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Sustainability Report 2019

Empower Energy Evolution

Table of contents

1	Foreword
2	Sustainability at Uniper/ Sustainable Development Goals
3	Empower Energy Evolution
4	Our material issues/ Materiality Matrix
5	How we manage our commitment/ Our sustainability strategy
6	Uniper Sustainability Strategic Plan
7	Governance and monitoring
63	Key figures
76	About this report



8
Climate action and
security of supply



22
Our people



36
Environmental protection



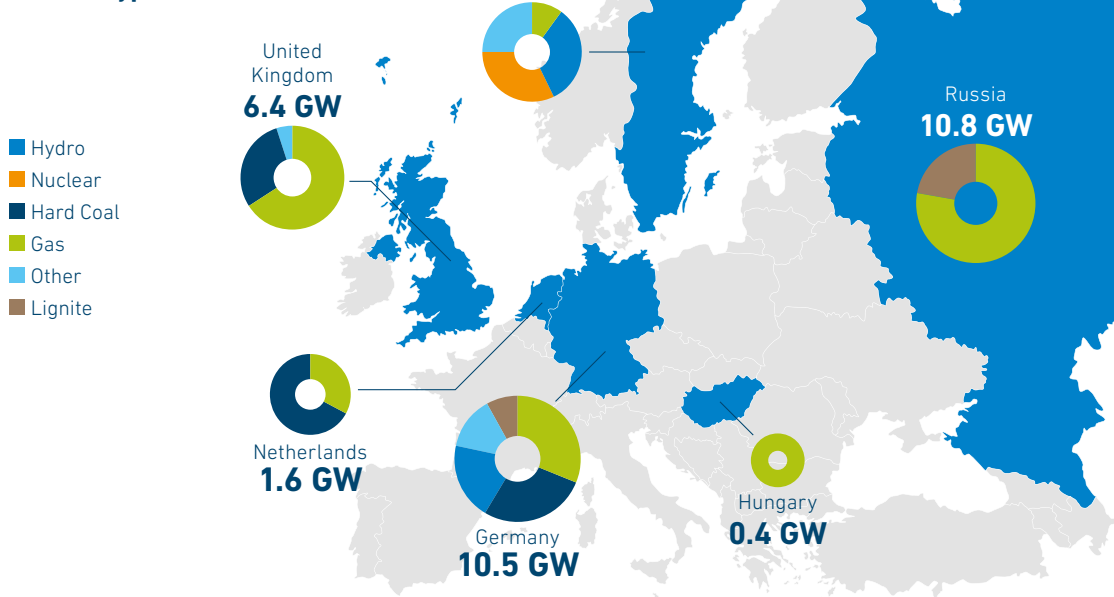
48
Human rights and
compliance culture



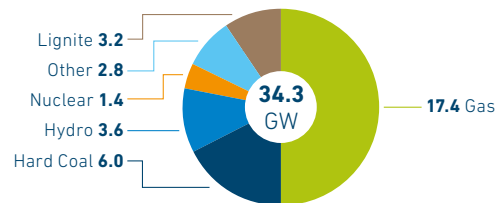
58
Stakeholder engagement

Diversified generation portfolio

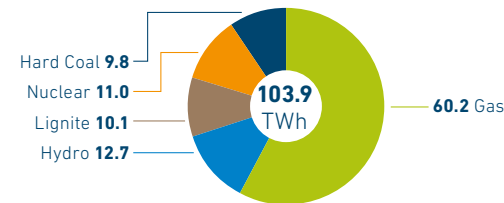
Net capacity by country
and fuel type (GW)^{1,2}



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



Electricity production by technology (TWh)



Note: Deviations may occur due to rounding

¹ Net capacity as of December 31, 2019 (accounting view)

² Excluding net generation capacities from Hydro LTCs in Austria and Switzerland of 564 MW in 2018 and 564 MW in 2019.

Foreword



Andreas Schierenbeck
Chief Executive Officer

As the new CEO of Uniper, I'm delighted to present our Sustainability Report to you for the first time. The responsibility we have for our business, our employees, the environment, and society motivated us to set Uniper on a new course for the new decade and beyond. And this new course is aligned with our views on sustainability.

Our strategy is to play a leading role in enabling the decarbonization of the energy industry. And to scale up innovative technologies like green gases and alternative fuels that could be crucial for decarbonizing other industries. In short, our purpose is to Empower Energy Evolution.

Between now and 2040, global primary energy demand will increase significantly. At the same time, carbon emissions must be permanently reduced and the energy supply become climate-friendlier. Uniper's unique portfolio enables it to be part of the solution to this global challenge. We've set our strategic course to substantially increase the pace of decarbonization.

The plan we published in late January 2020 to exit coal-fired power generation in Germany is one key element of our transformation into a climate-friendlier energy provider. It's an important milestone in propelling emission reductions at our power generation business in

Europe from 22 million metric tons today to carbon neutrality in 2035. Our hydro and nuclear power stations produced around 24 terawatt-hours of low-carbon electricity in 2019. That's equal to about 40% of our total electricity production in Europe.

Gas will play a pivotal role in decarbonization, as well as energy security. That's why gas will be a key element of our future strategy. We plan to further expand our broadly diversified gas business and progressively decarbonize it as well. As one of Europe's largest gas importers and operators of gas storage facilities, Uniper will continue to help secure Europe's energy supply by providing gas and LNG.

Uniper plans to gradually replace conventional gas with greener gases or hydrogen in both energy production and energy trading. Also, Uniper is one of the pacesetters in the use of power-to-gas technology to produce green hydrogen. Green gases and the alternative, climate-neutral fuels that can be made with them could be true game-changers: they're essentially the only way to reduce the climate impact of heavy-emitting sectors – like chemicals, and maritime, air, and heavy road transport – that have no viable alternative to fossil fuels.

The start of 2020 presented Uniper, our employees, and people all around the world

with a new and unsettling challenge: the coronavirus. We responded swiftly by arranging for as many of our employees as possible to work from home and by establishing social-distancing and hygiene protocols for employees in critical roles at our trading desks and at our power stations, gas storage facilities, and other industrial facilities. Our assets and business operations are crucial to the energy security of the countries where we operate. Our business continuity plans and agile response have ensured their ongoing ability to do so, even in these exceptional circumstances.

We're aware of our responsibility to society and to you, our stakeholders. We have the right strategy, expertise, people, and capabilities to support and implement a carbon-free future for our customers, for society and for Uniper, and thereby we Empower Energy Evolution. We're eager to take on the challenges ahead. We hope you join us on this journey and let us know what you think about this report and our strategy for the future.

Andreas Schierenbeck

CEO

Sustainability at Uniper: our commitment to Empower Energy Evolution

What makes an energy company sustainable? We believe financial stability, a shared clear vision, strong relations with stakeholders, and a commitment to addressing adverse impacts transparently are key. But so is a willingness to adapt and, more importantly, to be a positive force for change. That's why we've pledged to make our power generation business in Europe carbon-neutral by 2035. And to make decarbonization integral to our strategy and future investments, not only for our European generation business but also for our global commodity business, and for our international generation portfolio. We call it Empower Energy Evolution.

We're aware that our ability to adapt will be crucial for us to continue cre-

ating value for those who rely on us. That's why we've geared our corporate strategy towards tomorrow's energy world. We believe this world will offer us opportunities to develop new businesses and innovative solutions that will propel the transition to carbon-neutrality and support sustainable development, while adding value to our company.

We generate energy, and we intend to Empower Energy Evolution. By steadily decarbonizing our business and by helping other companies decarbonize theirs, and, more generally, by promoting and supporting positive change for our company, employees, customers, and enterprise partners, for the communities and countries where we do business, and for our value chain.

Sustainable Development Goals

1 NO POVERTY 	2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 	5 GENDER EQUALITY 
6 CLEAN WATER AND SANITATION 	7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	10 REDUCED INEQUALITIES 
11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	14 LIFE BELOW WATER 	15 LIFE ON LAND 
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	17 PARTNERSHIPS FOR THE GOALS 	Uniper supports the 17 UN Sustainable Development Goals (SDGs). We've prioritized nine SDGs that fit with our business activities and sustainability strategy.		

Empower Energy Evolution



An interview with David Bryson

David Bryson, Uniper's Chief Operating Officer (COO) and Chief Sustainability Officer (CSO) talks about how Uniper's commitment to Empower Energy Evolution fits with its business, strategy and corporate culture.

David, you recently became Uniper's Chief Operating Officer and Chief Sustainability Officer. What do you think are Uniper's main sustainability challenges?

Yes, I'm very pleased to take on the role of CSO and the topic of sustainability, which I believe is crucial to Uniper and our world. The immediate and most critical challenge we face is decarbonization. It's essential that we act now – both as a business and globally – to tackle climate change, which is why decarbonization is at the heart of Uniper's new strategy. I also believe we need to continue to strengthen our work in ESG governance, due diligence, and risk management in our operations and along our supply

chain. That's why we continue to develop our relations with Bettercoal as a vehicle for assessing ESG issues along our supply chain and to deepen our stakeholder engagement with NGOs, governmental organizations, and communities.

Uniper recently published its purpose and strategy for the decade ahead. What does Empower Energy Evolution mean for Uniper?

Uniper's purpose is to Empower Energy Evolution. Developments like the climate debate, the exit of several countries from coal-fired power generation, and investors calling for more responsible business conduct, show that the world around us is

changing. To continue our success story and signal that we understand the challenges of our time, the people of Uniper need a strong, shared foundation. This foundation is our purpose, which answers the question "why we exist."

In the face of energy-demand growth, pragmatism and a willingness to promote evolution are required for producing more energy while achieving meaningful emission reductions. Uniper brings together innovators, skilled workers, and engineers who are propelling sustainable and effective change. Empowering energy's evolution toward carbon-neutrality is the core of our strategy.

Uniper has pledged for its power generation business in Europe to be carbon-neutral in just 15 years. How does Uniper plan to achieve this?

We decided to set the pace by pledging to make our power generation business in Europe carbon-neutral by 2035. We'll get there by steadily decarbonizing our generation mix. We'll phase out coal and convert some of our coal-fired power plants to gas. And, it's important to remember that our world-class hydro and nuclear assets, which are low carbon, already account for about 40% of our output in Europe. Additionally, we'll continue to enter into long-term power purchase agreements (PPAs), with

developers of large wind and solar farms across Europe. Through PPAs already concluded in 2019, the financing of projects in Spain and Sweden have been secured. We are also currently examining the commercial framework conditions for entering into the development, construction and operation of renewable energy plants.

How will you ensure that Uniper's coal exit in Germany is fair for the employees and communities it affects?

Our announcement of the timeline for our coal closures in Germany ended a long period of uncertainty for our employees. Around 850 people currently work at our coal-fired power plants in Germany. As I already said, some plants will be converted to gas and continue operating. Those announced for closure will have to be dismantled and converted to another use or the sites remediated. That will keep many colleagues employed for a number of years. But we're not fooling ourselves: our coal exit in Germany will affect hundreds of colleagues. We'll work with them, the works councils, and community leaders to find the solution that's best for everyone.

Our material issues

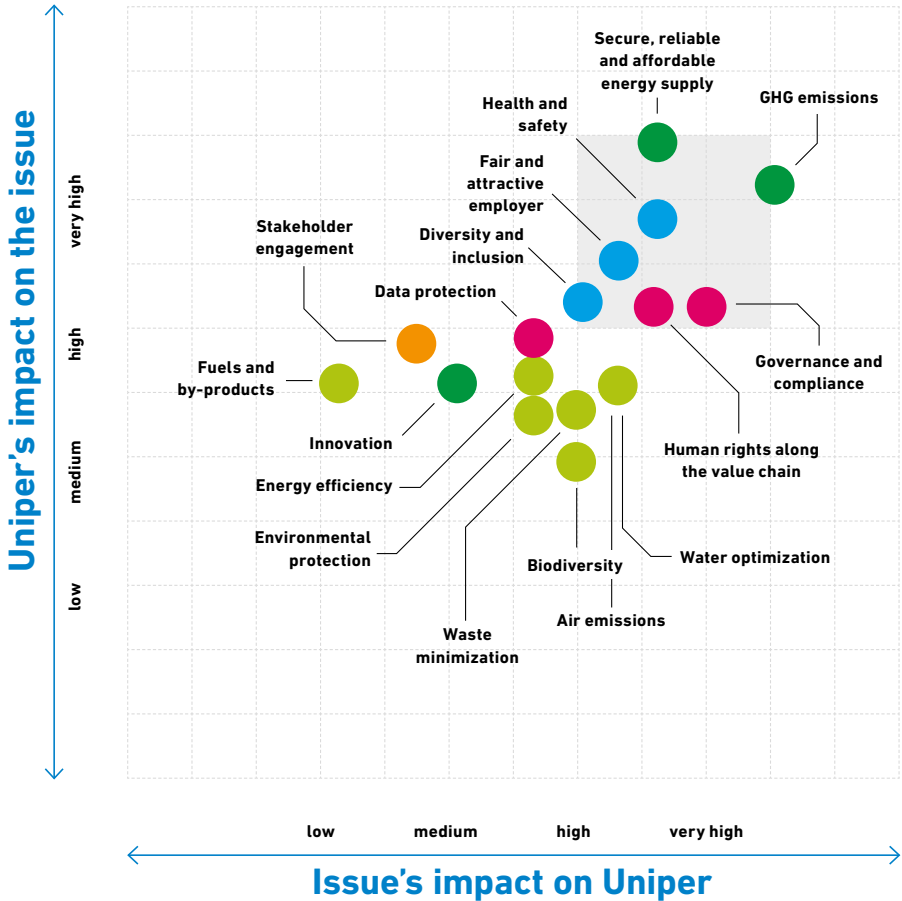
GRI 102-47 * We've prioritized nine UN Sustainable Development Goals that are key to our business activities, their impact, and our strategy for the future. For each of our company-specific material issues we've made a number of strategic sustainability commitments and mapped each against the nine SDGs. In 2019, we again conducted a materiality assessment. Our approach was two-dimensional. We considered the impact of our business activities on our issues and, conversely, the issues' impacts on our company, their business relevance, and the energy industry's influence on them. Furthermore, we considered the expectations of important stakeholders, such as policymakers, competitors, non-governmental organizations (NGOs), and the financial market; we analyzed whether from their perspective our impacts could

have a significant influence on our company and third parties and the importance of the impacts for understanding our current and future development. The findings of the assessment were validated and approved.

The following materiality matrix provides an overview of the assessment's findings. The various sections of this Sustainability Report describe our management approach for these issues, the progress we achieved in the reporting period, and, where relevant, exceptions to our definition of materiality.

* The report uses the Global Reporting Initiative (GRI) indicators to disclose information on selected issues; their use is referenced in each instance.

Materiality Matrix



How we manage our commitment

GRI 102-11/16/18/19/20 The Uniper SE Management Board bears overall responsibility for the adoption and implementation of Group-wide sustainability measures, with the Chief Sustainability Officer (CSO) playing a key role. David Bryson became CSO on January 1, 2020. 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. The Management Board has assigned the Health, Safety, Security and Environment (HSSE) and Sustainability function the responsibility for defining Group-wide environmental, social, and governance (ESG) targets and key performance indicators (KPIs) and for identifying ESG risks and emerging topics that could affect Uniper.

Our ESG risk management encompasses a governance structure, the assignment of duties and responsibilities, and applicable policies. It assesses the external and internal ESG risks that could arise from our operations. ESG risk

management is part of our overall enterprise risk management. In 2019, Uniper refined its ESG risk management process by establishing the ESG Task Force, a cross-functional steering committee whose purpose is to ensure that ESG risks are adequately identified, assessed, and mitigated.

Uniper's functional units and subsidiaries have a responsibility to implement HSSE and Sustainability Improvement Plans to help implement the Group's overall HSSE and sustainability strategy and meet the associated objectives. The implementation plan for our new strategy includes clear targets and commitments of our functional units and subsidiaries to support the overall Group's targets for a carbon-free future.

Our employees' involvement is essential for achieving a robust sustainability culture. We strive to encourage their involvement by continually reinforcing their awareness of the importance of sustainability for our company, for the countries and communities where we operate, and for themselves as individuals.

Our sustainability strategy

GRI 102-14/16/17 The Sustainability Strategic Plan (SSP) describes how sustainability supports the Group's business strategy and sets improvement targets for its sustainability performance. The material issues derived from the materiality assessment are aligned with selected SDG's and clustered into five impact areas. In line with the recommendations of international frameworks, such as the OECD Guidelines for Multinational Enterprises, the SSP is Uniper's main tool for defining and managing appropriate risk-mitigation and impact-remediation measures for each material issue during a specific timeframe. The HSSE & Sustainability function tracks progress towards the SSP targets on a quarterly basis. The results are presented to the Management Board and all business functions.

As part of our new strategy published in March 2020, we reworked our SSP to reflect our new ambitious target – that our European generation business will be carbon-neutral by 2035.

We also decided to make our two compliance targets more ambitious. One of the original targets was to train all new hires on compliance and the Code of Conduct by 2022 by making this training mandatory. We subsequently expanded the target's scope (to train not just new employees but all employees on compliance and the Code) and moved the deadline forward by one year (from 2022 to 2021). Training will begin in 2020 after the new Code of Conduct is issued.

The other original target was to conduct ESG due diligence of 100% of new counterparties by 2022. The purpose is to identify effective measures to mitigate counterparties' main ESG risks. We subsequently extended this target's scope as well (from new to all active counterparties) to avoid gaps in Uniper's ESG risk assessment.

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 focus area for innovation. Promote lower-carbon fuels for energy generation. 	<ul style="list-style-type: none"> Achieve carbon neutrality for our power generation portfolio in Europe by 2035¹ Maintain a Group-wide carbon intensity threshold of 500g of CO₂ per kilowatt hour (on average) through 2020² 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 2025³ 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 2022⁴
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
Human rights and compliance culture	<ul style="list-style-type: none"> Human rights along the value chain Governance and compliance Data protection 	 	<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 2022⁵ Train all employees on compliance and Uniper's Code of Conduct by 2021
Stakeholder engagement	<ul style="list-style-type: none"> Stakeholder engagement 	  	<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

¹ Direct Scope 1 emissions. ² Carbon 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.

³ Total recordable incident frequency (TRIF) measures the number of incidents per million hours of work. ⁴ Employee inclusion indicator: annual employee opinion survey demonstrates that 95% of employees feel included.

⁵ Within the scope of the Know-Your-Counterparty Business Policy, applied to Uniper Global Commodities, Procurement and Energy Services.

Governance and monitoring

Policies and commitments

GRI 103-2, 102-16/20 Uniper has in place policies for its material ESG issues which are implemented throughout the Group and monitored regularly. These policies stipulate how the Group addresses 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 and sustainability. It provided the framework for developing the 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. An updated version will be issued in the second quarter of 2020.

The Group strives to work, whenever possible, with third parties that have comparable principles. It requires its suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct. Uniper has in place a Know-Your-Counterparty Business Policy. Its purpose is to enhance existing processes for identifying, verifying, and reporting the main compliance risks potentially posed by new counterparties before business deals are finalized. These risks include corruption, money laundering, terrorism financing, and the violation of economic sanctions.

The policies, business directives, and Code of Conduct are available to all employees.

Ratings and rankings

GRI 103-2 -3 and 406-1 We continually monitor our sustainability performance. But it is always useful to find out how others think we're 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.

Uniper's performance in ratings and rankings

	Our score
CDP 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 resulting in a category upgrade (from awareness to management) from our previous grade of C. This grade is higher than the Europe regional average of C and lower than the thermal power generation sector average of B. CDP made the upgrade because of an improvement in our risk management and governance processes.
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: 81 (previous: 72)
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).	Average BB (previous: laggard B) MSCI based the upgrade on an improvement in our environmental performance.
ISS-oekom ISS-oekom of 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. Its seven ESG ratings are grouped into three categories: laggard (CCC, B), average (BB, BBB, A), and leader (AA, AAA).	C
Sustainalytics ESG Risk Ratings Amsterdam-based Sustainalytics rates the industry-specific ESG risks of 9,000 companies worldwide.	Relative performance (utilities industry): 136 out of 442 (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

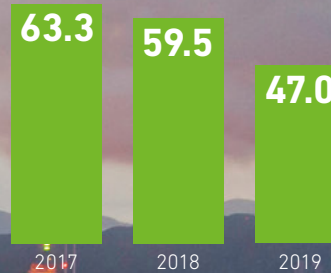
Climate action and security of supply

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're actively shaping it. To help implement the Paris Agreement, we're working to help gradually decarbonize the energy system while simultaneously ensuring a reliable energy supply.

Our European power generation portfolio: to be carbon neutral by 2035.



21% reduction in our
direct carbon emissions
from 2018 to 2019



→ Commitments

Monitor and optimize the carbon intensity of Uniper's generation portfolio

Make decarbonization activities a focus area for innovation

Promote lower-carbon fuels for power generation

→ Targets

Achieve carbon neutrality for our European power generation portfolio by 2035

Maintain a group-wide carbon intensity threshold of 500g of CO₂ per kilowatt-hour (on average) through 2020¹

Conduct, by 2022, at least 20 projects whose aims include decarbonization

→ Contribution to the UN SDGs



¹ Carbon 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.

Greenhouse gas emissions

GRI 103-1/2 Climate change is a major challenge. Urgent, concerted action worldwide will be necessary to limit global warming to well below 2 degrees centigrade. It's also a big challenge for an energy company like us. The energy industry, which is among the biggest carbon emitters, will need to play an important role in the transition to a carbon neutral future.

Our decarbonization strategy: Empower Energy Evolution

GRI 102-11/12/ 14/15 and 103-2 In late January 2020, we announced our commitment to exit coal-fired power generation in Germany by 2038 at the latest. We took this big step further in March by committing to make our power generation portfolio in Europe carbon neutral by 2035. That means going from 22 million metric tons of direct carbon emissions last year to net zero. Both bold commitments are part of a fundamental strategic reorientation focusing on a secure and climate-friendlier energy supply. Uniper will gradually reduce its portfolio's carbon emissions. We will also offer our customers products and services that are increasingly climate-friendly.

We plan to invest €2.7 billion in total between now and the end of 2022, of which €1.2 billion are planned for new growth projects, some of which have already started. These investments, too, will help make our portfolio steadily cleaner. That's because all our investments must now meet three criteria. First, as in the past, they must create value for Uniper, our employees, and our shareholders. Second, they must of course fit with our core businesses. The third

criterion is new: all of our future investments will be mirrored against our target toward the decarbonization of our business. Reduced hurdle rates, aligned with green project criteria, will be implemented into our strategic and financial decision-making process for projects and investments. Examples for green investments will include power-to-gas, utility-scale energy storage, and technologies like green and blue hydrogen, carbon recycling and the synthetic, carbon-neutral fuels and chemicals that will enable companies in other sectors to decarbonize.

Between now and 2040, global energy demand will increase significantly. At the same time, carbon emissions must be permanently reduced. Uniper's unique portfolio enables it to be part of the solution to this global challenge. We've set our strategic course to substantially accelerate decarbonization.

For electricity generation in our International Power business, we are examining how corresponding decarbonization solutions can be implemented in the long-term. The planned modernization projects for our Russian gas-fired power plants will make a substantial contribution to increasing efficiency. These projects will also contribute to securing a competitive and climate-friendly electricity supply within the framework of the Russian capacity market regulations. In 2019, we were awarded the contract for the modernization of the Surgutskaya 1, 4 and 6 power plant sites.

In order to make a substantial contribution to the decarbonization of energy systems in the area of global commodity trading, we are working on developing global trade in climate neutral gases and other energy carriers in

the future. 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.

GRI 302-2/4 Because gas plays a pivotal role in decarbonization, as well as energy security, it will be a key focus of our future strategy. We plan to further expand our broadly diversified gas business and progressively decarbonize it as well. We're forging ahead with the replacement of coal to gas, at our own facilities and those of our customers. We have begun the construction of two new gas turbines and a steam boiler at our Scholven coal-fired power plant site in Germany. The new gas and steam plant is to replace the existing plants in the future.

With Europe's gas production declining while demand is expected to remain at about the current level, the need for imports will increase. As one of Europe's largest gas importers and operators of gas storage facilities, we'll continue to help secure Europe's energy supply with pipeline gas and LNG. Uniper is also engaged in both pipeline infrastructure (like financing the Nord Stream 2 project) and the expansion of LNG infrastructure (like the floating regasification terminal planned for Wilhelmshaven).

Looking further ahead, we intend to gradually replace conventional gas with green gas or green hydrogen in both power generation and energy trading, as green hydrogen can build the central link between renewable energy production and the use of this energy in the different sectors, such as electrical power, mobility and heat. Further development of additional renewable energy production needs some time. During this ramp-up phase, other technologies for

low-carbon or carbon-free production of blue hydrogen from gas can be added to the production of green hydrogen. This can be steam reforming in combination with carbon capture and usage or storage, as well as splitting of gas at 1,200°C into hydrogen and solid carbon black, which can be used in various industrial applications.

Uniper is one of the pacesetters in the use of power-to-gas technology to produce green hydrogen. We began operating our first power-to-gas unit in Falkenhagen in 2013, followed by another in 2015 in Hamburg. We added methanization equipment to Falkenhagen in 2018.

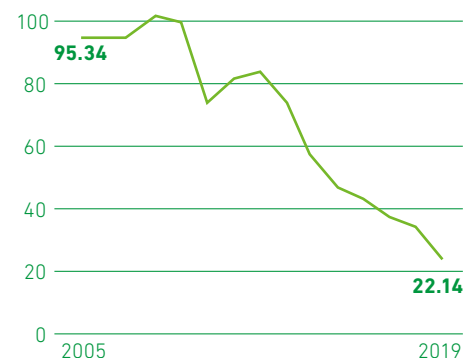
In addition, we partner with refineries and the automobile industry to conduct a variety of industrial-scale projects that help accelerate green hydrogen's economic viability. The technologies are out there; what has been lacking is profitability and the right regulatory environment. For Europe to develop a green and blue hydrogen industry that can prosper and remain here, it will need to adopt a technology-neutral, holistic approach. Uniper wants to actively shape the future of green and blue hydrogen and work together with industrial enterprises, scientists, and policymakers to propel development.

One of Uniper's Hydro
plants in Sweden.



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.



Maasvlakte Power Plant in the Netherlands.

Since the EU Emissions Trading Scheme began in 2005, the Uniper Group's fully consolidated companies in Europe have reduced their annual carbon emissions by 73.2 million metric tons, which is almost 77%. Our emissions have therefore declined further than the current EU climate targets to cut emissions in the EU by at least 40% below 1990 levels by 2030.

We set a Group-wide annual average carbon intensity threshold to remain below

500 grams of carbon dioxide per kWh for the period 2018 to 2020. Our average carbon intensity for the period January 1, 2018, to December 31, 2019, was 474 grams of carbon dioxide per kWh. We are committed to optimizing our carbon-monitoring processes and investing in asset improvement and innovation projects to remain below the threshold for the three-year period.

In 2019, our direct carbon emissions from the combustion of fossil fuels for power and

heat generation (operational control approach) fell by 21% to 47 million metric tons (2018: 59.5 million metric tons), mainly because of a decline in output from coal-fired assets in Germany and the United Kingdom, the six-month shutdown of Maasvlakte coal-fired power station in the Netherlands due to a significant equipment failure, and the sale of assets in France in July 2019.

From 2018 to 2019, Uniper's power production from coal declined from 31.8 to

19.9 billion kWh. During the same period, hydro power production increased by 2.4 billion kWh.

Supporting the energy transition

GRI 302-2/4 and 305-4/5 Several European countries in which Uniper has operations have already decided to phase out coal in the years ahead. Our support for decarbonization is firm, but we believe that the phaseout and the energy transition should generally be orderly, responsible, and fair.

Direct CO₂ emissions from fuel combustion by country GRI 305-1

Million metric tons	2019	2018	2017
Russia	24.9	25.3	26.4
Germany	11.1	17.2	16.9
United Kingdom	5.6	7.6	6.2
Netherlands	3.2	5.5	7.9
France	1.0	2.9	5.1
Hungary	0.9	0.8	0.8
Czech Republic ¹	0.1	<0.1	-
Sweden	<0.01	<0.01	<0.01
Total	47.0	59.5	63.3

Operational control approach taken – figures (100% of direct emissions of the facility) from any generation assets over which Uniper has operational control. Data for all countries except Russia were determined using the European Union Emissions Trading Scheme rules. Rounding corrections per country result in small differences which are considered in the total sum. The carbon emissions for France are for the period January 1 to June 30, 2019 only.

¹ Emissions in the Czech Republic were inadvertently excluded from the operational control approach in 2018. These have now been added for 2018 and 2019.

Under our ambitious timeline, we'll close about 1.5 GW of coal-fired capacity in Germany by year-end 2022 and intend to submit another 1.4 GW to the federal government's shutdown scheme by 2025. We had already withdrawn just over 2.4 GW through year-end 2015. Together, these closures will yield total carbon savings of up to 18 million metric tons per year.

Datteln 4, our new hard-coal-fired power plant in west-central Germany, is scheduled

to enter service in the summer of 2020. There has been some criticism regarding the commissioning of Datteln 4 along with the decision on a coal exit in Germany. 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. Along with the aforementioned plant closures, having Datteln 4 online will enable us to reduce our carbon emissions in

Germany by 40% by the end of 2025. This is why, after careful consideration, the German federal government decided that the country could decarbonize more quickly by having Datteln 4 become operational and displace the production of older, less efficient coal-fired plants.

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.

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.

Gas, the cleanest fossil fuel, has a unique ability to deliver deep and rapid emissions reductions across many sectors. Gas is the fastest way to decarbonize the power industry. Shifting from coal and petroleum

products to gas will rapidly reduce emissions in heavy industry, space heating, and transport. Multi-sector conversion to gas is the fastest and cheapest way for Europe to reduce its carbon emissions by up to 65% in the next two decades. Gas will also serve as a vital emissions-reducing technology today while transformative innovations, like synthetic fuels, are developed and scaled up.

Natural gas can play its role in the energy transition even more effectively if it becomes more climate friendly, for example, when equipment to produce hydrogen and methane is powered by renewable electricity in a process known as power-to-gas. Alternative fuels can help make mobility more sustainable as well. Uniper is therefore developing businesses for several alternative fuels, including liquefied natural gas (LNG) as a fuel for heavy trucks. LNG trucks have lower emissions and are quieter.

Greenhouse Gas Protocol Scope 2 and 3

GRI 305-2/3 Our Scope 2 indirect emissions totaled 1.12 million metric tons of CO₂ (2018: 1.10 million metric tons of CO₂) and 1.57 million metric tons CO₂ (2018: 1.67 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 pump storage in our hydro plants in Germany. The 2018 figures were also updated. Our Scope 3 indirect emissions related to extraction and transportation of consumed fuels totaled 8.7 million metric tons of CO₂, lower than in 2018 (10.3 million metric tons).

A higher CDP score

In 2019, Uniper responded to CDP's sector-specific climate change questionnaire, about Uniper's performance in the 2018 calendar year. CDP, formerly known as the Carbon Disclosure Project, runs a global disclosure system for companies to improve awareness through measurement and disclosure of environmental data, climate risks, and carbon management. After evaluating our responses, CDP gave Uniper a score of B- which is an improvement on the previous year's score (C). Scores range from A (best) to F. CDP raised the score because it recognized that we had identified and realized potential for improvement in our

sustainability performance. We will continue our efforts in 2020 and are evaluating actions that could further improve our CDP score.

Climate Action & Strategy Team

GRI 103-1 and GRI 305-5 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 a panel of experts, the Climate Action & Strategy Team. Led by the HSSE & Sustainability and Corporate Strategy departments, it brings together representatives of other departments that are integral to setting our decarbonization course.

The team's first task is to carefully analyze Uniper's current emission baseline by geography, fuel type, and emission scope (1, 2, and 3). The next – as part of the implementation of our new strategy – is to identify the various decarbonization options available to us in power generation and commodity trading and assess their potential impact on our carbon footprint, operations, and bottom line. Bringing these two sets of information together – detailed emissions data and a list of decarbonization options – will enable the Uniper Management Board to set specific ambitious emission reduction targets per business that are economically viable and

enable us to continue to provide a reliable supply of energy to customers.

The team's third task is to define Uniper's future approach to emission disclosures. Transparency is integral to our climate strategy and will guide this approach. As stated above, Uniper has already improved its CDP score, and the team will explore ways

to further improve this score and transparency generally. As part of this effort, the team will continue to assess whether, and to what degree, the framework for voluntary climate-related financial risk disclosures issued by the Task Force on Climate-related Financial Disclosures (TCFD) could fit with Uniper's approach to emission disclosures.



Innovations for a low- carbon future

GRI 103-1 Innovation and cutting-edge technologies are crucial to our ability to Empower Energy Evolution. They make our existing businesses more efficient, competitive, and sustainable. Also, they enable us to establish new businesses that we believe could accelerate the transition to a carbon-neutral future. That's why we continually track and analyze emerging technologies. 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.

How we manage innovation

GRI 103-2/3 and 302-2/4 G4-DMA Uniper develops innovative, scalable business models in a variety of areas. Some of them – like a flexible power supply, utility-scale batteries, and other new storage technologies – demonstrably enhance the energy system's ability to add more renewable energy sources while maintaining system stability. Although crucial to the success of the energy transition, they're incremental in nature: they'll help the energy transition do what it's already doing even better. Other technologies like green hydrogen and carbon recycling have the potential to be truly game-changing. Because they can do something special: go a long way towards making emission-heavy but hard-to-decarbonize industries – particularly chemicals, and air, maritime, and heavy-road transport – much cleaner.

Uniper has invested in a number of pilot projects to refine, scale up, and deploy a variety of technologies on a commercial scale. In addition, we've set a target of conducting, by 2022, at least 20 projects, the main aim of which include decarbonization. At year-end 2019, Uniper was working on 12 such projects.

The European Union and many of its member states have committed to becoming as climate neutral as possible by 2050. This will



Employees at Uniper's power-to-gas plant in Falkenhagen, Germany.

require a lot more renewables. But it will also require many of the technologies mentioned, from utility-scale batteries to green hydrogen, in which Uniper is a pacesetter. Our innovation portfolio is focused on issues where we can best leverage our existing capabilities and assets to accelerate the transition to a low-carbon – and, ultimately – a carbon-neutral future.

New flexibility

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 is able to capture more of this output. We're pioneering the development of innovative technologies for both forms of flexibility.

Converting green energy into green gas

On particularly windy, sunny days, wind and solar farms sometimes have to curtail and even suspend production because of grid congestion. That's green energy gone to waste. Power-to-gas (P2G) can help: instead of taking wind turbines or solar arrays offline when the grid is congested, their output can be used to run on-site electrolysis equipment that produces green hydrogen, which is then injected into the gas pipeline system.

We're one of the first companies in the world to test and perfect this technology. In a three-year P2G trial in Falkenhagen in north-east Germany, we produced almost 0.8 million cubic meters of hydrogen. We have a similar plant outside Hamburg. In 2018, we modified the Falkenhagen plant so that it can use CO₂ captured from a nearby bio-ethanol plant to transform the green hydrogen into climate-neutral methane (carbon neutral because the CO₂ released when it's eventually combusted would have been released at the bio-ethanol plant). We believe that green methane holds greater promise at many locations because it has the same chemical properties as natural gas and can therefore be stored in unlimited quantities in the gas system. P2G, which promises to become even more efficient and affordable going forward, will make it possible for Europe to harness more renewable energy.

Big batteries

An important first is the M5BAT, a utility-scale battery for on-site storage of surplus low-carbon energy production. We codeveloped the battery, which is operated by RWTH Aachen University on our behalf. As the name suggests, the M5BAT uses five different battery technologies with a total capacity of 5 megawatts. The battery's output is used to balance short-term fluctuations in



Uniper employees
at the 2020 E-World
trade fair in Essen.

the grid. Uniper and RWTH intend to include the battery in a future project to develop methods and algorithms for increasing the economic viability of utility-scale batteries.

Making eMobility fast charging possible everywhere

As more electric cars take to the streets – Germany wants to have 1 million of them by year-end 2022 – public fast-charging infrastructure will become increasingly important. So far, there isn't much. Uniper wants to help close this gap by leveraging its expertise in batteries and flexibility. We're developing a mobile, battery buffered fast-

charging device that can be used whenever and wherever it's needed: in the parking areas of outdoor concerts, soccer matches, village fairs, and any event or location where the siting of permanent charging infrastructure would be uneconomic, unfeasible, or unsightly. The batteries would be charged with renewable electricity, which would make eMobility even climate-friendlier. Once many of them are in use, we could aggregate them into a large virtual storage system, which would increase our ability to offer grid flexibility services. In February 2020 we premiered the device at the E-World trade fair in Essen, where it met with interest from more than 100 potential customers. We expect to begin field-testing the mobile battery in the third quarter of 2020.

Making hydrogen more sustainable

Supplying hydrogen to industrial users like the chemical industry and refineries is a major business with an ongoing growing global demand. Today, almost all hydrogen is produced with fossil fuels. Displacing this with green hydrogen produced by renewables-based P2G would dramatically reduce the hydrogen industry's carbon emissions. In fact, renewables based P2G would make it possible to avoid 90% of the greenhouse gases (GHGs) emitted by the conventional production of hydrogen. Green

hydrogen provides opportunities for decarbonizing large industrial processes like steel production through new technologies now based on hydrogen. Green hydrogen can be used in fuel cells to power cars, locomotives, and ships. Because fuel cells only emit water, not CO₂, this would make transportation dramatically climate-friendlier. Green hydrogen can also be combined with captured CO₂ to produce climate-neutral chemicals and synthetic fuels, such as synthetic diesel and synthetic aircraft fuel. Our objective is to position Uniper as leading producer, distributor, and direct marketer of green hydrogen. The process is already under way: we plan to build an industrial-scale, wind-powered green hydrogen plant and an underground hydrogen storage facility near Bad Lauchstädt in eastern Germany. We also partnered with BP to apply for government funding for an even larger green hydrogen plant for BP's refinery in Lingen in northwest Germany.

Carbon recycling

Carbon recycling involves transforming a prominent GHG, carbon dioxide, into a valuable green resource by capturing it from power plants' exhaust stream or industrial processes and using it as a basic material in other products. Carbon recycling could bind large amounts of CO₂, thereby preventing it

12

decarbonization- focused innovation projects underway

from entering the earth's atmosphere. And using CO₂ from power generation to produce chemicals and fuels that otherwise would've been produced using fossil fuels will avoid millions of tons of emissions. For our own plants, we're identifying neighboring companies that need CO₂ for their production processes – like the large complex of greenhouses that will receive heat and CO₂ from Berezovskaya 3, one of our generating units in Russia, which will make "greenhouse gas" a literal term. Uniper is also actively engaged in developing carbon recycling businesses and partnering with other companies to create a global carbon recycling industry. We're a founding member of CO₂ Value Europe, an industry initiative to promote the development of a Europe-wide carbon-recycling industry and relevant technologies and to advocate energy policies and regulations that would support this

development. The latter are crucial. Carbon recycling's potential for reducing net carbon emissions is huge. But it needs the right government policies to support the early stages of its development.

Using LNG to reduce heavy vehicles' environmental impact

With the amount of freight hauled by road continuing to 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're also much quieter. In view of these advantages, we're 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. Liqvis currently also operates mobile filling stations in Ulm and in Kassel. Two more fixed installations (one in France, the other in Germany) will become operational in the first and second quarter of 2020, respectively.

Scaling up green hydrogen

As part of our ambition to become a leader in green hydrogen, we plan to partner with four other companies to build an industrial-scale, wind-powered green hydrogen plant and underground storage facility near Bad Lauchstädt in eastern Germany. The project would involve approximately 35 MWe of electrolysis capacity, which will be owned and operated by Uniper, to convert renewable electricity from a nearby wind farm into green hydrogen. The hydrogen, which would be stored in a modified salt cavern operated by one of our project partners, is planned to be piped to neighboring chemicals enterprises and utilized for urban mobility solutions. The cavern would be able to store nearly 50 million cubic meters of hydrogen, enough to heat about 20,000 households annually. It would be Europe's first underground hydrogen storage facility and the first in the world for storing green hydrogen. The project has been short-listed for funding under Real-World Laboratories for the Energy Transition, a program run by the Federal Ministry of Economics and Technology. The ministry is expected to make the final decision by early 2021. If awarded funding, the hydrogen plant could be fully operational in around 2.5 years.

An employee at
Karlshamn Power
Plant in Sweden.

Secure, affordable, and reliable energy supply

GRI 103-1 A secure and reliable supply of energy is essential for the functioning of society and a competitive economy. 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. To manage the operating risks of its generation assets and to promote their availability, Uniper has an integrated asset and HSSE management system that conforms to industry practices.

Uniper's long-term gas supply contracts, natural gas storage facilities, global gas trading activities, and capacity for regasifying liquefied natural gas (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 in several regions in Germany and elsewhere.

Öresundsverket
Power Plant in
Malmö, Sweden.





How we manage our generation fleet

GRI 103-2/3 G4-EU10 We own and operate 34.3 GW of generating capacity in Europe and Russia. This fleet is highly efficient, flexible, and diversified. Our largest asset positions are in Germany, Russia, the United Kingdom, Sweden, and the Netherlands. We divested our operations in France in July 2019. In addition to producing electricity and providing stability to the grid, many of our plants supply heat, process steam, compressed air, and other products to nearby industrial enterprises and utilize some of these enterprises' waste streams.

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.

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 79.1% in 2019, which was roughly unchanged from 2018. Their unplanned unavailability was 12% in 2019, a slight increase from 2018 (11.6%).

The main reasons were high-pressure turbine damage and more boiler-tube leakages than expected, especially at relatively new power plants.

We investigate each case of equipment failure carefully to determine the causes, so that we can prevent similar problems at other plants and keep our fleet's availability high.

Our decades of experience in plant management enables us to keep our generation fleet running smoothly, which helps ensure a reliable

Uniper Group: Consolidated Generation Capacity as of December 31, 2019

in MW	Gas	Coal	Hydro	Nuclear	Other	Total (by country)
Russia ¹	8,517	2,263	-	-	-	10,780
Germany	3,333	3,802	1,991	-	1,418	10,544
United Kingdom	4,188	2,000	-	-	221	6,409
Sweden	447	-	1,579	1,400	1162	4,588
Netherlands	526	1,070	-	-	-	1,596
Hungary	428	-	-	-	-	428
France	-	-	-	-	-	-
Total (asset specific)	17, 439	9,135	3,570	1,400	2,801	34,345

¹ Figures include the Czech Republic.

How each of our fuels supports supply security

GRI 103-2/3

power supply in the countries where we operate. We market this experience in emerging and developing countries, providing operation and maintenance services for power plant operators, and support for new energy infrastructure projects. These services enable our customers' power plants to meet high international standards for operational excellence, including availability. That means we're helping improve supply security in other parts of the world, too.

Average Asset Availability for Conventional Power Generation by Country

Percentages	2019	2018
France	79.7	76.3
Germany	77.4	77.2
Hungary	96.9	95.9
Netherlands	56.1	75.4
Russia	79.2	77.1
Sweden	91.1	86.8
United Kingdom	83.2	83.0
Total	79.1	79.0

Availability is equal to 100% minus planned and unplanned unavailability. Uniper Group figures are volume-based weighted averages. They refer to Uniper's current operational portfolio and is based on the proportion of our stake in an asset (2018 figures adjusted). Assets in France are included from January 1 to June 30, 2019.

Gas

In January 2019, Uniper was awarded a contract to build a gas-fired power plant with a capacity of 300 MW in Irsching near Ingolstadt, Germany. The new power plant will serve as a safety cushion to supply power at short notice in emergency circumstances when system reliability is at risk. A high degree of operational flexibility will make it ideal for balancing out intermittent wind and solar power, which accounts for a steadily increasing proportion of Germany's generation mix. The plant, which is scheduled to be operational by October 2022, will support the transition to a low-carbon energy supply.

Uniper procures natural gas from a variety of producers in several countries, mainly Russia, the Netherlands, and Germany. In 2020, to provide customers in Europe with a more diversified gas supply, Uniper will begin to procure gas from Azerbaijan. Under a long-term contract concluded in 2013 with Baku-based SOCAR (State Oil Company of the Azerbaijan Republic), Uniper will source up to 1.5 billion cubic meters (bcm) of natural gas per year via the Southern Gas Corridor (SGC), a system of pipelines that connects the Caspian region and the Middle East to Southeastern Europe. SGC opened in May 2018. As part of this arrangement, in 2016

Uniper and SOCAR formed a joint venture to promote energy efficiency. The joint venture's first project was to upgrade and expand the power and steam generators at a SOCAR chemical complex located about 30 kilometers north of Baku. In November 2019, Uniper and SOCAR representatives signed a collaboration initiative to deepen the two companies' partnership.

In addition, Uniper has stakes in gas transmission pipelines (such as OPAL, which runs from the Baltic Sea to the German-Czech border) and finances projects to build them. These assets provide important pathways for the import and transport of gas and therefore play key roles in ensuring Europe's supply security.

Along with pipeline gas, Uniper purchases LNG and has stakes and long-term capacity bookings at several LNG terminals in Europe. In addition, Uniper and Mitsui O.S.K., a Japanese maritime transport company plan to build and operate a floating storage and regasification unit (FSRU) in the port of Wilhelmshaven, Germany. This unit could store 263,000 cubic meters of LNG and send out 10 bcm of gas per year. The FSRU would supplement the large onshore regasification terminal planned for Wilhelmshaven. It could source large quantities of LNG from around

the world and thus further diversify Europe's gas supply. The FSRU would therefore substantially enhance supply security and spur competition. End-customers would benefit from both.

In January 2019, Uniper and Amsterdam-based Titan LNG agreed to develop a technical interface and commercial products for the Wilhelmshaven FSRU. The purpose is to accelerate the growth of LNG – the carbon dioxide, nitrogen oxide, and sulphur dioxide emissions of which are lower than diesel's – as a fuel for industry, heavy vehicles, and maritime transport. The planned unit at Wilhelmshaven will supply LNG fuel to trucks and small ships.

Employees at Grain
Power Plant in
the United Kingdom.



Resisting change to propel change

Big electric turbines and motors at power plants and factories spin at the same frequency as the electricity grid. These objects are very heavy and will therefore tend to resist change: they'll want to continue spinning at their current frequency even when the voltage in the grid goes up or down because production and consumption increase or decrease. This tendency, called grid inertia, helps minimize and slow the effects of voltage fluctuations and thus helps keep the power system stable and reliable.

Renewables produce green electricity but no inertia: solar panels don't spin, and wind turbine spin in response to wind speed, not at the frequency of the grid. As the proportion of renewables in the electricity mix increases, the amount of available grid inertia decreases. As a result, changes in production or consumption affect the grid faster and more dramatically, making it less stable. Power grid operators are aware of this and looking for solutions.

Britain's grid operator, National Grid, turned to Uniper. It awarded us four six-year contracts to provide grid inertia and voltage control from two of our gas-fired power stations, Killingholme and Grain. To do so, we'll reconfigure idle steam generators at Killingholme and build two new synchronous compensation units at Grain. The contract, which runs from 2021 to 2026, will make Uniper Britain's biggest provider of dedicated inertia and voltage control. These services will mostly make use of existing infrastructure and consume no additional fuel. And most importantly: by resisting changes in system voltage, they will allow National Grid to connect more sources of green electricity, thereby propelling the changes that will progressively decarbonize Britain's energy supply.

National Grid is expected to award more such contracts in the future, creating additional opportunities for us to utilize our assets and engineering expertise in this fast-developing niche of the energy transition.

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.

Top 1%

Uniper ranked in the top 1% of German companies by Leading Employers in January 2020





82

nationalities work
at Uniper

→ Commitments

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.

Have zero tolerance of discrimination

Ensure equal opportunity and promote inclusion in the entire workforce

→ Targets

Achieve a Group-wide combined TRIF threshold of 1.0 or below by 2025¹

Certify 100% of Uniper's operational assets to ISO 45001 by 2022

Have women account for 25% of Uniper's high-level executives by 2022

Achieve an employee inclusion indicator of over 95% by 2022²

→ Contribution to the UN SDGs



¹ Total combined recordable incident frequency (combined TRIF) measures the number of work-related accidents sustained both by the Uniper Group's employees and by those of external companies engaged by Uniper in incidents per million hours of work.

² Employee inclusion indicator: annual employee opinion survey demonstrates that 95% of employees feel included.



An employee at Grain
Power Station in
the United Kingdom.

Health and safety

GRI 103-1 Maintaining high health and safety standards is a core value for us because we care about our people. Safety is also important for the operation of our facilities and enables us to avoid the additional cost of work stoppages and lost time that result from accidents. Our commitment to health and safety also extends to contractors who work for us, people who live near our facilities, and visitors.

Stressful situations and unsafe work habits in complex environments, such as power plants and gas storage facilities, could lead to serious accidents, injuries, and fatalities. Accidents could involve the public near Uniper facilities as well. Uniper has in place Group-wide programs and policies that are adapted to the different safety practices in the countries where it operates. 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 under way in Germany, Sweden, the Netherlands, and the United Kingdom.

GRI 103-2/3, 403-1/2/8 We view health and safety as a key leadership task that requires a culture of continual improvement. Our pro-

grams and policies enable us to learn from accidents and to achieve the health and safety targets and improvement measures we define annually. Onboarding agreements with contractors include clauses requiring them to adopt our safety standards and aspire to contribute to our vision.

Comprehensive HSSE management

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. Based on the central Group-wide HSSE & Sustainability Improvement Plan, the operating entities design their own annual improvement plans, which include health and safety

targets and improvement measures. Progress toward the targets is monitored regularly. These plans help Uniper live up to its commitment to continually improve its health and safety performance. All efforts to further raise health and safety standards can only be successful if contractors and their employees are closely involved and support them.

The health and safety management systems of all Uniper's operating entities are certified to OHSAS 18001 and are regularly reviewed and certified by independent auditors. To continually improve its health and safety standards, Uniper has set a target of upgrading 100% of its operational assets to ISO

45001, the new international standard for health and safety management, by 2022. In 2019 it designed an action plan for achieving this target. The plan will be implemented over the next three years. At year-end 2019, 17% of our operational assets were already certified to ISO 45001.

Uniper has always considered it of great importance to systematically document and analyze incidents and near misses and to use effective communications and corrective measures to help prevent their reoccurrence. As of the end of 2019, the Incident Management System (Synergi Life) launched in 2018 was in place at all Uniper units, except those in Sweden and Russia. There, IT security restrictions slowed implementation, which will continue in 2020. Synergi Life's effectiveness as an incident management tool requires the daily commitment of staff across the organization. Thanks to training and active communications that helped our staff become more familiar with the tool, the quality of reporting and incident management improved considerably over the course of 2019.

100%

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

How we strive to improve health and safety

GRI 103-2, 403-4/5/7/9 Our main safety metric for management purposes is the combined total recordable incident frequency (combined TRIF), which measures the number of incidents per million hours of work. Uniper has committed to reducing its combined TRIF threshold to 1.0 by 2025 by fostering continual learning, providing training, and further improving our management systems. We had no fatal and no severe, life-changing accidents in 2019.

Combined TRIF: 1.48

Combined TRIF, which includes the safety performance of contractor employees who work for us, was 1.48 in 2019 (2018: 1.47), significantly below the threshold of 1.75 set in 2019. A marginal increase in recordable incidents at steam and nuclear assets was offset by a reduction at hydro assets and operations in Russia. On balance, combined TRIF was essentially unchanged.

Employee TRIF: 0.98

TRIF for our own employees was 0.98 in 2019 (2018: 0.90) due to a slight increase in the number of Uniper employees involved in incidents that led to an absence from work. Employee TRIF at our subsidiary in Russia

improved again in 2019 and was lower than that of most of our other units. This, along with lower TRIF at our hydro assets, prevented a significant increase in employee TRIF.

Contractor TRIF: 2.05

Contractor TRIF declined to 2.05 (2018: 2.18). The improvement is possibly a positive effect of our systematic contractor management and engagement project. Going forward, we'll continue supporting our operational business in implementing our standards and working to further improve our contractors' safety performance and adherence to our standards.

86%

The average score on the health-related questions increased from 80% positive in 2018 to 86% in 2019.

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

Combined LTIF: 1.05

Employee LTIF: 0.93

Contractor LTIF: 1.19

Contractor LTIF decreased from 1.44 in 2018 to 1.19 in 2019. The reasons are the same as for the decrease in contractor TRIF.

Raising awareness

The safety leadership training provided to senior managers since 2016 was scaled back in 2019 because all senior managers had taken it. Going forward, it will be provided to newly hired senior managers and offered as a periodic refresher. In 2019, all senior managers and a large percentage of staff in the Procurement department received special training in HSSE contractor management and engagement practices.

Focus on a healthy Uniper

GRI 403-3/6 Health management continued to make progress in 2019. Uniper's 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. Teams across Uniper continued to implement actions defined in health action plans. The 2019 Voice of Uniper employee survey indicated increased satisfaction with Uniper's health support. The average score on the health-related questions increased from 80% positive in 2018 to 86% in 2019.

Mental health week

Uniper's Global Commodities segment held a mental health week in late October 2019. It consisted of a series of workshops designed to help employees understand how to recognize stress and develop habits for dealing with it. Activities included yoga and meditation classes, bio-feedback, health screening, group jogging, and healthy breakfasts. We also produced a self-help booklet, which is now being shared more widely across the company. The events attracted more than 1,000 employees: 600 at our headquarters in Düsseldorf and 400 more at 22 offices worldwide, including the United Kingdom, Sweden, Russia, Dubai, Singapore and the United States.

Becoming a learning organization

Why do the same types of accidents keep recurring? How can Uniper get better at learning from good practices and from accidents? In 2019, the HSSE & Sustainability function launched a project to tackle these challenges and become a learning organization.

A thorough review of our existing processes for reporting, documenting, and analyzing incidents identified ways to improve and simplify them. This applies to communications processes. These processes ensure that information about, and lessons learned from, incidents at and outside our company reach everyone at Uniper who needs them. Implementation of the changes – higher-quality documents, plus new appealing formats, tools, and channels – is under way.

The next step is to make sure that lessons learned from accident analysis are also understood and, more importantly, accepted by those at risk: our employees and our contractors'. This, our safety and asset experts believe, requires leadership, as well as powerful, personal, and compelling communications. These, along with data-driven learning, will be crucial to building a team of engaged leaders and employees who take care of themselves and others.

The journey of becoming a learning organization will take time, passion, and strong beliefs, but it has already begun at Uniper.



An employee at one of Uniper's hydro plants in Sweden.

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 help ensure a reliable energy supply while systematically decarbonizing its portfolio.

We place a significant emphasis on an open and trusting corporate culture, which we call the Uniper Way. It has three core elements and three corresponding guiding statements: leadership (grow and empower people), teamwork (become one and simplify), and individual contribution (act as if it is your own company). The Uniper Way is brought to life by being integrated into our management structures, internal mechanisms, and 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 digitalization, these elements help create an agile and flexible organization with more cost-efficient processes.

Andreas Schierenbeck (Chief Executive Officer) with employees at the 2019 Annual General Meeting.



How we manage our attractiveness as an employer

GRI 103-2/3 and GRI 401-2 Our corporate strategy aims to make Uniper more streamlined, more competitive, and more resilient. This includes steady progress in decarbonization. Our HR activities support this strategy 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, HSSE excellence, project management, and the Uniper Way. We maintain and nurture them through a capability-based approach to

hiring and developing people. 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 2019, we took numerous steps to further improve our attractiveness as an employer. 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.

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 2019, 24 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, training modules, and a detailed tour of one of our power plants. In 2019, we began accepting new trainees to the program twice a

year, too, in April and October. We added more options for rotations outside Germany and a two-week operational excellence workshop.

Our aim is to retain all trainees who want to continue their professional journey with us. More than 90% of

those who completed the program between 2016 and year-end 2019 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 employees
at Gelsenkirchen in
Germany.

How we reward and manage our workforce

GRI 103-1/2 and GRI 401-2 Competitive compensation and 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. 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 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 elder care are some of the ways we make it easier for employees to have a healthy work-life balance.

GRI 401-1 In 2019, we hired 1,376 new employees from outside our company, 281 of them on temporary contracts. The majority were recruited in Germany (41.2%) and Russia (42.7%). At year-end 2019, 4.8% of our employees were working part-time. This is higher than in 2018 (4.4%).

Training

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 202 apprentices and 130 work-study students and interns in Germany at year-end 2019. 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 online learning. In 2019, 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. The choice of apprenticeship occupation and of training location is increasingly based on the specific qualification requirements of individual Uniper companies.

New hires from the external market by age range¹

Age range	2019	2018
<21	110	122
21-30	492	466
31-40	378	232
41-50	210	156
51-60	140	83
>60	46	22
Total	1,376	1,081

¹ These figures include new permanent staff, temporary staff, managing directors/board members, interns/work-study students, and apprentices.

Two employees at Holford Gas Storage facility in the United Kingdom.





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, treating 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.

How we manage diversity and inclusion

GRI 103-2/3 Uniper's Management Board is fully committed to promoting diversity and inclusion (D&I) in the six dimensions defined by the German Diversity Charter: gender, nationality or ethnic background, religion or worldview, disability, age or generation, and sexual orientation and identity.

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. We've 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.



An employee at
Enfield Power
Station in the
United Kingdom.

Fostering an open corporate culture will enable us to reflect societal change and help us prevent a future shortage of skilled workers. As part of this effort, we offer employee eLearning modules on diversity, inclusion, and preventing unconscious bias. We also provide managers with training in inclusive leadership.

Anti-discrimination management

Uniper is committed to not tolerating discrimination or harassment in any form. It complies with anti-discrimination laws and regulations in the countries where it operates, such as the German General Anti-Discrimination Act. Compliance is supported by clear company policies and training.

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.

Diversity and Inclusion Improvement Plan

In 2018, a team of senior managers, six D&I ambassadors from different units, and staff from HR and Communications designed a D&I Improvement Plan for 2018-2020. The Management Board, which approved the plan in 2018, believes it will enhance our company's potential for innovation and growth. The plan, which sets targets for increasing employee engagement in teams and combating discrimination, focuses on three areas:

- leadership and culture
- communication
- infrastructure and compliance

The plan is implemented by senior managers, who actively raise their team's awareness of diversity and inclusion. These efforts are supplemented by company-wide communications on these issues. We are currently shifting to a project-oriented approach in which executives one level below the Management Board will take the lead in implementing diversity projects in their area of responsibility.

In 2019, senior managers were encouraged to develop a D&I plan for their area of responsibility and include it in their 2019 objectives. Managers at all levels attended workshops and received peer coaching to assist them in developing and embracing inclusive leadership practices. 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 recruitment and selection processes. These and similar initiatives will continue in 2020.

Furthermore, in 2019 we updated the D&I Improvement Plan based on feedback from across Uniper. The purpose was to reinforce awareness of D&I principles and help them become the new normal throughout our organization. We also published a D&I Guide in Germany, Britain, Sweden, and Benelux (for more information, see the Case Study below). In November, we conducted a D&I awareness campaign in these same countries. It included a video message from a Management Board member about inclusion's importance for Uniper's culture and performance, as well as for individual employee's job satisfaction and sense of belonging. Finally, events and internal communications highlighted International Woman's Day, Diversity Day, World Day for Cultural Diversity for Dialogue and Development, and other such days.

included in their team. The employee inclusion indicator increased from 80% in 2018 to 87% in 2019. This was a noteworthy improvement but below our target of 95%.

The annual survey also measures employees' awareness of the Uniper Way and how it is brought to life by managers and teams. The findings are used to design measures that promote the continuous adoption of the Uniper Way. The 2019 survey indicated that employees are aware of the need for continual change and that the focus should remain on further enhancing Uniper's corporate culture. The 2019 survey also showed that employees increasingly recognize and value initiatives to enhance diversity and inclusion.

> 95%

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

Uniper has set a target of achieving an employee inclusion indicator of over 95% by 2022. This means that at least 95% of employees say in The Voice of Uniper, our annual employee survey, that they feel



Preventing discrimination and harassment

We provide training to our managers and executives to help them recognize and prevent even the most subtle forms of discrimination, harassment, and bias. In response to a variety of feedback – from our 2018 employee survey, HR, the D&I ambassador for gender, and a working group from the General Works Council – we developed new guidelines for dealing with workplace harassment. In 2019, the HR community was provided with training on dealing with harassment.

We actively seek to hire minorities and people with disabilities, support their professional and personal development, and promote them. In addition, the recruitment process was revised from a D&I perspective, and several steps were added to the hiring process to ensure that inclusiveness is a criterion. Also, training designed to combat unconscious bias was provided to line managers and recruiting staff.

Promoting gender equality GRI 103-2, 405-1

Uniper's target is for women to account for 25% of our high-level executives by June 2022. At year-end 2019, 20% 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 24.6% of our workforce in total in 2019, almost unchanged from the prior-year figure of 24.2%. Succession planning for executives was adjusted in 2019 to foster women's promotion to more senior roles.

Diversity Day

In May 2019, we celebrated our second Diversity Day at many of our offices and facilities in Germany, Britain, and Sweden. The purpose is to create an opportunity for managers and employees to talk about various aspects of diversity. Activities included discussion groups, lunch talks, and experience reports from employees with disabilities. A reverse-mentoring project in which junior colleagues mentor senior managers, which was piloted in 2018, was put in place across the company in 2019.

Encouraging girls to choose STEM and Uniper

On March 28, 2019, about 100,000 girls aged ten or older visited around 10,000 companies, research centers, and universities across Germany. The initiative, called Girls' Day – Future Prospects for Girls, is under the patronage of the German Federal Ministry for Education. Its purpose is to give girls an opportunity to learn more about STEM (science, technology, engineering, and mathematics) careers and, ideally, spur their interest in embarking on one. Uniper has participated in the initiative for years and did so again in 2019. At our headquarters in Düsseldorf, for example, a dozen girls in grades seven to nine spent the day with a number of Uniper employees and apprentices in technical occupations: an

employee specializing in quantitative analysis explained how electricity trading works and gave them a tour of our trading floor; an IT security employee showed the pupils how to keep their mobile phones secure; and finally, apprentices from a variety of vocations – IT, event management, and office management – gave the girls an overview of their training programs. Girls' Day is an opportunity for Uniper to connect with girls and young women early and familiarize them with the exciting career opportunities in the energy industry. Statistics from the Ministry for Education show that participating pays off: about 40% of girls would like to do an internship or receive training at the organization they visited.

Environmental protection

GRI 103-1 We're 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.

99.3%

of the water we withdrew in 2019
was discharged back to source



-35%

sulphur dioxide emissions
declined by 35% from 2018 to 2019

-29%

less coal consumed in our own
power plants from 2018 to 2019

→ Commitments

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

→ Targets

Have no severe environmental incidents

Maintain certification of 100% of Uniper's operational assets to ISO 14001

→ Contribution to the UN SDGs



Environmental protection

GRI 103-1 Uniper's awareness of its environmental impacts is strategically important because the environmental performance of its assets significantly affects its operating efficiency, market position, and reputation. Uniper is committed to complying with all applicable laws to prevent uncontrolled emissions to the air, water, and soil. Efforts that go beyond compliance are evaluated on a cost-benefit basis and coordinated centrally with the aim of having a low exposure to reputational and legal risks. 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 in place management systems certified to ISO 14001, the internationally recognized standard for environmental management. As of year-end 2019, 100% of the operational assets of Uniper's fully consolidated subsidiaries had retained their ISO 14001 certifications. All of Uniper's fossil-fueled power plants and energy storage facilities in Germany had retained their certification to ISO 50001, a standard for energy management. All our industrial facilities in other countries (the Netherlands, Hungary, Russia, Sweden, and the United Kingdom) retained their ISO 14001 certifications.

We believe that having our industrial facilities certified to ISO 14001 enhances our ability to prevent incidents that could have adverse impacts on the environment. We're 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 2019, 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 compliance

GRI 307-1 In October 2018, media reports questioned the legality of co-firing oil pellets at Scholven, a power plant we operate in west-central Germany. The reports led to public complaints. In February 2019, the North Rhine-Westphalian state legislature discussed the issue and tasked the state's

Ministry for the Environment, Agriculture, and Consumer Protection to examine the legal situation. The ministry's report confirmed that Scholven's co-firing of oil pellets is completely legal. However, under the conditions of the permit, oil pellets may only be accepted and combusted if the material is analyzed beforehand to check for compliance regarding its composition. Further investigation showed that on 18 days in 2017 and 2018, Uniper could not demonstrate compliance with some of these conditions. This resulted in a fine, imposed by the Münster district government in November 2019 for non-compliance with Scholven's environmental permit. To avoid similar situations in the future, Uniper has reviewed its processes at Scholven for ensuring permit compliance.

Wackersdorf,
Germany



Air emissions

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

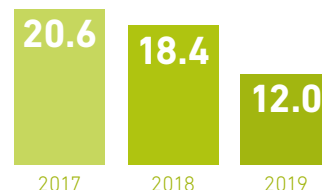
12.0 kilotons of sulphur dioxide (SO₂) emissions

SO₂ results primarily from the combustion of sulphurous coal. Flue-gas desulfurization equipment captures about 90% of our SO₂ emissions and prevents them from entering the atmosphere. We emitted 12.0 kilotons of SO₂ in 2019, just under 6.4 kilotons less than in 2018.

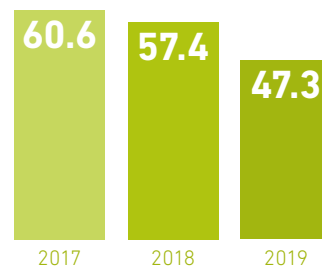
18%

reduction of nitrous oxide emissions from 2018 to 2019

SO₂ emissions
2017 – 2019 (kilotons)



NO_x emissions
2017 – 2019 (kilotons)



47.3 kilotons of nitrous 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, the majority coming from our power stations in Russia. In 2019, these emissions declined by 10.1 kilotons year on year to 47.3 kilotons.

1.53 kilotons of dust emissions

Despite being equipped with extensive filters, coal-fired power stations emit dust, which is defined as particles with a diameter of at most 10 microns. Our dust (or particulate) emissions were 0.04 kilotons lower in 2019 than in 2018.

In 2019, we further reduced our SO₂, NO_x, and dust emissions mainly because our coal-fired power plants in Germany and the United Kingdom operated less, Maasvlakte coal-fired power station in the Netherlands shut down for six months due to equipment failure, and we sold our generation business in France mid-year.

BREF: reducing the emissions of fossil-fueled power plants

We monitor legislative processes that could result in changes to environmental laws and regulations where we operate. In 2019 regulatory agencies in a number of countries reviewed the information we provided, detailing how we intend to comply with the updated Best Available Techniques Reference (BREF) document by the European Commission. BREF sets stricter emission standards that conventional power plants must meet by 2021 unless they obtain a formal derogation. In a few cases, our environmental permits were updated to include the new emissions limits. In Germany, the process was delayed owing to its relation to the coal phaseout, which is a much larger political issue. In late 2019, German agencies issued draft guidance which may be put into draft legislation in 2020.

Mercury control technology in Schkopau

Emissions standards are becoming stricter. Schkopau, a lignite-fired power station we operate in the state of Saxony-Anhalt in eastern Germany, required the installation of additional mercury control technology to comply with the new Industrial Emissions Directive's (IED) annual emission threshold of 10 micrograms per normal cubic meter in 2019. After carefully considering several solutions, we selected activated carbon injection (ACI) and retrofitted this equipment to Schkopau units A and B in 2018. Activated carbon absorbs mercury from the exhaust stream and is trapped by the power station's filtering equipment, preventing the mercury from entering the atmosphere. ACI is a cost-effective solution that improves the mercury capture rate from 20% to 75%. The equipment entered service in both of Schkopau's units in March 2019, enabling Schkopau to comply with the IED.

In February 2020, we signed an agreement to sell our 58% stake in Schkopau 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. This will mark the end of Uniper's lignite-fired power generation in Europe.



Schkopau Power Station in Germany.

Energy efficiency

GRI 103-2/3 G4-EU11, G4-EU30 Improving energy efficiency enables us to conserve energy, primarily in three areas. First, by making technical upgrades, improving our production processes, and pursuing operational excellence we can raise the efficiency of our power plants. This enables us to generate more power and heat without consuming more fuel and thus to reduce our plants' environmental impact. Second, by reducing the energy consumed at our facilities we can make our organization more energy efficient. Third, by providing individually tailored efficiency solutions to industrial enterprises we can help them become more energy efficient and thus climate-friendlier.

How Uniper enhances energy efficiency

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. In addition, the energy management systems of all our coal- and gas-fired power plants in Germany are certified to ISO 50001, an internationally recognized standard for such systems. By systematically assessing how our plants use energy in various operational modes, we identify potential savings. The focus is on making the power-production mode as efficient as possible and on reducing auxiliary power consumption, especially when a plant is in reserve mode or at a standstill. Also, when components are due for replacement, we aim to install more energy-efficient models.

Helping industrial customers be more competitive and sustainable

Energy-efficiency solutions for Europe's manufacturing industry is a big and growing market. Even conservative estimates predict that over the next decade it will expand from €17 billion to €26 billion annually.

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. In short, greater efficiency is good for their bottom line as well as their sustainability performance and reputation. However, a lot of low-hanging fruit, such as replacing standard light bulbs with LED, has already been harvested in the past few years. Today, the pressure on industrial enterprises is increasing, and many are looking for support to take the next step.

In October 2019, Uniper initiated a new strategic project called EnEff that is already helping industrial customers take this next step – for their benefit and that of the planet. This service will now be expanded. To achieve this, the EnEff team guides and supports customers on their journey to greater efficiency and decarbonization.

The first step is for our energy-efficiency experts to help customers identify potential savings and prioritize optimization measures for their industrial processes. Second, the EnEff team arranges for Uniper engineers and technicians to implement the measures.



Finally, it verifies that the promised energy savings have been achieved. This comprehensive solution reduces complexity for customers and thus their transaction costs.

The EnEff team has designed a broader energy-efficiency offering that can be adapted to each customer's specific needs. It is currently market-testing this offering, initially in Germany, so that Uniper can help more industrial enterprises be more efficient, more competitive, and more sustainable.

An employee at Öresundsverket Power Plant in Sweden.

Waste minimization, fuels, and by-products

GRI 103-1 We're committed to minimizing waste, using fuels and other natural resources efficiently and responsibly, and marketing the by-products of power generation so that they don't end up in landfill, and so that no additional energy is consumed to make them. Our ability to deliver on this commitment affects not only our operating efficiency, margins, market position, and the public's perception of us but also the communities near our assets.

GRI 103-2/3, 306-2 One way we shrink our environmental footprint is by avoiding waste or reusing it. Waste results from our operations and our projects to dismantle assets. We always try to reuse and recycle as much waste as possible, but our primary objective is not to produce any waste in the first place.

We sell by-products like gypsum, which is used to make building materials. Using this by-product displaces CO₂ emissions and virgin-mined gypsum, supporting a more sustainable raw material supply chain. We produced 0.235 million metric tons of operational waste in 2019, a slight increase from 2018 (0.217 million metric tons).

Managing radioactive waste in Sweden

We operate or have stakes in nuclear power plants (NPPs) in Sweden which produce low-, intermediate-, and high-level radioactive waste. This waste totaled 940 in 2019, less than in 2018 (1,195 metric tons). Of this total, 88 metric tons was high-level radioactive waste (2018: 210 metric tons); 852 metric tons was low-level radioactive waste and intermediate-level radioactive waste (2018: 985 metric tons).

We have a serious responsibility to ensure that this waste is handled, stored, and disposed of properly. That's 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 NPP's in a way that ensures maximum safety for people and the environment. We and the minority shareholders have designed a long-term, joint strategy for dismantling Barsebäck NPP's two units, and units 1 and 2 at Oskarshamn. Decommissioning is under way at all four units. This will generally lead to an increase in all levels of radioactive waste in the years ahead.

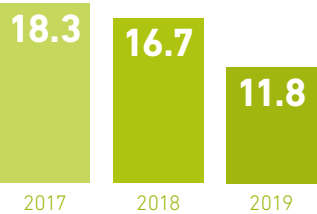


Uniper employees
at Datteln Power
Plant in Germany.

Coal and lignite consumption reductions

Our coal-fired power plants consumed 11.8 million metric tons of coal and lignite in 2019, about 4.9 million tons less than in 2018. 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 were that some of our plants operated below their full capacity or were mothballed, whereas others have been decommissioned after reaching the end of their useful operating life or sold.

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



Maximizing the reuse of power-plant by-products

Increasingly, we aim for a life-cycle approach for our operations. As part of this approach, we market by-products from our fossil-fueled power plants. These plants are equipped with flue-gas cleaning systems that absorb sulphur compounds and other environmentally harmful materials in pulverized fly ash, furnace bottom ash, and gypsum. Our customers use these by-products to build roadbeds and to manufacture drywall and other building materials. This displaces the carbon dioxide that would otherwise be emitted to manufacture these materials, thereby making the raw material supply chain more sustainable. It also prevents ash and gypsum from ending up in landfills. We produced 0.93 million metric tons of pulverized fly ash and furnace bottom ash in 2019 (2018: 1.44 million metric tons) and sold or recovered 94% of it.

Gypsum is a by-product of the desulfurization process in coal-fired power stations. In 2019, we produced 0.6 million metric tons of it (2018: 0.9 million metric tons). We recovered and sold 99.8% of it as by-products. Our by-product gypsum displaces virgin-mined gypsum and is mainly used for the manufacturing of drywall and other gypsum-based building materials.

Oskarshamn Power Station in Sweden.



Waste not, want not – even when it's radioactive

Nuclear energy is far less controversial in Sweden than in some other countries and meets about 40% of its electricity needs. We know that the right to operate nuclear power plants (NPPs) gives us the obligation to dismantle retired assets responsibly. We're living up to this responsibility and also doing something novel: recycling radioactive waste.

Our first nuclear reactor, Barsebäck 1, was closed in 1999. Since then we've decommissioned the other unit at Barsebäck and two of the three units at Oskarshamn NPP. Only 6% of the waste from these units is radioactive and will be removed by 2028. The high-level radioactive waste has already been transferred to a storage facility next to Oskarshamn.

In October 2019, we entered into a partnership with Cyclife Sweden AB, a subsidiary of French energy group EDF that specializes in handling radioactive material. Cyclife will help us deal with the intermediate-level radioactive waste and low-level radioactive waste. Intermediate-level radioactive waste, which is too harmful to recycle, is mixed with concrete and sealed in barrels, which are moved to a storage facility.

Low-level radioactive waste can be destroyed through smelting and incineration. But some of it is safe enough to be recycled into a variety of products, including power cables, welding equipment, and tool boxes. We expect to reclassify and recycle about half of the total waste – low-level radioactive waste and standard waste – from the four units, thereby conserving valuable resources and reducing environmental impact.

Barsebäck is the first NPP in Sweden to be dismantled. This makes us pioneers in dismantling nuclear assets. We intend to market this experience and expertise to other generators, helping them retire decommissioned assets responsibly and minimize waste.

Promoting biodiversity

Promoting Biodiversity

GRI 103-1 We recognize that our operations have the potential to impact biodiversity, directly and indirectly. We strive to minimize any risks our operations pose to biodiversity by complying with applicable laws and regulations and by managing our assets carefully. We also work with relevant government agencies and with nature conservancy organizations to promote biodiversity, at and around 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, often in consultation with conservation agencies, management controls to minimize these impacts. 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 and enhancing biodiversity.

Fast lane for fish

GRI 103-2, 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, which enables fish and other water dwellers to get around the plant safely. In 2019, we began upgrading the fish pass at Altheim, a hydro plant situated on the Isar River, about 70 kilometers northeast of Munich. The improvements include creating segments with different currents and depths along the 3.6-kilometer pass to provide a range potential of habitats. The measures, which will be evaluated in 2020, are part of FIThydro, a project supported by Horizon 2020, the European Union's €77 billion research and innovation framework.

Litzau Loop: creating breeding grounds for fish and birds

We're creating the right place for a variety of species to be able 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 last natural free-flowing segment of the river called the Litzau Loop. This segment, which is about 15 kilometers long, is a biodiverse nature reserve. In collaboration with the local water management authority, we're conducting a three-stage project to create habitats, such as a gravel-bed spawning ground and reduced-flow branches, for a variety of fish,

including Danube salmon, nase, and barbel. In addition, the vegetation on small islands in the river is being reduced to offer an ideal breeding ground for little ringed plover and other birds. Stage two of the project was completed in January 2020. Stage three will take place in the winter of 2020/2021.

A new home for eels

We operate a number of hydroelectric plants on the Ätran River near the west coast of Sweden. The Ätran and its banks provide the habitat for a wide variety of species. One 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 and quarantined eels is an important part of Sweden's eel management in line with the European Eel Regulation. In 2019, we and our project partners gave around 15,000 elvers a new home in Sweden.

From coal mine to habitat

Lignite was mined outside Wackersdorf, a town located about 85 kilometers east of Nuremberg, for seven decades. In fact, Wackersdorf was the former West Germany's second-largest lignite mine. Mining

operations in Wackersdorf ceased in the 1980s, and E.ON shut down its lignite-fired power station there in 2002. Uniper, as the successor entity to E.ON's generation business, has the responsibility to complete the recultivation of the former open-cast mines. It is the final step in the process of dismantling the power station. The project is creating new habitats for a variety of animal species, including natterjack toads, dormice, and sand lizards. It will also include the transformation of a coniferous forest into a deciduous forest, which provides a much better habitat for flora and fauna.

Recultivation is scheduled to be completed in 2023, and Uniper is in discussions to make much of the land available for public use.



01



02

01 A Falcon at the Wackersdorf recultivation site.

02 Litzauer loop on the river Lech, Germany.

Water optimization

GRI 103-1 Water is crucial to our business. Our hydroelectric stations are situated on numerous large and small bodies of water in Germany and Sweden. To produce power, they need sufficient water flow in rivers or sufficient water levels in reservoirs. In addition, our thermal power stations draw cooling water from estuaries, rivers, and the sea. 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're 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 scarcity 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.



One of Uniper's
Hydro plants in Sweden.

The main steps we take to improve our water use GRI 103-2, 303-1, 304-1/3

Water Framework Directive

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. The projects described below, as well as many others, have contributed and are contributing to its realization.

Total water withdrawal and discharge

In 2019, we withdrew 4.0 billion cubic meters (bcm) of water for our cooling operations (mainly seawater), a year-on-year reduction of around 0.3 bcm (2018: 4.3 bcm). The main

reason was that some of our plants in the Netherlands, Germany, and the United Kingdom operated less frequently, and we sold our French generation business in July 2019. We discharge back to source a large proportion – 99.3% in 2019 – of the water we withdraw.

Getting the mix right to reduce water usage

Scholven, a coal-fired power station in west-central Germany that we're converting to gas, has access to three sources of water: rain water, treated waste water, and potable water. One of the current coal-fired generating units is equipped with a plant that requires water for its operation. We ran a series of tests, which were completed in March 2020, to determine the maximum proportion of treated waste water the plant could use without a decline in performance. Although we found that the plant still requires some potable water to operate properly, the tests have enabled us to reduce its potable water consumption by up to 100,000 cubic meters per month. Moreover, increasing the proportion of treated waste water in the mix reduces our costs for discharge as well. We're sharing the findings with our other power plants so that they can use less potable water too.

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.

55%

In 2019 we purchased 55% of our coal from suppliers that have pledged to adhere to the Bettercoal Code of Conduct.



We held Compliance Days
in nine of our offices in
Europe and North America.

→ Commitments

Have zero tolerance of forced labor, child labor, modern-day slavery, and human trafficking.

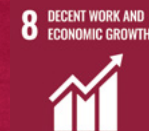
Continue to strengthen Uniper's compliance culture and protect the business from corruption risks.

→ Targets

Screen 100% of counterparties according to Uniper's ESG due diligence process by 2022¹.

Train 100% of employees on compliance and Uniper's Code of Conduct by 2021.

→ Contribution to the UN SDGs



¹ The screening system is defined in the Know-Your-Counterparty Business Policy used by Uniper Global Commodities, Procurement, and Energy Services.

Ensuring respect for human rights

GRI 103-1 We are committed to the prevention and cessation of modern-day slavery, human trafficking, and all other humanitarian crimes. We therefore do not tolerate slavery or human trafficking in any part of our own business or anywhere along our supply chains.

We recognize the ten principles of the UN Global Compact and actively support them, particularly with regard to human rights, labor standards, environmental standards, and ethical business practices. Our relationships with suppliers are based, in particular, on the United Nations Guiding Principles on Business and Human Rights and Germany's National Action Plan for implementing them.

How we manage our ESG risks

GRI 103-2, 102-9/11/29/30/31,

408-1, 409-1, 412-1, 414-1/2 To

manage our exposure to risk, we conduct an annual global assessment, which is based on a combination of economic and social indexes, to map country-specific issues that may directly affect our company if we pursue new business opportunities. These issues include sub-standard working conditions, the violation of political rights and civil liberties, and security threats. In response to the assessment's findings, we modified our due diligence requirements and instituted mitigation measures, such as the inclusion of specific deal-break or performance-suspension clauses. This is particularly important when we negotiate with new counterparties operating in high-risk countries for which there is insuf-

ficient assurance that they manage environmental, social, and governance (ESG) issues adequately.

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 which we update annually. If the geopolitical and ESG risks warrant it, we may also place countries with a CPI score above 30 on the watch list. Fuel procurement and commodity trading in particular are among the Uniper businesses exposed to these kinds of country-specific issues.

The 2019 assessment of ESG risks prioritized Uniper Global Commodities' existing and potential counterparties. Because we expect gas-related businesses to be an even bigger part of our portfolio, Health, Safety, Security, and Environment (HSSE) & Sustainability focused its attention in particular on several new projects in North America, Russia, and the United Arab Emirates.

In accordance with the OECD Guidelines for Multinational Enterprises, our HSSE & Sustainability ESG Due Dili-

gence Business Directive establishes a company-wide screening process for identifying and reporting the main ESG risks of all new potential counterparties, intermediaries, and business partners. Its purpose is to define the right prevention and mitigation measures for each of them and, if necessary, to advise the Uniper Management Board, before business deals are finalized, not to do business with counterparties causing or contributing to ongoing and severe adverse impacts to ESG issues, including human rights.

100%

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

In 2019, we committed to conducting ESG due diligence on 100% of our new counterparties by 2022. To avoid gaps in our overall ESG risk assessment practices, we subsequently expanded the scope of this target to cover all active counterparties. By the end of 2019, 22% of active counterparties had already been assessed.

The severe negative impacts we need to monitor include modern slavery, unlawful community displacement, and child labor. These are more likely to happen in countries with a history of insufficient standards for the protection of human rights. Furthermore, instances of violence and inhumane and degrading treatment can occur in high-risk countries, as well as in more stable countries that have weak institu-

tions. Energy services, fuel procurement, and commodity trading are our businesses most exposed to these kinds of country-specific issues. For example, 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.


Bogota, Colombia.

Our Bettercoal engagement

GRI 103-2, 102-12, 102-43, 414-12 In order to establish adequate measures to prevent, monitor, and mitigate these 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 the performance of coal mining operations against the ten principles of the Bettercoal Code. We use this information in our 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.

In April 2019, Frank Plümacher, our Executive Vice President for HSSE & Sustainability, was elected to serve as Chairman of Bettercoal's Board of Directors for the next three years.

In 2019 we purchased 13.8 million tons of coal through direct contracts. The majority of the coal was purchased from Russia and Columbia, the two countries we have prioritized for our work with Bettercoal.

Overall coal purchased via direct contract in 2019 by country of origin

Country of origin	% coal purchased
Russia ¹	35.1
Colombia	23.8
USA	18.6
Other ²	8.3
South Africa	9.2
Australia	2.6
Mozambique	1.3
UK	1.1

¹ Includes coal from Latvia

² Origin not traceable

Coal mine in Colombia



In 2019 we purchased 55% of our coal from suppliers that have pledged to adhere to the Bettercoal Code of Conduct, up from 49% in 2018. Through our continued engagement with Bettercoal and our procurement practices, we aim to increase this percentage going forward.

Also in 2019, Bettercoal continued to monitor the continuous improvement plans of the three major coal mining companies in Colombia. Bettercoal's Columbia working group, which is chaired by Uniper, successfully built relationships with all stakeholders involved in this complex environment:

business, government, international NGOs, and local communities. Although monitoring of the improvement plans with mining companies will continue, Bettercoal has recognized that action is also required from other stakeholders, such as local or national authorities. Consequently, in 2019 the Columbia working group prioritized these issues and designed a plan to address them. Members of the group were planning to visit Columbia in the first half of 2020 to put the plan into action. However, the trip had to be postponed due to the coronavirus pandemic. A number of the planned meetings will instead be held virtually.

Governance and compliance

GRI 103-1 Not doing the right thing can cause considerable damage to both stakeholders and Uniper alike. It's 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 therefore 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 goals of the German Corporate Governance Code, which seeks to promote responsible and transparent corporate governance and controls.

Compliance Management System

GRI 103-2/3, 419-1 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 the actions of our staff or of third parties acting on our behalf. In order to mitigate risks, we have had a Group-wide compliance management system (CMS) in place since January 1, 2016.

The following activities and legal issues are relevant for our company and therefore constitute our main compliance issues:

- Anti-corruption
- Anti-money-laundering
- Economic sanctions
- Trading compliance
- Competition law
- Capital market law

Uniper's CMS sets uniform standards for compliance issues that reflect our specific compliance risks. We consider the CMS appropriate and effective if it is capable of both detecting compliance risks and preventing compliance breaches with an adequate degree of certainty. The CMS also incorporates the reporting of any compliance violations that have already occurred. This facilitates improvements to the CMS. 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. In addition, the Management Board has underscored the importance of compliance in the Management Board's Compliance Commitment, which is available online.

Uniper conducts an annual compliance risk assessment of the CMS. In 2019, an independent review, pursuant to the AsS 980 standard, was conducted of the CMS's adequacy and effectiveness for the period April 1, 2018, to March 31, 2019. The auditor made no findings. The audit report's recommendations are currently being evaluated with the aim of achieving full implementation. The recommendations are included in Uniper's compliance strategy for 2020.

Compliance Days

In the second half of 2019 Uniper held Compliance Days in nine of its offices in Europe and North America. They consisted of a series of presentations and workshops whose purpose was to reinforce awareness of specific compliance policies and, more generally, to foster a culture of robust compliance. They also created an opportunity for compliance officers and front-line staff to share knowledge and experience. Members of the Uniper Management Board participated in the final Compliance Day of 2019, emphasizing the importance Uniper places on this issue. Similar events are planned for 2020.

Code of Conduct

GRI 103-2, 102-16, 102-17, 419-1 The foundation of our commitment to a culture of compliance is our Code of Conduct (Code). The Code, which has been endorsed by the Management Board, defines the basic principles of conduct that everyone at our company must abide by. The Code reflects our commitment to one another, our business, and our communities. It serves as a compass to guide our decisions and to help us do the right thing in difficult situations. Each year, the members of the Management Board members, as well as 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 re-

quirements. An updated version will be released in the second quarter of 2020.

The Code addresses a wide range of issues, including compliance, anti-corruption, and respect for human rights. It also describes in detail 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, in particular, 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, the in-

volvement of intermediaries, and the selection of suppliers and service providers. Other issues it covers include the avoidance of conflicts of interest and the handling of company information, property, and resources. Our compliance policies and procedures ensure that the investigation, evaluation, and cessation of reported violations are carried out appropriately by the respective Compliance Officers and our Chief Compliance Officer. Suspected violations of the Code can be reported anonymously by means of a whistleblower hotline. Violations may lead to disciplinary action and termination of employment.

In 2019, Uniper set a target of training all new hires on

compliance and the Code by 2022 by making this training mandatory. We subsequently expanded the target's scope – to train not just new employees but all employees on the Code – and moved the deadline forward by one year (from 2022 to 2021). Training will begin in 2020, after the new Code of Conduct has been issued.

Uniper strives to work, whenever possible, with third parties that have principles similar to those of the Code. It requires its suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct.

Anti-corruption

GRI 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 type of corruption – whether with public officials, customers, or enterprise partners – is considered a breach of the Code and leads to termination of employment. 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 other 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. Conse-

quently, Uniper carries out all such relations 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.

In a rapidly changing global business environment, we need to be aware of external restrictions on our business activities. We're committed to complying with all applicable economic sanctions and other forms of international restrictions. Uniper has business dealings with counterparties around the world, including those located in countries that rank low on Transparency International's Corruption Perception Index, indicat-

ing a high level of perceived corruption. Failure to fulfill the legal and regulatory requirements necessary to comply with key anti-corruption rules would likely lead to serious reputational, legal, and financial impacts on the Group. Employees with counterparties in such countries are regularly trained in policies and systems that help prevent corruption.

409
new counterparties
assessed and approved

Uniper has established a Know Your Counterparty Business Policy. The policy's 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, in particular, corruption, money laundering, terrorism financing, and violation of economic sanctions. The introduction of the policy was accompanied by an eLearning module and classroom training entitled "Know Your Counterparty, Intermediaries, and Sanctions." The module familiarized staff across the organization with the enhanced processes. In 2019, the Compliance function used these processes to assess 409 new counterparties, all of which were approved.

Three new instances of alleged corruption were reported internally at Uniper in 2019. Following investigation, one case was closed with corrective action being taken, and two cases were 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 the trust of our customers and employees. As a matter of course, we ensure the same level of data protection level 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. We therefore 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 security 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.

To manage data protection in 2019, we appointed 30 data protection coordinators. They 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 addition, all HR employees and data protection coordinators received classroom training. Data protection is also an integral part of the onboarding training for new employees. Furthermore, we created a new data protection page on our company intranet. It provides guidance and information about all issues relevant to data protection. Finally, in October 2019, we held a focus month on data protection and information security.

In addition, we provided employees in relevant roles with special training about GDPR and conducted a GDPR awareness campaign for our employees in the EU/EEA.





Compliance with GDPR

GRI 103-2/3, 418-1 GDPR took effect in the EU and the EEA on May 25, 2018. We must comply with it because we handle personal data on employees and customers. Consequently, we put in place appropriate technical and organizational measures to ensure data protection when we process, store, and transmit personal data. Third parties we hire to process personal data must also comply with GDPR. In taking steps to comply with GDPR, we focused on the risk of information leaks and the management of personal data to avoid any breaches of data protection. In accordance with best practices, we analyzed and documented how data is stored and accessed. Furthermore, we conducted risk management from a data protection perspective and created deletion concepts, matrixes, and guidelines. 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 into employees' monthly performance targets. 76 data protection complaints were made in 2019. 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.



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's why we've 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, ultimately, prevent negative impacts.

Hosted four trust-building dialogs with non-governmental organizations on coal and climate change issues.



Bettercoal Russia Working Group conducted a visit to one of Russia's most important coal-mining regions.

→ Commitments

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

→ Targets

At corporate level, conduct at least three trust-building dialogues with civil society organizations each year up to 2022

→ Contribution to the UN SDGs



Stakeholder engagement

GRI 103-1, 102-43 Engaging with our various stakeholder groups helps us understand their needs and their expectations of our company. We know their trust is crucial for our lasting success. We also work with our stakeholders to minimize adverse impacts of our business activities.

We communicate with stakeholders through a variety of channels, including our annual materiality survey, discussions with our investors, feedback from our customers, and open houses and forums that give schoolchildren and members of the community the chance to visit our power plants. We monitor the policy debate in the countries where we operate and have increased our dialogue with policymakers and other stakeholders. In addition, our membership in national and international trade organizations helps deepen our understanding of sustainability issues and their interplay with our business.

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, as well as roundtable talks with NGOs. The purpose of these forums is to promote open discussions and to enable us to learn more about local stakeholders' views and concerns.

Engaging in ongoing dialogue

Actively engaging with NGOs

GRI 103-2, 102-21/43/44, 413-1 Since 2017 we've periodically invited relevant NGOs to attend the Uniper Sustainability Roundtable, a forum for NGOs and representatives of relevant Uniper departments to discuss issues related to our business and share our respective points of view. The purpose is to establish a transparent dialogue with NGOs and to see our business from their perspective. Understanding and discussing their concerns enables us to continually learn and improve.

In 2019, we committed to conducting, at corporate level, at least three new trust-building dialogues with civil society organizations each year through 2022. Uniper conducted four such dialogues in 2019, thereby surpassing the target. Discussions at these meetings focused on human rights issues along the coal supply chain, the coal phaseout's impact on decarbonization, and the environmental impact of gas exploration.

In addition to the trust-building dialogues, we've increased the number of critical stakeholders we engage with. Examples include Europe Beyond Coal and the Institute for Energy Economics and Financial Analysis.

Bettercoal delegation's visit to Russia

In September 2019, the members of the Bettercoal Russia Working Group (RWG) conducted a week-long visit to Moscow and the Kuznetsk Basin in southwest Siberia, one of Russia's most important coal-mining regions. The RWG consists of representatives of seven European companies that are Bettercoal members: ENEL, ENGIE, ESB, Fortum, RWE, Uniper, and Vattenfall. The purpose of the visit was to engage directly with relevant stakeholders, particularly coal-mining companies, to deepen our understanding of the environmental and social dimensions of coal production in Russia. We also wanted to identify new ways for multi-stakeholder cooperation and dialogue to bring about positive change to the industry. This visit marked the beginning of a focused engagement strategy for one of Bettercoal's priority countries.

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. Currently, four of the country's main mining companies that export coal are Bettercoal Suppliers: KRU, SDS-Ugol, SUEK, and Taldinskaya. They have undergone a Bettercoal site assessment in which independent third-party assessors have

visited their facilities, evaluated their operations in light of the Bettercoal Code, and drafted improvement plans for their practices. The assessors did not just interview representatives of the mining companies. They also engaged with a wide range of other stakeholders in nearby communities, government entities, civil society, and organizations such as the United Nations Development Programme (UNDP). These companies are currently reporting at least bi-annually on their continuous improvement plans.

The RWG adopts a coordinated approach to monitoring suppliers' improvement plans, enhancing its members' country-context expertise, addressing risks arising from the country context, increasing the number of participating suppliers, and improving communications with key stakeholders.

Bettercoal also organized a roundtable talk to engage Bettercoal Suppliers and other mining companies to debate potential areas for improvement, and encourage companies to share knowledge. Grievance mechanisms, mine closure issues and recultivation activities were among the topics discussed because participants deemed them material.

The RWG will continue its efforts in 2020, placing a particular emphasis on increasing

its direct engagement with Bettercoal Suppliers, fostering knowledge sharing among them, and deepening its relationships with local stakeholders.

Bettercoal: Colombia Working Group

Uniper chairs the Colombia Working Group (CWG). Columbia, which provides about 13% of Europe's coal, is another Bettercoal priority country. In 2019 the CWG actively engaged with all three Bettercoal Suppliers in the country: Cerrejón, Drummond Ltd and Prodeco. It assessed the mining companies' progress in implementing their individual improvement plans, including environmental, health and safety issues, and negotiations with unions, and addressed the situation of specific leaders of social movements. The CWG also defined priorities to address complex and systemic challenges related to mining in Colombia as, for example, fostering increased dialogue and access to clean water for affected communities since these issues require more long-term and pointed action. More information is available at <https://bettercoal.org/>.

The CWG also defined priorities and drew up a roadmap to address complex and systemic challenges related to mining in Colombia that require more long-term, concerted action. Drawing on the experiences and knowledge



Children attending safety lessons as part of the Uniproshka for Children project

gained in its first year, the CWG is currently prioritizing the issues it wants to address from 2020 onward. It will discuss these issues in depth with coal producers, government entities, civil society organizations, unions, and other stakeholders during its visit to Columbia in 2020. Next, Bettercoal and the CWG will design a specific action plan for the key areas in which Bettercoal and its members can add value and maximize positive impact.

Teaching kids about safety

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 gave 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 take a responsible attitude toward themselves and other people. It also creates a welcome opportunity for Unipro employees to volunteer. The activities vary by location. Colleagues from Smolenskaya power station in western Russia, for example, conducted a water safety lesson for children from a local school. They explained how to stay safe near bodies of water covered with ice as winter ends and the ice begins to melt. In Sharypovo

in Central Siberia, home to Beryozovskaya power station, Uniper funded an interactive fairy-tale about safety that was performed for schoolchildren by actors from a local children's theatre company. Uniper intends to continue "Uniproshka" in 2020.

Tours of a technological marvel

Barsebäck nuclear power plant hasn't split an atom to generate electricity in 15 years. Unit 1 was closed in late 1999 following a settlement between the Swedish government, Sydkraft (one of Uniper's predecessor entities), and Vattenfall (which holds a minority stake in Barsebäck). Unit 2 was closed in mid-2005 after a similar settlement. Although idle and partially dismantled, Barsebäck is still an impressive piece of technology that continues to attract visitors. We've offered guided tours in the summer since 2010. It's part of our long-standing commitment to transparency at Barsebäck. We believe that it also benefits the general public perception of Sweden's nuclear industry. Interest has increased in recent years. In 2019, over 2,000 people visited the plant, located on Sweden's south-west coast, about 20 kilometers northwest of Malmö. One reason is Sweden's lively public debate about nuclear power as a transitional option for helping protect the earth's climate: people want to come and see what a plant actually looks like inside. Another is that

large-scale dismantling is scheduled to begin in 2020. When it does, the tours will end. And in the not-too-distance future, there will be nothing left to tour: by 2035, all that remains of Barsebäck may be a commemorative plaque on an expanse of grassland overlooking the Øresund.

Ensuring transparent advocacy

Energy supply is a heavily regulated business and is 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 that 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. However, we're committed to keeping our participation in advocacy groups transparent at all times. This is the only way to avoid the suspicion of undue influence on policymaking and to prevent damage to our reputation. We hold dialogues extensively with a variety of external stakeholders, such as government entities, regulatory agencies, and trade associations. This dialogue is crucial for us to communicate openly and transparently with representatives of institutions, to explain our positions.

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 38 members. Uniper has been one of them since 2018.

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 trade associations and other organizations. For example, we're a member of the European Federation of Energy Traders. Our employees must notify the Uniper Corporate Office about their membership in trade associations and comparable organizations, as well as their contributions and donations to them.

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

Indicators	unit	2019	2018
Uniper employees ¹		11,532	11,780
Proportion of female employees	%	24.6	24.2
Combined TRIF ²		1.48	1.47
Uniper generating capacity ³	GW	34.3	36.6
Average asset availability of our conventional generation fleet	%	79.1	79.0
Unplanned unavailability of our conventional generation fleet	%	12.0	11.6
Coal consumption ⁴	m metric tons	11.8	16.7
Gas volume sold	billion kWh	2,179.3	2,019.3
Direct scope 1 emissions ⁵	m metric tons of CO ₂	47.0	59.5
Indirect scope 2 emissions (location-based method) ⁵	m metric tons of CO ₂	1.12	1.10
Indirect scope 2 emissions (market-based method) ⁵	m metric tons of CO ₂	1.57	1.67
Average carbon intensity (threshold commitment period 2018-2020) ⁶	g/kWh	474	499
PFA and FBA produced	m metric tons	0.93	1.44
Gypsum produced ⁷	m metric tons	0.6	0.9
Facilities certified to ISO 14001 ⁵	%	100	100
Facilities certified to OHSAS18001 ⁵	%	100	100
Cooling water withdrawal	bn m ³	4.0	4.3
SO ₂ emissions	kt	12.0	18.4
NOx emissions	kt	47.3	57.4
Dust emissions	kt	1.53	1.57
Severe environmental incidents ⁸		0	0

¹ Headcount as of December 31, 2019. Figures do not include board members, managing directors, apprentices, work-study students and interns.

² Total 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.

³ Net capacity as of December 31, 2019 (accounting view).

⁴ Figure includes domestic lignite consumed by Unipro plants. 2018 Russian figures corrected. 2019 figures from France calculated using DEFRA emission factors.

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

⁶ We calculate carbon intensity using the financial control approach. This means that our carbon intensity is the ratio between the direct CO₂ emissions from our fully consolidated, stationary fossil-fueled power plants and power-and-heat plants, and these plants' power and heat output. It does not include plants that produce heat/steam only.

⁷ 2018 figures from German power plants corrected.

⁸ Severe impact beyond site which is reversible within years or irreversible.

Direct CO₂ emissions from fuel combustion by country GRI 305-1

Million metric tons	2019	2018	2017
Russia	24.9	25.3	26.4
Germany	11.1	17.2	16.9
United Kingdom	5.6	7.6	6.2
Netherlands	3.2	5.5	7.9
France	1.0	2.9	5.1
Hungary	0.9	0.8	0.8
Czech Republic ¹	0.1	<0.1	-
Sweden	<0.01	<0.01	<0.01
Total	47.0	59.5	63.3

Operational control approach taken - figures (100% of direct emissions of the facility) from any generation assets over which Uniper has operational control. Data for all countries except Russia were determined using the European Union Emissions Trading Scheme rules. Rounding corrections per country result in small differences which are considered in the total sum.

¹ Emissions in the Czech Republic were inadvertently excluded from the operational control approach in 2018. These have now been added for 2018 and 2019.

Indirect CO₂ emissions¹ GRI 305-2

Greenhouse Gas Protocol Scope 2

Location-based method	metric t CO ₂	2019	2018
	Indirect emissions from purchased electricity	1,023,106	1,008,531
	Indirect emissions from heat and cooling	106,171	92,501
	Total	1,129,277	1,101,032
Market-based method	Indirect emissions from purchased electricity	1,467,501	1,584,188
	Indirect emissions from heat and cooling	106,171	92,501
	Total	1,573,672	1,676,689

¹ These figures include emissions from consolidated and non-consolidated generation assets over which Uniper has operational control. Indirect emissions from purchased electricity used for pump storage in our hydro plants in Germany has been included for 2019 and updated for the 2018 figures. Figures for electricity consumption from Uniper's Düsseldorf offices were not available for 2019 and therefore are not included.

Indirect CO₂ emissions¹ **GRI 305-3**

Greenhouse Gas Protocol Scope 3

m metric t CO ₂	2019	2018
Upstream indirect Scope 3 CO ₂ emissions	8.7	10.3

¹ Calculation of upstream Scope 3 emissions associated with extraction, refining and transportation of the raw fuel sources to an organization's site (or asset), prior to combustion using well-to-tank (DEFRA) fuel conversion factors.

Fully consolidated generating capacity by technology¹

MW	2019	2018	2017
Gas	17,439	18,916	18,917
Coal	9,135	10,345	10,325
Hydro	3,570	3,570	3,567
Nuclear	1,400	1,400	1,400
Other	2,801	2,358	2,229
Total	34,345	36,589	36,438

¹ Net capacity as of December 31, 2019 (accounting view).

Power production

By primary energy source

Billion kWh	2019	2018	2017
Gas ¹	60.3	60.5	61.9
Coal	19.9	31.8	35.8
Nuclear	11.0	10.7	11.1
Hydro	12.7	10.3	11.8
Other renewables ²	0.1	0.2	0.2
Biomass	0.0	0.3	0.0
Total³	104.0	113.9	120.8

¹ Figures include production from oil.

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

³ Possible rounding differences between individual figures and totals.

Average asset availability¹

%	2019	2018
Average asset availability in Europe and Russia	79.1	79.0

¹ Availability is equal to 100% minus planned and unplanned unavailability. Uniper Group figures are volume-based weighted averages. They refer to Uniper's current operational portfolio and is based on the proportion of our stake in an asset (2018 figures adjusted). Assets in France are included from January 1 to June 30, 2019.

Our people

Health and safety GRI 403-1

Total recordable incident frequency (TRIF)

	2019	2018
Combined TRIF ¹	1.48	1.47
Employee TRIF	0.98	0.90
Contractor TRIF	2.05	2.18
Combined LTIF	1.05	0.96
Employee LTIF	0.93	0.57
Contractor LTIF	1.19	1.44

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 market GRI 401-1

By age range and gender

	Male				Female				Total	
Employee structure	2019		2018		2019		2018		2019	2018
Age range	Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Amount
< 21	89	80.9	98	80.3	21	19.1	24	19.7	110	122
21 – 30	336	68.3	307	65.9	156	31.7	159	34.1	492	466
31 – 40	262	69.3	142	61.2	116	30.7	90	38.8	378	232
41 – 50	136	64.8	107	68.6	74	35.2	49	31.4	210	156
51 – 60	92	65.7	57	68.7	48	34.3	26	31.3	140	83
> 60	36	78.3	18	81.8	10	21.7	4	18.2	46	22
Total	951	69.1	729	67.4	425	30.9	352	32.6	1,376	1,081

¹ Permanents + temporary staff + managing directors/board members + interns/working students + apprentices.

Our people

Share of new hires from the external market¹ GRI 401-1

By country of employment

Country of employment	Share (%)	
	2019	2018
Belgium	-	0.4
Canada	0.22	-
France	2.11	7.9
Germany	41.21	44.9
Hungary	0.35	0.2
Netherlands	2.18	3.1
Russia	42.66	30.5
Singapore	-	0.1
Sweden	2.76	3.2
United Kingdom	6.4	6.9
United Arab Emirates	0.65	0.2
USA	1.45	2.6

¹ Permanents + temporary staff + managing directors/board members + interns/
working students + apprentices

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

By country of employment and gender

Country of employment	Male	Female	Total
Azerbaijan	1	-	1
Belgium	2	4	6
France	-	-	-
Germany	3,746	1,231	4,977
Hungary	29	4	33
Latvia	1	-	1
Netherlands	305	27	332
Russian Fed.	3,268	1,253	4,521
Singapore	5	2	7
South Africa	3	1	4
Sweden	721	200	921
United Kingdom	798	161	959
USA	52	11	63
United Arab Emirates	19	6	25
Total	8,950	2,900	11,850

¹ Permanents + temporary staff + managing directors/board members + interns/
working students + apprentices

² Headcount as of December 31, 2019.

Our people

Total number of employees¹ GRI 102-8

By employment contract and gender

Employee structure	Male		Female		Total	
	2019	2018	2019	2018	2019	2018
Managing directors/ board members	23	24	3	3	26	27
Staff	8,664	8,934	2,828	2,846	11,492	11,780
Interns/work-study	84	78	46	47	130	125
Apprentices	179	189	23	29	202	218
Total	8,950	9,225	2,900	2,925	11,850	12,150

¹ Permanents + temporary staff + managing directors/board members + interns/working students + apprentices.

Employees covered by collective bargaining agreements¹ GRI 102-41

%	2019	2018
Share pay scale employees	68.9	68.8

¹ Permanents + temporary staff + managing directors/board members + interns/
working students + apprentices.

Permanent staff

By type of employment and gender

Employee structure	Male		Female		Total	
	2019	2018	2019	2018	2019	2018
Part-time	128	113	385	369	513	482
Full-time	8,128	8,413	2,155	2,193	10,283	10,606
Total	8,256	8,526	2,540	2,562	10,796	11,088

Our people

Voluntary leavers¹ GRI 401-1

By country of employment and gender

Country of employment	Male		Female		Total	
	2019	2018	2019	2018	2019	2018
Belgium	1	0	0	0	1	0
France	3	8	2	4	5	12
Germany	152	163	66	72	218	235
Hungary	0	3	0	1	0	4
Netherlands	12	10	3	4	15	14
Russia	157	144	61	51	218	195
Singapore	0	0	0	0	0	0
Sweden	30	33	12	10	42	43
United Kingdom	27	43	13	10	40	53
USA	4	7	2	2	6	9
United Arab Emirates	1	0	0	0	1	0
Total	387	411	159	154	546	565

¹ Permanents + temporary staff + managing directors/board members + interns/working students + apprentices.

Voluntary leavers¹ GRI 401-1

By age range and gender

Age range	Male		Female		Total	
	2019	2018	2019	2018	2019	2018
< 21	7	4	2	2	9	6
21 – 30	90	110	39	37	129	147
31 – 40	122	114	38	51	160	165
41 – 50	70	81	34	21	104	102
51 – 60	70	84	40	39	110	123
> 60	28	18	6	4	34	22
Total	387	411	159	154	546	565

¹ Permanents + temporary staff + managing directors/board members + interns/working students + apprentices.

Our people

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

By age range and length of tenure

Age range	Leavers		Average duration of employment (years)	
	2019	2018	2019	2018
< 21	10	8	1.9	1.3
21 – 30	134	163	3.1	3.6
31 – 40	178	273	5.7	6.6
41 – 50	118	202	10.0	12.2
51 – 60	143	213	18.6	19.2
> 60	61	44	23.2	22.6
Total	644	903	10.4	11

¹ Permanents + temporary staff + managing directors/board members + interns/working students + apprentices.

² Numbers reflect voluntary (termination of contract by employee) and non-voluntary leavers (termination of contract by employer); retirement, as well as transfers within the group are not reflected.

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

By gender and length of tenure

Gender	Leavers		Average duration of employment (years)	
	2019	2018	2019	2018
Male	449	597	9.9	10.9
Female	195	306	11.6	11.3

¹ Permanents + temporary staff + managing directors/board members + interns/working students + apprentices.

² Numbers reflect voluntary (termination of contract by employee) and non-voluntary leavers (termination of contract by employer); retirement, as well as transfers within the group are not reflected.

Our people

Fluctuation rate¹

By age range

Age range	Fluctuation (%)	
	2019	2018
< 21	5.2	3.2
21 – 30	8.6	9.7
31 – 40	5.5	5.6
41 – 50	3.0	2.9
51 – 60	3.1	3.5
> 60	7.2	4.8
Total	4.5	4.6

¹ Permanents + temporary staff + managing directors/
board members + interns/working students + apprentices.
Fluctuation rate = voluntary leavers/average headcount.

Fluctuation rate¹

By gender

Gender	2019	2018
Male	4.2	4.4
Female	5.4	5.3
Total	4.5	4.6

¹ Permanents + temporary staff + managing directors/
board members + interns/working students + apprentices.
Fluctuation rate = voluntary leavers/average headcount.

Environmental protection

SO₂ emissions GRI 305-7

kt	2019	2018	2017
Russia	7.8	6.6	7.6
Germany	2.8	7.2	7.2
United Kingdom	0.6	3.2	2.4
France ¹	0.4	0.8	1.9
Netherlands	0.3	0.5	1.5
Sweden	<0.1	<0.1	<0.1
Hungary ²	-	-	-
Total	12.0	18.4	20.6

¹ 2019 figure for France estimated using generation volumes for the period January 1 to June 30, 2019.

² Our only consolidated power plant in Hungary is gas-fired; its SO₂ emissions are not material and are therefore not included.

NOx emissions GRI 305-7

kt	2019	2018	2017
Russia	35.5	37.4	39.6
Germany	6.8	9.9	10.2
United Kingdom	3	6.9	5.5
Netherlands	0.9	1.2	2.2
France ¹	0.8	1.7	2.9
Hungary	0.3	0.2	0.2
Sweden	<0.1	<0.1	<0.1
Total	47.3	57.4	60.6

¹ 2019 figure for France estimated using generation volumes for the period January 1 to June 30, 2019.

Dust emissions GRI 305-7

t	2019	2018	2017
Russia	1,328	1,145	1,419
Germany	106	184	232
France ¹	47	106	108
United Kingdom	37	102	61
Netherlands	10	32	76
Sweden	0.2	0.5	0.0
Hungary ²	-	-	-
Total	1,528	1,571	1,896

¹ 2019 figure for France estimated using generation volumes for the period January 1 to June 30, 2019.

² Our only consolidated power plant in Hungary is gas-fired; particulate emissions are not material and are therefore not included.

Environmental protection

Hazardous and non-hazardous operational waste¹ GRI 306-2

t	2019	2018	2017
Hazardous operational waste disposed	1,622	1,748	1,955
Hazardous operational waste recovered	14,104	4,433	18,444
Non-hazardous operational waste disposed	158,864	44,067	17,395
Non-hazardous operational waste recovered	60,184	30,402	38,614
Total	234,774 (including Russia)	80,650 (excluding Russia)	76,407 (excluding Russia)

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 137,014t (2017: 143,317t). 2019 total includes estimated figures from France which are calculated as 50% of 2018 French data.

Pulverised fly ash (PFA), furnace bottom ash (FBA), and gypsum¹ GRI 306-2

m metric tons	2019	2018	2017
Disposed	0.01	0.04	0.1
Recovered and sold	1.44	2.28	3.1
Total	1.5	2.3	3.3

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

Natural gas consumption by our own power plants GRI 302-1

by country	2019	2018
billion m³		
Germany	0.5	0.3
Hungary	0.4	0.4
Netherlands	0.4	0.6
Russia	9.9	10.3
Sweden	0.0	0.0
United Kingdom	2.3	1.8
Total	13.5	13.4

Environmental protection

Total water withdrawal for cooling¹ GRI 303-3

m³	2019	2018	2017
Fresh groundwater	195,673	159,680	120,051
Municipal water	7,507,042	7,593,852	10,323,347
Fresh surface water	835,116,594	732,083,403	896,893,725
Rainwater	373,098	415,086	570,781
Seawater	3,103,259,566	3,567,161,801	4,075,136,638
Total	3,946,451,973	4,307,413,822	4,983,044,544

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.
Emile Huchet in France has a special cooling system for which water is not classified as cooling water.
Nevertheless, we report our total estimated water withdrawal from France because we consider it relevant from a country perspective (2019: 7,674,493 m³). Data for France estimated using generation volumes for the period January 1 to June 30, 2019.

Total cooling water discharge¹ GRI 303-4

m³	2019	2018	2017
Fresh surface water	814,695,969	705,763,956	871,632,930
Seawater	3,105,788,167	3,566,003,343	4,083,631,312
Total	3,920,484,136	4,271,767,299	4,953,264,242

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. Emile Huchet in France has a special cooling system for which water is not classified as cooling water. Nevertheless, we report our total estimated water discharge from France because we consider it relevant from a country perspective (2019: 2,872,263 m³). Data for France estimated using generation volumes for the period January 1 to June 30, 2019.

Human rights and compliance culture

Origin of steam coal purchased for our own power plants and coal trading activities in 2019

Country of origin	% coal purchased
Russia ¹	35.1
Colombia	23.8
USA	18.6
Other ²	8.3
South Africa	9.2
Australia	2.6
Mozambique	1.3
UK	1.1

¹ Includes coal from Latvia

² Origin not traceable

About this report

GRI 102-45, 102-50 Uniper has published an annual Sustainability Report for each year since 2016, when we became an independent company. This is therefore our fourth 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 2019 calendar year; however, the report also includes information about noteworthy subsequent events through April 2020. Unless otherwise indicated, the scope of the report is the Uniper Group's fully consolidated assets as of December 31, 2019. The scope of consolidation is the same as in our 2019 Financial Report. This report contains information about our reporting principles, as well as all significant changes in Uniper's size, scope, ownership structure, and supply chain. Uniper's management structure changed in 2019. In June 2019, Andreas Schierenbeck took the position of Uniper's new Chief Executive Officer and Sascha Bibert as its new Chief Financial Officer. David Bryson took the positions of both the new Chief Operating Officer on November 1, 2019 and Chief Sustainability Officer on January 1, 2020.

In October 2019, Fortum announced that it had signed agreements with shareholders Elliott and Knight Vinke to acquire more than 20.5% of the shares in Uniper. Fortum's stake in Uniper would increase to more than 70.5% when the transaction is completed. The conclusion of the transaction was subject to approval of the regulatory authorities in Russia which was granted. Fortum completed part of the transaction in March 2020 and now holds 69.6% of the shares and voting rights in Uniper. The second tranche, a minimum of 1.0% and a maximum of 3.8% of the shares, is expected to be closed within the second quarter of 2020.

In March 2020, Uniper committed to making its power generation portfolio in Europe climate-neutral by 2035.

GRI 102-54 The report's description of our materiality assessment and management approach reflects the standards of the Global Reporting Initiative (GRI). The report uses GRI indicators to disclose information on selected issues; their use is referenced in each instance. We are working toward reporting in accordance with the GRI Standards: Core Option to provide our stakeholders with a more comprehensive overview.

GRI 102-49 Changes in reporting: the 2019 Sustainability Report will be published in print, and as a pdf; the latter can be downloaded from our website. The structure of our 2019 report reflects the sustainability strategy defined in our Sustainability Strategic Plan; it, too, can be downloaded from our website.

GRI 102-51, 102-52 This report supersedes the Uniper Sustainability Report 2018. The next Sustainability Report 2020 will be available in 2021.



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You can find additional information and updates on our sustainability website.

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.

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