use of conventional power plants to ensure supply security while reducing carbon emissions through various technical optimization projects. Uniper is also working on the development of hybrid power plants, in which thermal and hydroelectric power plants are supplemented with batteries. Another important area of focus is the decarbonization of conventional gas and oil-fired power plants. Technical improvements such as increasing efficiency support this, but a higher level of decarbonization is being developed as part of the MNZP (Making Net Zero Probable) project. This includes testing alternative fuels such as biofuel and hydrogen, and developing projects to deploy post-combustion carbon capture technologies.

Digitalization is a crucial factor in ensuring the competitiveness of Uniper's current and future operational activities and represents a cornerstone of the energy transition. To accomplish this objective, the three-year digital transformation program COO Digital Evolution (COODE) was launched in 2021. COODE puts Uniper's employees at the center and aims to optimize today's operational processes and drive tomorrow's innovations through digital solutions and the more consistent use of data. The COODE program has already implemented more than 100 digital solutions, contributing to supply security, increased efficiency and flexibility. Activities in 2022 fiscal year also focused on implementing Uniper's data strategy.

20230627183803

Existing Long-Term Gas Import Contracts with Russia as Part of Europe's Gas Supply

Uniper's Gas Midstream business comprises a portfolio of 356 TWh p.a. of long-term gas supply contracts, with 254 TWh originating from Russia. These long-term import contracts between Uniper and the Russian company Gazprom used to play an essential role for gas supply in Europe, especially in Germany. Germany's gas supply is more than 90% dependent on natural gas imports.

Since June 14, 2022, Gazprom has reduced Russian gas deliveries and is thus in breach of its contractual obligations. After a period of supply interruptions varying in extent, deliveries of Russian gas to Uniper have been fully discontinued by Gazprom since the end of August 2022. Gazprom has thus become an unreliable supplier for Uniper and for the German and European gas market. To continue to fulfill its own sales contracts with customers and ensure their security of supply despite this, and to replenish gas storage facilities in time for the upcoming winter of 2022/2023, Uniper procured replacement volumes at significantly higher market prices amid significantly reduced market liquidity. The amount of resulting daily losses due to the added cost of procuring replacement volumes is dependent on actual spot-market prices for gas.

The Board of Management has continuously analyzed and discussed the situation since the war began and acted to protect Uniper as well as German and European security of supply. As the situation kept deteriorating for Uniper and led to severe liquidity constraints, the Uniper Board of Management finally initiated discussions with the German federal government on possible stabilization measures in June 2022. Following the passage of amendments to the German Energy Security Act, Uniper submitted a formal application for stabilization measures to the German federal government on July 8, 2022, and subsequently continued the discussions on possible stabilization measures. In addition, on March 7, 2022 – shortly after the start of the Russian war against Ukraine – the Board of Management had already decided not to enter into new long-term supply contracts for natural gas with Russia.

After an intensive political and public discussion in Germany, the German federal government withdrew the gas surcharge, which had initially taken effect on August 9, 2022, and had been governed by the Gas Price Adjustment Ordinance, on September 30, 2022. Instead, the German government ultimately created a €200 billion "protective shield," which will be used to fund measures including a so-called "gas price brake," among others. To that end, the government will allocate an equivalent amount to Germany's Economic Stabilization Fund. The Economic Stabilization Fund will employ these funds to, among other things, help gas importers that are in difficulties due to the war and are relevant for market stability cover the added cost of procuring replacement volumes of gas. It was in this context that the custom-tailored solution for Uniper was defined by December 2022.

Uniper has furthermore initiated arbitration proceedings against Russia's Gazprom Export ("GPE") before an international arbitral tribunal. This was reported by Uniper on November 30, 2022. In the proceedings, which will take place in Stockholm, Uniper is claiming damages incurred by the Company in connection with the gas volumes not delivered by GPE since June 2022. Uniper has to procure replacement volumes at higher cost in order to meet its own delivery obligations to customers based on prices and volumes agreed in the past. This leads to the situation that Uniper has to bear the entire replacement cost. The realized added cost of procuring replacement volumes of gas alone amounted to about €13.2 billion in the 2022 fiscal year and, depending on developments in market prices that govern this added cost of procuring replacement volumes, will likely continue to grow until the end of 2024.

20230527183804

Withdrawal of Earnings Outlook for the 2022 Fiscal Year

Subsequent to the events previously described and the resulting high level of uncertainty for the financial performance in 2022, Uniper withdrew its outlook for the 2022 fiscal year with regard to adjusted EBIT and adjusted net income on June 29, 2022, and communicated this decision in an ad-hoc announcement.

KfW Credit Facility Extended into the Third Quarter 2026 and Successfully Restructured

On January 4, 2022, Uniper concluded a €2.0 billion credit facility with the German state-owned KfW banking group until April 30, 2022. Due to the ongoing Russian war against Ukraine and the associated volatility in the commodity markets, Uniper and the KfW banking group agreed in March 2022 to continue the facility at an unchanged amount until April 30, 2023. Because of the liquidity requirements for the replacement of missing Russian gas supply volumes and the simultaneous increase in requirements for margining deposits on the energy markets and exchanges, the KfW credit facility was subsequently increased in several steps to a volume of €18.0 billion at year-end 2022. The facility was utilized in the amount of €6 billion as of December 31, 2022.

KfW and Uniper have already successfully restructured the credit facility in the first weeks of 2023 while maintaining the guarantee provided by the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026.

Stabilization Package for Uniper Finalized

On July 22, 2022, the German federal government, Uniper and Fortum had agreed on the key points of a stabilization package for Uniper. Given the continuing escalation of the European energy crisis and the complete discontinuation of gas deliveries by Gazprom from late August 2022 forward, the three parties concluded that that initial agreement would not be sufficient to stabilize Uniper.

Therefore, on September 21, 2022, the German federal government, Uniper and Fortum agreed on amendments to the stabilization package announced on July 22, 2022. The amendments reflect and take into consideration the new developments since the end of July 2022, including the increased Russian gas supply curtailments since the end of August 2022 and the associated additional impact on Uniper's earnings and liquidity.

In addition to short-term liquidity support by KfW and the subscription of a capital increase by the German state, the amended package had also provided for the introduction of a gas surcharge. However, as discussed previously, the German federal government announced on September 30, 2022, that the gas surcharge would not be implemented as planned, and that a custom-tailored solution to secure the financial stability of the affected enterprises would take its place. The custom-tailored solution for Uniper was specified on November 23, 2022, as follows:

- It was agreed that a cash capital increase of roughly €8 billion would be carried out at an issue price of €1.70 per share, excluding shareholders' subscription rights. The capital increase was subscribed exclusively by the Federal Republic of Germany on December 21, 2022, and resulted in the German state holding an ownership interest in Uniper SE of roughly 93%.
- In addition, authorized capital of up to roughly €25 billion was created by issuing new shares against cash and/or non-cash contributions ("2022 Authorized Capital") as the initial capital increase of roughly €8 billion alone would not be sufficient to stabilize Uniper given the added cost of procuring replacement volumes of gas already incurred in the interim. The 2022 Authorized Capital is to be used to partially restore the equity weakened by further losses in 2022, 2023 and 2024, particularly in connection with procurement of replacement volumes of gas due to Russian gas supply curtailments. The shareholders' statutory subscription rights were excluded. Only the Federal Republic of Germany or an entity of the Federal Republic of Germany (cf. Section 29 (6) EnSiG) were admitted to subscribe to the new shares.
- The 2022 Authorized Capital shall be utilized in tranches. The first tranche was already used for a cash capital increase of roughly €5.5 billion before the end of 2022. The resulting shares were also issued to the Federal Republic of Germany or an entity of the Federal Republic of Germany at an issue price of €1.70 per share.

20230627184805

- Until the implementation of the respective capital increase from the 2022 Authorized Capital, interim financing is being provided by KfW in the required amount.

On November 23, 2022, the Board of Management of Uniper SE made the final decision to submit the main elements of the stabilization package for Uniper to the shareholders for approval at an Extraordinary General Meeting on December 19, 2022. In the context of the Extraordinary General Meeting convened, Uniper also complied with the obligations pursuant to Section 92 of the German Stock Corporation Act and notified the loss of one-half of the Company's share capital and reported on the situation of the Company. Uniper shareholders approved the proposed corporate actions by a large majority at the Extraordinary General Meeting.

On December 19, 2022, the German federal government and Uniper signed a framework agreement to specify in concrete terms the measures to stabilize Uniper agreed between the German government, Uniper and Fortum on September 21, 2022, and on November 23, 2022. The Federal Ministry of Finance will be responsible for the German state's shareholding in Uniper in the future. The framework agreement defines the German state's consultation and approval rights for the duration of its shareholding and imposes certain reporting and notification obligations on Uniper. The framework agreement further provides that Section 29 (1a) EnSiG, which was adopted by the Bundestag on December 16, 2022, shall apply to the remuneration of Uniper SE's Board of Management and Supervisory Board. The Company will also not distribute any dividends – without the approval of the German state – until stabilization has been completed.

Moreover, also on December 21, 2022, the German state acquired the Uniper shares held by Fortum for €1.70 per share, which together with the capital increases discussed above led to a shareholding of roughly 99% in Uniper SE for the Federal Republic of Germany.

The stabilization measures were subject to regulatory approvals, among other things. The state-aid approval of the European Commission, which is also required, has already been obtained and is described further below.

European Commission Has Granted State-Aid Approval for Uniper – Stabilization Measures Implemented Immediately

On December 20, 2022, the European Commission approved the stabilization package for Uniper under EU state-aid rules. Following the approval, the stabilization measures were implemented immediately.

As part of the approval, the Commission set out a number of structural remedies that Uniper must fulfill. The Company must divest certain assets, with the last divestment to be completed by the end of 2026 at the latest.

Uniper has also committed itself to a number of market-opening remedies including, for example, an undertaking not to expand its market position in sales, to adjust its long-term gas contract portfolio, and to grant competitors access to transport and storage capacities.

Until the end of 2026, Uniper may also only make acquisitions that are necessary to ensure the continued viability of the Company or to drive the decarbonization of Uniper's business. Acquisitions will be subject to approval by the Commission.

In addition, according to the EU approval, the arbitration claim against the Netherlands on the basis of the Energy Charter Treaty must be withdrawn.

Furthermore, the EU approval is based upon the logic that Uniper will make contributions of 30% per year from its adjusted earnings before interest and taxes, excluding losses from gas replacement costs, between 2022 and 2024. If, at the end of 2024, Uniper's equity capitalization is higher than a defined benchmark value from before the crisis, Uniper will be obliged to repay the excess amount to the German state by appropriate means.

As part of the EU approval, the Federal Republic of Germany agreed to reduce its shareholding to a maximum of 25% plus one share by 2028 at the latest, and/or to make a public offer.

20230627186806

Alternative Gas Supplies: Opening of the LNG Terminal in Wilhelmshaven, Increased Diversification of Supply Sources

Uniper continues to implement its strategy, which includes making the energy supply more diversified and secure – for example, by possibly procuring additional volumes of liquefied natural gas (LNG) for Germany in cooperation with the German government. It has over the years increased its booked capacity at the Gate regasification terminal in Rotterdam in order to create additional options for importing LNG into Europe. This forms a good foundation to establish LNG as an important part of the German supply portfolio. Uniper is well positioned for this with its global LNG business and its contractually secured LNG volumes.

Uniper has also supported the German Federal Government in procuring floating storage and regasification units (FSRUs). One of the FSRU projects was successfully built at Uniper's site in Wilhelmshaven through December 17, 2022. Uniper submitted the application for the required permit and for approval of the early start in accordance with the Federal Immission Control Act (BImSchG) to Lower Saxony's State Trade Supervisory Authority at Oldenburg at the beginning of June 2022. These activities will be closely linked to Uniper's plans to make Wilhelmshaven a green energy hub, with green ammonia importation and hydrogen *production to meet more than 10% of German hydrogen demand in 2030.*

On September 15, 2022, the final application documents were submitted for the main proceeding pursuant to Section 10 (1) BImSchG relating to the construction and operation of the FRSU, the superstructure on the sea bridge and the land-side infrastructure (including the high-pressure gas transmission line). In addition, an application for permission to discharge wastewater and process water from the FRSU into the Jade Bight was submitted to the Lower Saxony State Water Management, Coastal and Nature Conservation Agency (NLWKN) at the end of September 2022.

On December 15, 2022, the FSRU vessel Höegh Esperanza arrived at the jetty in Wilhelmshaven with 165,000 cubic meters of LNG. The arrival of the FSRU marked an important milestone shortly before the opening of Germany's first LNG terminal on December 17, 2022. The FSRU's task in the future will be to regasify the LNG delivered and thus feed at least 5 billion cubic meters of natural gas into the German gas network each year.

Moreover, Uniper is working on further diversifying its gas procurement sources, operating gas storage facilities responsibly to ensure security of supply and implementing consistently the Company's strategy in the areas of hydrogen and renewables.

Proactive Measures Taken to Strengthen Security of Supply and Improve Fuel Supply Diversification for Power Generation

Uniper was quick to take the necessary steps to ensure that its coal-fired power plants in Europe can be technically operated without Russian coal and has decided not to extend its Russian coal supply contracts. Uniper already procures hard coal from a wide variety of regions worldwide and is executing a transitional coal diversification strategy. On April 8, 2022, the European Commission additionally declared an embargo on coal imports from Russia, which became fully effective from August 10, 2022. In this context, Uniper has not procured any more coal supplies from Russia since August 2022, which is also in line with Uniper's voluntary commitment in this regard from the first quarter of 2022. On June 3, 2022, the European Commission introduced a phased ban on Russian crude oil and petroleum products, which is subject to numerous exemptions and derogations, among other measures. On December 5, 2022, the price cap on Russian oil implemented by the G7 countries went into effect. Throughout the 2022 fiscal year, the EU, the UK and the U.S. have imposed a series of sanctions against Russia that have targeted areas including the financial, trade, energy, transport, technology and defense sectors, among others. A further widening of sanctions, and possible retaliation by Russia, could have an impact on current or future business relations. Uniper continues to monitor closely the sanctions developments and takes relevant reactive measures where necessary to comply with applicable laws and regulations.

20230527138807

Finally, Uniper continues to decarbonize its power generation fleet within the EU, and the Company remains fully committed to achieving carbon neutrality by no later than 2035 by continuing to operate its hydroelectric and nuclear power plants, by investing in power from renewables and by concentrating on the use of clean fuels in the gas-fired power portfolio.

Resumption of Market Operation by Uniper Power Plants Heyden 4 and Scholven C in 2022, Continued Operation of Irsching 3 and Scholven B in 2023

Uniper's Heyden 4 hard-coal-fired power plant in Petershagen near Minden has been generating electricity for the market again since August 29, 2022. The deployment of the 875 MW unit, previously held in grid reserve, takes place under the Act on the Maintenance of Substitute Power Stations (legislation to reactivate alternative power plants to reduce the use of gas in the electricity sector), which serves to secure Germany's energy supply in the coming winters. With the deadlines in the law having been extended, Heyden 4 can remain in the market until March 31, 2024, at the latest. Uniper can revoke the decision to return to the market at any time with four weeks' notice. A further prerequisite for deployment is the declaration of at least the alert stage in the German federal government's gas emergency plan, which is currently the case.

Since October 31, 2022, Uniper's Scholven C hard-coal-fired power plant at the Gelsenkirchen site has essentially been securing the operation of the other two remaining power plant units for electricity and heat generation. The original plan had been to end commercial coal-fired power generation at Scholven C from the end of October 2022. Scholven C had successfully participated in the Bundesnetzagentur's third auction for the decommissioning of coal-fired power plants in Germany. The extended operation is possible on the basis of the Act on the Maintenance of Substitute Power Stations. At the same time, Uniper is making preparations for the Scholven B hard-coal power plant (345 MW) to continue operating beyond June 2023.

In addition, Uniper will return the Irsching 3 power plant in Vohburg on the Danube to the market from February 2023 through the end of 2023 to strengthen security of supply in southern Germany. The power plant, which runs on light fuel oil and has a net electrical output of 415 MW, will essentially serve as a back-up for the rest of Uniper's power plant portfolio to avoid critical situations in the grid in case of gas scarcity during the stated period, producing electricity under the constraints from the existing operational and environmental permits. The power plant is currently held in grid reserve by the network operator TenneT.

Intensified Activities Related to Green Ammonia

On August 23, 2022, EverWind Fuels Company ("EverWind"), a private developer of green hydrogen and ammonia production in Nova Scotia, Canada, and Uniper announced the signing of a memorandum of understanding (MOU) for Uniper to purchase green ammonia from EverWind's initial production facility in Point Tupper, Nova Scotia. Under the MOU, EverWind and Uniper intend to negotiate a binding offtake agreement for 500,000 metric tons per annum of green ammonia. Point Tupper is a multi-phase green hydrogen and ammonia production and export facility, which is in advanced stages of development and is expected to reach commercial operation in early 2025.

In addition, JERA, its wholly owned subsidiary JERA Americas ("JERA") and Uniper announced on September 5, 2022, that they are collaborating to facilitate the development of an initial production of 2 million metric tons (MTPA) of green ammonia, with expansion potential up to 8 MTPA, to greatly accelerate the production and supply of zero-carbon fuels from the United States for use in the U.S., Europe, Japan and greater Asia. The proposed facility on the U.S. Gulf coast, developed by JERA Americas and ConocoPhillips, aims to produce hydrogen and convert it into green ammonia to be supplied to JERA and Uniper under long-term sale and purchase agreements, with Europe as the primary initial export market, and with Uniper targeting about 1 MTPA of green ammonia by the end of the decade. Both companies are working jointly to optimize their LNG portfolio. As a result, Uniper and JERA will be able to supply additional LNG to Germany and Japan, respectively.

20230527183308

Nord Stream 2 Loans Written Down to Zero

In the first quarter of 2022, Uniper wrote down to zero the value of its loans to Nord Stream 2 AG in the amount of €1,003 million including accrued interest. The impairment loss is reported within other financial results and is classified as non-operating in line with other capital investments.

Separation of Russian Business Unit, Deconsolidation of PAO Unipro in the Consolidated Financial Statements of Uniper SE

On November 30, 2022, against the backdrop of continually developing sanctions rules, Uniper made public its decision that it would distance itself as far as possible, legally and in terms of personnel, from its Russian business unit Unipro. A planned transaction with a Russian buyer is uncertain at this time, however, because the necessary presidential approval for the transaction remains outstanding and is questionable.

Uniper has furthermore deconsolidated PAO Unipro effective December 31, 2022, after the Company was forced to conclude that, despite owning the majority of the shares, it no longer has any enforceable means to exercise control over this subsidiary. The loss of control has resulted from the recent inability to direct the relevant activities and decisions of Unipro and also from lack of access to adequate, fundamental financial and non-financial information of Unipro. Uniper also does not have the ability to at least maintain significant influence over the company. At the same time, the Unipro business unit had to be classified as discontinued operations within the meaning of IFRS 5 against this backdrop.

Since the activity of Uniper's representatives on Unipro's board of directors entails a risk of sanctions – both for them personally and for Uniper SE – a conflict of laws exists between applicable sanctions laws on the one hand and Russian business law on the other. After David Bryson had already resigned from Unipro's board of directors in early August 2022 based on the legal situation for British citizens, the remaining Uniper representatives ultimately also resigned in December 2022. Due to sanctions laws, exercising control over Unipro would currently pose a material sanctions risk for Uniper. As this is not acceptable, Uniper currently cannot directly or indirectly direct the relevant activities and decisions of Unipro.

In addition, despite its position as the majority shareholder, Uniper has not had access since the fourth quarter of 2022 to certain material financial and non-financial information of Unipro that is relevant for controlling Unipro. Uniper cannot demand this information in a legally enforceable manner, since Russian law does not provide a corresponding regulation or legal basis for doing so. The information in question includes, in particular, forward-looking and risk-related information, as well as operating and financial analyses that would especially allow conclusions to be drawn about power plants and, for example, their deployment.

Uniper and Fortum End Cooperation Activities in the Fields of Hydrogen, Renewables and Hydropower

Coinciding with the announcement of the amended stabilization package for Uniper, Fortum's complete withdrawal as a Uniper shareholder was also announced on September 21, 2022. Consequently, on December 21, 2022, the German state acquired all of the Uniper shares held by Fortum for €1.70 per share.

This involves unwinding the cooperation activities in Hydrogen and Renewables, as well as in Nordic Hydro and Physical Trading Optimization. As announced on December 2, 2022, the activities of the so-called "Renewables" and "Hydrogen" OneTeams are being continued separately by the two companies, and the transfer of operations of the Swedish Uniper hydropower activities to Fortum has been reversed.

20230627718809

Business Developments and Key Events at the Uniper Segments in 2022

European Generation

Especially gas and coal prices, and consequently European electricity prices as well, rose significantly at times during 2022, due particularly to the prevailing geopolitical situation. Most prices reached a peak in late August 2022 as Russian gas deliveries came to a halt. This peak was significantly higher than even the previous peaks of mid-June and early March 2022. In the fossil-fuel generation portfolio, Uniper's hard-coal power plants are benefiting especially from an improved competitive position relative to gas-fired power plants. The unplanned steep decline in French nuclear power generation, as well as the elimination of production restrictions on the Maasvlakte hard-coal power plant in the Netherlands, were additional factors positively influencing production volumes and trading margins. In the Nordic market, the hydrological situation improved significantly compared with the start of the year. The principal cause was the higher water flows at the hydroelectric power plants brought about by milder weather conditions. Flows of water feeding the run-of-river hydroelectric plants in Germany, however, were low due to the dry summer of 2022. The Uniper Group's hedging and optimization activities were severely limited in 2022 by persistent liquidity constraints and significant margining requirements.

Global Commodities

When demand improved at the start of 2022 as the impact of the Covid-19 pandemic receded, most European gas and electricity prices remained at or climbed above already high levels in a volatile market through the third quarter of 2022. The primary causes continued to be the geopolitical crisis triggered by the Russian war against Ukraine, halted deliveries from Russia and fears of supply shortages. A relatively warm winter, as well as LNG imports and efforts by consumers to conserve energy, led to slightly reduced European gas prices in the fourth quarter of 2022 amid the ongoing interruption of gas supply from Russia and a persistently volatile market environment. Gas storage levels remain high as of year-end 2022. With a diversified portfolio of procurement, transportation and storage activities, Uniper was able to ensure security of supply in this environment, even amid the Russian curtailments of gas supply starting in June 2022 that culminated in a complete delivery stoppage from late August 2022. The negative financial impact of the initially curtailed and then, by the end of August 2022, fully discontinued deliveries of gas from Russia on earnings and liquidity was significant, however, because the volumes needed to supply customers had to be procured in the spot market at substantially higher prices.

The international portfolio was negatively affected primarily by the outbreak of a fire at the Freeport LNG terminal in the U.S. on June 8, 2022, which led to a shortfall in LNG deliveries and necessitated procurement of replacement volumes.

On March 16, 2022, Uniper announced that its capacity rights at the Gate terminal would be increased by 1 billion cubic meters (m^3) per year for a period of three years from October 1, 2022.

Russian Power Generation – Discontinued Operations

The business of the Russian majority shareholding Unipro was mainly influenced by the return to service of the Berezovskaya 3 power plant, which has been receiving capacity payments since May 1, 2021, and further by positive foreign-exchange and regulatory effects as well as higher production volumes and higher prices in the Siberian price zone. This was partially offset by the expiration of the long-term capacity payments for two units at the Surgutskaya power plant.

20230627188 10

Changes in Ratings

On May 16, 2022, S&P Global Ratings (S&P) downgraded Uniper's rating from BBB to BBB- with a negative outlook. This rating action resolved the CreditWatch negative that Uniper had been placed on by S&P on March 14, 2022.

On July 29, 2022, S&P affirmed Uniper's BBB- rating with a negative outlook. This rating action resolved the CreditWatch negative which Uniper had been placed on by S&P on July 5, 2022, following the initial reduction in Russian gas flows. The rating action mainly came as a reaction to the publication of the initial stabilization package that was agreed between the German federal government, Uniper and Fortum on July 22, 2022. The support Uniper was supposed to receive from the German federal government based on this agreement led S&P to consider Uniper a "government-related entity," which eventually resulted in an affirmation of the rating at the BBB- level.

On October 12, 2022, S&P again affirmed Uniper's long-term rating of BBB- with a negative outlook. The Research Update provided an updated view on Uniper's credit quality following the agreement on the amended stabilization package with the German federal government and Fortum on September 21, 2022.

On February 2, 2023, S&P published another report on Uniper following the EU approval on the amended stabilization package and the implementation of two capital increases totaling about €13 billion, which were subscribed by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) at the end of 2022. S&P acknowledged that the stabilization package provides significant clarity on the mechanism to cover losses from replacing missing Russian gas volumes, but kept Uniper's rating unchanged at BBB- with a negative outlook. The negative outlook reflects - inter alia - that the stabilization package remains linked to administrative hurdles and that S&P currently lacks clarity on Uniper's strategic direction and long-term business prospects. Uniper continues to be classified as a "government-related entity" by S&P.

On September 14, 2022, Scope Ratings (Scope) downgraded Uniper's credit rating to BBB- with a negative outlook from BBB+, thereby resolving the review for a possible downgrade of March 14, 2022. The downgrade reflected a weakening of Uniper's stand-alone credit quality, which was partially compensated by Uniper being assigned the status as a "government-related entity" following the publication of the initial stabilization package agreed with the German federal government on July 22, 2022.

On September 27, 2022, Scope affirmed Uniper's BBB- issuer rating and revised the outlook to stable. The rating action reflects the, at the time of publication, still anticipated and meanwhile successfully implemented majority ownership in Uniper by the German state, which was publicly communicated with the amendment of the stabilization package on September 21, 2022.

In general, Uniper strives to maintain a solid investment-grade rating.

Earnings

Transfer Pricing System

The Uniper Group's electricity generation, with the exception of Russian Power Generation, is marketed via an intragroup portfolio management system. The expected electricity generation of the power plant companies of the European Generation operating segment is hedged by the Global Commodities operating segment's trading unit through the conclusion of hedging transactions (physical and financial) on the basis of current market prices and a spot optimization is carried out. As a consequence, the results are directly reported in the European Generation operating segment and the power plant companies show the financial effect of the price hedging of their generation positions.

All energy-related contracts with Uniper Group companies are accounted for at market prices or market-price-based transfer prices. In forward transactions classified as own-use, transfer prices are derived from current forward prices for a specified time prior to delivery.

Sales Performance

Sales

€ in millions	2022	2021	+/- %
European Generation	60,502	27,421	120.6
Global Commodities	321,742	182,112	76.7
Russian Power Generation[1]	–	–	–
Administration/Consolidation	-108,124	-46,565	132.2
Total	**274,121**	**162,968**	**68.2**

[1]See also the additional information in the "Business Model" section.

The significant increase in revenues resulted primarily from the higher average market prices in the power and gas business. Aside from higher own-use contract prices and spot-market transactions, a significant portion of this increase is attributable to the contracts involving physical settlement that Uniper enters into (failed own-use contracts), which are presented at the spot price applicable on the settlement date – applying the recognition and measurement rules codified in IFRS – rather than at the originally hedged contract price. The difference between the spot price and the contractually hedged price is instead recognized in the line items for other operating income and expenses. The sharp rise in commodity spot prices has thus brought about a shift in the presentation of realized income and expenses from revenues and cost of materials to other operating income and expenses, but it has no effect on contractual cash flows and therefore no impact on adjusted EBIT. A reconciliation to the contractual revenues and cost of materials that are relevant for measuring earnings performance can be found in the "Reconciliation of Income/Loss before Financial Results and Taxes" section. Alongside the significant price effect, power generation volumes also had a positive impact on sales performance, whereas electricity and gas sales volumes in the optimization and trading business declined significantly. In addition, there are general macroeconomic, political and sectoral developments.

European Generation

The significant sales increase in the European Generation segment compared with the prior year can mainly be attributed to significantly higher prices. The sharp price difference resulted from increased demand compared with that of the prior year, which had been characterized by comparatively low spot prices. In addition, a significant increase in fossil fuel prices in 2022 contributed further to the significant rise in European electricity prices.

Global Commodities

External sales in the gas and power business rose even amid substantially reduced volumes due to significantly higher prices realized in a dynamic market environment. Having been positively affected by the economic recovery that followed the Covid-19 pandemic in the prior-year period, prices increased again in 2022 owing to the geopolitical crisis as a consequence of the Russian war against Ukraine.

Administration/Consolidation

The change in revenues attributable to the Administration/Consolidation reconciliation item resulted primarily from a higher consolidation effect arising from intersegment transactions between the power plant operating companies of the European Generation segment and the Uniper Group's trading unit in the Global Commodities segment.

Sales by product break down for continuing activities as follows:

Sales

€ in millions	2022	2021	+/- %
Electricity	66,013	43,458	51.9
Gas	191,421	104,377	83.4
Other	16,687	15,133	10.3
Total	**274,121**	**162,968**	**68.2**

Other Significant Earnings Trends

The consolidated net loss calculated in accordance with International Financial Reporting Standards (IFRS) from continuing and discontinued operations was €19,124 million (2021: net loss of €4,106 million). Income before financial results and taxes decreased to -€11,530 million (2021: -€4,817 million).

The principal factors driving this earnings trend are presented below:

The consolidated net loss was impacted by direct effects on earnings arising from the loss of Russian gas supplies and the need to purchase corresponding replacement volumes directly on the market at a significantly higher price level as a result of the supply cuts. As of December 31, 2022, the additional costs realized from the procurement of replacement gas volumes amounted to about €13.2 billion. Furthermore, future additional costs of replacement gas procurement in the amount of €5.9 billion were anticipated. Of this amount, €4.4 billion was accounted for in a provision for anticipated losses on onerous contracts to reflect increased procurement costs for sales contracts for which Uniper applies the own-use exemption of IFRS 9. A further €1.5 billion of expense was recognized in unrealized gains/losses on derivatives and results from the write-down of the long-term gas procurement contracts measured at fair value with a fair value of zero with a simultaneous update of the derivative financial instruments concluded to hedge the above-mentioned gas supply contracts with Gazprom. In addition, the consolidated net loss was impacted by the largely unrealized gains and losses on the remaining derivatives due to increased prices in all commodity markets relevant to Uniper.

In summary, the net loss of €19.1 billion contains about €13.2 billion of additional realized costs for the purchase of replacement gas volumes, and roughly €5.9 billion of anticipated future losses from valuation effects on derivatives and provision build-ups related to the Russian gas curtailments as of December 31, 2022.

The other factors having an influence on earnings were as follows:

The cost of materials increased by €120,673 million in the 2022 fiscal year to €277,145 million (2021: €156,472 million). The sales trend described previously was a key factor in this development. Particularly the substantial expenses incurred to cover the added cost of procuring replacement volumes of gas, which Uniper has been purchasing in the day-ahead and spot markets since mid-June 2022, additionally increased the cost of materials.

20230527183812

20230627188813

The Uniper Group's personnel costs decreased by €288 million in the 2022 fiscal year to €826 million (2021: €1,114 million). The decrease is mainly attributable to a reduction relative to the prior-year period of provisions recognized in connection with the restructuring process in the Engineering business initiated in the previous year and further implemented in the 2022 fiscal year and the implementation of Uniper's strategy, which includes a proactive coal phase-out in Europe and particularly in Germany, and to a year-over-year adjustment in the measurement of these provisions in line with project development. Moreover, there were lower expenses resulting from the lower average number of employees in the Uniper Group compared with the prior-year period and the significantly lower expenses for bonus payments for the 2022 fiscal year compared with the prior year. The non-recurrence of the one-time prior-year expense for the settlement of amounts still payable to former members of the Board of Management of Uniper SE and a reduced expense for occupational retirement benefits compared with the prior year also resulted in lower personnel costs. This was partly offset by increases resulting from collectively agreed wage and salary adjustments.

Depreciation, amortization and impairment charges amounted to €2,451 million in 2022 (2021: €905 million). The increase is primarily attributable to the write-down to zero of goodwill in the Global Commodities segment by €1,312 million (2021: €0 million) and to an increase of €142 million in impairment charges on property, plant and equipment to €480 million (2021: €338 million). Impairments on property, plant and equipment recognized in the 2022 fiscal year related primarily to power plants held in the European Generation segment and to gas infrastructure in the Global Commodities segment (2021: European Generation). Based on the medium-term plans adopted by the Board of Management and the regular updating of the cost of capital and the forecasts of market prices for raw materials and emission allowances, as well as future electricity and gas prices on the trading markets, impairment tests were carried out in virtually all areas in the fourth quarter. During the year, individual power plants and storage facilities were tested for impairment in light of further developments in the geopolitical situation. Regular depreciation and amortization rose by €99 million to €657 million (2021: €558 million), mainly due to reversals of impairment losses recognized in prior periods for power plants in the UK, Germany and the Netherlands.

Reversals of impairments in 2022, which mainly resulted from changes in estimates and assumptions about underlying price expectations, amounted to €1,758 million (December 31, 2021: €595 million) and related to both segments of the Uniper Group (2021: primarily the European Generation segment). The reversals particularly affected the Maasvlakte 3 hard-coal power plant in the Netherlands. Reversals in the Global Commodities segment related particularly to gas storage facilities in Austria due to an improved summer-winter spread. Impairment reversals are recognized as other operating income.

Other operating income increased to €146,395 million in 2022 (2021: €130,810 million). This was caused primarily by changes in commodity derivatives recognized at fair value – due to the significantly increased commodity prices in all the markets relevant to the Uniper Group compared to the prior year. Income from invoiced and open transactions and from related currency hedges amounted to €143,002 million, having increased by €13,431 million year over year (prior year: €129,571 million).

Other operating expenses increased to €151,797 million in the 2022 fiscal year (2021: €140,241 million). This was caused primarily by changes in commodity derivatives recognized at fair value – due to the significantly increased commodity prices in all the markets relevant to the Uniper Group. In addition, the increase also includes a provision for onerous contracts to reflect the risk of increased purchase costs to replace undelivered Russian gas supplies in the future. Expenses from invoiced and open transactions and from related currency hedges amounted to €149,958 million, having increased by €10,816 million year over year (2021: €139,143 million).

The main driver of this significant change in other operating income/expenses is the strong increase in commodity prices, as Uniper structurally sells gas and power, and buys carbon allowances and coal, using forward transactions that are measured at fair value through profit or loss.

20230627198814

Because of the complete delivery stoppage, it was not possible to value certain long-term gas supply contracts measured at fair value, and a fair value of zero was therefore recognized for the corresponding long-term gas supply contracts.

In assessing the provision for onerous contracts to reflect the risk of increased purchase costs to replace undelivered Russian gas supplies in the future, various differently weighted scenarios were used to account for the complete stoppage of Russian gas supply and different future price assumptions.

During 2022, the negative changes in the fair value of the sales forward contracts were higher than the positive changes in fair value of the purchase forward contracts, leading to a significant unrealized net loss on the derivative positions.

In addition, Uniper hedges its asset positions via forward sales and fuels via forward purchases. In many cases, these hedging transactions are subject to "mark-to-market" accounting under IFRS, while the underlying assets, like power plants, contracts classified under the own-use exemption or inventories, are not. Accordingly, in times of rising commodity prices, Uniper's IFRS net income reflects unrealized losses from hedges now, while the offsetting unrealized gains on the underlying (hedged) assets and generation positions are not recognized until they are realized.

This IFRS-driven accounting mismatch, which as of December 31, 2022, relates to all issues previously described, is only temporary and will resolve over time as the forward contracts are settled. Uniper neutralizes these effects within its key performance indicators – adjusted EBIT and adjusted net income – in order to better reflect operational developments without these measurement effects.

Financial results decreased significantly, by €1,731 million, to -€1,480 million (2021: €251 million). This change is primarily attributable to the write-down to zero of the loans to Nord Stream 2 AG in the amount of €1,003 million including accrued interest due to the withdrawal of the security of supply analysis by the German Federal Ministry for Economic Affairs and Climate Action and the associated halt to the certification process, as well as the imposition of U.S. sanctions on Nord Stream 2 AG and its CEO. In addition, net interest expense decreased by €390 million to -€375 million (2021: €14 million income). This was mainly due to higher interest expense due to the increase in financing volume and higher margin payments as well as the absence of interest income from the financing provided to Nord Stream 2 AG in the prior year 2021. Moreover, a year-on-year reduction in the discount rate for nuclear waste management obligations in Sweden led to higher interest expense. This was partly offset by higher interest rates and the associated valuation effects on non-current provisions for asset retirement obligations, mainly in the hydroelectric power business.

The tax expense in 2022 was €1,291 million (2021: -€496 million tax income). The operating tax income amounted to -€3,532 million (2021: €273 million tax expense) mainly due to realized gas replacement costs in Germany. This effect was compensated by a non-operating tax expense of €4,823 million (2021: - €770 million tax income) resulting particularly form the devaluation of deferred tax assets.

The income from discontinued operations was -€4,824 million (2021: -€36). This also includes the net carrying loss from the deconsolidation of PAO Unipro in the amount of €4,439 million, including an OCI recycling effect of €2,662 million whereby the latter effect represents a reclassification within equity. Accordingly, equity was reduced by the deconsolidation at an amount of €1,777 million.

20230627138815

Reconciliation of Income/Loss before Financial Results and Taxes

The reported net income before financial results and taxes of -€11,530 million (2021: -€4,817 million) is adjusted for non-operating effects totaling €671 million (2021: €5,767 million) and, in addition, modified by net income from equity investments of €0 million (2021: €6 million increase) to produce adjusted EBIT of -€10,859 million (2021: €955 million).

The bottom line in the table below shows the detailed reconciliation of income/loss before financial results and taxes in accordance with IFRS to adjusted EBIT, and additionally provides an overview of what items are affected by non-operating adjustments:

Matrix for Reconciliation of Income/Loss before Financial Results and Taxes 2022[1]

		Adjustments of items of income/loss before financial results and taxes to adjusted EBIT								
€ in millions	**Income statement items**	**Net book gains (-) / losses (+)**	**FV measurement of derivatives**	**Adj. of revenues and cost of materials**	**Restructuring[2]**	**Misc. other non-op. earnings**	**Impairment charges/ reversals[3]**	**Total adjustments**	**Income from equity investments[4]**	**Components of adjusted EBIT[5]**
Sales including electricity and energy taxes	274,341	–	–	-97,223	–	–	–	-97,223	–	177,119
Electricity and energy taxes	-221	–	–	–	–	–	–	–	–	-221
Sales	**274,121**	**–**	**–**	**-97,223**	**–**	**–**	**–**	**-97,223**	**–**	**176,898**
Changes in inventories (finished goods and work in progress)	19	–	–	–	–	–	–	–	–	19
Own work capitalized	99	–	–	–	–	–	–	–	–	99
Other operating income	146,395	-12	-116,031	–	-1	-506	-1,722	-118,273	–	28,122
Cost of materials	-277,145	–	–	89,939	–	-38	–	89,900	–	-187,244
Personnel costs	-826	–	–	–	-32	4	–	-27	–	-853
Depreciation, amortization and impairment charges	-2,451	–	–	–	1	–	1,730	1,731	–	-719
Other operating expenses	-151,797	4	124,400	–	-7	155	–	124,552	–	-27,245
For informational purposes: Subtotal of adjusted EBIT components before income from equity-method accounting and from equity investments	N/A	–	–	–	–	–	–	–	–	-10,923
Income from companies accounted for under the equity method	54	–	–	–	–	–	6	6	–	61
For calculation purposes: Income from equity investments[4]	N/A	–	–	–	–	–	4	4	0	4
Reconciliation of income/loss before financial results and taxes to adjusted EBIT (summarized)[5]	**-11,530**	**-8**	**8,369**	**-7,284**	**-39**	**-385**	**18**	**671**	0	**-10,859**

[1]Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS. A reconciliation of income/loss before financial results and taxes prepared in compliance with the Guidelines on Alternative Performance Measures published by the European Securities Markets Authority (ESMA) is provided in the notes to the IFRS interim and consolidated financial statements.

[2]Expenses for (and income from) restructuring and cost management in the Global Commodities segment included depreciation and amortization of €1 million in the 2022 fiscal year (2021: €2 million).

[3]Non-operating impairment charges/reversals consist of non-operating impairment charges and reversals triggered by regular impairment tests. The total of the non-operating impairment charges/reversals and economic depreciation and amortization/reversals differs from the depreciation, amortization and impairment charges reported in the income statement, since the two items also include impairment charges on companies accounted for under the equity method and other financial assets; in addition, a small portion is included in restructuring/cost-management expenses and in miscellaneous other non-operating earnings.

[4]In the income statement according to IFRS, income from equity investments is part of financial results, which are not shown in this matrix, and is added as a component of adjusted EBIT. The presentation within the items of the income statement that make up income/loss before financial results and taxes is used in this matrix solely to determine adjusted EBIT.

[5]The realized added cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was included in adjusted EBIT.

20230627183816

Matrix for Reconciliation of Income/Loss before Financial Results and Taxes 2021[1]

		Adjustments of items of income/loss before financial results and taxes to adjusted EBIT								
€ in millions	**Income statement items**	**Net book gains (-) / losses (+)**	***FV* measurement of derivatives**	**Adj. of revenues and cost of materials**	**Restructuring[2]**	**Misc. other non-op. earnings**	**Impairment charges/ reversals[3]**	**Total adjustments**	**Income from equity investments[4]**	**Components of adjusted EBIT**
Sales including electricity and energy taxes	163,249	–	–	-57,872	–	–	–	-57,872	–	105,377
Electricity and energy taxes	-281	–	–	–	–	–	–	0	–	-281
Sales	**162,968**	**–**	**–**	**-57,872**	**–**	**–**	**–**	**-57,872**	**–**	**105,096**
Changes in inventories (finished goods and work in progress)	-11	–	–	–	–	–	–	0	–	-11
Own work capitalized	100	–	–	–	–	–	–	0	–	100
Other operating income	130,810	-17	-117,779	–	–	-132	-594	-118,522	–	12,289
Cost of materials	-156,472	–	–	54,778	–	148	–	54,925	–	-101,547
Personnel costs	-1,114	–	–	–	159	-2	–	156	–	-957
Depreciation, amortization and impairment charges	-905	–	–	–	2	–	345	347	–	-558
Other operating expenses	-140,241	2	126,562	–	-3	129	40	126,730	–	-13,511
For informational purposes: Subtotal of adjusted EBIT components before income from equity-method accounting and from equity investments	N/A	–	–	–	–	–	–	0	–	901
Income from companies accounted for under the equity method	46	–	–	–	–	–	–	0	–	46
For calculation purposes: Income from equity investments[4]	N/A	–	–	–	–	–	2	2	6	8
Reconciliation of income/loss before financial results and taxes to adjusted EBIT (summarized)	**-4,817**	**-15**	**8,783**	**-3,095**	**158**	**142**	**-207**	**5,767**	**6**	**955**

[1]Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS. A reconciliation of income/loss before financial results and taxes prepared in compliance with the Guidelines on Alternative Performance Measures published by the European Securities Markets Authority (ESMA) is provided in the notes to the IFRS interim and consolidated financial statements.

[2]Expenses for (and income from) restructuring and cost management in the Global Commodities segment included depreciation and amortization of €2 million in the 2021 fiscal year (2020: €5 million).

[3]*Non-operating impairment charges/reversals consist of non-operating impairment charges and reversals triggered by regular impairment tests. The total of the non-*operating impairment charges/reversals and economic depreciation and amortization/reversals differs from the depreciation, amortization and impairment charges reported in the income statement, since the two items also include impairment charges on companies accounted for under the equity method and other financial assets; in addition, a small portion is included in restructuring/cost-management expenses and in miscellaneous other non-operating earnings.

[4]In the income statement according to IFRS, income from equity investments is part of financial results, which are not shown in this matrix, and is added as a component of adjusted EBIT. The presentation within the items of the income statement that make up income/loss before financial results and taxes is used in this matrix solely to determine adjusted EBIT.

Gains and losses on disposals of property, plant and equipment resulted in a net book gain of €8 million (2021: net book gain of €15 million on a land sale and on the sale of other equity investments).

The fair value measurement of derivatives used to hedge the operating business against price fluctuations resulted in a net non-operating loss of €8,369 million in the 2022 fiscal year, due to changed market values in connection with increased commodity prices in all the forward markets relevant to Uniper (2021: net loss of €8,783 million). The non-operating loss on derivatives includes a remeasurement of the fair values of gas supply contracts with Gazprom (recognized as derivatives), which are now valued at zero given that gas deliveries have been halted. Whereas the derivatives are subject to "mark-to-market" (i.e., fair value) accounting, the corresponding appreciation of the hedged underlying assets (especially power plants and inventories) is initially limited to their cost, and additional gains may not be recognized until they are realized. This measurement inconsistency is neutralized accordingly within the adjusted EBIT and adjusted net income measures, in order to better reflect Uniper's operating performance.

This item also includes the change in a provision for onerous contracts that are not within the scope of IFRS 9 and are therefore not measured at fair value. The provision for anticipated losses from higher expected procurement costs for electricity sales contracts was reduced by €955 million as a result of utilizations. A new provision for onerous contracts was recognized at roughly -€4.4 billion to account for the added cost of procuring replacement volumes for completely halted Russian gas supplies. Due to the uncertainty of the future price difference (i.e., purchase price variability) and volumes supplied, the as yet unrealized part reflecting the risk of increased purchase costs is classified as non-operating. Upon physical delivery, when the cost of procuring replacement volumes is incurred, the effects are reported within adjusted EBIT.

Revenues and cost of materials for physically settled commodity derivatives (contracts that are accounted for under IFRS 9 (failed own-use contracts)) were adjusted for the difference between the spot prices relevant pursuant to IFRS and the contract prices relevant from the management perspective by net income of €7,284 million in the 2022 fiscal year (2021: net income of €3,095 million).

In 2022, restructuring and cost-management expenses/income changed by €197 million year over year. Income amounted to €39 million in 2022 (2021: €158 million expense) and was primarily attributable to the partial reversal of provisions relating to the restructuring of the Engineering business by an amount of €22 million based on specified assumptions. In the previous year, this figure had included an expense of €130 million from the restructuring of the Engineering business and a further expense from restructuring of €28 million incurred in connection with the proactive phase-out plan for coal in Europe.

Income of €385 million was recorded under miscellaneous other non-operating earnings in 2022 (2021: expense of €142 million). It includes net income of €346 million (2021: €115 million expense) from adjustments of provisions recognized for non-operating effects in the Global Commodities segment and income of €59 million from an insurance settlement in the European Generation segment (2021: €0 million).

A net loss of €18 million (2021: €207 million net income) from the aggregation of non-operating impairment charges and reversals was recognized in the 2022 fiscal year. The impairments related to both of the Uniper Group's segments (2021: primarily European Generation). The increase is particularly attributable to the write-down to zero of goodwill in the Global Commodities segment by €1,312 million (2021: €0 million). Reversals of impairments recognized in previous years also related to both of the Uniper Group's segments in 2022 (2021: primarily the European Generation segment). This particularly affected the Maasvlakte 3 hard-coal power plant in the Netherlands. Impairment reversals are recognized as other operating income.

The added cost of procuring replacement gas realized in the 2022 fiscal year, which amounted to about €13.2 billion, was reported within adjusted EBIT. This cost arose from the need to procure corresponding replacement volumes for undelivered Russian gas supplies directly in the market – at significantly higher price levels.

20230527188318

Adjusted EBIT

Adjusted EBIT

€ in millions	2022	2021	+/- %
European Generation	741	473	56.7
Global Commodities	-11,214	756	-1,583.8
Russian Power Generation[1]	–	–	–
Administration/Consolidation	-387	-274	-41.2
Total	**-10,859**	**955**	**-1,237.1**

[1]See also the additional information in the "Business Model" section.

The Uniper Group's total adjusted EBIT fell significantly to -€10,859 million in the 2022 fiscal year, in line with the expectations of the forecast for 2022 updated in the quarterly statement as of September 30, 2022.

European Generation

Adjusted EBIT in the European Generation segment in 2022 was significantly higher than in the prior year. The sharp increase in adjusted EBIT compared with 2021 fiscal year is due in particular to positive earnings contributions from the margin in the fossil power generation business owing to significantly higher spreads. Adjusted EBIT compared with the prior year was negatively impacted by higher delivery and procurement costs for hard coal under the transition strategy for coal procurement diversification, the disposal of the Schkopau power plant in the third quarter of 2021 fiscal year, lower contributions from the British capacity market, and higher depreciation in particular in the fossil power plant fleet. The Swedish nuclear energy business was mainly impacted by higher adjusted EBIT-relevant additions to the provision for asset retirement obligations due to inflation, as well as unplanned unavailabilities.

Global Commodities

Adjusted EBIT in the Global Commodities segment fell significantly compared with the prior year. The decline is primarily attributable to the gas business. Gas earnings were negatively affected by higher realized additional costs for procuring replacement gas volumes in response to the curtailment of Russian gas volumes from June 14, 2022. At the end of August 2022, this negative impact was further exacerbated by the complete freezing of the gas supply. By contrast, the gas business benefited from volatile and high prices. In addition, hedging transactions for future gas deliveries in the current year had a partially offsetting effect. Earnings from the international portfolio also decreased significantly compared with the prior year, which was impacted by volatile markets during the winter months. In the current year, the shortfall in LNG deliveries from the Freeport LNG terminal in the U.S. due to fire damage to the infrastructure there weighed on adjusted EBIT. This was offset by the significant increase in earnings in the electricity trading business area due to targeted optimization activities in a volatile market environment.

The adjusted EBIT of the Global Commodities operating segment includes the additional costs of about €13.2 billion realized in 2022 fiscal year for the procurement of replacement gas volumes. These costs arose from the need to purchase replacement volumes directly on the market – at a significantly higher price level – due to the discontinuation of Russian gas deliveries.

Administration/Consolidation

Adjusted EBIT attributable to the Administration/Consolidation reconciliation item changed negatively relative to that of fiscal year 2021. This change resulted particularly from the measurement during the year of provisions for carbon emissions (remeasurement to cross-segment figures at Group level), from the reconciliation of the operating segments' adjusted EBIT to the Group's adjusted EBIT with respect to the measurement of coal inventories, among other things.

20230527138819

Adjusted Net Income

Adjusted net income is composed of adjusted EBIT, net operating interest income and income taxes on operating earnings, less non-controlling interests in operating earnings (see the Management System section for a detailed definition). As in adjusted EBIT, the Russian Power Generation discontinued operations are excluded from adjusted net income. The following table shows the reconciliation of income/loss before financial results and taxes to adjusted net income:

Reconciliation to Adjusted Net Income

€ in millions	2022	2021
Income/Loss before financial results and taxes	**-11,530**	**-4,817**
Net income/loss from equity investments	–	6
EBIT	**-11,530**	**-4,812**
Non-operating adjustments	671	5,767
Adjusted EBIT[1]	**-10,859**	**955**
Interest income/expense and other financial results	*-1,480*	*246*
Non-operating interest expense and negative other financial results (+) / interest income and positive other financial results (-)	*1,382*	*-185*
Operating interest income/expense and other financial results	-98	61
Income taxes	*-1,291*	*496*
Expense (+) / Income (-) resulting from income taxes on non-operating earnings	*4,823*	*-770*
Income taxes on operating earnings	3,532	-273
Less non-controlling interests in operating earnings	37	1
Adjusted net income[1]	**-7,386**	**743**

[1]The added cost of procuring replacement gas realized in fiscal year 2022, which amounted to about €13.2 billion, was reported within adjusted EBIT and as a result also in adjusted net income.

The adjustments for financial effects relate primarily to the write-down to zero of the financing extended to Nord Stream 2 AG in the amount of €1,003 million and to the expense of €74 million (2021: €221 million income), recognized as interest expense, from the valuation of the Swedish Nuclear Waste Fund (KAF), which finances provisions in the European Generation segment. Furthermore, aside from the remaining other financial results, adjustments were made for interest-related measurement effects of €278 million (2021: €46 million) that are attributable to nuclear waste management obligations in Sweden. An expense of €1,382 million was adjusted for in total (2021: €185 million income).

In the 2022 fiscal year, the tax expense amounted to €1,291 million (2021: -€496 million tax income) and the effective tax rate amounted to -9.9% (2021: 10.9%). The operating tax income amounted to -€3,532 million (2021: €273 million expense) mainly due to realized gas replacement costs in Germany and leads to an operating effective tax rate of 32.2% (2021: 26.9%). The operating tax income was compensated by a non-operating tax expense of €4,823 million (2021: -€770 million tax income) resulting particularly from the devaluation of deferred tax assets.

Adjusted net income for the 2022 fiscal year amounted to -€7,386 million. This represents a significant year-over-year decline of €8,129 million (2021: €743 million) and corresponds to the full-year outlook for 2022 as updated in the third quarter of 2022. In contrast to the operating tax income, lower economic net interest income relative to 2021 also had a negative effect. This is attributable especially to higher interest expenses due to the increased financing volume and to higher posted collateral for futures and forward transactions (margining), as well as to the non-recurrence of the economic net interest income from the financing extended to Nord Stream 2 AG. It was offset by changes in interest rates and their effect on the measurement of non-current provisions for asset retirement obligations, primarily in Hydro.

20230627193820

The realized added cost of about €13.2 billion to procure replacement gas discussed under adjusted EBIT, as well as the interest expense of about €0.2 billion arising from the financing of this added cost of procuring replacement gas, are both reported before taxes, respectively, within adjusted net income for the 2022 fiscal year.

Financial Condition

Uniper presents its financial condition using indicators such as economic net debt and operating cash flow before interest and taxes (OCFbiT), among others.

Finance Strategy

Following the implementation of the stabilization measures, the German federal government holds a total of more than 99% of the shares in Uniper SE. As part of the EU approval, the Federal Republic of Germany agreed to reduce its shareholding to a maximum of 25% plus one share by 2028 at the latest, and/or to make a public offer. Therefore, Uniper's finance strategy is aimed towards achieving a substantial improvement in the company's capital market viability as well as a solid stand-alone investment grade rating in the coming years.

In this context, firstly, the heavily burdened equity in 2022 is to be rebuilt by means of gradual capital increases from the Authorized Capital (to offset the losses from the gas replacement procurement) and the retention of earnings from Uniper's other operating business (excluding the losses from the gas replacement procurement). Dividend distributions are currently not foreseen and are subject to the approval of the German government pursuant to the framework agreement Uniper entered into with the German government on December 19, 2022, which specifies the stabilization measures.

Secondly, Uniper aims to achieve a stable, positive operating cash flow. This is supposed to enable the company to reduce debt and make investments in line with its future corporate strategy.

The combination of these two elements is a prerequisite for achieving the third objective of the finance strategy, balance sheet stability. Uniper measures its balance sheet stability in a debt factor that corresponds with the financial risk profile of a solid investment-grade rating. The debt factor is defined as the ratio of current economic net debt to adjusted earnings before interest, taxes, depreciation, and amortization (Adjusted EBITDA). Uniper's targeted financial risk profile can be translated into a debt factor of less than or equal to 2.5. Due to the negative Adjusted EBITDA in fiscal year 2022 of -€10,175 million (2021: €1,512 million) - mainly caused by the realized added cost of procuring replacement volumes of gas - a calculation of the debt factor is not meaningful (for fiscal 2021, the debt factor was 0.2) and the target level was missed. Uniper aims to return to a positive Adjusted EBITDA and a debt factor of less than or equal to 2.5 as quickly as possible.

In parallel with and along the gradual implementation of these three targets, Uniper aims to further diversify its sources of financing and to access bank and capital market financing, for example through bonds and commercial paper.

The financial strategy is accompanied by Uniper's liquidity management which aims at ensuring the ability to pay outstanding debt, the timely settlement of contractual payment obligations, as well as the optimization of financing costs within the Uniper Group.

20230627118821

Financing Instruments

External funding represents an important source of financing for Uniper. Uniper primarily uses flexible financing instruments.

On January 4, 2022, Uniper concluded a €2.0 billion credit facility with the state-owned KfW banking group until April 30, 2022. Due to the ongoing Russian war against Ukraine and the associated volatility on the commodity markets, Uniper and KfW banking group agreed in March 2022 to continue the facility in an unchanged amount until April 30, 2023. Because of the liquidity requirements for the replacement of missing Russian gas supply volumes and the simultaneous increase in requirements for margining deposits on the energy markets and exchanges, the KfW credit facility was subsequently increased in several steps to a volume of €18.0 billion at year-end 2022. As of December 31, 2022, €6.0 billion of the facility were drawn.

KfW and Uniper have already successfully restructured the credit facility in the first weeks of 2023 while maintaining the guarantee provided by the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026.

In addition, Uniper also uses syndicated bank financing provided in the form of a revolving credit facility by a total of 16 banks at the end of 2022. Due to the occurrence of a so-called "change of control" event in the course of the acquisition of the majority of Uniper shares by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) on December 21, 2022, the participating banks had an extraordinary termination right. Two banks have exercised this right of termination (with cash effect in 2023), with a cumulative share in the total volume of the credit facility of approximately 10%. Uniper is currently working to replace the loan commitments of the withdrawing banks with other banks. The revolving credit facility was executed in September 2018 in the amount of €1.8 billion. The maturity date is in September 2025. The revolving credit facility serves Uniper as a general liquidity reserve. As of December 31, 2021, Uniper fully utilized the €1.8 billion revolving credit facility volume (2021: utilization amounting to €1.8 billion).

Furthermore, Uniper's €1.8 billion Euro commercial paper program is a flexible instrument for the issuance of short-term debt in the form of commercial paper notes that are compliant with the European STEP Market Convention. As of December 31, 2022, there was no commercial paper outstanding (2021: €1.48 billion).

In September 2021, Uniper established a credit facility with Fortum which was extended in December 2021 to a multi-tranche credit and guarantee facility with a total volume of €8.0 billion. The €4.0 billion cash credit facility was repaid on December 21, 2022, and the corresponding sub-facility of the multi-tranche facility agreement was canceled (2021: utilization of €2.5 billion). The utilization for guarantees on December 31, 2022 amounted to $1.0 billion (around €0.9 billion equivalent, 2021: utilization of €2.0 billion). The multi-tranche credit facility agreement will automatically terminate with the expiry of the outstanding guarantees.

Uniper additionally has access to further financing instruments, which were used flexibly in 2021. These include, for example, various promissory notes and bilateral credit lines with Uniper's financing banks. Uniper also uses guarantee facilities with several banks to cover requirements in its operations or for margin deposits.

20230627118822

Economic Net Debt

Economic net debt is used by Uniper to manage the Group's capital structure.

Economic Net Debt

€ in millions	Dec. 31, 2022	Dec. 31, 2021
(+) Financial liabilities and liabilities from leases	11,575	8,975
(+) Bonds	–	–
(+) Commercial paper	–	*1,480*
(+) Liabilities to banks	*8,627*	*2,964*
(+) Lease liabilities	*690*	*745*
(+) Margining liabilities	*1,890*	*783*
(+) Liabilities from shareholder loans towards Uniper shareholders and co-shareholders	*329*	*2,931*
(+) Other financing	*40*	*70*
(-) Cash and cash equivalents	4,591	2,919
(-) Current securities	43	47
(-) Non-current securities	95	111
(-) Margining receivables	6,217	7,866
Net financial position	**629**	**-1,969**
(+) Provisions for pensions and similar obligations	537	1,065
(+) Provisions for asset retirement obligations	1,882	1,228
(+) Other asset retirement obligations	*679*	*853*
(+) Asset retirement obligations for Swedish nuclear power plants	*3,424*	*2,940*
(-) Receivables from the Swedish Nuclear Waste Fund recognized on the balance sheet	*2,221*	*2,565*
Economic net debt	**3,049**	**324**
(-) For informational purposes: Receivables from the Swedish Nuclear Waste Fund (KAF) ineligible for capitalization[1]	–	211
For informational purposes: Fundamental economic net debt	**3,049**	**113**

[1] In the previous year, due to IFRS valuation rules (IFRIC 5), €211 million of Uniper's share of the fair value of the net assets of the Swedish Nuclear Waste Fund could not be capitalized on the balance sheet. Accordingly, there existed an additional receivable from the Swedish Nuclear Waste Fund ineligible for recognition on the balance sheet, and the economic net obligation for the decommissioning of the Swedish nuclear power plants was thus reported too high in the table by the amount of this receivable.

In the 2022 fiscal year, the net financial position increased by €2,598 million. The cash-effective equity injection in the amount of €13,538 million as part of the stabilization package compensated a larger part of the negative operating cash flow (-€15,159 million) and the outflows for investments (-€632 million). Furthermore, the deconsolidation of Unipro as of December 31, 2022, led to an increase of the net financial position by €332 million.

The Fortum loan was fully repaid in the 2022 fiscal year (December 31, 2022: €2,500 million outstanding amount). The KfW financing was drawn by Uniper SE as of December 31, 2022, by €6,000 million (December 31, 2021: no drawing). There was no commercial paper outstanding as of December 31, 2022 (December 31, 2021: €1,480 million). Margining receivables decreased by €1,649 million to €6,217 million (December 31, 2021: €7,866 million) while margining liabilities increased by €1,107 million to €1,890 million (December 31, 2021: €783 million).

20230627138823

The increase in economic net debt by €2,725 million was even higher than the increase in the net financial position, mainly driven by the significant increase in provisions for asset retirement obligations from €1,228 million as of December 31, 2021 to €1,882 million as of December 31, 2022, which was caused by the reduced discount rate for provisions for asset retirement obligations in the Swedish nuclear sector as well as the reduction of the market value of the KAF refund claim. As an offsetting effect, the provisions for pensions and similar obligations decreased by €528 million to €537 million (December 31, 2021: €1,065 million). This development was caused by an increase in interest rates in Germany and the UK in the 2022 fiscal year relative to year-end 2021, leading to a reduction of the present value of pension liabilities. While the fair value of plan assets diminished compared with year-end 2021 at the same time, the two developments taken together resulted in overall lower provisions for pensions and similar obligations for the 2022 fiscal year.

Investments

Investments

€ in millions	2022	2021
Investments		
European Generation	*426*	*520*
Global Commodities	*97*	*54*
Russian Power Generation[1]	*–*	*–*
Administration/Consolidation	*29*	*16*
Total	**552**	**589**
Growth	*189*	*293*
Maintenance and replacement	*363*	*297*

[1] See also the additional information in the "Business Model" section.

The decrease in the Uniper Group's investment spending in the 2022 fiscal year resulted mainly from significantly reduced growth investments, while repair and maintenance investments were above those of the prior year. The investments break down by segment as follows:

The year-over-year decrease of €94 million in investments in the European Generation segment in the 2022 fiscal year was primarily due to lower growth investments given the impending completion of the Scholven 3 new construction project and to lower growth investments for the Datteln 4 hard-coal power plant. The receipt of an insurance settlement contributed to the reduction for Datteln 4. This was only partially offset by higher growth investments in the renewable energy segment and higher maintenance investments for the Grain gas-fired power plant in the United Kingdom.

In the Global Commodities segment, investments were up €43 million in the 2022 fiscal year from the prior-year level, primarily due to spending on growth investments for the LNG terminal in Wilhelmshaven.

In the Administration/Consolidation area, investments were up €13 million from the prior-year level and related to investments in IT projects, among others.

20230527118824

Cash flow from continuing operations

Cash Flow from continuing operations

€ in millions	2022	2021
Cash provided by operating activities of continuing operations (operating cash flow)	**-15,637**	**3,296**
Cash provided by investing activities of continuing operations	**1,292**	**-7,398**
Cash provided by financing activities of continuing operations	**16,081**	**6,567**

Cash Flow from continuing Operating Activities, Operating Cash Flow before Interest and Taxes

Cash provided by operating activities (operating cash flow) from continuing operations changed by - €18,932 million in 2022 to a cash outflow of €15,637 million (2021: cash inflow of €3,296 million). This resulted primarily from the impact of the added cost of procuring replacement gas volumes in the market in response to the curtailment of Russian gas volumes from June 14, 2022, culminating in the discontinuation of gas deliveries from late August 2022 forward. A significant portion of the operating cash flow also had already been anticipated by liquidity optimization measures taken at the end of 2021 for assets in the gas and emission rights business. This was necessary to cover temporary liquidity requirements arising from collateral for commodity transactions (margining) at the end of 2021, and hence emphasizes the year-on-year change all the more. Operating cash flow was additionally negatively impacted by changes in net working capital, especially inventories, that resulted primarily from price increases in the commodity markets. This was partly offset by positive earnings effects, especially in the electricity and gas businesses.

The following table presents the reconciliation of cash flow from operating activities (operating cash flow) to operating cash flow before interest and taxes each from continuing operations:

Operating Cash Flow before Interest and Taxes

€ in millions	2022	2021	+/-
Operating cash flow of continuing operations	**-15,637**	**3,296**	**-18,932**
Interest payments and receipts	322	18	304
Income tax payments (+) / refunds (-)	345	191	154
Operating cash flow of continuing operations before interest and taxes	**-14,969**	**3,506**	**-18,475**

Cash Flow from continuing Investing Activities

Cash provided by investing activities from continuing operations improved by €8,690 million, from a cash outflow of €7,398 million in the prior year to a cash inflow of €1,292 million in 2022 fiscal year. This development resulted primarily from a cash inflow for collateral to be provided by Uniper for futures and forward transactions (reduction in margining receivables), which improved by €8,592 million year over year in 2022 fiscal year. Where there had been a cash outflow of €6,964 million in the prior-year, there was a cash inflow of €1,628 million in 2022 fiscal year. Compared with the prior year (€589 million), cash payments for investments in intangible assets, in property, plant and equipment, and in equity investments decreased by €37 million, to €522 million. Cash proceeds from disposals increased by €91 million, from a cash inflow of €65 million in the prior year to a cash inflow of €156 million in 2022 fiscal year.

20230627188225

Cash Flow from Financing Activities from continuing operations

In 2022, cash provided by financing activities from continuing operations amounted to €16,081 million (2021: €6,567 million). The capital increases of €13,538 million were a major factor in the significantly positive cash flow from financing activities from continuing operations. In addition, the KfW credit facility was drawn down up to €14,000 million during the year, €8,000 million of which was subsequently repaid at the end of 2022. These measures were necessary due to the liquidity pressure in connection with the interruptions to the gas supply as well as the complete freeze on the supply of Russian gas since the end of August 2022, as well as the prices for gas replacement purchases on the European energy markets and exchanges since July 2022. In addition, the increase in margin deposits received for futures and forward transactions led to a cash inflow of €1,111 million (2021: cash inflow of €586 million) and increased margining liabilities accordingly. The redemption of commercial paper in the amount of €1,480 million in 2022 (2021: €1,415 million cash inflow by the issuance of commercial paper) and the repayment of lease liabilities in the amount of €103 million (2021: €120 million) had an offsetting effect. In addition, the shareholder loan of €4,000 million provided by Fortum, of which a further €1,500 million was utilized during the year, was repaid in full (2021: cash inflow of €2,500 million). Moreover, the reduction in current liabilities to banks resulted in a cash outflow of €325 million (prior-year period: cash outflow of less than €1 million). The dividend distributed to shareholders of Uniper SE in May 2022 led to a cash outflow of €26 million (2021: cash outflow of €501 million).

Assets

Consolidated Assets, Liabilities and Equity

€ in millions	Dec. 31, 2022	Dec. 31, 2021
Non-current assets	57,657	37,074
Current assets	63,820	91,323
Total assets	**121,477**	**128,397**
Equity	4,422	6,788
Non-current liabilities	59,611	26,094
Current liabilities	57,443	95,514
Total equity and liabilities	**121,477**	**128,397**

The decrease in total assets in 2022 fiscal year compared with December 31, 2021 is mainly attributable to the interim realization and settlement of commodity forward contracts, which were reported as current receivables or liabilities from derivative financial instruments in the previous year. By contrast, the values of receivables and liabilities from longer-term derivative financial instruments increased significantly as of December 31, 2022 due to the continued high volatility on the electricity and gas markets. The deconsolidation of PAO Unipro also led to a reduction in total assets.

The increase in non-current assets resulted mainly from the change in non-current receivables from derivative financial instruments described above, which increased by €23,704 million from €16,913 million to €40,617 million.
The €827 million decrease in property, plant and equipment, from €10,055 million to €9,228 million, is mainly connected with the deconsolidation of PAO Unipro. By contrast, the reversal of impairment losses exceeded depreciation and impairment losses on property, plant and equipment. One major individual effect was the reversal of impairment losses at the Maasvlakte 3 power plant in the Netherlands. Capital expenditures for property, plant and equipment in 2022 fiscal year were €533 million higher than disposals of €94 million.

20230527118826

As a result of the medium-term plans adopted by the Board of Management and the regular updates of the cost of capital and forecasts of market prices for commodities and emission allowances, as well as future electricity and gas prices on the commodity markets, there was a large number of impairment losses and reversals of impairment losses in the fourth quarter. In contrast, during the year the changed geopolitical situation and individual circumstances prompted impairment tests on individual items of property, plant and equipment. In the full year, impairment losses of €910 million were recognized (mainly in the European Generation and the Russian Power Generation segments) and impairment losses of €1,930 million were reversed (mainly in the European Generation segment). The changed geopolitical situation and the related changes in assumptions also resulted in the full impairment of goodwill in the Global Commodities segment in the amount of €1,312 million and in the Russian Power Generation segment in the amount of €546 million earlier in the year 2022. Both the impairments and the reversals of impairment on property, plant and equipment and goodwill of the former Russian Power Generation segment are reported in income/loss from discontinued operations.
Non-current financial receivables decreased by €1,372 million from €4,065 million to €2,694 million, mainly due to the impairment loss recognized in full for the financing provided to Nord Stream 2 AG.

The main reason for the decline in current assets was the decrease in receivables from derivative financial instruments by €28,535 million, from €64,732 million to €36,198 million. This is mainly due to the interim realization and settlement of commodity forward contracts, which in the prior year were still reported as current receivables from derivative financial instruments. Receivables from collateral provided for commodity futures also decreased by €1,650 million, from €7,866 million to €6,217 million, and trade accounts receivable by €2,069 million, from €11,629 million to €9,560 million. The negative cash flows from operating activities resulting from the purchase of replacement gas volumes were more than offset by the cash inflows from investing and financing activities, resulting in an increase in cash and cash equivalents of €1,668 million from €2,966 million to €4,634 million.

Equity as of December 31, 2022 decreased by €2,366 million, from €6,788 million on December 31, 2021 to €4,422 million. This decline is due primarily to the Group's net loss of -€19,124 million (of which a share of - €145 million is attributable to non-controlling interest). The consolidated net loss was strongly influenced by the realized expenses for the replacement of undelivered Russian gas and, in the same context, by the recognition of provisions for possible further losses on replacement deliveries in the future; it was also impacted by the negative performance of derivative financial instruments, impairment losses on goodwill, the effects of the deconsolidation of PAO Unipro and the impairment loss on the financing extended to Nord Stream 2 AG. The capital increases of €13,538 million had an offsetting effect.
Other comprehensive income of €3,429 million had a positive impact on equity. The net exchange-rate-related changes in assets and liabilities of €2,720 million, and the fair value change of cash flow hedges of €119 million after taxes included in this figure resulted mainly from the deconsolidation of PAO Unipro. The remeasurement of investments in the amount of €332 million also had a positive effect. In addition, the remeasurement of defined benefit plans in the net amount of €221 million is included. This effect resulted from the discount rates applied to these plans, which increased compared with those used for the consolidated financial statements as of December 31, 2021. By contrast, the dividend payment to the shareholders of Uniper SE in the amount of €26 million reduced equity.

20230527118827

Non-current liabilities as of December 31, 2022 increased by €33,517 million over the end of the prior year, from €26,094 million to €59,611 million, mainly due to the significant increase of €29,401 million in liabilities from derivative financial instruments from €16,336 million to €45,737 million due to higher forward prices in the commodity markets. In addition, other non-current provisions increased by €1,386 million from €6,346 million to €7,732 million. This increase in provisions is mainly due to the recognition of a non-current provision for onerous contracts for possible losses in the gas portfolio following the complete shutdown of gas supplies from Russia with continuing sales obligations.
Non-current financial liabilities increased by €1,042 million from €1,655 million to €2,697 million, mainly due to the reclassification of the revolving credit facility in the amount of €1,607 million (December 31, 2021: €1,800 million current liabilities) as repayment is now not expected within the next twelve months. This was partly offset by a change in the maturity of parts of the promissory note loans in the amount of €450 million, which are now reported as current liabilities (December 31, 2021: €600 million non-current liabilities). Also offsetting this, accrued pension and similar obligations decreased by €528 million from €1,065 million to €537 million, mainly as a result of the increase in interest rates as of December 31, 2022 compared with year-end 2021. Deferred tax liabilities changed by €2,123 million from €433 million to €2,555 million.

The decrease in current liabilities is mainly due to the reduction in liabilities from derivative financial instruments by €39,789 million, from €70,397 million to €30,608 million. This was mainly due to the interim realization and settlement of commodity forward contracts, which in the prior year were reported as current liabilities from derivative financial instruments. In addition, trade accounts payable decreased by €2,210 million from €11,568 million to €9,359 million.
Current financial liabilities increased year-on-year by €1,559 million, from €7,320 million to €8,878 million. This was due to the first-time utilization of the KfW credit facility in July 2022, of which loans totaling €6 billion were outstanding as of December 31, 2022, and the increase in liabilities from collateral provided for commodity futures transactions in the amount of €1,107 million. By contrast, the full repayment of the shareholder loan granted by Fortum led to a reduction in current financial liabilities (December 31, 2021: €2,500 million). The reclassification of the revolving credit facility to non-current financial liabilities in the amount of €1,607 million (December 31, 2021: €1,800 million current) and the full repayment of commercial paper (December 31, 2021: €1,480 million) also had a reducing effect.

The €2,688 million increase in other current provisions, from €4,361 million to €7,049 million, is mainly due to potential losses in the gas portfolio following the complete shutdown of gas supplies from Russia with continuing sales obligations. At the same time, current provisions for expected procurement costs for electricity sales contracts decreased by around €1 billion due to drawdowns in 2022. Electricity procurement is hedged with derivative financial instruments. Future cash outflows when the remaining provisions are drawn down are therefore offset by expected cash inflows from derivative financial instruments.

2023052718873

Earnings, Financial Condition and Net Assets of Uniper SE (HGB)

The separate annual financial statements and the management report have been prepared in accordance with the provisions of the German Commercial Code (HGB), as amended by the German law implementing the EU Accounting Directive (BilRUG) and the EU Regulation on the Statute for a European Company (SE), in conjunction with the German Stock Corporation Act (AktG), and the German Electricity and Gas Supply Act (Energy Industry Act – EnWG).

Balance Sheet of Uniper SE (HGB)

	December 31	
€ in millions	**2022**	**2021**
Tangible assets	3.2	0.3
Financial assets	15,961.5	18,518.8
Fixed assets	**15,964.7**	**18,519.1**
Receivables and other assets	27,795.1	13,635.3
Securities	1,301.1	–
Bank balances	2,448.7	2,254.4
Current assets	**31,544.9**	**15,889.7**
Accrued expenses	**3.8**	**4.7**
Total assets	**47,513.4**	**34,413.5**
Capital stock	14,160.2	622.1
Additional paid-in capital	10,824.9	10,824.9
Retained earnings	178.3	58.2
Net income / loss available for distribution	-24,202.2	145.8
Equity	**961.2**	**11,651.0**
Provisions for pensions and similar obligations	76.0	33.3
Provisions for taxes	34.4	397.9
Other provisions	143.3	116.9
Provisions	**253.7**	**548.1**
Liabilities to banks	8,672.4	2,867.8
Liabilities to affiliated companies	37,570.1	17,817.7
Liabilities to entities in which an equity interest exists	–	0.2
Other liabilities	55.8	1,528.2
Liabilities	**46,298.3**	**22,213.9**
Deferred income	**0.2**	**0.5**
Total equity and liabilities	**47,513.4**	**34,413.5**

Because it is the parent company of the Uniper Group, the net assets of Uniper SE are characterized to a considerable degree by the function of management of equity investments and by the financing function of the Group's activities. This is reflected both in the amount of financial assets and in receivables from, and liabilities to, affiliated companies.

Fixed assets, which essentially consist of shares in affiliated companies, make up 34% of total assets. The proportion of receivables from affiliated companies is 58% of total assets.

20230627118879

The increase in receivables from affiliated companies resulted from the expanded intragroup financing volume relative to the previous year.

Bank balances increased by €194.3 million in the reporting year to €2,448.7 million. Liabilities increased by €24,044.2 million in the reporting year, mainly to Uniper Holding GmbH and arising from assumptions of losses. An impairment charge of €2,557.2 million was recognized within financial assets on the shares of PAO Unipro.

Provisions for pensions and similar expenses amounted to €76.0 million as of the end of the reporting year; 54% of pension obligations are covered by pension plan assets.

Income Statement of Uniper SE (HGB)

€ in millions	2022	2021
Other operating income	2,706.0	896.0
Personnel costs	-63.7	-85.4
Depreciations	-0.5	–
Other operating expenses	-3,239.0	-1,063.5
Income from equity investments	–	196.7
Other interest and similar income	239.1	45.0
Write-downs of financial assets (extraordinary)	-2,557.2	-157.0
Interest and similar expenses	-375.7	38.3
Income from transfers of profits	–	755.8
Expense from assumptions of losses	-21,067.3	–
Income taxes	156.1	-480.1
Income after taxes	-24,202.2	145.8
Net income for the year	**-24,202.2**	**145.8**
Transfer to other retained earnings	–	–
Net income available for distribution	**-24,202.2**	**145.8**

The earnings of Uniper SE as the Group's parent company are significantly influenced by its income from equity investments. Uniper SE's negative net income from equity investments of €21,067.3 million is attributable to the earnings transfer contributed by its equity investments.

Other operating expenses and income resulted primarily from currency effects related to Group-wide currency hedging. Write-downs of financial assets relate to the impairment loss on PAO Unipro.
As it is unlikely that dividends or other cash inflows will be received from PAO Unipro in the foreseeable future, a write-down of the book value of the investment to €1 was recognized in fiscal year 2022 due to expected permanent impairment.

Net interest income fell primarily because of increased interest expenses. The rise in interest expense is attributable to expanded debt financing.

The net loss of Uniper SE for the year 2022 amounts to €24,202.2 million (2021: €145.8 million net income). Uniper SE has no income or losses carried forward from previous years. The distributable negative net income of €24,202.2 million is carried forward to the new fiscal year.

Given the negative net income available for distribution of Uniper SE, a separate appropriation proposal will not be submitted to the 2023 Annual General Meeting. There will be no dividend distribution for the 2022 fiscal year. It has also been agreed as part of the stabilization package between the German federal government and Uniper that Uniper will make no dividend distribution without the government's written approval.

20230627163830

Non-Financial Performance Indicators

With the amendment of the German Commercial Code (HGB) resulting from the CSR Directive Implementation Act (CSR-RUG) adopted on April 19, 2017, the German legislature transposed the requirements of Directive 2014/95/EU (CSR Directive) of October 22, 2014, into national law. Large capital-market-oriented companies with more than 500 employees must provide, at a minimum, information on environmental, labor, social, human rights, and anti-corruption issues as part of their management report or in a separate non-financial report.

Uniper has decided to publish a Separate Non-Financial Group Report as a separate chapter of Uniper's Annual Report named "Separate Non-Financial Group Report" and to not include it in the Combined Management Report. The Separate Non-Financial Group Report addresses in detail all the requirements of non-financial Group reporting.

This chapter of the Combined Management Report discusses the Uniper Group's most important non-financial performance indicators: direct carbon emissions (Scope 1), Health, Safety, Security, Environment (HSSE) & Sustainability Improvement Plan, and proportion of female executives. For 2022, Uniper also reports the severity rate of reportable safety incidents as a non-financial performance indicator to measure safety performance.

Direct Carbon Emissions (Scope 1)

Uniper's decarbonization strategy aims to enable the energy transition by providing a reliable and affordable supply of low-carbon energy. A key element of the strategy is for the entire Group's direct (Scope 1) and indirect (Scope 2 and 3) CO_2e (CO_2-equivalents)-emissions to be carbon-neutral by 2050. The European Generation segment aims to be carbon-neutral for Scope 1 and 2 CO_2e-emissions by 2035. An interim target has been set for the European Generation segment to achieve a 50% reduction in Scope 1 and 2 CO_2e-emissions for by 2030, using 2019 as the baseline. The achievement of aforementioned targets may include technical solutions, divestments, and lastly compensation for unavoidable emissions.

Uniper's direct CO_2 emissions, from the combustion of fossil fuels for power and heat generation, totaled 55.6 million metric tons in the 2022 fiscal year (2021: 50.9 million metric tons) for continued as well as discontinued operations. The emissions in 2022 were in line with the forecast updated as of September 30, 2022, communicated in the guarterly statement January-September 2022. In order to meet the increasing energy consumption in Russia in 2022, the Russian grid operator commissioned PAO Unipro to generate more electricity compared to the previous year. This led to a significant increase in Russian emissions for the 2022 fiscal year, primarily from the Berezovskaya power plant unit 3, which was returned to commercial operation in May 2021. Carbon emissions in the European Generation segment showed a slight overall decrease in financial year 2022 due to the disposal of Schkopau lignite-fired power plant in October 2021.

20230627188831

Direct CO_2 Emissions Fuel Combustion by Country[1]

in million metric tons CO_2	2022	2021
European Generation	25.4	27.5
Germany	*12.2*	*13.6*
United Kingdom	*8.2*	*8.6*
Netherlands	*3.9*	*4.4*
Hungary	*0.9*	*0.8*
Sweden	0.2	*0.1*
United Arab Emirates[2]	0.06	0.05
Total continued operations	**25.5**	**27.6**
Total discontinued operations – Russian Power Generation[3]	**30.2**	**23.4**
Total	**55.6**	**50.9**

[1]Uniper uses the operational-control approach. This means that Uniper counts 100% of the direct emissions of any generation assets over which it had and still has operational control. With the exception of Russia, all data was calculated using the European Union Emissions Trading Scheme rules. Rounding may result in minor deviations from the totals.
[2]Uniper's business in UAE is Uniper Energy DMCC. Uniper Energy DMCC owns and operates a low-sulfur marine fuel oil production facility in Fujairah, supplying products from its storage facilities to local partners and large shipping companies. The direct carbon emissions result from the burning of diesel and naphtha for electricity generation in the production facility.
[3]Emissions from Russian Power Generation (discontinued operations) are estimated for October–December 2022.

HSSE & Sustainability Improvement Plan

Uniper's functional units and subsidiaries have a responsibility to implement annual improvement measures to help meet the Group's overall HSSE & Sustainability objectives.

The key performance indicator for managing Uniper's group-wide HSSE & Sustainability performance has been the degree of implementation of its comprehensive HSSE & Sustainability Improvement Plan. In evaluating the target achievement of the Improvement Plan, three different levels of achievement are possible: below 100%, 100%, and above 100%.

Uniper's 2022 HSSE & Sustainability Improvement Plan focused on strengthening Uniper's health culture through networking and best-practice sharing, as well as the commitment of Uniper's leaders to comprehensive safety training and the development of improved health and safety action plans.

An initial evaluation of year-end progress reports on the Improvement Plan for continued as well as discontinued operations of the Uniper Group has indicated that the overall degree of implementation was above 100% against the target level, which would be above the forecast for 2022. The final evaluation and approval will be completed by the end of the first quarter of 2023. The participation rate of the quarterly "Health Networking and Best-Practice Sharing" sessions, and the delivery of health action plans by the various Uniper business functions were above expectation in 2022. The Uniper leaders' participation in the Safety Leadership Workshops was also higher than expected. The evaluation of Safety Action Plans, however, found that the progress was slightly below expectation.

The evaluation of year-end progress reports on the improvement plan indicated that the degree of implementation was above for continued operations was above 100% and for discontinued operations (Russian Power Generation) below 100%.

20230527118837

Severity rate

At the beginning of 2022 Uniper implemented the severity rate of recordable safety incidents as a non-financial performance indicator to measure safety performance. The severity rate is defined as the number of lost time days divided by the number of Total Recordable Injuries (TRI), which are the sum of fatalities, lost time injuries, restricted work cases, and medical treatment cases. The severity rate represents the average number of days that a person is absent from work due to any kind of recordable injury, taking into account all Uniper Group's employees and those of external companies working on Uniper sites. The indicator allows Uniper to understand how often accidents occur, and how severe they are on average. In this way, safety performance can be evaluated better and more comprehensively.

Uniper's target is to reach a severity rate of 14.0 days or below by year-end 2022. Uniper did not reach this target. The severity rate for continued as well as discontinued operations of the Uniper Group as of December 31, 2022 was 19.9 days (data from the discontinued operations Russian Power Generation for the months October to December 2022 were not included in this calculation as the corresponding information was only provided by Unipro for the months January to September 2022) and thus significantly above the target projected in the quarterly statement January-March 2022. This is mainly due to two severe incidents in Russia, one of which was the fatal accident in Surgutskaya GRES-2 on April 30, 2022 and the other a severe incident on May 20, 2022.

The severity rate for continued operations as of December 31, 2022 was 13.4 days. The severity rate for discontinued operations (Russian Power Generation) as of December 31, 2022 was 66.7 days (data for the months October to December 2022 were not included in this calculation as the corresponding information was only provided by Unipro for the months January to September 2022).

From the year 2023, this non-financial performance indicator will no longer be a component of the short-term incentive scheme, and therefore not reported nor forecasted for 2023.

Proportion of Women in Leadership Positions within the Uniper Group

In accordance with the German "Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector", the Board of Management set an initial target for the period from July 1, 2017, through June 30, 2022, of 25% for the proportion of women in the first and second management level below the Board of Management to be achieved by June 30, 2022. Despite numerous efforts that have been intensified since 2020, neither target had been achieved as of June 30, 2022. As a company with a focus on STEM professions, Uniper has always faced the challenge of attracting female candidates, since the proportion of women in engineering professions in energy technology has been statistically proven to be low. However, the measures initiated to develop internal female candidates and attract more female applicants, including in particular a variety of measures to enhance the company's image, need time to have a significant impact.

Uniper has consequently adjusted the date for achieving the target of a 25% proportion of women in the first and second management levels below the Board of Management and now intends to do so by December 31, 2025. Thus, assuming there is no change in the total number of managers, the company aims to employ 8 women at the first management level and 31 women at the second management level below the Board of Management.

More information on the implementation of Germany's Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector can be found in the Corporate Governance Declaration.

Other non-financial performance Indicators, such as number of employees and workforce composition, which are not used for management purposes, are also discussed below.

20230627T18833

Workforce Figures

Employees[1]

	Dec. 31, 2022	Dec. 31, 2021	+/- %
European Generation	4,456	4,721	-5.6
Global Commodities	1,419	1,355	4.7
Russian Power Generation[2)]	–	4,267	-100.0
Administration/Consolidation	1,133	1,151	-1.6
Total	**7,008**	**11,494**	**-39.0**

[1]Figures do not include members of the Board of Management, managing directors, apprentices, work-study students and interns.

[2]See also the additional information in the "Business Model" section.

On December 31, 2022, the consolidated Uniper Group had 7,008 employees, 184 apprentices and 131 work-study students and interns worldwide. The workforce thus decreased by 39.0% compared with December 31, 2021. As of December 31, 2022, the business area Russian Power Generation segment is no longer reported as a segment as Unipro has been deconsolidated due to loss of control. This is the main reason for the significant decrease in the number of employees.

The number of employees in the European Generation segment decreased as of December 31, 2022 relative to December 31, 2021 due to the fundamental restructuring of the engineering business.

The number of employees in the Global Commodities segment was slightly above the previous year's level. The increase in the number of employees is the result of the expansion of new business areas.

The employee headcount in Administration/Consolidation is at the previous year's level.

At 32.6% as of December 31, 2022, the proportion of employees working outside Germany, 2,287, was significantly below the previous year's level (57.8%) because as of December 31, 2022 the Russian Power Generation business area is no longer reported as a segment.

Employees by Region[1]

	Headcount		FTE	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Germany	4,721	4,847	4,576.5	4,700.9
UK	911	992	895.0	977.5
Netherlands	310	324	306.2	320.0
Russia[2]	8	4,275	8	4,273.4
Sweden	905	905	894.7	894.6
Other[3]	153	151	152.3	150.7
Total	**7,008**	**11,494**	**6,832.6**	**11,317.2**

[1]Figures do not include members of the Board of Management, managing directors, apprentices, work-study students and interns.

[2]See also the additional information in the "Business Model" section.

[3]Includes Hungary, USA, United Arab Emirates and other countries.

20230627188344

Gender and Age Profile, Part-Time Staff

The proportion of women in the workforce as of December 31, 2022, was 24.5%, the same level as in the prior year (2021: 25.4%).

Proportion of Female Employees

Percentage	Dec. 31, 2022	Dec. 31, 2021
European Generation	15.9	15.8
Global Commodities	32.5	32.5
Russian Power Generation[1]	–	27.6
Administration/Consolidation	48.3	48.2
Uniper Group	**24.5**	**25.4**

[1]See also the additional information in the "Business Model" section.

The average age of the Uniper Group workforce was about 46 (2021: 45 years), and the average length of service was about 16 years (2021: 14 years).

Employees by Age[1]

Percentage	Dec. 31, 2022	Dec. 31, 2021
30 and younger	9.7	11.1
31 to 50	48.7	53.0
51 and older	41.6	35.9

[1]See also the additional information in the "Business Model" section.

A total of 583 employees (2021: 576) of the Uniper Group worked on a part-time schedule at year-end. Of this total, 420 were women (72.0%; 2021: 409 women or 71.0%). The ratio of part-time employees was 8.3%, slightly above the prior year level.

Part-Time Rates

Percentage	Dec. 31, 2022	Dec. 31, 2021
European Generation	5.7	5.8
Global Commodities	11.8	10.9
Russian Power Generation[1]	–	0.1
Administration/Consolidation	14.1	12.9
Uniper Group	**8.3**	**5.0**

[1]See also the additional information in the "Business Model" section.

Employee turnover averaged 4.9% across the Group, an increase from the prior year (2021: 4.6%). Uniper has not been granted access to Unipro's material financial and non-financial information since the fourth quarter of 2022. For this reason, the last period-specific figures provided on the turnover rate for Russian Power Generation are based on September 30, 2022.

Employee Turnover Rates

Percentage	2022	2021
European Generation	4.2	2.5
Global Commodities	6.4	3.9
Russian Power Generation[1]	4.5	6.9
Administration/Consolidation	6.7	5.5
Uniper Group	**4.9**	**4.6**

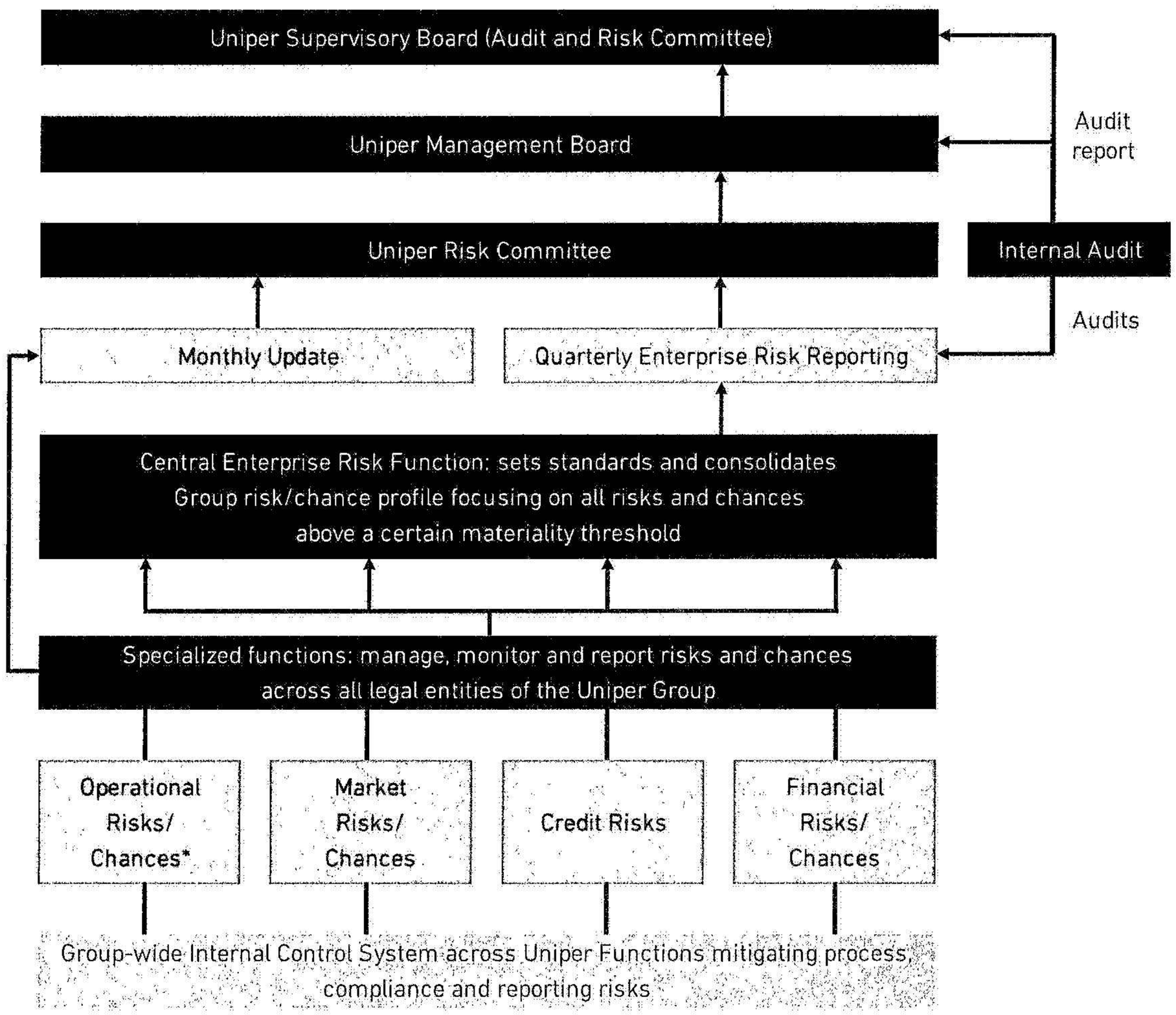
[1]See also the additional information in the "Business Model" section.

20230627T0855

Risk and Chances Report

Risk Management System

The Uniper Group manages its risks and chances through an enterprise risk management system that takes into account all risk and chance categories.



* incl. Legal, Political and Regulatory Risks/Chances

The aims of this system are:

- to fulfill legal requirements (e.g. the Act for Control and Transparency in the Corporate Sector, KonTraG),
- to ensure the continued existence of the Uniper Group by keeping the total risk exposure proportionate to the available financial resources,
- to protect and increase the Company's value through integrated active management of all risks and chances which may impact the commercial targets of the Uniper Group, and
- to generate additional value by appropriately taking into consideration not only returns but also risks which relate to important decisions and processes, including investments, risk capital allocation, and corporate planning.

Ultimate legal responsibility for establishing and monitoring the effectiveness of the Group-wide enterprise risk management system at Uniper Group lies with the Uniper SE Board of Management. Operationally, the Board of Management has delegated its risk-related tasks to the Risk Committee at the level of the Uniper Group. The Board of Management establishes the Uniper Group Risk Committee, sets the risk appetite for the Group as well as overall risk limits for individual risk (sub-)categories, which the Risk Committee then monitors.

20230527118836

The Uniper Group Risk Committee deals with all significant business risks relevant to the economic and financial management of the Uniper Group. It is composed of the Group Chief Financial Officer (CFO/Chairperson), the Group Chief Risk Officer (CRO/Deputy Chairperson), the Group Chief Commercial Officer (CCO), the Group Chief Operating Officer (COO) and the Executive Vice President Group Finance and Investor Relations, as well as the Group General Counsel/Chief Compliance Officer. A core responsibility of the Risk Committee is to establish a governance structure and infrastructure for risk management with which to manage business risks at all organizational levels.

The key components of the risk management system at the Uniper Group are the risk policies, the risk management organization, and the risk management process.

Risk Policies

The Group Enterprise Risk Policy defines the principles and minimum requirements for Group-wide management of all types of risks and chances. This includes the definition of the central risk management process and the establishment of associated responsibilities. The defined process ensures that risks/chances throughout the Group are fully and promptly identified and are assessed and reported in a transparent manner that allows for comparison. Responsibilities are assigned to risk/chance managers who are responsible for actively managing and monitoring risks/chances. Below the enterprise risk policy for the Group, there are risk policies that define the principles and minimum requirements for Group-wide management of individual risk (sub-)categories. In addition to the risk policies, the Uniper Group documents its risk strategy, specifying the Group-wide principles, objectives ,and measures that Uniper uses to manage risks resulting from the pursuit of its business strategy.

Risk Management Organization

Organizationally, the risk management system at the Uniper Group is based on the functional organizational structure of the Group. The Risk Management function has the responsibility for the Group's central risk management system. This function is headed by the Group CRO, who reports directly to the Group CFO. The Risk Management function is responsible for the development, implementation, coordination, and ongoing development of the central risk management process.

There is at least one risk representative for each function outside of Risk Management. This representative is responsible for the implementation of the Group Enterprise Risk Policy. The representative's tasks are to identify, assess, manage, and report all risks/chances associated with their function across all corporate legal entities. Risk and chance management (i.e. acceptance, mitigation, transfer of risks) is carried out on the instructions of the head of the function, who is also the risk/chances manager, as far as is consistent with the risk appetite of the Group. The responsibility for risks/chances is assigned to the functional area that is best suited to manage it. There are dedicated teams for certain risk (sub-)categories (e.g. commodity price risks, credit risks, asset operation risks, etc.) that develop policies for the Group-wide management of each risk (sub-)category and ensure global compliance with these policies.

Risk Management Process

Each quarter, the risk representatives of each function review the risks/chances they have identified with respect to completeness and current evaluation. Changes to the risk/chances situation are reported to the risk management function via a centralized IT tool, where they are evaluated for plausibility and subjected to quality control in cooperation with Accounting and Controlling. To manage risks, the risk managers take measures to reduce the likelihood and/or impact of potential losses. For example, hedging transactions are concluded using financial instruments or insurance policies are taken out. Similarly, the managers responsible for chances take measures to increase their probability of occurrence and the advantages that can be gained from chances. Costs and benefits as well as the risk appetite of the Group are taken into account when choosing management instruments. The effectiveness of the measures taken gets reassessed and confirmed quarterly by the risk representatives.

20230627183837

Based on this quarterly process, the Risk Committee, the Board of Management, and the Audit and Risk Committee of the Supervisory Board of the Uniper Group are informed about the current risk/chance situation of the Uniper Group. Significant changes in individual risks are identified and addressed at any time, even during the quarter. Such changes are also discussed in the monthly Risk Committee where in addition the main risks from the energy trading business are monitored. The appropriateness of the risk early recognition system according to legal requirements is audited annually by the external auditor of the Uniper Group. Since 2021 the audit is performed based on the new and significantly enhanced audit standard IDW PS 340 n.F.

Risk and Chances Management by Category

In the course of conducting its commercial activities, the Uniper Group is exposed to uncertainties that are inextricably linked to its business activities. These uncertainties are reflected in risks and chances. Uncertain events with a possible negative effect in the worst case on the currently planned adjusted EBIT, net income, or cash flow in one year of the three-year medium-term planning time horizon are referred to as risks, and events with a possible positive effect in the best case are referred to as chances.

Due to the large number of individual risks/chances, they are grouped into categories and subcategories in order to improve the clarity and management of concentrations by the Group Risk Committee. The following section describes the risk/chance categories to which the Uniper Group is exposed and the approaches used to manage them. The aggregation of individual risks/chances and their assessment are described in the subsequent paragraph.

Compliance, sustainability, and climate-related risks and chances are identified, assessed, and steered like any other risk/chance. Due to the variety of possible triggering events, these risks and chances are not summarized into a separate risk category but manifest themselves across the below described risk and chance categories.

Financial Risks and Chances

The Uniper Group is exposed to a financial risk/chance from margining requirements resulting from commodity trades on exchanges and under bilateral margining agreements. The size and direction of margin calls depends on the exposure of the Uniper Group in the trading channels subject to margining as well as the market price development. Another financial risk results from a potential downgrade of the Uniper SE long-term credit rating. This would trigger counterparties' rights to demand additional collateral which would need to be provided through liquid assets or bank guarantees (contingent collateral risk). The amount of additional collateral depends on the value of claims against Uniper and thus market price developments. Both liquidity risks are measured, monitored and managed against separate limits. Limit breaches are escalated and managed in line with internal requirements.
A rating downgrade could also lead to banks freezing or terminating the financing instruments currently used by Uniper, which would further burden Uniper's liquidity situation.
To ensure its financial stability the Uniper Group has concluded a comprehensive stabilization package in cooperation with the Federal Government in December 2022.
Besides this there are tax-related financial risks/chances for example in connection with possible effects on current or deferred taxes arising from current or future tax audits, changes in legislation, and the decisions by the various tax courts. Additional effects can result from the further development of national and international law through enactments and decrees of the respective tax authorities, as well as other financial management measures. Currently the planned rules for a global minimum taxation are to be mentioned. Conversely, changes in legislation or the decisions by the various tax courts may have a positive effect on the current or deferred tax liability. In order to reduce risks in this area, Uniper closely monitors the development of tax legislation and legal decisions.

20230627113838

Credit Risks

The Uniper Group is exposed to credit risks associated with business operations and trading activities. Credit risks arise from the non-payment or partial payment of outstanding receivables by counterparties and from replacement risks for outstanding transactions.

The Uniper Group applies appropriate measures to actively manage credit risks, including setting limits for individual counterparties and counterparty groups, securing collateral, structuring contracts, transferring credit risk to third parties (such as insurers), and diversifying the credit portfolio. Existing credit risks are continuously measured and monitored to ensure that the measures taken are appropriate and risks are within the defined limits. Limit breaches are escalated and managed in line with internal requirements.

As part of centralized credit risk management, the credit rating of business partners is systematically assessed and monitored on the basis of Group-wide minimum standards. If creditworthiness is inadequate, collateral is demanded (e.g. bank guarantees, guarantees from the parent company, letters of awareness, etc.).

To further reduce the credit risk from physical as well as financial transactions, these transactions are concluded through exchanges or bilaterally, generally on the basis of standard contracts, where an offset (netting) of all current transactions can, in principle, be agreed. In addition, bilateral margining agreements are concluded with selected business partners.

Liquid funds are invested with counterparties with an investment-grade rating.

Market Risks and Chances

Commodity Price Risks and Chances

The Uniper Group's operating activity, in particular the physical assets, long-term procurement contracts, and sales agreements with key customers, is exposed to considerable risks and chances due to the fluctuations in the price of commodities. For Uniper, market price risks/chances arise in the following commodity areas: electricity, gas, coal, freight, oil, liquefied natural gas, as well as for emissions allowances and weather products.

The Uniper Group manages the majority of its commodity price risks/chances through a central trading function. The aim of the trading function is to optimize the value of the Uniper Group's commodity portfolio while limiting and securing against associated potential losses. This involves the use of derivative financial instruments. The derivatives are also entered into for proprietary trading purposes. This takes place exclusively in compliance with tight internal and regulatory restrictions.

Risk management for commodity trading activities is based on general standards in the industry for trading transactions and also involves the segregation of duties, daily calculation and reporting of profit and loss, as well as risk figures. The Board of Management decides on limits for commodity price risks on Group level. Group-level limits are broken down and allocated to portfolios which are built based on internal organizational responsibilities and trading strategies. In general, there are value-at-risk limits and stop-loss limits which are supplemented by volume-based limits. Limit usages are monitored and limit breaches escalated and managed in line with internal requirements.

20230527183839

Foreign Exchange (FX)/Interest Rate (IR) Risks and Chances

Due to its participation in business activities outside the euro area, the Uniper Group is exposed to currency risks/chances. These risks/chances result mainly from the following activities being carried out in foreign currency and fluctuating currency exchange rates: physical and financial trading of commodities, existing and new investments, liabilities, external financing, and shareholder loans within the Uniper Group. Foreign currency exposures result mainly from activities in British pounds, U.S. dollars, and Swedish krona.

The Uniper Group companies are responsible for managing their FX risks/chances from commodity trading, goods and services provided and received, as well as investment activities. Uniper SE assumes responsibility for overall coordination of hedging activities by the companies and hedges the Group's net financial position per currency also making use of derivatives. Derivative financial instruments (mainly forward transactions) are used in the foreign exchange area exclusively to hedge existing foreign exchange risks, but not for proprietary trading.

Foreign currency risks are analyzed and monitored daily by a team of specialists applying the same standards as for commodity price risk. Responsible management is informed daily about profits and losses associated with foreign exchange activities and existing risks and limit utilizations. Limit usages are monitored and limit breaches escalated and managed in line with internal requirements.

The Uniper Group is exposed to risks associated with fluctuating interest rates as a result of short-/medium-term variable-rate borrowings as well as liabilities on the balance sheet such as pension provisions and asset retirement obligations. Uniper uses a €1.8 billion commercial paper program, a €1.8 billion revolving credit facility, an €18 billion revolving credit facility with the state-owned KfW Bank, a €2.0 billion bond program, several promissory note loans and bilateral credit lines with core banks financing Uniper, as well as guarantee credit lines that can be used as collateral for margin obligations or in operating business. In case of an increase in interest rates, the Uniper Group's financing costs will also increase. Changes in market interest rates and related discount factors will also impact the value of the Uniper Group's pension and asset retirement provisions.

Interest rate risks are managed centrally by Uniper Group's Finance department. In 2022 the focus here was on the analysis of financing needs, considering all internal measures taken to manage liquidity needs, which were highly dependent on market price developments and political decisions. After completion of the realignment of the capital structure and thus also the better estimation of the amount and timing of the debt base, the management of interest rate risks will be realigned.

Market Environment Risks and Chances

In addition to commodity price risks, the Uniper Group is exposed to the risks/chances of a general deterioration/improvement of the market environment. These include macroeconomic developments affecting the supply and demand of energy, changes in the competitive situation and radical changes in global energy markets (e.g. the decline in conventional power production in favor of renewable generation to reduce CO_2 emissions), inflation/deflation and others. Such developments could result in the Uniper Group's operating activities, such as the portfolio of physical investments, losing their market. In addition, this could trigger renegotiations of long-term supply and sales contracts leading to contract and price adjustments which are detrimental/beneficial for Uniper Group. Significant risks/chances in connection with the market environment are addressed in the strategy process.

Moreover, the Uniper Group is exposed to different volume risks/chances such as production volume risks/chances from meteorological or from hydrological fluctuations in its hydro power fleet or from suppliers not delivering e.g. due to technical problems or delays in taking new assets live.

20230527138440

Asset Operation Risks and Chances

Technologically complex production, generation, storage, distribution and handling facilities are used in the generation of energy. In principle, there is the possibility that human error, technical malfunctions or other events resulting in damages (e.g. natural disasters, sabotage, terrorist attacks, strikes, etc.) may negatively affect the availability of facilities. In addition, the aforementioned events could necessitate major repairs and result in personal injury and damage to property and the environment. As an operator and shareholder of nuclear power plants in Sweden, Uniper is exposed to a cost risk for the final disposal of radioactive remnants like used fuel rods.

To limit these risks, facilities are regularly inspected and maintained using a risk-based approach. In addition, production processes and technologies are constantly being upgraded and optimized and staff trained accordingly. For losses that nevertheless occur, appropriate crisis-prevention measures and emergency plans have been set up and insurance coverage has been secured where economically appropriate.

Asset Project Risks and Chances

Part of Uniper Group's business activities involve the construction, expansion, renovation, conversion, or decommissioning of power plants or other energy industry facilities. This involves the risk that actual construction costs exceed planned costs, that construction delays may occur, e.g. as the result of the regulatory approval process or that construction could even be stopped. Risks relating to asset projects are addressed through a professional project management that recognizes that the identification of project-related risks is an integral part of project management whose purpose is to quickly identify and minimize such risks.

People and Process Risks and Chances

People risks include health and safety risks, risks due to the loss of special skills and risks due to errors on the part of employees who have not been sufficiently trained or who are not sufficiently qualified. In order to reduce people risks, the Uniper Group takes measures to ensure high health and safety standards and invests in the development and distribution of skills and succession planning. In addition, the existing compensation system for employees is regularly reviewed and adjusted. Furthermore, there is a risk that members of executive bodies or employees may conclude unauthorized or illegal transactions that could lead to legal proceedings being initiated against the Uniper Group or its employees, resulting in fines, loss of licenses or similar. The Uniper Group counters this risk with a comprehensive network of controls and a compliance management system.

Process risks include risks due to inadequate, inefficient or broken business processes. Such process risks and human error risks are reduced by a comprehensive, Group-wide internal control system which is regularly audited. There is an effective business continuity management system in place for cases where people or process risks arise.

Information Technology (IT) Risks and Chances

Operational and strategic management of the Uniper Group is highly dependent on complex information and communication technology. Technical malfunctions, improper operation by employees, virus attacks, data loss or outages of IT systems can have significant negative impacts on ongoing operations of individual segments of the Group or the Uniper Group as a whole and result in considerable costs and deterioration of reputation, which increase with the duration of the malfunction.

In addition, Uniper operates critical infrastructure in several European countries. This includes power stations and gas storage facilities. External hacker attacks could have a negative impact on the operation of the infrastructure, to the environment and/or could lead to legal consequences. To manage Uniper assets according to legal requirements Uniper has implemented an Information Security Management System based on ISO/IEC 27001 standards. External penetration testing and improving the critical IT and Operational Technology (OT) systems are parts of Uniper's Quality Management. Uniper has fully implemented the security catalogue from BNetzA for its German critical infrastructure sites. Since January 1, 2022, the new regulation for critical infrastructures (KRITIS) will apply, with an implementation period of two years. Uniper has already started with the implementation for sites/systems becoming critical infrastructure under this regulation. Uniper strives to ensure compliance with international, regional and national regulations and best practices relevant to the industry. In addition Uniper has built a Cyber Defense Center and continues to strengthen its defense and response capabilities considering the changes of the threat landscape. Uniper is focusing on very robust Identity Management as foundation for modern IT solutions. This is part of Uniper's Zero-Trust approach for Applications and Infrastructure and enables new ways of collaboration between Uniper and its partners.

Uniper also focuses on the safe handling of personal data to avoid any breach of data-protection-relevant processes. Processes and relevant documentation related to personal data have been documented in a data protection management tool based on a best practice approach. Additional technical and organizational measures were implemented and assessed from a data protection point of view in alignment with Information Security, to avoid misuse of personal data or unauthorized access from outside. Uniper has developed and initiated the implementation of data deletion concepts. Misuse or inadvertent dissemination of confidential data by an employee could lead to the disclosure of commercial secrets or violate data protection policies and laws, resulting in fines for the whole Uniper Group.

Due to the Russian war against the Ukraine and the resulting increase in cyber threats, the Uniper Group keeps investing into information security and data privacy. Uniper is constantly improving the protection measures. Specifically, Uniper is able to meet the rising requirements for availability and IT security in regard to working from home through state-of-the-art cloud technologies.

Legal Risks and Chances

The Uniper Group's operations in a variety of jurisdictions expose the Group to various legal risks and chances. These mainly comprise risks/chances arising from threatened or pending legal proceedings with regard to contract and price adjustments in connection with long-term supply or sales contracts, energy law and regulatory issues, licensing matters, as well as supplier disputes and potential climate litigations.

In order to minimize legal risks for Uniper, significant developments in the relevant jurisdictions are continuously monitored and actively communicated to the functions of the Uniper organization concerned. In addition, the legal department is involved at an early stage in contract negotiations and imminent legal proceedings in order to minimize risks and take advantage of chances by providing appropriate procedural support and assisting in the drafting of contracts in advance.

Political and Regulatory Risks and Chances

Political and regulatory interventions present the Uniper Group's operations with various risks/chances. These include political reactions to geopolitical tensions like sanctions or the curtailment of physical commodity flows which directly or indirectly impact Uniper. Other risks arise from direct or indirect intervention in pricing on energy markets, the introduction and modification of capacity markets, the phasing out of coal-fired power generation, tightening emissions standards, strongly increased ambition in the reduction of greenhouse gas emissions, and in the utilization of renewable energies and low-carbon gases. In addition, changes to existing energy regulation in the markets in which Uniper Group operates could lead to up- and downsides from higher/lower costs or revenues. The Uniper Group monitors regulatory developments continuously in order to ensure compliance with relevant requirements.

20230527113842

To limit political and regulatory risk, the Uniper Group maintains appropriate monitoring mechanisms, intensive dialogue with external stakeholders, such as government agencies, political parties, regulators and associations, in order to identify in a timely manner any potential adverse effects on the Uniper Group arising from changes in the political, regulatory and legislative environment and to reduce this risk through involvement in shaping the proposed measures.

Risk and Chances Situation of the Uniper Group

In the next paragraphs the risk and chances situation of the Uniper Group is described along the following structure.:

- Assessment approach for individual risks/chances
- Aggregation approach for earnings related individual risks/chances to risk/chances categories
- Quantification of the earnings impact of risk/chances categories in the Worst Case/Best Case (risk and chances profile)
- Information about major earnings and liquidity-related individual risks/chances
- Information about additional noteworthy risk and chance developments
- Assessment of the overall risk situation (risk-bearing capacity) from earnings and liquidity perspective

Assessment Approach for Individual Risks and Chances

In the Uniper Group, individual risks and chances are generally quantified. A qualitative assessment is made only in the few exceptional cases for which quantification is not possible. Individual risks are considered on a net basis, i.e. including implemented and effective risk-reduction measures. In principle, the quantification of individual risks/chances is carried out by statistical modeling of the probability of occurrence and impact. The impact is modeled as potential impact on planned earnings (i.e. the currently planned adjusted EBIT and/or net income) and/or the planned cash flow for each year of the three-year medium-term planning time horizon of the Uniper Group. It must be taken into account that the medium-term plan, which is used as basis for the risk/chance assessment, is in itself subject to uncertainty.

Aggregation Approach for Risk-/Chances Categories

To assess the overall risk and chances profile in regard to Uniper's earnings situation, the Uniper Group uses a multistage process. In a first step, all quantified material individual risks and chances with a potential impact on planned adjusted EBIT and/or net income are allocated to the categories and subcategories described above. The materiality threshold for considering individual risks and chances is set to €20 million. This takes into account all quantified risks which, in the worst-case scenario (99% confidence interval), could cause losses of €20 million and more after risk mitigation measures in one year of the three-year medium-term planning time horizon. Similarly, all quantified chances are considered which, in the best-case scenario (1% confidence interval), could have a positive impact of at least €20 million in one year of the three-year medium-term planning time horizon.

In a second step, the risks/chances are aggregated in each category/subcategory. For this purpose, a Monte-Carlo-simulation is applied for each year of the three-year planning horizon to all the risks/chances assigned to a category/subcategory, which produces an aggregated distribution function for the potential deviations from the currently planned adjusted EBIT and/or net income per year.

In a third step the 1% (best case) confidence intervals are gathered from these aggregated distribution functions per year and an average over the relevant three-year time horizon is calculated. Similarly, the average over the relevant three-year time horizon is calculated for the 99% (worst case) confidence interval. Based on those average values, each category/subcategory is assigned an assessment class for the best and worst case in accordance with the following table.

20230527168843

Assessment Classes

Assessment class	Potential average impact on earnings per year (best case/worst case)
Insignificant	≤ €5 million
Low	> €5 million and ≤€20 million
Moderate	> €20 million and ≤€100 million
Significant	> €100 million and ≤€300 million
Major	> €300 million

For example, if a category/subcategory is rated as "moderate", this means that in the worst case any loss in earnings from this category/subcategory is only with a probability of 1% expected to be higher than on average €20 to €100 million per year. In the best case a positive effect on earnings is only with a probability of 1% expected to be higher than on average €20 to €100 million per year.

Extreme risks and chances with a likelihood of occurrence <1% but a potentially very high impact, are not considered in the standard quantitative analysis. Those risks and chances are, however, monitored regularly.

Risk and Chances Profile in the Worst-Case Scenario

The following table provides an overview of the risk and chances profile for the Uniper Group in the worst-case scenario as of December 31, 2022,compared to the risk and chances profile as per December 31, 2021. The table refers to the potential average impact on planned earnings (i.e. the currently planned adjusted EBIT and/or net income) in each year of the three-year medium-term planning time horizon of the Uniper Group and considers only quantified earnings-effective risks and chances.

Potential Average Impact on Earnings (Worst Case)

		Potential average impact on earnings in the worst case (99%)	
Category	**Subcategory**	**Dec. 31, 2022**	**Dec. 31, 2021**
Financial Risks/Chances		Moderate	Moderate
Credit Risks		Major	Major
Market Risks/Chances	Commodity Price Risks/Chances	Major	- none -
	Foreign Currency and Interest Rates Risks/Chances	Major	Major
	Market Environment Risks/Chances	Significant	Significant
Operational Risks/Chances	Asset Operation Risks/Chances	Major	Significant
	Asset Project Risks/Chances	Moderate	Major
	People and Process Risks/Chances	Significant	Significant
	Information Technology (IT) Risks/Chances	Major	Moderate
	Legal Risks/Chances	Significant	Major
	Political and Regulatory Risks/Chances	Major	Moderate

Key Changes in the Risk and Chances Profile (Worst Case) Compared to the Previous Year

- Due to the still high commodity price and volatility levels as well as reduced hedging activities, the possible worst-case impact of commodity price risk has increased in 2022.
- The still high commodity prices and the extended operation of several coal-fired power plants to ensure security of supply under the Substitute Power Plant Standby Act (Ersatzkraftwerkebereithaltungsgesetz) have led to an increase of the unplanned asset unavailability risk and thereby the potential worst-case impact of risks from Asset Operation.

20230527188441

- Due to the full impairment of Nord Stream 2, the potential worst-case loss from risks from Asset Projects decreased.
- Due to the high commodity price level, a possible unavailability of Uniper's IT could lead to higher losses than in the previous year.
- Due to a settlement in a legal dispute over price clauses in a long-term contract, the possible worst-case impact from legal risks has reduced.
- The deterioration of the worst-case in the category Political and Regulatory Risks/Chances is due to, the possibility that the risk provisions made for incremental costs from gas supply cuts are not sufficient.

Risk and Chances Profile in the Best-Case Scenario

The following table provides an overview of the risk and chances profile for the Uniper Group in the best-case scenario as of December 31, 2022, compared to the risk and chances profile as per December 31, 2021. The table refers to the potential average impact on planned earnings (i.e. the currently planned adjusted EBIT and/or net income) in each year of the three-year medium-term planning time horizon of the Uniper Group and considers only quantified earnings-effective risks and chances.

Potential Average Impact on Earnings (Best Case)

		Potential average impact on earnings in the best case (1%)	
Category	**Subcategory**	**Dec. 31, 2022**	**Dec. 31, 2021**
Financial Risks/Chances		Moderate	Moderate
Credit Risks		- none -	- none -
Market Risks/Chances	Commodity Price Risks/Chances	Major	Major
	Foreign Currency and Interest Rates Risks/Chances	Major	Major
	Market Environment Risks/Chances	- none -	Low
Operational Risks/Chances	Asset Operation Risks/Chances	- none -	- none -
	Asset Project Risks/Chances	- none -	- none -
	People and Process Risks/Chances	- none -	- none -
	Information Technology (IT) Risks/Chances	- none -	- none -
	Legal Risks/Chances	Major	Moderate
	Political and Regulatory Risks/Chances	Major	- none -

Key Changes in the Risk and Chances Profile (Best Case) Compared to the Previous Year

- The slight deterioration in the category of Market Environment risks/chances is attributable to the, compared to the previous year, new major individual risk "LNG supply risk", which is described below.
- The improved best-case assessment of legal chances is due to, the compared to previous year, new major individual chance to recover the loans to Nord Stream 2, which is described below.
- The best-case improvement in the category Political and Regulatory Risks/Chances is mainly due to the possibility that the risk provisions made for incremental costs from gas supply cuts will not be required in full.

Major Individual Risks/Chances

An individual risk (chance) is considered major if its potential worst (best) case negative (positive) impact on the planned earnings or on the planned cash flow is €300 million or more in any one year of the three-year planning horizon. The impact assessment of the individual risk/chance is based on a quantitative or qualitative approach as indicated. The classification "Major Financial Impact" shows if the major (i.e. >€300 million) impact of a risk/chance is on the Uniper Group's earnings or liquidity situation or both should it materialize. As far as the risks and chances in each category are quantified and are earnings-effective the potential impact is considered in the tables shown above (Assessment of the Risk and Chances Profile (Worst/Best Case Scenario)).

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Market environment risks/ chances	**Earnings and liquidity**	**qualitative**
Renegotiation of long-term gas contracts risk/chance	Long-term gas supply contracts generally include the possibility for the customer and the supplier to adapt contractual terms to changed market conditions. On the one hand, this entails the major risk for Uniper that suppliers will impose conditions that are detrimental to the Company. On the other hand, it can be a major chance as renegotiated conditions may be beneficial for Uniper. In order to limit the risk and realize the associated chance, intensive negotiations are conducted by the most experienced employees who have access to the entire expertise of the Uniper Group and, if necessary, even beyond.		
	Legal risks/chances	**Earnings**	**quantitative**
Datteln 4: permitting risk	The hard-coal-fired power plant Datteln 4 has been in commercial operation since May 30, 2020. The construction and operation are based on the immission control permit of the district government of Münster, whose planning law basis is the project-related development plan no. 105a of the city of Datteln. The project is the subject of several administrative court proceedings against the development plan and the approval. On August 26, 2021, the Higher Administrative Court of North Rhine-Westphalia declared the development plan of the city of Datteln to be invalid and did not allow an appeal against this decision. However, the court ruling is not final: Uniper and the city of Datteln have successfully filed a non-admission complaint. On October 12, 2022, the BVerwG admitted the appeal, which is now taking place. If, as a result of the pending legal proceedings, the permit is revoked there is the major individual risk that all investments made until then will have to be written off with their then remaining book value. The coal exit law which entered into force in August 2020 has not changed the potential for this permitting risk.		
	Legal risks/chances	**Earnings and liquidity**	**quantitative**
Nord Stream 2: loan recovery chance	In the first quarter of 2022, Uniper has recorded a full impairment on the book value of its loans as well as the accrued interest towards Nord Stream 2 AG. A legal analysis is ongoing to see if it is possible to recover parts or all of the loans provided which would represent a major individual chance for the Uniper Group.		
	Political and regulatory risks/chances	**Earnings and liquidity**	**qualitative**
Sanctions risk	Due to the ongoing Russian war against Ukraine and political tensions between the Western countries and Russia, continuous sanctions imposed in 2022 and their unpredictable nature, sanctions present a major individual risk for the Uniper Group. As Uniper's Russian subsidiary has been deconsolidated, the Group's global trading business now is the main source of potential sanctions risk in view of the volatile legal and regulatory landscape. Due to the Russian war against Ukraine, continuous sanctions have been imposed by multiple jurisdictions including the EU, the UK and the US, which have impacted several sectors including finance, energy, transport, defense, technology, services and trade, among others. The Uniper Group continues to act fully in line with applicable sanction laws. It continues to consult with relevant stakeholders and to actively monitor the situation, including the increasing political tensions between Western countries and Russia, and takes all required actions to ensure compliance with prevailing rules.		
	Market environment risks/ chances	**Earnings and liquidity**	**quantitative**
LNG supply risk	On June 8, 2022, an explosion at the Freeport LNG natural gas export terminal in Texas, USA, led to a temporary shut-down of the facility. The restart of the LNG production is now planned for the first quarter in 2023. Should the restart of operations be delayed further there is a major individual risk that Uniper would need to replace planned cargoes from this location at a higher price.		

The ranking of the risks is discretionary and has no particular meaning.

20230627138845

20230627188846

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Interest rate risks/chances	**Earnings**	**quantitative**
Interest rate risk/ chance	Potential gains and losses from increases or decreases of interest rates used for discounting long-term provisions like pensions and asset retirement obligations are a major chance/risk for the Uniper Group.		
	Financial risks/chances	**Liquidity**	**quantitative**
Margining risk/chance	The Uniper Group regularly concludes transactions on exchanges or – with selected counterparties – over the counter under bilateral margining agreements. These trading channels require collaterals such as cash or guarantees (margins) to be provided to secure counterparty credit risk and will be returned after delivery. The size and direction of potential margin calls are dependent on the exposure of the Uniper Group in the trading channels subject to margining as well as market price developments. During 2022 the margining requirements from Uniper's hedges shrank and the risk for further margin calls has reduced due to expiring positions and reduced hedging activity. However, due to the still elevated commodity price and volatility levels the worst-/best-case impact of this risk/chance still exposes the Uniper Group to a major liquidity risk or chance from margining. The margining-related liquidity risk is measured, monitored, and managed against a given limit considering the restricted availability of liquid funds in the Group. Limit breaches are escalated and managed in line with internal requirements. To ensure its financial flexibility the Uniper Group has implemented a comprehensive stabilization package in cooperation with the German Federal Government in December 2022.		
	Financial risks/chances	**Liquidity**	**quantitative**
Rating downgrade risk	The Uniper Group is exposed to a liquidity risk which is contingent on a downgrade of its long-term credit rating. A potential downgrade from the current BBB- investment grade rating with negative outlook to below investment grade would trigger counterparties' right to demand additional collateral which would need to be provided via liquid assets or bank guarantees. The related risk is measured, monitored, and managed against a given limit. Limit breaches are escalated and managed in line with internal requirements. Compared to the previous year the potential worst-case impact of the risk has decreased significantly due to the expiry of positions, reduced hedging activity, as well as the partial materialization of the risk after a one notch downgrade by S&P during 2022, but still qualifies as major individual risk. A rating downgrade may also lead to banks freezing or cancelling financing instruments that Uniper is currently using, which would put a further strain on Uniper's liquidity situation and also continues to qualify as a major individual risk. On February 2, 2023, S&P published an updated report on Uniper following the EU approval on the amended stabilization package and the implementation of two capital increases totaling about €13bn, which were subscribed by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) at the end of 2022. S&P acknowledged that the stabilization package provides significant clarity on the mechanism to cover losses from replacing missing Russian gas volumes, but kept Uniper's rating unchanged at BBB- with a negative outlook. The negative outlook reflects – inter alia – that the stabilization package remains linked to administrative hurdles and that S&P currently lacks clarity on Uniper's strategic direction and long-term business prospects. Uniper continues to be classified as a "government-related entity" by S&P. A downgrade could be triggered if S&P believed that the likelihood of the German government providing timely extraordinary support was to decrease faster than Uniper's stand-alone credit quality improves. Uniper continues to constantly monitor all rating-related developments and has regular exchanges with the rating agencies.		

The ranking of the risks is discretionary and has no particular meaning.

20230527118847

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Commodity price risks/chances	**Earnings and liquidity**	**quantitative**
Commodity price risk/chance	The Uniper Group's operating activity, in particular the physical assets, long-term procurement contracts, and sales agreements with key customers, is exposed to considerable risks and chances due to the fluctuations in the price of commodities. For Uniper, market price risks/chances arise in the following commodity areas: electricity, gas, coal, freight, oil, liquefied natural gas, as well as for emission allowances and weather products. Due to the still elevated commodity price and volatility levels as well as reduced hedge ratios the potential worst- and best-case impact of such fluctuations qualifies as a major individual risk/chance for the Uniper Group. Commodity risk is monitored and managed as outlined in the chapter "Risk and Chances *Management by Category.*"		
	Information technology (IT) risks/chances	**Earnings and liquidity**	**quantitative**
IT availability risk	Operational and strategic management of the Uniper Group is highly dependent on complex information and communication technology. Technical malfunctions, improper operation by employees, virus attacks, data loss or outages of IT systems can have significant negative impacts on ongoing business operations of individual segments of the Group or the Uniper Group as a whole and result in considerable costs and deterioration of reputation, which increase with the duration of the malfunction. Due to the high commodity price level a potential unavailability of Uniper's IT could lead to higher losses due to which this risk qualifies as major individual risk.		
	Political and regulatory risks/chances	**Earnings and liquidity**	**quantitative**
Gas curtailment cost risk/chance	Since June 14, 2022, Gazprom significantly reduced gas deliveries to Uniper, and completely stopped them since the end of August 2022. As a result, Uniper has suffered on average double-digit million incremental costs daily having to procure gas at the current market prices to fulfill the contractual obligations towards its customers. As of the end of December 2022, this has led to realized incremental costs of more than €13 billion which was covered by an equity injection from the Federal Republic of Germany as part of a stabilization package which was agreed in December 2022. The expected further incremental costs from gas curtailments until the end of 2024 have been considered in the mid-term plan. The residual risk for Uniper is that the incremental replacement purchase costs in future are higher than anticipated so far which qualifies as major individual risk. The realized future incremental costs, the expected future incremental costs and the risk of future incremental gas replacement costs exceeding the expected incremental costs will vary significantly as gas prices change. The risk of non-delivery continues to exist under Uniper's other long-term gas supply *contracts but does not qualify as major individual risk. A continuation of the curtailments could also have* follow-on implications, e.g. on the availability of Uniper's gas-fired power plants and the physical gas deliveries to Uniper's customers. In addition, Uniper is exposed to a major individual chance in case incremental replacement purchase costs are lower than planned which is also significantly dependent on gas prices.		
	Political and regulatory risks/chances	**Earnings and liquidity**	**quantitative**
Temporary tax measures risk	The Uniper Group is exposed to risks from the possibility of temporary tax measures. As part of the EU solidarity package, it has been agreed on the European level to skim revenues from electricity producers that profit from exceptionally high wholesale prices. The respective EU regulation is in force from December 1, 2022, until June 30, 2023, but could potentially be extended into the year 2024. The agreement is currently being implemented at national level with different collection measures (taxes/levies) and with different revenue price caps being set for different technologies in each EU country. In addition, the UK government has introduced a windfall tax for low-carbon electricity producers which might get extended to include further technologies. For the Uniper Group, the possibility to fall in scope of temporary windfall taxes and price caps in several countries qualifies as a major individual risk.		
	People and process risks/ chances	**Earnings and liquidity**	**quantitative**
Employee turnover risk	Due to the current situation for the Company, Uniper is exposed to a heightened employee turnover risk, as employees perceive considerable uncertainty due to the unclarity about the Company's future scope, governance and setup, so that this risk qualifies as a major individual risk.		

The ranking of the risks is discretionary and has no particular meaning.

20230627188-8

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Credit risk	**Earnings and liquidity**	**quantitative**
Credit risk	The Uniper Group is exposed to credit risks associated with business operations and trading activities. Credit risks arise from the non-payment or partial payment of outstanding receivables by counterparties and from replacement risks for open transactions. The credit risk the Uniper Group is exposed to significantly reduced during 2022 due to the expiration of positions with not so well rated counterparties and the revaluation of the Gazprom contracts to zero. However, due to the still elevated commodity price levels the worst-case impact of this risk continues to qualify as a major individual risk for the Uniper Group. The main credit risk contributors are contracts to hedge the Uniper Group's assets, energy sales, and energy procurement. Credit risk is monitored and managed as outlined in the chapter "Risk and Chances Management by Categoryy."		
	Legal risks/chances	**Earnings and liquidity**	**quantitative**
Recovery chances for incremental gas curtailment costs	Following the reduced and ultimately stopped gas deliveries by Gazprom Export, Uniper is pursuing (1) arbitration proceedings, (2) requests for interim relief before the German courts and (3) a set-off against receivables by Gazprom Export. In each case this results in a respective major individual chance of being able to recover parts of Uniper's incremental costs for replacement purchases of gas.		
	Asset operation risks/chances	**Earnings and liquidity**	**qualitative**
Non-insurability risk for property damage and business interruptions	Due to the current generally difficult situation in the insurance markets, especially for insuring business interruptions of energy producers (e.g., due to the high energy price volatility, inflation and supply chain issues), and the historically high exposure of the Uniper Group's power generation plants to physical damage, there is a risk that insurers will limit their scope of cover and make it more expensive. In addition, the return of coal-fired power plants to the market to ensure security of supply is worsening the Uniper Group's ESG profile and could also lead to insurers no longer insuring Uniper risks. In the currently elevated commodity price environment this qualifies as a major individual risk for the Uniper Group.		
	Asset operation risks/chances	**Earnings and liquidity**	**quantitative**
Nuclear waste management cost risk	Under Swedish law, the Uniper Group is required to pay fees to the Swedish Nuclear Waste Fund ("KAF") for its Swedish nuclear operations. For each nuclear power plant operating company, the Swedish Radiation Safety Authority every third year proposes the fees for disposal of high-level radioactive waste and for decommissioning on the basis of the amount of electricity produced or on a time basis, taking into account nuclear-specific inflation rates and risk premiums. The Uniper Group is exposed to the risk of increasing fees to the Nuclear Waste Fund which qualifies as a major individual risk.		
	Asset operation risks/chances	**Earnings and liquidity**	**quantitative**
Unplanned asset unavailability risk	Technologically complex facilities are used in the generation of energy. There is the possibility that human error, technical malfunctions or other events resulting in damages (e.g. natural disasters, strikes, sabotage, and cyber attacks) may negatively affect the availability of the UniperGroup's power plants. Due to the still elevated commodity price levels, the unplanned unavailability of power plants represents a major individual risk for the Uniper Group. Specifically in the nuclear fleet such risk could result from a forced outage to exclude a transferable defect in a safety installation discovered at a similar plant to Uniper's or from an unknown degradation in large components that are difficult to assess (e.g. an unexpected corrosion in a safety component) which could result in a long outage. Both risks for the nuclear fleet each qualify as major individual risk for the Uniper group in addition to the more general aggregated unavailability risk of the remaining fleet.		

The ranking of the risks is discretionary and has no particular meaning.

20230527188849

Additional Risk/Chance Developments to Note

Deconsolidation of PAO Unipro
Uniper deconsolidated PAO Unipro as of December 31, 2022, as despite the majority ownership of the shares, there is no longer any enforceable control over this subsidiary. The loss of control results from the inability to direct Unipro's relevant activities and decisions and from the lack of access to sufficient financial and non-financial information from Unipro, including information on the risk and chances situation. As part of the deconsolidation, the participation book value for PAO Unipro was reduced to a reminder value of €1, and the accumulated ruble translation reserve on the Unipro book value was reclassified to the income statement. The deconsolidation risk reported in the second quarter of 2022 with regard to PAO Unipro has thus materialized, which means that this risk and chances report no longer contains any risks and chances with regard to PAO Unipro.

Assessment of Overall Risk Situation

At the end of December 2022, the stabilization package agreed between Uniper, the German government, and Fortum was implemented after receiving EU approval. The aim of this stabilization package is to mitigate the possible further effects of gas supply cuts and other risks on the liquidity and equity situation of the Uniper Group, thereby safeguarding Uniper's financial stability and investment-grade rating.

Depending on the development of gas prices, the Uniper Group may incur considerable additional or reduced incremental costs from future gas replacement purchases, taking into account the risk provisions already made. Following the implementation of two capital increases in December 2022 totaling around €13.5 billion to cover the incremental costs from gas replacement purchases in 2022, a further €20 billion of authorized capital 2022 is initially available to cover possible future incremental costs for the years 2023 and 2024.

In order to secure liquidity, KfW and Uniper successfully restructured the existing credit line in the first weeks of 2023 while maintaining the guarantee from the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026. On February 2, 2023, S&P published another report on Uniper, keeping Uniper's rating unchanged at BBB- with a negative outlook.

These financing measures significantly improved the Uniper Group's risk-bearing capacity compared to the previous year. Although the implementation of further capital increases as part of the utilization of the authorized capital 2022 to cover the actual future incremental costs from gas replacement purchases as part of the further implementation of the stabilization package is neither legally nor contractually binding for the German government, the Uniper Board of Management considers the implementation to be very likely

In addition, some of the largest liquidity risks to which the Uniper Group was exposed at the end of the year 2021, such as the risk of margin payments, considerably reduced due to expiring positions and reduced hedging activities, which significantly improved the liquidity risk situation of the Uniper Group. The temporarily negative equity in the course of 2022 has also recovered, is positive and like in the previous year sustainable for the earnings risks outside the potential additional costs for gas replacements.

Therefore, in summary the Board of Management of Uniper SE is of the opinion that the application of the going concern principle is appropriate and that there are no material uncertainties associated with events or conditions that, individually or collectively, could cast significant doubt on Uniper's ability to go as a going concern.

20230627138350

Forecast Report

Business Environment

Macroeconomic Situation

The global economy is facing a period of weak growth and, simultaneously, persistently high inflation. Higher real interest rates due to more restrictive monetary policies, continued high energy prices, weak growth in household income and weakening consumer and investor confidence are likely to impact growth, particularly in 2023. The OECD forecasts 2.2% growth in global gross domestic product, although there are likely to be significant regional differences. Europe has been particularly hard hit by the effects of the Russian war against Ukraine and by high energy prices. Production is expected to decline in many European countries in the winter of 2022/2023, including in Germany and the euro area as a whole, as well as in the United Kingdom. In the United States, high inflation and the resulting fall in real wages are holding back growth. The tightening of monetary policy has pushed up interest rates, weakening real estate investment in particular. In China, where the numerous lockdown measures imposed in response to the Covid-19 pandemic have severely impacted economic activity, particularly in the construction sector, growth in 2023 will largely depend on the extent to which construction activity can be revived.

Consumer price inflation is likely to remain elevated for some time in many economies, despite stronger and faster monetary tightening in much of the world and the gradual easing of some supply constraints in the commodity markets. This trend continues to be largely driven by the Russian war against Ukraine, especially in Europe, where industrial companies and consumers will see numerous subsequent price increases for electricity and gas.

Energy Markets

The year 2023 will begin with the same recession fears for the United States and Europe with which 2022 ended. The global economy is hoping for a noticeable economic recovery in China as a result of its departure from its zero-Covid strategy. However, it is likely to be some time before this results in an increase in demand for energy raw materials. In addition, it remains uncertain at present to what extent the measures taken by the G7 countries and Europe against Russia will impact its raw material exports in the medium to long term. For the time being, geopolitical risks will remain and a renewed oil price rally cannot be ruled out. For Europe, the focus will now be on filling gas storage facilities before the winter of 2023/2024.

In 2023, developments on the crude oil markets are likely to depend on the development of global demand, which will be strongly influenced by the speed and intensity of China's economic recovery; in addition, the threat of recessions in the United States and Europe will have a major impact on the demand for oil there. On the supply side, it remains uncertain above all how Russian oil exports will develop. But even for the United States, which could become a net oil exporter in 2023, it is by no means certain at present how domestic oil production companies will react in the future. In addition to increased upstream costs (for materials and wages), this is also due to a change in the industry's focus, which on the one hand is placing greater emphasis on the shareholder, e.g. by reducing debt or through share buybacks, and on the other hand is facing stricter regulation. In addition, it can be assumed that the strategic oil reserves in the United States will take on a not insignificant role in 2023, as they can be used more flexibly in the future. With regard to OPEC+, it remains to be seen whether and to what extent it will again intervene in the event of changes in demand – as it has done repeatedly in the past – by cutting or increasing production volumes.

As in 2022, both coal demand in Europe and the related development of the European coal price will be determined primarily by development of prices on the gas market. Demand for coal will thus remain strong, which is why it can hardly be assumed that prices will fall to the level before the start of the war against Ukraine for the time being. China remains a major uncertainty with regard to sharply rising or falling import figures, which would have a significant impact on the international coal market.

20230527185531

The numerous regulatory measures at EU and national level will continue to influence market activity in 2023. However, some of these instruments still need to be fleshed out with specifics, such as the price correction mechanism and the "joint gas purchases" established at EU level. Some market participants fear that there could be market distortions if these are not implemented properly. In addition, market participants are closely monitoring whether and how the measures already established for 2023 will be met, such as reducing gas demand by at least 15% between August 2022 and March 2023 and meeting the gas storage level targets. The further development of the gas market and gas prices will strongly depend on the success of these measures. Further supply cuts or the complete halt of gas supplies from Russia to the EU could also impact European gas markets and prices. In addition, a pick-up in economic growth in China could also revive LNG demand in Asia, which could lead to stronger competition for LNG supplies. However, it can be assumed that the markets will continue to calm down in 2023, that gas prices will be less volatile, and that the highs of 2022 will not be reached again.

In 2023, the primary supply in emissions trading will remain low, mainly due to continued high transfers to the market stability reserve, and it is expected to continue to be significantly below emissions, so that a further reduction in allowances in circulation and corresponding support for the allowance price can be expected. The preliminary agreement at the European level at the end of December 2022 has significantly reduced the uncertainty regarding supply volumes and future rules in emissions trading. The final confirmation of the trilogue agreement in the formal legislative process, which is still outstanding, should be completed by mid-2023. This gives the market the clear prospect of supply falling significantly faster than previously envisaged within a few years, which should also have a positive impact on price expectations. However, this effect will be counteracted in the near future, at least partially, by bringing forward auctions to finance the "RepowerEU" package, which will allow certificates from a later year to be used in an earlier year ("frontloading"). The geopolitical and macroeconomic environment continues to pose a major risk to the allowance price. If, for example, there were to be a shortage on the gas market and new price spikes in 2023 due to low temperatures or additional supply disruptions, and industrial production were to be curtailed to an even greater extent, this would have negative consequences for demand for emission allowances. Any signs of an intensification or expansion of the Russian war against Ukraine would also be potential risks for the market environment and could have a negative impact on investors' market behavior.

In 2023, Germany's electricity market will continue to be marked by uncertainties regarding the availability of natural gas. The aim of keeping gas consumption for power generation as low as possible will be maintained in order to achieve the highest possible storage levels for the winter of 2023/24. However, this will be complicated by the planned decommissioning of the remaining three German nuclear power plants in mid-April 2023. The original decommissioning date of the end of 2022 was postponed after lengthy political discussions. An important element will therefore be to accelerate the expansion of renewables, both to make more generation capacity available in the short term and to achieve the ambitious targets by 2030. In view of the continuing high energy prices and general inflation, economic development and the resulting gas and electricity demand are subject to uncertainty and could influence price developments.

No new Scandinavian interconnectors will be completed in 2023. The additional interconnector from Germany to Sweden ("Hansa Power Bridge"), planned for the medium term, will be delayed due to challenges in the existing power grid on the mainland. The planned commissioning of Olkiluoto 3, in March 2023 at the earliest, will mean an increase in nuclear power plant capacity for Finland from the current 2.8 GW to 4.4 GW, and will represent a significant increase in Finland's conventional generation capacity. In addition, the expansion of wind power will continue. Numerous new installations are planned for Sweden and Finland in 2023. As grid congestion will remain from East to West Scandinavia, a simultaneous high availability of wind and hydroelectric power will continue to cause strong price differences in the Scandinavian price regions. Southern Norway's export opportunities to the European continent and the UK also contribute to this.

20230527188852

More than ever, the outlook for 2023 is fraught with uncertainty for the UK electricity market. Above all, the combination of high energy prices and persistent inflation underscores the weak economic outlook, making a recovery in electricity demand appear unlikely in the near future and pointing strongly to a continuation of the decline in demand. In addition to this uncertainty on the demand side, the importance of renewable energy sources as a substitute for conventional power generation is once again coming into focus. Particularly due to the increasing demand for electricity from mainland Europe and the simultaneous shutdown of nuclear power plants, as in 2022, security of supply will be a key objective, especially in the winter months. In addition to the capacity market already in place, the UK grid operator has therefore decided on two further measures to ensure security of supply: firstly, the operating lives of five coal-fired power plant units have been extended and placed in an emergency reserve. Secondly, with the Demand Flexibility Service, a mechanism has been developed to actively influence the demand for electricity.

Forecasting Methods

Uniper continuously reviews its outlook for its medium-term earnings and financial situation. The Company usually publishes a forecast of the expected development of the main controlling factors, including an outlook for adjusted EBIT and adjusted net income.

However, the ability to provide an outlook for 2023 is significantly impaired. Gazprom began reducing Russian gas supplies on June 14, 2022. After a period in which there were interruptions of varying amounts, Gazprom completely suspended gas supplies to Uniper at the end of August 2022. There are also major uncertainties regarding the further development of the geopolitical situation and the duration and scope of Russian gas supply restrictions for 2023. At the same time, the procurement of replacement volumes on the market will take place at market prices applicable at that time. The future development of these prices is difficult to estimate. These circumstances, as well as the resulting high volatility in electricity prices, may therefore lead to a high level of volatility in IFRS net income/loss, adjusted EBIT and adjusted net income in 2023 fiscal year that cannot be influenced by Uniper.

Anticipated Earnings and Financial Condition, General Statement on Expected Future Development

Gazprom began reducing Russian gas deliveries on June 14, 2022. After a period of supply interruptions varying in extent, Gazprom completely discontinued gas deliveries to Uniper from the end of August 2022. Gazprom is thus in breach of the long-term gas supply contracts and has become an unreliable supplier for Uniper and a destabilizing element for the German gas market. This has already resulted in significant volatility in both electricity and gas prices in Germany in 2022. There are also major uncertainties regarding the further development of the geopolitical situation, as well as the duration and scope of gas deliveries not made by Gazprom. Moreover, replacement volumes are procured on the market at market prices prevailing at the time, and the future development of these prices is difficult to estimate. These circumstances, along with the resulting highly volatile electricity prices, may therefore lead to a high volatility of adjusted EBIT in the Global Commodities and European Power Generation operating segments in the 2023 fiscal year that cannot be influenced by Uniper.

Against this backdrop, Uniper expects the Uniper Group's adjusted EBIT for 2023 to be above the prior-year level (-€10,859 million).

20230627118853

For the operating segments, this means in particular:

Uniper expects adjusted EBIT in the European Generation segment to be above the prior-year level in 2023. In addition to the expected impact of volatile prices for gas, coal and carbon on earnings, this results from a fundamentally higher average price level in 2023 compared to 2022 and the absence of negative one-off effects in the prior year.

For the Global Commodities segment, Uniper expects adjusted EBIT in 2023 to be higher than the prior year based on gas prices as of December 31, 2022, mainly due to expected lower expenditures for replacement procurement resulting from the gas supply restrictions. In the 2023 fiscal year, gas prices are expected to remain highly volatile, therefore resulting in volatility in the additional costs from gas replacement procurement.

For adjusted net income, Uniper expects an increase over the 2022 fiscal year (-€7,386 million). In addition to the expected continued impact of volatile prices for gas, coal and carbon on earnings, another significant factor is lower expected additional costs for the procurement of replacement gas in the 2023 fiscal year.

The disclaimer statement on the inside cover page of this Annual Report applies, in particular, to the forward-looking statements made here.

Planned Financing Initiatives

At the Extraordinary General Meeting on December 19, 2022, a large majority of Uniper shareholders approved the creation of an Authorized Capital of up to roughly €25.0 billion. The Authorized Capital 2022 is to be used to offset realized losses in 2022 and expected losses in 2023 and 2024 in connection with gas replacement procurements as a result of Russian gas supply restrictions in equity. Roughly €5.5 billion of the Authorized Capital 2022 were already utilized in December 2022.The shareholders' statutory subscription right is excluded. Only the Federal Republic or a unit of the Federal Republic (cf. Art. 29 par. 6 EnSiG) is admitted to subscribe for the new shares. New shares will be issued at an issue price of €1.70 per share. Until the implementation of the respective capital increase from the Authorized Capital, interim financing will be provided via the existing KfW credit-facility.

In addition, the Uniper Group plans to finance net investment spending projected for 2023 predominantly from the operating cash flow it expects to generate in 2023 and, if necessary, with additional financing measures. The same applies to the financing of temporary working capital or margining requirements. On the one hand, Uniper will use its existing financing instruments described in the chapter "Financing instruments" of the management report. Alternatively, refinancings or adjustments within the spectrum of available financing instruments are possible in 2023. In addition, Uniper may use various operating measures to generate liquidity.

For the 2023 fiscal year, Uniper SE reports maturities of financial liabilities towards private banks in an amount of €0.7 billion (last year: €1.8 billion). This includes two promissory notes maturing in 2023 (€0.5 billion) and the repayment of a €0.2 billion share in Uniper's revolving credit facility relating to the termination by two banks.

20230627188854

Forecast Non-Financial Performance Indicators

As of December 31, 2022, the business activities of Russian Power Generation were deconsolidated owing to the loss of decision-making rights and inability to direct activities and classified as discontinued operations in the 2022 Annual Report. A forecast of the non-financial performance indicators is therefore not required for this business unit.

Direct Carbon Emissions (Scope 1)

The direct CO_2 emissions (Scope 1) are expected to be significantly above the prior-year level for the European Generation segment in 2023 due to higher overall hard-coal power plant utilization compared to the previous year. To meet requirements for security of supply and system stability in Europe, higher generation from hard-coal-fired power plants Datteln 4, Ratcliffe, Heyden 4, and Maasvlakte 3 is expected.

This forecast includes numerous uncertainties that can only be estimated to a limited extent, such as the resulting electricity prices and prices for raw materials (natural gas, hard coal) and CO_2 that are relevant to the use, the actual technical availability of the thermal plants, and the actual customer demand.

HSSE & Sustainability Improvement Plan

In light of developments in recent years that have led to a challenging work environment, the focus of the 2023 HSSE & Sustainability Improvement Plan will be on the mental health of Unipers' employees. The plan will drive the commitment of Uniper leaders to further strengthen Uniper's health culture by developing physical and mental health activities. Furthermore, the Improvement Plan commits the Uniper leadership to foster HSSE & Sustainability awareness through "Care Moments", which are discussions with employees on experiences and topics within all HSSE & Sustainability areas.

The preparatory work to successfully launch the HSSE & Sustainability Improvement Plan 2023 has already been initiated, which is why Uniper expects to be 100% compliant with the HSSE & Sustainability Improvement Plan in 2023.

Proportion of Women in Leadership Positions

Detailed information on the target for the proportion of women in the first and second management levels in the Uniper Group for the period from July 1, 2017, to June 30, 2022, is provided on page 63 in the Combined Management Report. For the same forecast period, page 105 in the Combined Management Report presents the target figures for the proportion of women at Uniper SE on the Supervisory Board, the Board of Management and the two management levels.

20230527168355

Internal Control System for the Accounting Process (Disclosures Pursuant to Section 289 (4) and Section 315 (4), of the German Commercial Code on the Internal Control System for the Accounting Process)

General Principles of the Accounting Process

Uniper's Consolidated Financial Statements are prepared in accordance with Section 315e (1) of the German Commercial Code (HGB) and with those International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee interpretations (IFRS IC) that were adopted by the European Commission for use in the EU as of the end of the reporting period, and whose application was mandatory as of the balance sheet date.

The annual financial statements of Uniper SE are prepared in accordance with the provisions of the German Commercial Code, the SE Regulation in conjunction with the German Stock Corporation Act (AktG), and the German Energy Industry Act (EnWG). Uniper prepares a Combined Management Report that applies to both the Uniper Group and Uniper SE.

Accounting Process

All companies included in the Consolidated Financial Statements must comply with uniform accounting and reporting guidelines for consolidated annual and interim financial statements. The guidelines describe the applicable principles of accounting and measurement consistent with IFRS, and they additionally explain and interpret accounting rules that are particular to Uniper. Changes to laws, new or amended accounting standards and other pronouncements are analyzed regularly in terms of their relevance to and impact on the Consolidated Financial Statements and, if necessary, reflected in updates to policies and to systems.

The Group companies are responsible for preparing their financial statements in a proper and timely manner. They receive substantial support from Uniper Financial Services GmbH (UFS) in Regensburg, Germany, and, in some cases, from a local external service provider, both of which kept accounts and performed work on the annual financial statements. The financial statements and Group packages of subsidiaries included in consolidation are combined centrally at Uniper SE to form the consolidated financial statements. The specialist department for consolidation is responsible for performing consolidation activities and for monitoring adherence to guidelines for scheduling, processes and content. Monitoring of system-based automated controls is supplemented by manual checks.

Additional qualitative and quantitative information relevant to accounting and financial reporting is compiled within the year-end closing processes. Furthermore, dedicated quality-control processes are in place for all departments involved to discuss and ensure the completeness and accuracy of relevant information on a regular basis, and, where appropriate, to present it in the consolidated financial statements.

The preparation of Uniper SE's separate annual financial statements is being supported by information technology. The accounting and preparation processes are divided into discrete functional steps. The transactional processes relating to subsidiary ledgers, bank activities and financial back office and general ledger processes for the German group companies are performed by UFS, as in the previous year; international general ledger processes are mainly performed within the respective national subsidiaries. Both automated and manual controls are integrated into each step. Defined procedures ensure that all transactions and the preparation of the annual financial statements are recorded, processed, assigned on an accrual basis and documented in a complete, timely and accurate manner. Relevant data from Uniper SE's separate annual financial statements are, where necessary, adjusted to conform with IFRS and then transferred to the consolidation software system using software-supported transfer technology.

20230627188856

Internal Control System

The internal control system (ICS) is designed to ensure the effectiveness and efficiency of business processes, the reliability, timeliness and transparency of internal and external reporting, and compliance with applicable laws and regulations, and thus in particular to prevent material misstatements in the consolidated financial statements, the combined management report and the interim reports due to errors as well as fraudulent acts.

The following explanations concerning the ICS generally relate to the accounting process for both the consolidated and the separate financial statements.

Internal controls are an integral part of Uniper's accounting processes. Uniform accounting requirements and procedures are defined for the entire Uniper Group in a standardized set of guidelines. These guidelines encompass general and specific requirements, as well as standards for establishing, documenting and evaluating internal controls and the final sign-off process.

The ICS is based on the globally recognized COSO framework (COSO: Committee of Sponsoring Organizations of the Treadway Commission). The specific ICS requirements are defined in a centralized risk catalog, which encompasses company- and industry-specific aspects, defines possible risks to the accounting processes and thus serves as a checklist and provides guidance for the establishment and documentation of internal controls within the different functions. Controls covering the risks defined in the risk catalog are documented in a central IT application. The general ICS requirements form another key component of the ICS: they define the overarching ICS principles that are fundamental to every function within the Uniper Group.

The internal sign-off process is based, among other things, on an annual assessment by functional owners of compliance with the basic ICS requirements as well as processes and controls for which they are responsible, and comprises a statement concerning the effectiveness of the ICS that is in place. All functions within the Uniper Group are involved in this process before the Board of Management of Uniper SE signs off on effectiveness of the ICS for the Uniper Group as a whole.

Uniper SE Supervisory Board's Audit and Risk Committee will be regularly informed about the ICS and any significant issue areas it identifies in the Uniper Group's various processes. In the areas where there issues are identified by Internal Audit, measures to improve the ICS are developed together with process managers; the implementation of these measures is tracked by the Internal Audit department in a related process.

External service providers provide IT services for most of the Uniper Group's entities. The effectiveness of the automated controls in the standard accounting software systems and in key additional applications depends to a considerable degree on the proper functioning of IT systems. These IT controls primarily involve ensuring the proper functioning of access-control mechanisms of systems and applications, of daily IT operations (such as emergency measures) of the program change process and of the management of external IT service providers.

20230527183857

Closing Statement by the Board of Management in Accordance with Section 312 (3) AktG

In summary, the Board of Management of Uniper SE issues the following closing statement in accordance with Section 312 (3) AktG: "Under the circumstances that were known to us at the time of such legal transactions being undertaken, the Company was not disadvantaged in the reporting period between January 1 and December 21, 2022 as a result of the legal transactions listed in the report on the relationships with affiliated companies.
In the reporting period between January 1 and December 21, 2022, the company was not disadvantaged by any measures taken by the Uniper Group (Uniper SE and its subsidiaries) at the instigation or in the interest of the controlling company (Fortum Deutschland SE as well as the entities and persons directly or indirectly holding an interest in Fortum Deutschland SE, including Fortum Oyj or the Republic of Finland) or any of its affiliates.
No measures were taken or omitted with third parties during the reporting period at the instigation or in the interest of the controlling companies (Fortum Deutschland SE as well as the companies and persons directly or indirectly participating in Fortum Deutschland SE, including Fortum Oyj and the Republic of Finland, respectively) or an affiliated company subordinate to these companies."

Additional Disclosures Regarding Takeovers in Accordance with Sections 289a and 315a of the German Commercial Code

Composition of Capital Stock

The capital stock amounts to €14,160,161,306.70 € (prior year – €622,132,000) and consists of 8,329,506,651 (prior year: 365,960,000) no-par-value shares (shares without nominal amount). The shares are registered shares. Each share of stock has the same rights and one vote at a Shareholders Meeting.

Restrictions on Voting Rights or the Transfer of Shares

In the cases provided for by Section 136 of the German Stock Corporation Act (AktG), voting rights pertaining to the affected shares are excluded by law. Accordingly, if Uniper SE acquires and holds treasury shares, Section 71b AktG prohibits the exercise of rights pertaining to such shares.

There are no other known restrictions on voting rights or the transfer of shares.

Direct or Indirect Shareholdings Exceeding 10% of Voting Rights

By resolution of the extraordinary general meeting of December 19, 2022, the shareholders of Uniper SE resolved to increase the subscribed capital (capital stock) of Uniper SE by €8,000,000,000.10 from €622,132,000.00 to €8,622,132,000.10 by issuing 4,705,882,353 new registered no-par-value shares. The proportionate arithmetical amount of the capital stock continues to be €1.70 per no-par-value share. The shareholders' statutory subscription rights were excluded. Only the German federal government or a person specified in section 29(6) EnSiG was admitted to subscribe for the new shares. UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) subscribed for all new shares.

20230527118858

In addition, the Board of Management was authorized, in connection with the stabilization of the Company pursuant to Section 29 EnSiG, with the approval of the Supervisory Board, to increase the capital stock of the Company by up to €25,000,000,000.10 by December 18, 2027, by issuing, on one or more occasions, a total of up to 14,705,882,353 new no-par-value registered shares against cash contributions and/or contributions in kind (authorized capital pursuant to Section 29 (2) Sentence 1 Nos. 2, 4 and 6, (3), (5) and (6) EnSiG in conjunction with Sections 7b, 7 (3), 7f, 9 (1) WStBG, Authorized Capital 2022).

On December 21, 2022, the Board of Management of Uniper SE resolved, with the approval of the Supervisory Board, to increase the capital by using the Authorized Capital 2022 created by the general meeting on December 19, 2022. The capital stock of the Company of EUR 8,622,132,000.10 was increased by EUR 5,538,029,306.60 to EUR 14,160,161,306.70 by issuing 3,257,664,298 new registered no-par-value shares with a pro rata amount of the capital stock of EUR 1.70 per new share (new shares) against cash contributions. The shareholders' statutory subscription rights were excluded. Only the German federal government or a person specified in Section 29 (6) EnSiG was admitted to subscribe for the new shares. UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) subscribed for all new shares.

In connection with the capital increase and the utilization of the authorized capital, UBG Uniper Beteiligungsholding GmbH also acquired all shares in Uniper SE held by Fortum Deutschland SE: Since then [December 22, 2022], UBG Beteiligungsholding GmbH has thus held a total stake of 99.12% in Uniper SE.

Statutory Requirements and Provisions in the Company's Articles of Association Regarding the Appointment and Removal of Board of Management Members and Amendments to the Articles of Association

Pursuant to the Company's Articles of Association, the Company's Board of Management consists of at least two members. The Supervisory Board determines the number of members and decides on their appointment and removal.

The Supervisory Board appoints members to the Board of Management for a term not exceeding five years. Reappointments are permissible. The Supervisory Board can appoint one of the members of the Board of Management as its Chairman. In the absence of a required Board of Management member, the courts make the necessary appointment in urgent cases. The Supervisory Board can revoke the appointment of a member of the Board of Management and the appointment as Chairman of the Board of Management for serious cause.

Resolutions of the Shareholders Meeting are adopted with the majority of valid votes cast, unless otherwise stipulated by mandatory law or the Articles of Association. Unless another type of majority is stipulated by mandatory legal provisions, amendments to the Articles of Association require a majority of two-thirds of the votes cast or, if at least one-half of the capital stock is represented, a simple majority of votes cast. This does not apply for changing the purpose of the Company, for a resolution according to Article 8 (6) of the SE Regulation and for other cases requiring a higher majority of capital.
The Supervisory Board is authorized to decide by resolution on amendments to the Articles of Association that affect only their wording and, in particular, is authorized to revise the wording of the Articles of Association upon utilization of authorized or contingent capital.

Authority of the Board of Management to Issue or Buy Back Shares

Authorized Capital

The Board of Management is authorized, subject to the Supervisory Board's consent, to increase the Company's capital stock until May 18, 2026, by up to €145,112,289 through the issue on one or more occasions of up to 85,360,170 new no-par-value registered shares against cash and/or non-cash contributions (Authorized Capital 2021).

The Board of Management may, subject to the Supervisory Board's consent, exclude the subscription right that must, in principle, be granted to shareholders. Such exclusion of subscription rights is possible when shares are issued against cash contributions in the amount of up to 10% of the capital stock then existing or—should this value be lower—the capital stock existing when the authorization is exercised. Subscription rights may also be excluded when shares are issued against non-cash contributions, but only to the extent that the shares issued under such authorization against non-cash contributions do not represent in the aggregate more than 10% of the capital stock then existing or—should this value be lower—the capital stock existing when the authorization is exercised. Furthermore, shareholder subscription rights may also be excluded with regard to fractional amounts and when shares are issued to persons employed by the Company or one of its affiliates.

In addition, in connection with the stabilization of the Company in accordance with Section 29 EnSiG, the Board of Management is authorized, with the approval of the Supervisory Board, to increase the Company's capital stock by up to €25,000,000,000.10 by December 18, 2027, by issuing on one or more occasions a total of up to 14,705,882,353 new registered no-par-value shares against cash and/or non-cash contributions (authorized capital under Section 29 (2) sentence 1 nos. 2, 4 and 6, (3, 5 and 6) EnSiG in conjunction with Sections 7b, 7 (3), 7f, 9 (1) WStBG, Authorized Capital 2022). The shareholders' statutory subscription rights are excluded. Only the German federal government or a person specified in Section 29(6) EnSiG will be admitted to subscribe for the new shares. On December 21, 2022, the Board of Management of Uniper SE resolved, with the consent of the Supervisory Board, to increase the capital by using the Authorized Capital 2022 created by the general meeting on December 19, 2022. The capital stock of the Company of €8,622,132,000.10 was increased by €5,538,029,306.60 to €14,160,161,306.70 by issuing 3,257,664,298 new registered no-par-value shares with a pro rata amount of the capital stock of €1.70 per new share (new shares) against cash contributions. UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) subscribed for all new shares. The remaining Authorized Capital 2022 now amounts to €19,461,970,693.50.

Convertible Bonds and Warrant-Linked Bonds

The Board of Management is authorized, subject to the Supervisory Board's consent, to issue debt instruments during the period up to May 18, 2026, having a total nominal value of up to €1,000,000,000 that, respectively, grant rights or impose obligations of conversion or purchase, in accordance with the relevant terms and conditions of the bonds and warrants, with respect to up to 85,360,170 no-par-value registered shares of the Company, representing a pro-rata interest in its capital stock of up to €145,112,289 in total, to or on the holders or creditors of the bonds or warrants.

The bonds may also be issued by an affiliate of the Company against cash and/or non-cash contributions. Here, too, the Board of Management may, with the Supervisory Board's consent, exclude the subscription right to which shareholders are entitled in principle. In connection with these convertible bonds and warrant-linked bonds, conditional capital was created by shareholder resolution. Pursuant thereto, the capital stock is conditionally increased by up to €145,112,289 through the issue of up to 85,360,170 no-par-value registered shares for the purpose of granting shares upon exercise of rights and obligations of conversion or purchase.

20230527165859

20230527118850

Purchase of Treasury Shares

The Company is authorized until May 18, 2026, to acquire treasury shares up to a total of 10% of the capital stock.

At the Board of Management's discretion, such purchase may take place on the stock exchange, by way of a purchase offer addressed to all shareholders, a public offering or a public solicitation of offers for the exchange of liquid exchange shares for Company shares (so-called "exchange offer"), or through the use of derivatives (put or call options or a combination of both). The Board of Management is also authorized, subject to the Supervisory Board's consent and excluding shareholder subscription rights, to use shares of the Company in a specified manner. The Board of Management is further authorized to cancel treasury shares without requiring a separate shareholder resolution to that effect.

Offsetting Clause

As a result of offsetting clauses to that effect, the aforementioned authorizations to exclude subscription rights with respect to the Authorized Capital 2021, the convertible bonds and warrant-linked bonds and the use of treasury shares are offset during period of their validity in such a way that any new shares thus issued or sold, and any shares that are to be issued based on rights that enable or require the subscription of Company shares, notionally do not account for more than 10% of the capital stock then existing or—should this value be lower—the capital stock existing when the authorizations are exercised.

Significant Agreements to which the Company is a Party that Take Effect on a Change of Control of the Company Following a Takeover Bid

Some material contracts for the financing of the Company provide for a right of termination for the lending parties in the event of a change of control. The right of termination is partly subject to further conditions. Given the change of control to the Federal Republic of Germany, the vast majority of banks waived their right of termination in this respect in the fourth quarter of 2022.

Additional information on financial liabilities can be found under "Financial Condition" in the Combined Management Report and in Note 25 to the Consolidated Financial Statements.

Settlement Agreement between the Company and Board of Management Members or Employees in the Case of a Change-of-Control Event

In the event of a premature loss of a Board of Management position due to a change-of-control event, the members of the Board of Management are entitled to receive a settlement.

The change of control clause stipulates that a change of control can take four forms:
(i) a third party directly or indirectly acquires at least 30% of the Company's voting rights, and thus reaches the control threshold under the German Securities Acquisition and Corporate Takeover Act (WpÜG); (ii) Uniper SE, as a dependent entity, enters into a control and/or profit and loss transfer agreement; (iii) Uniper SE is merged with another company pursuant to Sections 2 et seq. of the German Transformation Act (UmwG), unless the enterprise value of the other legal entity at the time of the decision by the transferring company amounts to less than 20% of the enterprise value of Uniper SE; or (iv) the Uniper SE share is no longer admitted to a regulated market (de-listing).

20230627188S1

The settlement is limited to the compensation for a period of two years (settlement cap), but at most for the remaining term of the service contract and additionally at most until the month in which the Board of Management member reaches the age of 62.

The entitlement to the settlement arises if the service contract of the Board of Management member ends within 12 months of the change of control by mutual agreement or by termination by the Board of Management member; termination by the Board of Management member himself/herself is only possible if the change of control has a significant effect on the Board of Management position.

Remaining Items of Sections 289a and 315a of the German Commercial Code

The remaining items of Sections 289a and 315a of the German Commercial Code not discussed here concern issues not present within Uniper SE.

Declaration on Corporate Governance in Accordance with Section 289f and Section 315d of the German Commercial Code

Declaration on the Corporate Governance Code Made in Accordance with Section 161 of the German Stock Corporation Act by the Board of Management and the Supervisory Board of Uniper SE

Pursuant to section 161 (1) sentence 1 of the German Stock Corporation Act (Aktiengesetz- AktG), the Board of Management and the Supervisory Board of Uniper SE shall declare annually that the recommendations of the "German Corporate Governance Code" have been and are being complied with, or which of the Code's recommendations are not being applied and why.

I. Pursuant to section 161 of the German Stock Corporation Act (AktG), the Board of Management and the Supervisory Board of Uniper SE declare that since the last declaration of compliance was issued in January 2022 and updated in August 2022 Uniper SE ("the company") has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on 16 December 2019 ("GCGC"), as published by the German Federal Ministry of Justice and Consumer Protection in the official part of the Federal Gazette on 20 March 2020, ("GCGC 2019") and the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on 28 April 2022, as published by the German Federal Ministry of Justice in the official section of the Federal Gazette on 27 June 2022 ("GCGC 2022"),as set out below:

1. According to Section F.2 second half sentence of GCGC 2022, the mandatory interim financial information shall be made publicly accessible within 45 days from the end of the reporting period.

   Uniper SE published its half-year report 2022 on 17 August 2022. The publication date is thus 48 days after the end of the reporting period, which ended on 30 June 2022, and does not comply with the publication deadline set out in clause F.2 second half sentence of the GCGC 2022.

   Against the background of Uniper SE's negotiations with the German government and with Uniper's majority shareholder at that time Fortum Oyj on a stabilization package for Uniper, the actual effects of the individual elements of the stabilization package on Uniper SE's figures first had to be finally assessed. The publication of the half-year report 2022 therefore had to be postponed to 17 August 2022.

20230627183852

2. According to the recommendation in section G.10 of the GCGK 2019/GCGK 2022, the variable remuneration amounts granted to the members of the Board of Management should be invested by them predominantly in shares of the company or granted accordingly on a share-based basis. The members of the Board of Management should only be able to dispose of the long-term variable grant amounts after four years.

   In March 2020, the Supervisory Board and the Board of Management adopted an ambitious strategy for Uniper, under which Uniper's fossil fuel businesses are to be decarbonised, thereby placing the business model on a stable sustainable foundation. Against this background, the variable remuneration granted to the Board of Management is linked to key indicators of financial performance, strategic transformation success and certain ESG criteria, in deviation from the above recommendation. In this way, the system sets the right incentives to increase medium and long-term performance in line with the company's new strategy.

   The assessment period of the long-term variable remuneration at Uniper SE is three years, in line with the business cycle and corporate planning.

3. The framework agreement between Uniper SE and the Federal Republic of Germany dated 19 December 2022 contains significant restrictions with regard to the remuneration of the Board of Management and, in particular, excludes variable remuneration. Against this background, the provisions in section G of the GCGC 2022 could partially not be applied as of 19 December 2022.

II. The Board of Management and the Supervisory Board further declare that the recommendations of the GCGC 2022 will be complied with in the future, taking into account the restrictions described above in section I.3.

Düsseldorf, January 2023

The Supervisory Board The Board of Management

This Declaration is continuously available to the public on the Company's Internet site at https://ir.uniper.energy/websites/uniper/English/6500/corporate-governance-policy.html

20230527188S3

Relevant Information about Management Practices

Corporate Governance

Uniper SE is a European Company (Societas Europaea, "SE"). The governing bodies of the Company are the Board of Management (*Vorstand*), the Supervisory Board (*Aufsichtsrat*) and the Annual General Meeting (*Hauptversammlung*). The Company has a two-tier corporate governance structure. The Board of Management and the Supervisory Board work independently of one another. A member of the Company's Supervisory Board may not, in principle, be a member of the Company's Board of Management at the same time. Prior to the conversion into a European Company through a change in legal form, Uniper SE was constituted as a German stock corporation, Uniper AG.

Good corporate governance is of the highest priority at Uniper SE. It is ensured through close and efficient collaboration between the Board of Management and the Supervisory Board for the good of the Company, it guides all decision-making and ensures that the Company's success is earned responsibly and sustainably. Board of Management members and members of the Supervisory Board shall serve the interests of the Company. No member of the Board of Management or of the Supervisory Board may pursue personal interests when making decisions.

The Company's Board of Management and Supervisory Board subscribe to the goals of the German Corporate Governance Code, which seeks to promote responsible, transparent corporate governance and controls aimed at enhancing enterprise value in the long term. In that respect, Uniper SE is also, with one exception, in compliance with the suggestions of the Code, which are only voluntary. In contrast to G.14 of the GCGC, which states that commitments for benefits due to the premature termination of the employment contract by the board member as a result of a change of control should not be agreed upon, Uniper SE's compensation system provides for an early payment of multi-year variable compensation components in cases where a continuation up to the planned date does not correspond to the regulatory purpose (i.e. change-of-control situation, death).

Full details of the compensation of the Board of Management and Supervisory Board can be found in the Compensation Report on our website (https://ir.uniper.energy/websites/uniper/English/6000/corporate-governance.html).

At the time this report was prepared, the current members of the Board of Management and the Supervisory Board of Uniper SE together hold 152 shares of the Company, of the total of 8,329,506,651 shares issued.

Integrity

Uniper's business activities are grounded in integrity and respect for the law. They are based on the Uniper Code of Conduct, in the last updated version in 2021, approved by resolution of the Board of Management. The Code requires that all employees in all of the Group companies comply with all laws and regulations and with Company policies. The Board of Management and line managers serve as role models and must act accordingly. The Code sets out principles for dealings with business partners, third parties and government institutions, particularly with regard to laws on combating corruption, money laundering and the financing of terrorism, on compliance with international economic sanctions and with antitrust law, the granting and accepting of benefits, the handling of donations and sponsoring, the involvement of intermediaries, and the selection of suppliers and service providers, as well as the avoidance of conflicts of interest (e.g. non-competition clause, sideline activities, financial interests). Other rules relate, among other things, to the observance of human rights, the promotion of diversity, equality and inclusion, the guarantee of a safe, secure and healthy working environment, the handling of information and of the Company's property and resources. In accordance with the Supplier Code of Conduct, which is an integral part of all contracts with suppliers, the main principles of conduct set out in the Code of Conduct also apply to Uniper's (upstream) suppliers. The rules governing the compliance organization ensure that reported breaches of the Code of Conduct are clarified, assessed, remedied and sanctioned by the respective compliance officers responsible and the Chief Compliance Officer of the Uniper Group. All employees can report violations of the Code of Conduct, anonymously if they wish, via the existing whistleblower system. The whistleblower system is equally available to all third parties (such as customers and suppliers) who have a business relationship with Uniper.

20230627138854

Diversity Concept

Uniper takes Diversity, Equity & Inclusion (DEI) seriously and pursues a strategic approach to help cultivate a workplace where everyone can thrive personally and professionally. At the end of 2021, the Uniper Board of Management adopted a new Diversity, Equity & Inclusion (DEI) strategy for 2022-2024. The sharpened DEI strategy aims to engage the entire company to take even greater steps to ensure that Uniper develops a working environment in which DEI is fully lived. The DEI strategy takes into account all dimensions of diversity and builds on different action fields: talent, leadership, organization, governance, marketplace and society. It addresses all areas of the organization, including processes, policies, culture and learning and (talent) development.

In 2022, the Uniper's DEI council had been founded – a new DEI governance function that combines Uniper-wide expertise and is formed by a group of members from different business areas and all Board areas. The DEI council meets on a quarterly basis and is ultimately responsible for steering the DEI strategy that was implemented at the beginning of 2022.

Since 2016, Uniper has been an active member of the German Diversity Charter (Charta der Vielfalt), a corporate initiative to promote diversity at companies and institutions in Germany. The Diversity Charter has been signed by over 3,000 companies in Germany who respect and are committed to promoting diversity in the seven dimensions of gender, nationality or ethnic background, religion or worldview, disability, age/generations, sexual orientation and identity, and social background.

Internal Control and Risk Management System

The internal control and risk management system, which also includes a compliance management system aligned with the Company's risk situation, is governed by binding Group-wide rules in the form of guidelines and directives. Control and risk officers implement the requirements of the internal control system and take specific risk management and compliance measures. This also includes sustainability aspects, which are continuously developed on the basis of regulatory requirements.

The close link between the internal control and risk management system and compliance is intended to ensure the highest possible level of effectiveness with regard to the avoidance and management of risks. The main features of the internal control and risk management system can be found in the sections "Risks and Chances Report", "Internal Control System for the Financial Reporting Process" and "Compliance Management System".

Internal Audit supports the monitoring of the regularity, security, appropriateness and effectiveness of the implemented processes, internal controls and risk management through independent audits. In doing so, it supports the Executive Board or management in performing its monitoring function and reports directly and independently to the Board of Management and the Audit and Risk Committee of the Supervisory Board. This monitoring support also includes coverage of the system regarding Uniper's sustainability-related targets and the processes for recording and processing sustainability-related data.

The Board of Management has defined and implemented a framework for Uniper by implementing an approach involving the close link between internal control, risk and compliance, which is aimed at an appropriate and effective internal control and risk management system. Based on its involvement with the internal control and risk management system and the reporting by Internal Audit, the Board of Management is not aware of any circumstances that would argue against the appropriateness and effectiveness of these systems. [1]

[1]This paragraph is a "disclosure unrelated to the management report", because the German Corporate Governance Code (GCGC) provides for disclosures on the internal control and risk management system that go beyond the statutory requirements for the management report. These disclosures are therefore excluded from the auditor's review of the content of the management report.

20230527188655

Compliance Management System
The ICS and the Enterprise Risk Management System also include a Compliance Management System (CMS) aligned with the risk situation of the Company. The structure of the CMS is based on the prevailing standard IDW PS 980 published by the Institute of Public Auditors in Germany (IDW) and consists of the following core elements:

Compliance culture: Uniper is convinced that a high level of integrity is essential for a sustainable company. Compliance is an essential part of this. Uniper practices integrity and is a trustworthy business partner. Integrity concerns everyone, but is most effective in a corporate culture that emphasizes honesty and integrity and in which the Board of Management and senior executives lead by example (tone at/from the top). To this end, all members of the management team and the Board of Management must explicitly commit to the Uniper Code of Conduct and confirm in writing at the end of each year that they have followed the Code of Conduct in their area of responsibility.

Compliance objectives: The main objectives of the CMS are to identify compliance risks and to prevent compliance violations. The CMS also includes reporting on compliance violations that have occurred in order to develop and implement necessary responses and improvements to the CMS.

Compliance risks: Preventing potential compliance risks requires continuous awareness of these risks. As a matter of principle, a structured process assesses how effectively compliance risks are managed at least every second year. It focuses on the risk areas of corruption, antitrust law, money laundering and terrorist financing, economic sanctions, capital market and trading compliance. Sustainability-related risks and other compliance-related risks are additionally covered by other risk management systems which are closely linked to the CMS. Both the CMS and the sustainability risk management system include a process according to which Uniper's business partners and suppliers must be checked for compliance- and sustainability-relevant risks and known risks must be systematically mitigated.

Compliance program: The compliance program focuses on establishing suitable and necessary processes to prevent compliance violations. This includes not only the early detection of potential compliance violations (e.g. by implementing a whistleblower system), but also the appropriate response to compliance violations. The program is based on a comprehensive set of internal rules: The Uniper "Code of Conduct" defines the basic standards of conduct that must be observed by all employees in the business units and in their relationships with customers, external partners and the public. The Uniper "Supplier Code of Conduct" defines the principles and standards of conduct expected of business partners and suppliers. In addition, there are rules and regulations for all compliance-relevant risk areas that guide and support all employees in complying with the fundamental principles of conduct on a topic-specific basis, including with regard to associated processes, tools and responsibilities. Business Policy Compliance contains binding requirements for the employees of the compliance organization and describes responsibilities and the functioning of the CMS:

Compliance organization: The Board of Management appoints a Chief Compliance Officer. The Chief Compliance Officer is responsible for developing and implementing an appropriate and effective CMS and receives support from central and local compliance experts. The Chief Compliance Officer reports to the CEO, the Board of Management and the Supervisory Board/Audit and Risk Committee. The Board of Management and the Audit and Risk Committee receive both regular and ad hoc compliance reports from the Chief Compliance Officer.

Compliance communication: Continuous and effective compliance communication via various channels promotes the anchoring of a compliance culture at Uniper. This includes articles and blog information on risk prevention as well as compliance training of all kinds based on a risk-based communication and training concept.

20230627138855

Compliance monitoring and improvement: The improvement of the CMS can be driven by findings from a wide variety of internal and external sources, which are constantly evaluated. As part of the monitoring activities, indications of compliance violations are reviewed. If a violation is substantiated, both process improvements and individual measures are considered. Individual measures must follow the zero-tolerance principle and be fair, appropriate and consistent. The CMS is subject to additional monitoring by Internal Audit and regular external voluntary reviews by auditors. Monitoring by the Compliance function, Internal Audit and external auditors are the three central pillars for ensuring the appropriateness and effectiveness of the CMS as a whole.

Description of the Functioning of the Board of Management and Supervisory Board and of the Composition and Functioning of Their Committees

Board of Management

The Board of Management consists of

- Prof. Dr. Klaus-Dieter Maubach, the Chairman of the Board of Management and Chief Executive Officer (CEO);
- David Bryson, the Chief Operating Officer (COO) responsible for operations;
- Niek den Hollander, the Chief Commercial Officer (CCO) responsible for commercial activities;
- Tiina Tuomela, the Chief Financial Officer (CFO).

The Board of Management of Uniper SE manages the Company on its own authority in accordance with the law, the provisions of corporate bylaws and the rules of procedure for the Board of Management and the Supervisory Board, giving due consideration to the resolutions adopted at meetings of shareholders.

The Board of Management determines and updates the Group's business objectives, fundamental strategic orientation, corporate policy and organizational structure. This includes, in particular, management of the Group and its financial resources, the development of the human resources strategy, appointments to management positions within the Group and leadership development, as well as representation of the Group to capital markets and the general public.

In addition, it is responsible for the coordination and monitoring of operations in accordance with the established Group strategy.

The Board of Management represents the Company in transactions with third parties. It manages the Company's businesses, with all its members bearing joint responsibility for its decisions. The principle of joint management notwithstanding, the individual Board of Management members act independently and on their own authority within their particular areas of responsibility, although they must place the general interests of the Company above those of their respective areas of responsibility. Individual Board of Management members must inform the other members of the Board of Management about important measures, decisions, material business transactions, risks and losses within their area of business responsibility. The decisions reserved for the full Board of Management (by law, by rules of procedure or by corresponding resolution) are normally voted on in Board meetings convened by the Chairman. Persons who are not members of the Board of Management may directly participate in such meetings for consultation on individual matters. The Board of Management can generally adopt resolutions by simple majority vote.

In the event of a tied vote, the Chairman shall have the casting vote. The Board of Management is appointed by the Supervisory Board in compliance with the age limit for Board of Management members, which is linked to the general retirement age, and reports to the Supervisory Board. The Supervisory Board works with the Board of Management to ensure long-term succession planning, which also takes diversity into account (as set out in detail in the diversity concept) and, in particular, aims to give appropriate consideration to women. The Executive Committee of the Supervisory Board described at the end of this chapter plays an important role in this. Succession planning is updated regularly, at least annually, drawing on internal and, where necessary, external resources.

20230627113857

The Board of Management, under the leadership of its Chairman, informs the Supervisory Board regularly, promptly and comprehensively on all issues of planning, business development, compliance, the risk situation and risk management that are relevant to the Company. It addresses instances where the course of business has deviated from the approved plans and objectives, and specifies the reasons for them. The Board of Management shall generally submit to the Supervisory Board a quarterly report on the items specified in Section 90 of the German Stock Corporation Act, as well as reports about the Group. The Board of Management shall additionally submit its planning for the Group's investments, finances and human resources, as well as the medium-term plan, to the Supervisory Board. The Chairman of the Board of Management promptly informs the Chairman of the Supervisory Board of important events that are of fundamental significance in assessing the Company's situation and development and to its management, and also of any defects that have arisen in the monitoring systems that the Board of Management is required to set up. Transactions and measures requiring the Supervisory Board's consent are also submitted to the Supervisory Board in a timely manner. If a Board of Management member holds a conflict of interest, such member shall disclose that conflict to the Supervisory Board and inform the other members of the Board of Management thereof.

Supervisory Board

The Supervisory Board consists of 12 members. Six members are elected by the Annual General Meeting, and six members are elected by the employees in accordance with the election procedures established in the agreement on employee participation in Uniper SE. The intention is to grant the acquisition company of the German federal government the right to appoint two members of the Supervisory Board until the stabilization period is completed. The right of delegation is to be regulated in Uniper SE's articles of association. A corresponding amendment to the Articles of Association will be submitted to the 2023 Annual General Meeting for resolution.

Former Board of Management members are generally prohibited from serving on the Supervisory Board for a qualifying period of two years after leaving the Board of Management. This is designed to avoid conflicts of interest. However, an exception is made to this provision if the election to the Supervisory Board comes at the suggestion of shareholders who have more than 25% of the voting rights in the Company. The legal requirement that the Supervisory Board be composed of at least 30% women and 30% men was complied with throughout the reporting period.

Shareholders are represented on the Supervisory Board by Thomas Blades (Chairman), Prof. Dr. Ines Zenke (Deputy Chairwoman), Prof. Dr. Werner Brinker, Judith Buss, Dr. Jutta Dönges and Dr. Marcus Schenck.

The employees are represented on the Supervisory Board by Harald Seegatz (Deputy Chairman), Holger Grzella, Diana Kirschner, Victoria Kulambi, Magnus Notini and Immo Schlepper.

The Supervisory Board is required to provide information on the number of independent shareholder representatives that it considers to be appropriate, including their names, in the Declaration on Corporate Governance (Recommendation C.1 of the German Corporate Governance Code). According to the competency profile of the Supervisory Board, at least two members of Uniper SE's Supervisory Board should be independent in addition to the employee representatives who are generally considered independent, which is also the case. In the opinion of the Supervisory Board, Thomas Blades, Judith Buss, Prof. Dr. Werner Brinker and Dr. Marcus Schenck qualify as independent within the meaning of the German Corporate Governance Code on the shareholder representatives' side.

The Supervisory Board of Uniper SE appoints, oversees and advises the Board of Management and is directly involved in decisions that are of fundamental importance to the Company. The Supervisory Board Chairman coordinates the work of the Supervisory Board.

The Supervisory Board's composition should ensure that, on balance, its members have the necessary expertise, skills and professional experience to discharge their duties properly. In view of Section 289f (2) no. 6 and Section 315d of the German Commercial Code and the recommendations now contained in C.1 of the German Corporate Governance Code, the Supervisory Board has adopted targets for its composition and in 2020 it drew up and updated a competency profile which reads as follows:

20230627198868

Definition of Targets

Basis

The Supervisory Board's composition should ensure that, on balance, its members have the necessary expertise, skills, and professional experience to discharge their duties properly. Each Supervisory Board member should have or acquire the minimum expertise and skills needed to be able to understand and assess on his or her own all the business events and transactions that generally occur.

Independence and Conflicts of Interests

The Supervisory Board should include a sufficient number of independent candidates; members are deemed independent if they do not have any personal or business relationship with the Company, its Board of Management, a shareholder with a controlling interest in the Company, or with a company affiliated with such a shareholder, and such a relationship could constitute a material, and not merely temporary, conflict of interest. The Supervisory Board has a sufficient number of independent members if, in addition to the employee representatives who are generally regarded as independent, at least two shareholder representatives are independent. In this context, the employee representatives are generally regarded as independent.

The Supervisory Board should not include more than two former members of the Board of Management, and members must not sit on the boards of, or act as consultants for, any of the Company's major competitors.

Availability

Each Supervisory Board member must have sufficient time available to perform his or her board duties. Persons who are members of the Board of Management of a listed company should therefore only be or remain members of Uniper's Supervisory Board if they do not sit on more than three supervisory boards of listed non-Group companies or in comparable supervisory bodies of non-Group companies.

Age Limit

As a general rule, members should not be older than 70 at the time of their election and should not be members for more than three full terms (15 years).

Diversity

The Supervisory Board intends to consider other criteria in its nomination of candidates in order to increase the Supervisory Board's diversity, if and to the extent the qualifications of several candidates for the Supervisory Board meet, to an equal degree, the general and Company-related requirements.

Gender Diversity

As required by law, the Supervisory Board consists of at least 30% women and at least 30% men. This will be considered for new appointments to the Supervisory Board of Uniper SE.

Detailed Profile of Skills and Expertise

Specific Leadership Experience

The key role of the Supervisory Board is to oversee and advise the Board of Management. Consequently, a majority of the shareholder representatives on the Supervisory Board should have experience as members of the Board of Management of a stock corporation or of a comparable company or association in order to discharge their duties in a qualified manner.

Connected thereto, at least some of the members should have specific experience, in addition to general responsibility for management and results as well as personnel and leadership, as regards corporate strategy and future strategic development, as regards accounting and auditing, as regards controlling as well as regards a holistic perspective of risk, compliance and corporate governance.


uniper
Sustainability Report 2022

20230627188870

Sustainability highlights in 2022

49

At year-end, we were working on 49 projects whose main aim includes decarbonization.

Biodiversity

We calculated an initial global biodiversity footprint of our existing operations.

Gold standard

OGMP again recognized Uniper Energy Storage's methane reporting as the "gold standard."

250

250 Uniper and Fortum executives met to reflect on how they as leaders can safeguard the integrity of people, assets, and the environment.

DEI

Uniper developed You Belong, a company-wide Diversity, Equity and Inclusion (DEI) training curriculum.

Security of supply

In December 2022, Uniper opened Germany's first LNG terminal in Wilhelmshaven.

5

We conducted five formal dialogues with critical stakeholders.

€

Uniper launched initiatives company-wide and made donations to support Ukrainian people impacted by Russia's war.

Sustainability Committee

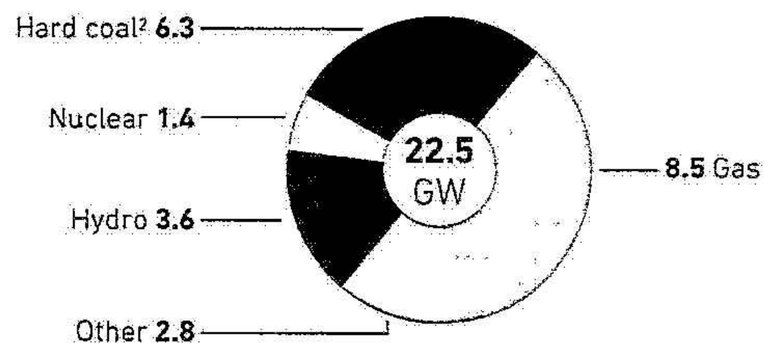
The new Sustainability Committee of Uniper's Supervisory Board met for the first time.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

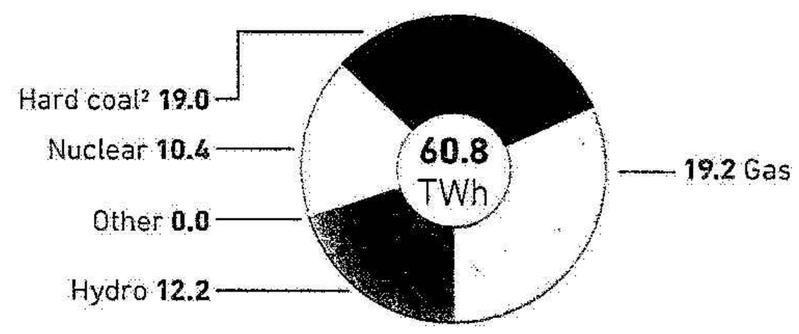
Sustainability highlights in 2022
Foreword
About this report
Our material topics and sustainability strategy
How Uniper contributes to the SDGs
Ratings and rankings

Diversified generation portfolio

Net capacity by fuel type (GW)[1]

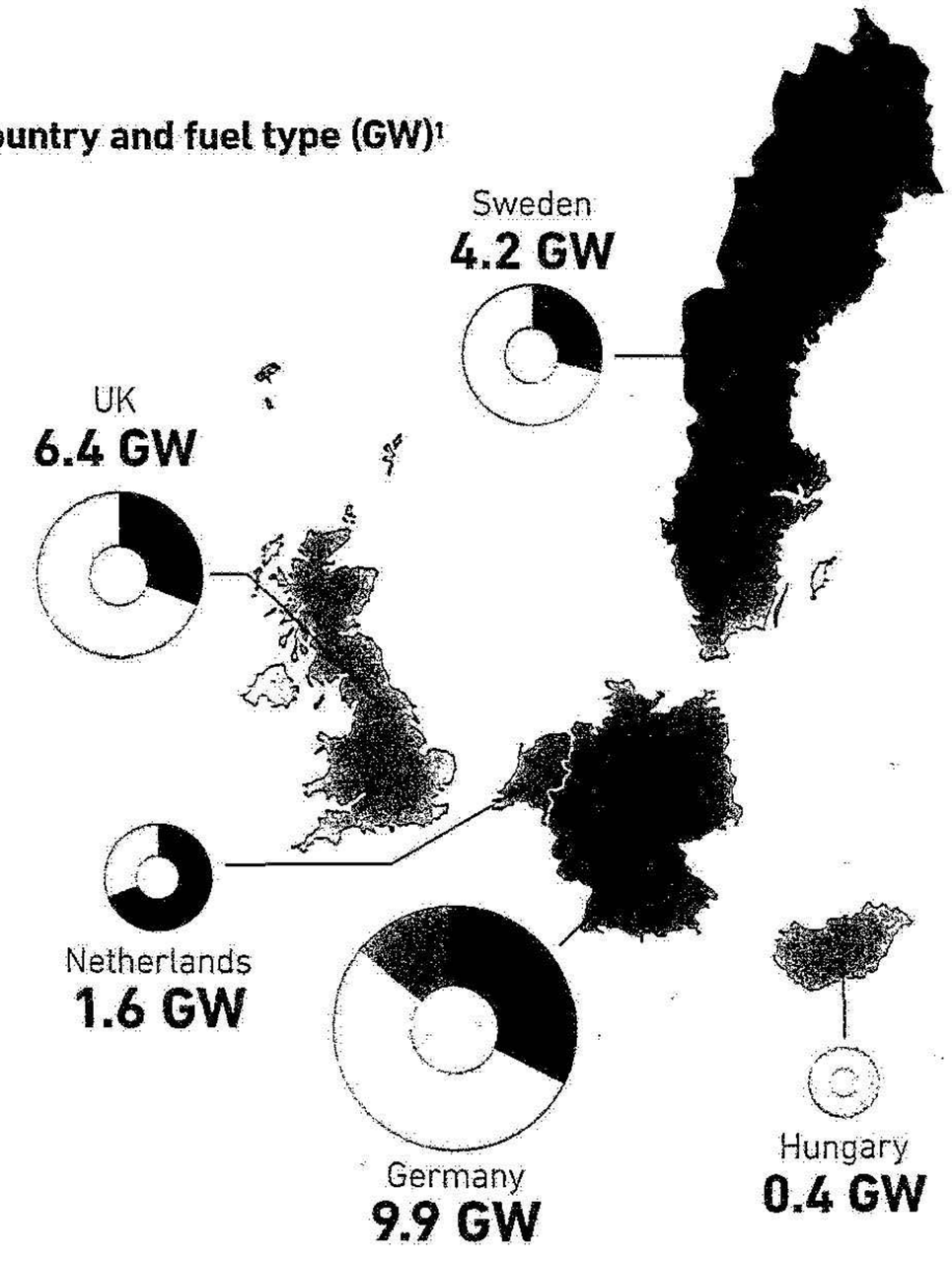


Net electricity generation volumes by technology (TWh)



[1] Accounting view, status as of 31 December 2022.
[2] FY 2022 hard coal volumes incl. 1.6 TWh co-feed biomass.

Net capacity by country and fuel type (GW)[1]



> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Sustainability highlights in 2022
Foreword
About this report
Our material topics and sustainability strategy
How Uniper contributes to the SDGs
Ratings and rankings

Foreword

2022 was a momentous year for Uniper and the entire global community. The year was overshadowed by Russia's aggression against Ukraine and the European energy crisis that followed. Uniper's main responsibility in 2022 was therefore to help secure and diversify Europe's energy supply. Opening Germany's first LNG terminal in Wilhelmshaven late in the year is an important—and we believe, impressive—example of how we did both.

Sustainability remained high on our agenda in 2022. Climate change is one of Uniper's most material sustainability topics. We take it very seriously. Even amid the crisis, I am proud to say that Uniper moved forward on its journey towards carbon neutrality. Several green hydrogen and renewables projects, for example, made noteworthy progress. I also want to emphasize that Uniper remains fully committed to achieving its climate targets.

We are actively helping to ramp up Europe's hydrogen economy and expanding our own renewables business. But the truth is—after the cessation of Russian gas deliveries—coal is temporarily saving the day. In 2022 several European governments asked us to bring coal-fired power plants back online and extend the operating lives of others to help ensure a reliable electricity supply. Coal enables Europe to use less gas to generate power so that more gas is available to heat homes and power industrial processes. Admittedly, operating coal-fired power plants will increase our emissions in the short term. But as I already stated: Uniper stands by its climate targets.

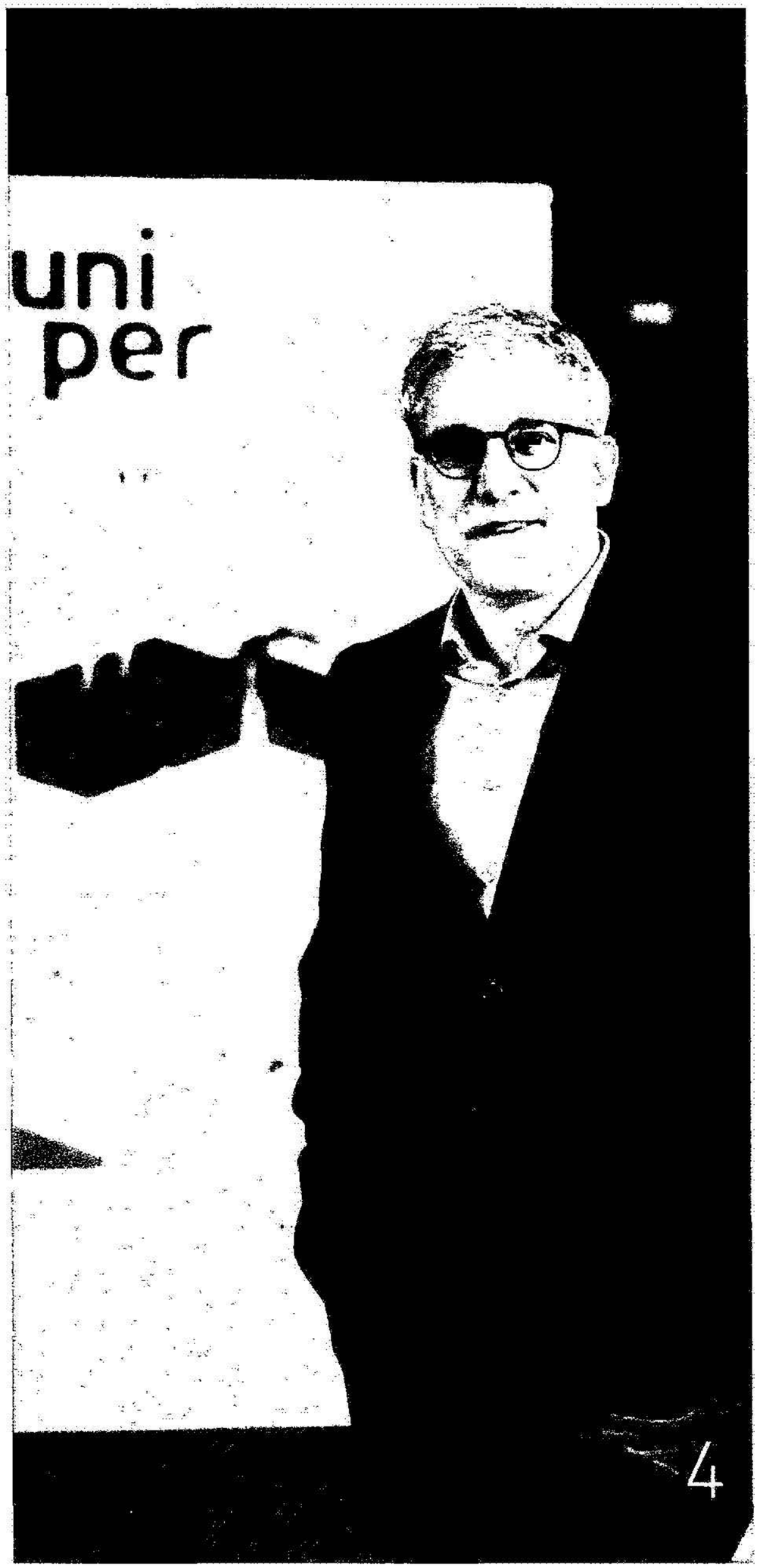
Diligently managing the crisis day in and day out did not prevent us from making progress in other dimensions of sustainability, such as biodiversity, corporate citizenship, and diversity, equity, and inclusion (DEI). As you will read in this report, we took meaningful steps to protect, enhance, and restore biodiversity in and around many of our facilities. We also created a new DEI council to propel progress in this important area. In addition, we launched company-wide initiatives and made donations to support the Ukrainian people impacted by Russia's war. Uniper employees are the driving force behind all these actions, and I want to take this opportunity to thank them for their hard work and strong dedication.

Uniper's Sustainability Report showcases our systematic achievements as well as our bold actions in 2022. But it also transparently points out where we still need to do more and which challenges we need to overcome to deliver on our ambitious targets. Looking ahead, we will continue to leverage our decades of experience as one of Europe's largest energy utilities to propel the journey towards carbon neutrality, ensure supply security, and enhance our sustainability performance.

Best wishes,

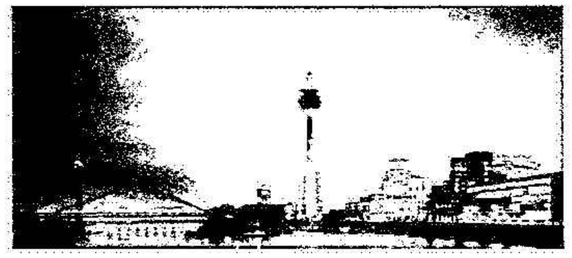


Holger Kreetz
Chief Operating Officer and Chief Sustainability Officer



2023062718873

Sustainability 2022



> Overview 5

- > Sustainability highlights in 2022
- > Foreword
- > About this report
- > Our material topics and sustainability strategy
- > How Uniper contributes to the SDGs
- > Ratings and rankings



> Planet 14

- > Climate change and greenhouse gas emissions
- > Emissions to air, land, and water
- > Energy efficiency
- > Water use and optimization
- > Circular economy and waste management
- > Biodiversity
- > Continually improving our environmental performance



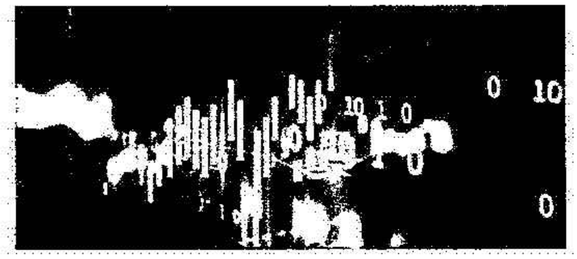
> People & Society 38

- > Secure and affordable energy supply
- > Human rights
- > Just transition
- > Health, safety, and well-being
- > Fair and attractive employer
- > Diversity, equity, and inclusion
- > Corporate citizenship



> Responsible Governance 61

- > Corporate governance
- > Business ethics and compliance
- > Stakeholder engagement
- > Innovation
- > Digitalization
- > Customer rights and satisfaction



> Appendix 85

- > Key Figures
- > Disclaimer
- > Publication details
- > Contact us

20230627188874

About this report

Uniper has published an annual Sustainability Report for each year since 2016, when we became an independent company. This is therefore our seventh Sustainability Report. It is available in English and German. It presents information about our most material sustainability issues, how we manage them, and what we achieved in the reporting period. The reporting period is the 2022 (calendar year).

The majority shareholder of Uniper SE is the Federal Republic of Germany, with a 99.12% stake in Uniper. Against the background of the restrictions on Russian gas supplies that began in June 2022 and the resulting financial losses, the German Federal Government, Uniper, and Fortum agreed on a financial stabilization package for Uniper on September 21, which was finalized on November 23, 2022. With the announcement of the adjusted stabilization package for Uniper on September 21, 2022, Fortum's complete withdrawal as Uniper shareholder was also announced. On December 19, 2022, a framework agreement between the Federal Government and Uniper was concluded, an extraordinary general meeting voted positively on the stabilizing measures and the European Commission supported the measures in its decision to stabilize Uniper.

Several personnel changes in the Uniper Supervisory Board and the Board of Management were announced in late 2022 and early 2023. The Supervisory Board of Uniper SE elected Tom Blades as its new Chairman on December 22, 2022 following the resignation of Fortum representatives from the Uniper Supervisory Board on December 21, 2022. In addition to Tom Blades, Dr. Jutta Dönges, Dr. Marcus Schenck and Prof. Dr. Ines Zenke were appointed by the Düsseldorf Local Court. Chief Executive Officer (CEO) Klaus-Dieter Maubach, Chief Financial Officer (CFO) Tiina Tuomela and Chief Operating Officer (COO) David Bryson stepped down from their roles in the Board of Management of Uniper SE. Dr. Jutta A. Dönges was appointed by the Supervisory Board to follow Tiina Tuomela's role as Uniper's CFO. Holger Kreetz, previously Head of Uniper's Asset Management division, took over David Bryson's positions as COO and Chief Sustainability Officer (CSO). Dr. Jutta A. Dönges and Holger Kreetz entered their positions on March 1, 2023.

In March 2022, the Supervisory Board decided in an extraordinary meeting to appoint Michael Lewis as Uniper CEO. Furthermore, Carsten Poppinga will take over the position of Chief Commercial Officer (CCO) Niek den Hollander, on 1 October. Den Hollander, whose contract expires at the end of May, has agreed to continue in his position until 31 July.

This report's description of our materiality assessment and management approach reflects the Global Reporting Initiative's standards (GRI). The report uses GRI indicators to disclose information on selected issues; their use is referenced in each instance. We are working toward reporting 100% in accordance with the GRI Standards: Core Option to provide our stakeholders with an even more comprehensive overview. Sections of this report that fulfill a GRI standard are identified with the corresponding standard.

Uniper's material issues have been clustered into three impact areas: Planet, People & Society, and Responsible Governance. This report is structured according to these three impact areas.

This Sustainability Report is published as a PDF, which can be downloaded from our website. Uniper also reports on its sustainability progress in interim quarterly reporting.

This report supersedes the Uniper Sustainability Report 2021. The next report will be available in 2024.

Russian power generation – discontinued operation

The scope of the report is the Uniper Group's fully consolidated assets up to December 31, 2022, unless otherwise indicated. Unipro was deconsolidated from Uniper's consolidated financial statements as of December 31, 2022 and is therefore classified as discontinued operations in the 2022 Sustainability Report. Full-year information is not available for some indicators that include information from the Russian company PAO Unipro. In these cases, estimates are made or key figures are partially reported. This is made clear for each indicator in this report. The scope of consolidation is the same as in our 2022 Annual Financial Report. This report contains information about our reporting principles and all significant changes in Uniper's size, scope, ownership structure, and supply chain.

In 2022 Uniper decided to further distance itself as far as possible, legally and in terms of personnel, from its Russian business unit Unipro. However, the completion of an envisaged transaction with a local buyer is currently uncertain as the approval from the Russian President, necessary for the transaction, is outstanding and remains questionable.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Sustainability highlights in 2022
Foreword
About this report
Our material topics and sustainability strategy
How Uniper contributes to the SDGs
Ratings and rankings

Our material topics and sustainability strategy

Our strategy and purpose – Empower Energy Evolution – are fully dedicated to sustainability. As we do each year, we performed an extensive materiality analysis in 2022 to reassess which sustainability topics are most material for Uniper.

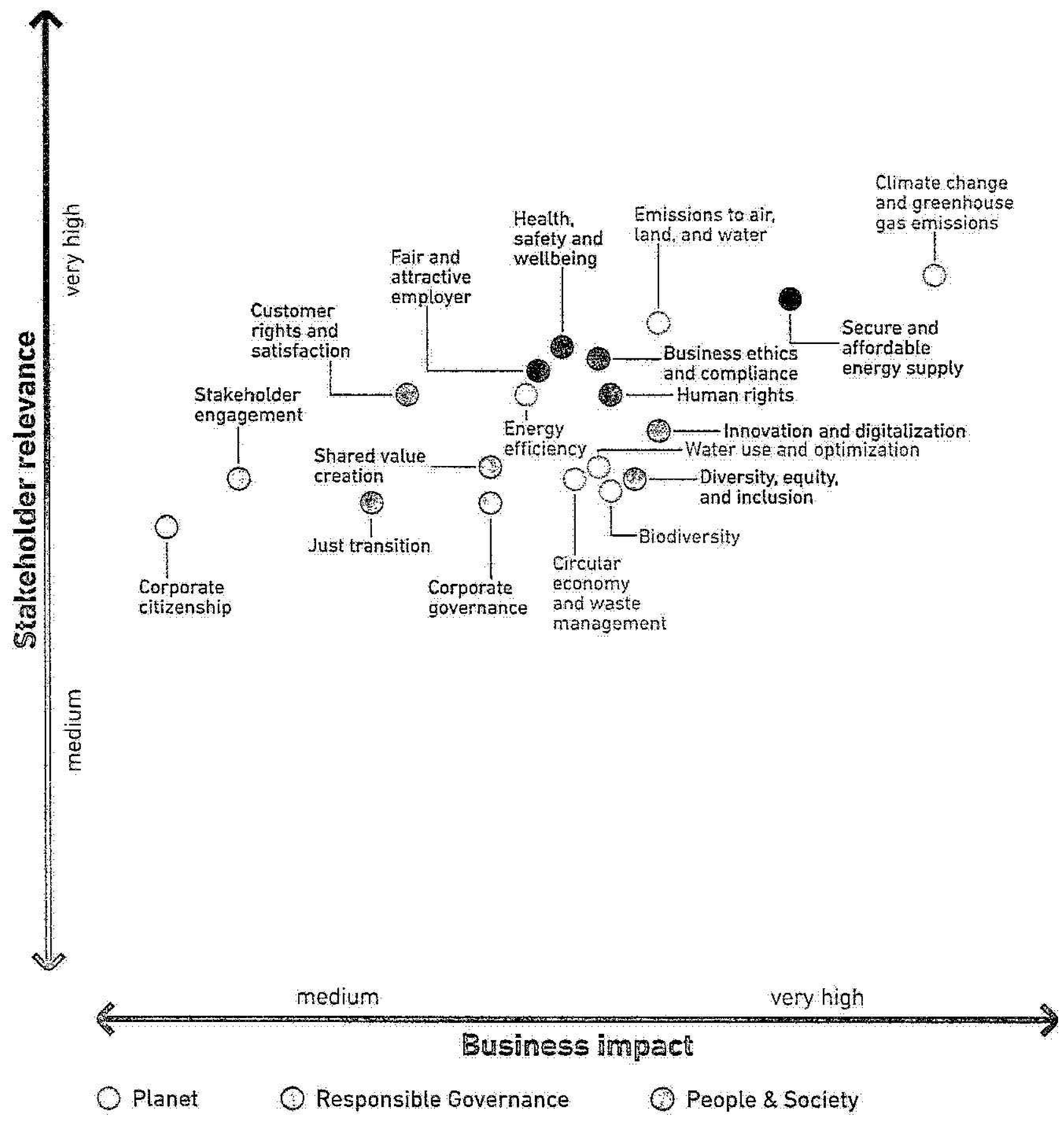
Materiality assessment

Understanding our stakeholders' views and expectations is crucial to our Company's success and the public's acceptance of our operations. We conduct an annual materiality assessment to identify which issues our sustainability efforts should focus on most. An issue's materiality reflects its relevance to our business, our stakeholders, and the estimated magnitude of its impact on Uniper.

We consider the expectations of a variety of stakeholders. In 2021, stakeholder expectations were compiled by means of interviews and surveys in which participants were asked to rate the importance of Uniper's material issues. Participants included employees and representatives from our main external stakeholder groups, such as nongovernmental organizations (NGOs), customers, and investors. The results from the external stakeholder engagement in 2021 were included in the 2022 materiality assessment. The employee survey was carried out again in 2022.

The following materiality matrix provides an overview of the assessment's findings. The horizontal axis indicates the issues' impact on Uniper's business. The vertical axis indicates the issues' relevance from a stakeholders' perspective. The various sections of this report describe Uniper's management approach for the issues, the progress it achieved in the reporting period, and, where appropriate, exceptions to its definition of materiality.

Uniper materiality matrix 2022



2023062718876

Sustainability strategy

The core of Uniper's corporate strategy announced in early 2020 is to support and promote the transition to a low-carbon economy whilest enabling security of supply. We foster a sustainable growth transformation and create shared value as we move toward carbon neutrality. Uniper has developed the Sustainability Strategic Plan (SSP) to support Uniper's corporate strategy and define improvement targets for its ESG performance.

Our approach
The SSP groups the material issues derived from the materiality assessment into three categories: Planet, People & Society, and Responsible Governance. These categories provide the framework for specific commitments, action plans, and annual progress reviews in alignment with selected UN Sustainable Development Goals (SDGs). An overview of the current SSP, which is aligned with the revised 2022 materiality assessment, is provided in the table on the next page. Uniper aims to build on its potential for business growth and engage in active management to minimize its operations' main negative environmental and social impacts. The SSP targets are built around a set of long-term commitments that reflect core elements of Uniper's corporate culture and strategy.

The SSP is Uniper's main tool for defining and managing appropriate risk-mitigation and impact-remediation measures for each material issue during a specific time frame. This accords with the recommendations of international frameworks, such as the OECD Guidelines for Multinational Enterprises. The SSP aims to adopt new processes, such as systematic qualitative analysis of the scope, scale, and remediability of our ESG impacts. It also seeks to not only mitigate impacts but, where relevant, take proactive steps and seize opportunities to have a positive impact on ESG issues. The HSSE & Sustainability function tracks Uniper's progress toward achieving its SSP targets and reports on it by means of quarterly reviews for the Management Board and senior managers. Uniper discloses its progress on at least an annual basis.

Key highlights 2022
In early 2022, the Uniper Management Board approved renewed commitments and targets for the following material issues: environmental matters (with a particular focus on biodiversity); diversity, equity and inclusion; and just transition. This Sustainability Report provides additional insights into our management approach for material issues and our approach for the new commitments.

In 2022 Uniper made more progress implementing the commitments defined in the SSP. For example, we continued to develop plans to repurpose our coal-fired power plant sites in harmony with the principles of a just transition. Uniper recognizes that climate change is a major threat to biodiversity and ecosystems and therefore launched a project in 2022 to systematically assess and quantify Uniper's biodiversity impact. The project is also examining measures that would reduce this impact. We expect to complete this first step in Q2 2023, with the results feeding into the definition of improvement actions. In addition, Uniper used the findings of the 2022 materiality analysis to continue developing measures relevant for the SSP, especially regarding security of supply, related ESG considerations, and important legislation like the EU Corporate Sustainability Reporting Directive (CSRD).



> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Sustainability highlights in 2022
Foreword
About this report
Our material topics and sustainability strategy
How Uniper contributes to the SDGs
Ratings and rankings

Uniper Sustainability Strategic Plan

ESG impact area	Material issues	Commitments	Targets
Planet	• Climate change & GHG emissions • Emissions to air, land and water • Water use and optimization • Energy efficiency • Circular economy and waste • Biodiversity	• Contribute to climate change mitigation and adaptation while providing a secure supply of steadily cleaner energy by evolving Uniper's businesses and value chains toward net-zero together with key stakeholders. • Minimise Uniper's impact on the environment as a whole as we move along Uniper's pathway to neutrality. • Manage water in a more sustainable way by improving understanding of Uniper's impacts and dependencies • Work with suppliers, contractors, and customers to improve resource efficiency and support life-cycle approaches. • Support a transition toward circular economy, including minimising waste production, maximising reuse, and recycling. • Enhance the biodiversity of Uniper's operations and new developments.	• Carbon neutral, in line with the goals of the Paris Agreement, by 2050 at the latest.[1] • Achieve carbon neutrality for Uniper's power generation portfolio in Europe by 2035.[2] • Reduction of CO_2 emissions in European generation by at least 50% by 2030 (base year 2019).[2] • Reduction of Scope 3 indirect emissions by 35% by 2035 at the latest (base year 2021).[3] • During 2023-24, implementation of Leak detection and Repair (LDAR) campaign across Uniper operations to reduce methane emissions. • Have no severe environmental incidents. • Maintain certification of 100% of Uniper's operational assets to ISO 14001. • During 2023, develop a global biodiversity target aligned with Uniper's decarbonisation strategy including a local biodiversity action plan process for existing assets & a process to evaluate biodiversity impacts in investment decisions.
People & Society	• Human rights • Corporate citizenship • Secure and affordable energy supply • Fair and attractive employer • Health, safety and wellbeing • Diversity, equity and inclusion • Just transition	• Screen Uniper's operations and suppliers for ESG risks, including human rights risks, and collaborate with stakeholders • Respect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors; promote the same standards in Uniper's joint ventures and partnerships. • Systematically enhance diversity, equity, and inclusion to create the best possible environment for all employees and to achieve equal opportunity and more balanced representation • Have no tolerance for discrimination. • Commit to a just transition of Uniper's operations and sites through effective dialogue and stakeholder engagement to support Uniper's people and communities affected by transition; to develop sustainable economic strategies for Uniper's sites and to foster diverse, inclusive, and decent work.	• Achieve a Group-wide combined TRIF threshold of 1.0 or below by 2025.[4] • Become actively involved in up to 3 multistakeholder associations by 2023 that support ESG due diligence along the supply chain for Uniper's energy commodities. • Increase the share of women in leadership positions to 25% by 2025.[6] • Achieve an employee inclusion indicator of over 95% by 2022 and maintain the level beyond 2022.[5]
Responsible Governance	• Corporate governance • Shared value creation • Stakeholder engagement • Business ethics and compliance • Customer rights and customer satisfaction • Innovation and digitalization	• Minimize the impact on communities affected by Uniper's operations. • Engage in dialogues with stakeholders to ensure transparency, learn and improve by sharing perspectives with critical stakeholders and civil society organizations, and seek cooperation opportunities • Further strengthen Uniper's compliance culture and protect Uniper's business from corruption risks • Foster effective, accountable, and transparent institutions at all levels. • Focus the innovation portfolio on low carbon commodities and solutions contributing toward climate and environmental impact goals to enable a sustainable business transformation of Uniper.	• At the corporate level, engage in trust building dialogues and cooperative discussions with up to 5 NGOs/year by 2023. • Engagement with 100% of relevant high risk suppliers by 2025.[7]

[1] Scope 1, 2 and 3 emissions including divestments, technical solutions, and offsetting as a final option.
[2] Scope 1 and 2 emissions including divestments, technical solutions, and offsetting as a final option.
[3] This includes all categories defined in the GHG Protocol with the exception of Scope 3 categories 12-15
[4] Total recordable incident frequency (TRIF) measures the number of incidents per million hours of work.
[5] Employee inclusion indicator taken from the annual employee opinion survey
[6] 25% by 2025 for the 2 management levels below the Board (L1-L2)
[7] Within the scope of the Know-Your-Counterparty Business Policy, applied to Uniper Global Commodities, Procurement and Energy Services, based on Supplier ESG Due Diligence process and in alignment with the Just Transition guidelines from the Internation Labour Organization (ILO) and the agreements in COP26

2023062718878

How Uniper contributed to the SDGs

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDG), an urgent call for action by all countries in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests. (Source: www.praeventionstag.de)

We recognize the importance of all the 17 SDGs and fully support them. We have prioritized 10 SDGs that are particularly relevant to our business activities, strategy, and material topics.

Here are some examples of how Uniper contributed to the 10 prioritized goals in 2022.



Goal 5

Gender Equality

Uniper supports the Female Accelerator Program run by Munich-based socialbee, Germany's first diversity service provider. The program creates professional opportunities for female refugees and migrants. In September 2022 Uniper hired two women from this program as project manager trainees.

Uniper created a DEI council in 2022. This new DEI governance function combines Uniper-wide expertise and is responsible for guiding the DEI strategy, monitoring progress, adjusting the strategic action areas if necessary, and charting the DEI roadmap for the year ahead.

> Diversity, equity, and inclusion



Goal 7

Affordable and Clean Energy

Uniper began to conduct tests in 2022 to explore how to make Uniper storage facilities hydrogen-ready, starting with Krummhörn, a decommissioned natural gas cavern storage facility in a salt formation in northwest Germany.

In June 2022, Uniper entered a new long-term offtake agreement with Sunnic Lighthouse GmbH to purchase approximately 208 GWh annually from 53 solar parks throughout Germany.

> Climate change and greenhouse gas emissions



Goal 8

Decent Work and Economic Growth

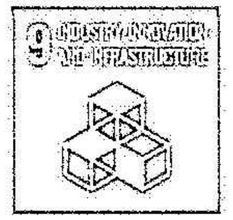
In 2022 Nyckeltalsinstitutet, a Stockholm-based people analytics firm, again recognized Uniper as an Excellent Employer and even rated it Sweden's Best Employer. The award is based on analyses of work conditions such as health care, salary, sick leave, overtime, management structures, and career opportunities.

Our aim is to retain all trainees from Uniper's program for high-potential graduates who want to continue their professional journey with us. More than 95% of those who completed the program between 2016 and year-end 2022 took on a permanent role at Uniper.

> Fair and attractive employer

20230627183879

How Uniper contributed to the SDGs



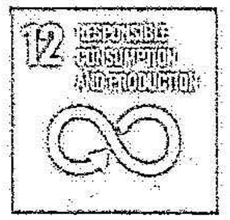
Goal 9

Industry, Innovation and Infrastructure

Uniper is partnering with Sasol ecoFT in Sollefteå in east-central Sweden to produce sustainable aviation fuel on an industrial scale. The project is expected to meet about 8% of Sweden's aviation fuel needs and reduce GHG emissions by 323,000 metric tons of CO_2e per year.

In 2022 Uniper entered into a longer partnership with Alzenau-based CMBlu Energy AG to develop an innovative, environmentally friendly multi-megawatt electricity storage system. A pilot project is now under way to install the system at Staudinger, a Uniper coal-fired power station that produces baseload electricity as well as district heating for nearby communities.

> Innovation



Goal 12

Responsible Consumption and Production

In 2022 the Uniper Management Board adopted an initiative to enhance energy efficiency in the Company's office buildings. It involves changes to how we run them and how our people work. This may mean adjusting heat and tap water temperatures, reducing office space used, and avoiding business travel, to name just a few of the possible energy-saving measures.

In 2022 Cottam Development Centre (CDC) became the first UK power plant to effectively recycle its gas turbine's air filters. The filters, which clean the incoming air for combustion, were previously replaced once or twice a year and sent to landfill. Now they are cleaned and reinstalled.

> Circular economy and waste management



Goal 13

Climate Action

Uniper is developing a green ammonia import and production terminal in Wilhelmshaven on Germany's North Sea coast. The facility will reconvert ammonia into green hydrogen and nitrogen. A 410 MW electrolysis plant is also planned that – in combination with the import terminal – would be capable of supplying around 295,000 metric tons of green hydrogen, or 10% of the demand expected for the whole of Germany in 2030.

At the 132 MW oil-fired power plant Taylor's Lane in northwest London, we successfully tested running an Olympus turbine with hydrotreated vegetable oil (HVO). This liquid biofuel can reduce lifecycle carbon emissions by 90% compared with diesel, the turbines' current fuel. This is the third power plant HVO has been successfully tested at; converting all of our Olympus turbine to HVO would give us more than 200 MW of dispatchable, low-carbon generating capacity.

> Climate change and greenhouse gas emissions

20230627183880

How Uniper contributed to the SDGs





Goal 14
Goal 15

Life Below Water and Life on Land

In 2022 we facilitated the capture and transport of about 8,400 kilograms of eels from the Main to the Rhine. From there, they can migrate without hindrance to the North Sea, the Atlantic, and ultimately the Sargasso Sea, their breeding grounds. Uniper invests around €80,000 annually for eel protection on the Main alone.

In May 2022 we spotted a nest full of kestrel eggs on top of one of the boiler units at Grain, our 1.4 GW gas-fired power station on the south-east coast of England. Kestrels are a protected species in the United Kingdom, so we reported the nest to the Royal Society for the Protection of Birds (RSPB) and established an exclusion zone around the nest to protect it.

> Biodiversity



Goal 16

Peace, Justice and Strong Institutions

Uniper uses a third-party software tool to assess its counterparties' ESG risk exposure. The software defines risks levels for each counterparty. In line with its target, Uniper assessed 100% of its suppliers for ESG risks in 2022, which is a significant improvement on 2021 (59%).

Russia's invasion of Ukraine in late February 2022 led to numerous sanctions. The Compliance team responded by providing sanction updates on a regular basis. It also reviewed company policies and conducted training to familiarize managers and employees with the risks of noncompliance with sanctions.

> Human rights
> Business ethics and compliance



Goal 17

Partnerships for the Goals

In 2022, Uniper Energy Storage continued its activities within the Oil and Gas Methane Partnership (OGMP) 2.0, a voluntary initiative to help ensure that oil and gas companies report and reduce methane emissions based on harmonized and reliable methods. In 2022, OGMP again recognized Uniper Energy Storage's methane reporting as the "gold standard."

> Climate change and greenhouse gas emissions

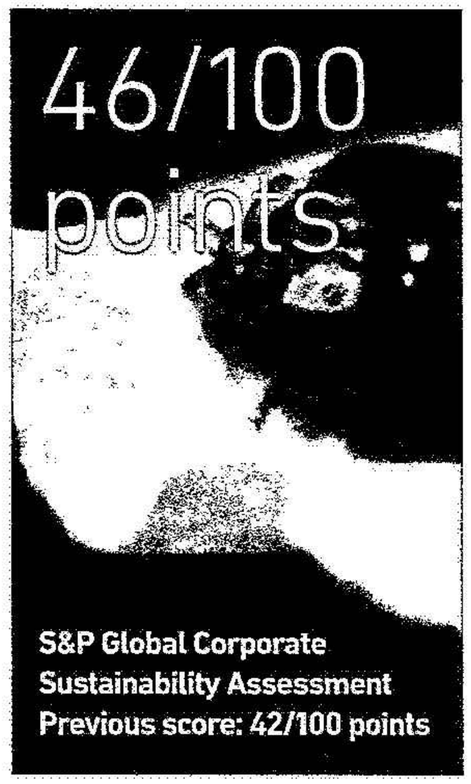
> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Sustainability highlights in 2022
Foreword
About this report
Our material topics and sustainability strategy
How Uniper contributes to the SDGs
Ratings and rankings

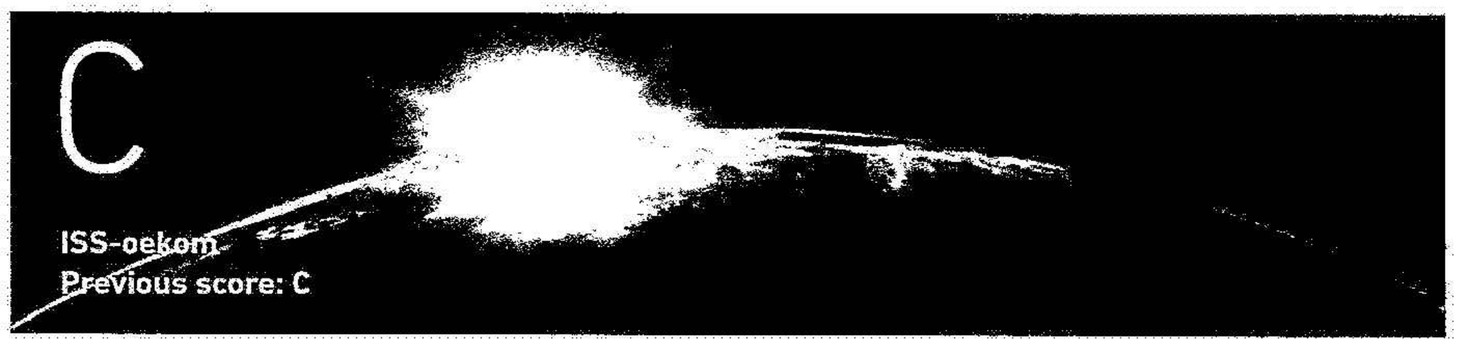
Ratings and rankings

We continually monitor our sustainability performance. In addition, it is always useful to find out how others think we are doing and to learn from their feedback. Our sustainability performance is rated and ranked by a wide range of independent organizations around the world. We continually strive to improve our performance by learning from best practices.









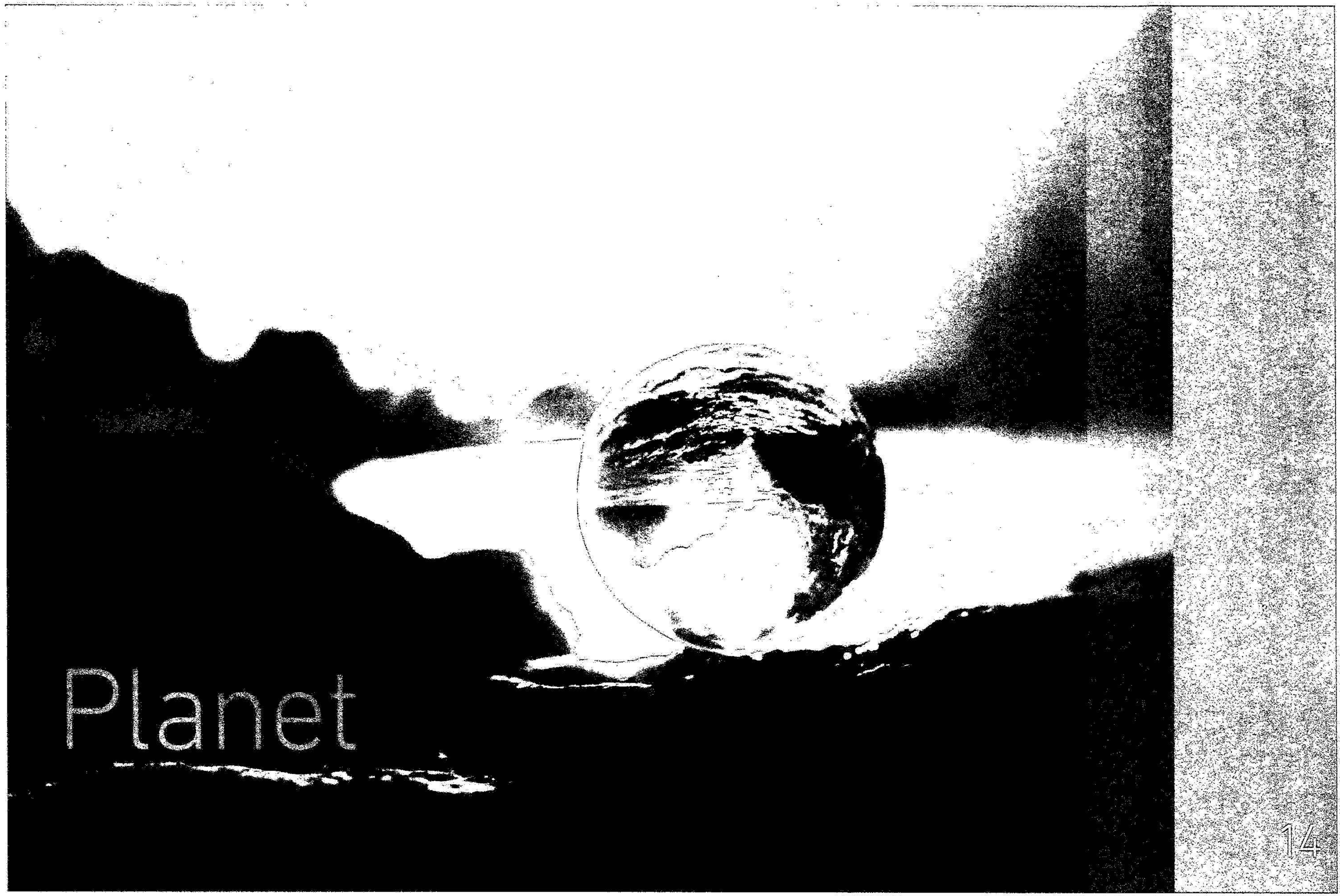




20230627188882

> Overview
> **Planet**
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

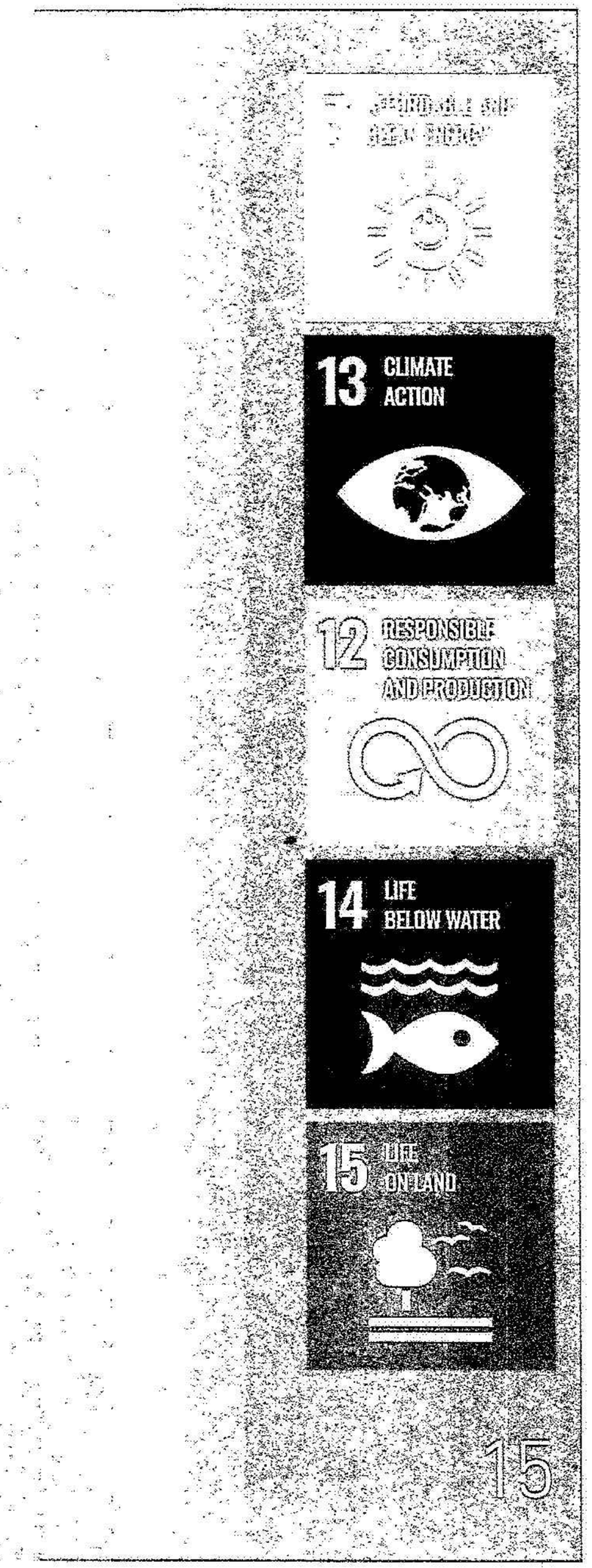


Planet

20230627188B3

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Targets	Progress on the commitments and targets in 2022
7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	We contribute to climate change mitigation and adaptation while providing a secure supply of steadily cleaner energy by evolving our businesses and value chains toward net zero together with our key stakeholders.	Carbon neutral, in line with the goals of the Paris Agreement, by 2050 at the latest. Achieve carbon neutrality for our power generation portfolio in Europe by 2035. Reduction of CO_2 emissions in European generation by at least 50% by 2030 (base year 2019). Conduct, by 2022, at least 20 projects whose aims include decarbonization.	Direct carbon emissions in the European Generation segment declined by 2.1 million metric tons from 2021 to 2022. In 2022, an agreement was signed with Shell to conduct joint design studies and site development for Unipers Humber H2ub blue hydrogen project at Killingholme in northeast England. In 2022 we entered into a new PPA with Sunnic Lighthouse for around 208 GWh annually generated from 53 solar farms across Germany. We had 49 projects whose main aims include decarbonization thereby far surpassing our target of 20 projects.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	We minimize Uniper's impact on the environment as a whole as we move along our pathway to neutrality. We support the transition toward a circular economy, including minimizing waste production, maximizing reuse, and recycling. We work with suppliers, contractors, and customers to improve resource efficiency and support life cycle approaches.	Maintain certification of 100% of Uniper's operational assets to ISO 14001.	100% of our operational facilities maintained their ISO 14001 certification. We sold, recovered, or disposed of 1.3 million metric tons of pulverized fly ash furnace bottom ash, and gypsum in 2022. More than 95% was recovered or sold. We produced 44,694 metric tons of operational waste in 2022. This is a 6,385 metric ton reduction from 2021. All Uniper's fossil-fueled power plants and energy storage facilities in facilities in Germany retained their certification to ISO 50001.
14 LIFE BELOW WATER 15 LIFE ON LAND	We manage water in a more sustainable way by improving understanding of our impacts and dependencie We enhance the biodiversity of our -operations and new developments.	Have no severe environmental incidents.	Zero severe environmental incidents in 2022. In 2022, we calculated an initial global biodiversity footprint of our existing operations, in line with the science-based target approach.



> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

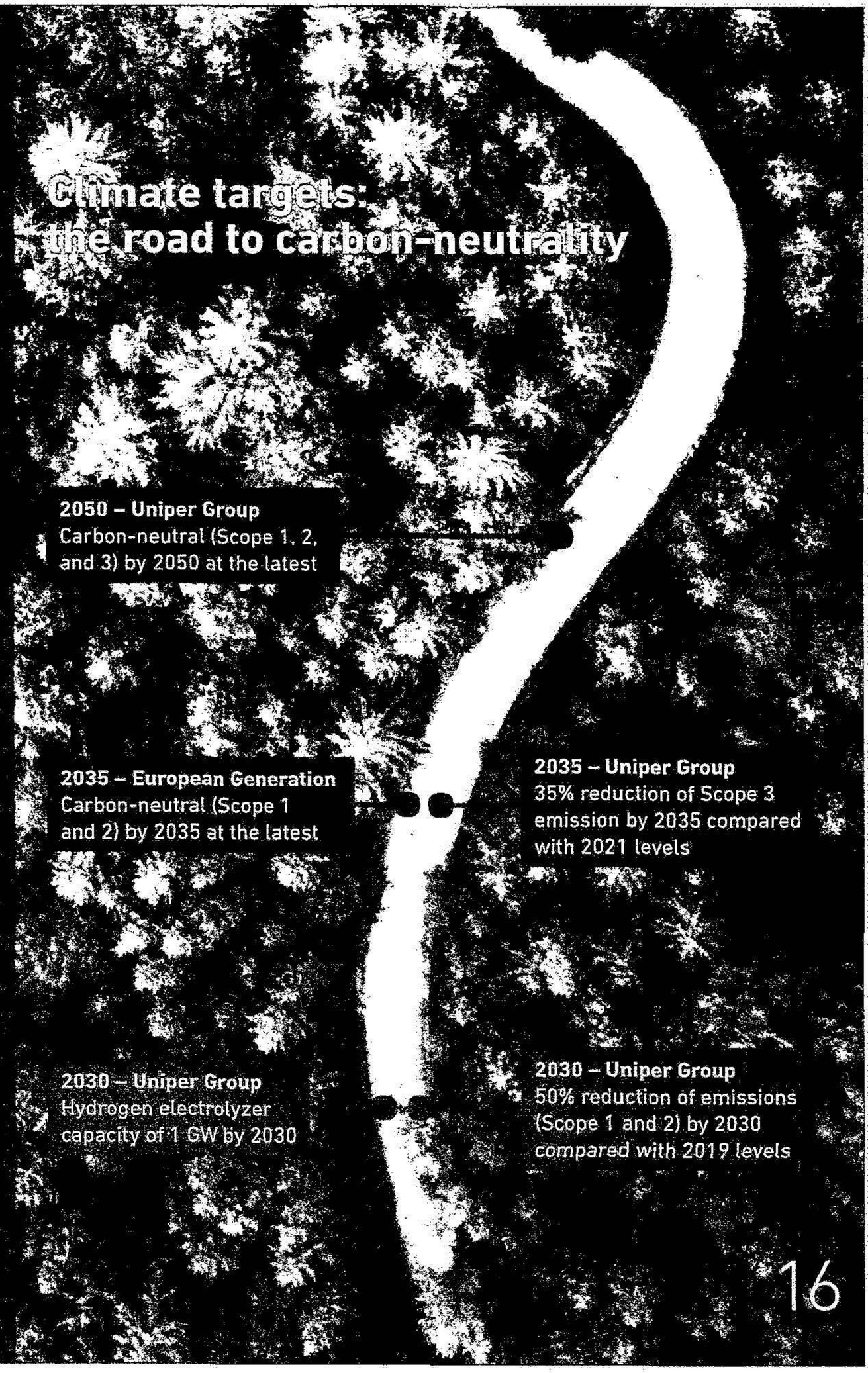
Climate change and greenhouse gas emissions

Climate change is one of the world's biggest challenges and one of Uniper's most material long-term issues. We take our responsibility for climate protection seriously. Europe's energy transition is underway, and we are actively shaping and, where we can, accelerating it. Our aim is to help gradually decarbonize the energy system to support achievement of the Paris Agreement's targets, while simultaneously contributing to a reliable energy supply.

Our decarbonization strategy
Uniper's strategy, which was adopted in 2020, envisages a gradual transformation into a greener, more sustainable Group while creating value for its shareholders and other stakeholders. As a result of the changed market and business situation in 2022, Uniper is currently reviewing its strategic direction. This review will however not alter Uniper's pledge to be carbon-neutral by 2050, which involves at least halving the Scope 1 and 2 emissions of our generation businesses in Europe by 2030 (relative to 2019) and making them carbon-neutral by latest 2035. We also intend to reduce our Scope 3 (indirect) emissions by 35% by 2035 (relative to 2021). The clearly defined coal phase-out strategy and the decarbonization of the gas-fired generation fleet are key to reaching our targets. The transformation path is being continuously driven forward in all business areas, including in particular our new Hydrogen and Renewable business units. Innovations and new technologies will also play a key role for Uniper.

> Uniper's hydrogen strategy
> Innovation

More renewables at Uniper
Low-carbon hydroelectricity accounts for 3.7 GW (accounting view), or 15%, of Uniper's installed generating capacity in Europe. Our renewables business unit has expertise in wind and solar development, operation and management. We aim to grow our renewables business through the development of projects with the option to sell the projects or take them under ownership. Of its pipeline of 3 GW of projects ready-to-build by 2026, 1 GW is at an advanced stage of development as greenfield or co-development projects. We also work continually with developers and other partners to bring more projects into the pipeline to fruition.



2023062718885

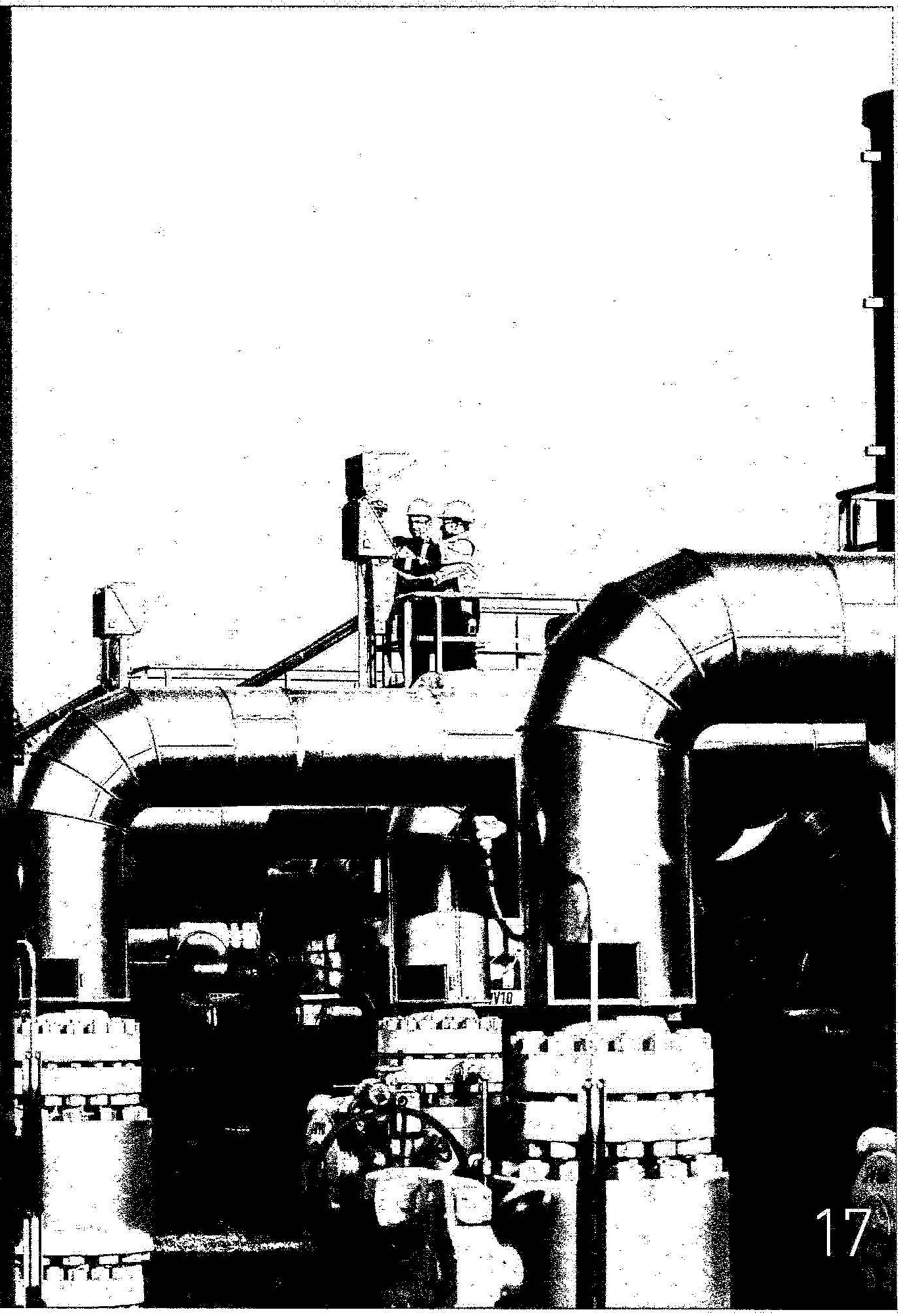
Greener commodity trading
Uniper aims to reduce its Scope 3 (indirect) carbon emissions by 35% by 2035 relative to 2021. Most of our Scope 3 emissions are attributable to commodity trading. Natural gas (pipeline and LNG) will continue to play an important role in the energy transition: by replacing coal in power generation; by ensuring a secure supply for heat, power, and industrial processes; and by providing flexibility in the power system. In its position as one of Europe's leading gas suppliers, Uniper will continue to contribute to security of supply in Germany and Europe. And we are also working with suppliers and customers to find ways to make gas-based businesses more sustainable and to reduce upstream and downstream emissions. For example, we seek to actively manage the methane leakage of our LNG business along the entire value chain.

Uniper will also decarbonize its trading business by transitioning it to greener commodities over time, such as low-carbon ammonia and methanol. Our gas storage infrastructure and decades of experience in procurement, optimization, and trading position us well in the emerging hydrogen market as well as the dynamically developing biomethane market.

Mapping methane emissions
Identifying, quantifying, and minimizing fugitive methane emissions along the gas value chain is essential. Methane's global warming potential is estimated to be at least 28 times that of CO_2 over a 100-year horizon and even greater over a 20-year horizon (the time horizon describes the period of time over which methane impacts are considered). In 2022 Uniper Energy Storage continued its activities as part of the Oil and Gas Methane Partnership (OGMP) 2.0. The OGMP is a voluntary initiative to help ensure that oil and gas companies report and reduce their methane emissions based on harmonized and reliable methods. It also fosters transparency and the sharing of best practices. The OGMP's target is for the industry as a whole to reduce its methane emissions by 45% by 2025 relative to 2015. In 2022 the OGMP published a report entitled "An Eye on Methane" describing the progress made by its member companies.

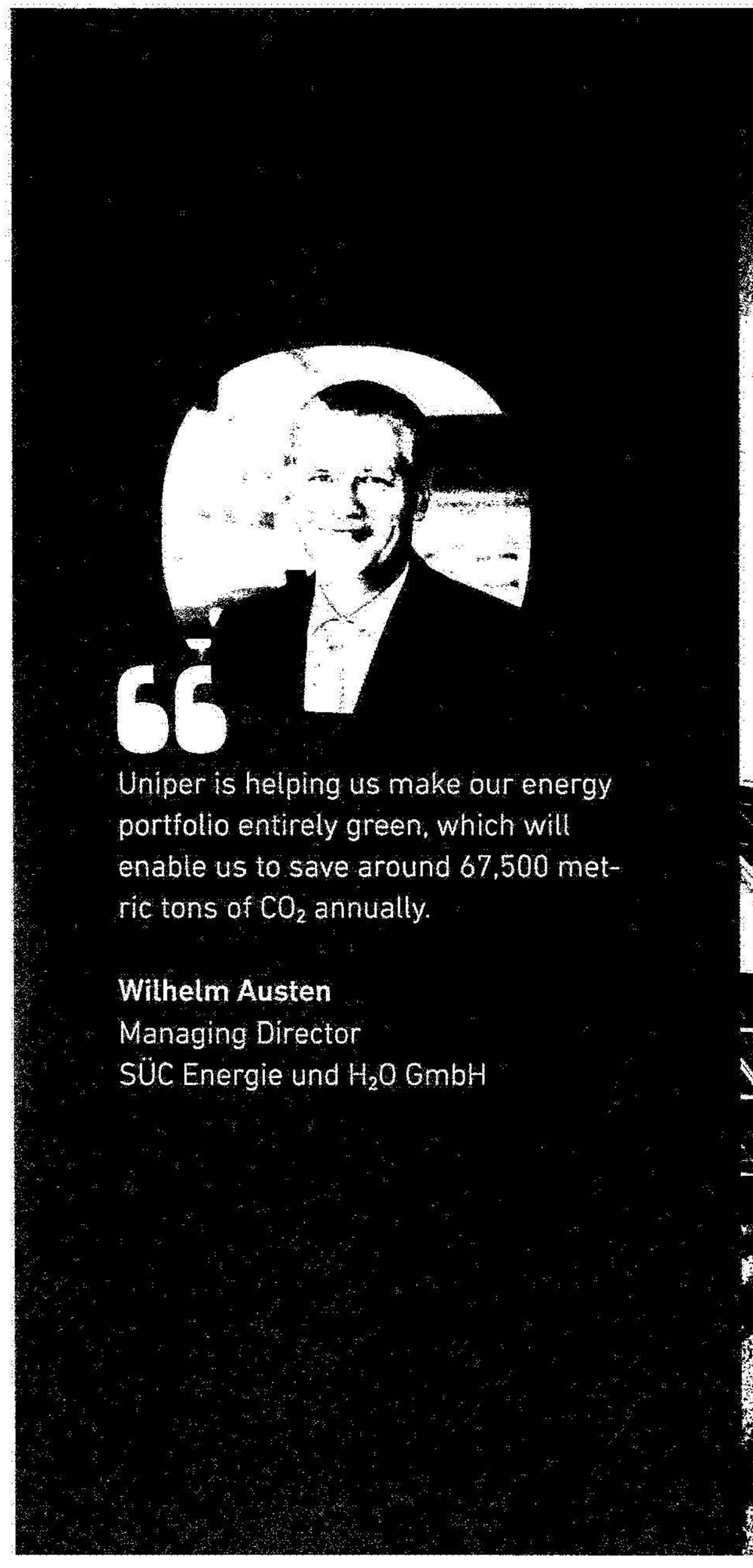
Uniper is committed to closely monitor and record its methane emissions in accordance with OGMP's established methodologies. In 2022 OGMP again recognized Uniper Energy Storage's methane reporting as the "gold standard." Our gas storage business identified the importance of fugitive methane emissions early on and has substantially reduced them since 2015. Small methane leaks occur at our storage and measurement and control facilities. Uniper has technical and organizational measures in place to minimize these emissions. We are currently working on technologies to identify and repair potential sources of methane emissions on our assets to further reduce emissions.

An Eye on Methane



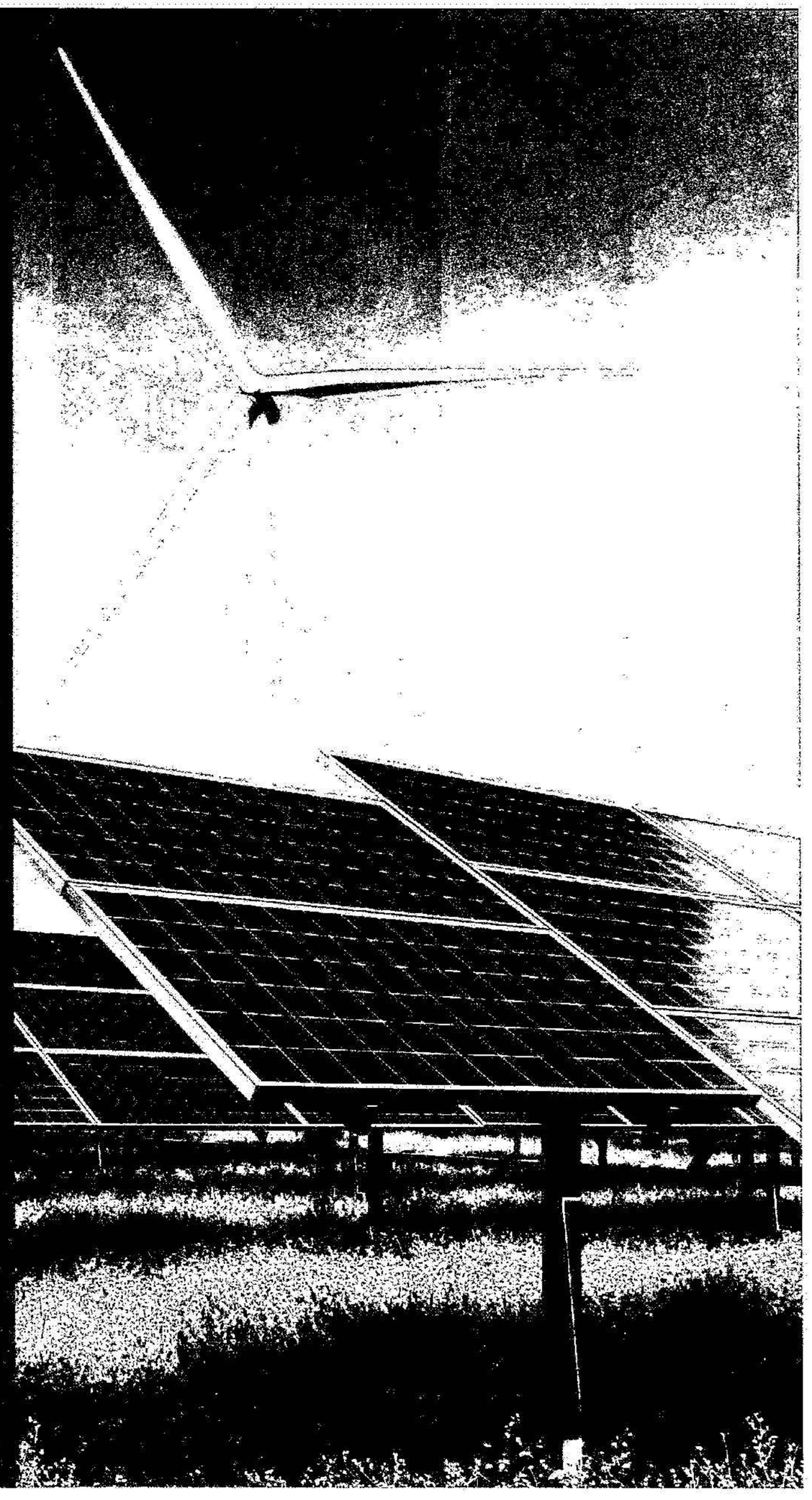
> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance



“Uniper is helping us make our energy portfolio entirely green, which will enable us to save around 67,500 metric tons of CO_2 annually.

Wilhelm Austen
Managing Director
SÜC Energie und H_2O GmbH



Helping our customers decarbonize: Europe
Uniper's portfolio of renewable power purchase agreements (PPAs) totals about 5 TWh of green electricity annually. Under a PPA, Uniper or another counterparty agrees to buy a percentage of the future output of a renewables asset for a set period (typically 10 or 15 years) at an agreed-on price. We have PPAs with wind and solar farms in Europe and the United States and intend to conclude more. In 2022 we entered into a new PPA with Sunnic Lighthouse for around 208 GWh annually generated from 53 solar farms across Germany. Supply began in mid-2022 and will continue through year-end 2027. PPAs help to provide renewables developers the financial security to build their projects and enable us to expand our renewables portfolio.

This growing renewables portfolio will enable us to do even more to help industrial companies and municipalities decarbonize by supplying them with more green electricity. Moreover, matching intermittent renewables output to the needs of industrial and commercial customers is a core competency of our trading and wholesale sales business. Uniper can also provide the green gases – hydrogen, biomethane, and ammonia – that will also be part of many customers' decarbonization journeys.

Helping our customers decarbonize: North America
Our PPA portfolio in North America encompasses more than 19 GWh of low- or zero-¬carbon electricity. With demand for clean energy growing, we intend to quadruple our North American PPA portfolio by 2025. Uniper can also give customers access to, and settlement management services for, carbon allowances and offsets in the main U.S. markets. In addition, in 2022 we began offering industrial and municipal customers green gas, certified natural gas, and renewable natural gas. We are actively exploring North American partnerships and development opportunities for zero and low-carbon hydrogen as well. In August 2022 Uniper entered into an offtake agreement with Canada-based EverWind for up to 500,000 metric tons of green ammonia per year from Canada's first green hydrogen hub.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

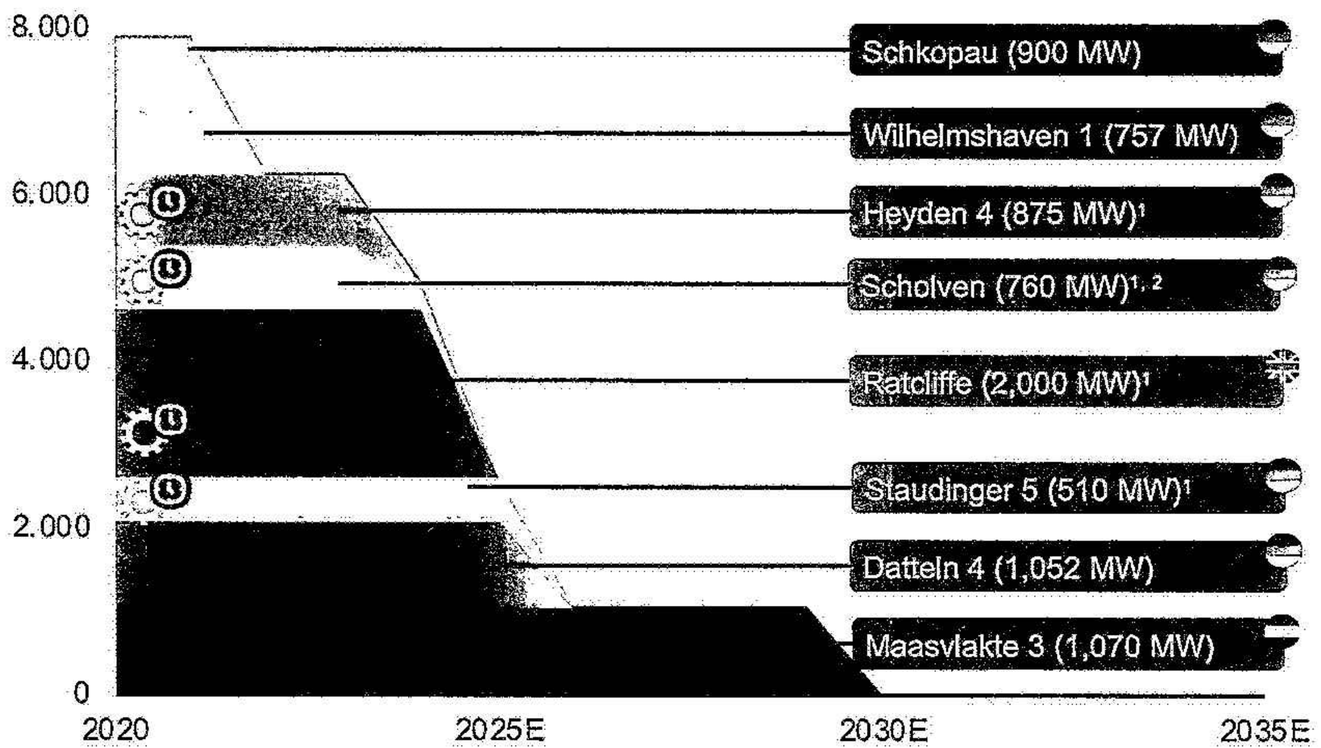
Phasing out coal while creating a viable future for our assets

Roughly two-thirds of Uniper's total electricity and heat output already comes from low-emission hydro, nuclear, and gas. This proportion will grow going forward. Amid the tense macroeconomic situation in 2022, however, governments in several European countries gave a number of our coal-fired power plants temporary roles to help ensure a reliable electricity supply from 2022 to 2024. This affects our coal exit path. Nonetheless, Uniper remains committed to its decarbonization pledge.

> Secure and affordable energy supply

Uniper's coal fleet

MW



Note: Accounting view.
1. Delayed exit date due to security of supply operations.
2. End of commercial operations, technical end of operations subject to BNetzA / TSO decision.
Temporary prolongation of operations for system relevent coal-fired power units in Germany and UK

Uniper had about 6 GW of coal-fired generating capacity in Europe at year-end 2022. Aligned with our coal phase-out strategy and relevant national legislations, soon most of this capacity will no longer be part of our portfolio. This will bring us progressively closer to our goal of carbon neutrality.

At the latest, we will stop using coal to generate power in the United Kingdom by September 2024, in the Netherlands by year-end 2029, and by year-end 2025 in Germany, with the exception of Datteln 4. After 2025, Datteln 4 will be Uniper's only remaining coal-fired plant in Germany. The EU Commission's approval under state-aid law requires its disposal to be completed by year-end 2026.

A viable future for our assets
Coal-fired power generation has no future at Uniper. But the facilities themselves do. They have good locations and useful infrastructure, such as grid infrastructure equipment, rail links, and connections to district-heating networks. We are convinced that this will enable them to play a vital role in a low-carbon economy after coal-fired power generation ends. We have therefore developed plans to repurpose them.

Some of the re-purposing will take place at our Energy Transformation Hubs. Uniper aims to find sustainable solutions for Uniper's assets, solutions that will also ensure a fair transition for the local economy and for our employees and value chain.

Our plan to convert Scholven power plant in west-central Germany from coal to gas is already nearing completion: its two new high-efficiency gas turbines were tested in 2022 and will enter service in 2023. In 2022 we also continued to work closely with stakeholders in central England to explore ways for Ratcliffe power plant to play a new role in the region's energy system. The plans for two other plants – Wilhelmshaven in Germany and Maasvlakte in the Netherlands – are described in the Hydrogen chapter.

> Just transition
> Hydrogen
> Energy Transformation Hubs

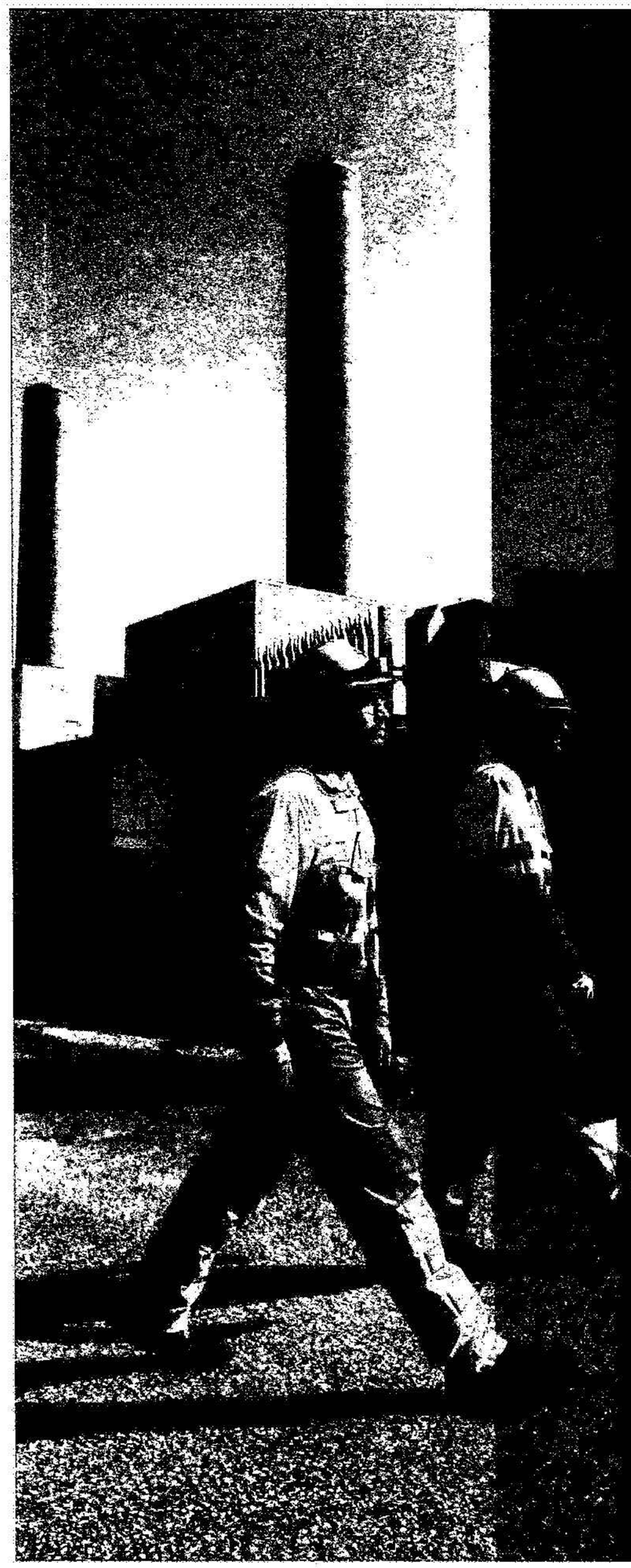
2023062718888

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Making our gas turbine fleet even greener

Uniper has about 8 GW of gas-fired power plants in Germany, the Netherlands, the United Kingdom, and Hungary. Nearly all are extremely fuel efficient. For example, unit 6 at Grain power station in southeast England achieves a fuel efficiency of over 80% when cogenerating power and heat. That is climate protection in action. Nevertheless, for our generation business in Europe to be climate neutral by 2035, our gas turbine fleet will need to decarbonize. The three most promising options are hydrogen, biofuels, and carbon capture. In 2022 we continued to work with General Electric and Siemens Energy to evaluate converting gas turbines to run on hydrogen. The project involves conducting feasibility studies and testing the co-firing of gas and hydrogen as a first step toward 100% hydrogen-fueled operation. We are also assessing the feasibility of carbon capture and storage (CCS) and carbon capture and utilization (CCU) as additional options for reaching climate neutrality.



Testing low-carbon biofuels for turbines
Taylor's Lane, a 132 MW oil-fired power plant in northwest London, has eight Rolls-Royce Olympus gas turbines. In 2022 we successfully tested running one of the Olympus turbines with hydrotreated vegetable oil (HVO), a liquid biofuel. The findings showed that HVO did not adversely affect performance and, in addition, could further reduce emissions such as dust and sulfur dioxide. HVO has two advantages. First, it could reduce lifecycle CO_2e-emissions by 90% compared with diesel, the turbines' current fuel. Second, HVO is increasingly used in the transport sector, so there is an ample supply. We have now successfully tested HVO at three power plants with Olympus turbines and plan to share the results with our other plants that use them. The potential is considerable. Converting all of our Olympus turbine to HVO would give us more than 200 MW of dispatchable, low-carbon generating capacity.

A refinery will help heat homes and businesses
BP Gelsenkirchen in west-central Germany used to let the waste heat from its refinery processes go to waste. In 2022 BP entered into a partnership to inject 60 MW of its waste heat into Uniper Wärme's district heating network. A roughly three-kilometer pipeline will connect BP to our network. One of the pumping stations for the pipeline will be built on the grounds of Scholven, our power plant nearby. Construction began in November 2022, and BP is scheduled to start providing heat by early 2024. The project will displace more than 80,000 metric tons of carbon annually. It represents a meaningful step toward making the industrial Ruhr district more sustainable.

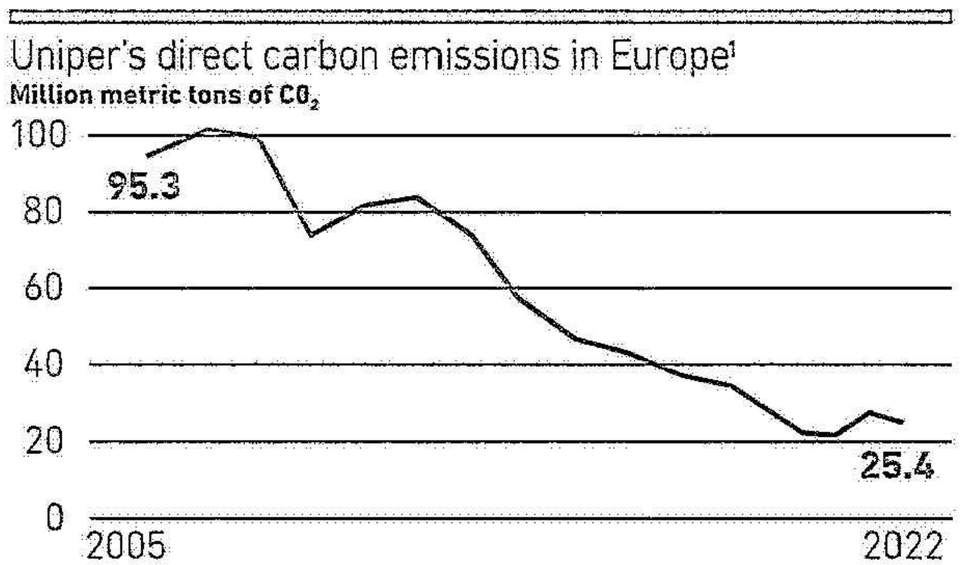
20230627188889

Carbon emissions data

Greenhouse Gas Protocol: Scope 1
Uniper's direct carbon emissions from the combustion of fossil fuels to generate power and heat totaled 55.6 million metric tons in 2022 (2021: 50.9 million metric tons). The Russian Power Generation segment was mainly responsible for the increase. Its power plants, particularly the lignite-fired power plant Berezovskaya 3 which returned to commercial operation in May 2021, were dispatched more frequently by the system operator to meet higher demand. In the European Generation segment, the operating times of Uniper's hard-coal-fired power plant portfolio increased due to the security of supply measures and the improved market conditions. Nevertheless, overall carbon emissions in the European Generation segment declined slightly in 2022. This was caused by the disposal of Schkopau lignite-fired power plant in October 2021 as well as lower operating hours of gas-fired power plants in the United Kingdom due to unplanned unavailability.

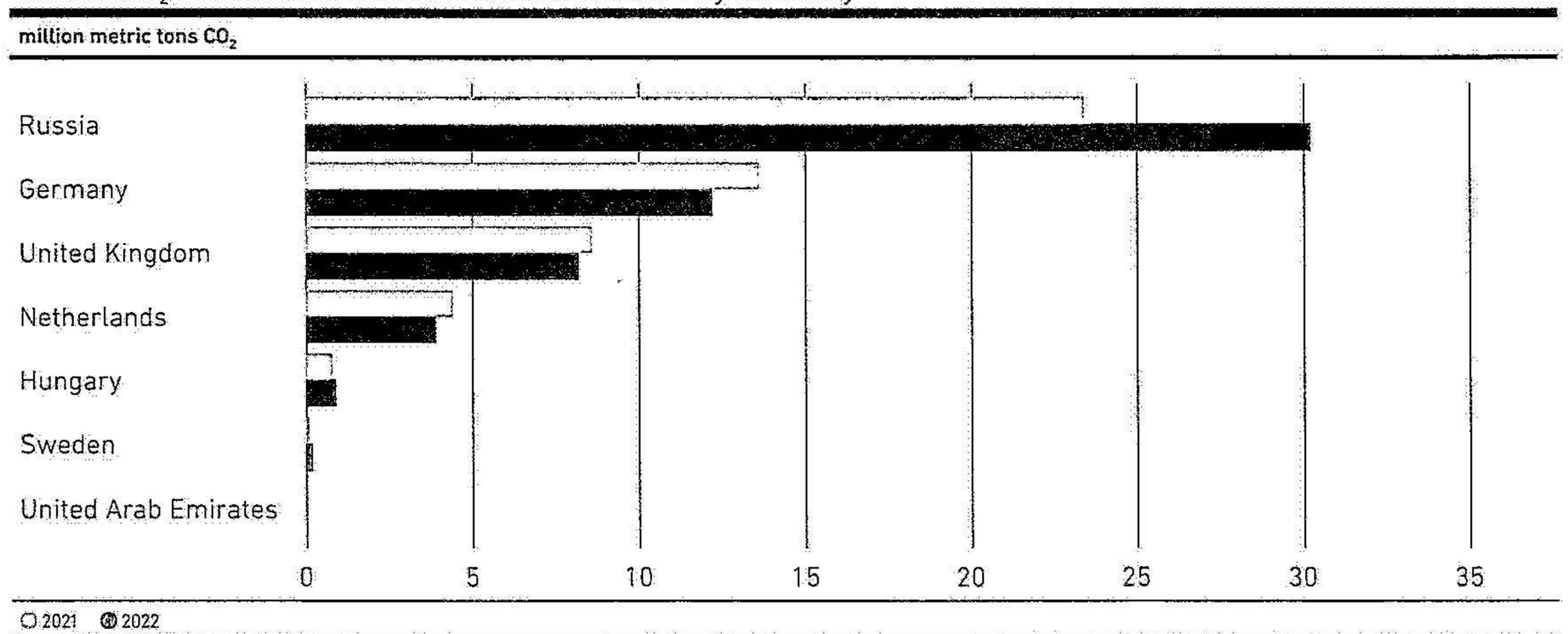
In the long term, the Uniper Group companies have reduced their annual direct carbon emissions in Europe by 69.9 million metric tons since 2005 (start of the EU emissions trading scheme) - a decrease of 73%.

Uniper's direct carbon emissions in Europe[1]

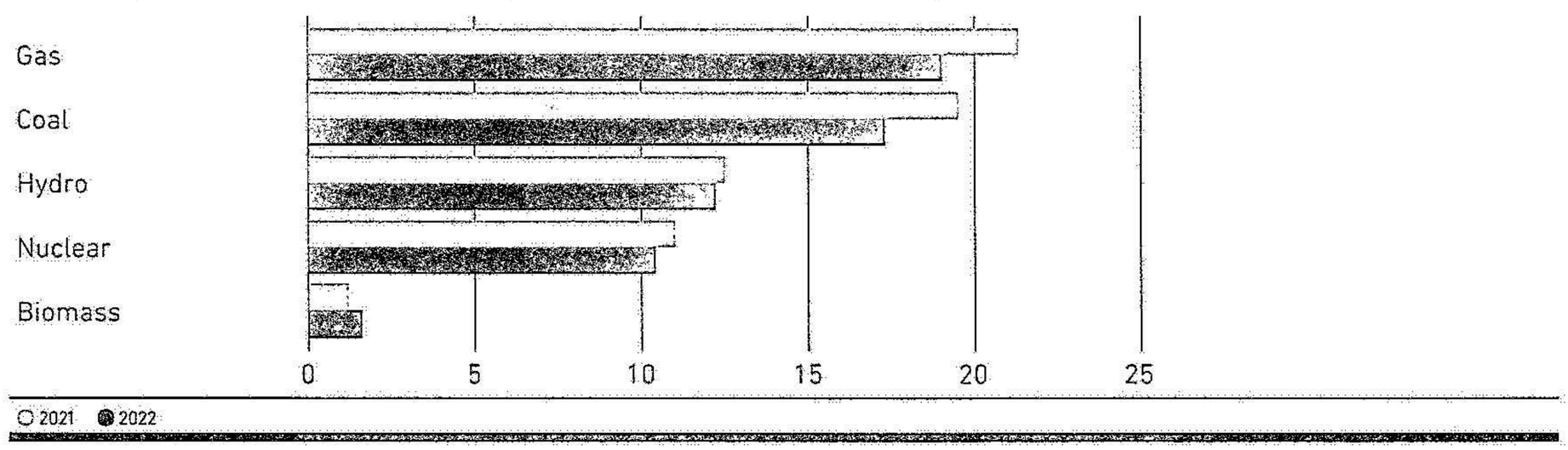


[1] Carbon emissions of our generation business in Europe calculated using the operational control approach.

Direct CO_2 Emissions from Fuel Combustion by Country



Power Production in Europe by Fuel Type



> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

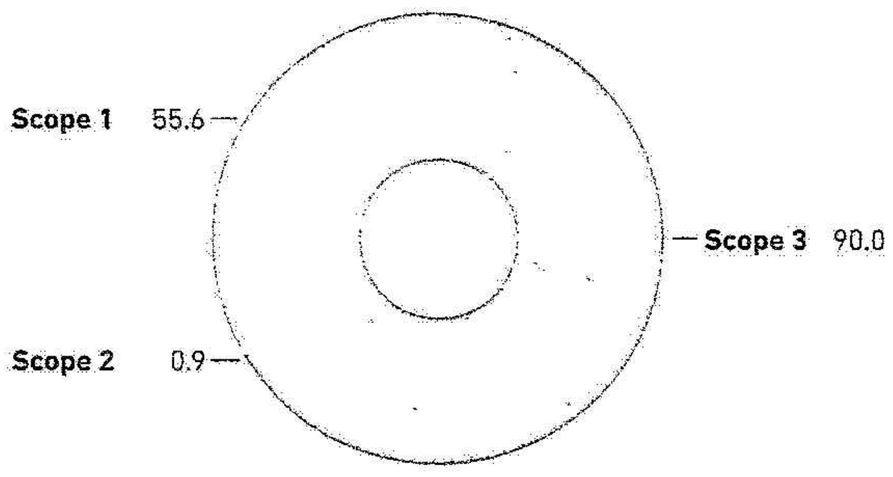
Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Greenhouse Gas Protocol: Scope 2
Uniper's Scope 2 emissions rose from 0.60 million in 2021 to 0.66 million metric tons of CO_2e in 2022 using the location-based approach and from 0.80 million to 0.89 million metric tons of CO_2e using the market-based approach from 2021 to 2022. The increase was caused mainly by more station use at our power plants in Russia.

Greenhouse Gas Protocol: Scope 3
Scope 3 emissions declined from 106.3 million in 2021 to 90.0 million metric tons of CO_2e in 2022 chiefly because we sold less coal to end users and reduced our upstream gas activities. The use of products sold to end users and resellers accounted for 67.4 million metric tons, or 75%, of Scope 3 emissions in 2022.

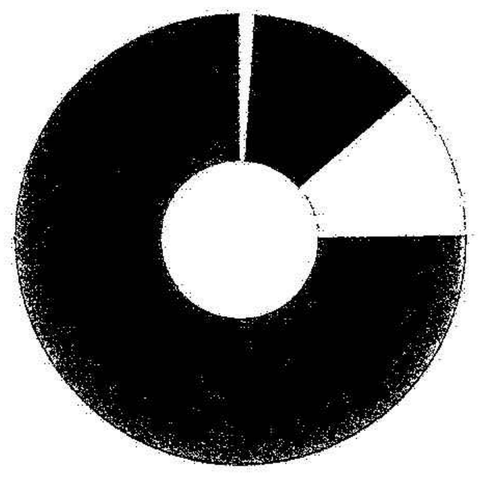
Scope 1, 2, and 3 Emissions 2022

million metric tons CO_2e



Indirect CO_2e Scope 3 Emissions 2022

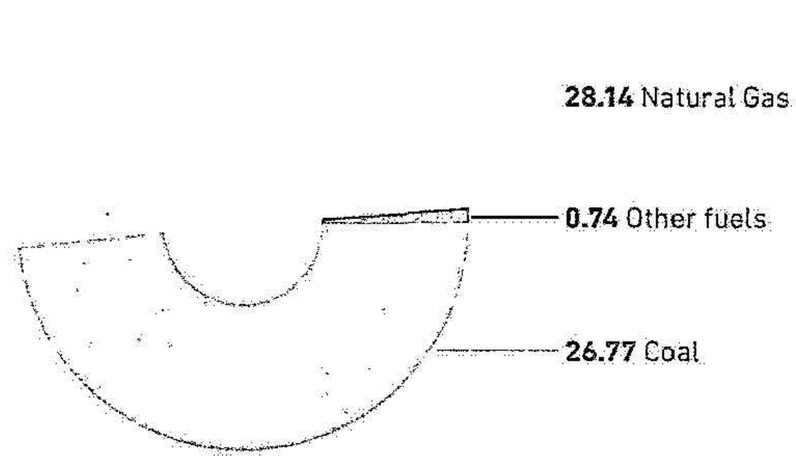
million metric tons CO_2e



3.3 Fuel- and energy-related activities	11.2
3.4 Upstream transportation and distribution	10.0
3.11 Use of Sold Products	67.4
Other Scope 3 categories	1.4

Direct CO_2 Emissions by Fuel 2022

million metric tons CO_2



> See appendix for more information

20230627188891

Hydrogen

Uniper considers hydrogen – alongside natural gas and renewables – to be an essential ingredient in tomorrow's low-emission energy mix. Because the decarbonization of many industries – such as heavy-duty transport, maritime shipping, aviation, steel, and chemicals – cannot be achieved by electrification alone. Low- and zero-carbon hydrogen can make this possible. It can be combined with captured CO_2 to produce chemicals, green diesel, and synthetic jet fuel. The required CO_2 will be captured from power generation and industrial processes or, ideally, from biogenic processes like biomethane production or directly from the air.

Uniper's hydrogen business will focus initially on providing industrial customers with zero- and low-carbon hydrogen as well as hydrogen-based synthetic fuels. Uniper also plans to supply hydrogen to the transport sector and to convert some of our gas-fired power plants to hydrogen.

Several Uniper hydrogen projects made noteworthy progress in 2022.

- An agreement was signed with Shell to conduct joint design studies and site development for Uniperr's Humber H2ub blue hydrogen project at Killingholme in northeast England.
- For the project Bad Lauchstädt in east-central Germany, Uniper selected a manufacturer to provide the electrolysis unit; in addition, permitting was almost finished, and engineering has been making good progress.
- For the project H2Maasvlakte in Rotterdam Uniper began its front-end engineering design study; the project was nominated as an important project of common European Interest (IPCEI)
- Project Air in Sweden (a joint project of Perstorp and Uniper) was selected to receive a grant from the EU Innovation Fund; its purpose is to provide methanol to the chemicals industry.

Uniper Hydrogen Website

Hydrogen supply
Hydrogen demand will rise across all sectors, and Europe will have to meet much of its future hydrogen needs with imports, either by pipeline or by ship. Uniper's long history of sourcing energy globally positions it superbly to help Europe get the clean energy it needs. Uniper entered into several new partnerships in 2022 to expand its worldwide hydrogen sourcing activities. For example, we entered into a cooperative agreement with HIF Global and HIF Chile for the sale and purchase of the e-fuel eMethanol produced in southern Chile. HIF Global expects to produce approximately 4 million metric tons of e-fuels annually. Uniper also has a cooperative agreement with HYPORT® Duqm, a major project to produce green hydrogen and green ammonia in Oman. We are now assessing the business case for using HYPORT® Duqm as a supplier. HYPORT® Duqm expects to begin production in 2026.



Uniper aims to help decarbonize its other industries as well as its own, while still ensuring supply security. We're therefore establishing a global portfolio of hydrogen products that we intend to source, transport, and supply to customers, primarily in Europe, North America, and Asia.

Axel Wietfeld
CEO Uniper Hydrogen GmbH

20230627188892

Bad Lauchstädt Energy Park
This project aims to produce, transport, store, and utilize green hydrogen on an industrial scale in the Central German Chemical Triangle located about 35 kilometers west of Leipzig. An electrolysis unit of up to 30 MW – one of the largest of its kind currently in planning – will use renewable electricity from a nearby wind farm to produce green hydrogen. The hydrogen can be stored temporarily in a specially modified underground salt cavern located near the site. It will then be transported through a repurposed gas pipeline to the hydrogen network of nearby chemicals companies. In the future, the hydrogen will also be used in urban mobility solutions like hydrogen-powered buses.

Green Fuels Hamburg for greener skies
Air travel is almost entirely fossil-fueled and very carbon intensive per passenger kilometer. Green Fuels Hamburg, a project run by Uniper and a group of renowned partners, aims to change that. The project relies on a technology called power-to-liquid (PtL). PtL involves combining zero-carbon hydrogen and captured CO_2 to produce carbon-neutral e-fuels, in particular green kerosene for aircraft but also green naphtha, oxygen, and heat. These products are carbon-neutral because the hydrogen is produced with renewable electricity and the captured CO_2 would otherwise have been released into the atmosphere.

Green Fuels Hamburg made important progress in 2022. It secured a suitable location in Hamburg's port district. This puts it physically close to sources of renewable electricity, a provider of CO_2, and companies interested in buying e-fuels. It also completed design work on the production facility. The project intends to conduct a feasibility study in 2023.

Green Fuels Hamburg aims to produce 10,000 metric tons of e-fuels – primarily green kerosene – annually. This supports Germany's intention to ramp up green kerosene production from 2026 onward and to produce 200,000 metric tons of climate-friendly aviation fuel from 2030 onward. This is equal to 2% of Germany's kerosene consumption in 2019. Although the modesty of this proportion underscores the complexity of decarbonizing aviation, Uniper is determined to be a pacesetter in making air travel climate-friendlier.

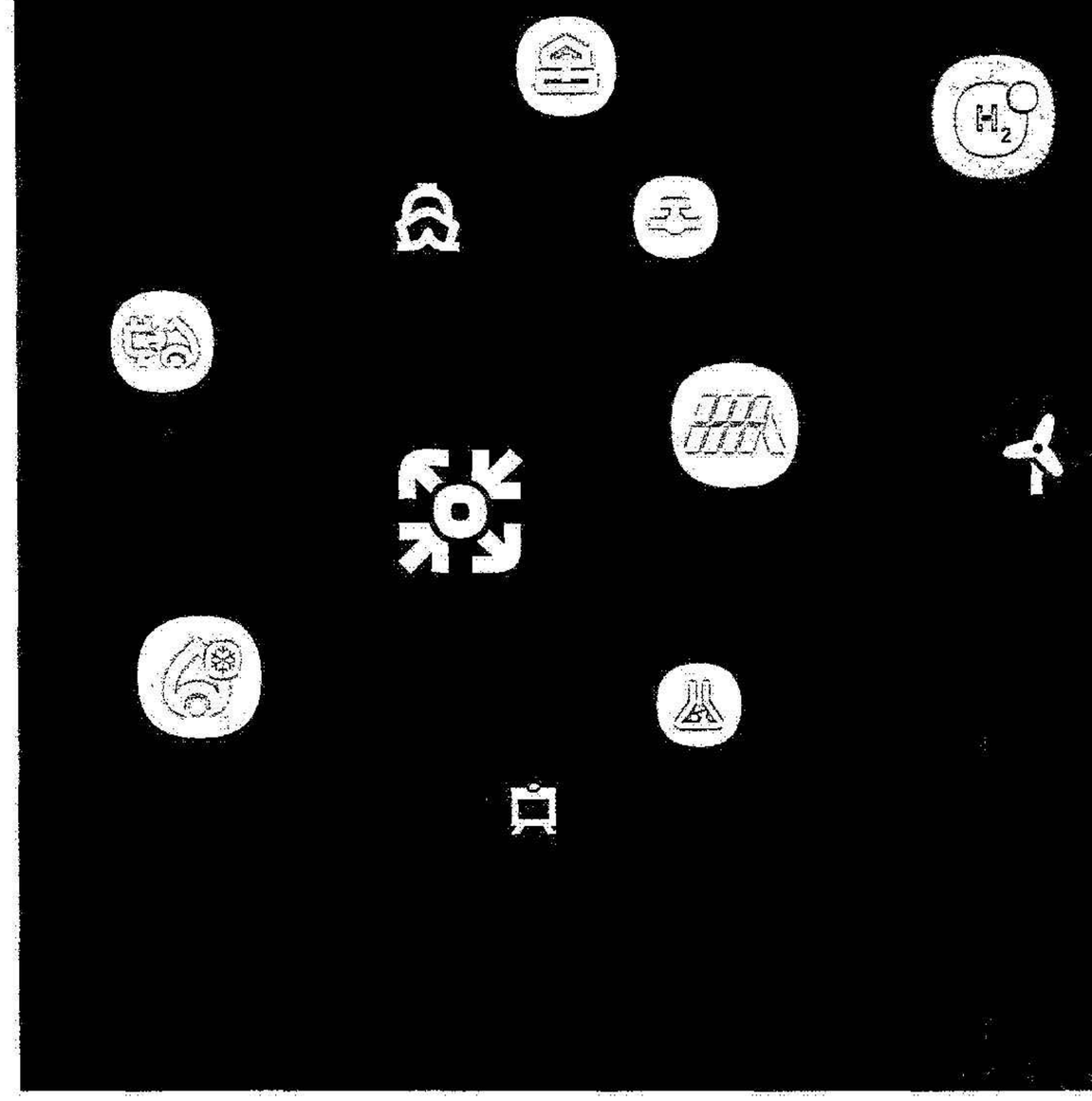


> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Energy Transformation Hubs

Decarbonization and security of supply are essential for the energy transition. To help Europe accomplish both simultaneously, Uniper needs to generate, store, and supply more carbon-neutral energy and diversify its energy supply sources. That's why we are creating technology and exchange platforms called Energy Transformation Hubs, where we engage with local and national stakeholders and work closely with partners to reduce CO_2 emissions and secure the energy supply for the future. Our Energy Transformation Hubs are located in key regions of Germany, the Netherlands, Sweden, and the United Kingdom. They often include one of our power plants and storage facilities. This enables us to combine existing and new infrastructure and to strengthen industrial regions to create new businesses and jobs.



Northwest Energy Transformation Hub
Uniper is developing a green ammonia import and production terminal in Wilhelmshaven on Germany's North Sea coast. The facility will reconvert ammonia into green hydrogen and nitrogen. The terminal will be connected to the planned hydrogen network. A 410 MW electrolysis plant is also planned, which – in combination with the import terminal would be capable of supplying around 295,000 metric tons of green hydrogen or 10% of the demand expected for the whole of Germany in 2030. The project, called GreenWilhelmshaven, is listed in the EU's Ten-Year Network Development Plan (TYNDP) and will help the Community realize its objective of importing 10 million metric tons of hydrogen annually by 2030.

Killingholme Energy Transformation Hub
Humber Industrial Cluster on England's northeast coast aims to get to net zero. The project is called Humber H2ub. Uniper's Killingholme power plant is located in this cluster. Together with Shell, we intend to build a 720 MW blue hydrogen production facility at Killingholme. It will use gas reformation technology to produce hydrogen and capture and store the resulting carbon-dioxide emissions. The project is currently in the front-end engineering and design (FEED) phase. A final investment decision is expected in the mid-2020s.

H2Global Foundation
In 2022 a Uniper representative was elected to serve as Head of Trustees of the H2Global Foundation, an initiative launched in June 2021 by the German Federal Ministry for Economic Affairs and Energy (BMWi). Germany, like many other heavily industrialized countries, will need to import hydrogen because its demand will surpass its domestic production capacity. The foundation will support the ramp-up of green hydrogen by subsidizing these imports to ensure that green hydrogen is competitively priced relative to grey hydrogen. The aim is to accelerate the development of green hydrogen production capacity worldwide.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Emissions to air, land, and water

Fossil-fueled power generation results in the emission of greenhouse gases as well as sulfur dioxide (SO_2), nitrogen oxides (NO_x), dust, and wastewater. Their release could impact air, water, and/or soil quality. Uniper mitigates these impacts by meeting all national legal requirements, including the standards laid out in the best-available techniques (BAT) reference documents (BREF) that cover abatement technologies and methods to prevent or minimize emissions and impacts on the environment. Where possible, further improvements are made via environmental management system (EMS) improvement programs. Our team of technical experts devote much of their time to projects that explore options for reducing our operations' environmental impact.

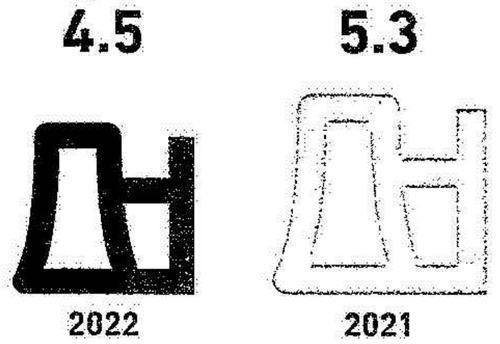
SO_2-, NO_x- and dust emissions for the Uniper Group (excluding Russia) decreased overall from 2021 to 2022 primarily due to the disposal of Schkopau lignite-fired power plant in October 2021.

Uniper stands by its pledge that its generation portfolio in Europe will be carbon-neutral by 2035. This will significantly reduce our direct carbon emissions and our SO_2, NO_x, and dust emissions in the long-term.

The 2021 and 2022 SO_2-, NO_x- and dust data presented on this page excludes the discontinued business unit Russian Power Generation.

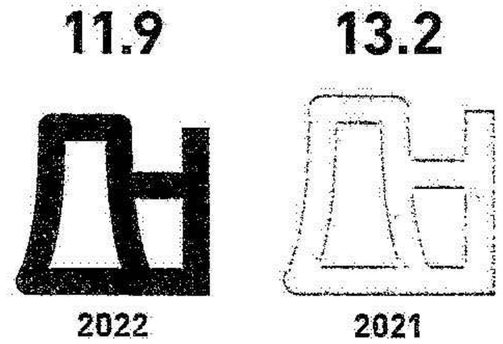
> See appendix for more information

SO_2 emissions (kilotons)



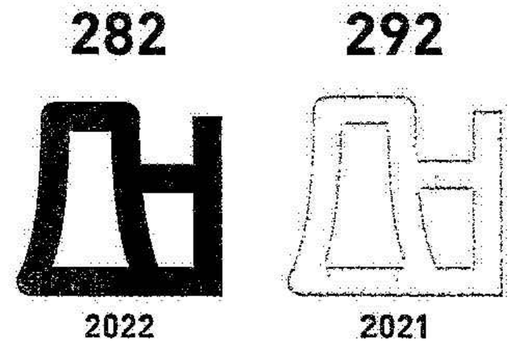
Sulfur dioxide (SO_2) emissions
SO_2 results primarily from the combustion of sulfurous coal. Flue-gas desulfurization (FGD) equipment captures about 90% of our SO_2 emissions and prevents them from entering the atmosphere. We emitted 4.5 kilotons of SO_2 in 2022, 0.8 kilotons less than in 2021.

NO_x emissions (kilotons)



Nitrogen oxides (NO_x) emissions
Most NO_x emissions are produced from the reaction between nitrogen and oxygen during combustion at high temperatures. Our gas- and coal-fired power stations emit NO_x. In 2022, our NO_x emissions decreased by 1.3 kilotons.

Dust emissions (tons)



Dust emissions
Despite extensive filtering, the burning of coal and lignite in power stations results in dust emissions. Dust emissions are defined as total dust and include particles with a diameter of 10 and 2.5 microns. Our dust (or particulate) emissions were 10 tons lower in 2022 than in 2021.

SO_2 NO_x Dust

20230627188895



Cottam Development Centre in the UK

Reducing dust and NO_x at Cottam

Cottam Development Centre (CDC), a 450 MW combined-cycle gas turbine in Retford, England, went offline in mid-2022 for a routine three-month maintenance outage. It hired GeoPura, a renewable energy company, to power the maintenance project. GeoPura provided a fuel cell that converted green hydrogen into zero-emission electricity. The hydrogen was produced using electricity from a nearby biomass facility. Previously, CDC had used diesel generators for power during maintenance. The new approach, a first at Uniper, displaced 94 metric tons of carbon during the three-month project and avoided the particulate and NOx emissions of diesel generators. It also substantially reduced noise (diesel generators are loud, fuel cells are quiet), which improved the work environment for people on-site. Solar-powered lighting towers and electric vehicles were also utilized during the outage.

Grid stability technology without the need to generate power

As we move towards a net-zero future with a greater proportion of renewable energy generation, maintaining grid stability becomes a significant challenge for energy system operators. Traditionally, this stability is maintained through inertia services, which are typically provided as a by-product of thermal generation and contribute to air pollution.

To address this challenge, Uniper has implemented a rotating grid stability technology at its Killingholme power plant in the UK, which became operational in 2022. This innovative technology utilizes a flywheel that rotates 3,000 times per minute and retains kinetic energy or inertia in the electricity system. The stored energy helps to maintain the grid's stability at the correct frequency and voltage level without generating any emissions to the air. By using this technology, Uniper can help achieve grid stability without relying on thermal generation and associated emissions. This innovation is a significant step towards achieving a sustainable and net-zero energy system, with Uniper leading the way in developing and implementing innovative solutions to address the environmental challenges of power generation.

Helping reduce marine plastic litter

Waste microplastics end up in inland water bodies and the ocean where they can be ingested by aquatic and marine animals and thus enter the food chain. Maasvlakte, a Uniper power station in Rotterdam's harbor district that uses seawater for cooling, has continued to participate in a three-year EU-funded project called InNoPlastic. Its aim is to develop innovative technologies that capture nano-, micro-, and macroplastics in water and thus help the EU achieve a circular economy. Maasvlakte's role is to collect samples of ocean water and sediment to determine what types of plastic they contain. In 2022, the project developed a technique to separate the plastic samples into nano- and microparticles to enable a better understanding of the composition of this waste in the ocean.



> The services we provide to the National Grid ESO will play an important role in helping deliver the UK's net zero ambitions, by maintaining grid stability and security of energy supplies, whilst enabling more solar and wind power to come onto the grid in the future

Mike Lockett
Uniper UK Country Chairman
and Group Chief Commercial Officer Power

2023062718896

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Energy efficiency

Implementing technical upgrades, improving our production processes, and pursuing operational excellence raises our power plants' efficiency. Improving energy efficiency enables us to conserve energy, make more efficient use of the fuels we burn, and reduce our emissions.

Energy management systems
All of Uniper's fossil-fuel power plants and energy storage facilities in Germany have energy management systems in place. These systems meet the standards required to achieve certification to ISO 50001, an internationally recognized standard that provides a framework for companies to develop a policy for more efficient use of energy. All of these facilities retained their certification to ISO 50001 in 2022.

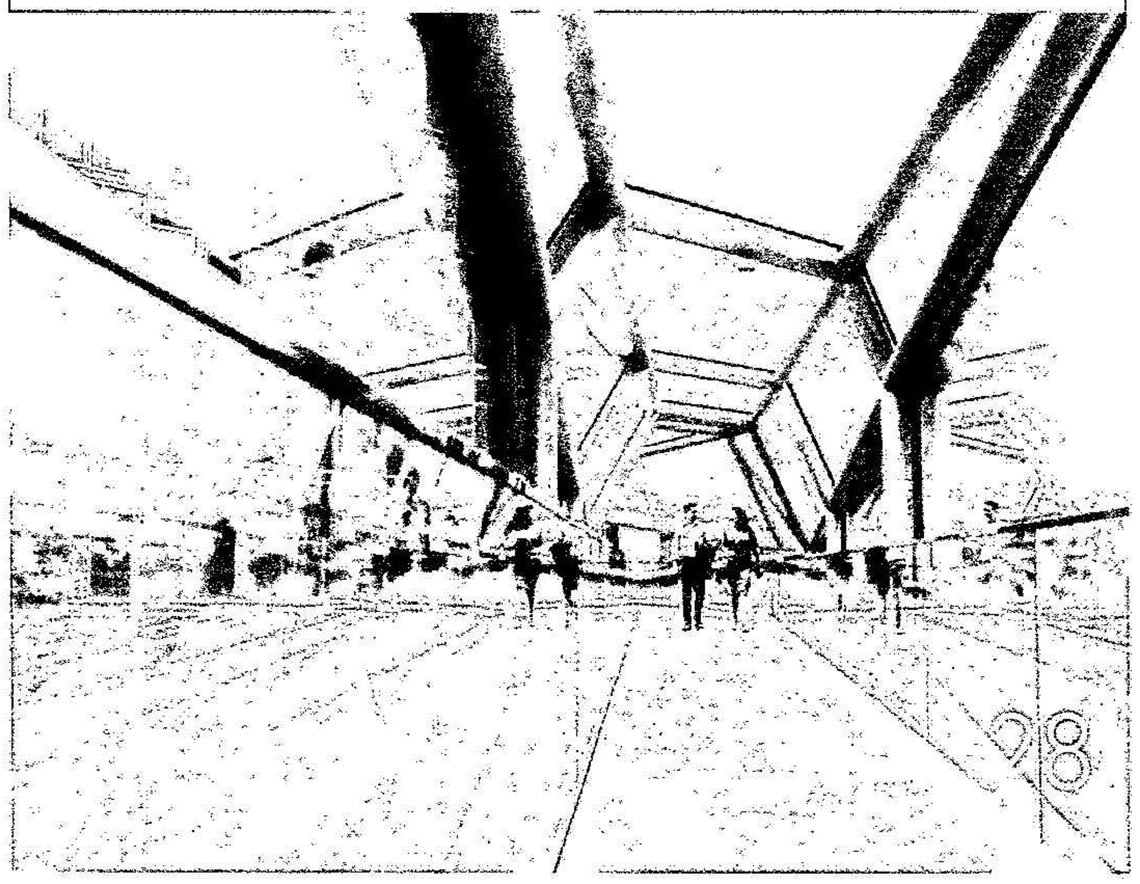
Flexible, efficient power plants
Our aim is always to derive as much energy as possible from each unit of fuel. This reduces our environmental footprint and operating costs. The improvement process is ongoing. Where possible, we invest to upgrade the technology in a number of our power plants and to increase their efficiency, flexibility, and availability. By systematically assessing how our plants use energy in various operational modes and in response to market requirements, we identify potential savings. The focus is on making the power production process as efficient as possible and on reducing auxiliary power consumption, especially when a plant is in reserve mode or at a standstill.

An employee at Uniper Power Engineering Services in the UK



Energy-efficient offices
Energy is Uniper's business. In 2022 the Uniper Management Board adopted an initiative to enhance energy efficiency in the Company's office buildings. It involves changes to how we run them and how our people work. This may mean adjusting heat and tap water temperatures and reducing office space used, to name just a few of the possible energy-saving measures. Teams at each office site decide which measures make the most sense for it. Our Dusseldorf headquarters, which has the most employees of any office, is in a technologically advanced LEED-rated (Leadership in Energy and Environmental Design) energy-efficient building. Nevertheless, we aimed to reduce its consumption in the winter of 2022/2023 by 500 000 kWh, which is roughly equivalent to the annual energy consumption of 200 two-person households. We sought to do this in part by reducing the office room temperature and by not using half the available office space, thereby conserving much of the energy that would otherwise have been needed for it and the office equipment located there.

Uniper's offices in Dusseldorf, Germany



20230627138897

Water use and optimization

Water is crucial to our business. Our hydroelectric stations are situated on numerous large and small bodies of water in Germany and Sweden. To produce power, they need sufficient water flow in rivers or sufficient water levels in reservoirs. Our thermal power stations draw cooling water from the sea, estuaries, and rivers. As we develop our business in parts of the world where water scarcity is a more urgent issue, we must be particularly vigilant.

In the decades ahead, climate change is likely to change weather patterns, which will affect the hydrological cycle in the regions where we operate our plants. For example, long droughts would alter river flow and reduce the amount of water available for power plants as well as potentially impact supply chain routes. When water levels drop, concentrations of pollutants increase, temperatures rise, and ecosystems suffer. Our challenge is to find sustainable water sources, sustainable uses of water, and treatment methods to ensure our plants' future availability and reduce impacts on ecosystems during periods of water stress.

Our normal asset-planning and risk process includes evaluating potential changes in the hydrological cycle and the implications of climate change for our assets, especially the hydropower plants with a total capacity of 3.6 GW that we own and operate in Sweden and Germany. If these changes occur, discussions with regulatory agencies about adjusting our permitted operations to reflect seasonal variations may be necessary.

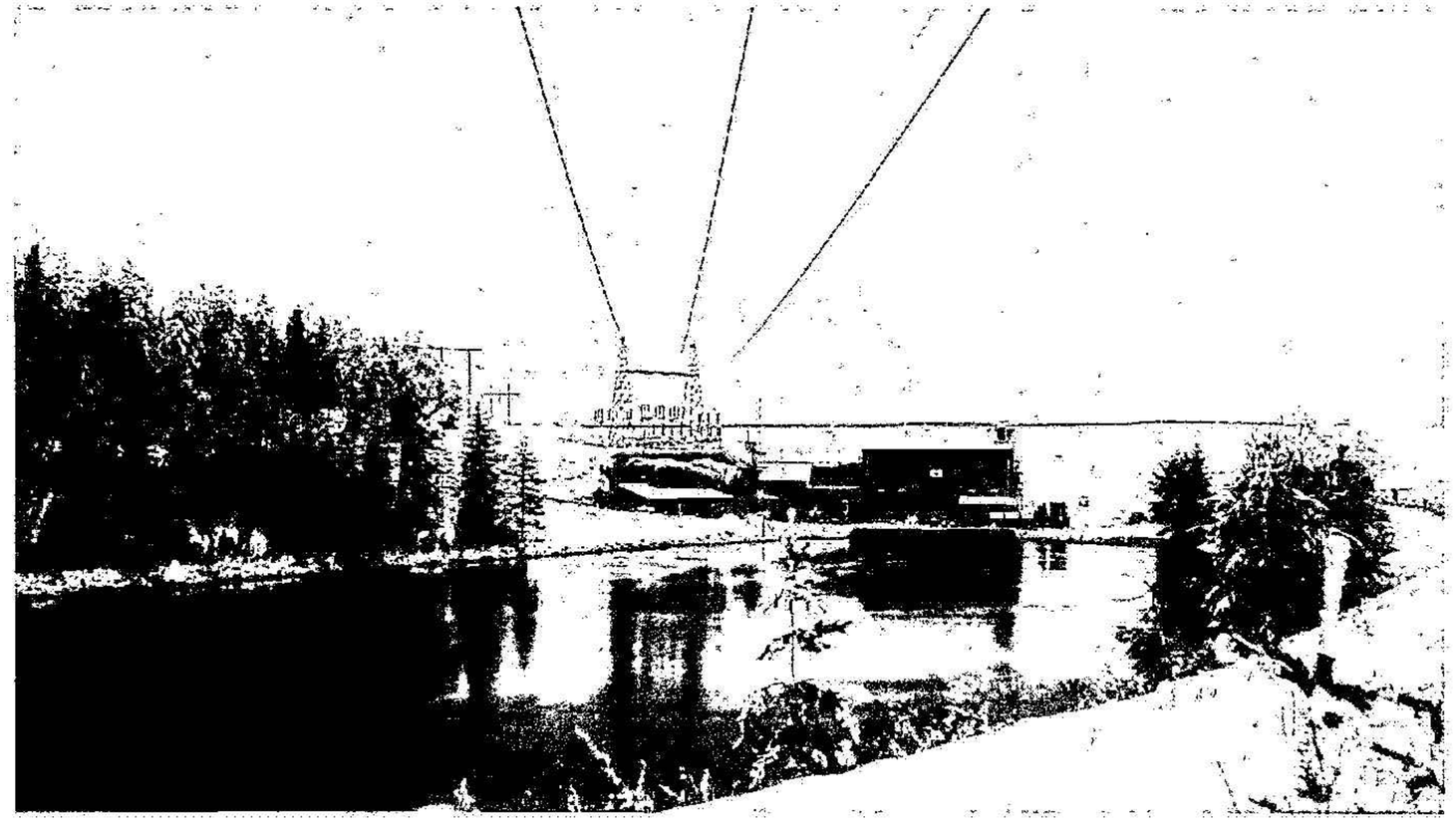
Low water levels on the Rhine

The water level of the Rhine River in Germany dropped in mid-2022 owing to persistently hot, dry weather. Barges bringing hard coal to Uniper's Staudinger power plant could only be loaded with less than 40% of their normal capacity. We were unable to replace this with coal supplied by rail. Although Staudinger operated more hours in 2022 to help secure the electricity supply, by late August 2022 its coal bunker was only half as full as in prior years. Fortunately, because river traffic never ceased entirely, Staudinger at no point had to reduce its output. But this indicates the kind of issues that in the future we might face with greater frequency.



Low water levels on the river Rhine, Germany

20230627188898



A Uniper Hydro plant in Sweden

Using water responsibly
We are committed to using water responsibly. We do this by complying with all applicable laws, regulations, and permit conditions, by managing our assets carefully, and by utilizing internal controls designed to minimize water-related risks.

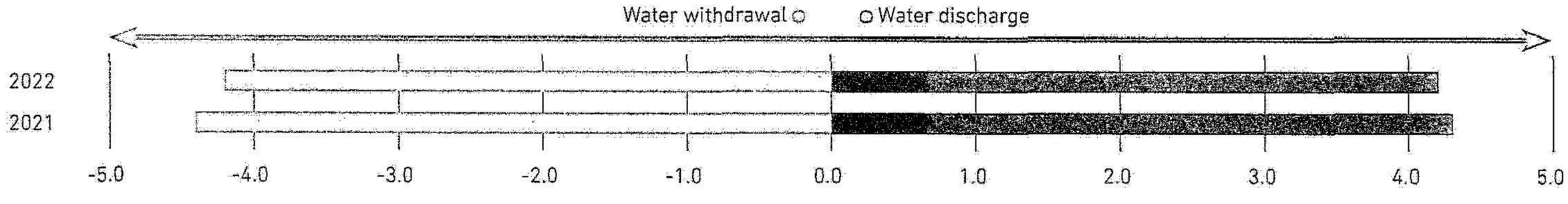
National and local legislation and good practice define the minimum requirements and standards for water use. Uniper complies with all applicable laws and regulations. The EU enacted the Water Framework Directive (WFD) in 2000. It obliges member states to achieve a good status for all bodies of water within their jurisdiction. We fully support the WFD.

Total water withdrawal and discharge
In 2022, we withdrew 4.2 billion cubic meters of water, 99% of which was withdrawn for cooling purposes. We withdrew 0.2 billion cubic meters less than we did in 2021.

99%

of the water withdrawn in 2022 was discharged back to the source

Water withdrawal and water discharge in billion m³



> See appendix for more information

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Circular economy and waste management

Circular economy

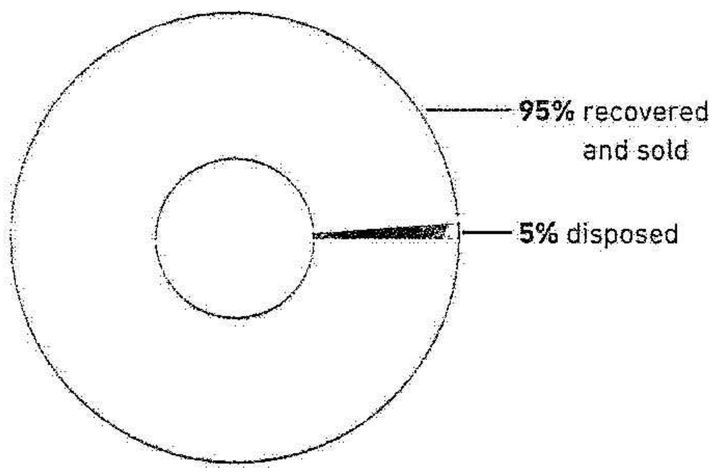
We are committed to using natural resources efficiently and responsibly. We also strive to market the by-products of power generation, which replace virgin materials and thus conserve resources. Our ability to deliver on this commitment affects our operating efficiency, margins, market position, and reputation, as well as the communities near our assets. We made a concerted effort in 2022 to consider the life cycle of the waste materials that arise from our operations to identify even more options for reuse or recycling. For example, we established a waste working group in the United Kingdom in 2022 to address this topic.

From fuel to building material
The generation of electricity at coal-fired power plants yields by-products like fly ash. If these by-products meet certain quality standards, they have beneficial uses. For example, they can replace a portion of the cement in the manufacture of ready-mixed concrete and concrete products in the construction industry. Using high-quality fly ash in this application is good for the environment because it makes beneficial use of a by-product and reduces the environmental impact relative to the use of cement that it replaces (which would otherwise be used in the concrete products). BauMineral, our Herten-based building materials specialist, not only maximizes the marketing of our by-products, but it also helps its customers to maximize their own reuse.

Uniper's long-term decarbonization goal involves phasing out coal generation in Europe. Other power generators have similar ambitions. This will significantly reduce the amount of fly ash available for the building material industry and is already affecting the market. The Russia–Ukraine war and the subsequent embargo on Russian coal had a significant impact on Uniper's power generation business in 2022. We had to swiftly find new sources of coal and to operate some coal-fired power plants more than anticipated to help maintain a reliable electricity supply. This resulted in an unplanned increase in fly ash, sometimes of mixed quality because of the changes in our coal sourcing. We took steps to prevent fly ash, especially that of high quality, from being landfilled. For example, fly ash from Maasvlakte, a Uniper power plant in the Netherlands whose operating hours increased in 2022, was transported for storage at other Uniper locations where it can be delivered to the ready-mix concrete and building industries.

By-products at Uniper
We sold, recovered, or disposed of 1.3 million metric tons of pulverized fly ash furnace bottom ash, and gypsum in 2022. More than 95% was recovered or sold.

% of by-products disposed and recovered and sold in 2022



> See appendix for more information

Recycling rare earth elements
Uniper Canada, which operates the Bécancour Power Facility near Montreal, Quebec, has begun a program to recycle rare earth elements found in the coal-derived magnetic particles in waste sands. Shredded mining equipment tires are cleaned, separated, and processed by Wabash Development Canada Ltd., a Uniper engineering partner. There, the rare earth elements are recovered. They are then sent to Uniper Canada Ltd. in Bécancour, Quebec, where they are used in the production of magnets for electric motors. The magnets are then sent to Uniper's Bécancour Power Facility, where they are used in the CHP process. Uniper Canada Ltd. plans to recycle approximately 250 metric tons of rare earth elements per year.

20230627189OO

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Waste management

We are committed to minimizing the waste we generate and improving how our waste is managed.

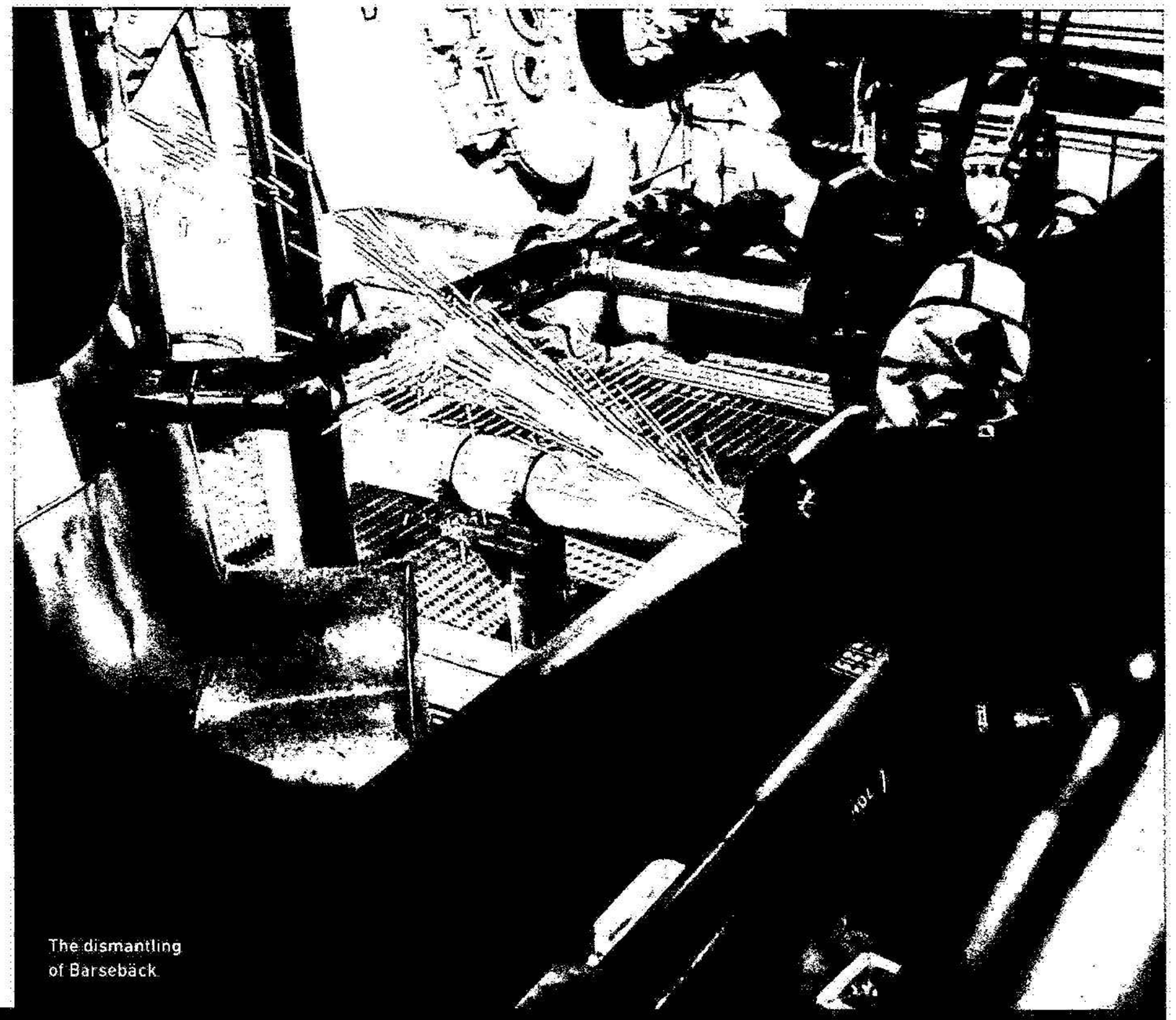
One way we reduce our impact on the environment is by avoiding waste or reusing it. Waste results from our operations and from our projects, which include construction of new assets and the decommissioning of older assets.

We always try to reuse and recycle as much waste as possible. But our primary objective is not to produce any waste in the first place. We produced 44,694 metric tons of operational waste in 2022. This is a 6,385 metric ton reduction from 2021.

Reducing radioactive waste in Sweden
Uniper operates, or has stakes in, nuclear power plants (NPPs) in Sweden that produce low-, intermediate-, and high-level radioactive waste. This waste totaled 3,231 metric tons in 2022, which is an increase from 2021 (2,398 metric tons). The increase primarily resulted from the decommissioning and dismantling of Barsebäck NPP's two units in 2022. Of the 2022 total, 42 metric tons was high-level radioactive waste (2021: 38 metric tons); 743 metric tons was intermediate-level radioactive waste (2021: 391 metric tons), and 2446 metric tons was very low- or low-level radioactive waste (2021: 1,969 metric tons).

We have an important responsibility to ensure that this waste is properly handled, stored, and disposed of in accordance with Swedish law. That is why safety, as well as radiation and environmental protection, are high priorities for us.

The decommissioning and dismantling of Barsebäck NPP's two units and units 1 and 2 at Oskarshamn, which continued in 2022, will lead to an increase in all levels of radioactive waste in the years ahead. However, Uniper continues to safely maximize waste recycling and minimize radioactive waste, including materials with higher levels of radioactivity which are destined for Sweden's final repository.



The dismantling of Barsebäck

Recycling air filters
In 2022 Cottam Development Centre (CDC) became the first UK power plant to effectively recycle its gas turbine's air filters. The filters, which clean the incoming air for combustion, were previously replaced once or twice a year and sent to landfill. Now they are cleaned and reinstalled. CDC reused a total of 2,304 air filters in 2022. Other Uniper plants in the United Kingdom are considering emulating CDC's successful initiative.

Recycling PPE
The team at Grain, a large Uniper gas-fired power station in southeast England, used to dispose of their old personal protective equipment (PPE). In 2022 they began recycling it. Some items, such as gloves and clothing, can be professionally washed and reused. Safety footwear is donated to charity, and plastic items that cannot be reused, such as safety helmets, are granulated for plastic recycling.

Recycling waste at Barsebäck
The dismantling of Barsebäck NPP, which is located about 20 kilometers north of Malmö on Sweden's southwest coast, began in 2020. Work continued in 2022 to dismantle the condensers, which were used to cool the steam that had passed through Barsebäck's turbines and convert it back to process water. Dismantling involves several steps, including the manual removal of 35,000 nine-meter titanium tubes. The next step was to high-pressure water blast the condensers in their entirety to remove a layer of oxide containing higher levels of radiation and thus make it possible for the condensers to be handled as conventional waste and perhaps be recycled. We aim to send more than 300 metric tons of metal scrap to local waste handling instead of a special treatment located elsewhere, thereby reducing transport distances and secondary waste. The water used for blasting was collected and filtered in a three-step process before being sent to an on-site water processing facility.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Climate change and greenhouse gas emissions
Emissions to air, land, and water
Energy efficiency
Water use and optimization
Circular economy and waste management
Biodiversity
Continually improving our environmental performance

Biodiversity

Uniper recognizes that its operations have the potential to impact biodiversity directly and indirectly. We therefore strive to minimize these risks by complying with applicable laws and regulations and by managing our assets carefully. We also work with relevant government agencies and with nature conservation organizations to promote biodiversity at and near our assets.

As part of obtaining permission to build and operate a power plant or other industrial asset, we compile biodiversity data about the site and surrounding areas, assess the asset's potential impacts, and put in place management controls to minimize these impacts. This process often involves consultations with conservation agencies. Throughout an asset's operating life, we monitor the controls' effectiveness. In addition, we protect and, if possible, enhance the ecological value of the land and water around our assets and educate our staff and contractors on the importance of protecting biodiversity.

We want to measure and enhance the biodiversity of our existing operations and new businesses. In 2022, we calculated an initial global biodiversity footprint of our existing operations, in line with the science-based target approach. This initial footprint clearly identified that delivery of our decarbonization goals will be the most important action towards reducing the impact of our activities on biodiversity at a global level. During the next two years, Uniper will focus on developing biodiversity management processes and associated targets to combine the global benefits of delivering our decarbonization strategy together with the local benefits of improving biodiversity management on our sites.

Enhancing Biodiversity

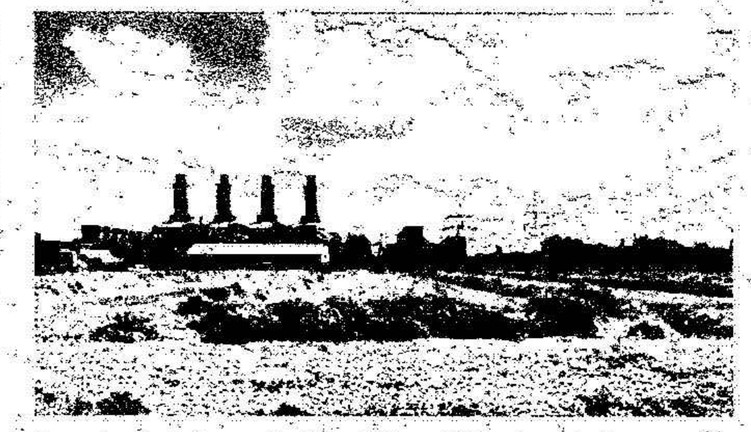
Nesting kestrels at Grain
In May 2022 we spotted a nest full of kestrel eggs on top of one of the boiler units at Grain, our 1.4 GW gas-fired power station on the southeast coast of England. Kestrels are a protected species in the United Kingdom, so we reported the nest to the Royal Society for the Protection of Birds (RSPB) and established an exclusion zone around the nest to protect it, the eggs, and once hatched, the fledglings. We also mounted video cameras to capture footage of the nests throughout the summer, including time-lapse imagery of hatching. After the young kestrels left the nest, they were seen circling over the power station.

Andy Wheeler, Grain's Environment Advisor, said: "We were determined to do everything we could to protect these rare birds and ensure the nest and fledglings had the best chance to survive. It worked. Several of the eggs hatched, and healthy fledglings flew the nest. It was another example of how Uniper systematically minimizes its environmental impact and, when the opportunity arises, takes steps to make a positive difference."



Common Kestrel

Biodiversity improvements at Connah's Quay
Connah's Quay, Uniper's 1.2 GW gas-fired power station in North Wales, is located on the River Dee Estuary, a wetlands that provides a migratory habitat for a wide variety of bird species, many of them rare and protected. The Dee Estuary is deemed a Site of Special Scientific Interest and is covered by several categories of environmental protection. We collaborate with a number of key stakeholders (including the Deeside Naturalists Society, the Royal Society for the Protection of Birds and Natural Resources Wales to manage 56 hectares of our property as a nature reserve. Over the years, Uniper has built a large two-tier hide providing a view of the river to the north and a wetland meadow to the south as well as a field study center overlooking bunded coastal pools we created. The hide and study center are used by scientists, local bird enthusiasts and community groups. We take other steps as well, including restricting access to some operational areas of the installation, to ensure that protected bird species remain undisturbed whilst nesting. Our efforts, which go well beyond the environmental mitigation measures stipulated when the power station was built, help safeguard this important natural asset and enhance its biodiversity. For example, the first known pair of avocets nested in the reserve in 2021 and returned in 2022 along with a pair of Cetti's warblers.



Connahs Quay Power Plant in the United Kingdom

2023062718902

Mine recultivation project concluded
A predecessor entity of Uniper operated opencast lignite mines near the town of Wackersdorf in eastern Bavaria until the early 1980s. Extensive recultivation began in 2002. The largest and final section, an 80-hectare area called Westfeld, was completed in August 2022 – ahead of schedule and on budget. Deadwood and stone biotopes were created, while hydroseeding yielded additional habitats. Over two decades, an industrial wasteland has been carefully transformed into a natural landscape in which regional flora and fauna can flourish and that people can enjoy. Uniper's efforts included partnering with Wackersdorf to significantly improve the town's flood protection.



Re-cultivated Westfeld by Josef Merkl 2022

Litzau Loop habitat project completed
Dessau and Dornau, two Uniper hydroelectric plants in Bavaria, are situated on the Lech River about 70 kilometers southwest of Munich. The plants are also connected by the 15-kilometer Litzau Loop, the river's last natural free-flowing segment and a species-rich nature reserve. Uniper worked closely with the local water management authority to conduct a multiyear project to create habitats and spawning grounds for a variety of fish and a breeding ground for birds. In late autumn 2022, we restored a side arm of the Loop, which had been without water for several years. It now provides a refuge for huchen, nase, and other fish during floods and an important growth habitat for juvenile fish. We also removed vegetation from a gravel island so it can serve as an environment for sandpipers, a rare wading bird. The Litzau Loop habitat project is now completed. We plan to continue monitoring the Loop and, if necessary, to make improvements.



A sandpiper

Bypasses for fish
The dams of hydroelectric plants are obstacles for fish. Consequently, nearly all Uniper's run-of-river hydro plants in Germany and Sweden have a man-made creek—called a fish pass or fish ladder—enabling fish and other water dwellers to get around the plants safely. We have added 25 fish passes of various designs in recent years. In Dessau, we began installing one in 2022. During its construction, another gravel spawning ground will be created downstream of the plant. The fish pass will be a near-natural bypass, thereby providing the right conditions for young fish to thrive after hatching. More fish passes on the Lech, Isar, and Danube are at various stages of planning, approval, and implementation.

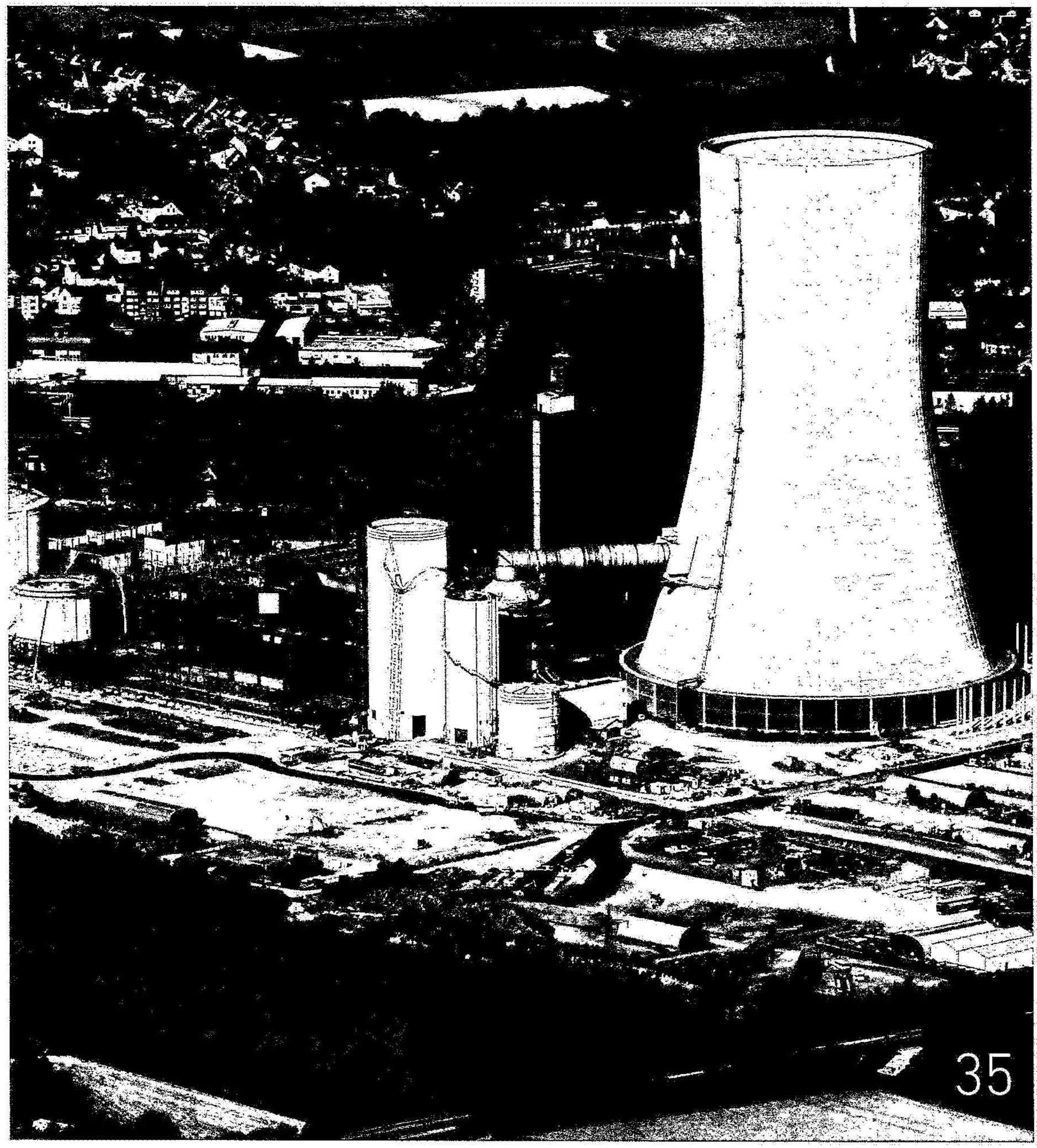
More oxygen for the Danube
Fish and other aquatic organisms need oxygen. When hot, dry summers reduce oxygen levels in rivers, hydroelectric plants can help. Some can inject pressurized air into the river from aeration valves on their turbines; others can add air by means of the turbulence that results when water flows over their weir. So far, however, there is little scientific knowledge about how effective oxygen enrichment actually is and which method works best. Uniper and the government of the Upper Palatinate, a district in northeast Bavaria, decided to conduct a research project to find out more. July and August 2022, which were extremely hot and dry, created the perfect laboratory conditions. During this time, we tested oxygenation at Vohburg, Regensburg, and Straubing, three of our hydroelectric plants on the Danube. The first results are expected in the course of the year 2023 and will be discussed with experts.

20230627189O3

Safe eel migration
The European eel must migrate from rivers to the sea to complete its life cycle. The dams of hydroelectric plants get in the way. Each year Uniper helps thousands of eels overcome these barriers in both Sweden and in Germany. In 2022 we facilitated the capture and transport of about 8,400 kilograms of eels from the Main to the Rhine. From there, they can migrate without hindrance to the North Sea, the Atlantic, and ultimately the Sargasso Sea, their breeding grounds. Uniper invests around €80,000 annually for eel protection on the Main alone.

Recultivation in Mürsbach
Uniper operates 7.4 billion cubic meters of underground gas storage capacity in Germany, Austria, and the United Kingdom. It wanted to add more capacity near Mürsbach in northern Bavaria and drilled five deep test wells there in what surveys indicated was a suitable geological structure. Ultimately, the structure turned out not to meet our high standards. So we carefully backfilled the wells and recultivated the site, creating grasslands dotted with hedges, copses, and herbaceous vegetation. This diverse landscape serves as the habitat for numerous bird species (including whitethroat, yellowhammer, nightingale, and red-backed shrike) as well as dormice and sand lizards. Recultivation was completed in December 2021.

A future-proof forest for Datteln
Datteln 4, our state-of-the-art 1.1 GW hard-coal-fired power plant located in west-central Germany, generates a large amount of Deutsche Bahn's (the German National Rail Service) traction power. In the winter it also provides heat to about 100,000 homes. During the permitting process we agreed to plant a stand of trees near Datteln 4. It was originally supposed to consist mostly of beech trees. We subsequently decided it would be prudent to consider the effects of climate change and thus the likelihood of hotter, drier summers and warmer, wetter winters. After consulting with the North Rhine-Westphalia State Office for Forests and Timber, we chose a more robust mix of trees—mostly oak varieties—and a mosaic-like layout to give them the best chance to thrive. Planting will be completed in the first quarter of 2023.



Datteln 4, Germany

2023062718904

Continually improving our environmental performance

It is of strategic importance to Uniper to be fully aware of its operations' environmental impact and performance. Our assets' environmental performance significantly affects our operating efficiency, market position, and reputation. Uniper complies with all applicable laws to prevent uncontrolled emissions into the environment. To mitigate environmental risks, the HSSE & Sustainability function at Uniper Group Management defines and implements environmental management systems (EMS).

Uniper has in place environmental management systems that are certified to ISO 14001, an internationally recognized standard. As of year-end 2022, 100% of the existing operational assets of Uniper's fully consolidated subsidiaries had retained their ISO 14001 certifications.

We believe that having our industrial facilities certified to ISO 14001 enhances our ability to prevent incidents that could have adverse impacts on the environment. We are therefore committed to maintaining 100% ISO 14001 certification.

Uniper's environmental management systems include a commitment to continual improvement. All Uniper sites accredited to ISO 14001 have environmental improvement programs that describe their intended improvements and the steps toward achieving them. When practicable and useful, we coordinate improvement programs across our operations in Europe to ensure a consistent approach and share best practices.

We carefully investigate all incidents and all significant environmental close calls, taking appropriate steps to prevent them from recurring. We also systematically share knowledge about previous incidents – at our company and across the industry – so that they are not repeated. In 2022, we had no severe environmental incidents, which we define as "the release of a substance to the soil, water, or air that would result in a long-term or irreversible change in the biological or physical environment or an extensive loss of habitats or species."

100%

of our operational facilities maintained their ISO 14001 certification in 2022.

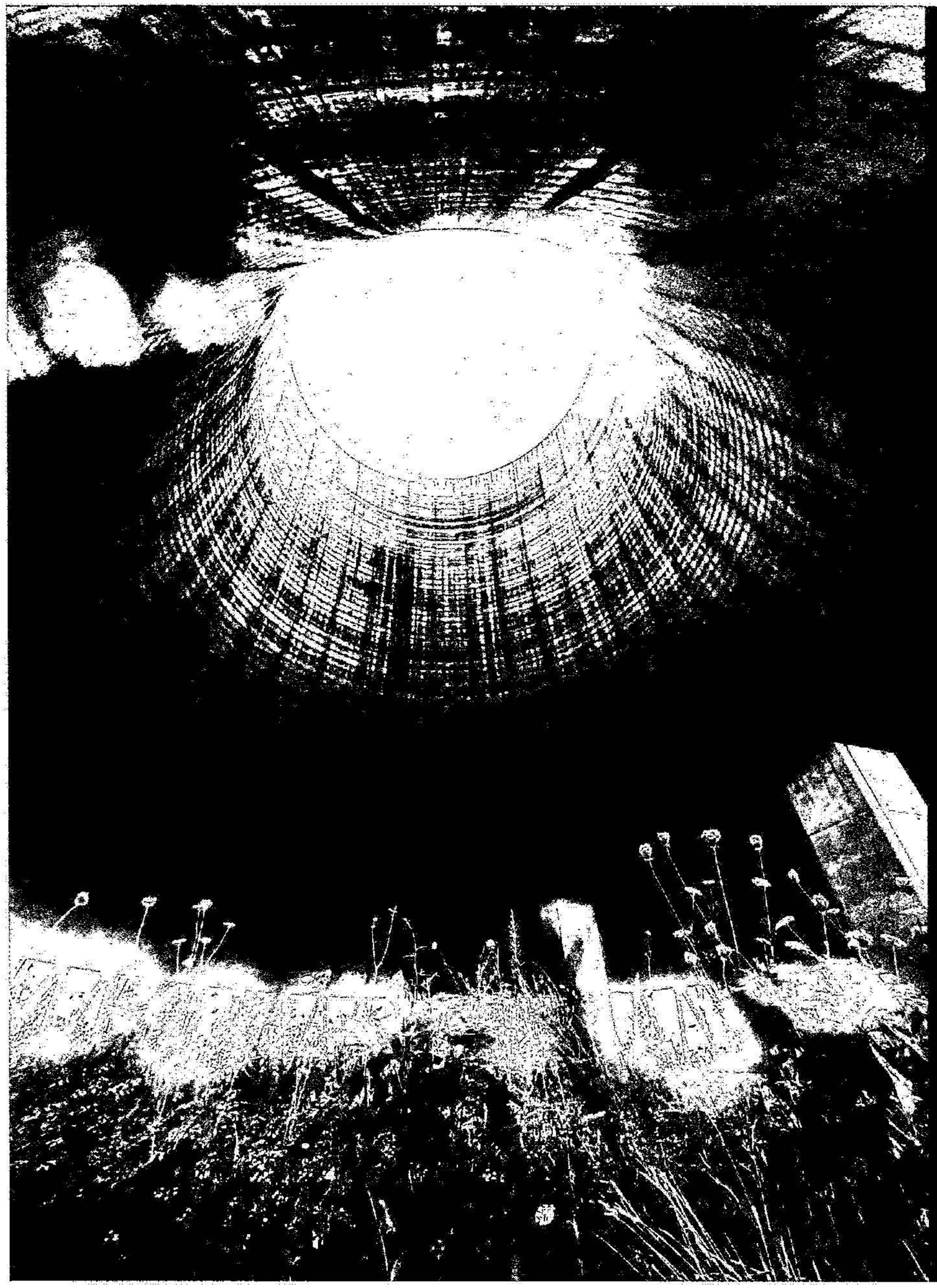


"Sustainability is an important issue for Uniper's Real Estate Management. All offices are rented under the premise of sustainability. Here we are guided by criteria such as LEED. In the management of our offices the focus is on people and users: we rely on the participation of colleagues. The acceptance of reusable cups, waste separation, and also the use of environmentally friendly cleaning agents thrives on participation. In this way we can jointly achieve our goal of using our offices in the most environmentally friendly way possible. The bees on some of our office roofs also contribute to this.

In the area of use and development of our properties we respect protected habitats of flora and fauna. We see ourselves as responsible for resources that have been used intensively up to now, and we convert them to new uses in accordance with ESG principles."

Susanne Miarka
Senior Vice President
Uniper Real Estate Management

20230627183905



Environmental regulation

Leiden, the Netherlands
The municipal authority issued a new environmental permit for Uniper's combined heat and power (CHP) plant in Leiden in 2021. The new permit had much lower NOx emission limits than had been requested by Uniper and so an appeal was filed. Uniper demonstrated that the plant could not comply with the new emissions limits and therefore Leiden received a new permit with higher limits.

Maasvlakte, the Netherlands
Direct-Fired Boiler #2 (DFB2), a CHP plant at Uniper's Maasvlakte power station in Rotterdam's harbor district, is fueled by a mixture of process gases, natural gas, and waste fuels. In July 2020, Uniper received an updated permit for DFB2 but did not agree with the permit's waste fuel input control requirements and therefore filed an appeal. At the time of this report's publication, the court was still considering the appeal.

Datteln, Germany
Datteln 4, Uniper's 1.1 GW hard-coal-fired power plant in west-central Germany, began commercial operation in May 2020. In August 2021 the Higher Administrative Court of North Rhine-Westphalia (OVG NRW) in Münster heard lawsuits brought by the City of Waltrop (a town near Datteln), BUND NRW e.V. (an environmental advocacy group), and four private individuals. The lawsuits contested the city of Datteln's development plan from 2014, which constitutes the basis for the permit. As a result of the hearing in August, the OVG NRW ruled in favor of the plaintiffs and declared the development plan invalid and did not allow for an appeal. This decision is not final. Both Uniper as a joined party and the City of Datteln as defendant have filed complaints against the nonadmission of the appeal. In October 2022, the Federal Administrative Court in Leipzig granted the nonadmission appeals and will now review the decision of the OVG NRW in detail.

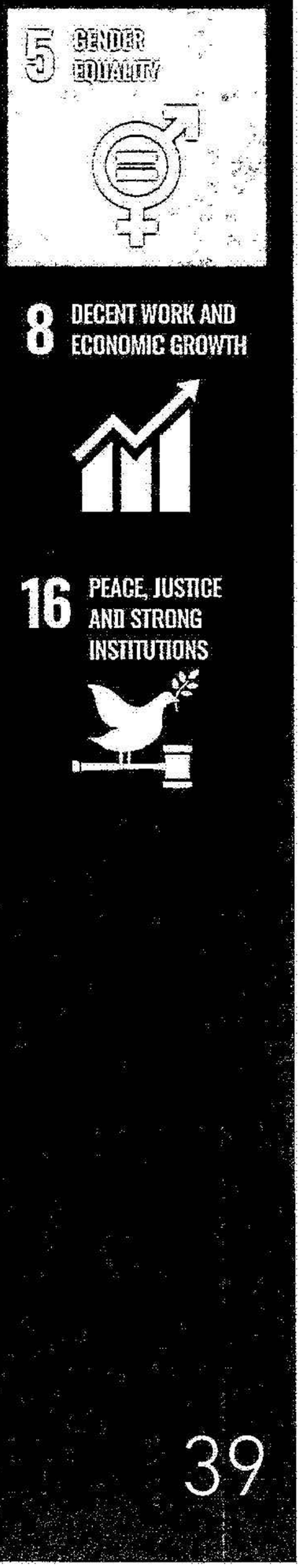
2023062718906



People & Society

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Targets	Progress on the commitments and targets in 2022
5 GENDER EQUALITY	We systematically enhance diversity, equity, and inclusion to create the best possible environment for all employees and to achieve equal opportunity and more balanced representation. We do not tolerate discrimination.	Increase the share of women in leadership positions to 25% by 2022. Achieve an employee inclusion indicator of over 95% by 2022.	Uniper created a Diversity, Equity and Inclusion council in 2022. On June 30th 2022, 16.7% of the first and 20.6% of the second management level positions were held by women. As a company with a focus on STEM professions, Uniper faces the challenge of attracting female candidates. The employee inclusion indicator decreased from 85% in 2021 to 82% in 2022. The Company will place greater emphasis on inclusion in 2023.
8 DECENT WORK AND ECONOMIC GROWTH	We respect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors; promote the same standards in our joint ventures and partnerships.	Certify 100% of Uniper's operational assets to ISO 45001 by 2022.	100% of Uniper's operational assets were certified to ISO 45001 by the end of 2022. In 2022, 250 Uniper and Fortum executives met to reflect on how they as leaders can safeguard the integrity of people, assets, and the environment.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	We screen our operations and suppliers for ESG risks, including human rights risks, and collaborate with stakeholders to support mitigation measures.	Conduct ESG due diligence of 100% of counterparties by 2022.	Uniper assessed 100% of its suppliers for ESG risks in 2022, which is a significant improvement on 2021 (59%).



20230627183908

Secure and affordable energy supply

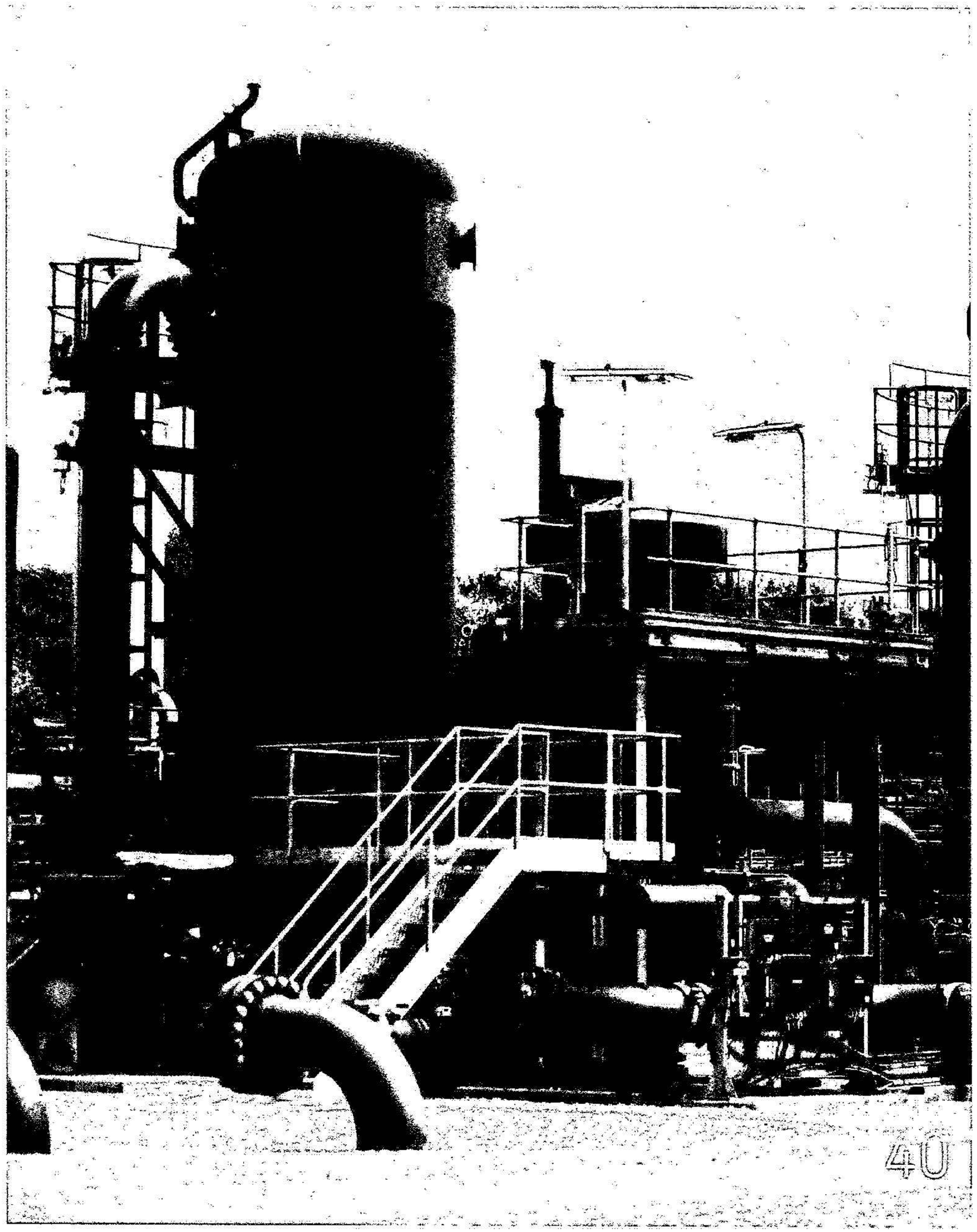
Uniper is committed to making a significant contribution to security of supply, as a reliable supply of energy is essential for the functioning of society and a competitive economy. Our priority is to provide a secure, affordable, and diversified supply of power, gas, and heat to our customers while simultaneously making this energy progressively climate friendlier and in the long term climate-neutral.

Strengthening security of supply

Our 2022 materiality analysis identified a "Secure and Affordable Energy Supply" as Uniper's second-most material topic. This reflected the urgency of Europe's energy crisis that followed Russia's war on Ukraine and its suspension of gas deliveries to Europe. Uniper's main priorities in 2022 were to ensure supply security in its core markets and to diversify its gas procurement. Because 2022 was such an unprecedented year, this chapter focuses primarily not on Uniper's ongoing efforts to ensure supply security but rather on the decisive steps it took in 2022 amid the crisis.

The four most important steps Uniper took to ensure supply security were:

- Opening Germany's first LNG terminal
- Bringing some of our coal-fired power plants back into the market or extending their operation
- ensuring that our gas storage facilities were meeting – at least – the minimum filling levels required by German regulation despite the Russian gas curtailment
- Taking steps to diversify our gas procurement



The Holford flexible natural gas storage facility is located 30km southwest of Manchester, United Kingdom and can be used to balance short-term fluctuations in demand.

20230527189O9

Procuring LNG
Liquified natural gas (LNG) gives Europe access to gas produced in countries—the United States, Canada, and Qatar, to name a few—with which it has no pipeline link. But LNG requires special handling when it arrives, and Germany previously had no facility capable of this. In December 2022, Uniper opened Germany's first landing terminal for LNG. In mid-December 2022, the Höegh Esperanza, a floating storage and regasification unit (FSRU), dropped anker in Wilhelmshaven on the country's North Sea coast. Within days it was connected to Germany's gas pipeline system. The FRSU brought with it enough gas to supply at least 50,000 households for a year. Its main role in the years ahead will be to regasify LNG and thus feed at least 5 billion cubic meters of natural gas into the German gas network each year. Further ahead, we plan to add a green ammonia import terminal and hydrogen production facility in Wilhelmshaven. The "Climate Change and GHG emissions" chapter provides more information.

Wilhelmshaven LNG Terminal



Uniper resumes market operations of coal-fired power plants
Uniper remains committed to making its power generation business in Europe climate-neutral by 2035. But Russia's suspension of gas deliveries has temporarily created a situation in which Europe first needs to make sure it has enough gas to heat homes and power industry before it uses gas to generate electricity. Multiple European governments recognized this and in 2022 announced their willingness to allow coal-fired power plants to come back into the market or to operate for longer than originally foreseen under their phase-out plans in order to ensure a reliable electricity supply. Germany passed such a law in mid-2022. Other countries took similar action. This means that Uniper extended operation or brought some power plants back to the market. Heyden 4, Uniper's 875 MW coal-fired plant in northwest Germany - which was in reserve - was brought back to the market to secure supply until latest 31 March 2024. Uniper also operates Scholven C hard-coal-fired power plant for longer than planned to secure electricity and heat supply in the Ruhr region. Originally, an end to commercial power generation at Scholven C was planned from the end of October 2022. Staudinger 5 would have had to cease commercial operation on 21 May 2023 due to the award in the fourth tender to reduce coal-fired power generation, but will also stay on the market until 31 March 2024. In addition, Uniper returned the Irsching 3 power plant in Vohburg on the Danube, which runs on light fuel oil, to the market from February 2023 until the end of 2023 to strengthen security of supply in southern Germany.

To further support security of supply, Uniper is preparing for the continued operation of the Scholven B hard-coal-fired power plant (345 MW) in Gelsenkirchen beyond June 2023.

In the UK, Unit 1 Ratcliffe hard-coal-fired power plant was due to close in September 2022; however, Uniper reached an agreement with the grid operator NGESO to prolong operations until March 31, 2023. The agreement also covers the dispatch of the power plant. At the request of the UK government, Uniper was successful in the capacity market auction for the year 2023/24. All four units (in total 2,000 MW) are scheduled to close by the end of September 2024 at the latest.

In addition, the Netherlands suspended its 35% cap on coal-fired output, which affects Maasvlakte 3, our coal-fired plant in Rotterdam.

Amid all this, Uniper did not extend its coal procurement contracts with Russian suppliers and is ensuring that its assets can be operated without Russian coal. We already procure hard coal from a wide variety of countries worldwide and work continually to further diversify our portfolio.

20230627183910

Gas storage: security today and tomorrow
Uniper Energy Storage GmbH manages natural gas storage facilities in Germany and Austria and is Germany's largest operator of underground gas storage facilities. In addition, a British Uniper Group Company operates a gas storage facility in England. Together the gas storage facilities have a working gas capacity of 7.4 billion cubic meters.

Gas storage facilities are currently one of the few technologies that can store large amounts of energy for long periods of time. They can respond to demand spikes or import interruptions, which was a big factor in 2022 and early 2023. In 2022 we therefore took proactive steps to ensure that our storage facilities were full by the end of fall so that they could help ensure supply security during the winter heating season.

Today Uniper's underground facilities store only natural gas. However, hydrogen will likely be crucial for Europe to achieve its climate objectives. The "Climate Change and GHG emissions" chapter provides more information. Fortunately, hydrogen has many of the characteristics of natural gas. But not all. This makes it necessary to conduct tests to explore how to make Uniper storage facilities hydrogen-ready. We began testing at Krummhörn, a decommissioned natural gas cavern storage facility in a salt formation in northwest Germany. The Krummhörn cavern is about 1,600 meters underground and could store 200,000 cubic meters of hydrogen at 270 bars of pressure. Preparations will continue throughout 2023, with the first injection of hydrogen scheduled for early 2024.

Diversifying gas procurement
Uniper's gas business has a portfolio of 356 TWh of long-term gas supply contracts per year (including contractual volumes from Russia). Until mid-2022, 254 TWh of Uniper's annual gas volumes originated from Russia. Russian gas used to play a crucial role in the gas supply of Europe and, especially, Germany. In 2022, Russia gradually reduced its gas deliveries as of June and, in late August, completely stopped deliveries. Since then Uniper has procured gas at significantly higher market prices to ensure a reliable supply to its customers. As part of the obligations set out in the state aid approval of the EU Commission, Uniper is structurally reshaping its gas portfolio and working on further diversifying its gas procurement sources to secure supply and mitigate risks.



20230627189111

Uniper's power generation fleet

2022 was an exceptional year. But even when the geopolitical situation stabilizes, societies will continue to need a reliable supply of electricity. Uniper's power plants deliver precisely that. We have about 22.5 GW of generation capacity in Europe. Most is in Germany, the United Kingdom, and Sweden. Many of our power plants are highly flexible, enabling them to balance out the fluctuations in renewables output and thus keep the electricity supply reliable. In addition to producing electricity and providing stability to the grid, many of our plants supply heat, process steam, compressed air, and other products to nearby industrial enterprises and utilize some of these enterprises' waste streams.

Uniper Group: Consolidated Generation Capacity as of Dec 31, 2022[1]

MW	Gas	Coal	Hydro	Nuclear	Other	Total (country specific)
Germany	3,333	3,197	1,983		1,418	9,932
United Kingdom	4,193	2,000			221	6,414
Sweden			1,579	1,400	1,175	4,154
Netherlands	525	1,070				1,595
Hungary	428					428
Total (asset specific)	**8,479**	**6,267**	**3,562**	**1,400**	**2,814**	**22,523**

[1] Accounting view.

Uniper's Maasvlakte Power Plant in the Netherlands

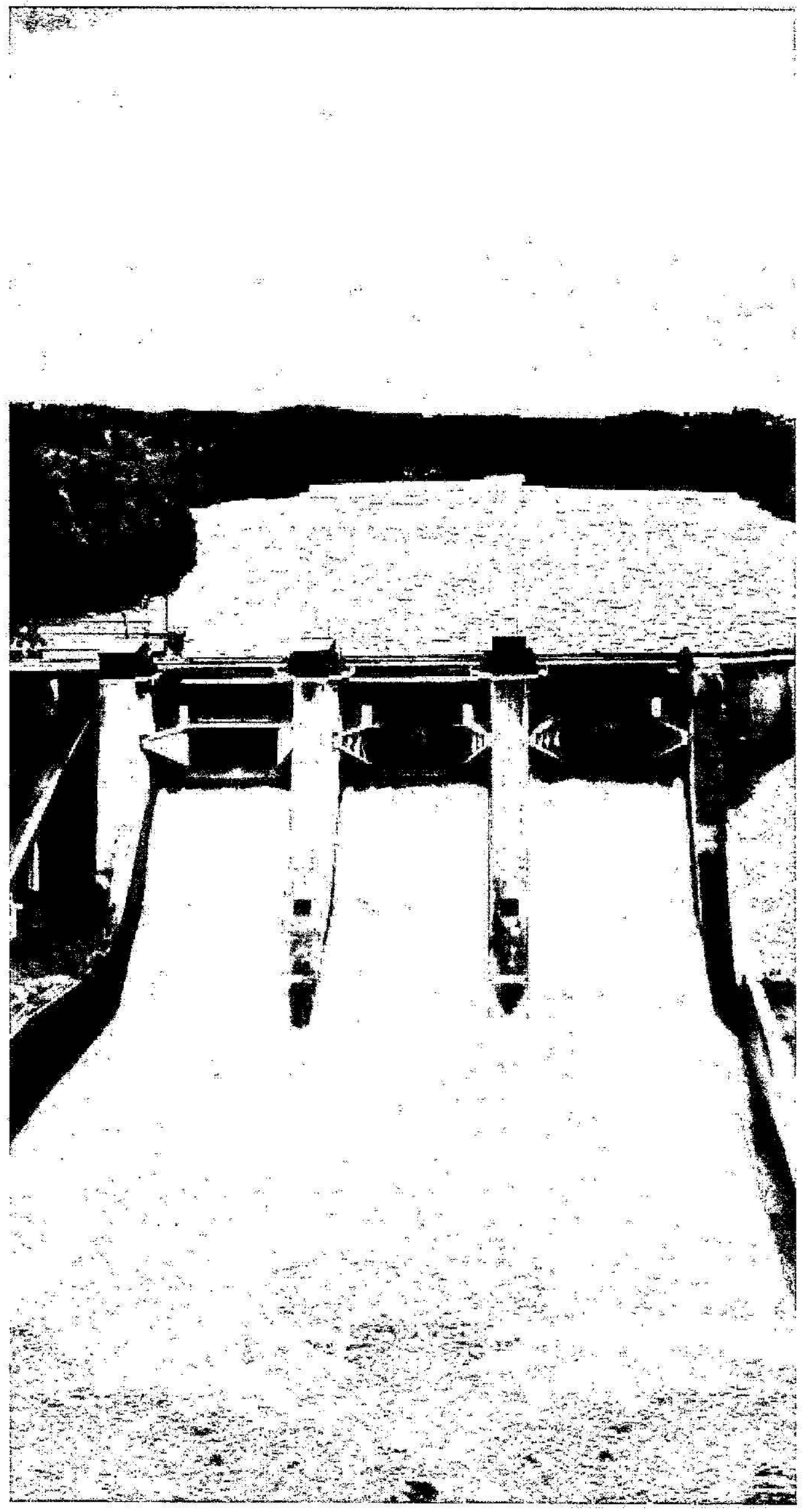




We act as the backbone of society when there is network disruption. Our gas turbines are important for Sweden, and one big advantage is that they can start up quickly.

Rania Torabi Aysf,
Performance Engineer GT Nordics in Malmö, Sweden

20230627189l2



Uniper has more than 125 years of experience in power generation. We also have a passion for continually improving our plants' performance. We periodically upgrade the technology and processes at our assets so that we continue to ensure high rates of availability and efficiency and prevent unplanned downtime. Some of these upgrades also improve our assets' climate performance.

The availability of all of its assets is one of Uniper's highest priorities. Uniper's key performance indicator for the availability of its power plants is average asset availability. In 2022, Uniper's gas- and coal-fired power plants in Europe had an average asset availability of 71% (2021: 78%). The year-on-year decrease in asset availability was largely due to planned outages at Staudinger 5, Irsching 4, and Datteln 4 in Germany. The unplanned unavailability in Europe increased from 9.8% in 2021 to 12.6% in 2022. This was due in part to boiler damage at Maasvlakte 3 in the Netherlands and the collapse of a stack at Grain in the United Kingdom due to extremely high winds.

Due to the current situation in Russia, the information required for the calculation of asset availability is not available from Unipro, and therefore it is not possible to calculate and report asset availability 2022 for the entire Uniper Group.

Average Asset Availability for Conventional Power Generation by Country

%	2022	2021
Germany	69.7	75.8
Hungary	92.5	83.0
Netherlands	67.5	80.5
Russia[1]	-	80.8
Sweden	93.7	93.3
United Kingdom	66.3	76.5
Total	**71.0**	**79.0**

The figures shown are calculated using availability = 100% minus (planned and unplanned unavailability). Uniper Group figures represent a volume-based weighted average. The calculation refers to Uniper's actual operational portfolio. The 2022 calculation includes all fully consolidated assets. The 2021 calculation is based on the legal entity share

[1] Full year 2022 data for Russian Power Generation (discontinued operations) cannot be reported. The H1 value can be found in Uniper's Interim Report 2022.

To manage the operating risks of its generation assets, Uniper has an integrated asset and HSSE management system that conforms to industry practices. Uniper has decades of experience in integrated, reliable, and tailor-made utility management. We market this expertise by providing operation and maintenance services to power plant operators' new energy infrastructure projects. These services enable customers' power plants to meet high international standards for operational excellence, including in HSSE performance.

20230627183913

Human rights

Uniper does not tolerate human rights violations in any part of its business or anywhere along its supply chain. Because Uniper does business around the world, including in countries whose institutions are not always fully able to protect all internationally recognized human rights, this issue in particular requires due diligence.

As of 2023, Uniper will have a Human Rights Officer. The Human Rights Officer's role is to ensure the effective management of human rights and environment-related risks and to report regularly to the Uniper Board of Management, which bears the overall responsibility for Uniper's Human Rights Strategy and ESG Risk Management. The Human Rights Officer will, in cooperation with the necessary Uniper business functions, define specific engagement strategies with relevant suppliers.

Severe human rights violations such as unlawful forced displacements or forced labor can be a direct or indirect consequence of business activities, particularly in countries with a history of insufficient standards for security, social development, and inclusion. Moreover, factors such as authoritarian governments, weak democratic institutions, and a widespread lack of transparency and accountability in some of these countries pose significant challenges to effective operations and supply chain management.

Mitigating the risks of human rights violations

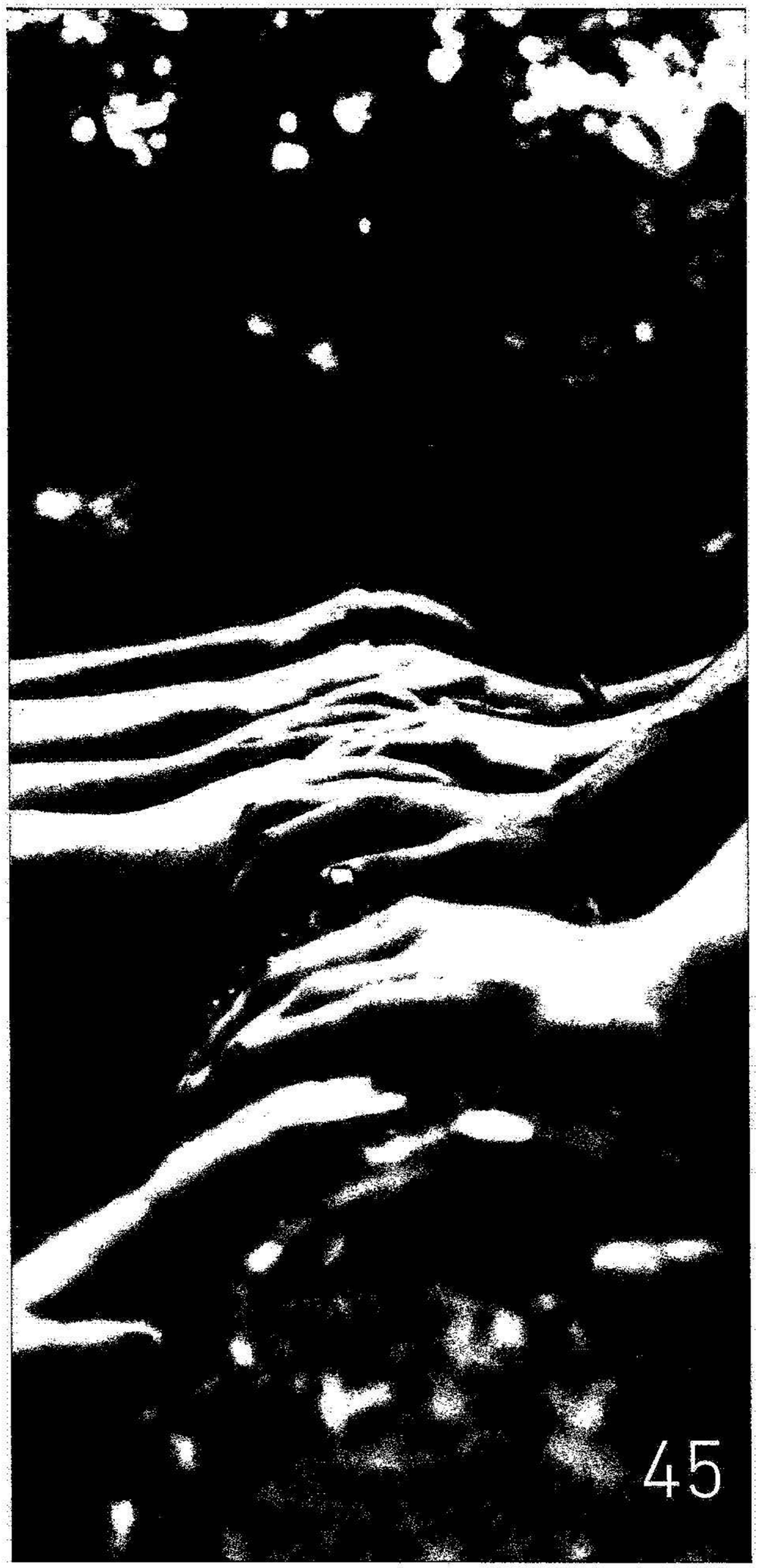
Our human rights strategy is embedded into our ESG risk management system to identify, prevent, and minimize the risks of human rights violations and damage to the environment. Human rights risks are identified using analytical tools as well as our own and third-party benchmarks that provide information on the risks associated with different countries of origin, suppliers, raw materials, and goods. The tools take into account the information provided by authorities and concerned parties and independent reports of human rights violations in the relevant regions.

> ESG risk management and due diligence

Respecting human rights requires a proactive approach and the commitment of the entire organization to achieve continuous improvement. This includes timely and adequate measures to remediate adverse impacts on a case-by-case basis at Uniper's operations and along its supply chain. Uniper's approach is to address risks directly with suppliers or by means of multi-stakeholder initiatives, such as Bettercoal. The termination or suspension of contracts may be necessary in cases where a supplier demonstrates a persistent lack of progress or engagement. We plan to roll out an online training program to reinforce employees' awareness of managing human rights and environmental risks. It will be available in 2023 and will be mandatory for employees who interact with suppliers.

Uniper has also established a whistleblowing channel that anyone who is aware of actual or potential human rights risks or violations can use to report them to a channel (whistleblowing@uniper.energy) or directly to the Human Rights Officer. From 2023 onward, an enhanced due diligence procedure will be performed if Uniper receives reports of human rights grievances regarding its operations or suppliers. If the Human Rights Officer considers the report to involve an active supplier, it will be investigated together with the Legal and Compliance teams. Our commitments, standards, and approaches to human rights, labor, and ethical business practices are addressed in our Policy Statement on Human Rights Strategy.

> Uniper Policy Statement on Human Rights Strategy



> Overview
> Planet
> **People & Society**
> Responsible Governance
> Appendix

Secure and affordable energy supply
Human rights
Just transition
Health, safety, and well-being
Fair and attractive employer
Diversity, equity, and inclusion
Corporate citizenship

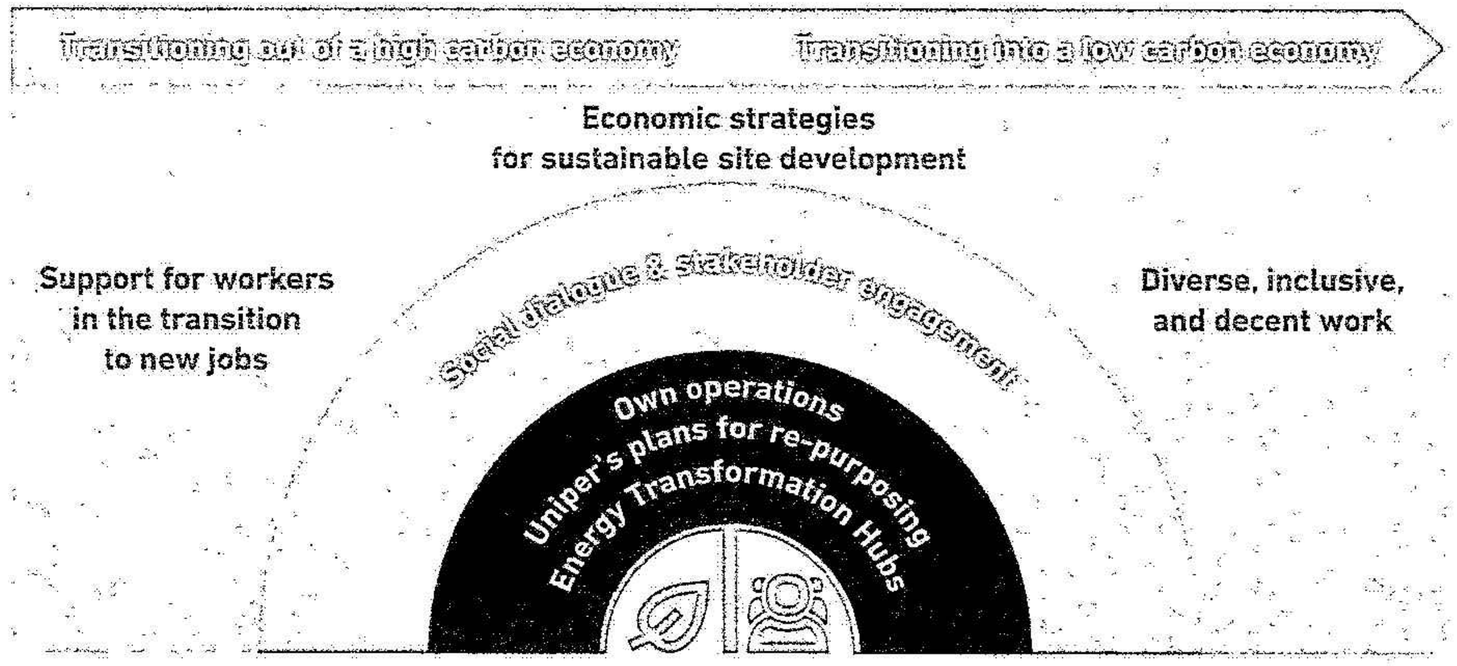
Just transition

A key facet of Uniper's decarbonization plan is exiting coal in Europe. We intend for decarbonization to create value and, just as importantly, to safeguard as many jobs as possible. We have plans for converting our coal-fired power plants to lower-carbon fuels or repurposing them for a sustainable economy. These plans have a set of principles to ensure a just transition within the meaning of the ILO 2015 guidelines and the COP26 agreement. These principles include, but are not limited to, support for workers in transitioning to new jobs, social dialogue, and stakeholder engagement. The diagram below provides more details.

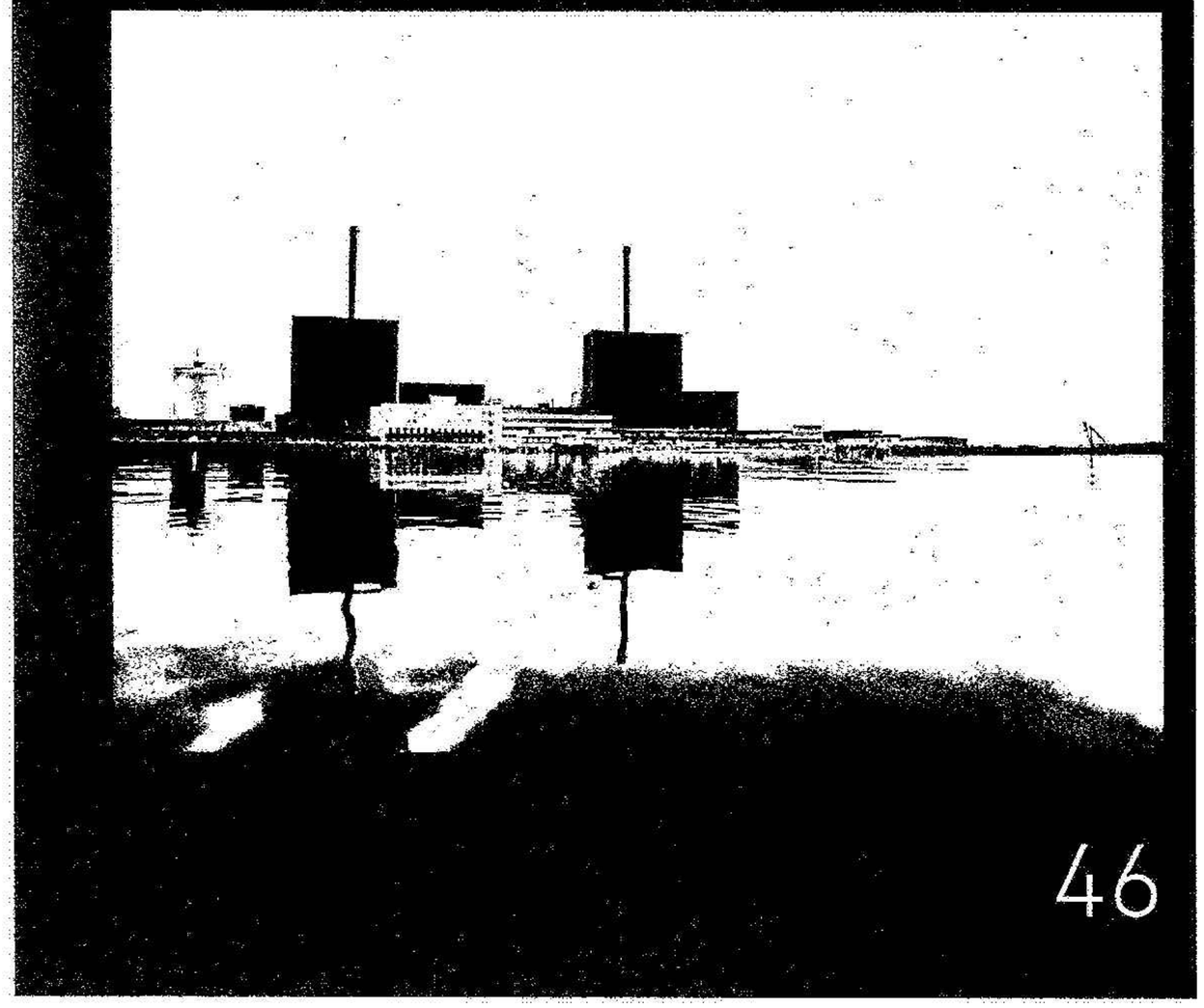
> Uniper's coal phase-out
> Some of these plans will take shape at our Energy Transformation Hubs.

The implementation of our future plans for Scholven power station in west-central Germany is already nearing completion. We have installed two technologically advanced combined-cycle gas turbines (CCGTs) which are undergoing final testing. When they enter service in 2023, they will supplement and, by 2025, replace Scholven's existing coal-fired generating unit. Scholven will also be an innovation hub for hydrogen by becoming the home of the Hydrogen Industrial Research and Training Center (H2iRTC). The center will address industry's hydrogen needs and also create and safeguard jobs.

Through Bettercoal, Uniper also supports the just transition in the coal-producing region of Cesar in Colombia.



Barsebäck Clean Energy Park
Barsebäck Clean Energy Park is a joint initiative between Uniper and Ideon that aims to transform the decommissioned Barsebäck nuclear power plant into a hub for research and entrepreneurship. It envisages a modern campus for energy-intensive and innovative industries, and the possibilities for the park are many: photovoltaic energy production, battery storage, hydrogen production, biogas plants, greenhouse farms, innovation hubs, and test facilities. The Barsebäck Clean Energy Park is an ambitious initiative that could become an engine for economic development in the region. Uniper, which owns the decommissioned nuclear power plant and is responsible for its decommissioning and demolition, is willing to take responsibility for both the management of the old and the development of the new. Barsebäck Clean Energy Park is a step towards a fossil-free society and achieving climate goals.



2023062718915

Health, safety, and well-being

We care about our people. That is why each day we work to maintain high health and safety standards in all our processes. Health, safety, and especially well-being continued to be top priorities for Uniper in 2022, particularly amid the changes and uncertainties brought about by the Covid-19 pandemic and the Russian war against Ukraine.

Improving health, safety, and well-being starts with strong leadership and requires a culture of continual improvement across all hierarchy levels. We always strive to learn from incidents as well as good practices. We also believe in people's ability to grow through experience and thus in our organization's ability to add to its corporate memory.

Uniper as a whole and each of our business functions have an annual Health, Safety, Security, Environment (HSSE) & Sustainability Improvement Plan that sets the course for the year ahead and helps us monitor our progress. Onboarding agreements with contractors include clauses requiring them to adopt our standards and aspire to contribute to our vision.

Comprehensive HSSE management

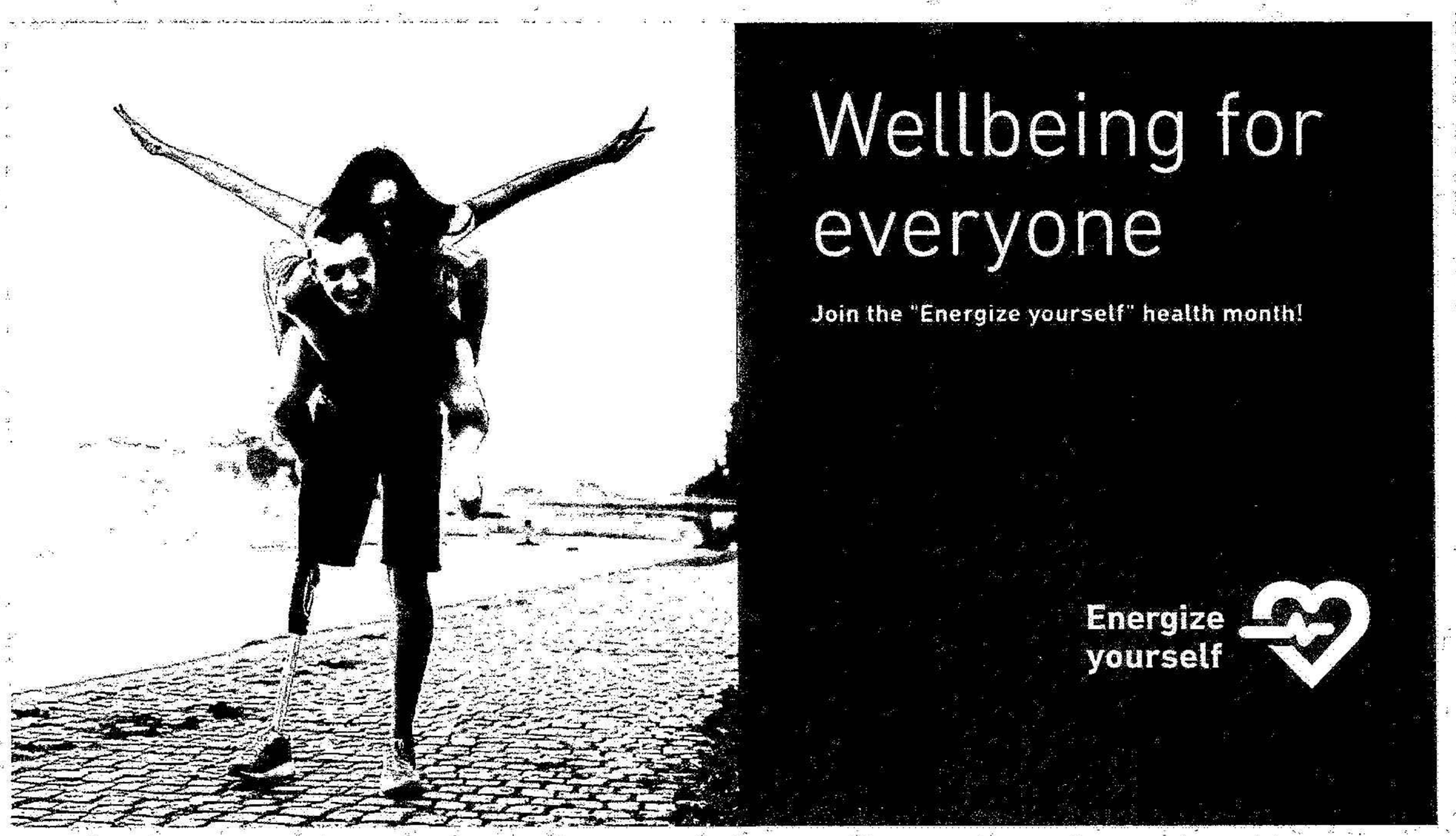
The Uniper Board of Management is fully committed to promoting health and safety across the organization and continually monitors the health and safety performance of Uniper's workforce and contractors. Health and safety are recurring topics on the agenda of senior management meetings and are regularly discussed by the Board of Management and the Supervisory Board.

The HSSE & Sustainability function supports the organization and employees in integrating health and safety standards into their strategic and operational planning, business decisions, and daily activities. It issues guidelines and policies, conducts workshops, and coordinates the sharing of best practices.

The occupational health and safety management systems of all Uniper's operating entities are certified according to ISO 45001. These systems are regularly reviewed and certified by independent auditors.

An organization's corporate memory requires an underlying system. Our corporate memory for safety is supported by Synergi Life, an online incident management system. Synergi Life enables us to systematically document and analyze incidents and near misses, share information about them across the organization, and institute corrective measures to help prevent their recurrence.

May 2022 was Uniper's global health month. Employees were encouraged to take part in various activities promoting the importance of physical, mental, and social health.



20230627183916

Supporting health and well-being

Uniper's integrated health approach offers all employees access to a wide range of services, from medical checkups and numerous exercise programs to mental well-being campaigns. In addition, the business functions continued to implement the steps defined in their health action plans. Their progress toward completing these steps was reported to the Uniper Board of Management and senior leaders on a quarterly basis.

The 2022 Voice of Uniper survey again showed employees' high level of satisfaction with Uniper's health support. The average score on health-related questions was 88% positive in 2022, slightly lower than 89% in 2021. This was due to small decreases in the positive responses to two questions: whether it is possible to live a healthy lifestyle while working at Uniper (83% positive in 2022 compared with 85% in 2021) and whether employees are able to cope with the mental demands of their job (86% in 2022, 87% in 2021). The magnitude of the reduction in positive responses to health-related questions was similar that of other sections of the survey and is not surprising considering geopolitical developments in the Company's situation in 2022.

100%

The occupational health and safety management systems of all Uniper's operating entities are certified to ISO 45001.

Strengthening internal networks for health management on one level
As part of our annual improvement plan, all functions at Uniper were asked to nominate at least one Health Ambassador. The aim is to strengthen our internal networks for health promotion and enhance health culture across Uniper. These volunteers are not expected to be health experts but rather to act as facilitators and motivators for their team. This includes promoting Uniper's health offers and identifying their teams' training needs. They also interact with other Health Ambassadors and the Uniper Health team. Health Ambassador networking meetings were held on a quarterly basis in 2022, providing a periodic forum for sharing information and best practices.

An example of such best practices in 2022 was the Active4Charities initiative run by our Engineering function. Its aim is to encourage colleagues to combine physical activity with raising money for charities. Two charities in the United Kingdom – Target Ovarian Cancer and Queen's Green Canopy – were chosen in 2022. For the activities employees completed, such as jogging or biking a certain distance, Uniper donated to the charities.

Better mental health
Uniper employees in Germany and members of their immediate family with professional, family, health, or other personal issues can receive free, individual counseling from the Fürstenberg Institute. The Fürstenberg Institute has more than 30 years of experience providing such counseling and is Uniper's long-standing partner for employee assistance. Uniper employees in the UK can also access counseling and mental health support provided by AXA.

In 2022 Uniper offered training on handling stress and dealing with change as part of its NewNormal project. In addition, a number of Uniper employees have been trained to assist their colleagues in managing psychological stress and preventing addiction. Uniper also offers courses on meditation and stress management.



20230627189I7

Striving to improve safety

Safety is a core value for Uniper – not only for our employees and contractors, but also for people who live near our facilities. Stressful situations, unforeseen hazards, and unsafe work habits in complex environments like power plants and gas storage facilities could lead to serious accidents, injuries, and fatalities – for our employees and contractors, as well as for people who live near our facilities. We have established a governance structure to manage and monitor the implementation of Group-wide safety policies and practices in the countries where we operate. They are designed to provide a safe and healthy workplace for employees and contractors, particularly those working in potentially high-risk activities, such as the plant decommissioning and dismantling under way in Germany, Sweden, the Netherlands, and the United Kingdom.

Becoming a learning organization
The Company-wide project to transform Uniper into a learning organization continued in 2022. The project builds on the changes instituted in 2019 to improve Uniper's processes for reporting, documenting, and analyzing safety incidents and, more broadly, to firmly embed a learning mindset in the organization. These changes include improving transparency about learning progress, coordinating tools and systems for sharing good practices, sharing lessons learned with contractors and other companies, and refining learning tools, engagement, and communications channels. For example, selected business areas held local and regional engagement sessions in 2022 to gather input from operating facilities on good practices that have the potential to be shared Uniper-wide. Other business areas will conduct similar sessions in 2023. In 2022 we developed a new, interactive eLearning module to facilitate continual learning; it will be made available to employees in 2023.

Safety leadership program
Leaders across the organization can make a difference in safety. In 2022, 250 Uniper and Fortum executives, including members of the two companies' Management Boards, met to reflect on how they as leaders can safeguard the integrity of people, assets, and the environment. Sessions were devoted to topics like culture, excellence, people and behaviors, and systems. Uniper will continue the program in 2023, with a different group of 200 managers gathering for in-person discussions. In addition, an online module called Your Choice Matters will be offered to everyone at Uniper; it consists of behavioral and emotional messages to help people reflect on how each individual can help make Uniper an even safer place to work.

Safety metrics

We use combined total recordable incident frequency (TRIF) as a safety metric alongside the degree of implementation of our HSSE & Sustainability Improvement Plans. Combined TRIF measures the number of work-related accidents sustained by our employees and contractors per million hours of work. In 2020, Uniper set a threshold of 1.2 for combined TRIF through year-end 2022. We also committed to strive even further by reducing our combined TRIF threshold to 1.0 by year-end 2025. We intend to get there by providing training, fostering continual learning, and further improving our management systems.

All below safety data excludes October-December 2022 data from the discontinued operations Russian Power Generation.

1.76 Combined TRIF
Combined TRIF, which includes the safety performance of contractor employees, was 1.76 (excluding October-December 2022 data from the discontinued operations Russian Power Generation), an increase from 2021 (1.51). This was mainly due to an increase in reportable accidents in the Russian and Gas Turbine fleet. This increase could not be offset by the decrease in accidents in the Nuclear and Hydro fleet and in the Engineering business. Uniper has continued fleet-specific and Uniper-wide safety improvement programs that aim to reverse this negative trend in 2023. For example, we set up initiatives that aim to improve the recording of causes and actions for medium and high risk incidents within Uniper's incident management system.

1.09 Employee TRIF
TRIF for Uniper employees increased to 1.09 in 2022 (2021: 0.82). This was due to a significant rise in incidents in the Russian Power Generation segment in 2022.

2.74 Contractor TRIF
Contractor TRIF increased to 2.74 (2021: 2.55), mainly because of a rise of recordable incidents in the Gas Turbine Fleet.

We also report lost-time injury frequency (LTIF), which measures the number of lost time accidents per million hours of work.

1.22 Combined LTIF
Combined LTIF increased to 1.22 (2021: 0.99). Like combined TRIF, this was mainly due to an increase in reportable accidents in the Russian and Gas Turbine fleet.

0.67 Employee LTIF
Employee LTIF increased to 0.67 (2021: 0.51).

2.03 Contractor LTIF
Contractor LTIF increased from 1.70 in 2021 to 2.03 in 2022.

Fatal injury in Russia
An employee of Unipro was severely injured on April 30, 2022, during inspection work at the power plant Surgutskaya GRES-2 and passed away due to the injuries on May 10, 2022. Unipro's internal investigation was supported by a representative from Uniper SE. The root causes were identified, and improvement actions were implemented to prevent reoccurrence. The results of the incident investigation were presented to the various stakeholders across Uniper. A formal learning document has been published that summarizes the most important incident findings and offers anyone within Uniper the opportunity to learn from this tragic incident.

20230627718918

Safety developments in 2022

State-of-the-art fire prevention
In 2022 Uniper's Staudinger power plant in central Germany installed a camera-based fire and leak detection system and integrated it into the plant's fire alarm system. The eight cameras can detect fire and smoke early, enabling crew to take swift countermeasures. Live images from the cameras, each of which monitors a pair of oil burners, are displayed on two monitors in Staudinger's control room. The system incorporates artificial intelligence to enhance the camera's detection capability, thereby significantly improving asset integrity and occupational safety at Staudinger. Uniper has also installed these cameras at other sites.

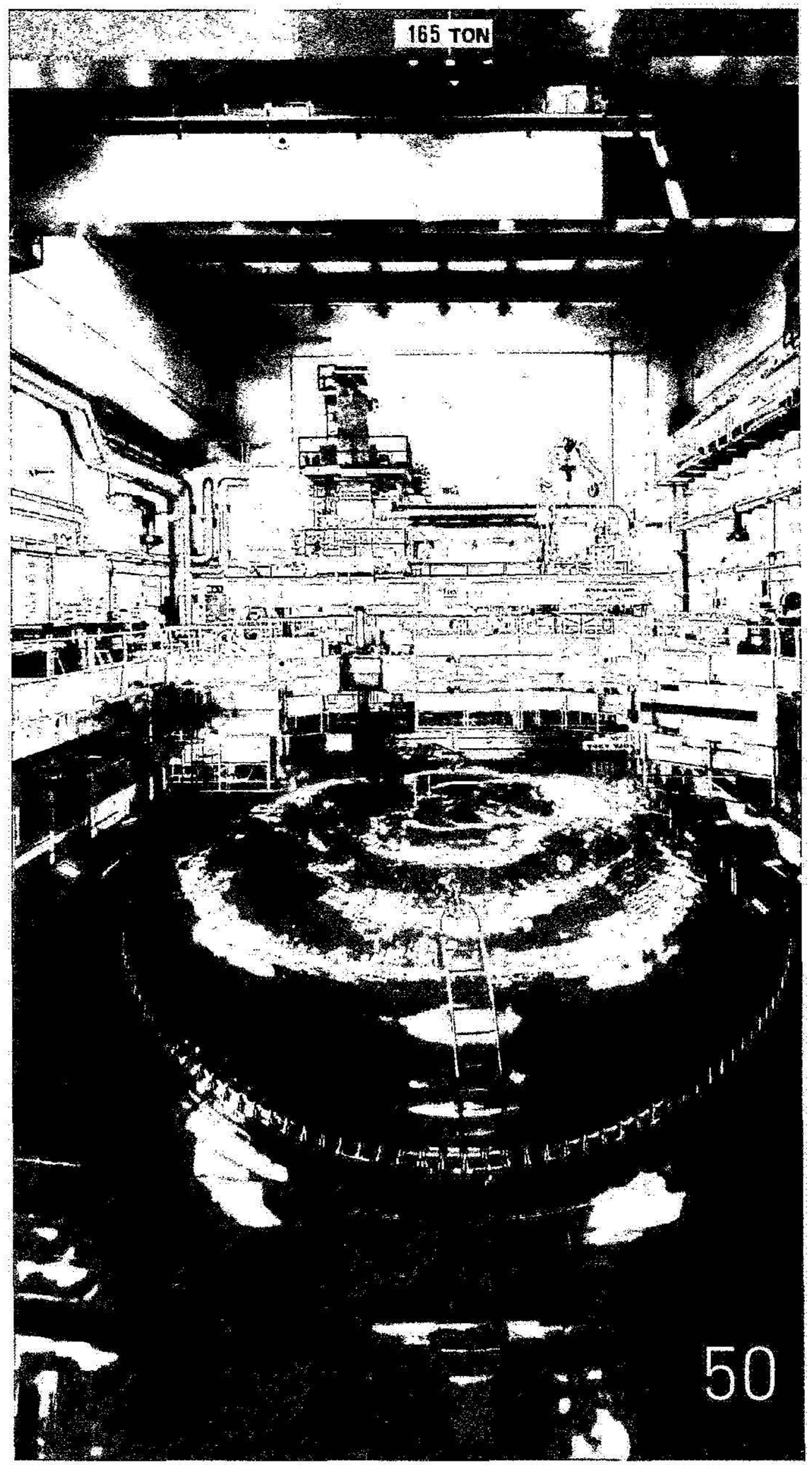
Nuclear plant dismantling
Four units at two Uniper nuclear power stations in Sweden – Barsebäck and Oskarshamn – are in the process of being dismantled (unit 3 at Oskarshamn remains in operation). This huge safety and sustainability project is being conducted by Uniper, the plants' minority shareholders, and contractors. It involves very risky work, including at height and heavy lifting, seven days a week, throughout the year, in all weather conditions. Contaminated particles, which could be inhaled, pose another risk. In view of these challenges, the project focuses tirelessly on safe work practices and safety awareness.

The steps taken to ensure safety include

- Planning the use of optimized methods for dismantling
- Detailed work order preparation to ensure contextual safety
- Frequent and regular risk evaluation

We also conduct training for new suppliers and staff, project ensuring that they are aware of the HSE risk and way of working in this environment. As the work will continue through 2028, it is a marathon, not a sprint. This makes enabling all employees at the site to achieve a good work–life balance an important aspect of safety and well-being.

Safety first at Scholven conversion project
Uniper is actively shaping the future of its coal-fired power plants. Some – like those that play a vital role in producing steam for district heating networks or nearby industrial customers – will be converted to gas. One such conversion nearing completion is at Scholven power station in west-central Germany. Two technologically advanced combined-cycle gas turbines (CCGTs) will supplement and, by 2025, replace Scholven's existing coal-fired generating unit. The two CCGTs are scheduled to be fully operational in the second quarter of 2023. Throughout the project, which began in the second quarter of 2020, the guiding principle has been "safety before quality before speed." All procedures are carried out carefully and watchfully, and everyone at the construction site is reminded to set an example for safe work practices. Dedicated safety management includes instruction sessions, frequent inspections, and weekly toolbox meetings at which employees demonstrating exemplary safety behaviors receive awards. In addition, thermal scanning of crews' body temperature and rapid antigen tests have helped prevent Covid-19 transmission the site.



Uniper's OKG Nuclear Power Plant in Sweden

20230627183919

Fair and attractive employer

Uniper employees are key to our success. The labor market is highly competitive. This makes having a strong and appealing employer brand crucial for attracting and hiring the kind of people who can help Uniper realize its ambition to ensure a reliable energy supply while systematically decarbonizing its portfolio.

We place a significant emphasis on an open and trusting corporate culture, which we call the Uniper Way. It has three core elements and three corresponding guiding statements: leadership (grow and empower people), teamwork (become one team and simplify processes), and individual contribution (act as if it is your own company). The Uniper Way is brought to life in day-to-day interactions. Its core elements are embedded in the main components of our HR cycle: our capability-based approach, guidelines for job interviews, and systematic feedback on employees' performance foster continuous self-reflection and improvement. Supported by digitalization, these elements help create an agile and flexible organization with more cost-efficient processes.

The Voice of Uniper, our annual employee survey measures employee engagement and collects feedback that can be used to measure the achievement of our strategic people targets. The 2022 survey, our seventh, again had a high participation rate (64%). Employees' satisfaction with Uniper as an employer remained high even though the recommendation rate (employee Net Promoter Score) was lower, likely because 2022 was a very challenging year for Uniper. Employees particularly appreciate Uniper's flexible work arrangements, which enhance job performance, work–life balance, and the Company appeal to new employees. They also praised Uniper's handling of, and transparent communications on, its geopolitical and financial challenges and said that they support its efforts to promote sustainability and secure Europe's energy supply.

How we manage our attractiveness as an employer
Uniper's purpose is to Empower Energy Evolution while making itself more streamlined, more competitive, and more resilient. This includes steady progress in decarbonization.

During challenging times, it is important that employees continue to identify with Uniper, contribute their expertise, and thus do their part to ensure business continuity. The growing shortage of skilled workers makes employee loyalty and retention even more important. Both are a high priority at Uniper. The positive feedback from the Voice of Uniper again confirmed the attractiveness of the Company's up-to-date work policies. The chapter entitled "FlexWork at Uniper" describes these policies in detail.

Employer awards help highlight Uniper and strengthen its brand. They help employees and applicants reaffirm that they have chosen the right employer. In 2022 Nyckeltalsinstitutet, a Stockholm-based people analytics firm, again recognized Uniper as an Excellent Employer and even rated it Sweden's Best Employer. The award is based on analyses of work conditions such as health care, salary, sick leave, overtime, management structures, and career opportunities. In addition, ZEIT publishing group and kununu ranked Uniper among Germany's 1,000 most sought-after companies ("Most Wanted Employer") in 2022. The study involved the analysis of about 4.9 million employee ratings posted to kununu.com and encompassed more than 1 million companies.



> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Secure and affordable energy supply
Human rights
Just transition
Health, safety, and well-being
Fair and attractive employer
Diversity, equity, and inclusion
Corporate citizenship

FlexWork at Uniper

In 2020 Uniper launched a project called NewNormal. The purpose was to develop flexible, hybrid, and inclusive work arrangements. The project brought together senior management, teams, individuals, and cross-functional committees and completed its task successfully in 2022.

Maximum flexibility how, when and where to work
Uniper empowers teams to make conscious choices about the way they collaborate. Each team defines its own work mode. Meetings may take place physically in the same space, virtually, or in a hybrid setting. Team members may also work together independent of time and location. This enhances individual flexibility and productivity.

To ensure the right infrastructure in the office and at home, Uniper provides employees' home offices with ergonomic furniture and the necessary IT equipment. Uniper's office buildings are equipped with state-of-the art technology that enable the hybrid collaboration of virtual and physical participants. No matter where they work, Uniper keeps its employees safe and healthy.

Some employees are eligible to work outside of the employment country – our "GeoFlex" approach details the conditions for working abroad, based on the destination country, duration of stay and Uniper job function. GeoFlex currently includes most EU countries and the EEA as well as the UK and Switzerland.

To build capabilities of Uniper's staff, the company provides training and coaching offers to help employees master the challenges of hybrid work, cope with stress, conduct effective self-management, and communicate and collaborate with the other members of their team.

Way forward
Together, Uniper and its employees will continue to shape this new way of working. Uniper's FlexWork culture, technical infrastructure, and the continuous improvement of skills and capabilities will ensure a future-proof workplace.





2023062718921

Uniper Trainee Program
Our 18- to 24-month trainee program for high-potential university graduates is one of the ways we ensure we have an ample pipeline of talent. The program, which rotates trainees through several departments at our Company, is tailored to their individual interests and career plans. In 2022, 22 new trainees joined the program. After their initial placement, trainees have additional placements of their choice that can be in a different country or a different function. The program also consists of a variety of workshops, online training modules, a detailed tour of one of our power plants, and a two-week operational excellence workshop. We accept new trainees to the program twice a year, in April and October.

Our aim is to retain all trainees who want to continue their professional journey with us. More than 95% of those who completed the program between 2016 and year-end 2022 took on a permanent role at Uniper. Reviews show that managers are very satisfied with trainees' performance in their permanent role, and the demand for program graduates is high across the Company.

How we manage and reward our workforce
Uniper offers attractive total target cash to appeal to and retain talent at all experience levels. Total target cash includes a variable component whose purpose is to incentivize teamwork and the successful implementation of Uniper's strategy. This component reflects the Group's performance and, in the case of specific employee groups, individual performance and behavior as well. Uniper offers benefits packages that vary by country and excellent working conditions including hybrid and flexible work arrangements. These all help our employees feel valued and included. In addition, our pension plans help employees lay the foundation for their future financial security and that of their dependents, while at the same time fostering employee retention. We are committed to enabling a greener future by transforming our benefits portfolio. In some countries, Uniper now offers electric company cars or a cash allowance instead of a car. In addition, Uniper has integrated ESG criteria into its pension plans in Germany (partly) and the United Kingdom.

Uniper offers flexible work schedules. In Germany, for example, our works agreement states that we strive to make family and career compatible and therefore support part-time work, if operational needs permit. Parental leave is granted as prescribed by law. Flexible work arrangements, job-sharing, mobile work, and help with child-, home-, and eldercare are some of the ways we make it easier for employees to have a healthy work–life balance. Since March 2020 – shortly after Covid-19 arrived in Europe – we have actively enabled, encouraged, and supported our people to work from home whenever possible. We have also made work hours even more accommodating, vacation days more flexible, and provided virtual childcare. In addition, we have provided employees and managers with specific support and individual consulting to help them cope with the challenging situation created by the pandemic.

> FlexWork

We hired 1,101 new employees from outside the Company in 2022. The majority were recruited in Germany (37.7 %). New employees in 2022 were onboarded through a variety of on-site and virtual events.

At year-end 2022, 8.3% of our permanent employees were working part-time. This is more than in 2021 (5.0%).

> See appendix for more information



As a trainee at Uniper, I feel incredibly excited to have the opportunity to gain real-world experience across multiple departments and functions that are tailored to my individual interests and career aspirations. Knowing that Uniper is committed to decarbonization and ensuring energy security in Germany and Europe, I feel proud and motivated to contribute to these critical goals during my time as a trainee and beyond.

Alejandro Ossaba Restrepo
Uniper trainee

20230627189222

Training

Uniper takes a variety of steps to meet the challenges of demographic change and a shortage of qualified personnel. It provides opportunities for vocational training for a wide variety of commercial and technical occupations as well as internships that prepare interns for formal apprenticeships. We had 184 apprentices and 131 work-study students and interns at year-end 2022.

In 2022 Uniper refined its learning culture to promote self-directed and agile learning in a flexible, virtual environment that caters to different learning styles and time requirements. The focus was on hybrid working, safety culture, digital mindset, and mental and physical health. Uniper of course conducts all training mandated by law, which helps ensure its long-term business success. In 2022 Uniper also conducted NewNormal, a learning program to enable emp oyees and executives to prepare for the new world of work. Over a 10-month period, the program offered more than 100 learning sessions on hybrid work skills to all employees.

Amid its challenging situation, Uniper also decided to develop the Whole Person, a learning program aimed at having a positive impact on employees and their environment. The program, which places greater attention on holistic personality development and self-leadership, is based on the idea that humans have four different elements that need to be in balance in order to realize their full potential and perform optimally: body (physical health, well-being, performance), heart (emotions, empathy, trust-based relationships), mind (mindset, beliefs, creativity), and soul (motivation, vision, purpose). A successful pilot involving 50 employees was conducted in 2022. The program will continue in 2023.

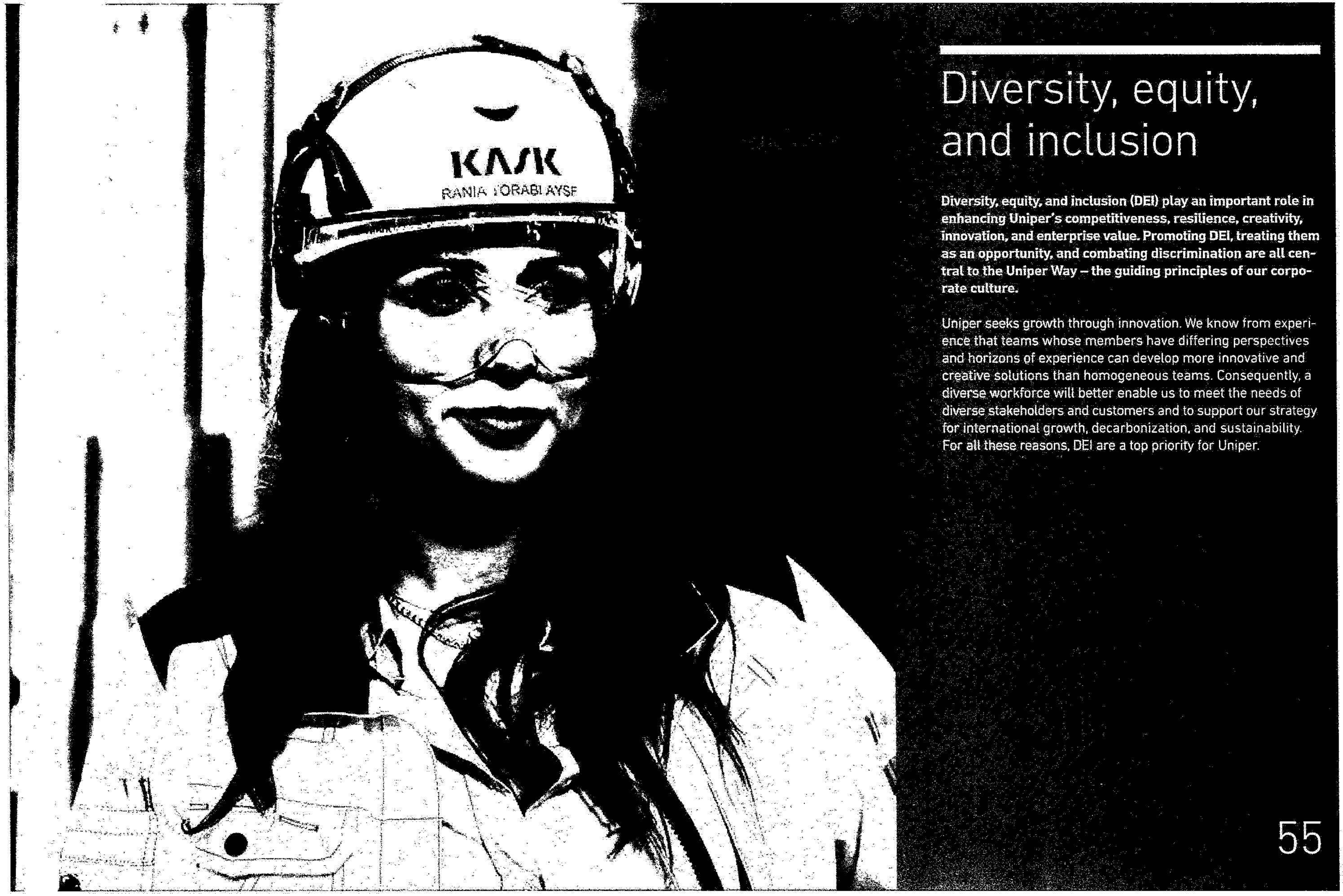
The Digital Skills Compass – a learning program encompassing topics like data science, industrial cybersecurity, digital business transformation, agile project management, and digital trading – continued as well. A new data learning journey was added in 2022 to support the goal of becoming an insight-driven organization.

In addition, Uniper continued to maintain a mobile learning platform for interactive language training as well as an eLibrary with over 2,500 eBooks and audio learning content in several languages covering a wide range of topics to support employees' personal development. Furthermore, #evolve, a cross-functional, international program for developing high-potential employees, had its second run. Its 50 participants again received support in acquiring the necessary skills for subject ownership, project management, and/or team management.



Uniper apprentices joining in 2022

20230627183923



Diversity, equity, and inclusion

Diversity, equity, and inclusion (DEI) play an important role in enhancing Uniper's competitiveness, resilience, creativity, innovation, and enterprise value. Promoting DEI, treating them as an opportunity, and combating discrimination are all central to the Uniper Way – the guiding principles of our corporate culture.

Uniper seeks growth through innovation. We know from experience that teams whose members have differing perspectives and horizons of experience can develop more innovative and creative solutions than homogeneous teams. Consequently, a diverse workforce will better enable us to meet the needs of diverse stakeholders and customers and to support our strategy for international growth, decarbonization, and sustainability. For all these reasons, DEI are a top priority for Uniper.

20230627189924

How we manage diversity, equity, and inclusion

Uniper takes DEI seriously and pursues a strategic approach to help cultivate a workplace where everyone can thrive personally and professionally. In late 2021, the Uniper Management Board adopted a new DEI strategy for 2022 to 2024. The refined DEI strategy aims to engage the entire organization to do even more to ensure that Uniper establishes a work environment that truly brings DEI to life. The strategy addresses all dimensions of diversity and has several action areas: talent, leadership, organization, governance, marketplace, and society. Our strategic goals are to achieve a more diverse workforce, greater availability and acceptance of part-time positions and job sharing across different levels and genders, and an industry-leading position in DEI rankings.

Since 2016, Uniper has been an active member of the German Diversity Charter (Charta der Vielfalt), a corporate initiative to promote diversity at companies and institutions in Germany. Signing the charter signifies our voluntary pledge to foster diversity and appreciation in our business culture. The Uniper Management Board is fully committed to promoting DEI in the seven dimensions defined by the charter: gender, nationality or ethnic background, religion or worldview, disability, age or generation, sexual orientation and identity, and socioeconomic background.

Uniper created a DEI council in 2022. This new DEI governance function combines Uniper-wide expertise and consists of employees from different business areas that together represent all of Management Board members' areas of responsibility. It is chaired by the Chief Operating Officer who is the Management Board's DEI sponsor. The DEI council meets on a quarterly basis and is responsible for guiding the DEI strategy, monitoring progress, adjusting the strategic action areas if necessary, and charting the DEI roadmap for the year ahead.

Uniper also participated in the German UHLALA Pride Index in 2022 to take stock of its current commitments and to identify potential improvements, which it will address on an ongoing basis. The audit includes 75 questions about matters like organizational setup, human resources, and communication and visibility. Uniper obtained 3.5 out of 5 points and had its results verified by the UHLALA Group.

Uniper's target has been to achieve an employee inclusion indicator of over 95% by year-end 2022. This means that at least 95% of employees say in the annual Voice of Uniper survey (excluding Russia) that they feel included in their team. This indicator decreased from 85% in 2021 to 82% in 2022. The Company will place greater emphasis on inclusion in 2023 and will retain the above-mentioned target beyond 2022.



Getting ready for a pride event

2023062718925

Creating awareness and enabling the organization

In 2022 Uniper developed You Belong, a company-wide DEI training curriculum. It includes various modules on inclusive leadership for managers and on understanding differences for employees. The courses will be led by outside trainers in virtual live sessions in 2023. In addition, the in-house team that investigates discrimination cases received specific training on inclusive recruitment in December 2022 and early 2023. Furthermore, all employees have access to an eLearning module that helps them recognize signs of unconscious bias. They can also make use of software and IT tools that promote inclusiveness in online meetings and make technology more accessible. More generally, we have continually encouraged our people to expand their DEI skill set by making use of our DEI learning collections, a set of resources and self-reflection materials that are available in a digital format.

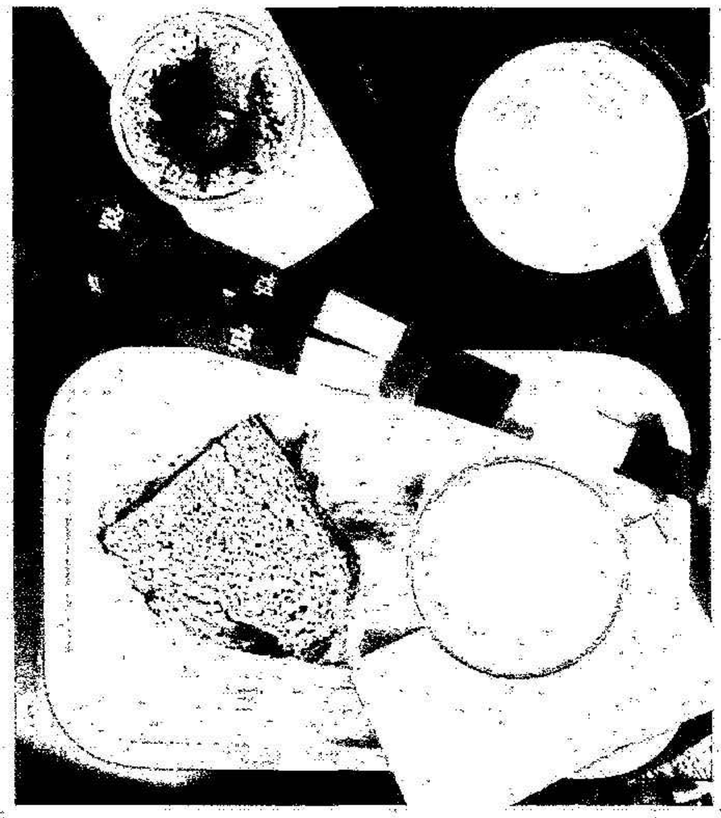
Uniper's DEI ambassador network, a community of colleagues who are enthusiastic about the topic and engage in related activities, helps reinforce awareness in their business functions and across the organization. New DEI ambassadors have access to several resources and information-sharing forums to familiarize them with their role. These include best-practice sessions at which ambassadors can present activities and measures to inspire others. Alongside the DEI ambassador network, our employee-led resource groups are instrumental in fostering and advocating DEI: Women@Uniper (our in-house women's network), the Pride Community, Uniper's LGBTQIA+ network, the parents' and carers' network, and regional DEI groups in Germany, the United Kingdom, Sweden, the Netherlands, and North America. All of these groups continued their activities in 2022 using virtual means and increased their membership. Uniper's LGBTQIA+ network was particularly active throughout the year and hosted several webinars and community events with internal and external guests on various topics, such as allyship, intersectionality, disability, and LGBTQIA+ history.

Most Uniper office staff continued to work from home for much of 2022 because of the ongoing pandemic and because they appreciate the flexibility of working remotely. Consequently, DEI events and awareness-raising days were generally conducted virtually as well. Uniper observed Diversity Day, International Women's Day, Pride Day, and Coming Out Day by means of various events across the Company.

Uniper's Pride community

Founded in 2016, Uniper's Pride community now has over 200 members who work to promote diversity, equity, and inclusion for the LGBTQIA+ community at Uniper. "The community is about thriving – about providing a safe space for people where they can come if they are questioning their own sexuality or gender. They will find people they can talk to in a safe place. But it is also about recognizing and celebrating the history and culture, role models, and progress that has been made so far," said Michael Rahilly, Head of Service - Asset Operations at Uniper and active member of the Pride Community.

In 2022, the community started to distribute Pride lanyards representing the Uniper brand and progressive Pride flag following up on an idea suggested by an ally. Everyone at the company was encouraged and invited to demonstrate their visible allyship and support by wearing a Pride lanyard. "Wearing a lanyard is not about identifying as a queer person. It's more about showing that you are an ally who supports equality in business and is committed to equality in the workplace. It is a fantastic feeling to walk around and directly recognize so many supporters," Michael said.



Uniper's Pride Lanyard

2023062718926



Preventing discrimination and harassment and fostering inclusion

Uniper has zero tolerance of any form of discrimination or harassment. Uniper complies with all antidiscrimination laws and regulations in the countries where it operates, such as the German General Equality Act. Compliance is supported by clear company policies for addressing potential violations and the training of managers to help them recognize and prevent even the most subtle forms of harassment. In circumstances where employees feel that either they or a colleague are being harassed, they are encouraged to contact their HR department, their unit's Compliance Officer, the Works Council, or, if they wish to remain anonymous, a whistleblower hotline. We respond to incidents promptly and respectfully, and there is a clearly defined reporting process if an incident occurs. To improve transparency and promote prevention, an additional reporting process for discrimination incidents was developed in 2022; it will be implemented from 2023 onward. An inclusive workplace – one in which every employee feels valued and is able to contribute – requires accessibility. In 2022 Uniper therefore put great emphasis on developing guidelines for inclusive meetings, barrier-free events, and digital collaboration as well as inclusive communications so that all employees can do their part to make Uniper more inclusive.

Promoting gender equality and fostering female talent

The Uniper Group did not achieve the target set by June 30, 2022 to increase the proportion of women in the first and second management levels below the Board of Management to 25% respectively. On June 30, 2022 the proportion was 16.7% for the first management level and 20.6% for the second management level. As a company with a focus on STEM professions, Uniper faces the challenge of attracting female candidates. The measures taken to attract more women candidates have not yet shown a significant impact. It is expected to take time before these will show an effect. The Uniper Group has now set itself a target to reach 25% by December 31, 2025 for each level. To achieve this, the Company will focus even more on using more diverse selection and recruitment processes, mentoring and offering flexible working time models for all employees, and developing women from its own workforce to management positions. Women made up 24.5% of our overall workforce in 2022, which is similar to the prior-year figure of 25.4%.

At the beginning of 2022, over 1,200 Uniper employees in Europe took part in a voluntary survey on gender balance. Its aim was to understand possible barriers to equal opportunity so that we could design measures to eliminate them. The first measures included a new job-sharing project and the establishment of a central mentoring platform that will be launched in 2023.

In 2022, 14 colleagues of Uniper Sweden were nominated for the Power Woman of the Year title, an award initiated by the association Power Women to highlight women in the Swedish energy sector. This supports one of the findings of the gender balance survey: the importance role models play in fostering gender equality.

Family friendliness is a competitive advantage in hiring and retaining people. To coincide with International Women's Day, on March 8, 2022, Uniper therefore started a cooperative arrangement with superheldin, a job exchange for family-friendly employers in Germany. This, too, supports our efforts to ensure gender balance in recruiting and employer branding.

Uniper again participated in Girls' Day – Future Prospects for Girls, an annual initiative under the patronage of the German Federal Ministry of Education and Research. Its purpose is to give girls the opportunity to learn more about STEM careers and, ideally, spur their interest in embarking on one. The event was held virtually in April 2022.

Uniper has been a member of "Komm, mach MINT," a STEM initiative in Germany, since 2020. In 2022 Uniper was a partner of the Women's STEM Award and, together with audimax MEDIEN, honored outstanding degree theses by female STEM students on subjects such as digital leadership, the human factor and IT security, helpdesk monitoring, data science, and digital upskilling. Uniper also conducted a four-month program in the United Kingdom to train employees to become STEM ambassadors.

In addition, Uniper supports the Female Accelerator Program run by Munich-based socialbee, Germany's first diversity service provider. The program creates professional opportunities for female refugees and migrants. In September 2022 Uniper hired two such women as project manager trainees. Uniper also posts its job openings to the JobAidUkraine job board, another initiative to integrate refugees into the labor market.

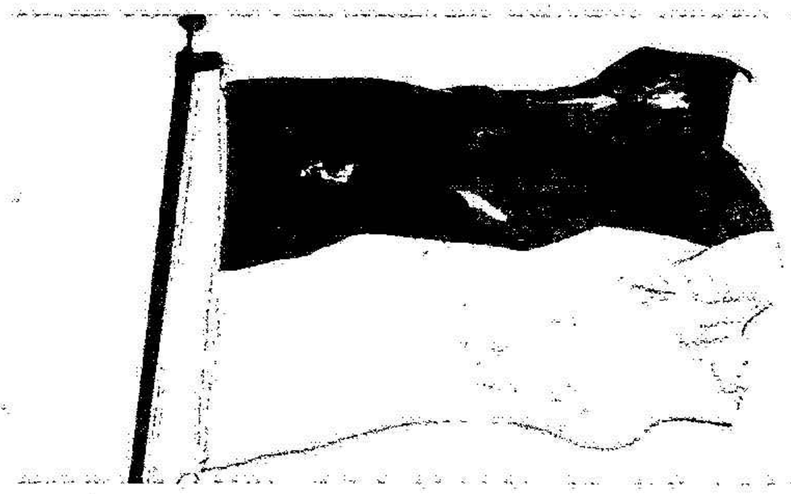
20230627189927

Corporate citizenship

Corporate citizenship is an important aspect of Uniper's corporate culture. Being an international energy company gives us a responsibility to contribute to society, particularly in the communities near our assets and offices. We support initiatives that have a positive impact on our people and that make nearby communities better places to live.

Supporting Ukrainian refugees
In 2022 Uniper launched initiatives company-wide and made donations to support Ukrainian people impacted by Russia's war. Uniper's Helping Hands community, a group of employees that work on social projects, donated €20,000 to Diakonie Düsseldorf in the spring of 2022 to help equip apartments in Düsseldorf for Ukrainian refugees. A total of €10,000 was donated to SOS Kinderdorf in Düsseldorf, also to provide housing. Uniper Benelux donated €30,000 to Giro555, an alliance of 11 humanitarian organizations. Uniper's BauMineral subsidiary donated €5,000 to Aktion Lichtblicke, a charitable organization devoted to helping children.

Uniper SE made a donation to the Red Cross in March 2022 and set up an initiative whereby the company matched the personal donations of employees. Uniper also offered special leave to employees in Germany who wished to volunteer at aid organizations. In late April 2022, Uniper also welcomed 50 Ukrainian refugees to apartments it owns in Ehrwang near Germany's southern border. Uniper employees donated toys and clothes and helped parents find schools for their children. Uniper also used apartments it owns in Gelsenkirchen in west-central Germany to house Ukraine refugees. Employees at Datteln 4 power plant, also in west-central Germany, volunteered to help set up an emergency refugee shelter at a local secondary school. Datteln provided 100 construction fences, which were erected by employees.



Uniper's operations in Sweden donated SEK 500,000 to the United Nations High Commissioner for Refugees in support of humanitarian efforts for Ukraine. Employees at Barsebäck nuclear power station in Sweden donated medical equipment – including stretchers, Covid tests, and face masks – to Human Bridge, an organization dedicated to providing medical equipment to people in vulnerable situations.

Green Office
Founded in 2018, Green Office brings together more than 500 Uniper employees dedicated to promoting sustainable behavior in their work environment and its surroundings. In 2022, Green Office took steps to reduce physical and digital waste, promote bicycle commuting, reinforce sustainability awareness, and encourage employees to share their ideas for a greener workplace.

Green Office's flagship project, an annual summer cleanup of the Rhine River and its banks in Düsseldorf, took place again despite inclement weather. Employees collected bottles, cigarette butts, plastic, and other debris.

Green Office joined forces with Uniper's Helping Hands community in 2022 to plant beech and plum trees at three kindergartens in and around Düsseldorf. The trees will provide shade in the summer for years to come. The kindergarteners helped plant them and will play a role in maintaining their health.

In addition, employees took steps to promote sustainability at or near three of our power plants in Germany. Examples include planting flowering meadows, trees, and shrubs around Uniper buildings and installing bee hives. The first honey was harvested in mid-2022.



Uniper employees participating in the Rhine cleanup in 2022.

20230627185928

Highlights in 2022

Donating to foodbanks
Employees of some of Uniper's power plants in the United Kingdom donated to food banks in 2022. Employees at Connah's Quay power plant in north Wales, for example, donated 125 kilograms of food to Flintshire food bank. They also conducted a raffle, which raised more than £1,600 for the food bank. Employees at Ratcliffe power station in central England donated food and Christmas gifts to NG11, a foodbank in nearby Clifton.



Promoting STEM careers
Cottam Development Centre (CDC), a Uniper gas-fired power plant in England, welcomed employees' children in September 2022 to participate in an event promoting careers in science, technology, engineering, and mathematics (STEM). A tour of the plant led by two of CDC's engineers enabled the children to learn how the electricity they use at home is generated. There was also an interactive session about the production and use of green hydrogen.

Birmingham-based Uniper UK Trading hosted a local scout troop to introduce the teenagers to Uniper, explain the different energy sources Uniper trades, and give them a tour of the trading floor.

Cycling for charity
Team Rynkeby is a charity cycling team that rides from Denmark to Paris each year to coincide with the start of the Tour de France. The aim is to raise money to help children suffering from severe illnesses. Uniper was among the companies that sponsored the team, thereby providing direct support for Deutsche Kinderkrebsstiftung in Bonn, a charity dedicated to assisting children with cancer in Germany. About 2,500 cyclists and 500 support staff set off for Paris in 2022, among them Uniper employees.

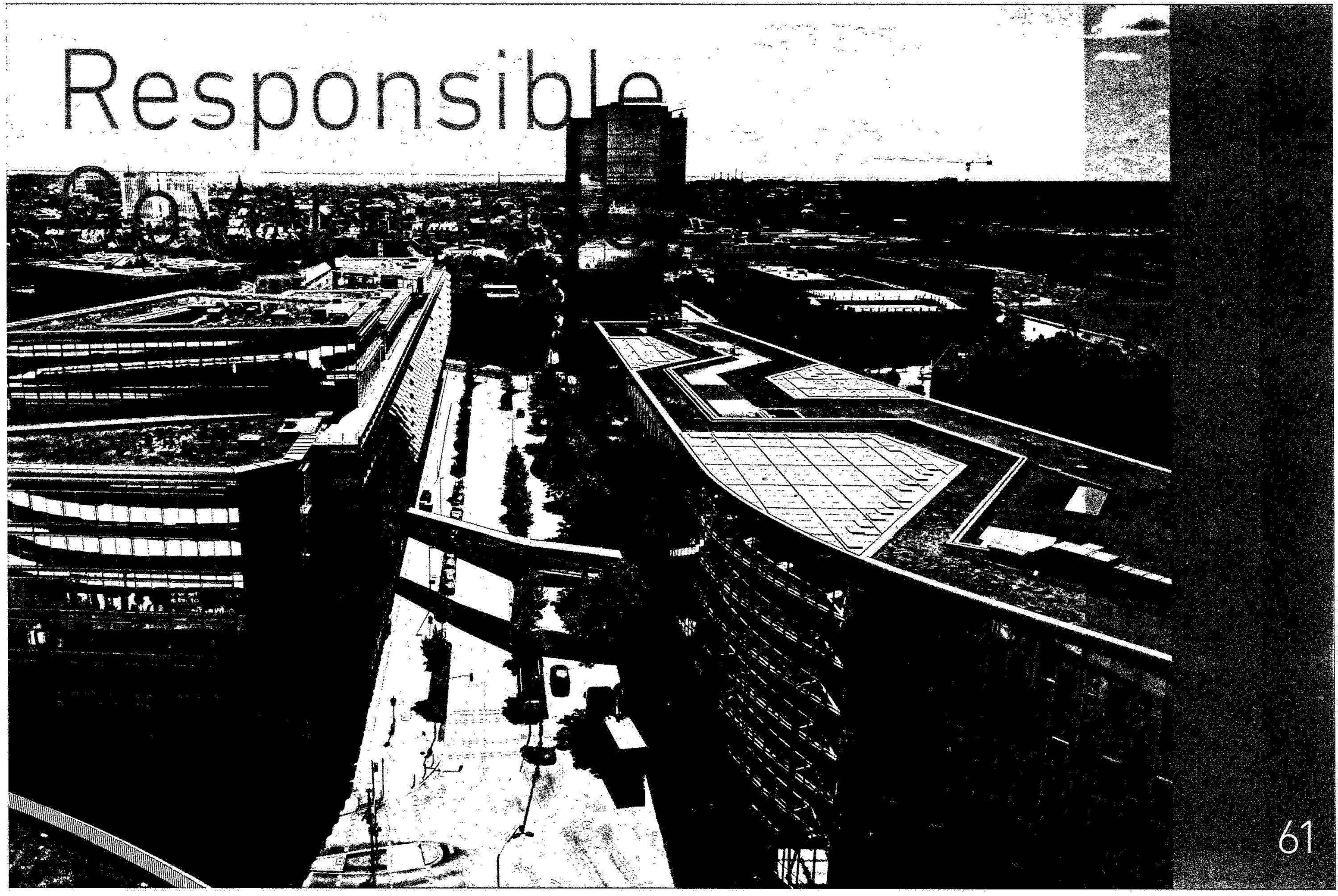


Team Rynkeby

From coal mine to gallery
In May 2022 Westerholt, a former coal mine in west-central Germany, was a venue for RUbug, an urban arts festival sponsored by Uniper and other companies from the region. Internationally renowned artists created graffiti, installations, collages, paintings, and other art works that highlighted, reflected, and reinterpreted aspects of this former industrial site.

20230627189291

Responsible



20230627189308

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Targets	Progress on the commitments and targets in 2022
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	We focus the innovation portfolio on low carbon commodities and solutions contributing toward climate and environmental impact goals to enable a sustainable business transformation of Uniper.	Conduct, by 2022, at least 20 projects whose aims include decarbonization.	49 projects whose aims include decarbonization were underway at the end of 2022.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	We further strengthen our compliance culture and protect our business from corruption risks. We foster effective, accountable, and transparent institutions at all levels.	Conduct ESG due diligence of 100% of counterparties by 2022.	100% of active counterparties had been assessed by means of the screening process at the end of 2022.
17 PARTNERSHIPS FOR THE GOALS	We minimize the impact on communities affected by Uniper's operations. We engage in dialogues with stakeholders to ensure transparency, learn and improve by sharing perspectives with critical stakeholders and civil society organizations, and seek cooperation opportunities.	At the corporate level, conduct at least three trust-building dialogues with civil society organizations each year up to 2022.	Five formal dialogues with critical stakeholders conducted in 2022.

20230627181931

Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction

Corporate governance





Good corporate governance is a top priority at Uniper. It is founded on close and efficient collaboration between the Board of Management and the Supervisory Board. It guides all our decision-making and helps ensure that we achieve success responsibly and sustainably. The Board of Management and Supervisory Board endorse the German Corporate Governance Code, which seeks to promote responsible and transparent corporate governance and controls.

How we manage our commitments

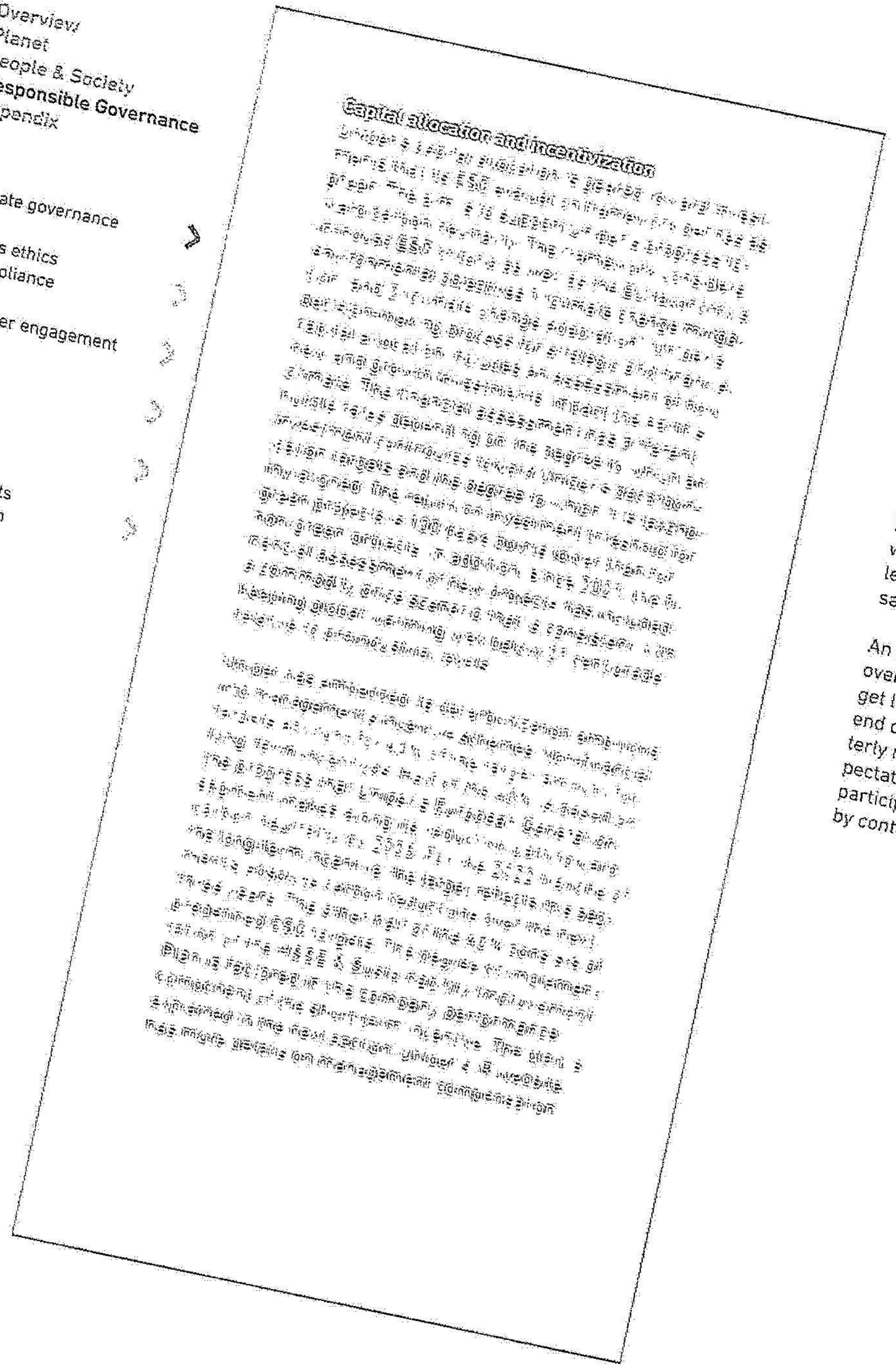
Members of the Board of Management have joint responsibility for the adoption and implementation of the Group-wide sustainability strategy and related measures. The Board of Management monitors implementation at its meetings and at Uniper Performance Dialogues (UPDs). At UPDs, which are held on a regular basis, the business units' senior leaders report to the Board of Management on their business unit's financial and nonfinancial performance and progress toward its annual targets.

The Board of Management has assigned to the Health, Safety, Security, and Environment (HSSE) & Sustainability function the responsibility for defining Group-wide ESG targets and key performance indicators (KPIs) and for identifying and managing ESG risks and emerging issues that could affect Uniper. The HSSE & Sustainability function also engages regularly with the Group Works Council by means of the Consultative Council, a cross-functional committee that meets biannually. This involves Uniper's senior employee representatives in sustainability topics.

The Supervisory Board, which is Uniper's highest governance board, oversees Uniper's strategy definition and implementation, including the Group's fulfillment of its sustainability obligations and decarbonization strategy. Members of the Supervisory Board are jointly responsible for, and actively involved in, sustainability topics. This is reflected in Uniper's competency profile for Supervisory Board members, which covers relevant expertise on sustainability and climate-related matters. An independent shareholder representative serves as the Supervisory Board's spokesperson on sustainability. The Chief Sustainability Officer (CSO), who is a member of the Board of Management as Chief Operating Officer (COO), reports to the Supervisory Board on ESG matters at least biannually. Examples include an overview of ESG and climate-related risks and opportunities, the status of mitigation measures, and Uniper's strategy for climate-related risks.

The Supervisory Board established a Sustainability Committee in May 2022. It consists of two shareholder and two employee representatives. Its duties include monitoring the effectiveness of Uniper's ESG policies and procedures and the sustainability strategic plan (SSP) in light of stakeholders' expectations and emerging ESG regulatory requirements. The committee also monitors and reviews Uniper's progress toward its sustainability targets, in particular its climate targets, and any related challenges.

The Uniper's Sustainability Council is a cross-functional body that meets on a quarterly basis to oversee the implementation of Uniper's sustainability strategy and governance framework. It consists of senior leaders representing all of the Management Board members' areas of responsibility. Chaired by the CSO, the council also advises the Management Board on all strategic ESG issues.



2023062718932

HSSE & Sustainability Improvement Plan

Uniper's business units and subsidiaries have a responsibility to implement annual improvement measures to help meet the Group's overall HSSE & Sustainability objectives as described in the Sustainability Strategic Plan.

The KPI for managing Uniper's Group-wide HSSE & Sustainability performance has been the degree of implementation of its comprehensive HSSE & Sustainability Improvement Plan. Three degrees of implementation are possible: below 100%, 100%, and above 100%.

The 2022 improvement plan focused on strengthening Uniper's health culture. The individual measures included quarterly networking and best-practice sharing sessions as well as Uniper's leaders participating in safety leadership workshops. Health and safety action plans were improved as well.

An initial evaluation of year-end progress reports indicated that the overall degree of implementation was above 100% against the target level. The final evaluation and approval will be completed by the end of the first quarter of 2023. The participation rate in the quarterly networking and best-practice sharing sessions surpassed expectations, as did the delivery of health action plans and leaders' participation in the workshops. The delivery of safety action plans, by contract, was slightly below expectations.

Sustainability policies

Uniper has sound policies in place to manage its material E
sues. These policies, which are monitored on a regular basi
late how the Group addresses ESG concerns and how it coo
the cascade effects across the organization. The HSSE & Sus
ability Policy Statement defines Uniper's ambitions and priori
for HSSE and sustainability. It provides the framework for dev
ing the Sustainability Strategic Plan (SSP) and for evaluating it
fectiveness.

In addition to the statement, Uniper's Code of Conduct, which is
binding for all employees, defines basic principles of conduct for
wide range of issues, such as combating corruption and human
rights violations. It provides guidance and support for conducting
business and behaving in the workplace in compliance with the law
and company rules. Each year, Management Board members and
senior managers sign a written pledge to adhere to the code. The
code is reviewed and updated periodically to ensure appropriate-
ness and compliance with regulatory and company requirements.

Uniper strives to work, whenever possible, with third parties that have comparable values and principles. It requires its suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct. Uniper has a Know-Your-Counterparty (KYC) Business Policy in place. Its purpose is to enhance existing processes for identifying, verifying, and reporting the main compliance risks potentially posed by new counterparties before business deals are finalized. These risks include corruption, money laundering, terrorism financing, and the violation of economic sanctions. We also have a screening process for identifying counterparties with exposure to ESG risks. The process is described in the next chapter.

Our commitments, standards, and approaches to human rights, labor, and ethical business practices are addressed in our Policy Statement on Human Rights Strategy.

The policies, business directives, and Code of Conduct are available to all employees electronically on the Uniper intranet.

> Our policies and principles

> Overview
> Planet
> People & Society
> **Responsible Governance**
> Appendix

Corporate governance >
Business ethics and compliance >
Stakeholder engagement >
Innovation >
Digitalization >
Customer rights and satisfaction >

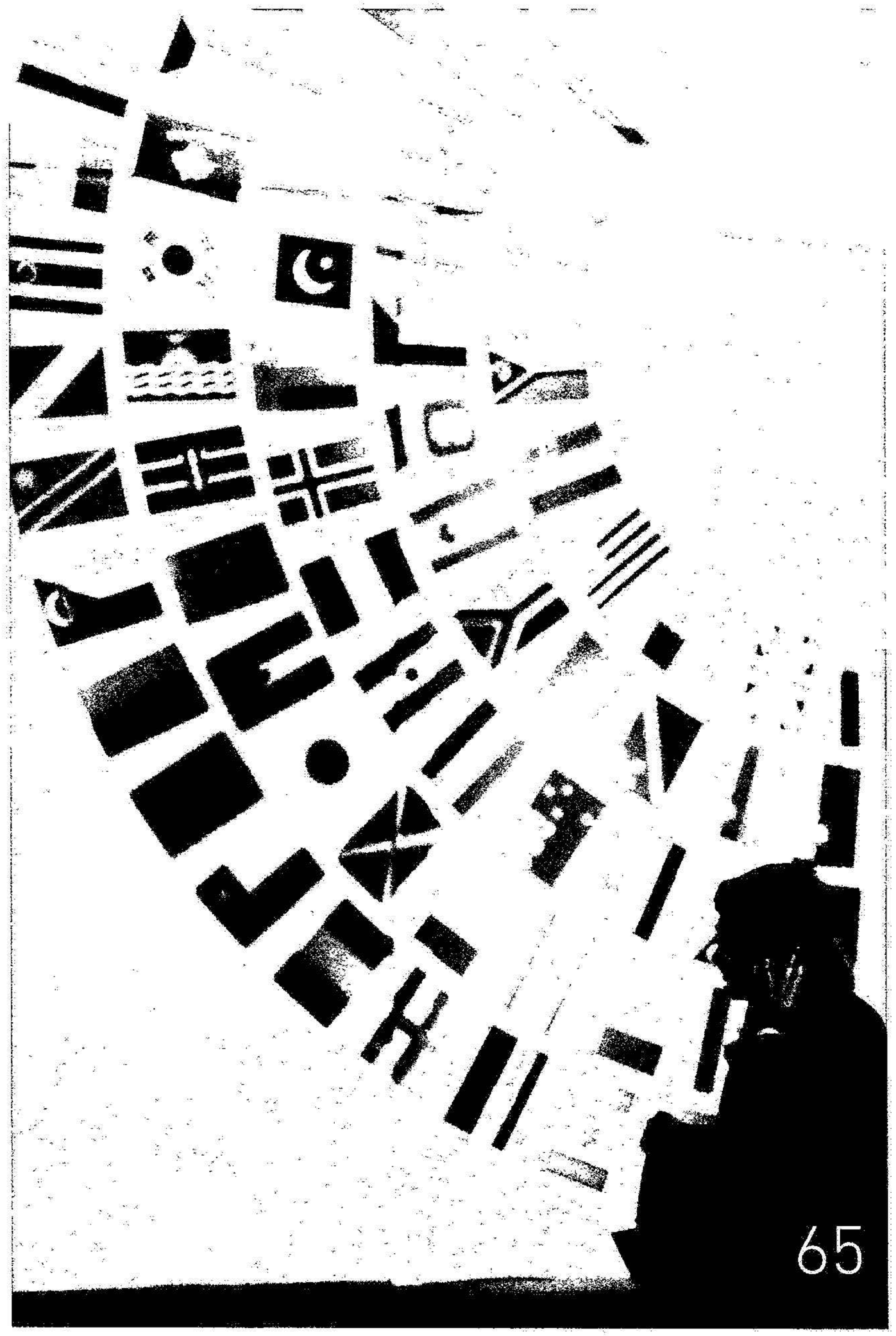
ESG risk management and due diligence

Uniper fulfills its ESG due diligence requirements by systematically assessing the external and internal ESG risks that could arise from our operations. ESG risk management is part of our overall enterprise risk management and Uniper has measures in place to control, minimize, and mitigate the ESG risks it identifies.

The management actions that Uniper plans and implements are incorporated into its governance structure, responsibilities, and relevant policies. Uniper has an ESG Task Force in place, a cross-functional steering group whose purpose is to ensure that ESG risks are identified, assessed, and mitigated. Uniper also has the aforementioned Know-Your-Counterparty (KYC) Business Policy in place to mitigate ESG risks in its supply chain.

On an annual basis, we perform a worldwide assessment, which is based on a combination of economic and social indexes, to map key potential country/sector-specific issues – such as overuse of resources, pollution, occupational health and safety, and civil liberties as well as security threats – that may directly affect Uniper. The assessment's findings resulted in the implementation of modified due diligence requirements and mitigation measures, such as the inclusion of specific contract clauses, particularly when negotiating with new counterparties operating in medium- or high-risk countries.

We apply special scrutiny to commercial counterparties or projects in high-risk countries with a Corruption Perception Index (CPI) score below 30, indicating a high level of perceived corruption. This is a conventional threshold reflecting the systemic weakness of a country's institutions. We place such countries on a watch list that we update annually. If the geopolitical and ESG risks warrant it, we may also place countries with a CPI score above 30 on the watch list. Fuel procurement and commodities trading in particular are among the Uniper businesses exposed to these kinds of country-specific issues.



> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction

Assessing the ESG risk exposure of our counterparties

We also assess our counterparties' ESG risk exposure. As part of Uniper's KYC and Procurement policies, the HSSE & Sustainability function has developed and implemented a screening process to identify counterparties with exposure to ESG risks. The process is aligned with the UN Guiding Principles on Business and Human Rights (2011), the OECD Guidelines on Multinational Enterprises (2011), and the German Supply Chain Sourcing Obligations Act, which came into force in January 2023, to ensure that responsible business conduct is embedded into policies and management systems. Its purpose is to define the right prevention and mitigation measures for each of them and to advise the Uniper Board of Management accordingly. The objective is to avoid doing business with counterparties causing or contributing to ongoing and severe adverse impacts on ESG issues, including human rights.

We perform these assessments of our counterparties' ESG risk exposure (excluding counterparties of Unipro) using the third-party RepRisk® ESG Risk Platform, which defines risks levels for each counterparty (significant: CCC-C; Major: D). RepRisk® is the world's largest and most comprehensive due diligence database of ESG and business conduct risks. With expertise in 20 languages and coverage of more than 140,000 public and private companies and over 35,000 infrastructure projects, this tool facilitates in-depth risk research on companies, infrastructure projects, sectors, and countries. We also conduct robust compliance checks and consider any credible media source raising concerns over ESG issues.

The decision to enter or continue a business relationship with suppliers classified as high risk is taken by Uniper's Risk Committee, which also includes Board of Management members. ESG considerations are discussed if a supplier has been flagged as exposed to major or significant ESG risks by the RepRisk® ESG Risk Platform.

It is important, however, to point out the limitations of our assessments, which consist mainly of desktop research and rely on input from data providers whose methodologies differ. We therefore welcome the European Commission's initiative to introduce an EU Due Diligence Act. Due to the importance of human rights and largely global value chains, we also advocate multilateral solutions. In addition, we welcome direct reports of supply-chain-related issues from concerned citizens, civil society organizations, and other stakeholders. Any information that we receive that is considered substantiated and credible is included in our due diligence assessments and supply chain monitoring efforts. Individuals or organizations who wish to communicate with us on these matters can contact us at: whistleblowing@uniper.energy

100%

of Uniper's active counterparties asssessed for ESG risks in 2022.

2022 results

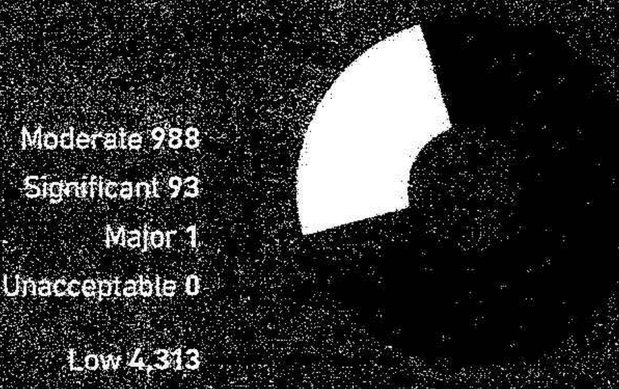
In line with its target, Uniper assessed 100% of its suppliers for ESG risks in 2022, which is a significant improvement on 2021 (59%). This is largely due to an increase in the scope of data provided by RepRisk®. The majority of counterparties (96%) were assessed using the counterparty-specific risk level provided by the RepRisk® platform. The remaining counterparties were assessed using the country-sector matrix scoring from RepRisk®.

The 2022 assessment found that the vast majority (80%) of our counterparties pose low ESG risk. Counterparties with moderate ESG risks account for 18.3%; 1.7% pose significant risks and less than 0.2% have major ESG risks. Mitigation measures will be introduced for all direct suppliers showing major or significant ESG risks. Energy services, fuel procurement, and commodity trading are our businesses most exposed to these kinds of country-specific issues. The inclusion of ESG clauses in contracts were recommended for counterparties with major risks.

Risk levels and number of counterparties in 2022

Prioritization criteria	Key indicator	Number of counterparties in 2022	Details
Significant	RepRisk® Rating: CCC CC C	93	denote high ESG risk exposure
Major	RepRisk® Rating: D	1	denotes very high ESG risk

Methodology: The RepRisk® rating depends on a company's own performance (such as ESG risk incidents) and on its country and sector affiliations. RepRisk® helps us benchmark a counterparty against a peer group and the sector. Where information about the company's own performance is not available, we assess using the country-sector matrix. The impact of ESG risk incidents depends on the reach of information sources, the frequency and timing of ESG risk incidents, and the risk incident content; that is, the severity and novelty of the issues addressed. Unipro PJSC has implemented its own KYC and Procurement policies and do not fall within the scope of Uniper's policies nor the ESG risk assessment processes.



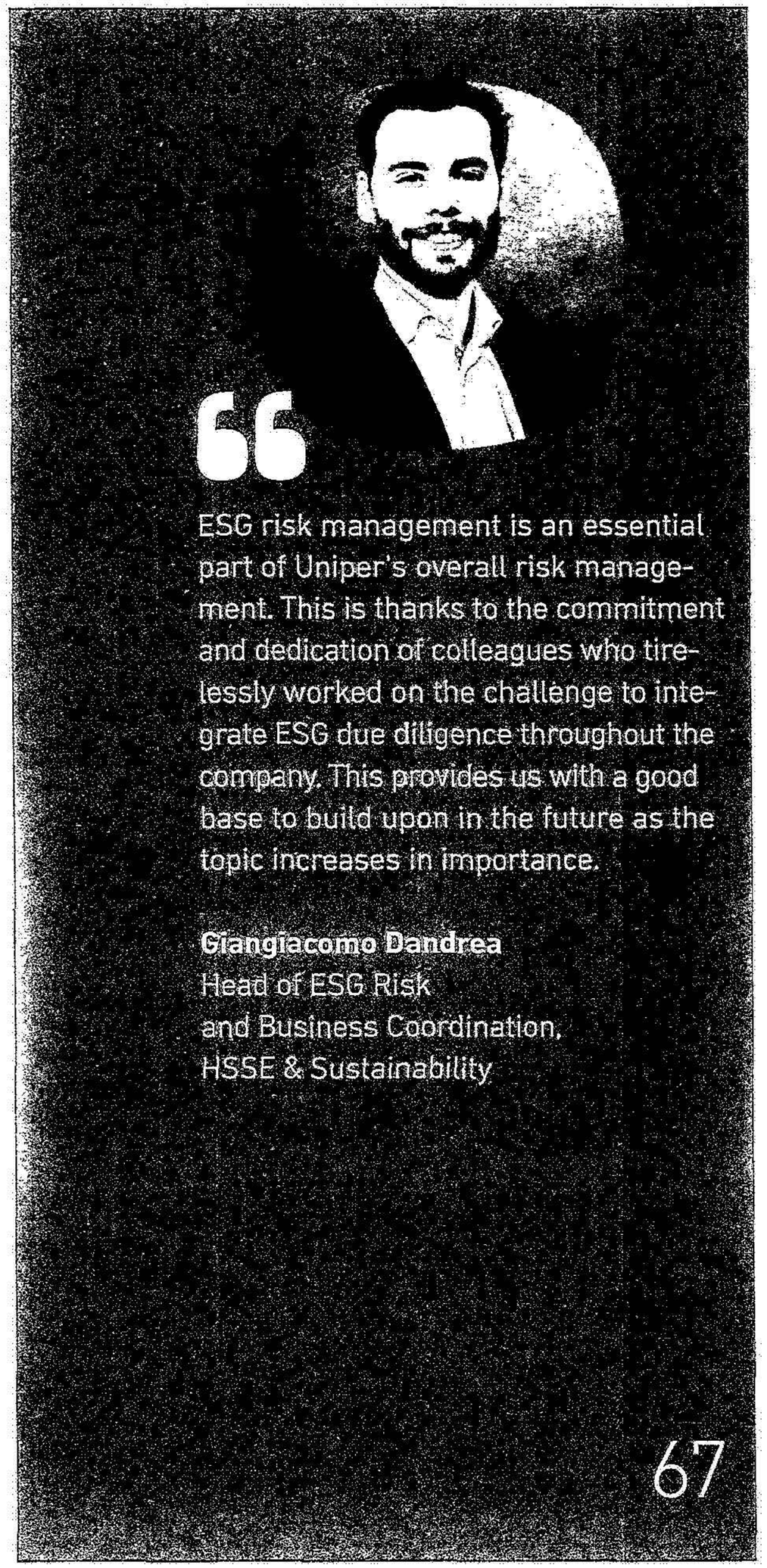
2023062718935

ESG due diligence for projects and initiatives
Effective as of April 2020, any project or business initiative that requires approval by top management must consider ESG factors. The objective is to ensure that Uniper management is aware of the relevant ESG elements when assessing and approving projects and business initiatives and that it maximizes value creation by considering their strategic fit, financial merits, and risks. The HSSE & Sustainability function conducts the ESG evaluation by analyzing a project's compatibility with Uniper's Sustainability Strategic Plan and with objective ESG screening criteria. Effective as of July 2020, the EU Taxonomy on Sustainable Finance is the source of the main ESG screening criteria used in our ESG evaluations. Projects that are Taxonomy-eligible or Taxonomy-aligned, and also contribute to, or at least do not hinder, the achievement of Uniper's sustainability targets are assigned a lower hurdle rate to incentivize their implementation. Where necessary, HSSE & Sustainability's evaluation includes recommendations aimed at mitigating the ESG risks identified and to help meet Taxonomy expectations once a project is implemented.

ESG risks in the supply chain: gas, liquefied natural gas (LNG), and related infrastructure
In order to progressively decarbonize the gas business, we began to conduct ESG due diligence of individual projects and deals. We believe that working with strategic gas suppliers to mitigate ESG risks along the value chain can have significant positive impacts for communities involved and for the planet as a whole. Since 2020, we have been focusing on greenhouse gas (GHG) emissions transparency, including methane monitoring, as the most material issue to address.

For ESG due diligence to succeed, we need to define adequate screening and monitoring criteria, engage in trust building with local communities (particularly if they are directly affected by gas operations), and forge partnerships with project developers and civil society organizations. One example is our ESG due diligence process on the flexible long-term sales and purchase agreement between Uniper and the energy company Woodside Energy Trading Singapore Pte Ltd (Woodside). In this process Uniper considers, among other things, Woodside's environmental impact assessment of the proposed Scarborough gas field which was reviewed by the authorities and approved subject to conditions. Uniper recognizes the potential ESG impacts and is discussing concerns with the relevant stakeholders.

In 2022 the bilateral engagement efforts with several Russian gas suppliers were discontinued.



ESG risk management is an essential part of Uniper's overall risk management. This is thanks to the commitment and dedication of colleagues who tirelessly worked on the challenge to integrate ESG due diligence throughout the company. This provides us with a good base to build upon in the future as the topic increases in importance.

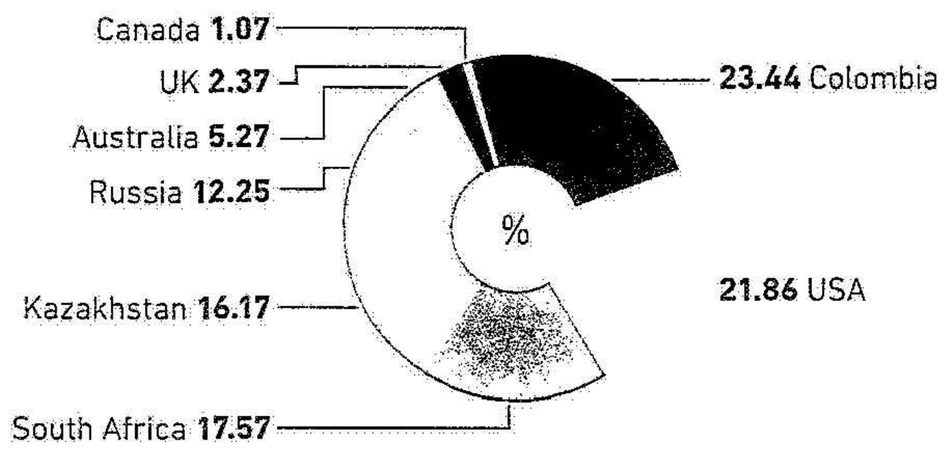
Giangiacomo Dandrea
Head of ESG Risk and Business Coordination, HSSE & Sustainability

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction

Mitigating ESG risks in the coal supply chain through Bettercoal
In order to establish adequate measures to prevent, monitor, and mitigate human rights risks in the coal supply chain, we participate in Bettercoal, a nonprofit initiative established by a group of major European utilities committed to a more responsible coal supply chain. Bettercoal's assurance system is centered around a supplier assessment process: Bettercoal independently assesses coal mining operations' performance against the 12 principles of the Bettercoal Code 2.0. The code consists of a balanced set of ESG aspects, including detailed provisions for human rights due diligence in conflict-affected areas. In response to the assessments, coal mining companies design continuous improvement plans, which are integral to Uniper's due diligence and ESG risk management.

Coal purchased via direct contract in 2022 by country of origin



We track the proportion of coal we purchase under direct contracts from Bettercoal suppliers. In 2022, 42% of coal purchased from both direct and indirect suppliers originated from Bettercoal suppliers. In total, 56% of coal purchased from direct suppliers came from Bettercoal suppliers in 2022, a decrease from 71% in 2021. The decrease is due to the EU sanction on the import of Russian coal, which was predominantly sourced from Bettercoal suppliers. To ensure supply security, this had to be replaced with coal from non-Bettercoal suppliers in other countries.

Uniper has been chair of the Bettercoal Colombia working group and a member of the Russia working group since 2018. In 2022 the Bettercoal Colombia working group continued to focus on key issues, such as promoting dialogue, a just transition, and water management. This included organizing a one-week visit to Colombia to further enhance the understanding of controversial issues in mining regions and to foster better relations with relevant stakeholders. Uniper and other Bettercoal members met with more than 60 representatives of 12 different stakeholder groups. They also participated in a multi-stakeholder dialogue organized by the Colombian Institute for Human Rights and Business (CREER), a nonprofit organization supported by the Institute for Human Rights and Business (IHRB). Through Bettercoal, Uniper supports CREER's economic diversification project whose main objective is to build a coalition that brings together different stakeholders (government, companies, trade unions, and local communities) to design and implement projects aimed at promoting a just transition by stimulating alternative local economic development. Bettercoal's work, particularly regarding responsible mine closure, reflects the priorities of Colombia's new government, which is committed to a just energy transition. The government knows that phasing out coal mining by 2035 will significantly impact employment, the economy, and public revenues in the country's coal-mining regions.

The 2022 EU sanctions imposed on Russian companies, particularly the ban on coal imports, led to a suspension of the activities planned by the Bettercoal Russia working group.

> Stakeholder engagement



Uniper employees in dialog with local stakeholders in Colombia

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction

Sustainable supplier selection

Uniper does business with thousands of suppliers every year. Our objective is to have a positive impact on sustainability by integrating ESG aspects into our supplier selection and decision-making process. Since 2016, Uniper has expected its suppliers to comply with its Supplier Code of Conduct.

In selecting suppliers, we apply sustainability criteria that are relevant to our procurement categories and also meet our business requirements. The criteria reflects the SDGs prioritized in our sustainability strategy. In 2021 we introduced a digital tool to support this process. The tool, which supplements our existing processes (such as mandatory KYC and Code of Conduct checks during supplier registration), is used to identify and prioritize category-specific sustainability issues and provide recommendations on tender evaluation criteria. It enables procurement managers to quickly identify suppliers with ESG issues, receive guidance on how these issues can be measured, and find examples of how to ask suppliers for information on relevant issues.

Our target is to apply the tool to 20% of tenders for projects over €250,000. Considering all such tenders done in 2022, sustainability criteria were applied for 21% (up from 13% in 2021), thereby surpassing the target.

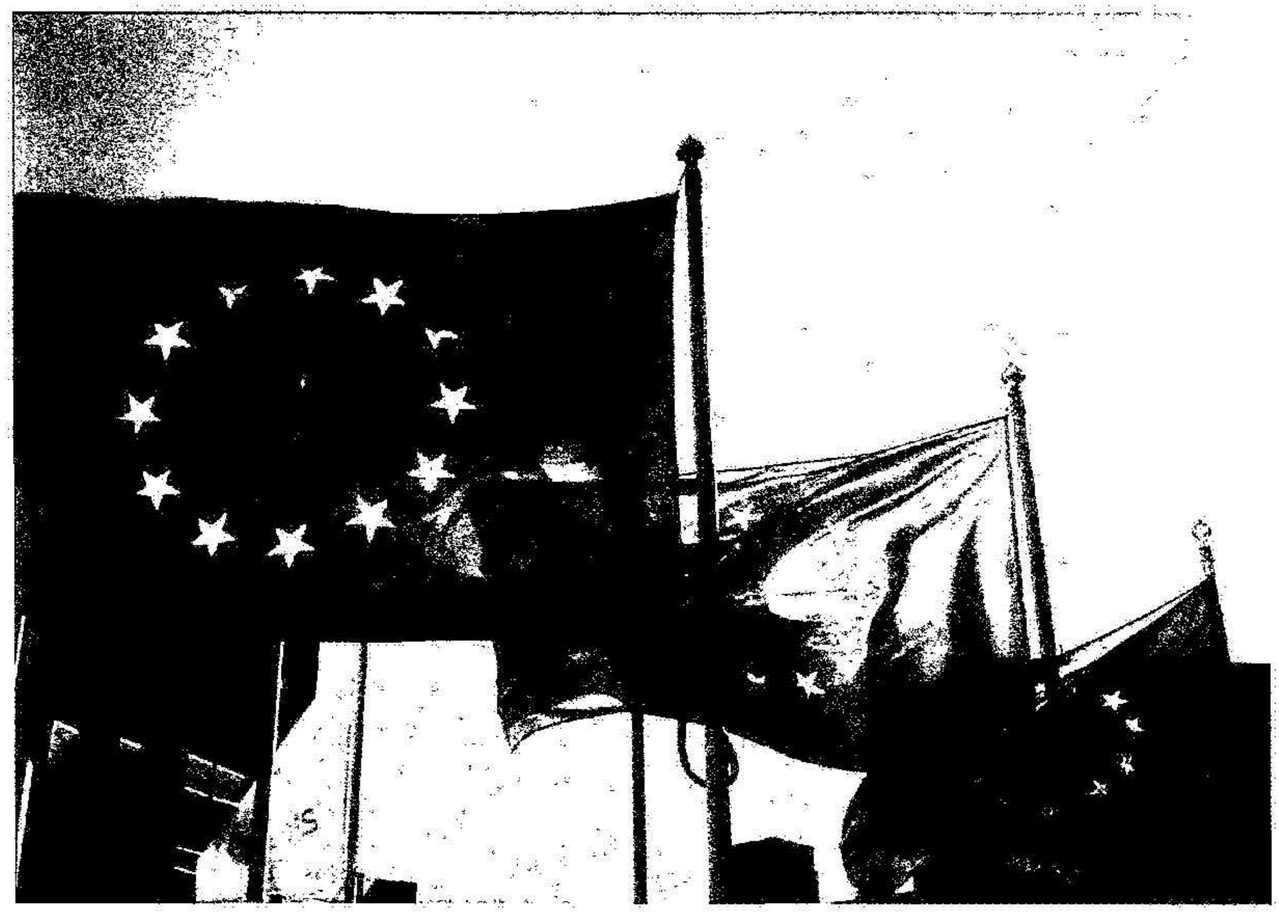
The most applied sustainability criteria are those linked to the following ESG related issues:

- CO_2 reduction during transportation
- Reduction of the energy during the usage of the goods and/or services
- Optimizing waste management through prevention, reduction, recycling, and reuse
- Gender equality

Germany's Act on Corporate Due Diligence Obligations in Supply Chains took effect on January 1, 2023. Our compliance with this act will further enhance our ability to identify products and service providers that might pose human rights risks, particularly for services that are commonly outsourced.

After selecting suppliers, we continually manage our relationship with them. Our management of the contractor employees who work at our operational assets focuses primarily on occupational health and safety, which is closely linked to human and labor rights protection. For example, we ask such contractors to be certified according to ISO 45001, an internationally recognized standard for safety management systems, or to demonstrate that they have an adequate management system.

The EU taxonomy
The EU taxonomy is a classification system that establishes a list of environmentally sustainable economic activities. The taxonomy is expected to help direct sustainable investments toward the areas where they are most needed, protect private investors from greenwashing, and help companies plan their transition to sustainability. The path toward meeting the EU's climate goals will require massive financing. We welcome the efforts of the European Commission to steer sustainable investments through science-based policy mechanisms, such as the European Sustainable Finance Strategy and the Taxonomy Regulation. It is important that all activities that can contribute to the success of the transformation of Europe's economy toward greater sustainability in the short, medium, and long-term are considered. As such, we welcome the delegated acts for climate mitigation and adaptation which signal the need for a clear decarbonization pathway for enabling and transitional activities. Uniper's 2022 Taxonomy Report was published in the 2022 Annual Report.



20230627183938

Business ethics and compliance

Uniper's operations everywhere meet the highest ethical standards. In fact, we typically go beyond what is required by laws. "Living with integrity" is an essential part of our corporate culture. Wrongdoing can cause considerable damage to both stakeholders and Uniper. It is important to systematically prevent violations against laws and company policies and to respond swiftly if, despite our many layers of defense, a potential violation occurs. This is the only way to credibly convey that our company is managed responsibly and is committed to creating sustainable value.

Compliance

Compliance management system

We define compliance risks as the possibility of major legal proceedings, monetary fines, and damage to our reputation. These may result from misconduct or violations of laws and regulations, either from actions by our staff or by third parties acting on our behalf. To mitigate risks, we have had a Group-wide compliance management system (CMS) in place since January 1, 2016.

The following legal areas and related activities are relevant for our Company and therefore constitute our main compliance topics:

- Anti-corruption and anti-bribery
- Anti-money-laundering and anti-terrorist financing
- Capital market compliance
- Competition law
- Economic sanctions
- Trading compliance

Uniper's CMS sets uniform standards for compliance topics that reflect our specific compliance risks. We consider the CMS appropriate and effective if it can detect compliance risks and prevent compliance breaches with an adequate degree of certainty. The CMS incorporates the reporting of any compliance violations that have occurred. In addition, it facilitates improvements to its own mechanisms. The CMS includes quarterly compliance reports to the Management Board. Their purpose is to provide the Management Board with the information it needs to monitor the CMS's performance. The Management Board has appointed a Chief Compliance Officer, who reports to the CEO, the Management Board, and the Supervisory Board's Audit Committee. The Chief Compliance Officer is responsible for the CMS and is supported by the Senior Vice President for Compliance. The Management Board has also underscored the importance of compliance in its Compliance Commitment, which is available online.



The Business Policy Compliance, which provides the framework for the Compliance Function's organizational and procedural setup, was updated and renewed in 2020.

Uniper periodically conducts compliance risk assessments (CRAs) of the CMS, most recently in 2021. The CRA's findings were communicated to the Management Board and business functions. Measures were taken in 2022 to address areas where the CRA indicated room for improvement.

Code of Conduct

Our commitment to a compliance culture is founded on our Code of Conduct (Code). The Code, which was adopted by the Uniper Management Board, defines the basic principles of conduct and is binding for all of our employees. It provides guidance and support for conducting business and behaving in the workplace according to the law and company rules. The Code is founded on a commitment to integrity toward one another, the business, and communities. Each year, Management Board members and senior managers sign a written pledge to adhere to the Code. The Code is reviewed and updated periodically to ensure appropriateness and compliance with company and regulatory requirements.

The Code addresses a wide range of Compliance risk areas, including corruption . It also describes the consequences of improper conduct toward business partners, third parties, and government institutions as well as the procedures to be followed in such cases. This applies to violations of laws combating corruption, money laundering, terrorist financing, and anticompetitive practices as well as laws enforcing sanctions. The Code also addresses issues such as the granting and acceptance of gifts and hospitality, intermediaries' involvement, the selection of suppliers and service providers,

20230627189939

and the avoidance of conflicts of interests. Other rules include compliance with human rights; the promotion of diversity, equality, and inclusion; the provision of a safe, secure, and healthy work environment; and the handling of company information, property, and resources. Our compliance policies and procedures ensure that the investigation, evaluation, and cessation of reported violations are carried out appropriately by the respective Compliance Officers and our Chief Compliance Officer. Suspected violations of the Code can be reported anonymously by means of a whistleblower hotline. Violations may lead to disciplinary action and termination of employment.

Relevant employees receive periodic training in policies and systems that help prevent corruption. Uniper introduced an eLearning module on the Code's basic principles in 2021. It will be updated in 2023. Russia's invasion of Ukraine in late February 2022 led to numerous sanctions. The Compliance team responded by providing sanction updates on a regular basis. It also reviewed company policies and conducted training to familiarize managers and employees with the risks of noncompliance with sanctions.

Anti-corruption

Corruption and bribery promote social inequality and crime, undermine public confidence, and increase the cost of transactions. Noncompliance with laws or company policies aimed at combating corruption may lead to criminal and civil liability – not only for the persons involved but also for the Group and its directors and officers. It may also potentially damage Uniper's reputation. We have zero tolerance of bribery and corruption. Engaging in any form of corruption – whether with public officials, customers, or enterprise partners – is considered a breach of the Code and leads to employment termination. Employees are prohibited from offering, promising, or giving anything of value (such as money, gifts, offers of employment, or other benefits) to gain business, influence any action, or obtain an additional advantage. They are likewise prohibited from doing so indirectly through a spouse, partner, relative, or friend. In some countries, business relations with intermediaries (agents, brokers, advisors, representatives, and so forth) pose a higher risk of corruption and bribery. Consequently, Uniper carries out all such relationships in accordance with its Business Policy Intermediary Agreements. This policy's strict rules aim to prevent an intermediary's fee or commission being used to make illegal payments on Uniper's behalf.

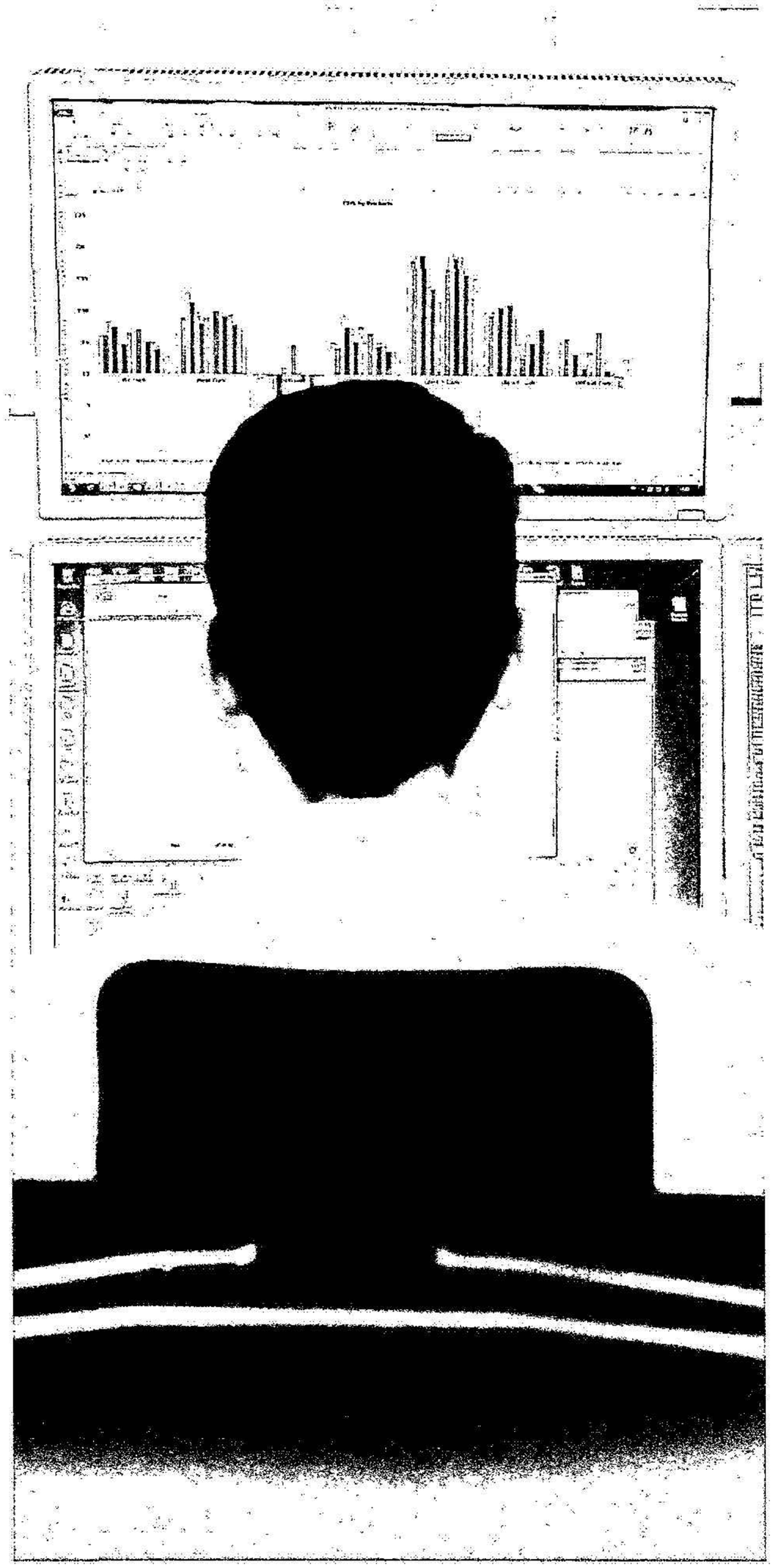
One of the risks assessed in the aforementioned CRA was corruption along with several other risk factors, such as contact with counterparties, intermediaries, donations and sponsoring, and conflicts of interest.

The global business environment continues to evolve, often rapidly. Uniper therefore needs to be aware of external restrictions on our business activities. We are committed to complying with all applicable economic sanctions and other forms of international restrictions. Uniper has business dealings with counterparties worldwide, including those located in countries that rank low on Transparency International's Corruption Perception Index, indicating a high level of perceived corruption. Failure to fulfill the legal and regulatory requirements necessary to comply with key anti-corruption rules would lead to serious reputational, legal, and financial impacts for the Group. Employees with counterparties in such countries are trained regularly in policies and systems that help prevent corruption.

Uniper has a Know-Your-Counterparty Business Policy in place for identifying, verifying, and reporting the main compliance risks potentially posed by new counterparties before business deals are finalized. These risks include corruption, money laundering, terrorism financing, and noncompliance with economic sanctions. The policy's introduction was accompanied by an eLearning module and classroom training entitled Know Your Counterparty, Intermediaries, and Sanctions, the purpose of which is to familiarize staff across the organization with the enhanced processes. The Compliance function used these processes to assess 347 new counterparties (excluding those of Unipro) in 2022, 292 of which were approved and three of which were rejected due to compliance risks. The remaining were either withdrawn or under assessment.

Two new cases of alleged corruption were reported at Uniper in 2022. One was closed as unfounded, and the second case, from Unipro, was still ongoing as of June 30, 2022, but excluded from Uniper's CMS from July 2022. There was one pending corruption case from 2021 (from Unipro). This was also excluded from Uniper's CMS starting July 2022.

2023062718940



Safeguarding personal data

The protection and secure handling of employee and customer data have a high priority for us. Data protection is crucial to avoid fines and prevent harm to our Company's reputation. Putting appropriate technical and organizational measures in place enables us to reduce these risks and deepen our customers' and employees' trust. As a matter of course, we ensure the same level of data protection with our service providers as inside the Company.

Uniper is a multinational company that operates in numerous countries. Consequently, compliance with the EU General Data Protection Regulation (GDPR) and other similar national and international regulations is crucial for our success and our stakeholders' trust. We therefore take numerous precautions and continually work on making our data protection organization even better, including by consulting with outside experts. This has also enabled us to reinforce awareness of data protection inside the Company and among our business partners.

Our data protection organization is set up in accordance with our Functional Policy for Data Protection. The Group Data Protection team is responsible for coordinating and monitoring the data protection activities of all fully consolidated Uniper companies. In addition, a Data Protection Council, consisting of senior managers of relevant departments and the Chief Financial Officer, meets on a quarterly basis. Its purpose is to strengthen and support our data protection organization. Thirty-two data protection coordinators serve as the interface with our operating business. Their task is to identify data protection risks and enhance awareness of data protection in our front-line operations. In 2022 they continued to support data protection risk assessments, participate in awareness campaigns, and provide information to the business and management

New data protection coordinators receive classroom training for their new role; the training was offered to existing data protection coordinators as well. Data protection also remains an integral part of the onboarding training for new employees. The NewNormal project included a special eLearning module on how to ensure that remote work remains secure and compliant. The module is mandatory for all employees who work remotely. In addition, we revised our existing GDPR refresher eLearning module and will make it available to employees in 2023. We also began providing specialized, interactive classroom training on subjects that are relevant to Works Councils and personal assistants. In addition, Uniper's corporate intranet offers new and updated information about the GDPR, such as data protection requirements for commonly used software applications, Covid-19 updates related to data protection, and a number of new animated videos. We also continued existing GDPR awareness campaigns, such as the plan for a data protection capability compass.

Uniper uses a software called PrIME to manage data protection. It enables us to ensure and document data protection compliance and continuously monitor all activities and measures related to data protection that are being implemented across the organization. We further improved PrIME in 2022 in areas like process automation and automated interfaces to selected cloud computing.

Uniper took steps to comply with requirements resulting from new rulings by the European Court of Justice (ECJ). This includes the ECJ's Schrems II ruling, which requires us to identify technical and organizational measures (TOMs) that are affected by it. We continued this process in 2022 by having 20 of our third-country service providers complete a pilot TOMs questionnaire. We also created mandatory transfer impact assessments (TIAs) as part of new EUMCs for our main strategic third-country service providers.

Compliance with the GDPR
We must comply with the GDPR requirements. Consequently, we – together with the affected departments – put in place even more TOMs to ensure data protection when we process, store, and transmit personal data – especially, in the wake of the EJC's Schrems II ruling, outside the EU and EEA.

The third parties that we hire to process personal data also have to comply with the GDPR. Our GDPR compliance efforts focused on minimizing the risk of information leaks and managing personal data to avoid any breaches of data protection. In accordance with best practices, we analyzed and documented how data is stored and accessed.

We also introduced new measures to avoid the misuse of business-relevant data or unauthorized external access. These included raising awareness regarding the use of Microsoft sensitivity labels and OneDrive. Misuse or the inadvertent dissemination of confidential information by an employee could lead to the disclosure of commercial secrets or violate data protection laws. Our robust data protection includes rules and guidelines as well as monthly reporting on key performance indicators.

In addition, the Data Protection team conducted several projects in 2022 to further raise the level of data protection and ensure Uniper's compliance legal requirements. The topics included risk management, data deletion, websites, and portals.

Twenty-nine data protection complaints were made in 2022; 18 of them were rated as data breaches, and 11 as non-breaches. Two data breaches had to be reported to the responsible data protection authority. Due to frequent changes in applications and cyberthreats, we continually invest in data protection and further improve our protection measures. We are committed to staying up to date on applicable processes and technologies.

Tax transparency

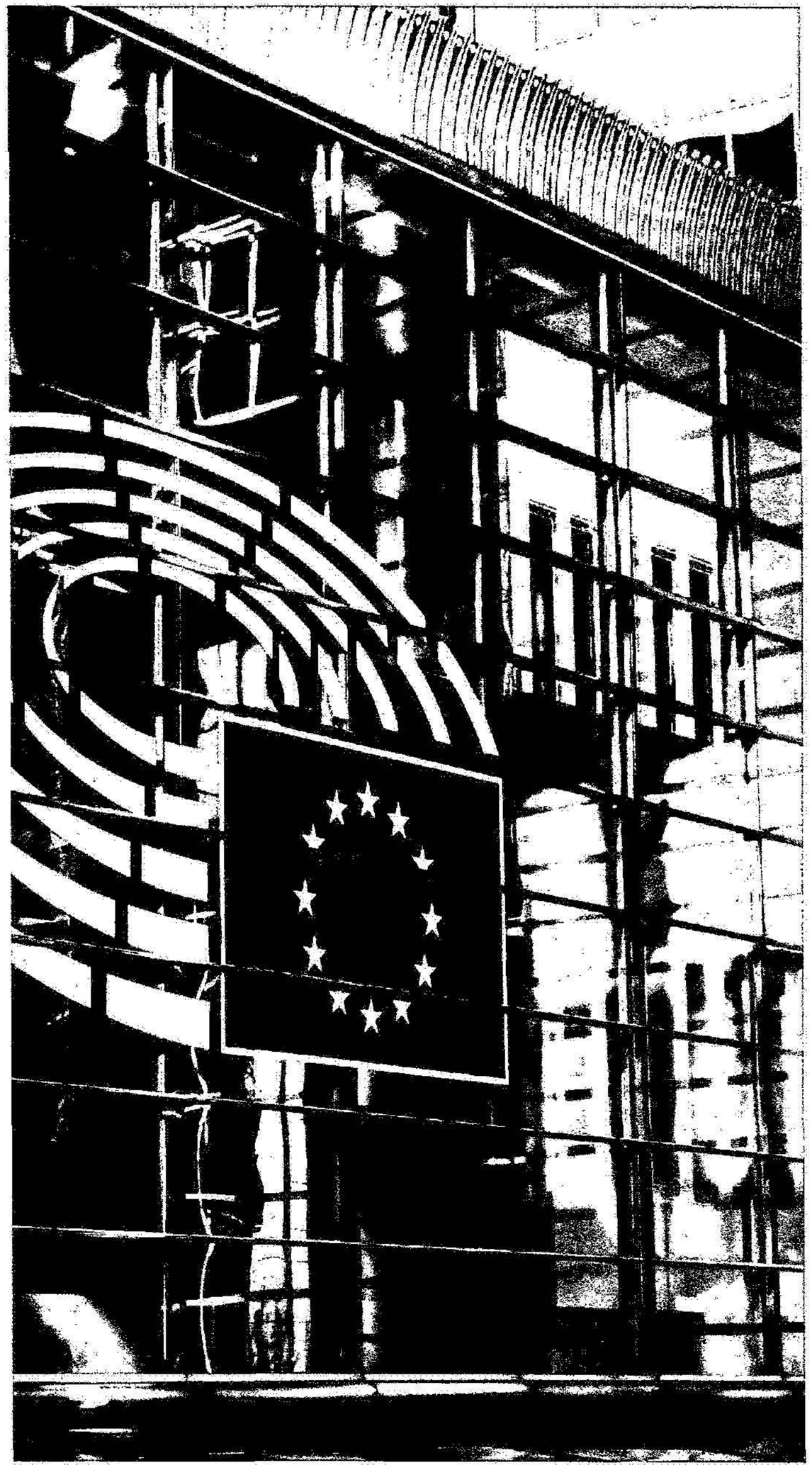
Taxes play an important role in the jurisdictions in which we operate: they enable countries and communities to fund vital services and infrastructure. Uniper is committed to complying with -applicable tax law and regulations all over the world.

Tax issues, like all other business risks, are identified, assessed, managed, and monitored pursuant to the Uniper Enterprise Risk Management Policy. There is no predefined level of tax risk that Uniper is prepared to accept. Risk is assessed in relation to a transaction's materiality and other associated risks. In cases of uncertainty and where possible, Uniper engages with the relevant tax authority to obtain a pre-transaction ruling.

Our approach to tax is governed by several business policies, including the Code of Conduct and Group Tax Guidelines. These policies are embedded in our Internal Control System. In addition, the Uniper Supervisory Board's Audit and Risk Committee monitors the Internal Control System and Risk Management System.

Uniper's approach to tax governance, control, and risk management is described in detail in Uniper's 2022 Tax Transparency Report. Uniper also publishes income tax information as part of the Consolidated Financial Statements in the 2022 Annual Report.

2023062718942



Lobbying

Energy supply is a heavily regulated business and the subject of ongoing policy debate. Until early 2022, the debate in Europe was largely about climate protection and decarbonization. Since Russia's invasion of Ukraine in late February 2022, however, the focus has increasingly shifted to energy security and affordability. Despite short-term emergency measures to address the crisis, the European Union's commitment to becoming the first climate-neutral continent will necessitate the fundamental transformation of its energy system. This, in turn, will require a policy and regulatory environment that enables companies like Uniper to take action that will help propel Europe's decarbonization journey but also makes both business and environmental sense. Advocacy of our business interests is essential for the successful operation of our assets and for our strategic prospects.

One example is the establishment of a hydrogen market, which will be essential for decarbonizing heavy industry, maritime transport, aviation, and other sectors. Uniper is working directly and through affiliated associations to develop proposals for the right regulatory framework to enable existing gas infrastructure to accept more renewable and low-carbon gases and to promote system integration across all energy vectors and sectors.

We support the RePowerEU plan to double the EU's target to 10 million metric tons of domestic renewable hydrogen and 10 million metric tons of imports by 2030. The European Commission has also published two Delegated Acts on the definition and production of renewable hydrogen to ensure that production leads to net decarbonization. Both await approval by the European Parliament and Council of the European Union. In addition, European Commission increased the EU's hydrogen research budget to €200 million in order to accelerate development and brought forward the assessment of the first Important Projects of Common European Interest.

We are in ongoing dialogue with a variety of external stakeholders, such as government entities, regulatory agencies, trade associations, and other third parties. We believe that this dialogue helps inform and shape the political process, enabling policymakers to make more informed decisions.

Transparency regarding our engagement with policymakers is of the utmost importance. For example, Uniper has been registered in the EU's Transparency registry under 285977820662-03 since its spin-off in 2016 and is also registered in the German Lobby Register.

2023062718943

Stakeholder engagement

Engaging with our various stakeholder groups creates opportunities to learn more about their needs, concerns, and expectations regarding our company and business activities. It also enables us to present our perspective on a sustainable energy world and our role in bringing it about. This open dialogue promotes understanding and trust and also helps us identify and minimize – or exploit – previously unrecognized risks and opportunities of our business activities.

Our Stakeholder engagement Policy stipulates how we interact with stakeholders. It defines our objectives for internal and external communications and assigns roles and responsibilities. The channels and formats vary. We communicate with our employees through emails, flyers, posters, videos, web chats, and all-hands meetings. Trade fairs, open houses, and conferences give us the opportunity to meet and talk with a large number of stakeholders. Public forums for people who live near our assets foster dialogue with community representatives and local interest groups. We also engage regularly with policymakers, the media, civil society organizations, and nongovernmental organizations (NGOs). Engagement with stakeholders was again in part virtual in 2022 due to the pandemic or in the case of stakeholders located in regions affected by Russia's invasion of the Ukraine. Engagement with our investors is conducted by the Management Board and the Investor Relations team. It is governed by our Stakeholder engagement Policy as well as the German Stock Corporation Act (AktG) and other relevant laws. The section below entitled "Engaging with investors" provides more information.

Identifying and engaging with nongovernmental organizations (NGO)
The NGOs that focus on topics relevant for Uniper are heterogenous. We developed a digital tool in-house with which we regularly monitor this landscape on a regular basis. It helps us identify relevant NGOs and make sound decisions on with which ones to engage, how, and when.

Uniper's NGO engagement journey moved forward in 2022. We continued to conduct Sustainability Round Tables with critical stakeholders to discuss issues related to our business. The roundtables' purpose is to maintain constructive dialogue with NGOs and share perspectives on our business activities. Above all, this includes exchanging on aspects that NGOs consider controversial. These discussions enable us to continually learn more – including about ourselves – and to identify opportunities to continuously improve.

In 2022 discussions were dominated by the crisis resulting from Russia's unjustifiable invasion of Ukraine, and focused on gas- and coal imports from Russia, human rights and environmental impacts along our coal supply chain as well as the environmental impact of gas transportation and exploration. Uniper experts and the departments that may be affected are included in these dialogues.

The Uniper Management Board receives updates on these engagement activities in the regular performance dialogues and from the Sustainability Council.

Uniper has committed to conducting, at the corporate level, at least three dialogues each year with stakeholders that are critical of Uniper's business activities. We conducted five such dialogues in 2022, thereby surpassing the target. Over time, these discussions have involved an increasing number of NGOs and issues. They have steadily enriched our understanding, broadened our horizons, and added to our expertise. In 2022 we therefore raised the target and now intend to engage in trust-building dialogues and cooperative discussions with up to five NGOs per year in 2023 and beyond.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

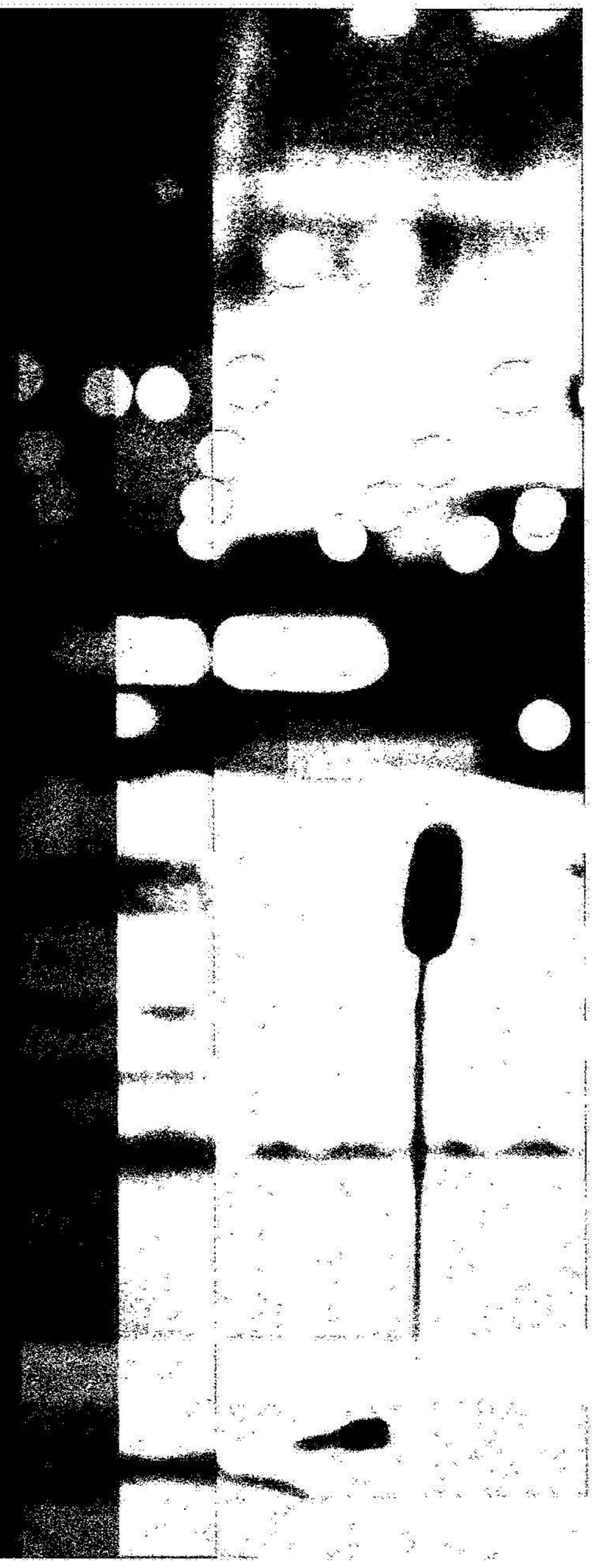
Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction

Bettercoal:
Russia and Colombia working groups
Due to the current geopolitical situation, Russia started to reduce gas deliveries in June 2022 and stopped delivering gas to Germany at the end of August 2022. Since then, coal helped Europe use less gas to generate power so that more gas is available to heat homes and fuel industrial processes. Uniper did its part. A number of our coal-fired power plants in Germany, the Netherlands, and the United Kingdom returned to service or will operate longer than was originally planned.

Coal's renewed relevance for Europe's supply security makes the work of Bettercoal, a not-for-profit initiative established by a group of major European utilities committed to a more responsible coal supply chain, even more important. Bettercoal has voluntary working groups that focus on major coal supply countries. Their purpose is to better understand – and to support the mitigation of – the ESG-risks connected to coal mining in these countries, to enhance the monitoring of mining companies' improvement plans, and to propose solutions to regional systemic issues. Uniper chairs the Colombia working group and participates in the Russia group.

The bilateral engagement efforts with several Russian gas suppliers were discontinued in 2022, despite initial good progress in 2021. EU sanctions imposed on Russian companies, particularly the ban on coal imports, led to a suspension of the activities planned by the Bettercoal Russia working group.

> Human rights
> ESG risk management and due diligence page



Investor relations

Effective December 21, 2022, the Federal Republic of Germany owns about 99% of Uniper's stock. Uniper is therefore a state-owned entity. The remaining shares are held by private and institutional investors.

Uniper's Management Board and Investor Relations team are in continual dialogue with various capital market participants, including current and potential shareholders. The main purpose is to ensure transparency by providing investors with relevant financial and non-financial information. We also actively solicit the capital market's feedback on our strategy, operations, and disclosures and factor it into our decision-making.

Investors and investor initiatives periodically ask Uniper to provide detailed information on its decarbonization strategy. We deal with these inquiries, prioritize them, and seek to enter into active and transparent discussions. Investor engagement mainly focuses on corporate governance on climate change, emissions targets, and business plans that propel progress toward a net-zero future. This dialogue helps investors better understand the way we integrate decarbonization into our strategy and our efforts to improve our climate governance and performance. In addition, discussing and understanding investors' views on those topics help us become an even better company.

Climate Action 100+
The Climate Action 100+ Net-Zero Company Benchmark assesses the performance of companies against the investor-led initiative's three key goals: improve governance of climate risks and opportunities, reduce GHG emissions in line with goals of the Paris Agreement, and provide enhanced disclosure aligned with the recommendations of the TCFD. The benchmark helps investor signatories evaluate companies' ambitions and actions in tackling climate change using 10 disclosure indicators and their related sub-indicators and metrics. Uniper was invited to report to Climate Action 100+ in 2022. After assessment, Uniper received a rating for each of the criteria along with guidance on areas for improvement. We will review this information to determine which elements we can implement.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction

Innovation

Innovation and the development of new sustainable businesses play a key role in Uniper's decarbonization strategy and, more generally, help propel the transition to a climate-neutral future. We develop scalable business models, particularly those relating to sustainable hydrogen, electricity, heat, gases, and fuels.

Our industry's biggest challenge in the decades ahead is to progressively decarbonize Europe's energy system while keeping the energy supply secure along the way. This challenge profoundly shapes Uniper's innovation strategy. We review and, if necessary, fine-tune this strategy on an annual basis to ensure that it is fit for purpose. This process involves all relevant stakeholders and business units.

The production of green electricity will and needs to increase steadily going forward. A direct use of this green electricity is thereby ideal as it prevents any additional conversion losses. This makes electrification – of cars, buses, and some heating systems – the most efficient way to decarbonize many sectors. But not all. This fact, along with the urgency of climate protection, requires that all options and technologies are considered. Uniper's main innovation areas reflect the three main routes to decarbonize the energy supply:

- Renewable electricity solutions
- Renewable hydrocarbons
- Greenhouse gas management

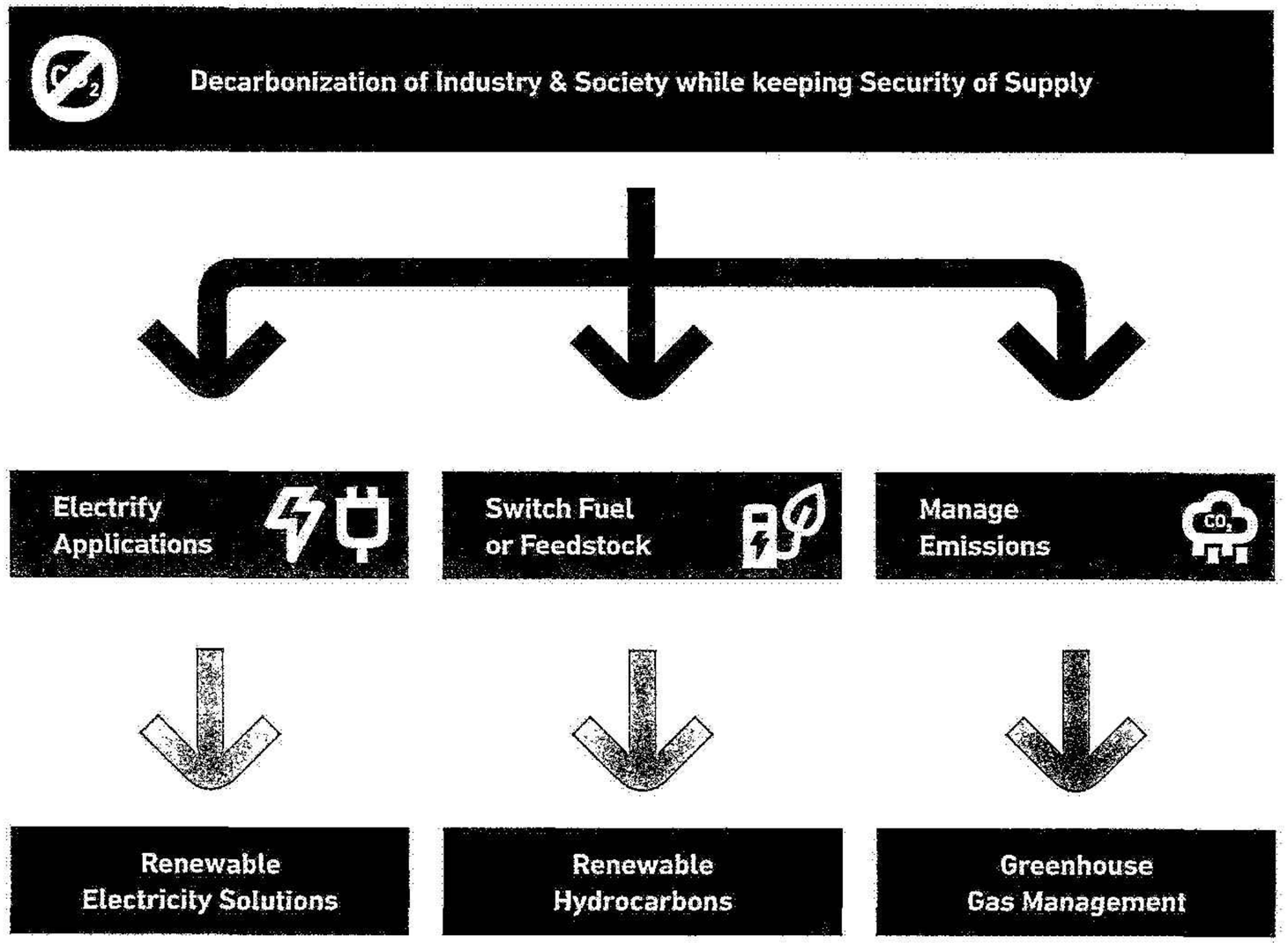
Our existing assets and facilities, our energy IQ, and decades of experience with electrons as well as molecules enable us to bring technological advances and innovative business models to the market and thus create value for our company and for society.

49 Uniper set a target of conducting, at least 20 projects whose main aims include decarbonization by year-end 2022. We actually had 49, thereby far surpassing our target.



2023052718946

The three main areas of Uniper's innovation activities



Renewable electricity solutions
Uniper investigates and innovates along the entire value chain of renewable power. Upstream, we analyze the opportunities and challenges of advanced renewable generation technologies that could significantly outperform today's solar panels and wind turbines.

Midstream, Uniper develops innovative flexibility solutions that support the energy transition in two ways. First, they balance out the fluctuations in renewables output; this capability will help support the integration of large amounts of renewables capacity. Second, the flexibility provided by energy storage or conversion can capture more of this output. For example, batteries can store daytime solar energy for use in the evening. They can also provide frequency containment reserve to help stabilize the grid when wind output fluctuates. Some regions, like northeast Germany, produce more wind power than they can consume. Wind farms sometimes have to shut down temporarily to prevent grid overloads. Batteries or other innovative storage technologies could make this unnecessary and enable such regions to capture more of their renewable resource (below is a case study on innovative energy storage solutions).

Finally, we also work with our industrial customers to innovate downstream. More green power alone will not decarbonize industry. Instead, the focus is on smart demand management and the electrification of as many industrial processes as possible that are today fossil fueled. The electrification of the heat supply is particularly promising. Uniper's range of solutions therefore includes assessing whether it is viable for a customer to install the high-temperature heat pumps necessary for industry.

Renewable hydrocarbons
Hydrogen and renewable hydrocarbons are a promising way to put some high-emissions industries on a realistic path to carbon neutrality. Uniper is partnering with leading companies and research institutes in pilot projects to gain experience in project development, operations, and marketing for hydrogen and other alternative fuels.

> Hydrogen

Greenhouse gas management
Some greenhouse gas (GHG) emissions will remain hard to abate and even unavoidable well into the future. Solutions therefore need to be found for preventing or at least minimizing their climate impact. One option is carbon capture, utilization, or storage (CCUS). Innovative technologies and new business models for CCUS need to be developed to market readiness and scaled up from pilot to commercial applications. Uniper has deep experience in emission management and in the trading, storage, and handling of gases. This will enable Uniper to play a key role in GHG management. We are currently investigating Uniper's potential role and market-entry options in this sector.

2023062718947



Green electrons alone will not be enough. Fully decarbonizing the energy supply across all sectors will also require sustainable molecules like hydrogen – as energy carriers, storage mediums, or feedstocks.

Uniper has decades of experience in both worlds: that of electrons and that of molecules. We also have a valuable portfolio of assets, facilities, and infrastructure that will enable us to play a key role in both worlds of the energy transition.

Arne Hauner,
Director Innovation



Sustainable aviation fuels
Aviation is one of the sectors where electrification is not feasible, at least not in the foreseeable future. The batteries necessary for medium- and long-haul flights are simply too heavy. Instead, commercial aviation will decarbonize by switching to synthetic aviation fuels derived from green hydrogen combined with sustainable biomass or captured CO_2. The advantage is that synthetic fuels are compatible with existing infrastructure and can be blended with their fossil equivalents.

Uniper is partnering with Sasol ecoFT in Sollefteå in east-central Sweden to produce sustainable aviation fuel on an industrial scale. The fuel is produced from biomass and green hydrogen using the Fischer-Tropsch process. The biomass comes from residual forestry products. The project is expected to meet about 8% of Sweden's aviation fuel needs and reduce GHG emissions by 323,000 metric tons of CO_2e per year. It could also create up to 100 new direct and 200 indirect employment opportunities in and around Sollefteå.

Innovation energy storage solutions
Affordable large-scale stationary storage of renewable electricity is essential for the energy transition. The increasing electrification of processes in homes and industry creates a growing need for dispatchable renewable baseload capacity to maintain a reliable power supply. Many solutions for short-term energy storage already exist. Effective medium- to long-term energy storage technologies still need to be developed.

In 2022 Uniper entered into a longer partnership with Alzenau-based CMBlu Energy AG to develop an innovative, environmentally friendly multi-megawatt electricity storage system. The system, which incorporates CMBlu's novel Organic SolidFlow battery storage technology, will be suitable for a wide range of applications and markets. A pilot project is now under way to install the system at Staudinger, a Uniper coal-fired power plant located on the Main River east of Frankfurt that produces baseload electricity as well as district heating for nearby communities. The system, which is expected to become operational by the end of 2023, will be tested with regard to its suitability for different grid services and energy markets. Based on the results of this first pilot, the two partners intend to explore opportunities to deploy additional systems at other Uniper sites as well.

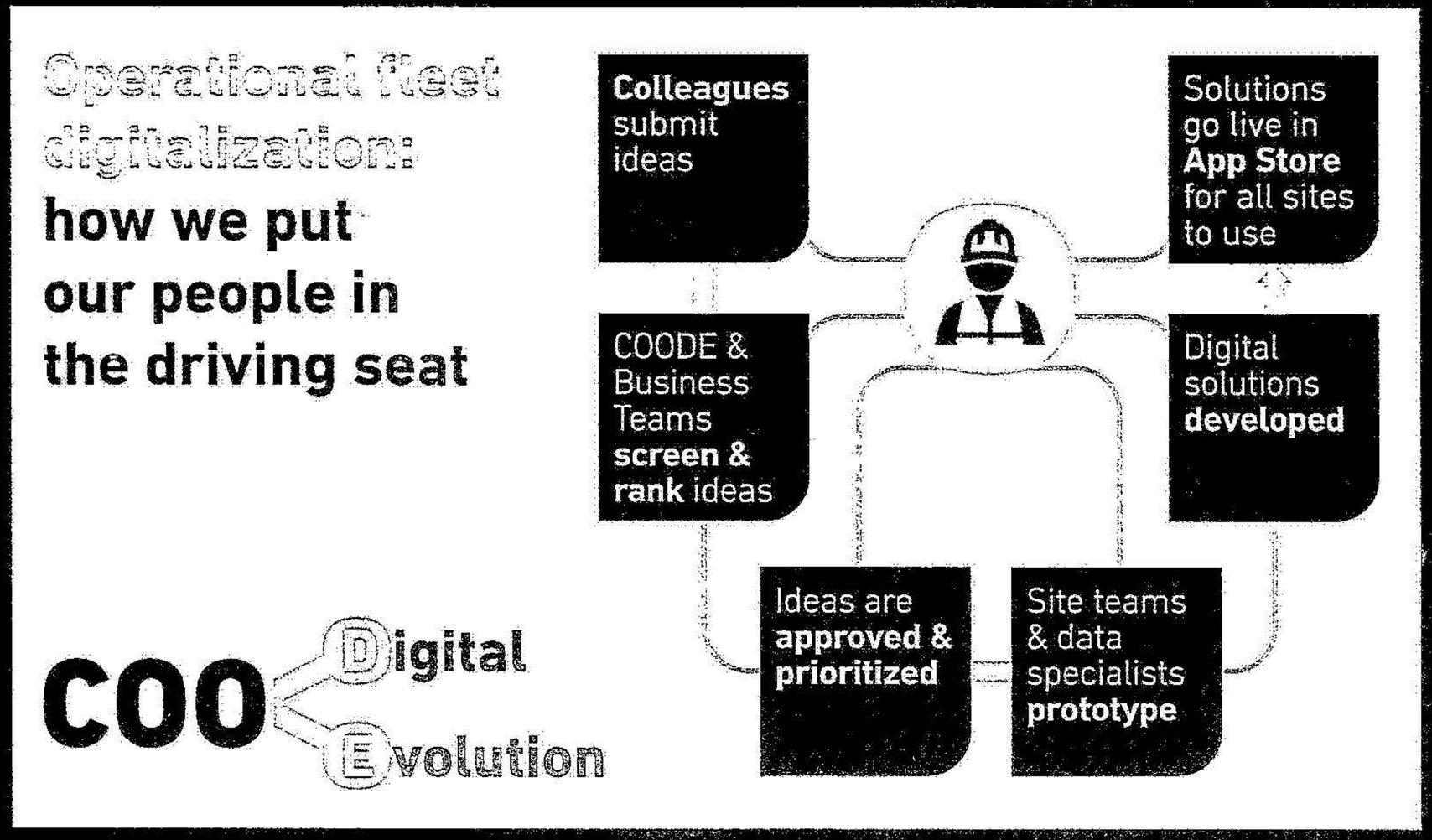
Digitalization

Digitalization has evolved from a short-term trend into an important part of daily work at Uniper. It will be the foundation of our future operations and a key to success in the energy transition. All our businesses are conducting digital transformation programs. Creating, using, and sharing data – and making it transparent to all Uniper functions – is essential for improving how we operate our business. Moreover, digitalization enhances efficiency, spurs innovation, and will thus play an increasingly important role in decarbonization. Uniper draws on its technical expertise to develop and enhance digital products and services that help both Uniper and its customers to move closer to net-zero emissions.

COO Digital Evolution

COO Digital Evolution (COODE) is the digital transformation program at Uniper's asset operations, which consist mostly of power and heat generation along with underground gas storage. Launched in 2021, COODE stands for digital evolution and not a revolution or disruption. It is developing ways to generate value by continually improving asset operations and business processes.

Engineers love solving problems. COODE is about empowering not only our engineers but all of the roughly 4,500 employees in our operating business to help solve problems and share their ideas for improvements. They do so by submitting them to the Digital Idea Tracker, an ideation and collaboration space. Employees whose ideas are prioritized collaborate with our specialists to study how best to bring their idea to life. These include site digital champions, fleet digital connectors, fleet directors, IT specialists, and software teams. They provide guidance and propel development every step of the way.



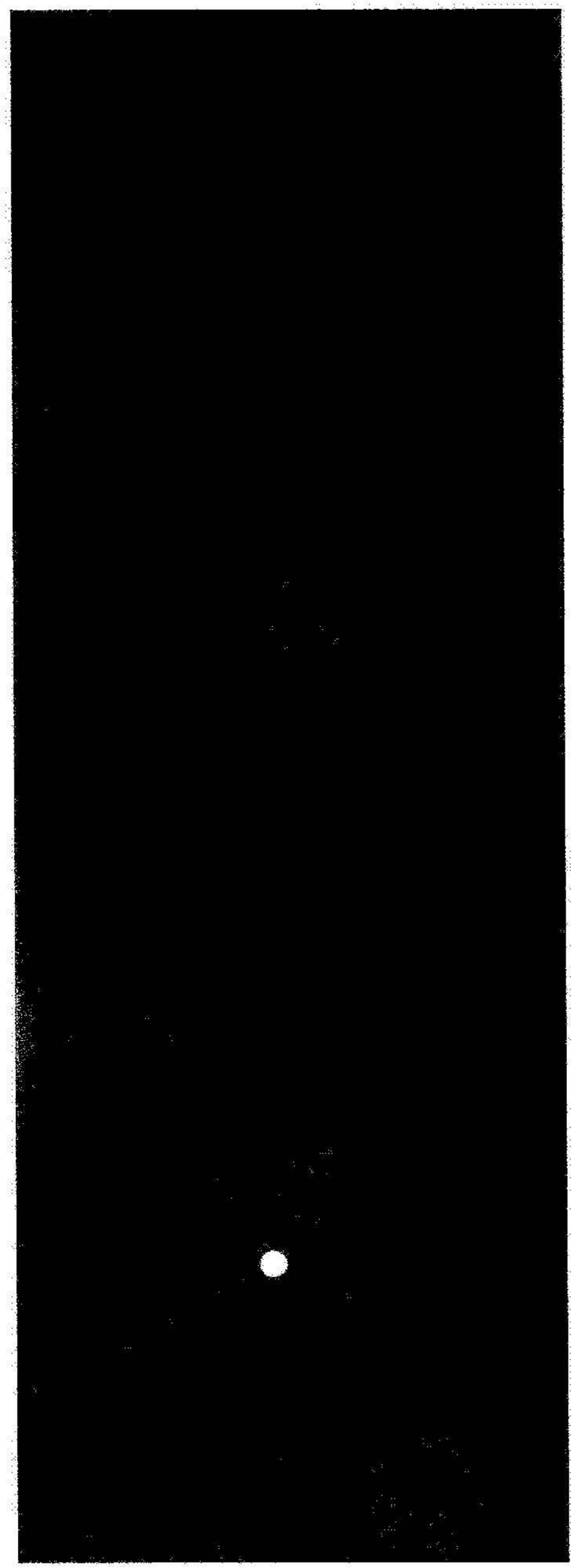
Digital Idea Tracker

Of the 700 ideas submitted since COODE began, more than 100 have been converted into state-of-the-art digital solutions for key areas like maintenance, engineering, risk management, operations, and production. Several of the solutions added in 2022 are applicable to more than one type of generation technology (hydro, nuclear, gas turbine, and coal/oil) and are therefore particularly beneficial. They include the digitalization of technical sheets, operational reports, and assessment processes.

COODE encourages our people to venture outside their comfort zones. It enables digital non-natives to learn and embrace digital ways of working. In addition, full transparency on all digital activities across the business helps foster a culture of sharing and learning.

> Overview
> Planet
> People & Society
> Responsible Governance
> Appendix

Corporate governance
Business ethics and compliance
Stakeholder engagement
Innovation
Digitalization
Customer rights and satisfaction



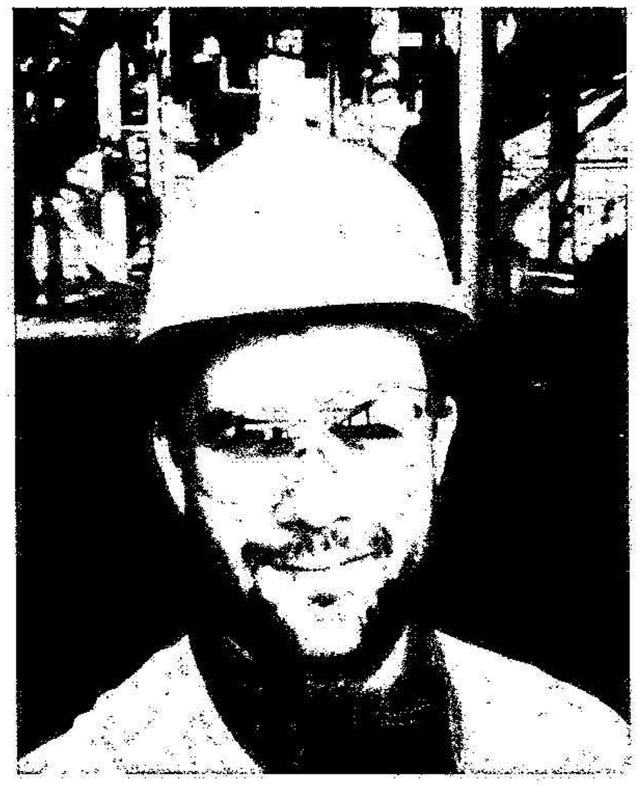
Success stories from 2022

Digital dashboards
A digital dashboard makes data transparent and readily available to everyone who needs them. In 2022 we introduced a digital performance dashboard for unit 3 of Maasvlakte, a Uniper power plant in Rotterdam's harbor district that burns both coal and biomass. The dashboard was developed by Maasvlakte staff and COODE experts. It uses input from SAP and digitalizes processes that were carried out manually.

Its features include:

- Action tracker
- Visualization of actual plant availability against planned availability
- Biomass combusted relative to the subsidy allowance
- Carbon emissions tracker

Another dashboard introduced at Uniper enables all employees to measure the carbon footprint resulting from their personal cloud storage and encourages them to reduce it by deleting large emails and files.



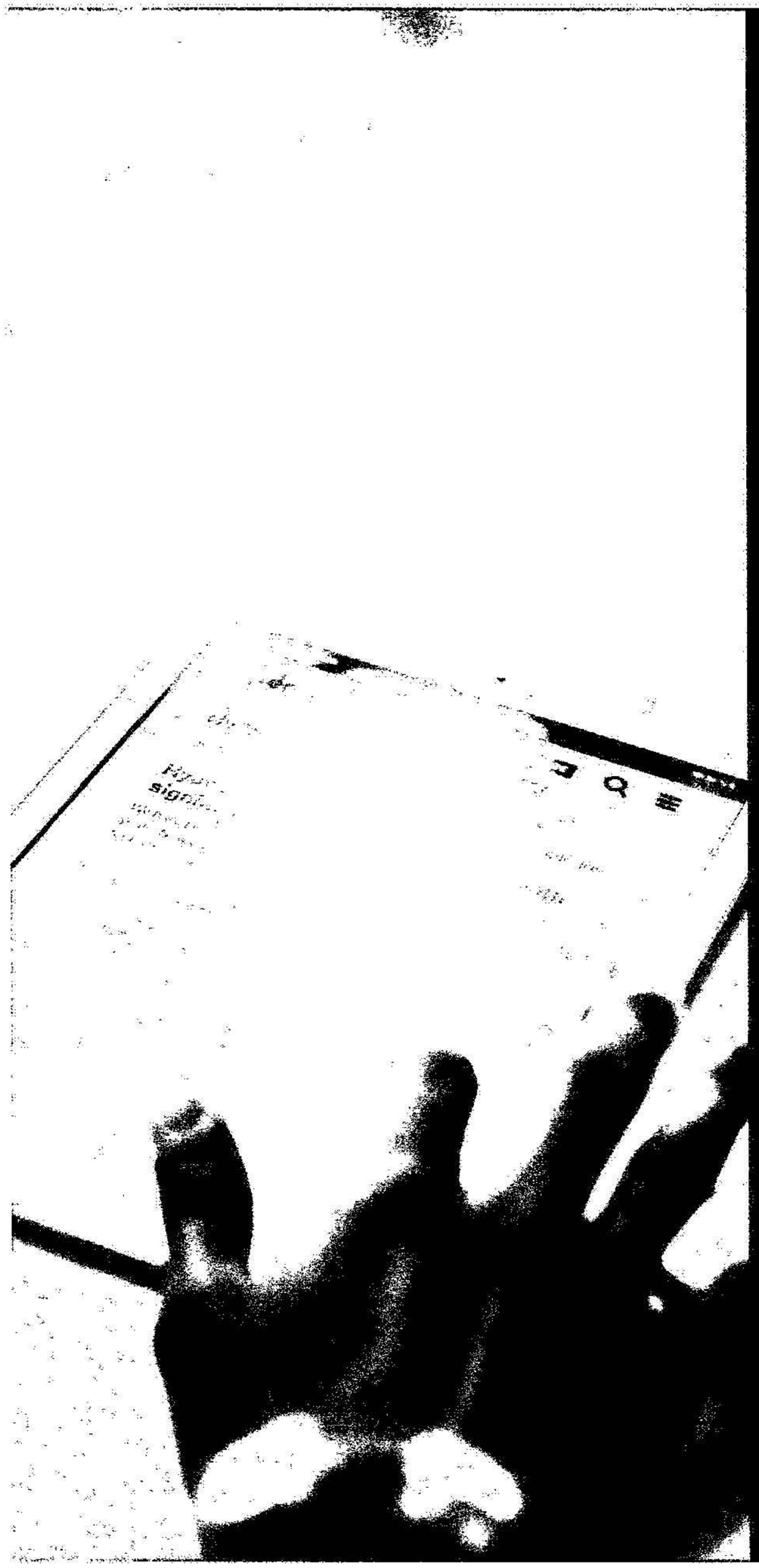
Hans Uitenbroek, Performance Engineer and Team Lead Digital Evolution, who led the Maasvlakte dashboard project.

Mobile app
"Corrective" is Uniper's word for reporting issues at power plants that need to be addressed by plant operations teams. In 2022 COODE rolled out the Corrective App, which digitalizes and thus simplifies the corrective notification process. Ratcliffe, a Uniper coal-fired power plant in central England, began using the app in October 2022. The app guides plant crewmembers through the notification process and enables them to attach high-quality supporting photos. It has already improved the speed and quality of the subsequent corrective actions.



Matthew Vas during an inspection at Ratcliffe. He enters the issues he identifies directly into the mobile Corrective App.

20230627189S0



Machine learning
Oskarshamn 3 is a 1.45 GW nuclear power plant operated by Uniper and located on Sweden's southeast coast. In 2022 we introduced an AI system for detecting deviations in process data from about 900 analog signals from sensors in the plant's turbine systems. The system combines machine learning with pattern recognition. It sends an alarm when a signal deviates from the expected range, enabling us to swiftly investigate and take action to prevent a more serious failure.

Trade & Transfer Platform
Uniper Energy Storage GmbH Sales and Optimization team worked with COODE in 2021 and 2022 to design a customer-friendly digital tool. The result, which went live in September 2021 and has been enhanced since, is the Uniper Energy Storage Portal, a website that provides complete transparency on storage data and hosts storage capacity auctions for all interested parties on a nondiscriminatory basis. Customers can also use it to trade unused injection and withdrawal rates with each other or Uniper Energy Storage . The portal is fully digital and automated, eliminating the need for paper records and telephone confirmation. Customer activity has increased significantly since the portal's introduction.

SHARP
The System Harmonization Project (SHARP) was set up in 2015/2016 to renew the critical 24/7 systems for Uniper's commercial power asset optimization, production planning, and asset management. Uniper, RuhrEnergie (which markets the power Uniper generates in the Ruhr region), and Aachen-based software developer Kisters collaborated on the project. The resulting IT solution went fully live in June 2022. It enables the Central European electricity market to control Uniper's power plant units in accordance with optimal deployment planning and to provide balancing energy.

Digital twin
A digital twin is a digital representation of a physical system or asset that can be used to model or test processes. In October 2021, we began partnering with Rotterdam-based software developer Gradyent to use a digital twin to improve how we manage the seven heat production plants in our district-heating network in the Ruhr region. The digital twin, which encompasses all the components of this highly complex network, enables us to optimize network operations in real time, ensuring that every user obtains sufficient heat in the most cost-efficient way. It minimizes heat loss and enhances supply security.

Digitalization partners
Uniper strives to work with sustainable IT partners. Microsoft's commitment to decarbonization is an important reason why we chose them as a partner for Azure and Microsoft 365 services. Azure seeks to minimize its environmental impact on communities in four key areas: carbon emissions, water quality, waste, and ecosystems. In addition, Azure's emissions-impact dashboard enables us to visualize our Azure-related energy usage. We then look for opportunities to reduce it.

Reusing and recycling
Uniper introduced a program in 2022 that gives all employees the opportunity to turn in old computers and other hardware. The equipment is checked and, if reusable, made available to other Uniper users as an alternative to ordering new hardware. If not, we delete all data and send the devices to a reputable service provider to be recycled or resold.

20230627181951

Customer rights and satisfaction

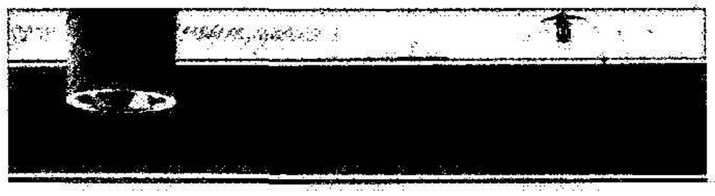
Decarbonization of customers
Uniper ranks among the largest energy producers and traders in Germany and Europe. We had about 1,000 commercial (B2B) customers at year-end 2022. About 550 of them are in energy-intensive industries such as automotive, paper, chemical, steel, and pharmaceuticals. Uniper aims not only to steadily decarbonize its business but also to enable its customers to decarbonize theirs. We do this by providing them with a reliable supply of increasingly clean energy and by helping them make progress toward their decarbonization targets.

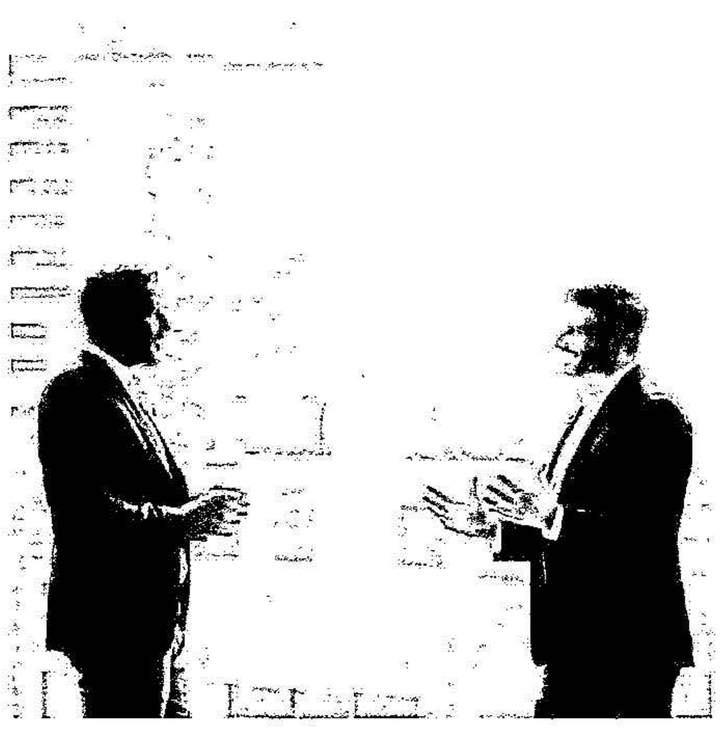
Products and services
Most of Uniper customers are working hard to make their energy supply and operations more sustainable. We can support them at any stage of their decarbonization journey and work closely with them to design an individually tailored plan that addresses their entire value chain. Uniper's B2B sales team offers numerous decarbonization products and services for energy efficiency, energy procurement, on-site generation, and storage as well as financing and regulation. If customers wish, we can design a road map to guide them all the way to carbon neutrality. In addition, in 2022 we introduced completely new design and installation options for embedded low-carbon energy production that include customized financing packages for industrial customers.

Decarbonization teamwork
In 2022 Uniper designed a detailed plan that would enable an industrial customer in Germany to reduce the carbon emissions of one of its production facilities by 80%. The plan involved expanding the use of renewables and enhancing energy efficiency while ensuring a reliable energy supply. A project team consisting of the customer's employees, Uniper staff, and other outside specialists started by analyzing the facility's process requirements and energy flows. The team used this to create a digital twin of the facility to simulate alternative configurations and study several scenarios in detail in order to identify the best decarbonization options. The next step was to write a feasibility study to find the best-possible balance between environmental, business, and technical factors. Implementation is now under way.

Certified green power
The demand for certified green power products continues to grow. Uniper's hydroelectric capacity in Sweden and Germany gives it an abundant source of clean energy to meet this demand. One example is Aqua Power, a TÜV-certified hydro product sold to municipal utilities near our hydro plants in Germany. Another attractive option for industrial customers is a power purchase agreement (PPA) for solar energy produced in their region. A PPA's medium to long term provides a reliable supply of green power, which supports customers' decarbonization without risk or big upfront investments. Moreover, the regional aspect better integrates customers into their regional green economy. We also market carbon allowances and, increasingly, climate-friendly biomethane and hydrogen.

Sales portal
Digital solutions are indispensable for an efficient energy industry. They systematize and simplify processes, reduce costs, and are generally more sustainable. In 2022 we completely revamped and considerably streamlined Uniper Digital, our sales portal for B2B customers. They can now manage their energy portfolio even more efficiently and securely and often with just one click – from standard trading to B2B procurement and tranche fixing. The dashboard has effective analysis and reporting functions displayed in clearly structured graphics. It also features a new price graph with live quotations from the European Energy Exchange (EEX) in Leipzig, giving customers the information they need to take advantage of price fluctuations and effectively hedge against risks. The updated platform is completely paperless and enables B2B customers to manage all their contracts, invoices, and regulatory notifications online – at any location and on any device.





20230627189S2

Marketing communications
Uniper aims for its marketing and communications to present its products and services accurately and truthfully. It follows company guidelines for responsible marketing communications and makes no misleading statements. Our statements about environmental issues comply with regulations for environmental marketing. Uniper strives for its communications, like all of its other activities, to meet high ethical standards.

Uniper's communications include social media. We use them to provide insights into current topics and reports on products and services. We also invite customers and interested parties to get in touch, comment on our postings, and rate them. Transparent exchange and ongoing dialogue with stakeholders are important to Uniper.

B2B customers receive support from Uniper key account managers, who can be contacted at any time for professional and individual advice. Periodic surveys also give customers the opportunity to express their expectations, interests, and concerns. We value this feedback, which we also use to refine our products and services.

Although the third year of the Covid-19 pandemic again posed challenges to businesses and organizations of all kinds, it became possible to hold events for customers. Uniper used these opportunities to meet, inform, and advise its customers and keep in touch. All events complied fully with company Covid-19 policies and local regulations.

Customer data protection
Uniper's data protection management system reflects the Company's Functional Policy for Data Protection. This system encompasses training, internal controls, regular audits, incident response plans, and as escalation procedures. All customer-facing staff – including the B2B sales team – received an eLearning module on data protection requirements and the EU's General Data Protection Regulation (GDPR) in 2022. Relevant information regarding the GDPR, including templates, is disseminated via the Uniper intranet and, if necessary, presented and discussed in team meetings. All marketing projects and initiatives receive prior clearance from the Legal, Compliance, and Data Protection teams before moving forward. Changes are communicated together with the relevant products and customer solutions directly to our customers.

En route to climate neutrality
Germany aims to have net-zero carbon emissions by 2045. Uniper has a three-phase approach for helping its B2B customers embark on – and accelerate – the decarbonization journeys. The first and second phases involve working closely with customers to design a decarbonization strategy, specify the necessary initiatives, and provide support with internal and external communications. Phase three focuses on the planning and implementation of the initiatives. This phase also continually addresses outside factors, such as current policy and regulatory changes, government subsidies, the price of energy and emission allowances, and technological developments, such as in the hydrogen sector.



> Overview
> Planet
> People & Society
> Responsible Governance
> **Appendix**

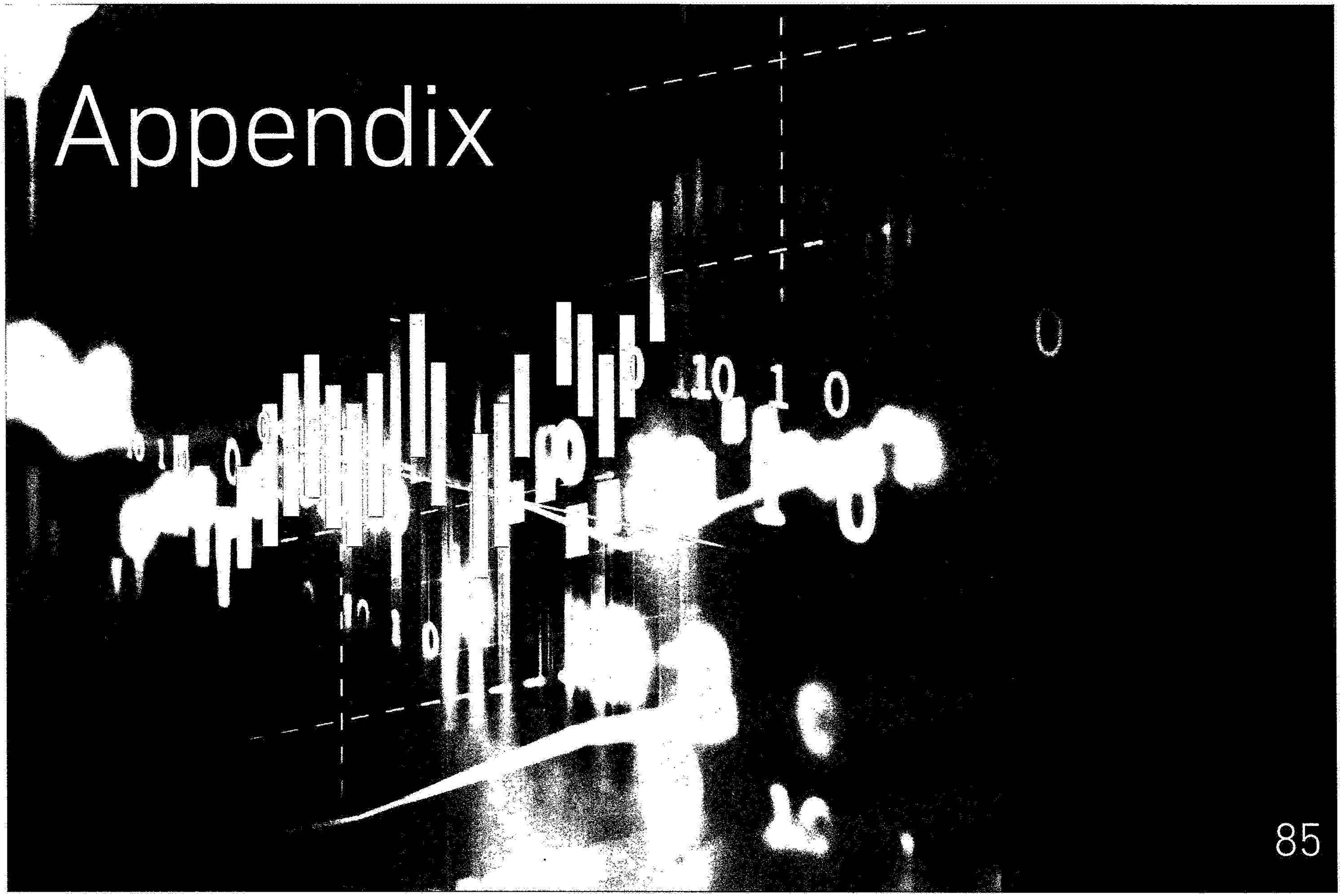
Key Figures

Disclaimer

Publication details

Contact Us

Appendix



2023062718954

Planet

Climate change and greenhouse gas emissions

Direct CO_2 Emissions Fuel Combustion by Country

Greenhouse Gas Protocol Scope 1

Million metric tons CO_2	2022	2021
European Generation	25.4	27.5
Germany	*12.2*	*13.6*
United Kingdom	*8.2*	*8.6*
Netherlands	*3.9*	*4.4*
Hungary	*0.9*	*0.8*
Sweden	*0.2*	*0.1*
United Arab Emirates[1]	0.06	0.05
Russian Power Generation[2]	30.2	23.4
Total	**55.6**	**50.9**
Carbon Intensity (g/kWh)[3]	477.5	454

Uniper uses the operational-control approach. This means that Uniper counts 100% of the direct emissions of any generation assets over which it has operational control. With the exception of Russia, all data was calculated using the European Union Emissions Trading Scheme rules. Rounding may result in minor deviations from the totals.

[1] Uniper's business in UAE is Uniper Energy DMCC. Uniper Energy DMCC owns and operates a low sulphur marine fuel oils production facility in Fujairah, supplying products from its storage facilities to local partners and large shipping companies. The direct carbon emissions result from the burning of Diesel and Naphtha for electricity generation in the production facility.

[2] Emissions from Russian Power Generation (discontinued operations) are estimated for October-December 2022.

[3] Uniper's intensity is defined as the ratio between direct fossil fuel derived CO_2 emissions from electricity and heat generation from Uniper's fully consolidated stationary facilities (financial control approach) and Uniper's generation volume. This indicator does not include facilities that produce only heat and/or steam.

Indirect CO_2e emissions[1]

Greenhouse Gas Protocol Scope 2

Metric tons CO_2e		2022	2021
Location-based method	Indirect emissions from purchased electricity	652,221	592,724
	Indirect emissions from heat and cooling	3,720	4,200
	Total	**655,941**	**596,924**
Market-based method	Indirect emissions from purchased electricity	884,001	795,190
	Indirect emissions from heat and cooling	3,720	4,200
	Total	**887,721**	**799,391**

[1] Emissions from Russian Power Generation (discontinued operations) are estimated for 2022.

Indirect CO_2e emissions[1,2]

Greenhouse Gas Protocol Scope 3

Million metric tons CO_2e	2022	2021
Purchased goods and services	0.5	0.5
Captial goods	0.3	0.2
Fuel- and energy-related activites	11.2	10.5
Upstream transportation and distribution	10	16.9
Waste generation in operations	<0.1	<0.1
Business travel	<0.1	<0.1
Employee commuting	<0.1	<0.1
Upstream leased assets	0.1	0.1
Downstream transportation and distribution	0.1	0.1
Processing of sold products	0.3	0.1
Use of sold products	67.4	78.1
Total	**90.0**	**106.4**

[1] Emissions from Russian Power Generation (discontinued operations) are estimated for 2022. 2022 data relating to waste generation in operations and the processing of sold products excludes Russian data entirely.

[2] Includes all scope 3 categories apart from category 12-15.

20230627189555

Power production by primary energy source in Europe

By primary energy source

Billion kWh	2022	2021
Gas[1]	19.0	62.1
Coal	17.3	24.0
Nuclear	10.4	11.0
Hydro	12.2	12.5
Biomass	1.6	1.2
Total	**60.6**	**110.7**

[1]Figures include production from oil.

Natural gas consumption by our own power plants

By country

Billion m³	2022	2021	2020
Russia	11.0	10.3	9.2
United Kingdom	2.1	2.3	1.8
Germany	0.7	0.9	0.5
Netherlands	0.3	0.4	0.9
Hungary	0.5	0.4	0.4
Sweden	0.0	0	0
Total	**14.6**	**14.4**	**12.8**

20230627189S6

Emissions to air, land and water

SO_2 emissions[1]

Metric kilotons	2022	2021	2020
Germany	1.7	2.5	2.1
United Kingdom	2.4	2.5	0.5
Netherlands	0.3	0.4	0.4
Russia	-	6.8	5.4
Sweden	<0.1	<0.1	0
United Arab Emirates	<0.1	<0.1	-
Total (excluding Russia)	**4.5**	**5.3**	**3.0**
Total	**-**	**12.1**	**8.4**

[1]Emissions from Russia not reported in 2022. Emissions from United Arab Emirates not reported in 2020.

NO_x emissions[1]

Metric kilotons	2022	2021	2020
Germany	5.5	6.9	6.9
United Kingdom	4.7	4.6	1.9
Netherlands	1.3	1.5	1.3
Russia	-	30	28.1
Sweden	<0.1	<0.1	0
Hungary	0.2	0.2	0.3
United Arab Emirates	<0.1	<0.1	-
Total (excluding Russia)	**11.9**	**13.2**	**10.4**
Total	**-**	**43.2**	**38.5**

[1]Emissions from Russia not reported in 2022. Emissions from United Arab Emirates not reported in 2020.

Dust emissions[1]

Metric tons	2022	2021	2020
Germany	189	202	143
United Kingdom	65	68	12
Netherlands	18	11	15
Russia	-	926	874
Sweden	10	11	0.6
United Arab Emirates	0	0	-
Total (excluding Russia)	**282**	**292**	**171**
Total	**-**	**1,218**	**1,045**

[1]Emissions from Russia not reported in 2022. Emissions from United Arab Emirates not reported in 2020.

Circular economy and waste management

Pulverized fly ash, furnace bottom ash and gypsum[1]

Million metric tons	2022 (excluding Russia)	2021 (excluding Russia)	2021	2020
Disposed	0.06	0.05	0.05	0.01
Recovered and sold	1.24	1.41	1.41	1.11
Total	**1.30**	**1.46**	**1.58**	**1.12**

[1]Figures only include fully consolidated thermal power stations. 2022 data excludes Russia. 2021 by-products data corrected.

Hazardous and non-hazardous operational waste[1]

Metric tons	2022 (excluding Russia)	2021 (excluding Russia)	2021	2020
Hazardous operational waste disposed	4,750	1,636	1,636	7,278
Hazardous operational waste recovered	1,535	1,266	2,117	1,517
Hazardous operational waste sent for energy recovery[2]	97	3,785	3857	1805
Non-hazardous operational waste disposed	12,375	9,736	112,682	115,652
Non-hazardous operational waste recovered	23,961	31,992	35,395	39,396
Non-hazardous operational waste sent for energy recovery[2]	1,976	2,663	2,670	836
Total	**44,694**	**51,079**	**158,367**	**166,484**

[1]Figures only include operational waste (no project-related waste). 2022 figures exclude Russia.

[2]Figures exclude Russian data due to classification differences.

2023062718957

Water use and optimization

Water withdrawal by source[1]

m³	2022 (excluding Russia)	2021 (excluding Russia)	2021	2020
Water withdrawal for cooling				
Sea	*3,137,468,448*	*3,412,618,958*	*3,412,618,958*	*3,085,744,465*
Fresh surface water	*1,043,487,836*	*1,006,127,628*	*6,734,669,348*	*5,789,417,537*
Municipal water	*6,642,389*	*5,617,583*	*5,617,583*	*7,135,601*
Groundwater	*197,274*	*160,887*	*160,887*	*184,061*
Rainwater	*0*	*394,503*	*394,503*	*494,382*
Total	**4,187,795,947**	**4,424,919,559**	**10,153,461,279**	**8,882,976,046**
Water withdrawel for non-cooling				
Sea	*451,922*	*565,729*	*565,729*	*920,518*
Fresh surface water	*3,228,214*	*4,990,366*	*259,828,826*	*222,790,396*
Municipal water	*3,583,214*	*3,945,536*	*5,423,056*	*4,053,454*
Groundwater	*445,538*	*390,846*	*3,387,056*	*2,736,477*
Other external water supplier (fresh water)	*0*	*239,978*	*239,978*	*5,313,048*
Rainwater	*0*	*760,284*	*5,473,864*	*321,110*
Total	**7,708,889**	**10,892,739**	**274,918,509**	**236,135,003**
Total water withdrawal	**4,195,504,836**	**4,435,812,298**	**10,428,379,788**	**9,119,111,049**

[1] Figures include fully consolidated thermal power stations and nuclear power stations only. Data from UAE operations not included in 2020. Data from Russian operations not included in 2022.

Water discharge by recipient[1]

m³	2022 (excluding Russia)	2021 (excluding Russia)	2021	2020
Discharge of cooling water				
Sea	*3,134,697,304*	*3,309,779,130*	*3,309,779,130*	*3,083,914,737*
Fresh surface water	*1,020,915,198*	*982,850,548*	*6,711,392,268*	*5,759,091,014*
Total	**4,155,612,502**	**4,292,629,678**	**10,021,171,398**	**8,843,005,751**
Discharge of non-cooling water				
Sea	*1,136,932*	*586,399*	*586,399*	*885,922*
Fresh surface water	*818,253*	*4,510,393*	*128,996,583*	*122,714,761*
Municipal sewage	*966,789*	*696,963*	*6,850,433*	*6,350,527*
Other recipient e g off site treatment	*23,624*	*22,017*	*22,017*	*10,961*
Total	**2,945,598**	**5,815,772**	**136,455,432**	**129,962,171**
Total water discharge	**4,158,558,100**	**4,298,445,450**	**10,157,626,830**	**8,972,967,922**

[1] Figures include fully consolidated thermal power stations and nuclear power stations only. Data from UAE operations not included in 2020. Data from Russian operations not included in 2022.

20230627185958

People and Society

Secure and affordable energy supply

Uniper Group: Consolidated Generation Capacity as of Dec 31, 2022[1]

MW	Gas	Coal	Hydro	Nuclear	Other	Total (country specific)
Germany	3,333	3,197	1,983		1,418	9,932
United Kingdom	4,193	2,000			221	6,414
Sweden			1,579	1,400	1,175	4,154
Netherlands	525	1,070				1,595
Hungary	428					428
Total (asset specific)	**8,479**	**6,267**	**3,562**	**1,400**	**2,814**	**22,523**

[1] Accounting view.

Average Asset Availability for Conventional Power Generation by Country

%	2022	2021
Germany	69.7	75.8
Hungary	92.5	83.0
Netherlands	67.5	80.5
Russia[1]	-	80.8
Sweden	93.7	93.3
United Kingdom	66.3	76.5
Total	**71.0**	**79.0**

The figures shown are calculated using availability = 100% minus (planned and unplanned unavailability). Uniper Group figures represent a volume-based weighted average. The calculation refers to Uniper's actual operational portfolio. The 2022 calculation includes all fully consolidated assets. The 2021 calculation is based on the legal entity share

[1] Full year 2022 data for Russian Power Generation (discontinued operations) cannot be reported. The H1 value can be found in Uniper's Interim Report 2022.

2023062718959

Human Rights

Overall coal purchased via direct contract in 2022 by country of origin

Country of origin	% coal purchased
Colombia	23.4%
USA	21.9%
South Africa	17.6%
Kazakhstan	16.2%
Russia	12.3%
Australia	5.3%
UK	2.4%
Cananda	1.1%

Health, Safety and Wellbeing

Heath and Safety

	2022	2021
Combined TRIF[1]	1.76	1.51
Employee TRIF	1.09	0.82
Contractor TRIF	2.74	2.55
Combined LTIF	1.22	0.99
Employee LTIF	0.67	0.51
Contractor LTIF	2.03	1.70

[1] Total recordable incidents per million hours of work (TRIF) for Uniper employees and contractors engaged by Uniper. TRIF takes account of all relevant reports, including those from Uniper companies that are not fully consolidated but in which Uniper SE has operational control. 2022 data excludes October-December data from the discontinued operations Russian Power Generation.

2023062718960

Fair and Attractive Employer

Total Number of Employees in 2022[1,2]

By country of employment and gender

Country of employment	Male	Female	Non-binary	Total
Austria	1	0	0	1
Azerbaijan	1	0	0	1
Canada	6	4	0	10
Germany	3,690	1,350	0	5,040
Hungary	32	3	0	35
Netherlands	282	28	0	310
Norway	6	0	0	6
Russia	4	4	0	8
Singapore	5	1	0	6
Sweden	697	209	0	906
United Kingdom	742	169	0	911
USA	55	21	1	77
United Arab Emirates	15	5	0	20
Total	**5,536**	**1,794**	**1**	**7,331**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices

[2] Headcount as of December 31, 2022. Russian Power Generation is no longer reported as an operating segment

Total number of employees[1,2]

By employment contract and gender

	Male		Female		Non-binary		Total	
Employee profile	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Managing directors/board members	7	20	1	3	0	0	8	23
Permanent staff	5,066	8,089	1,614	2,583	1	0	6,681	10,672
Temporary staff	224	485	103	337	0	0	327	822
Interns/work-study students	86	87	45	55	0	0	131	142
Apprentices	153	152	31	27	0	0	184	179
Total	**5,536**	**8,833**	**1,794**	**3,005**	**1**	**0**	**7,331**	**11,838**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

[2] Headcount as of December 31, 2022. Russian Power Generation is no longer reported as an operating segment

20230627183961

Fair and Attractive Employer

Share of new hires from external market[1, 2]

(%)		
Country of employment	**2022**	**2021**
Canada	0.1	0.4
Germany	37.7	47.9
Hungary	0.4	0.4
Netherlands	2.4	1.8
Norway	0	0.1
Russia	28.6	32
Singapore	0	0
Sweden	20.7	6.8
United Kingdom	7.4	8.1
United Arab Emirates	0.2	0.1
USA	2.5	2.5

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices

[2] As of December 31, 2022. Russian Power Generation is no longer reported as an operating segment

New hires from external market[1, 2]

By age range and gender

	Male				Female				Non-binary				Total	
Employee profile	**2022**		**2021**		**2022**		**2021**		**2022**		**2021**		**2022**	**2021**
Age range	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	Number
<21	79	81.4	70	76.1	18	18.6	22	23.9	0	0	0	0	97	92
21-30	275	73.3	308	69.1	100	26.7	138	30.9	0	0	0	0	375	446
31-40	192	65.5	223	70.8	100	34.1	92	29.2	1	0.3	0	0	293	315
41-50	132	73.3	101	63.5	48	26.7	58	36.5	0	0	0	0	180	159
51-60	86	72.3	61	71.8	33	27.7	24	28.2	0	0	0	0	119	85
>60	30	81.1	17	68	7	18.9	8	32	0	0	0	0	37	25
Total	**794**	**72.1**	**780**	**69.5**	**306**	**27.8**	**342**	**30.5**	**1**	**0.1**	**0**	**0**	**1,101**	**1,122**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students and apprentices.

[2] As of December 31, 2022. Russian Power Generation is no longer reported as an operating segment

Permanent staff[1]

By type of employment and gender

	Male		Female		Non-binary		Total	
Employee profile	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Part-time	144	149	401	391	1	540	546	540
Full-time	4,922	7,940	1,213	2,192	0	10,132	6,135	10,132
Total	**5,066**	**8,089**	**1,614**	**2,583**	**1**	**10,672**	**6,681**	**10,672**

[1] Headcount as of December 31, 2022. Russian Power Generation is no longer reported as an operating segment.

2023062718962

Fair and Attractive Employer

Voluntary leavers[1, 2]

By country of employment and gender

	Male		Female		Non-binary		Total	
Country of employment	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Belgium	0	0	0	1	0	0	0	1
Germany	157	118	80	62	0	0	237	180
Hungary	0	2	0	1	0	0	0	3
Netherlands	12	5	2	1	0	0	14	6
Norway	0	2	0	0	0	0	0	2
Russia	149	233	45	75	0	0	194	308
Singapore	0	0	1	0	0	0	1	0
Sweden	21	18	10	4	0	0	31	22
United Kingdom	71	37	8	8	0	0	79	45
USA	19	8	2	2	0	0	21	10
United Arab Emirates	1	0	1	0	0	0	2	0
Total	**430**	**423**	**149**	**154**	**0**	**0**	**579**	**577**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

[2] As of December 31, 2022, Russian Power Generation is no longer reported as an operating segment

Voluntary and non-voluntary leavers[1, 2, 3]

By gender and length of duration of employment

	Leavers		Average duration of employment (years)	
Gender	**2022**	**2021**	**2022**	**2021**
Male	560	444	9.1	9.2
Female	177	160	8.4	8.7
Non-binary	0	0	0.0	0.0

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

[2] Numbers consist of voluntary (termination of contract by employee) and non-voluntary leavers (termination of contract by employer); retirees as well as employees who transfer within the group are not included.

[3] As of December 31, 2022, Russian Power Generation is no longer reported as an operating segment

Voluntary leavers[1, 2]

By age range and gender

	Male		Female		Non-binary		Total	
Age range	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
<21	8	5	2	4	0	0	10	9
21-30	125	106	42	31	0	0	167	137
31-40	135	115	48	39	0	0	183	154
41-50	80	90	21	34	0	0	101	124
51-60	63	72	29	42	0	0	92	114
> 60	19	35	7	4	0	0	26	39
Total	**430**	**423**	**149**	**154**	**0**	**0**	**579**	**577**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

[2] As of December 31, 2022, Russian Power Generation is no longer reported as an operating segment.

Voluntary and non-voluntary leavers[1, 2, 3]

By age range and duration of employment

	Leavers		Average duration of employment (years)	
Age range	**2022**	**2021**	**2022**	**2021**
< 21	10	10	1.7	0.3
21 – 30	174	138	2.5	2.3
31 – 40	222	156	5.2	5.1
41 – 50	153	135	9	7.8
51 – 60	140	122	19.9	20.3
> 60	38	43	22	19.9
Total	**737**	**604**	**8.9**	**9.1**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

[2] Numbers consist of voluntary (termination of contract by employee) and non-voluntary leavers (termination of contract by employer); retirees as well as employees who transfer within the group are not included.

[3] As of December 31, 2022, Russian Power Generation is no longer reported as an operating segment

20230627189G3

Fair and Attractive Employer

Employees covered by collective bargaining agreements[1, 2]

%	2022	2021
Share pay scale employees	57	67

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

[2] Headcount as of December 31, 2022. Russian Power Generation is no longer reported as an operating segment

Fluctuation rate[1, 2]

By age range

	Fluctuation (%)	
Age range	2022	2021
< 21	6	5.5
21 – 30	12.4	9.4
31 – 40	6.6	5.2
41 – 50	3.2	3.8
51 – 60	2.6	3.1
> 60	4.2	6.8
Total	**5**	**4.8**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices. Fluctuation rate = voluntary leavers/average headcount.

[2] As of December 31, 2022, Russian Power Generation is no longer reported as an operating segment

Fluctuation rate[1, 2]

By gender

Gender	2022	2021
Male	5	4.7
Female	5	5.1
Non-binary	0	0
Total	**5**	**4.8**

[1] Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices. Fluctuation rate = voluntary leavers/average headcount.

[2] As of December 31, 2022, Russian Power Generation is no longer reported as an operating segment.

Disclaimer

This document may contain forward-looking statements based on current assumptions and forecasts made by Uniper SE management and other information currently available to Uniper. Various known and unknown risks, uncertainties, and other factors could lead to material differences between the actual future results, financial situation, development, or performance of the company and the estimates given here. Uniper SE does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to adapt them to future events or developments.

Publication details

Published by:
Uniper SE

Typesetting:
Jung Produktion GmbH

Photo Credits:
Page 8, 14, 24, 29, 33, 34, 37, 45, 59, 60, 65, 69, 74, 76, 77, 79 Unsplash
Page 13 pixabay
Page 16, 84 istock
Page 34 Josef Merkl 2022

20230627189965

Contact us

Uniper SE
Holzstrasse 6
40221 Düsseldorf
Germany

Frank Plümacher
Executive Vice President HSSE & Sustainability
frank.pluemacher@uniper.energy

Dr. Andreas Niehoff
Senior Vice President Sustainability
andreas.niehoff@uniper.energy

Kathrin Becker
Head of Sustainability Reporting & Stakeholder Engagement
kathrin.becker@uniper.energy

Anne Hem
Senior Sustainability Manager
anne-elisabeth.hem@uniper.energy

Samantha Best
Sustainability Manager
samantha.best@uniper.energy

04-2022

20230627183966

Specific Energy Industry Expertise
In addition, the Supervisory Board as a whole should have particular expertise in the energy industry and Uniper's business operations.

For this purpose, at least some members should have specific experience that allows them to deeply understand the business models and the major business areas (markets and competition, products and customers) along the value chain and to assess them, particularly from a strategic and risk perspective.

Preferably, at least some members should have specific experience from related or other industries to provide for an external view on the matters of the Company.

Specific expertise in the energy industry and business operations also includes, in particular, knowledge about the key markets in which Uniper operates. Here at least some of the members should have specific experience which allows them also to understand the development of such markets.

Due to the international orientation of the Uniper Group having its focuses in Western Europe and Russia, at least some members should have specific experience in these regions.

Furthermore, knowledge in the area of sustainability and climate protection, including the relevant regulatory framework, is essential for a special understanding of the energy industry. Therefore, at least several members should have relevant experience that enables them to assess the resulting consequences for Uniper's strategy and business areas and to recognize and evaluate the resulting risks and chances.

General Professional Expertise
Each member of the Supervisory Board should have general knowledge about the industry, the different business models, the accounting and the key factors for the Company's results, the legal framework and compliance requirements, except for reasonable exceptions. In case of a reasonable exception, the member should be in a position to gain such general knowledge in the near term.

Moreover, each member of the Supervisory Board should have the ability to make a general plausibility check of the annual financial statements of the Company and in individual cases with the support of the auditor to conduct an appropriate deeper review thereof. Each member should be in the position to review the reporting by the Board of Management at least for its general soundness, to scrutinize and discuss it. Furthermore, each member should be able to assess the correctness, the profitability and the lawfulness of the business decisions to be passed, to review them at least for their general soundness, to scrutinize and discuss them, as and where required to be supported by expert advice.

In view of Uniper's international orientation, the Supervisory Board should include a sufficient number of members who have spent a significant part of their professional career abroad.

General Personal Expertise
Each member of the Supervisory Board should have a level of personal independence and integrity that permits them to fulfill the tasks of supervising and reviewing. To advise and supervise the Board of Management in its management responsibilities each member of the Supervisory Board should have sufficient experience from leadership functions or should have gained the required expertise otherwise. Each member of the Supervisory Board should be particularly professional, discreet, open to discussion, solution-oriented and have the ability to work cooperatively.

20230627118967

In addition, each member should be prepared to devote sufficient attention to the tasks arising from the Supervisory Board's activities, including work in the committees, and to pursue the relevant topics outside of the specific Supervisory Board's activities. Each member should have the flexibility to be available at short notice in the event they are urgently needed and to appropriately prioritize the requirements of the Uniper Supervisory Board.

Chairman of the Supervisory Board

The Chairman of the Supervisory Board should directly fulfill key elements of the special competencies which are required of the Supervisory Board as a whole and thus only of some members. In particular, the Chairman of the Supervisory Board should have special relevant management experience and should, in principle, have relevant management experience of his or her own in order to be able to fully carry out his or her advisory and supervisory tasks.

If the Chairman of the Supervisory Board does not possess specific expertise in the energy industry, the Chairman should have specific experience from related or other industries. The Chairman of the Supervisory Board should, without exception and to a particular extent, meet the general professional and personal requirements.

In its current composition, the Supervisory Board meets the targets of this competency profile. The qualification matrix below indicates the status of the implementation of the competency profile.

Qualification matrix

Shareholder representatives		**Thomas Blades**	**Prof. Dr. Ines Zenke**	**Prof. Dr. Werner Brinker**	**Judith Buss**	**Dr. Jutta Dönges**	**Dr. Marcus Schenck**
Length of membership	Member since	12.2022	12.2022	04.2020	05.2021	12.2022	12.2022
Personal suitability	Independence[1]	x	x	x	x	x	x
	No overboarding[1]	x	x	x	x	x	x
Diversity	Date of birth	17.09.1956	02.05.1971	30.03.1952	31.07.1968	09.05.1973	31.10.1965
	Gender	m	f	m	f	f	m
	Nationality	UK	GER	GER	GER	GER	GER
International experience	Europe	x	x	x	x	x	x
	North/South/ Latin America	x			x	x	x
	Asia	x					x
Professional suitability	Management experience	x	x	x	x	x	x
	Expertise in the energy business	x	x	x	x	x	x
	Technology		x	x		x	
	Sustainability	x	x	x	x	x	x
	Transformation	x	x	x	x	x	x
	Purchasing/Production/Sales/R&D	x	x	x	x		
	Basic financial knowledge	x	x	x	x	x	x
	Financial expert[2]			x	x	x	x
	Risk management	x	x		x	x	x
	Legal/Compliance	x	x	x	x	x	x
	Human Resources	x	x	x	x	x	x
	Cross-sector knowled	x	x	x	x	x	x

X = criterion met, based on self-assessment by the Supervisory Board. An X means at least "good knowledge" and therefore the ability to understand the relevant issues well and make sound decisions on the basis of existing qualifications, knowledge, and experience gained in the course of Supervisory Board activities (e.g. many years of service on the Audit and Risk Committee) or on the basis of training measures regularly attended by all Supervisory Board members.

[1]Within the meaning of Recommendations C.4 and C.6 GCGC.

[2]Within the meaning of section 100 (5) AktG and Recommendations D.3 GCGC.

20230527185658

Qualification matrix

Employee representatives		Harald Seegatz	Holger Grzella	Diana Kirschner	Victoria Kulambi	Magnus Notini	Immo Schlepper
Length of membership	Member since	04.2016	05.2022	05.2022	05.2021	05.2022	06.2017
Diversity	Date of birth	06.02.1969	06.08.1970	11.11.1977	01.05.1983	14.07.1964	21.09.1960
	Gender	m	m	f	f	m	m
	Nationality	GER	GER	GER	UK	SWE	GER
International experience							
Professional suitability	Management experience	X	X	X			X
	Expertise in the energy business	X	X	X			X
	Technology	X	X		X	X	
	Sustainability	X		X	X	X	X
	Transformation	X	X	X	X	X	X
	Purchasing/Production/Sales/R&D	X	X		X	X	
	Basic financial knowledge		X	X			X
	Financial expert[1]						
	Risk management		X	X	X		X
	Legal/Compliance	X	X	X			X
	Human Resources	X	X	X	X	X	X
	Cross-sector knowledge					X	X

X = criterion met, based on self-assessment by the Supervisory Board. An X means at least "good knowledge" and therefore the ability to understand the relevant issues well and make sound decisions on the basis of existing qualifications, knowledge, and experience gained in the course of Supervisory Board activities (e.g. many years of service on the Audit and Risk Committee) or on the basis of training measures regularly attended by all Supervisory Board members.

[1]Within the meaning of section 100 (5) AktG and Recommendations D.3 GCGC.

Each Supervisory Board member is required to disclose to the Supervisory Board any conflicts of interest, particularly if a conflict arises from their advising, or exercising a board function with, customers, suppliers, creditors or other third parties. In its report to the Shareholders Meeting, the Supervisory Board informs shareholders about conflicts of interest and their disposition.

Material conflicts of interest that are not merely temporary shall result in the termination of a member's appointment to the Supervisory Board.

The Supervisory Board regularly reviews the efficiency of its activities, generally every two years (efficiency review). Due to the large number of new appointments to the Supervisory Board in 2020 and 2021, the Supervisory Board postponed the regular self-evaluation until the 2021 fiscal year. This evaluation was carried out in January/February 2022 in the form of an internal self-evaluation of the work of the Supervisory Board and its committees. The members of the Supervisory Board were given the opportunity to assess the efficiency of the work of the Supervisory Board and its committees via an online questionnaire and to submit suggestions for improving it. These suggestions resulted in specific measures to improve the work of the Supervisory Board, which are being implemented on an ongoing basis.

The Supervisory Board regularly adopts its resolutions in Board meetings. The Board of Management regularly participates in these meetings unless the Supervisory Board decides to exclude the Board of Management from a meeting. Third parties may also participate in Supervisory Board meetings for consultation on individual matters. The Supervisory Board can generally adopt resolutions by simple majority vote. In the event of a tied vote, the Chairman shall have the casting vote.

The Supervisory Board may form committees from among its ranks and transfer decision-making authority to these committees to the extent permitted by law. The Supervisory Board stipulates the committees' responsibilities, powers and procedures. The Supervisory Board has established the following committees, which are tasked with the responsibilities described below:

20230627183959

Executive Committee

The Executive Committee (Präsidialausschuss) coordinates the work of the Supervisory Board, prepares the Supervisory Board meetings and is also responsible for personnel matters relating to the Board of Management. It is also charged with preparing resolutions on the appointment of Board of Management members and negotiating the terms and conditions of their employment agreements, including compensation. The Executive Committee submits proposals for the compensation system to the full Supervisory Board on setting the total compensation to be granted to the individual members of the Board of Management. The Executive Committee's tasks also include, among others: (i) granting consent to requests by Board of Management members to take on other positions or other material secondary employment or exempting them from non-compete obligations; (ii) granting loans to members of the Board of Management and of the Supervisory Board and their dependents; and (iii) granting consent to transactions between the Company and its affiliates, on the one hand, and any Board of Management member or a related party, on the other.

The Executive Committee consists of six members: Thomas Blades (Chairman), Harald Seegatz (Deputy Chairman), Holger Grzella, Dr. Marcus Schenck, Immo Schlepper and Prof. Dr. Ines Zenke.

Audit and Risk Committee

The Audit and Risk Committee (Prüfungs- und Risikoausschuss) assists the Supervisory Board with its responsibilities in monitoring accounting processes and financial reporting. These include in particular monitoring the accounting process, the effectiveness of the internal control system, the risk management system and the internal auditing system, as well as the audit of the financial statements, in particular the selection and independence of the auditor, the quality of the audit, the issuing of the audit mandate to the auditor, the determination of focal points of the audit and the fee agreement, as well as the additional services provided by the auditor. In addition, the Audit and Risk Committee deals with compliance issues. Another task of the Audit and Risk Committee is to review the non-financial report.

The Audit and Risk Committee consists of four members: Judith Buss (Committee Chairwoman), Diana Kirschner (Deputy Chairwoman), Dr. Jutta Dönges and Immo Schlepper.

Under the German Corporate Governance Code, at least one member of the Audit Committee must have expertise in the area of accounting and at least one other member of the Audit Committee must have expertise in the area of auditing. The expertise in the area of accounting should consist of specialized knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the area of auditing should consist of specialized knowledge and experience in the auditing of financial statements; accounting and auditing also include sustainability reporting and its audit.

The Audit and Risk Committee includes at least two members with expertise in the areas of accounting and auditing, namely the Chairwoman Judith Buss and Dr. Jutta Dönges.

In her professional career, Judith Buss has held senior positions in finance for many years, most recently as Chief Financial Officer of the global E.ON Climate & Renewables Group, Essen, and she therefore has specialized knowledge and experience in the application of accounting and auditing principles as well as internal control and risk management systems, including sustainability reporting. Judith Buss is also independent.

Dr. Jutta Dönges' most recent position was Managing Director of the Federal Republic of Germany – Finanzagentur GmbH and she was an advisory member of the Interministerial Economic Stabilisation Fund Committee. Her previous professional activities have given her the necessary knowledge in the area of accounting and auditing, including sustainability reporting.

20230527189970

Nomination Committee
The Nomination Committee (Nominierungsausschuss) is responsible for preparing the decisions of the Supervisory Board regarding proposals to the Shareholders Meeting on the appointment of shareholder representatives to the Supervisory Board.

The Nomination Committee consists of three members: Thomas Blades (Committee Chairman), Dr. Marcus Schenck and Prof. Dr. Ines Zenke.

Sustainability Committee
The Sustainability Committee supports the Supervisory Board in its task of monitoring the effectiveness of Uniper SE's ESG policies and procedures and Uniper's strategic sustainability measures, taking into account the expectations of the various stakeholders. This includes monitoring and reviewing Uniper SE's performance in relation to the sustainability targets and indicators and submitting proposals to the Supervisory Board on material ESG issues and preparing corresponding resolutions. The committee supports the Audit and Risk Committee in its tasks with regard to the non-financial content.

The Sustainability Committee (Nachhaltigkeitsausschuss) consists of four members: Prof. Dr. Werner Brinker (Committee Chairman), Magnus Notini (Deputy Chairman), Dr. Jutta Dönges und Victoria Kulambi.

Personnel Changes in the Board of Management and Supervisory Board
On December 16, 2022, Uniper SE announced that, at an Extraordinary General Meeting held on the same day, the Supervisory Board of Uniper SE had reached a mutual agreement with Chief Financial Officer Tiina Tuomela on the termination of her employment contract and her appointment as a member of the Board of Management of Uniper SE as of March 31, 2023.

On January 10, 2023, Uniper SE announced that Klaus-Dieter Maubach (Chief Executive Officer) and David Bryson (Chief Operating Officer) had notified the Supervisory Board of Uniper SE that, due to the majority takeover by the German federal government of Uniper SE ("change-of-control"), they will exercise their special termination right and resign as members of the Board of Management of Uniper SE in 2023. At the same time, both declared their willingness to continue to hold office until suitable successors have been appointed. In both cases, this will ensure an orderly transition. The Supervisory Board has already started the process of finding their successors. The successors will be announced at the appropriate time.

The terms of office of the shareholder representatives on the Supervisory Board ended at the end of the Annual General Meeting on May 18, 2022. At the Annual General Meeting held on May 2022, Markus Rauramo, Dr. Bernhard Günther, Prof. Dr. Werner Brinker, Judith Buss, Esa Hyvärinen and Nora Steiner-Forsberg were re-elected to the Supervisory Board as shareholder representatives. They have been elected to office pursuant to section 8(3) of Uniper SE's articles of association with effect from the end of the Annual General Meeting of May 18, 2022 until the end of the Annual General Meeting resolving on the discharge for the fourth fiscal year after the election.

With regard to the employee representatives, Oliver Biniek, Barbara Jagodzinski and André Muilwijk resigned from the Supervisory Board on May 18, 2022. At the meeting of Uniper SE's works council on March 22, 2022, Holger Grzella, Diana Kirschner and Magnus Notini were elected as new employee representatives to the Supervisory Board with effect from the end of the Annual General Meeting of May 18, 2022.

The Supervisory Board members Markus Rauramo, Nora Steiner-Forsberg, Esa Hyvärinen and Dr. Bernhard Günther resigned from office effective at the end of December 21, 2022, in light of the (indirect) majority stake held by the Federal Republic of Germany resolved by the Annual General Meeting of December 19, 2022. Pursuant to section 104 of the German Stock Corporation Act, the Düsseldorf local court appointed Thomas Blades, Dr. Jutta Dönges, Dr. Marcus Schenck and Prof. Dr. Ines Zenke as new members of the Supervisory Board with immediate effect on December 22, 2022, at the request of Uniper SE's Board of Management. The constituent meeting of the Supervisory Board was held on December 22, 2022. At this meeting, the Supervisory Board elected Thomas Blades as Chairman of the Supervisory Board. Prof. Dr. Ines Zenke was elected Deputy Chairwoman of the Supervisory Board. Harald Seegatz continues to hold the office of Deputy Chairman of the Supervisory Board as employee representative.

20230627189771

Shareholders and Annual General Meeting

The Annual General Meeting is the meeting at which shareholders of Uniper SE exercise their rights. The Annual General Meeting is held at the site of the Company's registered office or in another German city with at least 100,000 inhabitants. The SE Regulation provides that the General Meeting must be held at least once every calendar year within the first six months after the close of a given fiscal year. It is normally convened by the Board of Management. Each share has one vote at a General Meeting. Only those shareholders are entitled to participate in the General Meeting and to exercise their voting rights who have registered in due time and are recorded in the shareholder register for the shares being registered. Voting rights can be exercised through proxies. Due to the ongoing Covid-19 pandemic and the associated restrictions, Uniper SE's Annual General Meeting in May 2022 and the Extraordinary General Meeting in December 2022 were held as purely virtual general meetings.

The General Meeting resolves on the following, in particular: appointment of shareholder representatives to the Supervisory Board; appropriation of net retained profits; ratification of the actions of the Board of Management and Supervisory Board members; appointment of the independent auditor; amendments to the Articles of Association; corporate actions involving capital increases or reductions (in the absence of authorization such as that conferred by authorized or conditional capital); and dissolution of the Company.

Statutory Auditor

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, was elected as auditor of Uniper SE by the Annual General Meeting on May 18, 2022. The audit mandate will run until the next Annual General Meeting in May 2023. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, has been active as auditor of the financial statements of Uniper SE without interruption since the Company fulfilled its requirements as a public interest entity within the meaning of Section 319a (1) sentence 1 of the German Commercial Code (HGB) for the first time in the 2016 fiscal year. The auditor responsible for the audit has been Ralph Welter since 2020.

Targets for Promoting the Participation of Women and Men in Leadership Positions Pursuant to Section 76 (4) and Section 111 (5) of the German Stock Corporation Act, and an Indication of Whether the Minimum Proportions Have Been Complied with in the Appointment of Women and Men to the Supervisory Board

The Law on "Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector" also imposes upon Uniper SE (the ultimate parent company of the Uniper Group) the obligation to set targets for the proportion of women on its Supervisory Board and its Board of Management and to set targets in the two levels of management below the Board of Management.

As of December 31, 2022, the target figure for the Supervisory Board had been exceeded.
Uniper appointed a woman to the Board of Management in March 2021 and thus complies with the requirements of the Second Management Positions Act (FüPoG II). The target figure for the Board of Management has therefore also been met and even exceeded as of December 31, 2022.

For the two management levels below the Board of Management for Uniper SE, targets of 30% for the first management level and of 30% for the second management level were set for the proportion of women for the period from July 1, 2017 to June 30, 2022. The target for the first management level was reached by December 31, 2022, but not by June 30, 2022. One reason for this is that it will take time for the measures initiated and intensified in 2020 to develop internal female candidates and to attract more female applicants, including a variety of measures to enhance the Company's image, to have a significant effect. In addition, Uniper honors employment contracts that have not been terminated and a position at the first management level has first to be vacated before it could be filled by a woman. The target for the second management level was exceeded as of June 30.

In line with the previous target, the Board of Management of Uniper SE has decided to continue the targets of 30% women in the first management level and 30% in the second management level for the period from July 1, 2022 to December 31, 2023. The Company thus aims to employ five women at the first management level and 12 women at the second management level below the Board of Management, assuming there is no change in the total number of managers.

20230527183972

Separate Non-Financial Group Report 2022

Introduction

Uniper SE prepares and publishes a Separate Non-Financial Group Report (NFR) in accordance with Section 315c in conjunction with Sections 289c to 289e of the German Commercial Code and the Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy Regulation).

The standards of the Global Reporting Initiative (GRI) were used as a framework for conducting the materiality analysis as well as for defining the management approaches within this report.

Key non-financial performance indicators and other information relevant for management purposes are disclosed in the "Non-Financial Performance Indicators" chapter of the Combined Management Report. They are supplemented in this report by other non-financial performance indicators. Full-year information is not available for some indicators that include information from the Russian company PAO Unipro. In these cases, estimates are made or key figures are partially reported. This is made clear for each indicator in the report below. In addition, Uniper has not received information on the effectiveness of the concepts pursued and due diligence processes applied in accordance with §§ (Articles) 315c HGB in conjunction with 289c (3) sentence 1 HGB with regard to Unipro for the employee matters presented in the chapter "Employee Matters" as well as for the environmental matters presented in chapter "Environmental Matters" from 1 October to December 31, 2022, for social matters presented in the chapter "Social Matters" as well as respect to the human rights aspects presented in the chapter "Human Rights" and for the anti-corruption and bribery aspects presented in the chapter "Anti-corruption and Anti-bribery" for the period from 1 July to 31 December 2022.

Since 2021, Uniper has complied with the reporting obligations resulting from the new EU Taxonomy Regulation. The Taxonomy section of this report can be found further below in this Separate Non-Financial Group Report. Furthermore, Uniper has implemented the voluntary disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD sections of this report can be found in the "Environmental Matters" chapter, as well as in the "Uniper Sustainability Governance" section below. In 2022, Uniper was officially registered as a "TCFD Supporter", proving a strong commitment to implement the TCFD recommendations.

Uniper's business model is described in detail in the "Corporate Profile" chapter of the Combined Management Report. Additional information, including key figures that refer to the GRI standards, will be made available on Uniper's website (www.uniper.energy).

Material Non-Financial Aspects and Issues

The Separate Non-Financial Group Report includes information on the five mandatory aspects defined in Sections 289c and 315c of the German Commercial Code:

- Environmental matters
- Social matters
- Employee matters
- Human rights
- Anti-corruption and anti-bribery

By law, aspects of Uniper's business model are material for the report if they potentially have a significant impact on Uniper and third parties and if they are relevant for understanding the Group's current and future development. Uniper's 2022 materiality assessment defines Company-specific issues and aligns them with the five mandatory reporting aspects. The materiality assessment adopted a two-dimensional approach that considered the environmental and social aspects of Uniper's business impacts on defined issues as well as stakeholders' expectations of the Company.

The first dimension of the materiality assessment, business impact, involved an in-depth study to assess the impact of a number of economic, environmental, and social issues on Uniper. The issues were evaluated in relation to their significance from the standpoint of the law, the public interest, Uniper's competitors, as well as environmental, social, and governance (ESG) ratings. Correlations between the issues and the UN Sustainable Development Goals (SDGs) were also examined. An update of the business impact study was performed in 2022 to take into account all relevant developments.

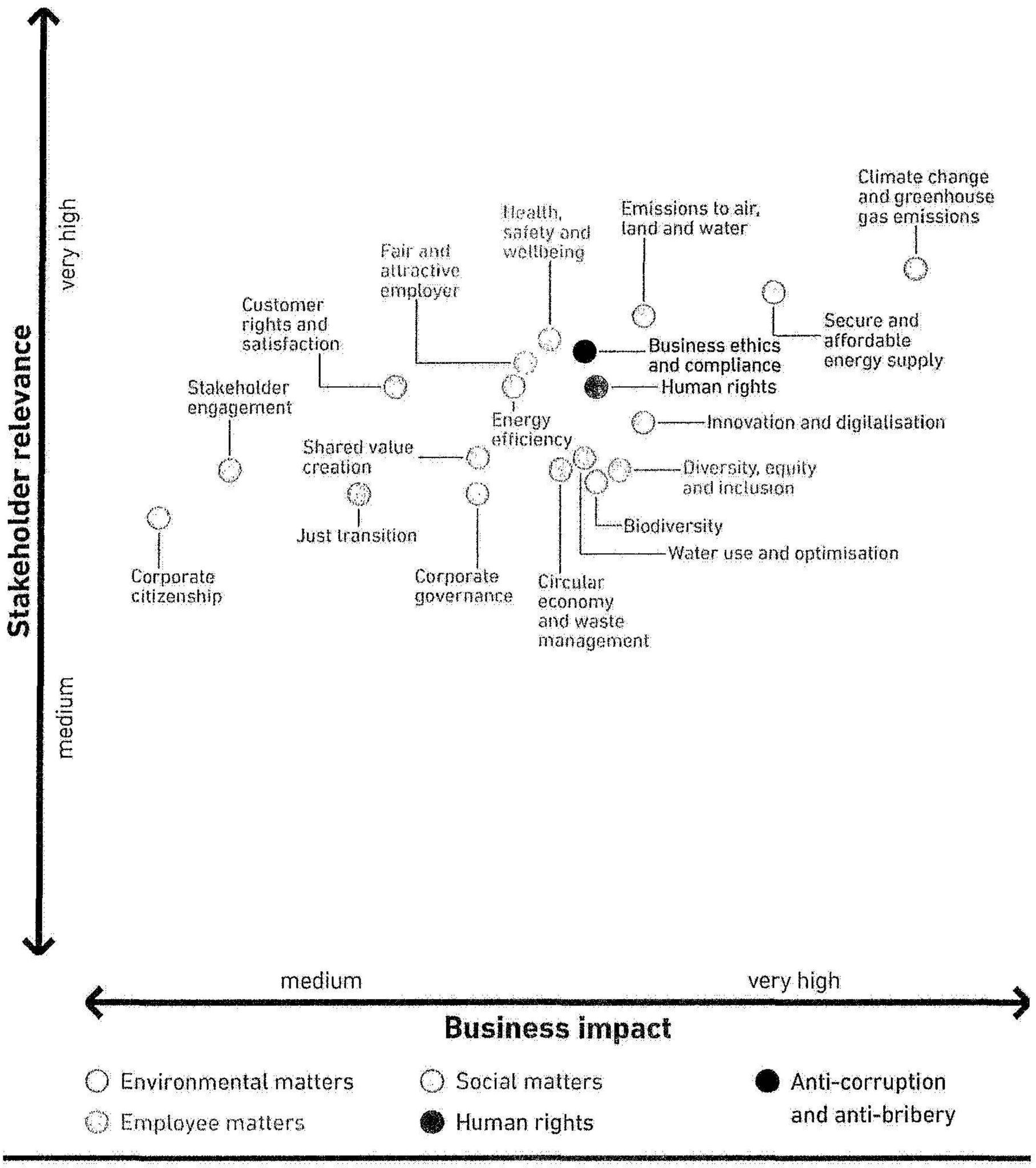
The second dimension of the materiality assessment, stakeholder expectations, considered the view of Uniper's internal and external stakeholders. In 2021, stakeholder expectations were compiled by means of interviews and surveys in which participants were asked to rate the importance of Uniper's material issues. Participants included Uniper employees and management, and representatives from the main external stakeholder groups, such as non-governmental organizations (NGOs), customers, and investors. In 2022, the internal stakeholder survey was carried out again.

The following materiality matrix provides an overview of the assessment's findings. The horizontal axis indicates the issues' impact on Uniper's business. The vertical axis indicates the issues' relevance from a stakeholders' perspective. Uniper classifies issues that are of high importance on both axes as material. The result is nine material issues, each of which is addressed in this report. The various sections of this report describe Uniper's management approach for the aspects and issues, the progress it achieved in the reporting period, and, where appropriate, exceptions to its definition of materiality. In the materiality matrix below, the material issues are grouped by color according to the five mandatory aspects defined in Sections 289c and 315c of the German Commercial Code.

20230627183973

20230527189744

Materiality Matrix



20230627189T5

Sustainability Strategy

The core of Uniper's corporate strategy announced in early 2020 is to support and promote the transition to a low-carbon economy whilst enabling security of supply. The sustainability strategy aims to ensure that Uniper undertakes this transformation in a responsible manner from an ESG perspective. The Sustainability Strategic Plan (SSP) describes how sustainability supports the Group's business strategy and defines improvement targets for its ESG performance.

The SSP groups the material issues derived from the materiality assessment into three categories: Planet, People and Society, and Responsible Governance. These categories provide the framework for specific commitments, action plans, and annual progress reviews in alignment with selected UN Sustainable Development Goals (SDGs). An overview of the current SSP, which is aligned with the revised 2022 materiality assessment, is provided in the table below. Uniper aims to build on its potential for business growth and engage in active management to minimize its operations' main negative environmental and social impacts. The SSP targets are built around a set of long-term commitments that reflect core elements of Uniper's corporate culture and business strategy.

In 2022, progress was made to further implement the commitments set out in the SSP, which was updated at the start of 2022. For example, Uniper continued to develop a framework to integrate the principles of a Just Transition within the "Master plan" approach for the repurposing of the coal generation assets. Furthermore, the SSP recognizes the importance and crucial contribution of biodiversity to climate change mitigation. In 2022 a project was kicked off to develop a strategic approach toward enhancing biodiversity, with first deliverables being a systematic assessment of Uniper's impact on biodiversity. Uniper continues to develop relevant actions within the SSP, in light of the 2022 materiality analysis results, especially in the context of Security of Supply and related ESG considerations as well as critical upcoming regulations such as the Corporate Sustainability Reporting Directive (CSRD).

The SSP is Uniper's main tool for defining and managing appropriate risk-mitigation and impact-remediation measures for each material issue during a specific timeframe. This approach centers on the implementation of new processes, such as systematic qualitative analysis of the scope, scale, and remediability of the Company's ESG impacts. With the reviewed approach, the SSP also aims to not only mitigate impacts, but where relevant take proactive measures and opportunities toward ESG issues. The HSSE & Sustainability function tracks progress toward achieving the SSP targets and reports on it by means of quarterly reviews for the Board of Management and senior managers. Uniper discloses its progress on an annual basis at least.

20230627189376

Uniper Sustainability Strategic Plan (SSP)

ESG impact area and relevant SDGs	Material issues	Uniper's commitments	Uniper's targets
7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND	• **Climate change & GHG emissions** • **Emissions to air, land, and water** • **Water use and optimization** • **Energy efficiency** • **Circular economy and waste** • **Biodiversity**	• We contribute to climate change mitigation and adaptation while providing a secure supply of steadily cleaner energy by evolving our businesses and value chains toward net-zero together with our key stakeholders. • Minimize Uniper's impact on the environment as a whole as we move along Uniper's pathway to neutrality. • Manage water in a more sustainable way by improving understanding of Uniper's impacts and dependencies. • Work with suppliers, contractors, and customers to improve Uniper's resource efficiency and support life cycle approaches. • Support a transition toward circular economy, including minimizing waste production, maximizing reuse, and recycling. • Enhance the biodiversity of Uniper's operations and new developments.	• Carbon-neutral, in line with the goals of the Paris Agreement, by 2050 at the latest.[1] • Achieve carbon neutrality for Unipers power generation portfolio in Europe by.2 • Maintain certification of 100% of Unipers operational assets to ISO 14001. • Reduction of CO2 emissions in European generation by at least 50% by 2030 (base year 2019.[2] • Reduction of Scope 3 indirect emissions by 35% by 2035 at the latest (base year 2021).[3] • During 2022, developing a science-based strategy to measure and enhance the biodiversity of Unipers operations and new developments. • Conduct, by 2022, at least 20 projects whose aims include decarbonization. • Have no severe environmental incidents. • Achieve carbon neutrality for Unipers power generation portfolio in Europe.[2] • During 2022, developing a systematic approach to monitor, report, and reduce the methane emissions of Unipers operations (in accordance with OGMP 2.0) and work with Unipers suppliers to develop the approach for value chain methane reduction.
5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	• **Human rights** • **Corporate Citizenship** • **Secure and affordable energy supply** • **Fair and attractive employer** • **Health, safety, and wellbeing** • **Diversity, equity, and inclusion** • **Just transition**	• Screen Uniper's operations and suppliers for ESG risks, including human rights risks, and collaborate with stakeholders. • Respect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors; promote the same standards in Uniper's joint ventures and partnerships. • Systematically enhance diversity, equity, and inclusion to create the best possible environment for all employees and to achieve equal opportunity and more balanced representation. • Commit to a just transition of Uniper's operations and sites through effective dialogue and stakeholder engagement to support Uniper's people and communities affected by transition; to develop sustainable economic strategies for Uniper's sites and to foster diverse, inclusive, and decent work. • Have no tolerance for discrimination.	• Achieve a Group-wide combined TRIF threshold of 1.0 or below by 2025.[4] • Certify 100% of Unipers operational assets to ISO 45001 by 2022. • Increase the share of women in leadership positions to 25% by 2025.[6] • Become actively involved in up to three multistakeholder associations by 2023 that support ESG due diligence along the supply chain for Uniper's energy commodities. • Achieve an employee inclusion indicator of over 95% by 2022 and maintain the level beyond 2022.

[1]Scope 1, 2 and 3 emissions.

[2]Scope 1 and 2 emissions. Scope 2 emissions included in carbon-neutrality target in December 2020.

[3]This includes all categories defined in the GHG Protocol with the exception of Scope 3 categories 12 - 15.

[4]Total recordable incident frequency (TRIF) measures the number of incidents per million hours of work.

[5]Employee inclusion indicator: annual employee opinion survey demonstrates that 95% of employees feel included.

[6]25% by 2025 in the two management levels below the Board (L1-L2).

20230627189977

Uniper Sustainability Strategic Plan (SSP)

ESG impact area and relevant SDGs	Material issues	Uniper's commitments	Uniper's targets
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	• **Corporate governance** • **Shared value creation** • **Stakeholder engagement** • **Business ethics and compliance** • **Customer rights and customer satisfaction** • **Innovation and digitalization**	• Engage in dialogue with stakeholders to ensure transparency, learn and improve by sharing perspectives with critical stakeholders and civil society organizations, and seek cooperation opportunities. • Minimize the impact on communities affected by Uniper's operations. • Further strengthen Uniper's compliance culture and protect Uniper's business from corruption risks. • Foster effective, accountable, and transparent institutions at all levels. • Focus the innovation portfolio on low-carbon commodities and solutions contributing toward climate and environmental impact goals to enable a sustainable business transformation of Uniper.	• At the corporate level, engage in trust-building dialogue and cooperative discussions with up to 5 NGOs / year by 2023. • Conduct ESG due diligence of 100% of counterparties by 2022.[1]

[1]Within the scope of the Know-Your-Counterparty Business Policy, applied to Uniper Global Commodities, Procurement, and Energy Services.

Uniper Sustainability Governance

At Uniper, a two-tier corporate governance structure is in place and is described in greater detail in the Combined Management Report within the "Corporate Governance Declaration" section. The following section exclusively focuses on Uniper's Governance structure with respect to the management and oversight of sustainability. TCFD and climate-related governance aspects are reported in this chapter, in accordance with the TCFD disclosure requirements.

Roles and Responsibilities of Governance Bodies

All members of the Uniper SE Board of Management bear the overall responsibility for the adoption and implementation of the Group-wide sustainability strategy and measures. The table below visualises the areas of ESG responsibility of each Board of Management member. Via Board meetings and Uniper Performance Dialogues (UPDs), the Board of Management tracks the implementation of sustainability measures and strategy. UPDs are held on a regular basis for the Board and senior leaders to help steer different business lines along both financial and non-financial dimensions, based on yearly targets. Uniper's Chief Sustainability Officer (CSO) reports periodically to the Supervisory Board on strategic ESG activities, such as identified ESG-related risks and chances, the status of related mitigation measures, and an evaluation of the resilience of Uniper's strategy to climate-related risks.

Board of Management – Joint Responsibility

BoM Member	CEO Chief Executive Officer	COO Chief Operating Officer	CCO Chief Commercial Officer	CFO Chief Financial Officer
Functions	•Strategy, Corporate Development, and M&A	•HSSE & Sustainability	•Coal, Freight, & Biomass	•Risk Management
	•Legal & Compliance	•Asset Management[1]	•Power	•Group Finance & Investor Relations
	•Human Resources	•Asset Operations	•Gas Trading & Optimization	•Tax
	•Corporate Communication & Governmental Relations	•Nuclear Sweden	•Sales	•Accounting, Financial Controlling, & Internal Control
	•Internal Audit	•Operational Excellence	•Procurement & Real Estate	•Operations & IT
	•Country Chairman UK, Sweden	•Engineering	•Global Origination & LNG	•Business Controlling Gas, LNG & Energy
	•Renewables	•Digital Transformation	•Global Analytics & Digital	
	•Russia		•North America	
			•Strategic Development	
ESG-related responsibilities	•Implementation of Uniper's sustainability strategy and achievement of targets[2]	•CSO (Chief Sustainability Officer) and Spokesperson on sustainability topics	•Implementation of Uniper's sustainability strategy and achievement of targets[2]	•Implementation of Uniper's sustainability strategy and achievement of targets[2]
	•Implementation of Uniper's transition strategy as defined in 2020 to achieve CO_2e-reduction and renewables capacity targets	•Development and oversight of Uniper's sustainability strategy and achievement of targets[2]	•Control over Uniper's trading and sales business with direct influence on scope 3 emissions	•Ensure and oversee (adequate) financing for Uniper's transition strategy
	•Development of strategy considering climate-related scenarios (TCFD)	•Chairing Uniper's Sustainability Council	•Transformation of Uniper's trading and sales business to ensure security of supply while gradually decarbonizing the product portfolio	•Enterprise Risk Management including ESG and climate-related risks
	•Compliance with ESG-related laws and regulations	•Control over Uniper's power fleet with direct influence on scope 1 and 2 emissions	•Achievement of scope 3 emissions reduction target by partnering with suppliers and customers	•Ensure financing in line with ESG – and climate-related requirements by the capital markets
	•Lobbying and cooperation with regulators on ESG-related issues	•Implementation of "Making Net Zero probable" solutions to decarbonize Uniper's asset fleet	•Ensuring that business partners in the supply chain are adequately assessed and monitored according to ESG criteria	
		•Implementation of Uniper's hydrogen strategy in line with relevant targets		
		•Disclosure of non-financial information in line with relevant ESG-regulation and disclosure standards (TCFD)		
		•ESG assessments for investment decisions, EU Taxonomy reporting and supply chain due diligence		
		•NGO engagement and dialogues		

[1]Also covers Hydrogen.

[2]Targets relevant to the respective Board area.

20230527189978

20230527183979

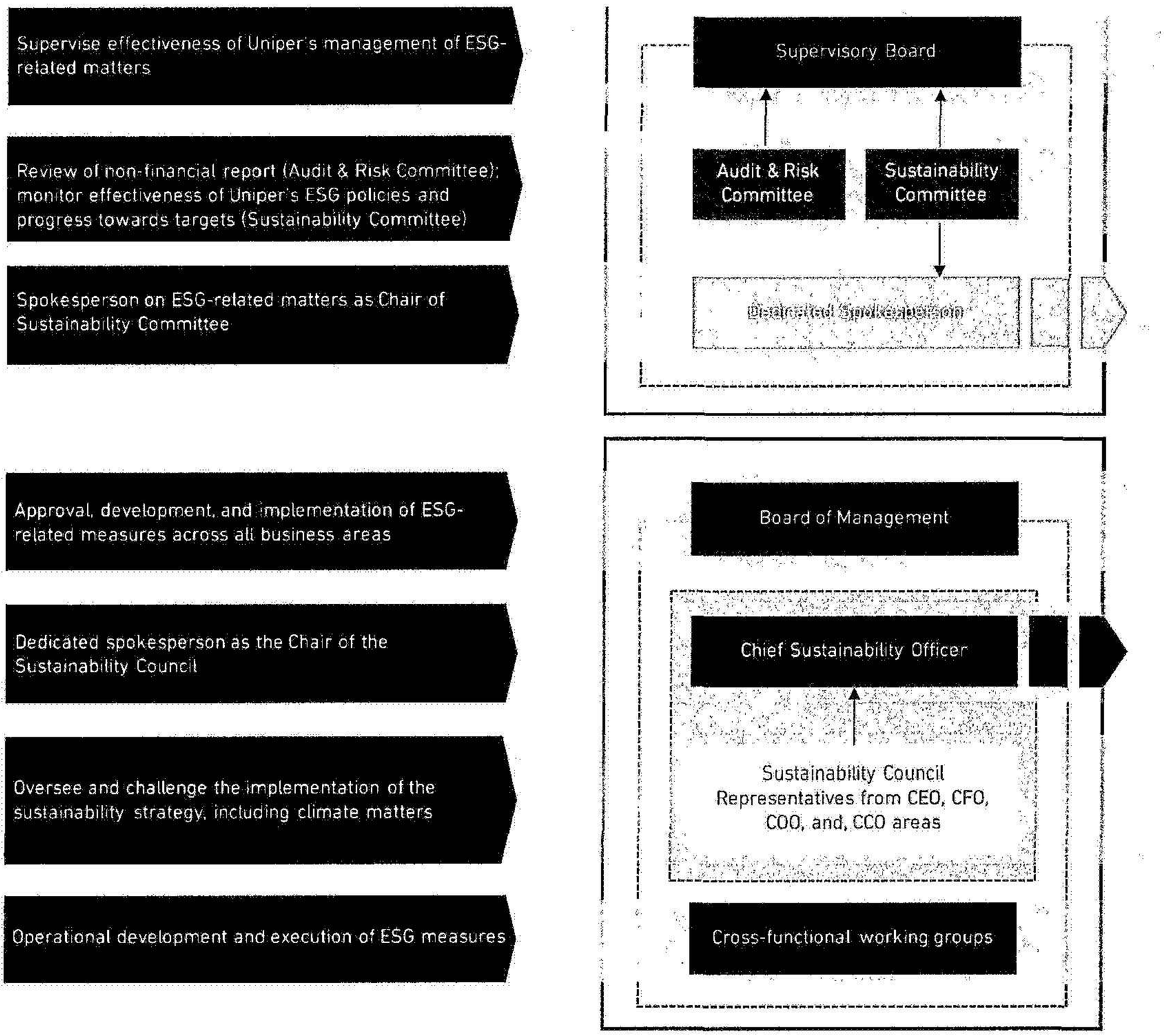
The Board of Management assigns to the Health, Safety, Security, and Environment (HSSE) & Sustainability function the responsibility for defining Group-wide ESG targets and key performance indicators and for identifying and managing ESG risks and emerging issues that could affect Uniper. The performance of these are reported on in the UPDs. The HSSE & Sustainability function also engages regularly with the Group Works Council through the Consultative Council, a cross-functional committee that meets biannually.

The Supervisory Board, which is Uniper's highest governance board, oversees Uniper's strategy definition and implementation, including the Group's fulfillment of its sustainability obligations and decarbonization strategy. All members of the Supervisory Board are jointly responsible and actively involved in sustainability topics in the Supervisory Board work. This is also reflected in Uniper's competency profile for Supervisory Board members, which covers relevant expertise on sustainability and climate-related matters. Within the Supervisory Board, an independent shareholder representative serves as the spokesperson on this subject. The Supervisory Board is informed by the Board of Management at least biannually on ESG matters, such as an overview of identified ESG and climate-related risks and opportunities, the status of mitigation measures, and an evaluation of the resilience of Uniper's strategy to climate-related risks. Additionally, relevant trainings for the Supervisory Board members are foreseen to be conducted regularly from 2023. The Supervisory Board is supported by the Audit and Risk Committee, which, among other things, reviews the Annual Report, including the Separate Non-Financial Group Report.

In May 2022, a Sustainability Committee was established within the Supervisory Board, with four members representing employees and shareholders. Its duties include monitoring the effectiveness of Uniper's ESG-related policies and procedures and the sustainability strategic plan (SSP) against the background of the expectations of Uniper's stakeholders and emerging ESG regulatory requirements. The committee shall also monitor and review Uniper's progress and challenges on sustainability targets, in particular the climate-related targets. Through regular meetings with information deep dives on relevant sustainability topics as well as updates on critical non-financial indicators, the committee will be able to effectively monitor Uniper's sustainability management and performance. The Sustainability Committee supports the Audit and Risk Committee in their task of reviewing the Separate Non-Financial Group Report and its audit results.

The Uniper's Sustainability Council is a cross-functional body that meets on a quarterly basis to oversee, steer, and challenge the implementation of Uniper's sustainability strategy and governance framework. The Council is formed by delegated leadership members representing all areas of the Uniper Board of Management. Chaired by the CSO, the council acts as an advisory body on strategic ESG matters and decisions for the Uniper Board of Management.

The below chart summarises the roles and responsibilities of the above-mentioned governance bodies on the management of ESG-related matters.



Environmental, Social, and Governance Risk Management

Uniper fulfills its ESG due diligence requirements by conducting dedicated sustainability risk management, which aligns with its Enterprise Risk Management to ensure that it addresses its most significant ESG risks on a quarterly basis. Enterprise Risk Management is described in the chapter "Risk and Chances Report" of the Combined Management Report. Uniper's ESG risk process includes assessing external as well as internal ESG risks, including climate-related risks, that could arise from its operations. In 2022, Uniper had no reportable risks pursuant to Section 289c of the German Commercial Code. The impact of its net risks was below the reporting threshold.

Uniper has in place measures to control, minimize, and mitigate the ESG risks it identifies. The management actions that Uniper plans and implements are incorporated into its governance structure, responsibilities, and relevant policies.

Uniper's ESG due diligence processes cover, for example, the flexible long-term sales and purchase agreement between Uniper and the energy company Woodside Energy Trading Singapore Pte Ltd (Woodside). In this process Uniper considers, among other things, Woodside's environmental impact assessment of the proposed Scarborough gas field which was reviewed by the authorities and approved subject to conditions. Uniper recognizes the potential ESG impacts and is discussing concerns with the relevant stakeholders.

Within the TCFD framework, Uniper has implemented further processes to identify, analyze, and mitigate climate-related risks. The TCFD section further down in this report provides further details.

20230627180980

20230527189981

Sustainability Policies

Uniper has sound policies in place to manage its material ESG issues. These policies, which are monitored on a regular basis, stipulate how the Group addresses ESG concerns and how it coordinates the cascade effects across the organization.

The HSSE & Sustainability Policy Statement defines Uniper's ambitions and priorities in the area of HSSE and sustainability. This statement then provides the basic framework for developing the SSP and for evaluating its effectiveness.

In addition to the statement, the Uniper Code of Conduct addresses a wide range of compliance issues, such as combatting corruption and protecting human rights. The Code of Conduct is a binding document for all employees and provides guidance and support for conducting business and behaving in the workplace in compliance with the law and Company rules. The code is founded on a commitment to integrity toward one another, the business, and communities. Each year, the Board of Management members and senior managers sign a written pledge to adhere to the Code of Conduct. The code is reviewed and updated periodically to ensure appropriateness and compliance with Company and regulatory requirements. Whenever possible, the Group strives to work with third parties that have comparable values and principles. It requires suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct.

Our commitments, standards, and approaches to human rights, labor, and ethical business practices are addressed in our Policy Statement on Human Rights Strategy.

Uniper has in place a Know-Your-Counterparty (KYC) Business Policy for identifying, verifying, and reporting the main compliance risks potentially posed by new counterparties before business deals are finalized. These risks include, but are not limited to corruption, money laundering, terrorism financing, and the violation of applicable economic sanctions. The introduction of the policy was accompanied by an e-Learning module and classroom training entitled Know Your Counterparty, Intermediaries, and Sanctions, whose purpose is to familiarize staff across the organization with the enhanced processes. The Compliance function used these processes to assess 347 new counterparties (excluding those of Unipro) in 2022, 292 of which were approved and three of which were rejected due to compliance risks. The remaining were either withdrawn or under assessment.

Uniper also assesses its counterparties' ESG risk exposure. The HSSE & Sustainability function has developed and implemented a screening process to identify suppliers in scope of the KYC Business Policy with exposure to ESG risks. The process is based on the new Act on Corporate Due Diligence Obligations in Supply Chains, the UN Guiding Principles on Business and Human Rights (2011), the OECD Guidelines on Multinational Enterprises (2011), and relevant implementing documents, which aim to embed responsible business conduct into policies and management systems. For the screening process, Uniper uses a third-party software tool. Uniper has set a strategic sustainability target of using the screening process to assess 100% of all counterparties (excluding those of Unipro) by 2022. In line with this target, Uniper assessed 100% of its suppliers for ESG risks in 2022, which is a significant improvement on 2021 (59%). This is largely due to an increase in the scope of data provided by the software.

The discontinued operations in Russia do not use the aforementioned screening process because they do not fall within the scope of the Uniper KYC and Procurement policies. As described in Uniper's procurement policies, suppliers not subject to mandatory registration are also not subject to the screening process.

Any project or business initiative subject to Board of Management approval must consider ESG factors. The objective is to ensure that Uniper engages in good ESG governance Group-wide when assessing and approving projects and business initiatives, and that it maximizes value creation by considering their strategic fit, financial merits, risks, and ESG factors. Uniper conducts the ESG evaluation by analyzing a project's fit with Uniper's SSP and with objective ESG screening criteria.

Uniper's ESG evaluation uses among others the technical screening criteria of the EU Taxonomy Regulation 2020/852 and subsequent Delegated Acts, which is further outlined in the Taxonomy section of this report. Projects that are Taxonomy-eligible or Taxonomy-conform and also contribute to, or at least do not hinder, the achievement of Uniper's sustainability targets, are assigned a lower hurdle rate to incentivize their implementation. Where necessary, Uniper's evaluation includes recommendations aimed at mitigating the ESG-risks identified and to help meet the Taxonomy expectations.

The aforementioned policies, business directives, and Code of Conduct are available to all employees electronically on the Uniper intranet.

Anti-Corruption and Anti-Bribery

Uniper considers high-risk corruption cases as a serious corruption violation. The Company is therefore committed to preventing corruption in all its dimensions and to always act with integrity. Uniper has business dealings with counterparties worldwide, including those located in countries that rank low on Transparency International's Corruption Perception Index, indicating a high level of perceived corruption. Failure to fulfill the legal and regulatory requirements necessary to comply with key anti-corruption rules would likely lead to serious reputational, legal, and financial impacts on the Group.

Uniper is committed to complying with all applicable economic sanctions and other forms of international trade restrictions. Overall, the Russian war on Ukraine and significant Western sanctions imposed in response dominated 2022 compliance developments. All elements of the Compliance Management System (CMS) were impacted, leading, for example, to additional communication and help desk efforts with focus on sanctions, classroom trainings on sanctions. As of July 2022, Unipro was no longer integrated into the Uniper Group CMS. It is therefore not possible to evaluate the extent to which the Uniper Group CMS was effective at the Unipro level for the second half of the year.

Engaging in any type of corruption, whether with public officials or in the private sector, is a breach of the Uniper Code of Conduct. Employees are prohibited from offering, promising, or giving anything of value to gain business or to influence any action or for any other advantage.They are likewise prohibited from doing so indirectly through a spouse, partner, relative, or friend. Business relations with intermediaries such as agents, brokers, and advisors pose a higher risk of corruption and bribery. Consequently, Uniper carries out all such relations in accordance with its Business Policy Intermediary Agreements to avoid the intermediary's fee or commission being used to make illegal payments on Uniper's behalf.

Relevant employees are regularly trained in policies and systems that help prevent corruption. Following the roll-out of the Compliance e-Learning module on the basic principles of the Uniper Code of Conduct in 2021, an update is under preparation, which is planned to be introduced in 2023. As a result of the ever-increasing number of sanctions in response to Russia's war on Ukraine in 2022, the Compliance function additionally communicated regular sanctions updates, reviewed internal guidelines, and conducted trainings to familiarise managers and employees with the risks of non-compliance with relevant sanctions.

20230627139982

If employees become aware of suspicious activities, they shall report them directly to the Compliance function or use an (anonymous) internal and external whistleblower system that protects the rights of the whistleblower(s) and the accused. Uniper's CMS includes quarterly compliance reports to the Uniper SE Board of Management and semi-annual reports to the Uniper SE Supervisory Board. The purpose is to monitor the performance of the CMS. Two new cases of alleged corruption were reported at Uniper in 2022. One was closed as unfounded and the second case, from Unipro, was still ongoing as of June 30 2022, but excluded from Uniper's CMS from July 2022. There was one pending corruption case from 2021 (from Unipro). This was also excluded from Uniper's CMS starting July 2022.

In 2022, Uniper communicated the results of the Compliance Risk Assessment 2021 that was conducted on selected topics and business functions. One of the risks assessed was anti-bribery and corruption alongside several other risk factors, such as contact with counterparties and intermediaries, donations and sponsoring, and conflict of interest. None of the overall four compliance risk areas stood out as very risky. Findings regarding anti-bribery and corruption had a slightly increased average score, mainly due to dealing with intermediaries especially in high-risk countries and in connection with the sponsoring of events. Appropriate mitigation measures (e.g. additional classroom Compliance trainings) were implemented and are being monitored.

Human Rights

Uniper is committed to respecting human rights across all of its business activities in accordance with the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Act on Corporate Due Diligence Obligations in Supply Chains, which came into force in January 2023.

Uniper strives to prevent and mitigate adverse human rights impacts that have a direct link to the Company's operations, products, or services. The core expectations of Uniper employees regarding business ethics are defined in the Uniper Code of Conduct. As stated in the Supplier Code of Conduct, Uniper expects its suppliers to respect and support the UN Universal Declaration of Human Rights and to ensure that they are not complicit in human rights abuses. For more information on the Codes of Conduct, see the "Sustainability Policies" chapter.

As of 2023, Uniper will have a Human Rights Officer. The Human Rights Officer will ensure the effective management of human rights and environment-related risks and will report regularly to the Uniper Board of Management, which bears the overall responsibility for Uniper's Human Rights Strategy and ESG Risk Management. The Human Rights Officer will, in cooperation with the necessary Uniper business functions, define specific engagement strategies with relevant suppliers.

Identifying and Mitigating Risks

Our Human Rights Strategy is embedded into our ESG Risk Management System to identify, prevent or minimize the risks of human rights violations and damage to the environment. Human rights risks are identified using analytical tools, as well as internal and external benchmarks, that provide information on the risks associated with different countries of origin, suppliers, raw materials and goods. The tools take into account the information provided by authorities and concerned parties and independent reports of human rights violations in the relevant regions.

20230527113934

As outlined in "Sustainability Policies", Uniper uses a third-party software tool to assess its counterparties' ESG risk exposure. The software defines risks levels for each counterparty. A risk analysis identified a number of potential human rights and environment-related risks connected to certain suppliers and specific locations. Risks relating to the impact of supplier operations on ecosystems and communities were most commonly identified. Allegations of corporate complicity in human rights abuses, as well as employment-related issues such as freedom of association, discrimination and poor occupational safety ranked as the second group of most common risks identified along Uniper's supply chain. Fuel procurement and commodities trading are the areas within Uniper that are most exposed to the risks outlined above.

Respecting human rights requires a proactive approach and the commitment of the entire organization to achieve continuous improvement. This includes timely and adequate measures to remediate adverse impacts on a case-by-case basis within Uniper's operations and along the supply chain. Uniper's approach is to address risks directly with suppliers or via multi-stakeholder initiatives. The termination or suspension of contracts may be necessary in cases where a supplier demonstrates a continued lack of progress and no engagement.

In addition to the previously mentioned Supplier Code of Conduct to which Uniper's direct suppliers must commit, Uniper is planning to roll out an online training program for employees to raise awareness on managing human rights and environment-related risks. This training will be available in 2023 and will be mandatory for those employees in contact with suppliers.

Uniper has also established a complaints procedure that allows anyone who is directly affected by, as well as anyone who is aware of, potential or actual human rights risks or violations to report them to Uniper's specific whistleblowing channel (whistleblowing@uniper.energy) or the Human Rights Officer (human-rights@uniper.energy). From 2023 onwards, an enhanced due diligence exercise will be performed if Uniper receives reports of human rights-related grievances regarding its operations or suppliers. If the Human Rights Officer considers the report to be a claim related to an active Supplier, the claim will be investigated together with the Legal and Compliance team.

Stakeholder Engagement

Uniper continued to engage with its main coal suppliers through Bettercoal in 2022, a not-for-profit initiative established by a group of major European utilities committed to a more responsible coal supply chain. Uniper tracks the percentage of coal it purchases from Bettercoal suppliers. In 2022, 42% of coal purchased from both direct and indirect suppliers originated from Bettercoal suppliers. 56% of coal purchased from direct suppliers came from Bettercoal suppliers in 2022, a decrease from 71% in 2021. The decrease is due to the EU sanction on the import of Russian coal, that was predominantly sourced from Bettercoal suppliers. This had to be substituted with coal from non-Bettercoal suppliers from other countries to enable security of supply.

Since 2019 Bettercoal has established voluntary country-specific working groups to enhance the monitoring of mining companies' improvement plans and to propose solutions to regional systemic issues. Chaired by Uniper, the Bettercoal Colombia working group continued to work on priority issues such as promoting dialogue, just transition, and water management. As part of its work program the group organised a one-week trip to Colombia to further enhance the understanding of the critical issues in the mining regions and to foster better relations with the relevant stakeholders involved in this complex environment.

20230527180935

Climate protection policies and the resulting changes in the demand for and production of coal will significantly impact employment, the economy, and public revenues in Columbia's coal mining regions. Within the framework of Bettercoal, Uniper supports the "economic diversification project," in cooperation with CNV International, a confederation of Dutch trade unions, and CREER (the Regional Center for Responsible Business and Entrepreneurship, a non-profit organization supported by the IHRB Institute for Human Rights and Business). The main objective of the economic diversification project is to build a coalition that brings together different stakeholders (government, companies, trade unions, and local communities) around the design and implementation of projects and a funding structure that will help stimulate alternative local economic development.

In 2022 Uniper continued the Sustainability Round Tables with several international NGOs. Uniper held discussions with NGOs who focus on human rights issues, carbon emissions reduction through the phase-out of coal-fired power generation, and the environmental impact of gas exploration, production and transport. Uniper wants to learn and improve by sharing views with civil society organizations.

Uniper set a target to conduct at least three trust-building dialogues at corporate level with civil society organizations each year up to 2022. Uniper conducted five dialogues in 2022, thereby surpassing its target. This figure includes a follow-up dialogue with the same NGO. Uniper has since expanded its target at the corporate level, and aims to engage in up to five trust-building dialogues and cooperative discussions with NGOs per year by 2023.

Russian War on Ukraine

Uniper condemns the Russian war on Ukraine in the strongest possible terms. With this war, Russia is breaking international law and the principles of the UN Charter. Uniper's ESG task force prioritized the risks resulting from the geopolitical situation. Uniper will not enter into new long-term supply contracts with Russia. Due diligence assessments for potential alternative raw materials suppliers from countries other than Russia were carried out. Currently, the process to divest the Russian business unit is underway.

To alleviate the suffering of the people in Ukraine and of the refugees, Uniper set up a Group-wide donation campaign. Employees' private donations of €176,000 were matched by Uniper. In total around €600,000 were donated for humanitarian aid. Housing owned by Uniper in Germany was also made available to refugees. The Uniper Crisis Management team also ensured that employees and their families located in the conflict areas were evacuated safely.

In 2022 the bilateral engagement efforts with several Russian gas suppliers were discontinued. EU sanctions imposed on Russian companies, particularly the ban on coal imports, led to a suspension of the activities planned by the Bettercoal Russia working group.

20230627183936

Employee Matters

Maintaining high health and safety standards is essential for Uniper because it cares about its people. Safety is also important for the operation of Uniper's facilities and enables it to avoid the additional cost of work stoppages and lost time that result from accidents. Uniper's commitment to health and safety also extends to visitors and to people who live near its facilities.

Uniper places significant emphasis on an open and trusting corporate culture, which it calls the Uniper Way. It has three core elements and three corresponding guiding statements: leadership (grow and empower people), teamwork (become one team and simplify proceedings), and individual contribution (act as if it were your own company). The Uniper Way is brought to life through day-to-day interactions. Its core elements are embedded in the main components of the personnel development cycle: the capability-based approach, guidelines for job interviews, and systematic feedback on employees' performance, which fosters continuous self-reflection and improvement. Supported by digitalization, these elements help create an agile organization with more cost-efficient processes.

In 2020, Uniper developed a people strategy to support the corporate strategy. Five key strategic people targets were derived from the strategy, with corresponding key performance indicators (KPIs). These KPIs are reviewed on a quarterly basis and discussed in the Uniper Performance Dialogs. With the help of measurable value drivers and critical success factors, underlying processes can be steered efficiently, possible causes for non-achievement of the targets can be identified, and corrective measures initiated.

The annual Voice of Uniper employee survey (which excludes Unipro) measures employee engagement and collects feedback that can be used to measure the achievement of strategic people targets. The 2022 survey, the seventh since Uniper was founded, again had a high level of participation (64%). The survey results show that employee satisfaction with Uniper as an employer remains high, even though the recommendation rate (Employee Net Promoter Score) has fallen due to the current challenges. Employees particularly appreciate flexible working which promotes good performance, work-life balance, and makes the Company attractive to new employees. In the survey, employees praised Uniper's handling and transparent communication of the geopolitical and financial challenges and said that they support the Company's efforts in the area of sustainability and work to secure Europe's energy supply. Within the survey, employees were asked if Uniper is taking the appropriate steps to achieve its sustainability goals, and if employees feel that their work is supporting the goals. A slight negative trend was shown in the response to these questions.

20230627183687

Health, Safety, and Wellbeing

Uniper operates large and complex technical assets such as power plants and gas storage facilities that can create various health and safety risks for employees, contractors, and the public in general. In this environment, inadequately managed hazards and risks combined with an unsafe working culture can lead to serious accidents, resulting in injuries and fatalities. An employee of Unipro was severely injured on April 30, 2022 during inspection work at the power plant Surgutskaya GRES-2, and passed away due to the injuries on May 10, 2022. Unipro's internal investigation was supported by a representative from Uniper SE. The root causes were identified, and improvement actions were implemented to prevent reoccurrence. The results of the incident investigation were presented to the various stakeholders across Uniper. A formal learning document has been published which summarizes the most important incident findings and offers anyone within Uniper the opportunity to learn from this tragic incident. A discussion with the Uniper Board of Management on the findings and recommendations was held on October 25, 2022.

Uniper has set up a governance structure to steer and monitor the implementation of Group-wide programs and policies designed to control and mitigate health and safety risks and to provide a safe and healthy workplace for everyone working for or with Uniper. Uniper's HSSE & Sustainability Policy clearly emphasizes the principle to only work safely and to look after people's health and well-being. The Company's commitment to propel the energy transition increasingly results in engaging in innovative projects and new business areas that have a variety of health and safety risk profiles. Uniper has been reviewing its HSSE & Sustainability Policy to reflect this evolving situation. The new version was approved by Uniper's Board of Management in 2022.

The Uniper Board of Management is fully committed to promoting health and safety across the organization and continually monitors the Company's health and safety performance. Health and safety is an ever-present topic on the agenda of senior management team meetings and regularly discussed by the Board of Management and the Supervisory Board. The Chief Operating Officer (COO) is the sponsor of "Beyond Zero," an initiative for the Uniper COO area that promotes a culture of continuous improvement with regard to health, safety, and lifelong learning for people, the health, security, and integrity of Uniper's assets and the transition to a sustainable future of energy.

The central HSSE & Sustainability function supports the organization and employees in integrating health and safety standards into their strategic and operational planning, business decisions, and daily activities. It issues guidelines and policies, conducts workshops, and coordinates the sharing of best practices.

Based on the central Group-wide HSSE & Sustainability Improvement Plan, the operating entities design their own annual improvement plans, including health and safety targets and actions. Progress toward the targets is monitored regularly. These plans help Uniper live up to its commitment to continually improve its health and safety performance. The "Non-Financial Performance Indicators" chapter of the Combined Management Report has more information on the achievements of the 2022 HSSE & Sustainability Improvement Plan.

All efforts to further raise health and safety standards can only be successful if contractors and their employees are closely involved. Uniper has defined its own standard for contractor management and engagement: First, Uniper systematically evaluates a contractor's HSSE performance prior to hiring and, if a contract is awarded, clearly specifies its HSSE expectations in the contract. Second, specific work arrangements are discussed before work begins, and work is monitored and inspected as it is carried out. Third, there is a formal handover and approval before any work is closed out. Finally, Uniper reviews the contractor's performance on each job and evaluates any lessons learned.

20230527186938

Business continuity still remained an important concern as clusters of infections, for example, due to the Covid-19 pandemic, have the potential to cause disruption when a number of employees or contractors are absent from work at the same time. Control measures were therefore still implemented across Uniper's operational sites according to the local risk profile, for example when large numbers of contractors come to site during a major maintenance period.

For many Uniper employees, the home office has become a valued place to work. Uniper's "NewNormal" project, which started in 2020, has resulted in a flexible, hybrid, and inclusive way of working at Uniper. Among other aspects, Uniper is committed to equip home offices for employees who regularly work from home with ergonomic furniture and the necessary IT equipment, so they can perform their job from home just as well as from the office.

The 2022 Voice of Uniper survey continue to show high satisfaction of employees with Uniper's health support. The average score on the health-related questions was slightly lower at 88% positive in 2022 compared with 89% in 2021, due to small decreases in the responses to the questions regarding whether it is possible to live a healthy lifestyle while working at Uniper (83% positive in 2022 compared to 85% in 2021) and regarding the ability to cope with the mental demands of the job (86% in 2022, 87% in 2021).

The health and safety management systems of all Uniper's operating entities are certified to ISO 45001 and subject to regular internal reviews and surveillance audits by external independent auditors. To continually improve its health and safety standards, Uniper has set a target to maintain 100% of its operational assets certified to ISO 45001 by 2022, the new international standard for health and safety management. At year end, Uniper had certified 100% of its operational assets to ISO 45001, thereby achieving the target.

Uniper has always considered it important to systematically document and analyze safety incidents and near-misses to use effective communications and corrective measures to help prevent their recurrence. As of year-end 2022, the incident management system (Synergi Life) launched in 2018 remained in place at all Uniper units.

Uniper uses combined total recordable incident frequency (TRIF) as a safety metric. Combined TRIF measures the number of work-related accidents sustained both by Uniper's employees and its contractors per million hours of work. For the purposes of this indicator, work-related accidents are defined as fatalities, lost-time injuries, restricted-work injuries, and medical-treatment injuries that occur on the job. Uniper's combined TRIF for 2022 was 1.76 (excluding October-December 2022 data from the discontinued operations Russian Power Generation), an increase from 2021 (1.51). This was mainly due to an increase in reportable accidents in the Russian and Gas Turbine fleet. This increase could not be offset by the decrease in accidents in the Nuclear and Hydro fleet and in the Engineering business. Uniper has continued fleet-specific and Uniper-wide safety improvement programs that aim to reverse this negative trend in 2023. Uniper has committed to maintaining combined TRIF at or below 1.00 by 2025. As an additional KPI to measure safety performance, Uniper implemented the severity rate of recordable safety incidents at the beginning of 2022. The severity rate is disclosed in the "Non-Financial Performance Indicator" section of the Combined Management Report.

20230627185939

Fair and Attractive Employer

Uniper's purpose is to empower energy evolution while making the Company more efficient and more competitive. The Group's long-term HR policy supports this strategy by focusing on competency-based recruitment and people development.

Given the challenging situation Uniper faced in 2022 and the growing shortage of skilled workers, a solid team that identifies with the Company and ensures consistency and the necessary expertise is a crucial success factor. Against this background, attractive working conditions help to retain employees. Feedback from the annual "Voice of Uniper" survey confirmed how progressive Uniper is in many aspects of working. For example, Uniper created a contemporary framework that allows employees to work flexibly and achieve a healthy work-life balance. Part-time, job-sharing, and flexible models are supported, as are sabbaticals, parental and care leave, and study leave. The dynamic office spaces at many of Uniper's locations promote creative collaboration whilst allowing for focused individual work. State-of-the-art technology enables virtual and physical participants to meet.

By participating in industry-specific career expos in Germany and Sweden in 2022, Uniper was again able to make contact with large groups of suitable candidates and present a career at Uniper as an attractive option. Uniper employees also visited secondary schools in Germany, Sweden, and the United Kingdom to reach a younger target group.

Employer awards help to highlight and strengthen the Uniper brand. This is becoming increasingly important in light of a growing shortage of skilled workers. The awards help to confirm to employees and applicants that they have chosen the right employer. The Swedish institute Nyckeltalsinstitutet AB again recognized Uniper as an "Excellent Employer" in 2022, and even ranked Uniper first as the "Best Employer." The award is based on analyses of working conditions such as healthcare, salary, sick leave, overtime, management structures and career opportunities. In addition, Uniper ranked among the 1,000 most sought-after companies ("Most Wanted Employer") in Germany in 2022 according to the ZEIT publishing group and kununu. For this assessment, more than one million companies and more than 4.9 million employee ratings were analyzed on the Internet platform kununu.com.

Uniper has been a member of the "Komm, mach MINT" initiative since 2020. In 2022, Uniper was a partner of the Women's STEM Award and, together with audimax MEDIEN, was honoured outstanding final theses by STEM (science, technology, engineering, and mathematics) female students on several topics including digital leadership, the human factor and IT security, helpdesk monitoring, data science, and digital upskilling. Uniper is also involved in the UK by training employees to become STEM ambassadors as part of a four-month program.

Uniper is meeting the challenges of demographic change and the shortage of skilled workers with a variety of measures. The Company offers apprenticeships in various commercial and technical professions as well as internships to prepare for apprenticeships. Uniper is also running its established international trainee program. More than 95% of the program's graduates have decided to stay at Uniper – this in an increase on the previous year.

Uniper takes a combined approach to employee development by using theoretical training and practice, and emphasizing learning from colleagues. Uniper's training offering is broad and includes both internal and external training. In 2022, Uniper focused on further developing its learning culture to promote self-directed and agile learning in a flexible, virtual environment that caters for different learning time requirements and different learning types. The focus was on hybrid working, safety culture, digital mindset, and mental and physical health. Legally required training is standard practice at Uniper and helps ensure the Company's long-term business success.

The new apprentices, trainees, and employees were introduced to Uniper with the help of various onboarding activities. Our established standard applicant survey showed that appreciation and adequate feedback time are the key factors contributing to a positive experience for Uniper applicants.

In 2022, Uniper continued its cross-functional international program #evolve for further developing high-potential employees. As part of this program, 50 participants were again supported in acquiring the necessary competencies for subject responsibility, project management, and/or team management.

Uniper offers attractive total target cash to attract and retain talented employees at all experience levels. To incentivize teamwork and the implementation of Uniper's strategy, total target cash includes a variable component. This component reflects the Group's performance and, for some employee groups, individual performance and behavior. The hybrid way of working and flexible working models, as well as the benefit packages available in individual countries, help Uniper's employees feel valued and included. Uniper is continuously committed to enabling a greener future by transforming its benefits portfolio. The company offers electric company vehicles or cash allowances instead of company vehicles with combustion engines in some countries. In addition, Uniper has integrated ESG criteria into its pension plans in Germany (partly) and the United Kingdom. This modern pension plan helps employees lay the foundation for their future financial security and that of their dependents, and also supports employee retention.

20230627118990

20230627183931

Diversity, Equity, and Inclusion

Diversity, equity, and inclusion (DEI) play an important role in enhancing Uniper's competitiveness, resilience, creativity, innovation, and enterprise value. Promoting DEI, treating them as an opportunity, and combatting discrimination are all central to the Uniper Way, the guiding principles for our corporate culture.

In 2022, the Uniper Board of Management adopted a new Diversity, Equity, and Inclusion (DEI) strategy for 2023-2026. The sharpened DEI strategy aims to engage the entire company to take even greater steps to ensure that Uniper develops a working environment in which DEI is fully lived. The DEI strategy takes into account all dimensions of diversity. Ultimately, it will help us achieve a more balanced representation of employees, establish goals such as greater availability and acceptance of part-time positions, and job sharing across all levels and genders at Uniper, and take a top position in the industry in DEI rankings.

Uniper has a zero-tolerance policy towards any form of discrimination or harassment. The Company complies with all anti-discrimination laws and regulations in the countries where it operates, such as the German General Equality Act. Compliance is supported by clear corporate policies for addressing potential violations and on training for managers. We respond to incidents promptly and respectfully and there is a clear reporting process should an incident occur. To improve transparency and aid prevention, an additional reporting process for discrimination incidents was developed in 2022, with implementation planned from 2023.

In 2022, a broad DEI training curriculum was developed. It is being implemented by external trainers from December 2022 and throughout 2023 and will be available to all employees except those in Russia. The offering includes not only various modules for managers and employees, but also specific training for interview participants and the internal team that investigates discrimination cases.

Uniper has set itself the target of achieving and maintaining a value of over 95% for the employee inclusion indicator by 2022 and beyond. This means that at least 95% of employees in the annual employee survey "Voice of Uniper" (excluding Russia) state that they feel included in their team. This value decreased from 85% in 2021 to 82% in 2022. The Company will therefore place greater emphasis on the topic of inclusion in 2023.

Uniper did not achieve the target set by June 30, 2022 to increase the proportion of women in the first and second management levels below the Board of Management to 25% respectively. On June 30, 2022 the proportion was 16.7% for the first management level and 20.6% for the second management level. As a company with a focus on STEM professions, Uniper faces the challenge of attracting female candidates. The measures taken to attract more women candidates have not yet shown a significant impact. It is expected to take time before these will show an effect. Uniper has now set itself a target to reach 25% by December 31, 2025 for each level. To achieve this, the Company will focus even more on using more diverse selection and recruitment processes, mentoring and offering flexible working time models for all employees, and developing women from its own workforce to management positions.

At the beginning of 2022, over 1,200 Uniper employees in Europe took part in a survey on gender balance. The aim of the survey was to understand possible barriers and obstacles to equal opportunities and to derive appropriate measures. The first concrete steps included the launch of a job-sharing project and the establishment of central mentoring.

20230627183992

An important milestone in 2022 following the Company-wide communication of the new DEI strategy was the establishment of a DEI Council, which pools Uniper-wide expertise and consists of members from different business units. As in previous years, DEI is being driven forward by the individual teams and functional areas at Uniper who organize events and meetings and participate in DEI trainings to develop even more awareness for DEI. Uniper's DEI ambassador network gained new members in 2022 and now consists of around 80 ambassadors. The DEI community on Uniper's intranet also saw a 9% increase in membership in 2022.

Diversity Day, International Women's Day, and Pride Month were among the awareness-raising days that were celebrated and communicated at Uniper with various events held throughout the Company. Uniper participated in the German Uhlala Pride Audit in 2022 to take stock of its current commitments and to identify improvement potential that can be addressed in 2023.

Social Matters

Secure and Affordable Energy Supply

A secure and reliable supply of energy is essential for the functioning of society and a competitive economy. Uniper's priority is to provide its customers with a secure, affordable, and reliable supply of power, gas, and heat. "Secure and Affordable Energy Supply" became Uniper's second most material topic within the 2022 Materiality Analysis. This is a reflection of the European energy crisis that emerged as a result of the Russian invasion of Ukraine and the suspended Russian gas deliveries. Uniper's key focus in 2022 has been to ensure supply security in its core markets and to restructure its gas portfolio to diversify energy supply.

Uniper's Gas Midstream business comprises a portfolio of 356 TWh p.a. of long-term gas supply contracts, with 254 TWh originating from Russia. These import contracts between Uniper and Russia used to play an essential role in gas supply for Europe, especially in Germany. As outlined in the chapter "Business Developments and Key Events in 2022", since June 14 2022, Gazprom reduced Russian gas deliveries, and after a period of supply interruptions deliveries of Russian gas have been discontinued by Gazprom since the end of August 2022. Uniper's priority is to provide its customers with a secure supply and therefore Uniper has procured replacement gas volumes at significantly higher market prices in addition to taking proactive measures to strengthen security of supply and improve the diversity of fuel supply for power generation.

Uniper is growing its LNG (liquified natural gas) business to provide customers in Europe with an alternative to Russian gas. In 2022, Woodside entered into a flexible purchase agreement (SPA) with Uniper Global Commodities SE for Woodside to supply LNG from its global portfolio into Europe, including Germany, for a term up to 2039, commencing in January 2023. The quantity of LNG to be supplied under the new SPA is up to 12 cargoes per year. Uniper is also building Germany's first landing terminal for LNG at the Energy Transformation Hub Northwest in Wilhelmshaven. The Floating Storage Regasification Unit (FSRU) terminal was opened in December 2022. Up to 7.5 billion cubic meters of natural gas per year are to be handled via this terminal – this is around 8.5% of Germany's current gas demand per year. In the long-term, under the name "Green Wilhelmshaven," Uniper plans to establish a green ammonia import terminal and hydrogen production facility in Wilhelmshaven, as further outlined in the "Climate Change, GHG emissions and TCFD reporting".

20230527169993

Gas storage facilities are one of the few technologies that can store large amounts of energy. Storage facilities can respond to demand spikes or import interruptions, thereby helping to ensure security of supply. As one of Europe's largest gas storage operators, Uniper offers access to nine underground gas storage facilities in Germany, Austria, and the UK, with a total capacity of 80 TWh. The convertibility of the storage facilities for hydrogen is currently being examined. As Uniper and other companies ramp up the production of hydrogen, Uniper aims to be part of the infrastructure that stores this zero-carbon resource.

To mitigate the Russian gas curtailment and ensure security of supply, multiple European governments announced their willingness to allow for the extended operation or return to service of coal-fired power plants. In Germany, a new law was issued on July 8, 2022 (Act on the Maintenance of Substitute Power Stations) which allows certain coal-fired power plants to participate in the power market for a limited time without changing the coal exit aspirations. This means that Uniper will now continue to operate some coal-fired plants which were originally scheduled for closure as part of the Company's decarbonisation strategy. Heyden 4, Uniper's 875 MW coal-fired plant in northwest Germany, was due to be decommissioned in July 2021, but has since been brought back to the market to secure supply until latest March 31, 2024. Uniper will also operate Scholven C hard-coal-fired power plant for longer than planned to secure electricity and heat supply in the Ruhr region. Originally, an end to commercial power generation at Scholven C was planned from the end of October 2022. Staudinger 5 would have had to cease commercial operation on May 21, 2023 due to the award in the fourth tender to reduce coal-fired power generation, but will also stay on the market until March 31, 2024. In addition, Uniper will return the Irsching 3 power plant in Vohburg on the Danube, which runs on light fuel oil, to the market from February 2023 until the end of 2023 to strengthen security of supply in southern Germany.

To further support security of supply, Uniper is preparing for the continued operation of the Scholven B hard-coal-fired power plant (345 MW) in Gelsenkirchen beyond June 2023.

In the UK, Ratcliffe Unit 1 hard-coal-fired power plant was due to close in September 2022, however Uniper reached an agreement with the grid operator NGESO to prolong operations until March 31, 2023. The agreement also covers the dispatch of the power plant. At the request of the UK government, Uniper is assessing whether Unit 1 can be operated for another winter under normal market conditions, and Uniper has prequalified the unit for participation in the capacity market auction for the year 2023/24. The remaining units (in total 1,500 MW) are scheduled to close by the end of September 2024 at the latest.

In the Netherlands, owing to the geopolitical situation, the Dutch government activated the early warning phase of its energy crisis plan and announced the withdrawal of the recently implemented statutory 35% production cap for coal-fired power plants. This has a direct impact on Uniper's coal-fired power plant Maasvlakte 3. More information on the above-mentioned regulatory changes can be found in "Energy Policy and Regulatory Environment" chapter.

Uniper is also taking steps to ensure that its coal-fired power plants in Europe can be technically operated without Russian coal, and has decided not to extend its Russian coal supply contracts. Uniper already procures hard coal from a wide variety of regions worldwide and is executing its transitional coal diversification strategy.

One of Uniper's highest priorities is to ensure the availability of all of its assets. Uniper's key performance indicator for the availability of its power plants is average asset availability. In 2022, Uniper's gas- and coal-fired power plants in Europe had an average asset availability of 71% (2021: 78%). The decrease in asset availability from 2021 to 2022 was largely due to planned outages at Staudinger 5, Irsching 4 and Datteln 4 in Germany as well as unplanned unavailability in Europe (increase from 9.8% in 2021 to 12.6% in 2022). The latter was due to boiler damage at the Maasvlakte 3 coal-fired power plant in the Netherlands and the collapse of a stack at Grain gas-fired power plant in the UK which occurred due to extremely high winds during a storm. Due to the current situation in Russia, the information required for the calculation of asset availability is not available from the discontinued Russian company PAO Unipro, and therefore it is not possible to calculate and report asset availability for the entire Uniper Group.

20230627169941

Average Asset Availability for Conventional Power Generation by Country

Percentages	2022	2021
Germany	69.7	75,8
Hungary	92.5	83,0
Netherlands	67.5	80,5
Russia[1]	–	80,8
Sweden	93.7	93,3
United Kingdom	66.3	76,5
Total	**71.0**	**79.0**

The figures shown are calculated using availability = 100% minus planned and unplanned unavailability. Uniper Group figures represent a volume-based weighted average. The calculation refers to Uniper's actual operational portfolio. The 2022 calculation includes all fully consolidated assets. The 2021 calculation is based on the legal entity share.

[1]Full year 2022 data for Russian Power Generation (discontinued operations) cannot be reported. The H1 value can be found in Uniper's Interim Report 2022.

Environmental Matters

Uniper's awareness of its environmental impacts is strategically important because the environmental performance of its assets significantly affects its operating efficiency, market position, and reputation. Uniper is committed to complying with all applicable laws to prevent uncontrolled emissions to the air, water, and soil. Efforts that go beyond compliance are evaluated on a cost-benefit basis and coordinated centrally; the aim is to give Uniper an even lower exposure to reputational and legal risks.

Environmental Management

Uniper operates a dedicated environmental management systems (EMS) to mitigate environmental risks. By having its facilities EMS certified to ISO 14001, an internationally recognized standard for such systems, Uniper aims to prevent incidents that could have adverse impacts on the environment. It has therefore committed to maintaining 100% ISO 14001 certification for its operating assets. As of year-end 2022, 100% of the operating assets of Uniper's fully consolidated legal entities had retained their ISO 14001 certifications Uniper thereby achieving its target. Unipro information was not received for the period 1 October to 31 December 2022 and therefore Unipro is excluded from this figure.

Uniper ensures the effective functioning of the EMS by conducting systematic checks. These include internal and external audits and a management review. The management review provides senior managers with the opportunity to review the EMS's effectiveness, monitor progress, make changes as required, and ensure continuous improvement.

Alongside the EMS, Uniper conducts asset risk management, which involves evaluating and managing the risks posed by its operating assets as well as the opportunities for improving their performance. This approach enables Uniper to prevent, or reduce the risk of, environmental harm, such as leaks and spills into the environment. If, despite these systems, environmental harm occurs, Uniper has in place emergency response procedures to mitigate its impact.

20230627183905

Uniper investigates all significant environmental near-hits and all incidents, and takes appropriate steps to prevent them from recurring. It also systematically shares knowledge about previous incidents - at Uniper and across the industry - so that they are not repeated. Uniper had no severe environmental incidents in 2022. Values from Unipro from 1 October to 31 December 2022 were not included. Its EMS defines "severe environmental incidents" as "the release of a substance into the soil, water, or air that would result in a long-term or irreversible change in the biological or physical environment or an extensive loss of habitats or species."

For further aspects of the governance of environmental topics, please refer to the Sustainability Governance section of this report.

Emissions to Air, Water, and Land

In addition to greenhouse gases, energy production processes can result in the release of other gases and substances. These substances include sulfur dioxide, nitrogen oxides, dust, and wastewater. Their release could impact air, water, and/or soil quality. Uniper addresses these risks by leveraging its expertise in combustion technology. Where appropriate and needed, best available techniques, including appropriate abatement technologies, are used to reduce the facilities' negative impact on the environment.

Emissions to air and water are subject to strict regulatory requirements. Uniper monitors its emissions to ensure that they do not have significant impacts on human health or the environment, such as nearby communities and natural habitats.

Uniper has pledged that its generation portfolio in Europe will be carbon-neutral by 2035 (Scope 1 and 2 CO_2e emissions. This will significantly reduce its direct carbon emissions as well as its emissions of other substances, such as nitrogen and sulfur oxides.

Innovation and Digitalization

Innovation and the development of new sustainable businesses play a key role in mastering Uniper's transition towards a low-carbon future while securing the energy supply. Uniper develops scalable business models in a variety of new areas, including green hydrogen, biomethane, and sustainable liquid fuels. Other innovation activities focus on flexible and renewable electricity and heat supply, digital business models, and the management of CO_2 and other greenhouse gases. Uniper has invested in several projects to refine, scale up, and deploy such technologies commercially. Uniper has set a target of conducting, by year-end 2022, at least 20 projects whose main aims include decarbonization. At year-end 2022, Uniper was working on 49 such projects. Some of them are described in the "Technology and Innovation" chapter of the Combined Management Report.

In recent years digitalization has evolved from a short-term trend into an important process that enhances efficiency and innovation. Digital transformation and automation are being implemented within existing processes at Uniper, in addition to the development of new digital projects. For example, in 2022, Uniper developed a digital dashboard that enables every employee to measure the CO_2 footprint resulting from their own cloud storage, and take steps to reduce it by deleting large emails and files. Uniper employees are encouraged to share digital ideas, such as the CO_2 dashboard, to find new ways to progress digital transformation with the Company in informal meetings.

20230627183996

The System Harmonization Project (SHARP) was set up to renew the critical 24/7 IT systems for Uniper's commercial power asset optimization, production planning and asset steering. In June 2022, the project delivered its second and final go-live: Uniper together with RuhrEnergie and vendor Kisters realized the successful implementation of an IT solution for the Central European power market to steer Uniper's units and deliver its balancing energy. This development plays a key part in the power digitization journey.

Climate Change, GHG Emissions, and TCFD Reporting

Uniper remains committed to achieving its climate targets whilst simultaneously ensuring security of supply. In 2022, Uniper's role in securing a reliable energy supply increased in importance as a result of the geopolitical situation. As outlined in the above "Security of Supply" 'chapter, the Company had to take temporary measures to bolster supply that led to an increase in direct carbon emissions.

Climate-Related Targets

Uniper's strategy has a strong focus on the energy transition and decarbonization. Uniper aims to become carbon-neutral (Scope 1, 2, and 3 CO_2e emissions) at the Group-level by 2050. Uniper defined further interim targets: The European Generation segment aims to be carbon-neutral in terms of direct and indirect emissions (Scope 1 and 2 CO_2e emissions) by 2035 at the latest. In order to achieve carbon-neutrality in the European generation segment by 2035, Uniper aims to reduce emissions by 50% by 2030 compared to 2019 as an interim step. The aforementioned targets include divestments, technical solutions and offsetting as a final option. For Scope 3 indirect CO_2e emissions (all Scope 3 categories apart from category 5, 10, 12–15) Uniper has committed to a reduction of 35% by 2035 compared to 2021.

Renewables and hydrogen will play an important role in the transition to 2050 carbon-neutrality. Uniper has the capacity to develop more than 1 GW ready-to-build renewables projects annually across European core markets (Sweden, UK, Germany, France, Poland, Hungary, Italy) by end of 2025. In this regard, Uniper has a pipeline of 3 GW of projects ready-to-build by 2026. Uniper will also invest into hydrogen to develop an electrolyzer capacity of 1 GW until 2030.

The set of metrics and targets used to steer and track the execution of Uniper's strategy are detailed in the table below.

Climate-Related Targets

Segment	Target	Relevant metrics
Group-wide	Carbon-neutral (Scope 1, 2, and 3) by 2050 at the latest[1, 2]	Scope 1, 2, and 3 greenhouse gas emissions (metric tons in millions)[2]
	35% reduction of Scope 3 emissions by 2035 compared with 2021 levels[2]	
European Generation	Carbon-neutral (Scope 1 and 2) by 2035 at the latest[1]	
	50% reduction of emissions (Scope 1 and 2) by 2030 compared with 2019 levels[1]	
Group-wide	Hydrogen electrolyzer capacity of 1 GW by 2030	

[1]Including divestments, technical solutions, and offsetting as a final option.
[2]This includes all categories defined in the GHG Protocol with the exception of Scope 3 categories 12–15.

20230627189697

Climate Metrics: Greenhouse Gas Emissions 2022

Uniper calculates Greenhouse gas emissions according to the categories defined by the Greenhouse Gas Protocol – Scope 1, 2, and 3. The tables below show Uniper's Scope 1, 2 and 3 emissions.

Uniper's direct CO_2 emissions, from the combustion of fossil fuels for power and heat generation, totaled 55.6 million metric tons in fiscal 2022 (2021: 50.9 million metric tons), largely due to increased emissions in the discontinued operations Russian Power Generation. There was a higher demand from the system operator on Unipro for power generation to meet increasing energy consumption in Russia. This led to a significant increase in emissions in the 2022 fiscal year, primarily from Berezovskaya power plant. Berezovskaya unit 3 was returned to commercial operation in May 2021. CO_2 emissions in the European Generation segment showed a slight overall decrease in fiscal year 2022 due to the disposal of Schkopau lignite-fired power plant in October 2021.

Direct CO_2 Emissions Fuel Combustion by Country – Greenhouse Gas Protocol Scope 1[1]

in million metric tons CO_2	**2022**	**2021**
European Generation	25.4	27.5
Germany	*12.2*	*13.6*
United Kingdom	*8.2*	*8.6*
Netherlands	*3.9*	*4.4*
Hungary	*0.9*	*0.8*
Sweden	0.2	*0.1*
Russian Power Generation[2]	30.2	23.4
United Arab Emirates[3]	0.06	0.05
Total	**55.6**	**51.0**
Carbon intensity (g/kWh)[4]	477.5	454.0

[1]Uniper uses the operational-control approach. This means that Uniper counts 100% of the direct emissions of any generation assets over which it had operational control. With the exception of Russia, all data was calculated using the European Union Emissions Trading Scheme rules. Rounding may result in minor deviations from the totals.

[2]Emissions from Russian Power Generation (discontinued operations) are estimated for October–December 2022.

[3]Uniper's business in UAE is Uniper Energy DMCC. Uniper Energy DMCC owns and operates a low-sulfur marine fuel oil production facility in Fujairah, supplying products from its storage facilities to local partners and large shipping companies. The direct carbon emissions result from the burning of diesel and naphtha for electricity generation in the production facility.

[4]Uniper's intensity is defined as the ratio between direct fossil-fuel-derived CO_2 emissions from electricity and heat generation from Uniper's fully consolidated stationary facilities (financial control approach) and Uniper's generation volume. This indicator does not include facilities that produce only heat and/or steam.

Indirect CO_2 Emissions – Greenhouse Gas Protocol Scope 2[1]

in metric tons CO_2	**2022**	**2021**
Location-based method		
Indirect emissions from purchased electricity	652,221	592,724
Indirect emissions from heat and cooling	3,720	4,200
Total	**655,941**	**596,924**
Market-based method		
Indirect emissions from purchased electricity	884,001	795,190
Indirect emissions from heat and cooling	3,720	4,200
Total	**887,721**	**799,391**

[1]Emissions from Russian Power Generation (discontinued operations) are estimated for 2022.

Scope 2 emissions totaled 0.83 and 1.06 million metric tons CO_2e in 2022 for the location-based and market-based approach respectively (2021: 0.59 and 0.79 million metric tons CO_2e). The increase in Scope 2 emissions from 2021 to 2022 is largely due to an increase in electricity consumption at operational sites in Russia.

Indirect CO_2 Emissions – Greenhouse Gas Protocol Scope 3[1]

in million metric tons CO_2	2022	2021
Fuel- and energy-related activities	11.2	10.5
Upstream transportation and distribution	10	16.9
Use of sold products	67.4	78.1
Other Scope 3 categories[2]	0.9	0.8
Total	**89.5**	**106.3**

[1]Emissions from Russian Power Generation (discontinued operations) are estimated for 2022.
[2]Includes all other Scope 3 categories apart from categories 5, 10, and 12–15.

Scope 3 emissions totalled 89.5 million metric tons CO_2e in 2022 (2021: 106.3 million metric tons CO_2e), 67.4 million metric tons of which resulted from the use of sold products to end-users and resellers. The decrease in total Scope 3 emissions from 2021 to 2022 is largely due to a decline in the sale of coal to end-users and reduced upstream gas activities.

The main pillars of Uniper's decarbonization strategy are phasing out coal in Europe, gradually decarbonizing gas-fired power plants, while continuously developing new energy solutions and partnerships in the hydrogen and renewables business, and in addition, gradually transferring the commodity portfolio to low- and no-carbon alternatives. These are outlined in the two chapters below.

Decarbonizing the Coal and Gas Business

In 2022, Uniper's coal-based power production in Europe amounted to 17.3 TWh, which is a decrease of 1.3 TWh from 2021. The temporary security of supply measures has impacted Uniper's original coal exit path. Nonetheless, Uniper remains committed to its decarbonization pledge: Aligned with its coal phase-out strategy and relevant national legislations, Uniper will end coal-fired power generation in the United Kingdom by 2024, in the Netherlands by 2029, and in Germany by 2026 with the divestment of the Datteln 4 hard-coal-fired power plant.

Uniper's coal-fired power plants have locations with useful infrastructure, such as grid infrastructure equipment, rail links, and connections to district-heating networks. This will enable them to play a vital role in a low-carbon economy after coal-fired power generation ends. Uniper has therefore developed plans to repurpose these plants, under a "master plan" approach. At Uniper's Staudinger power plant in west-central Germany, due to the cessation of commercial operation in 2024, current repurposing plans involve several data centers as well as production facilities for hydrogen. In August 2022, an ambitious cooperation between Uniper and CMBlu Energy AG was established that will evaluate the feasibility of a novel electricity storage system installed at Staudinger, based on organic solid-flow batteries. Commissioning is scheduled to take place as early as 2023.

20230627-18938

20230527185959

The decarbonization of the European gas turbine fleet is an important part of Uniper's energy transition. The project "Making Net Zero Probable" is exploring ways to do this. The three most promising options are hydrogen, biofuels, and carbon capture, and Uniper is also looking at low carbon replacement technology at a number of sites. At the Malmö open-cycle gas turbines (OCGT) plant in Sweden, Uniper completed several pilots to demonstrate biofuel capability of the diesel engines. Uniper continues to assess the conversion of its gas turbines to hydrogen, and a 40% hydrogen burn study is underway for the GT26 gas turbine fleet. The next step is to assess options for testing the cofiring of Uniper's gas turbines on a hydrogen blend with natural gas of up to 40% to validate and support development of the technology.

Identifying, quantifying, and minimizing fugitive methane emissions along the gas value chain is of great importance due to the high global warming potential of the gas. In 2022, Uniper Energy Storage continued its activities within the Oil and Gas Methane Partnership (OGMP) 2.0, a voluntary initiative to help ensure oil and gas companies reduce and report methane emissions based on harmonized and reliable methods. Its goal is for the industry as a whole to reduce its methane emissions by 45% by 2025 relative to 2015. Uniper Energy Storage has also committed itself to this goal, as well as to continuously improve the quality of methane emissions monitoring and reporting according to OGMP criteria. The activities and results of the OGMP initiative are reported by the International Methane Emissions Observatory report 2022 ("An Eye on Methane"). The report shows the progress achieved so far by OGMP member companies from the whole gas value chain.

Green Business Development and Customer Solutions

Uniper's ambition is to become the partner of choice for decarbonization solutions and to accompany customers on their decarbonization journey. Uniper offers products and services for a systematic decarbonization of economic activities across all sectors. Services include the development of a decarbonization road map and increasing energy efficiency by analyzing the customer's production processes. Using its expertise, Uniper can support customers to switch to a lower-carbon energy source and supply them with climate-friendly fuels like biomethane and renewable energy sourced under power-purchase agreements (PPAs). Uniper has PPAs with wind and solar farms in Europe and the United States, and entered a new long-term offtake agreement with Sunnic Lighthouse GmbH in June 2022 to purchase approximately 208 GWh annually from 53 solar parks throughout Germany. Deliveries started in July 2022 and will initially run until the end of 2027.

Low-carbon hydroelectricity accounts for 3.7 GW, or 12%, of Uniper's installed generating capacity in Europe. The further expansion of renewable power generation is an important part of Uniper's path to carbon-neutrality. Uniper's subsidiary Uniper Renewables maintains a diversified platform for developing solar and onshore wind projects in its core European markets, with the capacity to bring more than 1 GW of generation capacity per year to ready-to-build status by the end of 2025 at the latest. The cooperation with Fortum on the joint Pjelax-Böle and Kristinestad Norr wind parks ended in 2022. Uniper has a pipeline of 3 GW of projects, ready-to-build by 2026. More than 1 GW of these are already secured projects, either greenfield or via co-development partnerships.

Uniper sees hydrogen alongside gas, renewables, and hydroelectricity as an essential element of tomorrow's low-emissions energy mix. Hydrogen enables the decarbonization of multiple sectors of the economy that cannot be achieved by electrification alone. Uniper's hydrogen business will focus initially on providing industrial customers with zero- and low-carbon hydrogen as well as hydrogen-based synthetic fuels. Zero-carbon hydrogen is produced through electrolysis supplied with renewable electricity. Low-carbon hydrogen is produced by natural gas reforming combined with carbon capture (utilization) and storage (CC(U)S) and in the future also from gas splitting with carbon black as high-value raw material. Uniper also plans to supply hydrogen to the transport sector and to convert some of its gas-fired power plants to hydrogen.

20230527190006

Uniper is implementing numerous hydrogen projects in cooperation with partners along the entire value chain. In 2022, progress was made in several projects. For the H2Maasvlakte project, the front-end engineering design study has been kicked-off for the development of industrial scale green hydrogen production facilities. In recognition of its contribution to developing the European hydrogen economy, H2Maasvlakte received the IPCEI notification as an "Important project of common European Interest." Project Air in Sweden, which is developing sustainable methanol for the chemical industry, has also been recognized as an important green-tech project, having been selected to receive a grant from the EU Innovation Fund. The project is a collaboration between Perstorp and Uniper.

At the "Energy Transformation Hub Northwest" in Wilhelmshaven, Uniper plans to establish an import and production terminal for green ammonia and investigating the scale up of ammonia cracking for the reconversion of ammonia to green hydrogen and nitrogen. The terminal will be connected to the planned hydrogen network. A 410 MW electrolysis plant is also planned, which – in combination with the import terminal would be capable of supplying around 295,000 metric tons of green hydrogen or 10% of the demand expected for the whole of Germany in 2030. The project, named "Green Wilhelmshaven," is listed in the European Ten Years Network Development Plan (TYND) and will contribute to the EU's strategy to import 10 million tons hydrogen by 2030.

Uniper is building up a global portfolio of hydrogen products by originating, transporting, and finally supplying customers mainly in Europe in the future. Uniper entered into several new partnerships in 2022 to expand its worldwide hydrogen sourcing activities. One example is the offtake agreement with Canadian EverWind, in which Uniper intends to source up to 500,000 metric tons per year of green ammonia produced at Canada's first green hydrogen hub. A further cooperation was entered with HIF Global for the sale and purchase of eMethanol produced in Magellanes, Chile.

Finally, a Uniper representative was elected as Head of Trustees of the H2Global Foundation, an initiative launched in June 2021 by the German Federal Ministry for Economic Affairs and Energy (BMWi). The foundation supports the market ramp-up of green hydrogen by subsidizing the price gap between imported green hydrogen and the German demand.

Management of Climate-Related Risks and Opportunities

The TCFD divides climate-related risks in two main categories: transitional and physical. Transitional risks are risks related to the transition to a lower-carbon economy (e.g. policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change). Physical Risks are risks related to the physical impacts of climate change. These can be event-driven (acute) or longer-term shifts (chronic) in climate patterns. Uniper has established processes for the identification and management of both risk categories, as summarized in the table below and described in the following sections. Information on the governance of climate-related aspects can be found in the "Uniper Sustainability Governance" section above.

20230627190D1

Yearly TCFD Climate Risk & Opportunity Identification Process

- Identify all material transitional climate-related risks & opportunities
- Structure follows TCFD-framework and covers timeframe up to 30 years

input

input

Mid- to long-term risk & opp. mgmt. (up to 30 years ahead)

Uniper's strategy process as key process to structurally manage risks & opportunities via portfolio development

- Determination of climate related-targets
- Responsibility: Supervisory Board & Board of Management

Uniper's asset portfolio review process as key process to manage physical risks & opportunities via portfolio development

- Responsibility: Asset Risk Management

drives

Short-term risk & opp. mgmt. (up to 3 years ahead)

- Management of climate-related risks & opportunities within Uniper's Enterprise Risk Management framework
- Monitoring against targets within Uniper's quarterly Performance Dialogues (UPDs)
- Three-year CO2 projection incorporated into financial mid-term plan and Long-term Incentivization Scheme
- Responsibility: Board of Management and underlying departments

input

input

Ongoing Physical Climate Risk & Opportunity Identification Processs

- Identify, assess, and manage all material physical climate-related risks & opportunities
- Structure follows TCFD-framework and covers timeframe up to 30 years

20230627190002

Identification, Assessment and Management of Transitional Climate-Related Risks and Opportunities

In 2021 Uniper implemented a new process to capture all relevant transitional climate-related risks and opportunities including those which sit beyond the timeframe of the existing Enterprise Risk Management (ERM) System. The identification process is based on the TCFD risk and opportunity categorization, to ensure that the results are structured accordingly. Representatives from Uniper's major business lines and enabling functions meet once a year in multiple workshops to identify and assess climate-related transitional risks and opportunities for the individual business areas. Risks that cannot be directly assigned to a business area but are relevant to the Group as a whole (e.g. financing risks, reputation, etc.) are also considered.

To structure and facilitate the climate-related transitional risks and opportunities identification, the workshops are based on a "well below 2°C" scenario as well as catalogues with climate risks and opportunities clustered along the TCFD categories. The applied "well below 2°C" scenario is provided by the International Energy Agency (IEA) and has been published in their 2020 World Energy Outlook report. A detailed description of the Sustainable Development Scenario (SDS) and the main assumptions can be found in the scenario section below.

Within the workshops, risks and opportunities with corresponding mitigation measures were identified and their respective drivers were discussed. To evaluate the overall relevance for the Uniper group each identified risk and opportunity was then assessed based on its potential earnings impact on the respective business line as well as its expected timing implication, i.e. short-term (up to three years), mid-term (up to eight years until 2030), long-term (up to 28 years until 2050). Accordingly, risks and opportunities, which have a high earnings contribution and are considered highly relevant for the respective business lines, receive the highest relevance score. The outcomes of the workshops are considered during the strategy process, as described in the "Scenario Analysis and Strategy Resilience Test" section below.

Across Uniper, the most relevant risks and opportunities are considered to be related to the energy transition. The following table summarizes the most relevant climate-related risks and opportunities within the existing Uniper portfolio as identified. This means that all identified risks and opportunities stem purely from the financial perspective to our existing portfolio as of today. Uniper's overarching strategy that focuses on the energy transition has not been reflected here and will be further analyzed in the strategy section below.

20230627190033

Top Climate-Related Transitional Risks and Chances for the Uniper Group

Category	Description	Impact	Time horizon[1]	Primarily affected business
Transitional Risks[2]				
Market	Competition in renewables projects with increasing renewables built-out growth rate	Increasing build-out in renewables leading to stronger supply and ceteris paribus decreasing power price levels	Short- to mid-term	European Generation: Outright Fleet
	Significant increase in global non-energy commodity prices	Climate-related scarcity and availability issues especially for metal-based products might impact supply chain, maintenance and availability of generation fleet	Long-term	European Generation
Policy and Legal	Litigation	Increasing likelihood for legal claims regarding past, current, and future carbon dioxide emissions	Short- to mid-term	Full group
	Greenhouse gas emissions pricing	Higher CO_2 prices and extension of CO_2 regulation decreases demand and/or margins for fossil-based products and services	Mid- to long-term	European Generation: Fossil Fleet; Global Commodities: Gas Mid-stream
	Asset lifetime impact due to changes in climate policy framework and regulation	*Accelerated coal exit and potential "gas exit" discussions in Europe; increased regulatory uncertainty about lifetime of gas assets might impact customer demand; extension of regulation (e.g.* methane leakage)	*Mid- to long-term*	*European Generation:* Fossil Fleet; Global Commodities: Gas Midstream
	Climate-induced tightening of water framework directives	Could require significant investment into assets	Long-term	Hydro Generation Fleet in the EU
Finance	Costs and availability of insurance and financing	Financial institutions restricting business with fossil-exposed companies might limit availability and/or increase cost for financing and insurance	Short- to mid-term	Full group
Transitional Chances[2]				
Policy and Legal	Greenhouse gas emissions pricing	Higher CO_2 prices lead to overall higher outright power prices (as long as fossil assets are setting the marginal price)	Short- to mid-term	European Generation: Outright Fleet
Market	Changing customer behavior and demand patterns (incl. sector coupling and electrification)	Increased demand for (carbon-free) generation (incl. value of guarantees of origin)	Short- to mid-term	European Generation: Outright Fleet
	Higher electricity/ commodity price volatility and lower grid stability	Stronger renewables feed-in increases volatility and demand for flexible power generation and grid stability solutions	Short-to mid-term	European Power Generation: Fossil Fleet; Global Commodities: Gas Midstream
	Changes in market design	Increase in capacity based market revenue could compensate longer term price reduction due to renewable build-out	Mid- to long-term	Outright Fleet

[1]Short-term = up to three years, mid-term = up to 20 years, long-term = up to 30 years.

[2]The same categorization has been used for the identification and assessment of climate-related risks and opportunities as a specific value driver trigger an upside or a downside depending on concrete assumptions such as changes in the political and regulatory framework, customer behavior, or changes in weather patterns due to climate change in a specific region.

20230627193004

While the identified opportunities are rather considered to be short- to mid-term, the majority of the risks is more oriented towards the mid- to longer-term based on Uniper's portfolio as of today.

Higher CO_2 prices and a stronger power demand due to increasing electrification are expected to positively impact outright power prices – to the benefit of Uniper's carbon-free power generation. Furthermore, the higher feed-in of renewable energy – combined with a decrease of traditional baseload capacities across Europe – is likely to increase volatility in commodity markets. However, this is considered an opportunity for Uniper's flexible fossil generation and gas midstream business in the short- to mid-term. Also, possible changes in market design, featuring more elements of capacity remuneration, can be value drivers for Uniper's schedulable generation assets.

The link between power prices and CO_2 costs might weaken in the longer run as renewables growth progresses and carbon-free sources of flexibility become technically and commercially viable. Thus, with a lower correlation between CO_2 and power prices, the upside on the outright portfolio would be lower. At the same time, Uniper's fossil business might be exposed to lower spark and dark spreads (gas and coal generation gross margins) as well as an overall lower demand on the customer side for fossil-based services and products in Europe. Accordingly although considered an upside in the short-term - higher CO_2 prices and an extension of the CO_2 regime into other sectors is regarded as a risk for Uniper's existing fossil-based generation and commodities portfolio in the mid- to long-term, which, however, is continuously considered and actively managed through several strategic and operational initiatives.

Despite the current focus on security of supply invoked by the energy crisis in Europe, further regulatory risks remain primarily around Uniper's coal assets. The risk of a stricter regulation, e.g. foreseeing an earlier coal exit without adequate compensation, remains. Moreover, the fossil fuel gas may also be subject to regulatory risks in the long-term. In the mid- to long-term there is the possibility that methane will also fall under stricter regulations as the energy transition progresses.

In anticipation of the above, certain financial stakeholders such as banks and insurance companies might reduce the scope of services offered to Uniper in light of the fossil exposure. Together with potential litigation risks, this exposure is considered to be more short- to mid-term. As of today Uniper is able to mitigate the financing and insurance risk via the optimization of its financing and insurance portfolio.

Strategy as key element in the management of climate-related transitional risks and opportunities in the mid- to long-term horizon

Uniper's strategy process plays a vital role in managing and mitigating climate-related transitional risks and opportunities in the mid- to long-term timeframe: Uniper's strategy determines the development of the business portfolio (both organically and inorganically) and as such Uniper's exposure to climate-related risks and opportunities. The climate-related transitional risks and opportunities identified under the TCFD-process are further assessed and used as input within the strategy process, which also incorporates climate scenario analyses (see "Climate-Related Strategy" section below). The strategic focus on decarbonization including clear targets and concrete measures has been approved by the Board of Management and Supervisory Board in 2020 and was updated since then with Scope 3 targets. The strategy is the basis for the shorter-term / operational steering elements in terms of climate-related risks and opportunities.

20230527190005

Embedding strategic decarbonization ambitions into Uniper's steering model to manage climate-related transitional risks and opportunities in the short-term horizon

There are several steering mechanisms which ensure that Uniper's strategic climate-related ambitions are reflected in the daily operations:

- Uniper's Enterprise Risk Management (ERM) system is a key instrument to ensure Uniper's financial stability from an earnings and liquidity perspective. It primarily focuses on the three-year horizon of the mid-term financial plan (MTP) and manages material financial risks and opportunities which could lead to deviations from the MTP. The underlying financial MTP (baseline) is derived based on the strategy and incorporates therefore also assumptions on climate-related input factors (e.g. costs for carbon emissions based on expected emissions). Within the ERM system, all risks and opportunities are clustered into the categories "market, credit, operational, and financial". Due to their nature and potential triggers, climate-related risks and opportunities do not warrant a category on their own within the ERM system but may manifest across the above-named categories. Within the Enterprise Risk Management process, all identified climate-related risks and opportunities which could have a material financial impact in the MTP period are assessed, to ensure that they are appropriately reflected in the Enterprise Risk Management categories and become actively managed. The table below provides a comparison of the ERM process and the climate-related risks and opportunities process.

ERM Process vs. Climate-Related Risks and Opportunities Process

	Enterprise risk and opportunities process	**Climate risk and opportunities process**
Purpose	Ensuring financial stability	Ensuring long-term validity and resilience of strategy
Reporting cycle	Quarterly	Yearly
Time horizon	Short-term (up to three years)	Short- to long-term (up to 28 years)
Categorization used for risks and opportunities	– **Market** – **Credit** – **Operational** (incl. Technical Asset Risk and Asset Project Risk, IT Risk, People and Process Risks, as well as Legal, Regulatory, and Political Risks) – **Financial** *Note: Climate aspects are considered across all categories if they are an underlying driver*	– **Physical Risks** Acute Chronic – **Transitional Risks** Policy & Legal Technology Market Reputation

- Uniper Performance Dialogues (UPDs): The strategy execution is tracked by the Board of Management via Board meetings and UPDs. Here, Uniper's Board of Management and senior leaders participate in a series of performance dialogues, to help steer the different business lines along both financial and non-financial dimensions, based on targets. The latter include Uniper's climate-related targets.
- Incentivization: Uniper has embedded its decarbonization ambitions into the incentive schemes for management. Within the long-term incentive scheme, 40% of the target amount are based on non-financial targets, that is further split into two groups: 20% is based on the successful transformation of Uniper's portfolio towards carbon-neutrality (Scope 1 and 2 CO_2e-emissions, see target definition in chapter "Climate-Related Targets" above) in the European Generation segment by 2035. The other 20% is contingent on predefined ESG targets. For the 2022 tranche, the target is based on the absolute CO_2 reduction of the European Generation segment over the next three years. The target is based on the above-mentioned carbon emissions reduction path for the European Generation fleet. Further details on the management compensation can be found on Uniper's IR website. For the short-term incentive scheme with respect to Uniper's ESG strategy, the delivery of the HSSE & Sustainability Improvement Plan, is incorporated into the Company performance as described in the Combined Management Report.

20230627190006

- **Capital allocation:** In order to support the strategy execution towards carbon-neutrality, Uniper's capital allocation is geared towards investments that are green according to Uniper's ESG evaluation framework. This framework considers internal ESG criteria, as well as the environmental objectives 1 and 2 from the EU Taxonomy (climate mitigation and adaptation). The impact of new/growth investments on climate is evaluated within strategic and financial capital allocation decisions. Depending on the level of contribution towards Uniper's decarbonization targets and the compatibility with the EU taxonomy, different hurdle rates are used for financial assessment: The return expectation for "green" projects is 100 basis points lower compared to "non-green" projects. Furthermore, following the implementation of the TCFD framework in 2021, Uniper is including a "well below 2°C" commodity price scenario in the financial assessment of new projects.

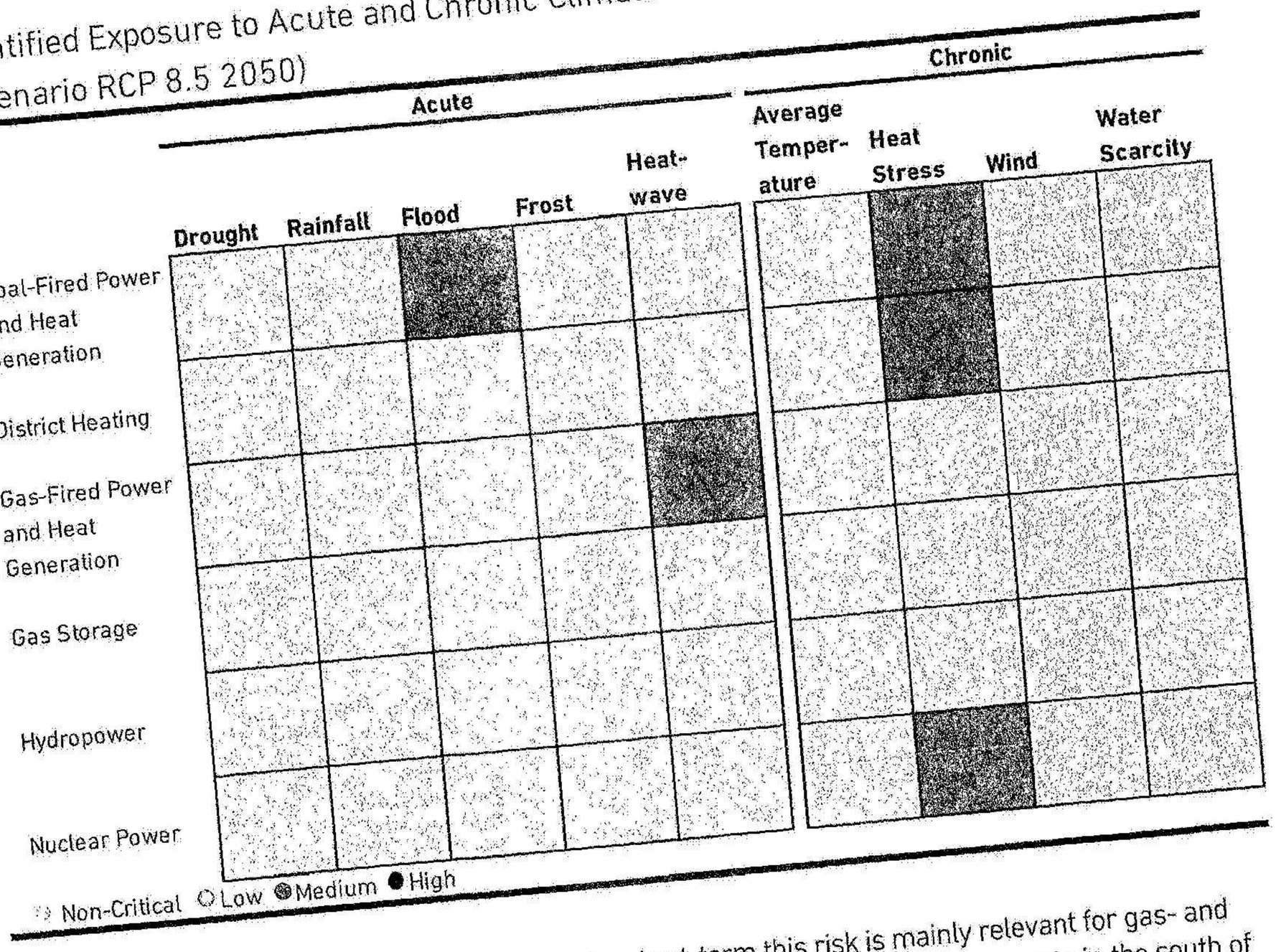
Identification, Assessment, and Management of Physical Climate-Related Risks and Opportunities

In order to assess physical risks and opportunities in a more detailed way, a dedicated screening process was established in 2022 to identify the assets with significant exposure to specific climate hazards, both acute and chronic. This process helps prioritize the need for vulnerability site assessments and evaluate the specific adaptation measures required. The climate hazards taken in consideration are those listed in Appendix A of the EU Taxonomy Climate Delegated Act. In the 2022 fiscal year climate-related incidents already affected the operations of certain assets. Among others, high summer temperatures in Germany led to lower water levels on rivers that affected the supply of coal and therefore the operation of Uniper's coal-fired generation assets. Also, with lower water availability, Uniper's German hydro generation assets generated less power than expected in 2022. Accordingly, particular attention in the analysis was given to define the severity parameters for temperature-related and water-related hazards. Uniper developed a monitoring and evaluation tool based on the relevant climate data, according to the climate scenarios published by IPCC. The tool considers the specific locations of the assets in scope and gives an overview of the assets by scenario, severity of the climate hazards and expected lifespan.

The physical climate risk assessment addresses acute and chronic risks divided into three clusters: wind, water and temperature. Two trajectories are considered in the report: RCP 4.5 the so-called intermediate scenario, which is also recognized as the most likely, and RCP 8.5 the pessimistic scenario taken as a basis for the worst climate change scenarios. Time horizons cover both 2030 and 2050. Only assets with a lifetime of more than 10 years are included in the long-term assessments.

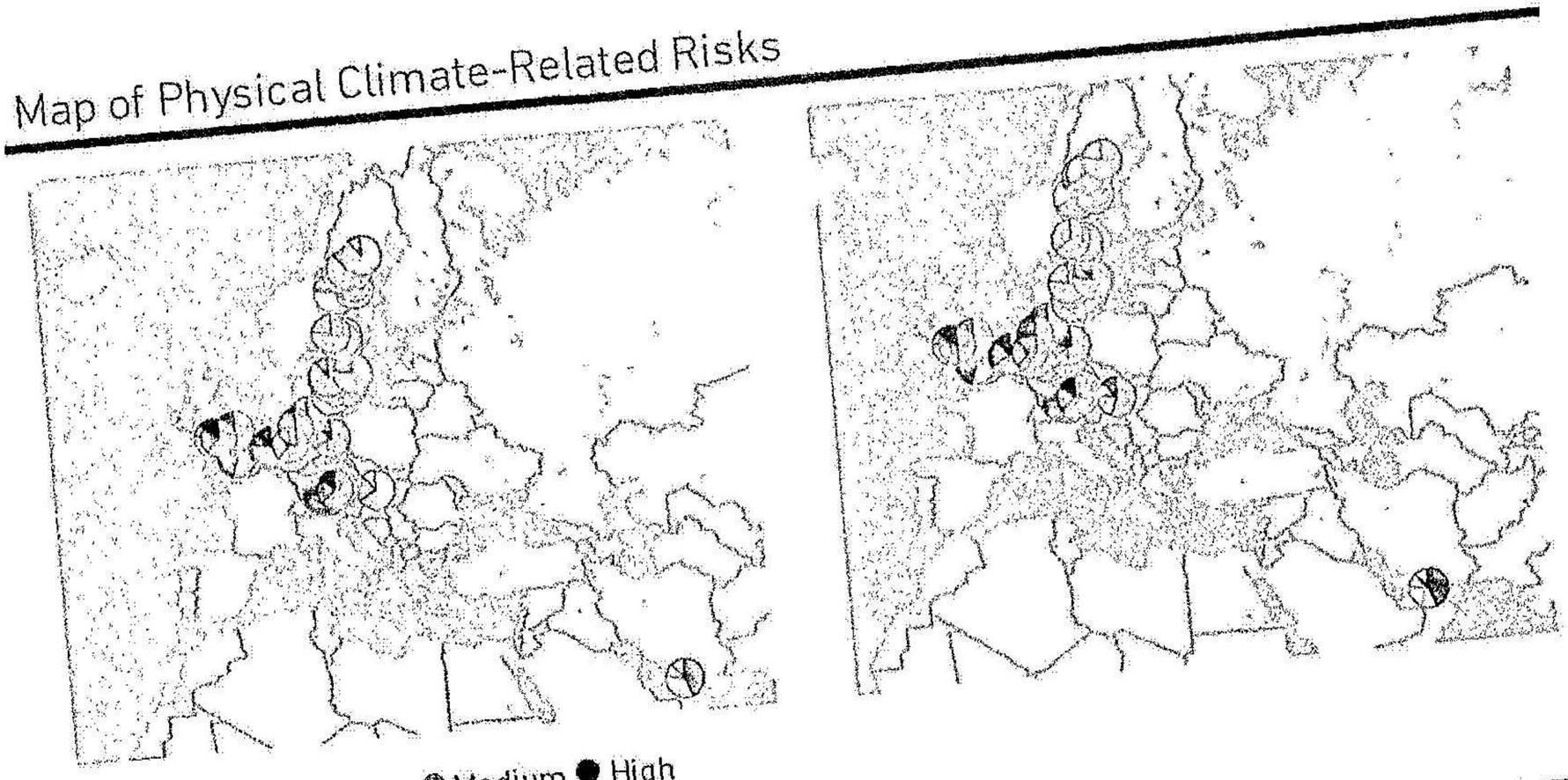
The heat map below shows the results of the physical climate-related risk assessment in terms of identified average exposure to acute and chronic climate-related risks for all Uniper assets, by technologies. The results for the RCP 8.5 2050 scenario show that even under the pessimistic climate scenario, most assets are at low (green) to medium (orange) risk of being exposed to physical climate hazards. The risks of particular concern are floods, heat waves, and heat stress with a corresponding medium criticality.

Identified Exposure to Acute and Chronic Climate-Related Risks (Scenario RCP 8.5 2050)



Among acute risks, flooding is the most likely. In the short-term this risk is mainly relevant for gas- and coal-fired power plants in the United Kingdom. In 2050, flooding is also material for assets in the south of Germany. Among chronic risks, heat stress becomes highly critical for the time horizon of 2050. In particular, Uniper's business in Germany will be exposed to it. The below map shows the results of the physical climate-related risks on asset level under the RCP 8.5 scenario.

Map of Physical Climate-Related Risks



The map of physical climate-related risks at the asset level under RCP 8.5 Scenario for the projections of 2030 (a) and 2050 (b) correspondingly
Source: Microsoft Corporation

20230627190038

The new process to identify physical climate-related risks and opportunities is operated on an ongoing basis, and gets updated for example whenever new climate scenario data is published. If material financial risks or opportunities in the short-term time horizon are identified, they are included in the Enterprise Risk Management process. Physical climate-related risks and opportunities are managed by the asset operator (short-term) or the Asset Risk team (mid- to long-term). No asset in 2022 was considered to require urgent adaptation measures within the next five years.

Scenario Analysis and Strategy Resilience Test

As part of its corporate strategy process 2021, Uniper incorporated scenario analyses into its group-wide strategy process. This included a strict global "well below 2°C" scenario, in order to validate the strategic direction and to ensure that the strategy is resilient under different long-term market developments. Since the corporate strategy remains unchanged, and the market assumptions under the so-called "well below 2°C" scenario (based on the Sustainable Development Scenarios from the Word Energy Outlook 2020 and 2021) as well, Uniper did not repeat the scenario analysis in its strategy process 2022. Instead – after reviewing the assumptions of the "well below 2°C" scenario – Uniper reconfirmed that the strategy remains resilient with regard to climate-related risk and opportunities. The following section describes the scenario analysis conducted in 2021 and the key takeaways.

The scenarios applied in the scenario analysis describe integrated long-term development pathways of the whole global energy system – different to isolated c.p. variation of selected value drivers. This set of different scenarios includes the baseline scenario, which describes a "slightly above 2°C" trajectory as well as a "well below 2°C" scenario. The latter is used to further test the resilience of the strategy.

Uniper's corporate strategy, defined in 2020, is centered around decarbonization, and is both a key mitigation instrument for the above-mentioned climate-related risks and the foundation to tap into new growth opportunities. At its core, Uniper is transforming its portfolio in a way that on the one side decreases the exposure to fossil-based activities and on the other side benefits from growth in CO_2-free businesses. A detailed description of Uniper's strategy is provided in the "Strategy and Targets" section in the Annual Report 2022. Uniper's strategy is based on a set of assumptions, the so-called Uniper Planning Case (baseline). Even though the Uniper Planning Case assumes that especially European ambition to limit global temperature increase to "well below 2°C" by 2100 will be largely fulfilled through policy actions (e.g. European Green Deal and the "Fit-For-55" package), the Planning Case assumptions deviate from a stricter "well below 2°C" scenario on a global level as published by the International Energy Agency. The main differences include:

- Long-term natural gas demand remaining on a higher level, especially in non-European countries
- Use of coal-based power generation longer into the future, especially in Asia
- Lower share of renewable-based power generation, especially in non-European countries.

To quantitatively describe a global long-term transition towards a low-carbon energy system, Uniper chose one of IEA's publicly known and well-accepted long-term energy scenarios: the Sustainable Development Scenario (SDS) from the World Energy Outlook 2020 and 2021, which is aligned with the Paris Climate Agreement on a global scale.

20230627190009

Key Assumptions of IEA's "Well Below 2°C" Scenario

Year	Exemplary assumption
	Global **power- and heat-related emissions** down 40%*, while **electricity demand** would increase by 20%* in the same time horizon
	Renewable share of European power generation at 75%, while **the natural gas share** will be at approx. 8%
	Globally, **wind and solar** provide around 45% of total power generation
	Natural gas demand in Europe would decline by on average 3.3% p.a.*; globally, the decline would be at 0.6% p.a.*, while in the Asia-Pacific region demand would increase by 2% p.a.*
	Global **carbon prices** increase to around €150-170/t
	Global share of **low-carbon gases** will be above 50%

* Compared to 2019.

Using the aforementioned assumptions of IEA's SDS scenario to model all resulting implications for the European power and the global gas sector, Uniper assessed how its individual business lines would be affected in this scenario. The quantitative scenario analysis focused on Uniper's operational segments European Generation and Global Commodities, as those are more concretely affected by transition risks. The time horizon for the resilience test extends to 2040. The results of the strategy resilience tests have been discussed with the Board of Management and the Supervisory Board, which is ultimately responsible for overseeing the effective execution of Uniper's strategy. The discussion was structured along the following four dimensions:

- The compatibility of the respective business line with the "well below 2°C" scenario (qualitative assessment)
- The financial impact on key earnings streams under the "well below 2°C" scenario (quantitative assessment)
- The key climate-related risks and opportunities as identified in the aforementioned expert workshops
- The eligibility of the respective business lines under the EU Taxonomy framework

The strategy resilience test showed that Uniper's strategy is aiming for the right goal, setting the right targets, and is overall geared to be resilient in a "well below 2°C" scenario: Uniper's strategy ultimately seeks to contribute to the energy transition and to limit global temperature increase, while taking advantage of the growth opportunities that the energy transition and evolving new markets provide.

The strategy is based on the fundamental belief that there is a need for both low-carbon power generation and green and low-carbon gases to successfully manage the energy system transformation towards net zero. This is also reflected in Uniper's decarbonization path to reach carbon-neutrality by 2035 for European Power Generation (Scope 1 and 2) and by 2050 for the entire group (Scope 1, 2, and 3). The main pillars of the strategy are:

20230627190010

- Exiting coal-fired generation in Europe and developing new business on those sites to seize new value-creation opportunities as well as provide new employment prospects
- Increasing contribution from carbon-free power generation via growth in solar and wind generation, act as an enabler for renewable projects via Power Purchase Agreements (PPA) and to become a significant player for hydrogen and other low-carbon gases
- Decarbonizing the gas-fired generation portfolio and gas midstream portfolio

Uniper's gas-fired power generation fleet plays a central role by significantly contributing to the necessary security of supply within the energy transition. With an increasing share of fluctuating power generation from renewables in a "well below 2°C" scenario, the IEA projects that around 160 GW of installed gas-fired generation capacity will be needed in Europe by 2040. Today's installed gas-fired power generation capacity of approx. 180 GW in the EU would even increase to roughly 200 GW by 2030 in the SDS before declining again to 160 GW by 2040. This demonstrates the importance of natural gas for a reliable power generation system in Europe. With a highly efficient and flexible portfolio of around 8 GW gas-fired generation capacity in Europe, Uniper is perfectly equipped to benefit from security of supply requirements. Moreover, low-carbon energy solutions for third-party customers, especially to provide low-carbon steam and other commodities to industry contributes to enabling a successful energy transition.

Due to a number of hard-to-electrify processes, a full direct electrification of the energy supply is hardly possible. Green and low-carbon gases will also be required to contribute to a successful energy transition. Particularly hydrogen and biomethane will play a key role, especially for sectors that are hard to abate such as steel, chemicals, aviation, and shipping. Accordingly, the "well below 2°C" scenario assumes that the share of green and low-carbon gases in the energy mix will increase to more than 50% by 2050. Uniper's approved hydrogen strategy, to produce, originate, and supply hydrogen to industry in its core markets, is thus perfectly in line with the "well below 2°C" scenario.

The successful development of Uniper's less carbon-intensive gas business can build upon its decade-long experience in importing, trading and supplying natural gas in Europe via pipelines and globally in form of LNG. Since IEA's "well below 2°C" scenario assumes a significant increase in natural gas demand in Asia-Pacific, mainly due to coal-to-gas switching to bring down carbon emissions in the power sector, Uniper could benefit from its flexible LNG portfolio.

The execution of a systematic strategy resilience test showed that Uniper's corporate strategy is resilient towards even stricter global ambitions to limit temperature increase to "well below 2°C". The results give insight and provide a better understanding for Uniper's stakeholders about the long-term robustness and sustainability of Uniper's core business areas. Uniper will update the strategy resilience assessment regularly as part of its corporate strategy process.

20230627190113

EU-Taxonomy Regulation

By signing the Paris Agreement on climate change, the European Union (EU) committed itself to pursuing the climate targets agreed upon therein as well as a more sustainable development of the economy and society. The European Union's Taxonomy Regulation, which was adopted in mid-2020, introduced an EU-wide classification system for green economic activities (EU-Taxonomy) and a list of relevant criteria for verifying their contribution to climate and the environment. All financial market participants are or will be legislatively incentivized to promote investments in environmentally sustainable activities with reference to the EU-Taxonomy.

The EU-Taxonomy Regulation currently targets all companies in the capital markets that belong to the group of users of the CSR Directive Implementation Act (CSR-RUG). Companies subject to reporting requirements under the CSR-RUG in Germany must report on the EU-Taxonomy for sustainability activities for the first time in their non-financial statements from January 1, 2022.

Information on the proportion of their turnover, capital expenditures (CapEx), and operating expenses (OpEx) related to environmentally sustainable economic activities is at the heart of the reporting requirements under Article 8 of the Taxonomy Regulation for non-financial companies. The definition of environmentally sustainable economic activities is reflected in the technical assessment criteria, which are established by delegated acts.

Application by Uniper in the 2022 Fiscal Year

For the 2022 fiscal year, the Uniper Group will report on its contribution to the first two environmental objectives, climate change mitigation and climate change adaptation. The reporting includes the shares of turnover, capital expenditure and operating expenses attributable to sustainable economic activities. This information is further substantiated by quantitative and qualitative explanations.

For the 2022 fiscal year, Uniper reports as already done in 2021 on the taxonomy eligibility and for the first time also on the taxonomy alignment of its economic activities. An economic activity is described as taxonomy-eligible if the description in the respective delegated acts corresponds with this activity. Taxonomy aligned economic activities meet the technical assessment criteria as well as compliance with the minimum safeguard criteria, which, in addition to social issues (occupational safety and human rights), also includes aspects of governance as well as taxation. All other economic activities are termed taxonomy-non-eligible economic activities.

In 2022, the EU Commission classified both electricity generation from natural gas and nuclear power as sustainable in the sense of climate protection within the framework of the EU-Taxonomy, provided that certain criteria are met. Both types of electricity generation are classified as transitional technologies within the meaning of the taxonomy. In contrast to the 2021 fiscal year, the transitional technologies gas and nuclear power are therefore also reported in the 2022 Annual Report.

In the following, the steps are explained in which the taxonomy-aligned and taxonomy-eligible activities were analyzed and determined at Uniper in accordance with the requirements of the EU Directives:

Uniper's operations were assessed on the basis of the descriptions of the economic activities listed in Annex I (climate change mitigation) and Annex II (climate change adaptation) and the NACE codes indicated in these descriptions. The review was carried out for both environmental objectives at the level of the power plants or individual business activities. In the context of its own business activities, Uniper assessed "climate change mitigation" as the more relevant target. This made it possible to compile a list of possible taxonomy-aligned and taxonomy-eligible activities for the 2022 fiscal year. These activities predominantly make a significant potential contribution to the climate goal "climate change mitigation" and are therefore fully assigned to this climate goal.

20230627190312

In order to demonstrate compliance with the "Do Not Significantly Harm" criteria, the evaluation process gathered information from various areas of the Company responsible for environmental management, operation, and risk management of the plants. In terms of physical climate risks, the screening required by Annex A of the Taxonomy Climate Delegated Act was first conducted at the plant level in 2022, using the scenarios and climate science made publicly available by the IPCC and other sources. In the process, some taxonomy-eligible assets were identified as subject to physical risks due to climate change in 2030 and 2050. In contrast, no critical physical climate risk affects the taxonomy-aligned assets of hydroelectric power generation and district heating. For this reason, no adaptation measures were considered necessary in 2022. These results are available above in the Non-Financial Report 2022 in the "TCFD Report 2022".

The criteria relating to water, pollution, and biodiversity were applied with reference to national requirements in the EU countries where Uniper's taxonomy-aligned assets are located. This is particularly relevant for activity 4.5 "Electricity generation from hydropower", which deals with water protection criteria (Annex B). All Uniper hydropower plants are located in Germany and Sweden, i.e. in countries where the EU Water Framework Directive is implemented via national action plans. The implementation and effectiveness of the necessary environmental measures is monitored by the local authorities. No circular economy criteria are defined for district heating and hydropower.

The requirements for the Minimum Safeguards criteria are met by implementing the ESG risk management process described above in the Non-Financial Report. This process covers a broad range of ESG issues derived from the EU-Taxonomy on Sustainable Finance, the German Act on Supply Chain Duties of Care (Lieferkettensorgfaltspflichtengesetz LkSG), and the OECD Guidance for Responsible Business Conduct. Examples include labor and human rights, corporate governance and compliance, taxation, and fair competition. It is applied to all Uniper activities under operational control, direct suppliers of goods and services as well as to indirect suppliers, where they have specific knowledge of issues related to labor or human rights.

The numerator of CapEx/OpEx-KPI includes expenditure related to assets or processes that are associated with taxonomy-aligned economic activities. This includes business units already in place as well as organizational structures which are not yet business units.

Several new projects are aimed at producing hydrogen and hydrogen-based synthetic fuels, implementing the hydrogen strategy (see chapter Strategy and Targets within the Annual Report 2022) developed by Uniper since 2020. The strategy also includes the conversion of existing underground gas storage facilities into hydrogen storage sites, in accordance with the definition provided by the EU-Taxonomy. Other activities are dedicated to research, applied research, and experimental development of solutions, processes, technologies, business models, and other products dedicated to the reduction, avoidance, or removal of GHG emissions.

20230527190113

Explanation of the Performance Indicators: Turnover, Capital Expenditure, CapEx Plan and Operating Expenses

With the publication of the final delegated act on Article 8 of the Taxonomy Regulation on July 6, 2021, the determination of the KPIs turnover, CapEx and OpEx, their presentation and further disclosure requirements were regulated. Pursuant to Article 10(1) of the delegated act, non-financial entities, which include Uniper, must publish information on taxonomy-aligned economic activities, including the tables of KPIs in Annex II of the Delegated Regulation on Art. 8 of the EU-Taxonomy Regulation as of January 1, 2023.

For the 2022 fiscal year, Uniper provides a differentiated reporting according to sustainable economic activities, whereby the share of taxonomy-aligned, taxonomy-eligible and non-taxonomy-eligible sustainable economic activities, in relation to the above-mentioned KPIs, will be disclosed broken down according to the respective economic activities. Sustainable economic activities already generate turnover with third parties or are in the process of doing so. Furthermore, in accordance with Article 8 (para. 3) of the Delegated Act on Article 8 of the Taxonomy Regulation, no previous year's values are disclosed.

In the determination of turnover, capital expenditures and operating expenses according to the EU-Taxonomy, the same accounting and valuation methods have been applied as in the notes to Uniper SE's IFRS consolidated financial statements for 2022; see Note 5 "Revenues", Note 15 "Property, Plant and Equipment" as well as Note 14 "Goodwill and Intangible Assets". Operating expenses are measured in accordance with the principles adopted in the IFRS consolidated financial statements, with the result that non-cash contributions and third-party services are measured at the contractual prices and personnel expenses are measured in accordance with IAS 19.

Double counting of turnover, CapEx, or OpEx is excluded, as Uniper uses the financial data from accounting at project or asset level (sustainable economic activities). In this process, each of these is assigned an individual EU-Taxonomy code with a clear allocation to one of the sustainable economic activities and aggregation is carried out in the context of reporting on the basis of the individual codes.

The Russian business activities of PAO Unipro were classified as discontinued operations in accordance with IFRS 5 in the 2022 fiscal year, so that corresponding reporting within the framework of the EU-Taxonomy is not required.

Turnover

The turnover to be taken into account under the EU-Taxonomy is determined on the basis of the turnover definition of IAS1.82a). The turnover share was calculated as the portion of net turnover derived from products or services associated with taxonomy-aligned sustainable economic activities (numerator) divided by net turnover (denominator); see the Uniper Group's income statement within the section "Consolidated Financial Statements" of the 2022 Annual Report (income statement item Turnover). The denominator of the indicator corresponds to Group-wide turnover measured in accordance with IFRS. The level of turnover reflects the development of prices in 2022 and resulted in particular from average market prices in the electricity and gas business. In addition to higher contractual prices (own-use contracts) and transactions on the spot market, a significant part of this is due to the contracts with physical settlement contracted by Uniper (failed-own-use contracts), which – due to the accounting and valuation rules codified in IFRS – must be reported at the applicable spot price upon settlement of the contract.

20230627190314

Environmental Target: Climate Protection				Substantial contribution criteria						DNSH criteria										
Turnover	Codes (2)	Absolute turnover (3) Mio EUR	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water & marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and Ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water & marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	*Minimum safeguards* (17)	Taxonomy aligned proportion of turnover in 2022 (18)	Taxonomy aligned proportion of turnover in 2021 (19)	Category - Enabling activity (20)	Category - Transitional activity (21)
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy eligible activities																				
A.1 Proportion of taxonomy aligned activities																				
Electricity generation from hydropower	4.5	1,576.51	0.58	100.00	0.00	0.00	0.00	0.00	0.00	N/A	Y	Y	N/A	Y	Y	Y	0.58	N/A	N/A	N/A
District heating/cooling distribution	4.15	111.23	0.04	100.00	0.00	0.00	0.00	0.00	0.00	N/A	Y	Y	N/A	N/A	Y	Y	0.04	N/A	N/A	N/A
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,687.74**	**0.62**														**0.62**			
A.2 Proportion of taxonomy eligible activities																				
Manufacture of hydrogen and hydrogen-based synthetic fuels	3.10	121.85	0.04																	
Electricity generation from hydropower	4.5	1.29	0.00																	
Storage of electricity	4.10	0.16	0.00																	
District heating/cooling distribution	4.15	0.59	0.00																	
Electricity generation from nuclear energy in existing installations	4.28	862.35	0.31																	
Electricity generation from fossil gaseous fuels	4.29	4,579.80	1.67																	
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	4.30	539.69	0.20																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**6,105.73**	**2.23**																	
Total (A.1 + A.2)		**7,793.48**	**2.84**																	
B. Taxonomy non-eligible activities																				
Turnover of Taxonomy-non-eligible activities (B)		**266,327.56**	**97.16**																	
Total (A + B)		**274,121.04**	**100.00**																	

The Uniper Group has due to the business model a significant amount of turnover in its income statement which is not within the scope of EU-Taxonomy, which explains the relatively low proportion of taxonomy-aligned and taxonomy-eligible turnover.

Taxonomy-aligned turnover can be broken down into the activities 4.5 Hydroelectric power generation and 4.15 District heating/cooling distribution. With regard to Activity 4.5, € 572.3 million was attributable to the Swedish hydroelectric power plants and € 1,004.3 million to the hydroelectric power plants located in Germany in the fiscal year. Activity 4.15, which is exclusively attributable to Germany, accounted for € 111.2 million in 2022. The sales from Activity 4.15 are mainly generated on the basis of hard-coal-fired combined heat and power (CHP).

In the 2022 fiscal year, from own production an amount of around € 3.1 Mio was consumed internally within the Uniper Group by taxonomy-aligned assets.

Capital Expenditure (CapEx)

The CapEx KPI according to the EU-Taxonomy is calculated from the share of sustainable investments in the total CapEx as defined in section 1.1.2. of Annex I to the delegated act.
The denominator of the capital expenditure indicator comprises additions to property, plant, and equipment and intangible assets during the fiscal year under review before depreciation, amortization, and revaluations, including those resulting from revaluations and impairment losses, and excluding changes in fair value. The denominator also includes additions to property, plant, and equipment and intangible assets resulting from business combinations.
The numerator corresponds to the part of the capital expenditure included in the denominator that relates to assets or processes associated with the taxonomy-aligned sustainable economic activities and that is part of a plan to expand as well as to transform these activities.

Environmental Target: Climate Protection				Substantial contribution criteria						DNSH criteria										
CapEx	Codes (2)	Absolute CapEx (3) Mio EUR	Proportion of CapEx (4) %	Climate change mitigation (5) %	Climate change adaptation (6) %	Water & marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and Ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water & marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Taxonomy aligned proportion of CapEx in 2022 (18) %	Taxonomy aligned proportion of CapEx in 2021 (19) %	Category - Enabling activity (20) E	Category - Transitional activity (21) T
A. Taxonomy eligible activities																				
A.1 Proportion of taxonomy aligned activities																				
Electricity generation from hydropower	4.5	60.93	6.86	100.00	0.00	0.00	0.00	0.00	0.00	N/A	Y	Y	N/A	Y	Y	Y	6.86	N/A	N/A	N/A
District heating/cooling distribution	4.15	5.60	0.63	100.00	0.00	0.00	0.00	0.00	0.00	N/A	Y	Y	N/A	N/A	Y	Y	0.63	N/A	N/A	N/A
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		66.53	7.49														7.49			
A.2 Proportion of taxonomy eligible activities																				
Manufacture of hydrogen and hydrogen-based synthetic fuels	3.10	1.79	0.20																	
Electricity generation from hydropower	4.5	0.52	0.06																	
District heating/cooling distribution	4.15	2.29	0.26																	
Production of heat/cool using waste heat	4.25	11.19	1.26																	
Electricity generation from nuclear energy in existing installations	4.28	246.42	27.74																	
Electricity generation from fossil gaseous fuels	4.29	140.65	15.83																	
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	4.30	33.68	3.79																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**436.55**	**19.62**																	
Sum (A.1 + A.2)		**503.08**	**56.63**																	
B. Taxonomy non-eligible activities																				
CapEx of Taxonomy-non-eligible activities (B)		**385.25**	**43.37**																	
Total (A + B)		**888.32**	**100.00**																	

20230627190316

Breakdown of CapEx

€ in millions	Taxonomy aligned
Additions to internally generated intangible assets	1.9
Additions to property, plant and equipment	63.2
Additions to right-of-use assets	1.5
Business combinations	N/A
Total	**66.5**

CapEx-Plan

Uniper has published a CapEx plan for the reporting year 2022 and reports on significant future capital investments approved by the management that serve to expand taxonomy-aligned economic activities or to make taxonomy-eligible economic activities that qualify as taxonomy-aligned economic activities.

Economic activities concerning the environmental target "Climate change mitigation"	The plan aims either to expand the undertaking's Taxonomy-aligned economic activities (such expansion is planned for completion within a period of 5 years (maximum 10 years)	OR	The plan aims to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of 5 years (maximum 10 years)	Timespan for CapEx Plan (years)	Total capital expense expected to be incurred during the reporting period (€ in millions)	Total capital expense expected to be incurred during the period of time of the CapEx Plans (€ in millions)	Approved
4.5	Yes		No		53.0	102.9	Yes
4.5	No		Yes	5	0.2	25.0	Yes
4.10	Yes		No		6.0	1.0	Yes
4.10	No		Yes	5	–	19.1	Yes
4.12	No		Yes	5	24.6	7.7	Yes
4.15	Yes		No		89.8	80.1	Yes
4.25	No		Yes	5	1.7	31.8	Yes
Total					**175.1**	**267.5**	

The total planned capital expenditure reportable under the Capex Plan as of December 31, 2022 is €268 million. The planned capital expenditure expanding or upgrading Taxonomy-eligible activities mainly comprises of projects related to district heating, hydropower and heat.

Operating Expenses (OpEx)

As required in section 1.1.3.1 of Annex I to the delegated act, the denominator of the ratio to operating expenditure includes direct, non-capitalized costs relating to research and development, building refurbishment measures, leasing, maintenance and repair, and any other direct expenditure related to the day-to-day maintenance of tangible fixed assets necessary to ensure the continuous and effective functioning of those assets. In addition to repairs, this also includes ongoing maintenance and operationally necessary servicing of the plant by power plant employees and their personnel costs, if these can either be directly allocated to the taxonomy-aligned and -eligible economic activity or, if necessary, allocated to the taxonomy-aligned or -eligible economic activity via a justified allocation. In fiscal year 2022, the cost block "servicing" mainly includes externally purchased services such as "operating and inspecting", "on-call service for emergencies" and "monthly regular service".

The numerator corresponds to the portion of the capital expenditures included in the denominator that relates to assets or processes associated with the taxonomy-aligned sustainable economic activities. Development costs that have already been included in capital expenditure (CapEx) are not recognized as operating expenses.

Environmental Target: Climate Protection				Substantial contribution criteria						DNSH criteria										
OpEx	Codes (2)	Absolute OpEx (3) Mio EUR	Proportion of OpEx (4) %	Climate change mitigation (5) %	Climate change adaptation (6) %	Water & marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water & marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and Ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Taxonomy aligned proportion of OpEx in 2022 (18) %	Taxonomy aligned proportion of OpEx in 2021 (19) %	Category - Enabling activity (20) E	Category - Transitional activity (21) T
A. Taxonomy eligible activities																				
A.1 Proportion of taxonomy aligned activities																				
Electricity generation from hydropower	4.5	84.62	4.91	100.00	0.00	0.00	0.00	0.00	0.00	N/A	Y	Y	N/A	Y	Y	Y	4.91	N/A	N/A	N/A
District heating/cooling distribution	4.15	13.85	0.80	100.00	0.00	0.00	0.00	0.00	0.00	N/A	Y	Y	N/A	N/A	Y	Y	0.8	N/A	N/A	N/A
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**98.47**	**5.72**														5.72			
A.2 Proportion of taxonomy eligible activities																				
Manufacture of hydrogen and hydrogen-based synthetic fuels	3.10	3.76	0.22																	
Electricity generation from hydropower	4.5	0.04	0.00																	
Storage of electricity	4.10	0.37	0.02																	
Storage of hydrogen	4.12	0.34	0.02																	
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13	0.36	0.02																	
District heating/cooling distribution	4.15	0.04	0																	
nuclear energy in existing installations	4.28	61.79	3.59																	
Electricity generation from fossil gaseous fuels	4.29	107.32	6.23																	
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	4.30	21.95	1.27																	
Close to market research, development and innovation	9.1	0.34	0.02																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**196.32**	**11.40**																	
Total (A.1 + A.2)		**294.79**	**17.12**																	
B. Taxonomy non-eligible activities																				
OpEx of Taxonomy-non-eligible activities (B)		**1,427.16**	**82.88**																	
Total (A + B)		**1,721.95**	**100.00**																	

2023065719017

Breakdown of OpEx

€ in millions	Taxonomy aligned
Research and development	15.1
Building renovation measures	9.9
Leasing	0.1
Repairs and maintenance	23.6
Ongoing maintenance	11.6
Servicing	38.2
Total	**98.5**

20230627190118

Explanation and Reporting on the Economic Activities of the Uniper Group in 2022 Within the Meaning of the EU-Taxonomy

Taxonomy-aligned activities

A taxonomy-aligned economic activity is an activity described in the Delegated Act on Climate, Annex I and Annex II. The most relevant taxonomy-aligned activity at Uniper in the 2022 fiscal year was generation from hydropower. While the construction of new hydroelectric power plants is not currently planned, several maintenance and modernization projects for the existing portfolio are expected in the future.

Taxonomy-eligible activities

A taxonomy-eligible economic activity is an activity described in the Delegated Act on Climate, Annex I and Annex II. Within the Uniper Group the most relevant taxonomy-eligible activity during the fiscal year 2022 was the electricity generation from fossil gaseous fuels.

Transitional technologies: Gas and nuclear

The economic activities 4.28 Electricity generation from nuclear energy in existing installations, 4.29 Electricity generation from fossil gaseous fuels as well as 4.30 High-efficiency cogeneration with electricity from fossil gaseous fuels are considered as transitional activities. The financial numbers for Uniper's taxonomy-eligible gas and nuclear activities are shown in the reporting forms below.

20230627T9019

Reporting Forms for Transitional Technologies Nuclear and Gas

Form 1: Activities in the nuclear energy and fossil gas sectors

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Row	**Fossil gas related activities**	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Reporting Forms for KPI Sales (for Nuclear Power and Gas)

Form 2: Taxonomy-aligned economic activities (denominator) — Turnover KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of turnover**	1,687.74	0.62	1,687.74	0.62	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the *denominator* of turnover**	1,687.74					

Form 3: Taxonomy-aligned economic activities (numerator) — Turnover KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of turnover**	1,687.74	0.62	1,687.74	0.62	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of turnover**	1,687.74					

20230627190220

Form 4: Taxonomy-eligible but not taxonomy-aligned economic activities — Turnover KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	862.35	0.31	862.35	0.31	N/A	N/A
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	4,579.80	1.67	4,579.80	1.67	N/A	N/A
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	539.69	0.20	539.69	0.20	N/A	N/A
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of turnover**	129.90	0.05	129.90	0.05	N/A	N/A
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of turnover**	6,105.73	2.23				

Form 5: Taxonomy non-eligible economic activities — Turnover KPI

Row	Economic activity	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
7	**Amount and proportion of other taxonomy non eligible economic activities not referred to in rows 1 to 6 above in the denominator of turnover**	266,327.56	97.16
8	**Total amount and proportion of taxonomy non eligible economic activities in the denominator of turnover**	266,327.56	97.16

20230527 9021

Reporting Forms for KPI CapEx (for Nuclear Power and Gas)

Form 2: Taxonomy-aligned economic activities (denominator) — CapEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of CapEx**	66.53	7.49	66.53	7.49	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the denominator of CapEx**	66.53					

Form 3: Taxonomy-aligned economic activities (numerator) — CapEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of CapEx**	66.53	7.49	66.53	7.49	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of CapEx**	66.53					

20230627190222

20230627190023

Form 4: Taxonomy-eligible but not taxonomy-aligned economic activities — CapEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	246.42	27.74	246.42	27.74	N/A	N/A
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	140.65	15.83	140.65	15.83	N/A	N/A
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	33.68	3.79	33.68	3.79	N/A	N/A
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of CapEx**	15.80	1.78	15.80	1.78	N/A	N/A
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of CapEx**	436.55	49.14				

Form 5: Taxonomy non-eligible economic activities — CapEx KPI

Row	Economic activity	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
7	**Amount and proportion of other taxonomy non eligible economic activities not referred to in rows 1 to 6 above in the denominator of CapEx**	385.25	43.37
8	**Total amount and proportion of taxonomy non eligible economic activities in the denominator of CapEx**	385.25	43.37

Reporting Forms for KPI OpEx (for Nuclear Power and Gas)

Form 2: Taxonomy-aligned economic activities (denominator) — OpEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of OpEx**	98.47	5.72	98.47	5.72	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the denominator of OpEx**	98.47					

Form 3: Taxonomy-aligned economic activities (numerator) — OpEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of OpEx**	98.47	5.72	98.47	5.72	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of OpEx**	98.47					

20230627190244

Form 4: Taxonomy-eligible but not taxonomy-aligned economic activities — OpEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	61.79	3.59	61.79	3.59	N/A	N/A
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	107.32	6.23	107.32	6.23	N/A	N/A
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	21.95	1.27	21.95	1.27	N/A	N/A
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of OpEx**	5.25	0.30	5.25	0.30	N/A	N/A
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of OpEx**	196.32					

Form 5: Taxonomy non-eligible economic activities — OpEx KPI

Row	Economic activity	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
7	**Amount and proportion of other taxonomy non eligible economic activities not referred to in rows 1 to 6 above in the denominator of OpEx**	1,427.16	82.88
8	**Total amount and proportion of taxonomy non eligible economic activities in the denominator of OpEx**	1,427.16	82.88

20230527190025

20230627 19026

Independent Practitioner's Report on a Limited Assurance Engagement on Non-Financial Reporting[1]

To Uniper SE, Düsseldorf

We have performed a limited assurance engagement on the separate non-financial group report of Uniper SE, Düsseldorf, (hereinafter the "Company") for the period from 1 January to 31 December 2022 (hereinafter the "Separate Non-financial Group Report").
Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report.

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Separate Non-financial Group Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU-Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU-Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section "EU-Taxonomy Regulation" of the Separate Non-financial Group Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of a Separate Non-financial Group Report that is free from material misstatement whether due to fraud or error.

The EU-Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU-Taxonomy Regulation and the Delegated Acts adopted thereunder in section "EU-Taxonomy Regulation" of the Separate Non-financial Group Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis - IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

---

[1] PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the separate non-financial group report and issued an independent practitioner`s report in German language, which is authoritative. The following text is a translation of the independent practitioner`s report.

20230527190027

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Separate Non-financial Group Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Separate Non-financial Group Report, other than the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU-Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section "EU-Taxonomy Regulation" of the Separate Non-financial Group Report.
In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group's sustainability organization and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Separate Non-financial Group Report about the preparation process, about the internal control system relating to this process and about disclosures in the Separate Non-financial Group Report
- Identification of likely risks of material misstatement in the Separate Non-financial Group Report
- Analytical procedures on selected disclosures in the Separate Non-financial Group Report
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and group management report
- Evaluation of the presentation of the Separate Non-financial Group Report
- Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Separate Non-financial Group Report
- Inquiries on the relevance of climate-risks

In determining the disclosures in accordance with Article 8 of the EU-Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

20230627190728

Basis for Qualified Assurance Opinion

The Company did not receive complete data from its Russian subsidiaries OOO Unipro Engineering and PAO Unipro (hereinafter together "Unipro") for the period from 1 January to 31 December 2022 resulting in the impact on the Separate Non-financial Group Report presented below:

- The number of alleged corruption cases reported in 2022 do not include values for Unipro for the period from 1 July to 31 December 2022.
- The 2022 percentages for Unipro as well as Total presented in the table "Average Asset Availability for Conventional Power by Country" do not include values for Unipro for the period from 1 July to 31 December 2022.
- In the figures for occupational health and safety "Total Recordable Incident Frequency (TRIF)", "Severity rate", "Number of fatalities" no values are included for Unipro for the period from 1 October to 31 December 2022.
- In the figures "Severe environmental incidents" and "Proportion of ISO14001 certification" no values are included for Unipro for the period from 1 October to 31 December 2022.
- In addition, the Company has not included information on the effectiveness of the concepts pursued and due diligence processes applied in accordance with §§ 315c HGB in conjunction with 289c Abs. (paragraph) 3 Satz (sentence) 1 HGB for the aspects employee matters presented in the chapter "Employee matters" as well as environmental matters presented in chapter "Environmental matters" from 1 October to 31 December 2022 and for social matters presented in the chapter "Social Matters" as well as respect for human rights presented in the chapter "Human rights" and anti-corruption and bribery presented in the chapter "Anti-corruption and anti-bribery" for the period from 1 July to 31 December 2022 with regard to Unipro.

Qualified Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention, except for the matters described in the "Basis for Qualified Assurance Opinion" section, that causes us to believe that the Separate Non-financial Group Report of the Company for the period from 1 January to 31 December 2022 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU-Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section "EUTaxonomy Regulation" of the Separate Non-financial Group Report.
We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report.

Restriction of Use for the Qualified Report

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the qualified report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the qualified report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our qualified assurance opinion is not modified in this respect.

Düsseldorf, 15 February 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Ralph Welter
Wirtschaftsprüfer
German public auditor

Theres Schäfer
Wirtschaftsprüferin
German public auditor

20230627T9039

Independent Auditor's Report

To Uniper SE, Düsseldorf

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Uniper SE, Düsseldorf, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022, the consolidated the income statement, consolidated statement of recognized income and expenses as part of equity, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year from 1 January to 31 December 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Uniper SE, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f HGB [Handelsgesetzbuch: German Commercial Code] and § 315d HGB.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. [paragraph] 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2022, and of its financial performance for the financial year from 1 January to 31 December 2022, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

20230627190300

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

1 **Gas curtailments and resulting significant accounting impacts**
2 **Deconsolidation of the shares in PAO Unipro**
3 **Recoverability of power plants and gas storage facilities**
4 **Energy trading**

Our presentation of these key audit matters has been structured in each case as follows:

a Matter and issue
b Audit approach and findings
c Reference to further information

Hereinafter we present the key audit matters:

1 Gas curtailments and resulting significant accounting impacts

a The company's consolidated financial statements include realised expenses for replacement gas procurement in the amount of approximately € 13.2 billion as well as interest expenses of approximately € 0.2 billion in the financial year 2022 resulting from the financing of the increased additional costs from replacement gas procurement due to reduced gas supplies from Russia. Furthermore, provisions for onerous contracts totalling € 4.4 billion (4 % of the balance sheet total) are recognised. The goodwill of the Global Commodities segment, advance payments for future gas deliveries and a loan granted were fully impaired in the total amount of € 3.4 billion.

The expenses for replacement gas procurement arose from the need to acquire corresponding replacement volumes on the spot market - at a significantly higher price level - due to the Russian gas curtailments, in order to meet the Group's own sales obligations.

The provision for onerous contracts reflects the risk of increased procurement costs for the replacement of the cancelled Russian gas deliveries in the future and is dependent on the development of future Russian gas delivery volumes and the price for replacement procurement volumes on the spot market. The valuation was carried out on the basis of various scenarios at the expected value, whereby the scenario with forward prices on the balance sheet date was weighted the highest.

The goodwill of the Global Commodities Trading segment is subjected to an impairment test by the company once a year or when there are indications of impairment in order to determine any possible need for write-dpwns. The impairment test is carried out at the level of the groups of cash-generating units to which the respective goodwill of the segment is allocated. The carrying amount of the respective cash-generating units including goodwill is compared with the corresponding recoverable amount in the context of the impairment test. The recoverable amount is generally determined on the basis of the value in use. The present value of future cash flows from the cash-generating unit normally serves as the basis of valuation. The present values are determined using discounted cash flow models. The starting point is the Group's most recent medium-term plan, which is updated with assumptions about long-term growth rates. Expectations about future market developments, energy policy and assumptions about the development of other macroeconomic factors as well as the expected effects of gas supply cuts are also taken into account. Discounting is carried out using the weighted average cost of capital of the respective group of cash-generating units. As a result of the impairment test, a full impairment of goodwill of the segment global commodities in the amount of € 1.3 billion was determined taking into account a fair value less cost to sell.

20230627190331

The fair values of the Russian gas supply contracts recognised at fair value in accordance with IFRS 9 amount to € 0 as at 31 December 2022. Advance payments made to Gazprom in previous years for future gas deliveries were also fully impaired in the financial year in the amount of € 1.1 billion due to assumptions about the expected future gas delivery volume. In addition, the loan granted in connection with the construction of the Nordstream 2 pipeline in the amount of € 1.0 billion was fully impaired.

Massive price increases in the gas market starting as early as 2021 as well as the reduction and later complete discontinuation of Uniper's supply with Russian gas, combined with the then necessary procurement of replacements on the spot market, led to a threatened insolvency in the reporting year.

To avert the threat of insolvency and against the background that Uniper is the most important gas distributor in Germany, the Federal Republic of Germany has taken stabilising measures at Uniper, which include in particular the takeover of the shares previously held by Fortum by the federal government, a capital increase of €8 billion by the federal government with the exclusion of minority shareholders and the agreement of authorised capital of €25 billion, of which €5.5 billion had already been utilised as of the balance sheet date.

The recognition and subsequent measurement of the provision for onerous contracts, the measurement of goodwill in the Global Commodities segment and the other assets are based to a large extent on estimates and assumptions by the executive directors with regard to the future extent of Russian gas deliveries and the future price of the replacement costs. Against this background and due to the complexity of the valuation, this matter was of particular significance in the context of our audit.

b We have, among other things, assessed the internal control system related to the recognition and subsequent measurement of the provision for onerous contracts and the measurement of goodwill in the Global Commodities segment and other assets. We examined the expenses incurred on a test basis by means of substantive audit procedures, including inspection of underlying documents, and assessed the accuracy and completeness of the disclosures in the consolidated financial statements.

With the knowledge that there is an increased risk of misstatements in the financial statements in the case of estimated values and that the valuation decisions of the executive directors have a direct and significant effect on the consolidated result, we verified the appropriateness of the valuation of the provision for onerous contracts as well as the valuation of the assets recognised for future gas deliveries, among other things, by agreeing with the executive directors of the company on the scenarios and assumptions made. Furthermore, we verified the correct derivation of future replacement prices from market data for the valuation of the provision. On the basis of publicly available information, we assessed the assessments of the executive directors regarding the assumptions on future gas supply volumes, which also have a significant influence on the valuation of the assets as at 31 December 2022. We have traced the calculation scheme of the provision as well as the calculation scheme for the impairment test of the assets on the basis of the relevant valuation parameters and assessed the expected time of utilisation of the provisions. In doing so, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors were appropriately derived for the recognition and measurement of the provisions from obligations from the sales business and the assets.

We assessed the methodical procedure for carrying out the impairment test for goodwill in the Global Commodities segment. After comparing the future cash inflows used in the calculation with the underlying medium-term planning of the Group, we assessed the appropriateness of the calculation, in particular by reconciling it with general and industry-specific market expectations as well as energy policy developments. In this context, we also assessed the assessment of the executive directors with regard to the effects of the gas supply cuts and the other macroeconomic framework conditions and understood their consideration in the calculation of the future cash inflows. We also assessed the appropriate consideration of the costs of corporate functions. With the knowledge that even relatively small changes in the assumptions regarding the gas supply cuts, the discount rate used and the growth rate used can have a material impact on the amount of the enterprise value determined in this way, we considered the parameters used in determining the discount rate used and understood the calculation scheme. Furthermore, we have formed independent quantitative expected values and compared these with the quantitative values according to Uniper's calculation scheme. Overall, the valuation parameters and assumptions applied by the executive directors are in line with our expectations and are also within what we consider to be reasonable ranges.

20230627190832

We have assessed the share and company law provisions as well as the provisions of the Energy Security Act regarding the company's capital increase. For this purpose, we inspected excerpts from the commercial register, minutes of the annual general meeting and evidence of the payment of the capital increase. Overall, we were able to verify the accounting treatment of the increase in subscribed capital.

c The Company's disclosures on the gas curtailments and resulting material accounting impacts are included in note 2 in the section "Going Concern" section and notes 5, 7, 14, 17, 20, 29 and 32 of the notes to the consolidated financial statements.

2 Deconsolidation of the shares in PAO Unipro

a In the company's consolidated financial statements as at 31 December 2022, PAO Unipro, Surgut, Russia, has no longer been fully consolidated as a subsidiary since 31 December 2022, but has been recognised as other investment in accordance with IFRS 9 with a fair value of €1 without effect on profit or loss. Uniper SE continues to directly hold 83.7% of the shares in PAO Unipro. The previous full consolidation was based on the control concept under IFRS 10, according to which control exists if Uniper, as an investor, has the current ability to direct the material activities of the investee. Material activities are those that have a significant influence on the business performance. In addition, Uniper must participate in this business success, in the form of variable returns, and must also be able to influence it in its favour through the existing opportunities and rights. As a rule, control is deemed to exist if there is an indirect or direct majority of voting rights. Due to increasingly worsening opportunities to exert influence during the financial year, Uniper believes that it no longer has control within the meaning of IFRS 10, despite holding a majority of the shares in the company. The loss of control results from the fact that it is now no longer possible to direct the relevant activities and decisions of PAO Unipro and from the lack of access to sufficient financial and non-financial information from PAO Unipro that is relevant for the management of PAO Unipro: Uniper's representatives are no longer represented on PAO Unipro's board of directors and there is no other access to planning data, risk and opportunity reports and forecasts. The activities of Uniper's representatives on PAO Unipro's board of directors or any newly appointed management will lead to a sanction risk - both for them personally and for Uniper SE - as there is a risk of a legal conflict between sanction law on the one hand and Russian corporate law on the other. The exercise of control over PAO Unipro has thus become impossible in the opinion of Uniper's executive directors. Furthermore, no dividends are distributed to foreign shareholders. In addition, the assets of PAO Unipro are so-called "critical infrastructure", which allows the sale of shares in PAO Unipro only after approval by the Russian government.

The deconsolidation resulted in a disposal loss of € 4.4 billion, which is reported under discontinued operations. This amount also includes a reclassification of other comprehensive income from foreign currency in the amount of €2.7 billion. In view of the dynamic geopolitical changes as well as the dependence on Russian decision-makers, the decision to deconsolidate the shares in PAO Unipro is subject to a high degree of assessment by the executive directors. Against this background, the matter was of particular significance for our audit.

b In order to evaluate the appropriate accounting treatment as at 31 December 2022, we first assessed the opinion of the accounting appraisal of the company on the deconsolidation of PAO Unipro. In this context, we also included correspondence between the company and the legal representatives in our assessment. We assessed the valuation of the other investment in accordance with IFRS 9 in the amount of € 1, taking into account the current market conditions. In addition, we examined the necessary disclosures on the deconsolidation of PAO Unipro contained in the consolidated financial statements, including the deconsolidation date of 31 December 2022. We were able to satisfy ourselves that the decision to deconsolidate PAO Unipro as at 31 December 2022 was documented in a comprehensible manner and adequately justified.

c The Company's disclosures on the deconsolidation of PAO Unipro are included in Note 4 "Scope of consolidation, investments and disposals" to the consolidated financial statements.

20230627190033

3 Recoverability of power plants and gas storage facilities

a In the Company's consolidated financial statements, property, plant, and equipment and rights of use amounting in total to € 9.2 billion (representing 8 % of total assets and 209 % of equity) are reported. Most of the carrying amount of the property, plant, and equipment and rights of use relates to power stations and gas storage facilities. The power stations and gas storage facilities are tested for impairment by the Company whenever there are indications of impairment to determine any possible need for write-downs. The impairment test is performed at the level of the cash-generating unit in accordance with IAS 36. The carrying amount of the relevant cash-generating unit is compared with the corresponding recoverable amount for the purposes of the impairment test. The recoverable amount is generally calculated on the basis of the value in use. The present value of the future cash flows from the respective cash-generating unit normally serves as the basis of measurement. The present values are calculated using discounted cash flow models. The starting point is the adopted Group medium-term business plan. This also takes into account expectations about future market developments and energy policy developments in countries relevant to Uniper and at European level - such as The Act to Reduce and End Coal-Fired Power Generation or the EU Commission's "Green Deal" on climate neutrality - and assumptions about the development of other macroeconomic influencing factors as well as the risks resulting from climate change. The discount rate used is the weighted average cost of capital for the relevant cash-generating unit.

As a result of the impairment test, impairments totalling € 609 million and reversals totalling € 1,763 million were recognised for power plants in the Netherlands, Germany, Great Britain and Russia. Similarly, impairments totalling € 139 million and reversals totalling € 171 million were recognised for gas storage facilities. In addition, the OPAL pipeline was impaired in the amount of € 142 million.

The outcome of this valuation exercise is dependent to a large extent on the estimates made by the executive directors with respect to the future cash inflows from the respective cash-generating unit, the discount rate used, and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

b As part of our audit, we assessed, among other things, the methodology employed for the purposes of performing the impairment test and tested the company's essential control for this purpose. After matching the future cash inflows used for the calculation against the adopted Group medium-term business plan, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations as well as energy policy developments. In this connection, we also evaluated the assessment of the executive directors regarding the war in the Ukraine and of the risks resulting from climate change on the business activities of the Group and examined how they were taken into account in determining the future cash flows. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the respective recoverable amount calculated using this method, we focused our testing in particular on the parameters used to determine the discount rate applied, and evaluated the measurement model. In addition, we formed independent quantitative expected values and compared these with the quantitative values according to Uniper's calculation scheme. In order to reflect the uncertainty inherent in the projections, we assessed the sensitivity analyses performed by the Company. Overall, the measurement inputs and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

c The Company's disclosures on property, plant, and equipment and on impairment testing are contained in notes 15 and 17 of the notes to the consolidated financial statements.

4 Energy trading

a Within the Uniper Group, a large number of physically settled and financially settled contracts are primarily entered into by the subsidiary Uniper Global Commodities SE (hereinafter referred to as "UGC") for the Group companies for the optimization of the electricity and gas portfolio (including the existing long-term physical supply agreements, in particular for gas procurement), as well as to ensure the gas storage and gas transport infrastructure and for the efficient control of the commodity price risks. In this respect, UGC is active on the spot and forward markets for electricity, gas, coal, freight, oil, LNG and emission rights on various exchanges as well as on the "over the counter" market.

20230527190034

Individual long-term contracts often stipulate the possibility for the contracting partners to adjust contractual terms and conditions (particularly price formulae) at specific time intervals to altered market conditions (so-called price revision clauses). Insofar as no commercial agreement has been reached between the parties in this respect, clarification is often achieved before a court of law or arbitration tribunal.

In the case of energy trading contracts, these consist of derivative financial instruments or contracts for the purchase or sale of non-financial items. These transactions are generally either measured at fair value through profit or loss or treated as a pending transaction because of the future receipt or the future supply of the contractual object as part of the expected purchase, sale or usage requirement of the company (so-called "own use exemption").

The measurement is carried out on the basis of price notations on the future markets or on the basis of valuation models irrespective of whether the contracts have to be recognized on the balance sheet at market value or whether the measurement is necessary for the purpose of identification of anticipated losses.

Financial instruments that do not fall in the scope of IFRS 9 because of the "own use exemption" and are not recognized at market value are combined into portfolios in accordance with the stipulations of the Group's risk management and, as such, subjected to an examination for anticipated losses in accordance with IAS 37. The accounting treatment for physically settled contracts within the scope of IFRS 9 is determined on the basis of the risk management of UGC which assigns these derivative financial instruments from a Group point of view to the respective purpose and therefore the respective accounting treatment. In accordance with this, physically settled derivative financial instruments that do not serve the expected purchasing, sale or usage requirement as well as all financially settled derivative financial instruments are measured at the fair value through profit or loss.

The energy trading operations are supported by energy trading systems. This is where handling takes place of the process chain of recording of commercial transactions, position determination and valuation, confirmation of the commercial transactions and risk management. Separation of the transactions (own use vs. recognition with effect on income at fair value) is guaranteed in the individual trading systems by a book structure. Adherence to the book structure is monitored on a regular basis.

Due to the large trade volume and the complexity of the accounting treatment of derivatives pursuant to IFRS 9 and/or IFRS 13, as well as the accounting regulations for provisions for contingent losses pursuant to IAS 37, considerable uncertainties and margins for discretion in the measurement of individual instruments exist. Against this background, and due to the significant effect on the assets, liabilities, and financial position and the financial performance, this business area is of particular significance for the consolidated financial statements and the performance of our audit.

b Within the scope of our audit and under inclusion of our internal specialists from the "Corporate Treasury Solutions" division, we initially gained an understanding of the trading strategies within the Group and the related transaction streams and evaluated the risk management strategy employed within the Group.

In addition to this, we also assessed the appropriateness of the implemented accounting related internal control system for the conclusion, handling and measurement of energy trade transactions including the trading systems employed in this respect. In the course of our audit of the internal control system we also assessed the effectiveness of the controls implemented by the Company on a sample basis. Furthermore, we also evaluated the internal action guidelines and requirements of risk management as well as the stipulated responsibilities and measures for their monitoring and to ensure that the trade data is up to date. We analyzed the methodology for determination of the fair values of derivative financial instruments with regard to compliance with IFRS 13 and assessed the adequacy of the market-based input factors as well as the underlying valuation models.

We assessed the logic and integrity of the applied valuation models, as well as the consideration of contractual terms and conditions and assumptions. We have reconciled observable input data with externally available information. In the case of non-observable input data, we assessed the derivation of relevant assumptions and expectations and evaluated the adequacy thereof. Insofar as such assumptions relate to the outcome of ongoing price negotiations and arbitration proceedings we also obtained and utilized assessments from the lawyers involved. With regard to the accounting for the contracts outside

20230627190335

the application area of IFRS 9, we assessed the application of the "Own Use Exemption" for the physically settled transactions on the basis of the implemented processes within the Group and the appropriate application of the "Own Use Exemption". In addition, we assessed the result of the examination of those transactions which are recognized without effect on income because of the "Own Use Exemption" with regard to anticipated losses and the necessity for the recognition of provisions for contingent losses as well as their evaluation pursuant to IAS 37.

In our view, the accounting and measurement policies applied by the executive directors and the methodology for accounting for energy trade transactions are appropriate overall.

c The Company's disclosures on energy trading and its effects on the consolidated financial statements are contained in the notes to the consolidated financial statements, in particular in notes 29 as well as 3, 5, 7 and 8.

Other Information

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to § 289f HGB and § 315d HGB as an unaudited part of the group management report.

The other information comprises further

- the separate non-financial group report to comply with §§ 315b to 315c HGB
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the

preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

202306271903G

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.

20230627l9037

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file "UniperSE_IFRS_Konzernabschluss_2022.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2022 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

20230527190338

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 18 May 2022. We were engaged by the supervisory board on 28 July 2022. We have been the group auditor of the Uniper SE, Düsseldorf, without interruption since the Company first met the requirements as a public interest entity within the meaning of § 316a Satz 2 Nr. 1 HGB in the financial year 2016.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

2023062719039

REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

REFERENCE TO SUPPLEMENTARY AUDIT

We issue this auditor's report on the consolidated financial statements and the group management report as well as on the rendering of the consolidated financial statements and the group management report submitted for audit for the first time, contained in the file "UniperSE_IFRS_Konzernabschluss_2022.zip" and prepared for publication purposes, on the basis of our audit, duly completed as at 15 February 2023 and our supplementary audit completed as at 8 March 2023, which related to the initial submission of the ESEF documents.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Ralph Welter.

Düsseldorf, 15 February 2023 / limited to the initial submission of the ESEF documents stated in the „Reference to Supplementary Audit" section above: 17 March 2023.

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Ralph Welter
Wirtschaftsprüfer
(German Public Auditor)

sgd. Frank Schemann
Wirtschaftsprüfer
(German Public Auditor)

20230527190340

Uniper Consolidated Statement of Income

€ in millions	Note	2022	2021
Sales including electricity and energy taxes		274,341	163,249
Electricity and energy taxes		-221	-281
Sales	**(5)**	**274,121**	**162,968**
Changes in inventories (finished goods and work in progress)		19	-11
Own work capitalized	(6)	99	100
Other operating income	(7)	146,395	130,810
Cost of materials	(8)	-277,145	-156,472
Personnel costs	(11)	-826	-1,114
Depreciation, amortization and impairment charges	(15)	-2,451	-905
Other operating expenses	(7)	-151,797	-140,241
Income from companies accounted for under the equity method	(16)	54	46
Income/Loss from continuing operations before financial results and taxes		**-11,530**	**-4,817**
Financial results	(9)	-1,480	251
Net income/loss from equity investments		–	*6*
Interest and similar income		*453*	*155*
Interest and similar expenses		*-829*	*-141*
Other financial results		*-1,104*	*231*
Income taxes	(10)	-1,291	496
Net income/loss from continuing operations		**-14,300**	**-4,069**
Income/loss from discontinued operations		-4,824	-36
Net income/loss		**-19,124**	**-4,106**
Attributable to shareholders of Uniper SE		*-18,979*	*-4,169*
Attributable to non-controlling interests		*-145*	*63*
€			
Earnings per share (attributable to shareholders of Uniper SE) – basic and diluted	**(13)**		
From continuing operations		-24.61	-11.31
From discontinued operations		-8.44	-0.08
From net income/loss		**-33.05**	**-11.39**

20230627190413

Uniper Consolidated Statement of Recognized Income and Expenses

€ in millions	2022	2021
Net income/loss	**-19,124**	**-4,106**
Remeasurements of equity investments	332	-69
Remeasurements of defined benefit plans	482	392
Remeasurements of defined benefit plans of companies accounted for under the equity method	2	–
Income taxes	-262	-122
Items that will not be reclassified subsequently to the income statement	**553**	**201**
Cash flow hedges	173	-175
Unrealized changes	*-1,626*	*-173*
Reclassification adjustments recognized in income	*1,799*	*-2*
Currency translation adjustments	2,767	169
Unrealized changes	*103*	*169*
Reclassification adjustments recognized in income	*2,664*	*–*
Companies accounted for under the equity method	-4	-1
Unrealized changes	*-4*	*1*
Reclassification adjustments recognized in income	*–*	*-2*
Income taxes	-59	54
Items that might be reclassified subsequently to the income statement	**2,877**	**46**
Total income and expenses recognized directly in equity	**3,429**	**247**
Continuing operations	*558*	*105*
Discontinued operations	*2,871*	*142*
Total recognized income and expenses (total comprehensive income)	**-15,695**	**-3,859**
Attributable to shareholders of Uniper SE	*-15,588*	*-3,946*
Continuing operations	*-13,575*	*-4,034*
Discontinued operations	*-2,013*	*88*
Attributable to non-controlling interests	*-107*	*88*

20230627190042

Uniper Consolidated Balance Sheet

€ in millions	Note	Dec. 31, 2022	Dec. 31, 2021
Assets			
Goodwill	(14), (17)	–	1,783
Intangible assets	(14), (17)	687	708
Property, plant and equipment and right-of-use assets	(15), (17)	9,228	10,055
Companies accounted for under the equity method	(16), (17)	291	322
Other financial assets	(18)	1,137	859
Equity investments		*1,042*	*747*
Non-current securities		*95*	*111*
Financial receivables and other financial assets	(20)	2,694	4,065
Receivables from derivative financial instruments	(20)	40,617	16,913
Other operating assets and contract assets	(20)	227	247
Deferred tax assets	(10)	2,776	2,121
Non-current assets		**57,657**	**37,074**
Inventories	(19)	4,718	1,849
Financial receivables and other financial assets	(20)	6,422	8,131
Trade receivables	(20)	9,560	11,629
Receivables from derivative financial instruments	(20)	36,198	64,732
Other operating assets and contract assets	(20)	1,595	1,875
Income tax assets	(10)	55	33
Liquid funds	(21)	4,634	2,966
Assets held for sale	*(4)*	*639*	108
Current assets		**63,820**	**91,323**
Total assets		**121,477**	**128,397**

20230627190043

Uniper Consolidated Balance Sheet

€ in millions	Note	Dec. 31, 2022	Dec. 31, 2021
Equity and liabilities			
Capital stock	(22)	14,160	622
Additional paid-in capital	(22)	10,825	10,825
Retained earnings	(22)	-19,840	-1,388
Accumulated other comprehensive income		-917	-3,756
Equity attributable to shareholders of Uniper SE		**4,228**	**6,303**
Equity attributable to non-controlling interests	(22)	194	485
Equity		**4,422**	**6,788**
Financial liabilities and liabilities from leases	(25)	2,697	1,655
Liabilities from derivative financial instruments	(25)	45,737	16,336
Other operating liabilities and contract liabilities	(25)	353	260
Provisions for pensions and similar obligations	(23)	537	1,065
Miscellaneous provisions	(24)	7,732	6,346
Deferred tax liabilities	(10)	2,555	433
Non-current liabilities		**59,611**	**26,094**
Financial liabilities and liabilities from leases	(25)	8,878	7,320
Trade payables	(25)	9,359	11,568
Liabilities from derivative financial instruments	(25)	30,608	70,397
Other operating liabilities and contract liabilities	(25)	848	1,443
Income taxes	(10)	112	425
Miscellaneous provisions	(24)	7,049	4,361
Liabilities associated with assets held for sale	(4)	590	–
Current liabilities		**57,443**	**95,514**
Total equity and liabilities		**121,477**	**128,397**

20230527190344

Uniper Consolidated Statement of Cash Flows

€ in millions	2022	2021
Net income/loss	**-19,124**	**-4,106**
Income/loss from discontinued operations	4,824	36
Depreciation, amortization and impairment of intangible assets, of property, plant and equipment, and of right-of-use assets	2,451	905
Changes in provisions	3,717	3,398
Changes in deferred taxes	1,282	-1,026
Other non-cash income and expenses	69	-636
Gain/Loss on disposal of intangible assets, property, plant and equipment, equity investments and securities (> 3 months)	-86	-17
Intangible assets and property, plant and equipment	*-86*	*-11*
Equity investments	*-1*	*-4*
Securities (> 3 months)	*0*	*-2*
Changes in operating assets and liabilities and in income taxes	-8,769	4,740
Inventories	*-3,203*	*-652*
Trade receivables	*1,867*	*-5,077*
Other operating receivables and income tax assets	*4,851*	*-71,342*
Trade payables	*1,182*	*284*
Other operating liabilities and income taxes	*-13,467*	*81,528*
Cash provided by operating activities of continuing operations (operating cash flow)	**-15,637**	**3,296**
Cash provided by discontinued operations	478	325
Cash provided by operating activities	**-15,159**	**3,621**
Proceeds from disposal of	156	65
Intangible assets and property, plant and equipment	*92*	*18*
Equity investments	*63*	*47*
Purchases of investments in	-552	-589
Intangible assets and property, plant and equipment	*-523*	*-579*
Equity investments	*-29*	*-10*
Proceeds from disposal of securities (> 3 months) and of financial receivables and fixed-term deposits	2,229	488
Purchases of securities (> 3 months) and of financial receivables and fixed-term deposits	-539	-7,361
Cash provided by investing activities of continuing operations	**1,292**	**-7,398**
Cash provided by investing activities of discontinued operations	-66	-122
Cash provided by investing activities	**1,227**	**-7,520**
Cash proceeds arising from changes in capital structure	13,538	–
Cash payments arising from changes in capital structure	-6	-7
Cash dividends paid to shareholders of Uniper SE	*-26*	*-501*
Proceeds from new financial liabilities	16,863	8,817
Repayments of financial liabilities and reduction of outstanding lease liabilities	-14,288	-1,742
Cash provided by financing activities of continuing operations	**16,081**	**6,567**
Cash provided by financing activities of discontinued operations	-47	-5
Cash provided by financing activities	**16,035**	**6,561**

20230527150945

Uniper Consolidated Statement of Cash Flows

€ in millions	2022	2021
Net increase/decrease in cash and cash equivalents	**2,103**	**2,663**
Effect of foreign exchange rates on cash and cash equivalents	-20	14
Cash and cash equivalents at the beginning of the reporting period[1]	2,919	243
Cash and cash equivalents from disposal group	-67	–
Cash and cash equivalents of deconsolidated companies	-345	–
Cash and cash equivalents at the end of the reporting period[1]	**4,591**	**2,919**
Supplementary information on cash flows from operating activities		
Income tax payments	-345	-191
Interest paid	-394	-68
Interest received	71	49
Dividends received	61	52

[1]The difference between the amounts reported here for cash and cash equivalents and the amount reported under "Liquid funds" on the balance sheet arises from short-term securities (> 3 months) and bank deposits (> 3 months), which are reported as liquid funds on the balance sheet.

€ in millions	Capital stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income that might be reclassified *subsequently* to the income statement: Currency translation adjustments[1]	Accumulated other comprehensive income that might be reclassified *subsequently* to the income statement: Cash flow hedges	Equity attributable to shareholders of Uniper SE	Non-controlling interests	Total
Balance as of January 1, 2021	**622**	**10,825**	**3,082**	**-3,779**	**1**	**10,751**	**437**	**11,188**
Change in scope of consolidation							5	5
Capital increase								
Capital decrease							-7	-7
Dividends			-501			-501	-38	-539
Total comprehensive income			-3,968	143	-121	-3,946	88	-3,859
Net income/loss			-4,169			-4,169	63	-4,106
Other comprehensive income			200	143	-121	223	25	247
Remeasurements of defined benefit plans			269			269		269
Remeasurements of investments			-69			-69		-69
Changes in accumulated other comprehensive income				143	-121	22	25	47
Balance as of December 31, 2021	**622**	**10,825**	**-1,388**	**-3,636**	**-120**	**6,303**	**485**	**6,788**
Balance as of January 1, 2022	**622**	**10,825**	**-1,388**	**-3,636**	**-120**	**6,303**	**485**	**6,788**
Change in scope of consolidation							-177	-177
Capital increase	13,538					13,538		13,538
Capital decrease							-6	-6
Dividends			-26			-26		-26
Total comprehensive income			-18,427	2,720	119	-15,588	-107	-15,695
Net income/loss			-18,979			-18,979	-145	-19,124
Other comprehensive income			552	2,720	119	3,391	38	3,429
Remeasurements of defined benefit plans			221			221		221
Remeasurements of investments			332			332		332
Changes in accumulated other comprehensive income				2,720	119	2,839	38	2,877
Balance as of December 31, 2022	**14,160**	**10,825**	**-19,840**	**-916**	**-1**	**4,228**	**194**	**4,422**

[1]The difference from currency translation in 2022 results mainly from the change in the scope of consolidation and relates to the deconsolidation of PAO Unipro.

20230627190047

20230627120348

Notes

(1) General Information 183
(2) Basis of Preparation of the Financial Statements 183
(3) Newly Adopted Standards and Interpretations 191
(4) Scope of Consolidation, Equity Investments and Disposals 192
(5) Revenues 197
(6) Own Work Capitalized 199
(7) Other Operating Income and Expenses 199
(8) Cost of Materials 201
(9) Financial Results 203
(10) Income Taxes 204
(11) Personnel-Related Information 207
(12) Other Disclosures 211
(13) Earnings per Share 213
(14) Goodwill and Intangible Assets 213
(15) Property, Plant and Equipment 215
(16) Companies Accounted for Under the Equity Method 218
(17) Impairment Testing in Accordance with IAS 36 219
(18) Other Financial Assets 227
(19) Inventories 228
(20) Receivables, Other Assets and Contract Assets 229
(21) Liquid Funds 231
(22) Equity 231
(23) Provisions for Pensions and Similar Obligations 236
(24) Miscellaneous Provisions 246
(25) Liabilities and Contract Liabilities 251
(26) Contingent Liabilities, Contingent Assets and Other Financial Obligations 253
(27) Litigation 255
(28) Supplemental Cash Flow Disclosures 256
(29) Financial Instruments 257
(30) Transactions with Related Parties 279
(31) Leases 283
(32) Reconciliation of Income/Loss before Financial Results and Taxes to Adjusted EBIT and to Adjusted Net Income 286
(33) Segment Information 289
(34) Other Significant Issues after the Balance Sheet Date 293
(35) Summarized List of Shareholdings 294

20230627190449

(1) General Information

The parent company of the Uniper Group is Uniper SE ("the Company"). The registered office of the Company is in Düsseldorf. Its address is: Uniper SE, Holzstraße 6, 40221 Düsseldorf, Germany. The Company is entered in the Düsseldorf Commercial Register, Section B, under the number 77425. Uniper's operating activities are aimed at the supply of energy and related services.

These Consolidated Financial Statements of Uniper SE and its subsidiaries (collectively "the Group" or "Uniper") were finally prepared by the Board of Management of Uniper SE on February 15, 2023, discussed in detail at the Audit and Risk Committee meeting on February 15, 2023, and approved by the Supervisory Board at its board meeting on February 16, 2023.

The Board of Management and the Supervisory Board of Uniper SE made the requisite declaration of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) in January 2023. The declaration has been made permanently and publicly accessible to shareholders on the Company's website (www.uniper.energy).

The majority shareholder of Uniper SE is UBG Uniper Beteiligungsholding GmbH, Berlin, Germany. The majority shareholder of UBG Uniper Beteiligungsholding GmbH is the Federal Republic of Germany. Until December 21, 2022, Fortum Oyj, Espoo, Finland, was the majority shareholder of Uniper SE.

Uniper SE is the parent company that is responsible for preparing the consolidated financial statements and the group management report for the largest and the smallest group of companies.

Changes in the Composition of the Board of Management and of the Supervisory Board

The changes in the composition of the Board of Management and of the Supervisory Board are shown in tabular form in the information about the Supervisory Board and the Board of Management, as well as in Note 34.

(2) Basis of Preparation of the Financial Statements

The Consolidated Financial Statements of Uniper SE have been prepared in accordance with Section 315e (1) of the German Commercial Code (HGB) and with those IFRS and IFRS Interpretations Committee (IFRS IC) interpretations that were adopted by the European Commission for use in the EU as of the end of the fiscal year, and whose application was mandatory as of December 31, 2022. Any changes in accounting policies compared with the previous year that may have arisen from this or from voluntary actions are presented and explained in Note 3, "Newly Adopted Standards and Interpretations." The fiscal year of the Group is identical to the calendar year.

Financial Statement Preparation and Accounting Methods

The Consolidated Financial Statements are prepared in euro (€). Unless otherwise indicated, all amounts are presented in millions of euro (€ million). Uniper applies commercial rounding. Any rounding differences existing between individual amounts and totals are accepted.

Both the accounting policies and the classification of items in the Consolidated Financial Statements are generally retained from period to period. Any changes are explained in Note 3.

The Consolidated Balance Sheet has been prepared using a classified balance sheet structure. Assets that will be realized within twelve months of the reporting date, as well as liabilities that are due to be settled within one year of the reporting date, are generally classified as current.

20230627190508

The Consolidated Statement of Income is classified using the nature-of-expense method, which is also applied for internal purposes.

The accounting policies applied in the Consolidated Financial Statements are explained in the respective relevant individual Notes to the Financial Statements.

Assumptions and Estimation Uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that may influence the application of accounting policies within the Uniper Group and affect the measurement and presentation of reported figures. Estimates are based on past experience and on additional knowledge obtained on transactions to be reported. Actual amounts may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Adjustments to accounting estimates are recognized in the period in which the estimate is revised if the change affects only that period, or in the period of the revision and subsequent periods if both current and future periods are affected.

At Uniper, estimates are particularly necessary for the recognition and measurement of deferred tax assets, to account for pension provisions and miscellaneous provisions, for impairment testing, for the determination of the fair value of certain financial instruments, and to account for price-adjustment clauses contained in long-term contracts.

The assumptions and estimates are fundamentally affected by developments in the geopolitical situation relating to Russia's war against Ukraine and, in particular, the curtailments of gas supplies by Gazprom since mid-June 2022, which initially varied in extent and finally culminated in the complete discontinuation of gas deliveries at the end of August 2022. In addition, the developments relating to the Covid-19 pandemic continue to play a role.

The principal estimates and uncertainties affecting the preparation of the financial statements relate to impairment testing of generation and storage assets and to goodwill impairment testing in the cash-generating units (CGUs) Russian Power Generation (until December 31, 2022) and Global Commodities, as well as to the measurement of individual derivative financial instruments and provisions. As regards goodwill, impairment testing relates particularly to developments in the cost of capital and in future earnings. In the Russian Power Generation CGU (until December 31, 2022), the cost of capital was reassessed as of March 31, 2022, and applied in estimates for the years 2022–2024; then, following a period of interpolation, a cost of capital was applied for estimates from 2026 forward at levels from the end of the 2021 fiscal year. In addition, probability-weighted cash flows were determined as recommended by the Institute of Public Auditors' (IDW) technical committee for business valuation (FAUB) in Germany, applying different cash flow scenarios in order to estimate current developments as accurately as possible. Furthermore, to account appropriately for the uncertainties of the volatile market environment and the curtailments of gas supplies since June 14, 2022, which are due to Gazprom's non-compliance with its contractual commitments and thus its unreliability as a supplier, the goodwill of the Global Commodities CGU was tested quantitatively for impairment in the second quarter of 2022. The test was performed applying various cash flow scenarios and particularly considered alternatives in terms of the gas supply curtailments and the price assumptions for purchases of replacement gas. Moreover, the small number of event-triggered reviews conducted at the Group's other cash-generating units were also based on the changed estimates and assumptions made centrally about underlying price expectations that could arise from future geopolitical and legal developments.

Given the complete discontinuation of deliveries of gas, the gas supply contracts entered into with Gazprom have been measured at a fair value of zero since August 2022.

20230527192051

In measuring the provision for onerous contracts, in order to reflect the uncertainty regarding future prices for purchases of replacement volumes and possible gas deliveries, weighted scenarios were used to account for the complete stoppage of Russian gas deliveries.

There may be future effects on the Consolidated Financial Statements arising from more volatile commodity markets and, correspondingly, more volatile revenues and cost of materials at Uniper, as well as from interest rate adjustments in different countries, increased volatility in foreign exchange rates, a deterioration in creditworthiness, and customer defaults or arrears. In addition, Gazprom's future behavior as a supplier will continue to influence the measurement of the aforementioned items. These factors can affect the carrying amounts of assets and liabilities, the amount and timing of earnings recognition, as well as cash flows. Uniper is also required to post collateral for futures and forward transactions (especially margining receivables) for portfolio hedges that arise in the ordinary course of Uniper's business. The amount of these temporary collateral pledges is governed by, among other things, the amount of the derivative position affected by collateral pledges, commodity price levels and price volatility in the commodity markets.

The significant assumptions and estimates are presented in the respective relevant individual Notes to the Financial Statements. Expected financial and economic developments and analysis of energy policy and the regulatory environment, as well as the Uniper Group's voluntary commitments to reduce carbon emissions, have affected earnings and the measurement of assets and liabilities, particularly in the line items discussed in the following individual notes, which also respond sensitively to prices: Scope of Consolidation, Equity Investments and Disposals (Note 4), Revenues (Note 5), Other Operating Income and Expenses (Note 7), Cost of Materials (Note 8), Property, Plant and Equipment (Note 15), Impairment Testing in Accordance with IAS 36 (Note 17), Inventories (Note 19), Receivables, Other Assets and Contract Assets (Note 20), Miscellaneous Provisions (Note 24) as well as Financial Instruments (29).

It is reasonably possible that changes in estimates and assumptions will be necessary in the next fiscal year.

Foreign Currency Translation

The financial statements of Uniper SE and its subsidiaries are prepared in their functional currencies.

Transactions of Uniper companies that are denominated in foreign currency are translated using the exchange rate applicable on the transaction date. Monetary foreign currency items are adjusted to the current exchange rate at each balance sheet date; any gains and losses resulting from fluctuations in the relevant currencies, and the effects upon realization, are recognized in income and reported as other operating income and other operating expenses, respectively.

The functional currency and the reporting currency of Uniper SE is the euro. In the Consolidated Financial Statements, the assets and liabilities of those foreign Uniper companies with a functional currency other than the euro are translated at the mid-market rates applicable on the balance sheet date, while items of the income statement are translated using annual average exchange rates. Differences arising from the translation of asset and liability items compared with the corresponding translation of the previous year, as well as exchange rate differences between the income statement and the balance sheet, are reported separately within net assets as a component of other comprehensive income and not reclassified to the income statement until the foreign subsidiary's disposal. Any differences arising from the currency translation of results of companies accounted for under the equity method are similarly recognized in income.

The following table depicts the movements in exchange rates for the periods indicated for major currencies of countries outside the European Monetary Union:

2023062719052

Currencies

		€1, rate at the reporting date	
	ISO Code	**2022**	**2021**
British pound	GBP	0.89	0.84
Russian ruble	RUB	78.34	85.30
Swedish krona	SEK	11.12	10.25
U.S. dollar	USD	1.07	1.13

Currencies

		€1, annual average rate	
	ISO Code	**2022**	**2021**
British pound	GBP	0.85	0.86
Russian ruble	RUB	73.61	87.15
Swedish krona	SEK	10.63	10.15
U.S. dollar	USD	1.05	1.18

Going Concern

Gas-Supply Curtailments Amid the Russian War against Ukraine Trigger Additional Financing Requirements and Stabilization Measures by the German Government

Existing Long-Term Gas Import Contracts with Russia as Part of Europe's Gas Supply

Uniper's Gas Midstream business comprises a portfolio of 356 TWh p.a. of long-term gas supply contracts, with 254 TWh originating from Russia. These long-term import contracts between Uniper and the Russian company Gazprom used to play an essential role for gas supply in Europe, especially in Germany. Germany's gas supply is more than 90% dependent on natural gas imports.

Since June 14, 2022, Gazprom has reduced Russian gas deliveries and is thus in breach of its contractual obligations. After a period of supply interruptions varying in extent, deliveries of Russian gas to Uniper have been fully discontinued by Gazprom since the end of August 2022. Gazprom has thus become an unreliable supplier for Uniper and for the German and European gas market. To continue to fulfill its own sales contracts with customers and ensure their security of supply despite this, and to replenish gas storage facilities in time for the upcoming winter of 2022/2023, Uniper procured replacement volumes at significantly higher market prices amid significantly reduced market liquidity. The amount of resulting daily losses due to the added cost of procuring replacement volumes is dependent on actual spot-market prices for gas.

The Board of Management has continuously analyzed and discussed the situation since the war began and acted to protect Uniper as well as German and European security of supply. As the situation kept deteriorating for Uniper and led to severe liquidity constraints, the Uniper Board of Management finally initiated discussions with the German federal government on possible stabilization measures in June 2022. Following the passage of amendments to the German Energy Security Act, Uniper submitted a formal application for stabilization measures to the German federal government on July 8, 2022, and subsequently continued the discussions on possible stabilization measures. In addition, on March 7, 2022 – shortly after the start of the Russian war against Ukraine – the Board of Management had already decided not to enter into new long-term supply contracts for natural gas with Russia.

20230627190553

After an intensive political and public discussion in Germany, the German federal government withdrew the gas surcharge, which had initially taken effect on August 9, 2022, and had been governed by the Gas Price Adjustment Ordinance, on September 30, 2022. Instead, the German government ultimately created a €200 billion "protective shield," which will be used to fund measures including a so-called "gas price brake," among others. To that end, the government will allocate an equivalent amount to Germany's Economic Stabilization Fund. The Economic Stabilization Fund will employ these funds to, among other things, help gas importers that are in difficulties due to the war and are relevant for market stability cover the added cost of procuring replacement volumes of gas. It was in this context that the custom-tailored solution for Uniper was defined by December 2022.

Uniper has furthermore initiated arbitration proceedings against Russia's Gazprom Export ("GPE") before an international arbitral tribunal. This was reported by Uniper on November 30, 2022. In the proceedings, which will take place in Stockholm, Uniper is claiming damages incurred by the Company in connection with the gas volumes not delivered by GPE since June 2022. Uniper has to procure replacement volumes at higher cost in order to meet its own delivery obligations to customers based on prices and volumes agreed in the past. This leads to the situation that Uniper has to bear the entire replacement cost. The realized added cost of procuring replacement volumes of gas alone amounted to about €13.2 billion in the 2022 fiscal year and, depending on developments in market prices that govern this added cost of procuring replacement volumes, will likely continue to grow until the end of 2024.

KfW Credit Facility Extended into the Third Quarter 2026 and Successfully Restructured

On January 4, 2022, Uniper concluded a €2.0 billion credit facility with the German state-owned KfW banking group until April 30, 2022. Due to the ongoing Russian war against Ukraine and the associated volatility in the commodity markets, Uniper and the KfW banking group agreed in March 2022 to continue the facility at an unchanged amount until April 30, 2023. Because of the liquidity requirements for the replacement of missing Russian gas supply volumes and the simultaneous increase in requirements for margining deposits on the energy markets and exchanges, the KfW credit facility was subsequently increased in several steps to its a volume of €18.0 billion at year-end 2022. The facility was utilized in the amount of €6 billion as of December 31, 2022.

KfW and Uniper have already successfully restructured the credit facility in the first weeks of 2023 while maintaining the guarantee provided by the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026.

Stabilization Package for Uniper Finalized

On July 22, 2022, the German federal government, Uniper and Fortum had agreed on the key points of a stabilization package for Uniper. Given the continuing escalation of the European energy crisis and the complete discontinuation of gas deliveries by Gazprom from late August 2022 forward, the three parties concluded that that initial agreement would not be sufficient to stabilize Uniper.

Therefore, on September 21, 2022, the German federal government, Uniper and Fortum agreed on amendments to the stabilization package announced on July 22, 2022. The amendments reflect and take into consideration the new developments since the end of July 2022, including the increased Russian gas supply curtailments since the end of August 2022 and the associated additional impact on Uniper's earnings and liquidity.

In addition to short-term liquidity support by KfW and the subscription of a capital increase by the German state, the amended package had also provided for the introduction of a gas surcharge. However, as discussed previously, the German federal government announced on September 30, 2022, that the gas surcharge would not be implemented as planned, and that a custom-tailored solution to secure the financial stability of the affected enterprises would take its place. The custom-tailored solution for Uniper was specified on November 23, 2022, as follows:

20230627190541

- It was agreed that a cash capital increase of roughly €8 billion would be carried out at an issue price of €1.70 per share, excluding shareholders' subscription rights. The capital increase was subscribed exclusively by the Federal Republic of Germany on December 21, 2022, and resulted in the German state holding an ownership interest in Uniper SE of roughly 93%.
- In addition, authorized capital of up to roughly €25 billion was created by issuing new shares against cash and/or non-cash contributions ("2022 Authorized Capital") as the initial capital increase of roughly €8 billion alone would not be sufficient to stabilize Uniper given the added cost of procuring replacement volumes of gas already incurred in the interim. The 2022 Authorized Capital is to be used to partially restore the equity weakened by further losses in 2022, 2023 and 2024, particularly in connection with procurement of replacement volumes of gas due to Russian gas supply curtailments. The shareholders' statutory subscription rights were excluded. Only the Federal Republic of Germany or an entity of the Federal Republic of Germany (cf. Section 29 (6) EnSiG) were admitted to subscribe to the new shares.
- The 2022 Authorized Capital shall be utilized in tranches. The first tranche was already used for a cash capital increase of roughly €5.5 billion before the end of 2022. The resulting shares were also issued to the Federal Republic of Germany or an entity of the Federal Republic of Germany at an issue price of €1.70 per share.
- Until the implementation of the respective capital increase from the 2022 Authorized Capital, interim financing is being provided by KfW in the required amount.

On November 23, 2022, the Board of Management of Uniper SE made the final decision to submit the main elements of the stabilization package for Uniper to the shareholders for approval at an Extraordinary General Meeting on December 19, 2022. In the context of the Extraordinary General Meeting convened, Uniper also complied with the obligations pursuant to Section 92 of the German Stock Corporation Act and notified the loss of one-half of the Company's share capital and reported on the situation of the Company. Uniper shareholders approved the proposed corporate actions by a large majority at the Extraordinary General Meeting.

On December 19, 2022, the German federal government and Uniper signed a framework agreement to specify in concrete terms the measures to stabilize Uniper agreed between the German government, Uniper and Fortum on September 21, 2022, and on November 23, 2022. The Federal Ministry of Finance will be responsible for the German state's shareholding in Uniper in the future. The framework agreement defines the German state's consultation and approval rights for the duration of its shareholding and imposes certain reporting and notification obligations on Uniper. The framework agreement further provides that Section 29 (1a) EnSiG, which was adopted by the Bundestag on December 16, 2022, shall apply to the remuneration of Uniper SE's Board of Management and Supervisory Board. The Company will also not distribute any dividends – without the approval of the German state – until stabilization has been completed.

Moreover, also on December 21, 2022, the German state acquired the Uniper shares held by Fortum for €1.70 per share, which together with the capital increases discussed above led to a shareholding of roughly 99% in Uniper SE for the Federal Republic of Germany.

The stabilization measures were subject to regulatory approvals, among other things. The state-aid approval of the European Commission, which is also required, has already been obtained and is described further below.

20230527190553

European Commission Has Granted State-Aid Approval for Uniper – Stabilization Measures Implemented Immediately

On December 20, 2022, the European Commission approved the stabilization package for Uniper under EU state-aid rules. Following the approval, the stabilization measures were implemented immediately.

As part of the approval, the Commission set out a number of structural remedies that Uniper must fulfill. The Company must divest certain assets, with the last divestment to be completed by the end of 2026 at the latest.

Uniper has also committed itself to a number of market-opening remedies including, for example, an undertaking not to expand its market position in sales, to adjust its long-term gas contract portfolio, and to grant competitors access to transport and storage capacities.

Until the end of 2026, Uniper may also only make acquisitions that are necessary to ensure the continued viability of the Company or to drive the decarbonization of Uniper's business. Acquisitions will be subject to approval by the Commission.

In addition, according to the EU approval, the arbitration claim against the Netherlands on the basis of the Energy Charter Treaty must be withdrawn.

Furthermore, the EU approval is based upon the logic that Uniper will make contributions of 30% per year from its adjusted earnings before interest and taxes, excluding losses from gas replacement costs, between 2022 and 2024. If, at the end of 2024, Uniper's equity capitalization is higher than a defined benchmark value from before the crisis, Uniper will be obliged to repay the excess amount to the German state by appropriate means.

As part of the EU approval, the Federal Republic of Germany agreed to reduce its shareholding to a maximum of 25% plus one share by 2028 at the latest, and/or to make a public offer.

Description of Selected Significant Individual Going-Concern Risks at Uniper

At the end of 2022, the significant individual risks relating to the going concern of the Uniper Group were the possible incremental costs from gas replacement purchases, which may be subject to considerable fluctuations depending on the development of gas prices, a possible insufficient supply of liquidity and the possible loss of the investment grade rating. The aim of the stabilization package agreed between Uniper, the German government and Fortum was to address exactly these risks. With the implementation of the stabilization package in December 2022, all these risks can be regarded as largely mitigated.
Although the implementation of further capital increases as part of the utilization of the 2022 Authorized Capital to cover the actual future incremental costs from gas replacement purchases as part of the further implementation of the stabilization package is neither legally nor contractually binding for the German government, the Uniper's Board of Management considers the implementation to be very likely. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026.
Uniper currently considers the occurrence of other individual risks from the Uniper Risk Register to be not major individual risks to Uniper's ability to continue as a going concern and as sustainable in the context of the financing measures of the stabilization package.

20230627190056

Closing Statement on the Going-Concern Assumption

At the end of December 2022, the stabilization package agreed between Uniper, the German government and Fortum was implemented after receiving EU approval. The aim of this stabilization package is to mitigate the possible further effects of gas supply cuts and other risks on the liquidity and equity situation of the Uniper Group, thereby safeguarding Uniper's financial stability and investment-grade rating.

Depending on the development of gas prices, the Uniper Group may incur considerable additional or reduced incremental costs from future gas replacement purchases, taking into account the risk provisions already made. Following the implementation of two capital increases in December 2022 totaling around €13.5 billion to cover the incremental costs from gas replacement purchases in 2022, a further €20 billion of authorized capital 2022 is initially available to cover possible future incremental costs for the years 2023 and 2024.

In order to secure liquidity, KfW and Uniper successfully restructured the existing credit line in the first weeks of 2023 while maintaining the guarantee from the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026. On February 2, 2023, S&P published another report on Uniper, keeping Uniper's rating unchanged at BBB- with a negative outlook.

These financing measures significantly improved the Uniper Group's risk-bearing capacity compared to the previous year. Although the implementation of further capital increases as part of the utilization of the 2022 Authorized Capital to cover the actual future incremental costs from gas replacement purchases as part of the further implementation of the stabilization package is neither legally nor contractually binding for the German government, the Uniper's Board of Management considers the implementation to be very likely.

In addition, some of the largest liquidity risks to which the Uniper Group was exposed at the end of the year 2021, such as the risk of margin payments, considerably reduced due to expiring positions and reduced hedging activities, which significantly improved the liquidity risk situation of the Uniper Group. The temporarily negative equity in the course of 2022 has also recovered, is positive and like in the previous year sustainable for the earnings risks outside the additional costs for gas replacements.

Therefore, in summary, the Board of Management of Uniper SE is of the opinion that the application of the going-concern principle is appropriate and that there are no material uncertainties associated with events or conditions that, individually or collectively, could cast significant doubt on Uniper's ability to continue as a going concern.

20230627190557

(3) Newly Adopted Standards and Interpretations

Standards and Interpretations Applicable for the First Time in 2022

The International Accounting Standards Board (IASB) and the IFRS IC have issued the following standards and interpretations that have been adopted by the EU into European law and were applied for the first time in the reporting period from January 1 through December 31, 2022:

New Financial Reporting Standards and Interpretations

Standard/Interpretation		IASB / IFRS IC effective date	Endorsed by EU	Impact on Uniper
Amendments to IFRS 3	Reference to the Conceptual Framework	Jan. 1, 2022	Yes	None
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	Jan. 1, 2022	Yes	None
Amendments to IAS 16	Property, Plant and Equipment: proceeds before Intended Use	Jan. 1, 2022	Yes	None
Omnibus standard	Annual Improvements to IFRS Standards (2018–2020 Cycle)	Jan. 1, 2022	Yes	None

Standards and Interpretations Not Yet Applicable in Fiscal 2022

The IASB has issued additional standards. They were not applied by Uniper in the 2022 fiscal year because the standards were not required to be applied and no voluntary early adoption took place, or because their adoption by the EU into European law remains outstanding at this time:

New Financial Reporting Standards and Interpretations (Not Applied in Fiscal 2022)

Standard/Interpretation		IASB/IFRS IC effective date	Endorsed by EU	Impact on Uniper
IFRS 17	Insurance Contracts	Jan. 1, 2023	Yes	None
Amendments to IFRS 17	Insurance Contracts	Jan. 1, 2023	Yes	None
Amendments to IFRS 17	First adoption of IFRS 17 and IFRS 9	Jan. 1, 2023	Yes	None
Amendments to IAS1	Disclosure of Accounting Policies	Jan. 1, 2023	Yes	None
Amendments to IAS 8	Definition of Accounting Estimates	Jan. 1, 2023	Yes	To be examined on a case-by-case basis
Amendment to IAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	Jan. 1, 2023	Yes	To be examined on a case-by-case basis
Amendment to IFRS 16	*Lease Liability in a Sale and Leaseback*	*Jan. 1, 2024*	*No*	*To be examined on a case-by-case basis*
Amendments to IAS 1	Classification of Liabilities as Current or Non-current including Deferral of Effective Date	Jan. 1, 2024	No	To be examined on a case-by-case basis
Amendments to IAS 1	Non-Current Liabilities with Covenants	Jan. 1, 2024	No	To be examined on a case-by-case basis

20230527160538

(4) Scope of Consolidation, Equity Investments and Disposals

Consolidation Principles, Scope of Consolidation, Discontinued Operations

The Consolidated Financial Statements incorporate the financial statements of Uniper SE and entities controlled by Uniper (subsidiaries). Control exists when Uniper, as the investor, has the current ability to direct the relevant activities of the investee entity and, in addition, is able to receive the necessary information needed for steering and regular mandatory reporting purposes. Relevant activities are those activities that most significantly affect the performance of a business. In addition, Uniper must participate in this business performance in the form of variable returns and be able to influence those returns to its benefit through existing opportunities and rights. Control is normally deemed established if Uniper directly or indirectly holds a majority of the voting rights in the investee. In structured entities, control can be established by means of contractual arrangements. The results of the subsidiaries acquired or disposed of during the year are included in the Group's total comprehensive income from the date of acquisition until the date of disposal. Where necessary, adjustments are made to the subsidiaries' financial statements to bring their accounting policies into line with those of the Group. Intragroup receivables, liabilities and results are eliminated in the consolidation process.

Subsidiaries and associated companies that are not included in the Consolidated Financial Statements on materiality grounds are accounted for outside the scope of IFRS 9 and measured at cost, with adjustments for any loss allowances.

A discontinued operation exists if it is a line of business that either is classified as held for sale or has already been disposed of, or if it is part of a single coordinated plan to dispose of a major line of business and it can be clearly separated from the remaining business activities both in terms of operations and for financial reporting purposes. For Uniper, the segments represent a major line of business.

The gain or loss on the fair value measurement of these lines of business less any costs to sell yet to arise, as well as the gain or loss on the disposal of discontinued operations, are presented separately in the statement of comprehensive income as income or loss from discontinued operations, as is the income or loss arising from the ordinary activities of these lines of business. The prior-year figures are restated accordingly. The cash flows of discontinued operations are likewise presented separately in the cash flow statement, and the prior-year figures are restated accordingly. The previous year's balance sheet is not restated.

The number of consolidated companies changed as follows:

Scope of Consolidation

	Domestic	Foreign	Total
Consolidated companies as of January 1, 2022	**27**	**29**	**56**
Additions	3	2	5
Disposals/mergers	1	1	2
Consolidated companies as of December 31, 2022	**29**	**30**	**59**

20230627190559

Deconsolidation of PAO Unipro and discontinued operation

On November 30, 2022, against the backdrop of continually developing sanctions rules, Uniper made public its decision that it would distance itself as far as possible, legally and in terms of personnel, from its Russian business unit Unipro. A planned transaction with a Russian buyer is uncertain at this time, however, because the necessary presidential approval for the transaction remains outstanding and is questionable.

Uniper has furthermore deconsolidated PAO Unipro effective December 31, 2022, after the Company was forced to conclude that, despite owning the majority of the shares, it no longer has any enforceable means to exercise control over this subsidiary. The loss of control has resulted from the recent inability to direct the relevant activities and decisions of Unipro and also from lack of access to adequate, fundamental financial and non-financial information of Unipro. Uniper also does not have the ability to at least maintain significant influence over the company. Given these circumstances, Unipro had to be classified as a discontinued operation within the meaning of IFRS 5.

Since the activity of Uniper's representatives on Unipro's board of directors entails a risk of sanctions – both for them personally and for Uniper SE – a conflict of laws exists between applicable sanctions laws on the one hand and Russian business law on the other. After David Bryson had already resigned from Unipro's board of directors in early August 2022 based on the legal situation for British citizens, the remaining Uniper representatives ultimately also resigned in December 2022. Due to sanctions laws, exercising control over Unipro would currently pose a material sanctions risk for Uniper. As this is not acceptable, Uniper currently cannot directly or indirectly direct the relevant activities and decisions of Unipro.

In addition, despite its position as the majority shareholder, Uniper has not had access since the fourth quarter of 2022 to certain material financial and non-financial information of Unipro that is relevant for controlling Unipro. Uniper cannot demand this information in a legally enforceable manner, since Russian law does not provide a corresponding regulation or legal basis for doing so. The information in question includes, in particular, forward-looking and risk-related information, as well as operating and financial analyses that would especially allow conclusions to be drawn about power plants and, for example, their deployment.

The following table presents the earnings of Unipro:

Income statement from discontinued operations

in Mio €	2022	2021
Sales	1,438	1,010
Other income	205	20
Other expenses	-1,991	-1,078
Income/Loss from discontinued operations before taxes	**-348**	**-47**
Income taxes	-37	11
Losses from deconsolidation	-4,439	–
Income/Loss from discontinued operations	**-4,824**	**-36**

The cash flow statement and Note 28 contain additional information about Unipro relating to its presentation as a discontinued operation.

The deconsolidation resulted in a loss of -€4,439 million. This loss is presented in income or loss from discontinued operations and also includes an OCI recycling effect of -€2,662 million, the latter effect representing a reclassification within equity. Accordingly, equity was reduced by the deconsolidation at an amount of -€1,777 million.

The asset and liability items removed from the Consolidated Financial Statements in the course of the deconsolidation are stated in Note 28.

The interest in PAO Unipro after deconsolidation is recognized within other equity investments and measured at fair value through other comprehensive income in accordance with IFRS 9 with a carrying amount of €1, due to the high uncertainty regarding any effectively achievable and enforceable sales price.

Note 33 contains more information on the continued inclusion of Russian Power Generation in the Group's segment reporting. It also notes the simplified designation of Russian Power Generation as a segment in order to improve the readability of the financial statements.

Other Disclosures

As of December 31, 2022, a total of two domestic and five foreign associated companies were accounted for under the equity method (2021: two domestic companies and six foreign companies).

A complete list of all the companies included in the scope of consolidation, as well as the disclosures on shareholdings required pursuant to Section 313 (2) of the German Commercial Code, which are an integral part of these Notes to the Financial Statements, are provided in Note 35.

Business Combinations

Business combinations are accounted for by applying the purchase method, whereby the purchase price is offset against the proportional share in the net assets of the acquiree. Intangible assets are recognized separately if they are clearly separable or if their recognition arises from a contractual or other legal right. Provisions for restructuring measures are not recognized in a purchase price allocation. When measuring an acquisition, the values at the acquisition date, which is the date at which control of the acquiree was obtained, are used as the basis. The acquiree's identifiable assets, liabilities and contingent liabilities are generally recognized at their fair values irrespective of the extent to which they are attributable to non-controlling interests. Key sources of estimation uncertainty relate to the determination of these fair values. Fair values of land, buildings and major technical equipment are generally determined using independent expert reports that have been prepared by third parties. For marketable securities, published exchange or market prices at the time of acquisition are used. If exchange or market prices are unavailable for consideration, fair values are determined using the most reliable information available that is based on market prices for comparable assets or on suitable valuation techniques. In such cases, Uniper determines fair value using the discounted cash flow method by discounting estimated future cash flows. The discount rate reflects the specific risks inherent in the assets acquired.

20230627190950

20230527190613

Non-controlling interests can be measured either at cost (partial goodwill method) or at fair value (full goodwill method). The choice of method can be made on a case-by-case basis. The partial goodwill method is generally used within the Uniper Group.

If the purchase price paid exceeds the proportional share in the net assets at the time of acquisition, the positive difference is recognized as goodwill. No goodwill is recognized for positive differences attributable to non-controlling interests. Any negative difference is recognized in income after reassessment of valuation methods and premises.

No reportable business combinations were effected in the 2022 and 2021 fiscal years.

Assets Held for Sale and Liabilities Associated with Assets Held for Sale

Individual non-current assets or groups of assets and any directly attributable liabilities ("disposal groups") are reported as assets held for sale if they can be disposed of in their present condition and if there is sufficient probability of their disposal actually taking place. For a group of assets and associated liabilities to be classified as a disposal group, the assets and liabilities in it must be held for sale in a single transaction or as part of a comprehensive plan.

Non-current assets that are held for sale either individually or collectively as part of a disposal group are no longer depreciated. They are instead accounted for at the lower of the carrying amount and the fair value less any costs to sell yet to arise. If the fair value is less than the carrying amount, an impairment loss is recognized. The previous year's balance sheet is not restated.

Disposals and Assets Held for Sale in Fiscal 2022

20% Indirect Shareholding in BBL Pipeline

Uniper has reached agreement on the sale of its 20% equity interest in BBL Company V.O.F. ("BBL"), the Dutch owner of a 235-kilometer gas interconnection linking the UK and the Netherlands.

Divestment of this non-strategic shareholding is part of the remedies Uniper must fulfill under EU state aid rules. On December 20, 2022, the European Commission approved the stabilization package for Uniper under state aid rules. The transaction is part of the structural remedies underlying the European Commission's state-aid approval.

The two parties agreed on a purchase price of roughly €75 million. The transaction is subject to regulatory approvals and the non-exercise of preemption rights held by the other shareholders in BBL.

Held as a disposal group in the Global Commodities segment, the major asset and liability items as of the reclassification date of these activities, which along with the BBL stake also include the intermediate holding company Uniper Ruhrgas BBL B.V., were non-current assets (€40 million) and current assets (€37 million), as well as liabilities (€9 million). The transaction is not expected to produce a material gain or loss on disposal when it closes, likely in the first half of 2023.

20230527190?2

Uniper Energy DMCC

In January 2023, Uniper reached an agreement on the sale of Uniper Energy DMCC ("DMCC"), Dubai, United Arab Emirates. The activities are held in the Global Commodities segment and are entered on the production of, and trading in, low-sulfur marine fuels. The transaction is also part of the structural remedies underlying the European Commission's state-aid approval.

It is expected to close in the first half of 2023. The major asset and liability items of these activities held as a disposal group as of the reporting date were non-current assets (€80 million) and current assets (€482 million), as well as liabilities (€576 million). This includes derivative financial instruments measured at fair value through profit or loss in accordance with IFRS 9 (assets: €18 million, liabilities: €4 million).

The transaction is not expected to produce a material gain or loss on disposal when it closes.

Disposals and Assets Held for Sale in Fiscal 2021

Stake in Schkopau Lignite Power Plant

In late February 2020, Uniper signed an agreement with Saale Energie GmbH ("Saale Energie"), a subsidiary of the Czech company Energetický a průmyslový holding, a. s. ("EPH"), on the sale of the interest in the Schkopau lignite power plant in Saxony-Anhalt. Uniper was the operator of the power plant and held a stake of around 58%. Saale Energie at that time held a stake of around 42% in the Schkopau power plant and took over Uniper's stake effective October 1, 2021. The proceeds from the sale were determined when control was transferred on October 1, 2021, taking into account customary purchase price adjustment clauses.

Prior to their disposal in the third quarter of 2021, an impairment charge of €39.6 million was recognized on the activities, which were held as a disposal group, in the 2021 fiscal year. This impairment is presented under other operating expenses. In addition, a marginal deconsolidation effect resulted from the closing of the transaction on the legally effective date of October 1, 2021.

Held as a disposal group in the European Generation segment, the major asset and liability items of these activities as of the disposal date were non-current assets (€100 million) and current assets (€95 million), as well as provisions (€17 million) and liabilities (€162 million). No cash or cash equivalents were divested in connection with the disposal.

With the transfer of the Schkopau power plant stake, Uniper has fully withdrawn from lignite-fired power generation in Europe.

Additional Assets Held for Sale

Additional assets were held for sale as of December 31, 2021, that are not material either individually or in aggregate. They relate to the disposal of the British financial investment Javelin and to the sale of the Öresundsverket power plant in Malmö, Sweden.

202306271906 3

(5) Revenues

Revenues are generated predominantly from sales of electricity and gas via traded markets, as well as to industrial customers and resellers, and include hedges settled through physical delivery. Also shown in this line item are revenues earned from the transportation of gas and from deliveries of steam, heat and water, as well as from the rendering of services.

Revenues from trading operations transacted via traded markets (including hedges settled through physical delivery) are recognized when control is transferred to the purchaser. These transactions contain a performance obligation.

For physically settled transactions that are not within the scope of IFRS 9 (own-use transactions), contract prices, which reflect the economic character of these transactions and the contractually agreed consideration amounts, are used to determine revenues unless IFRS 15 provides for a different method, e.g., to account for constraint of variable consideration. For physically settled transactions that must be accounted for as derivatives pursuant to IFRS 9 criteria (failed own-use transactions), revenue is recognized at the market price applicable at the time of recognition. Accordingly, such contracts are presented as physical spot contracts with a financial hedge. The Company, in principle, recognizes revenue from its sales and service operations upon delivery of goods to customers, or upon completion of services rendered. Performance is deemed complete when the control associated with ownership has been transferred to the purchaser as contractually agreed, compensation has been contractually established, and collection of the resulting receivable is probable. Uniper's commodity supply contracts with customers generally contain a performance obligation for which the entire transaction price is recognized as sales revenues when the obligation is satisfied. Progress is usually measured in terms of the volume of energy supplied. For contracts having solely a consumption-based price component, Uniper recognizes revenue in the amount the Company bills to the customer. In contracts where, on the other hand, the transaction price includes a fixed component in addition to the consumption-based component, revenue from the fixed price component is recognized in line with the customer's actual consumption profile. The timing difference between payment and revenue recognition occurs only within fiscal years for contracts having a seasonal delivery profile, meaning that there will be no material impact on the revenue from such contracts for any fiscal year as a whole. In these contracts, the consumption-based price component is similarly recognized as revenue based on the volume supplied.
Revenues include the surcharge mandated by the German Renewable Energy Sources Act and other applicable statutory charges. They are presented net of sales taxes, returns, rebates and discounts, and after elimination of sales within the Uniper Group. The electricity tax is levied, in particular, on electricity delivered to retail customers and is calculated on the basis of a fixed tax rate per megawatt-hour (MWh) that varies between different classes of customers. In line with German accounting and presentation practice, electricity and energy taxes paid are deducted from sales revenues on the face of the income statement.

Sales revenues generated from the rendering of services are recognized on an ongoing basis as services are rendered and recognized in the amount that Uniper bills for them.

20230627190354

At €274,121 million, sales revenues in the 2022 fiscal year were above the prior-year level (2021: €162,968 million), owing to the requirement to recognize revenues at current spot prices, which had risen significantly year over year. The amount includes revenues relating to prior periods of €274 million (2021: €41 million).

The increase in Uniper's revenues resulted primarily from the significantly higher market prices in the power and gas business. Aside from higher own-use contract prices and spot-market transactions, a large portion of this increase is attributable to the contracts involving physical settlement that Uniper enters into (failed own-use contracts), which are presented at the spot price applicable on the settlement date – applying the recognition and measurement rules codified in IFRS – rather than at the originally hedged contract price. The difference between the spot price and the contractually hedged price is instead recognized in the line items for other operating income and expenses. The rise in commodity spot prices has thus brought about a shift in the presentation of realized income and expenses from revenues and cost of materials to other operating income and expenses, but it has no effect on contractual cash flows and therefore no impact on adjusted EBIT. A reconciliation to the contractual revenues and cost of materials that are relevant for measuring earnings performance can be found in Note 32, "Reconciliation of Income/Loss before Financial Results and Taxes to Adjusted EBIT and to Adjusted Net Income." Alongside the price effect, significantly reduced electricity and gas sales volumes in the optimization and trading business also had an impact. In addition, there are general macroeconomic, political and sectoral developments.

Uniper anticipates revenues of €1,511 million (2021: €1,317 million) from unsatisfied performance obligations. Of this total, €736 million is attributable to 2023 (in 2021 for 2022: €439 million) and €775 million to years after 2023 (in 2021 for the years after 2022: €878 million).

These amounts do not include contracts having an expected duration of one year or less, nor do they include contracts under which Uniper billed the customer for performance obligations that match exactly the value consumed by the customer during the same period. Variable price components that are subject to restrictions are also not included in unsatisfied performance obligations.

As stated previously, Uniper's sales are especially contingent on the aforementioned physically settled contract types from its trading operations. Accordingly, the disclosure of outstanding performance obligations allows no conclusions to be drawn about the Group's sales in the coming years.

As of December 31, 2022, contract assets amounted to €31 million (2021: €15 million). They result from contracts in which the consumption by the customer, and payments by the customer of the base or service price, vary seasonally. An amount of €15 million from the opening balance as of January 1, 2022, was reclassified to trade receivables (2021: €4 million).

An amount of €688 million in revenues was generated from the contract liabilities included in the opening balance and recognized in the 2022 fiscal year (2021: €489 million). As of December 31, 2022, contract liabilities amounted to €162 million (2021: €824 million).

The classification of revenues by segment, product and region is presented in Note 33.

20230627190555

(6) Own Work Capitalized

Own work capitalized amounted to €99 million in the 2022 fiscal year (2021: €100 million) and was generated from engineering and IT services, among other items.

(7) Other Operating Income and Expenses

Gains and losses on derivatives representing economic hedging relationships for which hedge accounting according to IFRS 9 is not applied are reported within other operating income and expenses for the duration of the forward contracts (the period between contract inception and settlement). Also included in this line item are gains and losses from financial hedging transactions and, to a limited extent, from proprietary trading.

The table below provides details of other operating income for the periods indicated:

Other Operating Income

€ in millions	2022	2021
Income from exchange rate differences	862	367
Gain on derivative financial instruments	143,002	129,571
Gain on disposal of equity investments and securities	1	4
Write-ups of non-current assets	1,758	595
Gain on disposal of property, plant and equipment	91	13
Miscellaneous	681	261
Total	**146,395**	**130,810**

Other operating income increased particularly because of the changes in commodity derivatives recognized at fair value. The increase is mostly attributable to the significantly increased commodity prices in all the markets relevant to the Uniper Group. Income from invoiced and open transactions and from related currency hedges rose to €143,002 million, up €13,431 million from the previous year (€129,571 million). The explanations already take into account the effect from the difference between the spot price and the contractually hedged price on the accounting treatment of forward contracts to buy or sell non-financial items when those are accounted for under IFRS 9 (failed own-use contracts).

Income from exchange rate differences consisted primarily of realized gains arising from the translation of financial and operating foreign-currency receivables and liabilities in the amount of €747 million (2021: €301 million). There also were unrealized currency effects from translation at the closing rate on the balance sheet date in the amount of €115 million (2021: €66 million).

Gains on disposals of property, plant and equipment amounted to €91 million (2021: €13 million).

Write-ups of non-current assets are discussed in Note 17.

Income from the reversal of provisions is reported under miscellaneous other operating income in the amount of €396 million (2021: €49 million). As in previous years, the line item additionally includes numerous other transactions and income types, such as income from goods and services recharged, that are not material either separately or in aggregate.

The following table provides details of other operating expenses for the periods indicated:

Other Operating Expenses

€ in millions	2022	2021
Loss from exchange rate differences	989	375
Loss on derivative financial instruments	149,958	139,142
Expected credit losses on trade receivables and contract assets	2	7
Taxes other than income taxes	32	2
Miscellaneous	816	714
Total	**151,797**	**140,241**

The increase in other operating expenses resulted primarily from changes in the fair value of commodity derivatives. The increase is mostly attributable to the significantly increased commodity prices in all the markets relevant to the Uniper Group. In addition, the increase also includes a provision for onerous contracts to reflect the risk of increased purchase costs to replace undelivered Russian gas supplies in the future. At €149,958 million, expenses from invoiced and open transactions and from related currency hedges were up €10,816 million from the previous year (€139,143 million). The explanations already take into account the effect from the difference between the spot price and the contractually hedged price on the accounting treatment of forward contracts to buy or sell non-financial items when those are accounted for under IFRS 9 (failed own-use contracts).

Expenses from exchange rate differences consisted primarily of realized losses arising from the translation of foreign currency receivables and liabilities in the amount of €887 million (2021: €315 million). There also were unrealized currency effects from translation at the closing rate on the balance sheet date in the amount of €102 million (2021: €60 million).

Miscellaneous other operating expenses in 2022 included third-party services totaling €125 million (2021: €98 million) and IT expenditure totaling €214 million (2021: €193 million). The line item additionally includes numerous other transactions and expenses such as short-term lease expenses, insurance premiums and fees.

Also reported under other operating income and expenses are results generated from proprietary trading, which are presented net in order to clarify the presentation of the respective underlying commodities. The total income from proprietary trading in fiscal 2022 before netting was €17,152 million (2021: €22,559 million). The corresponding gross expenses totaled €16,966 million (2021: €22,677 million).

The main driver of this significant change in other operating income/expenses is the strong increase in commodity prices, as Uniper structurally sells gas and power, and buys carbon allowances and coal, using forward transactions that are measured at fair value through profit or loss.

Because of the complete delivery stoppage, it was not possible to value certain long-term gas supply contracts measured at fair value, and a fair value of zero was therefore recognized for the corresponding long-term gas supply contracts.

In measuring the provision for onerous contracts, in order to reflect the uncertainty regarding future prices for purchases of replacement volumes and possible gas deliveries, weighted scenarios were used to account for the complete stoppage of Russian gas deliveries.

20230627190656

20230627190657

In the 2022 fiscal year, the negative changes in fair value of the sales forward contracts were higher than the positive changes in fair value of the purchase forward contracts, leading – as in the previous year – to a significant unrealized net loss on the derivative positions.

In addition, Uniper hedges its asset positions via forward sales and fuels via forward purchases. In many cases, these hedging transactions are subject to "mark-to-market" accounting under IFRS, while the underlying assets, like power plants, contracts classified under the own-use exemption or inventories, are not. Accordingly, in times of rising commodity prices, Uniper's IFRS net income reflects unrealized losses from hedges now, while the offsetting unrealized gains on the underlying (hedged) assets and generation positions are not recognized until they are realized.

This IFRS-driven accounting mismatch, which as of December 31, 2022, relates to all issues previously described, is only temporary and will resolve over time as the forward contracts are settled. Uniper neutralizes these effects within its key performance indicators – adjusted EBIT and adjusted net income – in order to better reflect operational developments without these measurement effects.

(8) Cost of Materials

The expenses from the consumption of raw materials and supplies are measured at the lower of their acquisition or production cost and their net selling price. Write-downs of inventories to net realizable value, and reversals of such write-downs if the net selling price has risen again, are recognized respectively as increases and decreases in the cost of materials (see also Note 19 for details on the measurement of inventories).

For physically settled transactions that are not within the scope of IFRS 9 (own-use transactions), contract prices, which reflect the economic character of these transactions and the contractually agreed consideration amounts, are used to determine cost of materials, unless a different method exists, e.g., to account for constraint of variable consideration. For physically settled transactions that must be accounted for as derivatives pursuant to IFRS 9 criteria (e.g., failed own-use transactions), the expense is recognized in income or capitalized as inventory or emission rights at the market price applicable at the time of recognition. Accordingly, such contracts are presented as physical spot contracts with a financial hedge.

The cost of materials resulting from the rendering of services is recognized on an ongoing basis as services are rendered and recognized in the amount that Uniper is billed for them (less any price reductions).

Also included within cost of materials are expenses for emission rights that were purchased in order to satisfy obligations under the EU Emissions Trading System (ETS). They are presented at cost. The corresponding asset item is recognized at the spot price applicable on the reporting date under miscellaneous operating assets or, in the case of an allowance shortfall, under miscellaneous provisions.

The following table provides details of the cost of materials for the periods indicated:

Cost of Materials

€ in millions	2022	2021
Expenses for raw materials and supplies and for purchased goods	275,799	155,359
Expenses for purchased services	1,346	1,113
Total	**277,145**	**156,472**

The cost of materials increased by €120,673 million in the 2022 fiscal year to €277,145 million (2021: €156,472 million). The sales trend described previously was a key factor in this development. Particularly the substantial expenses incurred to cover the added cost of procuring replacement volumes of gas, which Uniper has been purchasing in the day-ahead and spot markets since June 2022, additionally inflated the cost of materials.

The increase in the cost of materials resulted particularly from significantly higher average market prices in the power and gas business relative to the previous year, since a large portion of the contracts involving physical settlement that Uniper enters into (failed own-use contracts) is realized at the spot price applicable on the settlement date, rather than at the originally hedged contract price. The difference between the spot price and the contractually hedged price is instead recognized in the line items for other operating income and expenses. The rise in commodity spot prices has thus brought about a shift in the presentation of realized income and expenses from revenues and cost of materials to other operating income and expenses, but it has no effect on contractual cash flows and therefore no impact on adjusted EBIT. The principal factors responsible for the increase are discussed accordingly in Note 5, "Revenues."

Expenses for raw materials and supplies and for purchased goods consisted especially of purchases of gas, electricity and LNG in the amount of €254,963 million (2021: €137,541 including LNG, €130,923 million without LNG). Network usage charges of €886 million (2021: €723 million) are also included in this line item.

Lower prices relative to the previous year reduced expenses for purchases of emission rights to €1,692 million (2021: €1,897 million).

Expenses for purchased services mainly comprised recharged transportation fees totaling €262 million (2021: €527 million) and maintenance costs totaling €183 million (2021: €211 million). The other purchased services totaling €900 million (2021: €375 million) include recharged services totaling €298 million (2021: €18 million).

20230527190058

(9) Financial Results

Interest income and expenses are recognized pro rata using the effective interest method. Dividend income is recognized when the right to receive the distribution payment arises. The implementation of the loss allowance model is described in detail in Note 29. Note 24 contains further discussion of the accounting for the Swedish Nuclear Waste Fund ("Kärnavfallsfonden" or "KAF").

The following table provides details of financial results for the periods indicated:

Financial Results

€ in millions	**2022**	**2021**
Income from companies in which equity investments are held	4	8
Impairment charges/reversals on other financial assets	-4	-2
Net income/loss from equity investments	**0**	**6**
Interest and similar income	453	155
Amortized cost	*47*	*114*
Other interest and similar income	*407*	*42*
Interest and similar expenses	-829	-141
Amortized cost	*-421*	*-51*
Other interest and similar expenses	*-407*	*-90*
Net interest income	**-375**	**14**
Impairment charges/reversals	-1,003	1
Net income from securities	-28	10
Result from the Swedish Nuclear Waste Fund	-74	221
Other financial results	**-1,104**	**231**
Financial results	**-1,480**	**251**

Financial results decreased significantly, by €1,731 million, to -€1,480 million (2021: €251 million). This resulted especially from the decline in other financial results brought about by the write-down to zero of the financing extended to Nord Stream 2 AG in the amount of €1,003 million including accrued interest. The write-down is due to the withdrawal of the security of supply analysis by the German Federal Ministry for Economic Affairs and Climate Action and the associated halt to the certification process, as well as the imposition of U.S. sanctions on Nord Stream 2 AG and its CEO. At €0 million, income from equity investments decreased slightly year over year (2021: €6 million). Net interest income decreased significantly year over year, by €390 million, to -€375 million (2021: €14 million).

Interest and similar income in fiscal 2022 rose by €298 million year over year to €453 million (2021: €155 million). This development resulted mainly from time value of money effects in the measurement of non-current provisions, primarily in Hydro, and amounted to €210 million (2021: €7 million).

Interest and similar expenses rose to -€829 million in the fiscal year (2021: -€141 million), owing particularly to the increased financing volume, which was brought about especially by the drawing of bridge loans from the state-owned KfW Bank and by higher posted collateral for futures and forward transactions (margining). Furthermore, time value of money effects in the measurement of non-current provisions in Swedish nuclear power led to a significantly higher interest expense year over year of -€350 million (2021: -€36 million). Capitalized borrowing costs rose year over year to €9 million (2021: €4 million).

20230627190700

Other financial results declined to -€1,104 million as of the end of fiscal 2022 (2021: €231 million). This change was brought about especially by the write-down to zero of the loans to Nord Stream 2 AG (€1,003 million), as well as by the significantly reduced valuation result relative to the previous year from the Swedish Nuclear Waste Fund of -€74 million (2021: €221 million). Impairment losses included within other financial results are classified as non-operating. Furthermore, net income from securities decreased by €38 million to -€28 million (2021: €10 million).

(10) Income Taxes

Current taxes for the reporting period and for prior periods are measured at the amount expected to be paid to or recovered from the tax authorities.

Deferred taxes are the result of temporary differences between the carrying amounts of the assets and liabilities on the IFRS balance sheet and their corresponding tax bases. Deferred tax assets also include tax relief entitlements resulting from the expected use of existing loss and interest carryforwards in future years. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences and unused loss and interest carryforwards can be offset. Deferred taxes are not taken into consideration for the portion of the deferred tax assets to which these assumptions do not apply.

Deferred taxes are measured using the tax rates that are applicable, or expected to be applicable, in the affected country when they are realized. Deferred tax assets and liabilities are netted for each company or tax group.

The change in the deferred taxes presented on the balance sheet is composed primarily of deferred taxes recognized in income and in equity, and further includes currency effects.

Income taxes are determined company by company, taking into account the tax regulations applicable in the respective countries. Uncertain tax positions are recognized at their most likely value.

Taxes on income, including deferred taxes, break down as follows:

Income Taxes

€ in millions	**2022**	**2021**
Domestic	-147	473
Foreign	156	64
Current taxes	**8**	**536**
Domestic	1,186	645
Foreign	96	-388
Deferred taxes	**1,282**	**-1,033**
Total income taxes	**1,291**	**-496**

In 2022, the net income tax expense amounted to €1,291 million (2021: -€496 million) and resulted in an effective income tax rate of -9,9% (2021: 10,9%). Operating tax income amounted to -€3,532 million (2021: €273 million), mainly due to realized gas curtailment costs in Germany, and led to an operating effective tax rate of 32,2% (2021: 26,9%).
The operating tax income was offset by a non-operating tax expense of €4,823 million (2021: -€770 million) resulting mainly from the devaluation of deferred tax assets.
Of the amount reported as current income taxes in the 2022 fiscal year, -€162 million related to prior periods (2021: -€18 million). Of the €1,282 million in deferred taxes reported in total, an amount of €1,653 million (2021: -€1,051 million) resulted from changes in temporary differences, and an amount of -€371 million (2021: €18 million) from changes in loss carryforwards.

Deferred tax liabilities were not recognized as of the reporting date in respect of differences between the net assets and the tax bases of subsidiaries and associates ("outside basis differences") to the extent that Uniper can control the reversal effect and it is probable that temporary differences will not be reversed in the foreseeable future. Accordingly, no deferred taxes were recognized on these outside basis differences totaling €116 million (2021: €81 million).

The income tax rate of 31% applicable in Germany is made up of corporate income tax (15%), trade tax (15%) and the solidarity surcharge (1%). The differences between this rate and the effective rate of tax are reconciled as follows:

Reconciliation to Effective Income Taxes / Tax Rate

	2022		2021	
	€ in millions	%	€ in millions	%
Income/Loss before taxes	**-13,010**	**100**	**-4,566**	**100**
Expected income taxes	-4,033	31	-1,414	31
Foreign tax rate differentials	-254	2	148	-3
Changes in tax rates / tax law	61	–	-31	1
Tax effects on tax-exempt income	-31	–	0	–
Tax effects of non-deductible outlays and permanent differences	5	–	2	–
Tax effects on net income from companies accounted for under the equity method	-3	–	-6	–
Tax effects of goodwill impairment and deconsolidation	406	-3	–	–
Tax effects of changes in value and non-recognition of deferred taxes[1]	5,116	-39	821	-18
Tax effects of other taxes on income	33	–	-8	–
Tax effects of income taxes related to other periods	-8	–	-15	–
Other	1	–	7	–
Effective income taxes / tax rate	**1,291**	**-10**	**-496**	**11**

[1]Primarily reflects the effect of excluded deferred taxes within and outside Germany.

Deferred tax assets and liabilities break down as shown in the following table:

Deferred Tax Assets and Liabilities

	December 31, 2022		December 31, 2021	
€ in millions	**Tax assets**	**Tax liabilities**	**Tax assets**	**Tax liabilities**
Intangible assets	22	188	26	189
Property, plant and equipment	246	729	51	881
Financial assets	1	7	3	12
Inventories	69	170	43	148
Receivables	163	26,188	138	27,943
Provisions	1,223	91	1,977	164
Liabilities	25,595	168	28,855	147
Loss carryforwards	458	–	90	–
Other	12	27	21	30
Subtotal	**27,788**	**27,567**	**31,204**	**29,514**
Changes in value	–	–	-2	–
Deferred taxes (gross)	**27,788**	**27,567**	**31,202**	**29,514**
Offsetting	-25,012	-25,012	-29,081	-29,081
Deferred taxes (net)	**2,776**	**2,555**	**2,121**	**433**
Current	*483*	*2,336*	*1,683*	*7*

The deferred tax assets on liabilities and the deferred tax liabilities on assets primarily arise from derivative financial instruments.

Of the deferred taxes reported, a total of -€44 million was classified directly in equity (2021: €278 million).

Income taxes recognized in other comprehensive income in the reporting year break down as follows:

Income Taxes on Components of Other Comprehensive Income

	2022			2021		
€ in millions	**Before income taxes**	**Income taxes**	**After income taxes**	**Before income taxes**	**Income taxes**	**After income taxes**
Cash flow hedges	173	-59	113	-175	54	-122
Remeasurements of equity investments	332	–	332	-69	–	-69
Currency translation adjustments	2,767	–	2,767	169	–	169
Remeasurements of defined benefit plans	482	-262	220	392	-122	270
Companies accounted for under the equity method	-4	–	-4	-1	–	-1
Total	**3,749**	**-322**	**3,428**	**316**	**-68**	**247**

Loss and interest carryforwards break down as follows as of the dates indicated:

Tax Loss and Interest Carryforwards

	December 31	
€ in millions	**2022**	**2021**
Domestic tax loss carryforwards	28,166	304
Foreign tax loss carryforwards	776	568
Domestic interest carried forwards	92	–
Total	**29,034**	**872**

German domestic tax loss carryforwards can be offset against a combined maximum of €1 million plus 60% of the total amount of taxable income over €1 million reported for the respective assessment period ("minimum taxation" rule); any remaining tax losses can be carried forward without limitation as to time. This rule relating to minimum taxation for corporate income tax purposes also applies to trade tax loss carryforwards. The domestic tax loss carryforwards result from adding corporate income tax loss carryforwards amounting to €14,154 million (2021: €164 million) and trade tax loss carryforwards amounting to €14,013 million (2021: €140 million).

Moreover, domestic interest carryforwards have accumulated during the 2022 fiscal year to an amount of €92 million (2021: €0 million). There are no foreign interest carryforwards for the 2022 fiscal year (2021: €0 million).

As in the previous year, foreign tax loss carryforwards consist primarily of corporate income tax loss carryforwards.

As of the December 31, 2022, reporting date, deferred taxes were not recognized, or no longer recognized, on the following tax loss and interest carryforwards:

20230627190731

Unrecognized Tax Loss and Interest Carryforwards

	December 31	
€ in millions	**2022**	**2021**
Domestic tax loss carryforwards	26,126	4
Foreign tax loss carryforwards	224	338
Domestic interest carried forwards	92	–
Total	**26,441**	**342**

The domestic and foreign tax loss carryforwards, for the most part, do not expire.

No deferred tax assets were recognized in respect of temporary differences amounting to €8,302 million (2021: €4,733 million).

As of December 31, 2022, Uniper reported deferred tax assets for companies that incurred losses in the reporting period or in the prior-year period that exceed the reported deferred tax liabilities by €536 million (2021: €19 million). The basis for recognizing deferred tax assets is an estimate by management of the extent to which it is probable that the respective companies will achieve taxable earnings in the future against which the as yet unused tax losses, tax credits and deductible temporary differences can be offset. This estimate is based on various company-specific factors that, in addition to the actual and planned earnings of the past, take account particularly of internal corporate medium-term or long-term planning. Furthermore, appropriate consideration is given to the length of the respective planning period.

(11) Personnel-Related Information

Personnel Costs

Personnel Costs

€ in millions	**2022**	**2021**
Wages and salaries	631	885
Social security contributions	95	104
Expenses for retirement and other employee benefits	100	125
Occupational retirement benefits	*100*	*125*
Total	**826**	**1,114**

The personnel costs of the Uniper Group declined by €288 million year over year to €826 million (2021: €1,114 million). The decrease is mainly attributable to a reduction relative to the prior-year period of provisions recognized in connection with the restructuring process in the Engineering business initiated in the previous year and further implemented in the 2022 fiscal year and the implementation of Uniper's strategy, which includes a proactive coal phase-out in Europe and particularly in Germany, and to a year-over-year adjustment in the measurement of these provisions in line with project development. Moreover, the lower average number of persons employed at the Uniper Group relative to the prior-year period and the significantly reduced expenditure on bonuses relative to the previous year also helped reduce personnel costs, as did the non-recurrence of the one-time prior-year expense for the settlement of amounts still payable to former members of the Board of Management of Uniper SE and a reduced expense for occupational retirement benefits relative to the prior-year period. This was partly offset by increases resulting from collectively agreed wage and salary adjustments.

20230627190744

Employees

During the reporting year, Uniper employed an average of 6,986 persons (2021: 7,293) in its continuing operations. Not included in this figure are 165 apprentices (2021: 170), nor are interns, work-study students, members of the Board of Management and managing directors.

In the European Generation segment, the decrease in the average number of employees is primarily attributable to the continued implementation of the restructuring process in the Engineering business and to the transfer of the Schkopau lignite power plant stake in the fourth quarter of 2021. The segment's headcount was further altered by the transfer of the employees of Sydkraft Hydropower AB to Fortum Oyj in the first quarter of 2022 and their return to Uniper in the fourth quarter of 2022. The average employee headcount in the Global Commodities segment was slightly higher in fiscal 2022 than in the previous year because of the expansion of new business fields.

The average number of employees in Administration/Consolidation was at the prior-year level.

In order to ensure consistency between the personnel expenses and the employee numbers presented, data regarding discontinued operations have been excluded and presented in a footnote below the table for information purposes. Accordingly, the average number of employees was as follows:

Employees[1]

	2022	2021
European Generation	4,451	4,826
Global Commodities	1,406	1,337
Russian Power Generation[2,3]	–	–
Administration/Consolidation	1,130	1,130
Total	**6,986**	**7,293**
Domestic	*4,783*	*4,911*
Foreign	*2,203*	*2,382*

[1]Figures do not include members of the Board of Management, managing directors, apprentices, work-study students and interns.
[2]See also the additional information in Note 33, Segment Information.
[3]Due to its classification as a discontinued operation within the meaning of IFRS 5, the personnel costs corresponding to the average number of employees at the Russian Power Generation business unit for 2022 (average employees: 4,272) and 2021 (average employees: 4,416) are reported in the income statement under income or loss from discontinued operations.

Share-Based Payment

To the extent that share-option plans exist within the Uniper Group, such plans are classified as cash-settled share-based payments. A provision in the amount of the prorated fair value of the payment obligation is recognized as of the balance sheet date. Changes in the fair value are recognized in income. The fair value is determined using accepted financial-industry methods. No virtual shares are allocated for non-share-based compensation, and the Uniper SE share price is not considered in any other respect either. Provisions are recognized at the prorated expected settlement amounts as of each balance sheet date. Expected settlement amounts are based on best estimates of the relevant parameters. Changes in expected settlement amounts are recognized in income.

Since the 2021 fiscal year, selected employees of the Uniper Group have been participating in the non-share-based 2021 Performance Cash Plan in the form of other long-term compensation. The 2021 Performance Cash Plan is not allocated in the form of virtual shares, and the Uniper SE share price is not considered in any other respect.

20230627190715

In addition, Uniper Group Supervisory Board members had received a component of their compensation in the form of virtual shares in years up to and including fiscal 2020. Since the 2021 fiscal year, Supervisory Board compensation is paid out entirely as fixed compensation, but Supervisory Board members who served before 2021 still hold virtual shares for which payout remains outstanding and subject to completion of the stabilization measures.

In 2022, share-based payments (the Supervisory Board's virtual shares) generated net income of €0.4 million (2021: expense of €0.2 million), primarily because of the fallen price of Uniper SE's shares.
For non-share-based compensation (the 2021 Performance Cash Plan), expenses amounting to €0.1 million were generated (2021: €3.1 million). These disclosures take into account the classification of the Unipro business unit as a discontinued operation within the meaning of IFRS 5.

Long-Term Variable Compensation

The following discussion includes reports on the non-share-based 2021 Performance Cash Plan introduced in fiscal 2021 for members of the Board of Management of Uniper SE and for selected management personnel of the Uniper Group, and on the long-term variable Supervisory Board compensation granted in the form of virtual shares.

2021 Performance Cash Plan

The non-share-based 2021 Performance Cash Plan has been granted in annual tranches, with a performance period of three years for each tranche, since the 2021 fiscal year. The 2021 Performance Cash Plan is not allocated in the form of virtual shares, and the Uniper SE share price is not considered in any other respect. The payout under the 2021 Performance Cash Plan is based on a target amount contractually agreed with each plan participant and promised at the start of the performance period as a future entitlement, as well as on two financial performance targets with a total weight of 60% and on two non-financial performance goals weighted together at 40%. Adjusted net income and cash capital expenditures are applied as financial performance targets. The non-financial performance goals and targets considered relate to portfolio transformation and to relevant, measurable ESG goals. In terms of portfolio transformation, the Supervisory Board, with respect to the Board of Management, follows the Uniper Group's corporate strategy and evaluates which positive or negative impacts the portfolio transformation has on Uniper's business performance, and the Board of Management proceeds similarly with respect to the management personnel. Regarding ESG goals, relevant and measurable ESG targets that are based on the Uniper Group's sustainability strategy are defined for each tranche of the 2021 Performance Cash Plan. The total payout is limited to 250% of the target amount allocated at the start of the performance period (payout cap), and payout takes place after the end of the three-year performance period.

For the 2021 fiscal year, members of the Board of Management of Uniper SE and selected management personnel had for the first time been allocated a tranche of the 2021 Uniper Performance Share Plan, whose performance period ends at the close of fiscal 2023. The second tranche of the 2021 Performance Cash Plan, whose performance period ends at the close of fiscal 2024, was allocated to Board of Management members and selected management personnel in the 2022 fiscal year. However, because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, the performance-based compensation components of the Board of Management members may neither be promised or paid out, nor established or promised in conditional or other form. Accordingly, payouts of the tranches of the 2021 Performance Cash Plan are excluded for the Board of Management members as long as stabilization has not reached at least 75% completion.

The provisions for the tranches of the 2021 Performance Cash Plan amount to roughly €3.2 million as of December 31, 2022 (2021: €3.5 million). The expense for the 2022 fiscal year amounted to roughly €0.1 million in total (2021: €3.1 million). These disclosures are considering the classification of the Unipro business unit as a discontinued operation within the meaning of IFRS 5 and the deconsolidation of PAO Unipro.

20230627160076

Supervisory Board's Virtual Shares

Since the 2021 fiscal year, Supervisory Board compensation is paid out entirely as fixed compensation; there is no conversion into virtual shares. Prior to the 2021 fiscal year, Supervisory Board members had received a component of 20% of their compensation in the form of variable compensation. That compensation was allocated as a right to a future payment in the form of virtual shares. Supervisory Board members serving at that time therefore still hold virtual shares that have not yet been paid out.

The virtual shares are used purely for calculation purposes and do not confer on the beneficiary any entitlements or shareholder rights – particularly voting rights or dividend rights. To determine the number of virtual shares, the variable compensation from the previous year is divided in January of each calendar year by the volume-weighted average share price of the Company from the last 60 trading days prior to January 1 of the reporting year. After four calendar years, the virtual shares are multiplied by the average share price of the Company from the last 60 trading days of the fourth calendar year and increased by the amount of dividends paid to shareholders on each share of the Company over the previous four years. The variable compensation is paid within the first month after the end of the four-year period and is limited to 200% of the allocation amount (payout cap).

In accordance with the Articles of Association of Uniper SE, the departure of three Supervisory Board members effective at the close of the 2022 Annual General Meeting triggered the early settlement and payout of any variable compensation converted into virtual shares during their respective service periods. The payouts totaled roughly €167 thousand and took place in the second quarter of 2022. In addition, the four-year lock-up periods for the Supervisory Board compensation converted into virtual shares as of January 1, 2018, and January 1, 2019, expired effective December 31, 2021, and December 31, 2022, respectively. The payout of the virtual shares whose lock-up period expired as of December 31, 2021, totaled €160 thousand and took place in the first quarter of 2022.

Because of the Federal Republic of Germany's stabilization package, a right to compensation for members of the Uniper SE's Supervisory Board, advisory board or other corporate governing bodies may arise only in the form of fixed compensation. Accordingly, any payout of outstanding virtual shares to both serving Supervisory Board members and those who departed after the agreement on the stabilization package is excluded as long as stabilization has not reached at least 75% completion. Therefore, there is no payout of the virtual shares for the Supervisory Board members who departed as of December 21, 2022, and none for the shares whose lock-up period expired as of December 31, 2022.

The provisions for the Supervisory Board's virtual shares amount to roughly €40 thousand as of December 31, 2022 (2021: €0.8 million). The fallen price of Uniper SE's shares resulted in the generation of net income for fiscal 2022 of roughly €0.4 million in total (expenses in 2021: €0.2 million).

20230527119077

(12) Other Disclosures

Compensation of Board of Management and Supervisory Board

Board of Management

Total compensation paid to members of the Board of Management amounted to roughly €3.5 million (2021: €7.2 million). They receive a fixed base salary and other compensation components (fringe benefits) unrelated to performance. Against the backdrop of a KfW loan being drawn down in the spring of 2022, the Board of Management members declared their willingness to forfeit the annual bonus for the 2022 fiscal year. Also, because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, no performance-based compensation components may be promised or paid out, or established or promised in conditional or other form. All such compensation is thus excluded for the 2022 fiscal year. For the 2021 fiscal year, total compensation also includes the annual bonus as a performance-based compensation component.

The non-share-based 2021 Performance Cash Plan has been granted in annual tranches, with a performance period of three years for each tranche, since the 2021 fiscal year. In 2021, the allocation amounts for the members of the Board of Management had totaled roughly €2.9 million. The second tranche of the 2021 Performance Cash Plan, with target amounts totaling roughly €2.9 million, was allocated to Board of Management members at the beginning of the 2022 fiscal year. Payouts of the tranches of the 2021 Performance Cash Plan are excluded until at least 75% of the stabilization measures have been repaid.

Uniper SE and its subsidiaries granted no advances or loans to and did not enter into any contingencies benefiting members of the Board of Management in the 2022 fiscal year.

Former members of the Board of Management and their surviving dependents received no compensation in fiscal 2022 (2021: €14.4 million due to severances and the payout of a benefit account balance). The settlement amount of the pension obligations for former Board of Management members and their surviving dependents totaled roughly €9.1 million as of December31, 2022 (2021: €9.3 million).

Additional information about the members of the Board of Management is provided in the "Related Persons" section of Note 30.

Supervisory Board

Total compensation paid to the Supervisory Board for the 2022 fiscal year amounted to roughly €1.3 million (2021: €1.3 million). Aside from their annual fixed compensation, Supervisory Board members also receive additional compensation for committee work on the Uniper SE Supervisory Board and for serving on supervisory boards of Uniper Group subsidiaries. Outlays were reimbursed for a total of €2 thousand (2021: €1 thousand).

As in the previous year, there were no outstanding loans or advances to members of the Supervisory Board in the 2022 fiscal year, nor have any contingencies been entered into in favor of the Supervisory Board.

Additional information about the members of the Supervisory Board is provided in the "Related Persons" section of Note 30.

20230627190178

Fees and Services of the Independent Auditor

During the 2022 fiscal year, the following fees for services provided by the independent auditor of the Consolidated Financial Statements, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft ("PwC Germany"), and by companies in the international PwC network, were recorded as expenses:

Independent Auditor Fees

€ in millions	**2022**	**2021**
Financial statement audits	11.7	11.0
PwC Germany	*9.3*	*8.6*
Other attestation services	0.9	0.5
PwC Germany	*0.9*	*0.5*
Tax advisory services	0.0	0.0
PwC Germany	*0.0*	*0.0*
Other services	0.0	0.4
PwC Germany	*0.0*	*0.1*
Total	**12.6**	**11.9**
PwC Germany	*10.2*	*9.2*

The fees for financial statement audits concern the audit of the Consolidated Financial Statements and the financial statements of Uniper SE and its affiliates, including the examination of the internal control system for intragroup services, as well as the review of the interim financial statements. Additionally included within this category is the project-related review performed in the context of the introduction of IT and internal control systems.

Up to and including the first quarter of 2022, the auditor's fees had included the fees of the Russian entity Technologies of Trust – Audit JSC for audits of PAO Unipro. As of the second quarter of 2022, these fees are no longer reported here, as Technologies of Trust – Audit JSC is no longer part of the international PwC network.

Fees for other attestation services concern, in particular, fees charged for other mandatory and voluntary audits.

No significant tax consulting services were provided in fiscal year 2022.

No significant other services were provided in fiscal year 2022.

As in the previous year, non-audit-related advisory fees made up less than 30% of the financial statement audit fees in the 2022 fiscal year.

20230627190729

(13) Earnings per Share

The computation of basic and diluted earnings per share for the periods indicated is shown below:

Earnings per Share

€ in millions	2022	2021
Income/Loss from continuing operations	-14,300	-4,069
Less: non-controlling interests	-171	70
Income/Loss from continuing operations (attributable to shareholders of Uniper SE)	**-14,129**	**-4,139**
Income/Loss from discontinued operations	-4,824	-36
Less: non-controlling interests	26	-7
Income/Loss from discontinued operations (attributable to shareholders of Uniper SE)	**-4,850**	**-29**
Net income/loss attributable to shareholders of Uniper SE	**-18,979**	**-4,169**
€		
Earnings per share (attributable to shareholders of Uniper SE)		
From continuing operations	-24.61	-11.31
From discontinued operations	-8.44	-0.08
From net income/loss	**-33.05**	**-11.39**
Weighted-average number of shares outstanding (in millions)	574	366

Earnings per share for the 2022 fiscal year amounted to -€33.05 (2021: -€11.39). These values were calculated on the basis of the weighted average number of shares outstanding in the reporting period.

As of December 31, 2022, the weighted annual average number of shares outstanding was 574,211,622 (2021: 365,960,000). The weighted average number of shares is derived from the total number of shares at the beginning of the fiscal year (365,960,000 shares), the capital increase of roughly €8 billion (4,705,882,353 new shares) and the partially utilized 2022 Authorized Capital of roughly €5.5 billion (3,257,664,298 new shares). Both capital increases took place in December 2022 and were included in the calculation of the weighted average number of shares outstanding on a pro-rata basis.

The computation of diluted earnings per share is identical to that of basic earnings per share because Uniper SE has issued no potentially dilutive ordinary shares.

(14) Goodwill and Intangible Assets

Goodwill is not amortized. It is instead tested for impairment at the level of the group of cash-generating units (CGUs) on at least an annual basis (see also Note 17). Goodwill created by acquisition activities is allocated to those CGUs expected to benefit from the business combination. The group of CGUs to which goodwill is allocated are generally equivalent to the operating segments, since goodwill is reported and considered in management performance indicators only at that level.

Intangible assets are capitalized at their cost. If an intangible asset's useful life is determinable, it is amortized over that useful life on a straight-line basis. Useful lives and amortization methods are subject to annual verification.

20230627190800

Development costs are capitalized as an intangible asset if they can be clearly attributed to a newly developed product or process whose completion is technically feasible and that will be available for own use or for sale. At Uniper, this is true particularly for self-developed software. Research costs are recognized in income as incurred.

Assets subject to amortization and assets not subject to amortization – especially goodwill – are tested for impairment at least annually and whenever events or changes in circumstances indicate that such assets may be impaired (see also Note 17). Impairment charges on intangible assets other than goodwill are reversed and recognized in income if the reasons for the previously recognized impairment losses no longer exist. The reversal of an impairment charge may not exceed the amortized cost that would have been determined had no charge been recognized.

The following are the useful lives of the Group's intangible assets:

Useful Lives of Intangible Assets

Marketing-related, customer-related and contract-based intangible assets	5 to 30 years
Technology-based intangible assets (particularly software)	3 to 5 years

The changes in goodwill and intangible assets are presented in the following table:

Goodwill and Intangible Assets

€ in millions	Goodwill	Customer-related intangible assets	Contract-based intangible assets	Technology-based intangible assets	Internally generated intangible assets	Intangible assets not subject to amortization	Advance payments on intangible assets	Total
Acquisition and production costs								
January 1, 2022	4,898	16	1,333	196	279	49	54	6,826
Exchange rate differences	-59	–	-7	1	-1	-4	–	-68
Changes in scope of consolidation	-793	–	-3	-21	-1	–	-1	-819
Additions	–	–	–	3	18	–	35	57
Disposals	–	–	–	-1	-2	–	–	-3
Transfers	–	–	–	8	25	–	-33	–
December 31, 2022	4,046	16	1,323	185	318	46	56	5,991
Accumulated depreciation								
January 1, 2022	-3,116	-16	-826	-175	-203	-1	1	-4,335
Exchange rate differences	133	–	7	-1	–	–	–	140
Changes in scope of consolidation	793	–	1	14	1	–	–	809
Additions	–	–	-19	-9	-32	–	–	-60
Disposals	–	–	–	1	1	–	–	2
Transfers	–	–	–	–	–	–	–	–
Impairment charges	-1,858	–	-2	-2	–	–	–	-1,862
Reversals	–	–	1	–	–	–	–	1
December 31, 2022	-4,046	-16	-838	-172	-233	-1	1	-5,305
Net carrying amounts								
December 31, 2022	–	–	485	13	85	45	58	687

20230627190851

Goodwill and Intangible Assets

€ in millions	Goodwill	Customer-related intangible assets	Contract-based intangible assets	Technology-based intangible assets	Internally generated intangible assets	Intangible assets not subject to amortization	Advance payments on intangible assets	Total
Acquisition and production costs								
January 1, 2021	4,707	16	1,326	190	237	50	55	6,583
Exchange rate differences	191	–	7	1	1	-1	–	199
Changes in scope of consolidation[1]	–	–	–	–	–	–	–	–
Additions	–	–	–	5	8	–	38	52
Disposals	–	–	-1	-7	–	–	–	-8
Transfers	–	–	–	7	33	–	-39	1
December 31, 2021	4,898	16	1,332	196	279	49	54	6,826
Accumulated depreciation								
January 1, 2021	-2,956	-16	-792	-164	-168	-1	1	-4,097
Exchange rate differences	-160	–	-7	-1	–	–	–	-168
Changes in scope of consolidation[1]	–	–	–	–	–	–	–	–
Additions	–	–	-20	-13	-34	–	–	-68
Disposals	–	–	1	7	–	–	–	8
Transfers	–	–	–	–	–	–	–	–
Impairment charges	–	–	-7	-3	–	–	–	-10
Reversals	–	–	–	–	–	–	–	–
December 31, 2021	-3,116	-16	-826	-175	-203	-1	1	-4,335
Net carrying amounts								
December 31, 2021	1,783	–	507	21	76	48	55	2,491

As in the previous year, there were no restricted interests in intangible assets as of the balance sheet date.

(15) Property, Plant and Equipment

Items of property, plant and equipment and their components are capitalized at cost and depreciated on a straight-line basis over their expected useful lives, up to the most likely date of their being taken out of use. When determining useful life, energy policy and legal aspects are taken into consideration alongside technical and commercial ones, as are voluntary commitments. Accordingly, especially in coal-fired power plants due to coal phase-out scenarios addressing the challenges of climate change, the actual useful life can be shorter than the technical useful life. If there are indications of impairment, an impairment test (see also Note 17) is performed. The costs arising from an obligation to retire an item of property, plant and equipment after its use has ended are additionally capitalized at the time of its acquisition or production.

Borrowing costs are capitalized as part of the cost of a qualifying asset. For non-specific financing arrangements, a uniform Company-specific financing rate of 2.83% was applied within the Uniper Group for the 2022 fiscal year (2021: 1.73%). This rate covers the interest rates of all financial liabilities, including those for long-term leases.

20230627190082

Government investment subsidies are reported on the balance sheet as deferred income. They are then reclassified to the income statement on a straight-line basis over the associated asset's expected useful life.

Gains and losses on the disposal of property, plant and equipment are recognized in income under other operating income or expenses (see also Note 7).

The useful lives of the major categories of property, plant and equipment are presented below:

Useful Lives of Property, Plant and Equipment

Buildings	10 to 50 years
Technical equipment, plant and machinery	10 to 65 years
Other equipment, fixtures, furniture and office equipment	3 to 25 years

The changes in property, plant and equipment are presented in the following table:

Property, Plant and Equipment

€ in millions	Real estate and leasehold rights	Buildings	Technical equipment, plant and machinery	Other equipment, fixtures, furniture and office equipment	Advance payments and construction in progress	Total
Acquisition and production costs						
January 1, 2022	1,728	3,355	27,784	380	839	34,086
Exchange rate differences	-109	21	-484	-8	-14	-595
Changes in scope of consolidation	2	-1,072	-2,780	-122	-111	-4,083
Additions	10	91	475	17	376	969
Disposals	-1	-34	-387	-24	-3	-449
Transfers	2	18	149	63	-277	-45
December 31, 2022	1,632	2,380	24,757	305	810	29,884
Accumulated depreciation						
January 1, 2022	-276	-2,165	-21,094	-299	-198	-24,031
Exchange rate differences	9	9	419	6	10	454
Changes in scope of consolidation	2	602	1,650	87	19	2,361
Additions	-8	-102	-577	-30	–	-718
Disposals	–	8	227	22	–	257
Transfers	–	–	–	–	–	–
Impairment charges	-1	-111	-759	-28	-9	-909
Reversals	–	144	1,753	4	28	1,930
December 31, 2022	-274	-1,615	-18,381	-238	-148	-20,656
Net carrying amounts						
December 31, 2022	1,358	765	6,376	67	661	9,228

2023062719083

Property, Plant and Equipment

€ in millions	Real estate and leasehold rights	Buildings	Technical equipment, plant and machinery	Other equipment, fixtures, furniture and office equipment	Advance payments and construction in progress	Total
Acquisition and production costs						
January 1, 2021	1,761	3,139	26,828	364	1,236	33,327
Exchange rate differences	-24	55	348	2	37	417
Changes in scope of consolidation	–	–	-123	-5	–	-128
Additions	5	30	364	18	423	840
Disposals	-14	-16	-281	-15	-8	-333
Transfers	1	147	648	17	-849	-36
December 31, 2021	1,728	3,355	27,784	380	839	34,086
Accumulated depreciation						
January 1, 2021	-278	-2,031	-20,809	-283	-157	-23,558
Exchange rate differences	–	-25	-252	-2	2	-278
Changes in scope of consolidation	–	–	97	3	–	100
Additions	-8	-73	-497	-27	–	-605
Disposals	10	7	277	15	–	308
Transfers	–	–	39	–	-8	31
Impairment charges	-	-99	-486	-4	-36	-625
Reversals	–	57	538	–	–	595
December 31, 2021	-275	-2,165	-21,094	-299	-198	-24,031
Net carrying amounts						
December 31, 2021	1,453	1,190	6,690	82	641	10,055

The recognized impairment charges and reversals are discussed in detail in Note 17.

Borrowing costs were capitalized in the reporting year in the amount of €10 million (2021: €13 million) as part of the cost of property, plant and equipment Of this amount €1 million (2021: €9 million) accounted for property, plant and equipment related to discontinued operations that were deconsolidated with PAO Unipro as at 31 December 2022.

In addition to owned assets, property, plant and equipment also includes right-of-use assets from leases in which the Uniper Group acts as the lessee. Note 31 contains additional information about leases.

As in the previous year, there were no restricted interests in property, plant and equipment as of the balance sheet date.

20230627190842

(16) Companies Accounted for Under the Equity Method

Interests in associated companies (significant influence) and joint ventures (joint control) are accounted for using the equity method. Interests in associated companies accounted for using the equity method are reported on the balance sheet at cost, including all directly attributable incidental acquisition expenses, and adjusted for changes in the Uniper's share of the net assets after the date of acquisition and for any impairment charges. Losses that might exceed the Group's interest in an associated company or joint venture when attributable long-term loans are taken into consideration are generally not recognized. If there are indications of impairment, an impairment test (see also Note 17) is performed. Any difference between the cost of the investment and the remeasured value of its net assets is recognized in the consolidated financial statements as part of the carrying amount. Any dividends received are deducted from the recognized value to prevent double recognition. Unrealized gains and losses arising from transactions with associated companies accounted for using the equity method are eliminated within the consolidation process on a pro-rata basis if and insofar as these are material. The financial statements of investments accounted for under the equity method are generally prepared using accounting that is uniform within the Group.

In the 2022 fiscal year, as in the previous year, no companies were classified as material associates.

The carrying amounts of individually immaterial companies accounted for under the equity method break down as follows:

Companies Accounted for Under the Equity Method

	December 31, 2022			December 31, 2021		
€ in millions	Uniper Group	Associates[1]	Joint ventures[1]	Uniper Group	Associates[1]	Joint ventures[1]
Companies accounted for under the equity method	291	189	102	322	227	96

[1]The associates and joint ventures presented as equity investments are associated companies and joint ventures accounted for at cost on materiality grounds.

Dividends and other profit distributions received by Uniper from companies accounted for under the equity method amounted to €41 million in the reporting year (2021: €41 million).

The following table summarizes significant line items of the aggregated statements of comprehensive income of the individually immaterial associates and joint ventures that are accounted for under the equity method:

Aggregated Financial Information for Individually Immaterial Associates and Joint Ventures Accounted for Under the Equity Method

	Associates		Joint ventures		Total	
€ in millions	2022	2021	2022	2021	2022	2021
Proportional share of net income	34	28	20	19	54	46
Proportional share of other comprehensive income	2	–	–	–	2	–
Proportional share of total comprehensive income	37	28	20	19	57	46

As in the previous year, no companies were accounted for under the equity method as of the balance sheet date whose shares are marketable. Similarly, no investments in associates were restricted as collateral for financing.

There are no material restrictions apart from those contained in standard legal and contractual provisions.

(17) Impairment Testing in Accordance with IAS 36

An impairment loss is charged to an asset if its recoverable amount is less than its carrying amount. For individual assets that generate no independent cash inflows, the recoverable amount for the smallest identifiable group of assets is determined. If the reason for a previously recognized impairment charge no longer exists, the charge is reversed and recognized in income – except in the case of goodwill.

Goodwill and other intangible assets not subject to amortization are tested for impairment at least annually.

Uniper performs its annual goodwill impairment test in the fourth quarter of the fiscal year. The test involves comparing the recoverable amount of the group of cash-generating units (CGUs) with its carrying amount. The recoverable amount is defined as the higher of the fair value less costs to sell of the group of CGUs and its value in use. An impairment loss is recognized if the recoverable amount is lower than the carrying amount.

Goodwill impairment tests are generally derived from the respective individual measurements of the separate subunits ("sum of the parts" measurement). Uniper determines recoverable amounts for the Global Commodities CGU and (prior to the write-down to zero as of March 31, 2022) the Russian Power Generation CGU on the basis of value in use and applies a discounted cash flow (DCF) valuation model to measure these amounts. The European Generation CGU carries no goodwill.

Material estimations and judgments made by management in the context of impairment testing are described in the following overview.

Goodwill:
Valuations for the Global Commodities CGU and the Russian Power Generation CGU are based on the medium-term corporate planning authorized by the Board of Management.

The following special considerations apply respectively for each CGU:

Calculations of the value in use are generally based on the three planning years of the medium-term plan plus a period of long-term planning. Subsequent to the long-term planning calculations, a terminal value is assessed. Long-term planning was based on a period ending in 2035, particularly against the backdrop of long-term contractual relationships in trading and in the gas-storage business.	The value in use is determined by the Russian generation activities. It is measured in local currency and reflects the regulatory framework over a detailed planning period of 25 years.

The cash flow assumptions extending beyond the detailed planning period are determined using segment-specific growth rates that are based on historical analysis and prospective forecasting. The growth rates used are generally derived from the inflation rates in the respective countries where the CGUs operate.

20230627190865

The principal assumptions underlying the determination by management of the recoverable amount are the respective forecasts for commodity market prices, emission allowances (including allowances that are required to offset the impact of unavoidable emissions in line with CO_2 reduction targets), future electricity and gas prices in the traded markets, the seasonal price difference in gas markets (known as the "summer-winter spread") in the gas-storage business, Uniper's investment activity, changes in the regulatory and statutory framework, as well as for rates of growth and the cost of capital. These assumptions are based on publicly available market data, on external market analyses and on internal estimates based on past experience.

Non-current assets:
Intangible assets, property, plant and equipment, including right-of-use assets, and groups of these assets, as well as companies accounted for under the equity method, are tested for impairment as indicated at the level of the individual asset or the CGU. Impairment testing of the aforementioned assets or CGUs is performed whenever there are indications of impairment. In the European Generation segment, for example, the tests are based on remaining useful life, which can be shorter than the technical useful life specifically in coal-fired power plants, due to measures taken in specific countries to mitigate climate change, and on other plant-specific valuation parameters. Uncertainties relating to a variable regulatory environment are generally accounted for by means of scenario evaluations. Recoverable amounts were usually determined using the value in use.

Growth rates and cost of capital:
The growth rates and the cost of capital are described in the following overview. They relate solely to those units making a significant value contribution to the respective CGU.

Impairment Testing Parameters

	European Generation		Global Commodities		Russian Power Generation[1]	
	2022[2]	2021	2022[2]	2021	2022[3]	2021
Goodwill						
Growth rate (in %)	N/A	N/A	0.5	1.0	5.8	5.8
Cost of capital before taxes (in %)	N/A	N/A	6.8	6.8	14.2–32.8	14.2
Cost of capital after taxes (in %)	N/A	N/A	4.8	4.8	11.3–26.2	11.3
Other non-current assets						
Cost of capital before taxes (in %)	8.1–13.1	6.3–9.2	6.6–9.1	4.7–7.4	14.2–32.8	14.2
Cost of capital after taxes (in %)	6.0–7.8	4.7–5.5	4.6–8.3	3.3–6.5	11.3–26.2	11.3

[1]Growth rate and cost of capital in local currency.
[2]The cost of capital reported for 2021 was applied for the event-triggered impairment tests performed during the 2022 fiscal year
[3]A range based on the cost of capital reported for 2021 was applied for the event-triggered impairment tests performed during the 2022 fiscal year.

The European Generation CGU did not carry any goodwill in the 2022 and 2021 fiscal years. Therefore, there are no growth rates, and there is no cost of capital, to perform impairment tests for this CGU.

In addition to the growth rates and cost of capital shown in the table, the following key aspects of energy and climate policy and the regulatory environment, including related voluntary commitments, were taken into account when testing other non-current assets for impairment: specifications of the Paris climate accord, the Uniper Group's voluntary commitments to achieve carbon neutrality and legislated coal phase-out scenarios.

20230627190087

Some of the coal phase-out pathways already adopted in specific countries have been considered accordingly in the impairment tests performed. In cases where Uniper sees the use of fossil energy sources ending early, this has been reflected accordingly. No fossil-fuel power plants were modeled Group-wide from 2050 forward. In the European Generation segment, a 50% reduction of Scope 1 and Scope 2 emissions by 2030 (compared with 2019 levels) and climate neutrality by 2035 were applied in the modeling. In the Global Commodities CGU, a 35% reduction of indirect (Scope 3) carbon emissions by 2035 (compared with 2021 levels) and climate neutrality (in terms of Scope 1 through Scope 3) from 2050 were planned and modeled.

Impairment Testing Results

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2022

€ in millions	European Generation	Global Commodities	Russian Power Generation[2]	Uniper Group
Net carrying amount of goodwill as of January 1, 2022	**0**	**1,312**	**471**	**1,783**
Changes resulting from acquisitions and disposals	–	–	–	–
Impairment charges	–	-1,312	-546	-1,858
Exchange rate differences	–	–	75	75
Net carrying amount of goodwill as of December 31, 2022	**0**	**0**	**0**	**0**
Other non-current assets[1]				
Impairment charges	201	280	432	913
Reversals	1,587	171	173	1,931

[1]Other non-current assets consist of intangible assets (Note 14) and of property, plant and equipment (Note 15).

[2]See also the additional information in Note 33, Segment Information.

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2021

€ in millions	European Generation	Global Commodities	Russian Power Generation	Uniper Group
Net carrying amount of goodwill as of January 1, 2021	**0**	**1,312**	**439**	**1,751**
Changes resulting from acquisitions and disposals	–	–	–	–
Impairment charges	–	–	–	–
Exchange rate differences	–	–	32	32
Net carrying amount of goodwill as of December 31, 2021	**0**	**1,312**	**471**	**1,783**
Other non-current assets[1]				
Impairment charges	300	47	288	635
Reversals	557	37	–	595

[1]Other non-current assets consist of intangible assets (Note 14) and of property, plant and equipment (Note 15).

20230527190838

Impairment Testing Results in 2022

In the first quarter of 2022, a goodwill impairment test was performed on the Russian Power Generation CGU based on a reassessed cost of capital that reflects the current overall geopolitical situation. At the same time, probability-weighted cash flows were determined applying different cash flow scenarios. The test showed that the Russian Power Generation CGU had a recoverable amount falling short of its carrying amount. Accordingly, in addition to the impairments recognized on property, plant and equipment, the entire goodwill of the Russian Power Generation CGU was written down to zero by €405 million (adjusting for exchange rates, €546 million in the fourth quarter). Impairment testing of the Russian Power Generation CGU's goodwill was performed based on a year-specific cost of capital after taxes in local currency ranging between 11.3% and 26.2% (as of December 31, 2021: 11.3% cost of capital) and on a growth rate of 5.8% (as of December 31, 2021: 5.8% growth rate). Due to the reclassification of the Russian Power Generation business division to discontinued operations as of December 31, 2022, the effects on earnings from impairments for all reporting periods are no longer reported under depreciation and amortization, but in income or loss from discontinued operations.

Goodwill impairment testing of the Global Commodities CGU necessitated no recognition of impairment losses in the first quarter of 2022.

Given the developments in the geopolitical situation, especially the unannounced gas curtailments from Russia and the associated breach of contract by Gazprom, it again became necessary to test the goodwill of the Global Commodities CGU for impairment as of June 30, 2022. Varying scenarios were taken into account when performing this impairment test, especially in terms of the scope of future gas deliveries from Russia, the timing and the pass-through amount of the resulting added expenditures for procuring replacement volumes, as well as the diminished long-term growth prospects and the uncertainties regarding developments in the geopolitical situation. The outcome of this impairment test led to a write-down to zero of all the goodwill, in the amount of €1,312 million, as of June 30, 2022. This impairment test was performed based on a cost of capital of 4.8% (after taxes) and on an average growth rate of 0.5% (as of December 31, 2021: 4.8% cost of capital and 1% growth rate), which appropriately reflects the demonstrated unreliability of Gazprom as a contracting party for the Global Commodities CGU's gas portfolio.

The end result is that the entire goodwill of the Global Commodities CGU was also written down to zero in the 2022 fiscal year.

Impairment Testing Results in 2021

The annual goodwill impairment tests performed in the fourth quarter of 2021 necessitated no recognition of impairment losses. The recoverable amount of the Global Commodities CGU was composed of a group of CGUs and significantly exceeded the carrying amount. The Russian Power Generation CGU's recoverable amount was also higher than its carrying amount. Reasonably possible changes in the key assumptions would not necessitate the recognition of an impairment loss.

20230527190B9

Impairment Testing of Non-Current Assets

Because impairments had been recognized on a large number of generation assets in previous years, especially in European Generation and Russian Power Generation, the assets involved will be particularly sensitive in subsequent years to changes in the key assumptions used to determine their recoverable amounts.

The following paragraphs show both event-triggered and regular impairment tests and their results. For event-triggered tests, the relevant dates of those tests, which are not always comparable with the corresponding prior-year test dates, are presented.

To enhance transparency, the results of the impairment tests performed on assets in the Russian Power Generation business division continue to be stated even though the earnings of this division are presented within income or loss from discontinued operations for all reporting periods.

Impairment Testing Results in the First Half of 2022

Impairment charges on property, plant and equipment totaled €184 million in the first quarter of 2022 (first quarter of 2021: €22 million). They related to the European Generation segment, at €162 million, and to the Global Commodities segment, at €21 million. Impairment reversals on property, plant and equipment amounted to €24 million in the first quarter of 2022 (first quarter of 2021: €12 million). These reversals related entirely to the European Generation segment.

Impairments in the European Generation segment were attributable to the Datteln 4 hard-coal power plant in the amount of €79 million. The impairment test on this asset in the first quarter of 2022 was triggered by an agreement reached with the insurer concerning the boiler damage. The settlement required separate recognition in income of a corresponding receivable. Since it can be measured separately, this receivable is not included in the impairment test of the CGU, but as a separate receivable, which meant that the CGU's recoverable amount had to be reduced by the amount of the insurance payment.

In the United Kingdom, the results of the capacity market auctions necessitated impairment testing. Impairments were recognized on two assets: At one generation asset, the result of the capacity market auction failed to offset the reduction in gross margin that had already been realized in the first quarter of 2022 and resulted in a charge of €56 million. At another generation asset, the damage sustained by one of the units in a storm exceeded the positive result from the auction, necessitating the recognition of an impairment charge of €27 million. In the Global Commodities segment, the net present value of a storage facility was diminished mainly in connection with the gas storage optimization conducted in the first quarter, necessitating an impairment charge of €21 million.

None of the remaining impairments in the first quarter of 2022 were material either separately or in aggregate; the same is true for reversals of impairment charges previously recognized on power plants.

Impairment charges on property, plant and equipment totaled €43 million in the second quarter of 2022 (second quarter of 2021: €4 million). These charges related entirely to the Global Commodities segment.

Reversals of impairment charges previously recognized on power plants and storage facilities amounted to €569 million in the second quarter of 2022 (second quarter of 2021: €0 million). Of these reversals, €556 million related to the European Generation segment, and €13 million related to the Global Commodities segment.

Given the geopolitical and legislative measures, a comprehensive impairment test was performed on the Global Commodities segment's storage infrastructure in the second quarter of 2022. The test led primarily to a further impairment charge on the storage facility that had already been written down in the first quarter, and additionally to smaller positive effects at two further facilities, none of which are material either separately or in aggregate.

20230527190030

The most substantial individual impairment reversal in the second quarter of the 2022 fiscal year in terms of amount related to the European Generation segment's Maasvlakte 3 hard-coal power plant in the Netherlands and totaled €556 million. Owing to the geopolitical situation, the Dutch government activated the early-warning phase of its energy crisis plan and announced the withdrawal of the statutory 35% production cap for coal-fired power plants. Although the cap withdrawal is not yet implemented in law, it still triggered an impairment test. Applying a scenario-based analysis for actual implementation, the impairment reversal determined resulted primarily from prevailing market prices as of the reporting date.

Impairment tests on non-current assets are also normally based on varying scenarios that take into account the volatile market environment and the uncertainties regarding developments in the geopolitical situation. Developments observable in the future may require corresponding changes to the assumptions and scenarios to be considered when testing in the future.

The effects on earnings (first half of 2022: €360 million, first half of 2021: €0 million) resulting from impairment testing of non-current assets in the former Russian Power Generation segment are included in income or loss from discontinued operations.

Impairment Testing Results in the Second Half of 2022

Event-triggered testing in the third quarter of 2022 resulted in impairment charges totaling €109 million and impairment reversals totaling €105 million.

Impairment charges of €109 million were recognized in the Global Commodities segment. Given the events surrounding the Nord Stream 1 gas pipeline, the OPAL pipeline was tested for impairment. The pipeline is used for onward transportation of gas to the interconnection point at Brandov, on the Czech side of the German-Czech border. Based on the assumptions used, the carrying amount of the OPAL line was reduced by €109 million.

The reversals related particularly to the Global Commodities segment, where a gas storage facility in Austria was written up by €89 million due to improved expectations for summer-winter spreads. A €16 million reversal was recognized in the European Generation segment. This was due to the return to the market of a coal-fired power plant in Germany on the basis of the Act on the Maintenance of Substitute Power Stations.

The regular medium-term corporate planning in the fourth quarter of 2022 is also affected by the events and uncertainties described previously. Based on the medium-term corporate planning approved by resolution of the Board of Management, combined with the regular updates of the cost of capital and of the forecasts for market prices of commodities and emission allowances and for future electricity and gas prices in the traded markets, many individual event-triggered impairment charges and reversals were recognized. Impairment charges of €147 million recognized in the fourth quarter of 2022 related primarily to power plants held by the European Generation segment and to storage facilities and infrastructure in the Global Commodities segment.

Impairment reversals in the fourth quarter of 2022 totaled €1,062 million. An amount of €994 million related primarily to impairments recognized on generation assets within and outside Germany in preceding years.

Full-Year Presentation for 2022

A total of roughly €482 million in impairments was charged to non-current assets in the 2022 fiscal year, of which €201 million related to the European Generation segment and €281 million to the Global Commodities segment. The impairment losses of €432 million recognized for the Russian Power Generation business division are presented in income or loss from discontinued operations (see also Note 4).

The most substantial individual impairment in the European Generation segment in the 2022 fiscal year in terms of amount related to the Datteln 4 hard-coal power plant and amounted to €87 million. Aside from the price-driven adjustments made in the context of regular medium-term corporate planning that reflected the impact of the increased cost of carbon and the costs incurred for climate neutrality, among other factors, revised regulatory and legal as well as political assessments resulted in these impairment losses at year-end.

20230627190911

In addition, impairments were recognized on two assets in the UK: At one generation asset, the result of the capacity market auction failed to offset the reduction in gross margin that had already been realized in the first quarter of 2022 and resulted in a charge of €56 million in the first quarter of 2022. At another generation asset, the clean-up costs for the storm damage sustained by one of the power plant units coupled with the ensuing unavailability of the unit exceeded the positive result from the regular capacity market auction, necessitating the recognition of an impairment charge of €27 million in the first quarter of 2022. In addition, an impairment charge of €6 million was recognized in the fourth quarter of 2022 on a grid-stabilization device yet to be constructed at another power plant. Moreover, an impairment reversal of €25 million recognized in the previous year on an asset outside Germany was withdrawn.

The most substantial individual impairment in the Global Commodities segment in terms of amount related to the OPAL pipeline, which was written down by a further €33 million in the fourth quarter of 2022 and thus by 142 million in total. Furthermore, gas-storage infrastructure was written down in full-year 2022 in the amount of €71 million within Germany and in the amount of €68 million outside Germany owing to reduced summer-winter spreads in the short-to-medium-term time horizon.

Reversals of impairments recognized in prior periods totaled €1,760 million in the 2022 fiscal year. The reversals related to the European Generation segment in the amount of €1,590 million and to the Global Commodities segment in the amount of €170 million. Additionally recognized in the fourth quarter were reversals of €173 million on assets in the Russian Power Generation business division, which are now presented in income or loss from discontinued operations (see also Note 4).

The most substantial reversal in the European Generation segment in terms of amount related to an asset in the Netherlands and amounted to €810 million. The main reasons for it were the short-to-medium-term price increases and the withdrawal of the statutory 35% production cap for coal-fired power plants, both of which benefit this asset. Another asset in the Netherlands benefited from the conclusion of a new purchase contract and added a further €14 million to reversals. In the UK, six assets are benefiting from the current price situation and contributed a total of €574 million in impairment reversals; the largest individual reversals here amounted to €217 million and €209 million. An asset in Hungary also benefited from price developments and made a further positive contribution of €137 million to impairment reversals. In Germany, four assets contributed a total of €53 million as they benefit especially from the prolonged operating lives made possible by the Act on the Maintenance of Substitute Power Stations.

Impairment reversals of €170 million in the Global Commodities segment related to three gas storage facilities within Germany and one outside Germany and were due to changed price forecasts in the third and fourth quarters of 2022.

Assets in the European Generation segment for which an impairment loss was recognized or reversed during the 2022 fiscal year have a total recoverable amount of more than €4.1 billion. In the Global Commodities segment, the total recoverable amount of assets for which an impairment loss was recognized or reversed is €1.2 billion.

Impairment losses of €6 million were recognized in the 2022 fiscal year on companies accounted for under the equity method (2021: €0 million).

20230527190?2

Impairment Testing Results in the First Half of 2021

Impairment charges on property, plant and equipment totaled €22 million in the first quarter of 2021. They related to the Datteln 4 hard-coal power plant. This review was triggered by a necessary adjustment of applied scenarios due to a revised legal assessment and by the application of increased costs for future contractually stipulated capital expenditures.

Reversals in the first quarter of 2021 of impairment charges previously recognized on power plants amounted to €13 million. They related primarily to a generation asset in the United Kingdom that will benefit from higher receipts following the capacity market auction results.

No material event-triggered impairment tests were performed in the second quarter of 2021.

Impairment Testing Results in the Second Half of 2021

In the event-triggered review conducted in the third quarter of 2021, an update of legal scenarios was necessitated by a court ruling. This adjustment resulted in an impairment charge of €181 million to the Datteln 4 hard-coal power plant.

The successful conclusion of a heat supply contract for a power plant resulted in the reversal in the third quarter of an impairment on an asset in the Netherlands in the amount of €9 million.

The regular medium-term corporate planning in the fourth quarter of 2021 is also affected by the events and uncertainties described previously. Based on the medium-term corporate planning approved by resolution of the Board of Management, combined with the regular updates of the cost of capital and of the forecasts for market prices of commodities and emission allowances and for future electricity and gas prices in the traded markets, many individual impairments and reversals were recognized as indicated in the European Generation and Global Commodities segments. Impairment charges of €132 million recognized in the fourth quarter of 2021 related primarily to power plants held by the European Generation segment. Impairment losses recognized for the Russian Power Generation business division in the amount of €283 million *are now presented in income or loss from discontinued operations.*

Reversals of €547 million recognized in the fourth quarter of 2021 related primarily to impairments recognized on power plants within and outside Germany in preceding years (at an amount of €510 million).

Full-Year Presentation for 2021

A total of roughly €338 million in impairments was charged to property, plant and equipment in the 2021 fiscal year, of which €296 million related to the European Generation segment and roughly €42 million to the Global Commodities segment. Impairments of roughly €283 million that related to the Russian Power Generation business division are now presented in income or loss from discontinued operations.

The most substantial individual impairment in the European Generation segment in the 2021 fiscal year in terms of amount related to the Datteln 4 hard-coal power plant and amounted to €261 million. Aside from the price-driven adjustments made in the context of regular medium-term corporate planning that reflected especially the impact of the increased cost of carbon and the costs incurred for climate neutrality, revised legal assessments resulted in these impairment losses both during the year and at year-end. Current regulatory and legal developments were considered accordingly.

In addition, a total of €32 million in impairments were also recognized on assets yet to be constructed within and outside Germany. The acceptance by the Bundesnetzagentur of the bid for the Wilhelmshaven power plant in the second round of auctions for decommissioning hard-coal-fired power plants shortened the plant's operating life, which resulted in an impairment loss of €3 million.

The most substantial individual impairments in the Global Commodities segment in terms of amount related to gas-storage infrastructure within Germany in the amount of €34 million and outside Germany in the amount of €7 million and was due to reduced summer-winter spreads in the short-to-medium-term time horizon.

20230627119093

Reversals of impairments recognized in previous years amounted to €593 million in the 2021 fiscal year. They related to the European Generation segment in the amount of €556 million and to the Global Commodities segment in the amount of €37 million.

The most substantial reversal in the European Generation segment in terms of amount related to an asset in England and amounted to €162 million. The main reason was the short-to-medium-term price increases benefiting this asset. A further five assets in that country are also benefiting from the current price situation and contributed a total of €132 million in impairment reversals. Within Germany as well, three assets benefited from recent price developments and reversed impairments of €127 million in total; the largest individual reversal here amounted to €57 million. An asset in Hungary contributed an additional €68 million to this positive result because of the price developments. Impairments previously recognized on two assets in the Netherlands were similarly reversed on price grounds in the amount of €32 million and €9 million, respectively.

The signing of an agreement to sell the stake in Öresundsverket (ÖVT) resulted in a reversal of €25 million recognized prior to reclassification as an asset held for sale.

Reversals of €37 million in the Global Commodities segment related to two gas storage facilities within Germany due to increased summer-winter spread in the long-term time horizon.

Assets in the European Generation segment for which an impairment loss was recognized or reversed during the 2021 fiscal year have a total recoverable amount of more than €2.9 billion. In the Global Commodities segment, the total recoverable amount of assets for which an impairment loss was recognized or reversed is €0.8 billion.

No impairment charges were recognized on companies accounted for under the equity method in the 2021 fiscal year (2020: €1 million).

(18) Other Financial Assets

See also Note 29 for discussion of accounting policies and of material judgments and estimations made by management.

Associated companies and joint ventures that are not included in the Consolidated Financial Statements on materiality grounds, but are instead presented as equity investments, are accounted for outside the scope of IFRS 9 and measured at cost less any loss allowances. Inflows of shares in the earnings of these companies are immediately recognized in income.

Other Financial Assets

	December 31, 2022			December 31, 2021		
€ in millions	**Uniper Group**	**Associates**	**Joint ventures**	**Uniper Group**	**Associates**	**Joint ventures**
Equity investments	1,042	18	5	747	17	5
Non-current securities	95	–	–	111	–	–
Total	**1,137**	**18**	**5**	**859**	**17**	**5**

The amount shown for non-current securities relates mainly to fixed-income securities.

As of December 31, 2022, impairment losses on other financial assets amounted to €5 million (2021: €4 million). The carrying amount of other financial assets that were impaired during the fiscal year was €3 million (2021: less than €1 million).

Also included within equity investments are other equity investments for which Uniper has elected to present changes in fair value in other comprehensive income. The following table shows the corresponding equity investments and their fair values:

Other Equity Investments – Measured at Fair Value Through Other Comprehensive Income (2022)

€ in millions	Fair value	Dividends	Equity transfer	Reason for equity transfer
AS Latvijas Gaze	62	3	N/A	N/A
European Energy Exchange AG	58	1	N/A	N/A
Forsmarks Kraftgrupp AB	725	–	N/A	N/A
Holdigaz SA	7	0	N/A	N/A
Mellansvensk Kraftgrupp AB	116	–	N/A	N/A
PAO Unipro[1]	0	–	N/A	N/A
Other strategic equity investments	8	–	N/A	N/A
Total	**976**	**4**	**N/A**	**N/A**

[1]The company PAO Unipro is recognized at a fair value of €1 as of Dec. 31, 2022.

Other Equity Investments – Measured at Fair Value Through Other Comprehensive Income (2021)

€ in millions	Fair value	Dividends	Equity transfer	Reason for equity transfer
AS Latvijas Gaze	75	2	N/A	N/A
European Energy Exchange AG	33	1	N/A	N/A
Forsmarks Kraftgrupp AB	490	–	N/A	N/A
Holdigaz SA	8	0	N/A	N/A
Mellansvensk Kraftgrupp AB	78	–	N/A	N/A
Other strategic equity investments	5	–	N/A	N/A
Total	**689**	**3**	**N/A**	**N/A**

(19) Inventories

Inventories are measured at the lower of acquisition or production cost and net realizable value. To determine the acquisition cost of inventories from physical settlement of forward transactions that are excluded from the scope of IFRS 9 (own-use transactions), contract prices, which reflect the economic character of these transactions and the contractually agreed consideration amounts, are used. If physically settled transactions are included within the scope of IFRS 9 (failed own-use transactions) and must be accounted for accordingly, the acquisition cost is equal to the market price applicable at initial recognition.

The cost of raw materials, finished products and goods purchased for resale is generally determined based on the average cost method. Valuation allowances and their reversals up to the original cost of acquisition or production are recognized as necessary. Especially the net realizable value of Uniper's goods purchased for resale is highly sensitive to fluctuations in market prices.

Inventories

	December 31	
€ in millions	2022	2021
Raw materials and supplies	665	518
Goods purchased for resale	4,014	1,232
Work in progress and finished products	39	98
Total	**4,718**	**1,849**

20230627119095

Raw materials and supplies include, in particular, coal, uranium and nuclear fuel rods, as well as crude oil and other raw materials and supplies. The primary reason for the increase in raw materials and supplies was the increase in coal inventories in the power generation business, which reflects both increased volumes and higher prices. This effect was partially offset primarily by lower oil inventories and reductions in uranium and nuclear fuel rods. The main components of goods purchased for resale are gas, LNG and coal inventories. Their strong appreciation in value is attributable particularly to the very sharp increases in commodity prices during fiscal 2022 and the associated higher cost, and also to a volume increase, particularly for gas. The decrease in work in progress and finished products was mainly caused by the classification of an equity interest in the Global Commodities segment as held for sale.

In 2022, there were valuation allowances of €1,999 million (2021: €84 million) and reversals of valuation allowances totaling €21 million (2021: €1 million). The valuation allowances related mainly to gas inventories (2022: €1,881 million; 2021: €8 million), coal inventories (2022: €63 million; 2021: €46 million) and LNG inventories (2022: €46 million; 2021: €12 million) purchased for resale. The valuation allowances for gas inventories resulted from significantly increased market prices and the associated high cost of gas purchases required in the second and third quarters of 2022 to replace undelivered Russian gas supplies and to maintain security of supply and reach minimum storage levels. At the end of 2022, however, the net selling prices relevant for valuation as of the reporting date were lower.

As in the previous year, no inventories were transferred as collateral in 2022.

(20) Receivables, Other Assets and Contract Assets

The receivables reported also include receivables from finance leases. These receivables are measured at the present value of the outstanding lease payments. They result predominantly from electricity supply contracts that must be classified as leases.

The reimbursement right from KAF shown within other financial assets is presented in accordance with the provisions of IFRIC 5, "Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds."

The recognition and measurement of all other financial assets is discussed in detail in Note 29.

Assets reported as miscellaneous operating assets include emission rights. These rights are capitalized at cost at the time of acquisition. The acquisition cost for transactions that are included within the scope of IFRS 9 (failed own-use transactions) is equal to the market price applicable at initial recognition. Contracts that are excluded from the scope of IFRS 9 (own-use transactions) are recognized with the contract price as the acquisition cost. Emission rights that are held in order to satisfy obligations relating to the Group's power-plant emissions are subsequently measured at amortized cost.

Receivables and Other Assets

	December 31, 2022		December 31, 2021	
€ in millions	**Current**	**Non-current**	**Current**	**Non-current**
Receivables from finance leases	21	138	14	119
Other financial receivables and financial assets	6,401	2,556	8,117	3,946
Financial receivables and other financial assets	**6,422**	**2,694**	**8,131**	**4,065**
Trade receivables	9,560	–	11,629	–
Receivables from derivative financial instruments	36,198	40,617	64,732	16,913
Other operating assets and contract assets	1,595	227	1,875	247
Trade receivables and other operating assets	**47,353**	**40,844**	**78,236**	**17,160**
Total	**53,775**	**43,538**	**86,367**	**21,226**

Note 31 contains detailed disclosures about leases.

The reduction of €1,370 million in non-current financial receivables, from €4,065 million to €2,694 million, is primarily attributable to the write-down to zero of the financing extended to Nord Stream 2 AG.

In addition, current financial receivables include margin deposits provided for forward transactions (margining receivables) amounting to €6,217 million (2021: €7,866 million) and shareholder loans amounting to €1 million (2021: €3 million), while non-current financial receivables include shareholder loans in the amount of €465 million (2021: €566 million).

Other financial receivables included no restricted cash (2021: €2 million) deposited in the context of over-the-counter transactions.

Moreover, the reimbursement right from KAF is included within other financial assets in the amount of €2,221 million (2021: €2,565 million). Of this total, €150 million (2021: €165 million) is reported under current financial assets and €2,071 million (2021: €2,400 million) under non-current financial assets. Since this asset is designated for a particular purpose, the Uniper Group's access to it is restricted (see also Note 24).

The decrease of €28,535 million in current receivables from derivative financial instruments to €36,198 million (2021: €64,732 million) is primarily attributable to the interim realization and settlement of commodity forward contracts. The values of the receivables from non-current derivative financial instruments, by contrast, rose by €23,704 million to €40,617 million as of December 31, 2022, (2021: €16,913 million) due to higher forward prices in the commodity markets.

The decrease in other operating assets and contract assets resulted from an impairment charge of €1,135 million on a receivable in respect of gas deliveries paid in advance. This was partly offset by the capitalization of advance payments of €739 million mainly for gas deliveries.

Note 5 contains disclosures about contract assets that are reported as miscellaneous operating assets.

20230527190956

20230627190097

(21) Liquid Funds

Liquid funds include cash on hand and bank balances, as well as current available-for-sale securities. Liquid funds with an original maturity of less than three months are considered to be cash and cash equivalents, unless they are restricted, in which case they are presented separately.

Liquid Funds

	December 31	
€ in millions	**2022**	**2021**
Current securities with an original maturity greater than 3 months	43	47
Cash and cash equivalents	4,591	2,919
Total	**4,634**	**2,966**

Cash and cash equivalents include €3,290 million (2021: €2,919 million) in cash on hand and bank balances with an original maturity of less than three months.

(22) Equity

Retained Earnings

Retained Earnings

	December 31	
€ in millions	**2022**	**2021**
Statutory reserves	–	–
Other retained earnings	-19,840	-1,388
Total	**-19,840**	**-1,388**

Due to a net accumulated loss of Uniper SE under German commercial law in the amount of -€24,202 million as of the reporting date December 31, 2022, no disclosure of the distribution-restricted retained earnings is made. As of December 31, 2021, €40.5 million was subject to the distribution block pursuant to Section 268 (8), sentence 3 in conjunction with sentence 1, HGB and Section 253 (6), sentence 2, HGB.

20230627190938

Accumulated Other Comprehensive Income

The principal components of accumulated OCI are cumulative currency translation differences and changes in fair value of derivatives for which hedge accounting is applied.

The share of accumulated OCI attributable to companies accounted for under the equity method is illustrated in the table below:

Share of Accumulated OCI Attributable to Companies Accounted for Under the Equity Method

€ in millions	2022	2021
Balance as of December 31 (before taxes)	**-23**	**-21**
Taxes	3	3
Balance as of December 31 (after taxes)	**-21**	**-18**

Following the deconsolidation of PAO Unipro as of December 31, 2022, accumulated OCI no longer includes any gains or losses from hedging of a net investment in a foreign operation (2021: €80 million).

Non-Controlling Interests

Non-controlling interests by segment as of the dates indicated are shown in the following table:

Non-Controlling Interests

€ in millions	December 31 2022	2021
European Generation	194	368
Global Commodities	–	–
Russian Power Generation[1]	–	117
Administration/Consolidation	–	–
Total	**194**	**485**

[1]See also the additional information in Note 33, Segment Information.

The reduction of €290 million in non-controlling interests in 2022 resulted primarily from current earnings of companies with non-controlling interests in the European Generation segment and from the deconsolidation of PAO Unipro.

The table below illustrates the share of accumulated OCI that is attributable to non-controlling interests:

Share of Accumulated OCI Attributable to Non-Controlling Interests

€ in millions	Cash flow hedges	Currency translation adjustments	Remeasurements of defined benefit plans	Remeasurements of equity investments
Balance as of January 1, 2021	**0**	**-624**	**1**	**0**
Changes	–	24	–	–
Balance as of December 31, 2021	**0**	**-600**	**2**	**0**
Changes	–	603	-2	–
Balance as of December 31, 2022	**0**	**3**	**0**	**0**

The currency translation adjustments mostly reflect the translation of Swedish operations and the deconsolidation of PAO Unipro.

20230627190099

Uniper companies with significant non-controlling interests operate primarily in the power generation sector. Information relating to company names, registered offices and equity interests for subsidiaries with non-controlling interests can be found in the disclosures relating to the list of shareholdings (see also Note 35).

The following tables provide a summary overview of the cash flow and significant line items in the aggregated income statements and aggregated balance sheets of Uniper companies with material non-controlling interests:

Subsidiaries with Material Non-Controlling Interests – Balance Sheet Data

	OKG AB	
€ in millions	**2022**	**2021**
Non-controlling interests in equity	-120	53
Non-controlling interests in equity (in %)	45.5	45.5
Dividends paid out to non-controlling interests	0	–
Operating cash flow	104	-47
Non-current assets	2,357	2,499
Current assets	200	240
Non-current liabilities	2,646	2,442
Current liabilities	174	181

Subsidiaries with Material Non-Controlling Interests – Earnings Data

	OKG AB	
€ in millions	**2022**	**2021**
Share of earnings attributable to non-controlling interests	-176	35
Sales	268	250
Net income	-386	77
Total comprehensive income	-378	75

There are no material restrictions apart from those contained in standard legal and contractual provisions.

Information on Stockholders of Uniper SE

Uniper received no voting rights notifications pursuant to Section 160 (1), no. 8, of the German Stock Corporation Act in 2022. Uniper has received the following notifications concerning the existence of ownership interests pursuant to Section 160 (1), no. 8, of the German Stock Corporation Act:

Information on Stockholders of Uniper SE (as of Dec. 31, 2022)

				Voting rights			Percentages of instruments as defined by Section 38
Stockholder	**Date of notice**	**Threshold exceeded**	**Gained voting rights on**	**Allocation**	**Percentage**	**Absolute**	**WpHG**
Federal Republic of Germany	Dec. 21, 2022	75%	Dec. 21, 2022	Indirect	98.56%	5,071,842,353	5.78%

20230527191100

Capital Stock and Capital Increase

The Extraordinary General Meeting held on December 19, 2022, resolved to increase the capital stock (registered share capital) of Uniper SE from €622,132,000.00 by €8,000,000,000.10 to €8,622,132,000.10 through the issuance of 4,705,882,353 new registered no-par-value shares. The notional interest in the registered share capital remains €1.70 per registered share. On December 21, 2022, the Board of Management, with the approval of the Supervisory Board, resolved to issue a capital increase utilizing the 2022 Authorized Capital created by the Extraordinary General Meeting on December 19, 2022. The registered share capital of the Company of €8,622,132,000.10 was increased by €5,538,029,306.60 to €14,160,161,306.70 through the issuance of 3,257,664,298 new registered no-par-value shares ("New Shares") against cash contributions having a notional interest in the registered share capital of €1.70 per new share. Uniper SE's registered share capital of €14,160,161,306.10 consists of 8,329,506,651 registered no-par-value shares. The additional, directly attributable transaction costs incurred amounted to €43,000.

Additional Paid-in Capital

As of December 31, 2022, additional paid-in capital is unchanged at €10,825 million.

Dividend

Given the negative net income available for distribution of Uniper SE, a separate appropriation proposal will not be submitted to the 2023 Annual General Meeting. There will be no dividend distribution for the 2022 fiscal year.

It has also been agreed as part of the stabilization package between the German federal government and Uniper that Uniper will make no dividend distribution without the government's written approval.

Authorized Capital and Capital Increase

The Board of Management, with the approval of the Supervisory Board, is authorized to increase the registered share capital of the Company by up to €145,112,289 on or before May 18, 2026, through one or several issues of up to 85,360,170 new registered no-par-value shares against contributions in cash and/or in kind (authorized capital according to Sections 202 et seq. of the German Stock Corporation Act, "2021 Authorized Capital"). The Board of Management may, subject to the Supervisory Board's consent, exclude the subscription right that must, in principle, be granted to shareholders. Such exclusion of subscription rights is possible if shares are issued against cash contributions in an amount of up to 10% of the registered share capital at the time this authorization takes effect or, should this value be lower, at the time of the utilization of this authorization.

Subscription rights may also be excluded when shares are issued against contributions in kind, however, only to the extent that the aggregate amount of shares issued under this authorization against contributions in kind with an exclusion of the shareholders' subscription right does not exceed 10% of the registered share capital at the time this authorization takes effect or, should this value be lower, at the time of the utilization of this authorization. Furthermore, shareholder subscription rights may also be excluded with regard to fractional amounts and when shares are issued to persons employed by the Company or one of its affiliates.

20230627193103

The Board of Management, with the approval of the Supervisory Board, is further authorized, in connection with the stabilization of the Company pursuant to Section 29 (2) EnSiG, to increase the registered share capital of the Company by up to €25,000,000,000.10 on or before December 18, 2027, through one or several issues of up to 14,705,882,353 new registered no-par-value shares in aggregate against contributions in cash and/or in kind (authorized capital according to Section 29 (2), sentence 1, nos. 2, 4 and 6, (3), (5) and (6) EnSiG, in conjunction with Sections 7b, 7 (3), 7f and 9 (1) of the German Economic Stabilization Acceleration Act, "2022 Authorized Capital").

The shareholders' statutory subscription rights are excluded. The new shares from that capital increase may be subscribed exclusively by the Federal Republic of Germany or an entity mentioned in Section 29 (6) of the German Energy Security Act ("EnSiG"). On December 21, 2022, the Board of Management, with the approval of the Supervisory Board, resolved to issue a capital increase utilizing the 2022 Authorized Capital created by the Extraordinary General Meeting on December 19, 2022. The registered share capital of the Company of €8,622,132,000.10 was increased by €5,538,029,306.60 to €14,160,161,306.70 through the issuance of 3,257,664,298 new registered no-par-value shares ("New Shares") against cash contributions having a notional interest in the registered share capital of €1.70 per new share. The remaining 2022 Authorized Capital amounts to €19,461,970,693.50.

Conditional Capital

The Board of Management is authorized, subject to the approval of the Supervisory Board, to issue debt instruments (hereinafter "Bonds") once or several times on or before May 18, 2026, with a total nominal amount of up to €1,000,000,000 and to grant the holders or creditors of Bonds (hereinafter "Holders") conversion or option rights to a total of up to 85,360,170 registered no-par-value shares in the Company with a proportionate amount of the share capital in the total amount of up to €145,112,289 in accordance with the more detailed provisions of the terms and conditions of the Bonds. The Bonds may be issued against contribution or consideration in cash or in kind. Here, too, the Board of Management is authorized, subject to the approval of the Supervisory Board, to exclude the shareholders' subscription rights to which shareholders are entitled in principle. In connection with these convertible bonds and warrant-linked bonds, conditional capital was created by shareholder resolution. Pursuant thereto, the capital stock is conditionally increased by up to €145,112,289 through the issue of up to 85,360,170 new registered no-par-value shares with a proportionate amount of the share capital of €1.70 for the purpose of granting registered no-par-value shares upon exercise of rights and obligations of conversion or purchase.

Treasury Shares

By resolution dated May 19, 2021, the Company is authorized to acquire treasury shares in an amount equivalent to up to a total of 10% of its share capital until May 18, 2026. The shares acquired under this authorization, together with other treasury shares held by the Company or attributable to the Company pursuant to Sections 71a et seq. AktG, must not at any time account for more than 10% of the share capital. At the Board of Management's discretion, such purchase may take place on the stock exchange, by way of a public offer addressed to all shareholders or a public solicitation to submit offers (an "acquisition offer"), by way of a public offer or a public solicitation to submit offers for the exchange of liquid shares for Company shares (an "exchange offer"), or through the use of derivatives (put or call options or a combination of both). The Board of Management is also authorized, subject to the Supervisory Board's consent and excluding shareholder subscription rights, to use shares of the Company in a specified manner. The Board of Management is further authorized to cancel treasury shares without requiring a separate shareholder resolution to that effect.

(23) Provisions for Pensions and Similar Obligations

Provisions for pensions and similar obligations are composed of the present value of the benefit obligations under the defined benefit plans existing in the Uniper Group, reduced by the fair value of the corresponding plan assets and the effect of the asset ceiling.

The present value of the defined benefit obligations is determined using the projected unit credit method. In addition to the pension obligations and pension entitlements that are known on the reporting date, the actuarial valuation to determine present value also takes into account demographic and economic trend assumptions such as assumptions on expected employee turnover and long-term wage and salary growth rates and pension increase rates, as well as discount rates determined as of the balance sheet date.

Any net asset position that might arise from offsetting the present value of the defined benefit obligations against the corresponding fair value of plan assets is recognized taking into account the applicable asset restrictions. An economically usable asset is recognized in the "Other operating assets and contract assets" line item. For all other assets, an additional obligation is recognized when it arises (effect of the asset ceiling).

Current and past service cost, as well as gains or losses from settlements, are reported under personnel costs.

The net interest on the net liability or asset, which is reported under financial results, is essentially derived from the net defined benefit liability or asset existing at the beginning of the reporting year, adjusted for expected cash flows from benefit payments and contributions, and the discount rate determined at the beginning of the fiscal year.

In the case of a plan amendment, curtailment or settlement (each a "plan event") occurring in a defined benefit plan during an annual reporting period, the current service cost and the net interest on the net liability or asset are remeasured for the remainder of the reporting period after the plan event. The actuarial assumptions applicable as of the date of the plan event shall be used as the basis for such remeasurement.

Remeasurements of the net defined benefit liability or asset include actuarial gains and losses that may arise especially from differences between estimated and actual variations in underlying assumptions about demographic and financial variables and, additionally, from developments in these assumptions as of each reporting date. Additionally included is the difference between the actual return on plan assets and the interest income on plan assets contained in the net interest result, as well as any change in the effect of the asset ceiling, excluding amounts already included in net interest. Remeasurement results and related deferred taxes are recognized in full in the period in which they occur and are not reported within the income statement; they are instead shown in the statement of recognized income and expenses.

For defined contribution pension plans, regular, fixed contributions are paid to external insurers or similar institutions and recognized in income as personnel costs. Other than paying the plan contributions, Uniper has no further obligations to eligible individuals under these plans. Contributions to state pension plans are treated like payments for defined contribution pension plans to the extent that the obligations under these pension plans generally correspond to those under defined contribution pension plans. Contributions to state plans are reported mostly under social security contributions within personnel costs.

As of December 31, 2022, the present value of the defined benefit obligations, the fair value of plan assets, the effect of the asset ceiling and the resulting net defined benefit liability or asset represent a funding level of 79% (2021: 74%) and break down as shown in the following table:

20230627191302

20230627191103

Provisions for Pensions and Similar Obligations

	December 31	
€ in millions	**2022**	**2021**
Present value of all defined benefit obligations		
Germany	2,120	3,173
United Kingdom	386	719
Other countries	–	7
Total	**2,506**	**3,900**
Fair value of plan assets		
Germany	1,611	2,122
United Kingdom	381	756
Other countries	–	0
Total	**1,992**	**2,878**
***Effect of the asset ceiling*[1]**		
Germany	22	–
Total	**22**	**–**
Net defined benefit liability (+) / asset (-)		
Germany	531	1,051
Net liability	*532*	*1,058*
Net asset	*-1*	*-7*
United Kingdom	5	-36
Other countries	–	7
Total	**536**	**1,022**
Presented as provisions for pensions and similar obligations	*537*	*1,065*
Presented as other operating assets and contract assets[1]	*-1*	*-43*

[1]Aside from the net defined benefit assets from plans in Germany as of December 31, 2022, and December 31, 2021, and in the United Kingdom as of December 31, 2021, which are reported on the balance sheet under "Other operating assets and contract assets," there are other assets in Germany as of December 31, 2022, from which Uniper cannot derive economic benefits.

Description of the Benefit Plans

In addition to their entitlements under government retirement systems and the income from private retirement planning, most active and former Uniper Group employees are also covered by occupational benefit plans. Both defined benefit plans and defined contribution plans are in place at Uniper. The commitments under these plans primarily involve retirement, disability and survivor benefits and are structured differently in line with the legal, tax and regulatory conditions prevailing in the respective country.

The pension plans within the Uniper Group are regularly reviewed with respect to their financial risks. Typical risk factors for defined benefit plans are longevity and changes in nominal interest rates, as well as increases in inflation and rising wages and salaries. Depending on global investment market performance, there also are risks and opportunities associated with changes in the plan assets that are in place to cover commitments under existing defined benefit plans. To avoid exposure to future risks from occupational benefit plans, newly designed pension plans in which a majority of the risk factors can be better calculated and controlled had previously been introduced at the major Uniper Group companies within and outside Germany.

Described below are the configurations of the major defined benefit and defined contribution pension plans within the Uniper Group.

20230627191104

Germany

Active employees at German Uniper companies are predominantly covered by defined contribution benefit plans. In addition, some final-pay arrangements, and a small number of fixed-amount arrangements, still exist under individual contracts.

The majority of the reported benefit obligation toward active employees is centered on the "BAS Plan," a pension unit system launched in 2001, and on the "Zukunftssicherung" plan, a variant of the "BAS Plan" that emerged from the harmonization in 2004 of numerous benefit plans granted in the past. In the "Zukunfts-sicherung" benefit plan, vested final-pay entitlements are considered in addition to the defined contribution pension units when determining the benefit. The plans described in the preceding normally provide for on-going pension benefits that generally are payable upon reaching the age threshold, but also in the event of disability or death. These two plans have been closed to new hires since 2008.

The only plan open to new hires as of the reporting date is a defined contribution plan. This plan is a "units of capital" system that provides for the alternative payout options of a prorated single payment and payments of installments in addition to the payment of a regular pension. In addition to the pension benefits paid upon reaching the age threshold, employees are also covered for disability, as are their survivors in the event of death.

Effective January 1, 2023, Uniper is introducing a new occupational retirement pension system: a "pure" defined contribution plan. This form of occupational retirement pension commitment based on a collective bargaining agreement obligates the participating German Uniper companies to pay contributions into the Metzler Social Partner Pension Fund (MSPF). There is no obligation to render additional benefits to the participating employee. The pure defined contribution plan exists in parallel with the existing benefit systems. The plan covers future pension entitlements of participating employees. New employees as well as existing employees have a one-time choice with respect to joining the pure defined contribution plan – there is no obligation to switch.

The benefit expense for all the defined contribution plans mentioned above is dependent on compensation and is determined at different percentage rates based on the ratio between compensation and the contribution limit in the statutory retirement pension system in Germany. Employees can additionally choose to defer compensation and, in the defined contribution plan open as of December 31, 2022, receive matching employer contributions, subject to compliance with specified deferral limits.

The defined contribution plans contain different interest rate assumptions for the pension units and the units of capital, respectively. Up to and including December 31, 2018, fixed interest rate assumptions had applied for both the "BAS Plan" and the "Zukunftssicherung" plan. Since January 1, 2019, the pension units established under both the "BAS Plan" and the "Zukunftssicherung" plan have earned interest at a rate that is linked to market rates and hedged by applying guaranteed minimum interest rates. An annual review is performed, taking market developments into account, to determine whether the pension units should be formed based on the guaranteed minimum interest rates or by applying a higher rate. The interest rate can be increased to a maximum of 6.0% p.a. Pension units granted through December 31, 2018, remain unchanged by this adjusted interest calculation. The units of capital established under the defined contribution plan open as of the reporting date earn interest based on the average yield of long-term government bonds of the Federal Republic of Germany observed in the fiscal year.

20230627191105

Future pension increases at a rate of 1% p.a. are guaranteed pursuant to the German law for the improvement of occupational retirement pensions ("BetrAVG") for a portion of the eligible individuals including, in particular, a large number of active employees. For the remaining eligible individuals, pension adjustments usually take place in a three-year cycle and are mostly aligned with the rate of inflation.

Pension plans at the German Uniper companies are funded through designated pension vehicles that are legally distinct from the Company.

In addition to plan assets administered by German pension vehicles ("Pensionskassen"), plan assets in the form of a Contractual Trust Arrangement (CTA) were established to fund domestic pension plans for most of the German Uniper companies. The plan assets of the CTA are administered by Uniper Pension Trust e. V. as trustee on the basis of the investment principles specified for it.

Furthermore, payments were made to a Group-wide pension fund, which is qualified as plan assets, when the method of occupational retirement provision was changed to a pension fund commitment for a segment of the retirement benefit commitments. The assets contributed to the pension fund thus provide the funding for the obligations transferred to the pension fund.

The pension vehicles described pursue the primary objective of providing full coverage of benefit obligations at all times for the payments due under the respective benefit plans. The investment strategy and portfolio structure required to achieve this is implemented, reviewed regularly and adjusted, if necessary, using asset-liability management studies based on specified investment principles, the structure of the benefit obligations and the prevailing condition of the capital markets. Further goals of the investment strategy are to offset the changes in the defined benefit obligation partially with corresponding changes in the fair value of plan assets and to influence positively the funding level of the German pension obligations over the long term by means of investments providing returns in excess of those of fixed-rate bonds and the discount rate.

Only the "Pensionskassen" vehicles and the pension fund are subject to regulatory provisions in relation to the investment of capital and funding requirements. For the CTA, there are funding rules stipulated in a corporate agreement.

United Kingdom

In the reporting period, Uniper employees in the United Kingdom participated in one of the three existing pension plans, one being a defined contribution plan, one a final salary plan, and one a retirement balance plan. The latter two defined benefit plans make up the majority of the pension obligations reported for Uniper's former and active employees in the United Kingdom and have been closed to new hires since 2005 and 2008, respectively. Since the closure of the retirement balance plan in 2008, new hires have been joining the open defined contribution plan.

Benefit payments to the beneficiaries of the existing defined benefit pension plans are adjusted either by fixed increases or by reference to an index, as measured by the UK Retail Price Index (RPI) or the Consumer Price Index (CPI) (the increases are limited to a fixed maximum amount or can be limited at the Company's discretion).

Plan assets in the United Kingdom covering the benefit obligations under the final salary and retirement balance plans (excluding those covering the defined contribution plan, which are established under a contract between the employee and the provider) are administered by Uniper UK Trustees Limited in its capacity as trustee of the Uniper Group of the Electricity Supply Pensions Scheme ("Uniper Group of the ESPS"). The trustees are chosen by the members of the Uniper Group of the ESPS or appointed by Uniper UK Limited. In their capacity as such, the trustees are wholly responsible for the investment of the plan assets, and to that end they have appointed a fiduciary manager.

20230627191106

Within the confines of previously defined general terms, the fiduciary manager invests the plan assets with a dual purpose – to hedge a portion of the fixed-interest and inflation-linked pension liabilities using government and corporate bonds, derivatives and cash, while also seeking to achieve asset growth in excess of the growth of the liabilities over the long term by investing in a range of diversified public and private markets. The trustees monitor the percentage of the liability hedging component and the amount of the liabilities to be hedged, as well as the performance of the growth-oriented parts of the portfolio.

UK legislation requires that a valuation of the funding of pension plans in the United Kingdom be performed at least once every three years. The actuarial assumptions underlying the valuation are agreed between the Uniper Group of the ESPS and Uniper UK Limited. They include presumed life expectancy, wage and salary growth rates, investment returns, inflationary assumptions and interest rate levels. The last valuation of the Uniper Group of the ESPS took place as of March 31, 2019, and showed a funding deficit of £25.8 million. The agreed deficit repair plan provided for repair payments totaling £14.6 million in 2020, and a further conditional payment of £4.87 million to the Uniper Group of the ESPS by January 1, 2022, both of which were made as due. The next valuation has a March 31, 2022, effective date. The result of that valuation is expected at some point during 2023.

Other Countries

The remaining benefit plans are attributable to various international activities of the Uniper Group.

The occupational benefit plans in the Netherlands, Sweden, Canada and the United States, however, are largely of minor significance from the perspective of the Uniper Group. Owing to the deconsolidation of PAO Unipro, the defined benefit and defined contribution plans in Russia are no longer included in the financial reporting as of December 31, 2022. At the same time, the Unipro business unit has been classified as a discontinued operation within the meaning of IFRS 5. Accordingly, the income and expenses for 2022 and 2021 associated with occupational retirement benefit commitments are presented in income or loss from discontinued operations in the income statement. Further information on this is provided in Note 4.

Explanation of Figures from the Defined Benefit Pension Plans

The recognized net defined benefit liability or asset from the Uniper Group's defined benefit plans results from the difference between the present value of the defined benefit obligations and the fair value of plan assets, taking into account the effect of the asset ceiling:

20230627191107

Changes in Net Defined Benefit Liability / Asset

€ in millions	Defined benefit obligation	Fair value of plan assets	Effect of the asset ceiling	Net defined benefit liability (+) / asset (-)
Uniper Group				
January 1, 2022	**3,900**	**-2,878**	**–**	**1,022**
Domestic				
January 1, 2022	**3,173**	**-2,122**	**–**	**1,051**
Current employer service cost	42	–	–	42
Past service cost	4	–	–	4
Net interest expense (+) / income (-)	38	-26	–	12
Remeasurements	-1,068	514	22	-532
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	–	–	–	–
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	-1,105	–	–	-1,105
Actuarial gains (-) / losses (+) arising from experience adjustments	37	–	–	37
Return on plan assets recognized in equity, not including amounts contained in net interest expense/income	–	514	–	514
Change in the effect of the asset ceiling recognized in equity, not including amounts contained in net interest expense/income	–	–	22	22
Benefit payments	-66	65	–	-1
From plan assets	-65	65	–	0
From the Company	-1	–	–	-1
Employer contributions	–	-44	–	-44
Changes in scope of consolidation	-2	2	–	0
December 31, 2022	**2,120**	**-1,611**	**22**	**531**
Net liability				532
Net asset				-1
Foreign				
January 1, 2022	**727**	**-756**	**–**	**-29**
Current employer service cost[1]	19	–	–	19
Past service cost	-3	–	–	-3
Net interest expense (+) / income (-) [1]	16	-17	–	-1
Remeasurements	-319	369	–	50
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	-3	–	–	-3
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	-330	–	–	-330
Actuarial gains (-) / losses (+) arising from experience adjustments	14	–	–	14
Return on plan assets recognized in equity, not including amounts contained in net interest expense/income	–	369	–	369
Benefit payments	-20	20	–	0
From plan assets	-20	20	–	0
From the Company	0	–	–	0
Employer contributions	–	-24	–	-24
Changes in scope of consolidation[2]	-8	1	–	-7
Exchange rate differences	-25	26	–	1
December 31, 2022	**386**	**-381**	**–**	**5**
Net liability				5
Uniper Group				
December 31, 2022	**2,506**	**-1,992**	**22**	**536**
Net liability				537
Net asset				-1

[1]The net periodic pension cost for the Russian Unipro business unit (€1.0 million) is reported in the income statement under income or loss from discontinued operations.

[2]For further information regarding changes in the scope of consolidation, see Note 4.

Changes in Net Defined Benefit Liability / Asset

€ in millions	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability (+) / asset (-)
Uniper Group			
January 1, 2021	**4,087**	**-2,716**	**1,371**
Domestic			
January 1, 2021	**3,424**	**-2,074**	**1,350**
Current employer service cost	43	–	43
Past service cost	14	–	14
Gains (-) and losses (+) on settlements	-2	–	-2
Net interest expense (+) / income (-)	27	-17	11
Remeasurements	-273	-58	-331
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	–	–	–
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	*-270*	–	*-270*
Actuarial gains (-) / losses (+) arising from experience adjustments	*-4*	–	*-4*
Return on plan assets recognized in equity, not including amounts contained in net interest expense/income	–	*-58*	*-58*
Benefit payments	-65	64	-1
From plan assets	*-64*	*64*	*0*
From the Company	*-1*	–	*-1*
Employer contributions	–	-36	-36
Changes in scope of consolidation[1]	6	-2	4
December 31, 2021	**3,173**	**-2,122**	**1,051**
Net liability			*1,058*
Net asset			*-7*
Foreign			
January 1, 2021	**663**	**-643**	**20**
Current employer service cost[2]	23	–	23
Past service cost	17	–	17
Net interest expense (+) / income (-) [2]	12	-11	1
Remeasurements	-22	-39	-61
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	*-1*	–	*-1*
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	*-20*	–	*-20*
Actuarial gains (-) / losses (+) arising from experience adjustments	*-2*	–	*-2*
Return on plan assets recognized in equity, not including amounts contained in net interest expense/income	–	*-39*	*-39*
Benefit payments	-12	12	*0*
From plan assets	*-12*	*12*	*0*
From the Company	*0*	–	*0*
Employer contributions	–	-29	-29
Exchange rate differences	47	-46	0
December 31, 2021	**727**	**-756**	**-29**
Net liability			*7*
Net asset			*-36*
Uniper Group			
December 31, 2021	**3,900**	**-2,878**	**1,022**
Net liability			*1,065*
Net asset			*-43*

[1]For further information regarding changes in the scope of consolidation, see Note 4.

[2]The net periodic pension cost for the Russian Unipro business unit (€0.9 million) is reported in the income statement under income or loss from discontinued operations.

20230627191138

20230527191109

The present value of the defined benefit obligations outside Germany, at €386 million (2021: €719 million), is attributable solely to the United Kingdom. The amount as of the prior-year reporting date included a present value of €7 million from Russia. The fair value of plan assets outside Germany, at €381 million (2021: €756 million), is attributable solely to the United Kingdom.

The present value of the defined benefit obligations existing as of the balance sheet date is attributable to active employees in the amount of roughly €0.9 billion (2021: €1.7 billion), to retirees and surviving dependents in the amount of roughly €1.1 billion (2021: €1.3 billion) and to former employees with vested entitlements in the amount of roughly €0.5 billion (2021: €0.9 billion).

The past service cost recognized in 2022 and 2021 resulted predominantly from plan amendments in connection with the fundamental restructuring of the Uniper Group's Engineering business and with the strategy implementation by Uniper that includes, among other things, a proactive phase-out plan for coal in Europe.

The net actuarial gains generated in 2022 resulted mostly from the increase in the discount rates used within the Uniper Group to measure the defined benefit obligations. A partially offsetting effect arose from the corresponding negative change in the fair value of plan assets.

The net actuarial gains that were recognized in 2021 are predominantly attributable to the increase in the discount rates used within the Uniper Group and to the positive change in the fair value of plan assets.

The actual return on plan assets in 2022 was a loss of €841 million (2021: €125 million gain). The return on the plan assets of PAO Unipro is not included in the figures for 2022 and 2021.

In addition to the total net periodic pension cost for defined benefit plans, contribution expenses of €33 million were recognized for occupational retirement benefit plans in 2022 (2021: €28 million). Contribution expenses incurred by PAO Unipro for 2022 and 2021 are presented in income or loss from discontinued operations.

Contributions to state plans totaled €50 million in 2022 (2021: €50 million). Contributions by PAO Unipro for 2022 and 2021 are included in income or loss from discontinued operations.

20230527191110

Actuarial Parameters and Sensitivities

The actuarial assumptions used to measure the defined benefit obligations and to compute the net periodic pension cost for the Uniper companies within and outside of Germany as of the respective balance sheet dates are as follows:

Actuarial Assumptions

	December 31		January 1
Percentages	**2022**	**2021**	**2021**
Discount rate			
Domestic	3.70	1.20	0.80
Foreign[1]	5.00	2.06	1.56
United Kingdom	*5.00*	*2.00*	*1.50*
Wage and salary growth rate			
Domestic	2.25	2.25	2.25
Foreign[1]	3.00	3.04	2.64
United Kingdom	*3.00*	*3.00*	*2.60*
Pension increase rate			
Domestic[2]	2.00	1.75	1.75
Foreign[1]	2.90	3.07	2.67
United Kingdom	*2.90*	*3.10*	*2.70*

[1]As of December 31, 2022, actuarial assumptions for PAO Unipro are not included.

[2]The pension increase rate for Germany applies to eligible individuals not subject to an agreed guarantee adjustment.

The discount rates used in the Uniper Group are essentially based on the currency-specific returns available at the end of the respective fiscal year on high-quality corporate bonds and take into account the average duration of the respective underlying obligations. The weighted-average duration of the defined benefit obligations measured within the Uniper Group as of December 31, 2022, is 19.2 years (2021: 21.9 years).

To measure the Uniper Group's occupational pension obligations for accounting purposes, the Company has employed the current versions of the biometric tables recognized in each respective country for the calculation of pension obligations:

Actuarial Assumptions (Mortality Tables)

Germany	2022: 2018 G versions of the Klaus Heubeck biometric tables (2018) 2021: 2018 G versions of the Klaus Heubeck biometric tables (2018)
United Kingdom	2022: 'S3' series base mortality tables, taking into account future changes in mortality (CMI 2021 projection table) 2021: 'S3' series base mortality tables, taking into account future changes in mortality (CMI 2020 projection table)

Changes in the actuarial assumptions described previously would lead to the following changes in the present value of the defined benefit obligations at the respective reporting dates:

20230627191311

Sensitivities

	Changes in the present value of the defined benefit obligations			
	December 31, 2022[1]		December 31, 2021	
Change in the discount rate by (basis points)	+50	-50	+50	-50
Change in percent	*-7.28*	*8.26*	*-9.20*	*10.70*
Change in wage and salary growth rate by (basis points)	+25	-25	+25	-25
Change in percent	*0.37*	*-0.37*	*0.51*	*-0.50*
Change in the pension increase rate by (basis points)	+25	-25	+25	-25
Change in percent	*1.00*	*-0.92*	*1.28*	*-1.17*
Change in mortality by (percent)	+10	-10	+10	-10
Change in percent	*-1.65*	*1.85*	*-2.80*	*3.15*

[1] As of December 31, 2022, sensitivities for PAO Unipro are not included.

A 10% decrease in mortality would result in a higher life expectancy of beneficiaries, depending on the age of each individual beneficiary. As of the December 31 reporting dates of 2022 and 2021, the life expectancy of a 63-year-old male Uniper retiree would increase by approximately one year if mortality were to decrease by 10%.

The sensitivities indicated are computed based on the same methods and assumptions used to determine the present value of the defined benefit obligations. If one of the actuarial assumptions is changed for the purpose of computing the sensitivity of results to changes in that assumption, all other actuarial assumptions are included in the computation unchanged. Potential correlation effects between the individual actuarial assumptions are not taken into account in the computation of sensitivities.

When considering sensitivities, it must be noted that the change in the present value of the defined benefit obligations resulting from changing multiple actuarial assumptions simultaneously is not necessarily equivalent to the cumulative effect of the individual sensitivities.

Description of Plan Assets

The individual plan asset components have been allocated to corresponding asset classes based on their substance. The plan assets thus classified break down as shown in the following table:

Classification of Plan Assets

	December 31, 2022			December 31, 2021		
Percentages	**Uniper Group**	**Domestic**	**Foreign[1]**	**Uniper Group**	**Domestic**	**Foreign**
Plan assets listed in an active market						
Equity securities (stocks)	39	47	6	41	48	24
Debt securities	30	33	17	32	32	32
Government bonds	*17*	*21*	*2*	*16*	*18*	*11*
Corporate bonds	*13*	*12*	*15*	*16*	*14*	*21*
Other investment funds	14	6	48	14	9	28
Total listed plan assets	**82**	**85**	**70**	**87**	**88**	**84**
Plan assets not listed in an active market						
Equity securities not traded on an exchange	–	–	–	–	–	–
Debt securities	4	–	19	3	–	11
Real estate	11	14	–	8	10	–
Cash and cash equivalents	3	1	11	2	2	5
Other	0	0	–	0	0	0
Total unlisted plan assets	**18**	**15**	**30**	**13**	**12**	**16**
Total	**100**	**100**	**100**	**100**	**100**	**100**

[1] As of December 31, 2022, the fair value of the plan assets of PAO Unipro is not included.

20230627191112

The investment of plan assets within the Uniper Group involves the use of derivatives (e.g., interest rate swaps and inflation swaps, as well as currency hedging instruments) to facilitate the control of specific risk factors of pension liabilities. In the table above, these derivatives have been allocated, based on their substance, to the respective asset classes in which they are used.

Plan assets during the reporting period included virtually no owner-occupied real estate, and virtually no equity or debt instruments, of Uniper companies.

Presentation of Future Contributions and of the Maturity Profile of the Benefit Obligations

For the 2023 fiscal year, it is expected that employer contributions to plan assets for the Uniper Group will amount to a total of €41 million and primarily involve the funding of new and existing benefit obligations, with an amount of €20 million attributable to foreign companies.

The table below shows the maturity profile of the undiscounted defined benefit obligations in Germany and in the UK as of December 31, 2022:

Maturity Profile of the Undiscounted Defined Benefit Obligation

€ in millions	Total	Germany	United Kingdom
Due within 1 year	84	74	10
Due in 1 to 5 years	385	331	53
Due in 5 to 10 years	603	517	86
Due in 10 to 20 years	1,407	1,170	236
Due in 20 to 30 years	1,279	1,013	266
Due in more than 30 years	1,332	1,020	312

(24) Miscellaneous Provisions

Miscellaneous provisions are liabilities of uncertain timing or amount. They are recognized when there are legal or constructive present obligations toward third parties resulting from events that occurred in the past, it is probable that a future outflow of resources will be required to settle these obligations, and the amounts of the obligations can be measured with sufficient reliability. A provision is recognized at the present value of the expected settlement amount; future cost increases that are foreseeable and likely to occur on the balance sheet date must also be included in the measurement. The accretion amounts and the effects of changes in interest rates are generally presented within financial results. A reimbursement related to the provision that is virtually certain to be collected is capitalized as a separate asset.

Liabilities for obligations arising from the decommissioning or dismantling of property, plant and equipment are recognized at their discounted settlement amounts. The carrying amounts of the respective items of property, plant and equipment are increased by the same amounts. In subsequent periods, capitalized asset retirement costs are amortized over the expected remaining useful lives of the related items of property, plant and equipment, while the provision is accreted to its present value on an annual basis.

In the case of changes in estimates, the adjustment of provisions for the decommissioning or dismantling of property, plant and equipment for changes to estimates is generally recognized by way of a corresponding adjustment to these assets, with no effect on income. If the item of property, plant and equipment to be decommissioned has already been fully depreciated, changes in estimates that would lead to a further reduction are recognized in the income statement. Changes in estimates for all other miscellaneous provisions are recognized directly in the income statement.

20230627191313

Under Swedish law, Uniper is required to pay fees to the Swedish Nuclear Waste Fund ("Kärnavfallsfonden" or "KAF") for its Swedish nuclear operations. For each nuclear power plant operating company, the Swedish Radiation Safety Authority proposes the fees for disposal of high-level radioactive waste and for decommissioning on the basis of the amount of electricity produced or on a time basis, taking into account nuclear-specific inflation rates and risk premiums. The proposed fees are then submitted to government offices for approval and the corresponding payments are made by the owners of the power plant operating companies. In accordance with IFRIC 5, a right of reimbursement for asset retirement expenditure is recognized as an asset within other financial assets for payments to the KAF (see also Note 20). The KAF reimbursement right is measured specifically for each power plant operating company at the lower of the recognized asset retirement obligation and the contributor's share of the fair value of the net assets of this fund.

As of December 31, 2022, the long-term real discount rate used in the nuclear power sector in Sweden was 0.6% (2021: 1.2%). A change of 0.1 percentage points in the applied real interest rate leads to a change in the provision of approximately €62 million (2021: €47 million).

Provisions for losses from open transactions under onerous contracts are recognized at the lower of the excess obligation upon performance under the contract and any potential penalties or compensation arising in the event of non-performance. Obligations under an open contractual relationship are determined from a customer perspective; their measurement is thus influenced by fluctuating market prices.

Provisions for restructuring are recognized once a detailed restructuring plan has been decided on by management and publicly announced or communicated to the employees or their representatives. Only those expenses that are directly attributable to the restructuring measures are used in measuring the amount of the provision. Expenses associated with future operations are not taken into consideration.

A provision is recognized for the obligations arising from CO_2 emissions produced within the framework of the EU Emissions Trading System. The obligations are measured at the carrying amount of the emission rights held or, in the case of a shortfall, at the current fair value of the emission rights needed, and they respond correspondingly sensitively to fluctuations in the price of emission rights. The expenses incurred for the recognition of the provision are reported under cost of materials.

The miscellaneous provision amounts relate predominantly to issues in euro-area countries, as well as in the United Kingdom and in Sweden. The interest rates used regarding these issues ranged from 2.45% to 4.04%, depending on the term (2021: 0% to 1.14%).

The following table lists the miscellaneous provisions as of the dates indicated:

Miscellaneous Provisions

	December 31, 2022		December 31, 2021	
€ in millions	**Current**	**Non-current**	**Current**	**Non-current**
Nuclear waste management obligations	157	3,267	171	2,769
Personnel-related obligations	100	135	150	219
Other asset retirement obligations	17	662	29	824
Supplier-related obligations	4,817	2,475	1,816	1,030
Generation-related obligations	1,692	507	1,897	653
Distribution-related obligations	37	155	57	297
Customer-related obligations	20	8	21	27
Environmental remediation and similar obligations	11	174	11	195
Other	197	349	209	334
Total	**7,049**	**7,732**	**4,361**	**6,346**

The following table shows the changes in miscellaneous provisions:

Changes in Miscellaneous Provisions

€ in millions	January 1, 2022	Exchange rate differences	Changes in scope of consolidation	Accretion	Additions	Utilization	Reclassifications	Reversals	Changes in estimates	December 31, 2022
Nuclear waste management obligations	2,940	-263	–	31	13	-137	–	-2	843	3,424
Personnel-related obligations	368	–	-6	-28	92	-120	-5	-67	–	235
Other asset retirement obligations	853	-9	-13	-43	11	-5	–	–	-114	679
Supplier-related obligations	2,847	–	–	-21	19,392	-5,256	-129	-9,541	–	7,292
Generation-related obligations	2,549	-41	–	-196	1,793	-1,333	133	-705	–	2,200
Distribution-related obligations	354	-2	–	-22	8	-74	–	-72	–	192
Customer-related obligations	48	-1	–	–	10	-6	–	-22	–	29
Environmental remediation and similar obligations	206	–	–	-15	6	-11	–	-1	–	185
Other	542	-10	4	-34	238	-59	2	-138	–	546
Total	**10,707**	**-325**	**-15**	**-329**	**21,563**	**-7,001**	**1**	**-10,548**	**729**	**14,781**

The additions to supplier-related provisions relate primarily to anticipated losses from the procurement of replacement volumes of gas following the complete discontinuation of gas deliveries from Russia. Of this addition, €3.6 billion was utilized in the fourth quarter of 2022, and €9.1 billion was reversed, in particular due to lower prices. The provision for anticipated losses from electricity sales contracts for which the own-use exemption under IFRS 9 is applied was reduced by roughly €1 billion (December 31, 2021: €2.2 billion). Future cash outflows on utilization of the provision for onerous electricity sales contracts will be offset by cash inflows from the hedges.

Additions to and utilizations of generation-related provisions relate especially to the creation (for the 2022 reporting year) and the settlement (for the preceding 2021 fiscal year) of European emissions trading obligations.

Provisions for Nuclear Waste Management Obligations

As of December 31, 2022, the provision based on the requirements of Swedish nuclear energy law amounted to €3.4 billion (2021: €2.9 billion). The provisions comprise all those nuclear obligations relating to the disposal of spent nuclear fuel rods and low-level nuclear waste and to the retirement and decommissioning of nuclear power plant components that are determined on the basis of external studies and cost estimates, taking into account nuclear-specific cost inflation rates and risk premiums.

The provisions recognized for nuclear asset retirement obligations include the anticipated costs of post-operation and service operation of the facility, dismantling costs, and the cost of removal and disposal of the nuclear components of the nuclear power plant.

Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2081 (2021: between 2022 and 2081).

Changes in estimates affecting provisions for the Swedish operations were recognized in the amount of €843 million (2021: €184 million). The increase is predominantly attributable to the discount rate adjustment, which is made in line with industry-specific developments in Sweden, and to the increase in costs. Provisions were utilized in the amount of €137 million (2021: €147 million), of which €71 million (2021: €86 million) is attributable to the decommissioned reactor units 1 and 2 of the Oskarshamn nuclear power plant and €66 million (2021: €61 million) to the Barsebäck nuclear power plant, which is in post-operation.

The following table lists the provisions by technical specification and presents the funding situation of the nuclear waste management obligations as of the dates indicated:

Provisions for Nuclear Waste Management Obligations

	December 31	
€ in millions	**2022**	**2021**
Decommissioning	750	779
Disposal of nuclear fuel rods and operational waste	2,674	2,161
Total	**3,424**	**2,940**
Uniper's recognized interest in the Swedish Nuclear Waste Fund (see also Note 20)	**2,221**	**2,565**
Uniper's share of the fair value of the net assets of the Swedish Nuclear Waste Fund	2,221	2,776
Receivables from the Swedish Nuclear Waste Fund ineligible for capitalization	–	211

As provided for by IFRIC 5, a reimbursement right of €2,221 million in total (2021: €2,565 million) was recognized, based on a power-plant-specific determination, within other financial assets (see also Note 20). The claim against the KAF was fully eligible for capitalization (2021: €211 million ineligible for capitalization). The actual claim against the KAF in the amount of €2,221 million (2021: €2,776 million) is offset by provisions amounting to €3,386 million (2021: €2,902 million). No reimbursement right from the KAF exists for provisions amounting to €37 million (2021: €38 million).

Personnel-Related Obligations

The provisions for personnel costs primarily comprise provisions for performance-based compensation components, long-service bonus obligations, in-kind obligations, restructuring (see also Note 11) and other deferred personnel costs. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2060 (2021: between 2022 and 2063).

Provisions for Other Asset Retirement Obligations

Provisions for other asset retirement obligations involve obligations for conventional and renewable-energy power plants, including the conventional plant components in the nuclear power segment, that are based on legally binding civil agreements and public regulations. Also reported here are provisions for environmental improvements at gas storage facilities and for the dismantling of installed infrastructure. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2066 (2021: between 2022 and 2066).

20230627191116

Supplier-Related Obligations

Provisions for supplier-related obligations include, among others, provisions for potential losses on open purchase contracts and for onerous contracts in the amount of €7.0 billion (2021: €2.6 billion). This increase resulted primarily from anticipated losses due to the complete discontinuation of gas deliveries from Russia coupled with unchanged obligations to customers in the amount of €4.4 billion. Replacement volumes must be procured at significantly higher prices on average. Provisions for higher expected procurement costs for electricity sales contracts were reduced by roughly €1 billion mainly as a result of utilizations.

Generation-Related Obligations

Generation-related provisions consist mainly of provisions in the hydropower business and of provisions for emission rights. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2082 (2021: between 2022 and 2081).

Distribution-Related Obligations

Distribution-related provisions consist principally of provisions for gas transportation and for regasification. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2034 (2021: between 2022 and 2034).

Customer-Related Obligations

Provisions for customer-related obligations consist largely of potential losses on rebates and open sales contracts. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2024 (2021: between 2022 and 2024).

Environmental Remediation and Similar Obligations

Provisions for environmental remediation relate primarily to redevelopment and water protection measures, the rehabilitation of contaminated sites, and other environmental improvement measures. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2046 (2021: between 2022 and 2043).

Other

Aside from a large number of individual items, other provisions also include provisions for potential obligations arising from taxes other than income taxes. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2023 and 2039 (2021: between 2022 and 2039).

20230627191317

(25) Liabilities and Contract Liabilities

See also Note 29 for discussion of accounting policies and of material judgments and estimations made by management.

Liabilities

	December 31, 2022			December 31, 2021		
€ in millions	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Financial liabilities and liabilities from leases	**8,878**	**2,697**	**11,575**	**7,320**	**1,655**	**8,975**
Trade payables	9,359	–	9,359	11,568	–	11,568
Liabilities from derivatives	30,608	45,737	76,345	70,397	16,336	86,733
Other operating liabilities and contract liabilities	848	353	1,200	1,443	260	1,703
Trade payables, other operating liabilities and contract liabilities	**40,815**	**46,090**	**86,904**	**83,408**	**16,596**	**100,004**
Total	**49,693**	**48,787**	**98,479**	**90,728**	**18,251**	**108,979**

Financial Liabilities

Non-current financial liabilities rose by €1,042 million, from €1,655 million to €2,697 million, primarily due to the reclassification of €1,607 million from the revolving credit facility (December 31, 2021: €1,800 million current), which is no longer expected to be repaid within the next twelve months. It was partially offset by changes in the maturity dates of some promissory notes totaling €480 million, which are now reclassified as current liabilities (December 31, 2021: €630 million non-current).

Current financial liabilities rose by €1,558 million, from €7,320 million to €8,878 million, primarily due to the drawing of €6.0 billion under the KfW credit facility (2021: no drawing) and the increase of €1,107 million in margin deposits received for futures and forward transactions from €783 million to €1,890 million. This was partially offset by the repayment in full, as of December 21, 2022, of the shareholder loan extended by Fortum (2021: €2.5 billion drawn). No commercial papers were outstanding on December 31, 2022 (2021: €1,480 million). An additional factor reducing current financial liabilities was the reclassification to non-current financial liabilities described above of €1,607 million from the revolving credit facility.

They further include financial liabilities to unrelated parties amounting to €329 million (2021: €168 million) and to companies in which Uniper holds an equity interest in the amount of €40 million (2021: €70 million).

20230627191118

Financial Liabilities by Segment

Financial Liabilities by Segment as of December 31, 2022

€ in millions	Commercial paper	Bank loans / Liabilities to banks	Liabilities from leases	Other financial liabilities	Financial liabilities
European Generation	–	–	155	333	489
Global Commodities	–	1	533	1,890	2,423
Russian Power Generation[1]	N/A	N/A	N/A	N/A	N/A
Administration/Consolidation	–	8,626	2	35	8,663
Uniper Group	–	8,627	690	2,259	11,575

[1]See also the additional information in Note 33, Segment Information.

Financial Liabilities by Segment as of December 31, 2021

€ in millions	Commercial paper	Bank loans / Liabilities to banks	Liabilities from leases	Other financial liabilities	Financial liabilities
European Generation	–	6	165	432	602
Global Commodities	–	90	568	784	1,442
Russian Power Generation	–	–	10	41	51
Administration/Consolidation	1,480	2,869	2	2,529	6,880
Uniper Group	1,480	2,964	745	3,785	8,975

Information on the commercial paper program, on liabilities to banks and on other financial liabilities – which also include financial liabilities to Fortum – is provided in Note 29, "Financial Instruments," in the section titled "Capital Structure Management and Enhanced Disclosures for Net Debt."

Trade Payables, Other Operating Liabilities and Contract Liabilities

Trade payables amounted to €9,359 million as of December 31, 2022 (2021: €11,568 million).

The decrease of €39,789 million in current liabilities from derivative financial instruments to €30,608 million (2021: €70,397 million) is primarily attributable to the interim realization and settlement of commodity forward contracts.
The values of the liabilities from non-current derivative financial instruments, by contrast, rose by €29,401 million to €45,737 million as of December 31, 2022, (2021: €16,336 million) due to higher forward prices in the commodity markets.

Other operating liabilities and contract liabilities principally comprised contract liabilities totaling €162 million (2021: €824 million) and liabilities for taxes in the amount of €189 million (2021: €188 million).

Note 5 contains disclosures about contract liabilities.

20230627191119

(26) Contingent Liabilities, Contingent Assets and Other Financial Obligations

As part of its business activities, the Uniper Group is subject to contingencies and other financial obligations involving a variety of underlying matters. These include, in particular, guarantees, obligations arising from litigation and claims for damages (see also Note 27), as well as short- and long-term contractual, statutory and other obligations and commitments.

Contingent Liabilities and Contingent Assets

Unless required to be recognized as part of a business combination, contingent liabilities are possible or present obligations arising from past events that are not recognized on the balance sheet, and for which an outflow of resources is probable. The amounts disclosed correspond to the potential obligations expected on the balance sheet date. Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company.

The Uniper Group has issued direct and indirect guarantees to third parties and to parties outside of the Uniper Group, which require Uniper to make contingent payments based on the occurrence of certain events. They consist primarily of financial guarantees and warranties.

In addition, the Uniper Group has also entered into indemnification agreements. Along with other guarantees, these indemnification agreements are incorporated in agreements entered into by Uniper companies concerning the disposal of shareholdings and, above all, cover the customary representations and warranties, as well as environmental damage and tax contingencies. Any obligations that may exist are covered in the first instance by provisions of the companies sold before Uniper itself is required to make any payments.

Moreover, the Uniper Group has commitments under which it assumes joint and several liability arising from its interests in civil-law companies ("GbR"), non-corporate commercial partnerships and consortia in which it participates.

For the activities of the Swedish nuclear power plants, the companies of the Swedish generation units have issued guarantees to governmental authorities in accordance with Swedish law. The guarantees were issued to cover possible additional costs related to the disposal of high-level radioactive waste and to the decommissioning of nuclear power plants. These costs could arise if actual costs exceed accumulated funds. In addition, the companies of the Swedish generation unit are responsible for all costs related to the disposal of low-level radioactive waste.

The guarantees referred to above are issued by Sydkraft Nuclear Power AB, a fully consolidated subsidiary of Uniper SE.

Owners of nuclear facilities in Sweden are additionally liable under the Law Concerning Nuclear Liability for damages resulting from accidents occurring in those nuclear facilities and for accidents involving any radioactive substances connected to the operation of those facilities. On January 1, 2022, a law took effect that requires the operator of a nuclear power plant in operation to have liability insurance or other financial cover in an amount equivalent to €1.2 billion per incident. The necessary insurance for the affected nuclear power plants has been purchased by Uniper. The Swedish government requires, however, that the affected companies also post further collateral in addition to the purchased insurance coverage. Uniper posts this additional collateral through the issuance of guarantees.

20230627191120

The European Generation segment operates nuclear power plants exclusively in Sweden. Accordingly, there are no additional comparable contingencies beyond those mentioned above.

The Dutch law on the restriction of coal use was repealed on June 20, 2022, in a letter from the Minister for Climate and Energy Policy to the Dutch parliament. This means that restrictions on generation were lifted after June 20, 2022, and that the right to compensation for the affected companies operating coal-fired power plants relates only to the period from January 1, 2022, to the repeal date. Receipt of the compensation and ultimately also its amount is subject to legally regulated conditions, and the Dutch state announced that it was seeking approval from the European Commission (state aid clearance) before payment will take place. Due to the existing uncertainties, a reliable estimate is still not possible at present, as was the case in the previous year. As part of the stabilization package for Uniper, the arbitration claim against the Netherlands based on the Energy Charter Treaty has been withdrawn.

The total settlement amount of the Uniper Group's contingent liabilities arising from existing contingencies was €131 million as of December 31, 2022 (2021: €90 million; comparative prior-year figure restated).

The Uniper Group does not currently have any significant reimbursement rights relating to these contingent liabilities.

Other Financial Obligations

Other financial obligations result from unencumbered open transactions or from public regulations, and further include other economic obligations that are neither recognized as liabilities on the balance sheet nor included within contingent liabilities.

As of December 31, 2022, purchase commitments for investments in intangible assets and in property, plant and equipment amounted to €0.2 billion (2021: €0.5 billion). These relate especially to as yet outstanding investments in connection with the modernization of existing generation assets. Of the total purchase commitments mentioned above, an amount of €0.2 billion (2021: €0.2 billion) is due within one year.

Additional long-term contractual obligations in place at the Uniper Group as of the balance sheet date related primarily to the purchase of fossil fuels. Financial obligations under these purchase contracts amounted to approximately €103.6 billion on December 31, 2022 (due within one year: €26.4 billion) and to approximately €80.9 billion on December 31, 2021 (due within one year: €14.9 billion).

Gas for supplying industrial customers is usually procured by means of long-term purchase contracts with major international producers of natural gas. Such contracts are generally of a take-or-pay nature. The prices paid for natural gas are normally tied to market reference prices, as dictated by market conditions and the procurement behavior of wholesale market customers. The conditions of these long-term contracts are reviewed at certain specific intervals (usually every three years) as part of contract negotiations and may thus change accordingly. In the absence of agreement on a pricing review, a neutral board of arbitration makes a final binding decision. Financial obligations arising from these contracts are calculated based on the same principles that govern internal budgeting. Furthermore, the take-or-pay conditions in the individual contracts are also considered in the calculations.

The contractual obligations for purchases of fossil fuels registered an increase in the 2022 fiscal year compared with the previous year. The increase in contractual obligations for purchases of fossil fuels is primarily attributable to the price increases, especially in the gas markets. The aforementioned purchase obligations include contractual obligations to Gazprom, as they had in the previous year, but these do not apply for volumes not delivered by Gazprom.

Contractual obligations for the purchase of electricity amounted to approximately €1.0 billion as of December 31, 2022 (due within one year: €0.8 billion) and to approximately €0.4 billion as of December 31, 2021 (due within one year: €0.2 billion), and they relate in part to purchases from resellers and energy utilities, especially those under procurement contracts in the context of trading master agreements.

20230327191121

Further purchase obligations amounted to approximately €0.7 billion as of December 31, 2022 (due within one year: €0.1 billion) and to approximately €0.6 billion as of December 31, 2021 (due within one year: €0.1 billion). This relates mainly to the procurement of fuel rods for use in Swedish nuclear power plants within the Uniper Group and to purchase obligations for heat and alternative fuels.

There were additional financial obligations of approximately €6.3 billion as of December 31, 2022 (due within one year: €0.9 billion) and approximately €6.4 billion as of December 31, 2021 (due within one year: €0.9 billion). A significant portion of such obligations arises especially from booked transportation, storage and regasification capacities in the Global Commodities segment.

(27) Litigation

Various court actions, arbitration proceedings and regulatory investigations and proceedings are currently pending against entities of the Uniper Group, and further actions or proceedings may be instituted or asserted in the future. In addition to disputes under public law, this in particular includes legal actions and proceedings on contract amendments and price adjustments initiated in response to market upheavals and the changed economic situation in the gas and electricity sectors (also as a consequence of the energy transition) and concerning anticompetitive and fraudulent practices, as well as general commercial contract disputes.

The aforementioned proceedings include several court and arbitration proceedings with major customers and major suppliers, also initiated in some instances by the Uniper Group, concerning contract amendments and price adjustments in long-term supply contracts and other disputes relating to electricity and gas. In some of these cases, the validity of the price-adjustment clauses applied, and of the contracts in their entirety, is in dispute. Long-term LNG and gas-procurement contracts generally include the option for producers and importers to adjust the terms in line with changed market conditions. A claim for recovery of damages arising from the halted Russian gas deliveries is being pursued in arbitration proceedings. On this basis, Uniper is currently involved in court and arbitration proceedings and continuously conducts extensive negotiations with producers. The possibility of further legal disputes cannot be excluded.

Applying the provisions of IAS 37.92, Uniper is making no additional disclosures on the proceedings presented or on the associated risks or measures taken, particularly because such disclosure could prejudice their outcome.

Furthermore, proceedings are pending concerning the clarification of regulatory requirements.

Applying the provisions of IAS 37.92, Uniper is making no additional disclosures on the proceedings presented or on the associated risks or measures taken, particularly because such disclosure could prejudice their outcome.

Public-law disputes are pending, in particular, in connection with the operating license and the planning basis for the hard-coal power plant in Datteln.

Applying the provisions of IAS 37.92, Uniper is making no additional disclosures on the proceedings presented or on the associated risks or measures taken, particularly because such disclosure could prejudice their outcome.

20230627191122

(28) Supplemental Cash Flow Disclosures

The Statement of Cash Flows presents the changes in the Group's funds arising from cash flows during the fiscal year. Cash flows are classified by operating, investing and financing activities. Interest received and paid, income taxes paid and refunded, as well as dividends received are classified as operating cash flows, whereas dividends paid are classified as financing cash flows. The cash and cash equivalents exchanged in acquisitions and disposals of investments in companies are shown as cash used for or provided by investing activities if the transaction involves a change of control. In the case of transactions that do not involve a change of control, the corresponding cash flows are reported under financing activities. The effect of foreign exchange rates on cash and cash equivalents is disclosed separately.

There were no exchange and contribution transactions in 2022 and 2021.

Due to the deconsolidation of PAO Unipro as explained in Note 4, the stated amounts were derecognized in the following balance sheet items: non-current assets (€1,699 million) and current assets (excluding cash and cash equivalents; €206 million), as well as provisions (€21 million) and liabilities (€273 million). In addition, cash and cash equivalents of €345 million – which were not available to the Group companies outside Russia – were also derecognized.

Cash provided by operating activities (operating cash flow) from continuing operations changed by -€18,932 million in 2022 to a cash outflow of €15,637 million (2021: cash inflow of €3,296 million). This resulted primarily from the impact of the added cost of procuring replacement gas volumes in the market in response to the curtailment of Russian gas volumes from June 14, 2022, culminating in the discontinuation of gas deliveries from late August 2022 forward. A significant portion of the operating cash flow also had already been anticipated by liquidity optimization measures taken at the end of 2021 for assets in the gas and emission rights business. This was necessary to cover temporary liquidity requirements arising from collateral for commodity transactions (margining) at the end of 2021, and hence emphasizes the year-on-year change all the more. Operating cash flow was additionally negatively impacted by changes in net working capital, especially inventories, that resulted primarily from price increases in the commodity markets. This was partly offset by positive earnings effects, especially in the electricity and gas businesses.

Cash provided by investing activities from continuing operations improved by €8,690 million, from a cash outflow of €7,398 million in the prior year to a cash inflow of €1,292 million in 2022 fiscal year. This development resulted primarily from a cash inflow for collateral to be provided by Uniper for futures and forward transactions (reduction in margining receivables), which improved by €8,592 million year over year in 2022 fiscal year. Where there had been a cash outflow of €6,964 million in the prior-year, there was a cash inflow of €1,628 million in 2022 fiscal year. Compared with the prior year (€589 million), cash payments for investments in intangible assets, in property, plant and equipment, and in equity investments decreased by €37 million, to €552 million. Cash proceeds from disposals increased by €91 million, from a cash inflow of €65 million in the prior year to a cash inflow of €156 million in 2022 fiscal year.

20230527191123

Cash provided by financing activities from continuing operations amounted to €16,081 million in 2022 (2021: €6,561 million). The capital increases of €13,538 million were a major factor in the significantly positive cash flow from financing activities from continuing operations. In addition, the KfW credit facility was drawn down up to €14,000 million during the year, €8,000 million of which was subsequently repaid at the end of 2022. These measures were necessary due to the liquidity pressure in connection with the gas supply interruptions and the complete freeze on the supply of Russian gas since the end of August 2022, as well as the prices for purchases of replacement volumes on the European energy markets and exchanges since July 2022. Furthermore, the increase in margin deposits received for futures and forward transactions led to a cash inflow of €1,111 million (2021: cash inflow of €586 million) and increased margining liabilities accordingly. The redemption of commercial paper in the amount of €1,480 million in 2022 (2021: €1,415 million cash inflow through issuance of commercial paper) and the repayment of lease liabilities in the amount of €103 million (2021: €120 million) had an offsetting effect. In addition, the shareholder loan provided by Fortum, of which a further €1,500 million had been utilized during the year, was fully repaid in the amount of €4,000 million in December 2022 (2021: cash inflow of €2,500 million). Moreover, the reduction in current liabilities to banks resulted in a cash outflow of €325 million (2021: cash outflow of less than €1 million). The dividend distributed to shareholders of Uniper SE led to a cash outflow of €26 million (2021: cash outflow of €501 million).

Reconciliation of Financial Liabilities[1]

€ in millions	2022	2021
Balance as of January 1	**8,975**	**1,743**
Cash proceeds from financial liabilities	16,863	8,817
Cash repayments of financial liabilities	-14,288	-1,742
Change in scope of consolidation	-119	33
Foreign currency translation	34	24
Other non-cash changes	110	100
Balance as of December 31	**11,575**	**8,975**

[1]Interest on financial liabilities accrues via operating liabilities, but is substantially recognized as cash flow. Accrued accretion of interest on lease liabilities is similarly recognized under operating liabilities.

(29) Financial Instruments

Financial Assets

Financial assets other than trade receivables are measured at their fair value on the settlement date when acquired. Trade receivables are measured at their transaction price at initial recognition. For financial assets that are not subsequently measured at fair value through profit or loss, transaction costs are taken into account. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value shall use relevant observable inputs to the greatest extent possible – and minimize the use of unobservable inputs. The valuation methods used for each class of assets are disclosed in accordance with IFRS 13.

Subsequent measurement of financial assets is governed by the measurement categories defined in IFRS 9.

20230527191124

A financial asset is carried at amortized cost if it is held within a business model whose objective is to collect contractual cash flows and these cash flows represent solely payments of principal and interest on the principal amount outstanding. At Uniper, this relates primarily to trade receivables, liquid funds and certain individual loans to external or associated companies. Amortized cost is determined using the effective interest method.

For other equity investments that are not held for trading, Uniper has elected to present changes in fair value in other comprehensive income, and to maintain this recognition in equity even on the disposal of such investments. Fair value is determined using standard market valuation methods. Dividends from other equity investments are recognized in income.

All other financial assets are measured at fair value through profit or loss. Unless they form part of an effective hedging relationship, gains and losses from changes in fair value are immediately recognized in income. At Uniper, this relates especially to derivative financial instruments (currency and commodity forwards, as well as options), embedded derivatives and securities. Changes in the fair value of derivative financial instruments subject to recognition in income are presented as other operating income or expenses. To the extent that these instruments are physically settled commodity derivatives included within the scope of IFRS 9 (failed own-use transactions) entered into for asset optimization, they are presented at the market price applicable at the time of their physical settlement as either revenues, cost of materials or inventories. All realized and unrealized financial commodity derivatives relating to asset optimization are presented gross within other operating income or expenses. All realized and unrealized transactions conducted in connection with proprietary trading are presented as a net position within either other operating income or other operating expenses. Gains and losses on securities (especially investment funds, equity funds, bond funds, etc.) are reported within other financial results.

As part of fair value measurement, the counterparty risk is also taken into account for financial instruments. The counterparty risks determined are allocated to the individual financial instruments by applying the relative fair value method on a net basis.

Unrealized gains and losses resulting from the initial measurement of a derivative ("day one" gains and losses) are recognized in income only if they are supported by quoted market prices in an active market, verified by comparison with other observable current market transactions, or determined using a valuation technique that relies on observable market data. For derivatives whose fair value is determined based on valuation models, these initial-measurement effects are eliminated against the corresponding derivative assets or liabilities.

Contracts for receipt or delivery of non-financial items in accordance with the Uniper Group's anticipated purchase, sale or usage requirements are classified as own-use contracts. They are not accounted for as derivative financial instruments measured at fair value, but as open transactions. Physically settled commodity contracts entered into as part of the sales business are partially classified as own-use contracts. Upon physical settlement, these contracts are presented either as revenues or cost of materials, or as inventories at their contract prices.

Primary and derivative financial instruments are netted on the balance sheet if the Uniper Group has both an unconditional right and the intention to settle offsetting positions simultaneously or on a net basis.

20230627191125

Financial Liabilities

Financial liabilities are initially measured at fair value. For financial liabilities that are not subsequently measured at fair value through profit or loss, transaction costs are taken into account. Non-derivative financial liabilities, including trade payables, are subsequently measured at amortized cost, using the effective interest method.

Derivative liabilities are measured at fair value through profit or loss. The explanations concerning fair value and the presentation of derivative assets apply by analogy.

The fair value option for financial liabilities is currently not in use.

Hedging Transactions

Derivative financial instruments are entered into predominantly for hedging future cash flows in order to optimize and safeguard the Uniper portfolio. They are accounted for and presented in accordance with the aforementioned provisions. Until September 30, 2021, Uniper applied hedge accounting pursuant to IFRS 9 only to an immaterial extent. Beginning on October 1, 2021, Uniper applied "all-in-one" hedge accounting for physically settled fixed-price forwards and futures for which the own-use exemption cannot be applied (failed own-use contracts). All-in-one hedge accounting was ended as planned on December 31, 2022, because the underlying forward contracts were delivered. Corresponding documentation on the respective hedging relationship regarding the hedging instruments being used and the items being hedged, as well as the type of risk being hedged and the evaluation of the hedge's effectiveness, including specification of the hedge ratio, is prepared at the date of designation. A hedging relationship satisfies all effectiveness requirements if an economic relationship exists between the hedged item and the hedging instrument, if credit risk does not dominate changes in value, and if the hedge ratio corresponds to the quantities actually used for risk management. In cash flow hedges and hedges of a net investment in a foreign operation, the effective gains and losses on the hedging instrument are recognized in other comprehensive income. Reclassification to the income statement takes place when the hedged item is recognized in income. Ineffective portions of the hedging instrument are immediately recognized in income. Uniper carries no fair value hedges in its financial statements at this time.

Measurement of Derivative Financial Instruments

The fair value of derivative financial instruments is sensitive to movements in the underlying market variables. The Uniper Group assesses and monitors the fair value of derivatives at regular intervals. The fair value to be determined for each derivative financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (exit price). Uniper also takes into account the counterparty credit risk when determining fair value. The Uniper Group determines this risk based on a portfolio valuation in a bilateral approach covering both its own credit risk (debt value adjustment) and the credit risk of the corresponding counterparty (credit value adjustment). This approach also implicitly considers the impact on the geopolitical situation of Russia's war in Ukraine. The fair values of derivative financial instruments are calculated using standard market valuation methods, with reference to market data available on the measurement date.

20230627191126

The following is a summary of the methods and assumptions for the valuation of utilized derivative financial instruments:

- Currency, electricity, gas, oil and coal forward contracts and swaps, and emissions-related derivatives, are valued separately at their forward rates and prices as of the balance sheet date. Whenever possible, forward rates and prices are based on market quotations, with any applicable forward premiums and discounts taken into consideration.

- Market prices for electricity and gas options are determined using standard market pricing models. The fair values of caps, floors and collars are determined using quoted market prices or on the basis of option pricing models.

- Equity forwards are valued on the basis of the stock prices of the underlying equities, taking account of time components.

- Exchange-traded futures and option contracts are valued individually at daily settlement prices determined on the futures markets that are published by their respective clearing houses. Initial margins paid are reported under other assets. Variation margins received or paid during the term of such contracts are reported under other liabilities or other assets, respectively.

- In the absence of market prices, certain long-term energy contracts and equity investments are measured by means of internal valuation models that use fundamental data and are based on long-term price assumptions.

A hypothetical 10% increase or decrease in the valuation models based on internal fundamental data and the underlying long-term price assumptions would, as of the balance sheet date, lead to a theoretical decrease in market values of €134 million (2021: €103 million) or a theoretical increase of €133 million (2021: €103 million), respectively.

Additional Disclosures on Financial Instruments

The carrying amounts of the financial instruments, their grouping into IFRS 9 measurement categories, their fair values and their measurement sources by class are presented in the following table:

202305271912 7

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2022

€ in millions	Carrying amounts	Total carrying amounts within the scope of IFRS 7	IFRS 9 measure-ment category[1]	Fair value	Determined using market prices	Derived from active market prices
Other equity investments	976	976	FVOCI	976	75	59
Other equity investments IFRS 5	599	599	N/A	599	–	–
Financial receivables and other financial assets	2,899	2,899		2,899	–	–
Receivables from finance leases	*159*	*159*	*N/A*	*159*	–	–
Financial reimbursement rights relating to asset retirement obligations	*2,221*	*2,221*	*N/A*	*2,221*	–	–
Other financial receivables and financial assets	*519*	*519*	*AmC*	*519*	–	–
Trade receivables and other operating assets	86,982	86,843		86,843	34,832	41,267
Trade receivables	*9,560*	*9,560*	*AmC*	*9,560*	–	–
Derivatives without hedge accounting	*76,815*	*76,815*	*FVTPL*	*76,815*	*34,832*	*41,267*
Derivatives with hedge accounting	–	–	*N/A*	–	–	–
Other operating assets: loans and receivables	*607*	*468*	*AmC*	*468*	–	–
Other operating assets measured at fair value through profit or loss	–	–	*FVTPL*	–	–	–
Securities and fixed-term deposits	43	43	FVTPL	43	43	–
Securities and fixed-term deposits measured at fair value through profit or loss	95	95	FVTPL	95	95	–
Cash and cash equivalents: loans and receivables	4,591	4,591	AmC	4,591	–	–
Assets held for sale: loans and receivables intended for sale	40	40	N/A	40	–	–
Total assets	**96,225**	**96,086**		**96,086**	**35,045**	**41,326**
Financial liabilities	10,154	10,154		10,154	–	–
Commercial paper	–	–	*AmC*	–	–	–
Bank loans / Liabilities to banks	*8,627*	*8,627*	*AmC*	*8,627*	–	–
Lease liabilities	*690*	*690*	*N/A*	*690*	–	–
Other financial liabilities	*838*	*838*	*AmC*	*838*	–	–
Trade payables and other operating liabilities	86,763	86,763		86,763	33,244	42,810
Trade payables	*9,359*	*9,359*	*AmC*	*9,359*	–	–
Derivatives without hedge accounting	*76,345*	*76,345*	*FVTPL*	*76,345*	*33,244*	*42,810*
Derivatives with hedge accounting	–	–	*N/A*	–	–	–
Other liabilities intended for sale	*590*	*590*	*N/A*	*590*	–	–
Other operating liabilities	*469*	*469*	*AmC*	*469*	–	–
Total liabilities	**96,917**	**96,917**		**96,917**	**33,244**	**42,810**

[1] AmC: amortized cost; FVOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss. The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair value and column of the value of using market prices and the value derived from active market prices.

20230627191128

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2021

€ in millions	Carrying amounts	Total carrying amounts within the scope of IFRS 7	IFRS 9 measure-ment category[1]	Fair value	Determined using market prices	Derived from active market prices
Other equity investments	689	689	FVOCI	689	71	46
Other equity investments IFRS 5	83	83	N/A	83		
Financial receivables and other financial assets	4,330	4,330		4,541	–	–
Receivables from finance leases	*133*	*133*	*N/A*	*133*	–	–
Financial reimbursement rights relating to asset retirement obligations	*2,565*	*2,565*	*N/A*	*2,776*	–	–
Other financial receivables and financial assets	*1,632*	*1,632*	*AmC*	*1,632*	–	–
Trade receivables and other operating assets	94,893	94,777		94,777	26,916	53,878
Trade receivables	*11,629*	*11,629*	*AmC*	*11,629*	–	–
Derivatives without hedge accounting	*81,311*	*81,311*	*FVTPL*	*81,311*	*26,916*	*53,864*
Derivatives with hedge accounting	*335*	*335*	*N/A*	*335*		
Other operating assets: loans and receivables	*1,604*	*1,489*	*AmC*	*1,489*	–	–
Other operating assets measured at fair value through profit or loss	*13*	*13*	*FVTPL*	*13*		*13*
Securities and fixed-term deposits	47	47	FVTPL	47	47	–
Securities and fixed-term deposits measured at fair value through profit or loss	111	111	FVTPL	111	111	–
Cash and cash equivalents: loans and receivables	2,919	2,919	AmC	2,919	–	–
Assets held for sale: loans and receivables intended for sale	25	25	N/A	25	–	–
Total assets	**103,014**	**102,899**		**103,110**	**27,145**	**53,924**
Financial liabilities	8,191	8,191		8,191		
Commercial paper	*1,480*	*1,480*	*AmC*	*1,480*	–	–
Bank loans / Liabilities to banks	*2,964*	*2,964*	*AmC*	*2,964*	–	–
Lease liabilities	*745*	*745*	*N/A*	*745*	–	–
Other financial liabilities	*3,002*	*3,002*	*AmC*	*3,002*	–	–
Trade payables and other operating liabilities	98,687	98,687		98,687	24,817	59,866
Trade payables	*11,568*	*11,568*	*AmC*	*11,568*	–	–
Derivatives without hedge accounting	*84,983*	*84,983*	*FVTPL*	*84,983*	*24,817*	*59,866*
Derivatives with hedge accounting	*1,750*	*1,750*	*N/A*	*1,750*		
Other liabilities intended for sale	-	-	*N/A*	-	–	–
Other operating liabilities	*386*	*386*	*AmC*	*386*	–	–
Total liabilities	**106,879**	**106,879**		**106,879**	**24,817**	**59,866**

[1]AmC: amortized cost; FVOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss. The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair value and column of the value of using market prices and the value derived from active market prices.

The carrying amounts of cash and cash equivalents and of trade receivables, as well as those of borrowings under short-term credit facilities and of trade payables, are considered reasonable estimates of their fair values because of the short maturities of these items.

Where the value of a financial instrument can be derived from an active market without the need for an adjustment, that value is used as the fair value. This is the case, for example, for equities held.

20230627 19129

The fair value of shareholdings in unlisted companies and of financial receivables and financial liabilities that are not actively traded is determined by discounting future cash flows. Any necessary discounting takes place using current standard market interest rates over the remaining terms of the financial instruments. Shareholdings for which fair value measurement was not applied as the cash flows could not be reliably determined are not material compared with the overall position of the Uniper Group, nor were they material in the previous year.

As in the previous year, there were no material reclassifications between Levels 1 and 2 of the fair value hierarchy in the 2022 fiscal year. At the end of each reporting period, Uniper assesses whether there might be grounds for reclassification between hierarchy levels. Apart from measurement effects, the class of other equity investments did not change materially in the reporting year.

The input parameters of Level 3 of the fair value hierarchy for equity investments are specified taking into account economic developments and available industry and corporate data. In the 2022 fiscal year, the equity interest in PAO Unipro was added to the scope of IFRS 9 after deconsolidation and classified at Level 3 of the fair value hierarchy due to the high uncertainty regarding any effectively achievable and enforceable sales price. One derivative financial instrument was reclassified out of Level 3 and into Level 2 in 2022, because its fair value can now be measured fully on the basis of exchange or market prices. The fair values determined using valuation techniques for financial instruments carried at fair value are reconciled as shown in the following table:

Fair Value Hierarchy Level 3 Reconciliation (Values Determined Using Valuation Techniques)

€ in millions	December 31, 2021	Purchases (including additions)	Sales (including disposals)	Settlements	Gains/ Losses in income statement	Transfers into Level 3	Transfers out of Level 3	Gains/ Losses in OCI	December 31, 2022
Equity investments	572	–	–	–	–	–	–	270	841
Derivative financial instruments (assets)	530	–	43	–	258	–	-115	–	716
Derivative financial instruments (liabilities)	-300	–	–	76	-67	–	–	–	-291
Total	**801**	**0**	**43**	**76**	**191**	**0**	**-115**	**270**	**1,266**

The changes in initial-measurement effects of derivatives in Level 3 of the fair value hierarchy are shown in the following table:

Reconciliation of the Initial-Measurement Effect in Level 3 of the Fair Value Hierarchy

€ in millions	December 31, 2021	Purchases and sales (including additions and disposals)	Change in fair value during the reporting period	December 31, 2022
Gross fair value	805	-237	154	722
Gain on initial measurement	-582	166	113	-303
Loss on initial measurement	7	–	-1	6
Net fair value	**230**	**-72**	**267**	**425**

20230627191330

The extent to which the offsetting of financial assets and financial liabilities is covered by netting agreements is presented in the following table:

Netting Agreements for Financial Assets and Liabilities as of December 31, 2022

€ in millions	Gross amount	Conditional netting amount (netting agreements)	Financial collateral received/pledged	Net value
Financial assets				
Trade receivables	*9,560*	*4,027*	*–*	*5,534*
Interest-rate and currency derivatives	*306*	*–*	*196*	*110*
Commodity derivatives	*76,509*	*35,924*	*-601*	*41,186*
Total	**86,375**	**39,951**	**-405**	**46,830**
Financial liabilities				
Interest-rate and currency derivatives	*97*	*–*	*6*	*90*
Commodity derivatives	*76,249*	*35,924*	*419*	*39,906*
Trade payables and other operating liabilities	*9,359*	*4,027*	*–*	*5,332*
Total	**85,705**	**39,951**	**425**	**45,328**

Netting Agreements for Financial Assets and Liabilities as of December 31, 2021

€ in millions	Gross amount	Conditional netting amount (netting agreements)	Financial collateral received/pledged	Net value
Financial assets				
Trade receivables	*11,629*	*5,651*	*–*	*5,978*
Interest-rate and currency derivatives	*168*	*55*	*113*	*0*
Commodity derivatives	*81,478*	*55,955*	*-1,576*	*27,099*
Total	**93,275**	**61,662**	**-1,463**	**33,076**
Financial liabilities				
Interest-rate and currency derivatives	*60*	*–*	*2*	*58*
Commodity derivatives	*86,672*	*55,955*	*4,293*	*26,425*
Trade payables and other operating liabilities	*11,568*	*5,651*	*–*	*5,917*
Total	**98,301**	**61,607**	**4,294**	**32,399**

Transactions and business relationships resulting in the derivative financial receivables and liabilities presented are generally concluded on the basis of standard contracts that permit the netting of open transactions in the event that a counterparty becomes insolvent.

The netting agreements are derived from netting clauses contained in master agreements including those of the International Swaps and Derivatives Association (ISDA) and the European Federation of Energy Traders (EFET), as well as the German Master Agreement for Financial Derivatives Transactions (DRV) and the Financial Energy Master Agreement (FEMA). For commodity derivatives, the netting option is not presented in the accounting because the legal enforceability of netting agreements varies by country. As of December 31, 2022, other financial assets amounting to €6,217 million (2021: €7,866 million) have been deposited as collateral.

20230527191331

The net gains and losses from financial instruments by IFRS 9 category are shown in the following table:

Net Gains and Losses by Category

€ in millions	2022	2021
Measured at amortized cost	-619	-221
Measured at fair value through profit or loss	-6,956	-9,571
Measured at fair value through other comprehensive income	332	-69
Total	**-7,243**	**-9,861**

The net gains and losses in the "amortized cost" category consist primarily of changes in carrying amounts arising from differences in the applicable exchange rates of operating trade receivables and payables. These are presented under other operating expenses in the income statement. Interest income and interest expenses that can be assigned to the "amortized cost" category are presented separately in the respective line items for interest and similar income and expenses in Note 9.

The net result in the "fair value through profit or loss" category is influenced especially by the fair value measurement of commodity and currency derivatives.

Included in the "fair value through other comprehensive income" category are solely the valuation results of the other equity investments. As they were in the previous year, effects from "all-in-one" hedge accounting are presented in the Commodity Price Risk Management section of this Note.

Risk Management

Principles

The Uniper Group's risk management system is based on centrally developed principles applicable throughout the Group.

Organizational structure, specialist expertise, systems, processes and policies are material components of the Group's risk management system and ensure that risks are appropriately identified, analyzed, quantified, aggregated and managed.

The risk from derivative financial instruments is primarily bundled within the Group's trading unit and managed centrally. The risk management system for derivative financial instruments is based on the fundamental principle that risks are accepted and authorized according to existing policies and mandates if they are kept within permissible limits and continuously analyzed, monitored and managed. Key to the risk management system for derivative financial instruments are the principles of managing market-price and credit risks, as well as financing activities and associated liquidity risks.

The management and control of the aforementioned risks is organized along three "lines of defense," each of which operates separately from the other two. The first line consists of the Group's trading operations, which decide on the assumption of risk and, as risk owners, actively manage those risks. The second line consists of risk and control units that are responsible for the processing of trades and for risk analysis and monitoring. The third line of defense is the realm of internal audit, which reviews and supervises the activities of the first and second lines.

One of the central responsibilities of Uniper SE's Board of Management is to ensure that an effective risk management system is put in place. Functions and tasks to support and aid the operational implementation of the central risk management principles are delegated appropriately within the Uniper organization, with due consideration given to functional responsibilities.

20230627191132

The Risk Committee of the Uniper Group is the supreme body in charge of monitoring the risks associated with the Uniper Group's business activities. Headed by the Group's Chief Financial Officer (CFO), it further comprises the Group Chief Risk Officer (CRO), the Group Chief Commercial Officer (CCO), the Group Chief Operating Officer (COO) and the Executive Vice President for Group Finance and Investor Relations, as well as the Group General Counsel / Chief Compliance Officer. The core responsibility of the Risk Committee is to establish a governance structure and infrastructure for risk management with which to manage business risks at all organizational levels, which includes the determination of necessary risk capital and the allocation of risk limits.

1. Liquidity Risks

The Uniper Group uses derivative financial instruments to optimize the asset portfolio. Those derivative instruments are traded via exchanges and over-the-counter with selected counterparties based on bilateral margining agreements. Those ways of trading require the exchange of cash to cover credit risks (margining payments), bank guarantees or letters of credit. The amount of required cash depends on the size of the position traded via the above channels as well as the development of market prices for the respective underlying products. Considering this, Uniper is exposed to liquidity risks related to the provision of cash in case of unfavorable development of market prices (margining risk).

In addition to that, trading derivative financial instruments exposes the Uniper Group to a liquidity risk associated with having to provide rating-dependent financial collateral like liquid assets or bank guarantees. A potential downgrade of Uniper's current credit rating of BBB- would allow Uniper's counterparties to exercise their contractually agreed right to ask for additional collateral. The extent of additional collateral potentially required depends, among other things, on the value of the existing claims against Uniper and thus on the development of market prices for the underlying products.

Additional liquidity risks from derivative financial instruments arise in connection with the market risks and credit risks discussed further below.

Liquidity Risk Management

The liquidity risk associated with a potential downgrade and the margining risk are quantified separately, monitored and managed considering given limits. Limit breaches are escalated and managed applying internal rules.

To mitigate the liquidity risk associated with a downgrade of Uniper SE's rating, Uniper strives to maintain an investment-grade rating of at least BBB-. Against this background, Uniper continually observes all relevant developments affecting ratings and has regular exchanges with the rating agencies.

In order to manage the increased margining risk, the Uniper Group has initiated a variety of countermeasures. Those comprise, among others, the development of risk management strategies to reduce the sensitivity of Uniper's margin payments against market price developments and operating measures. The remaining liquidity needs are managed in the scope of the liquidity management of the Uniper Group.

20230627191133

Liquidity Management

The primary objectives of liquidity management consist of ensuring ability to pay outstanding debt, the timely satisfaction of contractual payment obligations and the optimization of funding costs within the Uniper Group.

The key components of liquidity management are central cash pooling and centralization of external financing at Uniper SE. All liquid funds are provided to the other Group companies as needed on the basis of an "in-house banking" solution.

The liquidity needs from operating activities of the Uniper Group companies are determined on the basis of short- and medium-term liquidity planning. The financing of the Uniper Group is managed and implemented centrally on a forward-looking basis in accordance with the planned liquidity needs or surplus. Relevant planning factors taken into consideration include operating cash flow, capital expenditures, divestments, margining requirements and the maturities of financial liabilities.

Uniper has a number of market-based financing instruments available to cover liquidity requirements: a €1.8 billion Euro Commercial Paper program; a €1.8 billion revolving credit facility, various promissory notes and bilateral credit lines with Uniper's financing banks and guarantee facilities with several banks to cover guarantee requirements in operations or for margin deposits.

On January 4, 2022, Uniper agreed on a €2.0 billion credit facility with the state-owned KfW banking group until April 30, 2022. Due to the ongoing Russian war against Ukraine and the associated volatility in the commodity markets, Uniper and KfW agreed in March 2022 to continue the facility in an unchanged amount until April 30, 2023. To secure the liquidity needed for the replacement of undelivered Russian gas supply volumes and to cover the simultaneous increase in collateral requirements for margining on the energy markets and exchanges, the KfW credit facility was subsequently increased in several steps to a volume of €18.0 billion at year-end 2022. As of December 31, 2022, €6.0 billion of the facility were drawn. KfW and Uniper have already successfully restructured the credit facility in the first weeks of 2023 while maintaining the guarantee provided by the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026.

In addition to these traditional financing instruments, Uniper has various operating instruments such as active working capital management, for example, at its disposal to generate liquidity.

The following tables illustrate the contractually agreed (undiscounted) cash outflows arising from the liabilities included in the scope of IFRS 7, with cash outflows to banks in 2023 including €6 billion to KfW, which are reported as cash outflows despite the extension of the facility agreement described above because a partial repayment of the facility is planned.

Cash Flow Analysis as of December 31, 2022

€ in millions	Cash outflows 2023	Cash outflows 2024	Cash outflows 2025–2027	Cash outflows from 2028
Bank loans / Liabilities to banks	6,870	1,758	–	–
Lease liabilities	136	117	254	746
Other financial liabilities	51	5	26	352
Cash outflows for financial liabilities	**7,057**	**1,880**	**280**	**1,099**
Trade payables	9,359	–	–	–
Derivatives	42,579	8,511	1,746	88
Other operating liabilities	380	13	74	7
Cash outflows for trade payables and other operating liabilities	**52,318**	**8,524**	**1,820**	**95**
Cash outflows for liabilities within the scope of IFRS 7	**59,375**	**10,404**	**2,100**	**1,193**

Cash Flow Analysis as of December 31, 2021

€ in millions	Cash outflows 2022	Cash outflows 2023	Cash outflows 2024–2026	Cash outflows from 2027
Commercial paper	1,480	–	–	–
Bank loans / Liabilities to banks	2,334	481	151	–
Lease liabilities	133	109	265	785
Other financial liabilities	2,626	1	17	387
Cash outflows for financial liabilities	**6,573**	**591**	**432**	**1,172**
Trade payables	11,569	–	–	–
Derivatives	19,974	2,584	4,162	136
Other operating liabilities	375	10	9	6
Other operating liabilities intended for sale	–	–	–	–
Cash outflows for trade payables and other operating liabilities	**31,918**	**2,594**	**4,171**	**142**
Cash outflows for liabilities within the scope of IFRS 7	**38,492**	**3,185**	**4,603**	**1,314**

For financial liabilities that bear floating interest rates, the rates that were fixed on the balance sheet date are used to calculate future interest payments for subsequent periods as well. Financial liabilities that can be terminated at any time are assigned to the earliest maturity band in the same way as put options that are exercisable at any time.

In gross-settled derivatives (usually currency derivatives and commodity derivatives), outflows are accompanied by related inflows of funds or commodities. Derivative liabilities are recognized at their expected cash flows.

2. Market Risks

The Uniper Group is exposed to the risk of changes in prices in foreign currencies, interest rates and commodities as part of its ordinary business and its proprietary trading activities. Proprietary trading activities are conducted in compliance with tight internal and regulatory restrictions. Uniper SE has developed risk-reduction strategies to limit the resulting fluctuations in earnings, equity, indebtedness and cash flows that are applicable across the entire Uniper Group. Derivative financial instruments are used mainly for the purpose of reducing risk and optimizing earnings.

Foreign Exchange Risk Management

Uniper SE is responsible for managing the currency risks to which the Uniper Group is exposed.

Because it holds interests in businesses outside of the euro area, currency translation risks arise within the Uniper Group. Fluctuations in exchange rates produce accounting effects attributable to the translation of items in the balance sheets and income statements of the consolidated foreign Uniper companies included in the Consolidated Financial Statements. Translation risks are hedged through borrowing in the corresponding local currency, which may also include foreign currency shareholder loans. In addition, derivative and primary financial instruments are employed as needed. The Uniper Group's translation risks are reviewed at regular intervals and the level of hedging is adjusted whenever necessary.

20230627191334

20230627119135

The Uniper Group is additionally exposed to transaction risks in connection with transactions in foreign currencies. These risks arise for the Uniper Group companies primarily from physical and financial trading in commodities, from business relationships within the Uniper Group and from capital-spending projects in foreign currency. The Uniper companies are responsible for controlling their operating transaction risks. Uniper SE is responsible for the overall coordination of the companies' hedging activities and makes use of external derivative financial instruments as needed.

These derivatives are generally measured at fair value through profit or loss. As of the end of the 2022 fiscal year, Uniper no longer applies cash flow hedge accounting, as PAO Unipro is no longer controlled by Uniper. The measurement effects in OCI arising from prior periods have been included in the calculation of the loss from the deconsolidation of Unipro. As of December 31, 2021, cash flow hedges of existing foreign currency transactions had terms of up to 4 years. No material ineffectiveness resulted from these hedging relationships in the 2021 fiscal year.

Transaction risks also result from payments that arise from financial receivables and payables denominated in foreign currencies, which in turn arise both from external financing in different foreign currencies and from foreign currency shareholder loans within the Uniper Group.

Foreign exchange risks are analyzed and monitored daily by teams of specialists.

As of December 31, 2022, the one-day value-at-risk (99% confidence) from the translation of deposits and borrowings denominated in foreign currency, plus foreign exchange derivatives, was €80 million (2021: €19 million). This is a considerable increase compared with the previous year and is attributable to the increased foreign currency exposure arising from commodity price developments and to increased volatility in the foreign currency markets. Foreign currency risks continued to result primarily from the positions in British pounds, U.S. dollars and Swedish kronor.

Interest Rate Risk Management

The subsidiaries of Uniper SE primarily fund themselves using the Uniper Group's cash pooling system. Cash pooling balances bear interest at market rates specific to maturities and currencies. Individual Uniper companies that are not included in the cash pool due to legal restrictions arrange financing independently or deposit their excess liquidity with leading local banks.

At this time, Uniper SE funds itself predominantly on the basis of short- and medium-term fixed and floating-rate financial liabilities.

Interest rate risks are managed centrally by the Uniper Group's finance department. The focus of the management of interest rate risks in 2022 was on the analysis of financing needs, taking into account all internal measures taken to manage liquidity needs, which were highly dependent on market price developments and political decisions. After completion of the realignment of the capital structure, and thus also the better estimation of the amount and timing of the debt base, the management of interest rate risks will be realigned.

20230627191336

Commodity Price Risk Management

The Uniper portfolio of physical assets, long-term contracts and wholesale customer contracts is exposed to substantial risks from fluctuations in commodity prices. The commodity price risks to which Uniper is exposed relate to electricity, gas, coal, freight charters, petroleum products, liquefied natural gas and emission allowances.

The Uniper Group manages the majority of its commodity risks through a central trading function. Risk management for commodity trading activities is based on general standards in the industry for trading operations and also involves the segregation of tasks, as well as daily income and risk calculation and reporting. The objective of commodity risk management is to optimize the value of the Uniper Group's commodity portfolio while limiting associated potential losses.

The key elements of commodity price risk management are governed by the market risk policy. These key elements include the new-product process, which supports the identification of new risks, a series of key indicators to aid the quantification of the commodity risk, and a system of risk controls and limits. Commodity price risks are measured based on a value-at-risk approach with a 95% confidence interval and take into account the amount of the open position, as well as the prices, their volatility and the liquidity on the respective markets. The value-at-risk figures are supplemented by stop-loss and volume-based indicators. Where necessary, additional portfolio-specific restrictions are set.

Commodity positions are aggregated into portfolios based on internal organizational responsibilities and trading strategies. In the calculations of commodity risk, market correlations and portfolio diversification are taken into account considering given risk policies. The methods for quantifying and analyzing commodity risk are reviewed and enhanced on a regular basis to ensure that they appropriately reflect the risk positions and the resulting exposure. Commodity price risks are taken within limits approved by the Board of Management. Limit breaches get escalated and are managed in line with internal requirements.

Two complementary approaches are followed to manage commodity risks at Uniper. Viewed firstly from an economic perspective, risks are limited over the entire manageable time horizon, with market liquidity taken into account. At the same time, these risks are also limited considering accounting principles over a three-year planning horizon. The second approach supports the limitation of potential negative deviations from the targeted adjusted EBIT.

The specification and approval of commodity risk limits is embedded in the higher-level Group-wide risk-assessment procedure, in which all known obligations and quantifiable risks are incorporated.

Commodity price risks are analyzed and monitored daily by teams of specialists. Responsible management is informed daily about gains and losses associated with commodity-trading activities and about existing risks.

Based on the current Uniper portfolio, as of December 31, 2022, the calendar-year-based value-at-risk (95% confidence), which takes market liquidities into account and ignores correlations between the years, was €3,403 million for financial and physical commodity positions covering a planning horizon of three years (2021: €1,422 million). The overall risk increased due to the still elevated commodity price and volatility levels as well as reduced hedge ratios.

Commodity risk management as presented above is reflected in the internal Uniper Management reporting and also covers the derivative financial instruments within the scope of IFRS 7.

20230627191137

Commodity derivatives are generally measured at fair value. Beginning on October 1, 2021, Uniper applied "all-in-one" hedge accounting for physically settled fixed-price forwards and futures it used to hedge future cash flows, but for which the own-use exemption could not be applied. The goal of these hedges was to fix the price for 30 TWh of gas volumes to be delivered in 2022 and thereby eliminate the variability of payments.

As of December 31, 2022, the contract volumes have been delivered and the all-in-one hedge accounting has expired as scheduled. A change in fair value of -€1,620 million was recognized in the cash flow hedge valuation reserve in OCI, and €1,792 million was reclassified to revenues. There was no ineffectiveness to be recognized in income in 2022.

The following table shows the details of the hedging relationship in the previous year:

Commodity Cash Flow Hedge Accounting

Timing of nominal amount of the hedging instrument	2022
Nominal amount (€ in millions)	424
Average gas price of hedging instrument (€/MWh)	14.17
Volume (TWh)	30
Hedging instruments	
Carrying amounts (€ in millions)	-1,415
Assets	*335*
Liabilities	*-1,750*
Line item in financial statements	Receivables / liabilities from derivative financial instruments
Change in fair value of hedging instrument, used as the basis for determining hedge ineffectiveness (€ in millions)	-172
Hedged items	
Change in value of hedged item, used as the basis for determining hedge ineffectiveness (€ in millions)	172
Continuing hedge	*172*
Ended hedge accounting	–

3. Credit Risks

Uniper is exposed to credit risks associated with operating activities and the use of derivative financial instruments.

Credit risk is the risk that the Uniper Group might incur a financial loss as a consequence of the non-payment or partial payment of outstanding receivables by counterparties and from replacement risks for open transactions.

Credit Risk Management

As part of centralized credit risk management, the credit rating of business partners is systematically assessed and monitored on the basis of Group-wide minimum standards. Those minimum standards are supplemented by specific internal control procedures for business areas where most of the risks are incurred.

Uniper applies appropriate measures to manage credit risks. They include setting limits for individual counterparties, counterparty groups and at portfolio level, as well as securing collateral, structuring contracts and/or transferring credit risk to third parties (such as insurers). Credit risks are continuously measured and monitored to ensure that the measures taken are in fact appropriate and that assigned limits are complied with. Limit breaches get escalated and are managed in line with internal guidelines. The Risk Committee is kept informed about material credit risks on a regular basis. An additional foundation for the management of risk is a conservative investment strategy and a broadly diversified portfolio.

Guarantees issued by the respective parent companies or evidence of profit-and-loss-transfer agreements in combination with letters of awareness are accepted as collateral for credit risks. The Company also requires bank guarantees and deposits of cash and securities as collateral to reduce credit risk. Collateral amounting to €6,394 million (2021: €5,158 million) has been accepted in the context of risk management.

To reduce credit risk, bilateral margining agreements are entered into with selected counterparties. In bilateral margining, cash payments are made into a margining account to cover credit risk (settlement and replacement risk) stemming from margin-based contracts. This concept applies for Uniper's credit risk exposure to a counterparty as well as for the credit risk exposure of a counterparty to Uniper. The inherent margining and liquidity risk is linked directly to actual or potential market price movements. The resulting margining risk is measured, monitored and managed using an overall limit for the entire Uniper Group.

To further reduce credit risk, physical as well as financial transactions are generally executed on the basis of standard agreements under which the netting of all open transactions can, in principle, be agreed with individual counterparties.

Liquid funds are generally invested with counterparties with good credit ratings. Uniper companies that are not included in the Uniper Group cash pool due to legal restrictions deposit money with leading local banks. Standardized credit assessment and limit-setting is complemented by monitoring of credit default swap (CDS) levels, stock prices and other market-relevant information for the banks and for other significant counterparties.

Allowances for Losses on Financial Assets

Loss allowances for expected credit losses are recognized on financial assets carried at amortized cost, lease receivables and contract assets, as well as on loan commitments. Loss allowances on trade receivables and contract assets are always measured at an amount equal to lifetime expected credit losses. This applies even for those trade receivables and contract assets that contain a significant financing component. For all other financial assets within the scope of the IFRS 9 loss allowance model, 12-month expected credit losses are measured as long as the credit risk of a financial instrument has not increased significantly since initial recognition. If the credit risk of a financial asset does increase significantly, loss allowances are also recognized in an amount equal to full lifetime expected credit losses. A quarterly assessment takes place to determine whether there has been a significant increase in credit risk since initial recognition. If the credit risk is low, it is assumed not to have increased significantly. A financial asset with an investment-grade rating is assumed to have low credit risk. On the other hand, if an asset loses its investment-grade rating after initial recognition, it is assumed that the credit risk has increased significantly. For all other assets, a downgrade by two Uniper-internal ratings leads to the same assumption.

A financial asset will continue to be directly written down if there are no reasonable expectations of recovering it in its entirety or a portion of it. Such is the case, for example, if it is probable that the borrower will enter bankruptcy or other financial reorganization or if it becomes known that the borrower is in significant financial difficulty. There need not necessarily be one specific event leading to the conclusion that the asset is credit-impaired; the combined effect of several events can give rise to the same conclusion. An asset also is usually written down if contractual payments are more than 180 days past due.

20230627191538

20230627119139

Uniper calculates expected credit losses using probabilities of default, which are determined for significant financial assets within credit risk management and applied both for expected credit losses pursuant to IFRS 13 and for the purposes of IFRS 9. Whenever possible, they are derived from available market data (liquid credit default swaps or liquid debt instruments). If there are no publicly available market data, an internal credit rating is applied. This ensures that forward-looking information is sufficiently considered.

The value of collateral and other measures taken to reduce credit risk (e.g., credit default insurance) is included in the calculation of expected credit losses in the "loss given default" ratio.

The following tables provide a reconciliation of 2022 and 2021 loss allowances in line with the classifications defined in IFRS 9:

Reconciliation of Loss Allowances by Asset Class 2022

€ in millions	Accumulated loss allowances as of Jan. 1, 2022	Stage 1: 12-month ECL[1]	Stage 2: Lifetime ECL[1]	Simplified approach: Lifetime ECL[1]	Stage 3: Lifetime ECL[1]	Accumulated loss allowances as of Dec. 31, 2022
Trade receivables and contract assets	-120	–	–	-3	68	-55
Other financial assets	-3	1	–	–	-1,004	-1,006
Total	**-123**	**1**	**–**	**-3**	**-936**	**-1,061**

[1]Expected credit loss (ECL).

Reconciliation of Loss Allowances by Asset Class 2021

€ in millions	Accumulated loss allowances as of Jan. 1, 2021	Stage 1: 12-month ECL[1]	Stage 2: Lifetime ECL[1]	Simplified approach: Lifetime ECL[1]	Stage 3: Lifetime ECL[1]	Accumulated loss allowances as of Dec. 31, 2021
Trade receivables and contract assets	-98	–	–	-8	-14	-120
Other financial assets	-4	1	–	–	–	-3
Total	**-102**	**1**	**–**	**-8**	**-14**	**-123**

[1]Expected credit loss (ECL).

In the 2022 fiscal year, the loans to Nord Stream 2 AG were written down to zero by an amount of €1,003 million including accrued interest. In addition, receivables from a Russian contracting party were written down to zero by an amount of €18 million.

An immaterial expected credit loss – as in the previous year – was calculated for cash and cash equivalents. As in the previous year, the Uniper Group holds no financial assets that were already credit-impaired when they were purchased or originated. Lease receivables are presented under other financial assets.

Loss allowances for trade receivables and contract assets resulted from the following changes:

20230627191140

Loss Allowances for Trade Receivables and Contract Assets

	2022		2021	
€ in millions	**Stage 2**	**Stage 3**	**Stage 2**	**Stage 3**
Loss allowances as of January 1	**-19**	**-102**	**-11**	**-88**
Change in scope of consolidation	1	82	–	–
Impairments on currently existing receivables	-36	-22	-21	-7
Reversals/Repaid or derecognized receivables	33	16	13	-2
Other[1]	–	-8	–	-6
Loss allowances as of December 31	**-21**	**-34**	**-19**	**-102**

[1] "Other" includes currency translation differences.

The increase in accumulated "stage 2" loss allowances resulted primarily from higher probabilities of default coupled with a lower overall level of receivables. The decrease in accumulated "stage 3" loss allowances resulted from the deconsolidation of PAO Unipro. Uniper's receivables portfolio comprises mostly customers with investment-grade or comparable internal ratings.

As in the previous year, no financial assets or liabilities were modified in the 2022 fiscal year; accordingly, modification had no impact on the loss allowances reported.

Credit Risk Exposure

Management of credit risks within the Uniper Group is not limited to financial assets within the scope of the IFRS 9 loss allowance model, it also extends especially to credit risks from open transactions and derivative financial instruments that are, for example, measured at fair value through profit or loss.

The following table shows the gross carrying amounts by rating class for assets carried at amortized cost, for lease receivables and for loan commitments:

Gross Carrying Amounts by Rating Class 2022

		2022		Loss
€ in millions	**Stage 1**	**Stage 2**	**Stage 3**	**allowance**
Trade receivables and contract assets	*0*	9,629	26	-55
Investment-grade or comparable rating	*N/A*	*6,423*	*0*	*-14*
Non-investment-grade or comparable rating	*N/A*	*3,206*	*26*	*-41*
Other financial assets	687	0	1,004	-1,006
Investment-grade or comparable rating	*665*	–	–	*0*
Non-investment-grade or comparable rating	*22*	–	*1,004*	*-1,006*
Total	**687**	**9,629**	**1,030**	**-1,061**

20230627191343

Gross Carrying Amounts by Rating Class 2021

€ in millions	2021 Stage 1	2021 Stage 2	2021 Stage 3	2021 Loss allowance
Trade receivables and contract assets	0	11,654	110	-120
Investment-grade or comparable rating	*N/A*	*8,265*	*22*	*-19*
Non-investment-grade or comparable rating	*N/A*	*3,389*	*88*	*-101*
Other financial assets	1,766	0	0	-1
Investment-grade or comparable rating	*1,745*	*–*	*–*	*-1*
Non-investment-grade or comparable rating	*21*	*–*	*–*	*0*
Total	**1,766**	**11,654**	**110**	**-122**

Gross carrying amounts best reflect the maximum exposure of the assets to credit risk on the reporting date.

Cash and cash equivalents are generally invested with counterparties having good credit ratings. On December 31, 2022, holdings of cash and cash equivalents had a carrying amount of €4,591 million (2021: €2,919 million). 99% (2021: 99%) of this total was invested with investment-grade-rated banks.

Equity Instruments

IFRS defines equity, as distinct from debt, as the residual interest in the Uniper Group's assets after deducting all liabilities.

If shareholders of entities own statutory, non-excludable rights of termination (as in the case of German partnerships, for example), such termination rights require the reclassification of non-controlling interests in such entities held within the Group from equity into liabilities. The liability is reported at the present value of the expected settlement amount in the event of termination. The amount is recognized irrespective of the probability of termination. Changes in the value of the liability are reported within other operating income. Accretion of the liability and the non-controlling shareholders' share in net income are shown as interest expense.

Where Uniper has entered into purchase commitments to holders of non-controlling interests in subsidiaries, those non-controlling shareholders have the right to require Uniper to purchase their shares under previously specified conditions. In such a case, IAS 32 requires that a liability be recognized at the present value of the probable future exercise price. This amount is reclassified from a separate component within non-controlling interests and reported separately as a liability. The reclassification occurs irrespective of the probability of exercise. The subsequent measurement of the liability is recognized in financial results. If a purchase commitment expires unexercised, the liability reverts to non-controlling interests. Any difference between liabilities and non-controlling interests is recognized directly in retained earnings.

20230627191142

Capital Structure Management and Enhanced Disclosures on Net Debt

The most significant credit agreements and the Uniper Group's bond and commercial paper issuance programs are described below.

€1.8 Billion Euro Commercial Paper Program

The Euro Commercial Paper program is a flexible instrument for the issuance of short-term debt in the form of commercial paper notes that are compliant with the STEP (Short-Term European Paper) Market Convention. As of December 31, 2022, no commercial paper was outstanding (2021: €1,480 million in commercial paper outstanding).

€2.0 Billion Debt Issuance Program

Initially launched in November 2016, the Debt Issuance Program (DIP) is a flexible instrument for issuing debt securities to investors in public, syndicated, and private placements. The volume, currencies, and maturities of the bonds to be issued depend on Uniper's financing requirements. Because of a lack of capital market viability due to the consequences of Russia's war against Ukraine, in particular the stoppage of Russian gas supplies, Uniper has temporarily suspended the Debt Issuance Program in 2022. A future update accompanied by a restoration of Uniper's capital market readiness is planned.

€1.8 Billion Syndicated Bank Financing Agreement with Revolving Credit Facility

Uniper SE's syndicated bank financing is provided in the form of a revolving credit facility by a total of 16 banks at the end of 2022. Due to the occurrence of a change-of-control event in the course of the acquisition of the majority of Uniper shares by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) on December 21, 2022, the participating banks had an extraordinary termination right. Two banks have exercised this right of termination (with cash effect in 2023), with a cumulative share in the total volume of the credit facility of approximately 10%. Uniper is currently working to replace the loan commitments of the withdrawing banks with other banks. The revolving credit facility was executed in September 2018 in the amount of €1.8 billion. The maturity date is in September 2025. The revolving credit facility serves Uniper as a general liquidity reserve. As of December 31, 2022, Uniper continued to fully utilize the €1.8 billion revolving credit facility volume (2021: utilization amounting to €1.8 billion).

€8.0 Billion Revolving Credit and Guarantee Facility with Fortum

In September 2021, Uniper established a credit facility with Fortum which was extended in December 2021 to a multi-tranche credit and guarantee facility with a total volume of €8.0 billion. The €4.0 billion cash credit facility was repaid on December 21, 2022, and the corresponding sub-facility of the multi-tranche facility agreement was canceled (2021: utilization of €2.5 billion). The utilization for guarantees on December 31, 2022, amounted to $1.0 billion (around €0.9 billion equivalent, 2021: utilization of €2.0 billion). The multi-tranche credit facility agreement will automatically terminate with the expiry of the outstanding guarantees.

20230627191143

€16.5 Billion Revolving Credit Facility with KfW

On January 4, 2022, Uniper concluded a €2.0 billion credit facility with the state-owned KfW banking group until April 30, 2022. Due to the ongoing Russian war against Ukraine and the associated volatility on the commodity markets, Uniper and the KfW banking group agreed in March 2022 to continue the facility in an unchanged amount until April 30, 2023. Because of the liquidity requirements for the replacement of missing Russian gas supply volumes and the simultaneous increase in requirements for margining deposits on the energy markets and exchanges, the KfW credit facility was subsequently increased in several steps to a volume of €18.0 billion at year-end 2022.

KfW and Uniper have already successfully restructured the credit facility in the first weeks of 2023 while maintaining the guarantee provided by the federal government. The new initial facility volume of €16.5 billion in total will be reduced over time until its final maturity in the third quarter of 2026.

Capital Increase and 2022 Authorized Capital

As agreed in the financial stabilization package with the German federal government on September 21, 2022, and resolved during the Extraordinary General Meeting on December 19, 2022, Uniper increased the capital stock by €8,000,000,000.10 on December 21, 2022. In addition, by resolution of the Extraordinary General Meeting on December 19, 2022, the Board of Management, with the approval of the Supervisory Board, was authorized to increase the Company's capital stock by up to €25,000,000,000.10 by December 18, 2027, in connection with the stabilization of the Company pursuant to Section 29 of the German Energy Security Act (EnSiG), by issuing a total of up to 14,705,882,353 new registered no-par-value shares against cash contributions on one or more occasions. Shareholders' statutory subscription rights are excluded. Only the Federal Republic of Germany or a person specified in §29 (6) EnSiG is permitted to subscribe for the New Shares. On December 21, 2022, the Board of Management of Uniper SE resolved, with the consent of the Supervisory Board, to increase the capital by utilizing the 2022 Authorized Capital. The share capital of the Company of €8,622,132,000.10 was increased by €5,538,029,306.60 to €14,160,161,306.70 through the issuance of 3,257,664,298 new registered no-par-value shares with a pro rata amount of the share capital of €1.70 per new share against cash contributions. The remaining 2022 Authorized Capital amounts to €19,461,970,693.50. For further details on Authorized Capital, see Note 22.

Covenants

In its financing activities, Uniper SE has agreed to enter into covenants consisting primarily of change-of-control clauses, negative pledges, and pari passu clauses, each referring to a restricted set of significant circumstances.

Additional Financing in 2022

Uniper additionally has access to further financing instruments, which were used flexibly in 2022. These include various promissory notes and bilateral credit lines with Uniper's financing banks. Uniper also uses guarantee facilities with several banks to cover guarantee requirements in its operations or for margin deposits.

Capital Structure Management

Uniper measures its balance sheet stability in a debt factor that corresponds with the financial risk profile of a solid investment-grade rating. The debt factor is defined as the ratio of current economic net debt to adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA). Uniper's targeted financial risk profile can be translated into a debt factor of less than or equal to 2.5. Due to the negative Adjusted EBITDA in fiscal year 2022 of -€9,604 million (2021: €1,856 million) – mainly caused by the realized added cost of procuring replacement volumes of gas – a calculation of the debt factor is not meaningful (for fiscal 2021, the debt factor was 0.2) and the target level was missed. Uniper aims to return to a positive Adjusted EBITDA and a debt factor of less than or equal to 2.5 as quickly as possible.

20230627191444

Economic Net Debt

Economic net debt is used by Uniper to manage the Group's capital structure.

Economic Net Debt

€ in millions	Dec. 31, 2022	Dec. 31, 2021
(+) Financial liabilities and liabilities from leases	11,575	8,975
(+) Bonds	–	–
(+) Commercial paper	–	*1,480*
(+) Liabilities to banks	*8,627*	*2,964*
(+) Lease liabilities	*690*	*745*
(+) Margining liabilities	*1,890*	*783*
(+) Liabilities from shareholder loans towards Uniper shareholders and co-shareholders	*329*	*2,931*
(+) Other financing	*40*	*70*
(-) Cash and cash equivalents	4,591	2,919
(-) Current securities	43	47
(-) Non-current securities	95	111
(-) Margining receivables	6,217	7,866
Net financial position	**629**	**-1,969**
(+) Provisions for pensions and similar obligations	537	1,065
(+) Provisions for asset retirement obligations	1,882	1,228
(+) Other asset retirement obligations	*679*	*853*
(+) Asset retirement obligations for Swedish nuclear power plants	*3,424*	*2,940*
(-) Receivables from the Swedish Nuclear Waste Fund recognized on the balance sheet	*2,221*	*2,565*
Economic net debt	**3,049**	**324**
(-) For informational purposes: Receivables from the Swedish Nuclear Waste Fund (KAF) ineligible for capitalization[1]	–	211
For informational purposes: Fundamental economic net debt	**3,049**	**113**

[1] In the previous year, due to IFRS valuation rules (IFRIC 5), €211 million of Uniper's share of the fair value of the net assets of the Swedish Nuclear Waste Fund could not be capitalized on the balance sheet. Accordingly, there existed an additional receivable from the Swedish Nuclear Waste Fund ineligible for recognition on the balance sheet, and the economic net obligation for the decommissioning of the Swedish nuclear power plants was thus reported too high in the table by the amount of this receivable.

In the 2022 fiscal year, the net financial position increased by €2,598 million. The cash-effective equity injection in the amount of €13,538 million as part of the stabilization package compensated a larger part of the negative operating cash flow (-€15,159 million) and the outflows for investments (-€632 million). Furthermore, the deconsolidation of Unipro as of December 31, 2022, led to an increase of the net financial position by €332 million.

The Fortum loan was fully repaid in the 2022 fiscal year (December 31, 2022: €2,500 million outstanding amount). The KfW financing was drawn by Uniper SE as of December 31, 2022, by €6,000 million (December 31, 2021: no drawing). There was no commercial paper outstanding as of December 31, 2022 (December 31, 2021: €1,480 million). Margining receivables decreased by €1,649 million to €6,217 million (December 31, 2021: €7,866 million) while margining liabilities increased by €1,107 million to €1,890 million (December 31, 2021: €783 million).

20230627191145

The increase in economic net debt by €2,725 million was even higher than the increase in the net financial position, mainly driven by the significant increase in provisions for asset retirement obligations from €1,228 million as of December 31, 2021 to €1,882 million as of December 31, 2022, which was caused by the reduced discount rate for provisions for asset retirement obligations in the Swedish nuclear sector as well as the reduction of the market value of the KAF refund claim. As an offsetting effect, the provisions for pensions and similar obligations decreased by €528 million to €537 million (December 31, 2021: €1,065 million). This development was caused by an increase in interest rates in Germany and the UK in the 2022 fiscal year relative to year-end 2021, leading to a reduction of the present value of pension liabilities. While the fair value of plan assets diminished compared with year-end 2021 at the same time, the two developments taken together resulted in overall lower provisions for pensions and similar obligations for the 2022 fiscal year.

(30) Transactions with Related Parties

Related Entities

Uniper exchanges goods and services with numerous entities as part of its continuing operations. In the reporting period, these included both related entities of the Fortum Group and the Uniper Group and, for an immaterial period, entities in which the German state or its entities hold direct or indirect stakes.

Until December 21, 2022, Uniper was an affiliated company of Fortum Oyj and up to that date included it and its subsidiaries and joint ventures as related parties in its financial reporting. The same is true for the Republic of Finland – in its capacity as majority shareholder of Fortum Oyj – and the entities controlled by it.

Since December 21, 2022, UBG Uniper Beteiligungsholding GmbH has had control over Uniper SE. The sole shareholder of UBG Uniper Beteiligungsholding GmbH is the Federal Republic of Germany. From the acquisition date, Uniper includes the subsidiaries of the Federal Republic of Germany (the German state) and the German state's related entities in its financial reporting.

Transactions with associated companies of the Uniper Group and their subsidiaries, as well as with joint ventures of the Uniper Group, are presented separately. Transactions with subsidiaries of the Uniper Group that are not fully consolidated are presented as transactions with other related parties. As in the previous year, the share of the transactions referred to in the following section made up by transactions with other related parties is not material.

The transactions with related parties are presented in the following tables. The tables do not include transactions with the German state and its entities. These transactions, where significant, are reported in the text that follows:

20230627191146

Related-Party Transactions – Income Statement

€ in millions	2022	2021
Income	**395**	**657**
Entities with control over Uniper (Fortum Group)[1]	*295*	*116*
Associates	*64*	*501*
Joint ventures	*9*	*10*
Other related parties	*27*	*31*
Expenses	**574**	**434**
Entities with control over Uniper (Fortum Group)[1]	*214*	*30*
Associates	*301*	*346*
Joint ventures	*31*	*40*
Other related parties	*28*	*18*

[1]Until December 21, 2022, control by the Fortum Group.

Related-Party Transactions – Balance Sheet

€ in millions	Dec. 31, 2022	Dec. 31, 2021
Receivables	**406**	**514**
Entities with control over Uniper (Fortum Group)[1]	*–*	*28*
Associates	*354*	*417*
Joint ventures	*13*	*12*
Other related parties	*39*	*57*
Liabilities	**170**	**2,917**
Entities with control over Uniper (Fortum Group)[1]	*–*	*2,770*
Associates	*70*	*8*
Joint ventures	*15*	*44*
Other related parties	*85*	*95*

[1]Until December 21, 2022, control by the Fortum Group.

Transactions for Goods and Services, Financing Activities and Other Financial Obligations

Transactions with the Fortum Group

The income generated from transactions with Fortum Oyj and Fortum Group companies included especially revenues from electricity and gas deliveries amounting to €186 million (2021: €114 million). The corresponding expenses from transactions with Fortum Oyj and Fortum Group companies consisted especially of material costs for electricity and gas procurement amounting to €136 million (2021: €19 million).

As of December 31, 2022, there were no receivables from and liabilities to Fortum Oyj and Fortum Group companies (December 31, 2021: receivables of €28 million, liabilities of €2,770 million).

An Intercompany Financing Agreement between Fortum Finance Ireland DAC and Uniper SE was signed in September 2021 and subsequently amended several times. In December 2021, that Intercompany Financing Agreement between Uniper SE and Fortum Finance Ireland DAC was superseded by an €8.0 billion multi-tranche credit facility. The parties to this facility are Fortum Oyj (guarantee issuer) and Fortum Finance Ireland DAC (lender), as well as Uniper SE and Uniper Global Commodities SE (each a borrower and guarantee holder). With the sale of its shares by Fortum and the entrance of the German state as Uniper's new majority shareholder in December 2022, the cash line, drawn in the amount of €4 billion, was repaid in full, and the contract between Uniper and Fortum was voided. The guarantee line was still drawn in the amount of €1 billion as of December 31, 2022, and will expire no later than June 2023. The underlying contracts were concluded at market terms.

20230627191147

Transactions with the German State and Its Entities

The transactions conducted with the entities of the German state and the companies controlled by them predominantly relate to the sale of electricity and gas and to the contractually regulated allocation of emission rights to them.

As of the end of the 2022 fiscal year, Uniper has reported receivables from and liabilities to Deutsche Bahn AG and its subsidiaries in the amount of €191 million and €130 million, respectively, arising from electricity sales contracts concluded at market terms. The liabilities relate mainly to the allocation of emission rights at market terms. They have resulted from the business relationship with Deutsche Bahn during all of 2022. The receivables and liabilities generated were not past due as of the reporting date. Uniper's revenues from sales to Deutsche Bahn since December 21, 2022, amounted to €19 million.

Uniper's business relationship with Securing Energy for Europe GmbH ("SEFE"), which is also an entity of the German state, resulted in a total of €35 million in receivables generated during all of 2022. Uniper's revenues from sales to SEFE since December 21, 2022, amounted to €12 million.

KfW, an entity wholly owned by the German state, extended a revolving credit facility totaling €18 billion to Uniper SE in 2022 as part of the stabilization measures. The terms of these facilities are primarily aligned with the conditions for the state-aid approval. Liabilities to KfW amounted to €6 billion as of the December 31, 2022, reporting date.

Transactions with Entities of the Uniper Group

Income from transactions and from goods and services received, and other expenses from transactions within the Uniper Group and with the Fortum Group, were as follows in the 2022 fiscal year:

Business relationships with related entities reflected the Group-wide procurement and sales activities of Uniper Global Commodities SE, primarily in the electricity and gas business. These relationships result in extensive mutual obligations and trading relationships.

Income generated from transactions with related entities of the Uniper Group includes revenues from deliveries of electricity and gas in the amount of €10 million (2021: €13 million). The corresponding expenses from transactions with related entities of the Uniper Group consisted of material costs associated with electricity and gas procurement in the amount of €207 million (2021: €224 million). Both revenues and cost of materials result from spot and forward transactions concluded at market terms that were conducted by Uniper Global Commodities SE as part of the provision of market access for the Uniper Group's companies.

Other financial obligations to related entities amounted to €1,799 million as of December 31, 2022 (December 31, 2021: €1,868 million).

Detailed disclosures concerning the pension funds are provided in Note 23.

Hedging Transactions and Derivative Financial Instruments

Transactions with Entities of the Uniper Group

There were no receivables and liabilities, and no effects on earnings, arising from the marking to market of commodity forward transactions with associated companies of the Uniper Group as of the reporting date (2021: no receivables and liabilities, income of €298 million, expenses of €138 million).

Transactions with the German State and Its Entities and with the Fortum Group

There were no material effects on earnings from the marking to market of commodity forward transactions with the German state and its entities and with Fortum companies.

20230627191148

Related Persons

Related persons within the Uniper Group include the members of the Board of Management and of the Supervisory Board (key management personnel).

The expense for the 2022 fiscal year for members of Uniper's Board of Management amounted to roughly €3.5 million for short-term benefits (2021: €7.2 million). For the 2022 fiscal year, short-term benefits consist of the base salary and the expense recognized for fringe benefits.

For the 2021 fiscal year, total compensation had also included the payout amount for the 2021 annual bonus. Against the backdrop of a KfW loan being drawn down in the spring of 2022, the Board of Management members declared their willingness to forfeit the annual bonus for the 2022 fiscal year. Also, because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, no performance-based compensation components may be promised or paid out, or established or promised in conditional or other form. All such compensation is thus excluded for the 2022 fiscal year. The annual bonus is generally dependent on the financial performance of the Uniper Group and on the individual performance of each member of the Board of Management in the relevant fiscal year. Uniper's financial performance is measured using the adjusted net income indicator. The Supervisory Board defines individual targets and team goals each year to assess individual performance. Group financial performance and individual performance target attainments are linked through multiplication. The payout of the annual bonus is capped at 200% of the target amount.

For the 2021 fiscal year, members of the Board of Management of Uniper SE had for the first time been allocated a tranche of the non-share-based 2021 Performance Cash Plan, whose performance period ends at the close of fiscal 2023. The second tranche of the 2021 Performance Cash Plan, whose performance period ends at the close of fiscal 2024, was allocated to Board of Management members at the beginning of the 2022 fiscal year. The 2021 Performance Cash Plan is granted in annual tranches, with a performance period of three years for each tranche. The payout is based on a target amount contractually agreed with each plan participant and promised at the start of the performance period as a future entitlement, as well as on two financial performance targets with a total weight of 60% and on two non-financial performance goals weighted together at 40%. However, because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, the performance-based compensation components of the Board of Management members may neither be promised or paid out, nor established or promised in conditional or other form. Therefore, payouts of the tranches of the 2021 Performance Cash Plan are excluded as long as stabilization has not reached at least 75% completion. In this context, there are no provisions for the tranches of the 2021 Performance Cash Plan. The resulting net income for the 2022 fiscal year amounted to roughly €1.0 million (2021: expense of roughly €1.0 million).

No termination benefits were paid out in the 2022 fiscal year (2021: €6.8 million expense due to severances). The expense for post-employment benefits amounted to roughly €1.1 million (2021: €2.5 million).

Accordingly, the total expense recognized was roughly €3.5 million (2021: €17.5 million). Additionally taken into account in the reporting year were actuarial losses totaling roughly €0.6 million (2021: gains of €0.8 million). The cost of post-employment benefits is equal to the service and interest cost of the provisions for pensions. The present value of the defined benefit obligation was roughly €1.9 million as of December 31, 2022 (2021: €3.8 million). The defined contribution pension plan of the Board of Management members is discussed in more detail in the "Description of the Benefit Plans" section of Note 23.

The expense for short-term compensation of members of the Supervisory Board amounted to roughly €1.3 million for the 2022 fiscal year (2021: €1.3 million). Employee representatives on the Supervisory Board were granted compensation under existing employment contracts with Uniper SE and its subsidiaries totaling roughly €0.7 million (2021: €0.6 million). Reimbursements paid by Uniper SE to Supervisory Board members for outlays totaled roughly €2 thousand for the 2022 fiscal year (2021: €1 thousand).

Since the 2021 fiscal year, Supervisory Board compensation is paid out entirely as fixed compensation; there is no conversion into virtual shares. Prior to the 2021 fiscal year, Supervisory Board members had received a component of 20% of their compensation in the form of long-term variable compensation. That compensation was allocated as a right to a future payment in the form of virtual shares. Supervisory Board members serving at that time therefore still hold virtual shares. Because of the stabilization package, a right to compensation for members of the Company's Supervisory Board, advisory board or other corporate governing bodies may arise only in the form of fixed compensation. Accordingly, any payout of outstanding virtual shares is excluded as long as stabilization has not reached at least 75% completion. The provisions for the Supervisory Board's virtual shares amount to roughly €40 thousand as of December 31, 2022. The fallen price of Uniper SE's shares resulted in the generation of net income for fiscal 2022 of roughly €0.4 million in total (expenses in 2021: €0.2 million).

20230527191459

(31) Leases

A lease arrangement is established by a contract (the lease) that conveys to the user (the lessee) the right to control the use of an identified asset for a period of time in exchange for consideration. A portion of an asset is an identified asset if it is physically distinct. If it is not physically distinct, the portion of an asset is not an identified asset, unless the lessee has the right to use substantially all of the capacity of the asset during the lease term.

If a contract contains more than one lease component, or a combination of leasing and selling transactions, the consideration is allocated to each of the lease and non-lease components on conclusion and on each subsequent remeasurement of the contract on the basis of their relative stand-alone selling prices.

Uniper as Lessee

For leases with terms not exceeding twelve months, and for leases of low-value assets, Uniper has exercised the optional application exemptions. The lease payments under these contracts are generally recognized on a straight-line basis over the lease term as other operating expenses.

In all other leases in which Uniper acts as the lessee, the present value of future lease payments is recognized as a financial liability. Lease payments are split into principal and interest portions, using the effective interest method.

Correspondingly, the right-of-use asset is recognized within property, plant and equipment at the present value of the liability at the commencement date of the lease, adding any directly attributable costs. Payments made before the commencement date and incentives received from the lessor are also included in the carrying amount of the right-of-use asset. The right-of-use asset is depreciated on a straight-line basis over the lease term or, if it is shorter, over the useful life of the leased asset. The provisions of IAS 36 concerning the determination and recognition of impairments of assets also apply to right-of-use assets.

If the expected lease payments change as a result of index-linked consideration, for example, or on the basis of new assessments of contractual options, the liability is remeasured. The adjustment to the new carrying amount is generally recognized with no impact on net income, by making a corresponding adjustment to the right-of-use asset.

In addition to owned assets, property, plant and equipment used by the Uniper Group also includes leased assets, which break down as follows:

20230627191350

Right-of-Use Assets within Property, Plant and Equipment

	December 31	
€ in millions	**2022**	**2021**
Owned property, plant and equipment	8,622	9,412
Right-of-use assets	606	644
Property, plant and equipment	**9,228**	**10,055**

Capitalized right-of-use assets relate especially to gas storage facilities and to land and buildings. Right-of-use assets have been capitalized for cargo ships and motor vehicles to a marginal extent. The right-of-use assets thus capitalized for leased property, plant and equipment had the following net carrying amounts as of December 31, 2022:

Right-of-Use Assets

	December 31	
€ in millions	**2022**	**2021**
Real estate and leasehold rights	38	40
Buildings	160	115
Technical equipment, plant and machinery	400	478
Other equipment, fixtures, furniture and office equipment	8	10
Total	**606**	**644**

Additions to right-of-use assets within property, plant and equipment amounted to €104 million in 2022 (2021: €112 million). This amount consists primarily of €26 million (2021: €93 million) in additions of technical equipment and machinery and of €69 million (2021: €10 million) in additions of buildings.

Some of the leases contain price-adjustment clauses, as well as extension, purchase and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, possible additional lease payments amounting to €137 million (2021: €128 million) were not included in the measurement of lease liabilities in the 2022 fiscal year.

The corresponding lease payment obligations are presented in the Cash Flow Analysis table in Note 29.

As of December 31, 2022, there were commitments totaling €3 million relating to leases not yet commenced as of that date (2021: no commitments).

The following amounts have been recognized in the income statement and in the cash flow statement:

Amounts Recognized in the Income Statement

€ in millions	**2022**	**2021**
Depreciation of right-of-use assets	-86	-113
Impairment charges on right-of-use assets	-51	-18
Reversals of impairments on right-of-use assets	49	26
Interest expense on lease liabilities	-38	-38
Expense relating to short-term leases	-173	-217
Expense relating to leases of low-value assets, not including short-term leases	-2	-3
Income from subleasing right-of-use assets	78	45
Total	**-222**	**-318**

The depreciation expense for right-of-use assets related principally to technical equipment and machinery (€59 million; 2021: €85 million) and to buildings (€19 million; 2021: €20 million).

20230627191513

Amounts Recognized in the Cash Flow Statement

€ in millions	2022	2021
Cash outflow for leases	308	378

In addition to the cash payments for the interest and principal portions of recognized lease liabilities, amounts reported in the cash flow statement also include payments for unrecognized short-term leases and for leases of low-value assets. Cash payments for the principal portion (€103 million; 2021: €120 million) are reported within financing cash flow from continuing operations, and those for the interest portion (€38 million; 2021: €39 million) are reported within operating cash flow from continuing operations.

Uniper as Lessor

Leases in which Uniper acts as the lessor and substantially all the risks and rewards arising from the use of the leased asset are transferred to the lessee are classified as finance leases. In this type of lease, the present value of the minimum lease payments is recorded as a receivable. Payments by the lessee are apportioned between a reduction of the lease receivable and interest income. The interest income from such arrangements is recognized over the lease term, using the effective interest method.

There exist a small number of operating leases in which Uniper is the lessor. In these leases, the leased asset generally continues to be presented on the Uniper Group's balance sheet and the lease payments are recognized as income on a straight-line basis over the lease term.

Finance Leases

Receivables from finance leases are primarily the result of certain electricity delivery contracts that, pursuant to IFRS 16, must be treated as leases. The nominal and present values of the outstanding lease payments have the following due dates:

Maturity Analysis of Undiscounted Lease Payments – Finance Leases

€ in millions	2022	2021
Due within 1 year	34	23
Due in 1 to 2 years	34	23
Due in 2 to 3 years	32	23
Due in 3 to 4 years	32	23
Due in 4 to 5 years	25	22
Due in more than 5 years	83	92
Total undiscounted lease payments	**239**	**206**
Interest component	80	73
Lease receivables	**159**	**133**
Current	*21*	*14*
Non-current	*138*	*119*

Interest income from finance leases was recognized in the amount of €15 million in the 2022 fiscal year (2021: €15 million).

20230627191152

(32) Reconciliation of Income/Loss before Financial Results and Taxes to Adjusted EBIT and to Adjusted Net Income

The following information for the 2021 fiscal year is provided on the basis of the Uniper Group's internal reporting system in order to enable an assessment to be made of the nature and financial consequences of the business activities conducted by the Uniper Group and of the economic environment in which the Group operates.

Adjusted EBIT

Adjusted EBIT, a measure of earnings before interest and taxes adjusted for non-operating effects, is the key measure at Uniper for purposes of internal management control and as the most important indicator of the operating performance of a business. This information is also used for the management of operating segments.

Unadjusted earnings before interest and taxes (EBIT) represents the Group's income/loss before financial results and taxes in accordance with IFRS, taking into account the net income/loss from equity investments.

Reconciliation of Income/Loss before Financial Results and Taxes

€ in millions	**2022**	**2021**
Income/Loss before financial results and taxes	**-11,530**	**-4,817**
Net income/loss from equity investments	0	6
EBIT	**-11,530**	**-4,812**
Non-operating adjustments	671	5,766
Net book gains (-) / losses (+)	*-8*	*-15*
Impact of derivative financial instruments	*8,369*	*8,783*
Adjustments of revenue and cost of materials from physically settled commodity derivatives to the contract price	*-7,284*	*-3,095*
Restructuring / Cost-management expenses (+) / income (-)[1]	*-39*	*158*
Miscellaneous other non-operating earnings	*-385*	*142*
Non-operating impairment charges (+) / reversals (-)[2]	*18*	*-207*
Adjusted EBIT[3]	**-10,859**	**955**
For informational purposes:		
Economic depreciation and amortization/reversals	*684*	*557*
For informational purposes: Adjusted EBITDA	*-10,175*	*1,512*

[1]Expenses for (and income from) restructuring and cost management in the Global Commodities segment included depreciation and amortization of €1 million in the 2022 fiscal year (2021: €2 million).

[2]Non-operating impairment charges/reversals consist of non-operating impairment charges and reversals triggered by regular impairment tests. The total of the non-operating impairment charges/reversals and economic depreciation and amortization/reversals differs from depreciation, amortization and impairment charges reported in the income statement since the two items also include impairment charges on companies accounted for under the equity method and other financial assets; in addition, a small portion is included in restructuring / cost-management expenses and in miscellaneous other non-operating earnings.

[3]The realized added cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was included in adjusted EBIT.

Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS.

20230627191553

Gains and losses on disposals of property, plant and equipment resulted in a net book gain of €8 million (2021: net book gain of €15 million on a land sale and on the sale of other equity investments).

The fair value measurement of derivatives used to hedge the operating business against price fluctuations resulted in a net non-operating loss of €8,369 million in the 2022 fiscal year, due to changed market values in connection with increased commodity prices in all the forward markets relevant to Uniper (2021: net loss of €8,783 million). The non-operating loss on derivatives includes a remeasurement of the fair values of gas supply contracts with Gazprom (recognized as derivatives), which are now valued at zero given that gas deliveries have been halted. Whereas the derivatives are subject to "mark-to-market" (i.e., fair value) accounting, the corresponding appreciation of the hedged underlying assets (especially power plants and inventories) is initially limited to their cost, and additional gains may not be recognized until they are realized. This measurement inconsistency is neutralized accordingly within the adjusted EBIT and adjusted net income measures, in order to better reflect Uniper's operating performance.

This item also includes the change in a provision for onerous contracts that are not within the scope of IFRS 9 and are therefore not measured at fair value. The provision for anticipated losses from higher expected procurement costs for electricity sales contracts was reduced by €955 million as a result of utilizations. A new provision for onerous contracts was recognized at roughly -€4.4 billion to account for the added cost of procuring replacement volumes for completely halted Russian gas supplies. Due to the uncertainty of the future price difference (i.e., purchase price variability) and volumes supplied, the as yet unrealized part reflecting the risk of increased purchase costs is classified as non-operating. Upon physical delivery, when the cost of procuring replacement volumes is incurred, the effects are reported within adjusted EBIT.

Revenues and cost of materials for physically settled commodity derivatives (contracts that are accounted for under IFRS 9 (failed own-use contracts)) were adjusted for the difference between the spot prices relevant pursuant to IFRS and the contract prices relevant from the management perspective by net income of €7,284 million in the 2022 fiscal year (2021: net income of €3,095 million).

In 2022, restructuring and cost-management expenses/income changed by €197 million year over year. Income amounted to €39 million in 2022 (2021: €158 million expense) and was primarily attributable to the partial reversal of provisions relating to the restructuring of the Engineering business by an amount of €22 million based on specified assumptions. In the previous year, this figure had included an expense of €130 million from the restructuring of the Engineering business and a further expense from restructuring of €28 million incurred in connection with the proactive phase-out plan for coal in Europe.

Income of €385 million was recorded under miscellaneous other non-operating earnings in 2022 (2021: expense of €142 million). It includes net income of €346 million (2021: €115 million expense) from adjustments of provisions recognized for non-operating effects in the Global Commodities segment and income of €59 million from an insurance settlement in the European Generation segment (2021: €0 million).

20230627191534

A net loss of €18 million (2021: €207 million net income) from the aggregation of non-operating impairment charges and reversals was recognized in the 2022 fiscal year. The impairments related to both of the Uniper Group's segments (2021: primarily European Generation). The increase is particularly attributable to the write-down to zero of goodwill in the Global Commodities segment by €1,312 million (2021: €0 million). Reversals of impairments recognized in previous years also related to both of the Uniper Group's segments in 2022 (2021: primarily the European Generation segment). This particularly affected the Maasvlakte 3 hard-coal power plant in the Netherlands. Impairment reversals are recognized as other operating income.

The added cost of procuring replacement gas realized in the 2022 fiscal year, which amounted to about €13.2 billion, was reported within adjusted EBIT. This cost arose from the need to procure corresponding replacement volumes for undelivered Russian gas supplies directly in the market – at significantly higher price levels.

Adjusted Net Income

Adjusted net income is composed of adjusted EBIT, net operating interest income and income taxes on operating earnings, less non-controlling interests in operating earnings (see the Management System section for a detailed definition). As they are from adjusted EBIT, the Russian Power Generation discontinued operations are excluded from adjusted net income. The following table shows the reconciliation of income/loss before financial results and taxes to adjusted net income:

Reconciliation to Adjusted Net Income

€ in millions	**2022**	**2021**
Income/Loss before financial results and taxes	**-11,530**	**-4,817**
Net income/loss from equity investments	–	6
EBIT	**-11,530**	**-4,812**
Non-operating adjustments	671	5,767
Adjusted EBIT[1]	**-10,859**	**955**
Interest income/expense and other financial results	*-1,480*	*246*
Non-operating interest expense and negative other financial results (+) / interest income and positive other financial results (-)	*1,382*	*-185*
Operating interest income/expense and other financial results	-98	61
Income taxes	*-1,291*	*496*
Expense (+) / Income (-) resulting from income taxes on non-operating earnings	*4,823*	*-770*
Income taxes on operating earnings	3,532	-273
Less non-controlling interests in operating earnings	37	1
Adjusted net income[1]	**-7,386**	**743**

[1]The added cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was realized in adjusted EBIT and, consequentially, in adjusted net income as well.

20230527191553

The adjustments for financial effects relate primarily to the write-down to zero of the financing extended to Nord Stream 2 AG in the amount of €1,003 million and to the expense of €74 million (2021: €221 million income), recognized as interest expense, from the valuation of the Swedish Nuclear Waste Fund (KAF), which finances provisions in the European Generation segment. Furthermore, aside from the remaining other financial results, adjustments were made for interest-related measurement effects of €278 million (2021: €46 million) that are attributable to nuclear waste management obligations in Sweden. An expense of €1,382 million was adjusted for in total (2021: €185 million income).

In the 2022 fiscal year, the tax expense amounted to €1,291 million (2021: -€496 million tax income) and the effective tax rate amounted to -9.9% (2021: 10.9%). The operating tax income amounted to -€3,532 million (2021: €273 million expense) mainly due to realized gas replacement costs in Germany and leads to an operating effective tax rate of 32.2% (2021: 26.9%). The operating tax income was compensated by a non-operating tax expense of €4,823 million (2021: -€770 million tax income) resulting particularly from the devaluation of deferred tax assets.

Adjusted net income for the 2022 fiscal year amounted to -€7,386 million. This represents a significant year-over-year decline of €8,129 million (2021: €743 million) and corresponds to the full-year outlook for 2022 as updated in the third quarter of 2022. In contrast to the operating tax income, lower economic net interest income relative to 2021 also had a negative effect. This is attributable especially to higher interest expenses due to the increased financing volume and to higher posted collateral for futures and forward transactions (margining), as well as to the non-recurrence of the economic net interest income from the financing extended to Nord Stream 2 AG. It was offset by changes in interest rates and their effect on the measurement of non-current provisions for asset retirement obligations, primarily in Hydro.

The realized added cost of about €13.2 billion to procure replacement gas discussed under adjusted EBIT, as well as the interest expense of about €0.2 billion arising from the financing of this added cost of procuring replacement gas, are both reported before taxes, respectively, within adjusted net income for the 2022 fiscal year.

(33) Segment Information

Applying the management approach, the Company's operating segments are identified in line with the internal reporting structure used by the Board of Management of Uniper SE.

The internal performance measure used as the segment result is earnings before interest and taxes adjusted to exclude non-operating effects (adjusted EBIT).

IFRS 8 Operating Segments

The operating segments are reported separately, in accordance with IFRS 8, in line with the management of the Group by the Board of Management of Uniper SE in its capacity as the Group's chief operating decision maker.

European Generation

The European Generation segment comprises the various power and heat generation facilities that the Uniper Group operates in Europe. In addition to fossil-fuel power plants (coal-, gas-, oil-fired power plants; combined gas and steam power plants) and hydroelectric power plants, these generation facilities also include nuclear power plants in Sweden. Most of the energy produced is sold to the Global Commodities segment, which is responsible for the marketing and sale of energy to major customers via the traded markets and its own sales organization. A further portion of the energy generated is marketed by means of long-term electricity and heat supply contracts. In addition to the power plant business, this segment also includes the marketing of energy services, which encompass engineering and asset management, as well as operational and maintenance services.

20230627191156

Global Commodities

The Global Commodities segment bundles the energy trading activities and forms the commercial interface between the Uniper Group and the global traded markets for energy and the major customers. Within this segment, the fuels required for power generation (mainly coal and gas) are procured, emission allowances are traded, the electricity produced is marketed, and the portfolio is optimized by managing the use of the power plants. On the basis of long-term contracts with suppliers within and outside Germany, Uniper sells natural gas to resellers (e.g., municipal utilities), major industrial customers and power plant operators. This segment additionally includes infrastructure investments and gas storage operations.

Business Divisions

Russian Power Generation

The Russian Power Generation business division, which is classified as a discontinued operation and consists of the majority interest in PAO Unipro, was deconsolidated as of December 31, 2022, owing to Uniper's loss of decision-making rights and inability to direct activities (see Note 4 for detailed discussion). It is also no longer possible for Uniper to allocate resources there or otherwise assess profitability. The Russian Power Generation business division therefore no longer qualifies as an operating segment as defined in IFRS 8. Given their size and the resulting impact on the Uniper Group's assets, financial condition and earnings – as well as the fact that they qualified as an operating segment throughout most of the reporting periods – the Russian business activities are stated and discussed in relation to time-period-related measures such as the items of the income statement for the 2022 fiscal year, for example.

PAO Unipro, a company listed in Russia, is responsible for conducting all business in connection with power generation and associated activities in Russia. These include the procurement of the fuels needed for the power plants, the operation and management of the plants and the trading and sale of the energy produced.

Administration and Consolidation

Combined separately under Administration/Consolidation are the non-operating functions that are performed centrally across segments, as well as the consolidations required to be carried out at Group level.

Financial Information by Segment

€ in millions	European Generation 2022	European Generation 2021	Global Commodities[2] 2022	Global Commodities[2] 2021	Administration/ Consolidation 2022	Administration/ Consolidation 2021	Uniper Group (continuing operations) 2022	Uniper Group (continuing operations) 2021	Russian Power Generation (discontinued operations)[3] 2022	Russian Power Generation (discontinued operations)[3] 2021
External sales	3,691	2,575	270,428	160,391	2	2	274,121	162,968	1,438	1,010
Intersegment sales	56,811	24,846	51,315	21,721	-108,125	-46,567	–	–	–	–
Sales	**60,502**	**27,421**	**321,742**	**182,112**	**-108,124**	**-46,565**	**274,121**	**162,968**	**1,438**	**1,010**
Adjusted EBIT (segment earnings)	**741**	**473**	**-11,214**	**756**	**-387**	**-274**	**-10,859**	**955**	**451**	**230**
Equity-method earnings[1]	–	–	54	46	–	–	46	-	–	–
Operating cash flow before interest and taxes	**1,173**	**1,419**	**-15,675**	**2,329**	**-468**	**-243**	**-14,970**	**3,506**	**530**	**341**
Investments	**426**	**520**	**97**	**54**	**29**	**16**	**552**	**589**	**80**	**131**

[1]The income/loss from companies accounted for under the equity method presented here is generally adjusted for non-operating effects and therefore differs from the income/loss from companies accounted for under the equity method as presented in the income statement in accordance with IFRS.

[2]Regarding the change in sales in the Global Commodities segment, see also 5 to the 2022 Consolidated Financial Statements.

[3]The Russian Power Generation business division qualified as an operating segment prior to the deconsolidation of PAO Unipro on December 31, 2022. More information concerning the deconsolidation can be found in Note 4. To improve readability, Russian Power Generation will continue to be referred to as a segment in the other parts of the 2022 Annual Report.

Intragroup sales between the European Generation and Global Commodities segments are mainly attributable to the transfer-pricing mechanism in effect between the power plant operating companies and the trading unit in the Global Commodities segment. For physically settled transactions that do not meet the IFRS 9 criteria and are not accounted for as derivatives (e.g., own-use transactions), contract prices (transfer prices), which reflect the economic character of these transactions and the contractually agreed consideration amounts, are generally used to determine revenues. For physically settled transactions that must be accounted for as derivatives pursuant to IFRS 9 criteria (e.g., failed own-use transactions), revenue is recognized at the market price applicable at the time of recognition. Accordingly, such contracts are presented as physical spot contracts with a financial hedge. Applying the transfer-pricing mechanism, the trading unit locks in a future selling price for the electricity expected to be generated by the power plant operating companies by entering into hedges at current market prices in the context of a portfolio management contract, so that the resulting revenues are ultimately reported directly in the European Generation segment, while the power plant operating companies show the financial effect of price hedging of their generation positions. The mechanism is also reflected in the cost of materials. The revenues attributable to the Administration/Consolidation reconciliation item also include the consolidation of the aforementioned effects, and the transfer pricing mechanism thus has no impact on the earnings, financial condition and net assets of the Uniper Group.

The investments presented in the financial information by business segment tables are the purchases of investments for continuing operations reported in the Consolidated Statement of Cash Flows. Transactions within the Uniper Group are generally executed at market prices.

The following table shows the reconciliation of operating cash flow from continuing operations to the corresponding operating cash flow before interest and taxes:

Operating Cash Flow before Interest and Taxes

€ in millions	2022	2021	+/-
Operating cash flow of continuing operations	**-15,637**	**3,296**	**-18,932**
Interest payments and receipts	322	18	304
Income tax payments (+) / refunds (-)	345	191	154
Operating cash flow of continuing operations before interest and taxes	**-14,969**	**3,506**	**-18,475**

20230627191157

20230627191558

Additional Entity-Level Disclosures

External sales by product from continuing operations break down as follows:

Sales by Segment and Product

€ in millions	European Generation 2022	European Generation 2021	Global Commodities 2022	Global Commodities 2021	Russian Power Generation[1] 2022	Russian Power Generation[1] 2021	Administration/ Consolidation 2022	Administration/ Consolidation 2021	Uniper Group 2022	Uniper Group 2021
Electricity	44,274	20,955	107,265	60,214	–	–	-85,525	-37,711	66,013	43,458
Gas	14,993	5,687	195,135	106,460	–	–	-18,707	-7,770	191,421	104,377
Other	1,236	779	19,343	15,439	–	–	-3,892	-1,084	16,687	15,133
Total	**60,502**	**27,421**	**321,742**	**182,112**	**–**	**–**	**-108,124**	**-46,565**	**274,121**	**162,968**

[1]See also the additional information in Note 33, Segment Information.

The "Other" item consists, in particular, of revenues generated from services and from other trading activities.

The following table breaks down external sales (by customer and company location), intangible assets and property, plant and equipment, as well as the carrying amounts of companies accounted for under the equity method, for continuing operations by geographic area:

Geographic Segment Information as of December 31, 2022, and for the 2022 Fiscal Year

€ in millions	Germany	United Kingdom	Russian Federation	Europe (other)	Other regions	Total
External sales by location of customer	81,326	82,836	24	94,943	14,992	274,121
External sales by location of seller	264,878	519	–	1,103	7,622	274,121
Intangible assets	629	5	N/A	51	2	687
Property, plant and equipment	3,505	1,598	N/A	4,124	1	9,228
Companies accounted for under the equity method	247	–	N/A	44	–	291

Geographic Segment Information as of December 31, 2021, and for the 2021 Fiscal Year

€ in millions	Germany	United Kingdom	Russian Federation	Europe (other)	Other regions	Total
External sales by location of customer	33,949	44,773	25	75,572	8,649	162,968
External sales by location of seller	157,685	615	–	521	4,147	162,968
Intangible assets	637	5	8	57	1	708
Property, plant and equipment	3,703	1,183	1,804	3,272	93	10,055
Companies accounted for under the equity method	245	–	–	77	–	322

The geographic segment information shown in the preceding tables is reported by location of the counterparty.

Uniper currently operates mainly in Europe. That aside, the Group's customer structure has not resulted in any major concentration in any given geographical region or business area. Due to the Company's large number of customers and the variety of its business activities, there are no customers whose business volume is material in relation to the total business volume of the Group.

20230627191559

(34) Other Significant Issues after the Balance Sheet Date

Personnel Changes on the Board of Management of Uniper SE Announced

On January 10, 2023, Prof. Dr. Klaus-Dieter Maubach (Chief Executive Officer) and David Bryson (Chief Operating Officer) declared to the Supervisory Board of Uniper SE that, due to the acquisition by the German state of a majority interest in Uniper SE (change of control), they would exercise their special right of termination and resign as members of the Board of Management of Uniper SE in 2023. At the same time, both declared their willingness to continue in their roles until suitable replacements are appointed. An orderly succession is thus secured in both cases. The Supervisory Board has already begun the process of identifying successors. Their appointment will be announced in due course.

On January 20, 2023, Uniper announced that the Supervisory Board member Dr. Jutta Dönges will be appointed as a member of the Board of Management and Chief Financial Officer (CFO). Dr. Dönges will leave Uniper's Supervisory Board, of which she has been a member since December 2022, at the end of February 2023 and succeed Tiina Tuomela, who had already announced her departure from Uniper in December 2022, in the CFO position.

Dr. Holger Kreetz, previously Head of Uniper's Asset Management division, will become the new Chief Operating Officer (COO) and a member of the Board of Management of Uniper SE as of March 1, 2023. This was decided by the Uniper Supervisory Board at its meeting on February 9, 2023. David Bryson, whose departure Uniper announced at the beginning of the year, will step down from the Board of Management of Uniper on February 28, 2023. Dr. Holger Kreetz will also take over from David Bryson as Chief Sustainability Officer (CSO).

KfW Credit Facility Extended into the Third Quarter 2026 and Successfully Restructured

The revolving credit facility was extended and restructured. Further information on this is provided in Note 2.

(35) Summarized List of Shareholdings

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2022)

Legal name, Registered Office	Capital share %	Equity in € million[13]	Net income € in mio[13]
AB Kraftleveranser Tre, SE, Sundsvall[2 12]	100.00	0.0	0.0
AB Svafo, SE, Nyköping[5]	22.00	0.1	0.0
AS Latvijas Gāze, LV, Riga[6 8]	18.26	286.3	0.1
B.V. NEA, NL, Dodewaard[5]	25.00	74.6	1.5
Barsebäck Kraft AB, SE, Löddeköpinge[2]	100.00	12.3	0.0
BauMineral GmbH, DE, Herten[1 7 9]	100.00	4.6	0.0
BBL Company V.O.F., NL, Groningen[6]	20.00	146.4	35.9
Bergeforsens Kraftaktiebolag, SE, Bispgården[4]	40.00	3.4	0.0
Blåsjön Kraft AB, SE, Stockholm[4]	50.00	3.2	0.0
Deutsche Flüssigerdgas Terminal beschränkt haftende oHG, DE, Düsseldorf[2 9 10]	90.00	0.0	0.0
DFTG-Deutsche Flüssigerdgas Terminal Gesellschaft mit beschränkter Haftung, DE, Wilhelmshaven[1 9 10]	90.00	0.1	0.0
Donau-Wasserkraft Aktiengesellschaft, DE, Landshut[1 9]	100.00	40.9	0.0
E.ON Benelux Geothermie B.V. (in liquidation), NL, Rotterdam[2]	100.00	0.0	0.0
E.ON Ruhrgas Nigeria Limited, NG, Abuja[2 8]	100.00	-0.2	-0.1
Energie-Pensions-Management GmbH, DE, Hanover[5]	30.00	3.5	0.7
Ergon Holdings Ltd, MT, St. Julians[1]	100.00	177.9	-0.1
Ergon Insurance Ltd, MT, St. Julians[1]	100.00	168.5	-4.3
Etzel Gas-Lager GmbH & Co. KG, DE, Friedeburg-Etzel[3]	75.22	20.0	25.1
Etzel Gas-Lager Management GmbH, DE, Friedeburg-Etzel[5]	75.20	0.0	0.0
Forsmarks Kraftgrupp AB, SE, Östhammar[6 11]	8.50	796.7	0.3
Freya Bunde-Etzel GmbH & Co. KG, DE, Düsseldorf[3]	59.98	5.3	1.2
Freya Bunde-Etzel Verwaltungsgesellschaft mbH, DE, Düsseldorf[5]	100.00	0.0	0.0
Gemeinschaftskraftwerk Irsching GmbH, DE, Vohburg[1]	50.20	158.9	7.8
Gemeinschaftskraftwerk Kiel Gesellschaft mit beschränkter Haftung, DE, Kiel[5]	50.00	6.4	-1.5
Grüne Quartiere GmbH, DE, Gelsenkirchen[5]	50.00	0.6	0.0
Holford Gas Storage Limited, GB, Edinburgh[1]	100.00	13.2	-3.6
Hydropower Evolutions GmbH, DE, Düsseldorf[2]	100.00	0.6	0.0
India Uniper Power Services Private Limited, IN, Kolkata[5]	50.00	0.3	0.0
Induboden GmbH & Co. Industriewerte OHG, DE, Düsseldorf[2]	100.00	5.1	-0.2
Kärnkraftsäkerhet & Utbildning AB, SE, Nyköping[5]	33.33	19.0	0.8
Klåvbens AB, SE, Olofström[5]	50.00	0.1	0.0
Kokereigasnetz Ruhr GmbH, DE, Essen[1 7 9]	100.00	7.8	0.0
Kolbäckens Kraft KB, SE, Sundsvall[1]	100.00	1.2	0.0
Kraftwerk Buer GbR, DE, Gelsenkirchen[5]	50.00	5.1	0.0
Liqvis France SAS, FR, Paris[2]	100.00	7.3	-0.7
Liqvis GmbH, DE, Düsseldorf[1 7 9]	100.00	0.3	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company for reasons of immateriality (valued at cost).

[3]Joint ventures pursuant to IFRS 11

[4]Associated company (valued using the equity method)

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality)

[6]*Other companies in which share investments are held*

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b

[8]IFRS figures

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling)

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling)

[11]Inclusion in the Uniper Group with figures according to national legal accounting requirements as of December 31, 2021 in EUR

[12]Company has been founded in 2022 and therefore no financial statements are available

[13]Based on the last available annual statement

20230627191360

20230627191631

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2022)

Legal name, Registered Office	Capital share %	Equity in € million[13]	Net income € in mio[13]
LNG Terminal Wilhelmshaven GmbH, DE, Düsseldorf[2] [12]	100.00	0.0	0.0
Lubmin-Brandov Gastransport GmbH, DE, Essen[1] [9]	100.00	150.1	0.0
Mainkraftwerk Schweinfurt Gesellschaft mit beschränkter Haftung, DE, Landshut[2] [9]	75.00	0.3	0.0
Mellansvensk Kraftgrupp AB, SE, Stockholm[6] [11]	5.35	7.2	0.0
METHA-Methanhandel GmbH, DE, Düsseldorf[1] [9]	100.00	0.0	0.0
Mittlere Donau Kraftwerke Aktiengesellschaft, DE, Landshut[2] [9]	60.00	5.1	0.0
Obere Donau Kraftwerke Aktiengesellschaft, DE, Landshut[2] [9]	60.00	3.2	0.0
OKG AB, SE, Oskarshamn[1]	54.50	233.9	2.2
PAO Unipro, RU, Surgut[6]	83.73	1,610.7	283.2
RAG-Beteiligungs-Aktiengesellschaft, AT, Maria Enzersdorf[4]	29.98	405.2	48.0
RGE Holding GmbH, DE, Moscow[2] [9]	100.00	102.3	0.0
Rhein-Main-Donau GmbH, DE, Moscow[1]	77.49	110.1	0.0
Ringhals AB, SE, Väröbacka[4]	29.56	424.3	11.6
RMD-Consult GmbH, DE, Munich[2] [9]	100.00	1.8	0.0
RuhrEnergie GmbH, EVR, DE, Gelsenkirchen[1] [9]	100.00	12.8	0.0
SOCAR-UNIPER LLC, AZ, Sumgait[5] [8]	49.00	19.2	5.7
Solar Energy s.r.o., CZ, Znojmo[5]	24.99	0.5	0.0
SQC Swedish Qualification Centre AB, SE, Täby[5]	33.33	0.4	0.1
Stensjön Kraft AB, SE, Stockholm[4]	50.00	2.7	0.0
Svensk Kärnbränslehantering AB, SE, Solna[5]	34.00	0.0	0.0
Swedish Modular Reactors AB, SE, Sundsvall[5]	50.00	0.0	0.0
Sydkraft AB, SE, Malmö[1]	100.00	2,391.5	4.4
Sydkraft Försäkring AB, SE, Malmö[1]	100.00	82.5	0.0
Sydkraft Hydrogen AB, SE, Malmö[2] [12]	100.00	0.0	0.0
Sydkraft Hydropower AB, SE, Sundsvall[1]	100.00	507.6	0.0
Sydkraft Nuclear Power AB, SE, Malmö[1]	100.00	368.7	62.5
Sydkraft Nuclear Services AB, SE, Malmö[2]	100.00	2.5	0.0
Sydkraft Thermal Power AB, SE, Karlshamn[1]	100.00	5.9	0.2
traconn GmbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper Anlagenservice GmbH, DE, Gelsenkirchen[1] [9]	100.00	43.1	0.0
Uniper Benelux Holding B.V., NL, Rotterdam[1]	100.00	-1,573.5	-290.1
Uniper Benelux N.V., NL, Rotterdam[1]	100.00	-1,066.0	-273.7
Uniper Beschäftigungs- und Qualifizierungsgesellschaft mbH, DE, Düsseldorf[2] [12]	100.00	0.0	0.0
Uniper Beteiligungs GmbH, DE, Düsseldorf[1] [7]	100.00	14,098.8	7.7
Uniper BioMethan GmbH, DE, Düsseldorf[2]	100.00	0.0	-0.9
Uniper Energy Asia Pacific Pte. Ltd., SG, Singapore[2]	100.00	1.9	0.1

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company for reasons of immateriality (valued at cost).

[3]Joint ventures pursuant to IFRS 11

[4]Associated company (valued using the equity method)

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality)

[6]Other companies in which share investments are held

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b

[8]IFRS figures

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling)

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling)

[11]Inclusion in the Uniper Group with figures according to national legal accounting requirements as of December 31, 2021 in EUR

[12]Company has been founded in 2022 and therefore no financial statements are available

[13]Based on the last available annual statement

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2022)

Legal name, Registered Office	Capital share %	Equity in € million[13]	Net income € in mio[13]
Uniper Energy DMCC, AE, Dubai[1 8]	100.00	101.3	-41.0
Uniper Energy Fujairah FZE, AE, Fujairah free zone[2 8]	100.00	0.0	0.0
Uniper Energy Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper Energy Sales GmbH, DE, Düsseldorf[1 9]	100.00	2,596.3	0.0
Uniper Energy Services MENA DMCC, AE, Dubai[2 8]	100.00	0.8	-0.3
Uniper Energy Southern Africa (Pty) Ltd., ZA, Johannesburg (Sandton)[2 8]	100.00	0.0	-0.5
Uniper Energy Storage GmbH, DE, Düsseldorf[1 9]	100.00	261.3	0.0
Uniper Energy Trading NL Staff Company B.V., NL, Rotterdam[2]	100.00	0.9	0.1
Uniper Energy Trading UK Staff Company Limited, GB, Birmingham[1]	100.00	0.8	0.0
Uniper Financial Services GmbH, DE, Regensburg[1 7 9]	100.00	0.0	0.0
Uniper Gas Transportation and Finance B.V., NL, Rotterdam[1]	100.00	109.9	9.5
Uniper Global Commodities Canada Inc., CA, Toronto[2 8]	100.00	0.3	0.0
Uniper Global Commodities London Ltd., GB, Birmingham[1]	100.00	2.2	0.7
Uniper Global Commodities North America LLC, US, Chicago[1 8]	100.00	127.1	186.9
Uniper Global Commodities SE, DE, Düsseldorf[1 9]	100.00	4,022.6	0.0
Uniper Global Commodities UK Limited, GB, Birmingham[1]	100.00	64.1	38.1
Uniper Holding GmbH, DE, Düsseldorf[1 7 9]	100.00	11,458.0	0.0
Uniper HR Services Hannover GmbH, DE, Hanover[1 7 9]	100.00	7.3	0.0
Uniper HUN Solar Atreusz 302 Kft., HU, Budapest[2 12]	100.00	0.0	0.0
Uniper HUN Solar Néreusz 303 Kft., HU, Budapest[2 12]	100.00	0.0	0.0
Uniper Hungary Energetikai Kft., HU, Budapest[1]	100.00	7.5	20.8
Uniper Hydrogen GmbH, DE, Düsseldorf[1 7 9]	100.00	0.0	0.0
Uniper Hydrogen Netherlands B.V., NL, Rotterdam[1]	100.00	0.0	0.0
Uniper Hydrogen UK Limited, GB, Birmingham[1]	100.00	-1.6	-1.7
Uniper India Private Ltd., IN, Noida[2]	100.00	0.6	0.3
Uniper Infrastructure Asset Management B.V., NL, Rotterdam[1]	100.00	1,046.7	74.3
Uniper International Holding GmbH, DE, Düsseldorf[1 7 9]	100.00	3,350.2	0.0
Uniper IT GmbH, DE, Düsseldorf[1 7 9]	100.00	10.0	0.0
Uniper Kraftwerke GmbH, DE, Düsseldorf[1 9]	100.00	6,023.9	0.0
Uniper Market Solutions GmbH, DE, Düsseldorf[2 9]	100.00	5.3	0.0
Uniper Nuclear Services GmbH, DE, Düsseldorf[2 9]	100.00	0.0	0.0
Uniper Renewables GmbH, DE, Düsseldorf[1 7 9]	100.00	0.0	0.0
Uniper Renewables Italy S.r.l., IT, Turin[2]	100.00	0.0	0.0
Uniper Renewables Poland sp. z o.o., PL, Moscow[2]	100.00	0.0	0.0
Uniper RES Solar 30 GmbH, DE, Düsseldorf[2 12]	100.00	0.0	0.0
Uniper RES Solar 31 GmbH, DE, Düsseldorf[2 12]	100.00	0.0	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company for reasons of immateriality (valued at cost).

[3]*Joint ventures pursuant to IFRS 11*

[4]Associated company (valued using the equity method)

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality)

[6]Other companies in which share investments are held

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b

[8]IFRS figures

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling)

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling)

[11]Inclusion in the Uniper Group with figures according to national legal accounting requirements as of December 31, 2021 in EUR

[12]Company has been founded in 2022 and therefore no financial statements are available

[13]Based on the last available annual statement

20230627191162

20230627191153

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2022)

Legal name, Registered Office	Capital share %	Equity in € million[13]	Net income € in mio[13]
Uniper RES Solar 32 GmbH, DE, Düsseldorf[2 12]	100.00	0.0	0.0
Uniper Risk Consulting GmbH, DE, Düsseldorf[1 7 9]	100.00	16.9	0.0
Uniper Ruhrgas BBL B.V., NL, Rotterdam[1]	*100.00*	*36.2*	*5.3*
Uniper Ruhrgas International GmbH, DE, Essen[1 7 9]	100.00	2,214.6	0.0
Uniper Solar 1 WHV GmbH, DE, Düsseldorf[2 9]	100.00	0.0	0.0
Uniper Solar 30 Korlátolt Felelősségű Társaság, HU, Budapest[2 12]	100.00	0.0	0.0
Uniper Solar II GmbH, DE, Düsseldorf[2 12]	100.00	0.0	0.0
Uniper Systemstabilität GmbH, DE, Düsseldorf[1 9]	100.00	0.0	0.0
Uniper Technologies B.V., NL, Rotterdam[2]	100.00	3.5	-0.5
Uniper Technologies GmbH, DE, Gelsenkirchen[1 9]	100.00	76.6	0.0
Uniper Technologies Limited, GB, Birmingham[1]	100.00	-13.7	-22.5
Uniper Trading Canada Ltd., CA, Toronto[1 8]	100.00	-37.8	-30.1
Uniper UK Corby Limited, GB, Birmingham[1]	100.00	0.1	0.0
Uniper UK Cottam Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper UK Gas Limited, GB, Birmingham[1]	100.00	24.1	4.4
Uniper UK Ironbridge Limited, GB, Birmingham[1]	100.00	24.5	0.0
Uniper UK Limited, GB, Birmingham[1]	100.00	94.7	-458.5
Uniper UK Renewables 030 Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper UK Renewables 202 Limited, GB, Birmingham[2 12]	100.00	0.0	0.0
Uniper UK Trustees Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper Wärme GmbH, DE, Gelsenkirchen[1 9]	100.00	18.8	0.2
Untere Iller GmbH, DE, Landshut[2]	60.00	1.3	0.0
Utilities Center Maasvlakte Leftbank b.v., NL, Rotterdam[1]	100.00	89.5	5.8
Vaultige AB, SE, Stockholm[5]	50.00	0.0	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company for reasons of immateriality (valued at cost).

[3]Joint ventures pursuant to IFRS 11

[4]Associated company (valued using the equity method)

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality)

[6]Other companies in which share investments are held

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b

[8]IFRS figures

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling)

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling)

[11]Inclusion in the Uniper Group with figures according to national legal accounting requirements as of December 31, 2021 in EUR

[12]Company has been founded in 2022 and therefore no financial statements are available

[13]Based on the last available annual statement

20230627191154

Information About the Supervisory Board and the Board of Management

Supervisory Board (including Information on Other Directorships Held by Supervisory Board Members)

The Supervisory Board has the following members:

Supervisory Board

Name	Position	External mandates in other governing bodies	Board member
Thomas Blades (Chairman of the Supervisory Board, Uniper SE)		Voith GmbH & Co. KGaA Polygon International AB (since 01/22) North-Star Shipping Ltd., Chairman (since 02/22)	since December 22, 2022
Markus Rauramo (Chairman of the Supervisory Board, Uniper SE)	President and Chief Executive Officer, Fortum Oyj	Sampo Oyj Mentten Oy Vaka-säätiö sr Fortum Power and Heat Oy, Chairman PAO Fortum, Chairman (until 04/22) East Office of Finnish Industries Oy	until December 21, 2022
Harald Seegatz (Deputy Chairman of the Supervisory Board, Uniper SE)	Chairman of the Group Employee Council, Uniper SE	Uniper Kraftwerke GmbH	since April 14, 2016
Prof. Dr. Ines Zenke (Deputy Chairwoman of the Supervisory Board, Uniper SE)	Lawyer, Partner and Co-Owner, Becker Büttner Held		since December 22, 2022
Dr. Bernhard Günther (Deputy Chairman of the Supervisory Board, Uniper SE)	Chief Financial Officer, Fortum Oyj	thyssenkrupp AG	until 21 December, 2022
Oliver Biniek			until May 18, 2022
Prof. Dr. Werner Brinker	Independent Energy Consultant	Heinrich Gräper Holding GmbH & Co. KG, Chairman	since April 17, 2020
Judith Buss	Independent Consultant	Ignitis Grupė AB HELLA GmbH & Co. KGaA (since 10/22)	since May 19, 2021
Dr. Jutta Dönges		Commerzbank AG TUI AG Rock Tech Lithium Inc. (since 08/22) FMS Wertmanagement AöR (until 11/22)	since 22 December, 2022
Holger Grzella	Chairman of the General Works Council, Uniper Kraftwerke GmbH	Uniper Kraftwerke GmbH	since May 18, 2022
Esa Hyvärinen	Head of CEO Office, Fortum Oyj	East Office of Finnish Industries Oy Kemijoki Oy	until December 21, 2022
Barbara Jagodzinski	Financial Manager, Uniper Global Commodities SE		until May 18, 2022
Diana Kirschner	Financial Accounting Clerk, Uniper Financial Services GmbH		since May 18, 2022
Victoria Kulambi	Scientist, Uniper Technologies Limited		since May 19, 2021
André Muilwijk			until May 18, 2022
Magnus Notini	Member of the European Works Council, Uniper SE		since May 18, 2022
Dr. Marcus Schenck	Member of Global Management Committee Financial Advisory, Lazard	Encavis AG	since December 22, 2022
Immo Schlepper	Head of Regional Department, ver.di	EWE AG	since June 8, 2017
Nora Steiner-Forsberg	General Counsel, Fortum Oyj	Fortum Power and Heat Holding Oy	until December 21, 2022

20230527191155

Board of Management (including Information on Other Directorships Held by the Board of Management Members)

The Board of Management has the following members:

Board of Management

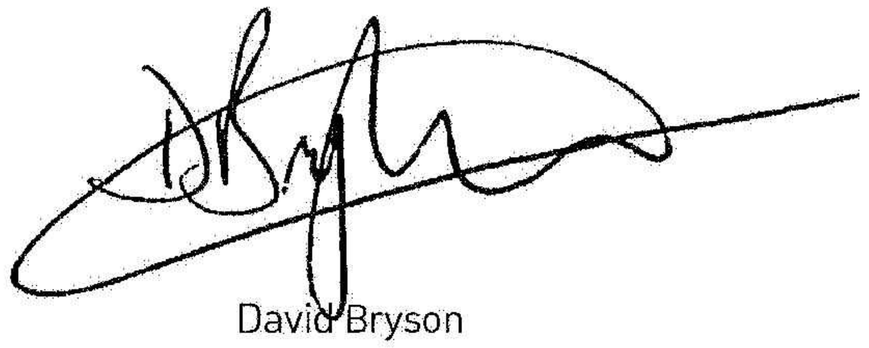
Name	Position	Other directorships	Board member
Prof. Dr. Klaus-Dieter Maubach	Chairman of the Board of Management, Chief Executive Officer	Uniper Global Commodities SE, Chairman Uniper Kraftwerke GmbH, Chairman PAO Unipro, Chairman (until 12/22)	since March 29, 2021
David Bryson	Member of the Board of Management, Chief Operating Officer	PAO Unipro (until 08/22)	since November 1, 2019
Niek den Hollander	Member of the Board of Management, Chief Commercial Officer		since June 1, 2020
Tiina Tuomela	Member of the Board of Management, Chief Financial Officer	Wärtsilä Oyj Abp Teollisuuden Voima Oyj, Deputy Chairman	since March 29, 2021

Düsseldorf, February 15, 2023

The Board of Management



Prof. Dr. Klaus-Dieter Maubach



David Bryson



Niek den Hollander



Tiina Tuomela

20230627191165

Declaration of the Board of Management

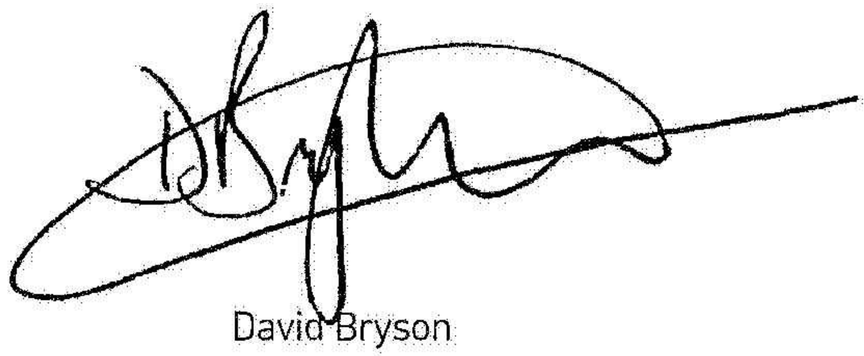
To the best of our knowledge, we declare that, in accordance with applicable financial reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and that the Group Management Report, which is combined with the management report of Uniper SE, provides a fair review of the development and performance of the business and the position of the Uniper Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Düsseldorf, February 15, 2023

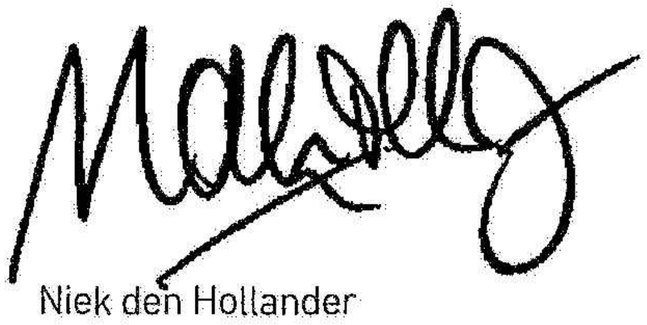
The Board of Management



Prof. Dr. Klaus-Dieter Maubach



David Bryson



Niek den Hollander



Tiina Tuomela

20230627191357

Additional Indicators

Achieved and Hedged Prices and Hedged Ratios for Outright Power Generation

	Year	Achieved / Hedged price as of Dec. 31, 2022 (€/MWh)	Hedged ratio as of Dec. 31, 2022 (%)
Achieved prices, Germany, as of December 31[1]	2022	9	
Hedged prices and hedged ratios, Germany[1]	2023	20	90
	2024	28	85
	2025	145	15
Achieved prices, Nordics, as of December 31[1]	2022	26	
Hedged prices and hedged ratios, Nordics[1] [2]	2023	31	60
	2024	35	25
	2025	30	5

[1]Calculations are based on the Uniper Group's legally attributable generation capacity (the capacity that reflects Uniper's ownership interest in the power plants).

[2]*The prices shown include region-specific premiums and discounts, as well as guarantees of origin.*

Generation Capacity

in MW[1]		Dec. 31, 2022	Dec. 31, 2021
Gas	Russia	7,156	7,139
	United Kingdom	4,193	4,180
	Germany	2,912	2,912
	Netherlands	525	525
	Hungary	428	428
Hard coal	Germany	3,197	3,197
	United Kingdom	2,000	2,000
	Netherlands	1,070	1,070
Lignite	Russia	1,895	1,895
Hydro	Germany	1,919	1,918
	Sweden	1,771	1,771
Nuclear	Sweden	1,737	1,737
Other	Germany	1,418	1,418
	Sweden	1,175	1,175
	United Kingdom	221	221
Total		**31,617**	**31,587**

[1]Legally attributable generation capacity (the capacity that reflects Uniper's ownership interest in the power plants).

20230627191658

Electricity Generation Volumes

in TWh[1]		January 1–December 31 2022	2021
Gas	Russia[2]	0.0	0.0
	United Kingdom	11.9	13.0
	Germany	3.7	4.9
	Netherlands	0.9	1.0
	Hungary	2.5	2.3
	Sweden	0.2	0.1
Hard coal	Germany	10.2	8.8
	United Kingdom	4.2	3.9
	Netherlands	2.9	4.4
Lignite	Russia[2]	0.0	0.0
	Germany[3)]	0.0	2.5
Hydro	Germany[4]	4.6	5.2
	Sweden	7.6	7.3
Nuclear	Sweden	10.4	11.0
Biomass	Netherlands	1.6	1.2
Total		**60.8**	**65.6**

[1]Legally attributable generation capacity (the capacity that reflects Uniper's ownership interest in the power plants): net generation production volumes = owned generation – own-use losses.

[2]Gross production (own use is not considered).

[3]Effective October 1, 2021, Uniper transferred its stake in the Schkopau lignite-fired power plant and has completely withdrawn from lignite-fired power generation in Europe.

[4]Germany's net sales of hydroelectric power generation also include pumped-storage-related water flows and pipeline losses from pumping operations.

Financial Calendar

May 4, 2023

Quarterly Statement: January–March 2023

May 24, 2023

2023 Annual General Meeting (Düsseldorf)

August 1, 2023

Half-Year Interim Report: January–June 2023

October 31, 2023

Quarterly Statement: January–September 2023

Further Information

Media Relations
press@uniper.energy

Investor Relations
ir@uniper.energy

Creditor Relations
creditor-relations@uniper.energy

20230627191169

Uniper SE
Holzstr. 6
40221 Düsseldorf
Germany
www.uniper.energy