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Sustainability Report 2020

Empower Energy Evolution

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Climate action and security of supply



Our people



Environmental protection



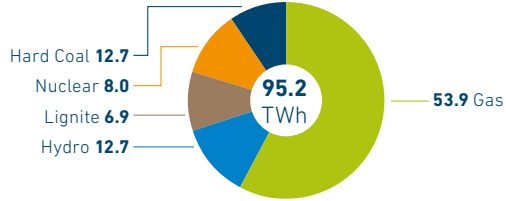
Human rights and compliance culture



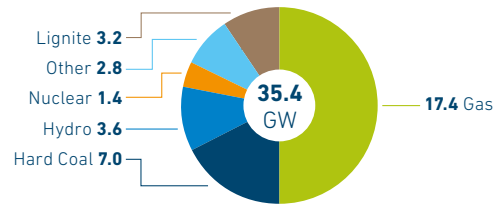
Stakeholder engagement

Diversified generation portfolio

Electricity production by technology (TWh)

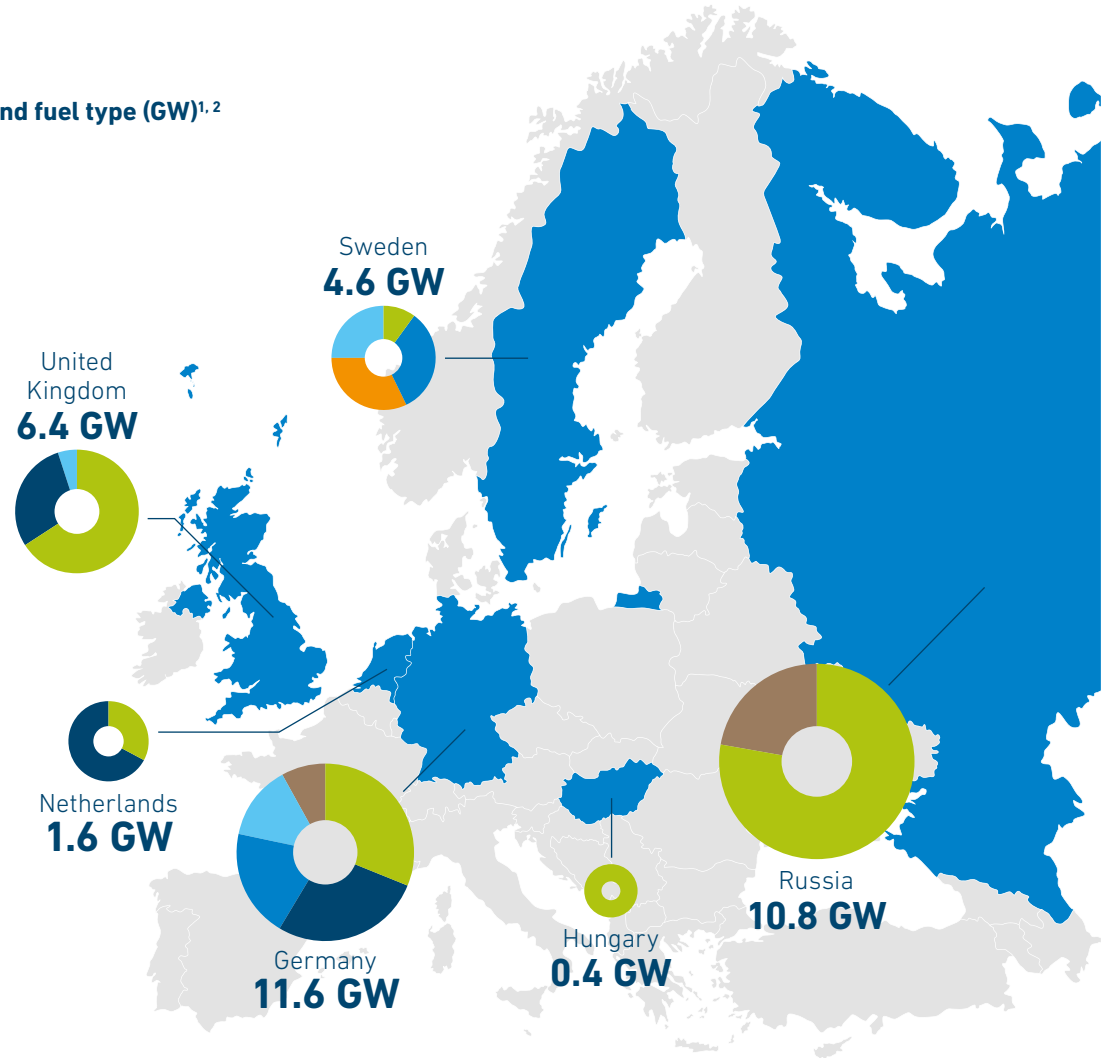


Net capacity by fuel type (GW)^{1,2}



Note: Deviations may occur due to rounding
¹Net capacity as of December 31, 2020 (accounting view).
²Others include Renewables, Biomass, Fuel Oil.

Net capacity by country and fuel type (GW)^{1,2}



Sustainability highlights in 2020

CDP Climate Change score improved from B– to B in the last year

Ranked in the **top 1%** of Germany's Leading Employers evaluation system

Ambitious carbon targets set in line with the Paris Agreement

We joined Komm, mach MINT, an initiative in Germany that supports young women in science, technology, engineering, and mathematics

Since 2005, Uniper Group generation companies have **reduced** their Scope 1 direct carbon emissions in Europe by 74.2 million metric tons, a **decrease** of nearly **78%**

Uniper supports the Task Force on Climate-related Financial Disclosure (TCFD) and committed to implement TCFD reporting

Sustainability Council established to improve sustainable corporate governance

Nyckeltalsinstitutet in Sweden named Uniper an Excellent Employer, meaning that we are among the country's **top 10%** employers in terms of working conditions

Foreword

GRI 102-14 Uniper's purpose—Empower Energy Evolution— and its strategy, has sustainability at its heart. In 2020, we made important progress in implementing this purpose and strategy. For example, we put in place detailed, systematic ESG (Environmental, Social and Governance) due diligence and ESG risk management processes to complement our existing business processes and placed even greater emphasis on diversity and inclusion. For most of Uniper's stakeholders, however, our most important milestone of 2020 was making our decarbonization trajectory in Europe even more ambitious. We had already planned for our power generation business in Europe to be climate-neutral by 2035. Then, in December, we and Fortum, our majority shareholder, announced a joint interim target; to reduce our total carbon emissions in Europe by at least 50% by 2030. Looking further ahead, we intend for all of Uniper's operations including those in Russia to be carbon-neutral by 2050 at the latest. These targets are fully in line with those of the Paris Agreement.

Sustainability encompasses more than decarbonization. I am therefore very proud that, even amid the Covid-19 pandemic, we continued to supply energy securely to our customers and received the best feedback from our employees ever, particularly on our Covid-19 arrangements. Our health and safety performance has improved steadily in recent years, and 2020 was no exception. Despite this overall progress, one of our employees had a fatal accident in 2020. This was a stark reminder that we must do better to become even safer. We consequently initiated steps to bring this about.

At the start of 2020, two NGO representatives and I discussed human rights in our coal supply chain, our plan to exit coal-fired power generation in Europe, and other sustainability topics. The discussion did not take place behind closed doors. Instead, it was held at the annual conference for our senior managers because we believe that enabling them to see our business through our stakeholders' eyes will help make Uniper a better and more sustainable company.

I look forward to further improving our sustainability performance in the years ahead and delivering on Uniper's commitment to Empower Energy Evolution.

David Bryson



Chief Operating Officer
and Chief Sustainability Officer



David Bryson
Chief Operating Officer and
Chief Sustainability Officer

About this report

GRI 102-45/50 Uniper has published an annual Sustainability Report for each year since 2016, when we became an independent company. This is therefore our fifth 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 2020 calendar year; however, the report also includes information about noteworthy subsequent events through March 2021. Unless otherwise indicated, the scope of the report is the Uniper Group's fully consolidated assets as of December 31, 2020. The scope of consolidation is the same as in our 2020 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.

As of December 31, 2020, Fortum announced that its shareholding in Uniper increased to 76.1%.

In March 2020, Uniper committed to making its power generation portfolio in Europe climate-neutral (for Scope 1 and 2) by 2035. In December 2020, Uniper further committed to reduce carbon emissions by at least 50% by 2030 compared to 2019 in the European generation sector and to carbon neutrality for the Group by 2050 (for Scope 1, 2, and 3 emissions).

GRI 102-54 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.

GRI 102-49 Changes in reporting: the 2020 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.

GRI 102-51/52 This report supersedes the Uniper Sustainability Report 2019. The next report will be available in 2022.

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.



Sustainability management

GRI 103, GRI 102 Sustainability is one of Uniper's most important issues. Our new strategy and purpose—Empower Energy Evolution—are fully dedicated to it. In 2020, the Uniper Management Board took significant steps in executing this strategy. For example, it set ambitious decarbonization targets, which put Uniper on a clear course toward climate-neutrality, first at our power generation business in Europe and then at our operations worldwide. It also established a cross-functional Sustainability Council, which further strengthens Uniper's sustainability management and governance.

Materiality assessment

GRI 102-46/47 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.

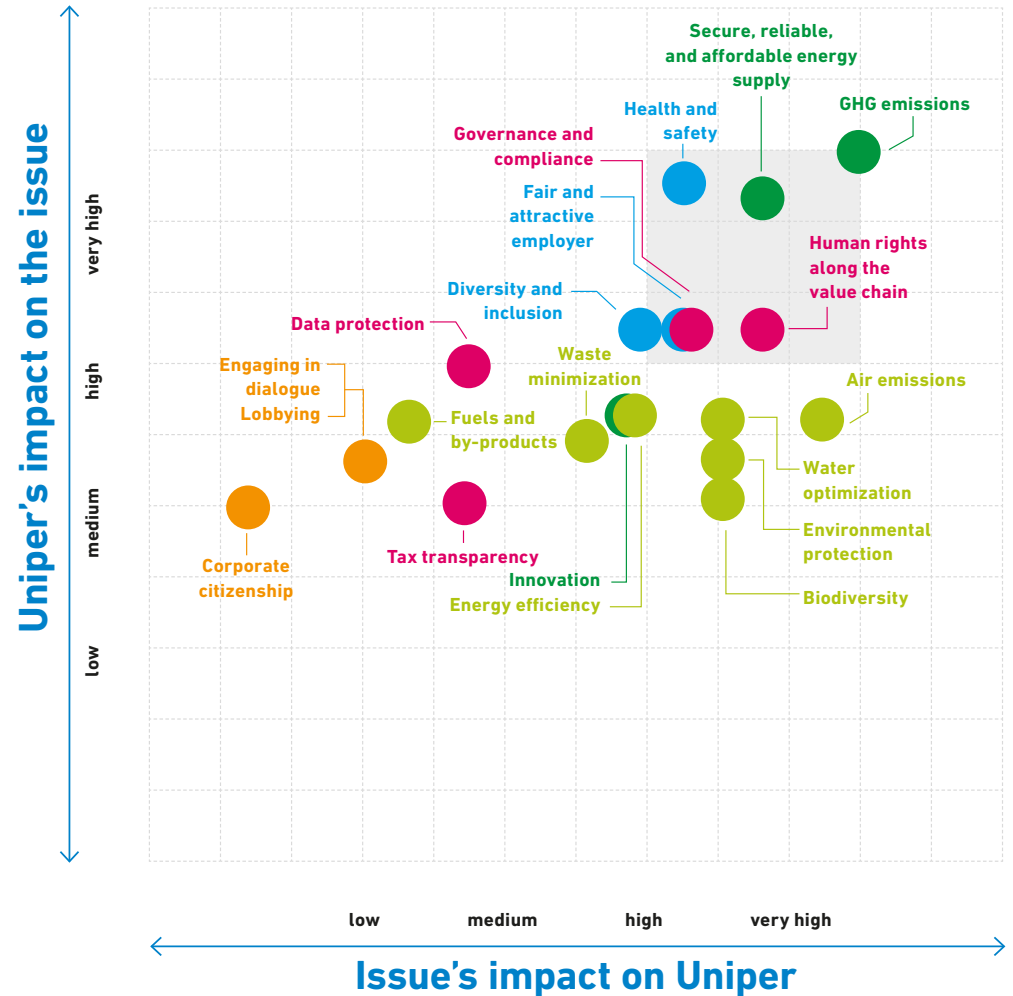
We consider the expectations of a variety of stakeholders. Examples include policy-makers, competitors, non-governmental organizations (NGOs), the financial market

as well as our customers, employees, and business partners.

The findings of the 2020 assessment led to two changes relative to 2019. We added tax transparency as a material issue. In addition, we divided stakeholder engagement into three material issues—corporate citizenship, engaging in dialogue, and lobbying. We believe each is essential to Uniper.

The following materiality matrix provides an overview of the assessment's findings. The horizontal axis indicates the issues' impact on Uniper from the perspective of outside stakeholders; conversely, the vertical axis represents Uniper's impact on the issues. We believe that all the issues identified are important to Uniper, but we view those that are high on both axes as highly significant and thus material. There are seven such issues. The various sections of this report describe our management approach to all the issues, the progress we achieved in the reporting period, and, where appropriate, exceptions to our definition of materiality. The assessment also considered the impact of Covid-19, which increased the materiality of health and safety relative to 2019.

Materiality matrix



United Nations Sustainable Development Goals (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 SDGs, 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 nine SDGs that are particularly relevant to our business activities and strategy. Consequently, our material issues and the commitments and targets related to them are mapped against the SDGs whose achievement they support. The table on the following page demonstrates the interrelationships between the SDGs, the energy sector, and our contribution toward their achievement.








Uniper supports the 17 UN Sustainable Development Goals (SDGs).

We have prioritized nine SDGs that fit with our business activities and sustainability strategy.

How Uniper contributes to the SDGs

Prioritized SDGs	How the prioritized SDGs impact the energy sector	How Uniper's strategic approach advances progress towards prioritized SDGs	Uniper examples of measures taken in 2020 to contribute to the SDGs
SDG 5 – Gender Equality 	<p>The energy sector still has high barriers for women, making it one of the least gender-diverse sectors. Closing this gap will enhance creativity, unlock hidden value, and be a driver for innovation. The energy industry has the chance to promote gender equality and motivate women to embark on a career in science, technology, engineering and mathematics (STEM).</p>	<p>As an integral part of the Uniper Way, we promote diversity and inclusion, combat discrimination, and support gender equality across our business. Uniper's goal is for women to account for 25% of our Level 1 and Level 2 managers below the Management Board by June 2022.</p>	<ul style="list-style-type: none"> Female leaders and employees at Uniper participated in the Women's Forum for the Economy & Society. The forum aims to discuss how to have a positive impact and make the world more inclusive. We joined Komm, mach MINT, an initiative that supports young women in STEM. Women at Uniper resource group formed working groups on mentoring and job rotation and webcasted a live interview.
SDG 7 – Clean Energy 	<p>The interlinkage between the energy sector and clean energy is significant. The decarbonization of the energy sector will play the biggest role in advancing this SDG.</p>	<p>Our priority is to provide a secure, affordable, and reliable supply of power, gas, and heat to our customers while simultaneously making energy progressively climate-friendlier. We promote lower-carbon fuels for energy generation and strive continually to optimize our generation portfolio's carbon intensity.</p>	<ul style="list-style-type: none"> A new operation unit, Uniper Renewables, was introduced to implement Uniper's renewables strategy. Unipro, our subsidiary in Russia, is participating in the country's power-plant modernization program. Four gas-fired generating units totaling about 3.3 GW at Surgutskaya 2 have already been chosen for modernization. Collaborative agreements with General Electric and Siemens to explore how alternative fuels and carbon capture could make Uniper's gas turbines and the compressors at its gas storage facilities carbon-neutral.
SDG 8 – Decent Work and Economic Growth 	<p>Economic growth generally increases energy demand and is founded on a secure energy supply. Decoupling economic growth and environmental degradation will involve decarbonizing the energy industry.</p>	<p>While our operating priority is to provide a secure and reliable energy supply to our customers, we are also committed to equal opportunity and inclusion for our entire workforce. We respect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors; we promote the same standards in our joint ventures and partnerships.</p>	<ul style="list-style-type: none"> We adopted Beyond Zero, our new Health, Safety, Security, Environment, and Sustainability (HSSE & S) vision. We conducted our annual Voice of Uniper survey to measure our employee's satisfaction and define improvement measures. National Grid, Britain's TSO, awarded Uniper four six-year contracts to provide grid inertia and voltage support from two Uniper CCGTs, Killingholme and Grain. Providing these stability services will enable National Grid to connect more sources of green electricity, while maintaining security of supply.
SDG 9 – Industry, Innovation, and Infrastructure 	<p>A resilient industry and infrastructure are characterized by reliability, sustainability, and equal access for all. Information and communication technologies rely on electricity. This reliance will increase amid ongoing digitization. At the same time, innovative and environmentally friendly technologies for the energy industry emit less CO₂.</p>	<p>Decarbonization is a key innovation area for Uniper. We aim to conduct at least 20 projects whose aims include decarbonization by year-end 2022, which will help pave the way for a sustainable tomorrow.</p>	<ul style="list-style-type: none"> We signed a letter of intent to conduct a feasibility study on the production and handling of direct reduced iron on the grounds of Uniper's coal-fired power plant in Wilhelmshaven, which is already scheduled for closure. We continued to test the M5BAT, a utility-scale battery for on-site storage of surplus low-carbon energy production. Our battery project in Sweden combines hydropower plants with large-scale batteries to meet this increasing demand in fast frequency reserves.

Prioritized SDGs	How the prioritized SDGs impact the energy sector	How Uniper's strategic approach advances progress toward prioritized SDGs	Uniper examples of measures taken in 2020 to contribute to the SDGs
SDG 12 – Responsible Production and Consumption 	<p>There is growing pressure on companies in all industries to embrace alternative and sustainable production and consumption options. The energy industry is significant in this regard, because it provides the foundation for responsible production and consumption with clean energy.</p>	<p>A new unit at Uniper is tasked with implementing our renewables strategy, which is to have 1 GW of solar and wind capacity developed by the end of 2025. At the same time, we strive to offer solutions and continuously extend our product portfolio to decarbonize our customers' operations.</p>	<ul style="list-style-type: none"> • We improved our business-to-business offering to support our clients on their journey toward decarbonization. • We are testing a unique vertical farming concept for the mass cultivation of duckweed with a very small environmental footprint. • We used the World Resource Institute's Aqueduct Water Risk Atlas to assess whether any of our power plants are located in areas of possible water stress.
SDG 13 – Climate Action 	<p>Climate change can affect temperatures, water availability, and the frequency and severity of extreme events. These, in turn, can significantly impact the energy industry. On the other hand, the energy industry is responsible for about 60% of global greenhouse gas (GHG) emissions and thus for a big part of anthropogenic climate change. To reverse this trend, the gas industry is committed to reducing its direct methane emissions by 45% by 2025 (OGMP).</p>	<p>Decarbonization is at the top of Uniper's agenda. We aim for our power generation business in Europe to be carbon-neutral by 2035 and for all of Uniper to achieve this by 2050. That is why our overarching purpose is to Empower Energy Evolution at our operations and for our customers.</p>	<ul style="list-style-type: none"> • We presented an early closure plan for our hard-coal-fired generation units in Germany by the end of 2025 at the latest, with the exception of Datteln 4. • We committed to supporting TCFD reporting to systematically identify climate-related opportunities and mitigate our climate-related risks. • We started converting Scholven power station from coal to gas to reduce its carbon emissions while ensuring its ability to provide power and heat to nearby industrial enterprises.
SDG 15 – Life on Land 	<p>The environmental performance of our energy assets significantly affects our operating efficiency, market position, and reputation. More efficient and innovative technologies minimize adverse impacts on the environment, landscape, and habitats.</p>	<p>We aim to reduce our energy production's environmental impacts, avoid environmental incidents, and support flora and fauna at our assets. We work with contractors, suppliers, and industrial customers to adopt a life-cycle approach to protecting the environment, use resources efficiently, and market our by-products.</p>	<ul style="list-style-type: none"> • We created habitats for gravel breeders in the vicinity of two of our hydroelectric plants in Bavaria. • We renovated a two-story brick bird-spotting hide on the grounds of Connah's Quay power plant in Wales. • We are adding equipment that uses waste heat to preheat air in the gas turbines and thus to minimize emissions at Gönyü power plant in Hungary.
SDG 16 – Peace, Justice, and Strong Institutions 	<p>Strong institutions and industries free of corruption, bribery, and human rights violations help promote a stable energy industry.</p>	<p>We aim to foster the development of effective, accountable, and transparent institutions at all levels. This starts at our own operations: we continue to strengthen Uniper's compliance culture and have no tolerance for corruption, bribery, forced labor, child labor, modern slavery, or human trafficking.</p>	<ul style="list-style-type: none"> • We introduced an e-learning module on preventing bribery, corruption, money laundering, and reinforcing whistleblowing awareness to employees in roles most likely to expose them to such risks. • We strengthened our environmental, social, and governance (ESG) due diligence processes to identify and assess human rights issues in our supply chain.
SDG 17 – Partnerships for the Goals 	<p>Partnerships, collaboration, and sharing information among companies can help the energy industry and individual companies reach their sustainability targets faster and promote the achievement of the SDGs.</p>	<p>We engage with our stakeholders and form strategic alliances with industry partners to share knowledge and answer to changing demands. Our strategic objective is to conduct at least three trust-building dialogues at the corporate level with civil society organizations each year up to 2022.</p>	<ul style="list-style-type: none"> • We became a member of the Oil and Gas Methane Partnership 2.0, a voluntary initiative to help oil and gas companies report and reduce methane emissions and share best practices. • We are active in the Bettercoal initiative to support a responsible coal supply chain.

How we manage our commitments

GRI 102-11/16/18/19/20/26/29 The Uniper SE Management Board bears overall responsibility for adopting and implementing Group-wide sustainability measures, with the Chief Sustainability Officer (CSO) playing a key role. The CSO reports periodically to the Supervisory Board on strategic sustainability activities. As Uniper's highest governance board, the Supervisory Board monitors the Group's fulfillment of its sustainability obligations.

There was a change in the Management Board's assignment of responsibilities and a change in its composition in 2020. David Bryson, already a Management Board member and Chief Operating Officer (COO), also became CSO on January 1, 2020; Niek Den Hollander joined the Management Board in June 2020 as Chief Commercial Officer, succeeding Keith Martin, who ended his service on the Management Board in April 2020. There were further changes in March 2021 when Andreas Schierenbeck was replaced by Klaus-Dieter Maubach as the new Chief Executive Officer of Uniper and Sascha Bibert was replaced by Tiina Tuomela as the new Chief Financial Officer of Uniper with immediate effect.

In October 2020, Uniper established a cross-function Sustainability Council, which further strengthens Uniper's sustainability management. Chaired by the CSO, the council meets

on a quarterly basis to monitor the implementation of our sustainability strategy and governance framework across the Group. It consists of senior representatives of our key business areas and is supported by in-house and external experts. At its inaugural meeting in October 2020, the council validated Uniper's 2020 materiality analysis and approved the integration of the ESG evaluation methodology into our strategic and financial decision-making process. At this meeting, our CSO expressed his belief that the Sustainability Council is an ideal forum for informing the business of sustainability issues and giving colleagues a voice in the ongoing dialogue.

The Management Board has assigned the HSSE & Sustainability function the responsibility for defining Group-wide ESG targets and key performance indicators and for managing the ESG risk process.

The HSSE & Sustainability function reports to the Management Board on the Uniper Group's sustainability performance by means of quarterly performance dialogues. It also engages regularly with the Group Works Council through the Consultative Council, a cross-functional committee that meets biannually.

GRI 102-16/20, 103-2 Uniper has policies in place for its material ESG issues that are implemented throughout the Group and monitored regularly. These policies stipulate how we address these issues and how it coordinates the cascade effects across the organization.

The HSSE & Sustainability Policy Statement defines Uniper's ambitions and priorities for HSSE & Sustainability. It provides the framework for developing the Sustainability Strategic Plan (SSP) and for evaluating its effectiveness.

Uniper's Code of Conduct, which is binding for all employees, defines basic principles of conduct for a 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 appropriateness and compliance with company and regulatory requirements. A revised version was adopted in 2020. Compliance and Code of Conduct training is mandatory for all Uniper employees from 2021.

The Group strives to work, whenever possible, with third parties that have similar principles.

It requires its suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct. Uniper has a Know-Your-Counterparty Business Policy in place. The process is aligned with 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. 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, financing terrorism, and the violation of economic sanctions.

The policies, business directives, and Code of Conduct are available to all employees electronically on the Uniper intranet.

Our employees' involvement is essential for achieving a robust sustainability culture. We encourage their involvement by continually reinforcing their awareness of the importance of sustainability for our company, the countries and communities where we operate, and them as individuals. In 2021, we will roll out a Uniper-wide sustainability e-learning program for all employees to raise awareness on sustainability issues.

ESG risk management and due diligence

We systematically assess the external and internal ESG risks that could arise from our operations. ESG risk management is part of our overall enterprise risk management. 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 has a Know-Your-Counterparty (KYC) 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, financing terrorism, and the violation of economic sanctions. The policy's introduction was accompanied by an e-learning module and classroom training entitled Know Your Counterparty, Intermediaries, and Sanctions. Its purpose is to familiarize staff across the organization with the enhanced processes.

GRI 102/11/29/30/31, 103-2, 205-1, 412-1, 414-1/2 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-specific issues – such as working conditions, violation of political rights, 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. We also assess our counterparties' ESG risk exposure. As part of Uniper's KYC and Procure-

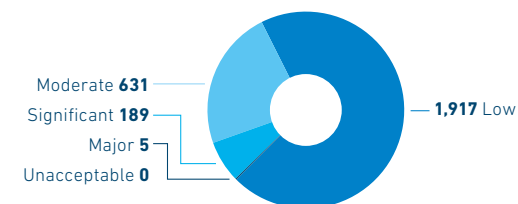
ment policies, the HSSE & Sustainability function has developed and implemented a screening process¹ to identify counterparties with exposure to ESG risks. The process is aligned with the UN Guiding Principles on Business and Human Rights (2011), the OECD Guidelines on Multinational Enterprises (2011), and relevant implementing documents, which aim to embed responsible business conduct 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 Management Board 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.

Uniper set a strategic sustainability target of using the screening process to assess 100% of all counterparties by 2022. At the end of 2020, 56% of active counterparties had been assessed by means of the screening process.

Number of active counterparties in scope	4,892
Number of counterparties assessed using the ESG due diligence process	2,742
% of active counterparties assessed	56%

We 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 a Risk Committee, which also includes Management Board members. ESG considerations are discussed if the specific supplier has been flagged as exposed to major or significant ESG risks during preliminary desktop research. We rely on third-party software intelligence, providing a classification of risk levels (significant: CCC-C; Major: D).

Risk levels and number of counterparties in 2020



In 2020, we prioritized the assessment of our Global Commodities segment's existing and potential counterparties as well as the suppliers related to our procurement of goods and services and the customers of our Engineering and Energy Services departments.

¹Unipro PJSC, Unipro PJSC's subsidiaries, and Uniper NefteGaz LLC (currently dormant) do not use the ESG due-diligence screening process because they do not fall within the scope of the Uniper KYC and Procurement policies. Suppliers not subject to mandatory registration as described in Uniper's procurement policies are also not subject to the screening process. Unipro PJSC has implemented its own KYC and Procurement policies.

We perform these assessments using the RepRisk® ESG Risk Platform, 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 allows in-depth risk research on companies, infrastructure projects, sectors, and countries to be conducted.

The 2020 assessment found that the vast majority (70%) of our counterparties pose low ESG risks. Counterparties with moderate ESG risks account for 23% of the total. 7% pose significant risks and less than 1% showed major ESG risks. No counterparties were considered unacceptable based on the information available. However, mitigation measures will be introduced for all direct suppliers showing major or significant ESG risks. We will continue monitoring the severe negative impacts of modern slavery, unlawful community displacement, and child labor at the country and regional level in order to understand cumulative or systemic issues. These kinds of violations are more likely to occur in countries with a history of insufficient standards to protect human rights. Instances of violence as well as inhumane and degrading treatment can occur in high-risk regions and in more stable countries with weak institutions. Energy services, fuel procurement, and commodity trading are our businesses most exposed to these kinds of country-specific issues.

Prioritization criteria	Key indicator	No of counterparties in 2020	Details
Significant	RepRisk® Rating: CCC CC C	189	CCC, CC, and C denote high ESG risk exposure
Major	RepRisk® Rating: D	5	D denotes very high ESG risk exposure

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. 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.

In 2020, we also drafted a list of Conflict Affected and High-Risk Areas, based on publicly available reports and reputable sources, such as the HIIK Conflict Barometer® and the INFORM Global Risk Index®. This information will help identify the areas where business activities such as commodity sourcing can be affected by violence or indirectly contribute to social unrest.

It is important, however, to point out the limitations of our current assessments, which consist mainly of desktop research and rely on inputs from data providers whose methodologies differ. We therefore welcome the European Commission's announcement that it will conduct, as part of the European Green Deal, a sustainable corporate governance initiative in 2021. The initiative, which will build on relevant international standards for business and human rights and responsible business practices, could help standardize risk assessments.

A combination of minimum EU requirements and sector-specific guidance should provide sufficient legal certainty in order to operationalize a corporate due diligence obligation. Successful sector-specific initiatives – such as the Initiative for Responsible Mining Assurance (IRMA), the Bettercoal Initiative, the Responsible Steel standard, or the Oil and Gas Methane Partnership (OGMP – could provide the necessary experience, technical knowledge, and deep understanding of complex ESG issues at country and regional level.

ESG due diligence for projects and initiatives
Effective as of April 2020, any project or business initiative subject to financial decision 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,

What is 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. In October 2020, Uniper participated to the EU consultation on the taxonomy.

financial merits, and risks. The HSSE & Sustainability function conducts the ESG evaluation by analyzing a project's fit 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 ESG evaluations. Projects that meet its criteria and 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 ESG expectations once a project is implemented.

Sustainable supplier selection

Our objective is to have a positive impact on sustainability by integrating ESG aspects into our supplier selection and decision-making process. In selecting suppliers, we apply sustainability criteria that are relevant to our procurement categories and also meet our business requirements. The criteria reflect the SDGs prioritized in our sustainability strategy. From 2021 onward, this process is supported by a new digital tool developed in-house in 2020: the Sustainability Impact Compass. 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.

Personal statement: Yasin Efe, graduate trainee working in the Sustainability function at Uniper


“

I joined the Uniper graduate trainee program in May 2020. My first two placements were with the sustainability team in Düsseldorf. I supported the team on projects that are important aspects of Uniper's sustainability journey, such as supply chain due diligence and risk management. These projects enhanced Uniper's ESG due diligence screening system for active counterparties and led to the adoption of a more robust methodology and data management tools. It was rewarding to see that our efforts significantly extended the screening system's reach. Uniper's ongoing integration of sustainability into its processes enabled me to take part in the development of new tools and the use of new methods of collaboration, such as design-thinking. My role also involved doing quite a bit of research. In my time with the team, I saw that there's great deal of interest in sustainability issues, both inside Uniper and among its stakeholders. It was great to be closely involved with this stage of Uniper's sustainability journey and to do my part to help the company make progress towards its targets.

”



Yasin Efe



Oskarshamn (OKG)
Nuclear Power Plant
in Sweden

“Beyond Zero: Better for our people, assets, and planet”

“Beyond Zero: Better for our people, assets, and planet” is the new HSSE & Sustainability 2025 vision for Uniper’s operational areas. The initiative, led by the COO, encompasses our people (their health, safety, and lifelong learning), our assets, (their health, security, and integrity), and our focus on the sustainable future of energy, in partnership with customers and communities. The idea is to go beyond zero harm – the motto of our previous safety vision – to also focus on adding value for our employees, assets, and planet. Beyond Zero is the umbrella for a variety of initiatives to foster continual and innovative improvement at asset operations, but also seeks to collaborate with other projects across Uniper that accord with its vision.

Our operational business has made great strides in improving its processes as well as its people’s mindsets and learning. Beyond Zero has many facets but a simple message: let’s build on our past improvements to make tomorrow even better than today. It is about embarking on a journey of continual improvement in line with the course set by Uniper’s purpose, Empower Energy Evolution. Each asset and each colleague’s individual journey will be different, yet share the same aim: to make our worlds – work, home, and communities – better places to be.

Our sustainability strategy

GRI 102-14 Uniper has set a new course to meet rising energy demand while simultaneously propelling the transition to a carbon-neutral future. We will steadily decarbonize our business and help our customers decarbonize theirs. This will involve providing the energy that people and companies need today while taking the smart, steady steps that lead to a thriving and sustainable tomorrow. Our strategy has three interrelated components: decarbonization, customer centricity, and security of supply.

Decarbonization is at the top of our agenda: for the power we produce, the services we provide, and the commodities we trade. In March 2020, Uniper announced that we aim for our power generation business in Europe to be carbon-neutral by 2035. This target also includes Scope 2 carbon emissions for reporting from 2021 (previously Scope 1 emissions only). Also, we intend for our power generation business in Europe to reduce its carbon emissions by more than 50% by 2030 compared to a 2019 baseline. Progress toward these targets will be supported by our proactive 7 GW coal-exit plan in Europe, the sale of our lignite-fired plants, investments in clean gas technology, and other improvements.

We aim for the entire Group to be carbon-neutral by 2050 in Scopes 1, 2, and 3 emissions. This will provide important assistance to the countries in which we operate to meet their Paris Agreement targets. As part of this effort, in 2021, Uniper will define a Scope 3 target for the Global Commodities segment.

In December 2020, we committed to implementing all recommendations of the TCFD. The aim is to ensure consistent, comparable, clear, and reliable climate-related disclosure. Uniper is further planning to link the TCFD implementation with the long-term incentive compensation for members of the Management Board of Uniper SE and its senior executives. TCFD develops consistent climate-related financial risk and opportunity disclosures for companies to provide transparent information to investors and other stakeholders.














At the same time, we created a new operating unit, Uniper Renewables, to implement our renewables strategy, which foresees the development of a multi-GW portfolio consisting primarily of solar power, and to propel Uniper's growth in renewables in Europe. We will also consider establishing a renewables business at Unipro, our power generation subsidiary in Russia.

Customer centricity guides everything Uniper does is another and important part of our strategy. Companies across all industries want to decarbonize. We support them by supplying them with certified green electricity and by using our engineering expertise and advanced analytics to make their power plants and production processes more energy-efficient and less carbon-intensive.

Supply security is, and will remain, the foundation of our business. Our hydroelectric and nuclear power plants provide a reliable, zero-carbon source of baseload electricity. Our gas-fired plants deftly balance out the fluctuations in wind and solar power to keep the grid stable. Our portfolio of pipeline gas and liquefied natural gas plays a key role in ensuring Europe's gas supply. Our underground gas storage facilities help ensure that there is enough gas to heat homes, even during demand spikes in the winter. And, increasingly, we offer wide range of reliability services for grid operators.

We recognize that the implementation of our ambitious strategy will face challenges, most notably that of developing and deploying low-carbon technologies fast enough for our generation business in Europe to be carbon-neutral by 2035. Other significant hurdles to overcome include hydrogen's uncertain commercial future, absent meaningful government subsidies, the likelihood of increasingly stringent EU climate policies, and the need to ensure that our coal sites scheduled for closure have a viable future. We conduct long-term strategic planning to address such risks and opportunities and are committed to strong governance mechanisms to propel our decarbonization.

Our SSP describes how sustainability supports our corporate strategy and sets improvement targets for our sustainability performance. The material issues derived from the materiality assessment are aligned with relevant SDGs and clustered into five impact areas. Each chapter of this report describes progress against our commitments and targets and how we support the SDGs.

SSP impact area	Material issues	Relevant SDGs	Uniper's commitments	Uniper's targets
Climate action and security of supply	<ul style="list-style-type: none"> GHG emissions Innovation Secure, affordable, and reliable energy supply 	   	<ul style="list-style-type: none"> Monitor and optimize the carbon intensity of Uniper's generation portfolio. Include decarbonization activities as a focus area for innovation. Promote lower-carbon fuels for energy generation. 	<ul style="list-style-type: none"> Carbon-neutral, in line with the goals of the Paris Agreement, by 2050 at the latest¹. Achieve carbon neutrality for our power generation portfolio in Europe by 2035². Reduction of CO₂ emissions in European generation by at least 50% by 2030 (base year 2019)². Maintain a Group-wide carbon intensity threshold of 500 g of CO₂ per kilowatt hour (on average) through 2020³. Conduct, by 2022, at least 20 projects whose aims include decarbonization.
Our people	<ul style="list-style-type: none"> Health and safety Fair and attractive employer Diversity and inclusion 	 	<ul style="list-style-type: none"> 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. Have zero tolerance of discrimination. Ensure equal opportunity and promote inclusion in the entire workforce. 	<ul style="list-style-type: none"> Achieve a Group-wide combined TRIF threshold of 1.0 or below by 2025⁴. Certify 100% of Uniper's operational assets to ISO 45001 by 2022. Have women account for 25% of Uniper's top-level executives by 2022. Achieve an employee inclusion indicator of over 95% by 2022⁵.
Environmental protection	<ul style="list-style-type: none"> Environmental protection Air emissions Energy efficiency Biodiversity Waste minimization Water optimization Fuels and by-products 	 	<ul style="list-style-type: none"> Promote waste reduction, land pollution prevention, and environmentally responsible mining. Work with contractors, suppliers, and industrial customers to adopt a life-cycle approach in order to protect the environment, use resources efficiently, and market Uniper's by-products. 	<ul style="list-style-type: none"> Have no severe environmental incidents. Maintain certification of 100% of Uniper's operational assets to ISO 14001. Number of major voluntary measures enhancing biodiversity ≥12 in 2021 (total for both Uniper and Fortum)⁶.
Human rights and compliance culture	<ul style="list-style-type: none"> Human rights along the value chain Governance and compliance Data protection Tax transparency 	 	<ul style="list-style-type: none"> Have zero tolerance of forced labor, child labor, modern slavery, and human trafficking. Continue to strengthen Uniper's compliance culture and protect the business from corruption risks. 	<ul style="list-style-type: none"> Conduct ESG due diligence of 100% of counterparties by 2022⁷. Train all employees on compliance and Uniper's Code of Conduct by 2021.
Stakeholder engagement	<ul style="list-style-type: none"> Lobbying Corporate citizenship Engaging in dialogue 	  	<ul style="list-style-type: none"> Actively engage with stakeholders to ensure transparency and ongoing dialogue regarding Uniper's activities. Foster the development of effective, accountable, and transparent institutions at all levels. Minimize the impact on communities affected by Uniper's operations. 	<ul style="list-style-type: none"> At the corporate level, conduct at least three trust-building dialogues with civil society organizations each year up to 2022.

¹Scope 1, 2 and, 3 emissions. ²Scope 1 and 2 emissions. Scope 2 emissions included in carbon neutrality target in December 2020. ³Carbon intensity calculated on average from 2018 to 2020. Group-wide carbon intensity threshold method: electricity generation adjusted to reflect heat and steam production; consolidation approach: financial control. ⁴Total recordable incident frequency (TRIF) measures the number of incidents per million hours of work. ⁵Employee inclusion indicator: annual employee opinion survey demonstrates that 95% of employees feel included. ⁶Reporting for biodiversity target starts in 2021. ⁷Within the scope of the Know-Your-Counterparty Business Policy, applied to Uniper Global Commodities, Procurement, and Energy Services.

HSSE & Sustainability Improvement Plans

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

Since January 1, 2020, the key performance indicator for managing Uniper's Group-wide HSSE & Sustainability performance has been the degree of implementation of our comprehensive HSSE & Sustainability Improvement Plan. The new indicator replaced an accident indicator (combined total recordable incident frequency TRIF), which was previously used as a non-financial performance indicator. This reflects our decision to replace at Management Board level a reactive lagging indicator, such as incident rate, with a leading indicator that can be used to measure and manage a program's or system's performance. The focus areas of the HSSE & Sustainability Improvement Plan are leadership and sustainability, health, learning from incidents, safety, environment, and site security.

Uniper's 2020 HSSE & Sustainability Improvement Plan, which encompasses the entire organization, focused strategically on identifying and implementing decarbonization ini-

tiatives and on identifying health action plans at the unit level. In addition, our operating assets addressed processes for further improving their ability to learn from HSSE incidents, site security, and work clearance management.

The final evaluation of the progress reports on the improvement plan indicates that the overall degree of implementation was 101%, which met our expectations. Decarbonization initiatives were particularly successful, reflecting our strong emphasis on implementing the low-carbon strategy we communicated in March 2020. We met our expectations for health and site security as well, with our well-established processes for operational learning performing beyond expectations. These findings also confirm that Uniper managed the challenges of the Covid-19 pandemic very well. However, pandemic-related restrictions delayed some aspects of improving work clearance management, resulting in a degree of implementation below expectations. This gap will be closed by the end of the second quarter of 2021.

A Uniper employee



Ratings and rankings





We continually monitor our sustainability performance. But 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 practice.

Organization	Our latest ratings
London-based CDP is a not-for-profit organization that runs a global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. Leadership (A/A-): implementing current best practices; Management (B/B-): taking coordinated action on climate issues; Awareness (C/C-): knowledge of impacts on, and of, climate issues; Disclosure (D/D-): transparent about climate issues.	Uniper received a B, an improvement from our previous grade of B-. This grade is higher than the Europe regional average of C and the same as the thermal power generation sector average of B. CDP made the upgrade because of an improvement in our governance and strategic processes.
The S&P Global Corporate Sustainability Assessment is a rating system that scores companies based on performance across a range of economic, environmental, and social issues. The results are an important resource for the financial community, customers, employees, and NGOs.	Uniper first participated in this assessment in 2020 and scored 37/100. Our score is slightly lower than the average score for the energy industry, which is 42/100.
The EcoVadis Rating covers environmental, labor and human rights, ethics, and sustainable procurement management systems. The overall score (0-100) reflects the quality of a company's sustainability management system.	Silver (62/100) (previous 60/100) Scoring criteria Platinum: top 1% (73-100) Gold: top 5% (66-72) Silver: top 25% (54-65) Bronze: top 50% (45-53)
Energy Intelligence's Top 100 Green Utilities: This ranking of the world's top green power generators from both industrialized and emerging markets is based on companies' renewable energy portfolios and greenhouse gas emissions.	Rank 84/100 (previous 81/100)
MSCI ESG Ratings: Based in New York, MSCI is an independent provider of insights and analytics that help investors identify ESG risks and opportunities. Its seven ESG ratings are grouped into three categories: laggard (CCC, B), average (BB, BBB, A), and leader (AA, AAA).	BB (unchanged)
ISS-oekom: ISS-oekom, based in Munich, rates companies' ESG performance on a scale from D- to A+. The prime threshold for the energy industry is B-. Being at or above the prime threshold indicates that a company is meeting or exceeding its industry's ESG performance standards, risks, and opportunities.	C (unchanged)
Sustainalytics: Amsterdam-based Sustainalytics specialises in ESG Risk Ratings and rates the industry-specific ESG risks of 9,000 companies worldwide.	171 out of 486 (1 = lowest risk)
FTSE Russell ESG Ratings: Based in London, FTSE Russell assesses the ESG risks of more than 7,000 publicly listed companies in 47 countries. It issues a score of 0 to 5, with a higher score indicating a better performance.	3.3

Climate action and security of supply

GRI 103-1/2 Climate change is one of the world's biggest challenges and one of our company's most material issues. We take our responsibility for climate protection seriously. Europe's energy transition is under way, and we are actively shaping it. To help implement the Paris Agreement, we are working to help gradually decarbonize the energy system while simultaneously ensuring a reliable energy supply.

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Target	Progress
7 – Affordable and clean energy 	Monitor and optimize the carbon intensity of Uniper's generation portfolio.	Maintain a Group-wide carbon intensity threshold of 500g of CO ₂ per kWh (on average) through 2020.	Our average for 2018 to 2020 was 468g CO ₂ per kWh, well under the threshold we defined.
9 – Industry, Innovation, and Infrastructure 	Make decarbonization activities a focus area for innovation.	Conduct, by 2022, at least 20 projects whose aims include decarbonization.	16 projects were underway at the end of 2020.
12 – Responsible Production and Consumption 	Promote lower-carbon fuels for power generation.		In 2020, we improved our decarbonization offerings for B2B customers.
13 – Climate Action 	Achieve carbon neutrality (Scope 1, 2, and 3) for Uniper as a whole, in line with the goals of the Paris Agreement, by 2050 at the latest.	<p>Achieve carbon neutrality for our power generation portfolio in Europe by 2035.</p> <p>Reduce CO₂ emissions (Scope 1 and 2) of our power generation portfolio in Europe by at least 50% by 2030 (from a 2019 baseline).</p> <p>Define a Scope 3 target.</p>	<p>Our Scope 1 carbon emissions in 2020 were 9.4% lower than in 2019.</p> <p>Our Scope 2 emissions were 37% and 35% lower than in 2019, using the location-based and marked-based method respectively.</p> <p>Scope 3 emissions from the use of sold products (gas, coal, and heat) were reduced by 6.7 million metric tons of CO₂e from 2019 to 2020.</p>



GHG emissions

Our decarbonization strategy

GRI 102-11/14/15, 103-2 In March 2020, we pledged to make our European power generation portfolio carbon-neutral by 2035. This ambitious commitment reflects a fundamental strategic reorientation that focuses on a secure and progressively climate-friendlier energy supply. We will gradually reduce our portfolio's carbon emissions and offer customers products and services that are increasingly climate-friendly. To support these commitments, we intend to invest a total of €2.7 billion (excluding significant acquisitions) between 2021 and the end of 2023. A portion of these investments is allocated to growth projects. All our investments must meet three key criteria. First, as in the past, they must create value for Uniper, and its shareholders. Second, they have to fit with our core business, which is to provide a secure supply of energy. Thirdly, they must contribute to, or at least not hinder, the achievement of our decarbonization target and pass the ESG evaluation. Examples of such investments include power-to-gas (P2G), utility-scale energy storage, and technologies like green and blue hydrogen, carbon capture and utilization (CCU), and the synthetic, carbon-neutral fuels and chemicals that will enable companies in other sectors to decarbonize.

Unipro, our subsidiary in Russia, explores options for decarbonizing its power generation operations over the long term. One avenue is participating in Russia's large modernization program that seeks to modernize around 40 GW of fossil-fueled generating capacity – about 16% of the country's total capacity – by 2032. The modernization program is conducted through auctions, with generators submitting bids for generating units to be re-

furbished or replaced. Unipro's four gas-fired generating units totaling 3.3 GW at Surgutskaya 2 were chosen. Unipro intends to participate in future auctions, which will be held periodically through 2025. From 2021 onward, Unipro will also weigh its options for developing renewables projects in Russia under a capacity scheme whose mechanisms are like those of the modernization program for fossil-fueled capacity.

Beyond our asset business, we are also exploring ways for our Global Commodities segment to make a substantial contribution to decarbonization. These include being involved in establishing a global trade in climate-neutral gases and other climate-friendly energy carriers. Decades of experience and existing global partnerships put us in an excellent position to take a leading role in this development in Europe together with our partners.

In December 2020, we created a new operating unit, Uniper Renewables, to implement our renewables strategy. The first step will be to develop the solar potential at and, in some cases, near Uniper sites, primarily in Germany and the United Kingdom, but also in Hungary and possibly the Netherlands and Sweden. We estimate this potential at about 1 GW. Some of this capacity will be installed as part of the master plans for Uniper's decommissioned coal sites.

Our sales functions continue to identify opportunities to implement solar and wind projects with customers. Uniper Renewables can implement such projects in the future.

Low-carbon hydroelectricity already accounts for 3.7 GW, or 15%, of our installed generating capacity in Europe. We also procure renewable electricity by means of power-purchase agreements (PPAs). Under a PPA, Uniper or another counterparty agrees to buy a percentage of the output of a future renewables asset – usually a wind or solar farm – for a set period (typically 10 or 15 years) at an agreed-on price. We have PPAs with wind and solar farms in Norway, Sweden, Spain, and the United States and intend to conclude more.

Uniper is helping make North America's power grid greener. We are working with a range of regional, municipal, and industrial entities to help them achieve their carbon reduction objectives through innovative physical power contracts that provide a cleaner energy supply. Our North America Power team currently manages a portfolio of PPAs with renewable generators. This portfolio enables us to provide downstream customers with a total of more than 19 million MWh of low-carbon, cost-efficient energy. Demand for cleaner energy solutions is growing in North America, as is the need for energy management and support services that can help organizations enhance operational efficiency. We see this as a big growth opportunity and intend to quadruple our North American renewable PPA portfolio by 2025.

Climate Action & Strategy Project team

GRI 103-2/3 Uniper aims to be a pacesetter in decarbonizing the energy it supplies. To help us play this role as effectively as possible, in December 2019, we formed an in-house cross-functional working group, the Climate Action & Strategy Project

team. Led by the Health, Safety, Security, Environment, and Sustainability (HSSE & Sustainability), and Corporate Strategy departments, it brought together representatives of other departments that are integral to setting our decarbonization course.

In 2020, the project team analyzed Uniper's current emissions baseline by geography, fuel type, and emission Scope 1, 2, and 3. It identified the various decarbonization options available to us in power generation and commodity trading and assessed their potential impact on our carbon footprint, operations, and bottom line. This gave the Uniper Management Board the information it needed to set the ambitious, yet economically viable emission-reduction targets that enable us to continue to provide a reliable energy supply to customers.

As part of the final deliverables, the project team outlined an approach for effective low-carbon governance at Uniper. The prioritized governance elements led to the establishment of Uniper's Sustainability Council and recommendations on further targets and key performance indicators such as for Scope 3 emissions and the decision to implement the Task Force on Climate-related Financial Disclosure (TCFD). The project ended in September 2020 and its findings are now being integrated into our business processes.

Uniper takes part in Climate Action 100+

The Climate Action 100+ Net-Zero Company Benchmark assesses the performance of focus companies against the initiative's three high-level goals: emissions reduction, governance, and disclosure. The benchmark helps investor signatories evaluate company ambition and action in tackling climate change. In 2020, Uniper was invited to report into Climate Action 100+. Following an assessment and an interview with two members of Uniper's Management Board, Uniper received a rating for each of the criteria and guidance on areas for improvement. These will be reviewed for implementation.

Cottam
Development
Centre, UK.

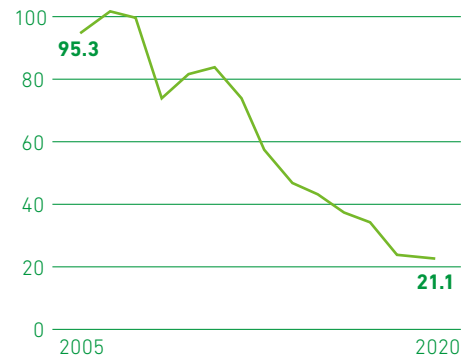


Carbon emissions data

GRI 305-1/4 Since the EU Emissions Trading Scheme began in 2005, the Uniper Group's fully consolidated companies in Europe have reduced their Scope 1 direct carbon emissions by 74.2 million metric tons, a decrease of almost 78%.

Uniper's direct carbon emissions in Europe¹

Million metric tons of CO₂



¹ Carbon emissions of our generation business in Europe calculated using the operational control approach. This means that we counted 100% of the emissions from all generation assets over which we have operational control, even if our ownership stake is less than 100%. These figures do not include the emissions of Unipro, our subsidiary in Russia.

Uniper's target was for its Group-wide annual average carbon intensity to remain below a threshold of 500 grams of carbon dioxide per kWh from January 1, 2018, to December 31, 2020. Our average carbon intensity for this period was 468 grams per kWh². We therefore achieved our target, in part through asset closures as well as asset improvement and innovation. In 2020, our direct carbon emissions (Scope 1) from the combustion of fossil fuels for power and heat generation (operational control approach) fell by 9.4% to 42.6 million metric tons (2019: 47 million metric tons). This was mainly due to a decline in output from assets in Russia and the United Kingdom.

² Uniper uses the financial control approach for carbon dioxide intensity as defined by the Greenhouse Gas Protocol. The generation dataset used to calculate intensity includes data that is inconsistent with regard to boundaries, combining both grid feed-in and net generation volume for different plants. For example, our power plants in Russia use net generation output, whereas those in Germany use the amount of electricity fed into the grid. The divestment of our generation business in France and the Czech Republic in July 2019 and April 2020, respectively, had little impact on Uniper's carbon intensity.

Direct CO₂ emissions from fuel combustion by country

Million metric tons	2020	2019	2018
European generation	21.1	21.9	34.0
<i>Germany¹</i>	11.9	11.1	17.2
<i>United Kingdom</i>	4.3	5.6	7.6
<i>Netherlands</i>	4.0	3.2	5.5
<i>France²</i>	-	1	2.9
<i>Hungary</i>	0.8	0.9	0.8
<i>Czech Republic³</i>	0.1	0.1	<0.1
<i>Sweden</i>	<0.02	<0.01	<0.01
Russian Power Generation	21.5	24.9	25.3
Total	42.6	47.0	59.5

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.

¹Datteln 4 power plant is included in our 2020 figures for Germany. Its CO₂ emissions have been recorded since its testing phase began in the first quarter of 2020.

²Generation business activities in France were sold in July 2019.

³2020 emissions for Teplarna Tabor in the Czech Republic, which was divested in April 2020, reflect estimates based on actual 2019 data.



A Uniper employee at pumped storage power plant in Kaprun, Austria

Power production by primary energy source

Billion kWh	2020	2019	2018
Gas ¹	53.9	60.3	60.5
Coal	19.5	19.9	31.8
Nuclear	8.0	11.0	10.7
Hydro	13.7	12.7	10.3
Other renewables ²	0.0	<0.1	0.2
Biomass	0.0	0.0	0.3
Total	42.6	47.0	59.5

¹ Figures include production from oil.

² Figures include production from non-material wind and solar assets (aggregated installed capacity 95 MW).

Uniper's power production from coal decreased from 19.9 billion kWh in 2019 to 19.5 billion kWh in 2020. Power production from gas declined as well, from 60.3 to 53.9 billion kWh. The reason was lower output in Europe, mainly because of lower demand for electricity amid the Covid-19 pandemic. In the same period, hydropower production increased by 1 billion kWh.

Greenhouse Gas Protocol Scope 2 and 3

GRI 305-2/3 Our Scope 2 indirect emissions totaled 0.71 million metric tons of CO₂ (2019: 1.12 million metric tons of CO₂) and 1.03 million metric tons of CO₂ (2019: 1.57 million metric tons of CO₂) using the location-based method and market-based method, respectively. Our Scope 2 emissions now include indirect emissions from purchased electricity used for pumped storage hydro plants in Germany. The year-on-year decline in Scope 2 emissions was due partially to a reduction in electricity consumption in office buildings, probably because of the shift to remote working amid the Covid-19 pandemic.

We calculate Scope 3 emissions using the categories defined by the Greenhouse Gas Protocol that are relevant to Uniper. The majority of our Scope 3 emissions result from the use of sold products (2020: 12.2 million metric tons of CO₂e), predominantly gas and coal we sold to end-users. These emissions declined by almost 6.7 million metric tons from 2019 to 2020, chiefly because of a reduction in coal sales to end users.

Emissions from business travel in 2020 were 89% lower than in 2019 because of the Covid 19 pandemic.

Indirect CO₂e emissions¹ Scope 3

metric tons CO ₂ e	2020	2019
Purchased goods and services	540,278	328,061
Capital goods	241,334	340,603
Fuel- and energy-related activities	6,897,299	9,845,344
Upstream transportation and distribution ²	1,023,079	-
Business travel	516	4,848
Employee commuting ²	58	-
Upstream leased assets ²	204,184	-
Use of sold products	12,158,317	18,855,956

¹Scope 3 categories relevant to Uniper are reported. Figures include emissions from consolidated and non-consolidated generation assets over which Uniper has operational control.

²Category not accounted for in 2019.

Supporting the energy transition

GRI 302-2/4, 305-5 A key facet of our decarbonization strategy is our ambitious coal exit plan in Europe. The timetable calls for us to stop producing electricity from coal in Germany by 2025 (except for Datteln 4, one of the world's most efficient coal-fired plants), in the United Kingdom by 2025, and in the Netherlands by 2029.

In January 2020, we presented a plan for closing our hard-coal-fired generating units in Germany. The plan foresees closing units with a combined capacity of around 2.9 GW at the Scholven, Heyden, and Staudinger power stations by the end of 2025 at the latest and Wilhelmshaven power station at the end of 2022. However, in September 2020, Uniper entered a bid to the first German Coal Closure auction round for the early closure of unit 4 at Heyden (875 MW). The German Federal Network Agency (BNetzA) accepted the bid. Heyden 4 ceased commercial electricity production on December 29, 2020, and will close permanently on July 1, 2021, provided that the BNetzA does not deem it critical to system stability.

In addition, in February 2020, we signed an agreement to sell our 58% stake in Schkopau, a lignite-fired power plant in Saxony-Anhalt in eastern Germany, to Saale Energie GmbH, a subsidiary of Czech energy producer EPH, which owns the other 42%. The transfer of ownership will take place in October 2021. It will mark the end of our lignite-fired power generation in Europe.

Datteln 4, our new hard-coal-fired power plant in west-central Germany, entered service in the summer of 2020. There has been some criticism regarding the commissioning of Datteln 4 amid Germany's phaseout of coal-fired power generation. However, Datteln 4 is significantly more efficient than older coal-fired power plants. When cogenerating heat for 100,000 households in the region, it will have a fuel efficiency of nearly 60%, similar to that of a gas turbine.

Coal is still part, but now a steadily shrinking part, of our portfolio. Roughly two thirds of our total electricity and heat output already comes from low-emission hydro, nuclear, and gas. As we close coal-fired plants, this proportion will increase and our carbon intensity will decrease, bringing us progressively closer to our goal of carbon neutrality. Nevertheless, our aim is to carry out closures in a socially responsible way and to use existing resources.

That is why we designed master plans for all our coal sites scheduled for closure. All these facilities have infrastructure – such as a connection to a district heating network, a high-voltage switching yard, rail links, and other logistics facilities – that remains useful. And many have locations (along waterways, close to industrial clusters) that are very attractive. We are convinced that these two factors – existing infrastructure and location – will enable our coal sites to play a vital role in a low-carbon economy after coal-fired power generation ends.

Some sites, like those that produce steam for industrial customers and for district heating networks, may be converted to gas. One such conversion already under way is at Scholven power station in west-central Germany. We are installing two state-of-the-art combined-cycle gas turbines (CCGT) and auxiliary equipment that will supplement and, from 2022 onward, replace the existing coal-fired plant. Conversion to gas will reduce Scholven's carbon emissions and noise impact since its fuel will be supplied by pipeline instead of by truck.

Gas has a transitional role

Because gas plays a pivotal role in both decarbonization and energy security, it is a key focus of our future strategy. Uniper intends to maintain its broadly diversified gas business and progressively decarbonize it as well. Natural gas is the ideal fuel to support the energy transition. Indeed, ambitious emission-reduction can only be achieved if more gas is used in power generation, heating, transport and industry. Natural gas has the lowest carbon dioxide emissions of any fossil fuel, can be stored, and can be used flexibly, including in cogeneration units. The importance of gas-fired power plants, which are ideal for balancing out the volatility of renewables, will increase significantly going forward.

Gas turbines are already a low-carbon technology. But they can and must become even cleaner. A Uniper project called Making Net Zero Possible aims to do just that. As part

of the project, in the second quarter of 2020, Uniper signed collaborative agreements with both General Electric (GE) and Siemens, the world's two leading turbine manufacturers. We are working closely with GE and Siemens to explore how alternative fuels (biofuels and especially hydrogen) and carbon capture can make our gas turbines and the compressors at our gas storage facilities carbon-neutral. At year-end 2020, the project was in the process of identifying technically feasible modifications for our more than 4 GW of gas turbines in Europe and gas-storage compressors. The next step will be to conduct a pilot project to test the technical concepts in real life, for example by modifying one of our gas turbines to burn hydrogen.

Irsching gas-fired power station.



Providing decarbonization solutions for our customers

It is Uniper's purpose and ambition to empower the energy evolution by implementing sustainable energy solutions, which ultimately support the decarbonization of society at large. In this context, we aim to sharpen our profile as a provider of decarbonization solutions. Companies of all sizes in all industries want their energy supply and operations to be secure, sustainable, and environmentally friendlier. They are impelled by the need to cut costs and comply with increasingly stringent regulations. What is lacking is knowledge and resources to manage the journey themselves.

Our expertise in decarbonization is of high value, as two thirds of all CO₂ emissions in industry are energy-driven. Our offering has four main aspects. First, we design an individually tailored decarbonization road map and offer enabling solutions (project financing, CO₂ management) to help make it a reality. Second, we show customers how to use less energy and enhance their operations with energy efficiency measures, demand-side management, flexibility services, and a range of monitoring and diagnostic tools. Third, we help customers switch their embedded generation to a lower-carbon energy source and supply them with climate-friendly fuels like biomethane and renewable energy sourced under power-purchase agreements. Finally, we develop a bespoke offsetting strategy for excess carbon or recycle it, including Guarantees of Origin and other types of carbon-reduction certificates.

We see an increasing number of customers asking for complex solutions instead of single products to support their decarbonization. Our ambition is to become the partner of choice for these customers and to accompany them on their decarbonization journey. This is in line with our corporate strategy to embrace climate action, not only in our own operations, but also for our customers, #ForACleanTomorrow.



Mapping methane emissions

Another important activity initiated in 2020 was to map methane emissions. Methane's global warming potential is estimated to be at least 25 times that of carbon dioxide over a 100-year horizon and even greater on a 20-year horizon (the time horizon describes the period of time over which methane impacts are considered). Identifying, quantifying, and minimizing sources of methane emissions across the gas industry is therefore becoming increasingly important. The EU Methane Strategy released by the European Commission in October 2020 recommends that energy companies with gas transportation and storage assets should first work together to establish shared monitoring, reporting, and verification methodologies. In November 2020, Uniper became a member of the Oil and Gas Methane Partnership (OGMP) 2.0, a voluntary initiative to help oil and gas companies report and reduce methane emissions, foster transparency, and share best practices. OGMP's aim is for the industry to reduce its methane emissions by 45% by 2025. Promoted by the European Commission and various non-governmental organizations, OGMP 2.0 fosters industry-wide collaboration, including with strategic upstream gas suppliers.

Environmental products in North America

In late 2020, Uniper North America began developing a business in environmental products. Its initial focus will be on providing customers access to, and settlement management services in, the primary US compliance and voluntary markets for carbon offsets in California, the North-east, and Texas. In 2021, in connection with our sourcing of biogas and renewable fuels, our trading operations in North America will also offer customers green gas, equitable-origin gas, and renewable natural gas attributes products and services, which will help make US fuel and power markets greener.

Innovations for a low-carbon future

GRI 103-1 Innovation and the development of new sustainable businesses play a key role in Uniper's new decarbonization strategy and, more generally, help propel the transition to a low-carbon future. We develop scalable business models in a variety of new areas, including climate-friendly hydrogen, flexible electricity supply, smart and green heat supply, waste-to-X solutions, and CCU, in which CO₂ is captured from the exhaust stream of power plants or other industrial facilities, processed, and used as an alternative carbon source in a variety of industrial applications.

Our innovation strategy reflects the three pivotal trends that are transforming the energy industry: decarbonization, the decentralization of energy generation and supply, and digitalization. We have the assets and energy IQ to shape these trends in a way that creates value for our company and for society. To stay on the right track for innovation, we review and, if necessary, update our innovation strategy on an annual basis. This process involves all relevant stakeholders and business units.

GRI 103-2/3 and 302-2/4 Uniper has invested in several pilot projects to refine, scale up, and deploy a variety of technologies on a commercial scale. In addition, we have set a target of conducting, by 2022, at least 20 projects, whose main aims include decarbonization. This goes hand in hand with our increased investments in innovation projects. At year-end 2020, we were working on 16 such projects.

Flexibility supports the transition to a low-carbon energy world in two ways. First, it balances 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. We are pioneering the development of innovative technologies for both forms of flexibility.



The future of hydrogen in Uniper

We see hydrogen as an essential ingredient in tomorrow's low-emission energy mix, alongside gas, renewables, and hydroelectricity. Hydrogen will be essential for decarbonizing major industries, such as steel and chemicals. In applications that cannot use green electricity directly, hydrogen and its derivatives create new opportunities for avoiding carbon emissions.

For hydrogen to become a success story, all sectors of the economy – from industry and energy to transport and heat – need to join forces. Uniper's gas, trading, and engineering expertise will enable it to play an important role. The German federal government recognized this by setting up a National Hydrogen Council. The council brings together leaders in business, science, and policymaking to help design and promote the country's hydrogen agenda.

Axel Wietfeld, Senior Vice President Hydrogen at Uniper, discusses hydrogen's future and the role Uniper wants to play in it.



Axel Wietfeld
Senior Vice President Hydrogen

How will Uniper help establish the hydrogen economy?

Axel Wietfeld: Uniper is committed to propelling decarbonization and is convinced that hydrogen will play a key role in this process, especially in decarbonizing hard-to-abate industries like steel, chemicals, and refineries. Our organizational setup now reflects this conviction: in July 2020, we created a new Hydrogen division. It has 30 employees, but also draws on the wider Uniper organization for some functions. Uniper intends to build, own, and operate hydrogen production facilities in Europe and, in the long term, elsewhere as well. We also plan to become increasingly active in hydrogen trading worldwide. We expect hydrogen trading to become as global as natural gas and liquefied natural gas (LNG) trading already are. Being one of Europe's largest natural gas importers, traders, and marketers gives us the expertise to do the same with hydrogen.

What's the status quo of hydrogen at Uniper?

Axel Wietfeld: We've been operating a small hydrogen production unit in Falkenhagen in eastern Germany since 2013. We added another in Hamburg-Reitbrook in 2015. They both use surplus wind power to run electrolysis equipment that makes hydrogen from water in a process called power-to-gas (P2G). The hydrogen can then be fed into the natural gas system. Although not economically viable in the current regulatory environment, our P2G units are integral to our ongoing research and development for a low-carbon hydrogen value chain. Some regulatory changes are already on the horizon. For example, the transposition of the EU Renewable

Energy Directive (RED II) into German law will create incentives for industrial companies to use green hydrogen.

How will hydrogen interact with renewables?

Axel Wietfeld: Renewables output fluctuates. And on particularly windy, sunny days, potential output actually exceeds demand in some parts of Europe. So we need to find ways to store this surplus. P2G is one option for converting surplus renewable electricity into green hydrogen, large quantities of which can be stored in the existing natural gas system. It can be converted back into electricity on still, cloudy days or at night. Hydrogen facilitates sector integration: combining the electricity sector with the gas and heat sectors to create a closed-loop economy. Hydrogen doesn't compete with renewables. Indeed, it can only succeed in partnership with them.

There are several ways to make hydrogen. Which is the most promising?

Axel Wietfeld: Green hydrogen from zero-carbon renewable electricity is obviously very promising. But it's still relatively expensive. Also, some countries won't have enough renewable power to produce as much green hydrogen as their hydrogen economy will need. So it makes sense to be open to other colors as well. Countries like Great Britain and the Netherlands are pursuing blue hydrogen, which is conventional grey hydrogen made from natural gas, except that the resulting carbon emissions are captured and stored (CCS) or used (CCU). Turquoise hydrogen, in which pyroly-

sis – also known as gas splitting – is used to split methane into hydrogen and solid carbon, is another option. The solid carbon is environmentally friendly and could be used, for example, in the tyre industry. Pyrolysis, albeit not yet technically mature, has potential nevertheless. The only hydrogen Uniper excludes from its strategy is conventional grey hydrogen, which is carbon-intensive.

Can natural gas and hydrogen complement each other?

Axel Wietfeld: Natural gas is fairly clean and helps ensure supply security. Natural gas will be needed for a long time to come. But we are already working with companies like Siemens and General Electric to explore how we can use hydrogen in our gas turbines. This is a very cost-effective approach to climate protection: we can continue to use existing gas-fired power plants, storage facilities, and pipeline networks and at the same time propel decarbonization.

What else is in Uniper's hydrogen pipeline?

Axel Wietfeld: We have several interesting projects. One is a plan to build an industrial-scale, wind-powered green hydrogen plant and an underground hydrogen storage facility in a modified salt cavern near Bad Lauchstädt in eastern Germany. The cavern would be able to store nearly 50 million cubic meters of hydrogen, enough to heat about 20,000 households annually. In early March 2021, we joined forces with HH2e, Siemens Energy, and the City of Hamburg in a project called Changing the Game of Energy. The

aim is to produce and supply green hydrogen as well as green process and district heating in Moorburg, a Hamburg suburb. We also want to jointly establish a hydrogen trading platform so that Moorburg can become an international marketplace for the physical and notional trading of green hydrogen, which is fully in line with the German federal government's national hydrogen strategy.

In North America, we're looking at harnessing the abundant surplus of low-cost renewable power for conversion to hydrogen storage, the repurposing of generation and transportation infrastructure, and, ultimately, the displacement of natural gas as a fuel source for industrial customers.

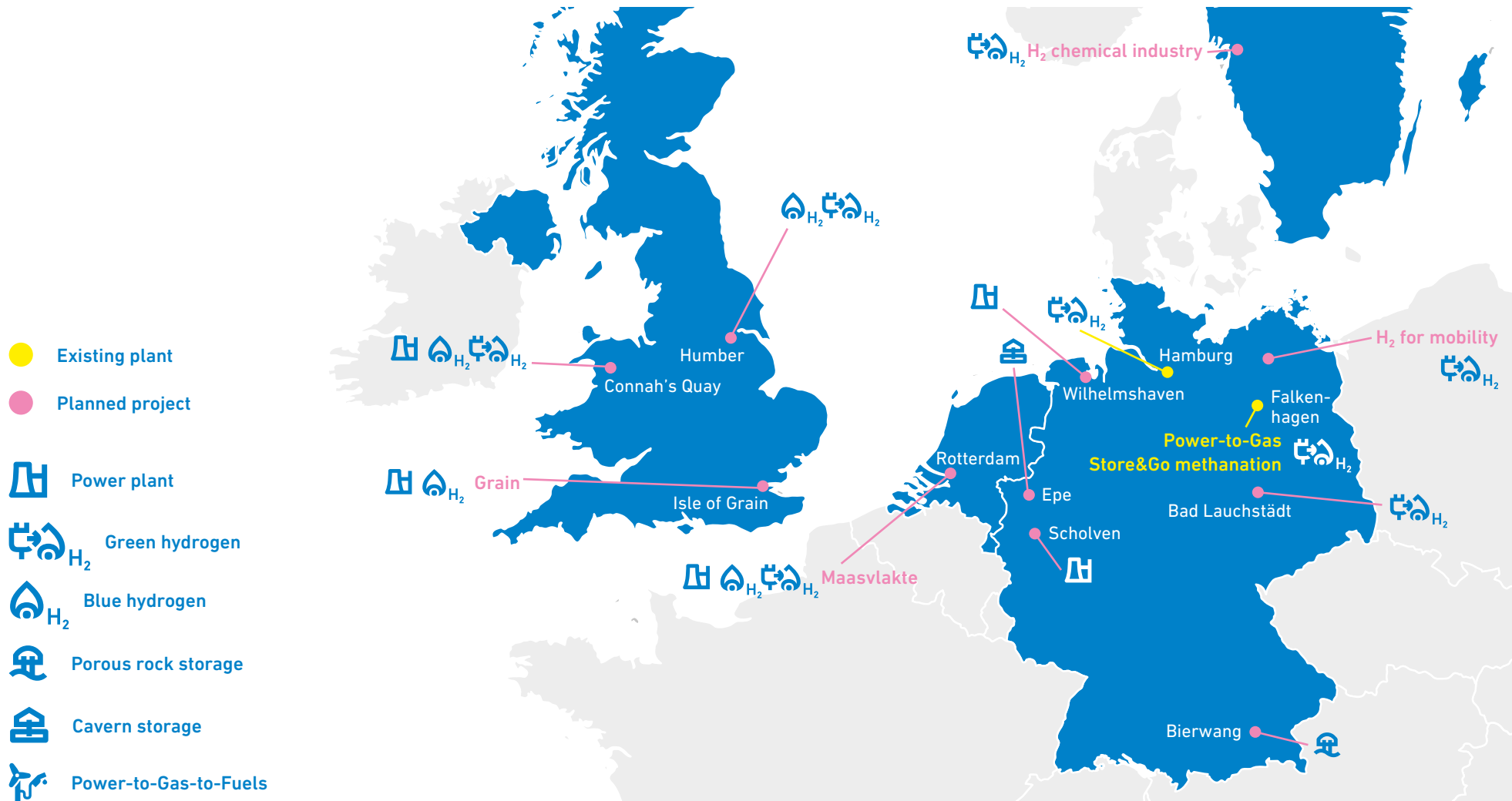
We also want to play a key role in the UK's ambition to achieve a net zero carbon economy by 2050. Our Killingholme power station has a strategic location within the Humber industrial cluster on the east coast of Northern England. This makes it ideally placed to fulfill a vital role in decarbonizing this carbon-intensive region. Along with our partners, our ambition is to realize the potential for a large-scale, low carbon hydrogen production facility at Killingholme, using local connections to offshore wind production facilities in the North Sea to produce green hydrogen from renewable electricity. Uniper is also involved in the Zero Carbon Humber Partnership, which is government funded and aims to rapidly reduce the industrial cluster's carbon emissions with blue and green

hydrogen and CCU solutions. It will bring additional infrastructure, which along with existing Uniper assets, including land for development, grid connection, and water, reaffirm the location as a prime site for enabling clean hydrogen production.

We are also active in the Netherlands; Uniper's Maasvlakte site is a key location to enable the delivery of hydrogen at scale in line with the vision of the Port of Rotterdam Authority and the port's hydrogen backbone. We aim to produce hydrogen via electrolysis and benefit from well-connected infrastructure and commercial synergies available that can make green hydrogen production cost effective and facilitate hydrogen transportation, storage, and utilization through the infrastructure of The Port of Rotterdam to key hydrogen markets such as Germany and France.



Our hydrogen project pipeline



M5BAT: a large-scale battery to test future business cases

Increasing energy storage capacity will be crucial to the energy transition's success. Uniper already has a diverse range of storage options. A good example is the M5BAT. As the name suggests, the M5BAT uses five different battery technologies with a total capacity of 5 MW.

Carbon recycling

Even in a carbon-neutral future, many hard-to-abate industries – such as heavy-duty transport, maritime shipping, aviation, or the chemical industry – will continue to need carbon-based energy sources and chemicals. They can get it from CO₂ captured from power generation and industrial processes. For example, captured carbon and green hydrogen can be combined to form synthetic jet fuel and will help decarbonize aviation. CO₂ can also be made into methanol and many other chemicals to help reduce the chemical industry's carbon footprint. Uniper is engaged in several pilot projects to gain experience in project development, operations, and the marketing of a variety of technologies and products related to CCU. We are also partnering with other companies to establish a global CCU industry. Uniper is a founding member of CO₂ Value Europe, an industry initiative aiming to promote a pan-European carbon-recycling industry and relevant technologies. CO₂ Value Europe also lobbies for energy policies and regulations that would provide support for the early stages of CCU's development.

We are also collaborating with the Institute for Future Fuels of the German Aerospace Centre (Deutsches Zentrum für Luft- und Raumfahrt, DLR) to conduct a feasibility study on CO₂ utilization in North Rhine-

Westphalia. The study, which is partially funded by the IN4climate.NRW initiative, aims to identify the potential of carbon-based fuels, chemicals, and alternative protein sources. We expect it to be completed in the third quarter of 2021.

Together with Zenid (a joint venture of Dutch SkyNRG and Swiss technology provider Climeworks) and Rotterdam The Hague Airport, Uniper is working on a project to produce renewable jet fuel from direct air capture technology. Carbon dioxide in the air will be converted into high quality jet fuel using renewable energy. We will be responsible for engineering, the approvals processes, the energy supply, and the plant's operational management. The first fuel is expected to be available in 2024.

Decarbonizing the steel industry

Currently, the production of 1 metric ton of raw steel results in about 1 metric ton of carbon emissions. In June 2020, Uniper, along with the German logistics company Rhenus, the German steel company Salzgitter, the State of Lower Saxony, and the City of Wilhelmshaven, signed a letter of intent to conduct a feasibility study for Salzgitter on the production and handling of direct reduced iron (DRI), also known as sponge iron. The planned DRI plant would use green hydrogen produced from electrolysis. The electrolysis unit would be sited on the grounds of Uniper's coal-fired power plant in Wilhelmshaven, which is already scheduled for closure. This would enable the plant's infrastructure to be used for an innovative project to help decarbonize Europe's steel industry. The use of sponge iron can reduce the carbon emissions of steel production by up to 95% if it replaces the traditional blast furnace converter route.

Using LNG to reduce heavy vehicles' environmental impact

With the amount of freight hauled by road on the increase, LNG offers a quick and efficient way to make heavy vehicle traffic more sustainable. Trucks that run on LNG emit less CO₂, nitrogen oxide, and particulate matter than diesel-powered trucks. They are also much quieter. In view of these advantages, we are drawing on our expertise in LNG supply to establish a business in LNG truck fueling. LIQVIS, a Uniper subsidiary, is currently establishing a network of filling stations for LNG-powered heavy-duty trucks. In 2017, LIQVIS was awarded funding under the EU's Connecting Europe Facility for Transport program to develop more LNG filling stations. The first fixed filling station opened in Berlin in November 2018 and later added stations in Kassel and Calais. LIQVIS plans to open more LNG filling stations in Germany and France in 2021.

Lemna water lentils: power plants – in both senses

Today's consumers want healthy foods they can eat with a clear conscience. Plant-based foods that are natural sources of protein, vitamins, minerals, and healthy fats. Foods that are grown locally and responsibly. Uniper recently began producing a food that meets these needs. In the first quarter of 2020, we launched a pilot project to grow water lentils – an excellent source of protein, vitamins, and minerals – in Kalkar in west-central Germany. Water lentils only need five things to grow: water, light, warmth, some nutrients, and carbon dioxide. Our state-of-the-art indoor growing facility gets two of them – warmth and carbon dioxide – from a high-efficiency gas-fired heat plant we operate nearby. We are transforming what in many jurisdictions is classified as a pollutant – CO₂ – into a sustainable plant-based food with numerous applications. Water-lentil powder, for example, can replace other protein powders as an ingredient in a variety of foods – protein bars, meat alternatives like veggie burgers, and baked goods – without altering the production process. Power plants help to produce plant-based protein. It is an innovative idea that could make Uniper, our customers, and the food industry more sustainable.

Secure, affordable, and reliable energy supply

GRI 103-1 A secure and reliable supply of energy is essential so that society and a competitive economy can function. Uniper's priority is to provide a secure, affordable, and reliable supply of power, gas, and heat to its customers, while simultaneously making this energy progressively climate-friendlier.

Uniper's long-term gas supply contracts, natural gas storage facilities, global gas trading activities, and capacity bookings for regasifying LNG play an important role in supply security, especially when demand fluctuates. Furthermore, Uniper's flexible generation facilities can respond quickly to fluctuations in renewables output, which is important for grid stability and supply security, particularly in two of Uniper's core markets: Germany and the United Kingdom.



How we manage our generation fleet

GRI 103-2/3 **G4-EU10** We own and operate 35.4 GW of generating capacity in Europe and Russia. This fleet is highly efficient, flexible, and diversified. 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 near-by industrial enterprises and utilize some of these enterprises' waste streams.

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.

To manage the operating risks of our generation assets and to promote their availability, we have an integrated asset and HSSE management system that conforms to industry practices.

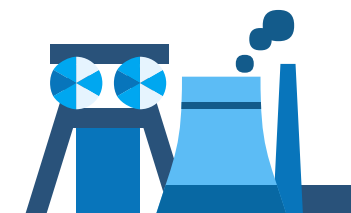
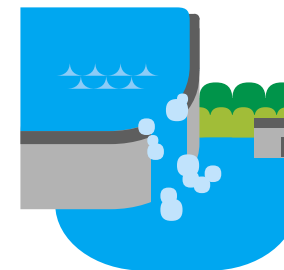
Uniper's key performance indicator for supply reliability is average asset availability. Our power generation fleets in Europe and Russia had an average asset availability of 78.4% in 2020, which was slightly lower than 2019 (79.1%) due to planned outages. Their unplanned unavailability was 9.4% in 2020, an improvement from 2019 (12%).

Uniper Group: consolidated generation capacity as of December 31, 2020¹

in MW	Gas	Coal	Hydro	Nuclear	Other	Total (by country)
Russia ²	8,527	2,263				10,790
Germany	3,333	4,854	1,991		1,418	11,596
United Kingdom	4,180	2,000			221	6,401
Sweden	449		1,579	1,400	1,162	4,590
Netherlands	525	1,070				1,595
Hungary	428					428
Total (asset specific)	17,442	10,187	3,570	1,400	2,801	35,400

¹ Accounting view.

² Figures include Czech Republic business (sold in April 2020).



Average asset availability for conventional power generation by country

In %	2020	2019
France	-	79.7
Germany	74.4	77.4
Hungary	90.3	96.9
Netherlands	77.8	56.1
Russia	78.1	79.2
Sweden	91.9	91.1
United Kingdom	80.3	83.2
Total	78.4	79.1

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 and is based on legal entity share. Assets in France are included from January 1 to June 30, 2019. These figures exclude asset availability data from Teplarna Tabor in the Czech Republic.

Uniper has employees with decades of experience in integrated, reliable, and tailor-made utility management. It now markets this experience in emerging and developing countries, providing operation and maintenance services for power plant operators as well as support for new energy infrastructure projects. These services will enable customers' power plants to meet high international standards for operational excellence, including for HSE performance.

Reliability services for grid operators

Generation from renewables drops when weather conditions are unfavorable and, in the case of solar, at night. Gas-fired power plants, which can swiftly ramp up and ramp down their output, are ideally suited to provide backup in such situations, as are hydroelectric plants and some battery solutions.

In January 2019, TenneT, the transmission system operator (TSO) in southeast Germany, awarded Uniper a contract to operate a 300 MW gas turbine at Irsching power station, located on the Danube river about halfway between Munich and Nuremberg. The new plant, Irsching 6, will serve as a safety cushion to supply power at short notice in emergency circumstances when system reliability is at risk. Construction began in September 2020, with the plant scheduled to enter service in October 2022.

After seven years in network reserve, units 4 and 5 at Irsching power station returned to normal commercial operations on October 1, 2020. We are the sole owner of unit 4 and co-owner of unit 5. Both are highly flexible and rank among Europe's most fuel-efficient CCGT. They too will help ensure security of supply as renewables capacity continues to grow.

The generator and turbines at conventional power plants have a large rotating mass and therefore tend to resist changes in grid frequency (50 Hz or 3,000 rpm) when connected to the electrical grid. This tendency is called grid inertia and helps the grid to continue operating close to 50 Hz, which is essential for security of supply. The majority of renewables, by contrast, are connected via power electronics which makes them unsuitable to provide real inertia. Consequently, as the proportion of renewables in the electricity generation mix increases, the amount of available grid inertia decreases leading to possible greater frequency volatility. Renewables are also often unable to generate or absorb as much reactive power as traditional generators, which is critical to maintaining voltage levels. Grid operators are aware of these challenges and are looking for solutions. In February 2020, National Grid, Britain's TSO, awarded Uniper four six-year contracts (2021–2026) to provide grid inertia and voltage support from two Uniper CCGTs, Killingholme and Grain. This will involve reconfiguring steam turbine generators into synchronous condensers at Killingholme and installing two new synchronous condensers at Grain.

Running the four synchronous compensators will consume no additional fuel and thus emit no carbon. Providing these stability services will enable National Grid to connect more sources of green electricity, while maintaining security of supply.

The ongoing addition of intermittent wind power to Sweden's energy mix poses challenges for its TSO, Svenska Kraftnät. One of these challenges is maintaining constant frequency. To address it, Svenska Kraftnät asked generators to submit bids to provide fast frequency reserve (FFR), capacity that can come online on short notice to support frequency (by generating power) or reduce excess frequency (by absorbing power). In June 2020, Svenska Kraftnät selected two of our hydroelectric plants in northern Sweden, Edsele (6 MW) and Lövön (9 MW), to provide FFR. Both are embankment hydro plants that will be equipped with batteries. The plants' reservoirs store energy to address larger imbalances in the grid, whereas the batteries will be able to respond swiftly to frequency deviations. The combination of reservoir and battery will enable the plants to do a wider range of jobs for the TSO. The batteries are expected to be operational in 2021. We are exploring options to deploy the battery-hydro tandem solution at other plants.

Uniper supports TSOs with its engineering expertise as well. In the first quarter of 2020, TenneT chose Uniper Technologies and CDM Smith, a Bochum-based engineering firm, to expand its grid in northwest Germany, where much of the country's onshore wind capacity is located. We will lead the consortium and provide overall project management for all engineering, procurement, and construction services. Germany aims for renewables to provide about 80% of its electricity by 2050. Adding transmission capacity to move more renewable electricity from the north to large consumption centers in central and southern Germany is crucial for reaching this target.

How gas supports supply security

Uniper plays an important role in ensuring a reliable energy supply in other ways as well. For example, we are a leader in Europe's gas market. Each year, we procure enough gas under long-term contracts to heat about 22 million single-family homes (based on average consumption in Germany). Going forward, Europe's gas needs will remain stable, while its domestic production will decline. Uniper will therefore continue to be a reliable importer of both pipeline gas and LNG.

Uniper procures natural gas from a variety of producers in several countries, mainly Russia, the Netherlands, and Germany. To help further diversify and secure Europe's gas supply, in late 2020, we began procuring gas from Azerbaijan. Under a long-term contract concluded in 2013 with Baku-based SOCAR (State Oil Company of the Azerbaijan Republic), we will source up to 1.5 billion cubic meters (bcm) of natural gas per year via the Southern Gas Corridor, a system of pipelines that connects the Caspian region and the Middle East to south-eastern Europe. The contract runs until 2045.

In addition, Uniper has stakes in gas transmission pipelines, such as OPAL, which runs from the Baltic Sea to the German-Czech border and is a financing partner in gas pipeline projects such as Nordstream 2, which runs from Russia to Germany through the Baltic Sea. These assets provide important pathways for the import and transport of gas and therefore play key roles in ensuring Europe's supply security.

Global gas demand is expected to continue to rise. To help meet this demand, our LNG business continues to grow. We aim to increase our current LNG portfolio of 3 mtpa to 10 mtpa by year-end 2025. The target markets are South America, the Middle East, and Asia, particularly Southeast Asia, regions that import LNG as a fuel for power generation and that are converting from coal to gas.

Uniper is also one of Europe's largest gas storage companies, with about 7.6 bcm of underground gas storage capacity in Germany, Austria, and the United Kingdom. We have 5.9 bcm in Germany alone, the most of any operator. Gas storage facilities are one of the few technologies that can store energy from one season to another: gas bought in the summer, when prices are typically lower, can be stored underground and used to heat homes in the winter. Moreover, storage facilities can respond to demand spikes or import interruptions, thereby helping ensure security of supply. Looking into the future, as Europe ramps up its production of green, blue, and turquoise hydrogen, our underground gas storage facilities will be part of the infrastructure that stores this precious zero-carbon resource.

We help secure the supply of other gases as well. In July 2020, Uniper and Irkutsk Oil LLC (INK) signed a long-term agreement for us to purchase a portion of INK's liquid helium output from a new production facility scheduled to enter service in late 2021 in Ust-Kut in eastern Russia. Helium, a by-product of natural gas, has a low density and the lowest boiling point of all elements. These properties make it ideal for a wide variety of applications, including electronics (semiconductors, LCD screens), aerospace, automotive, health care, fiber optics, and welding. Global demand is expected to grow, and Uniper's agreement with INK will help it meet this demand.

Employees at Grain power plant in the United Kingdom.





Our people

Our top priority is to work safely, look after our people's health, and protect them from harm. Our commitment to health and safety extends to the employees of our business partners and to the people who live nearby or visit our facilities. We aim to provide a supportive work environment in which our people feel confident sharing their ideas and trying new approaches. Their creativity is crucial to our success. We encourage our employees to hone and extend their skills and learn from each other. Furthermore, we strive to prevent any form of discrimination and to promote gender equality and inclusion.

In 2020, Uniper defined a people strategy to support its corporate strategy, whose vision is to "attract, engage, and enable the people of Uniper to build the capabilities necessary to Empower Energy Evolution." As part of this process, it conducted 20 in-house workshops and interviewed many senior managers to identify the human resource capabilities that are critical for Uniper and its success. Uniper also defined the main people drivers, which include recruiting and employer branding, learning and upskilling, and diversity and inclusion.



Contribution to the UN SDGs

Prioritized SDGs	Commitment	Target	Progress
5 – Gender Equality 	Ensure equal opportunity and promote inclusion in the entire workforce. Have zero tolerance for discrimination.	Have women account for 25% of Uniper’s Level 1 and Level 2 below the Management Board level by June 2022. Achieve an employee inclusion indicator of over 95% by 2022.	There were 21% females at Level 1 and 2 below the Management Board level at the end of 2020 The 2020 Voice of Uniper survey showed 89% of employees felt included in their teams.
8 – Decent Work and Economic Growth 	Protect 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.	Achieve a Group-wide combined TRIF threshold of 1.0 or below by 2025. Certify 100% of Uniper’s operational assets to ISO 45001 by 2022.	1.17 in 2020, the lowest ever; TRIF roughly 50% lower than in 2016. 78% were certified to ISO45001 by the end of 2020





Employees at Ratcliffe Power Station in the UK.

Health and safety

GRI 103-1 We care about our people. That is why we work to maintain high health and safety standards in all our processes on a daily basis. Health and safety gained urgency in 2020 amid the Covid-19 pandemic, which required a swift yet systematic response across all functions and regions. Uniper played a critical role in this challenging situation: although at times the pandemic brought a lot of economic activity to a standstill, we had the responsibility to ensure that this did not happen to the energy supply. Health and safety were therefore a top priority for us in 2020.

More broadly, 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 – not only for our employees and contractors, but also 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 demolition underway in Germany, Sweden, the Netherlands, and the United Kingdom.

GRI 103-2/3, 403-1/2/8 Health and safety starts with strong leadership and requires a culture

of continual improvement. We always strive to learn from incidents as well as good practices and 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 units has 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

GRI 103-2, 403-4/5, 404-2 Uniper's Management Board is fully committed to promoting health and safety across the organization and continually monitors our health and safety performance. Health and safety are perpetual topics

on the agenda of senior management meetings – such as our leadership conference in February 2020 – and are regularly discussed by the Management Board 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 health and safety management systems of all Uniper's operating entities are certified to OHSAS 18001 or ISO 45001, except Datteln 4

100%

Uniper has set a target of upgrading 100% of its operational assets to ISO 45001

which is planned for certification by the end of Q2 2021. The 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 on-line incident management system that we introduced in 2018. By year-end 2020, it was in place at all Uniper units, except those in Sweden and Russia, where IT security restrictions have slowed implementation. 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. Synergi Life's effectiveness as an incident management tool requires the daily commitment of staff across Uniper. Thanks to training and active communications that helped our staff become more familiar with the tool, the quality of reporting and incident management have improved since the tool's introduction.

Challenges posed by the Covid-19 pandemic

In 2020, the Covid-19 pandemic introduced unprecedented challenges. Uniper's top priority at all times was to protect employees, contractors, and suppliers while maintaining business continuity. In late February, 2020 we formed a Covid-19 coordination team consisting of senior leaders from across the organization.

On March 13, 2020, The Management Board made the decision to ask all employees who could work from home to do so. Overnight, this changed the way a large majority of our people worked. It was made possible by state-of-the-art IT cloud solutions, which, even prior to the crisis, had enabled Uniper's IT infrastructure and Human Resources (HR) processes to support flexible, remote work arrangements. Only key staff in trading and IT continued to work regularly at our offices.

At most of our asset operations, remote working was not an option. Here, we implemented a variety of measures to minimize the risk of workplace infections. For example, crews at our power plants made shift changes without direct contact with each other, and the duration of maintenance periods was extended to reduce the number of workers on site at the same time.

Together, these measures helped make workplace transmission of the virus rare. In the

few cases it did occur, we investigated the causes and shared the lessons learned company-wide. A number of employees contracted Covid-19 outside of the workplace. As a precautionary measure, any colleagues who had had contact with them were asked to self-isolate. Periodic testing continues.

Focus on a healthy Uniper

GRI 403-3/6 Health management continued to make progress in 2020. Our integrated health approach offers all employees access to a wide range of services, from medical check-ups and extensive exercise programs to mental well-being campaigns. Another example is mental health and stress management for employees in our commercial business, which

89%

The average score on the health-related questions increased from 86% positive in 2019 to 89% in 2020

included a variety of virtual initiatives in 2020. Functional teams continued to implement actions defined in their unit's health action plans. The 2020 Voice of Uniper employee survey (which does not include our business in Russia) indicated increased satisfaction with our health support. The average score on the health-related questions increased from 86% positive in 2019 to 89% in 2020. The survey also asked employees how they felt Uniper had dealt with the Covid-19 pandemic in 2020. The feedback was overwhelmingly positive, with employees expressing a high level of appreciation for the measures we adopted to safeguard their health.

How we strive to improve health and safety

GRI 103-2, 403-9 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 2019, Uniper set a threshold of 1.4 for combined TRIF through year-end 2020. In 2020, we committed to striving 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.

Combined TRIF: 1.17

Combined TRIF, which includes the safety performance of contractor employees, was 1.17 in 2020 (2019: 1.48), significantly below

our 2020 threshold of 1.4. A marginal increase in recordable incidents in our engineering team was offset by a significant decline at our gas, coal, nuclear, and hydropower plants in Europe as well as at our power generation business in Russia. There was also a marked decrease at our asset support operations, both at their project sites and offices. On balance, combined TRIF decreased by more than 20%.

Employee TRIF: 0.90

TRIF for Uniper employees was 0.90 in 2020 (2019: 0.98) due to a slight decrease in the number of employees involved in reportable incidents. Employee TRIF at our subsidiary in Russia improved again in 2020 and was lower than that of most of our other units. This, along with lower TRIF at our gas and coal assets, led to a decrease in employee TRIF.

Contractor TRIF: 1.51

Contractor TRIF declined to 1.51 (2019: 2.05). Although this significant decline was likely due in part to pandemic-related restrictions and countermeasures, we believe it also resulted from our systematic contractor management and engagement initiatives. Going forward, we will therefore continue supporting our operating business in implementing our standards and working to further improve our contractors' safety performance and adherence to our standards.

We also report lost-time injury frequency (LTIF), which measures the number of lost time accidents per million hours of work.

Combined LTIF: 0.70

Combined LTIF declined by half to 0.70 (2019: 1.05), which was due to a significant drop in LTIs in 2020. As explained for the decrease of combined TRIF, we believe this is a result of pandemic-related restrictions but also from specific measures to raise awareness and communicate lessons learned from past incidents.

Employee LTIF: 0.55

Employee LTIF also declined by almost half to 0.55 (2019: 0.93) due to the same reasons as with employee TRIF.

Contractor LTIF: 0.88

Contractor LTIF decreased from 1.19 in 2019 to 0.88 in 2020. The likely reasons are the same as with contractor TRIF.


Despite steady improvement in our safety performance over the past several years, tragically, on September 24, 2020, one of our employees suffered a fatal electrical shock while working on a switchgear upgrade project at a customer's premises in Germany. Immediately following the incident, senior managers visited the site. Psychological support was offered to the colleagues and a comprehensive internal independent investigation launched to determine the incident's circumstances and root causes. The internal investigation is complete despite information from the external site being restricted due to a live legal investigation. Uniper's focus is to ensure the incident is not repeated. The findings were presented at several senior management meetings. Uniper's Management Board placed a high priority on effectively communicating the lessons learned across Uniper to prevent recurrence. Specific actions resulting from the investigation are in the process of being implemented. The incident has shown that despite the improvement of the overall safety performance, there is more that we must do to prevent such incidents.

Becoming a learning organization

In 2020, we launched an ambitious company-wide project to transform Uniper into a learning organization. This project is an integral part of Beyond Zero and builds on the successful review and improvement of our processes for reporting, documenting, and analyzing incidents that took place in 2019. The project brings together representatives from different areas of the business in order to facilitate and promote mutual learning. The main aim is to show the value of organizational learning by implementing specific cross-functional improvement projects and by connecting those engaged in different learning initiatives across Uniper. Focus groups were set up to design solutions for the different aspects of organizational learning: measuring learning progress better, coordinating tools and systems for sharing good practices, sharing lessons learned with our contractors and other companies, and refining our learning tools and our engagement and communications channels.

We intend to propel our journey toward becoming a learning organization by means of dedicated leadership, passion, and the allocation of sufficient resources.

An example of organizational learning, which significantly contributed to the development of the new Beyond Zero vision, came in the wake of a boiler and turbine malfunction that occurred at unit 3 of Maasvlakte, our coal-fired power plant in Rotterdam's port district, in March 2019. Fortunately, no one was harmed in this incident. The investigation's findings were used to conduct a company-wide learning and awareness campaign. We held more than 20 workshops with more than 400 participants in 2020, with more workshops planned for early 2021. The campaign led to improvements in areas such as alarm management, management of change and asset criticality, and maintenance decisions.



An employee at Maasvlakte Power Plant in the Netherlands.

Fair and attractive employer

GRI 103-1 Uniper employees are key to our success. The labor market is highly competitive. This makes having a strong and attractive 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.

GRI 103-2 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 and simplify), and individual contribution (act as if it is your own company). The Uniper Way is integrated into our management structures and internal mechanisms and 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 to hiring and development, guidelines for job interviews, and systematic feedback on employees' performance, which fosters continuous self-reflection and improvement. Supported by digitization, these elements help create an agile and flexible organization with more cost-efficient processes.

The Voice of Uniper, our annual employee survey, measures employees' awareness of the Uniper Way and how it is brought to life by managers and teams. The 2020 survey, our fifth, had the highest participation rate so far, making its findings particularly reliable. There were improvements in nearly all categories, which suggests that the measures to address issues identified in the 2019 survey were successful. A large majority of Uniper employees recognizes that their company is actively propelling the transition toward a decarbonized future and that the communication of its strategy and objectives has become much clearer.

A Uniper employee.



How we manage our attractiveness as an employer

GRI 103-2/3 Our purpose is to Empower Energy Evolution while making Uniper more streamlined, more competitive, and more resilient. This includes steady progress in decarbonization. Our HR activities support this by focusing mainly on capability management. We identified the capabilities we need to achieve our strategic objectives and anticipate changes in our competitive environment. These capabilities are customer interaction, stakeholder management, change management, operational excellence, commercial excellence, project management, and digitization. These capabilities are customer interaction, stakeholder management, change management, operational excellence, commercial excellence, project management, and digitalisation. In 2016, Uniper signed the German Diversity Charter, a corporate initiative to promote diversity at companies and institutions in Germany. The signing signifies our voluntary commitment to promote diversity and appreciation in our business culture. In January 2020, Leading Employers, a Düsseldorf-based employer evaluation

system, ranked Uniper in the top 1% of German companies, citing our qualities as a holistic employer. Leading Employer uses roughly 8 million pieces of data to analyze German employers. Furthermore, Nyckeltalsinstitutet in Sweden named Uniper an Excellent Employer, meaning that we are among the country's top 10% employers in terms of working conditions.

In 2020, we took numerous steps to further improve our attractiveness as an employer. Our employer value proposition – “Energy Evolution starts with U!” – was promoted through a new career website, new job board, and updated employer branding profiles on external job markets. It featured a series called “Evolutionaries,” which consisted of brief videos in which employees tell their stories, giving potential candidates insights into working at Uniper. These and other employer branding measures are designed to enhance our image as an attractive employer among current employees as well as outside applicants.

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 2020, 21 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. Due to the Covid-19 pandemic, all hiring and onboarding processes for trainees were converted to virtual formats in 2020.

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 2020 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.



Uniper graduate trainees.

How we manage and reward our workforce

GRI 103-1/2 Competitive compensation and fringe benefits are essential for attracting and retaining talented people. A portion of employees' compensation is variable and reflects both Uniper's performance (including occupational health and safety) and employees' individual performance. In 2020, Uniper employees in Germany and Sweden were able to conduct the annual performance cycle entirely online, an example of our progress in digitization. We provide our employees with other valuable benefits, such as disability insurance and family coverage. In several countries, we provide attractive retirement plans as well. This helps our people lay the foundation for their future financial security and that of their dependents, while at the same time fostering employee retention.

We offer 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. Beginning in March 2020 – shortly after Covid-19 arrived in Europe – we actively enabled, encouraged, and supported our people to work from home whenever possible. We also made work hours even more accommodating, vacation days more flexible, and provided virtual childcare. These measures were aimed in particular at the parents among our employees, whose lives were complicated by school closures. In addition, we provided employees and managers with specific support and individual consulting to help them cope with the new and challenging situation created by the pandemic.

GRI 401-1 We hired 1,059 new employees from outside our company in 2020, 355 of them on temporary contracts. The majority were recruited in Germany (49%) and Russia (31%). At year-end 2020, 4.9% of our employees were working part-time. This is roughly the same as in 2019 (4.8%). New employees in 2020 were onboarded through a variety of virtual events.

Training

GRI 404-2 We offer vocational training for a wide variety of commercial and technical occupations, as well as internships to prepare young people for an apprenticeship. We had 192 apprentices and 132 work-study students and interns in Germany at year-end 2020. Alongside our Graduate Trainee scheme, these programs help us meet the challenges of demographic change and a shortage of qualified personnel.

Training is tailored to an employee's individual needs and, increasingly, combines face-to-face with e-learning. In 2020, Uniper continued to conduct training mandated by law and necessary for practical reasons in order to ensure the long-term resilience of its business operations. Pandemic-related restrictions resulted in many training offerings being converted from presence to virtual formats, if possible. In addition, we enhanced our digital learning offerings by launching a cooperative arrangement with LinkedIn Learning. The arrangement enables all our employees in Germany to use an online platform to book outside training quickly and easily. We also initiated a program to improve employees' digital capabilities. The program will be expanded in 2021 and made available Group-wide.

Uniper put in place a new leadership development framework in 2020 as well. It includes a program designed to address all leadership topics that are essential for new leaders to succeed at Uniper. In addition, deep-dive modules for experienced leaders on topics like inclusive, agile, and remote leadership were added to our leadership curriculum, which can be accessed by managers Group-wide.

New hires from the external market by age range¹ **GRI 401-1**

Age range	2020	2019
<21	401	110
21–30	313	492
31–40	181	378
41–50	99	210
51–60	51	140
>60	14	46
Total	1,059	1,376

¹ These figures include permanent and temporary staff, managing directors/board members, interns, working students, and apprentices.



Diversity and inclusion

GRI 103-1 An open, inclusive, and creative corporate culture can unlock hidden value for our business, enable our people to realize their full potential, and foster innovation and resilience. Promoting diversity and inclusion, regarding them as an opportunity, and combating discrimination have all been an integral part of the Uniper Way from the beginning. Uniper seeks growth through innovation. We know from experience that teams whose members have differing perspectives and horizons of experience are capable of developing 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, diversity and inclusion are a top priority for Uniper.

Uniper trainees.



Our management of diversity and inclusion

GRI 103-2/3 Uniper's Management Board is fully committed to promoting diversity and inclusion (D&I) in the seven dimensions defined by the German Diversity Charter ("Charta der Vielfalt"): gender, nationality or ethnic background, religion or worldview, disability, age or generation, sexual orientation and identity, and socioeconomic background. An increasing network of D&I ambassadors is one of the key pillars to reinforce awareness in their business function and across the organization.

Diversity is a long-term corporate objective that we intend to achieve through the commitment of senior management and employees alike. We want to create a work atmosphere that embraces differences and in which all employees feel respected, comfortable, and included in their team. We believe that respecting employees for their uniqueness enables them to deliver their best performance. Diversity encourages new perspectives, creativity, reflection, and innovation, all of which are crucial for our success. Moreover, fostering an open corporate culture will enable us to reflect societal change and help us prevent a future shortage of skilled workers.

We have revised a range of HR processes – including recruiting, onboarding, learning, succession, and rewards – from a D&I perspective and taken specific steps to help managers and employees better understand what D&I means for Uniper's corporate culture. Examples include a D&I booklet that communicates D&I's value for Uniper, Diversity Day and other events, and interviews with Uniper teams that highlight their D&I success stories.

Diversity and Inclusion Improvement Plan

GRI 404-2 From 2018 until 2020, Uniper conducted a D&I improvement plan that focused on three areas: leadership and culture, communication, infrastructure and compliance. In 2020, we placed a special emphasis on developing our inclusive leadership program, supporting the growing D&I ambassador network, assessing employees' needs with regard to inclusiveness, and conducting company-wide D&I communications. Managers and their teams implemented diversity projects that addressed issues that are most relevant to them. First indications show success in the areas of awareness and engagement where the number of D&I ambassadors increased from 6 in 2017 to 68 in 2020 and the number of members of the D&I Ping community on Uniper's intranet increased from 250 members in 2018 to 470 in 2020. A full review of the plan's success will be conducted in the first half of 2021.

In 2020, senior managers were encouraged to develop a D&I plan for their area of responsibility and include it in their 2020 objectives. Managers at all levels discussed inclusive leadership during workshops and peer coaching with the aim of putting it into practice. In addition, a new training course was made available to new and current employees. It presents D&I as integral to Uniper's culture and success. We also took steps to promote diversity in our recruitment and selection processes.

>95%

Uniper has set a target of achieving an employee inclusion indicator of over 95% by 2022



Employees at our Birmingham office in the UK.

In addition, Uniper set a target of achieving an employee inclusion rate of over 95% by 2022. We measure progress toward this target by asking employees in the Voice of Uniper, our annual employee survey, whether they feel included in their team. The survey results indicated that employee inclusion increased from 87% in 2019 to 89% in 2020. This was a noteworthy improvement but remains below our target of 95%. The 2020 survey contained a new question: whether our employees feel they belong and why. For example, 65% mentioned feeling comfortable with being themselves at work making them feel as if they

belong. Each team reflects on the survey's findings for itself and the company as a whole in order to identify starting points for enhancing inclusion.

We have implemented many improvement initiatives with the introduction of D&I improvement plans in 2018. To build on these successes in a sustainable way, we decided to conduct a detailed analysis of our progress so far at the end of 2020. The findings, which we expect to deliver in the first half of 2021, will form the basis of a new D&I road map for the rest of 2021 and beyond.



Uniper employees

Preventing discrimination and harassment and fostering inclusion

GRI 102-17 Uniper is committed to not tolerating discrimination or harassment in any form. We comply with anti-discrimination laws and regulations in the countries where we operate, such as the German General Equal Treatment Act. Compliance is supported by clear company policies, such as the Code of Conduct and an anti-harassment guideline, as well as training modules. In consultation with works councils, we designed a process to deal with potential violations quickly and fairly. If employees feel that 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, an internal or external whistleblower hotline. We take violations very seriously and do everything we can to rectify the situation, including taking disciplinary action.

GRI 404-2 We provide training to our managers and executives to help them recognize and prevent even the most subtle forms of discrimination, harassment, and bias. All employees have free access to an e-learning 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 continually encouraged our people to expand their D&I skill set.

We actively seek to hire minorities and people with disabilities, support their professional and personal development, and promote them. In 2020, we revised the recruitment process from a D&I perspective and added several steps to the hiring process, such as gender-decoding software to help make language gender-neutral, more diverse interview panels, and advertising jobs as either part-time or full-time where possible.

Promoting gender equality and fostering female talent

GRI 405-1 Uniper's target is for women to account for 25% of our high-level executives by June 2022. At year-end 2020, 21% of these positions were held by women. We intend to reach our target for 2022 through more diverse selection and recruitment procedures, mentoring, flexible work arrangements for all employees, and similar measures. Women made up 25.2% of our overall workforce in 2020, almost unchanged from the prior-year figure of 24.6%. To further enhance our commitment to equal opportunity and social responsibility as an employer, we participate in a number of projects and initiatives: in 2020, we joined Komm, mach MINT, an initiative in Germany that supports young women in science, technology, engineering, and mathematics (STEM). The initiative promotes information sharing and helps participants gain insights

into the wide range of companies at which STEM skills are relevant. Our participation is one of the ways we support women and girls in STEM fields and highlight career opportunities.

Another is by participating 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. In 2019, a dozen girls in grades seven to nine spent the day with several Uniper employees and apprentices in our headquarters in Düsseldorf. Unfortunately, Girls' Day could not take place in 2020 because of the Covid-19 pandemic. The event will be held virtually in April 2021.

In October 2020, twelve female colleagues from Uniper Sweden were nominated for the Power Woman of the Year Award, which highlights women in Sweden's energy industry. The aim is to broaden the recruitment base and attract more women to the industry. Since the award was first conferred, a total of 120 highly accomplished women from CEOs and business leaders to technical experts and government officials – have been nominated.

The Women's Forum for the Economy & Soci-

ety held its global meeting in November 2020. More than 30 of Uniper's female leaders and highly promising employees participated in this virtual summit, discussing how to have a positive impact and make the world more inclusive. The focus areas were business and finance, scalable climate action, leadership through STEM, and artificial intelligence.

Other D&I events and awards


We conducted a variety of D&I events in 2020. Although most were virtual because of Covid-19, this enabled employees from across Uniper to participate. For example, we commemorated International Women's Day and International Men's Day by means of virtual events and supporting communications that highlighted the various aspects of diversity at Uniper.

Our third annual Diversity Day, which we held in May 2020, was entirely virtual. Our employees brought its theme – "Every Day is Diversity Day" – to life by conducting online workshops and discussions on issues like mental health and inclusion, inclusive meeting practices, hidden bias, and D&I amid Covid-19.

Uniper UK put special emphasis on National Inclusion Week, focusing on the link between mental health and inclusion, neurodiversity, and people with disabilities. Uniper UK also supports the British armed forces and re-

Uniper employees at Holford gas storage.





2019 Diwali party.

ceived the bronze award from the Defence Employer Recognition Scheme. In the United Kingdom, we are committed to upholding the principles of the Armed Forces Covenant in a number of ways, such as supporting the employment of veterans of all ages, offering them training courses at a discounted rate, and supporting our employees who choose to be members of the Reserve Forces by accommodating their training and deployment where possible.

Uniper also has a long tradition of celebrating Diwali, an important festival for many Hindus, Jains, and Sikhs. Diwali took place online in 2020, with colleagues from across the company and Uniper's IT partners joining the event for a candle ceremony, an Indian dance performance, and presentations.

Unipro, our subsidiary in Russia, received an award in 2020 for conducting a project to support people with disabilities. The Ministry of Energy of Russia named Unipro one of Russia's most socially oriented companies for its project to promote equal opportunity in Sharapovo, a town located about 40 kilometers southwest of Moscow, where Unipro operates a power station. In 2020, Uniper

donated computers to disabled people to improve their quality of life while self-isolating during the Covid-19 pandemic.

Employee resource groups

Alongside the D&I ambassador network, our employee-led resource groups are instrumental in fostering inclusion and advocating diversity. All these groups continued their activities in 2020 using virtual means and increased their membership. The biggest, called Women at Uniper, has more than 850 members. In 2020, it formed working groups on mentoring and job rotation and webcast a live interview with Tiina Tuomela, who was Executive Vice President of Generation at Fortum, company-wide in December. Other groups, such as the Pink Community (our internal LGBTIQ+ network) and the Parents Network, remained active as well. The latter became an even more important resource amid Covid-19, as parents faced challenges in balancing working from home and home-schooling.

Personal statement on D&I by Larissa Leienbach



Larissa Leienbach D&I Manager

Being appointed D&I manager at Uniper at the beginning of 2021 is a great opportunity and great challenge at the same time. This is an attempt to share some of my personal reflections and offer food for thought on how to create an inclusive workplace and equal opportunity for all.

Our ambition is to create a safe environment that encourages everyone to participate wholeheartedly. Feeling included and respected for who you are is important to all of us. It is also closely linked to our mental health. First, not having to fear discrimination or harassment is fundamental to feeling psychologically safe. Second, being able to be your true self at work and not feeling you have to hide certain aspects of your personality allows us to achieve our full potential. Therefore, if we care about our employees' health and safety, which at Uniper we do, and want to benefit from a diverse workforce, we have to care about inclusion. Diversity and inclusion always go hand in hand.

Due to historic and societal developments, the systems we live in favor some groups and disadvantage others. As a consequence, we do not all have the same opportunities. We have different starting points and will encounter more or less obstacles along the way depending on certain characteristics, such as religion and belief, ethnic background, nationality, gender, age, sexual orientation, disability/ability, and socio-economic background, or a combination of these.

It is not our fault if we have had it easier in life than others. However, it is our fault if we do not do anything to remove inequalities. Deciding not to do something is deciding to do nothing.

How can we all do our part to foster an inclusive workplace and make sure everyone is treated fairly? A good place to start is to reflect on these questions:



- What are the most important values you live and work by?
- What is your approach to understanding the perspectives of colleagues from different backgrounds?
- How do you make sure everyone you interact with feels included?

Any change in the status quo, whether it is a way of behaving or an accepted point of view, will be difficult to sustain if it is not supported consistently and over time. Holding ourselves and others accountable is key for achieving a more inclusive world that we all benefit from.

Environmental protection

GRI 103-1 We are committed to minimizing pollution and protecting the environment. We actively manage our operations so that they have the least possible negative environmental and social impacts. Using natural resources efficiently and responsibly is important to us.

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Target	Progress
12 – Responsible Production and Consumption 	Promote waste reduction, land pollution prevention, and environmentally responsible mining.	Maintain certification of 100% of Uniper's operational assets to ISO 14001.	<p>100% of Uniper's operating assets were certified to ISO14001 at end of 2020.</p> <p>30% reduction of oxides of sulfur dioxide emissions and 19% reduction in oxides of nitrogen emissions from 2019 to 2020.</p> <p>0.07 million metric tons reduction in operational waste from 2019 to 2020.</p>
15 – Life on Land 	Work with contractors, suppliers, and industrial customers to adopt a life-cycle approach in order to protect the environment, use resources efficiently, and market Uniper's by-products.	<p>Have no severe environmental incidents.</p> <p>Number of major voluntary measures enhancing biodiversity ≥ 12 in 2021 (total for both Uniper and Fortum).</p>	<p>Zero severe environmental incidents in 2020.</p> <p>Reporting for biodiversity target starts in 2021.</p>



Environmental protection

GRI 103-1 It is of strategic importance to Uniper to be fully aware of the environmental impact and performance of its operations. The environmental performance of its assets significantly affects its operating efficiency, market position, and reputation. Uniper complies with all applicable laws to prevent uncontrolled emissions to the air, water, and soil. To mitigate environmental risks, the HSSE & Sustainability function at Uniper Group Management defines and implements dedicated environmental management systems (EMS).

100%

of our operational facilities maintained their ISO 14001 certification

Continually improving our environmental performance

GRI 103-2/3 To minimize environmental risks, we have environmental management systems certified to ISO 14001 in place, an internationally recognized standard. As of year-end 2020, 100% of the existing operational assets of Uniper's fully consolidated subsidiaries have retained their ISO 14001 certifications. The EMS of Datteln 4, one of the most modern power plants of its kind worldwide that entered service in mid 2020, achieved certification to ISO 14001.

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 for these facilities.

We carefully investigate all incidents and all significant environmental near-hits and take 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 2020, 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.”

Environmental regulation

GRI 307-1 Following a legal challenge by an environmental non-governmental organization to the system introduced by the Dutch government to protect Natura 2000 sites from nitrogen pollution, and the subsequent revoking of the existing permit system by the Supreme Court in 2019, the Hague combined-cycle gas-turbine plant returned to operating under its previous permit. As a result of operating under the previous permit, the plant was operating at a lower nitrogen oxides (NOx) emissions limit, which subsequently restricted the plant's operation in 2020. The issue is expected to be resolved during 2021.



Air emissions

GRI 103-1-3, 305-7 Air emissions are an important topic for stakeholders. We define significant air emissions as those that are regulated under international conventions and/or national laws or regulations.

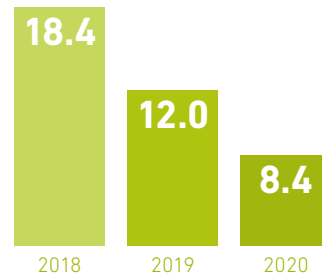
8.4 kilotons of sulfur dioxide (SO₂) emissions

SO₂ results primarily from the combustion of sulfurous coal. Flue-gas desulfurization equipment captures about 90% of our SO₂ emissions and prevents them from entering the atmosphere. We emitted 8.4 kilotons of SO₂ in 2020, 3.6 kilotons less than in 2019.

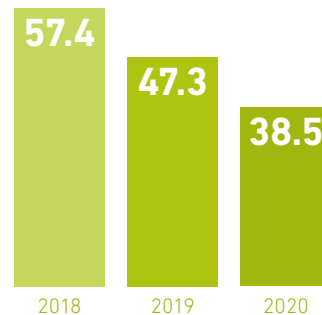
30%

reduction of SO₂ emissions from 2019 to 2020

SO₂ emissions
2018 – 2020 (kilotons)



NO_x emissions
2018 – 2020 (kilotons)



38.5 kilotons of 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 2020, our NO_x emissions declined by 8.8 kilotons year on year to 38.5 kilotons, which is a 19% reduction from 2019 to 2020.

1.05 kilotons of dust emissions

Despite extensive filtering, the burning of coal and lignite in power stations results in some 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 0.47 kilotons lower in 2020 than in 2019.

SO₂, NO_x and dust emissions were decreased from 2019 to 2020 mainly due to reduced generation at our coal-fired Beresovskaya power plant in Russia.

BREF: reducing the emissions of fossil-fueled power plants

We monitor legislative processes that could result in changes to environmental laws and regulations where Uniper operates. The Best Available Techniques Reference (BREF) document produced by the European Commission sets stricter emission standards that conventional power plants have to meet by 2021 unless they obtain a formal derogation. Except for Germany, the countries for which this legislation is relevant have transposed the requirements into national law.

In 2020, Uniper applied for derogations from the BREF standards for SO₂, NO_x, and dust for Ratcliffe, a 2 GW coal-fired power station in central England.

Uniper has invested heavily in improving the environmental performance of the power station over the years, ensuring full compliance with all emissions legislation, including the Industrial Emissions Directive (IED). However, the government's plans for coal closure and the predicted reduction in low coal-fired generation in the run-up to 2025, would mean that Uniper would not be able to recover the costs of any additional investment needed to meet the new lower emission limits. Strict compliance with BREF would also require additional operational costs for all emission types, along with fur-

ther investment to manage dust and sulfur reductions. None of these costs would be fully recovered by the time coal-fired generation comes off the system in line with government policy by 2025.

The derogation application documents were reviewed by the United Kingdom environmental regulator, the Environment Agency, in line with their policy requirements, and in July 2020, the Environment Agency granted Uniper's request for all three derogations, allowing the power station to continue to operate subject to conditions set out in the permit. However, it is important to note that Ratcliffe-on-Soar will continue to meet the IED requirements and, these derogations mean that emissions from Ratcliffe power station will reduce when compared with operations prior to their implementation. The facility will operate abatement equipment to help further reduce emissions, whilst ensuring security of electricity supplies. The derogations will remain valid until the October 1, 2025, or until the power station closes – whichever is sooner.

Reducing NO_x at Surgutskaya GRES-2 in Russia

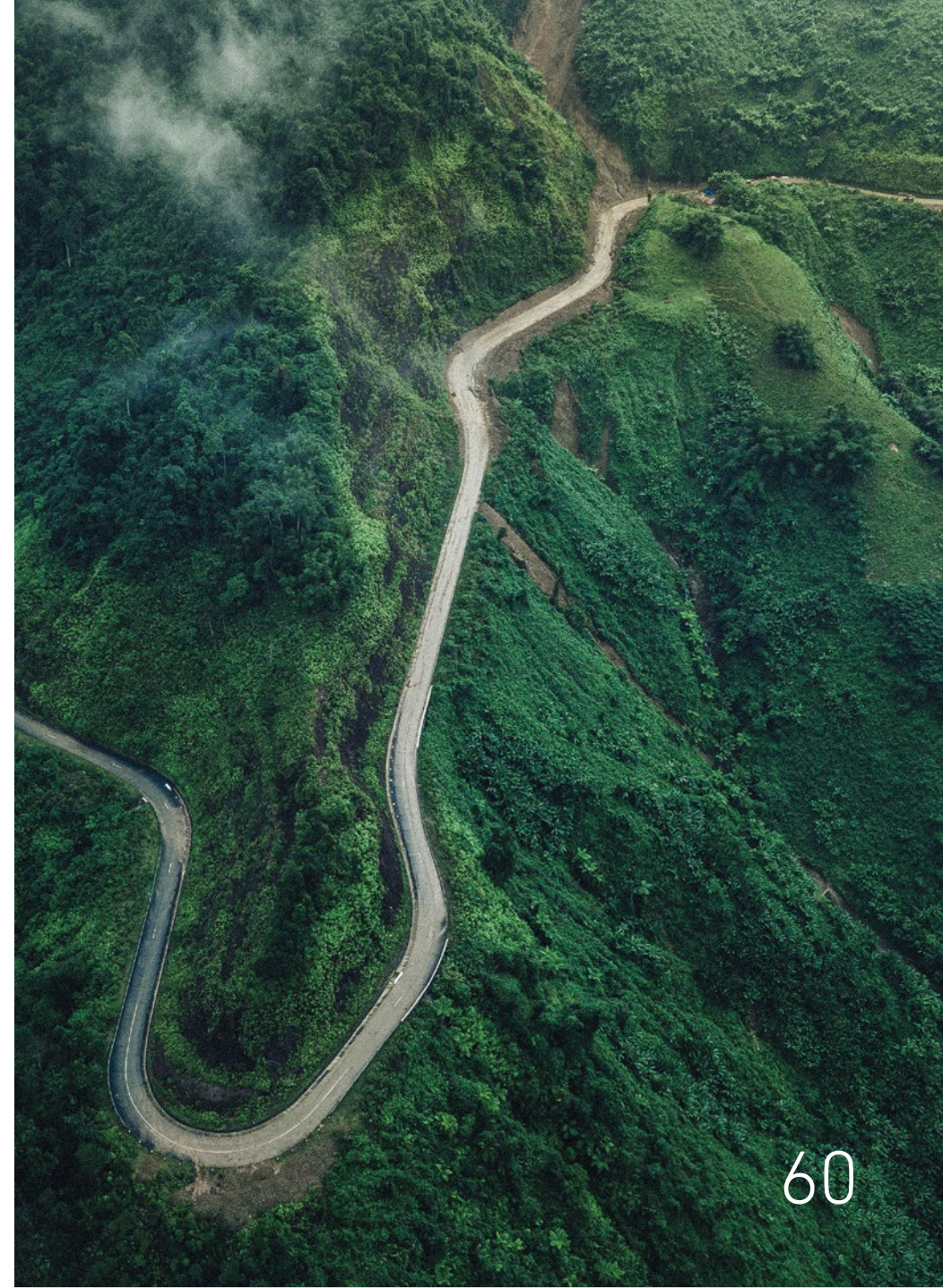
Surgutskaya GRES-2, a nearly 5.7 GW gas-fired power station in western Siberia operated by our subsidiary Unipro, is our largest generation asset. As part of its commitment to environmental protection and in response to stricter emission thresholds, Unipro plans to reduce the plant's NO_x emissions by 300%, from the average original design concentration of 1,110 mg per m³ of exhaust gas to 350 mg by the end of

2022. Two of the plant's six generating units have already reached this figure. Achieving the target with all units will involve modifying the design of the boilers' burner-gas distribution pipes, discontinuing the supply of recycled gas to the peripheral channels of level 3 burners, and making other modifications during 2020 and 2021. A further possible modification – replacing category III steam turbine extraction lines – would reduce the plant's average NO_x emissions to 255 mg per m³ by 2026, which would be well below regulatory limits.

Advanced swirl-stage burners at Datteln 4

To further improve the environmental performance of our coal-fired power plant Datteln 4 in Germany, it is fitted with swirl-stage burners, which substantially reduce NO_x emissions even when it uses a wide range of coal qualities. These burners make adjustments that ensure the optimal flow conditions as well as optimum ratio of fuel particles and air or oxygen for ignition are maintained.

When Datteln 4 was commissioned, it became clear that combustion quality could be significantly improved if all secondary-air-swirl flaps were retrofitted with automated actuators. This enables the burners to respond automatically to changes in combustion quality and coal quality, thereby helping maintain ideal combustion conditions. This leads to a reduction in fuel burnt, unburnt fuel, ammonia use, as well as carbon monoxide, CO₂, NO_x and other emissions to air. The actuator project began in late November 2020 and is scheduled to be completed in the first half of 2021.



Energy efficiency

GRI 103-1/2/3 G4-EU11 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 CO₂ emissions. Furthermore, we share these developments with other industrial enterprises and provide tailored energy efficiency solutions to help them become more energy efficient, in turn reducing their carbon emissions.

All Uniper's fossil-fueled 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 for energy management. All these facilities retained their certification to ISO 50001 in 2020.

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 costs.

The improvement process is ongoing. Each year 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, 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.

One such improvement project is under way at Gönyü, a 428 MW gas-fired power plant we own and operate in northwest Hungary. The plant's net efficiency of 59% makes it one of the country's most efficient. We are currently taking steps for it to be even more so. In 2020, we began installing two small innovative 0.4 MW hydro turbines in the cooling water outflow. Installation was delayed owing to Covid-19 but will be completed in 2021. We are also adding equipment that uses waste heat to preheat air to the gas turbines. This project, which will likewise be completed in 2021, will reduce carbon-monoxide emissions at low loads. Another modification carried out in 2020 involves preheating air in the gas turbines in partial load operation, which delivers a small efficiency increase in this mode. When completed, we expect these upgrades to raise Gönyü's net efficiency, making it even climate-friendlier.

Helping industrial customers be more competitive and sustainable

Energy-efficiency solutions for Europe's manufacturing industry is a big and growing market. The reasons for this growth are threefold: regulation, cost pressure, and sustainability ambitions. When manufacturers use energy more efficiently, they spend less money on it and emit less carbon. Today, the

pressure on industrial enterprises is increasing, and many are looking for support to take the next step.

In 2019, Uniper initiated a new strategic project called EnEff. Its purpose is to help industrial customers reduce their energy costs and greenhouse-gas emissions. In January 2020, for example, the EnEff team visited a paper manufacturer in eastern Germany to determine the energy required for the different stages of its production process and identify potential savings. The team then designed a plan for achieving a number of the savings over the next two years in a way that ensures uninterrupted production. EnEff will handle the technical implementation of the plan as well, which sets it apart from providers that only design energy-saving solutions.



Fuels and by-products

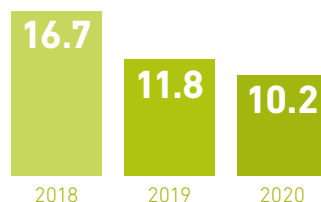
GRI 103-1 We are committed to using fuels and other natural resources efficiently and responsibly. We also strive to market the by-products of power generation, which replace virgin materials and thus conserve resources. Our ability to deliver on this commitment affects our operating efficiency, margins, market position, and reputation, as well as the communities near our assets.

Using less coal, lignite, and gas

Our coal-fired power plants consumed 10.2 million metric tons of coal and lignite in 2020, about 1.6 million tons less than in 2019. Continual upgrades of our assets have enabled us to consume less coal to produce more power. However, the main reasons for the year-on-year decline in our coal usage are that some of our plants operated below their full capacity or were mothballed, whereas others have been decommissioned – in some cases as part of our ambitious coal-exit plan – or sold.

There was a decrease of 0.7 billion m³ in the natural gas consumed by our power plants from 2019 (13.5 billion m³) to 2020 (12.8 billion m³) due to reduced generation from our gas-fired plants in the UK and Russia.

Coal and lignite consumption in our own power plants (million metric tons)



From fuel to building material

The generation of electricity at coal-fired power plants also yields by-products. These by-products have beneficial uses and can replace virgin materials in several applications and industries, such as construction. To do so, they first have to meet certain standards, such as EN 450-1:2012 for the use of fly ash in the manufacture of concrete products. Using fly ash in this application is good for the environment. The use of high-quality fly ash displaces the use of cement in concrete, thereby reducing the environmental impacts associated with cement. It also prevents the fly ash from being landfilled. BauMineral, our Herten-based building materials specialist, not only maximizes the marketing of our by-products but also helps its customers maximize their own reuse.

We sold, recovered, or disposed of 0.63 million metric tons of pulverized fly ash and furnace bottom ash in 2020 (2019: 0.93 million metric tons). Almost 99% was recovered or sold.

Gypsum is a by-product of the desulfurization process in coal-fired power stations. We sold, recovered, or disposed of 0.48 million metric tons of it in 2020 (2019: 0.57 million metric tons). We recovered and sold 99% of it as by-products, for manufacturing drywall (plaster boards) and other gypsum-based building materials.

The amount of pulverized fly ash, furnace bottom ash, and gypsum that we sold and recovered during 2020 decreased from 2019 primarily due to reduced generation at our UK and German coal-fired plants.

Supplying fly ash for “The Cradle”

The Cradle is a wood-hybrid office building under construction next to our headquarters in Düsseldorf. As the name suggests, it is being built according to the cradle-to-cradle principle, meaning that most of the materials used will subsequently be able to be reused. The site on the bank of the River Rhine creates challenges, such as a partially underwater foundation.

To have the right properties in terms of workability and flow, underwater concrete has a much higher proportion of fly ash than standard concrete. Our BauMineral subsidiary supplied a total of 270 metric tons of EFA-Füller (hard-coal fly ash certificated to comply with EN 450) from Scholven, our coal-fired power plant in Gelsenkirchen. Construction of The Cradle is scheduled to be completed in 2022.

Increased replacement of coal with biomass

In 2020, Uniper Benelux successfully increased the amount of biomass, particularly in the form of wood pellets, co-combusted at Maasvlakte Power Plant 3 (MPP3). The co-combustion of biomass enables the plant to replace hard coal that would otherwise have been burned and the associated air emissions, in particular CO₂.

While MPP3 already has a history of co-combusting biomass, the amount co-combusted in 2020 was the highest ever: MPP3 co-combusted 552 kilotons of biomass, of which 477 kilotons was wood pellets. This is a great increase from 173 kilotons of biomass (140 kilotons in wood pellets) in 2019. This increase in biomass co-combustion raised the amount of biomass combusted to over one third of the total fuel burned at MPP3 in 2020 (552 kilotons of biomass alongside 1,248 kilotons of hard coal).

By co-combusting biomass, 685 kilotons of CO₂ emissions were avoided in 2020 that would otherwise have been emitted by hard coal.



Scholven power plant, Germany.

Waste minimization

GRI 103-1 We are committed to minimizing the waste we generate and improving how our waste is managed.

GRI 103-2/3, 306-1/2/3 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. At Uniper, 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 0.167 million metric tons of operational waste in 2020, a decrease from 2019 (0.235 million metric tons). There was a 0.07 million metric ton reduction in operational waste from 2019 to 2020. This was primarily due to reduced generation at our coal-fired power plant Beresovskaya in Russia, which resulted in a significant reduction in the quantity of waste ash produced.

Managing waste in the United Kingdom

We contract a waste broker to manage most of the waste we produce in the United Kingdom. The broker has a wider network of waste management contacts and actively seeks out avenues to reuse and recycle waste, particularly those for which we previously had not identified reuse or recycling options. For example, we are working with the broker to explore whether it is possible to clean and reuse gas turbine air filters.

Managing radioactive waste in Sweden

GRI 306-1 We operate or have stakes in nuclear power plants (NPPs) in Sweden that produce low-, intermediate-, and high-level radioactive waste. This waste totaled 476 metric tons in 2020, less than in 2019 (940 metric tons). Of this total, 24 metric tons was a high-level radioactive waste (2019: 88 metric

tons); 451 metric tons was very low- or low-level radioactive waste and intermediate-level radioactive waste (2019: 852 metric tons). Overall, there was a 464-ton reduction in radioactive waste produced by our nuclear power plants from 2019 to 2020.

We have an important responsibility to ensure that this waste is handled, stored, and disposed of properly. That is why safety, as well as radiation and environmental protection, are high priorities for us. Nuclear waste is managed in accordance with Swedish law. Nuclear power companies in Sweden established the Swedish Nuclear Fuel and Waste Management Company (SKB) in the 1970s. SKB's mission is to manage and dispose of all radioactive waste from Swedish NPPs to ensure maximum safety for people and the environment. We and the minority shareholders have designed a long-term strategy for dismantling Barsebäck NPPs two units and units 1 and 2 at Oskarshamn. Decommissioning is under way at all four units. This will lead to an increase in all levels of radioactive waste in the years ahead.

Dismantling nuclear power plants in Sweden

2020 marked the start of the dismantling of Oskarshamn 1 and 2 and Barsebäck 1 and 2, Uniper NPPs in Sweden. Dismantling begins with the removal of the plants' radioactive components, which is expected to take eight years. The reactor pressure vessel (RPV), for example, is cut into rings which are subdivided into smaller segments that are packed in special containers for transport to the interim storage building, where they will stay until Sweden's final repository is operational. Each RPV takes about a year to dismantle. The lessons learned from Barsebäck 1's RPV, the first to be removed, will be applied to

the work on the other three. After the completion of radiological dismantling, which is scheduled for 2028, the radioactivity of the buildings themselves will be measures. If levels do not exceed permitted limits, conventional dismantling can begin. Ongoing dialogue with the Swedish Radiation Safety Authority (Strålsäkerhetsmyndigheten – SSM) and the County Administrative Board is essential for the dismantling process. This is an important project for Uniper: it will demonstrate our ability to take responsibility for our NPPs' entire life cycle.

Waste management during dismantling

The majority of the waste resulting from dismantling does not have elevated radiation levels and can be handled as conventional waste after being checked to ensure that its radioactivity is below the threshold set by the SSM. Reducing the amount of radioactive waste sent to the final repository is important. It means more materials can be recycled, which reduces the environmental impact of dismantling. Some waste, mainly metals, needs more advanced processing and cleaning before being released. High-level waste – like the RPVs described above – will go to the final repository. The SSM and the Environmental Court have given us permission to construct buildings at Oskarshamn and Barsebäck to store low-level waste temporarily until the final repository is operational. In addition, the permitting process is under way for a new landfill at Oskarshamn, which will store very low-level waste from the dismantling of Oskarshamn and Barsebäck and also operational waste from Oskarshamn 3, which will remain in service.

Reducing radioactive waste for disposal

In 2018, we identified an opportunity to improve waste management at Oskarshamn 3. We implemented several measures to reduce the amount of very low-level radioactive waste sent for disposal and energy recovery and thus to promote conventional material recycling. These measures included better waste classification for better sorting, better segregation (such as marked bins), and increased education on waste. The project has achieved significant improvements in all areas.

In 2018, 85% of Oskarshamn's radioactive waste was sent for recycling and recovery; in 2019 this figure increased to 97%, and in 2020 it increased further to almost 100%.

In addition to identifying ways of reducing the amount of very low-level radioactive waste being sent for disposal, the project provided Oskarshamn with an overall better understanding of its waste management system and helped reduce waste-disposal costs. Although the project has now been completed, other improvement measures, such as process mapping and clearer sorting criteria, are planned for 2021.



Lifting the reactor pressure vessel (RPV) lid.

Promoting biodiversity

GRI 103-1 We recognize that our 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.

GRI 103-2/3 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.

Preserving biodiversity in Wales

GRI 304-1 The grounds of our gas-fired power plant Connah's Quay, in North Wales, includes an extensive nature reserve along the River Dee estuary. The land, which is a Site of Special Scientific Interest with Special Protection Area status and registration under the Ramsar Convention on Wetlands, is regulated by Natural Resources Wales (NRW). Uniper has long partnered with the Deeside Naturalists' Society to manage members' access to the site while maintaining it in accordance with a land management plan agreed on with NRW. With the reserve closed during much of 2020 amid Covid-19, we renovated its two-story brick bird-spotting hide, the largest on the property. Repainted and with a resealed roof, the hide is ready to keep bird-watchers comfortable and dry for many years to come.



Two-story bird-spotting hide, Connah's Quay power station.

New meadow for meadow vipers

GRI 304-3 When we received permission to construct Gönyü, our 428 MW gas-fired power plant in northwest Hungary, we were assigned an environmental compensation project relating to the rare and endangered Hungarian meadow viper. Human activities such as agriculture have encroached on the viper's habitat. The project therefore aimed to create a habitat in which vipers can find food, breed, and hibernate. The solution, which we completed in 2020, was to transform a wooded hill in the Pintér Hany area into a snake-friendly grassland. From 2021 onward, the National Park will monitor the viper population in the meadow.

Fast lanes for fish

GRI 304-1/2/3 For fish, a hydroelectric plant is an insurmountable obstacle. Consequently, nearly all our run-of-river hydro plants in Germany and Sweden offer fish an alternate route: a man-made creek, called a fish pass or fish ladder, enabling fish and other water dwellers to get around the plant safely.

The fish pass at Altheim, a Uniper hydro plant situated on the Isar River about 70 kilometers northeast of Munich, was upgraded in 2019 as part of the EU-funded FIThydro project. The improvements included creating segments with different currents and depths along the 3.6-kilometer pass to provide a range of potential habitats, especially for cutters and other small fish. Five of the habitats were evaluated in 2020 by hydro experts. Four of the five habitats – which had high fish density, good species diversity, and numerous juvenile fish – were rated “very good to good.”

Litzau Loop: breeding grounds for fish and birds

GRI 304-1/3 We have created the right place for a variety of species to breed near Dessau and Dornau, two of our hydroelectric plants in Bavaria. Situated on the Lech River about 70 kilometers southwest of Munich, the two plants are also connected by the Litzau Loop, the river's last natural free-flowing segment. This segment, which is about 15 kilometers long, is a species-rich nature reserve. In collaboration with the local water management authority, a three-stage project was conducted to upgrade and create habitats and spawning grounds for a variety of fish, including Danube salmon, nase, and barbel. In addition, the vegetation on small islands in the river was reduced to offer an ideal breeding ground for little ringed plover and other birds. The final two stages were completed in January and December 2020, respectively. The final stage included connecting a side arm to create a flow-reduced zone as a growth habitat for juvenile fish. New deadwood structures were added, including tightly packed deadwood in deep-water areas to serve as winter inlets for fish. Spacious gravel banks were created at the tip of the island for gravel breeders.

Power plant's removal creates spawning ground

GRI 304-1/3 Our hydro plant on the Mörrum River in southern Sweden generated reliable, clean electricity for over a century. It closed in the summer of 2020 when a dam was removed to enhance the connectivity in the lower part of the river and restore habitats for fish and other stream living organisms. The removal of the dam will also strengthen the effects of the measures that have previously been carried out further up the river, such as fishways and habitat restoration. The Mörrum River, which is a Natura 2000 area, has significant ecological value, including the endangered thick-shelled river mussel and Baltic salmon. It is also popular for recreational fishing. Uniper has long partnered with local and regional stakeholders to safeguard and improve these resources. As part of this commitment, we removed the hydropower plant in the late summer. This created habitats and spawning grounds for fish and other river dwellers (salmon were already seen using the spawning grounds in October 2020). A multi-year study will assess the effects on flora and fauna. We funded the plant's removal with financial support from several other stakeholders, including the Baltic Salmon Fund and Life Connects.



The dam before it was removed on the Mörrum River, Sweden.

Safe habitats and passages for eels

GRI 304-1/3 We operate several hydroelectric plants on the Ätran River near Sweden's west coast. The Ätran and its banks provide the habitat for a wide variety of species. One of whose numbers have been declining in recent years is the European eel (*Anguilla anguilla*). In partnership with other companies that operate dams on the river, Uniper is conducting a project to annually restock the Ätran with elvers (young eels) from the English Channel, which has a surplus. Stocking of imported eels is an important part of Sweden's eel management in line with the European Eel Regulation. In 2020, we gave more than 12,000 elvers a new home in Sweden. This was part of a total of 186,000 elvers released on the Swedish West Coast during 2020. The elvers are expected to become silver eels in 10 to 15 years. In addition, Uniper continued its trap-and-transport program of endangered eels in the river Ätran as part of Sweden's eel stocks management. Out of a total of 14,400 eels, almost 2,000 eels were caught upstream of power plants and released further downstream by Uniper in 2020, where they have an unobstructed passage to the sea.

New fish protection device in Russia

Unipro, our subsidiary in Russia, operates Yaivinskaya GRES, a roughly 1 GW power plant located on the bank of the Yaiva river in the Perm region, which is rich in both riv-

ers and fish species. To deter fish from entering the plant's cooling-water intake, in September 2020, Unipro completed installation of a fish protection device (FPD). The project, which received regulatory approval from the regional branch of the Federal Agency for Fishery, was implemented to comply with laws that protect aquatic biore-sources and with the terms of the plant's water-use agreement. The FPD consists of a curtain of air bubbles from the riverbed to the surface and a fish-diverting floating guard. The bubbles are generated by a submerged perforated tube through which compressed air is released. The FPD's design factors in current patterns and the riverbed's topographic features. Initial observations conducted by a specialist firm indicated that the system is a very effective fish deterrent. Unipro intends to continue monitoring the device's effectiveness in 2021 as well.

Fish protection at Waldeck

In 2020, we also installed a fish protection system at Waldeck 1, a 70 MW pumped-storage hydroelectric plant in central Germany. The system forms an electrical field in front of the turbine inlet to divert fish without stunning them. However, an evaluation indicated that the system's current configuration does not provide sufficient protection. We intend to optimize the system in 2021 and re-evaluate it.

Uniper hydro
plant in Sweden.



Water optimization

GRI 103-1, 303-1 Water is crucial to our business. Our hydro-electric 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. In addition, 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.

GRI 103-2/3 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. In the decades ahead, climate change is likely to change weather patterns, which would probably affect the hydrological cycle in the regions where we operate hydropower plants. For example, long droughts would alter river flow and reduce the amount of water available for these plants. Water stress is also likely to affect the amount of cooling water available for our thermal power plants. Our challenge is to find sustainable water sources and treatment methods to ensure our plants' future availability.

Water risks

GRI 303-1 In 2020, we used the World Resource Institute's Aqueduct Water Risk Atlas to assess whether any of our thermal power plants are located in areas of possible water stress. The findings showed that a number of our plants are in such areas. However, we concluded that the overall risk for our operations is not significant. This is because the vast majority (76%) of the water we use for cooling is from the sea or estuaries, where water stress is not an issue. For the few plants located in areas of water stress, we identified the potential impact on our operations of either not being able to withdraw or discharge cooling water. We consider the risk of occurrence in the foreseeable future to be minimal.

Uniper owns and operates around 200 hydropower plants with a total capacity of 3.7 GW in Sweden and Germany. As part of our normal asset-planning process, we evaluate potential changes in the hydrological cycle and an increase in extreme weather due to climate change. These changes could necessitate discussions with regulatory agencies about adjusting our permitted operations to reflect seasonal variation.

The main steps we take to improve water use

GRI 303-1/2 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 2020, we withdrew 4.1 bcm of water for our cooling (mainly seawater), a year-on-year increase of around 0.1 bcm (2019: 4.0 bcm). We discharge back to source a large proportion – 99.1% in 2020 – of the water we withdraw.

Human rights and compliance culture

We want to do more than what is legally required. This means operating with high ethical standards and putting them into practice every day, in everything we do, and everywhere we do business. Good corporate governance is therefore a top priority at Uniper. We endorse the German Corporate Governance Code, which seeks to promote responsible, transparent corporate governance and controls. Our business is global and thus our potential impact is as well. For example, our procurement and trading of coal and gas may have an indirect impact on human rights issues and possibly expose us to risks. We also face potential compliance and social risks when we provide services in countries whose institutions are insufficiently transparent and robust. In today's digital world, protecting the data of our employees, contractors, and customers has become a crucial task and an essential part of our compliance culture.

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Target	Progress
8 – Decent Work and Economic Growth 	Have zero tolerance for forced labor, child labor, modern-day slavery, and human trafficking.	Screen 100% of counterparties according to Uniper's ESG due-diligence process by 2022.	56% of counterparties screened by year-end 2020.
16 – Peace, Justice, and Strong Institutions 	Continue to strengthen Uniper's compliance culture and protect the business from corruption risks.	Train 100% of employees on compliance and Uniper's Code of Conduct by 2021.	In progress.



Ensuring respect for human rights

GRI 103-1/2 Human rights violations are unacceptable for Uniper – in any part of our business or anywhere along our supply chain. Uniper does business around the world, including in countries whose institutions are not always fully able to protect basic human rights.

Respect for human rights is embedded into our business policies and procedures in order to ensure that Uniper does not benefit from breaches of human rights. We act in accordance with the Universal Declaration of Human Rights, the United Nations (UN) Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, International Labour Organization standards, and the German National Action Plan on Business and Human Rights.

We recognize the UN Global Compact's ten principles and actively support them, particularly with regard to human rights, labor standards, environmental standards, and ethical business practices.

Severe human rights violations such as unlawful forced displacements, forced labor, and child labor can be a direct or indirect consequence of business activities, particularly in countries with a history of insufficient standards for the protection of human rights. 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.

Uniper is committed to identifying, mitigating, and monitoring any human-rights-related risks in its business operations and its sphere of influence. This is an ongoing process that requires a proactive approach and the commitment of the entire organization to achieve continual improvement. This includes timely and adequate measures to remediate adverse impacts on a case-by-case basis. The Uniper Code of Conduct and Supplier Code of Conduct state that we expect our business partners and suppliers to do the same.

100%

of our counterparties will be assessed under our ESG due diligence process by 2022

In addition, Uniper adopts tailored solutions in cooperation with non-governmental organizations and participates in multistakeholder initiatives like Bettercoal that are designed to identify and mitigate adverse impacts on people.

Uniper's subsidiary operating in the United Kingdom publishes an annual statement required by the Modern Slavery Act 2015. We will continue to review the steps we are taking to eliminate modern slavery and human trafficking in our business and supply chain and to make improvements where necessary.

Coal supply chain issues and our Bettercoal engagement

GRI 102-12/43, 414-1/2 In order to establish adequate measures to prevent, monitor, and mitigate human rights risks in the coal supply chain, we participate in Bettercoal, a not-for-profit 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 ten principles of the Bettercoal Code. We use this information in our environmental, social, and governance (ESG) due diligence process and in monitoring our supply chain. Bettercoal's strategy is to prioritize its engagement and to work with mining companies in the countries that export the most coal to Europe to promote the joint remediation of actual impacts. Consequently, the focus of Bettercoal members, including us, has recently been on addressing supplier- and country-specific systemic issues in Colombia and Russia. For 2021, Indonesia and South Africa will also be included among the focus countries.

The Bettercoal assessment program, which is based on the Bettercoal Code reviewed in

2020, encompasses a wide range of topics, 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 risk management.

Coal purchased under direct contracts in 2020 by country of origin

Country of origin	% coal purchased
Russia ¹	29.9
Colombia	29.7
Kazakhstan	22.2
South Africa	7.8
USA	7.7
Australia	2.7

¹ Includes coal from Latvia

Bogota, Colombia.





Coal mine
in Colombia.

ESG monitoring of gas, liquefied natural gas (LNG), and related infrastructure

We track the proportion of coal we purchase under direct contracts from Bettercoal suppliers. Our aim is to increase this proportion each year. It rose to 68% in 2020 (2019: 55%), owing in part to better reporting. To continuously monitor coal mining companies, their human rights engagement, and their ESG due diligence, we engage with our stakeholders, primarily in Russia and Colombia, which account for more than half of our coal. For more information, see “Engaging in on-going dialogue.”

However, close monitoring is not always possible. Computer-based global coal trading, which frequently involves a single shipment of coal changing hands numerous times, reduces the traceability of the coal’s origin. This makes monitoring ESG performance and enforcing policies along the coal supply chain particularly challenging. To address this issue, in 2020, Bettercoal and the World Coal Association, the issuer of standard contract templates for trading activities, discussed how to integrate a Bettercoal clause to promote traceability. More progress on this issue is expected in 2021.

In line with our plan to expand our diversified gas business and progressively decarbonize it, 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. In 2020, we focused on greenhouse gas (GHG) emission transparency, including methane monitoring. Although gas molecules are inherently not fully traceable, there are increasing opportunities to minimize and offset the estimated GHG emissions from gas and LNG transportation, while achieving other positive ESG impacts. For example, reforestation and conservation projects can enable us to reduce the net carbon footprint

of gas and LNG we sell, while helping communities and other stakeholders benefit from sustainable sources of income and minimizing the risks of corruption and human rights violations.

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. We started this process in 2020 by launching dialogues with our main gas and LNG suppliers in Russia, Australia, and the United States to foster transparency on GHG emissions and identify other ESG impacts to be addressed.

Governance and compliance

GRI 103-1/2 Not doing the right thing can cause considerable damage to both stakeholders and Uniper alike. It is therefore important to systematically prevent and sanction violations of the law or regulations. This is the only way to credibly convey that our company is being managed responsibly and is committed to creating sustainable value. Governance and compliance are thus essential parts of our corporate culture.

The cornerstone of compliance is good corporate governance, which is of the highest priority for us. It is founded on close and efficient collaboration between the Management Board and the Supervisory Board. It guides all our decision-making and helps ensure that we achieve success responsibly and sustainably. The Management Board and Supervisory Board endorse the German Corporate Governance Code, which seeks to promote responsible and transparent corporate governance and controls.

Compliance Management System

GRI 103-2/3 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 regulation, 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 issues 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 already 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 conducts regular compliance risk assessments of the CMS, most recently in 2019. In 2020, we implemented most of the measures recommended in the independent auditors' audit reports from 2019. Examples include additional compliance communications measures, such as a communication concept, tone-from-the-top, and leadership statements. Remaining recommendations are being considered with relevant stakeholders and fit-for-purpose solutions.



Code of Conduct

GRI 102-16/17, 103-2, 404-2 The foundation of our commitment to a culture of compliance is our Code of Conduct (Code). The Code, which the Management Board endorses, defines the basic principles of conduct and is binding for all 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, the 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 issues, including compliance, anti-corruption, and respect for human rights. 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, anti-competitive practices, and the financing of terrorism. The Code also addresses issues such as compliance with international sanctions, the granting and acceptance of gifts and hospitality, intermediaries' involvement, and the selection of suppliers and service providers. Other issues it covers include avoiding conflicts of interest and handling com-

pany 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 through a whistleblower hotline. Violations may lead to disciplinary action and termination of employment.

Uniper has set a target of training all employees on compliance and the Code by 2021 by making this training mandatory. In 2020, an e-learning module on preventing bribery, corruption, money laundering, and reinforcing awareness of whis-

tleblowing was provided to employees in roles most likely to expose them to such risks.

Uniper strives to work, whenever possible, with third parties whose principles are like the Code's. In addition, we require our suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct.

Anti-corruption

GRI 103-2, 205-1/3 Corruption and bribery promote social inequality and crime, undermine public confidence, and increase the cost of transactions. Non-compliance 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, to influence any action, or for any additional advantage, especially to a public official. 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. The purpose of this policy's strict rules is to prevent an intermediary's fee or commission being used to make illegal payments on Uniper's behalf.

In May 2018, we conducted our second compliance risk assessment (CRA) of all business functions company-wide. One of the risks assessed was corruption. In 2019, the findings were communicated to the business functions, and, in areas where the CRA indicated room for improvement, appropriate corrective measures were taken. The next risk assessment will be conducted in 2021.

In a rapidly changing global business environment, we need 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 Corrup-

tion 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 to the Group. Employees with counterparties in such countries are trained regularly in policies and systems that help prevent corruption.

395

**new counterparties
assessed and approved**

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, financing terrorism, and non-compliance with economic sanctions. The policy's introduction was accompanied by an e-learning 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. In 2020, the Compliance function used these to assess 428 new counterparties (2019: 409), 395 of which were approved and 2 were rejected due to compliance risks. The remainder have either been deactivated or are under assessment.

Two new instances of alleged corruption and bribery were reported at Uniper in 2020. One case is pending, and one case was closed as unfounded.

Safeguarding personal data

GRI 103-1/2 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 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 our company.

Uniper is a multinational company that operates in numerous countries. Consequently, compliance with the EU General Data Protection Regulation (GDPR) and other similar regulations is crucial for our success and our stakeholders' trust. Therefore, we take numerous precautions and continually work on making our data protection management system even better, including in consultation with outside experts. This has also enabled us to raise awareness of data protection inside our company and among our business partners.

Our data protection organization is set up in accordance with our Functional Policy for Data Protection. The Data Protection team is

responsible for coordinating and monitoring the data protection activities for all fully consolidated Uniper companies. In addition, a Data Protection Council, consisting of senior managers of relevant departments and the Chief Financial Officer, meet on a quarterly basis. Its purpose is to strengthen and support our data protection organization. Additionally, we appointed 30 data protection coordinators, who serve as our interface with the operating business. Their task is to identify data protection risks and reinforce awareness of data protection in our front-line operations. In 2020, we further strengthened their role and responsibilities within Uniper and involved them as much as possible.

New data protection coordinators received classroom training for data protection-relevant questions. Data protection is also an integral part of the onboarding training for new employees. Furthermore, we reviewed the GDPR e-learning and created a concept for specialized classroom training in the field of IT; both training offerings will be rolled out in 2021. In addition, we provided employees with relevant information about the GDPR via our corporate intranet (for example, data

protection requirements for 0365 applications) and continued our GDPR awareness campaign for our employees in the EU and the European Economic Area.

Uniper uses data protection management software called "PRIME" to manage data protection easily and efficiently. The software enables us to ensure data protection compliance and continuously monitor all data protection related activities and measures that need to be implemented across the organization.

In data protection risk management, processing activities were assessed and technical and organizational measures to further improve management performance identified. Measures will be implemented by the affected departments in 2021.

Due to uncertainties regarding Brexit, the identification and signing of 60 internal EU Model Clauses (EUMC) with Uniper entities in the United Kingdom were made to ensure an appropriate data protection level. The identification and conclusion of EUMC with external service providers was initiated as well, and all process owners were contacted.





Compliance with the GDPR

GRI 103-2/3, 418-1 We must comply with the GDPR requirements. Consequently, we – together with the affected departments – put in place further appropriate technical and organizational measures to ensure data protection when we process, store, and transmit personal data.

The third parties that we hire to process personal data also have to comply with the GDPR. In taking steps to comply with the GDPR, we focused on the risk of information leaks and personal data management 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 additional measures to avoid the misuse of business-relevant data or unauthorized external access. Misuse or the inadvertent dissemination of confidential information by an employee could lead to the disclosure of commercial secrets or violate data protection laws. To further promote robust data protection, rules and guidelines have been incorporated to drive monthly reporting on key performance indicators.

83 data protection complaints were made in 2020. 33 of these 83 complaints were not rated as a data breach; three data breaches need to be reported to the responsible data protection authority due to legal requirements. Due to frequent changes in applications and cyber threats, 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

GRI 103-1/2/3, 207-1/3/4 Taxes play an important role in the jurisdictions where we operate: they enable countries and communities to fund vital services. Uniper is committed to complying with applicable tax law and regulations, paying respective taxes, and always considering not only the letter but also the spirit of the law. We also seek to have an open and constructive relationship with the tax authorities.

The Group Executive Vice President Tax formulates and is responsible for our approach to tax. Our Code of Conduct defines proper business behavior at Uniper as one of the main principles of integrity. Our approach to tax is governed by several business policies, including the Group Tax Guidelines. This policy is supplemented by our policy for our Internal Control System. In addition, the Uniper Supervisory Board's Audit and Risk Committee monitors the Internal Control System and Risk Management System.

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 when possible, Uniper typically engages with the relevant tax authority to obtain a pre-transaction ruling.




Uniper's approach to tax governance, control, and risk management is described in detail in Uniper's 2020 Tax Transparency Report. Uniper also publishes income tax information as part of the Consolidated Financial Statements in the 2020 Annual Report.



Stakeholder engagement

Being an international energy company makes it essential for us to earn and retain the trust of our stakeholders, from the people who live near our assets to representatives of the international community. A relationship founded on trust is a prerequisite for positive action. That is why we have committed to pursuing new cooperative efforts with civil-society organizations, particularly those directly involved in issues related to our material sustainability issues. We believe this will be the most effective way to tackle the challenges we face and prevent negative impacts.

Contribution to the UN SDGs

Prioritized SDGs	Commitment	Target	Progress
8 – Decent Work and Economic Growth 	Minimize the impact on communities affected by Uniper's operations.	At the corporate level, conduct at least three trust-building dialogues with civil society organizations each year through year-end 2022.	Five trust-building dialogues in 2020.
16 – Peace, Justice, and Strong Institutions 	Foster the development of effective, accountable, and transparent institutions at all levels.		
17 – Partnerships for the Goals 	Actively engage with stakeholders to ensure transparency and ongoing dialogue regarding Uniper's activities.		



Engaging in ongoing dialogue

GRI 102-43 Engaging with our various stakeholder groups helps us understand their needs, concerns, and expectations towards our company. Our engagement enables us to better understand their perspective and know that trust is crucial for our lasting success. This is why we also work with our stakeholders to minimize adverse impacts of our business activities.

We communicate with stakeholders through a variety of channels, including discussions with our investors, feedback from our customers, trade shows, open houses, and forums that give schoolchildren and members of the community the chance to visit our power plants when local health regulations permit such events and activities.

Our Stakeholder Management Policy stipulates how we interact with stakeholders. It defines our objectives for internal and external communications and assigns roles and responsibilities. The dialogue formats vary, ranging from information stands at trade fairs and public forums for people who live near our assets to discussions with community representatives and local interest groups and roundtable talks with non-governmental organizations (NGOs). The purpose of these forums is to promote open discussions and to enable us to learn more about local stakeholders' views and concerns.

Actively engaging with NGOs

GRI 102-21/43 In 2020, Uniper further evolved its NGO engagement journey, which started in 2017 with the establishment of the Uniper Sustainability Roundtable, a forum for NGOs and representatives of relevant Uniper departments to discuss issues related to our business. The purpose of the Sustainability Roundtable is to establish a transparent dialogue with NGOs, and to see our business from their perspective. Understanding and discussing their concerns does not only enable us to continually learn and improve but also to leverage opportunities. After starting 2020 with an in-person dialogue, the Sustainability Roundtable continued as an online format with international NGOs. As in prior years, discussions in 2020 focused on reductions in carbon emissions through the phase-out of coal-fired power generation, human rights and environmental impacts along the coal supply chain, and the environmental impact of gas transportation and exploration.

In line with this approach, Uniper has committed to conducting, at the corporate level, at least three dialogues with critical stakeholders each year through 2022. In 2020, we conducted five formal dialogues, thereby surpassing the target. For the first time, this included a panel discussion with a Uniper board member and an NGO representative in front of an audience of senior Uniper managers.

Due to the increase and variety of NGOs and topics, Uniper has benefited from these dialogues and sees a huge potential in partnering with NGOs to build high-quality expertise. Uniper will strategically further expand and develop the engagement with critical stakeholders.

Bettercoal: Russia and Colombia working groups

GRI 102-43 Bettercoal established country-specific voluntary working groups to enhance the monitoring of mining companies' improvement plans and to propose solutions to regional systemic issues. Uniper chairs the Columbia working group and participates in the Russia group.

Russia supplies nearly 40% of Europe's coal. Consequently, Bettercoal and its members have prioritized efforts to better understand and mitigate the risks in its coal supply chain. The Bettercoal Russia working group continued its stakeholder engagement campaigns in 2020 by conducting two virtual conferences on issues such as mine closure and land restoration, health and safety, and environmental monitoring.

Columbia, which provides about 13% of Europe's coal, is another Bettercoal priority country. The Colombia working group, which has been chaired by Uniper since its foundation, drew on experiences and insights from 2019 to design a detailed action plan and define goals for the contextual issues prioritized in order to have an impact on solving them. The group continued to monitor the three major Colombian coal mining companies' continuous improvement plans and to actively engage with stakeholders.

The Covid-19 pandemic forced the group to adjust the planning and implementation of the original work plan, particularly the visit to Colombia, which was planned for March 2020, to meet face to face with government agencies, mining companies, dialogue institutions, international organizations, communities, and unions to discuss the prioritized issues and other topics relevant to the Colombian mining context in depth. The pandemic, however, meant that the trip had to be postponed. Nevertheless, the group continued to engage with Colombian stakeholders virtually and to remain well-informed about local developments and issues. The group plans to conduct a virtual engagement tour in the first quarter of 2021.

Actively engaging with shareholders and shareholder initiatives

Uniper's Management Board and Investor Relations team are in constant dialogue with various capital market players, including both current and potential shareholders. Our main purpose is to ensure a high level of transparency by constantly providing investors with relevant financial and non-financial information, along with obtaining feedback in order to consider the financial markets's views in our decision-making. Environmental, social, and governance (ESG) aspects are becoming increasingly important, for investors as well as our capital markets communications, which are promoted by our active approach to reporting on ESG aspects.

In 2020, Uniper was approached by various investors and investor initiatives to provide detailed information on Uniper's decarbonization strategy. We deal openly with these inquiries, prioritize them, and seek to enter into active and transparent discussions. Investor engagement mainly focuses on corporate governance on climate change, setting emissions targets, and disclosing business plans that are in line with the transition to a net-zero emissions future. The active exchange helps investors better understand the way we integrate climate change into our strategy and our efforts to improve our climate-related governance and performance. In addition, discussing and understanding the investors' views on those topics help us to further improve.

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 power plants and offices. We support initiatives that have a positive impact on local communities and our employees.

Green Office

Founded in 2018, the Green Office community consists of more than 300 Uniper employees dedicated to promoting sustainable behavior as individuals and as a company in the work environment and its surroundings. Despite the challenges of the Covid-19 pandemic, Green Office had several noteworthy achievements in 2020. The initiative issued personal ceramic cups to all employees at our Düsseldorf offices as well as offering such cups to visitors and guests, eliminating the need for more than 800,000 single-use cups per year. Green Office members also increased waste separation in the Düsseldorf offices by providing different waste bins for paper, cardboard, packaging, organic waste, and batteries. Green Office also sponsored the deployment of a smart device designed to remove floating debris from the Düsseldorf segment of the Rhine River. The device, which operates around the clock, does not harm flora or fauna or obstruct the water course.



Personal ceramic cups for employees.



River whale on the Rhine river.

Support for families in need

Uniper's corporate culture – which we call the Uniper Way – has always encompassed a strong commitment to social responsibility and to supporting people in need. That is why in 2020, we paid special attention to the families hard hit by the Covid-19 pandemic. With schools closed for much of 2020, homeschooling and digital-learning options became commonplace. This was challenging for nearly all families, particularly those that cannot afford the necessary devices. To offer help, Uniper partnered with Microsoft to support SOS Children's Village, a children and youth center in Garath, a Düsseldorf district with a high unemployment rate and numerous vulnerable families. We donated 25 Microsoft tablets to enable children to participate in digital learning. Microsoft added €9,000 worth of additional supplies. The project was run by Helping Hands, an employee-led charitable initiative.

We also introduced a program called "The Polar Express Arrives in Düsseldorf" to help make sure children's Christmas wishes came true. Uniper employees crafted, purchased, and wrapped hundreds of Christmas presents that were distributed by the city, the non-profit organization KRASS Association, and kindergartens run by AWO Düsseldorf.

This initiative was organized and funded entirely by our works councils and employees. Uniper employees and the company donated a total of €2,000 to Strohalm, a non-profit organization in Regensburg in southeast Germany that supports people who are socially disadvantaged or are experiencing hardship because of misfortune or illness.



Polar Express arrives in Düsseldorf.



Uniper provided face masks for passengers on public transport in Düsseldorf.

Covid-19 awareness campaign

To promote social-distancing and hygiene rules amid the Covid-19 pandemic, Uniper conducted the "Uniper Trainn" in 2020, an initiative to reinforce awareness of the importance of wearing masks among passengers using public transport in Düsseldorf. We arranged for more than 5,000 masks to be made and given to Düsseldorf's public transport operator. We also donated €0.85 per mask, a total of €4,335, to SOS Children's Village.

Uniper keeps running

In 2020, Uniper was a premium sponsor of the Düsseldorf Marathon for the first time. The event was ultimately cancelled due to the Covid-19 pandemic, but many Uniper employees decided to run despite this and share their experiences online as part of the #UniperKeepsRunning initiative.

Teaching children about safety in Russia

Unipro, which operates our power generation business in Russia, has a proven record as a good corporate citizen of the communities and regions where its power stations are located. In fact, in 2018, the Russian Ministry of Energy presented it an award for being one of the industry's "best socially oriented organizations." One of its stakeholder-engagement programs is "Uniproshka for Children," the purpose of which is to teach preschool and primary schoolkids how to be safe and have a responsible attitude toward themselves and others. It also creates a welcome opportunity for Unipro employees to volunteer. In Sharypovo in Central Siberia, home to Beryozovskaya power station, Unipro funded an interactive fairy tale about safety in 2019, which was performed for schoolchildren by actors from a local children's theater company; the project continued in 2020. Unipro also sponsors the publication of educational books for children with visual impairment. For over ten years, Unipro has collaborated with the Illustrated Books for Blind Children charity fund and donated over 2,000 sets of books to institutions in Smolensk, the Perm territory, Surgut, Krasnoyarsk, and Shatura.

Centenary exhibition

Shaturskaya GRES, a Unipro power station in Moscow, celebrated its 100th anniversary in 2020. It commemorated its centenary in part by holding an exhibition of rare photographs of the plant's construction. In 2019, Unipro held an art exhibition that included reproductions of canvases by Vasily Surikov, a well-known Russian realist history painter. After the exhibition ended, the paintings were donated to local schools, hospitals, and other public institutions. These exhibitions are a good way to bring cultural events to our power stations in Russia, many of which are in remote locations far from the cultural opportunities of larger cities.

Centenary exhibition at Shaturskaya GRES, Moscow.



Fishing contest

Each winter, employees of Shaturskaya GRES hold a fishing contest at Lake Svyatoye, located about 20 kilometers south-east of central Moscow. The rules are simple: the largest catch in two hours wins. More than 30 fishermen competed in 2020. The contest is a good opportunity to have fun with colleagues outside of work.

Employees of Shaturskaya GRES hold a fishing contest.



Lobbying

Energy supply is a heavily regulated business and the subject of ongoing policy debate, particularly with regard to climate protection. Europe's commitment to climate protection is fundamentally altering its energy supply system. To meet these challenges, we need a policy and regulatory environment that enables us to take action and 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 an essential component of a decarbonized energy world. Here, Uniper is working directly and through affiliated associations to develop proposals on how the energy market's system of levies and charges needs to be reformed in order to promote the development of a hydrogen market, while always keeping our participation in advocacy groups transparent. We are in ongoing dialogue with a variety of external stakeholders, such as government entities, regulatory agencies, trade associations, and other third-party stakeholders with a vested interest in the political process. We believe that this dialogue helps inform and shape the political process, enabling policymakers to make more informed decisions.

European Union Transparency Register

Uniper is listed in the European Union Transparency Register for organizations and self-employed individuals engaged in influencing the making and implementation of EU policy. Our number in the register is 285977820662-03. We also participate in the policymaking process through our membership in associations and other organizations. Our employees have to notify the Uniper Corporate Office about their membership in associations and comparable organizations, as well as their contributions and donations to them.



Memberships

GRI 102-13 We are a member of key associations and initiatives that are directly or indirectly related to our material sustainability issues. The composition of these associations and initiatives can be highly diverse, but they are fundamentally relevant to our sustainability effort and generally relate to gas, coal, technology, and climate protection.

Econsense – Forum for Sustainable Development of German Business

Econsense brings together Germany-based companies that operate internationally and have a common goal: to actively shape the transition to a more sustainable economy and society. It supports members in embedding sustainability in their strategy, operations, and along their supply chain. Econsense has an overview of all relevant topics: from environmental protection to human rights. Its focus is always on the business case for sustainability. It currently has 39 members. Uniper has been one of them since 2018.

Oil and Gas Methane Partnership

In 2020, Uniper became a member of the Oil and Gas Methane Partnership (OGMP) 2.0, a voluntary initiative launched by the United Nations Environmental Program, the Environmental Defense Fund, and the European Commission. Its purpose is to promote industry-wide collaboration – including with strategic upstream gas suppliers – in order to help oil and gas companies report and reduce methane emissions, foster transparency, and share best practices. OGMP's aim is for the industry to reduce its methane emissions by 45% by 2025. At year-end 2020, OGMP had 63 members, representing 30% of the world's oil and gas production on five continents.

Komm, mach MINT

In line with our commitment to greater diversity and inclusion at Uniper, in 2020, we joined Komm, mach MINT, an initiative in Germany that supports young women in science, technology, engineering, and mathematics (STEM). The initiative promotes information sharing and helps participants gain insights into the wide range of companies at which STEM skills are relevant.

Other memberships and initiatives

GRI 102-12/13 Uniper actively engages in sustainability networks and initiatives:

- Bettercoal
- CO₂ Value Europe
- Global CO₂ Initiative
- CLIB - Cluster Industrielle Biotechnologie e.V.
- Hydrogen Europe
- Sunergy Initiative
- European Association for Storage of Energy (EASE)
- Association for Alternative Protein Sources

Key figures GRI 102-8, 303-3, 305-1/2/4/7

Indicators	unit	2020	2019
Uniper employees ¹		11,751	11,532
Proportion of female employees	%	25.2	24.6
Combined TRIF ²		1.17	1.48
Uniper generation capacity ³	GW	35.4	34.3
Average asset availability of our conventional generation fleet	%	78.4	79.1
Unplanned unavailability of our conventional generation fleet	%	9.4	12.0
Coal consumption ⁴	m metric tons	10.2	11.8
Direct Scope 1 emissions ⁵	m metric tons of CO ₂	42.6	47.0
Indirect Scope 2 emissions (location-based method) ⁵	m metric tons of CO ₂	0.71	1.13
Indirect Scope 2 emissions (market-based method) ⁵	m metric tons of CO ₂	1.03	1.57
Average carbon intensity (threshold commitment period 2018–2020) ⁵	g/kWh	468	474
Fly ash and bottom ash sold and recovered or disposed	m metric tons	0.63	0.93
Gypsum sold and recovered or disposed	m metric tons	0.48	0.60
Facilities certified to ISO 14001 ⁵	%	100	100
Facilities certified or ISO 45001 ⁵	%	78	17
Cooling water withdrawal	bn m ³	4.1	4.0
SO ₂ emissions	kt	8.4	12.0
NOx emissions	kt	38.5	47.3
Dust emissions	kt	1.05	1.52
Severe environmental incidents ⁷		0	0

¹Head count as of December 31. Figures do not include board members, managing directors, apprentices, work-study students, and interns worldwide.

²Total recordable incidents per million hours of work (combined TRIF) for Uniper Group employees and contractors engaged by Uniper. Combined 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.

³Net capacity as of December 31 (accounting view).

⁴Figure includes domestic lignite consumed by Unipro plants. 2019 figures from France calculated using DEFRA emission factors.

⁵These figures encompass all consolidated Uniper entities as well as nonconsolidated entities over which we have operational control.

⁶Uniper's carbon intensity is defined as the ratio between direct fossil-fuel-derived CO₂ 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.

⁷Severe impact beyond site which is reversible within years or irreversible.

Climate action and security of supply

Direct CO₂ emissions from fuel combustion by country

GRI 102-10, 305-1

Million metric tons	2020	2019	2018
European Generation	21.1	21.9	34.0
Germany ¹	11.9	11.1	17.2
United Kingdom	4.3	5.6	7.6
Netherlands	4.0	3.2	5.5
France ²	-	1	2.9
Hungary	0.8	0.9	0.8
Czech Republic ³	0.1	0.1	<0.1
Sweden	<0.02	<0.01	<0.01
Russian Power Generation	21.5	24.9	25.3
Total	42.6	47.0	59.5

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 2020 figures include Datteln 4 power plant. Its CO₂ emissions have been recorded since its testing phase began in the first quarter of 2020.

² Generation operation in France was sold in July 2019.

³ 2020 emissions for Teplarna Tabor in the Czech Republic, which was divested in April 2020, reflect estimates based on actual 2019 data.

Indirect CO₂ emissions¹

GRI 305-2

Greenhouse Gas Protocol Scope 2

Location-based method	Metric tons CO ₂	2020	2019
Indirect emissions from purchased electricity		709,855	1,023,106
Indirect emissions from heat and cooling		4,347	106,171
Total		714,202	1,129,277
Market-based method			
Indirect emissions from purchased electricity		1,021,448	1,467,501
Indirect emissions from heat and cooling		4,347	106,171
Total		1,025,795	1,573,672

¹ These figures include emissions from consolidated and non-consolidated generation assets over which Uniper has operational control.

Climate action and security of supply

Indirect CO₂e emissions¹ **GRI 305-3**

Greenhouse Gas Protocol Scope 3

Metric tons CO ₂ e	2020	2019
Purchased goods and services	540,278	328,061
Capital goods	241,334	340,603
Fuel- and energy-related activities	6,897,299	9,845,344
Upstream transportation and distribution ²	1,023,079	-
Business travel	516	4,848
Employee commuting ²	58	-
Upstream leased assets ²	204,184	-
Use of sold products	12,158,317	18,855,956

¹ Scope 3 categories relevant to Uniper are reported. Figures include emissions from consolidated and non-consolidated generation assets over which Uniper has operational control.

² Category not accounted for in 2019.

Fully consolidated generation capacity

by technology¹

MW	2020	2019	2018
Gas	17,442	17,439	18,916
Coal	10,187	9,135	10,345
Hydro	3,570	3,570	3,570
Nuclear	1,400	1,400	1,400
Other	2,801	2,801	2,358
Total	35,400	34,345	36,589

¹ Accounting view. Figures include the Czech Republic business, which was divested in April 2020.

Power production

By primary energy source

Billion kWh	2020	2019	2018
Gas ¹	53.9	60.3	60.5
Coal	19.5	19.9	31.8
Nuclear	8.0	11.0	10.7
Hydro	13.7	12.7	10.3
Other renewables ²	0.0	<0.1	0.2
Biomass	0.0	0.0	0.3
Total	95.1	103.9	113.9

¹ Figures include production from oil.

² Figures include production from non-material wind and solar assets (aggregated installed capacity 95 MW).

Average asset availability

For conventional power generation by country

Percentages	2020	2019
France	-	79.7
Germany	74.4	77.4
Hungary	90.3	96.9
Netherlands	77.8	56.1
Russia	78.1	79.2
Sweden	91.9	91.1
United Kingdom	80.3	83.2
Total	78.4	79.1

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 and is based on legal entity share. Assets in France are included from January 1 to June 30, 2019. These figures exclude Teplarna Tabor power plant in the Czech Republic.

Health and safety **GRI 403-1**

Total recordable incident frequency (TRIF) and Lost Time Injury Frequency (LTIF)

	2020	2019
Combined TRIF ¹	1.17	1.48
Employee TRIF	0.90	0.98
Contractor TRIF	1.51	2.05
Combined LTIF	0.70	1.05
Employee LTIF	0.55	0.93
Contractor LTIF	0.88	1.19

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.

New hires from external market¹ **GRI 401-1**

By age range and gender

Employee profile	Male				Female				Total	
	2020		2019		2020		2019		2020	2019
Age range	Number	%	Number	%	Number	%	Number	%	Number	Number
<21	385	96.0	89	80.9	16	4.0	21	19.1	401	110
21–30	202	64.5	336	68.3	111	35.5	156	31.7	313	492
31–40	122	67.4	262	69.3	59	32.6	116	30.7	181	378
41–50	71	71.7	136	64.8	28	28.3	74	35.2	99	210
51–60	41	80.4	92	65.7	10	19.6	48	34.3	51	140
>60	14	100.0	36	78.3	0	0.0	10	21.7	14	46
Total	835	78.8	951	69.1	224	21.2	425	30.9	1,059	1,376

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Share of new hires from external market **GRI 401-1**

By country of employment

	(%)	
Country of employment	2020	2019
Belgium	0.0	0
Canada	0.3	0.2
Czech Republic	0.0	0
France	0.0	2.1
Germany	49.2	41.2
Hungary	0.1	0.4
Netherlands	2.7	2.2
Russia	30.9	42.7
Singapore	0.0	0
South Africa	0.0	0
Sweden	7.6	2.8
United Kingdom	7.6	6.4
United Arab Emirates	0.3	0.7
USA	1.2	1.5

Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Total number of employees^{1, 2} **GRI 102-8**

By country of employment and gender

Country of employment	Male	Female	Total
Azerbaijan	1	0	1
Belgium	0	1	1
Canada	3	3	6
Czech Republic	0	0	0
France	0	0	0
Germany	3,877	1,332	5,209
Hungary	27	4	31
Latvia	0	0	0
Netherlands	304	33	337
Norway	4	0	4
Russia	3,273	1,271	4,544
Singapore	6	2	8
South Africa	0	0	0
Sweden	702	200	902
United Kingdom	799	173	972
USA	54	12	66
United Arab Emirates	13	6	19
Total	9,063	3,037	12,100

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

² Head count as of December 31, 2020.

Our people

Total number of employees¹ GRI 102-8

By employment contract and gender

Employee profile	Male		Female		Total	
	2020	2019	2020	2019	2020	2019
Managing directors/board members	22	23	3	3	25	26
Permanent staff	8,316	8,256	2,615	2,540	10,931	10,796
Temporary staff	476	408	344	288	820	696
Interns/work-study students	87	84	45	46	132	130
Apprentices	162	179	30	23	192	202
Total	9,063	8,950	3,037	2,900	12,100	11,850

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Employees covered by collective bargaining agreements¹ GRI 102-41

%	2020	2019
Share pay scale employees	69.0	68.9

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Permanent staff

By type of employment and gender

Employee profile	Male		Female		Total	
	2020	2019	2020	2019	2020	2019
Part-time	138	128	397	385	535	513
Full-time	8,178	8,128	2,218	2,155	10,396	10,283
Total	8,316	8,256	2,615	2,540	10,931	10,796

Voluntary leavers¹ **GRI 401-1**

By country of employment and gender

Country of employment	Male		Female		Total	
	2020	2019	2020	2019	2020	2019
Belgium	0	1	0	0	0	1
Czech Republic	0	0	0	0	0	0
France	0	3	0	2	0	5
Germany	95	152	69	66	164	218
Hungary	0	0	0	0	0	0
Netherlands	4	12	1	3	5	15
Russia	160	157	50	61	210	218
Singapore	0	0	0	0	0	0
South Africa	1		0		1	0
Sweden	22	30	9	12	31	42
United Kingdom	27	27	6	13	33	40
USA	4	4	1	2	5	6
United Arab Emirates	1	1	1	0	2	1
Total	314	387	137	159	451	546

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Voluntary leavers¹ **GRI 401-1**

By age range and gender

Age range	Male		Female		Total	
	2020	2019	2020	2019	2020	2019
<21	1	7	2	2	3	9
21–30	72	90	28	39	100	129
31–40	90	122	43	38	133	160
41–50	52	70	31	34	83	104
51–60	76	70	29	40	105	110
>60	23	28	4	6	27	34
Total	314	387	137	159	451	546

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Our people

Voluntary and non-voluntary leavers^{1, 2} **GRI 401-1**

By age range and duration of employment

Age range	Leavers		Average duration of employment (years)	
	2020	2019	2020	2019
<21	3	10	1.3	1.9
21–30	109	134	2.5	3.1
31–40	140	178	6.0	5.7
41–50	98	118	9.5	10
51–60	128	143	18.6	18.6
>60	47	61	25.9	23.2
Total	525	644	10.7	10.4

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.

Voluntary and non-voluntary leavers^{1, 2} **GRI 401-1**

By gender and length of duration of employment

Gender	Leavers		Average duration of employment (years)	
	2020	2019	2020	2019
Male	361	449	11.0	9.9
Female	164	195	10.0	11.6

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.

Fluctuation rate¹

By age range

Age range	Fluctuation (%)	
	2020	2019
<21	1.8	5.2
21–30	6.7	8.6
31–40	4.6	5.5
41–50	2.5	3
51–60	2.9	3.1
>60	5.2	7.2
Total	3.8	4.5

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices. Fluctuation rate = voluntary leavers/average head count.

Fluctuation rate¹

By gender

Gender	2020	2019
Male	3.5	4.2
Female	4.6	5.4
Total	3.8	4.5

¹ Includes permanent and temporary staff, managing directors/board members, interns/work-study students, and apprentices. Fluctuation rate = voluntary leavers/average head count.

Environmental protection

SO₂ emissions GRI 305-7

Kilotons	2020	2019	2018
Germany	2.1	2.8	7.2
France ¹	-	0.4	0.8
United Kingdom	0.5	0.6	3.2
Netherlands	0.4	0.3	0.5
Russia	5.4	7.8	6.6
Sweden	0.0	<0.1	<0.1
Total	8.4	12.0	18.4

¹ French assets sold in July 2019. 2019 figure for France estimated using generation for the period January 1 to June 30, 2019.

NO_x emissions GRI 305-7

Kilotons	2020	2019	2018
Germany	6.9	6.8	9.9
France ¹	-	0.8	1.7
United Kingdom	1.9	3.0	6.9
Netherlands	1.3	0.9	1.2
Russia	28.1	35.5	37.4
Sweden	0.0	<0.1	<0.1
Hungary	0.3	0.3	0.2
Total	38.5	47.3	57.4

¹ French assets sold in July 2019. 2019 figure for France estimated using generation for the period January 1 to June 30, 2019.

Dust emissions¹ GRI 305-7

Metric tons	2020	2019	2018
Germany	143	123	237
France ²	-	47	81
United Kingdom	12	14	102
Netherlands	15	5	32
Russia	874	1,329	1,145
Sweden	0.6	0.2	0.5
Total	1,045	1,518	1,597

¹ 2018 and 2019 figures corrected.

² French assets sold in July 2019. 2019 figure for France estimated using generation for the period January 1 to June 30, 2019.

Natural gas consumed by Uniper power plants **GRI 302-1**

By country

Billion m ³	2020	2019
Germany	0.5	0.5
Hungary	0.4	0.4
Netherlands	0.9	0.4
Russia	9.2	9.9
Sweden	0.0	0.0
United Kingdom	1.8	2.3
Total	12.8	13.5

Pulverized fly ash, furnace bottom ash, and gypsum¹ **GRI 306-3**

Million metric tons	2020	2019	2018
Disposed	0.01	0.01	0.04
Recovered and sold	1.11	1.44	2.28
Total	1.12	1.5	2.3

¹ Figures only include fully consolidated thermal power stations. 2019 figures include estimated French data. Data for France estimated using generation for the period January 1 to June 30, 2019. 2018 figures have been corrected.

European hazardous and non-hazardous operational waste¹ **GRI 306-3**

Metric tons	2020	2019	2018
Hazardous operational waste disposed	7,278	1,622	1,748
Hazardous operational waste recovered	3,323	14,104	4,433
Non-hazardous operational waste disposed	115,652	158,864	44,067.0
Non-hazardous operational waste recovered	40,274	60,184	30,402
Total	166,526	234,774	80,650

¹ Figures only include operational waste (no project-related waste). Russian operational waste was excluded due to different waste classifications in 2017 and 2018. Total Russian operational waste in 2018 was 137,014 metric tons (2017: 143,317 metric tons). 2019 total includes estimated figures from France, which are calculated as 50% of 2018 French data.

Environmental protection

Total water withdrawal for cooling¹ **GRI 303-3**

Cubic meters	2020	2019	2018
Fresh groundwater	184,061	195,673	159,680
Municipal water	7,135,601	7,507,042	7,593,852
Fresh surface water	979,513,336	835,116,594	732,083,403
Rainwater	494,382	373,098	415,086
Seawater	3,085,744,465	3,103,259,566	3,567,161,801
Total	4,073,071,845	3,946,451,973	4,307,413,822

¹ Figures include fully consolidated thermal power stations and nuclear power stations only. The table does not include figures from our French business, which was sold in July 2019.

Total cooling water discharge¹ **GRI 303-4**

Cubic meters	2020	2019	2018
Fresh surface water	954,310,824	812,321,986	705,763,956
Seawater	3,083,914,737	3,103,592,362	3,566,003,343
Total	4,038,225,561	3,915,914,348	4,271,767,299

¹ Figures include fully consolidated thermal power stations and nuclear power stations only. The table does not include figures from our French business, which was sold in July 2019.

Overall coal purchased via direct contract in 2020 by country of origin

Country of origin	Percentage of coal purchased
Russia ¹	29.9
Colombia	29.7
Kazakhstan	22.2
South Africa	7.8
USA	7.7
Australia	2.7

¹ Includes coal from Latvia.

Disclaimer

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