uniper

Annual Report 2023

Financial Results

Performance Indicators at a Glance

Financial and Non-Financial Indicators for the Uniper Group[1 2]

	Unit	2023	2022	2021	2020	2019
Power purchases and owned generation	Billion kWh	210.3	289.7	413.6	558.0	616.8
Electricity sales	Billion kWh	209.5	288.9	412.9	552.9	612.7
Gas volume sold	Billion kWh	1,637.7	1,661.5	2,258.5	2,205.9	2,179.3
Direct fuel-derived carbon emissions	Million t CO_2	19.4	55.6	50.9	42.6	47.0
Carbon intensity[3]	g/kWh	355.8	477.5	454	453	445
Sales	€ in millions	107,915	274,121	162,968	50,968	65,804
Adjusted EBIT[4]	€ in millions	6,367	-10,877	955	998	863
For informational purposes: Adjusted EBITDA[4]	€ in millions	7,164	-10,119	1,512	1,657	1,561
Net income/loss	€ in millions	6,336	-19,144	-4,106	402	644
Earnings per share[5 6]	€	15.15	-661.75	-11.39	1.08	1.67
Dividend proposal / Dividend per share[5]	€	0.00	0.00	0.07	1.37	1,15
Cash provided by operating activities of continuing operations (operating cash flow)	€ in millions	6,549	-15,556	3,296	1,241	932
Adjusted net income[4 7]	€ in millions	4,432	-7,401	743	774	614
Investments	€ in millions	587	552	589	743	657
Growth	*€ in millions*	*198*	*189*	*293*	*406*	*297*
Maintenance and replacement	*€ in millions*	*389*	*363*	*297*	*336*	*361*
Economic net debt (+)/ net cash position (-)	€ in millions	-3,058	3,410	324	3,050	2,650
Employees as of the reporting date		6,863	7,008	11,494	11,751	11,532
Proportion of female employees	*%*	*26.3*	*24.5*	*25,4*	*25,2*	*24,6*
Average age	*Years*	*46*	*46*	*45*	*45*	*45*
Employee turnover rate	%	5.3	4.9	4.6	3.7	4.5

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

[2]Due to the changes in 2023 discussed in Note 3 to the Consolidated Financial Statements, the operating and financial disclosures for the previous year have also been restated and therefore correspond to the figures reported in these financial statements.

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

[4]Adjusted for non-operating effects.

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

[6]For the respective fiscal year.

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

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

Content

Report of the Supervisory Board

Dear Shareholders,

Uniper successfully concluded the year 2023, which was marked by stabilization and a strategic realignment, laying the foundation for Uniper's green transformation. The Russian war against Ukraine and the resulting lack of gas supplies from Russia, combined with the company's own supply and sales price obligations, had put Uniper's equity and liquidity under severe pressure in the previous year. This resulted in comprehensive stabilization measures and the entry of the Federal Republic of Germany as a new indirect majority shareholder in December 2022. During 2023, Uniper reached important stabilization milestones: Uniper has hedged its existing gas supply obligations to its customers for the years 2023 and 2024, including via forward transactions during the second quarter of 2023, and in total without additional costs for the procurement of replacement gas, resulting in a significant earnings contribution for 2023 in the Global Commodities segment.

In the summer, Uniper announced its new strategic alignment: From the 2024 fiscal year, Uniper will focus on the three segments "Green Generation", " Flexible Generation" and "Greener Commodities" so that Uniper can make a contribution to the energy transition and become a greener company at an even faster pace. The company has set ambitious targets for the years ahead, particularly with regards to the decarbonization of its current portfolio: Uniper aims to increase its share of installed electricity capacity from CO2-free sources to 80% by 2030.

In addition, a capital reduction decided upon at an Extraordinary General Meeting on December 8, 2023, created the financial conditions that will allow Uniper to pay dividends from the 2024 financial year onwards, thus opening up options for the Federal Republic of Germany to exit its investment.

This will enable Uniper to continue to make a significant contribution to the security of energy supply in Germany and Europe and to position itself as a key player in the green transformation.

In the 2023 fiscal year, the Supervisory Board of Uniper SE carefully performed all its duties and obligations under law, the Company's Articles of Association, and its own rules of procedure. It thoroughly examined the Company's situation, including with regards to the new framework with the Federal Republic of Germany as the indirect majority shareholder, and regularly discussed in depth the consequences of its continually changing energy policy and economic environment.

The Supervisory Board advised the Board of Management regularly about the Group's management and continually monitored its activities. The Supervisory Board assured itself that the Group's management was legal, purposeful and orderly. The Supervisory Board was closely involved in all business transactions of key importance to the Company and discussed these transactions thoroughly based on the Board of Management reports, among other things.

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

In four ordinary and nine extraordinary meetings, the Supervisory Board dealt with issues relevant to the Group, in particular the new Group strategy, the development of the credit rating, the global market environment and the stabilization framework, and adopted necessary resolutions. A detailed list of meetings and the corresponding individual meeting attendance can be found on page 5 of the Annual Report. In addition, the proposed resolutions for the Extraordinary General Meeting on December 8, 2023, were intensively discussed and coordinated with the Supervisory Board.

Key Topics of the Supervisory Board's Discussions

In the 2023 fiscal year, the Supervisory Board focused in particular on the realignment of the Group strategy. At its ordinary meetings and three other extraordinary meetings, the Supervisory Board was informed in detail about the strategy process and discussed it with the Board of Management. The Supervisory Board supports Uniper's goals for a green transformation by 2030 and the Company's ambition to be "The beating heart of energy".

With respect to the Group's operating business, the Supervisory Board discussed in detail price movements in the national and international energy markets, resulting in particular from geopolitical conflicts in Ukraine and the Middle East, and the business situation of the Group, about which the Board of Management provided continuous information. More specifically, the Supervisory Board discussed Uniper SE's and the Uniper Group's current assets, financial condition and earnings, the ratings situation as well as workforce developments and the earnings opportunities and risks for Uniper SE and the Uniper Group. In addition, margining requirements and the liquidity situation were closely monitored and discussed, particularly at the beginning of 2023, in order to address the highly volatile market price developments.

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

Other central topics of the discussions included the geopolitical situation and the consequences of geopolitical conflicts, developments in European and German energy policy, the ongoing development of the regulatory environment, and the macroeconomic and economic-policy situation in the countries in which Uniper is active, especially as regards their impact on each of Uniper's various business areas. Since the terrorist attack by Hamas on Israel on October 7, 2023, the Audit and Risk Committee has dealt in more detail with the risks of a potential expansion of a conflict in the Middle East. The results have also been discussed by the Supervisory Board.

The Board of Management reported in detail to the Supervisory Board during the first half of 2023 on the strategic realignment of the Group and, throughout the 2023 fiscal year, on M&A transactions. A particular focus was on Uniper's transformation, with a strategic focus on renewable energies and the expansion of the hydrogen business. In response to the changed market conditions, Uniper is intensively reviewing its business model in the gas business.

Current developments in Uniper's business activities were thoroughly discussed. The Board of Management informed the Supervisory Board in detail about generation activities.

Regarding the global trading business, the Supervisory Board was informed in detail about significant procurement and sales contracts as well as price renegotiation requests in connection with major gas suppliers. In addition, the Supervisory Board was informed about topics relating to Russia, including the presidential decree that placed the subsidiary PAO Unipro, which was deconsolidated at the end of the 2022 fiscal year, under state administration at the end of April 2023. The Supervisory Board also received ongoing reports on the Nord Stream 2 pipeline project, which has since been halted due to the geopolitical situation.

As mentioned above, during the year the Board of Management held ongoing intensive discussions with the Supervisory Board on the Company's current and future rating situation.

The Supervisory Board discussed in detail with the Board of Management the Uniper Group's medium-term planning for the years 2024 to 2026 based on updated assumptions regarding the long-term development of energy and commodity prices, capacity market premiums, and seasonal price differences, and approved the budget for 2024 following in-depth discussions.

The Supervisory Board also dealt with the summarized separate non-financial Group report as of December 31, 2023, prepared by the Board of Management. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, conducted an audit ("limited assurance") and issued an unqualified opinion on an audit to obtain limited assurance on the separate non-financial Group report. Following its examination, the Supervisory Board had no objections.

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

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

Corporate Governance

In January 2024, the Supervisory Board dealt in detail with the German Corporate Governance Code and, on this basis, jointly with the Board of Management issued the annual declaration of compliance with the German Corporate Governance Code (GCGC) pursuant to section 161 of the German Stock Corporation Act (AktG) for Uniper SE in January 2024. Since then, this has been publicly accessible on Uniper SE's website. Further information on corporate governance is available in the Corporate Governance Declaration.

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

Committee Work

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

- The Executive Committee of the Supervisory Board met a total of seven times in the 2023 fiscal year. This committee mainly prepared the meetings of the full Supervisory Board. In 2023, the focus of these preparations was on the appointment of new members to the Board of Management. In addition, the Executive Committee of the Supervisory Board worked intensively on Executive Board compensation matters and the Executive Board's targets for 2024 and prepared the corresponding resolutions of the Supervisory Board in detail.

- The Audit and Risk Committee met five times in the 2023 fiscal year. In an in-depth examination – taking into account the auditor's reports and in discussion with the auditor – the committee dealt in depth in particular with the annual financial statements of Uniper SE prepared in accordance with the German Commercial Code and the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as well as the half-year financial statements and the quarterly statements pursuant to Section 53 of the German Stock Exchange Rules. The committee discussed the proposal for the appointment of the auditor for the 2024 fiscal year and commissioned the auditor's services, determined the focal points and costs of the audit and reviewed the quality of the audit, the qualifications of the auditor and the auditor's independence in accordance with the requirements of the German Stock Corporation Act (Section 107 (3) sentence 2 AktG). The committee also discussed in detail the Combined Management Report and the proposal for the appropriation of profits, prepared the corresponding recommendations to the Supervisory Board and reported to the Supervisory Board. The Audit and Risk Committee also intensively addressed the effects of the war in Ukraine, market conditions, especially market changes, as well as regulatory and political developments and the resulting impairment consequences for Uniper's activities.
  Extensive discussions were also held on issues relating to accounting, the EU taxonomy and non-financial reporting (CSRD), the internal control system (ICS) and the audit of risk management, the company's risk-bearing capacity and the quality assurance of the risk management system. This examination was based on consultations with the independent auditor and, among other things, reports from the Company's Risk Committee. In addition, the committee dealt in detail with the work of the internal audit department, including the audits in 2023, as well as audit planning and the setting of audit priorities. Furthermore, the committee discussed the compliance reports and the compliance system, as well as other issues related to auditing. The Board of Management also reported on ongoing proceedings and on legal and regulatory risks for the Uniper Group's business. The Committee regularly discussed the current status and development of Uniper's rating. The Audit and Risk committee discussed the status of information security at Uniper and dealt with the criteria for selecting a new Group auditor for the fiscal years from 2026 as part of the statutory auditor rotation.
  The Chairwoman of the Audit Committee also maintained a close dialog with the auditors and the Board of Management and relevant executives outside the meetings.

- The Sustainability Committee met three times in the 2023 fiscal year. The committee dealt with the sustainability strategy, the non-financial targets and the implementation project for the EU's Corporate Sustainability Reporting Directive (CSRD) (including the Climate Transition Plan) and made recommendations in this regard. Other relevant ESG topics, such as the energy assessment and hydrogen supply chains, were presented and discussed. In particular, at the beginning of 2023 the committee also discussed the 2022 non-financial report, including reporting in accordance with the EU taxonomy and TCFD, took note of the audit findings and made further recommendations. The Chief Sustainability Officer (CSO) informed both the Audit and Risk Committee and the full Supervisory Board of the corresponding results and findings.

- The Nomination Committee did not meet in the 2023 fiscal year.

The following overview shows the individual participation of the members of the Supervisory Board in the meetings of the Supervisory Board and its committees, in each case as the participation of that member in the meetings of the Supervisory Board during the term of office or committee activity of the respective member.

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

Supervisory Board member	Supervisory Board meetings	Executive Committee	Audit and Risk Committee	Nomination Committee	Sustainability Committee
Thomas Blades	13/13	7/7	–	–	–
Prof. Dr. Werner Brinker	12/13	–	–	–	3/3
Judith Buss	13/13	–	5/5	–	–
Dr. Jutta A. Dönges (until February 28, 2023)	5/5	–	1/1	–	–
Holger Grzella	7/13	1/7	–	–	–
Dr. Gerhard Holtmeier (since March 21, 2023)	8/8	–	4/4	–	2/3
Diana Kirschner	13/13	–	5/5	–	–
Victoria Kulambi	13/13	–	–	–	3/3
Magnus Notini	13/13	–	–	–	3/3
Dr. Marcus Schenck	13/13	6/7	–	–	–
Immo Schlepper	13/13	6/7	4/5	–	–
Harald Seegatz	13/13	7/7	–	–	–
Prof. Dr. Ines Zenke	12/13	6/7	–	–	–

Examination and Approval of the Annual Financial Statements, Approval of the Consolidated Financial Statements for the Year Ended December 31, 2023

The annual financial statements of Uniper SE as of December 31, 2023, prepared in accordance with German commercial law, the Combined Management Report and Group Management Report and the Consolidated Financial Statements prepared in accordance with IFRS were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, the auditor elected by the Annual General Meeting and appointed by the Supervisory Board, and issued with an unqualified audit opinion.

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

At the meeting of the Supervisory Board on February 27, 2024, the Supervisory Board thoroughly discussed – in the presence of the independent auditor and with knowledge of, and reference to, the Independent Auditor's Report and the results of the preliminary review by the Audit and Risk Committee – Uniper SE's Annual Financial Statements, Consolidated Financial Statements, Combined Management Report, and the Board of Management proposal for profit appropriation. The independent auditor was available for supplementary questions and answers. After concluding its own examination, the Supervisory Board determined that there are no objections to the findings and, therefore, acknowledged and approved the Independent Auditor's Report.

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

Personnel Changes on the Supervisory Board and Its Committees

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

On January 20, 2023, the Supervisory Board of Uniper SE appointed Dr. Jutta A. Dönges to the Board of Management of Uniper SE as CFO effective March 1, 2023. Dr. Jutta A. Dönges, who had been a member of Uniper SE's Supervisory Board since December 2022, resigned from the Supervisory Board of Uniper SE effective at the end of February 2023.

Dr. Gerhard Holtmeier, who had been managing director of Uniper SE's parent company, UBG Uniper Beteiligungsholding GmbH, with its registered office in Berlin (Charlottenburg District Court, HRB 248168 B), since December 2022, joined the Supervisory Board of Uniper SE as a new member effective March 21, 2023. Dr. Gerhard Holtmeier was nominated by the Federal Ministry of Finance and UBG to succeed Dr. Jutta A. Dönges on the Supervisory Board. The Düsseldorf District Court had appointed Dr. Gerhard Holtmeier and additional shareholder representatives as members of the Supervisory Board. Shareholders then formally elected the initially court-appointed shareholder representatives to the Supervisory Board at the Annual General Meeting on May 24, 2023. At its inaugural meeting on May 24, 2023, the Supervisory Board subsequently elected Tom Blades as Chairman of the Supervisory Board. Prof. Dr. Ines Zenke was elected Deputy Chairwoman of the Supervisory Board. Harald Seegatz also holds the office of Deputy Chairman of the Supervisory Board as an employee representative.

The Supervisory Board sincerely thanks the members of the Board of Management and of the Works Councils, as well as all the employees of the Uniper Group, for their extraordinary efforts, dedication, and outstanding work in the particularly challenging 2023 fiscal year.

Düsseldorf, February 27, 2024

The Supervisory Board

Sincerely,

Thomas Blades
Chairman

Uniper Stock

- Strong fluctuations in the Uniper share price
- Federal Republic of Germany remains majority shareholder with 99.12% stake
- Financial conditions created for future dividend payments

Strong Stock Market Year in 2023 Despite Global Crises

There was no let-up in geopolitical tensions in 2023. The escalation in the Gaza conflict and in Israel created another trouble spot in the Middle East. At the same time, hopes for a solution to Russia's war against Ukraine were not fulfilled. Despite these geopolitical and related global challenges, the international stock markets recorded a solid performance in 2023.

At the start of 2023, expectations of a significant drop in commodity prices and the normalization of global economic flows led to a positive trend on the international stock markets. However, during the year, this optimism was dampened by a steady and sharp decline in new orders. Central banks responded to the massive inflationary pressure built up during the Covid-19 pandemic by ending their expansionary monetary policy and raising interest rates. The major economic regions of the United States and Europe showed recessionary tendencies in particular. However, China also faces difficulties in maintaining its growth path.

Prices rallied at the end of October 2023, resulting in the broad European market indices reaching new highs in December 2023. The growing optimism resulted from the belief that the economic weakness seen in key markets could be overcome in 2024, buoyed by falling inflation, lower interest rates and economic support programs.

The European equity index (STOXX Europe 600) closed 2023 with a year-on-year increase of around 17%; the German mid-cap index (MDAX) closed the year with a rise of around 8%. Almost all stock market sectors ended the year up, in some cases significantly. The construction materials and technology sectors were the winners in Europe in 2023. The commodities sector was at the bottom of the table with a slight fall in share prices.

Utilities Sector Slightly Underperforms European Stock Market

The European utilities sector slightly underperformed the European stock market as a whole, recording a total return of around 15% in 2023, which includes share price performance and dividends. European utilities were unable to capitalize on their defensive sector qualities, particularly in the first half of 2023, although many companies posted strong operating results. There was also a series of negative news reports from companies in the renewable energy sector and considerable uncertainty in these markets as a result of political intervention in the European energy markets. In light of stable earnings prospects and a renewed increase in the attractiveness of dividend returns coupled with falling bond yields, a significant price recovery set in towards the end of 2023, largely closing the price gap between the utilities sector and the market as a whole by the end of the year.

Strong Fluctuations in the Uniper Share Price

The price performance of utilities listed on the European stock market varied significantly in 2023. The winners included companies with diversified business models and companies whose end customer business recovered significantly. The losers on the stock market included companies with a focus on renewable energies, which had to deal with deteriorating underlying conditions, such as significantly higher costs and increasingly expensive project financing.

Uniper's share price performance deviated significantly from the industry average during 2023, with the movement of its share price being highly volatile. This was due to a change in the shareholder structure and a low free float, which resulted in significantly lower daily trading volumes compared to the previous year. The entry of the Federal Republic of Germany at the end of December 2022 reduced the free float to 0.88%. This was followed by Uniper's removal from the major German and European stock market indices. The majority of institutional investors sold their remaining Uniper shares. These shares were mainly acquired by private shareholders, so that the weighting of shares traded on the stock exchange shifted significantly in favor of private shareholders.

Performance of Uniper Stock Compared with Overall Market
January through December 2023

[1]Total return of Uniper stock and of the MDAX and STOXX Europe Utilities; indexed, 100 = Xetra closing price at year-end 2022.
Source: MarketWatch

At the end of December 2022, the Uniper share had a closing price of €2.59 or €51.76 (on an adjusted basis; 20:1 capital measure from December 2023 taken into account). During 2023, the share price was repeatedly influenced by speculation unrelated to fundamentals. Uniper delivered a series of positive corporate news reports from spring 2023 onwards. The Uniper Group's net assets, financial position and earnings recovered well above expectations at the beginning of the year. In May 2023, Uniper was able to use hedging transactions to eliminate the significant financial risk from the replacement procurement of Russian gas volumes. This prevented further capital increases by the Federal Republic of Germany and thus the dilution of existing shares. At the beginning of August 2023, the newly formed Uniper Board of Management communicated the strategic cornerstones for an accelerated transformation of the Group in the course of 2023. The all-time high share price of €8.05 or €161.00 (on an adjusted basis) was recorded at the beginning of June 2023 in a short period of unusually high trading volumes.

In October 2023, Uniper announced that it would convene an Extraordinary General Meeting, with the main aim of implementing a capital reduction in order to restore the company's financial ability to pay dividends, thereby also facilitating the exit of the Federal Republic of Germany as required by the EU Commission. Once again, the share price was influenced by speculation, reducing the historically high market capitalization reached during 2023. Following the capital reduction at a ratio of 20:1 in December 2023, Uniper ended the stock market year with a year-end price of €58.00 and a total return of 12% in 2023.

Federal Republic of Germany as Majority Shareholder

The Federal Republic of Germany's shareholding remained unchanged in 2023 at 99.12%. This was the result of the financial stabilization package with participation in a cash capital increase on December 21, 2022, followed immediately by a first tranche from the Authorized Capital on December 22, 2022, totaling around €13.5 billion and the acquisition of the Uniper share package from Fortum. These three transactions all took place at a price of €1.70 per share. At the end of 2022, there were a total of 8,329,506,651 Uniper shares outstanding. Of these, 8,256,523,248 shares were held by the Federal Republic of Germany and 72,983,403 shares were in free float.

On December 8, 2023, the Extraordinary General Meeting resolved a capital reduction in several steps - primarily by reducing the par value of the shares from the equivalent of €1.70 per share to €1.00 and a reverse stock split at a ratio of 20:1. This reduced the subscribed capital from €14.16 billion to €416.5 million. This capital released for offsetting losses was transferred to the capital reserve in the in the amount of €13.744 billion. In addition, in the 2023 annual financial statements, part of the capital reserve was then used to offset the remaining net loss for the 2022 fiscal year after the 2023 annual result, so that a net retained profit of €0 is ultimately reported for the 2023 fiscal year.

These measures had no impact on the ownership structure or the balance sheet value for the individual shareholders. The reverse stock split took effect on December 18, 2023. Since that date, the Uniper share has been traded under the ISIN code (International Securities Identification Number) DE 000UNSE026.

As of December 31, 2023, the total number of Uniper shares outstanding amounted to 416,475,332. Of these, the German federal government held 412,826,161 shares and 3,649,171 shares were in free float. Just under three quarters of these shares were held by private shareholders, the remainder by institutional investors.

Dividend

As part of the stabilization agreement between the Federal Republic of Germany and Uniper, it was stipulated - in accordance with the applicable legal restrictions - that Uniper would not make any dividend payments during the period of stabilization without the consent of the Federal Republic of Germany. Taking into account the otherwise applicable legal framework, the decision on the capital reduction resolved in December 2023 restores Uniper's ability to pay dividends and retain profits for accounting purposes. However, it does not provide any indication as to the point in time at which Uniper will pay a dividend again.

Facts and Figures on Uniper Stock

	Unit	2023	2022	2021	2020	2019
Year-end closing price[1]	€	58.00[2]	2.59	41.80	28.24	29.51
High for the year[1]	€	79.01[2]	42.00	42.11	30.70	30.64
Low for the year[1]	€	2.49	2.23	28.78	21.54	22.30
Number of shares[3]	Millions	416.48	8,329.51	365.96	365.96	365.96
Market capitalization[3]	€ in billions	24.2	21.6	15.3	10.3	10.8
Dividend	€	0.00	0.00	0.07	1.37	1.15
Total distribution	€ in millions	0.0	0.0	25.6	501.4	420.9
Dividend yield	%	0.0	0.0	0.2	4.9	3.9

[1]Xetra prices.

[2]The year-end closing price and the high for the year reflect the 20:1 reverse stock split of December 2023.

[3]Based on the year-end figures.

Strategy and Targets

Strategic Priorities

Climate change is one of the biggest global challenges today. To address this challenge, the aim is to significantly reduce emissions. As an energy company, Uniper plays an important role in achieving the climate targets set by the European Union. These targets call for greenhouse gas emissions to be reduced by at least 55% by 2030 compared to the base year 1990 and for climate neutrality to be achieved by 2050. Germany has committed to achieving climate neutrality by 2045.

Uniper recognizes its special role as a driving force in the energy transformation and has established the goal of reducing CO2 emissions in the Uniper Group's Scope 1 and 2 categories by at least 55% by 2030 compared to 2019 and achieving climate neutrality in these categories by 2035. Uniper aims to become climate-neutral across the Group with regard to Scope 1-3 emissions by 2040 – ten years earlier than previously planned. Consequently, Uniper plans to end coal-fired power generation by 2029. This is subject to the condition that Uniper's coal phase-out by 2029 is in line with the EU state aid decision with regard to the Datteln 4 hard coal-fired power plant. In December 2023, the German Federal Network Agency (BNetzA) informed Uniper about the extension of the systemic relevance of the two Uniper power plants Scholven B and C at the Gelsenkirchen site until March 31, 2031. Scholven B had previously been declared systemically relevant until June 30, 2025, and Scholven C until October 31, 2024. Accordingly, the power plants will serve as reserve power plants. Irrespective of the BNetzA decision, Uniper will continue to drive forward the strategic transformation of the power plant site, which is also home to a training center, and its entire portfolio towards CO2-free generation. Uniper will assess the conflicting goals of exiting from hard-coal-fired power generation and the systemic relevance of the plants beyond 2029 and look for solutions. The target date of 2029 means that the coal phase-out will be accelerated by more than eight years compared to the previous assumption. Uniper is consistently and steadily decarbonizing its fossil-based business units.

Under its new strategy, Uniper will remain an integrated electricity and gas supply company with a strong focus on its core markets of Germany, the UK, the Netherlands and Sweden. Uniper's approximately 1,000 customers, including municipal utilities, industrial companies and grid operators, are at the center of its business activities. Uniper will offer its customers integrated solutions with green and flexible electricity and gas products that are flexible, balanced and customized to help them achieve their own decarbonization goals. Uniper will make a further crucial contribution to the success of the energy transition through the deployment of its controllable gas-fired power plants. These flexible gas-fired power plants are necessary to balance out the increasing volatility in the generation of electricity from wind and solar energy, thus ensuring the stability of the electricity grids and therefore the electricity supply. In accordance with the European Green Deal, these power plants are expected to achieve the "net-zero target" by 2050. Uniper will meet this requirement by storing the CO2 emissions resulting from the use of natural gas as a fuel by 2035 in accordance with the climate targets adopted for the Uniper Group, and by gradually converting its power plants and natural gas storage facilities to run on hydrogen or other sustainable fuels. Uniper will also carry out offsetting measures as part of emissions certificate trading. The new corporate strategy also places an important focus on investments in renewable energies, in particular the expansion of wind and solar capacity. As a result, the share of green generation capacity in the Group's expected total capacity of 15-20 GW is set to increase more than fourfold to over 80% by 2030.

Gas will continue to play a vital role in the security of supply in Europe. Uniper is a major gas supplier with a diversified procurement and sales portfolio. In the future, this portfolio will be supplemented with green gases depending on market developments.

This will include the development of production capacities for green hydrogen. However, it is already becoming clear that Germany will not be able to meet its demand for green hydrogen with domestic production on its own. In addition to the production of green hydrogen in Europe, Uniper therefore also plans to focus on the import and sale of green hydrogen and hydrogen derivatives such as ammonia, methanol and other sustainable energy sources and fuels.

One of Uniper's highest priorities has always been to ensure a secure and stable energy supply. Uniper will remain committed to this objective in the future in order to combine green energy supply with security of supply. Uniper is extremely well positioned for this thanks to its portfolio and many years of experience in the areas of generation, procurement, optimization and trading.

These strategic targets, which were defined in August 2023, require significant investments in the transformation and growth of the Group, which are expected to amount to more than eight billion euros by 2030. This is three times the average annual investment volume for transformation and growth compared to the average of the last three years.

To support the accelerated transition of Uniper into a greener company, the focus in the coming years will be on the “Green Generation”, “Flexible Generation” and “Greener Commodities” segments. Accordingly, the Uniper Group will be managed via these operating segments from the 2024 fiscal year onwards. These operating segments will help to effectively manage the transformation of the Uniper Group and the fulfillment of its strategic goals while at the same time making the transformation process transparent.

Green Generation

Uniper plans to contribute to decarbonization by increasing climate-neutral electrification and aims to significantly expand its green generation capacities. Uniper already has a significant portfolio of climate-neutral power generation. CO2-free energy sources currently account for around 20% of Uniper's generation capacity. These consist of the hydroelectric power plants in Germany and Sweden, which have a combined capacity of 3.6 GW, and nuclear power in Sweden, which has a generation capacity of 1.4 GW. Together, this results in annual electricity generation of approximately 23 TWh. At these plants, Uniper focuses on value-added management and at the same time assesses whether further hydroelectric projects can meaningfully complement Uniper's green portfolio. The majority of the energy generated is sold to the Global Commodities segment (from the 2024 fiscal year: Greener Commodities), which ensures the marketing and sale of the energy via the trading markets and via its own sales structure to key accounts. A further volume of the energy generated is sold via long-term electricity supply contracts.

In addition, renewable energies will play a key role in Uniper's climate-neutral electricity generation in the future. Of the total investment volume of over eight billion euros in growth and transformation, a significant portion will be allocated to the development of the renewable electricity portfolio. Uniper plans to invest in the development, construction and operation of onshore wind and solar plants.

Uniper has also successfully completed several major battery projects at hydroelectric power plants in Sweden, which help to stabilize the grid and support the Swedish transmission system operator in controlling frequency deviations in the system. The first batteries have been installed at the Edsele and Lövön hydropower plants and have a total capacity of approximately 21 MW. Two further systems, with a total capacity of approximately 12 MW, have been installed at the Bodum and Fjällsjö power plants. Uniper will continue to focus on expanding the capacities of large-scale battery systems in the future.

Flexible Generation

The "Flexible Generation" segment combines all generation capacities that contribute to ensuring grid stability and security of supply, making them key building blocks for the energy transition in Uniper's core markets.

Uniper currently owns and operates around 6 GW of hard coal-fired capacity in Europe. To achieve the reductions in emissions outlined above, Uniper has presented a shutdown plan for its hard coal-fired power plants that will save up to 18 million tons of CO2 per year. The decommissioning of three Uniper coal-fired power plants was postponed due to the energy crisis in 2022, which has led to an unprecedented challenge for security of supply in Germany and Europe. The Heyden 4 (875 MW), Scholven C (345 MW) and Staudinger 5 (510 MW) power plants will continue to be used under the German Substitute Power Plant Provision Act (EKBG) to save natural gas and to ensure energy generation in the event of potential gas shortages in order to guarantee the secure functioning of the German electricity supply system. Uniper's fuel oil-fired plants with a total capacity of approx. 2.5 GW are also held in reserve in critical grid situations in order to safeguard the power supply. In the United Kingdom and the Netherlands, Uniper will follow the national coal phase-out plans. While the Ratcliffe power plant in the UK is scheduled to be shut down by the end of September 2024, the Maasvlakte 3 power plant will be the last coal-fired power plant in Uniper's portfolio to be decommissioned by the end of 2029. This is subject to the condition that Uniper's coal phase-out by 2029 is in line with the EU state aid decision with regard to the Datteln 4 hard coal-fired power plant. Uniper will assess the conflicting goals of exiting from hard coal and the systemic relevance of the plants beyond 2029 and look for solutions.

The decline in the flexible electricity generation capacity available on the market as a result of the coal phase-out and the simultaneous expansion of electricity generation from renewable energies increase the importance of flexible gas-fired power plants and and gas and steam plants for the energy transition. These plants should counter the increasing generation volatility in the electricity market and ensure the secure operation of the electricity supply systems. Uniper has around 9 GW of gas-fired power plants in Germany, the Netherlands, the United Kingdom and Hungary, making it well positioned to play an important role in the energy transition. Uniper built the new Irsching 6 gas-fired power plant (300 MW), which was commissioned in the third quarter of 2023, in response to the German transmission system operator's demand for grid services in Germany due to the growing share of intermittent renewables. This plant makes a further contribution to supply security and is available at short notice in emergency situations where there is a risk to system security in order to ensure grid stability. The highly flexible Gönyü gas-fired power plant in Hungary will be sold by the end of 2024 at the latest in accordance with the EU state aid decision. Uniper will review options for converting the gas-fired power plants to run on alternative fuels such as biofuels and green hydrogen. In principle, Uniper is prepared to make considerable investments in new, modern and flexible power plants that provide for the possibility of subsequent decarbonization at the time of the investment decision. This also includes energy storage solutions. For example, the use of green hydrogen is intended to enable the longer-term storage of electricity generated from renewable sources by converting it into hydrogen using the electrolysis process. This means that surplus energy from wind and solar power plants can be stored across Europe and fed back into the grid when demand is high.

As with the "Green Generation" segment, part of the capacity and the energy generated will be sold to the "Greener Commodities" segment and another part will be sold via long-term supply contracts.

Greener Commodities

Uniper remains a reliable partner for municipal utilities and industrial customers in the gas sector. With a volume of over 200 TWh of gas per year and over 0.9 TWh of biomethane per year, Uniper currently supplies around 1,000 customers, including numerous municipal utilities and industrial companies. Uniper considers one of its most important tasks to be further diversifying its gas portfolio in the future. Uniper is currently one of the largest gas storage operators in Europe with 7.3 billion cubic meters (m^3) of gas storage capacity in its portfolio. Uniper continuously evaluates solutions to enable the conversion of existing storage facilities for the storage of hydrogen, provided that an economically scalable technical implementation is possible.

Uniper also aims to increase the proportion of green gases in its portfolio, which are expected to account for five to ten percent of the gas portfolio by 2030 in line with market developments. Green gases are also part of many customers' own decarbonization measures. Uniper will supply its customers with various green gas products such as hydrogen, biomethane and ammonia, thereby supporting decarbonization across Germany and Europe in addition to its own.

Green hydrogen in particular is also expected to contribute to the decarbonization of sectors that are difficult or impossible to electrify - such as chemicals, steel and aviation. These sectors require low-carbon gaseous and liquid fuels for decarbonization. As a hydrogen player, Uniper has many years of experience in the operation of hydrogen plants. Uniper is one of the first European utilities to use green hydrogen based on electrolysis processes. As part of its new strategy, Uniper views hydrogen as one of its strategic priorities. The project Energiepark Bad Lauchstädt in Germany and the Air project in Sweden are examples of the implementation of this strategy. The Energiepark Bad Lauchstädt project combines green hydrogen production (30 MW) with storage, transportation and distribution. The investment decision to build the electrolyser, which is expected to start pilot operation at the beginning of 2025, has already been made. The Air project aims to use the green hydrogen produced by Uniper to generate sustainable methanol on the customer's premises and thus directly decarbonize their production. Overall, Uniper plans to build an installed electrolyzer capacity of over 1 GW by 2030. In addition, Uniper intends to promote the import of green energy sources.

Besides investing in onshore wind and solar, Uniper will further expand its already well-established portfolio of long-term solar and wind power purchase agreements (PPAs). These long-term PPAs create the basis for the direct purchase of electricity generated from renewable sources and enable Uniper to expand its renewable energy portfolio on the basis of long-term contracts.

In addition, Uniper's market position in other green products such as guarantees of origin and system services for the supply of green energy will be strengthened. The expansion of existing commercial capabilities into low-carbon and carbon-free products will also serve to meet the rapidly growing demand for green energy from Uniper's customers, who are also seeking to transform their businesses for the benefit of the environment.

Uniper is a diversified and integrated player in the electricity and gas business. Uniper's diversified portfolio enables it to benefit from synergies resulting from the combination of its various business units and plants, for example through its expertise in combining flexible generation capacities with volatile renewable energies. Uniper has committed itself to continuously supporting the energy transition. To this end, Uniper focuses on creating a balance in procurement and sales by trading energy products from the plant and trading portfolio across time and countries. Furthermore, Uniper continues to work on the development of energy products that serve to optimize the energy system. The commercial structuring of volatile electricity generation from renewable energies such as wind and solar to meet the needs of industrial and commercial customers is an important example of these efforts.

Combined Management Report

- Adjusted EBIT and adjusted net income significantly above prior-year
- IFRS net income benefits from significantly lower commodity prices and the reversal of provisions for anticipated losses from procurement of replacement volumes of gas
- Substantial net cash position due to significantly positive operating cash flow
- Outlook for 2024:
  Adjusted EBITDA significantly below prior-year level in a range of €1.500 -2.000 million expected;
  Adjusted net income significantly below prior-year level in a range of €700 -1.100 million expected

Corporate Profile

Business Model

Uniper is an international energy company with operations in more than 40 countries and with some 7,000 employees. Its business is the secure provision of energy and related services in an increasingly decarbonizing environment in accordance with the requirements of energy and climate policy and the regulatory environment, as well as related voluntary commitments. The parent company of the Uniper Group is Uniper SE; the corporate headquarters are in Düsseldorf, Germany. Since December 21, 2022, the Federal Republic of Germany (the German state) has held a 99.12% interest and thus has control over Uniper SE via UBG Uniper Beteiligungsholding GmbH with registered office in Berlin (Charlottenburg District Court, HRB 248168 B), a wholly owned subsidiary of the Federal Republic of Germany. As a listed group, Uniper publishes its quarterly statements, half-year interim financial statements, and consolidated annual financial statements.

The shares of Uniper SE are traded on the Frankfurt Stock Exchange's regulated market in its subsegment with additional post-admission obligations (the "Prime Standard"). Effective December 27, 2022, Uniper was removed from the SDAX since its free float dropped below 10% in connection with the takeover by the Federal Republic of Germany. Uniper remains in the CDAX.

Prior to the end of the 2023 fiscal year, the Uniper Group was composed of two operating segments: European Generation and Global Commodities. Combined separately under Administration/Consolidation are administrative functions that are performed centrally across segments, as well as the consolidations required to be carried out at Group level. From the 2024 fiscal year forward, the Uniper Group will be organized into the following three operating segments to reflect the Group's strategic realignment and management: Green Generation, Flexible Generation (both previously: European Generation) and Greener Commodities (previously: Global Commodities). Administration/Consolidation will continue to exist.

Management System

For the 2022 and 2023 reporting periods, Uniper uses adjusted EBIT and adjusted net income for the financial management of the Uniper Group. The indicators were adjusted to the new ownership situation with the result that effects associated with the Federal Republic of Germany's shareholding, and its exit from the Company as codified in the conditions of the European Commission, are classified as non-operating, as they are neither permanent nor operational in nature. These adjustments are reported under other non-operating earnings contributions.

From the 2024 fiscal year forward, as a result of the Group's new strategy, Uniper will modify its indicators for the financial management of the operating business in line with practice in the capital markets. In the future, adjusted EBITDA will be used for management and reporting purposes both at Group level and at the level of the individual operating segments. The use of adjusted EBITDA in particular will enable more precise management of targeted growth while at the same time focusing on the cash-effectiveness of Uniper's results. The adjusted EBIT measure currently in use will thus cease to be a relevant financial indicator for managing the Group's operating business in the future.
In the 2024 fiscal year, adjusted net income (adjusted NI) will continue to be reported for the Group as a whole, applying the definition that was changed from 2023, as previously mentioned.

Adjusted EBIT

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

Adjusted EBIT

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

Adjusted Net Income

The Uniper Group uses adjusted net income as an additional internal management indicator and as a further key indicator of the profitability of its operations after taxes and after financial results. Important income and expense components that are not included in adjusted EBIT are aggregated in this indicator as an economic interest and tax result and are also used for determining the variable compensation of all management personnel, non-pay-scale employees, and pay-scale employees in the 2023 fiscal year.

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

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

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

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

Adjusted EBITDA

Beginning in the 2024 fiscal year, the Uniper Group will use adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) instead of adjusted EBIT as its key financial performance indicator. Adjusted EBITDA is a measure of earnings before interest, taxes, depreciation, amortization, including reversals, adjusted for non-operating effects. As previously, the non-operating effects on earnings for which EBITDA is adjusted also include gains and losses from the fair value measurement of derivative financial instruments used in hedges, as well as certain effects resulting from the measurement of physically settled contracts within the scope of IFRS 9, which are measured at the market price at physical settlement instead of the contractually hedged price. Additionally, certain book gains/losses, expenses for (and income from) restructuring and cost-management programs and miscellaneous other non-operating earnings are eliminated.

From the 2024 fiscal year forward, adjusted EBITDA will take the place of adjusted EBIT as the starting point for further adjustments and will then be adjusted for the selected items described in the Adjusted Net Income section above, as well as for impairment charges and reversals arising from impairment tests that are attributable to non-operating business transactions, to obtain adjusted net income.

Additional Performance Indicators

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

Indicators of non-financial performance still used by Uniper include the proportion of women in leadership positions within the Uniper Group, direct CO_2 emissions and the HSSE & Sustainability Improvement Plan. The Non-Financial Performance Indicators section contains explanatory information about these three performance indicators.

Macroeconomic and Industry Environment

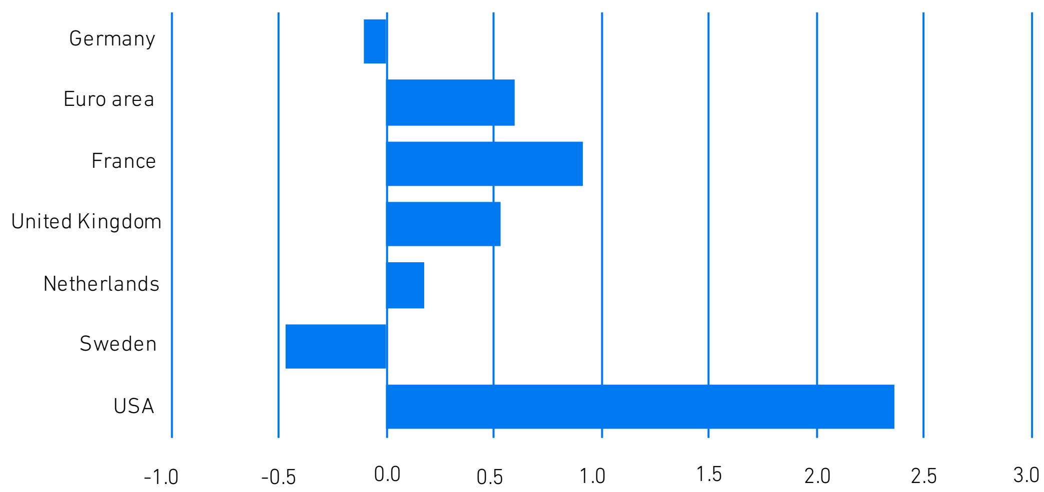
Macroeconomic Environment

Global growth has proven to be surprisingly resilient in spite of the negative effects of Russia's war against Ukraine and the significantly more restrictive international monetary policy. The Organisation for Economic Co-operation and Development (OECD) estimates the global GDP growth rate for 2023 at 2.9%, down from 3.3% in the previous year. There are increasing divergences between countries and regions. In many advanced economies, especially in Europe, growth slowed due to high reliance on credit financing and rising energy costs. The USA and other commodity-producing countries, on the other hand, recorded more stable GDP growth rates. Emerging and developing countries maintained their pre-pandemic growth rates. Japan grew above trend despite higher energy prices, while due to ongoing problems in the real estate sector, China's growth was volatile in 2023 after the economy was opened up following the Covid-19 pandemic, but growth stabilized in the third quarter of 2023.

Financial conditions have tightened in most major economies due to the cumulative effects of previous rate hikes and quantitative tightening, market participants' expectations of higher long-term interest rates and a reassessment of risks in the face of rising geopolitical tensions. Nevertheless, indicators of systemic financial stress generally remain limited and there are signs that risk appetite has recently picked up again, while inflation rates continue to decline. Interest rate hikes by the Federal Reserve (Fed), the Bank of England and the European Central Bank (ECB) have gradually decreased, and forward rate forecasts suggest that the end of the key interest rate increases may have been reached. Due to monetary tightening measures in the euro area, the exchange rate of the euro against the US dollar continued its upward trend until mid-July 2023, but has depreciated since then. Overall, the euro was around 3.5% higher against the dollar at the end of 2023 than at the beginning of 2023. The euro also weakened against the British pound in 2023, not least due to the more robust than expected economic performance of the United Kingdom.

2023 GDP Growth in Real Terms

Annual change in percent



Source: OECD (December 2023)

Energy Policy and Regulatory Environment

European Union

The energy crisis and security of supply concerns were at the center of energy policy discussions in the European Union (EU) again in 2023. On March 14, 2023, the European Commission (EC) proposed a review of the EU Electricity Market Design (EMD) to reduce the impact of gas prices on electricity prices while supporting the energy transition and a review of the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT). Provisional agreements were reached on both pieces of legislation in November and December 2023. Original proposals for fundamental changes to the design of the electricity market, such as the abolition of the marginal pricing system, were not adopted.

Even though the EC decided not to prolong the €180/MWh cap on the market revenues of electricity producers beyond June 30, 2023, the Council decided on December 19, 2023, to extend three emergency measures for the energy sector, including the Market Correction Mechanism, which introduces a cap of €180/MWh on the front-month TTF price for gas under certain conditions.

The Green Deal Industrial Plan, published as a response to U.S. and Chinese subsidies, aims to decrease the dependency and increase the competitiveness of EU industry, among other things by strengthening the EU manufacturing base in the Net-Zero Industry Act. The definitions of renewable fuels of non-biological origin (RFNBOs), i.e. hydrogen from renewable energy and hydrogen-based fuels, were clarified by the EC in two delegated acts (secondary legislation) which entered into force on July 10, 2023. The first act sets out the conditions for the feed-in of electricity from renewable and low-carbon energy sources. The second act sets out the methodology for calculating greenhouse gas emissions from RFNBOs. Furthermore, most of the measures in the "Fit for 55" package were completed in 2023, including the review of the Renewable Energy Directive and the "Hydrogen and decarbonized gas market" package, which includes both the review of the existing Gas Directive and Gas Regulation and the relaunch of a Methane Regulation. Ahead of the next legislative term (2024-2029), discussions were started on the 2040 climate target and on an industrial carbon management strategy.

Germany

In Germany, the Federal Ministry for Economic Affairs and Climate Action (BMWK) launched discussions on the future design of the country's electricity market on February 20, 2023. The Climate-Neutral Electricity System Platform was created to involve stakeholders in the development of recommendations for the further development of the design of the electricity market. The focus of this process is on the challenges arising from the dynamic growth in the share of electricity generation from volatile renewable energies.

Also in February 2023, the BMWK announced the launch of a "Power Plant Strategy for 2026" to establish the framework for building the new gas-fired power plants before the end of this decade that are needed to support the power-generation fleet's ultimate transition to hydrogen. On August 1, 2023, the BMWK specified its ideas on the type and scope of the power plant capacities to be put out to tender. On February 5, 2024, the German government announced an agreement on the key parameters. A consultation on the power plant strategy is set to follow in 2024 following renewed coordination of the compromise reached with the EU Commission.

On March 24, 2023, the BMWK launched a stakeholder dialogue on its Carbon Management Strategy. The goal of this dialogue is to discuss the contribution of carbon capture and storage (CCS) and carbon capture and utilization (CCU) technologies to achieving greenhouse gas neutrality by 2045. On June 5, 2023, the BMWK commenced the preparatory procedure for the planned tenders on the basis of the Guidelines for Funding Climate-Protection Contracts to compensate companies for the added costs of investments to reduce greenhouse gas emissions.

On May 5, 2023, the BMWK presented a working paper titled "Competitive Electricity Prices for Energy-Intensive Businesses in Germany and Europe", in which the BMWK proposes the introduction of a fixed electricity price for industry by 2030. Based on this working paper, the German government agreed on November 9, 2023, on an electricity price package for electricity-cost-intensive companies, which reduces taxes and levies on electricity purchases for companies in the manufacturing sector. The necessary amendments to the law came into force on January 1, 2024 with the Budget Financing Act 2024.

However, with the Federal Constitutional Court's ruling of November 15, 2023, on the unconstitutional financing of the Climate and Transformation Fund, there is uncertainty as to whether and to what extent and for how long many of the above-mentioned programs can be implemented.

The year 2023 was again defined by a high level of activity in the area of energy industry legislation, only a selection of which is presented here. On July 26, 2023, the German government decided to update the National Hydrogen Strategy, which is intended, among other things, to accelerate the market ramp-up of hydrogen, develop an infrastructure and increase the availability of hydrogen. On November 10, 2023, the Bundestag passed a law to adapt the energy industry law to, among other things, regulate the prompt creation of a hydrogen core network in Germany in order to enable the rapid development of the hydrogen market. On November 9, 2023, the Bundestag discussed an amendment to the Energy Industry Act (EnWG) which, among other things, is intended to extend the current requirements for gas storage levels to secure the supply of natural gas until March 31, 2027. This amendment was finally adopted by the Bundestag on January 18, 2024. Furthermore, on November 16, 2023, the German government submitted a legislative proposal for a further amendment to the EnWG to the Bundestag, which proposes financing the network expansion for the hydrogen core network through a combination of network charges for users and upfront financing via an amortization account.

The "Amendment to the Building Energy Act" was passed on September 29, 2023. Together with the "Act on Heating Planning and Decarbonization of Heating Networks", which was passed on November 17, 2023, the act includes requirements for new heating systems to be installed. These must cover at least 65% of their heating requirements from renewable energies or unavoidable waste heat. The aim of heating planning is to identify the existing potential for decarbonizing the heat supply and to implement the conversion and expansion of district heating networks.

United Kingdom

In February 2023, the British Prime Minister's restructuring of government departments saw the creation of the Department of Energy Security and Net Zero, carving out the energy remit from the former Department for Business, Energy and Industrial Strategy. The Energy Act 2023, which received Royal Assent on October 26, 2023, includes the legislation needed to implement the business models for low carbon hydrogen production through contracts for difference (CfDs), industrial and power generation carbon capture through the Dispatchable Power Agreement regulations, and to support CO2 transport and storage, as well as the establishment of a new Future System Operator (FSO), providing strategic oversight across electricity and gas systems. It also includes provisions for a support mechanism for hydrogen transport and storage. The government had already announced £20 billion of funding for carbon capture usage and storage in the Spring Budget on March 21, 2023, and during the year selected four CCS transport and storage clusters and continued the selection process to support capture projects which will feed CO2 into these storage facilities. The government has also now set out its thinking on a longer-term strategy for CCS projects.

The British government has started its consultation on a business model for hydrogen power and set out its approach to allocating Hydrogen Storage Business Model funding to hydrogen storage projects.

In addition, in 2023, the government continued to consult on electricity market reform (REMA), the UK Emissions Trading System (UK ETS), and measures to address carbon leakage risk. The UK government intends to legislate for the UK ETS to continue out to 2050 and announced its intention to implement a Carbon Border Adjustment Mechanism by 2027, applying a charge on the carbon emissions embodied in imports from the sectors aluminum, cement, ceramics, fertilizer, glass, hydrogen, iron and steel.

The Netherlands

In the Netherlands, the bill for a new Energy Act (Energiewet) was introduced in the Dutch parliament on June 9, 2023. The new legislation combines the old Electricity Act (Elektriciteitswet) of 1998 and the Gas Act (Gaswet). In its advisory opinion on the bill, the Council of State requested further information as to how the legislation would be implemented because it had doubts that the bill would be an improvement on current legislation. The parliamentary debate is still pending.

The government has introduced subsidies for building CO2-free flexible power plants. A total of €1 billion is available to convert existing gas-fired power plants into CO2-free CCGT (combined-cycle gas turbine) plants, preferably using hydrogen as a fuel. Details on the funding were scheduled to be presented in the second half of 2023. However, these details are still pending.

On June 23, 2023, the Dutch government announced that extraction of natural gas from Europe's largest gas field at Groningen would end. This took place on October 1, 2023.

On June 27, 2023, the government sent draft legislation implementing the price cap of €180/MWh for the market revenues of electricity producers, as stipulated in the EU regulation, to the Council of State for consultation. The legislation, which primarily targets coal-fired power generation, is currently awaiting consultation before it can then be submitted to Parliament for debate. The Minister for Climate and Energy has informed Parliament about the status of the bill in a letter. A parliamentary debate is expected to take place at the beginning of 2024.

On July 7, 2023, the cabinet was dissolved. New parliamentary elections were held on November 22, 2023. The newly elected parliament met for the first time on December 6, 2023. The future direction of energy policy in the Netherlands cannot yet be fully assessed. The formation of a government is currently ongoing, and a new cabinet is not expected to be formed until the second quarter of 2024.

The issue of rising grid fees and subsequent risks for investment in electrolyzers became increasingly prominent throughout the year. The Minister for Energy addressed this issue in a letter to Parliament to propose alternative options for handling grid congestion.

Due to the rising costs for households and larger than expected profits in energy generation, the EU introduced a cap on contribution margins, which is to be implemented in the "Act on Temporary Contribution Margins for Electricity". However, its implementation has been delayed due to the fall of the Dutch government and the subsequent elections.

On December 1, 2023, the Dutch Climate and Energy Minister adopted the new National Energy System Plan. This plan maps out what a sustainable, reliable and affordable Dutch energy system should look like in 2050. The plan has been reviewed and a stakeholder consultation has been launched. The deadline was January 12, 2024.

Sweden

The Swedish government has significantly accelerated its efforts to deliver on the energy policy set out in the Tidö Agreement. The planning target for the expansion of fossil-free generation by 2050 is 300 TWh. The original policy goal of "100% renewable" has thus been abandoned, as stated in the state budget for 2024. Among other things, this is intended to secure the future of both existing and new nuclear power plants. Several consultation processes were launched in the fall of 2023 to pave the way for formal legislation in parliament during 2025 and 2026.

The temporary one-year pause during 2023 for the re-permitting of hydropower plants was extended until April 1, 2024.

Nuclear power is a key strategic pillar of the government's energy policy, and several so-called public committees have been launched to amend legislation, improve funding opportunities, and reduce approval lead times in order to enable the construction of new plants. These initiatives also apply to offshore wind generation, with three major wind farms having been granted permits this year, as well as to the expansion of the transmission grid and to market improvements by the transmission system operator Svenska Kraftnät.

The previous policy of free connections for new offshore wind farms has been discontinued. In December 2023, a national nuclear coordinator was appointed to further support the construction of new plants.

From the perspective of Swedish industry, support for hydrogen has improved compared with the previous government, as the funding made available by the Energy Agency for subsidies to industry for all decarbonization technologies has been increased by SEK 4 billion.

In the fall of 2023, the Ministry of Finance (Finansdepartementet) initiated a review of the four most relevant authorities for the energy sector. The review focused on tasks, roles and organization, with the aim of supporting the authorities in performing their tasks in order to implement energy policy. The results of the review are not expected before the end of the first quarter of 2024. The Radiation Safety Authority (Strålsäkerhetsmyndigheten - SSM) joined a European initiative aimed at reducing approval lead times for new reactors by applying the concept of the type approval method.

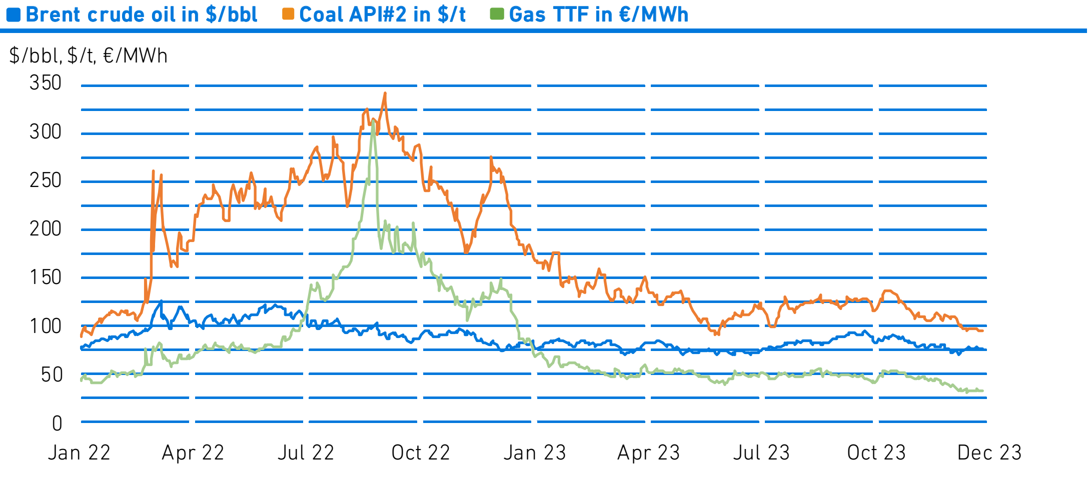
The comprehensive national energy act that Parliament will formally vote on was scheduled for December 2023, but has been postponed indefinitely. The proposed legislation covers two main areas: Firstly, it focuses on security of supply, i.e. the extent to which grid stability is guaranteed in various physical states, and secondly on the planning targets for the expansion of the electricity grid.

Energy Prices

In 2023, the energy markets in Europe continued to be influenced by the consequences of the Russian war against Ukraine. The effects are complex and range from elevated energy prices to increased requirements to ensure both the security of supply and the diversification of energy sources. The three main influencing factors in 2023 were:

- a lower European price level for energy commodities, such as gas and coal, as well as CO2, compared to the very high price level of 2022, and a further decline over the course of the year. However, this remained at a high level compared to previous years,
- general global economic developments and pessimistic economic expectations, which influenced demand,
- geopolitical developments and the associated risks for the transportation and supply of energy commodities.

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



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

The oil market will remain one of the largest global commodity markets in 2023, with a trading volume of 30 billion barrels of crude oil valuing more than 2 trillion US dollars. Global oil demand growth is estimated to total 2.5 million barrels per day in 2023 compared to the previous year, including 2.4 million barrels in non-OECD countries and 1.2 million barrels in China alone, where demand was influenced by the easing of restrictions due to the Covid-19 pandemic.

In the US, oil production volumes continued to rise, with production exceeding 13 million barrels per day for the first time in summer 2023. Partly due to this increase in US oil supply in combination with the sale of large quantities of crude oil from the US strategic petroleum reserves, which fell to a 40-year low, OPEC+ was repeatedly forced to reduce the global oil supply through coordinated production cuts.
The price of the Brent front month product rose over the summer until the end of September 2023, but remained in the double-digit US dollar range throughout 2023. The oil price trend in 2023 was characterized by repeated steep price fluctuations within very short periods of time.

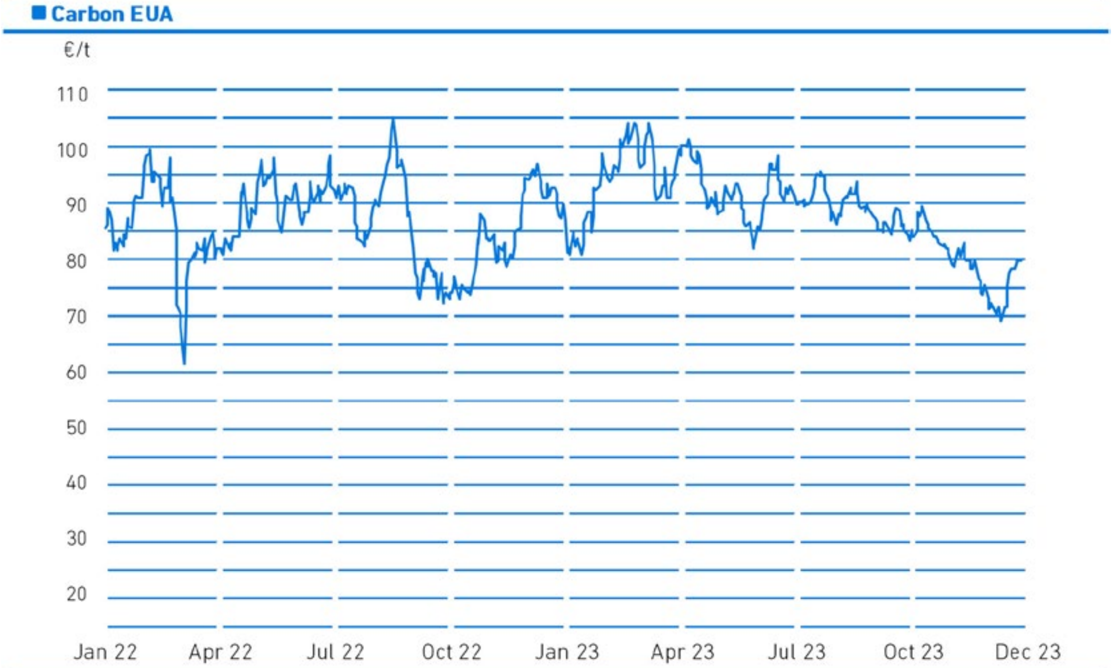
The price trend on the coal market was less volatile in 2023 compared to the turbulence of the previous year. Right at the beginning of the year, on January 2, 2023, the European coal market recorded the highest price level of the year at $175/t. In view of the very mild weather last winter, significantly higher-than-expected gas and coal inventories and weak industrial demand, coal prices in Europe fell sharply over the course of the first half of the year until they reached a record low of $93/t at the beginning of June 2023. The weaker power demand and the greater supply of renewable energy led to a decline in conventional electricity generation in the markets relevant to Uniper. In addition, power generation from coal became less economical compared to that from gas due to the even sharper decline in gas prices in relative terms. In autumn 2023, however, rising gas prices as a consequence of the geopolitical conflict in Israel and the Gaza Strip led to an increase in the API#2 front year product to $139/t in October 2023, the highest level since the winter of 2022/2023. Afterwards, coal prices were traded in a downwards trend until the end of the year. Europe was sufficiently supplied with coal and gas stocks at the end of 2023, which increasingly limited the demand for coal in Europe before the winter of 2023/2024.
Apart from a fuel switch between coal and gas in the power sector, Chinese coal demand remains the biggest factor influencing the European and global coal market price. Chinese coal imports rose sharply in 2023, despite the slower than expected economic recovery, robust power generation from renewable energy sources such as photovoltaics and wind power, which compensated for the decline in power generation from hydropower, and the strong domestic coal mining.

Gas consumption in the EU was further reduced in the first quarter of 2023, which was due to both the persistently high price level and savings measures by consumers. Gas production in key producing countries in the EU and the UK fell by around 15% in 2023. The Netherlands remained the largest producer in the EU, although it ended its production from what used to be the EU's largest gas field at the end of the 2022/2023 gas year - with the option of reactivating individual production clusters to a limited extent in the event of gas emergencies.
In the first quarter of 2023, however, the EU became the world's largest importer of LNG with a market share of 22%.
Due to the gas savings and the good supply situation, particularly with LNG, a very high gas storage level of 56% was achieved within the EU at the end of the winter period at the end of April 2023. German gas storage facilities were even 64% full on average. A further rapid build-up of storage volumes in the EU led to a fill level of 77% by the end of the second quarter of 2023. Towards the end of 2023, gas storage facilities were still 88% full, around 5 percentage points higher than in the previous year. This was achieved despite Norwegian gas production lagging behind the previous year due to intensive maintenance work, particularly in the summer months.
In Germany, too, the build-up of storage levels continued apace: at the end of September 2023, gas storage levels were at 95%. According to the regulation on gas storage levels in Germany, this threshold should not have been reached until November 1, 2023. The fill level on December 31, 2023, was 91%.

The TTF spot price fell to an average price of €53.32/MWh in the first quarter of 2023 and was 44% lower than in the fourth quarter of 2022. The trend of falling gas prices continued in the second quarter of 2023. The TTF spot price averaged €35.2/MWh in the second quarter of 2023. As a result, prices for gas customers in private households also fell in the first half of 2023. Despite quite high volatility in some cases, wholesale prices stabilized at a lower level compared to the previous year over the course of 2023. At the end of 2023, the TTF price stood at €33.35/MWh. The improving market situation was due in part to mild weather in the Nordic countries, a renewed increase in exports from Norway and stable LNG imports, particularly from the USA.

The alert level of the "Gas Emergency Plan", declared in Germany on June 23, 2022, applied throughout 2023. The gas supply was considered stable in the regularly updated assessments of the situation by the Federal Network Agency. Despite existing residual risks, the Agency assessed the situation for the 2023/24 winter period as significantly better than in the previous year.
Nevertheless, geopolitical events continued to influence the gas market. Towards the end of 2023, for example, LNG shipments that would have actually passed through the Suez Canal were diverted to longer shipping routes due to drone attacks on ships in the Red Sea. In addition, the further restriction of gas imports from Russia, which were delivered to the EU by pipeline via Ukraine and Turkey and by LNG ships to European regasification terminals, was repeatedly the focus of political discussion in Europe. Due to the mild weather at the end of 2023 and the generally good supply situation, gas price contracts for the front year also fell.

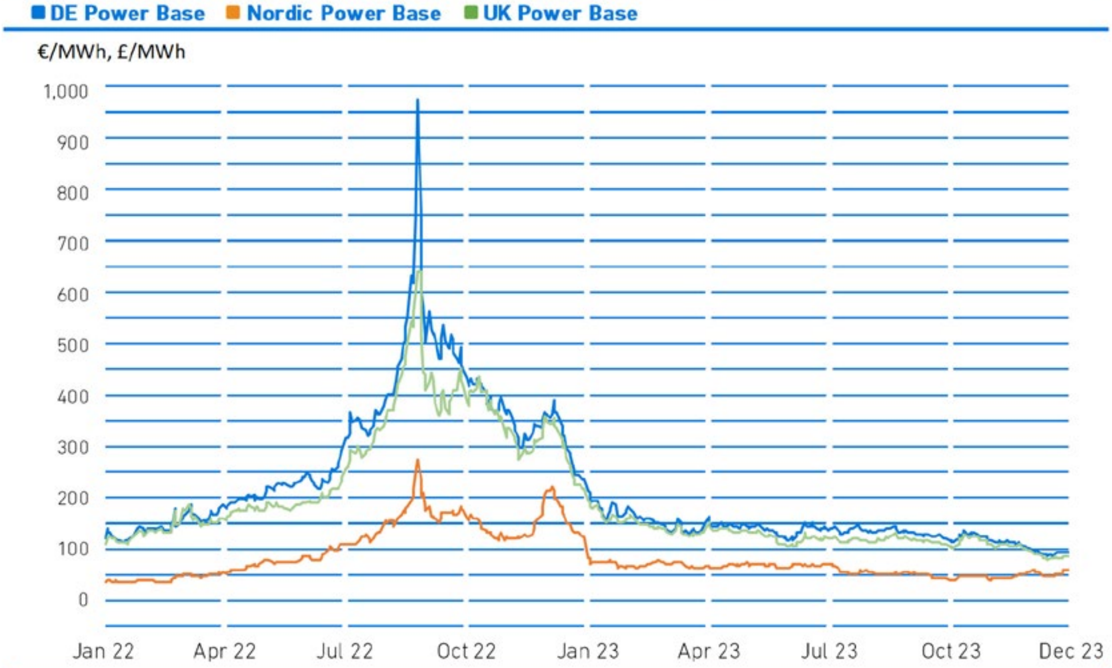
European Union Allowance Price Movements



Price in €/t for front-year contracts

As in previous years, the prices for certificates in European emissions trading were again very volatile in 2023. The benchmark contract (front-December future) moved close to its all-time high several times during the first half of 2023. From the middle of 2023, prices fell to their lowest level since October 2022 by mid-December 2023, before a partial recovery set in after the end of the auction period in the final days of 2023. A key reason for the price decline in the second half of 2023 were the low emissions in that calendar year, which once again fell significantly below the historic low of the previous year. This sharp decline is due to several factors, such as the mild weather, falling gas prices, the constant expansion of power generation from renewable energies and the weak economic development in Germany, particularly in the emissions-intensive heavy industry sector. The high auction volumes in the fourth quarter of 2023 are also likely to have weighed on the market for emission allowances. Looking at 2023 as a whole, however, the primary supply remained low due to the progressive decline in supply stipulated by law and the persistently high transfer into the market stability reserve. Despite the low emissions, the market surplus should therefore have decreased further.

Electricity Price Movements in Uniper's Core Markets



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

The German power market showed a continuously falling price trend in 2023. After record prices during the energy crisis in 2022, the front-year forward contract for base load (DE Cal-2024 Base) started 2023 at €214/MWh and reached a level of €96/MWh at the end of December 2023. Every single month on the spot market also closed below the corresponding month of the previous year. The average spot price for 2023 was €95/MWh, compared to €235/MWh in 2022.

In addition to the lower fuel prices compared to the previous year - particularly for gas, but also hard coal and emission allowances - the weak power demand was a key factor for falling power prices. Total power demand for 2023 in Germany was 487 TWh, around 5% lower than in 2022. Demand in the second quarter of 2023 was even lower than during the Covid-19 lockdown in 2020.

On the generation side, the biggest changes compared to the previous year were seen in nuclear energy due to the final decommissioning of the last three power plants in Germany in April 2023. Due to the low demand, generation from lignite and hard coal also fell by around 30%. The picture for renewable energies is mixed: While infeed from onshore wind turbines increased by over 10% compared to the previous year 2022 due to the continuous expansion, infeed from offshore wind turbines recorded a decline. Infeed from photovoltaics was almost unchanged. Due to the decline in power generation from nuclear power and coal, there were net power imports from neighboring countries to Germany from April 2023, with the highest imports from Denmark and Norway.

The Nordic countries started 2023 with a Hydro Power Resources (HPR), which indicates the water reserves stored in snowpacks, reservoirs and soils, of -16.8 TWh below normal and a reservoir level of -4.2 TWh below normal. The system price was supported throughout the first quarter of 2023, despite temperatures being 1°C above normal. In the second quarter of 2023, reservoir levels remained slightly below normal due to the spring flooding. The spot price was €85/MWh in the first quarter of 2023 and €56/MWh in the second quarter of 2023.

The HPR balance sheet turned positive in the third quarter of 2023. In August 2023, the Nordic region experienced heavy rainfall in connection with a storm that caused devastation, particularly in southern Norway. The inflows into the system were 3.5 TWh above the respective normal values in mid-August 2023 and 4 TWh in mid-September 2023.

The HPR reached its highest level in 2023 in mid-October 2023 at 16.3 TWh. However, the weather subsequently changed to dry and mild, particularly at the end of November 2023. The HPR fell to -13 TWh at the beginning of December 2023. The spot price rose significantly in the second half of November 2023, as power had to be imported from the European continent for several hours in the Nordic region. In November 2023, the system price was over €100/MWh due to a high residual load.
The Nordic forward market remained volatile. The system price for the front year started at €82.5/MWh and hovered around the €70 mark in the first half of 2023. A sale of large quantities at the beginning of July 2023 caused the Cal-24 product to fall towards €50. At the end of November 2023, the price curve rose due to expectations of persistently dry and cold weather conditions.

The UK power market in 2023 was initially characterized by falling gas prices, which led to a decline in power prices in the first half of 2023. At the same time, the prices for UKA emission allowances rose in the first quarter of 2023, partially counteracting the falling gas prices. Since the second quarter of 2023, however, the certificates have been on a downward price trend and were increasingly moving away from the prices of EU ETS certificates, the corresponding EU CO2 certificates. While the Carbon Support Price - an additional £18/t component added to the allowance price - initially kept the total cost of CO2 above the EU equivalent, this was no longer the case from June 2023, as the price difference between UK and European CO2 allowances was now above this threshold. Despite the ongoing price advantage in terms of CO2 levies, the UK remained a net power importer. The significantly higher availability of French nuclear power plants compared to the previous year helped to stabilize prices below the level of the previous year 2022. Another factor in falling prices was the abolition of the "Balancing Services Use of System" (BSUoS) fee, which the generation units had to pay for the use of the transmission grid. This fee for generation units was abolished in April 2023, which led to a fall in variable costs and therefore power prices. Despite falling prices, power demand remained below the level prior to the energy crisis, further entrenching weak prices.

Product Price Movements in Uniper's Core Markets

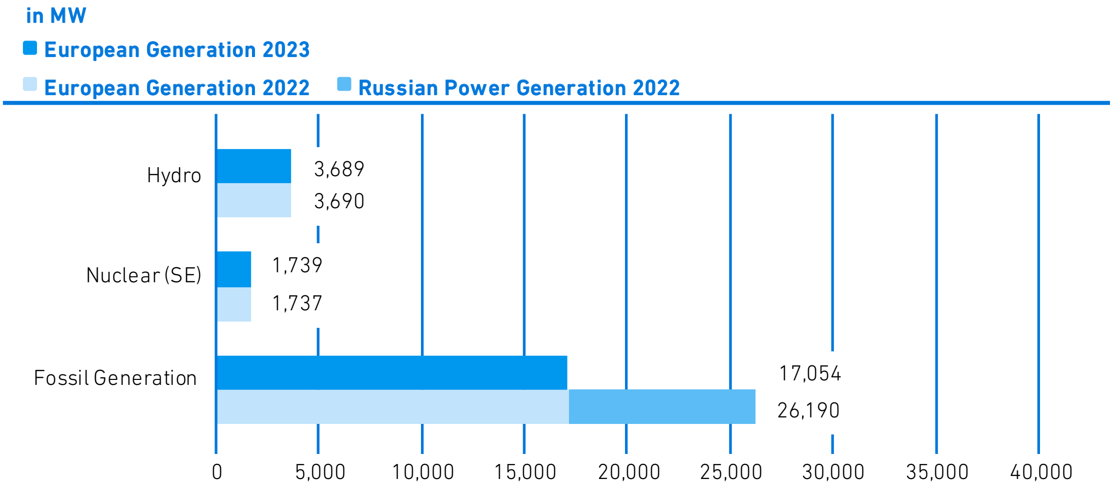
Product	Unit	Dec. 31, 2023	Jan. 3, 2023	Change	2023 high	2023 low
DE Power Base (Cal-24)	€/MWh	95.7	214.3	-55 %	214.3	86.6
Nordic Power Base (Cal-24)	€/MWh	58.2	84.7	-31 %	84.7	38.9
UK Power Base (Cal-24)	£/MWh	85.3	195.5	-56 %	195.5	81.0
Brent Oil (front month)	$/bbl	78.4	85.9	-9 %	96.6	71.8
Coal API #2 (Cal-24)	$/metric ton	97.6	175.2	-44 %	178.0	92.1
Gas TTF (Cal-24)	€/MWh	34.5	77.6	-55 %	77.6	33.9
Carbon EUA (Dec-24)	€/metric ton	80.4	90.3	-11 %	105.1	69.2

Business Performance

Generation Capacity

The Uniper Group's legally attributable generation capacity (the capacity that reflects Uniper's ownership interest in the power plants) decreased to 22,482 MW as of December 31, 2023, or 28.9% (9,135 MW) compared to the previous year (31,617 MW). This significant decline in generation capacity is primarily due to the fact that capacities in Russia have not been included since 2023 (- 9,051 MW), after Russia implemented numerous measures, culminating in the administration under trusteeship based on the Russian decree of April 25, 2023. As a result, Uniper ultimately also lost the legally attributable power plant output of Unipro (for further details, please refer to this section in the "Business developments and key events in 2023" on page 34). In addition, changes in the German portfolio led to a further decrease in capacity, which is broken down as follows: the final decommissioning of Scholven FWK Buer power plant (-70 MW), and capacity adjustments at Staudinger 4 (-42 MW), Staudinger 5 (+12 MW) and Irsching 4 (+15 MW). A further reduction in generation capacity resulted from minor adjustments to the capacities of some hydroelectric power plants by a total of -1 MW. Small adjustments totaling +2 MW were made to the Forsmark nuclear power plant in Sweden. In addition to the loss of the Russian capacity, changes in the other portfolios led to a further net decrease in power plant capacity totaling 84 MW.

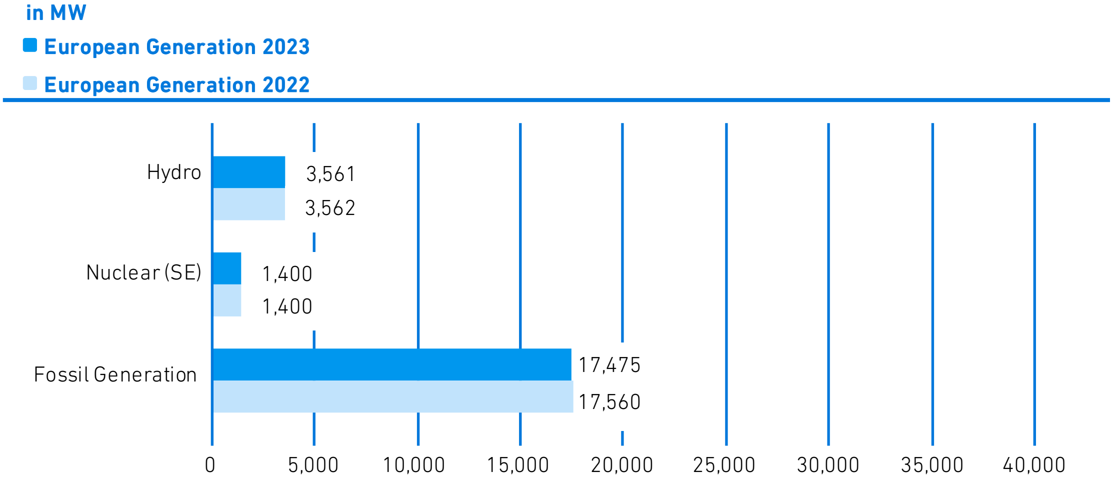
Uniper Group: Legally Attributable Generation Capacity[1]



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

The following table shows that at 22,436 MW, fully consolidated power plant output was 0.4% (87 MW) below the previous year's level of 22,523 MW. This decrease is due entirely to the above-mentioned changes in the German portfolio.

Uniper Group: Fully Consolidated Generation Capacity[1]

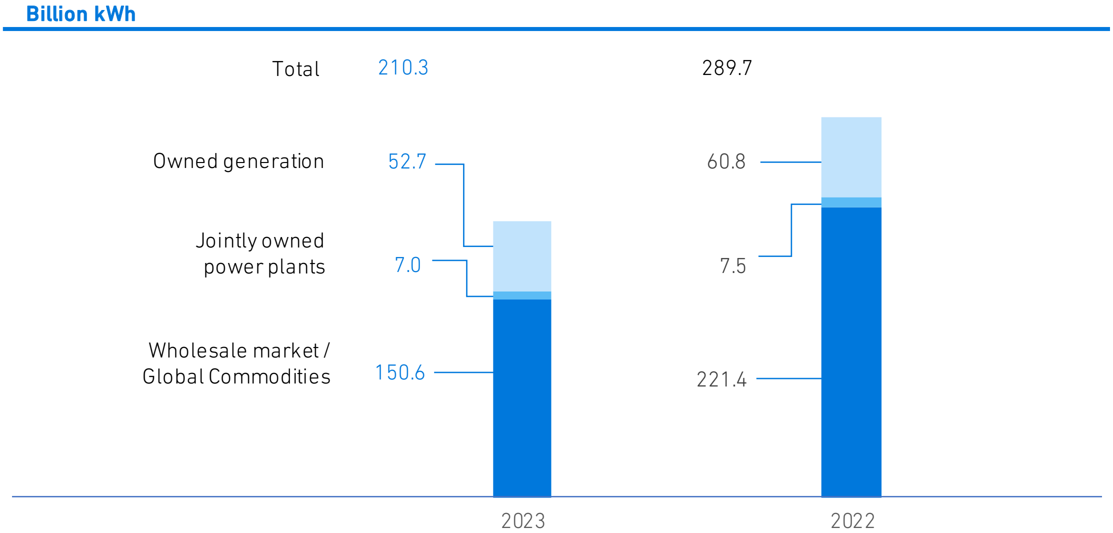


[1] Any rounding differences between individual volumes and totals are accepted.

Power Procurement and Owned Generation

In the 2023 fiscal year, the volume of power generated by our own power plants amounted to 52.7 billion kWh, a significant decrease of 8.1 billion kWh (13.2%) from the prior year's figure of 60.8 billion kWh. Purchased power decreased significantly by 70.8 billion kWh, or 31.9%, from 221.4 billion kWh to 150.6 billion kWh.

Power Procurement and Owned Generation[1 2]



[1] Any rounding differences between individual volumes and totals are accepted.
[2] The consolidation approach used in financial control means that only fully consolidated power plants (shareholding of more than 50%) are included in the generation volume, regardless of who operates these power plants.

The significant reduction in electricity procurement via the wholesale markets is primarily due to lower optimization and trading activities in the Global Commodities segment resulting from Uniper's liquidity situation in the previous year, the impact which was seen particularly in the first quarter of 2023.

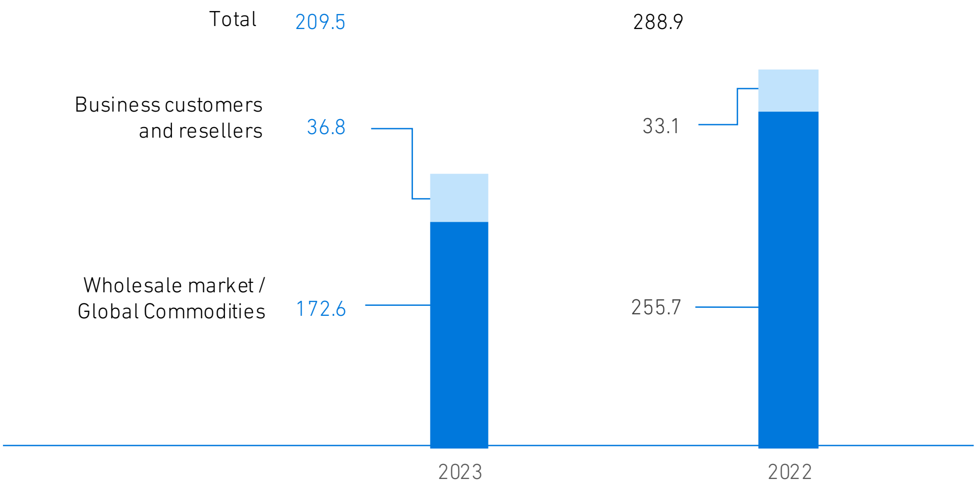
In the 2023 fiscal year, the European Generation segment's owned generation amounted to 52.7 billion kWh, a significant decrease of 8.1 billion kWh (13.2%) from the prior year level of 60.8 billion kWh. This was mainly due to a decrease in the operating times in the fossil power plant fleet, especially within the hard-coal-fired power plant portfolio, which is attributable to the changed market conditions for these power plants. Generation volumes from Swedish nuclear power were down slightly due to an extensive scheduled inspection of the Oskarshamn 3 nuclear power plant, which meant that the power plant unit was temporarily not used commercially. The volume of electricity generated by hydroelectric power plants in Sweden also fell slightly compared with the prior-year figure due to lower precipitation. German hydroelectric power plants, in contrast, recorded a slightly higher generation volume due to the higher precipitation levels compared to the previous year.

Electricity Sales

In 2023, electricity sales of the Uniper Group stood at 209.5 billion kWh, a significant decrease of 27.5% below the prior year's sales of 288.9 billion kWh.

Electricity Sales[1] [2]

Billion kWh



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

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

The significant reduction in electricity sales is primarily due to lower optimization and trading activities in the Global Commodities segment resulting from Uniper's liquidity situation in the previous year and a less liquid market.

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

Electricity sales by UES in the 2023 fiscal year amounted to 33.9 billion kWh, which was significantly higher than the prior-year level (28.3 billion kWh). Sales volumes in the 2023 fiscal year were therefore up by a total of 5.7 billion kWh compared with the 2022 fiscal year. While volumes in the industrial and power plant customer segments were at the prior-year's level, volumes in the reseller customer segment (e.g., municipal utilities) increased significantly.

Gas Business

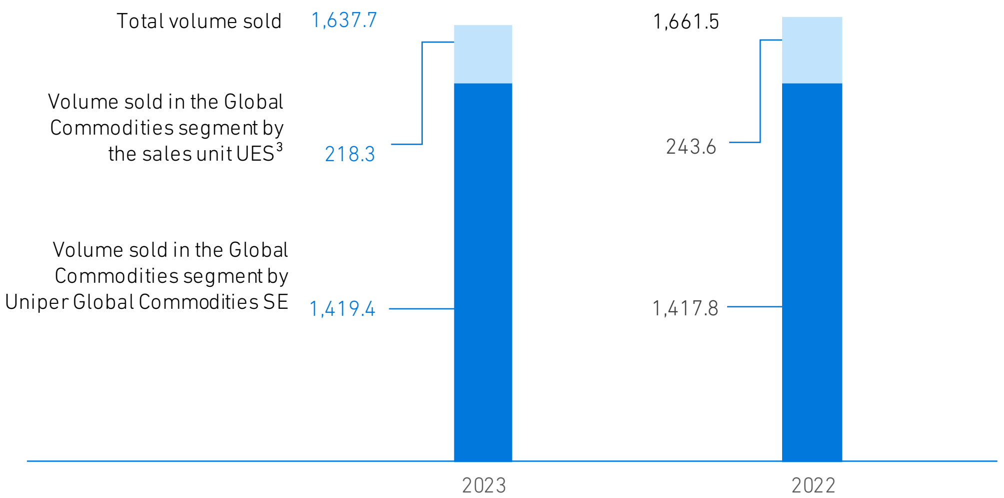
The total volume of natural gas sold in the 2023 fiscal year was 1,637.7 billion kWh (2022: 1,661.5 billion kWh). During the same period, the Uniper Group acquired a total volume of natural gas of 1,640.8 billion kWh (2022: 1,683.9 billion kWh). The majority of the handled volumes results from transactions on domestic and foreign trading markets, which are carried out to manage the Group's own gas-fired power plants, to optimize booked natural gas storage or transport capacities, and to commercially exploit regional price differences.

Gas Sales Business

Uniper sells natural gas to resellers (e.g., municipal utilities), large industrial customers and power plant operators through its internal sales unit UES. The volume of gas sold by UES in the 2023 fiscal year amounted to 218.3 billion kWh, significantly below the prior year's volume (243.6 billion kWh). While volumes in the industrial and power plant customer segments were at a similar level to the prior-year, volumes in the reseller and industrial customer segments decreased significantly due to increased competitive pressure compared to the previous year and lower swap volumes among re-sellers.

Gas Volume Sold[1 2]

Billion kWh



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

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

[3] Including intragroup volumes.

Long-Term Gas Supply Contracts

Long-term contracts for the procurement of natural gas primarily exist on the basis of long-term contracts with suppliers from the Netherlands, Norway and Russia. For 2023 as a whole, there were long-term contracts for a contract volume of 315 billion kWh (2022: 356 billion kWh). From June 14, 2022, Gazprom began reducing Russian gas deliveries, and it discontinued them completely at the end of August 2022.

Gas Storage Capacity

Uniper Energy Storage GmbH is responsible for the operation of gas storage for the Uniper Group. Its activities include technical and commercial development, the construction and operation of underground storage facilities for natural gas, the marketing of capacities, services and products on the European storage market and the development of new storage technologies. Uniper Energy Storage GmbH manages natural gas storage facilities in Germany and Austria. In addition, a British Uniper Group company operates a gas storage facility in England. As of December 31, 2023, gas storage capacity stood at 7.3 billion m^3, at prior-year level (7.4 billion m^3).

Technology and Innovation

Innovations and new technologies play a key role for Uniper in meeting its strategic goals, especially in the areas of decarbonization, customer focus and supply security. Uniper views decarbonization as a key element in the transformation of the entire energy landscape, including downstream and connected value chains, which Uniper also intends to support with CO2-neutral/free products for decarbonization. The decentralization of the energy supply and its generation and digitalization are the two other significant factors influencing the expected changes in the energy industry.

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

One of Uniper's areas of activity is the development of new approaches to processes and their technical implementation with renewable molecules, which include chemical (i.e. non-electric) energy carriers that are produced renewably, such as methane, hydrogen, methanol or kerosene. They are used to decarbonize applications that are difficult or impossible to electrify and can also serve as energy storage. Initiatives and pilot projects are being developed with various technical options, for example in the area of synthetic fuels (e-fuels) or in the production of sustainable chemical feedstocks for platform chemicals. The activities in this area also include the commercial use of CO2 or other sustainable hydrocarbons as a valuable raw material ("Carbon Capture and Usage" - CCU or Biomass to X).

A pilot project is being carried out to test the use of industrial waste heat for district heating supply. This involves installing a high-temperature heat pump at an external partner's site in order to make greater use of the waste heat from production processes. This waste heat is currently not being used in any other way on site. The use of the efficient high-temperature heat pump means that the waste heat can be raised to the required temperature level of the district heating network of up to 130°C with a low energy input. If the pilot project is successful, the initial supply potential for around 1,000 private households will be raised by feeding heat into the grid. Furthermore, around 1,750 tons of CO2 can be saved per year.

In another project, Uniper is working with CMBlu Energy AG to build an innovative and green large-scale electricity storage system in the megawatt range. This system will be operated on the basis of organic solid-flow batteries. A pilot plant with an output of 1 MW and a capacity of 1 MWh will be put into operation at Uniper's Staudinger power plant site. Once the pilot phase has been successfully completed, the large-scale electricity storage system will be expanded to the double-digit MW range and the process will also be used at other sites.

Uniper intends to build up around 1 GWel of electrolysis capacity by 2030. Electrolysis breaks down water into its components oxygen and hydrogen using (green) electricity. The associated production of green hydrogen will make a significant contribution to the decarbonization of Uniper's fossil gas portfolio. To achieve this ambitious goal, Uniper is developing comparable projects for the production of sustainable hydrogen in its core markets of Germany, the Netherlands, Sweden and the United Kingdom. A 30-MWel electrolysis plant is already under construction as part of the "Energiepark Bad Lauchstädt" real-world laboratory development project. Additional projects are at an advanced planning stage. In addition, Uniper is pursuing initiatives for the future import of hydrogen from regions with high availability of low-cost renewable energy. Among other things, Uniper has joined the "H2Global" foundation and is developing an import terminal at the Wilhelmshaven site to import sustainable ammonia as a medium for hydrogen. The hydrogen will be obtained from the ammonia using the splitting process and then supplied to customers in Germany and in the countries bordering Germany via the hydrogen pipeline network that is currently being developed. In addition, Uniper is developing other technologies for the production of environmentally friendly blue and turquoise hydrogen. Blue hydrogen is hydrogen produced from natural gas, for example by adding steam (steam reforming), under pressure and at high temperatures of up to 1,000 degrees Celsius. The carbon dioxide produced is captured and permanently stored. Turquoise hydrogen is also obtained from natural gas, but via the pyrolysis process. In the pyrolysis process, methane (CH4) is separated at very high temperatures in an oxygen-free environment directly into hydrogen and solid carbon, which can then be used industrially as a raw material.

Underground gas storage facilities help to ensure supply security, system stability and efficiency as well as to optimize wholesale activities. The storage facilities will also be needed in the future, in particular to compensate for fluctuations in the production of green hydrogen, to optimize delayed and stable imports and to secure potential supply obligations. Uniper Energy Storage is carrying out two innovative hydrogen storage projects in this context.
As part of an ongoing project, it plans to construct a hydrogen pilot cavern (HPC) at the Krummhörn storage site in 2024 with a geometric volume of up to 3,000 m^3 and to carry out a test phase to investigate hydrogen storage in a salt cavern. The Ministry for the Environment, Energy, Building and Climate Protection of Lower Saxony is funding for the project as a pilot and demonstration project for the hydrogen economy (as part of the Hydrogen Directive). At HPC Krummhörn the use of a cavern specially constructed for the storage of hydrogen is being fully investigated and tested under operating conditions for the first time.
The HyStorage project is aimed at investigating pore storage facilities for the underground storage of hydrogen and generally testing the storage integrity. Under the leadership of Uniper Energy Storage GmbH, the companies OGE, RAG Austria, SEFE Securing Energy For Europe and NAFTA have formed a consortium to carry out this pioneering research project. Other interdisciplinary partners from industry and science are providing technical and scientific support to the project. In September 2023, in the first operational phase, a hydrogen/natural gas mixture with 5% hydrogen was injected into the reservoir. In the two subsequent operational phases, 10% and 25% will be injected. In each operating phase, the hydrogen/natural gas mixture will be injected and then withdrawn again after a three-month storage period and subsequently analyzed. Extensive investigations, regular measurements of the material and gas composition as well as evaluations and analyses of the data will take place during the project period up to 2025.

Uniper is also focusing on the flexible use of conventional power plants in order to increase their performance in the area of system services. For example, Uniper is working on the development of hybrid power plants by supplementing thermal and hydroelectric power plants with batteries. This increases the performance spectrum of the power plants and offers additional system support for the integration of renewable energies.

A major focus is on testing and developing technologies and fuels to reduce CO2 emissions in existing plants and in planned new facilities. A broad approach is being pursued. Uniper is developing options for the use of hydrogen in gas turbine plants, for the capture of CO2 from exhaust gas using CCS and for the use of low-CO2 and CO2-neutral fuels such as hydrotreated vegetable oils (HVO). The "Making Net Zero Possible Project" (MNZP) was launched in 2021 to achieve this goal. The results have played a major role in the development of Uniper's updated strategy. Specifically, teams in the UK are developing two major CCS projects. One is at the Grain site and involves an existing plant with an output of 1,200 MW. Another project is at the Connah's Quay site and is focused on the construction of a new gas and steam (CCGT) plant with a capacity of approx. 500 MW. In addition, the technical feasibility of using green fuels as an alternative to natural gas has been successfully demonstrated at a number of existing plants. Equally important is the continued focus on the development of expertise in the use of hydrogen. In Germany, the initial results are already being incorporated into the project development for new power plants that Uniper plans to develop as part of the Federal Republic of Germany's power plant strategy.

Digitalization is a crucial factor in ensuring the competitiveness of Uniper’s current and future operational activities. The COO Digital Evolution (COODE) digital transformation program, which was launched in April 2021, will become an integral part of the organization in the future in order to further accelerate Uniper's digitalization. COODE puts Uniper’s employees at the center and aims to optimize today’s operational processes and drive tomorrow’s innovations through digital solutions and the more consistent use of data. Since then, more than 750 ideas from the operational business units have been turned into more than 200 digital solutions that are now being used by Uniper to improve our operations, in particular in the key areas of safety and compliance. COODE focuses on the way data is managed and utilized. Using a data-driven approach and establishing a centralized data architecture, over 100 data sources are connected and harmonized. This transparent data foundation opens up opportunities for Uniper to utilize data for automating operational reporting, decision-making and applying data science to Uniper's business challenges with artificial intelligence (AI) and machine learning.

Business Developments and Key Events in 2023

Russia Has Placed Unipro under State Administration

On April 25, 2023, Russia published a presidential decree that placed Uniper SE's 83.73% equity interest in Unipro, which is listed in Russia, under temporary administration and allowed the fiduciary administration of other assets owned by foreign companies in Russia. Uniper considers the measures taken by Russia with regard to its stake in Unipro, in particular such temporary administration, to be a violation of obligations under the bilateral investment treaty between Russia and Germany and under the Energy Charter Treaty. Uniper has therefore sent a Notice of Dispute to the Russian Federation in order to resolve such dispute through negotiations. If no resolution should be found through negotiations, Uniper can then initiate investment arbitration proceedings against Russia.

Uniper had already decided to sell the stake in Unipro in the summer of 2021 and informed the Russian government of its decision in the autumn of 2021. A contract with a Russian buyer was signed in September 2022. The intention to sell was submitted to the Russian authorities for approval, but this has not yet been granted.

Moreover, Uniper has de facto no longer been able to exercise operational control over Unipro since the end of 2022. In balance sheet terms, Unipro has therefore been deconsolidated, and the stake in the company has been written down to zero, since the end of 2022. There have been no effects on the Group's assets, financial condition and earnings in the 2023 fiscal year.

Sale of Indirect Interest in BBL Pipeline Completed

On May 15, 2023, Uniper completed the sale of its 20% equity interest in BBL Company V.O.F., the Dutch owner of a 235-kilometer gas interconnection linking the UK and the Netherlands. Following the signing at the beginning of the year of a sale agreement concluded between Uniper and a third party, the joint venture partners Gasunie and Fluxys exercised their preemption rights. Divestment of this non-strategic shareholding is part of the remedies Uniper must fulfill pursuant to the EU's state-aid approval.

Sale of UAE-Based Marine Fuel Trading Business Completed

On May 31, 2023, Uniper completed the sale of 100% of the shares in its United Arab Emirates-based crude oil processing and marine fuel trading business (Uniper Energy DMCC) to a consortium of Montfort Group and the Private Office of His Highness Sheikh Ahmed Dalmook Al Maktoum, following the fulfillment of conditions precedent and the receipt of regulatory approvals. Divestment of this non-strategic shareholding is part of the remedies Uniper must fulfill pursuant to the EU's state-aid approval.

Gas Supply Obligations to Customers Hedged, KfW Credit Line Drawing Fully Repaid

Throughout the 2023 fiscal year, Gazprom maintained the full supply interruption for all Uniper contracts. However, Uniper has hedged the associated gas supply obligations to its customers for the years 2023 and 2024, including through forward contracts during the second quarter of 2023, at no cumulative additional cost. As a result, the risk of increased procurement costs to replace the shortfall in gas supply volumes has been eliminated. Accordingly, further capital increases by the Federal Republic of Germany were no longer required in the 2023 fiscal year and will not be necessary in the 2024 fiscal year either. At the same time, this development also eliminated the need for tranche C of the KfW credit line, with a volume of €5.0 billion, in the 2023 fiscal year. As a result, the facility had already been reduced to €11.5 billion as of June 30, 2023. Moreover, the liquidity situation made it possible to repay in full the amount drawn under the KfW credit line as of September 30, 2023.

Uniper Commissions Irsching 6 Gas-Fired Power Plant

On August 10, 2023, Bavarian Minister-President Dr. Markus Söder gave the official go-ahead for the commissioning of the new Irsching 6 gas-fired power plant near Ingolstadt. The power plant with a targeted capacity of 300 MW was built by Uniper and will also be operated by Uniper in the future. It will serve exclusively as a security buffer for the power supply – the plant will not be available to the market; it will only step in at short notice in emergency situations when system security is at risk.

Uniper's Heyden 4 Hard-Coal-Fired Power Plant to be Shut Down Permanently on September 30, 2024

Uniper will permanently decommission the Heyden 4 hard-coal-fired power plant in Petershagen near Minden on September 30, 2024. Uniper had already made the decision to decommission the plant at the end of 2020. When the responsible grid operator TenneT did not establish the plant's continued essential status beyond September 2024 and notify the Bundesnetzagentur accordingly by the end of August 2023, the decision to decommission became final on September 5, 2023.

Arbitral Award on Long-Term LNG Supply Agreement Leads to Significant Effect on Earnings and Will Be Contested by Uniper

Uniper SE was notified on November 24, 2023, of an arbitral award against a subsidiary in arbitration proceedings under the rules of the International Chamber of Commerce that began in early 2021. The proceedings between the Uniper subsidiary and a European energy company relate, inter alia, to the pricing provisions of a long-term agreement for the supply of liquefied natural gas (LNG), which expired in 2022 and had been concluded prior to the spin-off of Uniper in 2016. A net out-of-period effect of €564 million relating to the retroactive repricing of the long-term agreement has been recognized to account for the award. Because the arbitral award is so unusual and out of step with customary decision and contract practice and also retroactively changes the commercial nature of the contract, the effect was deemed not material to operations in a controlling context and classified accordingly as a non-operating loss. After reviewing the reasons for the decision, Uniper is committed to appealing the award.

Uniper Extraordinary General Meeting Has Approved Capital Reduction Measures, Facilitating the Federal Republic of Germany's Exit from Uniper

On December 8, 2023, shareholders at the Extraordinary General Meeting adopted each of the resolutions on the proposed agenda items by a large majority. This entailed the approval of the reduction of the Company's capital stock in several stages for the purpose of transferring part of the capital stock to additional paid-in capital pursuant to Sections 222 et seq. of the German Stock Corporation Act (AktG) in conjunction with Section 29 (2), sentence 1, no. 2, of the German Energy Security Act (EnSiG) and with Section 7(6) of the German Economic Stabilization Acceleration Act (WStBG). The purpose of restructuring the balance sheet to restore the ability to make future earnings available for distribution was to prepare for and facilitate the fulfillment of the exit commitment made by the Federal Republic of Germany to the European Commission. The completion of the EnSiG capital reduction in no way prejudices the timing and nature of such fulfillment of the exit commitment.

Extension of Essential Status for Scholven B/C through 2031

In December 2023, the Bundesnetzagentur notified Uniper of the continued essential status of the two Uniper power plants Scholven B and C at the Gelsenkirchen site through March 31, 2031. Scholven B had previously been designated essential ("system-relevant") through June 30, 2025, and Scholven C through October 31, 2024. The two plants will function as reserve power plants under the designation. Irrespective of this decision by the Bundesnetzagentur, Uniper will press ahead with the strategic transformation of the power plant site, and with achieving carbon-free generation in its entire portfolio.

Provision Relating to Contractual Recovery Claims of the Federal Republic of Germany from the Granting of State Aid Recognized

At the end of the 2023 fiscal year, the Federal Republic of Germany and Uniper agreed to settle the contractual recovery claims of the Federal Republic of Germany arising from the granting of state aid by way of a public-law obligation. In this context, Uniper recognized a provision for contractual recovery claims in the amount of €2,238 million arising from expected overcompensation as of December 31, 2024. These claims arise as a result of the state aid granted by the Federal Republic of Germany in the 2022 fiscal year by means of capital increases at Uniper SE, which was approved by the European Commission in December 2022 subject to certain conditions and paid out to Uniper by the Federal Republic of Germany in the amount of around €13.5 billion. Additional information on this topic can be found in the Financial Condition section of the Combined Management Report.

Business Developments and Key Events at the Uniper Segments in 2023

European Generation

Mild winter weather, stable LNG inflows and a significant reduction in gas consumption in 2023 drove the declining trend in fuel and electricity prices on the wholesale markets compared with the highs seen during 2022. Nevertheless, the second half of the year in particular saw substantial price volatility given ongoing geopolitical uncertainties, among other factors.

Particularly due to the impact of these declining price/spread developments, generation volumes in the European Generation segment were significantly lower year over year across almost all technologies and markets in 2023. The absence of temporary generation curtailments for the Maasvlakte hard-coal power plant in the Netherlands and the decision to resume market operations at Germany's Heyden 4 hard-coal power plant in the third quarter of 2022 to support security of supply did not offset this development. However, this volume effect was more than offset on the earnings side by hedging and optimization activities at higher average prices, as well as by the absence of non-recurring effects from the previous year. The declining gas prices combined with higher procurement costs for hard coal led to a deterioration in the competitive position of coal-fired power plants.

Whereas water flows had been below average in 2022, higher precipitation levels in the 2023 fiscal year supported increased power generation at the German run-of-river plants. Swedish hydroelectric and nuclear power generation benefited from the positive price effect of open positions and from higher earnings contributions stemming from hydropower system services. These positive effects were slightly reduced by lower generation volumes, predominantly in the first half of 2023, due to low reservoir levels at the Swedish hydroelectric power plants, as well as by extended overhaul and maintenance measures at the Ringhals 4 and Oskarshamn 3 nuclear power plant units. In the fourth quarter of 2023, dry weather in Norway combined with cold weather and low wind input in the entire Nordic market led to a significant increase in Swedish spot prices. To take advantage of these high prices, the generation volume from the reservoirs was increased in the fourth quarter of 2023, but this was unable to compensate for the full-year trend in the Swedish portfolio.

Mainly in order to hedge long-term price risks in an illiquid and volatile market environment, Uniper and the Talanx Group via Augusta Investment Management entered into a power purchase agreement in June 2023 for a term of 15 years and a total volume of around 5.3 TWh. Under the agreement, Uniper's Swedish hydroelectric power business will sell part of the electricity generated by 15 different hydroelectric power plants.

Global Commodities

Despite the ongoing geopolitical crisis caused by Russia's war against Ukraine and the disruption of supplies from Russia, there was no fear of a gas shortage in the 2023 fiscal year. A relatively warm winter, as well as stable LNG imports, high gas storage levels at the start of the year and conservation by consumers, resulted in a sharp decline in European gas prices in a continued volatile market environment. As a result, gas storage levels remained high at the end of 2023. Uniper's diversified portfolio of procurement, transport and storage activities enabled it to make a significant contribution to ensuring security of supply in this environment. Uniper now expects no further financial losses from the procurement of replacement gas volumes in connection with the supply curtailments from Russia. Uniper has hedged its gas supply obligations to customers for the years 2023 and 2024.

In the 2023 fiscal year, Uniper was able to operate successfully with its international portfolio in a volatile market environment. LNG deliveries from the Freeport LNG terminal in the U.S. were gradually resumed from the first quarter of 2023 after a restoration phase lasting several months.

Changes in Ratings

On February 2, 2023, S&P published a report on Uniper following the EU's approval of the amended stabilization package and the implementation of two capital increases totaling about €13.5 billion, which were subscribed by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) at the end of 2022. S&P acknowledged that the stabilization package provides significant clarity on the mechanism to cover losses from replacing missing Russian gas volumes, keeping Uniper's rating unchanged at BBB- with a negative outlook. The negative outlook reflected – inter alia – that S&P lacked clarity on Uniper's future strategic direction and the associated long-term business prospects.

On June 19, 2023, S&P affirmed Uniper's long-term issuer credit rating at BBB- and revised the outlook from negative to stable. S&P thus acknowledged that Uniper will not incur any further losses related to Russian gas curtailments due to the conclusion of forward contracts to hedge supply obligations towards municipal utilities and industrial customers. In addition, S&P stated that it expects Uniper's financial recovery to accelerate in 2023 and 2024 and that the rebuilding of Uniper's financial strength will be accompanied by a reduction in government support.

On August 2, 2023, S&P published a bulletin in response to Uniper's strategy publication. Uniper's rating construction remained unchanged with a rating of BBB-, stable outlook. S&P acknowledged that the strategic plan has improved the visibility on Uniper's longer-term business and investment prospects. However, S&P also stated that some key considerations that may trigger a change in Uniper's rating construction in the future remain open for now. Furthermore, S&P stated that it continues to see Uniper on track to a steady financial recovery as Uniper will not incur further losses related to the Russian gas curtailment.

Uniper continues to be classified as a "government-related entity" by S&P.

Scope Ratings affirmed Uniper's BBB- issuer rating with a stable outlook on September 25, 2023. The rating action reflected Uniper's improved stand-alone credit quality (which Scope upgraded from BB- to BB), supported by normalizing gas prices and market price volatility and Uniper's hedging of its risk from gas supply curtailments. This improvement was counterbalanced by a one-notch reduction in the rating uplift for government-related entity status as Scope now considers Uniper less likely to run into financial difficulties and be in need of extraordinary state support.

Uniper continues to strive for a solid investment-grade rating.

Earnings

Transfer Pricing System

The Uniper Group's electricity generation is marketed via an intragroup portfolio management system. The expected electricity generation of the power plant companies of the European Generation operating segment is hedged by the Global Commodities operating segment's trading unit through the conclusion of hedging transactions (physical and financial) on the basis of current market prices, taking into account the liquidity situation. Spot optimization is also used. The results are directly reported in the European Generation operating segment and the power plant companies show the financial effect of the price hedging of their generation positions.

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

Sales Performance

Sales

€ in millions	2023	2022	+/- %
European Generation	25,192	60,502	-58.4
Global Commodities	127,963	321,742	-60.2
Administration/Consolidation	-45,240	-108,124	-58.2
Total	**107,915**	**274,121**	**-60.6**

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

European Generation

The significant decline in sales within the European Generation segment compared with the prior-year period is mainly due to significantly lower prices and lower generation volumes within the fossil-fuel power plant portfolio. The lower prices are mainly the result of a substantial reduction in fossil fuel prices, which led to a considerable drop in electricity prices. The lower generation volumes result from market-related lower operating times associated with the development of spreads.

Global Commodities

External sales in the gas and power business decreased significantly due to substantially reduced volumes and, at the same time, significantly lower realized prices in a dynamic market environment, while prices in the prior-year period had risen to historic highs due to the geopolitical crisis resulting from Russia's war against Ukraine.

Administration/Consolidation

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

Sales by product break down for continuing activities as follows:

Sales

€ in millions	2023	2022	+/- %
Electricity	23,664	66,013	-64.2
Gas	78,733	191,421	-58.9
Other	5,519	16,687	-66.9
Total	**107,915**	**274,121**	**-60.6**

Other Significant Earnings Trends

The consolidated net gain calculated in accordance with International Financial Reporting Standards (IFRS) from continuing operations plus discontinued operations in the 2022 fiscal year was €6,336 million (2022: net loss of €19,144 million). Income before financial results and taxes increased to €6,667 million (2021: -€11,548 million).

In accordance with IFRS, income from discontinued operations – which relates exclusively to the previous year – is presented separately in the income statement and includes the earnings contribution relating to PAO Unipro in the prior-year period.

The principal factors driving this earnings trend are presented below:

The cost of materials decreased by €173,678 million in the 2023 fiscal year to €103,384 million (2022: €277,062 million). This resulted in particular from the significant year-on-year decline in average market prices in the power and gas business, as a large proportion of the contracts concluded by Uniper with physical fulfillment (failed-own-use contracts) are realized at the applicable spot price upon contract fulfillment and not at the originally hedged contract price. At the same time, an effect relating to other periods of €584 million was recognized due to an arbitration ruling in connection with a retroactive price adjustment over several fiscal years for a long-term LNG supply contract that expired in the 2022 fiscal year.

The Uniper Group's personnel costs increased by €160 million in the 2023 fiscal year to €986 million (2022: €826 million). The increase is attributable, among other things, to the granting of one-time payments to Uniper employees in recognition of their loyalty to the company and their commitment in challenging times for the Group and in view of the difficult labor market situation with regard to the growing shortage of skilled workers. In addition, the expenses for contractually agreed bonus payments for employees increased compared to the previous year due to the positive development of the company. In addition, there was an increase in personnel expenses from the formation and revaluation of provisions, mainly in connection with the restructuring process initiated in previous years in the Engineering division and the ongoing proactive implementation of the coal phase-out in Europe. Collectively agreed wage and salary adjustments also had an increasing effect. This was partially offset by lower expenses due to the year-on-year decrease in the average number of employees in the Uniper Group and a reduction in expenses for the company pension plan.

Depreciation, amortization and impairment charges amounted to €2,432 million in 2023 (2022: €2,525 million). The low net change is primarily attributable to two opposing factors. On the one hand, there was the write-down to zero of goodwill in the Global Commodities segment by €1,312 million in the prior-year and, in contrast, there was an increase of €1,147 million in impairment charges on property, plant and equipment to €1,626 million in the 2023 fiscal year (2022: €480 million). As in the previous year, impairment losses on property, plant and equipment recognized in the 2023 fiscal year related primarily to power plants held in the European Generation segment and also the Global Commodities segment. This mainly included spread-related impairments on fossil fuel power plants in the European Generation segment. In the Global Commodities segment, this mainly affected gas storage facilities due to lower summer-winter spreads. Depreciation and amortization increased by €73 million to €805 million (2022: €732 million), mainly due to reversals of impairment losses on fossil-fuel power plants recognized in the previous year.

The reversals of impairment losses in 2023 amounted to €29 million compared to €1,758 million in the previous year and mainly related to the European Generation segment. In the previous year, the reversals of impairment losses mainly related to power plants in the European Generation segment and gas storage facilities in Austria in the Global Commodities segment. Impairment reversals are recognized as other operating income.

Other operating income decreased to €86,548 million in 2023 (2022: €146,395 million). This was mainly caused by changes in commodity derivatives recognized at fair value – due to the significantly decreased commodity prices in nearly all the markets relevant to Uniper. Income from invoiced and open transactions and from related currency hedges amounted to €85,795 million, having decreased by €57,207 million year over year (2022: €143,002 million).

Other operating expenses decreased to €81,070 million in 2023 (2022: €151,823 million). As it was for other operating income, the decrease was primarily attributable to expenses from invoiced and open transactions and from related currency hedges, which fell by €72,871 million year over year to €77,087 million (2022: €149,958 million). The line item also includes the reversal of provisions for onerous contracts in the amount of €5,746 million, which anticipated the risk of possible future additional costs from gas replacement procurement (2022: addition of €5,746 million).
Other operating expenses also includes expenses from the addition to the provision recognized in the 2023 fiscal year relating to contractual recovery claims of the Federal Republic of Germany arising from the granting of state aid in 2022. As of the December 31, 2023, reporting date, the addition to provisions for overcompensation expected as of December 31, 2024, amounts to €2,238 million.

The main driver of this significant change in other operating income/expenses is the strong decline in commodity prices, as Uniper trades, optimizes and hedges power, gas, coal and carbon allowance positions on the forward markets. These forward transactions are measured at fair value through profit or loss.

In measuring the provision for onerous contracts to reflect the risk of increased purchase costs to replace undelivered Russian gas supplies in the future, various differently weighted scenarios had been used since the second quarter of 2022 to account for the complete stoppage of Russian gas supply and different future price assumptions. As the gas supply obligations were hedged in the second quarter of 2023, in particular via forward contracts, the price risk of increased procurement costs was hedged as well. The use of scenarios in the calculation of provisions for the gas portfolio had therefore already been discontinued in the reporting for the first half of 2023, and the provision was reversed in full.

Financial results improved significantly, by €1,747 million, to €266 million (2022: -€1,482 million). This resulted in particular from the improvement in the other financial result, mainly due to the write-down to zero of the financing extended to Nord Stream 2 AG in the amount of €1,003 million, including accrued interest, and the valuation result of the Swedish nuclear fund in the same period of the previous year 2022. In addition, the interest result increased by €393 million to €15 million (2022: -€377 million).

In the 2023 fiscal year, non-operating tax income of €1,204 million (2022: €4,829 million expense) resulted particularly from the measurement of deferred tax items. The operating tax expense amounted to €1,801 million (2022: €3,539 million income), resulting in an operating tax rate of 29.2% (2022: 32.2%).

Reconciliation of Income/Loss before Financial Results and Taxes

The reported net income before financial results and taxes of €6,667 million (2022: -€11,548 million) is adjusted for non-operating effects totaling -€306 million (2022: €671 million) and, in addition, increased by net income from equity investments of €7 million (2022: €0 million) to produce adjusted EBIT of €6,367 million (2022: -€10,877 million).

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

Matrix for Reconciliation of Income/Loss before Financial Results and Taxes 2023[1]

		Adjustments of items of income/loss before financial results and taxes to adjusted EBIT								
€ in millions	**Income statement items**	**Net book gains (-) / losses (+)**	**FV measurement of derivatives**	**Adj. of revenues and cost of materials**	**Restructuring[2]**	**Misc. other non-op. earnings**	**Impairment charges/ reversals[3]**	**Total adjustments**	**Income from equity investments[4]**	**Components of adjusted EBIT[5]**
Sales including electricity and energy taxes	108,115	–	–	19,328	–	-20	–	19,308	–	127,423
Electricity and energy taxes	-200	–	–	–	–	–	–	0	–	-200
Sales	**107,915**	**–**	**–**	**19,328**	**–**	**-20**	**–**	**19,308**	**–**	**127,223**
Changes in inventories (finished goods and work in progress)	-19	–	–	–	–	–	–	0	–	-19
Own work capitalized	90	–	–	–	–	–	–	0	–	90
Other operating income	86,548	-24	-69,290	–	–	-12	-21	–69,348	–	17,201
Cost of materials	-103,384	–	–	-14,699	–	595	–	–14,105	–	-117,489
Personnel costs	-986	–	–	–	41	1	–	42	–	-944
Depreciation, amortization and impairment charges	-2,432	–	–	–	–	–	1,627	1,627	–	-805
Other operating expenses	-81,070	8	59,316		-11	2,816	–	62,129	–	-18,941
For informational purposes: Subtotal of adjusted EBIT components before income from equity-method accounting and from equity investments	N/A	–	–	–	–	–	–	0	–	6,316
Income from companies accounted for under the equity method	5	–	–	–	–	–	37	37	–	42
For calculation purposes: Income from equity investments[4]	N/A	–	–	–	–	–	3	3	7	10
Reconciliation of income/loss before financial results and taxes to adjusted EBIT (summarized)[5]	**6,667**	**-16**	**-9,974**	**4,628**	**29**	**3,381**	**1,646**	**-306**	**7**	**6,367**

[1]Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS. A reconciliation of income/loss before financial results and taxes prepared in compliance with the Guidelines on Alternative Performance Measures published by the European Securities Markets Authority (ESMA) is provided in the notes to the IFRS interim and consolidated financial statements.
[2]Expenses for (and income from) restructuring and cost management in the Global Commodities segment included depreciation and amortization of €0 million in the 2023 fiscal year (2022: €1 million).
[3]Non-operating impairment charges/reversals consist of non-operating impairment charges and reversals triggered by regular and event-specific impairment tests. The total of the non-operating impairment charges/reversals and economic depreciation and amortization/reversals may differ from the depreciation, amortization and impairment charges reported in the income statement, since the two items may also include impairment charges on companies accounted for under the equity method and other financial assets; in addition, a small portion may also be included in restructuring/cost-management expenses and in miscellaneous other non-operating earnings.
[4]In the income statement according to IFRS, income from equity investments is part of financial results, which are not shown in this matrix, and is added as a component of adjusted EBIT. The presentation within the items of the income statement that make up income/loss before financial results and taxes is used in this matrix solely to determine adjusted EBIT.
[5]The incremental cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was realized in adjusted EBIT. In the 2023 fiscal year, the reduction in costs of roughly €2.3 billion was also realized here.

Matrix for Reconciliation of Income/Loss before Financial Results and Taxes 2022[1 2 3]

€ in millions	Income statement items	Adjustments of items of income/loss before financial results and taxes to adjusted EBIT: Net book gains (-) / losses (+)	FV measure-ment of deriv-atives	Adj. of reve-nues and cost of materials	Restruc-turing[3]	Misc. other non-op. earnings	Impair-ment charges/ reversals[4]	Total adjust-ments	Income from equity invest-ments[5]	Components of adjusted EBIT[6]
Sales including electricity and energy taxes	274,341	–	–	-97,223	–	–	–	-97,223	–	177,119
Electricity and energy taxes	-221	–	–	–	–	–	–	0	–	-221
Sales	**274,121**	**–**	**–**	**-97,223**	**–**	**–**	**–**	**-97,223**	**–**	**176,898**
Changes in inventories (finished goods and work in progress)	19	–	–	–	–	–	–	0	–	19
Own work capitalized	99	–	–	–	–	–	–	0	–	99
Other operating income	146,395	-12	-116,031	–	-1	-506	-1,722	-118,273	–	28,122
Cost of materials	-277,062	–	–	89,939	–	-38	–	89,900	–	-187,162
Personnel costs	-826	–	–	–	-32	4	–	-27	–	-853
Depreciation, amortization and impairment charges	-2,525	–	–	–	1	–	1,730	1,731	–	-794
Other operating expenses	-151,823	4	124,400		-7	155	–	124,552	–	-27,272
For informational purposes: Subtotal of adjusted EBIT components before income from equity-method accounting and from equity investments	N/A	–	–	–	–	–	–	0	–	-10,942
Income from companies accounted for under the equity method	54	–	–	–	–	–	6	6	–	61
For calculation purposes: Income from equity[5]	N/A	–	–	–	–	–	4	4	-	4
Reconciliation of income/loss before financial results and taxes to adjusted EBIT (summarized)[6]	**-11,548**	**-8**	**8,369**	**-7,284**	**-39**	**-385**	**18**	**671**	**-**	**-10,877**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.
[2]Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS. A reconciliation of income/loss before financial results and taxes prepared in compliance with the Guidelines on Alternative Performance Measures published by the European Securities Markets Authority (ESMA) is provided in the notes to the IFRS interim and consolidated financial statements.
[3]Prior-year figures have been adjusted due to the classification of the Russian Power Generation business area as discontinued operations in 2022.
[4]Expenses for (and income from) restructuring and cost management in the Global Commodities segment included depreciation and amortization of €1 million in the 2022 fiscal year (2021: €2 million).
[5]Non-operating impairment charges/reversals consist of non-operating impairment charges and reversals triggered by regular impairment tests. The total of the non-operating impairment charges/reversals and economic depreciation and amortization/reversals differs from the depreciation, amortization and impairment charges reported in the income statement, since the two items also include impairment charges on companies accounted for under the equity method and other financial assets; in addition, a small portion is included in restructuring/cost-management expenses and in miscellaneous other non-operating earnings.
[6]In the income statement according to IFRS, income from equity investments is part of financial results, which are not shown in this matrix, and is added as a component of adjusted EBIT. The presentation within the items of the income statement that make up income/loss before financial results and taxes is used in this matrix solely to determine adjusted EBIT.

The net book gain of €16 million in the 2023 fiscal year is primarily attributable to the disposal of its subsidiary Uniper Energy DMCC, which is in the business of trading in marine fuels (2022: net book gain of €8 million on the disposal of property, plant and equipment).

The fair value measurement of derivatives used to hedge the operating business against price fluctuations resulted in a net non-operating gain of €9,974 million in the 2023 fiscal year, due to changed market values in connection with decreased commodity prices in all the forward markets relevant to Uniper (2022: net non-operating loss of €8,369 million). Whereas the derivatives are subject to "mark-to-market" (i.e., fair value) accounting, the corresponding appreciation of the hedged underlying assets (especially power plants and inventories) is initially limited to their cost, and additional gains may not be recognized until they are realized. This measurement inconsistency is neutralized accordingly within the adjusted EBIT and adjusted net income measures, in order to better reflect Uniper's operating performance.

This item also includes the change in provisions for onerous contracts originally recognized for non-operating effects that are not within the scope of IFRS 9 and are therefore not measured at fair value. A provision for onerous contracts covering particularly the added cost of procuring replacement volumes for completely halted Russian gas supplies, was fully reversed in the amount of roughly €5,746 million (2022: addition of €5,746 million).

Revenues and cost of materials for physically settled commodity derivatives (contracts that are accounted for under IFRS 9 (failed own-use contracts)) were adjusted for the difference between the spot prices relevant pursuant to IFRS and the contract prices relevant from the management perspective by a net expense of €4,628 million in the 2023 fiscal year (2022: net income of €7,284 million).

In 2023, restructuring and cost-management expenses/income changed by €68 million year over year. Expenses amounted to €29 million in 2023 (2022: €39 million income) and related primarily to personnel costs incurred in connection with the coal phase-out plan in the United Kingdom.

An expense of €3,381 million was recorded under miscellaneous other non-operating earnings in the 2023 fiscal year (2022: income of €385 million). The expense primarily comprises the addition of €2,238 million (2022: N/A) to the provision relating to contractual recovery claims by the Federal Republic of Germany from the granting of state aid in 2022 for overcompensation expected for December 31, 2024, as of the December 31, 2023, reporting date. The expense also includes additional items relating to the fulfillment of the framework agreement with the Federal Republic of Germany. In addition, a net out-of-period effect of €564 million due to an arbitral award relating to a retroactive price adjustment over several fiscal years of a long-term LNG contract that expired in the 2022 fiscal year is also recognized here, because the arbitral award is so unusual and out of step with customary decision and contract practice and retroactively changes the commercial nature of the contract.
The line item further includes net expenses of €438 million (2022: €346 million income) from adjustments of provisions recognized for non-operating effects in the Global Commodities segment. Moreover, it takes into account expenses of €59 million from offsetting an insurance settlement in the European Generation segment (2022: income of €59 million).

A net loss of €1,646 million (2022: €18 million net loss) from the aggregation of non-operating impairment charges and reversals was recognized in the 2023 fiscal year. As in the previous year, the impairments, which totaled €1,667 million (2022: €1,741 million), related primarily to fossil-fuel power plants in the European Generation segment and to gas infrastructure in the Global Commodities segment. In 2022, they had additionally included the write-down to zero of goodwill in the Global Commodities segment by €1,312 million. Reversals of impairment losses recognized in previous years amounted to €21million (2022: €1,722 million), and in the 2023 fiscal year they related primarily to the European Generation segment. In 2022, the reversals had related primarily to fossil-fuel power plants in the European Generation segment and to gas infrastructure in the Global Commodities segment.

Adjusted EBIT

Adjusted EBIT[1]

€ in millions	2023	2022	+/- %
European Generation	2,257	741	204.4
Global Commodities	4,104	-11,232	136.5
Administration/Consolidation	7	-387	101.7
Total	**6,367**	**-10,877**	**158.5**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The Uniper Group's total adjusted EBIT increased significantly to €6,367 million in the 2023 fiscal year and is in line with the expectations communicated in the 2022 Annual Report based on a comparative forecast. Adjusted EBIT at the end of the 2023 fiscal year is also in line with the expectations of the forecast updated in the quarterly report as of September 30, 2023, which was in a range of €6–7 billion. Uniper benefited from hedging transactions, particularly in the areas of electricity generation from coal and gas-fired power plants and in the gas midstream business.

European Generation

The significantly higher adjusted EBIT compared with the prior year resulted in earnings at an exceptionally high level which is due in particular to earnings contributions from successful transactions to hedge higher sales prices in the fossil trading margin area. The return of the Heyden 4 hard-coal-fired power plant to commercial operation and the absence of previously imposed government generation restrictions for the Maasvlakte power plant also had a positive impact. Furthermore, price effects in hydroelectric power and Swedish nuclear power had a positive impact, with the former additionally benefiting from lower price distortions between the system price and the Swedish price zones compared with the previous year. This was offset by higher current depreciation, particularly in the fossil power plant fleet, due to the impairment reversals recognized on these assets in the 2022 fiscal year. Adjusted EBIT in the European Generation segment was in line with the expectations communicated in the 2022 Annual Report based on a comparative forecast.

Global Commodities

Adjusted EBIT in the Global Commodities segment improved significantly compared with the prior year. Following significantly negative earnings in the prior year, the increase is mainly attributable to the absence of losses from replacement procurement costs. In addition, there were positive results in the gas business from lower costs from the 2023 replacement procurement, which were partially offset by a lower result from portfolio optimization compared to the prior year. The increase in earnings from the international portfolio is mainly attributable to successful LNG trading activities. In addition, there was a lower result in the electricity trading business, as an extraordinarily high result had been achieved in the previous year thanks to targeted optimization activities. Adjusted EBIT in the Global Commodities segment was in line with the expectations communicated in the 2022 Annual Report based on a comparative forecast.

Adjusted EBIT in the Global Commodities segment includes the costs realized for the procurement of replacement gas volumes. These costs arose from the need to purchase replacement volumes directly in the market due to the curtailments that began on June 14, 2022, and to the complete discontinuation of Russian gas deliveries since the end of August 2022. From June 14, 2022, through the end of 2022, the cumulative additional cost for the procurement of replacement gas volumes amounted to roughly €13.2 billion. In the 2023 fiscal year, no further replacement procurement costs were incurred on a cumulative basis. Instead, Uniper achieved a cumulative reduction in costs of replacement gas volumes of roughly €2.3 billion in the 2023 fiscal year.

Administration/Consolidation

Adjusted EBIT attributable to the Administration/Consolidation reconciliation item changed positively relative to 2022. This change resulted particularly from the measurement of provisions for carbon emissions (remeasurement to cross-segment figures at Group level) and from the reconciliation of the operating segments' adjusted EBIT to the Group's adjusted EBIT with respect to the measurement of coal inventories, among other things.

Adjusted Net Income

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

Reconciliation to Adjusted Net Income[1]

€ in millions	2023	2022
Income/Loss before financial results and taxes[2]	**6,667**	**-11,548**
Net income/loss from equity investments	7	–
EBIT	**6,674**	**-11,548**
Non-operating adjustments	-306	671
Adjusted EBIT	**6,367**	**-10,877**
Interest income/expense and other financial results	*259*	*-1,482*
Non-operating interest expense and negative other financial results (+) / Non-operating interest income and positive other financial results (-)	*-450*	*1,382*
Operating interest income/expense and other financial results	-190	-100
Income taxes	*-597*	*-1,291*
Expense (+) / Income (-) resulting from income taxes on non-operating earnings	*-1,204*	*4,829*
Income taxes on operating earnings	-1,801	3,539
Less non-controlling interests in operating earnings	57	37
Adjusted net income	**4,432**	**-7,401**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

[2]The incremental cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was realized in adjusted EBIT and, consequentially, in adjusted net income as well. In the 2023 fiscal year, the reduction in costs of roughly €2.3 billion was also realized here.

The adjustments in financial results relate primarily to income from the time value of money and from measurement effects of the provisions financed through the Swedish Nuclear Waste Fund ("Kärnavfallsfonden" or "KAF") in the European Generation segment in the amount of €191 million (2022: €74 million expense). Net income from investments in securities, which improved relative to the previous year, is additionally adjusted for. Furthermore, aside from the remaining other financial results, adjustments were made in the 2023 fiscal year for higher interest-related measurement effects of €206 million that are attributable to nuclear waste management obligations in Sweden. That increase is predominantly attributable to a revision of the discount rate that is determined based on country-specific factors. Income of €450 million was adjusted for in total (2022: €1,382 million expense). Adjustments in 2022 had also included the write-down to zero of the financing extended to Nord Stream 2 AG in the amount of €1,003 million.

The total of operating net interest income and other financial results developed negatively compared with the previous year. Net interest income and other financial results totaling €259 million rose significantly year over year (2022: €1,482 million expense) as a result of higher interest income from forward transactions (margining) and from deposits of liquid funds. Adjustments for non-operating interest expenses and negative other financial results totaling €450 million (2022: €1,382 million expense) had an offsetting effect. This development resulted from the reversal relative to the previous year of time value of money effects in the measurement of non-current provisions, primarily in hydro, and from the effect of higher basic interest rates on the average financing volume.

In the 2023 fiscal year, there was non-operating tax income, arising particularly from the measurement of deferred tax items, of €1,204 million (2022: €4,829 million expense). The operating tax expense amounted to €1,801 million (2022: €3,539 million income), resulting in an operating effective tax rate of 29.2% (2022: 32.2%).

Adjusted net income for the 2023 fiscal year amounted to €4,432 million. This represents a significant year-over-year increase of €11,833 million (2022: -€7,401 million) and corresponds to the expectations communicated in the 2022 Annual Report on the basis of a comparative forecast. Adjusted net income at the end of the 2023 fiscal year is also in line with the full-year guidance as updated in the quarterly statement as of September 30, 2023, which was within a range of €4 to €5 billion.

No further additional replacement procurement costs were incurred on a cumulative basis within adjusted net income for the 2023 fiscal year. Instead, Uniper achieved a cumulative reduction in costs from the replacement procurement of gas volumes of roughly €2.3 billion in the 2023 fiscal year (2022: additional costs from procuring replacement gas of €13.2 billion).

Financial Condition

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

Finance Strategy

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

In this context, Uniper's first target was to rebuild its equity position that was heavily burdened by the realized added cost of procuring replacement volumes of gas in 2022. Following the implementation of two capital increases in December 2022 totaling around €13.5 billion to cover the incremental costs from gas replacement purchases in 2022, a further roughly €20 billion of Authorized Capital 2022 would have been available to cover possible future incremental costs from gas replacement purchases for the years 2023 and 2024. Regarding the Russian gas supply curtailments, however, Uniper no longer expects any further additional costs of procuring replacement volumes of gas for the years 2023 and 2024 overall. Uniper hedged its natural gas supply obligations to its customers for this period during the second quarter of 2023 through instruments including forward contracts. These hedging activities eliminated the need for further capital increases by the Federal Republic of Germany.

The temporarily negative IFRS group equity in the course of 2022 returned into positive territory by year-end 2022, supported by the aforementioned two capital increases, and has increased further due to the net income generated in the financial year 2023.

Dividend distributions are currently not foreseen and are subject to the approval of the Federal Republic of Germany pursuant to the framework agreement Uniper entered into with the German government on December 19, 2022, which specifies the stabilization measures.

Secondly, Uniper aims to achieve a stable, positive operating cash flow. This is supposed to enable the company to keep debt at an acceptable level in the long term and make investments in line with its corporate strategy.

The combination of these two elements is a prerequisite for achieving the third objective of the finance strategy, balance sheet stability. Uniper measures its balance sheet stability in a debt factor that corresponds with the financial risk profile of a solid investment-grade rating. The debt factor is defined as the ratio of current economic net debt to adjusted earnings before interest, taxes, depreciation, and amortization (Adjusted EBITDA). Uniper aims to maintain a debt factor of less than or equal to 2.5. With an Adjusted EBITDA in fiscal year 2023 of €7,164 million (2022: -€10,119 million, mainly caused by the realized added cost of procuring replacement volumes of gas) and a net cash position of €3,058 million (2022: net debt position of €3,410 million), a calculation of the debt factor is not meaningful, yet the target level has been comfortably achieved in 2023 (2022: calculation was not meaningful and the target level was missed).

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

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

Financing Instruments

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

Uniper has a credit facility with KfW, which was set up in 2022 and was restructured in the first weeks of 2023 while maintaining the guarantee provided by the Federal Republic of Germany and reduced from €18.0 billion to €16.5 billion. Following the hedging of Uniper's natural gas supply obligations to its customers for 2023 and 2024 during the second quarter of 2023, tranche C of the KfW credit facility with a volume of €5.0 billion was no longer needed. The facility was therefore reduced ahead of schedule from €16.5 billion to €11.5 billion as of June 30, 2023. Tranche A in the amount of €9.5 billion, and thus the majority of the current volume of €11.5 billion, is available to Uniper until September 30, 2026, while tranche B of the facility with a volume of €2.0 billion will expire on April 30, 2024. The KfW credit facility was not utilized as of December 31, 2023 (2022: utilization amounting to €6.0 billion).

In addition, Uniper also uses syndicated bank financing provided in the form of a revolving credit facility by a total of 15 banks at the end of 2023. The revolving credit facility was executed in September 2018 with an original amount of €1.8 billion. The occurrence of a change-of-control event in the course of the acquisition of the majority of Uniper shares by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) on December 21, 2022, triggered an extraordinary termination right for the participating banks which led to a reduction of the facility amount to €1.7 billion in 2023. The maturity date is in September 2025. The revolving credit facility serves Uniper as a general liquidity reserve. It was repaid in full at the end of July 2023 and therefore not utilized as of December 31, 2023 (2022: utilization amounting to €1.8 billion).

Furthermore, Uniper's €1.8 billion Euro Commercial Paper program is a flexible instrument for the issuance of short-term debt in the form of commercial paper notes that are compliant with the European STEP Market Convention. As of December 31, 2023, there were €434 million in commercial paper outstanding (2022: no commercial paper outstanding).

Uniper additionally has access to further financing instruments, which were used flexibly in 2023. These include, for example, bilateral credit lines with Uniper's financing banks as well as various promissory notes. All promissory notes outstanding at the previous year's reporting date, amounting to €630 million in total, were repaid in 2023. Uniper also uses guarantee facilities with several banks to cover requirements in its operations or for margin deposits.

Economic Net Debt

Economic net debt is used by Uniper to manage the Group's capital structure. All items are shown with their respective (+) or (-) sign in the summation.

Uniper's economic net debt includes both net pension liabilities and net pension assets, as long as these are recognized on the balance sheet under IFRS (the latter initially as of December 31, 2023, with retrospective application), thereby providing a full representation of the funded status of Uniper's pension position according to IFRS.

Economic Net Debt[1]

€ in millions	Dec. 31, 2023	Dec. 31, 2022
(+) Financial liabilities and liabilities from leases	1,846	11,937
(+) Commercial paper	*434*	*–*
(+) Liabilities to banks	*5*	*8,627*
(+) Lease liabilities	*924*	*1,052*
(+) Margining liabilities	*125*	*1,890*
(+) Liabilities from shareholder loans towards co-shareholders	*339*	*329*
(+) Other financing	*19*	*40*
(-) Cash and cash equivalents	4,211	4,591
(-) Current securities	46	43
(-) Non-current securities	105	95
(-) Margining receivables	2,914	6,217
Net financial position	**-5,430**	**991**
(+) Provisions for pensions and similar obligations	520	536
(+) Net pension liabilities	*521*	*537*
(-) Net pension assets	*-1*	*-1*
(+) Provisions for asset retirement obligations	1,852	1,882
(+) Other asset retirement obligations	*789*	*679*
(+) Asset retirement obligations for Swedish nuclear power plants	*3,392*	*3,424*
(-) Receivables from the Swedish Nuclear Waste Fund recognized on the balance sheet	*2,329*	*2,221*
Economic net debt (+)/Net cash position (-)	**-3,058**	**3,410**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

In the 2023 fiscal year, the net financial position amounted to -€5,430 million and thus improved by €6,421 million from year-end 2022 (€991 million). This change resulted mainly from the positive operating cash flow (€6,549 million) and inflows for divestments (€312 million) reduced by cash payments for investments (-€587 million).

Within the net financial position, the KfW credit facility was not utilized as of December 31, 2023, as the drawing from the facility was repaid in full at the end of September 2023. The utilization of the facility was thus reduced by €6,000 million from the end of 2022. The revolving credit facility (RCF) was repaid in full at the end of July 2023 and was therefore not utilized as of December 31, 2023. Its utilization was thus €1,800 million below the utilization at the end of 2022. Furthermore, promissory notes of €630 million were repaid during the 2023 fiscal year. Margining receivables decreased by €3,303 million to €2,914 million (December 31, 2022: €6,217 million), and margining liabilities also decreased by €1,765 million to €125 million (December 31, 2022: €1,890 million).

Economic net debt improved by €6,468 million to a net cash position of €3,058 million as of December 31, 2023, primarily due to the improvement in the net financial position, and it was additionally positively influenced by the decrease in provisions for asset retirement obligations to €1,852 million (2022: €1,882 million), due mainly to the increase in the market value of the reimbursement claim against KAF, which was partially offset by cost and interest rate effects as part of the measurement of the nuclear waste management obligations and interest rate effects in the measurement of other asset retirement obligations.

Provisions for pensions and similar obligations also decreased by €16 million to €520 million (December 31, 2022: €536 million). Compared with the end of the 2022 fiscal year, the actuarial interest rate in Germany remained stable at the end of the 2023 fiscal year, while the actuarial interest rate in the UK fell. The fair value of the plan assets increased in the same period in both countries. Overall, these developments led to a decrease in provisions for pensions and similar obligations in the 2023 fiscal year.

Effective January 1, 2023, Uniper introduced a new occupational retirement pension system: a "pure" defined contribution plan. When it was implemented, employees covered by existing benefit plans were given the option in the second quarter of 2023 to have future contributions paid into this pure defined contribution plan effective July 1, 2023. The additional measurement associated with this event had no material influence on the provisions for pensions and similar obligations.

Investments

Investments

€ in millions	2023	2022
Investments		
European Generation	*440*	*426*
Global Commodities	*126*	*97*
Administration/Consolidation	*22*	*29*
Total	**587**	**552**
Growth	*198*	*189*
Maintenance and replacement	*389*	*363*

The increase in the Uniper Group's investment spending resulted mainly from higher investments in growth and repair and maintenance. The investments break down by segment as follows:

The slight year-over-year increase of €14 million in investments in the European Generation segment in the 2023 fiscal year was partly due to growth investments for the district heating supply in the northern Ruhr region.

In the Global Commodities segment, investments rose by €29 million in the 2023 fiscal year, a significant increase over the prior-year level, primarily due to maintenance investments in the storage business and higher growth investments, particularly for the Bad Lauchstädt energy park.

In the Administration/Consolidation area, investments were down by €7 million, a significant decrease from the prior-year level, and related to investments in IT projects, among other things.

Cash flow from continuing operations

Cash Flow from Continuing Operations[1]

€ in millions	2023	2022
Cash provided by operating activities of continuing operations (operating cash flow)	**6,549**	**-15,556**
Cash provided by investing activities of continuing operations	**3,086**	**1,292**
Cash provided by financing activities of continuing operations	**-10,123**	**16,001**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Cash Flow from Operating Activities of Continuing Operations, Operating Cash Flow before Interest and Taxes

Cash provided by operating activities (operating cash flow) of continuing operations changed by €22,105 million in 2023 to a cash inflow of €6,549 million (2022: cash outflow of €15,556 million). This improvement was mainly driven by the non-recurrence of the negative cash effects from the procurement of replacement gas volumes in connection with the gas supply curtailments in 2022. In addition, price decreases in the commodity markets had a positive impact on working capital year over year, especially on inventories.

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

Operating Cash Flow before Interest and Taxes[1]

€ in millions	2023	2022	+/-
Operating cash flow of continuing operations	**6,549**	**-15,556**	**22,105**
Interest payments and receipts	172	324	-153
Income tax payments (+) / refunds (-)	362	345	17
Operating cash flow of continuing operations before interest and taxes	**7,083**	**-14,886**	**21,969**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Cash Flow from Investing Activities of Continuing Operations

Cash provided by investing activities of continuing operations improved by €1,793 million, from a cash inflow of €1,292 million in the previous year to a cash inflow of €3,086 million in the 2023 fiscal year. This development resulted primarily from changes in collateral to be provided by Uniper for futures and forward transactions (margining receivables), which changed by €1,685 million year over year in the 2023 fiscal year. Where there had been a cash inflow of €1,628 million in the previous year, there was a cash inflow of €3,313 million in 2023. Compared with the previous year (€552 million), cash payments for investments in intangible assets, in property, plant and equipment, and in equity investments increased by €35 million, to €587 million. Cash proceeds from disposals increased by €156 million, from a cash inflow of €156 million in the previous year to a cash inflow of €312 million in the 2023 fiscal year, due especially to the sales of equity investments.

Cash Flow from Financing Activities of Continuing Operations

Cash provided by financing activities of continuing operations amounted to -€10,123 million in 2023 (2022: €16,001 million). The decrease in margin deposits received for futures and forward transactions led to a cash outflow of €1,776 million (2022: cash inflow of €1,111 million) and decreased margining liabilities accordingly. In the first weeks of 2023, the KfW credit facility was restructured and reduced while maintaining the guarantee provided by the Federal Republic of Germany; this was accounted for in accordance with IFRS provisions as the extinguishment of the original financial obligation and the recognition of a new one. An outflow and an inflow of roughly €6 billion in cash was therefore reported respectively for each obligation. KfW loans totaling €6,000 million were repaid later in the 2023 fiscal year, which left no loans outstanding under the KfW credit facility as of December 31, 2023. In addition, promissory notes totaling €630 million and amounts drawn under the revolving credit facility totaling €1,800 million were respectively repaid in full. At the same time, the repayment of lease liabilities in the amount of €152 million (2022: €186 million) led to a reduction of liquid funds. The reduction in current liabilities to banks led to a further cash outflow of €191 million (2022: cash outflow of €325 million). The issuance of new commercial paper produced an offsetting cash inflow of €434 million in the 2023 fiscal year (2022: cash outflow of €1,480 million due to the repayment of commercial paper).

The capital increases of €13,538 million conducted in December 2022 were a major factor in the significantly positive cash flow from financing activities of continuing operations in the 2022 fiscal year. In addition, the KfW credit facility was drawn down during the 2022 fiscal year up to an amount of €14,000 million and subsequently repaid in the amount of €8,000 million at the end of 2022. Also in the previous year, the shareholder loan provided by Fortum, of which a further €1,500 million had been utilized during the 2022 fiscal year, was fully repaid in the amount of €4,000 million in December 2022.

Assets

Consolidated Assets, Liabilities and Equity[1]

€ in millions	Dec. 31, 2023	Dec. 31, 2022
Non-current assets	19,762	57,989
Current assets	35,200	63,812
Total assets	**54,961**	**121,802**
Equity	10,436	4,386
Non-current liabilities	18,209	59,904
Current liabilities	26,316	57,513
Total equity and liabilities	**54,961**	**121,802**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The decrease in non-current assets was caused in large part by the valuation-related decrease of €33,972 million – due to the significantly reduced commodity prices in nearly all the markets relevant to the Uniper Group – in receivables from derivative financial instruments, which fell from €40,617 million to €6,646 million. The change in the carrying amount of property, plant and equipment and rights of use of €2,099 million, from €9,561 million to €7,462 million, is predominantly due to depreciation and impairment of property, plant and equipment. As in the same period of the previous year, impairments on property, plant and equipment recognized in the 2023 fiscal year related primarily to the European Generation segment. Deferred tax assets largely followed the development of liabilities from derivative financial instruments and decreased by €1,929 million, from €2,776 million to €847 million.

As with non-current assets, the main cause of the decrease in current assets was the valuation-related decrease in receivables from derivative financial instruments, which fell by €21,885 million, from €36,198 million to €14,313 million. Receivables from posted collateral for commodity forward transactions also declined, by €3,303 million, from €6,217 million to €2,914 million.

Equity as of December 31, 2023, rose by €6,050 million from its level on December 31, 2022, to €10,436 million, due primarily to the consolidated net income of €6,336 million (of which an amount of €28 million is attributable to non-controlling interests). Net income was strongly influenced by reduced commodity prices and by the complete reversal of provisions for further losses previously expected from procurement of replacement volumes in the future.

Non-current liabilities as of December 31, 2023, were lower than at the end of the previous year, due predominantly to the valuation-related reduction in liabilities from derivative financial instruments. These liabilities decreased by €37,983 million, from €45,737 million to €7,754 million, as a result of lower forward prices in the commodity markets. Non-current miscellaneous provisions, by contrast, increased by €241 million, from €7,732 million to €7,974 million. The principal factor increasing these provisions was the recognition of a provision relating to contractual recovery claims by the Federal Republic of Germany from the granting of state aid, which is described in more detail below. The main offsetting effect was the reduction in non-current miscellaneous provisions due to the complete reversal of a non-current provision for anticipated losses in the gas portfolio that had been recognized in the previous year following the complete discontinuation of gas deliveries from Russia amid continuing obligations to customers and to the complete reversal of a provision for anticipated losses from electricity sales contracts for which the own-use exemption under IFRS 9 is applied. The latter provision was reversed due to lower market prices.

Non-current liabilities also include a provision recognized in the 2023 fiscal year in the amount of €2,238 million (2022: N/A) relating to contractual claims for recovery by the Federal Republic of Germany from the granting of state aid. This state aid was approved by the European Commission in December 2022, subject to certain conditions, and paid by the Federal Republic of Germany to Uniper in the amount of around €13.5 billion by means of equity increases at Uniper SE. One of these conditions is a mechanism for the (partial) repayment of state aid in the event of overcompensation identified at the end of 2024 in favor of Uniper. A provision to this effect was also included in the framework agreement concluded between the Federal Republic of Germany and Uniper. The provision for contractual recovery claims is thus determined using IFRS earnings and IFRS equity planning through December 31, 2024. In order to settle the contractual recovery claims likely to arise, Uniper is obliged, in accordance with the European Commission's decision, to make this payment in 2025 by way of a dividend or by other appropriate means. At the end of the 2023 fiscal year, the Federal Republic of Germany and Uniper agreed to settle the contractual recovery claims of the Federal Republic of Germany arising from the granting of state aid by way of a public-law obligation.

Non-current financial liabilities and liabilities from leases decreased by €1,870 million. Due to the significant reduction in financing requirements, the syndicated revolving credit facility (RCF) was repaid in full at the end of July 2023. Deferred tax liabilities largely followed the development of receivables from derivative financial instruments and decreased by €2,205 million, from €2,555 million to €350 million.

The decrease in current liabilities is due specifically to the reduction in miscellaneous provisions, the repayment of current financial liabilities and the decline in liabilities from derivative financial instruments. Liabilities from derivative financial instruments decreased by €16,172 million, from €30,608 million to €14,436 million. The €4,658 million decline in miscellaneous provisions, from €7,049 million to €2,391 million, is primarily due to the complete reversal of a current provision for onerous contracts in the gas portfolio that had been recognized in the previous year following the complete discontinuation of gas deliveries from Russia amid continuing obligations to customers, and to the reversal of a provision for anticipated losses from electricity sales contracts for which the own-use exemption under IFRS 9 is applied. The latter provision was reversed due to lower market prices.

Current financial liabilities and liabilities from leases decreased by €8,221 million, from €8,948 million to €727 million. This change resulted mainly from the KfW credit facility no longer being utilized compared with December 31, 2022. No loans were outstanding under this credit facility as of December 31, 2023 (2022: €6,000 million outstanding). In view of the reduced risks – in particular, no further losses from replacement gas procurement are foreseeable – the financing facility with KfW was reduced early from €16,500 million to €11,500 million in the 2023 fiscal year. Furthermore, promissory note loans totaling €630 million were repaid in full, and liabilities from collateral have been reduced by €1,765 million, from €1,890 million to €125 million. Trade payables decreased by €1,965 million, from €9,359 million to €7,394 million.

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

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

Balance Sheet of Uniper SE (HGB)

	December 31	
€ in millions	**2023**	**2022**
Tangible assets	3.2	3.2
Financial assets	15,961.5	15,961.5
Fixed assets	**15,964.7**	**15,964.7**
Receivables and other assets	20,000.9	27,795.1
Securities	1,499.9	1,301.1
Bank balances	2,167.8	2,448.7
Current assets	**23,668.6**	**31,544.9**
Accrued expenses	**13.0**	**3.8**
Total assets	**39,646.3**	**47,513.4**
Capital stock	416.5	14,160.2
Additional paid-in capital	8,943.9	10,824.9
Retained earnings	178.3	178.3
Net income / loss available for distribution	0.0	-24,202.2
Equity	**9,538.7**	**961.2**
Provisions for pensions and similar obligations	77.4	76.0
Provisions for taxes	348.6	34.4
Other provisions	2,371.0	143.3
Provisions	**2,797.0**	**253.7**
Liabilities to banks	7.0	8,672.4
Liabilities to affiliated companies	26,585.5	37,570.1
Liabilities to entities in which an equity interest exists	0.1	–
Other liabilities	718.0	55.8
Liabilities	**27,310.6**	**46,298.3**
Deferred income	**–**	**0.2**
Total equity and liabilities	**39,646.3**	**47,513.4**

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

Fixed assets, which essentially consist of shares in affiliated companies, make up 40% of total assets. The proportion of receivables from affiliated companies is 50% of total assets.

The capital reduction resolved by the Extraordinary General Meeting on December 8, 2023, which reduced the nominal capital pursuant to the German Stock Corporation Act, increased additional paid-in capital by €13,743.7 million. As part of the allocation of earnings, the Board of Management withdrew an amount of €15,624.7 million from additional paid-in capital to eliminate the loss carried forward. Therefore, as of December 31, 2023, the additional paid-in capital of Uniper SE amounts to €8,943.9 million (2022: €10,825 million).

Bank balances rose by €280.9 million in the reporting year to €2,167.8 million. Liabilities fell by €18,987.7 million in the reporting year. Liabilities to banks fell by €8,665.5 million to €7.0 million.

Provisions for pensions and similar obligations amounted to €77.4 million as of the end of the fiscal year; 55% of pension obligations are covered by pension plan assets.

Income Statement of Uniper SE (HGB)

€ in millions	2023	2022
Other operating income	1,980.8	2,706.0
Personnel costs	-82.1	-63.7
Depreciation	-0.5	-0.5
Other operating expenses	-4,425.1	-3,239.0
Other interest and similar income	611.7	239.1
Write-downs of financial assets	-	-2,557.2
Interest and similar expenses	-1,295.6	-375.7
Income from transfers of profits	12,305.9	-
Expense from assumptions of losses	-	-21,067.3
Income taxes	-517.6	156.1
Income/Loss after taxes	8,577.5	-24,202.2
Net income/loss for the year	**8,577.5**	**-24,202.2**
Loss carried forward from the previous year	-24,202.2	-
Income from reduction of capital[1]	13,743.7	-
Transfer to (restricted) capital reserve pursuant to the provisions of AktG, EnSiG and WStBG	-13,743.7	-
Expense from cancellation of treasury shares provided at no cost	-[2]	-
Income from dissolution of (free) capital reserves	-[3]	-
Deduction from (restricted) capital reserves	15,624.7	-
Net income available for distribution / Net loss carried forward	**0.0**	**-24,202.2**

[1]Calculation: 5,830,654,648.00 € + 7,913,031,308.00 € + 18.70 € = 13,743,685,974.70 €

[2]-18.70 €

[3]18.70 €

The earnings of Uniper SE as the Group's parent company are significantly influenced by its income from equity investments. Uniper SE's net income from equity investments of €12,305.9 million is attributable to the earnings contributed by its equity investments.

Other operating expenses and income resulted primarily from currency effects related to Group-wide currency hedging.

Other operating expenses also includes expenses from the addition to the provision recognized in the 2023 fiscal year relating to contractual recovery claims of the Federal Republic of Germany from the granting of state aid in 2022. As of the December 31, 2023, reporting date, the addition to provisions in 2023 for overcompensation expected as of December 31, 2024, amounts to €2,297.3 million (2022: N/A).

Net interest income fell primarily because of increased interest expenses. The rise in interest expense is attributable to a generally higher interest rate environment.

Earnings before income taxes for 2023 amounted to €9,095.1 million. After taxes, Uniper SE generated net income for the year of €8,577.5 million (2022: net loss of -€24,202.2 million).

The net loss of Uniper SE for the 2022 fiscal year had been carried forward to the 2023 fiscal year. The amount remaining after the net income for 2023 is offset from the loss carried forward is eliminated in full through a withdrawal of €15,624.7 million from additional paid-in capital.

As part of the stabilization agreement between the Federal Republic of Germany and Uniper, it was stipulated - in accordance with the applicable legal restrictions - that Uniper would not make any dividend payments during the period of stabilization without the consent of the Federal Republic of Germany. Against this background, Uniper currently expects to distribute no dividend for the financial year 2024.

Non-Financial Performance Indicators

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

For the financial year 2023, Uniper will report for the last time in the form of a Separate Non-Financial Group Report outside of the management report. The Separate Non-Financial Group Report will be published as a separate chapter in Uniper's Annual Report. The report addresses in detail all the requirements of non-financial Group reporting. From the financial year 2024, the sustainability statement with be a mandatory, separate section in the combined management report.

This chapter of the Combined Management Report discusses the Uniper Group's most important non-financial performance indicators: direct carbon emissions (Scope 1), Health, Safety, Security, Environment (HSSE) & Sustainability Improvement Plan, and proportion of female executives in the Uniper Group.

Direct Carbon Emissions (Scope 1)

Uniper's decarbonization strategy aims to steer the energy transition by providing a secure supply of low-carbon energy. Uniper presented new targets in August 2023 and now aims for the entire Group's direct (Scope 1) and indirect (Scope 2 and 3) CO_2e (CO_2-equivalents) emissions to be carbon-neutral by 2040, ten years earlier than previously planned. The whole Uniper Group aims to be carbon-neutral for Scope 1 and 2 CO_2e emissions by 2035. A more ambitious interim target was set for the European Generation segment to achieve at least a 55% reduction in Scope 1 and 2 CO_2e emissions by 2030, using 2019 as the baseline. The achievement of the aforementioned targets may include technical solutions, divestments, and offsetting of unavoidable emissions. Further details on Uniper's decarbonisation targets can be found in the section "Climate-related Metrics and Targets" in the "Separate Non-Financial Group Report".

Uniper's direct CO_2 emissions (Scope 1), from the combustion of fossil fuels for power and heat generation, in 2023 totaled 19.4 million metric tons CO_2. This was significantly below the prior-year level (25.5 million metric tons CO_2, excluding Russian Power Generation) and were significantly below the expectations for the 2023 financial year, as set out in the 2022 financial year. The decline in direct CO_2 emissions compared to 2022 and the expectations for 2023 is mainly due to a reduction in output from some of Uniper's coal-fired power plants in Germany, the UK and the Netherlands. This is a result of less favorable commercial market conditions for coal-fired power generation than in 2022.

Direct CO_2 emissions from fuel combustion[1]

in million metric tons CO_2	2023	2022
European Generation	19.4	25.4
Germany	*8.6*	*12.2*
United Kingdom	*7.0*	*8.2*
Netherlands	*2.9*	*3.9*
Hungary	*0.8*	*0.9*
Sweden	*0.02*	*0.2*
United Arab Emirates[2]	0.02	0.06
Total continued operations	**19.4**	**25.5**
Total discontinued operations – Russian Power Generation[3]	**-**	**30.2**
Total	**19.4**	**55.6**

[1]These emissions only include direct CO_2 emissions from fuel combustion. Uniper uses the operational-control approach. This means that Uniper counts 100% of the direct emissions of any generation assets over which it had and still has operational control.
The new combined heat and power (CHP) plant at Uniper's Scholven site is included from January 2023. 2023 emissions for the month of December are estimated. Rounding may result in minor deviations from the totals.
[2]Uniper's business in the United Arab Emirates, Uniper Energy DMCC, was sold in May 2023. Actual emissions for the first 5 months of 2023 from Uniper Energy DMCC are shown.
[3]Emissions from Russian Power Generation (discontinued operations) are estimated for October–December 2022.

HSSE & Sustainability Improvement Plan

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

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

Uniper's 2023 IP focused on supporting the physical and mental health of Uniper's employees. Under the IP, Uniper leadership has been incentivized to organize physical and mental health activities, and have discussions, which are to be known as Care Moments, with employees on experiences and topics within all HSSE & Sustainability areas.

The participation in physical health activities linked to good mental health was noticeably above expectation whereas the execution of Care Moments was noticeably below expectation. The evaluation of year-end progress reports on the Improvement Plan for the Uniper Group indicates that the overall degree of implementation was 100% against the target level, which is in line with the forecast for 2023 which was published in the 2022 Annual Report.

Proportion of Women in Leadership Positions within the Uniper Group

At the end of 2021, in accordance with the German "Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector", the Board of Management set a target for the period from July 1, 2022, through December 31, 2025, of 25% for the proportion of women in the first and second management level below the Board of Management. Thus, assuming there is no change in the total number of managers, the company aims to employ seven women at the first management level and 31 women at the second management level below the Board of Management. As in the previous year, the two targets were not achieved by December 31, 2023, and are therefore at the previous year's level, as expected. As of December 31, 2023, Uniper employed five women at the first management level (2022: six) and 25 women at the second management level (2022: 24), which is in line with the previous year, as expected.

More information on the implementation of Germany's Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector can be found in the Corporate Governance Declaration, which addresses the resulting requirements for Uniper SE as the parent company.

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

Workforce Figures

Employees[1]

	Dec. 31, 2023	Dec. 31, 2022	+/- %
European Generation	4,242	4,456	-4.8
Global Commodities	1,429	1,419	0.7
Administration/Consolidation	1,192	1,133	5.2
Total	**6,863**	**7,008**	**-2.1**

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

On December 31, 2023, the Uniper Group had 6,863 employees, 184 apprentices and 163 work-study students and interns worldwide. The workforce thus decreased by 2.1% compared with December 31, 2022.

The number of employees in the European Generation segment as of December 31, 2023, was slightly below the previous year's level. The increase in the number of employees in the Renewable Energies segment was offset by staff turnover in the Engineering segment.

The number of employees in the Global Commodities is at the previous year's level.

The employee headcount in Administration/Consolidation is noticeably higher than in the previous year. The increase in the number of employees was mainly the result of increased IT security requirements and the expansion of support functions.

At 33.6% as of December 31, 2023, the proportion of employees working outside Germany, 2,309, was slightly above the previous year's level (32.6%).

Employees by Region[1]

	Headcount		FTE	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Germany	4,554	4,721	4,413.5	4,576.5
UK	892	911	881.0	895.0
Netherlands	308	310	304.8	306.2
Russia	7	8	7.0	8.0
Sweden	966	905	953.6	894.7
Other[2]	136	153	135.3	152.3
Total	**6,863**	**7,008**	**6,695.2**	**6,832.6**

[1]Figures do not include members of the Board of Management, managing directors, apprentices, work-study students and interns.
[2]Includes Hungary, USA, United Arab Emirates and other countries.

Gender and Age Profile, Part-Time Staff

The proportion of women in the workforce as of December 31, 2023, was 26.3%, slightly higher than in the prior year (2022: 24.5%).

Proportion of Female Employees

Percentage	Dec. 31, 2023	Dec. 31, 2022
European Generation	17.5	15.9
Global Commodities	34.1	32.5
Administration/Consolidation	48.5	48.3
Uniper Group	**26.3**	**24.5**

The average age of the Uniper Group workforce was about 46 (2022: 46 years), and the average length of service was about 15 years (2022: 16 years).

Employees by Age

Percentage	Dec. 31, 2023	Dec. 31, 2022
30 and younger	10.8	9.7
31 to 50	49.4	48.7
51 and older	39.8	41.6

A total of 557 employees (2022: 583) of the Uniper Group worked on a part-time schedule at year-end. Of this total, 430 were women (77.2%; 2022: 420 women or 72.0%). The ratio of part-time employees was 8.1%, slightly below the prior year level.

Part-Time Rates

Percentage	Dec. 31, 2023	Dec. 31, 2022
European Generation	5.3	5.7
Global Commodities	11.0	11.8
Administration/Consolidation	14.8	14.1
Uniper Group	**8.1**	**8.3**

Employee turnover averaged 5.3% across the Group, a slight increase from the prior year (2022: 4.9%).

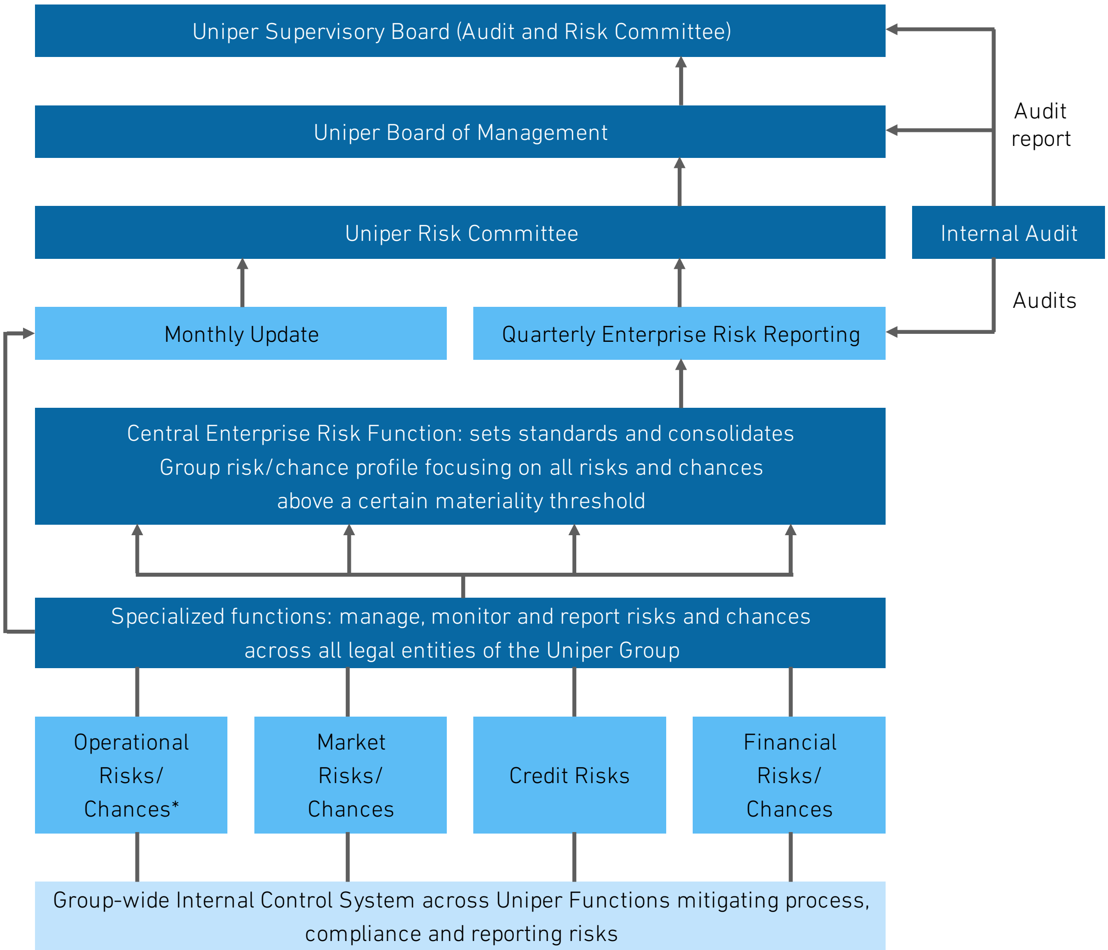
Employee Turnover Rates

Percentage	2023	2022
European Generation	4.4	4.2
Global Commodities	6.6	6.4
Administration/Consolidation	7.0	6.7
Uniper Group	**5.3**	**4.9**

Risk and Chances Report

Risk Management System

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



* incl. Legal, Political and Regulatory Risks/Chances

The aims of this system are:

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

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

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

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

The Uniper Group's risk management system was continuously developed and optimized in the 2023 financial year. Changes compared with the previous year mainly related to the further development of liquidity risk management and the optimization of the Group's risk-bearing capacity model. This had no impact on the assessment and presentation of risks and opportunities, meaning that the Group's risk position is fully comparable with the previous year.

Risk Policies

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

Risk Management Organization

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

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

Risk Management Process

Each quarter, the risk representatives of each function review the risks/chances they have identified with respect to completeness and current evaluation. Changes to the risk/chances situation are reported to the risk management function via a centralized IT tool, where they are evaluated for plausibility and subjected to quality control in cooperation with Accounting and Controlling. To manage risks, the risk managers take measures to reduce the likelihood and/or impact of potential losses. For example, hedging transactions are concluded using financial instruments or insurance policies are taken out.

Similarly, the managers responsible for chances take measures to increase their probability of occurrence and the advantages that can be gained from chances. Costs and benefits as well as the risk appetite of the Group are taken into account when choosing management instruments. The effectiveness of the measures taken gets reassessed and confirmed quarterly by the risk representatives.

Based on this quarterly process, the Risk Committee, the Board of Management, and the Audit and Risk Committee of the Supervisory Board of the Uniper Group are informed about the current risk/chance situation of the Uniper Group. Significant changes in individual risks are identified and addressed at any time, even during the quarter as part of a reporting procedure for immediate event-related reports in the risk management system. Such changes are also discussed in the monthly Risk Committee where in addition the main risks from the energy trading business are monitored. The appropriateness of the risk early recognition system according to legal requirements is audited annually by the external auditor of the Uniper Group.

Risk and Chances Management by Category

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

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

Compliance, sustainability, and climate-related risks and chances are identified, assessed, and steered like any other risk/chance. Due to the variety of possible triggering events, these risks and chances are not summarized into a separate risk category but manifest themselves across the below described risk and chance categories. For example, risks from possible climate related litigations are recorded in the legal risks category and possible climate-related unplanned unavailability of Uniper's assets in the asset operations risks category. Chances from rising CO_2 prices are recorded in the commodity price chances category.

Financial Risks and Chances

The Uniper Group is exposed to a financial risk/chance from margining requirements resulting from commodity trades on exchanges and under bilateral margining agreements. The size and direction of margin calls depends on the exposure of the Uniper Group in the trading channels subject to margining as well as the market price development. Another financial risk results from a potential downgrade of the Uniper SE long-term credit rating. This would trigger counterparties' rights to demand additional collateral which would need to be provided through liquid assets or bank guarantees (contingent collateral risk). The amount of additional collateral depends on the value of claims against Uniper and thus market price developments. Both liquidity risks are measured, monitored and managed against separate limits. Limit breaches are escalated and managed in line with internal requirements.

Besides this there are tax-related financial risks/chances for example in connection with possible effects on current or deferred taxes arising from current or future tax audits, changes in legislation, and the decisions by the various tax courts. Additional effects can result from the further development of national and international law through enactments and decrees of the respective tax authorities, as well as other financial management measures.. Conversely, changes in legislation or the decisions by the various tax courts may have a positive effect on the current or deferred tax liability. In order to reduce risks in this area, Uniper closely monitors the development of tax legislation and legal decisions.

Credit Risks

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

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

As part of centralized credit risk management, the credit rating of business partners is systematically assessed and monitored on the basis of Group-wide minimum standards. If creditworthiness is inadequate, collateral is demanded (e.g. bank guarantees, guarantees from the parent company, letters of awareness, etc.). To further reduce the credit risk from physical as well as financial transactions, these transactions are concluded through exchanges or bilaterally, generally on the basis of standard contracts, where an offset (netting) of all current transactions can, in principle, be agreed. In addition, bilateral margining agreements are concluded with selected business partners.

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

Market Risks and Chances

Commodity Price Risks and Chances

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

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

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

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

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

The Uniper Group companies are responsible for managing their FX risks/chances from commodity trading, goods and services provided and received, as well as investment activities.

Uniper SE assumes responsibility for overall coordination of hedging activities by the companies and hedges the Group's net financial position per currency also making use of derivatives. Derivative financial instruments (mainly forward transactions) are used in the foreign exchange area exclusively to hedge existing foreign exchange risks, but not for proprietary trading.

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

Due to the significant change in the commodity price environment, Uniper's net financial position has improved significantly over the course of the year from a net borrowing to a net investment. Uniper assumes that it will remain in an investment position in 2024 in case of unchanged market conditions. Due to strong price fluctuations, the liquidity situation can change significantly, as was the case in 2022 in particular, which is why a sufficient credit line remains important. Uniper therefore continues to utilize the option of issuing flexible commercial paper, covered by a revolving credit facility of €1.7 billion and a revolving credit facility of €11.5 billion from the state-owned KfW Bank in order to have sufficient access to short-term liquidity. In case of higher/lower interest rates the Uniper Group's financing costs will also increase/decrease. Higher/lower market interest rates and the associated higher/lower discount factors would reduce/increase the value of pension provisions and provisions for asset retirement obligations.

Interest rate risks are managed centrally by Uniper Group's Finance department.

Market Environment Risks and Chances

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

Moreover, the Uniper Group is exposed to different volume risks/chances such as production volume risks/chances from meteorological or from hydrological fluctuations in its hydro power fleet.

Operational Risks and Chances

Asset Operation Risks and Chances

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

To limit these risks, facilities are regularly inspected and maintained using a risk-based approach and the strategic stockpiling of important spare parts is also taken into account in these considerations. In addition, production processes and technologies are constantly being upgraded and optimized and staff trained accordingly. For losses that nevertheless occur, appropriate crisis-prevention measures and emergency plans have been set up and insurance coverage has been secured where economically appropriate.

Asset Project Risks and Chances

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

People and Process Risks and Chances

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

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

Information Technology (IT) Risks and Chances

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

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

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

Uniper also focuses on the safe handling of personal data to avoid any breach of data-protection-relevant processes. Processes and relevant documentation related to personal data have been documented in a data protection management tool based on a best practice approach. Additional technical and organizational measures were implemented and assessed from a data protection point of view in alignment with Information Security, to avoid misuse of personal data or unauthorized access from outside.

Uniper has developed and initiated the implementation of data deletion concepts. Misuse or inadvertent dissemination of confidential data by an employee could lead to the disclosure of commercial secrets or violate data protection policies and laws, resulting in fines for the whole Uniper Group.

Legal Risks and Chances

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

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

Political and Regulatory Risks and Chances

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

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

Risk and Chances Situation of the Uniper Group

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

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

Assessment Approach for Individual Risks and Chances

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

Aggregation Approach for Risk/Chances Categories

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

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

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

Assessment Classes

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

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

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

Risk and Chances Profile in the Worst-Case Scenario

The following table provides an overview of the risk and chances profile for the Uniper Group in the worst-case scenario as of December 31, 2023,compared to the risk and chances profile as per December 31, 2022. The table refers to the potential average impact on planned earnings (i.e. the currently planned adjusted EBITDA and/or net income) in each year of the three-year medium-term planning time horizon of the Uniper Group and considers only quantified earnings-effective risks and chances.

Potential Average Impact on Earnings (Worst Case)

		Potential average impact on earnings in the worst case (99%)	
Category	**Subcategory**	**Dec. 31, 2023**	**Dec. 31, 2022**
Financial Risks/Chances		Moderate	Moderate
Credit Risks		Significant	Major
Market Risks/Chances	Commodity Price Risks/Chances	Major	Major
	Foreign Currency and Interest Rates Risks/Chances	Major	Major
	Market Environment Risks/Chances	Significant	Significant
Operational Risks/Chances	Asset Operation Risks/Chances	Significant	Major
	Asset Project Risks/Chances	Moderate	Moderate
	People and Process Risks/Chances	Significant	Significant
	Information Technology (IT) Risks/Chances	Significant	Major
	Legal Risks/Chances	Significant	Significant
	Political and Regulatory Risks/Chances	Significant	Major

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

- The credit risk the Uniper Group is exposed to decreased in 2023 due to the expiration of positions and lower commodity prices.
- The significant drop in commodity prices in 2023 and the successful conclusion of business interruption insurance for Uniper's plants for 2024 have led to an overall reduction in the potential worst-case effects in the category of risks from the operation of technical facilities.
- Due to the significantly lower commodity price level, the risk of loss from the possible unavailability of Uniper's IT has decreased significantly compared to the previous year in the Information Technology (IT) risks category.
- The improvement in the worst-case scenario in the political and regulatory risks category is mainly due to the hedging of the Gazprom positions in 2023, which is why the risk of additional costs from gas supply cuts has been eliminated.

Risk and Chances Profile in the Best-Case Scenario

The following table provides an overview of the risk and chances profile for the Uniper Group in the best-case scenario as of December 31, 2023, compared to the risk and chances profile as per December 31, 2022. The table refers to the potential average impact on planned earnings (i.e. the currently planned adjusted EBITDA and/or net income) in each year of the three-year medium-term planning time horizon of the Uniper Group and considers only quantified earnings-effective risks and chances.

Potential Average Impact on Earnings (Best Case)

Category	Subcategory	Potential average impact on earnings in the best case (1%) Dec. 31, 2023	Dec. 31, 2022
Financial Risks/Chances		Moderate	Moderate
Credit Risks		– none –	– none –
Market Risks/Chances	Commodity Price Risks/Chances	Major	Major
	Foreign Currency and Interest Rates Risks/Chances	Major	Major
	Market Environment Risks/Chances	Significant	– none –
Operational Risks/Chances	Asset Operation Risks/Chances	– none –	– none –
	Asset Project Risks/Chances	– none –	– none –
	People and Process Risks/Chances	– none –	– none –
	Information Technology (IT) Risks/Chances	– none –	– none –
	Legal Risks/Chances	Major	Major
	Political and Regulatory Risks/Chances	Low	Major

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

- The significant improvement in the category market environment chances compared to the previous year is largely driven by the first time quantification of a major individual chance from ongoing arbitration proceedings in relation to a long-term gas supply contract of Uniper.
- The significant deterioration in the best case in the political and regulatory opportunities category is mainly due to the fact that the potential opportunities of the previously open positions from the non-delivery of Gazprom were realized through hedging.

Major Individual Risks/Chances

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

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Market environment risks/ chances	**Earnings and liquidity**	**quantitative**
Risks and chances from the renegotiation of long-term gas supply contracts	Long-term gas supply contracts generally include the possibility for the customer and the supplier to adapt contractual terms to changed market conditions. On the one hand this entails the major individual risk for Uniper that suppliers will seek conditions that are detrimental to the Company. On the other hand, it can be a major individual chance as renegotiated conditions may be beneficial for Uniper. In order to limit the risk and realize the associated chance, intensive negotiations are conducted by the most experienced employees who have access to the entire expertise of the Uniper Group and, if necessary, even beyond. In addition to this Uniper currently has a major individual chance from an ongoing dispute in one of its long-term gas supply contracts.		
	Legal risks/chances	**Earnings and liquidity**	**quantitative**
Risk/chances from ongoing litigations	Uniper is a company operating internationally in various areas of the energy industry, which results in activities with external business partners and customers in different countries. Regarding these activities, a major individual risk and a major individual chance result from a different interpretation of contractual conditions with one of Uniper's business partners. Furthermore, there is a major individual chance from a potential successful outcome of an application to set aside an arbitral award.		
	Legal risks/chances	**Earnings and liquidity**	**quantitative**
Nord Stream 2: Loan recovery chance	In the first quarter of 2022, Uniper has recorded a full impairment on the book value of its loans as well as the accrued interest towards Nord Stream 2 AG. A legal analysis is ongoing to see if it is possible to recover parts or all of the loans provided which would represent a major individual chance for the Uniper Group.		
	Political and regulatory risks/chances	**Earnings and liquidity**	**qualitative**
Sanctions risk	Due to the ongoing Russian war against Ukraine and political tensions between the Western countries and Russia, sanctions regime remains dynamic in the year 2023. Due to their unpredictable nature, sanctions present a major individual risk for the Uniper Group. The Group's global trading business is the main source of potential sanctions risk in view of the volatile legal and regulatory landscape. Numeous sanctions and export/import bans or restrictions have been imposed by multiple jurisdictions including the EU, the UK, and the US, which have impacted several sectors including finance, energy, transport, defense, raw materials and goods, technology, services and trade, among others. The Uniper Group continues to act fully in line with applicable sanction laws and to consult with relevant stakeholders and to actively monitor the situation, including the increasing political tensions between Western countries and Russia, and takes all required actions to ensure compliance with prevailing rules.		

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

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Interest rate risks/chances	**Earnings**	**quantitative**
Interest Rate risk/chance	Potential gains and losses from increases or decreases of interest rates used for discounting long-term provisions like pensions and asset retirement obligations are a major chance/risk for the Uniper Group.		
	Financial risks/chances	**Liquidity**	**quantitative**
Margining risk/chance	The Uniper Group regularly concludes transactions on exchanges or – with selected counterparties – over the counter under bilateral margining agreements. These trading channels require collaterals such as cash or guarantees (margins) to be provided to secure counterparty credit risk and will be returned after delivery. The size and direction of potential margin calls are dependent on the exposure of the Uniper Group in the trading channels subject to margining as well as market price developments. During 2023 the margining requirements from Uniper's hedges shrank and the risk for further margin calls has reduced due to expiring positions and lower commodity prices. However, due to the still elevated commodity price and volatility levels the worst-/best-case impact of this risk/chance still exposes the Uniper Group to a major liquidity risk or chance from margining. The margining-related liquidity risk is measured, monitored, and managed against a given limit considering the availability of liquid funds in the Group. Limit breaches are escalated and managed in line with internal requirements.		
	Financial risks/chances	**Liquidity**	**quantitative**
Rating Downgrade risk	The Uniper Group is exposed to a liquidity risk which is contingent on a downgrade of its long-term credit rating. A potential downgrade from the current BBB- investment grade rating to below investment grade would trigger counterparties' right to demand additional collateral which would need to be provided via liquid assets or bank guarantees (contingent collateral risk). Compared to the previous year the potential worst-case impact of the risk has decreased further due to lower commodity prices and the expiry of positions, but continues to qualify as a major individual risk. The risk is measured, monitored, and managed against a given limit. Limit breaches are escalated and managed in line with internal regulations. During the year 2023, Uniper's long-term credit rating improved. On June 19, 2023, S&P affirmed the rating at BBB- and revised the outlook from negative to stable. S&P thus acknowledged that Uniper will not incur any further losses related to Russian gas curtailments due to the conclusion of forward contracts to hedge supply obligations towards municipal utilities and industrial customers. In addition, S&P stated that it expects Uniper's financial recovery to accelerate in 2023 and 2024 and that the rebuilding of Uniper's financial strength will be accompanied by a reduction in government support. The rating remained unchanged when S&P published a bulletin in response to Uniper's strategy publication on August 2, 2023. While stating that some key considerations that may trigger a change in Uniper's rating construction in the future remain open, S&P acknowledged that the strategic plan improved the visibility on Uniper's longer-term business and investment prospects and that it believes Uniper to be on track to a steady financial recovery. Uniper continues to be classified as a "government-related entity" by S&P. A downgrade could be triggered if S&P believed that the decline in the likelihood of the German government providing timely extraordinary support accelerated beyond their current expectations, outpacing the potential improvements in Uniper's stand-alone credit quality. Uniper continues to constantly monitor all rating-related developments and has regular exchanges with the rating agencies.		

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

Major Individual Risks and Chances

Major individual risks and chances	Subcategory	Major financial impact	Assessment
	Financial risks/chances	**Liquidity**	**quantitative**
Risks and chances of expected overcompensation by the stabilization measure	The European Commission's approval of the granting of state aid requires Uniper to repay the expected overcompensation from the stabilization measure. The amount of expected overcompensation may fluctuate due to future IFRS results, which generally have an impact on liquidity, but also due to non-cash effects on IFRS equity (e.g., recognition or reversal of impairment losses). For the Group's liquidity, this results in a major individual risk at the reporting date in the worst case and a major individual chance in the best case.		
	Commodity price risks/chances	**Earnings and liquidity**	**quantitative**
Commodity Price risk/chance	The Uniper Group's operating activity, in particular the physical assets, long-term procurement contracts, and sales agreements with key customers, is exposed to considerable risks and chances due to the fluctuations in the price of commodities. For Uniper, market price risks/chances arise in the following commodity areas: electricity, gas, coal, freight, oil, liquefied natural gas, as well as for emissions allowances and weather products. Despite the normalized commodity price environment paired with lowered volatilities in the course of 2023, these commodity price fluctuations nonetheless represent a major individual risk and chance for the Uniper Group. Commodity risk is monitored and managed as outlined in the chapter "Risk and Chances Management by Category."		
	Political and regulatory risks/chances	**Earnings and liquidity**	**qualitative**
Major Geopolitical Event risk	As a global acting energy company Uniper is exposed to adverse geopolitical events and associated risks. These geopolitical events such as wars, regional conflicts like in the Middle East, or terror attacks could lead to negative effects or disruptions on Uniper's business model, especially impacting sales, commodity markets, energy infrastructure, or shipping routes. As a result of current global and crisis developments, this risk is qualified as a major individual risk.		
	Asset operation risks/chances	**Earnings**	**quantitative**
Nuclear waste management cost risk	Under Swedish law, the Uniper Group is required to pay fees to the Swedish Nuclear Waste Fund ("KAF") for its Swedish nuclear operations. For each nuclear power plant operating company, the Swedish Radiation Safety Authority every third year proposes the fees for disposal of high-level radioactive waste and for decommissioning on the basis of the amount of electricity produced or on a time basis, taking into account nuclear-specific inflation rates and risk premiums. The Uniper Group is exposed to the risk of increasing fees to the Nuclear Waste Fund which qualifies as a major individual risk.		

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

Assessment of Overall Risk and Chances Situation

The assessment of the Uniper Group's overall risk situation is based on its risk-bearing capacity concept. This concept defines the carrying amount of the Uniper Group's equity and available liquidity as of the reporting date as available risk capital. To determine the utilization of the risk-bearing capacity on a quarterly basis, the potential total loss of earnings and liquidity (99% confidence interval) at Group level is compared with the available risk capital in the three-year mid-term plan horizon. The calculation of the Uniper Group's total loss is based on the risk/chance profile described above, taking into account correlations between the risk/chances categories, and is calculated as the maximum potential loss of earnings and liquidity (99% confidence interval) per year of the three-year mid-term plan time horizon.

In addition to the risk-bearing capacity analysis, Uniper Group has analyzed the impact of the key changes in the risk and chances profile described above on the Group as of December 31, 2023. On this basis, the overall risk and chance situation of the Uniper Group has improved significantly compared to the end of 2022.

Based on these analyses, the overall risk situation of the Uniper Group and Uniper SE as of the balance sheet date of December 31, 2023, is not considered to be a going concern risk. Therefore, in summary, the Board of Management of Uniper SE is of the opinion that the application of the going concern principle is appropriate and that there are no material uncertainties related to events or conditions that, individually or in the aggregate, may cast significant doubt about Uniper's ability to continue as a going concern.

Forecast Report

Business Environment

Macroeconomic Situation

Global GDP growth is expected to remain weak in the first half of 2024, with only a slight improvement thereafter. The impact of the tightening of monetary policy since the beginning of 2022 is becoming increasingly visible, with forward-looking real interest rates continuing to rise in many economies and slowing growth in domestic demand. Fiscal policy is also expected to remain slightly restrictive in most countries, especially in 2024, when the policy measures adopted to reduce the rise in energy prices expire. The labor market remains stable, with a low unemployment rate projected for most economies. Real wages are expected to recover as inflation eases. The Organisation for Economic Cooperation and Development (OECD) expects global growth to slow from 2.9% this year to 2.7% in 2024, the lowest annual growth since the global financial crisis, apart from the first year of the Covid-19 pandemic.

In the absence of further major increases in food and energy prices, projected inflation rates (headline and core inflation, excluding food and energy) should return to levels consistent with central bank targets by the end of 2025 in most major economies. Compared to 2022, headline inflation has fallen earlier and faster than core inflation due to the sharp decline in energy prices until mid-2023. Assuming that energy prices remain stable until the end of 2024, core inflation and headline inflation are expected to fall at similar rates from the end of 2024.

Energy Markets

The energy markets will continue to be largely dependent on geopolitical risks and economic growth in 2024. In the second half of 2024, the presidential election in the US could trigger uncertainty on the markets. India and China are particularly important for global economic growth as a whole. For their part, both countries play a key role on the demand side for important energy commodities such as oil, coal and natural gas. While energy security was the main focus for Germany and Europe in 2023, in 2024 it will be political and geopolitical uncertainties that could influence energy prices.

Asian markets have already absorbed the bulk of Russian oil exports as well as rising Iranian exports but will have to prepare for increasing volumes of crude oil from the Atlantic Basin (USA, Brazil, Guyana). This continued increase in production and the slowdown in overall demand growth will complicate the efforts of the major producers to defend their market share and maintain high oil prices. However, the most important factor for the oil price will be the behavior of OPEC+ in 2024. A continuation of the additional production cuts agreed for the first quarter of 2024 over the entire year would support the oil price. However, significant deviations from these production cuts could lead to sharp price distortions, both upwards and downwards.

Gas price trends and Chinese coal imports will continue to be the most important factors influencing European coal prices in 2024. In the meantime, the dynamics of the coal market have almost returned to the level of 2021, when the coal market was globally balanced and only regional bottlenecks occasionally led to price peaks. The difference today, however, lies in the changed global trade flows: Russian coal is still needed on the international market, but can only be exported to Asia. In view of these hurdles, it is expected that next winter, if there are cold snaps or particularly high demand in Asia, there will be a greater shift to the more abundant, cheaper Russian coal. In Europe, on the other hand, possible cold snaps or, for example, large volumes of demand required at particularly short notice due to gas restocking could induce greater demand for coal.

However, the occurrence of risks, particularly of geopolitical nature, could again lead to a shortage of gas and LNG supplies. These include, for example, attacks that have already taken place against ships passing through the Red Sea, as well as possible explosions of pipelines currently in use. In addition, the transit contract between Gazprom and Naftogaz will expire at the end of 2024, which will also call into question the volume and price of Russian gas supplies through Ukraine. The declining European gas production and simultaneous competition for scarce LNG supplies could also affect the supply situation on the European gas markets.

As expected, the legislative process for the emissions trading reform was completed on schedule in spring 2023 with publication in the Official Journal of the European Union at pan-European level. The associated legal anchoring of a rapid shortage of primary supply should have a price-supporting effect, particularly in the medium to long term. However, the early auctioning as part of the "RepowerEU" program and a decrease in transfers to the market stability reserve will significantly increase the primary supply of certificates in 2024 compared to 2023, and thus exert pressure on price trends, at least temporarily. The decisive factor will continue to be the development of emissions. The main influencing factors here are likely to be the weather, the development of the coal-gas price differential and further economic developments. The postponement of the deadline for the submission of certificates from April 30 to September 30 could stretch the demand to cover emissions in the 2023 calendar year over a longer period and thus reduce the average monthly demand, which could also have a price-dampening effect.

One of the key factors for the power market in 2024 will be the development of demand. The current low demand or the downward trend in demand in recent months is partly influenced by high energy prices for industrial companies and private households. The question therefore arises as to whether a lower price level can stimulate economic activity. Potential new demand segments for energy such as e-mobility, heat pumps and hydrogen electrolysis can also support the demand for power in principle. On the generation side, there are uncertainties regarding the final decommissioning of reserve power plants. The current regulation for Germany stipulates that around 1.9 GW of lignite reserves must be decommissioned by March 31, 2024. Hard-coal-fired power plants that have already been registered for decommissioning must be held in reserve following a decision by the Federal Network Agency. However, the German government is considering extending these reserves by a further year. This is intended to ensure security of supply on the one hand and reduce gas consumption in the electricity sector on the other.

The Nordic countries are starting 2024 with an HPR (Hydro Power Resources) deficit. Uniper expects that the increase in consumption in 2024 will be higher than the additional wind generation. In January 2024, the new "Viking Link" power line will increase the interconnection capacity between the western Danish grid region "DK1" and the United Kingdom by 1.4 GW. However, the transportation of power from the northern areas to the south will remain a problem due to bottlenecks in connection capacity. The large price differences between the individual regions are expected to persist.

Following the consolidation of power prices in 2023, the question remains as to what extent a recovery in power demand will take place in the UK and thus support power prices. As described in the previous section, 2024 begins with the commissioning of the new "Viking Link" power line, which connects the UK with Denmark and thus increases exchange capacities with neighboring countries, making a positive contribution to the security of the UK's energy supply. The final decommissioning of the last Ratcliffe coal-fired power plant operated by Uniper in the United Kingdom is planned for the end of September 2024, while the expansion of renewable energies continues. The commissioning of the first 1.2 GW part of the Dogger Bank offshore wind project in fall 2024 is expected to contribute to low power prices. The development of UKA emissions allowances will also be decisive for the price trend. If the discount to the European EU ETS certificates decreases, this is likely to increase the costs of British gas-fired power plants compared to neighboring countries and therefore tend to lead to higher prices and increased imports to the UK. Another important factor will be the availability of French nuclear power plants. An increase in operating times compared to previous years is assumed here, which could lead to a better overall supply situation and thus lower prices.

Forecasting Methods

Uniper continuously reviews its outlook for its earnings and financial situation for the current fiscal year. The Company publishes a forecast for the key performance indicators adjusted net income and adjusted EBITDA from the 2024 fiscal year. Adjusted EBITDA replaces adjusted EBIT, which was used as a key financial performance indicator until the end of the 2023 fiscal year. As a result, adjusted EBIT is no longer forecast.

Operating Segments from Fiscal Year 2024 Onwards

From the 2024 fiscal year, the following segments will be reported individually in accordance with IFRS 8 and in line with the Group's future management by the Board of Management of Uniper SE as the responsible corporate body:

Green Generation

The Green Generation segment comprises emission-free electricity generation plants operated by the Uniper Group in Europe. In addition to hydroelectric power plants (both run-of-river power plants and pumped storage plants), these generation plants also include nuclear power plants in Sweden as well as wind and solar power plants. Renewable energies are expected to play a crucial role in climate-neutral electricity generation in the future. To achieve this goal, Uniper will invest in the development, construction and operation of wind and solar power plants. Most of the energy generated in the "Green Generation" segment will be sold to the "Greener Commodities" segment, which will ensure the marketing and sale of the energy to key customers via the trading markets and its own sales structure. Some of the energy generated will be sold directly to customers via long-term electricity supply contracts.

Flexible Generation

The "Flexible Generation" business segment comprises the power and heat generation plants that the Uniper Group operates in Europe in order to flexibly meet the requirements of grid operators to ensure grid stability and security of supply if emission-free generation plants do not have sufficient capacity. Gas-fired power plants, combined gas and steam power plants and, if necessary, coal and oil-fired power plants serve to make an important contribution to security of supply in Uniper's core markets. In addition to their commercial operation, these power plants also perform this function under various regulatory frameworks, for example via the German Grid Reserve Ordinance, as special grid equipment or as part of auctions on the UK capacity market. Both existing gas-fired power plants and combined gas and steam power plants that will remain in the portfolio for the long term and new builds will also increasingly be able to use hydrogen as an alternative fuel. Most of the energy generated is sold to the Greener Commodities segment. Some of the energy generated is also sold directly to customers via long-term electricity and heat supply contracts. The use of battery storage solutions will be further expanded in this segment in the future. In addition to the power plant business, this segment also includes the provision of energy services.

Greener Commodities

The Greener Commodities segment bundles the energy trading and optimization activities and forms the commercial interface between the Uniper Group and the global trading markets and the major customers. Uniper manages a gas portfolio that is optimized and sells natural gas to distributors (e.g., municipal utilities), large industrial customers and power plant operators or sells it on international energy markets on the basis of long-term supply contracts with domestic and foreign suppliers, through LNG imports and through short-term purchases on the gas market.

In addition, this segment includes gas storage operations as a key business area, as well as a number of other infrastructure investments, e.g. in the LNG business. In the future, the Greener Commodities segment will also increasingly import, trade and in some cases process or store green molecules in its own plants, such as hydrogen, biomethane and ammonia. This segment will be responsible for procuring the fuels required for conventional electricity generation (mainly gas and coal), trading CO_2 certificates, marketing the electricity generated and optimizing the entire energy portfolio by managing the use of power plants. In addition, Uniper is also developing a portfolio of solar and wind power purchase agreements and trading in green certificates for the supply of green energy.

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

The forecast for the 2024 fiscal year is influenced mainly by developments in the energy industry and energy policy as well as price trends on the European commodity markets, which continue to be marked by a certain degree of volatility, although no longer at the extraordinarily high level of previous years. The extraordinary earnings contributions seen in 2023 cannot be repeated in 2024 due to the changed market environment. Nevertheless, Uniper expects a good result for 2024.

Against this backdrop, Uniper expects the Uniper Group's adjusted EBITDA for 2024 to be significantly below the prior year (2023: €7,164 million for information purposes), in the range of €1,500-2,000 million.

For the operating segments, this means in particular:

Uniper expects adjusted EBITDA in the Green Generation segment to be significantly above prior year in 2024 (2023: €476 million for information purposes). The increase is expected in the Nuclear Generation segment in particular and is due to both price and volume factors. In addition, there will be no negative one-off effects from 2023.

Uniper expects adjusted EBITDA in the Flexible Generation segment to be significantly below prior year in 2024 (2023: €2,414 million for information purposes). It is not possible to repeat the very successful hedging transactions from 2023 at the same level, which is the main reason for the expected decline.

For the Greener Commodities segment, Uniper expects adjusted EBITDA in 2024 to be significantly lower than in the prior year (2023: €4,243 million for information purposes), primarily due to non-repeatable, extraordinarily high earnings amounts from the gas business in 2023.

For adjusted net income, Uniper expects a significant decrease compared to the 2023 fiscal year (€4,432 million), in the range of €700-1,100 million. The operating developments (see forecast for adjusted EBITDA) are partially offset by lower tax liabilities.

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

Planned Financing Initiatives

The Uniper Group plans to finance net investment spending projected for 2024 from the operating cash flow it expects to generate in 2024, available liquid funds, and potential additional financing measures. The same applies to the financing of temporary working capital or margining requirements. On the one hand, Uniper will use its existing financing instruments described in the chapter "Financing Instruments" of the combined management report. Alternatively, Uniper may use various operating measures to generate liquidity. In addition, refinancings or adjustments within the spectrum of available financing instruments are possible in 2024, considering Uniper's future liquidity demand. In particular Uniper is targeting a refinancing of its syndicated bank financing with a current volume of €1,700 million in the form of a revolving credit facility in 2024 as well as a stepwise reduction of the volume of the KfW credit facility.

For the 2024 fiscal year, Uniper SE reports no maturities of financial liabilities towards private banks (2023: €700 million).

Forecast Non-Financial Performance Indicators

Direct Carbon Emissions (Scope 1)

The direct CO_2 emissions (Scope 1) in 2024 are expected to be significantly below the prior-year level. Coal-fired power generation is expected to be lower than in 2023 due to less favorable market conditions compared to the previous year and plant closures in Germany and the UK as part of Uniper's coal phase out.

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

HSSE & Sustainability Improvement Plan

The focus of the 2024 HSSE & Sustainability Improvement Plan will be on driving the evolution of HSSE & Sustainability culture within Uniper. As in 2023, the Improvement Plan commits the Uniper leadership to foster HSSE & Sustainability awareness through "Care Moments", which are discussions with employees on experiences and topics within all HSSE & Sustainability areas.

The preparatory work to successfully launch the HSSE & Sustainability Improvement Plan 2024 has already been initiated, which is why Uniper expects to be 100%-compliant with the HSSE & Sustainability Improvement Plan in 2024.

Proportion of Women in Leadership Positions

Detailed information on the target for the proportion of women in the first and second management levels in the Uniper Group until December 31, 2025, is provided on page 56 in the Combined Management Report; the forecast period for 2024 is also provided here. For the forecast period until December 31, 2023, page 95 in the Combined Management Report presents the target figures for the proportion of women at Uniper SE as the parent company on the Supervisory Board, the Board of Management and the two management levels.

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

General Principles of the Accounting Process

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

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

Accounting Process

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

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

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

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

Internal Control System

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

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

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

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

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

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

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

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

Composition of Capital Stock

The capital stock amounts to €416,475,332.00 (prior year: €14,160,161,306.70) and consists of 416,475,332 (prior year: 8,329,506,651) no-par-value shares (shares without nominal amount). The shares are registered shares. Each share of stock has the same rights and one vote at a Shareholders Meeting.

Restrictions on Voting Rights or the Transfer of Shares

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

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

Direct or Indirect Shareholdings Exceeding 10% of Voting Rights

UBG Uniper Beteiligungsholding GmbH, with its registered office in Berlin (Charlottenburg Local Court HRB 248168 B), has held a total stake of 99.12% in Uniper SE since December 22, 2022, following the implementation of the capital increase and the partial utilization of the Authorized Capital 2022.

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

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

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

Resolutions of the Shareholders Meeting are adopted with the majority of valid votes cast, unless otherwise stipulated by mandatory law or the Articles of Association. Unless another type of majority is stipulated by mandatory legal provisions, amendments to the Articles of Association require a majority of two-thirds of the votes cast or, if at least one-half of the capital stock is represented, a simple majority of votes cast.

This does not apply for changing the purpose of the Company, for a resolution according to Article 8 (6) of the SE Regulation and for other cases requiring a higher majority of capital.

The Supervisory Board is authorized to decide by resolution on amendments to the Articles of Association that affect only their wording and, in particular, is authorized to revise the wording of the Articles of Association upon utilization of authorized or contingent capital.

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

Authorized Capital

Pursuant to section 3 paragraph 5 of the Articles of Association of Uniper SE, the Board of Management is authorized, subject to the Supervisory Board's consent, to increase the Company's capital stock until May 18, 2026, by up to €145,112,289 through the issue on one or more occasions of up to 85,360,170 new no-par-value registered shares against cash and/or non-cash contributions (Authorized Capital 2021).

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

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

Convertible Bonds and Warrant-Linked Bonds

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

The bonds may also be issued by an affiliate of the Company against cash and/or non-cash contributions. Here, too, the Board of Management may, with the Supervisory Board's consent, exclude the subscription right to which shareholders are entitled in principle. In connection with these convertible bonds and warrant-linked bonds, conditional capital was created by shareholder resolution.

Pursuant thereto, the capital stock is conditionally increased by up to €145,112,289 through the issue of up to 85,360,170 no-par-value registered shares for the purpose of granting shares upon exercise of rights and obligations of conversion or purchase.

Purchase of Treasury Shares

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

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

Offsetting Clause

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

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

Some material contracts for the financing of the Company provide for a right of termination for the lending parties in the event of a change of control. The right of termination is partly subject to further conditions.

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

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

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

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

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

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

Pursuant to section 161 AktG, the Board of Management and the Supervisory Board of Uniper SE declare that since the last declaration of compliance was issued in January 2023 and updated in March 2023, Uniper SE ("the company") has complied and will comply with the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on April 28, 2022 ("GCGC"), as published by the German Federal Ministry of Justice and Consumer Protection in the official part of the Federal Gazette on June 27, 2022, with the following deviations:

1. According to recommendation B.3, the first-time appointment of Board of Management members shall be for a period of not more than three years.

   In deviation from this, the CEO Mr. Michael Lewis was appointed on March 24, 2023 (with an amendment as of May 19, 2023) with effect from June 1, 2023, for a period of five years. In the view of the Supervisory Board, an initial appointment of five years is in the best interest of the Company with regard to the qualifications and experience of Michael Lewis and the stabilization and implementation of long-term strategic decisions and objectives of the Company.

2. According to section G, variable renumeration components and elements should be taken into account in the remuneration of the Board of Management from various perspectives (see in particular recommendations G.1, G.6-G.11 of the GCGC).

   The framework agreement between Uniper SE and the Federal Republic of Germany dated December 19, 2022, contains significant restrictions with regard to the renumeration of the Board of Management in line with the statutory obligations under the Energy Security Act (cf. Section 29 (1a) EnSiG) and, in particular, excludes variable renumeration.

Düsseldorf, January 2024

The Supervisory Board | The Board of Management

This Declaration is continuously available to the public on the Company’s Internet site at https://www.uniper.energy/investors/corporate-governance/statement-compliance.

Relevant Information about Management Practices

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

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

The Company's Board of Management and Supervisory Board subscribe to the goals of the GCGC, which seeks to promote responsible, transparent corporate governance and controls aimed at enhancing enterprise value in the long term.

The compensation report for the last fiscal year and the auditor's report pursuant to Section 162 AktG, the applicable compensation system pursuant to Section 87a (1) and (2) sentence 1 AktG and the most recent compensation resolution pursuant to Section 113 (3) AktG can be found on our website (https://www.uniper.energy/investors/corporate-governance/compensation).

Integrity
Uniper's business activities are grounded in integrity and respect for the law. They are based on the Uniper Code of Conduct, in the last updated version in 2023, approved by resolution of the Board of Management. The Code requires that all employees in all of the Group companies comply with all laws and regulations and with Company policies. The Board of Management and line managers serve as role models and must act accordingly. The Code sets out principles for dealings with business partners, third parties and government institutions, particularly with regard to laws on combating corruption, money laundering and the financing of terrorism, on compliance with international economic sanctions and with antitrust law, the granting and accepting of benefits, the handling of donations and sponsoring, the involvement of intermediaries, and the selection of suppliers and service providers, as well as the avoidance of conflicts of interest (e.g. non-competition clause, sideline activities, financial interests). Other rules relate, among other things, to the observance of human rights, the promotion of diversity, equality and inclusion, the guarantee of a safe, secure and healthy working environment, the handling of information and of the Company's property and resources. In accordance with the Supplier Code of Conduct, which is an integral part of all contracts with suppliers, the main principles of conduct set out in the Code of Conduct also apply to Uniper's (upstream) suppliers. The rules governing the compliance organization ensure that reported breaches of the Code of Conduct are clarified, assessed, remedied and sanctioned by the respective compliance officers responsible and the Chief Compliance Officer of the Uniper Group. All employees can report violations of the Code of Conduct, anonymously if they wish, via the existing whistleblower system. The whistleblower system is equally available to all third parties (such as customers and suppliers) who have a business relationship with Uniper.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Board of Management

The Board of Management consists of:

- Michael Lewis, the Chairman of the Board of Management and Chief Executive Officer (CEO), since June 1, 2023;
- Dr. Jutta A. Dönges, the Chief Financial Officer (CFO), since March 1, 2023;
- Holger Kreetz, the Chief Operating Officer (COO) responsible for operations, since March 1, 2023;
- Dr. Carsten Poppinga, the Chief Commercial Officer (CCO) responsible for commercial activities, since August 1, 2023.

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

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

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

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

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

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

If a Board of Management member holds a conflict of interest, such member shall disclose that conflict to the Supervisory Board and inform the other members of the Board of Management thereof.

Supervisory Board
The Supervisory Board consists of 12 members. Six members are elected by the Annual General Meeting, and six members are elected by the employees in accordance with the election procedures established in the agreement on employee participation in Uniper SE. UBG Uniper Beteiligungsholding GmbH with its registered office in Berlin (or its legal successor or the German federal entity or another person designated by the Federal Republic of Germany pursuant to section 29 (6) EnSiG that holds the shares in the company at the relevant time) is granted the right to appoint two Supervisory Board members until the stabilization measures are completed. The right of delegation is regulated in Uniper SE's articles of association. A corresponding amendment to the Articles of Association was resolved at the 2023 Annual General Meeting.

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

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

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

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

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

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

Definition of Targets

Basis

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

Independence and Conflicts of Interests

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

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

Availability

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

Age Limit

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

Diversity

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

Gender Diversity

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

Detailed Profile of Skills and Expertise

Specific Leadership Experience

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

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

Specific Energy Industry Expertise
In addition, the Supervisory Board as a whole should have particular expertise in the energy industry and Uniper's business operations.

For this purpose, at least some members should have specific experience that allows them to deeply understand the business models and the major business areas (markets and competition, products and customers) along the value chain and to assess them, particularly from a strategic and risk perspective.

Preferably, at least some members should have specific experience from related or other industries to provide for an external view on the matters of the Company.

Specific expertise in the energy industry and business operations also includes, in particular, knowledge about the key markets in which Uniper operates. Here at least some of the members should have specific experience which allows them also to understand the development of such markets.

Due to the international orientation of the Uniper Group having its focuses in Western and Northern Europe, at least some members should have specific experience in these regions.

Furthermore, knowledge in the area of sustainability and climate protection, including the relevant regulatory framework, is essential for a special understanding of the energy industry. Therefore, at least several members should have relevant experience that enables them to assess the resulting consequences for Uniper's strategy and business areas and to recognize and evaluate the resulting risks and chances.

General Professional Expertise
Each member of the Supervisory Board should have general knowledge about the industry, the different business models, the accounting and the key factors for the Company's results, the legal framework and compliance requirements, except for reasonable exceptions. In case of a reasonable exception, the member should be in a position to gain such general knowledge in the near term.

Moreover, each member of the Supervisory Board should have the ability to make a general plausibility check of the annual financial statements of the Company and in individual cases with the support of the auditor to conduct an appropriate deeper review thereof. Each member should be in the position to review the reporting by the Board of Management at least for its general soundness, to scrutinize and discuss it. Furthermore, each member should be able to assess the correctness, the profitability and the lawfulness of the business decisions to be passed, to review them at least for their general soundness, to scrutinize and discuss them, as and where required to be supported by expert advice.

In view of Uniper's international orientation, the Supervisory Board should include a sufficient number of members who have spent a significant part of their professional career abroad.

General Personal Expertise
Each member of the Supervisory Board should have a level of personal independence and integrity that permits them to fulfill the tasks of supervising and reviewing. To advise and supervise the Board of Management in its management responsibilities each member of the Supervisory Board should have sufficient experience from leadership functions or should have gained the required expertise otherwise. Each member of the Supervisory Board should be particularly professional, discreet, open to discussion, solution-oriented and have the ability to work cooperatively.

In addition, each member should be prepared to devote sufficient attention to the tasks arising from the Supervisory Board's activities, including work in the committees, and to pursue the relevant topics outside of the specific Supervisory Board's activities. Each member should have the flexibility to be available at short notice in the event they are urgently needed and to appropriately prioritize the requirements of the Uniper Supervisory Board.

Chairman of the Supervisory Board
The Chairman of the Supervisory Board should directly fulfill key elements of the special competencies which are required of the Supervisory Board as a whole and thus only of some members. In particular, the Chairman of the Supervisory Board should have special relevant management experience and should, in principle, have relevant management experience of his or her own in order to be able to fully carry out his or her advisory and supervisory tasks.

If the Chairman of the Supervisory Board does not possess specific expertise in the energy industry, the Chairman should have specific experience from related or other industries. The Chairman of the Supervisory Board should, without exception and to a particular extent, meet the general professional and personal requirements.

In its current composition, the Supervisory Board meets the targets of this competency profile. The qualification matrix below indicates the status of the implementation of the competency profile.

Qualification matrix

Shareholder representatives		**Thomas Blades**	**Prof. Dr. Ines Zenke**	**Prof. Dr. Werner Brinker**	**Judith Buss**	**Dr. Gerhard Holtmeier**	**Dr. Marcus Schenck**
Length of membership	Member since	12.2022	12.2022	04.2020	05.2021	03.2023	12.2022
Personal suitability	Independence[1]	X	X	X	X	X	X
	No overboarding[1]	X	X	X	X	X	X
Diversity	Date of birth	17.09.1956	02.05.1971	30.03.1952	31.07.1968	23.02.1963	31.10.1965
	Gender	m	f	m	f	m	m
	Nationality	GER/UK	GER	GER	GER	GER	GER
International experience	Europe	X	X	X	X	X	X
	North/South/ Latin America	X			X		X
	Asia	X					X
Professional suitability	Management experience	X	X	X	X	X	X
	Expertise in the energy business	X	X	X	X	X	X
	Technology	X	X	X		X	
	Sustainability	X	X	X	X	X	X
	Transformation	X	X	X	X	X	X
	Purchasing/Production/Sales/R&D	X	X	X	X	X	
	Basic financial knowledge	X	X	X	X	X	X
	Financial expert[2]			X	X	X	X
	Risk management	X	X		X	X	X
	Legal/Compliance	X	X	X	X	X	X
	Human Resources	X	X	X	X	X	X
	Cross-sector knowledge	X	X	X	X	X	X

X = criterion met, based on self-assessment by the Supervisory Board. An X means at least "good knowledge" and therefore the ability to understand the relevant issues well and make sound decisions on the basis of existing qualifications, knowledge, and experience gained in the course of Supervisory Board activities (e.g. many years of service on the Audit and Risk Committee) or on the basis of training measures regularly attended by all Supervisory Board members.

[1]Within the meaning of Recommendations C.4 and C.6 GCGC.

[2]Within the meaning of section 100 (5) AktG and Recommendations D.3 GCGC.

Qualification matrix

Employee representatives		Harald Seegatz	Holger Grzella	Diana Kirschner	Victoria Kulambi	Magnus Notini	Immo Schlepper
Length of membership	Member since	04.2016	05.2022	05.2022	05.2021	05.2022	06.2017
Diversity	Date of birth	06.02.1969	06.08.1970	11.11.1977	01.05.1983	14.07.1964	21.09.1960
	Gender	m	m	f	f	m	m
	Nationality	GER	GER	GER	UK	SWE	GER
International experience							
Professional suitability	Management experience	X	X	X			X
	Expertise in the energy business	X	X	X			X
	Technology	X	X		X	X	
	Sustainability	X		X	X	X	X
	Transformation	X	X	X	X	X	X
	Purchasing/Production/Sales/R&D	X	X		X	X	
	Basic financial knowledge		X	X			X
	Financial expert[1]						
	Risk management		X	X	X		X
	Legal/Compliance	X	X	X			X
	Human Resources	X	X	X	X	X	X
	Cross-sector knowledge					X	X

X = criterion met, based on self-assessment by the Supervisory Board. An X means at least “good knowledge” and therefore the ability to understand the relevant issues well and make sound decisions on the basis of existing qualifications, knowledge, and experience gained in the course of Supervisory Board activities (e.g. many years of service on the Audit and Risk Committee) or on the basis of training measures regularly attended by all Supervisory Board members.

[1]Within the meaning of section 100 (5) AktG and Recommendations D.3 GCGC.

Each Supervisory Board member is required to disclose to the Supervisory Board any conflicts of interest, particularly if a conflict arises from their advising, or exercising a board function with, customers, suppliers, creditors or other third parties. In its report to the Shareholders Meeting, the Supervisory Board informs shareholders about conflicts of interest and their disposition.

Material conflicts of interest that are not merely temporary shall result in the termination of a member’s appointment to the Supervisory Board.

The Supervisory Board regularly reviews, generally every two years, how effectively the Supervisory Board as a whole and its committees fulfill their duties (efficiency review). This self-assessment was carried out in January/February 2022. The members of the Supervisory Board were given a questionnaire to assess the efficiency of the work of the Supervisory Board and its committees and to formulate proposals for improving it. The results were used to develop specific measures to improve the work of the Supervisory Board, which are being implemented on an ongoing basis. As scheduled, a new self-assessment questionnaire was provided in January 2024. The results will be evaluated by the Supervisory Board at the end of February.

The Supervisory Board regularly adopts its resolutions in Board meetings. The Board of Management regularly participates in these meetings unless the Supervisory Board decides to exclude the Board of Management from a meeting. Third parties may also participate in Supervisory Board meetings for consultation on individual matters. The Supervisory Board can generally adopt resolutions by simple majority vote. In the event of a tied vote, the Chairman shall have the casting vote.

The Supervisory Board may form committees from among its ranks and transfer decision-making authority to these committees to the extent permitted by law. The Supervisory Board stipulates the committees’ responsibilities, powers and procedures. The Supervisory Board has established the following committees, which are tasked with the responsibilities described below:

Executive Committee
The Executive Committee (Präsidialausschuss) coordinates the work of the Supervisory Board, prepares the Supervisory Board meetings and is also responsible for personnel matters relating to the Board of Management. It is also charged with preparing resolutions on the appointment of Board of Management members and negotiating the terms and conditions of their employment agreements, including compensation. The Executive Committee submits proposals for the compensation system to the full Supervisory Board on setting the total compensation to be granted to the individual members of the Board of Management. The Executive Committee's tasks also include, among others: (i) granting consent to requests by Board of Management members to take on other positions or other material secondary employment or exempting them from non-compete obligations; (ii) granting loans to members of the Board of Management and of the Supervisory Board and their dependents; and (iii) granting consent to transactions between the Company and its affiliates, on the one hand, and any Board of Management member or a related party, on the other.

The Executive Committee consists of six members: Thomas Blades (Chairman), Harald Seegatz (Deputy Chairman), Holger Grzella, Dr. Marcus Schenck, Immo Schlepper and Prof. Dr. Ines Zenke.

Audit and Risk Committee
The Audit and Risk Committee (Prüfungs- und Risikoausschuss) assists the Supervisory Board with its responsibilities in monitoring accounting processes and financial reporting. These include in particular monitoring the accounting process, the effectiveness of the internal control system, the risk management system and the internal auditing system, as well as the audit of the financial statements, in particular the selection and independence of the auditor, the quality of the audit, the issuing of the audit mandate to the auditor, the determination of focal points of the audit and the fee agreement, as well as the additional services provided by the auditor. In addition, the Audit and Risk Committee deals with compliance issues. Another task of the Audit and Risk Committee is to review the non-financial report.

The Audit and Risk Committee consists of four members: Judith Buss (Committee Chairwoman), Diana Kirschner (Deputy Chairwoman), Dr. Gerhard Holtmeier and Immo Schlepper.

Under the German Corporate Governance Code, at least one member of the Audit Committee must have expertise in the area of accounting and at least one other member of the Audit Committee must have expertise in the area of auditing. The expertise in the area of accounting should consist of specialized knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the area of auditing should consist of specialized knowledge and experience in the auditing of financial statements; accounting and auditing also include sustainability reporting and its audit.

The Audit and Risk Committee includes at least two members with expertise in the areas of accounting and auditing, namely the Chairwoman Judith Buss and Dr. Gerhard Holtmeier.

In her professional career, Judith Buss has held senior positions in finance for many years, most recently as Chief Financial Officer of the global E.ON Climate & Renewables Group, Essen, and she therefore has specialized knowledge and experience in the application of accounting and auditing principles as well as internal control and risk management systems, including sustainability reporting. Judith Buss is also independent.

Dr. Gerhard Holtmeier has been Chairman of the Board of Management of Dortmunder Energie- und Wasserversorgung GmbH (DEW21) since October 2022. At DEW21, he is responsible for the sales department, which includes energy trading, sales, the commercial area and corporate development. His previous professional activities, which include more than 14 years of responsibility at Management Board level, mean that he also has the necessary knowledge in the areas of accounting and auditing, including sustainability reporting.

Nomination Committee
The Nomination Committee (Nominierungsausschuss) is responsible for preparing the decisions of the Supervisory Board regarding proposals to the Shareholders Meeting on the appointment of shareholder representatives to the Supervisory Board.

The Nomination Committee consists of three members: Thomas Blades (Committee Chairman), Dr. Marcus Schenck and Prof. Dr. Ines Zenke.

Sustainability Committee
The Sustainability Committee (Nachhaltigkeitsausschuss) supports the Supervisory Board in its task of monitoring the effectiveness of Uniper SE's ESG policies and procedures and Uniper's strategic sustainability measures, taking into account the expectations of the various stakeholders. This includes monitoring and reviewing Uniper SE's performance in relation to the sustainability targets and indicators and submitting proposals to the Supervisory Board on material ESG issues and preparing corresponding resolutions. The committee supports the Audit and Risk Committee in its tasks with regard to the non-financial content.

The Sustainability Committee consists of four members: Prof. Dr. Werner Brinker (Committee Chairman), Magnus Notini (Deputy Chairman), Dr. Gerhard Holtmeier und Victoria Kulambi.

Personnel Changes in the Board of Management and Supervisory Board
Prof. Dr. Klaus-Dieter Maubach (Chief Executive Officer (CEO)), David Bryson (Chief Operating Officer (COO)) and Tiina Tuomela (Chief Financial Officer (CFO)) respectively departed from the Board of Management of Uniper SE effective at the end of February 2023.

On January 20, 2023, and February 10, 2023, the Supervisory Board of Uniper SE appointed Dr. Jutta A. Dönges and Holger Kreetz to the Board of Management of Uniper SE as CFO and COO, respectively, effective March 1, 2023. Dr. Jutta A. Dönges, who had been a member of Uniper SE's Supervisory Board since December 2022, resigned from the Supervisory Board of Uniper SE effective at the end of February 2023. Holger Kreetz had been Head of the Asset Management division at Uniper until then.

At an extraordinary meeting on March 24, 2023, the Supervisory Board of Uniper SE resolved to appoint Michael Lewis as CEO of Uniper SE. The formal appointment of Michael Lewis as CEO was made by the Supervisory Board of Uniper SE on May 3, 2023, and became effective on June 1, 2023.

In addition, the Supervisory Board of Uniper SE already appointed Dr. Carsten Poppinga to the Board of Management of Uniper SE on May 15, 2023, effective August 1, 2023. Dr. Carsten Poppinga succeeded Niek den Hollander, who, as announced, departed from the Board of Management on July 31, 2023, as CCO.

Dr. Gerhard Holtmeier, who had been managing director of UBG Uniper Beteiligungsholding GmbH since December 2022, joined the Supervisory Board of Uniper SE as a new member effective March 21, 2023. Dr. Gerhard Holtmeier was nominated by the Federal Ministry of Finance and UBG to succeed Dr. Jutta A. Dönges on the Supervisory Board. The Düsseldorf District Court had appointed Dr. Holtmeier and additional shareholder representatives as members of the Supervisory Board. Shareholders then formally elected the initially court-appointed shareholder representatives to the Supervisory Board at the Annual General Meeting on May 24, 2023.

Shareholders and Annual General Meeting

The Annual General Meeting is the meeting at which shareholders of Uniper SE exercise their rights. The Annual General Meeting is held at the site of the Company's registered office or in another German city with at least 100,000 inhabitants. The SE Regulation provides that the General Meeting must be held at least once every calendar year within the first six months after the close of a given fiscal year. It is normally convened by the Board of Management. Each share has one vote at a General Meeting. Only those shareholders are entitled to participate in the General Meeting and to exercise their voting rights who have registered in due time and are recorded in the shareholder register for the shares being registered. Voting rights can be exercised through proxies. Due to a decision by the Board of Management based on the authorization contained in the articles of association, the Annual General Meeting in May 2023 and the Extraordinary General Meeting in December 2023 were held as purely virtual general meetings.

The General Meeting resolves on the following, in particular: appointment of shareholder representatives to the Supervisory Board; appropriation of net retained profits; ratification of the actions of the Board of Management and Supervisory Board members; appointment of the independent auditor; amendments to the Articles of Association; corporate actions involving capital increases or reductions (in the absence of authorization such as that conferred by authorized or conditional capital); and dissolution of the Company.

Statutory Auditor

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, was elected as auditor of Uniper SE by the Annual General Meeting on May 24, 2023. The audit mandate will run until the next Annual General Meeting in May 2024. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, has been active as auditor of the financial statements of Uniper SE without interruption since the Company fulfilled its requirements as a public interest entity within the meaning of Section 319a (1) sentence 1 of the German Commercial Code (HGB) for the first time in the 2016 fiscal year. The auditor responsible for the audit has been Aissata Touré since 2023.

Targets for Promoting the Participation of Women and Men in Leadership Positions Pursuant to Section 76 (4) and Section 111 (5) of the German Stock Corporation Act, and an Indication of Whether the Minimum Proportions Have Been Complied with in the Appointment of Women and Men to the Supervisory Board

The Law on "Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector" also imposes upon the Uniper Group and Uniper SE as the parent company the obligation to set targets for the proportion of women on its Supervisory Board and its Board of Management and to set targets in the two levels of management below the Board of Management.

As of December 31, 2023, the target figure for the Supervisory Board of Uniper SE had been exceeded, as in the previous year. Uniper appointed a woman to the Board of Management in February 2023 and thus complies with the requirements of the Second Management Positions Act (FüPoG II). The target figure for the Board of Management of Uniper SE has therefore also been met as of December 31, 2023, as in the previous year.

For the two management levels below the Board of Management for Uniper SE, targets of 30% for the first management level and of 30% for the second management level were set for the proportion of women for the period from July 1, 2022, to December 31, 2023. The target for the first management level has not been reached as of December 31, 2023. The reason for this is that it will take time for the measures initiated and intensified in recent years to develop internal female candidates and to attract more female applicants, including a variety of measures to enhance the Company's image, to have a significant effect. In addition, Uniper honors employment contracts that have not been terminated and a position at the first management level must first be vacated before it can be filled by a woman. The target for the second management level was exceeded as of December 31, 2023.

Separate Non-Financial Group Report 2023

Introduction

Uniper SE prepares and publishes a Separate Non-Financial Group Report (NFR) in accordance with Section 315c in conjunction with Sections 289c to 289e of the German Commercial Code and the Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (EU Taxonomy Regulation).

The standards of the Global Reporting Initiative (GRI) were used as a framework for conducting the materiality analysis as well as for defining the management approaches within this report.

Key non-financial performance indicators and other information relevant for management purposes are disclosed in the “Non-Financial Performance Indicators” chapter of the Combined Management Report. They are supplemented in the Separate Non-Financial Group Report 2023 by other non-financial performance indicators. In the financial year 2022, PAO Unipro was classified as discontinued operations and then deconsolidated effective December 31, 2022. The disclosed GHG emissions and TRIF figures for 2022 are shown with and without PAO Unipro. Information on Uniper’s new gas-fired power plant, Irsching 6, is included in all indicators from 2023. The new combined heat and power (CHP) plant at Uniper’s Scholven site is also included in all indicators from 2023, except for asset availability.

Uniper complies with the reporting obligations resulting from the EU Taxonomy Regulation. The Taxonomy chapter can be found further below in this Separate Non-Financial Group Report. Furthermore, Uniper has implemented the voluntary disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD sections of this report can be found in the "Environmental Matters" chapter, as well as in the "Uniper Sustainability Governance" section below.

Uniper’s business model is described in detail in the “Corporate Profile” chapter of the Combined Management Report. Additional information, including key figures that refer to the GRI standards, will be made available on Uniper’s website (www.uniper.energy).

Material Non-Financial Aspects and Issues

The Separate Non-Financial Group Report includes information on the five mandatory aspects defined in Sections 289c and 315c of the German Commercial Code. The table below outlines the sections of the report where information on the five aspects can be found.

Aspects defined in Sections §§ 289c and 315c of the German Commercial Code	Section in Report
Environmental Matters	• Climate change, GHG emissions and TCFD Reporting • Environment Management • Emissions to air land and water • Innovation and digitalisation
Social Matters	• Secure and affordable energy supply
Employee Matters	• Health, safety and wellbeing • Diversity, equity and inclusion • Fair and attractive employer
Human Rights	• Human rights • Sustainability Policies • Environmental, Social, and Governance Risk Management
Anti-corruption and anti-bribery	• Sustainability Policies • Business ethics and compliance • Anti-corruption and anti-bribery

By law, aspects of Uniper's business model are material for the report if they potentially have a significant impact on Uniper and third parties and if they are relevant for understanding the Group's current and future development. Uniper's materiality assessment defines Company-specific issues and aligns them with the five mandatory reporting aspects. The materiality assessment adopted a two-dimensional approach that considered the environmental and social aspects of Uniper's business as well as stakeholders' expectations of the Company.

The first dimension of the materiality assessment, business impact, involved an in-depth study to assess the impact of a number of economic, environmental, and social issues on Uniper and the impact of Uniper's business activities on the issues. The issues were evaluated in relation to their significance from the standpoint of the law, the public interest, Uniper's competitors, as well as environmental, social, and governance (ESG) ratings. Correlations between the issues and the UN Sustainable Development Goals (SDGs) were also examined. An update of the business impact study was performed in 2023 to take into account relevant developments.

The second dimension of the materiality assessment, stakeholder expectations, considered the view of Uniper's internal and external stakeholders. In 2023, stakeholder expectations were compiled by means of surveys in which participants were asked to rate the importance of Uniper's material issues. Participants included Uniper employees and management, and representatives from the main external stakeholder groups, such as non-governmental organizations (NGOs), customers, and investors.

Uniper classifies the issues that are of high importance in both dimensions as material. The following list provides an overview of the 2023 material topics:

- Climate change and greenhouse gas emissions
- Emissions to air, land and water
- Innovation and digitalization
- Secure and affordable energy supply
- Health, safety and wellbeing
- Diversity, equity and inclusion
- Fair and attractive employer
- Human rights
- Business ethics and compliance

The nine material topics mentioned above are each addressed in this report in terms of Uniper's management approach, the progress it achieved in the reporting period, and, where appropriate, exceptions to its definition of materiality.

Uniper Sustainability Governance

At Uniper, a two-tier corporate governance structure is in place and is described in more detail in the Combined Management Report within the "Corporate Governance Declaration" section. The following section exclusively focuses on Uniper's Governance structure with respect to the management and oversight of sustainability. TCFD and climate-related governance aspects are reported in this chapter, in accordance with the TCFD disclosure requirements.

Roles and Responsibilities of Governance Bodies

The Uniper Board of Management

All members of the Uniper SE Board of Management bear the overall responsibility for the adoption and implementation of the Group-wide sustainability strategy and measures. Via Board meetings and Uniper Performance Dialogues (UPDs), the Board of Management tracks the implementation of sustainability measures and strategy. UPDs are held on a regular basis for the Board and senior leaders to help steer different business lines along both financial and non-financial dimensions. Uniper's Chief Sustainability Officer (CSO) reports periodically to the Supervisory Board on strategic ESG activities, such as identified ESG-related risks and opportunities, the status of related mitigation measures, and an evaluation of the resilience of Uniper's strategy to climate-related risks. Training for the Board of Management on sustainability matters, such as the materiality analysis, ESG risk management and sustainability reporting, ensure that each board member has the relevant expertise.

The Board of Management has assigned the Health, Safety, Security, and Environment (HSSE) & Sustainability function the responsibility to define Group-wide ESG targets and key performance indicators (KPIs). The performance is reported via the UPDs. The HSSE & Sustainability function also has responsibility for the ESG Risk Management process as outlined in the "ESG Risk Management" section.

The HSSE & Sustainability function also engaged with the Group Works Council through the Consultative Council, a cross-functional committee that met biannually until the end of 2023. The work of the Consultative Council will be taken over by the Sustainability Council starting 2024. The Economic Committee of the Group Works Council is regularly informed both about the Separate Non-Financial Group Report and about current topics in the area of HSSE & Sustainability.

The Uniper Supervisory Board

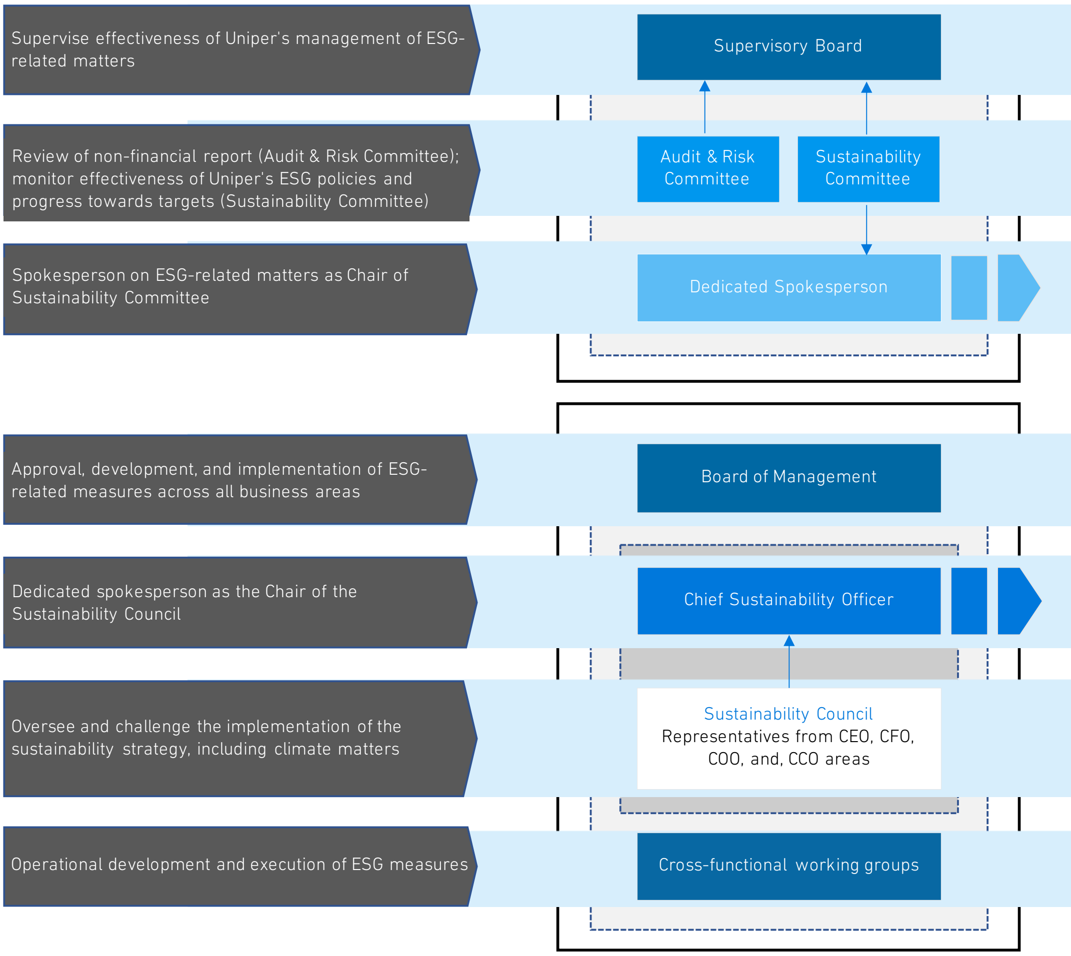
As the highest control body, the Uniper Supervisory Board oversees the Group's strategy definition and implementation, including the fulfillment of its sustainability obligations and decarbonization strategy. All members of the Supervisory Board are jointly responsible and actively involved in sustainability topics in the Supervisory Board work. This is also reflected in Uniper's competency profile for Supervisory Board members, which covers relevant expertise on sustainability and climate-related matters. Within the Supervisory Board, an independent shareholder representative serves as the spokesperson on this subject. The Supervisory Board is informed by the Board of Management at least biannually on ESG matters. Additionally, relevant training for the Supervisory Board members has been conducted since 2023. The Supervisory Board is supported by the Audit and Risk Committee which, among other things, reviews the Annual Report, including the Separate Non-Financial Group Report.

Within the Supervisory Board, the Sustainability Committee, with members representing employees and shareholders, has a duty to monitor the effectiveness of Uniper's ESG-related policies and procedures and the sustainability strategic plan (SSP) in light of stakeholders' expectations and emerging ESG regulatory requirements. The committee also monitors and reviews Uniper's progress towards its sustainability targets and related challenges. Through regular meetings with information deep dives on relevant sustainability topics as well as updates on critical non-financial indicators, the committee can monitor Uniper's sustainability management and performance. The Sustainability Committee supports the Audit and Risk Committee in their task of reviewing the Separate Non-Financial Group Report and its audit results.

Sustainability Council

The Uniper's Sustainability Council is a cross-functional body that meets every two months to oversee, steer, and challenge the implementation of Uniper's sustainability strategy and governance framework. The Council is formed by delegated leadership members representing all areas of the Uniper Board of Management. Chaired by the CSO, the council acts as an advisory body on strategic ESG matters and decisions for the Uniper Board of Management.

The overview below summarizes the roles and responsibilities of the above-mentioned governance bodies on the management of ESG-related matters.



Sustainability Strategy

The core of Uniper's corporate strategy announced in August 2023, is to facilitate decarbonisation and accelerate the transition to a low-carbon economy while ensuring security of supply. The sustainability strategy aims to ensure that Uniper undertakes this transformation in a responsible manner from an ESG perspective. The Sustainability Strategic Plan (SSP) has been developed to support the Group's corporate strategy and define improvement targets for its ESG performance.

The SSP groups the material issues derived from the materiality assessment into three categories: Planet, People and Society, and Responsible Governance. These categories provide the framework for specific commitments, action plans, and annual progress reviews in alignment with selected UN Sustainable Development Goals (SDGs). An overview of the current SSP, which is aligned with the revised 2023 materiality assessment, is provided below. The SSP targets are built around a set of long-term commitments that reflect core elements of Uniper's corporate culture and business strategy.

The SSP is Uniper's main tool for defining and managing appropriate ESG risk-mitigation and impact-remediation measures for each material issue during a specific timeframe. The SSP aims to adopt new processes, such as systematic qualitative analysis of the scope, scale, and remediability of the Group's ESG impacts. It also seeks to not only mitigate impacts, but, where relevant, take proactive steps and seize opportunities to have a positive impact on ESG issues. The HSSE & Sustainability function tracks progress toward achieving the SSP targets and reports on it quarterly for the Board of Management and senior managers via Uniper Performance Dialogs (UPDs). Uniper discloses its progress on at least an annual basis in external reports.

Alongside the new decarbonisation targets announced in the revised corporate strategy, Uniper progressed on updating its SSP commitments in 2023, setting a target of 100% engagement with relevant high-risk suppliers each year through to 2025. More information on this target can be found in the ESG

Risk Management section of this report. Uniper will further refine its SSP approach in 2024, to align it with the new EU Corporate Sustainability Reporting Directive (CSRD) and the strategic pillars of the new corporate strategy. The SSP will be revised in 2024 to consider new targets, commitments and KPIs, for topics such as decarbonisation, biodiversity, NGO engagement, "just transition" (see information in the table below), and innovation.

Uniper Sustainability Strategic Plan (SSP)

ESG impact area and relevant SDGs[8]	Material issues	Uniper's commitments	Uniper's targets
7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND	**• Climate change & GHG emissions** **• Emissions to air, land, and water** **• Water use and optimization** **• Energy efficiency** **• Circular economy and waste** **• Biodiversity**	• Contribute to climate change mitigation and adaptation while providing a secure supply of steadily cleaner energy by evolving Uniper's businesses and value chains toward net-zero together with key stakeholders. • Minimise Uniper's impact on the environment as a whole as we move along Uniper's pathway to neutrality. • Manage water in a more sustainable way by improving understanding of Uniper's impacts and dependencies • Work with suppliers, contractors, and customers to improve resource efficiency and support life-cycle approaches. • Support a transition toward circular economy, including minimising waste production, maximising reuse, and recycling. • Enhance the biodiversity of Uniper's operations and new developments.	• Carbon neutral (Scope 1, 2 and 3), in line with the goals of the Paris Agreement, by 2040 at the latest.[1 2] • Carbon-neutral (Scope 1 and 2) by 2035 at the latest[1 2] • Reduction of CO2 emissions by at least 55% by 2030 (base year 2019).[1 2 3] • Reduction of Scope 3 indirect emissions by 35% by 2035 at the latest (base year 2021).[3] • During 2023-24, implementation of Leak detection and Repair (LDAR) campaign across Uniper operations to reduce methane emissions. • Have no severe environmental incidents. • Maintain certification of 100% of Uniper's operational assets to ISO 14001. • During 2023, develop a global biodiversity target aligned with Uniper's decarbonisation strategy including a local biodiversity action plan process for existing assets & a process to evaluate biodiversity impacts in investment decisions.[7]
5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	**• Human rights** **• Corporate Citizenship** **• Secure and affordable energy supply** **• Fair and attractive employer** **• Health, safety, and wellbeing** **• Diversity, equity, and inclusion** **• Just transition**	• Screen Uniper's operations and suppliers for ESG risks, including human rights risks, and collaborate with stakeholders • Respect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors; promote the same standards in Uniper's joint ventures and partnerships. • Systematically enhance diversity, equity, and inclusion to create the best possible environment for all employees and to achieve equal opportunity and more balanced representation • Commit to a just transition of Uniper's operations and sites through effective dialogue and stakeholder engagement to support Uniper's people and communities affected by transition; to develop sustainable economic strategies for Uniper's sites and to foster diverse, inclusive, and decent work. • Have no tolerance for discrimination.	• Achieve a Group-wide combined TRIF threshold of 1.0 or below by 2025.[4] • Become actively involved in up to 3 multistakeholder associations by 2023 that support ESG due diligence along the supply chain for Uniper's energy commodities.[7] • Increase the share of women in leadership positions to 25% by 2025 and to 30% by 2030.[5]

[1]Including divestments, technical solutions and offsetting as a final option

[2]Market-based Scope 2 emissions

[3]Baseline excludes emissions from Unipro

[4]Total recordable incident frequency (TRIF) measures the number of incidents per million hours of work.

[5]Leadership positions refer to managerial positions 2 levels below the Board of Management (L1-L2); the target applies separately to L1 and L2.

Uniper Sustainability Strategic Plan (SSP)

ESG impact area and relevant SDGs[8]	Material issues	Uniper's commitments	Uniper's targets
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	• Corporate governance • Shared value creation • Stakeholder engagement • Business ethics and compliance • Customer rights and customer satisfaction • Innovation and digitalization	• Minimize the impact on communities affected by Uniper's operations. • Engage in dialogues with stakeholders to ensure transparency, learn and improve by sharing perspectives with critical stakeholders and civil society organizations, and seek cooperation opportunities • Further strengthen Uniper's compliance culture and protect Uniper's business from corruption risks • Foster effective, accountable, and transparent institutions at all levels. • Focus the innovation portfolio on low carbon commodities and solutions contributing	• At the corporate level, engage in trust building dialogues and cooperative discussions with up to 5 NGOs / year by 2023. • Engagement with 100% of relevant high risk suppliers by 2025.[6]

[6]Within the scope of the Know-Your-Counterparty Business Policy, applied to Uniper Global Commodities, Procurement and Energy Services, based on Supplier ESG Due Diligence process and in alignment with the Just Transition guidelines from the Internation Labour Organization (ILO) and the agreements in COP26.
[7]Biodiversity and Stakeholder Engagement were not identified as Uniper's most material topics in the 2023 Materiality Analysis, and therefore the progress on these targets are not described in this report. This information will be published in Uniper's 2023 Sustainability Report.
[8]The SDGs are information that is not part of the limited assurance engagement performed in accordance with ISAE 300 rev.

Sustainability Policies

Uniper has sound policies in place to manage its material ESG issues. These policies, which are monitored on a regular basis, stipulate how the Group addresses ESG concerns and how it coordinates the cascade effects across the organization.

The HSSE & Sustainability Policy Statement defines Uniper's ambitions and priorities in the area of HSSE and sustainability. This statement then provides the basic framework for developing the SSP and for evaluating its effectiveness.

In addition to the statement, the Uniper Code of Conduct addresses a wide range of compliance issues, such as combating corruption and protecting human rights. The Code of Conduct is a binding document for all employees and provides guidance and support for conducting business and behaving in the workplace in compliance with the law and Company rules. The code is founded on a commitment to integrity toward one another, the business, and communities. Each year, the Board of Management members and senior managers sign a written pledge to adhere to the Code of Conduct. The code is reviewed and updated periodically to ensure appropriateness and compliance with Company and regulatory requirements. Whenever possible, the Group strives to work with third parties that have comparable values and principles. It requires suppliers to sign a declaration of compliance with the Uniper Supplier Code of Conduct.

Uniper's commitments, standards, and approaches to human rights, labor, and ethical business practices are addressed in our Policy Statement on Human Rights Strategy.

Uniper has in place a Know-Your-Counterparty (KYC) Business Policy for identifying, verifying, and reporting the main compliance risks potentially posed by new counterparties before business deals are finalized. These risks include, but are not limited to, corruption, money laundering, terrorism financing, and the violation of applicable economic sanctions.

The introduction of the policy was accompanied by an e-Learning module and classroom training entitled Know Your Counterparty, Intermediaries, and Sanctions, whose purpose is to familiarize staff across the organization with the enhanced processes. The Compliance function used these processes to assess 263 new counterparties in 2023, 229 of which were approved and eight of which were rejected due to compliance risks. The remaining were either deactivated, exempt, or under assessment.

Any project or business initiative subject to Board of Management approval must consider ESG factors. The objective is to ensure that Uniper engages in good ESG governance Group-wide when assessing and approving projects and business initiatives, and that it maximizes value creation by considering their strategic fit, financial merits, risks, and ESG factors. Uniper conducts the ESG evaluation by analyzing a project's fit with Uniper's SSP and with objective ESG criteria.

Uniper's ESG evaluation uses among others the technical screening criteria of the EU Taxonomy Regulation 2020/852 and subsequent Delegated Acts, which is further outlined in the Taxonomy section of this report. Projects that are Taxonomy-eligible or Taxonomy-aligned and also contribute to, or at least do not hinder, the achievement of Uniper's sustainability targets, are assigned a lower hurdle rate to incentivize their implementation. Where necessary, Uniper's evaluation includes recommendations aimed at mitigating the ESG risks identified and to help meet the Taxonomy expectations.

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

Anti-Corruption and Anti-Bribery

Compliance is an essential part of Uniper's integrity and culture, and the Company is committed to preventing corruption in all its dimensions. Uniper has business dealings with counterparties worldwide, including those located in countries that rank low on Transparency International's Corruption Perception Index, indicating a high level of perceived corruption. Failure to fulfill the legal and regulatory requirements necessary to comply with key anti-corruption rules would likely lead to serious reputational, legal, and financial impacts on the Group.

Engaging in any type of corruption, whether with public officials or in the private sector, is a breach of the Uniper Code of Conduct. Employees are prohibited from offering, promising, or giving anything of value to gain business or to influence any action or for any other advantage. They are likewise prohibited from doing so indirectly through a spouse, partner, relative, or friend. Business relations with intermediaries such as agents, brokers, and advisors pose a higher risk of corruption and bribery. Consequently, Uniper carries out all such relations in accordance with its Business Policy Intermediary Agreements to avoid the intermediary's fee or commission being used to make illegal payments on Uniper's behalf.

All Uniper employees are regularly trained in policies and systems that help to prevent corruption. In June 2023 a new e-Learning module was rolled-out to the entire Uniper Group. The new module covered topics such as Uniper's Know-Your-Counterparty (KYC) Business Policy, anti-corruption, sanctions, anti-money laundering, and whistleblowing.

If employees become aware of suspicious activities, they shall report them directly to the Compliance function or use an (anonymous) internal and external whistleblower system that protects the rights of the whistleblower(s) and the accused. Uniper's Compliance Management System (CMS) includes quarterly compliance reports to the Uniper SE Board of Management and semi-annual reports to the Uniper SE Supervisory Board. The purpose is to monitor and improve the performance of the CMS. Four new cases of alleged corruption were reported at Uniper in 2023. Three were closed as unfounded and one was closed as founded.

Environmental, Social, and Governance Risk Management

Uniper fulfills its ESG due diligence requirements by conducting dedicated sustainability risk management, which aligns with its Enterprise Risk Management to ensure that it addresses its most significant ESG risks on a quarterly basis. Enterprise Risk Management is described in the chapter “Risk and Chances Report” of the Combined Management Report. Uniper’s ESG risk process includes assessing external as well as internal ESG risks, including climate-related risks, that could arise from its operations. In 2023, Uniper had no reportable risks pursuant to Section 289c of the German Commercial Code that would very likely result in serious negative impacts with regard to the aspects described in the Separate Non-Financial Group Report. Within the TCFD framework, Uniper has implemented further processes to identify, analyze, and mitigate climate-related risks. The TCFD section of this report provides further details.

Uniper also assesses its counterparties’ ESG risk exposure. The HSSE & Sustainability function has established a screening process to identify suppliers in scope of the KYC Business Policy with exposure to ESG risks. The process is based on the new German Act on Corporate Due Diligence Obligations in Supply Chains, the UN Guiding Principles on Business and Human Rights (2011), the OECD Guidelines on Multinational Enterprises (2011), and relevant implementing documents, which aim to embed responsible business conduct into policies and management systems. For the screening process, Uniper uses a third-party risk database and since 2022 has screened 100% of its counterparties. In 2023, Uniper set itself a new strategic target to engage with 100% of relevant high-risk suppliers, each year through to 2025, on identified risks and potential mitigation measures. Relevant high-risk suppliers are defined as those that have an ongoing, sizeable contract with Uniper of more than 12 months and have been identified via the screening process as having risks that are relevant to Uniper’s business areas. Uniper achieved the target for 2023 via consistent engagement, in the form of dialogues and visits, with two high-risk suppliers.

The ESG risk analysis identified a number of potential human rights and environment-related risks connected to certain suppliers and specific locations. Risks relating to the impact of supplier operations on ecosystems, local pollution, and communities were most commonly identified. Allegations of corporate complicity in human rights abuses, as well as employment-related issues such as poor occupational safety ranked as the second group of most common risks identified along Uniper’s supply chain. Fuel procurement and commodities trading are the areas within Uniper that are most exposed to the risks outlined above.

Uniper has in place measures to control, minimize, and mitigate the ESG risks it identifies both in ist own operations and in the supply chain. The management actions that Uniper plans and implements are incorporated into its governance structure, responsibilities, and relevant policies (see the Sustainability Policies section for more information).

In 2023 Uniper continued the Sustainability Round Tables with several international NGOs to discuss the ESG risks and impacts related to Uniper’s operational and supply chain activities such as a phase-out of coal-fired power generation, and gas exploration, production, and transport. Uniper wants to learn and improve by sharing views with civil society organizations. Uniper held discussions with NGOs with focus on human rights and environmental issues.

Uniper set a target to conduct at least five trust-building dialogues at corporate level with NGOs each year up to 2023. Uniper conducted five dialogues in 2023, whereby one was a follow-up dialog with the same NGO, and therefore the target was met.

Mitigating ESG Risks through Supplier Engagement

Uniper continues to engage with its coal suppliers on ESG aspects and is an active member of Bettercoal, a not-for-profit initiative established by a group of major European utilities committed to a more responsible coal supply chain. Uniper tracks the percentage of coal it purchases from suppliers that have been audited in accordance with the Bettercoal Code and reports on the share used in its own coal-fired power plants: in 2023, 59% of coal purchased from both direct and indirect suppliers originated from Bettercoal suppliers (2022: 42%). Uniper purchased a larger percentage of coal (74%) from direct Bettercoal suppliers in 2023, an increase from 56% in 2022. With Uniper's reduced demand for coal in 2023, Uniper prioritised purchasing coal from direct Bettercoal suppliers and was able to reduce procurement from non-Bettercoal suppliers.

Bettercoal has established voluntary country-specific working groups to enhance the monitoring of mining companies' improvement plans and to develop solutions to regional systemic issues. The Bettercoal Colombia working group continued to work on priority issues such as promoting dialogue, just transition, and water management.

As its members are increasingly phasing out coal, Bettercoal is undergoing restructuring to include other commodities. Uniper is an active participant in a taskforce set up to explore the feasibility of including gas and LNG to the new initiative.

To better understand its supply chain, as well as engage with suppliers and relevant stakeholders on ESG issues, Uniper visited two suppliers in 2023. In August 2023, Uniper visited the Koornfontein coal mine, which is operated by Uniper's supplier, Black Royalty Minerals (BRM), and located in Mpumalanga in South Africa (SA). The purpose of the visit was to understand the coal supply chain and encourage BRM to go through the Bettercoal assessment process. As of November 2023, BRM is ready to sign a "Letter of Commitment" to go through the Bettercoal assessment process. Any risks identified after the assessment process can be mitigated through the Bettercoal Continuous Improvement Plan. In addition to the due diligence process, as a result of discussions with NGOs and ongoing protests, Uniper decided to visit its LNG supplier, Woodside, in north-west Australia in October 2023. In discussions and on-site visits, Uniper was able to understand the planning and implementation of protective measures for the potential environmental impacts of the Woodside Burrup project.

Human Rights

Uniper is committed to respecting human rights across all of its business activities in accordance with the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the German Act on Corporate Due Diligence Obligations in Supply Chains, which came into force in January 2023.

Uniper strives to prevent and mitigate adverse human rights impacts that have a direct link to the Company's operations, products, or services. The core expectations of Uniper employees regarding business ethics are defined in the Uniper Code of Conduct, as described in the "Sustainability Policies" chapter. The Supplier Code of Conduct outlines Uniper's expectations for its suppliers with regard to human rights and environment-related topics. Suppliers are expected to respect and support the UN Universal Declaration of Human Rights and to ensure that they are not complicit in human rights abuses.

Respecting human rights requires a proactive approach and the commitment of the entire organization to achieve continuous improvement. This includes timely and adequate measures to remediate adverse impacts on a case-by-case basis within Uniper's operations and along the supply chain. Uniper's Human Rights Strategy is embedded into the ESG Risk Management System in order to identify, prevent, or minimize the risks of human rights violations. Uniper's approach is to address risks directly with suppliers or via multi-stakeholder initiatives, as described in more detail in the ESG Risk Management section.

Human rights risks are identified using a third-party risk database, as well as internal and external benchmarks, which provide information on the risks associated with different countries of origin, suppliers, raw materials, and goods. The tools take into account the information provided by authorities and concerned parties and independent reports of human rights violations in the relevant regions. In cases where a supplier demonstrates a continued lack of progress and no engagement, the termination or suspension of contracts may be necessary.

Appointed in 2023, Uniper's Human Rights Officer ensures the effective management of human rights and environment-related risks. The Officer reports regularly to the Uniper Board of Management, which bears the overall responsibility for Uniper's Human Rights Strategy and ESG Risk Management. In cooperation with the necessary Uniper business functions, the Human Rights Officer defines specific engagement strategies with relevant suppliers.

In March 2023 Uniper rolled out an online training program for employees to raise awareness on managing human rights and environment-related risks. The training is mandatory for employees in contact with suppliers.

Uniper has a complaints procedure in place that allows anyone who is directly affected by, as well as anyone who is aware of, potential or actual human rights risks or violations to report them to Uniper's specific whistleblowing channel (whistleblowing@uniper.energy) or the Human Rights Officer (humanrights@uniper.energy). In 2023 Uniper implemented an enhanced due diligence exercise that will be performed if Uniper receives reports of human rights-related grievances regarding its operations or suppliers. If the Human Rights Officer considers the report to be a claim related to an active supplier, the claim will be investigated together with the Legal and Compliance team.

Employee Matters

Corporate Culture and People Strategy

Uniper places significant emphasis on an open and trusting corporate culture. The "Uniper Way" serves as a guideline for employee cooperation and interaction and reflects Uniper's aspirations. Over time, the Uniper Way has developed into an integral part of the corporate culture. Its key elements are also integrated into the most important components of the HR development cycle. This includes a competency-based approach, interview guidelines and systematic feedback on employee performance, which encourages continuous self-reflection and improvement. Supported by digitalization, these aspects help to create an agile and flexible organization with more cost-efficient processes.

In 2023, a project was carried out to revise the Uniper Way in order to put values and behaviors to the test and find out how to better meet the current social, strategic, and economic demands on the Company. In collaboration with more than 300 employees and managers from all regions and divisions, the Uniper Way was adapted. Together, six values were identified that should determine how employees work together, now and in the future. These values are Trust, Collaboration, Empowerment, Performance, Focus, and Embrace Change.

Based on the new corporate and sustainability strategy, Uniper began updating its people strategy in 2023-this is expected to be completed in the first quarter of 2024. As in 2020, the aim is to assess whether the necessary skills are in place to develop new businesses and/or transform existing businesses. The key value drivers and pillars of the people strategy are derived from the corporate strategy, and the strategic people initiatives are defined. The identified key strategic objectives are then linked to key performance indicators (KPIs).

Personnel-related KPIs are reviewed and discussed in the Uniper Performance Dialogs (UPDs) on a quarterly basis. This allows the underlying processes to be managed efficiently, possible causes for non-achievement of targets can be identified and corrective measures can be initiated. Selected personnel-related performance indicators are included in the Sustainability Strategic Plan (SSP), as shown in the SSP table on page 101.

The Voice of Uniper Employee Survey

The annual "Voice of Uniper" employee survey measures employee engagement and collects feedback that can be used to measure the achievement of strategic HR goals. The 2023 survey had the highest participation rate (80%) since the survey was introduced. In addition, a new platform for measuring employee engagement was introduced in 2023. It supports continuous dialog between managers and employees and promotes a feedback culture within the Company.

The survey results show that employee satisfaction with Uniper as an employer remained high; this was reflected in the Employee Net Promoter Score that increased by 30 points in 2023 (on a scale of -100 to 100, the score increased from -10 to +20). In the survey, employees continued to show appreciation for the offer of flexible working. Among other things, this promotes performance and work-life balance, and makes the Company attractive to new employees. Employees also praised the new strategy and the Company's efforts in the area of sustainability and securing the European energy supply.

Development and workload were identified as priorities in the survey. The survey results were below-average compared to the industry benchmark, and therefore Uniper aims to take appropriate measures in 2024. Further results of the employee survey can be found in the "Health, safety, and wellbeing" section below.

Fair and Attractive Employer

Uniper's goal is to accelerate the energy transition and ensure security of supply. The Group's long-term HR policy supports this strategy by focusing on skills-oriented recruitment and employee development.

Employer attractiveness

In view of the challenging situation that Uniper has been facing since 2022, an employee turnover rate of 5.3% (see table in the chapter Non-Financial Indicators) and the increasing shortage of skilled workers, a solid team that identifies with the Company, ensures consistency and provides the necessary expertise remains key to success. Uniper recognizes that attractive working conditions contribute to employee retention. Uniper has created a modern framework that enables employees to work flexibly and achieve a work-life balance; part-time, job-sharing, and flexible models have been further developed and are supported, as are sabbaticals, parental and care leave and educational leave.

By participating in industry-specific job fairs in Germany and Sweden, Uniper was again able to approach numerous suitable candidates in 2023 and recruit them for a career at Uniper. In addition, secondary schools were visited in Germany, Sweden, and the UK in order to appeal to a younger target group.

Employer awards also help to highlight and strengthen the Uniper brand, which is becoming increasingly important in view of the growing shortage of skilled workers. They confirm to employees and applicants that they have chosen the right employer. The Swedish institute Nyckeltalsinstitutet AB once again recognized Uniper as an "Excellent Employer" in 2023 with Uniper achieving first place as "the Best Employer". The award is based on data and scientific analyses of working conditions such as health care, salary, sick leave, overtime, management structures, and career opportunities. In 2023, Uniper was also named one of the "World's Best Employers in Germany" by the United States Institute for Quality. For this assessment, more than 74,000 companies were evaluated in a meta-analysis using 55 different sources (including rating portals, career websites, press coverage) on attractiveness criteria such as sustainability or New Work.

Training and Rewarding the Workforce

Uniper is meeting the challenges of demographic change and the shortage of skilled workers with a variety of measures. The Company offers apprenticeships in various commercial and technical professions as well as internships to prepare for apprenticeships. Uniper is also maintaining its established international trainee program and increased the number of places on the annual program by 70% in 2023. More than 95% of the program's graduates have decided to stay with Uniper - a continuation of the success of recent years.

Uniper takes a combined approach to employee development, combining theoretical training with practical experience and emphasizing learning with and from colleagues. Uniper's training program is broad and includes both internal and external training. In 2023, Uniper continued its focus on developing a learning culture that promotes self-directed and agile learning in a flexible, virtual environment with different learning time needs and different types of learners. The focus was on hybrid working, safety culture, digital mindset, and mental and physical health. Legally required training is standard practice at Uniper and helps to ensure the Company's long-term business success.

In 2023, Uniper continued its cross-divisional international program #evolve for the further development of high-potential employees. As part of this program, 78 participants were once again supported in acquiring the necessary skills for topic responsibility, project, and/or team management.

Uniper offers attractive target compensation to attract and retain talented employees at all experience levels. To incentivize teamwork and the implementation of Uniper's strategy, target compensation includes a variable component.

This component reflects the Group's performance and, for some employee groups, individual performance and behaviour.

The hybrid way of working and flexible working models, as well as the benefit packages available in individual countries, help Uniper's employees to feel valued and connected to the Company. Uniper continuously reviews its benefits portfolio in order to offer its employees sustainable benefits. For example, the Company offers electric company vehicles or cash allowances instead of company vehicles with combustion engines in some countries. Uniper has also integrated ESG criteria into its pension plans in Germany (partially) and the UK. This modern pension scheme supports employee retention and helps employees lay the foundations for their future financial security and that of their dependents.

Diversity, Equity, and Inclusion

Diversity, equity and inclusion (DEI) plays an important role in enhancing competitiveness, resilience, creativity, innovation and enterprise value. Promoting these values, viewing them as opportunities and combating discrimination is a central component of the Uniper Way, the guiding principle for Uniper's corporate culture.

Management of DEI at Uniper

In 2021, the Uniper Management Board adopted a Diversity, Equity, and Inclusion (DEI) strategy for 2022-2024. The sharpened DEI strategy aims to engage the entire Company to take even greater steps to ensure that Uniper develops a work environment in which DEI is fully lived. The DEI strategy considers all dimensions of diversity. Ultimately, it will help the Company to achieve a more balanced representation of employees, establish goals such as greater availability and acceptance of part-time positions, and job sharing across all levels and genders at Uniper, and take a top position in the industry in DEI rankings.

Uniper has a zero-tolerance policy towards any form of discrimination or harassment. The Company complies with the German General Equality Act as well as corresponding anti-discrimination laws and regulations in the other countries in which it operates. This is supported by clear Company policies for dealing with potential violations and training for managers. Uniper responds promptly, consistently and respectfully to incidents of discrimination. There is a clear reporting process should an incident occur. The process for the reporting of discrimination cases was improved in 2023 with the aim to enhance transparency. Uniper has set itself the target of zero confirmed cases of discrimination, which can be clearly quantified using the new reporting approach. From 2024, this new key performance indicator will replace the previous indicator for employee inclusion.

In 2023, an extensive DEI training curriculum was implemented by external trainers, which is available to all employees. The offer not only includes various modules for managers and employees, but also specific training for interview participants and the Uniper team that investigates cases of discrimination. The number of participants that have taken part in training courses offered as part of the DEI curriculum was approximately 900 by year-end 2023.

Uniper has set itself the target of increasing the proportion of women in the first and second management level below the Management Board to 25% each by December 31, 2025. At year-end 2023, the proportion of women in the first and second management level below the Management Board was 20%. The long-term goal is to have 30% women in management positions by the end of 2030. This goal is also anchored in Uniper's corporate strategy. The Company is focusing on using more diverse selection and recruitment processes, offering flexible working time models and specific development opportunities for all female employees and developing women from its own ranks for management positions. With the introduction of a specially developed landing page Women@Uniper on the career website and the presence at the herCAREER trade fair, Uniper is also actively approaching female talent and encouraging them to consciously choose a career at Uniper through testimonials from female employees.

Developments in 2023

The survey conducted in 2022 on the topic of gender balance (a balanced representation of men and women) resulted in the implementation of various measures. In 2023, a central mentoring platform was set up to implement job sharing throughout the Company, coaching programs were offered for female managers and various external collaborations were implemented, including with the International Business Women network in Düsseldorf. To sustainably promote the internal talent pipeline, additional targets were set for the proportion of women in HR processes, e.g., in the company-wide international potential development program #evolve or as part of succession planning.

As part of the "Fair Compensation" project, Uniper 2023 conducted a certification audit to review a gender pay gap via a recognized, independent body (the Association of Compensation & Benefits Experts (ACBE)). The data basis for the analysis was made up of qualification-related employee characteristics, including work experience and seniority, job-related characteristics, including skill level and professional position, gender, and the 2023 annual base salary, including bonuses of all employees with a German employment contract. The ACBE audit experts confirmed that Uniper's pay equity in Germany is within the tolerance threshold of 5% and awarded the Company the "Fair Compensation" certificate.

Diversity Day, International Women's Day, and Pride Month were among the awareness-raising days that were celebrated and communicated at Uniper with various events throughout the Company. Uniper participated in the German Uhlala Pride Index Audit for the second time in 2023 to take stock of its current commitment and identify specific areas for improvement that can be addressed in 2023. Thanks to a 25% increase in the overall score compared to the previous year, Uniper now bears the Pride Champion seal in gold. As a sign against the discrimination and stigmatization of HIV-positive people, Uniper signed the employer declaration #positivarbeiten of the German AIDS Service Organization (Deutsche Aidshilfe) in 2023.

Further employee figures can be found in the chapter “Non-Financial Performance Indicators”.

Health, Safety, and Wellbeing

Maintaining high health and safety standards is essential for Uniper because it cares about its people. Safety is also important for the operation of Uniper’s facilities and enables it to avoid the additional cost of work stoppages and lost time that result from accidents. Uniper’s commitment to health and safety also extends to visitors and to people who live near its facilities.

Management of Health and Safety at Uniper

Uniper operates large and complex technical assets such as power plants and gas storage facilities that can create various health and safety risks for employees, contractors, and the public in general. In this environment, inadequately managed hazards and risks combined with an unsafe working culture can lead to serious accidents, resulting in injuries and fatalities.

Uniper has set up a governance structure to steer and monitor the implementation of Group-wide programs and policies designed to control and mitigate health and safety risks and to provide a safe and healthy workplace for everyone working for or with Uniper. Uniper’s HSSE & Sustainability Policy clearly emphasizes the principle to only work safely and to look after people’s health and well-being. The Company’s commitment to propel the energy transition increasingly results in engaging in innovative projects and new business areas that have a variety of health and safety risk profiles.

The Uniper Board of Management is fully committed to promoting health and safety across the organization and continually monitors the Company’s health and safety performance.

Health and safety is an ever-present topic on the agenda of senior management team meetings and regularly discussed by the Board of Management and the Supervisory Board.

The central HSSE & Sustainability function supports the organization and employees in integrating health and safety standards into their strategic and operational planning, business decisions, and daily activities. It issues guidelines and policies, conducts workshops, and coordinates the sharing of best practices. The 2023 Voice of Uniper survey continued to show high satisfaction of employees with Uniper's health support – the health offering was rated as very comprehensive.

Based on the central Group-wide HSSE & Sustainability Improvement Plan, the operating entities design their own annual improvement plans, including health and safety targets and actions. Progress toward the targets is monitored regularly. These plans help Uniper live up to its commitment to continually improve its health and safety performance. The "Non-Financial Performance Indicators" chapter of the Combined Management Report has more information on the achievements of the 2023 HSSE & Sustainability Improvement Plan.

"Beyond Zero," an initiative for the Uniper COO area, promotes a culture of continuous improvement with regard to health, safety, and lifelong learning. In 2023, a dedicated project was set up to encourage the sharing and implementation of best HSSE practice across Uniper by creating a culture of trust, care, and collaboration which is expected to contribute to the prevention of severe accidents.

All efforts to further raise health and safety standards can only be successful if contractors and their employees are closely involved. Uniper has defined its own standard for contractor management and engagement: First, Uniper systematically evaluates a contractor's HSSE performance prior to hiring and, if a contract is awarded, clearly specifies its HSSE expectations in the contract. Second, specific work arrangements are discussed before work begins, and work is monitored and inspected as it is carried out. Third, there is a formal handover and approval before any work is closed out. Finally, Uniper reviews the contractor's performance on each job and evaluates any lessons learned.

Performance Indicators 2023

The health and safety management systems of all Uniper's operating entities are certified to ISO 45001 and subject to regular internal reviews and surveillance audits by external independent auditors. At year-end 2023, Uniper had certified 100% of its operational assets to ISO 45001.

Uniper recognizes that it is important to systematically document and analyze safety incidents and near-misses to use effective communications and corrective measures to help prevent their recurrence. As of year-end 2023, the incident management system (Synergi Life) launched in 2018 remained in place at all Uniper units.

Uniper uses combined total recordable incident frequency (TRIF) as a safety metric. Combined TRIF measures the number of work-related accidents sustained both by Uniper's employees and its contractors per million hours of work. For the purposes of this indicator, work-related accidents are defined as fatalities, lost-time injuries, restricted-work injuries, and medical-treatment injuries that occur on the job. Uniper's combined TRIF for 2023 was 2.42, an increase from 2022 (2.24 excluding Russian Power Generation, 1.76 including Russian Power Generation January-September 2022). Uniper had no severe accidents in 2023. The increase in the TRIF is a result of a higher number of recordable incidents in the storage business, in the coal-fired and hydroelectric power generation fleet, and in the Asset Management division. This increase could not be offset by the significant decline in incidents in the gas turbine fleet. Uniper has set itself the goal of achieving a combined TRIF at or below 1.00 by 2025. To reduce the combined TRIF to meet the 2025 target, Uniper continues to focus on dedicated safety leadership training. The development of a concept and strategy on how to systematically share and implement good practice across Uniper also remains a priority.

Social Matters

Secure and Affordable Energy Supply

A secure and affordable energy supply is essential for the functioning of society and a competitive economy. As one of Uniper's most material topics, the Company aims to support the transformation of the energy industry by offering flexible, balanced, and bespoke forms of energy supply. For this purpose the company is adapting its own power plants and assets, and investing in flexible, secure, and zero- or low-carbon power generating units and technology.

In August 2023, Uniper commissioned Irsching 6, a new gas-fired power plant located near Ingolstadt, Germany. At the end of 2018, Uniper was awarded a contract by the system operator TenneT to build the 300 MW gas-fired power plant, which serves exclusively as a security buffer for the power supply. The plant is not available to the market but comes online at short notice in emergency situations when system security is at risk. The plant serves as "special grid-related equipment" and is dispatched by the system operator as required.

Uniper is one of Europe's largest gas and LNG merchants. In Germany, the Company supplies around 200 TWh of gas per year to municipal utilities and industrial customers. Uniper is replacing Russian gas with a diverse portfolio of pipeline gas from other suppliers, LNG (liquified natural gas), and short- to mid-term market transactions.

Industry will continue to need an uninterrupted supply of gas and therefore Uniper is growing its LNG business. In December 2022, Uniper commissioned for service the first German floating terminal for importing LNG in Wilhelmshaven and commenced regular operations as of March 2023. The LNG import terminal contributes reliably to the security of supply in Germany. In 2023, around six percent of Germany's gas demand could be met via the terminal.

Ensuring Flexible and Secure Supply of Energy

Gas storage facilities are one of the few technologies that can store large amounts of energy. Storage facilities can respond to demand spikes or import interruptions, thereby helping to ensure security of supply. As one of Europe's largest gas storage operators, Uniper offers access to nine underground gas storage facilities in Germany, Austria, and the UK, with a total capacity of about 7.4 billion m^3.

Energy storage will play a decisive role in the establishment of a decarbonized energy system, and Uniper intends to repurpose part of its natural gas storage capacity to provide large-scale hydrogen storage. Uniper's Krummhörn project aims to test the construction and operation of a 100% hydrogen storage facility under real conditions. For this purpose, the Company is using it's salt cavern storage facility in Krummhörn in northern Germany, which has not been used commercially since 2017. During the test operation, Uniper checks equipment, materials, and substances for hydrogen compatibility, and gathers experience regarding technology and operation in the storage of hydrogen. The demonstration plant is scheduled to go into operation by 2024.

In addition, Uniper is developing battery solutions. The Company has already equipped two hydropower plants in Sweden with special batteries that provide fast-frequency reserve (October 2021). During normal operations, the batteries are charged with electricity from the hydropower plant. If the grid experiences a disturbance or imbalance, the battery system eliminates frequency deviations within seconds. Uniper also plans to build a new solar and battery park in Barsebäck in Sweden.

Uniper's coal phase-out strategy, in line with relevant national legislation, is underway. As part of this, Uniper will permanently decommission the Heyden 4 hard coal-fired power plant in Petershagen near Minden on September 30, 2024. The plant has made an important contribution to the security of supply in northern and western Germany since 1987. Heyden 4 was originally due to be decommissioned in July 2021, but was brought back to the market to secure supply following the publication of the German Act on the Maintenance of Substitute Power Stations (July 2022). Uniper will not shut down Scholven C by the end of March 2024 as previously planned.

The Bundesnetzagentur (BNetzA) decided in December 2023 that the asset is needed until 2031 to keep up system stability and security of supply, and therefore must remain in the grid reserve after the end of commercial operation. Irrespective of this decision by the BNetzA, Uniper will consistently drive forward the strategic transformation of this power plant site. Also the 510 MW power plant Staudinger 5 is recognized as system relevant and will also enter into the grid reserve from April 1st 2024 onwards.

Asset Availability

One of Uniper's highest priorities is to ensure the availability of all of its assets. Uniper's key performance indicator for the availability of its power plants is average asset availability. In 2023, Uniper's gas- and coal-fired power plants had an average asset availability of 72.8% (2022: 71%). The increase in asset availability from 2022 to 2023 was largely due to a reduction in planned outages in the UK and Germany respectively.

Average Asset Availability for Conventional Power Generation by Country[1]

Percentages	2023	2022[3]
Germany[2]	73.5	69.7
Hungary	95.3	92.5
Netherlands	57.7	67.5
Sweden	91.7	93.7
United Kingdom	71.2	66.3
Total	**72.8**	**71.0**

[1]The figures shown are calculated using availability = 100% minus planned and unplanned unavailability. Uniper Group figures represent a volume-based weighted average. The calculation refers to Uniper's actual operational portfolio.
[2]Uniper's new gas-fired power plant, Irsching 6, is included in the 2023 figures.The new combined heat and power (CHP) plant at Uniper's Scholven site is not included.
[3]Full year 2022 data for Russian Power Generation (discontinued operations) cannot be reported. The H1 value can be found in Uniper's Interim Report 2022.

Environmental Matters

Uniper's awareness of its environmental impacts is strategically important because the environmental performance of its assets significantly affects its operating efficiency, market position, and reputation. Uniper is committed to complying with all applicable laws to prevent uncontrolled emissions to the air, water, and soil. Uniper commits to maintaining Best Available Techniques (BAT) compliance in its fossil fuel-fired power generation activities to ensure the highest environmental standards are consistently met; the aim is to give Uniper the lowest possible exposure to reputational and legal risks.

Uniper operates a dedicated environmental management systems (EMS) to mitigate environmental risks. By having its facilities EMS certified to ISO 14001, an internationally recognized standard for such systems, Uniper aims to manage its environmental aspects and prevent incidents that could have adverse impacts on the environment. It has therefore committed to maintaining 100% ISO 14001 certification for its operating assets. As of year-end 2023, 100% of the operating assets of Uniper's fully consolidated legal entities had retained their ISO 14001 certifications.

Uniper ensures the effective functioning of the EMS by conducting systematic checks. These include internal and external audits and a management review. The management review provides senior managers with the opportunity to review the EMS's effectiveness, monitor progress and performance, make changes as required, and ensure continuous improvement.

Alongside the EMS, Uniper conducts asset risk management, which involves evaluating and managing the risks posed by its operating assets as well as the opportunities for improving their performance. This approach enables Uniper to prevent, or reduce the risk of, environmental harm, such as leaks and spills into the environment. If, despite these systems, environmental harm occurs, Uniper has in place emergency response procedures to mitigate its impact.

Uniper investigates all severe environmental near-hits and incidents, and takes appropriate steps to prevent them from recurring. It also systematically shares knowledge about previous incidents – at Uniper and across the industry – with the aim that they are not repeated. Uniper had no severe environmental incidents in 2023. Its EMS defines "severe environmental incidents" as "the release of a substance into the soil, water, or air that would result in a long-term or irreversible change in the biological or physical environment or an extensive loss of habitats or species."

For further aspects of the governance of environmental topics, please refer to the Sustainability Governance section of this report.

Emissions to Air, Water, and Land

In addition to greenhouse gases, energy production processes can result in the release of other gases and substances. These substances include sulfur dioxide, nitrogen oxides, dust, and wastewater. Their release could impact air, water, and/or soil quality. Uniper addresses these risks by leveraging its expertise in combustion technology. Where appropriate and required, best available techniques, including appropriate abatement technologies, are used to reduce the facilities' negative impact on the environment.

Emissions to air and water are subject to strict regulatory requirements. Uniper monitors its emissions to ensure that they do not have significant impacts on human health or the environment.

By 2035, Uniper plans to be Group-wide carbon-neutral for Scope 1 and 2 CO_2e emissions. Uniper's coal exit will contribute to the achievement of this target and will significantly reduce direct carbon emissions as well as emissions of other substances, such as sulfur dioxide, nitrogen oxides and dust.

Innovation and Digitalization

Innovation and the development of new sustainable businesses play a key role in mastering Uniper's transition towards a low-carbon future while securing the energy supply. Uniper develops scalable business models in a variety of new areas, including green hydrogen, and sustainable liquid fuels. Other innovation activities focus on flexible and renewable electricity and heat supply, digital business models, and the management of CO_2 and other greenhouse gases. Uniper has invested in several projects to refine, scale up, and deploy such technologies commercially.

Digitalization can enhance the efficiency of processes and spur innovation. Uniper is convinced that digitalization is a key enabler for building the future energy system and increasing the overall resilience of its business and is strongly committed to utilizing world-class technology platforms to optimize its commercial portfolio.
Uniper is optimizing its existing and future operational assets through digitalization initiatives that enable our employees to enhance their digital skills and promote digital ways of working. For example, in 2023 Uniper introduced a new digital solution, called the Response App, that provides a step-by-step guide to managing and recording the response to an incident or emergency on-site and also allows employees to communicate real-time information to the relevant teams. The app has been tested by shift teams at Connahs Quay Power Station and is now ready to be rolled out to other Uniper sites.

Climate Change, GHG Emissions, and TCFD Reporting

Climate-Related Targets

Uniper's updated corporate strategy, announced in August 2023, focuses on accelerating the European energy transition and transforming Uniper so that the Company can achieve carbon neutrality (see definition in table below) by 2040, ten years earlier than previously planned. In terms of Scope 1 and 2 CO_2e emissions, Uniper aims to become carbon-neutral as an entire Group by 2035 at the latest. A more ambitious interim target was also set: to reduce the Scope 1 and 2 CO_2e emissions by 55%, up from 50%, by 2030 compared to 2019. For Scope 3 indirect CO_2e emissions Uniper has committed to a reduction of 35% by 2035 compared to 2021. The table below contains further details on Uniper's targets.

As outlined in the chapter "Secure and Affordable Energy Supply", the system relevance of the Uniper's Scholven B and C power plants was extended to 2031. Uniper is evaluating the impact of the extended system requirements on its decarbonization objectives and will look for solutions.

Climate-Related Targets

Target	Relevant metrics
Carbon-neutral (Scope 1, 2 and 3) by 2040 at the latest[1 3]	Scope 1, 2, and 3 greenhouse gas emissions (metric tons in millions)[2 3]
Carbon-neutral (Scope 1 and 2) by 2035 at the latest[1 3]	
35% reduction of Scope 3 emission by 2035 compared with 2021 levels[4]	
55% reduction of emissions (Scope 1 and 2) by 2030 compared with 2019 levels[1 3 4]	

[1] Including divestments, technical solutions and offsetting as a final option

[2] This includes all Scope 3 categories, with the exception of categories 8, 14–15.

[3] Market-based Scope 2 emissions

[4] Baseline excludes emissions from Unipro

Climate Metrics: Greenhouse Gas Emissions 2023

Uniper calculates greenhouse gas emissions according to the categories defined by the Greenhouse Gas Protocol – Scope 1, 2, and 3. The tables below show Uniper's Scope 1, 2, and 3 emissions.

Uniper's direct CO_2 emissions, from the combustion of fossil fuels for power and heat generation, totaled 19.4 million metric tons in 2023 (2022: 25.5 million metric tons excluding Russian Power Generation). The decrease is mainly due to a reduction in output from some of Uniper's coal-fired power plants in Germany, the UK, and the Netherlands. This is a result of less favorable commercial market conditions for coal-fired power generation.

Direct CO_2 emissions from fuel combustion – Greenhouse Gas Protocol Scope 1[1]

in million metric tons CO_2	2023	2022
European Generation	19.4	25.4
Germany	*8.6*	*12.2*
United Kingdom	*7.0*	*8.2*
Netherlands	*2.9*	*3.9*
Hungary	*0.8*	*0.9*
Sweden	*0.02*	*0.2*
United Arab Emirates[2]	0.02	0.06
Total continued operations	**19.4**	**25.5**
Total discontinued operations – Russian Power Generation[3]	**-**	**30.2**
Total	**19.4**	**55.6**
Carbon intensity (g/kWh)[4]	355.8	477.5

[1]These emissions only include direct CO_2 emissions from fuel combustion. Uniper uses the operational-control approach. This means that Uniper counts 100% of the direct emissions of any generation assets over which it had and still has operational control.
The new combined heat and power (CHP) plant at Uniper's Scholven site is included from January 2023. 2023 emissions for the month of December are estimated. Rounding may result in minor deviations from the totals.
[2]Uniper's business in the United Arab Emirates, Uniper Energy DMCC, was sold in May 2023. Actual emissions for the first 5 months of 2023 from Uniper Energy DMCC are shown.
[3]Emissions from Russian Power Generation (discontinued operations) are estimated for October–December 2022.
[4]Uniper's intensity is defined as the ratio between direct fossil fuel derived CO_2 emissions from electricity and heat generation from Uniper's operational assets (operational control approach) and Uniper's generation volume. This indicator for 2022 does not include facilities that produce only heat and/or steam.

Scope 2 emissions totaled 0.54 and 0.95 million metric tons CO_2e in 2023 for the location-based and market-based approach respectively (2022: 0.64 and 0.87 million metric tons CO_2e excluding Russian Power Generation). The decrease and increase in location-based and market-based Scope 2 emissions respectively is due to an update of emission factors from 2022 to 2023, rather than due to a change in purchased electricity and heat consumption.

Indirect CO_2 Emissions – Greenhouse Gas Protocol Scope 2[1]

in metric tons CO_2	2023[2]	2022	2022[3]
Location-based method			
Indirect emissions from purchased electricity	538,846	631,496	652,221
Indirect emissions from heat and cooling	3,923	3,720	3,720
Total	**542,768**	**635,216**	**655,941**
Market-based method			
Indirect emissions from purchased electricity	947,607	863,276	884,001
Indirect emissions from heat and cooling	3,923	3,720	3,720
Total	**951,529**	**866,995**	**887,721**

[1]Scope 2 emissions for Hydro Pumped Storage Systems are calculated using the gross approach in alignment with the Greenhouse Gas Protocol. This involves accounting for 100% of the electricity consumed from the grid. Alternatively, employing a net approach, which factors in electricity purchased for storage purposes minus the electricity supplied back into the grid, results in 524,332 t CO2e (market-based approach) for Scope 2 2023.
[2]Uniper's business in the United Arab Emirates, Uniper Energy DMCC, was sold in May 2023. Emissions for the first 5 months of 2023 from Uniper Energy DMCC are included as estimates.
[3]Emissions from Russian Power Generation (discontinued operations) are included for 2022. The figures are estimated.

Uniper updated the methodology for 2023 Scope 3 emissions calculations. 2023 and 2022 emissions are therefore comparable to a limited extent. The aim of the methodological update was to ensure that the inventory accurately reflects Uniper's evolving value chain activities, offers full transparency of the emissions, and aligns with the standards set out by the Greenhouse Gas Protocol. As part of the update, additional emission sources were included and more granular emission factors were applied. Emissions from category 3.4 were moved to category 3.1 as more granular emission factors for the different processes of the value chain were applied. This change means that emissions are more accurately represented in accordance with the Greenhouse Gas Protocol.

Scope 3 emissions totaled 77.1 million metric tons CO_2e in 2023 (2022: 83.2 million metric tons CO_2e excluding Russian Power Generation), 62.4 million metric tons of which resulted from the use of sold products to end-users and resellers. Whilst the methodological update had an impact on the values, the decrease in emissions from 2022 to 2023 was largely due to the divestment of Uniper Energy DMCC and reduced downstream activities for natural gas.

Indirect CO_2 Emissions – Greenhouse Gas Protocol Scope 3

in million metric tons CO_2	2023[1 2]	2022	2022[3]
3.1 Purchased goods and services	8.7	0.5	0.5
3.3 Fuel- and energy-related activities	2.2	4.9	11.2
3.4 Upstream transportation and distribution	3.5	10.0	10.0
3.11 Use of Sold Products	62.4	67.4	67.4
Other Scope 3 categories[4]	0.3	0.4	0.4
Total	**77.1**	**83.2**	**89.5**

[1]Scope 3 data for quarter 4 2023 includes estimations that are based on forecasted data or data from previous quarters.
[2]Uniper's business in the United Arab Emirates, Uniper Energy DMCC, was sold in May 2023. Emissions for the first 5 months of 2023 from Uniper Energy DMCC are included as estimates.
[3]Emissions from Russian Power Generation (discontinued operations) are included for 2022. The figures are estimated.
[4]Includes Scope 3 categories 2, 6, 7, 9 and 13.

Climate-related Strategy

The main pillars of Uniper's decarbonization strategy are phasing out coal in Europe and gradually decarbonizing gas-fired power plants, while simultaneously converting Uniper's commodity portfolio to low carbon or carbon free alternatives. Uniper aims to increase the share of low carbon or carbon free gases in its portfolio, which should account for five to ten percent of the gas portfolio by 2030 in line with market developments. As part of its new strategy, Uniper will expand it's portfolio by adding renewables assets, aiming, by 2030, for more than 80% of its generation capacity to come from carbon free or low carbon sources. Further information on Uniper's strategy can be found in the "Strategy and Targets" section of the Annual Report.

Decarbonizing the Power Generation Portfolio

In 2023, Uniper's coal-based power production amounted to 12.2 TWh, which is a decrease of 5.1 TWh from 2022. Aligned with its coal phase-out strategy and relevant national legislations, Uniper will end coal-fired power generation in the United Kingdom by 2024 and in the Netherlands by 2029. In Germany, the Datteln 4 hard-coal-fired power plant is to be divested by 2026, in accordance with the EU state aid decision. In December 2023, the German Federal Network Agency (BNetzA) informed Uniper about the extension of the system relevance of the two power plants, Scholven B and C, until March 31, 2031. Irrespective of the BNetzA's decision, Uniper will consistently drive forward the strategic transformation of the power plant site and its entire portfolio towards carbon free generation. Uniper will evaluate the conflict of objectives between the exit from hard coal and the system relevance of the plants beyond 2029 and look for solutions. For more information, see the "Secure and Affordable Energy Supply" chapter.

Uniper's coal-fired power plants have locations with useful infrastructure, such as grid infrastructure equipment, rail links, and connections to district-heating networks. Uniper is working on repurposing these sites so that they can play a vital role in a low-carbon economy. One example is the "Energy Transformation Hub Northwest", which covers 13 projects being developed at new and existing Uniper sites in norther Lower Saxony, with the aim of decarbonization, diversification and transformation: electrolysis plants, renewable energy projects, grid expansion, and hydrogen storage projects. This also includes the projects being developed on the site of Uniper's decommissioned coal-fired power plant Wilhelmshaven. Uniper also promotes the training of skilled workers in hydrogen-related occupational fields at a training center on the Wilhelmshaven site.

The gas turbine fleet is an essential part of Uniper's flexible and dispatchable generation capacity. Uniper aims to gradually decarbonize this portfolio, focusing on hydrogen, carbon capture and storage, biofuels, and low carbon replacement technology. At Uniper's open-cycle gas turbine (OCGT) plant in Malmö Sweden, the conversion of two gas turbines to Hydrogenated Vegetable Oil HVO100, a renewable fuel, is completed and commissioned. The result is a CO_2 reduction of around 90%. The aim is to convert all Uniper gas turbines in Sweden by 2025. Uniper's plans for Grain gas-fired power station in the United Kingdom aim at retrofitting post-combustion carbon capture (PostCCC) technology, with the CO_2 transported by shipping or pipeline to permanent storage offshore. The carbon capture technology has the potential to remove up to 95% of the CO_2 emitted from the power station during the electricity generation process.

Low-carbon hydroelectricity accounts for 3.6 GW, or 16%, of Uniper's installed generation capacity in Europe. In line with the revised strategy, Uniper aims for a significant growth in renewable generation. Uniper currently maintains a diversified platform for developing solar and onshore wind projects in its core European markets, with the capacity to bring more than 1 GW of generation capacity per year to ready-to-build status by the end of 2025 at the latest. In November 2023, Uniper announced its first photovoltaic portfolio in Hungary, with six ready-to-build projects. The projects, with a combined capacity of 280 MW, will be developed with the local partner Callis Zrt and can commence electricity production between 2026 and 2027. Alongside building new wind and solar farms, Uniper plans to expand its business in securing power-purchase agreements (PPAs). Uniper has built up a portfolio of PPAs with wind and solar farms and in June 2023, Uniper with the Talanx Group, through Augusta Investment Management signed a 15 year PPA to purchase approximately 5.3 TWh from 15 hydropower plants in Sweden.

Decarbonizing the Gas Portfolio

Uniper, as one of Europe's largest gas merchants, provides a flexible and reliable energy supply. Moving forward, Uniper's objective is to successively replace its natural gas portfolio with zero- or low-carbon fuels like green hydrogen and its derivatives and biomethane whilst ensuring security of supply. This will accelerate the energy transition and support the decarbonization of multiple sectors of the economy that cannot be achieved by electrification alone.

Uniper is implementing numerous projects in cooperation with partners along the entire value chain, from the origination of ammonia, to the development of necessary hydrogen infrastructure and storage facilities. For example:

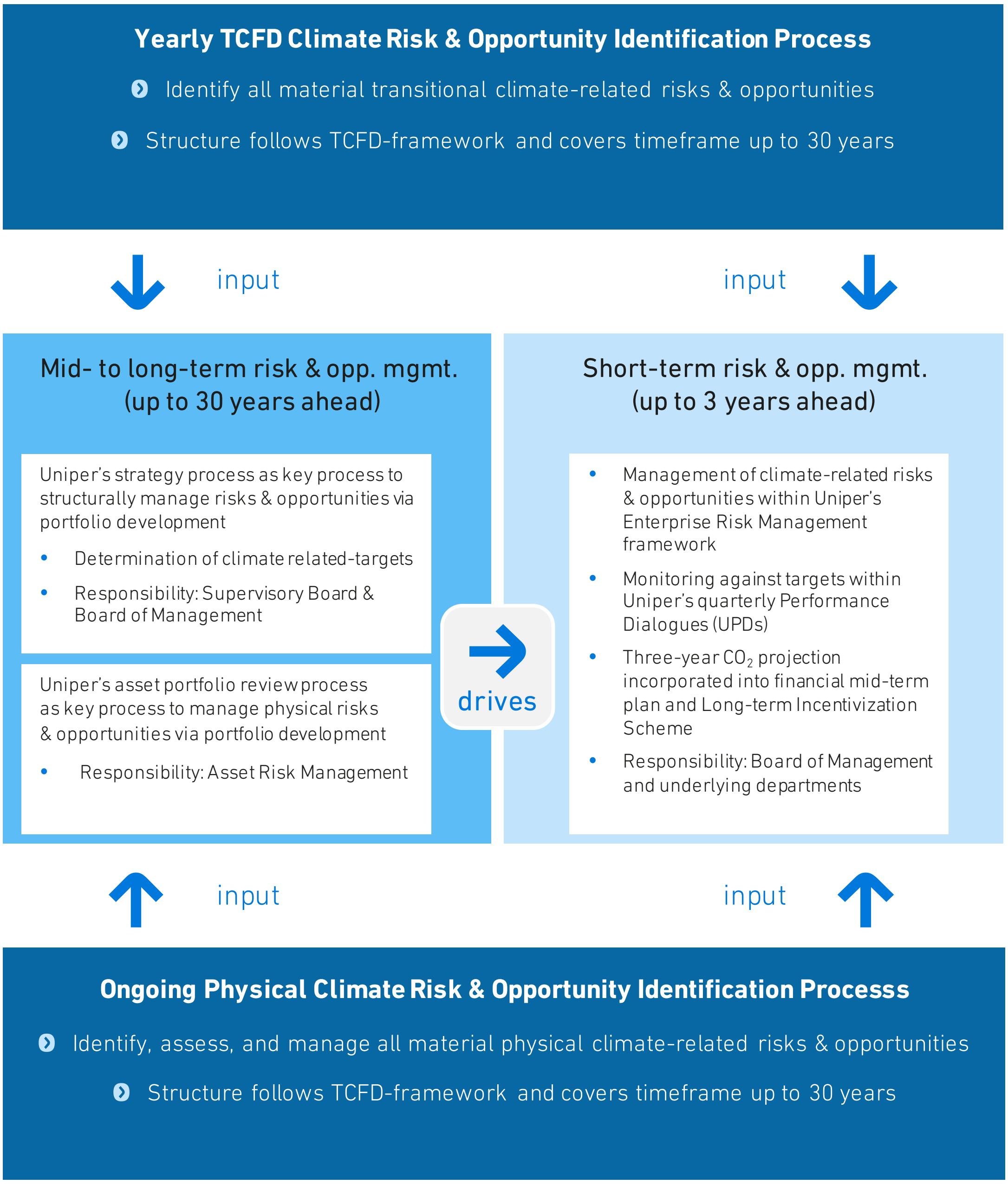
- In 2023, Uniper entered into further partnerships to expand its worldwide zero- or low-carbon gas sourcing activities. In October 2023, Uniper and First Ammonia, a developer of commercial-scale green ammonia production plants, announced a cooperation on a green (zero-carbon) ammonia project in Texas, which will supply Uniper's industrial and global customers, and reduce greenhouse gases by replacing grey ammonia which is produced from natural gas. Green Ammonia production will begin in 2026.
- With the aim of establishing Europe-wide hydrogen production and infrastructure, Uniper is developing its Energy Transformation Hubs in Northwest Germany, Maasvlakte in the Netherlands, and Killingholme in the United Kingdom. Within the H2Maasvlakte project, a Front-End Engineering Design (FEED) study is currently being performed. Uniper plans to commission 100 MW of electrolysis capacity to produce green hydrogen by 2026, expanding that capacity to 500 MW by 2030 at the latest.
- Uniper is also exploring the potential of using existing natural gas storage for green hydrogen. At Uniper's storage facility at Bierwang, Uniper leads a consortium of companies in the HyStorage research project. The aim is to provide insight into how porous rock storage and technical gas facilities will perform with hydrogen.

Identifying, quantifying, and minimizing fugitive methane emissions along the gas value chain is of great importance due to the high global warming potential of the gas. In 2023, Uniper Energy Storage continued its activities within the Oil and Gas Methane Partnership (OGMP) 2.0, a voluntary initiative to help ensure oil and gas companies reduce and report methane emissions based on harmonized and reliable methods. Uniper aims to continuously improve the quality of methane emissions monitoring and reporting according to OGMP criteria and sets out to detect and remedy even minor leaks at an early stage. Uniper has committed itself to implement Leak Detection and Repair (LDAR) campaigns across Uniper's operations for the years 2023 and 2024. In 2023, regular recurring campaigns were carried out to check the function and leak tightness of all essential plant components at its storage facilities.

Management of Climate-Related Risks and Opportunities

The TCFD divides climate-related risks into two main categories: transitional and physical. Transitional risks are risks related to the transition to a lower-carbon economy (e.g. policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change). Physical risks are risks related to the physical impacts of climate change. These can be event-driven (acute) or longer-term shifts (chronic) in climate patterns. Uniper has established processes for the identification and management of both risk categories.

These are summarized in the table below and described in the following sections.



Identification, Assessment and Management of Physical Climate-Related Risks and Opportunities

Due to the tangible effects of climate change on Uniper's plants, the need to comply with local policies and regulations and the growing disclosure requirements, Uniper established a dedicated process in 2022 to manage and assess physical climate risks and opportunities. In 2022, high summer temperatures and low river water levels in Germany affected the supply of coal to Uniper's coal-fired generation assets and German hydro generation assets. Accordingly, particular attention in the process was given to define the severity parameters for temperature- and water-related hazards while taking into consideration all acute and chronic climate risks that are listed in Appendix A of the EU Taxonomy Climate Delegated Act. The physical climate risk assessment process presented in this section is also applied for EU Taxonomy purposes, as presented in the EU Taxonomy chapter of this report.

The physical climate-related risks and opportunities process is managed by Uniper Asset Risk Management. It is an iterative process that relies on continuous enhancements and data updates; hence, the results presented below are subject to updates in Uniper's asset portfolio, in the sensitivity analysis, or in the applied data and climate scenarios. Starting in 2024, the physical climate risk and opportunities management process will be extended to cover Uniper's growth portfolio and transformation projects.

Physical Climate Risk Management

Uniper's process to manage physical climate-related risks is divided into the three phases presented below. These allow for the identification of sites exposed to highly critical climate-related risks and support the prioritization of exposed sites for a vulnerability assessment. Finally, they enable the planning and evaluation of specific adaptation or mitigation measures required to contain the risks.

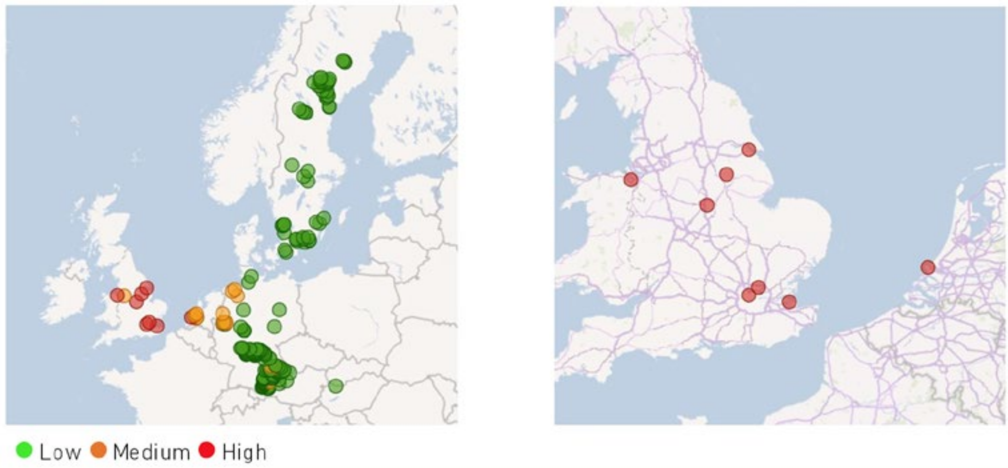
Phase 1: Risk Screening and Identification

In the first phase, Uniper developed a qualitative risk screening and identification tool. To assess the exposure of Uniper's assets to physical climate risks, the tool uses relevant IPCC (Intergovernmental Panel for Climate Change) climate data and climate scenarios and combines them with the results from an internal technology-specific sensitivity analysis of potential impacts of climate attributes (high temperatures) on Uniper assets. The exposure to physical climate risks are classified in terms of criticality:

- Low criticality risks are broadly acceptable.
- Medium criticality risks are tolerable when reduced to the lowest risk using the best technical options.
- High criticality risks require a vulnerability assessment and a mitigation plan to be developed where needed.

The assessment addresses acute and chronic climate risks in the most pessimistic climate projection scenario (2050 Time Horizon and the IPCC Representative Concentration Pathway (RCP) 8.5 - a greenhouse gas concentration trajectory adopted by the IPCC). The assessment shows that in a most pessimistic climate projection scenario (RCP 8.5 & 2050 Time Horizon), it can be observed that the majority of risks (85%) are considered broadly acceptable with low criticality, 14% are tolerable when reduced using best technical options with medium criticality, and only 1% of the risks are considered highly critical and requires a vulnerability assessment (phase 2) and a mitigation or adaptation plan (phase 3) to be developed where needed. The risks of particular concern, with high criticality are related to floods, heat waves, and heat stress. Among chronic risks, heat stress is dominant with an apparent observation that German assets are more prone to high temperature risks. Among acute risks, flooding is dominant with an apparent observation that UK assets are more prone to flooding risks, as shown in the figure below, which is an example of the output of the risk screening and identification tool.

Flooding Risk criticality overview by asset in a most pessimistic climate scenario (RCP 8.5 & 2050 Horizon)



Source: Microsoft Corporation

Phase 2: Site Vulnerability Assessment

In the second phase, sites exposed to highly critical risks are nominated for a vulnerability assessment. This is part of the Asset Engineering Risks and Opportunities (AERO) review process, whereby a quantitative assessment is conducted to assess the materiality and frequency of the climate-related risks. In this phase, the risk is documented in the Uniper Internal Power-Technology Risk tool (PT-Risk tool, an internal risk register) with a detailed assessment that covers the risk description, issue, current control measures, frequency, and impact level. The result of the assessment is a total score that signals the severity level of the risk which, depending on Uniper's risk appetite, acts as a trigger to the mitigation/adaptation planning phase.

The site vulnerability assessments started in early 2023 with a focus on the UK portfolio, which was identified through the risk screening process (phase 1) to be prone to high flooding risk. They thoroughly assess flooding risks and other climate-related risks (e.g. high temperatures, wildfires, high winds, etc.) that have been addressed in the past on a case-by-case basis. All identified risks and opportunities are included in the Asset Engineering Risks and Opportunities (AERO) process and the Enterprise Risk Management process.

Phase 3: Mitigation/Adaptation Planning

The final phase of the physical climate risk management process is the mitigation/adaptation planning phase, which is triggered by the risk total score and is a result of the above presented vulnerability assessment. The decision to mitigate the risk depends on defined internal risk thresholds and on the judgment of experienced site engineers.

Management of Physical Climate-Related Opportunities

In order to assess physical climate-related opportunities, the PT-Risk tool has been adjusted to capture CO_2e emission reduction and financial benefits achieved by projects related to the optimization of plant processes and upgrades of engineering components.

External research shows that certain climate events can be considered both a risk and an opportunity depending on the technology and the severity level (e.g. strong winds would lead to an increased power output for a wind farm but, on the other hand, very strong winds can also pose a threat to the wind turbines). This will be further explored in the future on a case-by-case basis where required for Uniper's portfolio.

Identification, Assessment, and Management of Transitional Climate-Related Risks and Opportunities

Since 2021 Uniper has a process in place to capture all relevant transitional climate-related risks and opportunities, including those that fall beyond the timeframe of the existing Enterprise Risk Management (ERM) system. Once a year, representatives from Uniper's major business lines and enabling functions identify and assess climate-related transitional risks and opportunities for the individual business areas. Risks that cannot be directly assigned to a business area but are relevant to the Group as a whole (e.g. financing risks, reputation, etc.) are also considered.

To structure and facilitate the identification of climate-related transitional risks and opportunities process the IEA Scenario "Net Zero Roadmap: a Global Pathway to keep the 1.5° Goal in Reach" (Net Zero Emissions (NZE) or 1.5°C scenario) as well as catalogues of risks and opportunities, grouped according to the TCFD categories, are applied. The NZE/1.5 °C scenario is the IEA's publicly known long-term energy scenario that represents an energy sector development that is consistent with limiting global warming to 1.5°C. It represents a normative scenario, that shows what is needed and by when for the world to achieve net zero energy-related CO_2 emissions by 2050 while meeting other energy-related SDGs. A description of the 1.5°C scenario and its main assumptions can be found in the section "Strategy Resilience Test" below.

To evaluate their relevance for the Uniper Group, the identified risks and opportunities and their respective drivers were assessed by comparing the Uniper Planning Case against the developments described in the 1.5°C scenario. The Uniper Planning Case contains a set of assumptions on which Uniper's strategy is based, and is further explained in the section "Strategy Resilience Test" below. The relevance was assessed in terms of impact on annual earnings of the respective business line as well as the expected timeframe, i.e. short-term (up to three years), mid-term (up to seven years until 2030) or long-term (until 2050). Risks and opportunities that have a high impact on earnings and are therefore considered highly relevant for the respective business lines receive the highest relevance score. The outcomes are considered within Uniper's strategy process, as described in the "Strategy Resilience Test" section below.

Across Uniper, the most relevant risks and opportunities are related to the energy transition. The following tables contain all identified climate-related transitional risks and opportunities where the possible financial impact is assessed as moderate (> 20-100 mEUR); significant (> 100-300 mEUR) or major (> 300 mEUR).

Moderate Impact

Significant Impact

Major Impact

Climate-Related Transitional Risks for the Uniper Group

TCFD Category	Potential Impact on the Business	Short-Term	Mid-Term	Long-Term
Market	**Falling Electricity Market Prices**: as the fossil fleet is gradually replaced by CO2-free generation, this could lead to a disconnect of power & CO2 prices, eventually leading to lower electricity prices for the generated electricity and hence lower revenues. This could have a major negative impact on the Hydro & Nuclear fleet as well as the development of renewable energy sources.			
Policy and Legal	**Tighter regulation as well as changes in EU & national climate policy framework** could put the business case for the conversion of existing gas-fired power stations and the development of H2 ready generation at risk, e.g. due to the absence of appropriate incentivation. Uncertainty on the expected lifetime of assets could attract fewer investment funds than required. This may also be induced by (tighter) technical standards & regulations that could push fossil fuel plants out of service earlier than currently planned. Methane leakage issues could further drive discussions on an earlier gas exit. Uniper has improved the visibility on methane leakages for individual sites. The main concerns are in the area of natural gas trading & storage. A combined moderate impact on the **Business** is possible.			
	Litigation: Uniper, as an operator of fossil fuel power stations and a commodity trading company with considerable Scope 3 emissions, could be subject to climate litigation. After successful court cases in the Netherlands, and rulings of the constitutional court in Germany, NGOs in Germany publicly announced their intention to file lawsuits against German companies both in the automobile and energy sector. Since a case has not been brought forward against Uniper yet and there is no legal precedent at this moment, this short- to midterm risk is currently not		Not quantifiable	
Reputation	**Financing**: Uniper faces the risk that its access to market-based financing instruments is obstructed due to its strategy and business not being certified from the Science-Based Targets Initiative (SBTi). Financing institutions are demanding the documentation of ambitious decarbonization pathways and associated sustainability targets in order to continue financial engagement. Whilst this risk is largely mitigated in the short-term, it will reoccur for every renewal of financing lines until Uniper's decarbonization is completed. A moderate impact on the **Business** is possible.			
	Insurance companies could withdraw completely from the fossil energy sector due to fears that a poor image of energy companies with regard to their efforts to reduce emissions will be problematic for themselves. This could result in higher insurance costs or non-insurability for parts of the portfolio. A moderate impact on the **Business** is possible.			

Moderate Impact
Significant Impact
Major Impact

Climate-Related Transitional Opportunities for the Uniper Group

TCFD Category	Potential Impact on the Business	Short-Term	Mid-Term	Long-Term
Market	**Changing customer behavior and demand patterns**: Demand for power continues to increase, due to electrification of processes and the development of e-fuels. The speed of renewables build-out in Uniper's core markets could also lead to market concerns over security of supply, leading to opportunities for combining trading and risk management capabilities with Uniper's reliable and schedulable assets to offer flexibility services, balancing services and system solutions. In the mid-term, congestion on transmission lines might limit the extent to which Uniper could make use of the provided opportunity. The short- to mid-term moderate impact on the **Hydro & Nuclear fleet**, the conversion and new build of gas fired (H2 ready) power generation, development of **renewable energy sources** as well as the overall **trading & optimization activities** is expected to reduce over time, as the shift to carbon-free power proceeds. In the long term, this is a major business driver for Uniper's **Hydrogen business.**	Moderate Impact	Moderate Impact	Significant Impact
	Increase in Energy price volatility and lower grid stability due to changing weather patterns & higher renewables feed-in: Increasing volatility in energy markets and higher demand for reserve and grid stability products in combination with long-term experience in optimizing energy systems could offer significant potential for Uniper's **existing flexible and dispatchable fleet** in the short to mid-term and for the envisaged **hydrogen strategy** in the long-term. The core competence required to take advantage of this development is already available in the group. Moderate impact on **Hydro & Nuclear fleet, Coal-fired power stations** and existing **Gas-fired generation** in combination with the **overall trading & optimization** activities in the short to mid-term. Major driver for the development of the **hydrogen industry** in the long run.	Major Impact	Major Impact	Major Impact
	Changes in market design: An increasing introduction of capacity markets or other capacity support mechanisms could solve the issue of long-term decreasing outright prices due to renewables build-out, which would otherwise de-incentivize investments. Significant impact on the conversion and new build of **gas-fired (H2-ready) generation.**		Significant Impact	Significant Impact
Policy & Legal	**GHG emission pricing**: Higher CO2 prices have different effects on the portfolio over time. In the short-term it poses an opportunity for the outright fleet, as due to the current market design, the price of electricity is significantly dependent on CO2 prices. With the retirement of fossil fired power stations, this effect will diminish over time. In the long-term higher CO2 prices will be a key enabler for a hydrogen economy. Major impact on **Hydro & Nuclear fleet**, including **trading and optimization activities** in the short term and major business driver for Uniper's **hydrogen strategy** in the long term.	Major Impact	Major Impact	Major Impact
Technology	**Technological development** will support the implementation of Uniper's strategy as a decline in CapEx & higher efficiency could reduce the cost developing a hydrogen economy. The modular design of new generation of assets can mitigate the risk of technology obsolescence. Technological advancements in hard to decarbonize sectors such as the steel industry could provide further opportunities (e.g. replacing coking coal). A moderate impact for the **hydrogen business** is possible.	Moderate Impact	Moderate Impact	Moderate Impact

The climate-related transitional risks and opportunities shown in the table above are assessed according to the impact of the 1.5°C scenario on the Uniper Planning Case. In the 1.5°C scenario, different, independent triggers and events can have the same financial impact and thus the realization of a risk or opportunity can render others obsolete. The approach takes into account risk mitigation measures and management capabilities in place or being developed. Assumptions are made on aspects where the scenario is either not explicit (e.g. energy market design) or not granular enough (e.g. merit order effects in certain markets and demand development).

The assessment shows that short- to medium-term opportunities for the existing business areas can turn into a risk in the long-term. One example is the impact of Policy and Market on CO_2 price developments. Increasing CO_2 prices drive electricity prices up towards 2030 via the merit order effect, posing an opportunity for nuclear- and hydropower generation as well as for hydrogen business development. In the long term, due to the decoupling of CO_2 and electricity prices, and depending on the technology that closes the fossil generation gap in energy transition, electricity prices could fall significantly, posing a risk for nuclear and hydropower plants which could generate lower revenues, as well as the development of renewable energy sources.

Management of Climate-Related Transitional Risks and Opportunities

Uniper's strategy process plays a vital role in managing and mitigating climate-related transitional risks and opportunities in the mid- to long-term. Uniper's strategy determines the development of the business portfolio (both organically and inorganically) and therefore Uniper's exposure to climate-related risks and opportunities. The climate-related transitional risks and opportunities identified under the TCFD process are further assessed and used as input within the strategy process, which also incorporates climate scenario analyses (see "Climate-Related Sensitivities" section below).

Uniper has embedded strategic decarbonization ambitions into its steering model to manage climate-related transitional risks and opportunities in the short-term. The steering mechanisms below ensure that Uniper's strategic climate-related ambitions are reflected in the daily operations:

- Uniper's Enterprise Risk Management (ERM) system is a key instrument to ensure Uniper's financial stability from an earnings and liquidity perspective. It primarily focuses on the three-year horizon of the mid-term financial plan (MTP) and manages material financial risks and opportunities which could lead to deviations from the MTP. The underlying financial MTP (baseline) is derived based on the strategy and incorporates therefore also assumptions on climate-related input factors (e.g. costs for carbon emissions based on expected emissions). Within the ERM system, all risks and opportunities are clustered into the categories "market, credit, operational, and financial." Due to their nature and potential triggers, climate-related risks and opportunities do not warrant a category on their own within the ERM system but may appear across the above-named categories. Within the Enterprise Risk Management process, all identified climate-related risks and opportunities which could have a material financial impact in the MTP period are assessed, to ensure that they are appropriately reflected in the Enterprise Risk Management categories and become actively managed. The table below provides a comparison of the ERM process and the climate-related risks and opportunities process.

ERM Process vs. Climate-Related Risks and Opportunities Process

	Enterprise risk and opportunities process	Climate risk and opportunities process
Purpose	Ensuring financial stability	Ensuring long-term validity and resilience of strategy
Reporting cycle	Quarterly	Yearly
Time horizon	Short-term (up to three years)	Short- to long-term (up to 30 years)
Categorization used for risks and opportunities	**Market** **Credit** **Operational** (incl. Technical Asset Risk and Asset Project Risk, IT Risk, People and Process Risks, as well as Legal, Regulatory, and Political Risks) **Financial** *Note: Climate aspects are considered across all categories if they are an underlying driver*	**Physical Risks** Acute Chronic **Transitional Risks** Policy & Legal Technology Market Reputation

- Uniper Performance Dialogues (UPDs): The strategy execution is tracked by the Board of Management via Board meetings and UPDs. Uniper's Board of Management and senior leaders participate in a series of performance dialogues to help steer the different business lines along both financial and non-financial dimensions based on targets. The latter include Uniper's climate-related targets.

- Incentivization: Uniper has embedded its decarbonization ambitions into the incentive schemes (Performance Cash Plan) for selected executives of the Uniper Group. Since 2021, the Performance Cash Plan has been set up in annual tranches, each with a performance period of three years. Within the incentive scheme, 40% of the target amount are based on non-financial targets, that is further split into two groups: 20% is based on the successful transformation of Uniper's portfolio towards carbon-neutrality (Scope 1 and 2 CO_2e emissions, see target definition in the chapter "Climate-Related Targets" above) Group-wide by 2035. The other 20% is contingent on predefined ESG targets. For the 2022 tranche, the target is based on the absolute CO_2e reduction of the European Generation segment over the next three years along the above-mentioned carbon emissions reduction path for the Uniper Group. For the 2023 tranche, the target is based on the publication of a climate transition plan. Further details on the management compensation can be found in the Compensation Report on Uniper's website. For the short-term incentive scheme with respect to Uniper's ESG strategy, the delivery of the HSSE & Sustainability Improvement Plan is incorporated into the Company performance as described in the Combined Management Report.

- Capital allocation: In order to support the strategy execution towards carbon-neutrality, Uniper's capital allocation is geared towards investments that are green according to Uniper's ESG evaluation framework. This framework considers internal ESG criteria, as well as the environmental objectives 1 and 2 from the EU Taxonomy (climate mitigation and adaptation). The impact of new/growth investments on climate is evaluated within strategic and financial capital allocation decisions. Depending on the level of contribution towards Uniper's decarbonization targets and the compatibility with the EU taxonomy, different hurdle rates are used for financial assessment: The return expectation for "green" projects is up to 200 basis points lower compared to "non-green" projects. Furthermore, following the implementation of the TCFD framework in 2021, Uniper includes a "well below 2°C" commodity price scenario in the financial assessment of new projects.

Climate-related Sensitivities

Approach

Based on the above-identified physical and transitional climate-related risks and opportunities, the potential financial implications on the most affected parts of Uniper's business portfolio have been assessed. In order to quantify Uniper's financial exposure to key climate-related value drivers, market, price, and regulatory sensitivities are applied to assess the financial impact on Uniper's earnings. The selected value drivers for the sensitivities include i) European power demand, ii) carbon price in Europe, iii) regulatory changes favoring the new build of renewable assets (such as subsidy schemes), iv) regulatory changes for gas-fired power plants with regards to methane emissions and v) regional weather patterns related to precipitation.

Uniper's long-term outlook serves as the baseline for this sensitivity analysis and reflects Uniper's assumptions regarding macroeconomic parameters and commodity prices until 2050. Updated once a year, the outlook is approved by Uniper's Board of Management and internally used for long-term investment decisions, asset and contract valuation.

The sensitivity analysis applies value drivers taken from a range of different scenarios, including the NZE/1.5 C scenario from IEA, the Stated Policies Scenario (STEPS) from IEA, and the Uniper-internal Slow Transition scenario. The latter represents a more conservative scenario than the baseline, whereby the energy transition in Europe is decelerated. The STEPS scenario is a forecast that is based on the current political framework and predicts global average temperature increase of around 2.4 °C in 2100. See the table in the section below "Scenario Analysis and Strategy Resilience Test" for further details on the scenarios.

The sensitivity calculation is carried out using Uniper's detailed market simulation framework and applied to a portfolio view of assets; the sensitivity calculations are not conducted on an asset-by-asset basis. The sensitivity analysis reflects the potential impact on Uniper's earnings in the single years 2027, 2030, and 2040, compared to certain changes of the scenario value driver to the baseline. The approach follows a "ceteris paribus view," i.e. the results reflect the potential financial impact on the portfolio, if only one value driver is changed at a time, while the rest of parameters remain the same as in the baseline. The applied value ranges for the c.p. sensitivities are purely illustrative. Providing such sensitivities enables external stakeholders to apply their own assumptions and beliefs when assessing the financial impact of key value drivers on Uniper.

The quantitative value to be applied to each of the sensitivities is directly taken from the scenarios and shown in the chart below. The values applied for the value drivers regulatory changes and weather patterns can be found as footnotes in the table with the sensitivity analysis results further below.

Market

Value drivers	Businesses/Assets	Scenarios	2027	2030	2040
			Sensitivity values		
Power demand % delta	Outright nuclear and hydro	NZE	Not assessed	+ 1 %	9.6%
		STEPS		-5 %	-9.4%
		Slow Trans.		-6.7%	-8.8%
	EU/UK gas fired generation	NZE		+ 1 %	9.6%
		STEPS		-5 %	-9.4%
		Slow Trans.		-6.7%	-8.8%
Carbon price €/ton delta	Outright nuclear and hydro	NZE	+ 17 €/ton	+ 20 €/ton	+ 65 €/ton
		STEPS	+ 1 €/ton	+ 1 €/ton	- 24 €/ton
		Slow Trans.	- 5 €/ton	- 20 €/ton	- 80 €/ton
	EU/UK gas fired generation	NZE	+ 17 €/ton	+ 20 €/ton	+ 65 €/ton
		STEPS	+ 1 €/ton	+ 1 €/ton	- 24 €/ton
		Slow Trans.	- 5 €/ton	- 20 €/ton	- 80 €/ton

Upwards sensitivity

Downwards sensitivity

Results

The results of the sensitivity analysis are presented in the table below. Due to the specific nature of the applied scenarios, the "ceteris paribus"- sensitivities for the identified value drivers could either represent a climate-related risk or a climate-related opportunity for Uniper's earnings.

	Value drivers	Businesses/Assets	Scenarios	2027			2030			2040		
				EBIT Delta (€ in millions)[5]								
Markt	Power demand	Outright nuclear and hydro	NZE	Not assessed[1]			0-50	**50-200**	>200	0-50	50-200	**>200**
			STEPS				0-50	50-200	**>200**	0-50	50-200	**>200**
			Slow Trans.				0-50	50-200	**>200**	0-50	50-200	**>200**
		EU/UK gas fired generation	NZE				**0-50**	50-200	>200	0-50	50-200	**>200**
			STEPS				0-50	**50-200**	>200	0-50	**50-200**	>200
			Slow Trans.				0-50	**50-200**	>200	0-50	**50-200**	>200
	Carbon price	Outright nuclear and hydro	NZE	0-50	**50-200**	>200	0-50	**50-200**	>200	0-50	**50-200**	>200
			STEPS							**0-50**	50-200	>200
			Slow Trans.	**0-50**	50-200	>200	0-50	**50-200**	>200	0-50	**50-200**	>200
		EU/UK gas fired generation	NZE	**0-50**	50-200	>200	**0-50**	50-200	>200	0-50	**50-200**	>200
			STEPS	negligible						**0-50**	50-200	>200
			Slow Trans.	**0-50**	50-200	>200	negligible			0-50	**50-200**	>200
Regulation	Supportive RES regulation	Renewable assets	NZE[2]	NA[3]			**0-50**	50-200	>200	**0-50**	50-200	>200
			Slow Transition				**0-50**	50-200	>200	**0-50**	50-200	>200
	Tighter emission regulation	Gas fired generation	Upgrade to the best available technology[4]	The required upgrade to best technology available would imply a capital investment of 0-50 Mio € for the entire fleet, and presumably no impact on operations and therefore earnings.								
Weather	Weather	Nuclear and Hydro generation	Wet case (2015)	0-50	50-200	**>200**	0-50	50-200	**>200**	0-50	50-200	**>200**
			Dry case (2010)	0-50	50-200	**>200**	0-50	50-200	**>200**	0-50	50-200	**>200**

green=positive impact red=negative impact

[1] Demand sensitivities for 2027 have been excluded of this assessment, as considered not thorough, given the lack of scenario information for such short time frame

[2] A STEPS scenario has also been run but the sensitivity is almost neglectable compared to the Uniper baseline. NZE models 12% higher renewable capacity installed, and slow transition 13% lower renewable capacity installed the baseline.

[3] Presumed no sufficient time available until 2027 to realize a more ambitious build-up pace for the RES portfolio.

[4] A tighter regulation on methane emissions that would require a technology upgrade would incur additional capex when upgrade feasible, and a reduction of starts of the plant in case not feasible due to age (reducing the running hours and consequently the earnings).

[5] The results presented in this table are not part of the PwC audit.

Scenario Analysis and Strategy Resilience Test

Approach

To address the short, mid and long-term uncertainties linked to the fundamental changes during the energy transition process and to formulate a corporate strategy that is resilient in different future development paths of the energy sector, Uniper conducted a comprehensive scenario analysis as part of its corporate strategy review in 2023.

To validate Uniper's strategic direction and to assess the resilience of the new strategy, Uniper applied two internal and two external scenarios. Beside Uniper's baseline assumptions (the Uniper Planning Case), an internal Slow Transition scenario, the NZE 1.5°C scenario and the Stated Energy Policies Scenario (STEPS) have been analyzed.

Based on the deviating narratives and quantitative assumptions of the various long-term energy scenarios, Uniper not only conducted the variety of ceteris paribus (c.p.) sensitivities described above, but also used the NZE 1.5°C scenario to perform a strategy resilience assessment.
Uniper's strategy is based on the set of assumptions from the Uniper Planning Case (baseline). The Uniper Planning Case assumes that the European ambition to limit global temperature increase to "well below 2°C" by 2100 will be largely fulfilled through policy actions (such as the European Green Deal, the "Fit-For-55" package, and future policies that will enable a faster deployment of green dispatchable power assets and green gases). How the assumptions of Uniper's Planning Case deviate from the "1.5°C" scenario are summarized in the chart below.

Comparison of the Uniper Planning Case and the Net Zero Emissions (NZE)/ 1.5-°C-Scenario

Target dimension	Uniper Planning Case (<2°C) (assumptions for Europe)	NZE/ 1.5 °C Scenario (IEA Net Zero Roadmap, assumptions for Europe[3])
Electricity demand	Electrification of the sectors to reduce emissions will lead to electricity demand CAGR[1] of 1.6% by 2030 and speeds up by 2040 with 2.6%	Faster electrification & higher energy efficiency enables faster emission reductions i.e., 2.1% CAGR by 2030, 2.4% by 2040 (+100 TWh than base case)
Renewable gen. share %	Slightly slower build-up of PV and wind reaching 46% share in 2030 and 63% by 2040	Faster & stronger build-up of PV and wind reaching almost 50% share already in 2030 and 66% by 2040
Nuclear power	Expected to decline due to capacity additions and life extensions lower than the retirements (generation 100 TWh lower than NZE in 2040)	Remains a key role[2] for baseload generation due to long lifetime extensions and capacity additions (incl. modular reactors) since political support rises
Natural Gas gen. share %	Natural gas remains essential for dispatchable power with 18% generation share in 2030 (1% with CCS), 9% in 2040 (~5% with CCS[4])	Steeper decline of natural gas demand for power generation down to 8% in 2030 (2% of it with CCS), 1% in 2040 (~70% with CCS)
Total Natural Gas demand	The shift to green gas & electrification as replacement across sectors, will lead to a modest drop of -2% by '30 and -5% by '40	Cutting methane emissions and electrification of the energy system will drive a steeper decline at -6% CAGR by'30´and -9% by '40 CAGR

[1]Compound Annual Growth Rate
[2]NZE see nuclear with crucial role to decarbonize and enable green hydrogen, more than doubling global capacity
[3]Source: IEA NZE scenario sept. 2023
[4]Carbon Capture and Storage (CCS)

Using the assumptions of the "1.5°C" scenario to model the implications for the European power and the global gas sector, Uniper could assess how its individual business lines would be affected in this scenario. The quantitative scenario analysis focused on Uniper's future operational segments:

- Green Generation
- Flexible Generation
- Greener Commodities

The time horizon for the resilience test extends to 2040, differentiating the short to medium term as the period from 2023 until 2030, and long-term as the period between 2030 and 2040. The resilience test has been structured along the following four dimensions:

- The general compatibility of the respective business lines with the "1.5°C" scenario.
- The general alignment potential of the respective business lines under the EU Taxonomy Regulation (Annex A, Climate-risk assessment for DNSH) currently and in the short-to-medium term, and potentially remaining ESG risks to which the respective business line would be exposed.
- The financial impact on key earnings streams under the "1.5°C" scenario (quantitative assessment and semi-quantitative assessment).
- The key climate-related transitional risks and opportunities as identified in the aforementioned expert workshops.

Takeaways from the 2023 Strategy Resilience Test

Uniper's updated corporate strategy, announced in August 2023, is centered around accelerating Europe's decarbonization journey, while leveraging Uniper's diversified asset portfolio, competencies, and skills. It is both a key mitigation instrument for the above-mentioned climate-related risks and the foundation for new growth opportunities. To accelerate Uniper's decarbonization journey, the focus in the coming years will be on the areas of Green Generation, Flexible Generation and Greener Commodities. A detailed description of Uniper's strategy is provided in the "Strategy and Targets" chapter (page 11) and the "Climate-related Strategy" section above (page 118) in this report.

Green Generation and Flexible Generation

The Uniper Planning Case and the "1.5°" scenario coincide on the importance of electrification to achieve Europe's decarbonization targets. In this context, Uniper's strategy generally fits well given the opportunities these prospects brings to the energy market, particularly in terms of the growth of supply from zero- or low-carbon sources and the need for optimization solutions for an increasingly complex energy system. Accordingly, the strategic targets for growing Uniper's dispatchable power portfolio, particularly through renewable assets and batteries, and for expanding its hydrogen business, were developed with the focus on the requirements of the "1.5°C" scenario.

Compared to the Uniper Planning Case, the "1.5°C" scenario foresees a much faster decline of fossil fuel demand, particularly the demand for natural gas in the power generation sector, and anticipates a rapid abatement of emissions via Carbon Capture, Utilization and Storage (CCUS). From Uniper's perspective, the decline in flexible power generation capacity available on the market in the wake of the coal phase-out, and the simultaneous expansion of power generation from renewables will increase the importance of flexible gas-fired power plants, as well as gas and steam plants for the energy transition. These plants play a key role for Uniper in countering the increasing generation volatility in the electricity market and ensuring the secure operation of electricity supply systems. Uniper maintains that gas-fired power plants will continue to play a central role in contributing to security of supply, providing the required flexibility needed to balance the intermittency from renewable generation, which is expected to be more noticeable in a "1.5°C" scenario. Uniper aims to gradually decarbonise its gas generation portfolio, with the focus on biofuels, hydrogen, or CCUS. Although the conversion of the existing natural gas-fired power fleet and the gas-fired new builds is in line with the "1.5°C" scenario and has the potential to be EU Taxonomy-aligned as a transitional technology, there is a risk linked to the lack of necessary regulatory support mechanisms to back the required investments. Limiting the global temperature rise to 1.5°C therefore requires considerable political and regulatory efforts to ensure the necessary investments in a further accelerated transformation.

Greener Commodities

Since not all processes can be electrified, there will be a need for non-electric energy carriers. Zero- and low-carbon gases will play a key role, especially for sectors that are hard-to-abate such as steel, chemicals, aviation, and shipping. Accordingly, the 1.5°C scenario assumes that the green gas (zero-and low carbon gas) economy will accelerate already before 2030, and largely in the long run. In the Greener Commodities segment, Uniper's aims for production, origination and supply of hydrogen and derivatives to the industry in its core markets, and is therefore in line with the "1.5°C" scenario. Additionally, higher GHG emissions prices, a higher decarbonization pressure on hard-to-abate industries, and the rising need for flexibility solutions, reinforced in the described 1.5°C scenario, pose an opportunity for Uniper's strategy on green gases. Nonetheless, a regulatory and legal framework for the hydrogen market will need to be established in order to mitigate the risk of these new technologies and ensure an attractive return on investment. The described 1.5°C scenario would potentially experience a positive financial upside compared to the Uniper Planning Case. Higher carbon prices would, among other things, benefit the business case for zero- and low-carbon hydrogen, as well as low-carbon flexibility solutions in the power sector.

Summary

Based on this assessment, Uniper's strategy to accelerate the energy transition through the aforementioned three new segments (Green Generation, Flexible Generation and Greener Commodities) can be considered as generally resilient to a 1.5°C scenario. Furthermore, the diversification of the strategic portfolio, across the energy value chain and various technologies, reinforces energy security while ensuring the decarbonization of the system, positions Uniper for the transition to a net-zero economy, with resilience against market volatility and policy uncertainty.

The execution of a systematic strategy resilience test gives insight and provides a better understanding for Uniper's stakeholders about the long-term robustness to the climate-related risks of Uniper's core business areas. Uniper will continue to update the strategy resilience assessment regularly as part of its corporate strategy process going forward.

EU Taxonomy Regulation

In 2019, the European Commission presented the EU Environmental Taxonomy Regulation (EU Taxonomy Regulation) as a central component of the EU Green Deal. The EU Taxonomy is a system of classification for defining "environmentally sustainable" economic activities, which is substantiated by technical assessment criteria. The assessment criteria applied are specified by delegated acts of the European Commission. The objective is to classify economic activities in terms of their contribution to the six defined environmental objectives (Art. 9 EU Taxonomy) in order to support the European Union's efforts to create an economy that fosters environmental and climate sustainability and to channel future capital flows into environmentally sustainable economic activities.

The six environmental objectives are:

1) Climate change mitigation
2) Climate change adaptation
3) Sustainable use and protection of water and marine resources
4) Transition to a circular economy
5) Pollution prevention and control
6) Protection and restoration of biodiversity and ecosystems

The first two environmental objectives were initially due to be reported for the fiscal year 2022. On June 13, 2023, the EU Commission published two delegated acts on the EU Taxonomy Regulation. The first new delegated act presents and defines environmental objectives 3-6, including the associated technical assessment criteria. The second new delegated act expands the climate legislation already applicable in the 2022 fiscal year for environmental objectives 1 and 2 by including new economic activities and by amending the technical assessment criteria for existing economic activities.
The expansion of the delegated act on Article 8 of the EU Taxonomy Regulation is applicable for the first time from January 1, 2024 for the 2023 fiscal year. However, use can be made of a simplification in the first reporting period, so that only the taxonomy eligibility for environmental objectives 3-6 and the additional economic activities of the Climate Law Act have to be reported for the 2023 fiscal year. Uniper is making use of this option.
Notwithstanding this, there is a full reporting obligation for taxonomy alignment for the old and revised economic activities for environmental objectives 1 and 2 in the 2023 fiscal year.

In accordance with the classification system in the EU Taxonomy Regulation, extended by the delegated act on reporting obligations, a distinction is made between "taxonomy-eligible" and "taxonomy-aligned" economic activities.

An economic activity is classified as "taxonomy-eligible" if the description in the delegated acts corresponds to this activity.

"Taxonomy-aligned" economic activities, in contrast, are required to meet the specified technical assessment criteria, because by definition they make a significant contribution to at least one of the six environmental objectives (Art. 10-16 EU Taxonomy). According to Art. 17 of the EU Taxonomy Regulation, the economic activity must not significantly harm any of the other five environmental objectives ("do no significant harm" criteria, or "DNSH" for short). Furthermore, the minimum requirements for human rights, occupational safety, anti-corruption, fair competition and taxation ("minimum safeguards") must be complied with in accordance with Art. 18 of the EU Taxonomy Regulation.

The reporting obligations for non-financial companies pursuant to Article 8 of the EU Taxonomy Regulation focus on information on the share of their revenue, capital expenditure (CapEx) and operating expenditure (OpEx) related to environmental economic activities (EU Taxonomy indicators). The definition of environmentally sustainable economic activities can be found in the technical assessment criteria defined in the aforementioned delegated acts. Furthermore, in accordance with the delegated act on Article 8 of the EU Taxonomy Regulation, an explanation of the changes in the previous year's values is provided for each indicator.

Application by Uniper in the 2023 Fiscal Year

For the 2023 fiscal year, Uniper will again provide differentiated reporting on sustainable economic activities. For this purpose, the share of taxonomy-aligned, taxonomy-eligible and non-taxonomy-eligible economic activities is broken down and disclosed in relation to the indicators mentioned above.

For the 2023 fiscal year, the Uniper Group reports on its contribution to the six environmental objectives listed above. The reporting includes the shares of turnover, capital expenditure and operating expenses attributable to sustainable economic activities. This information is further substantiated by quantitative and qualitative explanations.

As in the 2022 fiscal year, Uniper reports on the taxonomy eligibility and taxonomy alignment of its business activities in the 2023 fiscal year.

In 2022, the EU Commission classified both electricity generation from natural gas and nuclear power as sustainable in terms of climate protection within the framework of the EU Taxonomy, provided that certain criteria are met. Both types of electricity generation are classified as transitional technologies within the meaning of the taxonomy. As in the 2022 fiscal year, the transitional technologies gas and nuclear power are therefore also reported in the 2023 fiscal year.

Uniper's operations were assessed on the basis of the descriptions of the economic activities listed in Annexes 1 and 2 of the Climate Law Act and Annexes 1 to 4 of the Environmental Law Act (environmental objectives 3-6), and the NACE codes indicated in these descriptions. The review was carried out for all environmental objectives at the level of the power plants or individual business activities (projects). In the context of its own business activities, Uniper assessed "climate change mitigation" as the more relevant objective.

No new taxonomy-aligned activities within the scope of Uniper's business activities in 2023 were identified in the assessment of the taxonomy eligibility of the new environmental objectives 3 to 6. The same applies to the newly added activities of environmental objectives 1 and 2. A list of possible taxonomy-aligned and taxonomy-eligible activities was therefore assigned to environmental objectives 1 and, in part, 2 for the 2023 fiscal year and summarized accordingly. Uniper makes a significant contribution to the first environmental objective "Climate change mitigation". All of Uniper's taxonomy-eligible activities serve this environmental objective. For environmental objective 2 "Climate change adaptation" (CCA), the descriptions of activities with regard to taxonomy eligibility are largely the same as for the first climate objective. Uniper therefore generally achieves taxonomy eligibility for CCA. However, environmental objective 2 requires compliance with further specific criteria in order to obtain value-based reporting. The economic activities underlying revenue and the investments made in the 2023 fiscal year do not include any adaptation measures that meet the specific criteria of environmental objective 2. As a result, Uniper does not report any values for environmental objective 2.

The two economic activities identified as taxonomy-eligible that are most relevant to Uniper's business model are assigned to environmental objective 1 "Climate change mitigation" (CCM). These are "4.5 Hydroelectric power generation" and "4.15 District heating/district cooling distribution". Both economic activities are identified as taxonomy-aligned if both the technical assessment criteria (significant contribution and DNSH criteria) are met and compliance with the minimum level of protection is ensured, which is discussed in more detail below.

Assessment of the material contribution:
The first step in the assessment of compliance is the review of the criterion of material contribution, which is fulfilled for both CCM 4.5 and CCM 4.15: For hydroelectric power generation (CCM 4.5), the Climate Change Act defines specific assessment criteria that Uniper complies with by operating run-of-river power plants without artificial reservoirs (Criterion a) and by complying with the power density requirement for power generation plants (Criterion b). For hydroelectric power generation (CCM 4.5), the Climate Change Act defines specific assessment criteria that Uniper complies with by operating run-of-river power plants without artificial reservoirs (criterion a) and by complying with the power density requirement for power generation plants (criterion b). Uniper also fulfills the specific technical assessment criteria in the operation of district heating plants (CCM 4.15) for making a material contribution to climate protection, as the system for operating the pipelines and the associated infrastructure for heat distribution meets the definition set out in the material contribution. Other economic activities related to the operation of other taxonomy-eligible facilities were classified as non-taxonomy-aligned because the screening criteria were not met.

After considering the technical test criteria for the material contribution to climate protection, an analysis was carried out to determine whether any of the other five environmental objectives would be significantly impaired.

Assessment of the avoidance of significant harm (DNSH criteria):
In order to demonstrate compliance with the "DNSH" criteria, the evaluation process gathered information from various areas of the Company responsible for environmental management, operation, and risk management at the plants. In terms of physical climate risks, the screening required by Annex A of the Taxonomy Climate Delegated Act was first conducted at the level of the plants operated in the 2023 fiscal year (as in the 2022 fiscal year), using the scenarios and climate science made publicly available by the Intergovernmental Panel on Climate Change (IPCC) and other sources. In this assessment process, some taxonomy-eligible assets were identified that will not be subject to physical risks due to climate change until 2030 to 2050. However, there is currently no critical physical climate risk for the taxonomy-aligned Uniper hydropower and district heating plants. For this reason, it is currently not considered necessary to implement a short-term adjustment plan for existing plants with adjustment measures in the 2023 fiscal year. These results are available above in TCFD reporting in the Non-Financial Report 2023.

The DNSH criteria relating to water protection (Annex B), environmental pollution (Annex C) and biodiversity (Annex D) were complied with, taking into account the national requirements in the EU countries where Uniper's taxonomy-aligned assets are located. This is particularly relevant for activity 4.5 "Electricity generation from hydropower" within the meaning of the EU Taxonomy Regulation. The specific criteria for water protection were also taken into account. All Uniper hydropower plants are located in Germany and Sweden, i.e. in countries where the EU Water Framework Directive is implemented via national action plans and whose effectiveness is monitored at the level of the responsible local authorities. For activity 4.15 "District heating/cooling distribution", the specific criteria for pollution prevention in the operation of existing plants were also examined. No circular economy criteria are defined for district heating and hydropower in the EU Taxonomy Regulation.

Compliance with minimum safeguards:
The requirements for the Minimum Safeguards criteria continue to be met in the 2023 reporting year through the ESG risk management process implemented at Uniper, which is described in detail in the Non-Financial Report. This process covers a broad range of ESG issues derived from the EU Taxonomy Regulation on Sustainable Finance, the German Act on Supply Chain Sustainability (Lieferkettensorgfaltspflichtengesetz LkSG) and the OECD Guidance for Responsible Business Conduct. This applies in particular to the processes for monitoring compliance with existing requirements relating to labor and human rights, corporate governance and compliance, taxation and fair competition. The KYC process ensures further minimum protection requirements for anti-corruption and bribery. In addition, Uniper also takes into account the SFDR PAIs (Principle Adverse Impacts) "Gender Pay Gap" and "Board Gender Diversity.
This risk management process is applied to all activities under Uniper's operational control and is also mandatory for direct and indirect suppliers of goods and services.

Uniper's Taxonomy-eligible and Taxonomy-aligned Business Activities in the 2023 Fiscal Year

In the 2023 fiscal year, Uniper identified economic activities to support the EU's goal of an economy that fosters environmental and climate sustainability. The following economic activities were identified as taxonomy-eligible:

- CCM 3.10 Production of hydrogen,
- CCM 4.5 Electricity generation from hydropower,
- CCM 4.12 Storage of hydrogen,
- CCM 4.13 Production of biogas and biofuels for transportation and liquid biofuels,
- CCM 4.15 District heating/district cooling distribution,
- CCM 4.25 Production of heat/cool using waste heat,
- CCM 4.28 Electricity generation from nuclear energy in existing plants,

- CCM 4.29 Electricity generation from gaseous fossil fuels,
- CCM 4.30 Highly efficient combined heat, power and cooling with gaseous fossil fuels,
- CCM 9.1 Market-oriented research, development and innovation.

In the 2023 fiscal year, the most relevant taxonomy-eligible activity at Uniper was electricity generation from gaseous fossil fuels. In a direct comparison with the 2022 fiscal year, no new taxonomy-eligible economic activities were identified for Uniper.

Two economic activities were identified as taxonomy-aligned:

- CCM 4.5 Electricity generation from hydropower,
- CCM 4.15 District heating/district cooling distribution.

In the 2023 fiscal year, the most relevant taxonomy-aligned activity at Uniper was electricity generation from hydropower. Although the construction of new hydropower plants is not currently planned, several maintenance and modernization projects for the existing portfolio are expected in the future. Various new projects are aimed at the production of hydrogen and hydrogen-based synthetic fuels. These projects have been implementing the hydrogen strategy developed by Uniper (see the Strategy and Targets section of the 2023 Annual Report) since 2020. The strategy also includes the conversion of existing underground gas storage facilities into hydrogen storage facilities, as defined in the EU Taxonomy Regulation. Uniper also invests in the scaling of further technical facilities in the area of district heating/cooling distribution.
Other activities are dedicated to research, applied research and experimental development of solutions, processes, technologies, business models and other products that serve to reduce, avoid or eliminate greenhouse gas emissions. The two economic activities mentioned above were already identified as taxonomy-aligned for Uniper in the 2022 fiscal year.

Transitional technologies: gas and nuclear power
The economic activities 4.28 Electricity generation from nuclear energy in existing installations, 4.29 Electricity generation from fossil gaseous fuels as well as 4.30 High-efficiency cogeneration with electricity from fossil gaseous fuels are considered as transitional activities. The performance indicators for Uniper's taxonomy-eligible gas and nuclear activities are shown in the reporting forms in the last chapter.

Explanation of the Performance Indicators: Turnover, Capital Expenditure, CapEx Plan and Operating Expenses

Uniper's reporting is based on the three key performance indicators (KPIs) defined in Art. 8 of the EU Taxonomy Regulation:

- EU Taxonomy turnover,
- CapEx (capital expenditure) and
- OpEx (operating expenses).

The EU Taxonomy defines taxonomy turnover as the share of net turnover from taxonomy-aligned economic activities (numerator) of the consolidated net turnover (denominator). The turnover to be taken into account under the EU Taxonomy is determined on the basis of the turnover definition of IAS 1.82a). The denominator of the indicator corresponds to the Group-wide turnover measured in accordance with IFRS.

The CapEx indicator is calculated as the share of sustainable investments of the total capital expenditure as defined in section 1.1.2 of Annex I of the EU Taxonomy Regulation. The denominator of the capital expenditure indicator comprises additions to property, plant and equipment and intangible assets during the fiscal year under review before depreciation and amortization and revaluations, including those resulting from revaluations and impairments, and excluding changes in fair value. The denominator also includes additions to property, plant and equipment and intangible assets resulting from business combinations. The numerator corresponds to the part of the capital expenditure included in the denominator that relates to assets or processes associated with the taxonomy-aligned sustainable economic activities and that is part of a plan for both the expansion and transformation of these activities. This plan is defined as a CapEx plan in accordance with 1.1.2.2 and 1.1.3.2 in Annex I of the aforementioned delegated act.

A CapEx plan must be based on aggregated economic activities and approved by the management. This plan should transparently set out the expansion of taxonomy-aligned economic activities and the transformation of taxonomy-eligible economic activities into taxonomy-aligned economic activities within five years. Uniper has no investments pursuant to category c).

The OpEx indicator is defined in section 1.1.3 of Annex I of the aforementioned delegated act. The denominator of the indicator includes direct operating expenditure, non-capitalized expenditure relating to research and development, building refurbishment activities, leasing, maintenance and repair and any other direct expenditure relating to the day-to-day maintenance of tangible fixed assets necessary to ensure the continuous and effective functioning of those assets. In addition to repairs, this also includes ongoing maintenance and servicing of the plant by power plant employees and the plant's personnel costs, if these can either be directly allocated to the taxonomy-aligned and taxonomy-eligible economic activity or, if necessary, can be broken down via a reasonable allocation to the taxonomy-aligned or taxonomy-eligible economic activity. The numerator corresponds to the portion of the operating expenses included in the denominator that relates to assets or processes associated with the taxonomy-aligned sustainable economic activities. Development costs that have already been included in capital expenditure (CapEx) are no longer recognized as operating expenses. Uniper has no operating expenses pursuant to category c)

In the determination of turnover, capital expenditures and operating expenses according to the EU Taxonomy, the same accounting and valuation methods have been applied as in the notes to Uniper SE's IFRS consolidated financial statements for 2023; see Note 5 "Revenues", Note 15 "Property, Plant and Equipment" as well as Note 14 "Goodwill and Intangible Assets". Operating expenses are measured in accordance with the principles adopted in the IFRS consolidated financial statements, with the result that non-cash contributions and third-party services are measured at the contractual prices and personnel expenses are measured in accordance with IAS 19.

Double counting of turnover, CapEx or OpEx is excluded, as Uniper uses the financial data from accounting at project or asset level (sustainable economic activities) and structures them on the basis of clear parameters. In this process, each of these is assigned a unique EU Taxonomy code within the Uniper Group with a clear allocation to one of the economic activities, and aggregation is carried out in the context of reporting on the basis of the individual codes.

Uniper's Turnover in the 2023 Fiscal Year

The consolidated net turnover to be recognized under the EU Taxonomy is reconciled with the turnover as reported in the Uniper Group's income statement in the "Consolidated Financial Statements" section of the 2023 Annual Report (income statement item "Turnover").
The level of turnover reflects the development of prices in 2023 and resulted in particular from average market prices in the electricity and gas business. In addition to contractual prices (own-use contracts) and transactions on the spot market, a significant part of this is due to the contracts with physical settlement contracted by Uniper (failed-own-use contracts), which – due to the accounting and valuation rules codified in IFRS – must be valued at the applicable spot price upon settlement of the contract.

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, Year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Turnover		Mio EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Production of Electricity from Hydropower	CCM 4.5	909.1	0.8	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.6		
District heating/cooling distribution	CCM 4.15	173.8	0.2	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,082.9**	**1.0**	**1.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.6**		
Of which Enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Of which Transitional		0.0	0.0	0.0						Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Production of Electricity from Hydropower	CCM 4.5, CCA 4.5	1.1	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
District heating/cooling distribution	CCM 4.15, CCA 4.15	0.1	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
Electricity generation from nuclear energy in existing installations	CCM 4.28, CCA 4.28	532.3	0.5	EL	EL	N/EL	N/EL	N/EL	N/EL								0.3		
Electricity generation from fossil gaseous fuels	CCM 4.29	2,102.9	2.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.7		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	121.6	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**2,757.9**	**2.6**	**2.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**2.2**		
A. Turnover of Taxonomy eligible activities (A1+A2)		**3,840.9**	**3.6**	**3.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**2.8**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		**104,074.5**	**96.4**																
TOTAL		**107,915.4**	**100.0**																

Due to its business model, the Uniper Group reports a significant proportion of turnover in its income statement that does not fall within the scope of the EU Taxonomy. This results in a relatively low share of taxonomy-aligned and taxonomy-eligible revenue in Uniper's total turnover.

Taxonomy-aligned turnover can be broken down into the activities 4.5 Hydroelectric power generation and 4.15 District heating/cooling distribution. With regard to Activity 4.5, €347.1 million (2022: €572.3 million) was attributable to the Swedish hydroelectric power plants and €562.0 million (2022: €1,004.3 million) to the hydroelectric power plants located in Germany in the fiscal year. Please refer to the section in the management report on business developments and significant events in the Uniper segments (page 36) for information on the change in the 2023 fiscal year compared to the previous year.
Activity 4.15, which is exclusively attributable to Germany, accounted for €173.8 million (2022: €111.2 million) in the 2023 fiscal year. The turnover from Activity 4.15 is mainly generated on the basis of hard-coal-fired combined heat and power (CHP). The increase is mainly attributable to the rise in the working price due to the discontinuation of the price cap (up to and including 10/2022) and the development of the price parameters in the price escalation formulas.

In the 2023 fiscal year, from own production an amount of around €1.3 million (2022: €3.1 million) was used internally within the Uniper Group by taxonomy-aligned assets.

Uniper's Capital Expenditure (CapEx) in the 2023 Fiscal Year

The capital expenditure to be recognized under the EU Taxonomy is to be reconciled to the additions to fixed assets under notes 14 and 15 of the notes to the consolidated financial statements. In the 2023 reporting year, investments amounting to €311.9 million (2022: €503.1 million) that fall within the scope of the EU Taxonomy were identified as taxonomy-eligible. The 42.7% change in taxonomy-eligible capital expenditure compared to the previous year was in line with the general decline in capital expenditure in the Uniper Group. Of the taxonomy-eligible investments, €74.6 million (2022: €66.5 million) was attributable to taxonomy-aligned investments.

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, Year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
CapEx		Mio EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Production of Electricity from Hydropower	CCM 4.5	66.5	12.2	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.9		
District heating/cooling distribution	CCM 4.15	8.1	1.5	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.6		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**74.6**	**13.7**	13.7	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	Y	Y	Y	Y	Y	Y	Y	7.5		
Of which Enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Of which Transitional		0.0	0.0							Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of hydrogen and hydrogen-based synthetic fuels	CCM 3.10. CCA 3.10	23.9	4.4	EL	EL	N/EL	N/EL	N/EL	N/EL								0.2		
Production of Electricity from Hydropower	CCM 4.5, CCA 4.5	0.0	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1		
District heating/cooling distribution	CCM 4.15, CCA 4.15	4.1	0.8	EL	EL	N/EL	N/EL	N/EL	N/EL								0.3		
Production of heat/cool using waste heat	CCM 4.25, CCA 4.25	22.9	4.2	EL	EL	N/EL	N/EL	N/EL	N/EL								1.3		
Electricity generation from nuclear energy in existing installations	CCM 4.28, CCA 4.28	52.4	9.6	EL	EL	N/EL	N/EL	N/EL	N/EL								27.7		
Electricity generation from fossil gaseous fuels	CCM 4.29	109.1	19.9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								15.8		
High- efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	24.8	4.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.8		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**237.2**	**43.4**	**43.4**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**49.1**		
A. CapEx of Taxonomy eligible activities (A1+A2)		**311.9**	**57.0**	**57.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**56.6**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**235.8**	**43.1**																
TOTAL		**547.6**	**100.0**																

The table below shows the composition of taxonomy-aligned capital expenditure. The taxonomy-aligned investments are mainly attributable to additions to property, plant and equipment.

Breakdown of CapEx

€ in millions	Taxonomy aligned
Additions to internally generated intangible assets	**2.1**
4.5 - Production of Electricity from Hydropower	0.7
4.15 - District Heating / Cooling Distribution	1.3
Additions to property, plant and equipment	**70.5**
4.5 - Production of Electricity from Hydropower	63.7
4.15 - District Heating / Cooling Distribution	6.8
Additions to right-of-use assets	**2.1**
4.5 - Production of Electricity from Hydropower	2.1
4.15 - District Heating / Cooling Distribution	0.0
Business combinations	**n/a**
4.5 - Production of Electricity from Hydropower	n/a
4.15 - District Heating / Cooling Distribution	n/a
Total	**74.7**

CapEx Plan

The investments reported as part of the CapEx plan as of December 31, 2023 amount to a total of €281.1 million (2022: €268 million). In line with the Uniper Group's development and strategy, the planned investments for the further expansion of taxonomy-aligned economic activities and the conversion of taxonomy-eligible activities into taxonomy-aligned activities mainly comprise projects in the areas of hydropower, district heating and heat.

Economic activities concerning the environmental target "Climate change mitigation"	The plan aims to expand the undertaking's Taxonomy-aligned economic activities.	OR	The plan aims to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of 5 years (maximum 10 years).	Timespan for CapEx-Plan (years)	Total capital expense spent during the reporting period (€ in millions)	Total capital expense expected to be incurred during the period of time of the CapEx-Plans (€ in millions)	Capex-Plan approved
3.10	No		Yes	5	23.9	58.6	Yes
4.5	Yes		No		4.0	186.8	Yes
4.15	No		Yes	5	4.1	9.9	Yes
4.25	No		Yes	5	22.9	26.5	Yes
Total					**54.8**	**281.8**	

Uniper's Operating Expenses (OpEx) in the 2023 Fiscal Year

Uniper had operating expenses of €1,706.7 million in the 2023 fiscal year, which is comparable to the prior-year level (2022: €1,722.0 million). The share of taxonomy-eligible operating expenses increased by 8.1% from €294.8 million in the previous year to €320.8 million in the 2023 fiscal year. Taxonomy-aligned operating expenses also recorded a significant increase of 41.9% to €139.8 million (2022: €98.5 million). These mainly relate to ongoing development projects, particularly in the areas of heat, district heating and hydrogen.

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, Year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
OpEx		Mio EUR	%	Y ;N; N/EL	Y ;N; N/EL	Y ;N; N/EL	Y ;N; N/EL	Y ;N; N/EL	Y ;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Production of Electricity from Hydropower	CCM 4.5	123.5	7.2	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.9		
District heating/cooling distribution	CCM 4.15	16.4	1.0	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.8		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**139.8**	**8.2**	**8.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**5.7**		
Of which Enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Of which Transitional		0.0	0.0	0.0						Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of hydrogen and hydrogen-based synthetic fuels	CCM 3.10, CCA 3.10	1.5	0.1	EL	EL	N/EL	N/EL	N/EL	N/EL								0.2		
Production of Electricity from Hydropower	CCM 4.5, CCA 4.5	0.2	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
Storage of hydrogen	CCM 4.12, CCA 4.12	0.1	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13, CCA 4.13	0.3	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
Electricity generation from nuclear energy in existing installations	CCM 4.28, CCA 4.28	61.3	3.6	EL	EL	N/EL	N/EL	N/EL	N/EL								3.6		
Electricity generation from fossil gaseous fuels	CCM 4.29	105.5	6.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.2		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	11.7	0.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3		
Close to market research, development and innovation	CCM 9.1, CCA 9.1	0.4	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**181.0**	**10.6**	**10.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**11.4**		
A. OpEx of Taxonomy eligible activities (A1+A2)		**320.8**	**18.8**	**18.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**17.1**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**1,385.9**	**81.2**																
TOTAL		**1,706.7**	**100.0**																

The table below shows the composition of taxonomy-aligned operating expenditure. About 50% of operating expenses amounting to €65.5 million are attributable to servicing costs. The "Servicing" cost block primarily includes externally purchased services such as "operating and inspecting", "on-call service for emergencies" and "monthly standard service".

Breakdown of OpEx

€ in millions	Taxonomy aligned
Research and development	**1.0**
4.5 - Production of Electricity from Hydropower	0.3
4.15 - District Heating / Cooling Distribution	0.7
Building renovation measures	**5.2**
4.5 - Production of Electricity from Hydropower	5.2
4.15 - District Heating / Cooling Distribution	0.0
Leasing	**0.3**
4.5 - Production of Electricity from Hydropower	0.3
4.15 - District Heating / Cooling Distribution	0.0
Repairs and maintenance	**48.9**
4.5 - Production of Electricity from Hydropower	42.3
4.15 - District Heating / Cooling Distribution	6.5
Ongoing maintenance	**18.9**
4.5 - Production of Electricity from Hydropower	18.1
4.15 - District Heating / Cooling Distribution	0.8
Servicing	**65.5**
4.5 - Production of Electricity from Hydropower	57.1
4.15 - District Heating / Cooling Distribution	8.4
Total	**139.8**

Reporting Form for Transitional Technologies Nuclear Power and Gas

The reporting form shown below details all activities in the areas of natural gas and nuclear energy. These activities which are relevant for Uniper do not meet the criteria for taxonomy-alignment and are therefore reported as taxonomy-eligible activities.

Form 1: Activities in the nuclear energy and fossil gas sectors

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Row	**Fossil gas related activities**	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Reporting Forms for Turnover for Nuclear Power and Gas

The reporting forms below break down all economic activities related to nuclear energy and natural gas for the turnover KPI. As explained above, Uniper does not report taxonomy-aligned turnover for these activities, but taxonomy-eligible turnover.

Form 2: Taxonomy-aligned economic activities (denominator) — Turnover KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of turnover**	1,082.9	1.0	1,082.9	1.0	N/A	N/A
8	**Total applicable KPI**	1,082.9	1.0	1,082.9	1.0	N/A	N/A

Form 3: Taxonomy-aligned economic activities (numerator) — Turnover KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of turnover**	1,082.9	100.0	1,082.9	100.0	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of turnover**	1,082.9	100.0	1,082.9	100.0	N/A	N/A

Form 4: Taxonomy-eligible but not taxonomy-aligned economic activities — Turnover KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	532.3	0.5	532.3	0.5	N/A	N/A
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	2,102.9	2.0	2,102.9	2.0	N/A	N/A
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	121.6	0.1	121.6	0.1	N/A	N/A
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of turnover**	1.1	0.0	1.1	0.0	N/A	N/A
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of turnover**	2,757.9	2.6	2,757.9	2.6	N/A	N/A

Form 5: Taxonomy non-eligible economic activities — Turnover KPI

Row	Economic activity	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	N/A	N/A
7	**Amount and proportion of other taxonomy non eligible economic activities not referred to in rows 1 to 6 above in the denominator of turnover**	104,074.5	96.4
8	**Total amount and proportion of taxonomy non eligible economic activities in the denominator of turnover**	104,074.5	96.4

Reporting Forms for Capital Expenditure (CapEx) for Nuclear Power and Gas

The reporting forms below break down all economic activities related to nuclear energy and natural gas for the CapEx KPI.

Form 2: Taxonomy-aligned economic activities (denominator)

Row	Economic activities	CapEx KPI					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of CapEx**	74,6	13,7	74,6	13,7	N/A	N/A
8	**Total applicable KPI**	74,6	13,7	74,6	13,7	N/A	N/A

Form 3: Taxonomy-aligned economic activities (numerator)

Row	Economic activities	CapEx KPI					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of CapEx**	74,6	100.0	74,6	100.0	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of CapEx**	74,6	100.0	74,6	100.0	N/A	N/A

Form 4: Taxonomy-eligible but not taxonomy-aligned economic activities — CapEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	52.4	9.6	52.4	9.6	N/A	N/A
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	109.1	19.9	109.1	19.9	N/A	N/A
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	24.8	4.5	24.8	4.5	N/A	N/A
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of CapEx**	50,9	9,3	50,9	9,3	N/A	N/A
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of CapEx**	237,2	43,3	237,2	43,3	N/A	N/A

Form 5: Taxonomy non-eligible economic activities — CapEx KPI

Row	Economic activity	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	N/A	N/A
7	**Amount and proportion of other taxonomy non eligible economic activities not referred to in rows 1 to 6 above in the denominator of CapEx**	235.8	43.1
8	**Total amount and proportion of taxonomy non eligible economic activities in the denominator of CapEx**	235.8	43.1

Reporting Forms for Operating Expenditure (OpEx) for Nuclear Power and Gas

The reporting forms below break down all economic activities related to nuclear energy and natural gas for the OpEx KPI.

Form 2: Taxonomy-aligned economic activities (denominator)

		OpEx KPI					
Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of OpEx**	139.8	8.2	139.8	8.2	N/A	N/A
8	**Total applicable KPI**	139.8	8.2	139.8	8.2	N/A	N/A

Form 3: Taxonomy-aligned economic activities (numerator)

		OpEx KPI					
Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of OpEx**	139.8	100.0	139.8	100.0	N/A	N/A
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of OpEx**	139.8	100.0	139.8	100.0	N/A	N/A

Form 4: Taxonomy-eligible but not taxonomy-aligned economic activities — OpEx KPI

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	61.3	3.6	61.3	3.6	N/A	N/A
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	105.5	6.2	105.5	6.2	N/A	N/A
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	11.7	0.7	11.7	0.7	N/A	N/A
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A	N/A	N/A	N/A	N/A
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of OpEx**	2,5	0.2	2,5	0.2	N/A	N/A
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of OpEx**	181.0	10.6	181.0	10.6	N/A	N/A

Form 5: Taxonomy non-eligible economic activities — OpEx KPI

Row	Economic activity	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	N/A	N/A
7	**Amount and proportion of other taxonomy non eligible economic activities not referred to in rows 1 to 6 above in the denominator of OpEx**	1,385.9	81.2
8	**Total amount and proportion of taxonomy non eligible economic activities in the denominator of OpEx**	1,385.9	81.2

Independent Practitioner's Report on a Limited Assurance Engagement on Non-Financial Reporting[1]

To Uniper SE, Düsseldorf

We have performed a limited assurance engagement on the separate non-financial group report of Uniper SE, Düsseldorf, (hereinafter the "Company") for the period from 1 January to 31 December 2023 (hereinafter the "Separate Non-financial Group Report").

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report.

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Separate Non-financial Group Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted there-under, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section "EU Taxonomy Regulation" of the Separate Non-financial Group Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Company that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of a Separate Non-financial Group Report that is free from material misstatement whether due to fraud or error.
The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have dis-closed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "EU Taxonomy Regulation" of the Separate Non-financial Group Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Audit Firm's Independence and Quality Management

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis - IDW QMS 1 (09.2022)), which requires the audit firm to design, im-plement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

[1] PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the separate non-financial group report and issued an independent practitioner`s report in German language, which is authoritative. The following text is a translation of the independent practitioner`s report.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Separate Non-financial Group Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Separate Non-financial Group Report, other than the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors dis-closed in section "EU Taxonomy Regulation" of the Separate Non-financial Group Report.
In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group's sustainability organization and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Separate Non-financial Group Report about the preparation process, about the internal control system relating to this process and about disclosures in the Separate Non-financial Group Report
- Identification of likely risks of material misstatement in the Separate Non-financial Group Report
- Analytical procedures on selected disclosures in the Separate Non-financial Group Report
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and group management report
- Evaluation of the presentation of the Separate Non-financial Group Report
- Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Separate Non-financial Group Report
- Inquiries on the relevance of climate-risks

In determining the disclosures in accordance with Article 8 of the EU-Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Separate Non-financial Group Report of the Company for the period from 1 January to 31 December 2023 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section "EU Taxonomy Regulation" of the Separate Non-financial Group Report.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, which are marked unassured.

Restriction of Use for the Qualified Report

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Düsseldorf, 26 February 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Aissata Touré Wirtschaftsprüferin German public auditor	Theres Schäfer Wirtschaftsprüferin German public auditor

Uniper Consolidated Statement of Income[1]

€ in millions	Note	2023	2022
Sales including electricity and energy taxes		108,115	274,341
Electricity and energy taxes		-200	-221
Sales	**(5)**	**107,915**	**274,121**
Changes in inventories (finished goods and work in progress)		-19	19
Own work capitalized	(6)	90	99
Other operating income	(7)	86,548	146,395
Cost of materials	(8)	-103,384	-277,062
Personnel costs	(11)	-986	-826
Depreciation, amortization and impairment charges	(15)	-2,432	-2,525
Other operating expenses	(7)	-81,070	-151,823
Income from companies accounted for under the equity method	(16)	5	54
Income/Loss from continuing operations before financial results and taxes		**6,667**	**-11,548**
Financial results	(9)	266	-1,482
Net income/loss from equity investments		*7*	*–*
Interest and similar income		*519*	*453*
Interest and similar expenses		*-504*	*-831*
Other financial results		*244*	*-1,104*
Income taxes	(10)	-597	-1,291
Net income/loss from continuing operations		**6,336**	**-14,321**
Income/loss from discontinued operations		–	-4,824
Net income/loss		**6,336**	**-19,144**
Attributable to shareholders of Uniper SE		*6,308*	*-18,999*
Attributable to non-controlling interests		*28*	*-145*
€			
Earnings per share (attributable to shareholders of Uniper SE) – basic and diluted	**(13)**		
From continuing operations		15.15	-492.83
From discontinued operations		0.00	-168.93
From net income/loss		**15.15**	**-661.75**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Uniper Consolidated Statement of Recognized Income and Expenses[1]

€ in millions	2023	2022
Net income/loss	**6,336**	**-19,144**
Remeasurements of equity investments	-395	332
Remeasurements of defined benefit plans	25	482
Remeasurements of defined benefit plans of companies accounted for under the equity method	5	2
Income taxes	-23	-262
Items that will not be reclassified subsequently to the income statement	**-388**	**553**
Cash flow hedges	–	173
Unrealized changes	–	*-1,626*
Reclassification adjustments recognized in income	–	*1,799*
Currency translation adjustments	96	2,767
Unrealized changes	*99*	*103*
Reclassification adjustments recognized in income	*-3*	*2,664*
Companies accounted for under the equity method	1	-4
Unrealized changes	*1*	*-4*
Reclassification adjustments recognized in income	–	–
Income taxes	–	-59
Items that might be reclassified subsequently to the income statement	**97**	**2,877**
Total income and expenses recognized directly in equity	**-291**	**3,429**
Continuing operations	*-291*	*558*
Discontinued operations	–	*2,871*
Total recognized income and expenses (total comprehensive income)	**6,045**	**-15,715**
Attributable to shareholders of Uniper SE	*6,016*	*-15,608*
Continuing operations	*6,016*	*-13,595*
Discontinued operations	–	*-2,013*
Attributable to non-controlling interests	*29*	*-107*

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Uniper Consolidated Balance Sheet[1]

€ in millions	Note	Dec. 31, 2023	Dec. 31, 2022[1]	Jan. 1, 2022[1]
Assets				
Goodwill	(14), (17)	–	–	1,783
Intangible assets	(14), (17)	677	687	708
Property, plant and equipment and right-of-use assets	(15), (17)	7,462	9,561	10,462
Companies accounted for under the equity method	(16), (17)	256	291	322
Other financial assets	(18)	763	1,137	859
Equity investments		*658*	*1,042*	*747*
Non-current securities		*105*	*95*	*111*
Financial receivables and other financial assets	(20)	3,004	2,694	4,065
Receivables from derivative financial instruments	(20)	6,646	40,617	16,913
Other operating assets and contract assets	(20)	106	227	247
Deferred tax assets	(10)	847	2,776	2,121
Non-current assets		**19,762**	**57,989**	**37,481**
Inventories	(19)	3,090	4,718	1,849
Financial receivables and other financial assets	(20)	3,201	6,422	8,131
Trade receivables	(20)	7,995	9,560	11,629
Receivables from derivative financial instruments	(20)	14,313	36,198	64,732
Other operating assets and contract assets	(20)	1,805	1,587	1,867
Income tax assets	(10)	37	55	33
Liquid funds	(21)	4,257	4,634	2,966
Assets held for sale	(4)	501	639	108
Current assets		**35,200**	**63,812**	**91,315**
Total assets		**54,961**	**121,802**	**128,797**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Uniper Consolidated Balance Sheet[1]

€ in millions	Note	Dec. 31, 2023	Dec. 31, 2022[1]	Jan. 1, 2022[1]
Equity and liabilities				
Capital stock	(22)	416	14,160	622
Additional paid-in capital	(22)	8,944	10,825	10,825
Retained earnings	(22)	1,668	-19,877	-1,404
Accumulated other comprehensive income		-821	-917	-3,756
Equity attributable to shareholders of Uniper SE		**10,208**	**4,191**	**6,287**
Equity attributable to non-controlling interests	(22)	228	194	485
Equity		**10,436**	**4,386**	**6,772**
Financial liabilities and liabilities from leases	(25)	1,119	2,989	1,996
Liabilities from derivative financial instruments	(25)	7,754	45,737	16,336
Other operating liabilities and contract liabilities	(25)	493	353	260
Provisions for pensions and similar obligations	(23)	521	537	1,065
Miscellaneous provisions	(24)	7,974	7,732	6,346
Deferred tax liabilities	(10)	350	2,555	433
Non-current liabilities		**18,209**	**59,904**	**26,435**
Financial liabilities and liabilities from leases	(25)	727	8,948	7,395
Trade payables	(25)	7,394	9,359	11,568
Liabilities from derivative financial instruments	(25)	14,436	30,608	70,397
Other operating liabilities and contract liabilities	(25)	608	848	1,443
Income taxes	(10)	596	112	425
Miscellaneous provisions	(24)	2,391	7,049	4,361
Liabilities associated with assets held for sale	(3)	164	590	–
Current liabilities		**26,316**	**57,513**	**95,589**
Total equity and liabilities		**54,961**	**121,802**	**128,797**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Uniper Consolidated Statement of Cash Flows[1]

€ in millions	2023	2022
Net income/loss	**6,336**	**-19,144**
Income/loss from discontinued operations	–	4,824
Depreciation, amortization and impairment of intangible assets, of property, plant and equipment, and of right-of-use assets	2,432	2,525
Changes in provisions	-4,500	3,717
Changes in deferred taxes	-280	1,282
Other non-cash income and expenses	-70	96
Gain/Loss on disposal of intangible assets, property, plant and equipment, equity investments and securities (> 3 months)	-14	-86
Intangible assets and property, plant and equipment	*5*	*-86*
Equity investments	*–19*	*-1*
Changes in operating assets and liabilities and in income taxes	2,646	-8,769
Inventories	*1,763*	*-3,203*
Trade receivables	*1,575*	*1,867*
Other operating receivables and income tax assets	*55,350*	*4,851*
Trade payables	*-880*	*1,182*
Other operating liabilities and income taxes	*-55,163*	*-13,467*
Cash provided by operating activities of continuing operations (operating cash flow)	**6,549**	**-15,556**
Cash provided by discontinued operations	–	478
Cash provided by operating activities	**6,549**	**-15,078**
Proceeds from disposal of	312	156
Intangible assets and property, plant and equipment	*11*	*92*
Equity investments	*301*	*63*
Purchases of investments in	-587	-552
Intangible assets and property, plant and equipment	*-563*	*-523*
Equity investments	*-24*	*-29*
Proceeds from disposal of securities (> 3 months) and of financial receivables and fixed-term deposits	3,790	2,229
Purchases of securities (> 3 months) and of financial receivables and fixed-term deposits	-429	-539
Cash provided by investing activities of continuing operations	**3,086**	**1,292**
Cash provided by investing activities of discontinued operations	–	-66
Cash provided by investing activities	**3,086**	**1,227**
Cash proceeds arising from changes in capital structure	19	13,538
Cash payments arising from changes in capital structure	-13	-6
Cash dividends paid to shareholders of Uniper SE	–	-26
Proceeds from new financial liabilities	6,452	16,863
Repayments of financial liabilities and reduction of outstanding lease liabilities	-16,580	-14,368
Cash provided by financing activities of continuing operations	**-10,123**	**16,001**
Cash provided by financing activities of discontinued operations	–	-47
Cash provided by financing activities	**-10,123**	**15,954**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Uniper Consolidated Statement of Cash Flows[1]

€ in millions	2023	2022
Net increase/decrease in cash and cash equivalents	**-489**	**2,103**
Effect of foreign exchange rates and other effects on cash and cash equivalents	–	-20
Cash and cash equivalents at the beginning of the reporting period[2]	4,591	2,919
Cash and cash equivalents from disposal group	67	-67
Cash and cash equivalents of deconsolidated companies	–	-345
Cash and cash equivalents at the end of the reporting period[2]	**4,169**	**4,591**
Supplementary information on cash flows from operating activities		
Income tax payments	-362	-345
Interest paid	-426	-396
Interest received	254	71
Dividends received	70	61

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.
[2]The difference between the amounts reported here for cash and cash equivalents and the amount reported under "Liquid funds" on the balance sheet arises from short-term securities (> 3 months) and bank deposits (> 3 months), which are reported as liquid funds on the balance sheet.

Statement of Changes in Equity[1]

				Accumulated other comprehensive income that might be reclassified subsequently to the income statement				
€ in millions	**Capital stock**	**Additional paid-in capital**	**Retained earnings**	**Currency translation adjustments**	**Cash flow hedges**	**Equity attributable to shareholders of Uniper SE**	**Non-controlling interests**	**Total**
Balance as of January 1, 2022	**622**	**10,825**	**-1,388**	**-3,636**	**-120**	**6,303**	**485**	**6,788**
Adjustments due to changes in accounting for selected lease issues[1]			-16			-16		-16
Balance as of January 1, 2022, after IFRS adjustment	**622**	**10,825**	**-1,404**	**-3,636**	**-120**	**6,287**	**485**	**6,772**
Change in scope of consolidation							-177	-177
Capital increase	13,538					13,538		13,538
Capital decrease							-6	-6
Dividends			-26			-26		-26
Total comprehensive income			-18,447	2,720	119	-15,608	-107	-15,715
Net income/loss			-18,999			-18,999	-145	-19,144
Other comprehensive income			552	2,720	119	3,391	38	3,429
Remeasurements of defined benefit plans			221			221		221
Remeasurements of investments			332			332		332
Changes in accumulated other comprehensive income				2,720	119	2,839	38	2,877
Balance as of December 31, 2022	**14,160**	**10,825**	**-19,877**	**-916**	**-1**	**4,191**	**194**	**4,386**
Balance as of January 1, 2023	**14,160**	**10,825**	**-19,877**	**-916**	**-1**	**4,191**	**194**	**4,386**
Capital increase							19	19
Capital decrease	-13,744	13,744					-13	-13
Deduction from additional paid-in capital		-15,625	15,625					
Total comprehensive income			5,920	95	1	6,016	29	6,045
Net income/loss			6,308			6,308	28	6,336
Other comprehensive income			-388	95	1	-292		-291
Remeasurements of defined benefit plans			7			7		7
Remeasurements of investments			-395			-395		-395
Changes in accumulated other comprehensive income				95	1	96		97
Balance as of December 31, 2023	**416**	**8,944**	**1,668**	**-821**		**10,208**	**228**	**10,436**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Notes

(1) General Information

The parent company of the Uniper Group is Uniper SE ("the Company"). The registered office of the Company is in Düsseldorf. Its address is: Uniper SE, Holzstraße 6, 40221 Düsseldorf, Germany. The Company is entered in the Düsseldorf Commercial Register, Section B, under the number 77425. Uniper's operating activities are aimed at the supply of energy and related services.

These Consolidated Financial Statements of Uniper SE and its subsidiaries (collectively "the Group" or "Uniper") were finally prepared by the Board of Management of Uniper SE on February 26, 2024, discussed in detail at the Audit and Risk Committee meeting on February 26, 2024, and approved by the Supervisory Board at its board meeting on February 27, 2024.

The Board of Management and the Supervisory Board of Uniper SE made the requisite declaration of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) in January 2024. The declaration has been made permanently and publicly accessible to shareholders on the Company's website (www.uniper.energy).

The majority shareholder of Uniper SE is UBG Uniper Beteiligungsholding GmbH, Berlin, Germany. The sole shareholder of UBG Uniper Beteiligungsholding GmbH is the Federal Republic of Germany. UBG Uniper Beteiligungsholding GmbH is registered in the Commercial Register of the Charlottenburg District Court under the number HRB 248168 B.

Prior to December 21, 2022, Fortum Oyj, Espoo, Finland, had been the majority shareholder of Uniper SE.

Uniper SE is the parent company that is responsible for preparing the consolidated financial statements and the group management report for the largest and the smallest group of companies.

(2) Basis of Preparation of the Financial Statements

The Consolidated Financial Statements of Uniper SE have been prepared in accordance with Section 315e (1) of the German Commercial Code (HGB) and with those IFRS and IFRS Interpretations Committee (IFRS IC) interpretations that were adopted by the European Commission for use in the EU as of the end of the fiscal year, and whose application was mandatory as of December 31, 2023. Any changes in accounting policies compared with the previous year that may have arisen from this or from voluntary actions are presented and explained in Note 3, "Newly Adopted Standards and Interpretations." The fiscal year of the Group is identical to the calendar year.

Financial Statement Preparation and Accounting Methods

The Consolidated Financial Statements are prepared in euro (€). Unless otherwise indicated, all amounts are presented in millions of euro (€ million). Uniper applies commercial rounding for reporting purposes. Any rounding differences existing between individual amounts and totals are accepted.

Both the accounting policies and the classification of items in the Consolidated Financial Statements are generally retained from period to period. Any changes are explained in Note 3.

The Consolidated Balance Sheet has been prepared using a classified balance sheet structure. Assets that will be realized within twelve months of the reporting date, as well as liabilities that are due to be settled within one year of the reporting date, are generally classified as current.

The Consolidated Statement of Income is classified using the nature-of-expense method, which is also applied for internal purposes.

The accounting policies applied in the Consolidated Financial Statements are explained in the respective relevant individual Notes to the Financial Statements.

Assumptions and Estimation Uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that may influence the application of accounting policies within the Uniper Group and affect the measurement and presentation of reported figures. Estimates are based on past experience and on additional knowledge obtained on transactions to be reported. Actual amounts may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Adjustments to accounting estimates are recognized in the period in which the estimate is revised if the change affects only that period, or in the period of the revision and subsequent periods if both current and future periods are affected.

At Uniper, estimates are particularly necessary for the recognition and measurement of deferred tax assets, to account for pension provisions and miscellaneous provisions, for impairment testing, for the determination of the fair value of certain financial instruments, and to account for price-adjustment clauses contained in long-term contracts.

The assumptions and estimates are fundamentally affected by developments in the geopolitical situation and Uniper's transformation to a greener company. Uniper's green transformation is embodied particularly in the CO_2 reduction targets pursued and in the measures that have been and will be taken for their achievement.

The principal estimates and uncertainties affecting the preparation of the financial statements relate to impairment testing of generation and storage assets and to the measurement of individual derivative financial instruments and provisions.

Impairment testing was performed using cash flow scenarios and particularly considered alternatives in terms of legal developments and operating lives. Moreover, the small number of event-triggered reviews conducted at the Group's other cash-generating units were also based on the changed estimates and assumptions made centrally about underlying price expectations that could arise from future geopolitical and legal developments. Some of the event-triggered impairment tests at the Group's cash-generating units as of December 31, 2023, were based on the changed estimates and assumptions made centrally about underlying price expectations for the years 2024 through 2026. In addition, from the second quarter of 2023 forward, cash flow scenarios for gas supply curtailments by Gazprom and the associated uncertainties in terms of the cost of procuring replacement volumes were not applied in the measurement of provisions after Uniper hedged its gas supply obligations through instruments including forward contracts and now anticipates no further financial losses from the procurement of replacement gas. The system for determining all other estimates and assumptions made centrally was unchanged from the 2022 fiscal year.

Given the complete discontinuation of deliveries of gas, the gas supply contracts entered into with Gazprom have been measured at a fair value of zero since August 2022.

Following its deconsolidation as of December 31, 2022, the shareholding in PAO Unipro continues to be presented as an "other" equity investment and measured at fair value through other comprehensive income in accordance with IFRS 9 – with a carrying amount of €1, owing to the high degree of uncertainty regarding a sales price that can actually be achieved and enforced.

There may be future effects on the Consolidated Financial Statements arising from more volatile commodity markets and, correspondingly, more volatile revenues and cost of materials at Uniper, as well as from interest rate adjustments in different countries, increased volatility in foreign exchange rates, a deterioration in creditworthiness, and customer defaults or arrears. These factors can affect the carrying amounts of assets and liabilities, the amount and timing of earnings recognition, as well as cash flows.

Uniper is also required to post collateral for futures and forward transactions (especially margining receivables) for portfolio hedges that arise in the ordinary course of Uniper's business. The amount of these temporary collateral pledges is governed by, among other things, the amount of the derivative position affected by collateral pledges, commodity price levels and price volatility in the commodity markets.

The significant assumptions and estimates are presented in the respective relevant individual Notes to the Financial Statements.

Expected financial and economic developments and analysis of energy policy and the regulatory environment, as well as the Uniper Group's voluntary commitments to reduce carbon emissions, have affected earnings and the measurement of assets and liabilities, particularly in the line items discussed in the following individual notes: Equity Investments and Disposals (Note 4), Revenues (Note 5), Other Operating Income and Expenses (Note 7), Cost of Materials (Note 8), Property, Plant and Equipment (Note 15), Impairment Testing in Accordance with IAS 36 (Note 17), Inventories (Note 19), Receivables, Other Assets and Contract Assets (Note 20), Miscellaneous Provisions (Note 24), Financial Instruments (Note 29). These items also respond sensitively to prices.

It is reasonably possible that changes in estimates and assumptions will be necessary in the next fiscal year.

Foreign Currency Translation

The financial statements of Uniper SE and its subsidiaries are prepared in their respective functional currencies.

Transactions of Uniper companies that are denominated in foreign currency are translated using the exchange rate applicable on the transaction date. Monetary foreign currency items are adjusted to the current exchange rate at each balance sheet date; any gains and losses resulting from fluctuations in the relevant currencies, and the effects upon realization, are recognized in income and reported as other operating income and other operating expenses, respectively.

The functional currency and the reporting currency of Uniper SE is the euro. In the Consolidated Financial Statements, the assets and liabilities of those foreign Uniper companies with a functional currency other than the euro are translated at the mid-market rates applicable on the balance sheet date, while items of the income statement are translated using annual average exchange rates. Differences arising from the translation of asset and liability items compared with the corresponding translation of the previous year, as well as exchange rate differences between the income statement and the balance sheet, are reported separately within net assets as a component of other comprehensive income and not reclassified to the income statement until the foreign subsidiary's disposal. Any differences arising from the currency translation of results of companies accounted for under the equity method are similarly recognized in income.

The following table depicts the movements in exchange rates for the periods indicated for major currencies of countries outside the European Monetary Union:

Currencies

	ISO Code	€1, mid-market rate at the reporting date 2023	2022
British pound	GBP	0.87	0.89
Swedish krona	SEK	11.10	11.12
U.S. dollar	USD	1.11	1.07

Currencies

	ISO Code	€1, annual average rate 2023	2022
British pound	GBP	0.87	0.85
Swedish krona	SEK	11.48	10.63
U.S. dollar	USD	1.08	1.05

Going Concern

In the 2023 fiscal year, Gazprom maintained the full supply interruption for all Uniper contracts. However, Uniper has hedged the corresponding gas supply obligations to customers for the years 2023 and 2024, including through forward contracts during the second quarter of 2023. As a result, the risk of increased procurement costs to replace the shortfall in gas supply volumes has been eliminated. Uniper therefore does not anticipate any additional financial (cost or liquidity) impact from the procurement of replacement gas. Accordingly, further capital increases by the Federal Republic of Germany were no longer required in the 2023 fiscal year and will not be required in the 2024 fiscal year either. At the same time, this development also eliminated the need for tranche C of the KfW credit line, with a volume of €5.0 billion, in the 2023 fiscal year. As a result, the facility had been reduced to €11.5 billion as of June 30, 2023. Moreover, the liquidity situation made it possible to repay in full the amount drawn under the KfW credit line as of September 30, 2023. As of December 31, 2023, Uniper SE reports a positive equity position pursuant to the financial reporting requirements of the German Commercial Code (HGB). The same is true for the Uniper Group's equity position determined pursuant to IFRS. As neither the KfW credit facility of €11.5 billion nor the syndicated bank credit line of €1.7 billion were drawn, there was a liquidity reserve of firmly committed credit lines totaling more than €13 billion as of December 31, 2023, and when the consolidated financial statements were prepared. Uniper additionally has a net cash position of €4,257 million as of December 31, 2023, within a net financial position of €5,430 million.

Tranche A (€9.5 billion) represents the majority of the KfW credit line and is available for drawings until September 30, 2026. Tranche B of the KfW credit line, with a volume of €2.0 billion, already expires on April 30, 2024. The syndicated bank RCF matures in September 2025. Any adjustments within the range of financing instruments in the 2024 fiscal year will be made in consideration of Uniper's future planned financing requirements. The payment to the Federal Republic of Germany in the 2025 fiscal year of the contractual recovery claims likely to arise will be made from available liquid funds.

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

(3) Newly Adopted Standards and Interpretations

Standards and Interpretations Applicable for the First Time in 2023 as well as Other Changes in Presentation and Accounting

The International Accounting Standards Board (IASB) and the IFRS IC have issued the following standards and interpretations that have been adopted by the EU into European law and were applied for the first time in the reporting period from January 1 through December 31, 2023:

New Financial Reporting Standards and Interpretations

Standard/Interpretation		IASB/IFRS IC effective date	Endorsed by EU	Impact on Uniper
IFRS 17	Insurance Contracts	Jan. 1, 2023	Yes	None
Amendments to IFRS 17	Insurance Contracts	Jan. 1, 2023	Yes	None
Amendments to IFRS 17	First adoption of IFRS 17 and IFRS 9	Jan. 1, 2023	Yes	None
Amendments to IAS 1	Disclosure of Accounting Policies	Jan. 1, 2023	Yes	None
Amendments to IAS 8	Definition of Accounting Estimates	Jan. 1, 2023	Yes	None
Amendment to IAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	Jan. 1, 2023	Yes	None
Amendment to IAS 12	International Tax Reform – Pillar Two Model Rules	Jan. 1, 2023	Yes	See the following explanations

Amendments to IAS 12 – International Tax Reform: Pillar Two Model Rules

Uniper is covered by the scope of global minimum taxation pursuant to the OECD's Pillar Two model rules. The German legislation implementing the corresponding EU directive was promulgated in the Federal Law Gazette on December 27, 2023, and accordingly took effect on December 28, 2023.

Uniper has elected to apply the exemption from accounting for deferred taxes associated with Pillar Two taxes on earnings, which was introduced by the amendments to IAS 12 issued in May 2023. The amendments clarify that the effects arising from the implementation of the Pillar Two model rules are covered by the scope of IAS 12 in principle but are temporarily excluded from the requirement to account for deferred taxes.

Under the legislation, Uniper must pay a top-up tax in each jurisdiction where it operates at a rate corresponding to the difference between the Global Anti-Base Erosion (GloBE) effective tax rate for that jurisdiction and the 15% minimum tax rate. Given the complexity of its provisions, the quantitative impact of the legislation cannot yet be estimated reliably. Using estimates based on previous annual periods, the current fiscal year and planning data, its implementation is currently not expected to result in a material tax burden for Uniper.

Other Presentation and Accounting Changes

IFRS IC: IFRS 16 – Definition of a Lease – Substantive Substitution Right

At its meeting in April 2023, the IFRS Interpretations Committee (IC) determined that any owner's substitution rights contained in rental agreements and similar contracts should not be considered substantive if a substitution of the assets conveyed for use by the contract would be practicable and economically attractive only in phases, rather than virtually throughout the period of use.

Accordingly, in the IFRS IC's opinion, a contract can still be deemed to contain a lease pursuant to IFRS 16 even if its performance does not formally depend on an identified asset, as long as the substitution of an asset that is per se unidentified is not economically beneficial to the supplier virtually throughout the period of use.

Uniper has entered into charter party agreements with shipping companies for LNG cargo ships. These agreements allow suppliers to substitute vessels during the contract term with other vessels of equal value. They have previously not been accounted for as long-term leases since the suppliers generally have options to substitute vessels. However, in certain phases – depending on factors including the current position and loading condition of a vessel, among others – substitution of an LNG cargo ship becomes possible only at increased expense, which means that, according to the IFRS IC's clarifying interpretation, the shipping companies' substitution rights cannot be classified as continuous economic options.

Because of the decision on the IFRS IC agenda, Uniper adjusted the accounting for the affected contracts within the scope of IFRS 16 accordingly. This change in accounting policies took place in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors." The comparative information has been restated accordingly. Right-of-use assets in property, plant and equipment and corresponding financial liabilities were recognized for the affected contracts. In the income statement, chartering expenses previously accounted for as cost of materials have been eliminated; instead, depreciation of right-of-use assets and the interest portion of the lease payments are recognized. In the statement of cash flows, only the interest portion of the lease payments is henceforth recognized as operating cash flow; all other payments are recognized as cash flow from financing activities.

The material adjustments are shown in the following tables. In addition, the management indicators from the previous year, which have now also been changed, are reconciled on a voluntary basis:

Reconciliation of Uniper Consolidated Statement of Income

€ in millions	31.12.2022 published	Adjustment	31.12.2022 restated
Cost of materials	-277,145	83	-277,062
Depreciation, amortization and impairment charges	-2,451	-74	-2,525
Other operating expenses	-151,797	-27	-151,823
Income/Loss from continuing operations before financial results and taxes	**-11,530**	**-18**	**-11,548**
Financial results	-1,480	-2	-1,482
Interest and similar expenses	*-829*	*-2*	*-831*
Net income/loss from continuing operations	**-14,300**	**-20**	**-14,321**
Net income/loss	**-19,124**	**-20**	**-19,144**
Attributable to shareholders of Uniper SE	*-18,979*	*-20*	*-18,999*

Reconciliation of Uniper Consolidated Statement of Recognized Income and Expenses

€ in millions	Dec. 31, 2022 published	Adjustment	Dec. 31, 2022 restated
Net income/loss	**-19,124**	**-20**	**-19,144**
Total recognized income and expenses (total comprehensive income)	**-15,695**	**-20**	**-15,715**
Attributable to shareholders of Uniper SE	*-15,588*	*-20*	*-15,608*
Continuing operations	*-13,575*	*-20*	*-13,595*

Reconciliation of Changes in Uniper Consolidated Balance Sheet

€ in millions	1.1.2022 published	Adjustment	1.1.2022 restated	31.12.2022 published	Adjustment	31.12.2022 restated
Assets						
Property, plant and equipment and right-of-use assets	10,055	407	10,462	9,228	333	9,561
Non-current assets	**37,074**	**407**	**37,481**	**57,657**	**333**	**57,989**
Other operating assets and contract assets	1,875	-8	1,867	1,595	-8	1,587
Current assets	**91,323**	**-8**	**91,315**	**63,820**	**-8**	**63,812**
Total assets	**128,397**	**400**	**128,797**	**121,477**	**325**	**121,802**
Equity and liabilities						
Retained earnings	-1,388	-16	-1,404	-19,840	-37	-19,877
Equity attributable to shareholders of Uniper SE	**6,303**	**-16**	**6,287**	**4,228**	**-37**	**4,191**
Equity	**6,788**	**-16**	**6,772**	**4,422**	**-37**	**4,386**
Financial liabilities and liabilities from leases	1,655	341	1,996	2,697	292	2,989
Non-current liabilities	**26,094**	**341**	**26,435**	**59,611**	**292**	**59,904**
Financial liabilities and liabilities from leases	7,320	75	7,395	8,878	69	8,948
Current liabilities	**95,514**	**75**	**95,589**	**57,443**	**69**	**57,513**
Total equity and liabilities	**128,397**	**400**	**128,797**	**121,477**	**325**	**121,802**

Reconciliation of Uniper Consolidated Statement of Cash Flows

€ in millions	31.12.2022 published	Adjustment	31.12.2022 restated
Net income/loss	**-19,124**	**-20**	**-19,144**
Depreciation, amortization and impairment of intangible assets, of property, plant and equipment, and of right-of-use assets	2,451	74	2,525
Other non-cash income and expenses	69	27	96
Cash provided by operating activities	**-15,159**	**81**	**-15,078**
Repayments of financial liabilities and reduction of outstanding lease liabilities	-14,288	-81	-14,368
Cash provided by financing activities	**16,035**	**-81**	**15,954**
Supplementary information on cash flows from operating activities			
Interest paid	-394	-2	-396

Reconciliation of KPIs

€ in millions	31.12.2022 published	Adjustment	31.12.2022 restated
Adjusted EBIT	-10,859	-18	-10,877
Adjusted Net Income	-7,386	-14	-7,401
Economic Net Debt	3,049	362	3,410

Standards and Interpretations Not Yet Applicable in Fiscal 2023

The IASB has issued additional standards. They were not applied by Uniper in the 2023 fiscal year because the standards were not required to be applied and no voluntary early adoption took place, or because their adoption by the EU into European law remains outstanding at this time:

New Financial Reporting Standards and Interpretations (Not Applied in Fiscal 2023)

Standard/Interpretation		IASB/IFRS IC effective date	Endorsed by EU	Impact on Uniper
Amendment to IFRS 16	Lease Liability in a Sale and Leasback	Jan. 1, 2024	Yes	To be examined on a case-by-case basis
Amendments to IAS 1	Classification of Liabilities as Current or Non-current including Deferral of Effective Date	Jan. 1, 2024	Yes	To be examined on a case-by-case basis
Amendments to IAS 1	Non-Current Liabilities with Covenants	Jan. 1, 2024	Yes	To be examined on a case-by-case basis
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	Jan. 1, 2024	No	Under review
Amendments to IAS 21	Lack of Exchangeability	Jan. 1, 2025	No	Under review

(4) Scope of Consolidation, Equity Investments and Disposals

Consolidation Principles, Scope of Consolidation

The Consolidated Financial Statements incorporate the financial statements of Uniper SE and entities controlled by Uniper (subsidiaries). Control exists when Uniper, as the investor, has the current ability to direct the relevant activities of the investee entity and, in addition, is able to receive the necessary information needed for steering and regular mandatory reporting purposes. Relevant activities are those activities that most significantly affect the performance of a business. In addition, Uniper must participate in this business performance in the form of variable returns and be able to influence those returns to its benefit through existing opportunities and rights. Control is normally deemed established if Uniper directly or indirectly holds a majority of the voting rights in the investee. In structured entities, control can be established by means of contractual arrangements. The results of the subsidiaries acquired or disposed of during the year are included in the Group's total comprehensive income from the date of acquisition until the date of disposal. Where necessary, adjustments are made to the subsidiaries' financial statements to bring their accounting policies into line with those of the Group. Intragroup receivables, liabilities and results are eliminated in the consolidation process.

Subsidiaries and associated companies that are not included in the Consolidated Financial Statements on materiality grounds are accounted for outside the scope of IFRS 9 and measured at cost, with adjustments for any loss allowances.

A discontinued operation exists if it is a line of business that either is classified as held for sale or has already been disposed of, or if it is part of a single coordinated plan to dispose of a major line of business and it can be clearly separated from the remaining business activities both in terms of operations and for financial reporting purposes. For Uniper, the segments represent a major line of business.

The gain or loss on the fair value measurement of these lines of business less any costs to sell yet to arise, as well as the gain or loss on the disposal of discontinued operations, are presented separately in the statement of comprehensive income as income or loss from discontinued operations, as is the income or loss arising from the ordinary activities of these lines of business. The prior-year figures are restated accordingly. The cash flows of discontinued operations are likewise presented separately in the cash flow statement, and the prior-year figures are restated accordingly. The previous year's balance sheet is not restated.

The number of consolidated companies changed as follows:

Scope of Consolidation

	Domestic	Foreign	Total
Consolidated companies as of January 1, 2023	**29**	**30**	**59**
Additions	2	1	3
Disposals/mergers	–	2	2
Consolidated companies as of December 31, 2023	**31**	**29**	**60**

Other Disclosures

As of December 31, 2023, a total of two domestic and five foreign associated companies were accounted for under the equity method (2022: two domestic companies and five foreign companies).

A complete list of all the companies included in the scope of consolidation, as well as the disclosures on shareholdings required pursuant to Section 313 (2) of the German Commercial Code, which are an integral part of these Notes to the Financial Statements, are provided in Note 35.

Business Combinations

An acquisition is classified as a business combination when an acquirer obtains control of one or more businesses. When making the classification, it must be determined whether the acquisition transaction actually relates to a business, i.e., an integrated set of activities and assets that is conducted and managed for the purpose of providing goods or services to customers, generating investment income or generating other income from ordinary activities.

Business combinations are accounted for by applying the purchase method, whereby the purchase price is offset against the proportional share in the net assets of the acquiree. Intangible assets are recognized separately if they are clearly separable or if their recognition arises from a contractual or other legal right. Provisions for restructuring measures are not recognized in a purchase price allocation. When measuring an acquisition, the values at the acquisition date, which is the date at which control of the acquiree was obtained, are used as the basis. The acquiree's identifiable assets, liabilities and contingent liabilities are generally recognized at their fair values irrespective of the extent to which they are attributable to non-controlling interests. Key sources of estimation uncertainty relate to the determination of these fair values. Fair values of land, buildings and major technical equipment are generally determined using independent expert reports that have been prepared by third parties. For marketable securities, published exchange or market prices at the time of acquisition are used. If exchange or market prices are unavailable for consideration, fair values are determined using the most reliable information available that is based on market prices for comparable assets or on suitable valuation techniques. In such cases, Uniper determines fair value using the discounted cash flow method by discounting estimated future cash flows. The discount rate reflects the specific risks inherent in the assets acquired.

Non-controlling interests can be measured either at cost (partial goodwill method) or at fair value (full goodwill method). The choice of method can be made on a case-by-case basis. The partial goodwill method is generally used within the Uniper Group.

If the purchase price paid exceeds the proportional share in the net assets at the time of acquisition, the positive difference is recognized as goodwill. No goodwill is recognized for positive differences attributable to non-controlling interests. Any negative difference is recognized in income after reassessment of valuation methods and premises.

No reportable business combinations were effected in the 2023 and 2022 fiscal years.

Assets Held for Sale and Liabilities Associated with Assets Held for Sale

Individual non-current assets or groups of assets and any directly attributable liabilities ("disposal groups") are reported as assets held for sale if they can be disposed of in their present condition and if there is sufficient probability of their disposal actually taking place. For a group of assets and associated liabilities to be classified as a disposal group, the assets and liabilities in it must be held for sale in a single transaction or as part of a comprehensive plan.

Non-current assets that are held for sale either individually or collectively as part of a disposal group are no longer depreciated. They are instead accounted for at the lower of the carrying amount and the fair value less any costs to sell yet to arise. If the fair value is less than the carrying amount, an impairment loss is recognized. The previous year's balance sheet is not restated.

Disposals and Assets Held for Sale in the 2023 Fiscal Year

20% Indirect Shareholding in BBL Pipeline

On May 15, 2023, Uniper completed the sale of its 20% equity interest in BBL Company V.O.F. (BBL), the Dutch owner of a 235-kilometer gas interconnection linking the UK and the Netherlands. The joint venture partners Gasunie and Fluxys exercised their preemption right earlier this year. Divestment of this non-strategic shareholding, at a purchase price of roughly €75 million, was part of the remedies Uniper must fulfill pursuant to the EU's state-aid approval.

Held as a disposal group in the Global Commodities segment, the major asset and liability items as of the disposal date of these activities, which along with the BBL stake also include the intermediate holding company Uniper Ruhrgas BBL B.V., were non-current assets (€39 million) and current assets (€35 million), as well as liabilities (€1 million).

The transaction did not produce a gain or loss on disposal when it closed.

Uniper Energy DMCC

On May 31, 2023, Uniper completed the sale of 100% of the shares in its United Arab Emirates-based crude oil processing and marine fuel trading business (Uniper Energy DMCC) to a consortium of Montfort Group and the Private Office of His Highness Sheikh Ahmed Dalmook Al Maktoum, following the fulfillment of conditions precedent and the receipt of regulatory approvals. Divestment of this non-strategic shareholding was part of the remedies Uniper must fulfill pursuant to the EU's state-aid approval.

The major asset and liability items of these activities held as a disposal group as of the disposal date were non-current assets (€81 million) and current assets (€239 million), as well as liabilities (€190 million).

The transaction produced a gain on disposal of €19 million when it closed.

Disposal of the North American Power Business

Because the EU's state-aid approval also requires divestment of the North American power business, the disposal process has already been initiated in the form of asset deals, and parts of it have reached an advanced transaction stage.

The major derivative asset and liability items of the disposal group are non-current assets (€210 million) and current assets (€73 million), as well as liabilities (€52 million), and are measured at fair value.

Until the transaction closes, contracts are still being realized in part, and the assets and liabilities will continue to be measured at fair value.

Disposal of the Gönyű Power Plant in Hungary

To fulfill the divestment requirement in the EU's state-aid approval, the process to dispose of the Gönyű power plant in Hungary and of Uniper Hungary Energetikai Kft. (UHUE), the company holding the power plant, was initiated during the 2023 fiscal year. The disposal process was an advanced transaction stage as of December 31, 2023. Accordingly, the net assets of UHUE as of the balance sheet date were reclassified as a disposal group and as assets and associated liabilities held for sale.

An impairment charge of €49 million was recognized on the disposal group in the context of the reclassification. Held as a disposal group in the European Generation segment, the major asset and liability items (after impairment recognition) of the activities in Hungary as of December 31, 2023, after recognition of the impairment, were non-current assets (€189 million) and current assets (€29 million), as well as liabilities (€113 million).

A purchase contract for the acquisition of the shares in UHUE has since been concluded with Veolia Invest Hungary Zrt., a Hungarian subsidiary of Veolia S.A., Paris, France, on February 14, 2024 (see also Note 34). The transaction is not expected to produce a material gain or loss on disposal when it closes, likely in the second half of 2024.

Disposals and Assets Held for Sale in the 2022 Fiscal Year

20% Indirect Shareholding in BBL Pipeline

The reclassification of the activities as a disposal group, presented within the Global Commodities segment, took place on December 31, 2022.

The major asset and liability items as of the December 31, 2022, reclassification date of the activities held as a disposal group, which along with the BBL stake also include the intermediate holding company Uniper Ruhrgas BBL B.V., were non-current assets (€40 million) and current assets (€37 million), as well as liabilities (€9 million).

Uniper Energy DMCC

The reclassification of the activities as a disposal group, presented within the Global Commodities segment, took place on December 31, 2022.

The major asset and liability items of these activities held as a disposal group as of the December 31, 2022, balance sheet date were non-current assets (€80 million) and current assets (€482 million), as well as liabilities (€581 million). They included derivative financial instruments that were measured at fair value through profit or loss in accordance with IFRS 9 (assets: €18 million, liabilities: €4 million).

Deconsolidation of PAO Unipro, Discontinued Operations in the 2022 Fiscal Year

Uniper deconsolidated PAO Unipro as of December 31, 2022. At that time, the Unipro business unit was also required to be classified as a discontinued operation within the meaning of IFRS 5.

The following table presents information on Unipro's earnings in the 2022 fiscal year:

Statement of Income from Discontinued Operations

€ in millions	2022	2021
Sales	1,438	1,010
Other income	205	20
Other expenses	-1,991	-1,078
Income/Loss from discontinued operations before taxes	**-348**	**-47**
Income taxes	-37	11
Losses from deconsolidation	-4,439	–
Income/Loss from discontinued operations	**-4,824**	**-36**

Following its deconsolidation, the shareholding in PAO Unipro is presented as an "other" equity investment and measured at fair value through other comprehensive income in accordance with IFRS 9, with a carrying amount of €1, owing to the high degree of uncertainty regarding a sales price that can actually be achieved and enforced.

(5) Revenues

Revenues are generated predominantly from sales of electricity and gas via traded markets, as well as to industrial customers and resellers, and include hedges settled through physical delivery. Also shown in this line item are revenues earned from the transportation of gas and from deliveries of steam, heat and water, as well as from the rendering of services.

Revenues from trading operations transacted via traded markets (including hedges settled through physical delivery) are recognized when control is transferred to the purchaser. These transactions contain a performance obligation.

For physically settled transactions that are not within the scope of IFRS 9 (own-use transactions), contract prices, which reflect the economic character of these transactions and the contractually agreed consideration amounts, are used to determine revenues unless IFRS 15 provides for a different method, e.g., to account for constraint of variable consideration. For physically settled transactions that must be accounted for as derivatives pursuant to IFRS 9 criteria (failed own-use transactions), revenue is recognized at the market price applicable at the time of recognition. Accordingly, such contracts are presented as physical spot contracts with a financial hedge. The Company, in principle, recognizes revenue from its sales and service operations upon delivery of goods to customers, or upon completion of services rendered. Performance is deemed complete when the control associated with ownership has been transferred to the purchaser as contractually agreed, compensation has been contractually established, and collection of the resulting receivable is probable. Uniper's commodity supply contracts with customers generally contain a performance obligation for which the entire transaction price is recognized as sales revenues when the obligation is satisfied. Progress is usually measured in terms of the volume of energy supplied. For contracts having solely a consumption-based price component, Uniper recognizes revenue in the amount the Company bills to the customer. In contracts where, on the other hand, the transaction price includes a fixed component in addition to the consumption-based component, revenue from the fixed price component is recognized in line with the customer's actual consumption profile. The timing difference between payment and revenue recognition occurs only within fiscal years for contracts having a seasonal delivery profile, meaning that there will be no material impact on the revenue from such contracts for any fiscal year as a whole. In these contracts, the consumption-based price component is similarly recognized as revenue based on the volume supplied.
Revenues include the surcharge mandated by the German Renewable Energy Sources Act and other applicable statutory charges. They are presented net of sales taxes, returns, rebates and discounts, and after elimination of sales within the Uniper Group. The electricity tax is levied, in particular, on electricity delivered to retail customers and is calculated on the basis of a fixed tax rate per megawatt-hour (MWh) that varies between different classes of customers. In line with German accounting and presentation practice, electricity and energy taxes paid are deducted from sales revenues on the face of the income statement.

Sales revenues generated from the rendering of services are recognized on an ongoing basis as services are rendered and recognized in the amount that Uniper bills for them.

At €107,915 million, sales revenues in the 2023 fiscal year were below the prior-year level (2022: €274,121 million), owing to the requirement to recognize revenues at current realized prices, which had fallen significantly year over year. The amount includes revenues relating to prior periods of €413 million (2022: €274 million).

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

Uniper anticipates revenues of €908 million (2022: €1,511 million) from unsatisfied performance obligations. Of this total, €473 million is attributable to 2024 (in 2022 for 2023: €736 million) and €435 million to years after 2024 (in 2022 for the years after 2023: €775 million).

These amounts do not include contracts with an expected initial duration of one year or less, nor do they include contracts under which Uniper billed the customer for performance obligations that match exactly the value consumed by the customer during the same period. Variable price components that are subject to restrictions are also not included in unsatisfied performance obligations.

As stated previously, Uniper's sales are especially contingent on the aforementioned physically settled contract types from its trading operations. Accordingly, the disclosure of outstanding performance obligations allows no conclusions to be drawn about the Group's sales in the coming years.

As of December 31, 2023, contract assets amounted to €9 million (2022: €31 million). They result from contracts in which the consumption by the customer, and payments by the customer of the base or service price, vary seasonally. An amount of €31 million from the opening balance as of January 1, 2023, was reclassified to trade receivables (2022: €15 million).

An amount of €20 million in revenues was generated from the contract liabilities included in the opening balance and recognized in the 2023 fiscal year (2022: €688 million). As of December 31, 2023, contract liabilities amounted to €313 million (2022: €162 million).

The classification of revenues by segment, product and region is presented in Note 33.

(6) Own Work Capitalized

Own work capitalized amounted to €90 million in the 2023 fiscal year (2022: €99 million) and was generated from engineering and IT services, among other items.

(7) Other Operating Income and Expenses

Gains and losses on derivatives representing economic hedging relationships for which hedge accounting according to IFRS 9 is not applied are reported within other operating income and expenses for the duration of the forward contracts (the period between contract inception and settlement). Also included in this line item are gains and losses from financial hedging transactions and, to a limited extent, from proprietary trading. Provisions are generally reversed through the same line item in the income statement that was used to recognize them.

The table below provides details of other operating income for the periods indicated:

Other Operating Income

€ in millions	2023	2022
Income from exchange rate differences	454	862
Gain on derivative financial instruments	85,795	143,002
Gain on disposal of equity investments and securities	19	1
Write-ups of non-current assets	29	1,758
Gain on disposal of property, plant and equipment	5	91
Miscellaneous	247	681
Total	**86,548**	**146,395**

Other operating income decreased particularly because of the marking to market of commodity derivatives. The decrease is mostly attributable to the significantly lower commodity prices in all the markets relevant to the Uniper Group. Income from invoiced and open transactions and from related currency hedges fell to €85,795 million, down €57,207 million from the previous year (€143,002 million). The explanations already take into account the effect from the difference between the spot price and the contractually hedged price on the accounting treatment of forward contracts to buy or sell non-financial items when those are accounted for under IFRS 9 (failed own-use contracts).

Income from exchange rate differences consisted primarily of realized gains arising from the translation of foreign-currency receivables and liabilities in the amount of €428 million (2022: €747 million). There also were unrealized currency effects from translation at the closing rate on the balance sheet date in the amount of €25 million (2022: €115 million).

Write-ups of non-current assets are discussed in Note 17.

The amount reported as miscellaneous other operating income includes income from the reversal of provisions totaling €2 million (2022: €396 million). Additionally included here in the 2023 fiscal year are insurance settlements totaling €95 million in connection with the unavailability of a power plant in the United Kingdom. As in previous years, the line item further includes numerous other transactions and income types, such as income from goods and services recharged, that are not material either separately or in aggregate.

The following table provides details of other operating expenses for the periods indicated:

Other Operating Expenses[1]

€ in millions	2023	2022
Loss from exchange rate differences	474	1,016
Loss on derivative financial instruments	77,087	149,958
Expected credit losses on trade receivables and contract assets	25	2
Taxes other than income taxes	15	32
Expenses relating to contractual recovery claims of the Federal Republic of Germany from the granting of state aid	2,238	–
Miscellaneous	1,230	816
Total	**81,070**	**151,823**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The reduction in other operating expenses resulted primarily from changes in the fair value of commodity derivatives. That decrease is mostly attributable to the significantly lower commodity prices in all the markets relevant to the Uniper Group. At €77,087 million, expenses from invoiced and open transactions and from related currency hedges were down €72,871 million from the previous year (€149,958 million). The explanations already take into account the effect from the difference between the spot price and the contractually hedged price on the accounting treatment of forward contracts to buy or sell non-financial items when those are accounted for under IFRS 9 (failed own-use contracts). The line item also includes the reversal of provisions for onerous contracts in the amount of €5,746 million anticipating the risk of possible future incremental costs for procuring replacement gas (2022: addition of €5,746 million).

Expenses from exchange rate differences consisted primarily of realized losses arising from the translation of foreign currency receivables and liabilities in the amount of €457 million (2022: €887 million). There also were unrealized currency effects from translation at the closing rate on the balance sheet date in the amount of €16 million (2022: €128 million).

Other operating expenses also includes expenses from the addition to the provision recognized in the 2023 fiscal year relating to contractual recovery claims of the Federal Republic of Germany arising from the granting of state aid in 2022. As of the December 31, 2023, reporting date, the addition to provisions for overcompensation expected as of December 31, 2024, amounts to €2,238 million.

The amount reported as miscellaneous other operating expenses includes expenses from additions to provisions for onerous contracts in the Global Commodities segment totaling €415 million (2022: €95 million). Additionally recognized were third-party services totaling €93 million (2022: €125 million) and IT expenditure totaling €215 million (2022: €214 million). The line item further includes numerous other transactions and expenses such as short-term lease expenses, insurance premiums and fees.

Also reported under other operating income and expenses are results generated from proprietary trading, which are presented net in order to clarify the presentation of the respective underlying commodities. The income from proprietary trading before netting totaled €16,525 million in the 2023 fiscal year (2022: €17,152 million). The corresponding gross expenses totaled €16,167 million (2022: €16,966 million).

The main driver of this significant change in other operating income/expenses is the strong decline in commodity prices, as Uniper trades commodities including power, gas and coal and buys carbon allowances on the forward markets. These forward transactions are measured at fair value through profit or loss.

In measuring the provision for onerous contracts to reflect the risk of increased purchase costs to replace undelivered Russian gas supplies in the future, various differently weighted scenarios had been considered since the second quarter of 2022 to account for the complete stoppage of Russian gas supply and different future price assumptions. As the gas supply obligations have been hedged since May 2023, in particular by forward contracts, the price risk of increased procurement costs has been hedged as well. The use of scenarios in the calculation of provisions for the gas portfolio had therefore already been discontinued in the reporting for the first half of 2023, and the provision was reversed in full.

(8) Cost of Materials

Expenses from the consumption of raw materials and supplies, as well as expenses for purchased goods, are measured at the lower of their cost and their net selling price. Write-downs of inventories to net realizable value, and reversals of such write-downs if the net selling price has risen again, are recognized respectively as increases and decreases in the cost of materials (see also Note 19 for details on the measurement of inventories).

For physically settled transactions that are not within the scope of IFRS 9 (own-use transactions), contract prices – which reflect the economic character of these transactions and the contractually agreed consideration amounts – are used to determine cost of materials, unless a different method exists, e.g., to account for constraint of variable consideration. For physically settled transactions that must be accounted for as derivatives pursuant to IFRS 9 criteria (e.g., failed own-use transactions), the expense is recognized in income or capitalized as inventory or emission rights at the market price applicable at the time of recognition. Accordingly, such contracts are presented as physical spot contracts with a financial hedge.

The cost of materials resulting from the rendering of services is recognized on an ongoing basis as services are rendered and recognized in the amount that Uniper is billed for them (less any price reductions).

Also included within cost of materials are expenses for emission rights that were purchased in order to satisfy obligations under the EU Emissions Trading System (ETS). They are presented at cost. The corresponding asset item is recognized at the spot price applicable on the reporting date under miscellaneous operating assets or, in the case of an allowance shortfall, under miscellaneous provisions.

The following table provides details of the cost of materials for the periods indicated:

Cost of Materials[1]

€ in millions	2023	2022
Expenses for raw materials and supplies and for purchased goods	102,408	275,799
Expenses for purchased services	976	1,263
Total	**103,384**	**277,062**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The cost of materials decreased by €173,678 million in the 2023 fiscal year to €103,384 million (2022: €277,062 million). The sales trend described previously was a key factor in this development.

The decrease in the cost of materials resulted particularly from significantly lower average market prices in the power and gas business relative to the previous year, since a large portion of the contracts involving physical settlement that Uniper enters into (failed own-use contracts) is realized at the spot price applicable on the settlement date, rather than at the originally hedged contract price.

The difference between the spot price and the contractually hedged price is instead recognized in the line items for other operating income and expenses. The fall in commodity spot prices has thus brought about a shift in the presentation of realized income and expenses from revenues and cost of materials to other operating income and expenses, but it has no effect on contractual cash flows and therefore no impact on adjusted EBIT. The principal factors responsible for the increase are discussed accordingly in Note 5, "Revenues."

The reported cost of materials also includes a net out-of-period effect of €584 million due to an arbitral award relating to a retroactive price adjustment over several fiscal years of a long-term LNG contract that expired in the 2022 fiscal year.

Expenses for raw materials and supplies and for purchased goods consisted especially of purchases of gas, electricity and LNG in the amount of €94,295 million (2022: €254,963 million). Network usage charges of €861 million (2022: €886 million) are also included in this line item.

Expenses for emission rights are strongly influenced by market optimization activities and amounted to €4,476 million (2022: €8,669 million), with a similar offsetting amount of revenues generated from sales. Of the amount mentioned, an expense of €939 million can be attributed to the emissions that occurred in the 2023 fiscal year (2022: €1,692 million).

Expenses for purchased services mainly comprised maintenance costs in the amount of €265 million (2022: €183 million). Other purchased services totaling €641 million (2022: €900 million) included disposal costs for nuclear fuels in the amount of €330 million (2022: €325 million), recharged services in the amount of €97 million (2022: €298 million) and grid services in the amount of €66 million (2022: €84 million).

(9) Financial Results

Interest income and expenses are recognized pro rata using the effective interest method. Dividend income is recognized when the right to receive the distribution payment arises. The implementation of the loss allowance model is described in detail in Note 29. Note 24 contains further discussion of the accounting for the Swedish Nuclear Waste Fund ("Kärnavfallsfonden" or "KAF").

The following table provides details of financial results for the periods indicated:

Financial Results[1]

€ in millions	2023	2022
Income from companies in which equity investments are held	10	4
Impairment charges/reversals on other financial assets	-3	-4
Net income/loss from equity investments	**7**	**0**
Interest and similar income	519	453
Amortized cost	*226*	*47*
Other interest and similar income	*293*	*407*
Interest and similar expenses	-504	-831
Amortized cost	*-342*	*-421*
Other interest and similar expenses	*-162*	*-409*
Net interest income	**15**	**-377**
Impairment charges/reversals	-1	-1,003
Net income from securities	54	-28
Result from the Swedish Nuclear Waste Fund (KAF)	191	-74
Other financial results	**244**	**-1,104**
Financial results	**266**	**-1,482**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Financial results increased significantly, by €1,747 million, to €266 million (2022: -€1,482 million). This resulted especially from the improvement in other financial results due to the non-recurrence of the write-down to zero in the 2022 fiscal year of the loans to Nord Stream 2 AG (€1,003 million). Furthermore, the valuation result from the Swedish Nuclear Waste Fund increased by €265 million in the 2023 fiscal year to €191 million. Net interest income also increased significantly year over year, by €393 million, to net income of €15 million (2022: net expense of -€377 million). At €7 million, income from equity investments increased slightly year over year (2022: €0 million).

Interest and similar income in the 2023 fiscal year increased by €66 million year over year to €519 million (2022: €453 million). This was mainly driven by effects of changes in interest rates in the measurement of non-current provisions in Swedish nuclear power, which produced interest income of €228 million (2022: expense of -€319 million). That increase is predominantly attributable to a revision of the discount rate that is determined based on country-specific factors. Interest income from deposits of liquid funds also increased in the 2023 fiscal year, by €106 million, to €108 million (2022: €2 million), as did interest income from forward transactions (margining), which rose to €89 million (2022: €20 million). In addition, capitalized borrowing costs rose significantly year over year, by €15 million, to €25 million (2022: €9 million).

Interest and similar expenses decreased by €325 million in the 2023 fiscal year to -€504 million (2022: -€829 million). Time value of money effects in the measurement of non-current provisions in the hydropower business resulted in an interest expense of -€42 million (2022: income of €210 million). The financing expenses of Uniper SE amounted to -€305 million in the 2023 fiscal year and posted a slight decline relative to the previous year (2022: -€334 million).

Other financial results increased to €244 million as of the end of the 2023 fiscal year (2022: -€1,104 million). This change was brought about especially by the non-recurrence of the write-down to zero in the 2022 fiscal year of the financing extended in the amount of €1,003 million including accrued interest. That write-down had resulted from the withdrawal of the security of supply analysis by the German Federal Ministry for Economic Affairs and Climate Action and the associated halt to the certification process and from the imposition of U.S. sanctions on Nord Stream 2 AG and its CEO. The significantly improved valuation result relative to the previous year from the Swedish Nuclear Waste Fund of €191 million (2022: -€74 million) produced an additional positive effect. Furthermore, net income from securities increased by €81 million to €54 million (2022: -€28 million).

(10) Income Taxes

Current taxes for the reporting period and for prior periods are measured at the amount expected to be paid to or recovered from the tax authorities.

Deferred taxes are the result of temporary differences between the carrying amounts of the assets and liabilities on the IFRS balance sheet and their corresponding tax bases. Deferred tax assets also include tax relief entitlements resulting from the expected use of existing loss and interest carryforwards in future years. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences and unused loss and interest carryforwards can be offset. Deferred taxes are not taken into consideration for the portion of the deferred tax assets to which these assumptions do not apply.

Deferred taxes are measured using the tax rates that are applicable, or expected to be applicable, in the affected country when they are realized. Deferred tax assets and liabilities are netted for each company or tax group.

The change in the deferred taxes presented on the balance sheet is composed primarily of deferred taxes recognized in income and in equity, and further includes currency effects.

Income taxes are determined company by company, taking into account the tax regulations applicable in the respective countries. Uncertain tax positions are recognized at their most likely value.

Taxes on income, including deferred taxes, break down as follows:

Income Taxes[1]

€ in millions	2023	2022
Domestic	521	-147
Foreign	356	156
Current taxes	**877**	**8**
Domestic	-749	1,186
Foreign	469	96
Deferred taxes	**-280**	**1,282**
Total income taxes	**597**	**1,291**

[1]Tax expenses (+)/ income (-)

In 2023, the net income tax expense amounted to €597 million (2022: €1,291 million tax expense) and resulted in an effective income tax rate of 7.3% (2022: -9.9%). The operating tax expense amounted to €1,801 million (2022: -€3,539 million tax income) and led to an operating effective tax rate of 29.2% (2022: 32.2%).
The operating tax expense was offset by non-operating tax income of -€1,204 million (2022: €4,830 million tax expense) resulting mainly from the revaluation of deferred tax assets.

Of the amount reported as current income taxes in the 2023 fiscal year, a tax expense of €3 million related to prior periods (2022: -€162 million tax income). Of the -€280 million in deferred taxes (tax income) reported in total, an amount of -€470 million (2022: €1,653 million) resulted from changes in temporary differences, and an amount of €190 million (2022: -€371 million) from changes in loss carryforwards.

Deferred tax liabilities were not recognized as of the reporting date in respect of differences between the net assets and the tax bases of subsidiaries and associates ("outside basis differences") to the extent that Uniper can control the reversal effect and it is probable that temporary differences will not be reversed in the foreseeable future. Accordingly, no deferred taxes were recognized on these outside basis differences totaling €478 million (2022: €116 million).

The income tax rate of 31% applicable in Germany is made up of corporate income tax (15%), trade tax (15%) and the solidarity surcharge (1%). The differences between this rate and the effective rate of tax are reconciled as follows:

Reconciliation to Effective Income Taxes / Tax Rate[1]

	2023		2022	
	€ in millions	%	€ in millions	%
Income/Loss before taxes	**6,933**	**100**	**-13,030**	**100**
Expected income taxes	2,158	31	-4,039	31
Foreign tax rate differentials	-276	-4	-254	2
Changes in tax rates / tax law	3	–	61	–
Tax effects on tax-exempt income	-23	–	-31	–
Tax effects of non-deductible outlays and permanent differences[2]	718	10	5	–
Tax effects on net income from companies accounted for under the equity method	3	–	-3	–
Tax effects of goodwill impairment and deconsolidation	-13	–	406	-3
Tax effects of changes in value and non-recognition of deferred taxes[3]	-2,109	-30	5,122	-39
Tax effects of other taxes on income	141	2	33	–
Tax effects of income taxes related to other periods	-5	–	-8	–
Other	0	–	1	–
Effective income taxes / tax rate	**597**	**9**	**1,291**	**-10**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.
[2]The tax effects of non-deductible outlays and permanent differences resulted especially from expenses from the addition to the provision recognized in the 2023 fiscal year relating to a payment to the Federal Republic of Germany to settle contractual recovery claims likely to arise. These claims are the result of expected overcompensation by the state aid granted by the Federal Republic of Germany in the 2022 fiscal year.
[3]Primarily reflects the effect of excluded deferred taxes within and outside Germany.

Deferred tax assets and liabilities break down as shown in the following table:

Deferred Tax Assets and Liabilities[1]

€ in millions	December 31, 2023 Tax assets	December 31, 2023 Tax liabilities	December 31, 2022 Tax assets	December 31, 2022 Tax liabilities
Intangible assets	10	182	22	188
Property, plant and equipment	124	728	246	832
Financial assets	–	8	1	7
Inventories	24	167	69	170
Receivables	174	8,724	163	26,188
Provisions	1,247	130	1,223	91
Liabilities	8,712	102	25,698	168
Loss carryforwards	265	–	458	–
Other	24	41	12	27
Subtotal	**10,580**	**10,083**	**27,891**	**27,670**
Changes in value	–	–	–	–
Deferred taxes (gross)	**10,580**	**10,083**	**27,891**	**27,670**
Offsetting	-9,733	-9,733	-25,115	-25,115
Deferred taxes (net)	**847**	**350**	**2,776**	**2,555**
Current	*170*	*143*	*505*	*2,336*

[1] Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The deferred tax assets on liabilities and the deferred tax liabilities on assets primarily arise from derivative financial instruments.

Of the deferred taxes reported, a total of -€67 million was classified directly in equity (2022: -€44 million).

Income taxes recognized in other comprehensive income in the reporting year break down as follows:

Income Taxes on Components of Other Comprehensive Income

€ in millions	2023 Before income taxes	2023 Income taxes	2023 After income taxes	2022 Before income taxes	2022 Income taxes	2022 After income taxes
Cash flow hedges	–	–	–	173	-59	113
Remeasurements of equity investments	-395	–	-395	332	–	332
Currency translation adjustments	96	–	96	2,767	–	2,767
Remeasurements of defined benefit plans	25	-23	2	482	-262	220
Companies accounted for under the equity method	1	–	1	-4	–	-4
Total	**-273**	**-23**	**-296**	**3,749**	**-322**	**3,428**

Loss and interest carryforwards break down as follows as of the dates indicated:

Tax Loss and Interest Carryforwards

	December 31	
€ in millions	**2023**	**2022**
Domestic tax loss carryforwards	25,195	28,166
Foreign tax loss carryforwards	653	776
Domestic interest carried forward	–	92
Foreign interest carried forward	11	–
Total	**25,859**	**29,034**

German domestic tax loss carryforwards can be offset against a combined maximum of €1 million plus 60% of the total amount of taxable income over €1 million reported for the respective assessment period ("minimum taxation" rule). Any remaining tax losses can be carried forward without limitation as to time. This rule relating to minimum taxation for corporate income tax purposes also applies to trade tax loss carryforwards. The domestic tax loss carryforwards result from adding corporate income tax loss carryforwards amounting to €12,686 million (2022: €14,154 million) and trade tax loss carryforwards amounting to €12,509 million (2022: €14,013 million).

Moreover, there is a domestic interest carryforward of €0 million (2022: €92 million) and a foreign interest carryforward of €11 million (2022: €0 million) for the 2023 fiscal year.

As in the previous year, foreign tax loss carryforwards consist primarily of corporate income tax loss carryforwards.

As of the December 31, 2023, reporting date, deferred taxes were not recognized, or no longer recognized, on the following tax loss and interest carryforwards:

Unrecognized Tax Loss and Interest Carryforwards

	December 31	
€ in millions	**2023**	**2022**
Domestic tax loss carryforwards	23,733	26,126
Foreign tax loss carryforwards	468	224
Domestic interest carried forward	–	92
Total	**24,201**	**26,441**

The domestic and foreign tax loss carryforwards, for the most part, do not expire.

No deferred tax assets were recognized in respect of temporary differences amounting to €2,751 million (2022: €8,339 million).

As of December 31, 2023, Uniper reported deferred tax assets for companies that incurred losses in the reporting period or in the prior-year period that exceed the reported deferred tax liabilities by €110 million (2022: €536 million). The basis for recognizing deferred tax assets is an estimate by management of the extent to which it is probable that the respective companies will achieve taxable earnings in the future against which the as yet unused tax losses, tax credits and deductible temporary differences can be offset. This estimate is based on various company-specific factors that, in addition to the actual and planned earnings of the past, take account particularly of internal corporate medium-term or long-term planning. Furthermore, appropriate consideration is given to the length of the respective planning period.

(11) Personnel-Related Information

Personnel Costs

Personnel Costs

€ in millions	2023	2022
Wages and salaries	802	631
Social security contributions	103	95
Expenses for retirement and other employee benefits	82	100
Occupational retirement benefits	*81*	*100*
Total	**986**	**826**

The personnel costs of the Uniper Group increased by €160 million year over year to €986 million (2022: €826 million). The increase was due, among other things, to the granting of one-time payments to Uniper employees in recognition of their loyalty and support in what are challenging times for the Group, and also in view of the labor-market situation as regards the increasing scarcity of skilled personnel. Expenditure on contractually agreed bonuses also increased relative to the previous year as a result of the Company's positive performance. The increase in personnel expenses is additionally attributable to the creation and to adjustments in measurement arising from project development of provisions recognized especially in connection with the restructuring process in the Engineering business initiated in previous years and the ongoing proactive implementation of the coal phase-out in Europe. Collectively agreed wage and salary adjustments further increased personnel costs. These effects were partially offset by lower expenses resulting from the year-over-year decrease in the average number of employees in the Uniper Group and from a reduction in expenses for occupational retirement benefits.

Share-Based Payment

To the extent that share-option plans exist within the Uniper Group, such plans are classified as cash-settled share-based payments. A provision in the amount of the prorated fair value of the payment obligation is recognized as of the balance sheet date. Changes in the fair value are recognized in income. The fair value is determined using accepted financial-industry methods. No virtual shares are allocated for non-share-based compensation, and the Uniper SE share price is not considered in any other respect either. Provisions are recognized at the prorated expected settlement amounts as of each balance sheet date. Expected settlement amounts are based on best estimates of the relevant parameters. Changes in expected settlement amounts are recognized in income.

Since the 2021 fiscal year, selected employees of the Uniper Group have been participating in the non-share-based Performance Cash Plan in the form of other long-term compensation.

Prior to the 2021 fiscal year, Supervisory Board members had received a component of 20% of their compensation in the form of share-based payment. That compensation was allocated as a right to a future payment in the form of virtual shares. Supervisory Board members serving at that time therefore still hold virtual shares.

Additional information on the Performance Cash Plan and the virtual shares awarded to the Supervisory Board can be found in the "Long-Term Variable Compensation" section.

Long-Term Variable Compensation

The following discussion includes reports on the annual non-share-based Performance Cash Plan introduced in the 2021 fiscal year for members of the Board of Management of Uniper SE and for selected management personnel of the Uniper Group, and on the long-term variable Supervisory Board compensation granted in the form of virtual shares.

Performance Cash Plan

The non-share-based Performance Cash Plan has been granted in annual tranches, with a performance period of three years for each tranche, since the 2021 fiscal year. The Performance Cash Plan is not allocated in the form of virtual shares, and the Uniper SE share price is not considered in any other respect. The payout under the Performance Cash Plan is based on a target amount contractually agreed with each plan participant and promised at the start of the performance period as a future entitlement, as well as on financial and non-financial performance targets. The total payout is limited to 250% of the target amount allocated at the start of the performance period (payout cap), and payout takes place after the end of the three-year performance period.

Tranches of the Performance Cash Plan were allocated to selected management personnel of the Uniper Group in the 2021, 2022 and 2023 fiscal years. Because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, no performance-based compensation components may be promised or paid out, or established or promised in conditional or other form, to the Board of Management members since the 2022 fiscal year.

The provisions for the tranches of the Performance Cash Plan amount to roughly €6.4 million as of December 31, 2023 (2022: €3.2 million). The expense for the 2023 fiscal year amounted to roughly €3.2 million in total (2022: €0.1 million).

Supervisory Board’s Virtual Shares

Since the 2021 fiscal year, Supervisory Board compensation is paid out entirely as fixed compensation; there is no conversion into virtual shares. Prior to the 2021 fiscal year, Supervisory Board members had received a component of 20% of their compensation in the form of variable compensation. That compensation was allocated as a right to a future payment in the form of virtual shares. Supervisory Board members serving at that time therefore still hold virtual shares that have not yet been paid out.

The virtual shares are used purely for calculation purposes and do not confer on the beneficiary any entitlements or shareholder rights – particularly voting rights or dividend rights. To determine the number of virtual shares, the variable compensation from the previous year is divided in January of each calendar year by the volume-weighted average share price of the Company from the last 60 trading days prior to January 1 of the reporting year. After four calendar years, the virtual shares are multiplied by the average share price of the Company from the last 60 trading days of the fourth calendar year and increased by the amount of dividends paid to shareholders on each share of the Company over the previous four years. The variable compensation is paid within the first month after the end of the four-year period and is limited to 200% of the allocation amount (payout cap).

Because of the Federal Republic of Germany’s stabilization package, a right to compensation for members of the Uniper SE’s Supervisory Board, advisory board or other corporate governing bodies may arise only in the form of fixed compensation. Accordingly, any payout of outstanding virtual shares to both serving Supervisory Board members and those who departed after the agreement on the stabilization package is excluded as long as at least 75% of the stabilization measure has not been repaid or, where applicable, additional EU state-aid approval conditions have not been fulfilled.

Therefore, there is no payout of the virtual shares for departed Supervisory Board members (2022: €167 thousand), and none for the shares whose lock-up period has expired (2022: €160 thousand).

In this context, there are no provisions for the tranches of the Performance Cash Plan as of December 31, 2023 (2022: €40 thousand). The income for the 2023 fiscal year resulting from the reversal of the provisions amounted to roughly €40 thousand (income in 2022: €0.4 million due to the fallen price of Uniper SE's shares).

Information on the Average Number of Employees (Section 314 (1), No. 4, HGB)

During the reporting year, Uniper employed an average of 6,783 persons (2022: 6,986) in its continuing operations. Not included in this figure are 164 apprentices (2022: 165), nor are interns, work-study students, members of the Board of Management and managing directors.

In the European Generation segment, the average number of employees declined noticeably due to the fundamental restructuring of the engineering business.

The average employee headcount in the Global Commodities segment in the 2023 fiscal year was at the level of the previous year.

The average number of employees in Administration/Consolidation was also at the prior-year level.

Employees[1]

	2023	2022
European Generation	4,209	4,451
Global Commodities	1,414	1,406
Administration/Consolidation	1,160	1,130
Total	**6,783**	**6,986**
Domestic	*4,493*	*4,783*
Foreign	*2,290*	*2,203*

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

(12) Other Disclosures

Compensation of Board of Management and Supervisory Board (Section 314 (1), No. 6, HGB)

Board of Management

Total compensation paid to members of the Board of Management amounted to roughly €4.1 million (2022: €3.5 million). They receive a fixed base salary and other compensation components (fringe benefits) unrelated to performance. Other compensation components additionally included a one-time payment to one newly appointed Board of Management member, in the amount of roughly €0.7 million in total, to compensate him for the loss of compensation commitments at his previous employer triggered by his transfer to Uniper SE. Because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, no performance-based compensation components may be promised or paid out, or established or promised in conditional or other form. All such compensation was thus excluded for the 2023 and 2022 fiscal years.

Uniper SE and its subsidiaries granted no advances or loans to and did not enter into any contingencies benefiting members of the Board of Management in the 2023 fiscal year and in the previous year.

Former members of the Board of Management received payments totaling roughly €3.3 million in the 2023 fiscal year (2022: €0 million) stemming from allowances payable for the contractually stipulated non-compete period following the termination of their activities. The settlement amount of the pension obligations for former Board of Management members and their surviving dependents totaled roughly €11.3 million as of December 31, 2023 (2022: €9.1 million).

Additional information about the members of the Board of Management is provided in the “Related Persons” section of Note 30.

Supervisory Board

Total compensation paid to the Supervisory Board for the 2023 fiscal year amounted to roughly €1.4 million (2022: €1.3 million). Aside from their annual fixed compensation, Supervisory Board members also receive additional compensation for committee work on the Uniper SE Supervisory Board and for serving on supervisory boards of Uniper Group subsidiaries. Outlays were reimbursed for a total of €33 thousand (2022: €2 thousand).

As in the previous year, there were no outstanding loans or advances to members of the Supervisory Board in the 2023 fiscal year, nor have any contingencies been entered into in favor of the Supervisory Board.

Additional information about the members of the Supervisory Board is provided in the “Related Persons” section of Note 30.

Fees and Services of the Independent Auditor (Section 314 (1), No. 9, HGB)

During the 2023 fiscal year, the following fees for services provided by the independent auditor of the Consolidated Financial Statements, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft ("PwC Germany"), and by companies in the international PwC network, were recorded as expenses:

Independent Auditor Fees

€ in millions	**2023**	**2022**
Financial statement audits	12.4	11.7
PwC Germany	*9.8*	*9.3*
Other attestation services	0.8	0.9
PwC Germany	*0.8*	*0.9*
Tax advisory services	0.0	0.0
PwC Germany	*0.0*	*0.0*
Other services	0.2	0.0
PwC Germany	*0.1*	*0.0*
Total	**13.4**	**12.6**
PwC Germany	*10.7*	*10.2*

The fees for financial statement audits concern the audit of the Consolidated Financial Statements and the financial statements of Uniper SE and its affiliates, including the examination of the internal control system for intragroup services, as well as the review of the interim financial statements. Additionally included within this category are the project-related reviews of IT and internal control systems. The increase relative to the previous in the fees for financial statement audits in Germany in 2023 is attributable to enhanced audit requirements due, among other things, to the fact that Uniper SE is an entity of the Federal Republic of Germany.

No advisory and audit services were performed by PwC for Uniper in Russia in the 2023 fiscal year. Up to and including the first quarter of 2022, the auditor's fees had included the fees of the Russian entity Technologies of Trust – Audit JSC for audits of PAO Unipro, which was deconsolidated in the 2022 fiscal year. As of the second quarter of 2022, these fees are no longer reported here, as Technologies of Trust – Audit JSC then ceased to be part of the international PwC network.

Fees for other attestation services relate, in particular, to the fees charged for statutorily required and voluntary other audit and attestation services.

Fees for tax advisory services in 2023 included ongoing consulting related to the preparation of tax returns outside Germany. No material tax advisory expenditures were incurred in the 2023 fiscal year.

The fees for other services include expenses of €0.1 million of a PwC network company relating to prior periods. No material other services were performed in the 2023 fiscal year.

As in the previous year, non-audit-related advisory fees made up less than 30% of the financial statement audit fees in the 2023 fiscal year.

(13) Earnings per Share

The computation of basic and diluted earnings per share for the periods indicated is shown below:

Earnings per Share[1]

€ in millions	2023	2022
Income/Loss from continuing operations	6,336	-14,321
Less: non-controlling interests	28	-171
Income/Loss from continuing operations (attributable to shareholders of Uniper SE)	**6,308**	**-14,149**
Income/Loss from discontinued operations	–	-4,824
Less: non-controlling interests	–	26
Income/Loss from discontinued operations (attributable to shareholders of Uniper SE)	**–**	**-4,850**
Net income/loss attributable to shareholders of Uniper SE	**6,308**	**-18,999**
€		
Earnings per share (attributable to shareholders of Uniper SE)		
From continuing operations	15.15	-492.83
From discontinued operations	0.00	-168.93
From net income/loss	**15.15**	**-661.75**
Weighted-average number of shares outstanding (in millions)	416	29

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The Extraordinary General Meeting of Uniper SE on December 8, 2023, resolved, in connection with the stabilization of the Company performed in December 2022 within the meaning of Section 29 of the German Energy Security Act (EnSiG), to reduce the Company's capital stock in three steps by a total of €13,743,685,974.70, from €14,160,161,306.70 to €416,475,332.00.

The resolved corporate actions involved a consolidation of the no-par-value shares of the Company at a ratio of 20:1. The consolidation of shares was accounted for both in the 2023 fiscal year and retrospectively in the previous year in accordance with the provisions of IAS 33 concerning the calculation of the number of shares outstanding.

The resulting weighted average number of shares outstanding as of December 31, 2023, is 416,475,332 (2022: 28,710,581).

Earnings per share for the 2023 fiscal year amounted to €15.15 (2022: -€661.75). These values were calculated on the basis of the weighted average number of shares outstanding in the reporting period.

The computation of diluted earnings per share is identical to that of basic earnings per share because Uniper SE has issued no potentially dilutive ordinary shares.

(14) Goodwill and Intangible Assets

Goodwill is not amortized. It is instead tested for impairment at the level of the group of cash-generating units (CGUs) on at least an annual basis (see also Note 17). Goodwill created by acquisition activities is allocated to those CGUs expected to benefit from the business combination. The group of CGUs to which goodwill is allocated are generally equivalent to the operating segments, since goodwill is reported and considered in management performance indicators only at that level.

Since all goodwill was written down to zero in the 2022 fiscal year, there are no longer any CGUs carrying goodwill in the 2023 fiscal year.

Intangible assets are capitalized at their cost. If an intangible asset's useful life is determinable, it is amortized over that useful life on a straight-line basis. Useful lives and amortization methods are subject to annual verification.
Development costs are capitalized as an intangible asset if they can be clearly attributed to a newly developed product or process whose completion is technically feasible and that will be available for own use or for sale. At Uniper, this is true particularly for self-developed software. Research costs are recognized in income as incurred.

Assets subject to amortization and assets not subject to amortization are tested for impairment at least annually and whenever events or changes in circumstances indicate that such assets may be impaired (see also Note 17). Impairment charges on intangible assets are reversed and recognized in income if the reasons for the previously recognized impairment losses no longer exist. The reversal of an impairment charge may not exceed the amortized cost that would have been determined had no charge been recognized.

The following are the useful lives of the Group's intangible assets:

Useful Lives of Intangible Assets

Marketing-related, customer-related and contract-based intangible assets	5 to 30 years
Technology-based intangible assets (particularly software)	3 to 5 years

The changes in intangible assets are presented in the following table:

Goodwill and Intangible Assets

€ in millions	Goodwill	Customer-related intangible assets	Contract-based intangible assets	Technology-based intangible assets	Internally generated intangible assets	Intangible assets not subject to amortization	Advance payments on intangible assets	Total
Acquisition and production costs								
January 1, 2023	**4,046**	**16**	**1,323**	**185**	**318**	**46**	**57**	**5,991**
Exchange rate differences	43	–	2	–	–	–	–	46
Changes in scope of consolidation[1]	–	–	-1	–	–	–	–	-1
Additions	–	–	–	3	14	–	37	54
Disposals	–	–	–	–	-1	–	-5	-7
Transfers	–	–	–	7	8	–	-12	3
December 31, 2023	**4,090**	**16**	**1,325**	**195**	**338**	**46**	**76**	**6,086**
Accumulated depreciation								
January 1, 2023	**-4,046**	**-16**	**-838**	**-172**	**-233**	**-1**	**1**	**-5,305**
Exchange rate differences	-43	–	-2	–	–	–	–	-45
Changes in scope of consolidation[1]	–	–	1	–	–	–	–	1
Additions	–	–	-18	-7	-34	–	–	-59
Disposals	–	–	–	–	1	–	–	2
Transfers	–	–	–	–	–	–	-1	-1
Impairment charges	–	–	–	–	–	–	–	-1
Reversals	–	–	–	–	–	–	–	–
December 31, 2023	**-4,090**	**-16**	**-858**	**-179**	**-265**	**-1**	**–**	**-5,409**
Net carrying amounts								
December 31, 2023	**–**	**–**	**467**	**16**	**73**	**45**	**76**	**677**

[1]The "Changes in scope of consolidation" line also contains reclassifications to assets held for sale.

Goodwill and Intangible Assets

€ in millions	Goodwill	Customer-related intangible assets	Contract-based intangible assets	Technology-based intangible assets	Internally generated intangible assets	Intangible assets not subject to amortization	Advance payments on intangible assets	Total
Acquisition and production costs								
January 1, 2022	**4,898**	**16**	**1,333**	**196**	**279**	**49**	**54**	**6,826**
Exchange rate differences	-59	–	-7	1	-1	-4	–	-68
Changes in scope of consolidation[1]	–793	–	-3	-21	-1	–	-1	-819
Additions	–	–	–	3	18	–	35	57
Disposals	–	–	–	-1	-2	–	–	-3
Transfers	–	–	–	8	25	–	-33	–
December 31, 2022	**4,046**	**16**	**1,323**	**185**	**318**	**46**	**56**	**5,991**
Accumulated depreciation								
January 1, 2022	**-3,116**	**-16**	**-826**	**-175**	**-203**	**-1**	**1**	**-4,335**
Exchange rate differences	133	–	7	-1	–	–	–	140
Changes in scope of consolidation[1]	793	–	1	14	1	–	–	809
Additions	–	–	-19	-9	-32	–	–	-60
Disposals	–	–	–	1	1	–	–	2
Transfers	–	–	–	–	–	–	–	–
Impairment charges	-1,858	–	-2	-2	–	–	–	-1,862
Reversals	–	–	1	–	–	–	–	1
December 31, 2022	**-4,046**	**-16**	**-838**	**-172**	**-233**	**-1**	**1**	**-5,305**
Net carrying amounts								
December 31, 2022	**–**	**–**	**485**	**13**	**85**	**45**	**58**	**687**

[1]The "Changes in scope of consolidation" line also contains reclassifications to assets held for sale.

As in the previous year, there were no restricted interests in intangible assets as of the balance sheet date.

(15) Property, Plant and Equipment

Items of property, plant and equipment and their components are capitalized at cost and depreciated on a straight-line basis over their expected useful lives, up to the most likely date of their being taken out of use. When determining useful life, energy policy and legal aspects are taken into consideration alongside technical and commercial ones, as are voluntary commitments. Accordingly, especially in coal-fired power plants due to coal phase-out scenarios addressing the challenges of climate change, the actual useful life can be shorter than the technical useful life. If there are indications of impairment, an impairment test (see also Note 17) is performed. The costs arising from an obligation to retire an item of property, plant and equipment after its use has ended are additionally capitalized at the time of its acquisition or production.

Borrowing costs are capitalized as part of the cost of a qualifying asset. For non-specific financing arrangements, a uniform Company-specific rate of 7.46% over the construction period was applied within the Uniper Group for the 2023 fiscal year (2022: 2.83%). This rate also covers financial liabilities from long-term leases. The rise in calculated construction-period interest resulted primarily from a generally higher interest rate environment.

Government investment or subsidies are reported on the balance sheet as deferred income. They are then reclassified to the income statement on a straight-line basis over the associated asset's expected useful life.

Gains and losses on the disposal of property, plant and equipment are recognized in income under other operating income or expenses (see also Note 7).

The useful lives of the major categories of property, plant and equipment are presented below:

Useful Lives of Property, Plant and Equipment

Buildings	10 to 50 years
Technical equipment, plant and machinery	10 to 65 years
Other equipment, fixtures, furniture and office equipment	3 to 25 years

The changes in property, plant and equipment are presented in the following table:

Property, Plant and Equipment

€ in millions	Real estate and leasehold rights	Buildings	Technical equipment, plant and machinery	Other equipment, fixtures, furniture and office equipment	Advance payments and construction in progress	Total
Acquisition and production costs						
January 1, 2023	**1,632**	**2,380**	**25,207**	**305**	**810**	**30,333**
Exchange rate differences	5	9	117	1	5	137
Changes in scope of consolidation[1]	-9	-93	-263	–	-34	-399
Additions	7	29	185	18	256	493
Disposals	-4	-63	-448	-14	-10	-539
Transfers	4	6	196	10	-220	-4
December 31, 2023	**1,634**	**2,269**	**24,993**	**320**	**807**	**30,022**
Accumulated depreciation						
January 1, 2023	**-273**	**-1,615**	**-18,498**	**-238**	**-148**	**-20,772**
Exchange rate differences	-1	-4	-81	-1	–	-88
Changes in scope of consolidation[1]	9	36	156	–	7	209
Additions	-9	-70	-646	-20	–	-745
Disposals	2	6	404	14	9	435
Transfers	–	–	-10	–	10	–
Impairment charges	-5	-100	-1,471	-	-50	-1,626
Reversals	–		29		–	29
December 31, 2023	**-277**	**-1,747**	**-20,118**	**-245**	**-172**	**-22,560**
Net carrying amounts						
December 31, 2023	**1,356**	**522**	**4,875**	**75**	**635**	**7,462**

[1]The "Changes in scope of consolidation" line also contains reclassifications to assets held for sale.

Property, Plant and Equipment[1]

€ in millions	Real estate and leasehold rights	Buildings	Technical equipment, plant and machinery	Other equipment, fixtures, furniture and office equipment	Advance payments and construction in progress	Total
Acquisition and production costs						
January 1, 2022	**1,728**	**3,355**	**28,242**	**380**	**839**	**34,544**
Exchange rate differences	-109	21	-484	-8	-14	-595
Changes in scope of consolidation[2]	2	-1,072	-2,780	-122	-111	-4,083
Additions	10	91	475	17	376	969
Disposals	-1	-34	-396	-24	-3	-458
Transfers	2	18	149	63	-277	-45
December 31, 2022	**1,632**	**2,380**	**25,207**	**305**	**810**	**30,333**
Accumulated depreciation						
January 1, 2022	**-276**	**-2,165**	**-21,145**	**-299**	**-198**	**-24,082**
Exchange rate differences	9	9	419	6	10	454
Changes in scope of consolidation[2]	2	602	1,650	87	19	2,361
Additions	-8	-102	-652	-30	–	-792
Disposals	–	8	235	22	–	266
Transfers	–	–	–	–	–	–
Impairment charges	-1	-111	-759	-28	-9	-909
Reversals	–	144	1,753	4	28	1,930
December 31, 2022	**-274**	**-1,615**	**-18,498**	**-238**	**-148**	**-20,772**
Net carrying amounts						
December 31, 2022	**1,358**	**765**	**6,709**	**67**	**661**	**9,561**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

[2]The "Changes in scope of consolidation" line also contains reclassifications to assets held for sale.

The recognized impairment charges and reversals are discussed in detail in Note 17.

Borrowing costs were capitalized in the reporting year in the amount of €25 million (2022: €10 million) as part of the cost of property, plant and equipment. Of the amount reported for 2022, €1 million is attributable to property, plant and equipment of discontinued operations disposed of as part of the deconsolidation of PAO Unipro as of December 31, 2022.

In addition to owned assets, property, plant and equipment also includes right-of-use assets from leases in which the Uniper Group acts as the lessee. Note 31 contains additional information about leases.

As in the previous year, there were no restricted interests in property, plant and equipment as of the balance sheet date.

(16) Companies Accounted for Under the Equity Method

Interests in associated companies (significant influence) and joint ventures (joint control) are accounted for using the equity method. Interests in associated companies accounted for using the equity method are reported on the balance sheet at cost, including all directly attributable incidental acquisition expenses, and adjusted for changes in the Uniper's share of the net assets after the date of acquisition and for any impairment charges. Losses that might exceed the Group's interest in an associated company or joint venture when attributable long-term loans are taken into consideration are generally not recognized. If there are indications of impairment, an impairment test (see also Note 17) is performed. Any difference between the cost of the investment and the remeasured value of its net assets is recognized in the consolidated financial statements as part of the carrying amount. Any dividends received are deducted from the recognized value to prevent double recognition. Unrealized gains and losses arising from transactions with associated companies accounted for using the equity method are eliminated within the consolidation process on a pro-rata basis if and insofar as these are material. The financial statements of investments accounted for under the equity method are generally prepared using accounting that is uniform within the Group.

In the 2023 fiscal year, as in the previous year, no companies were classified as material associates.

The carrying amounts of individually immaterial companies accounted for under the equity method break down as follows:

Companies Accounted for Under the Equity Method

	December 31, 2023			December 31, 2022		
€ in millions	Uniper Group	Associates[1]	Joint ventures[1]	Uniper Group	Associates[1]	Joint ventures[1]
Companies accounted for under the equity method	256	166	90	291	189	102

[1]The associates and joint ventures presented as equity investments are associated companies and joint ventures accounted for at cost on materiality grounds.

Dividends and other profit distributions received by Uniper from companies accounted for under the equity method amounted to €45 million in the reporting year (2022: €41 million).

The following table summarizes significant line items of the aggregated statements of comprehensive income of the individually immaterial associates and joint ventures that are accounted for under the equity method:

Aggregated Financial Information for Individually Immaterial Associates and Joint Ventures Accounted for Under the Equity Method

	Associates		Joint ventures		Total	
€ in millions	2023	2022	2023	2022	2023	2022
Proportional share of net income	-14	34	19	20	5	54
Proportional share of other comprehensive income	-5	2	–	–	-5	2
Proportional share of total comprehensive income	-19	37	19	20	-	57

As in the previous year, no companies were accounted for under the equity method as of the balance sheet date whose shares are marketable. Similarly, no investments in associates were restricted as collateral for financing.

There are no material restrictions apart from those contained in standard legal and contractual provisions.

(17) Impairment Testing in Accordance with IAS 36

An impairment loss is charged to an asset if its recoverable amount is less than its carrying amount. For individual assets that generate no independent cash inflows, the recoverable amount for the smallest identifiable group of assets (CGU) is determined. If the reason for a previously recognized impairment charge no longer exists, the charge is reversed and recognized in income.

Other intangible assets not subject to amortization are tested for impairment at least annually.

Impairment charges recognized on property, plant and equipment and on intangible assets are included within depreciation and amortization. Reversals are presented within other operating income.

Material estimations and judgments made by management in the context of impairment testing are described in the following overview.

Non-current assets:
Intangible assets, property, plant and equipment, including right-of-use assets, and groups of these assets, as well as companies accounted for under the equity method, are tested for impairment as indicated at the level of the individual asset or the CGU. Impairment testing of the aforementioned assets or CGUs is performed whenever there are indications of impairment. In the European Generation segment, for example, the tests are based on remaining useful life, which can be shorter than the technical useful life specifically in coal-fired power plants, due to measures taken in specific countries to mitigate climate change, and on other plant-specific valuation parameters. Uncertainties relating to a variable regulatory environment are generally accounted for by means of scenario evaluations. Recoverable amounts were usually determined using the value in use.

Growth rates and cost of capital:
The growth rates and the cost of capital are described in the following overview. They relate solely to those units making a significant value contribution to the respective CGU.

Impairment Testing Parameters

	European Generation		Global Commodities		Russian Power Generation[1 4]	
	2023	2022[2]	2023	2022[2]	2023	2022[3]
Goodwill						
Growth rate (in %)	N/A	N/A	N/A	0.5	N/A	5.8
Cost of capital before taxes (in %)	N/A	N/A	N/A	6.8	N/A	14.2–32.8
Cost of capital after taxes (in %)	N/A	N/A	N/A	4.8	N/A	11.3–26.2
Other non-current assets						
Cost of capital before taxes (in %)	7.9–13.0	8.1–13.1	7.4–9.4	6.6–9.1	N/A	14.2–32.8
Cost of capital after taxes (in %)	6.2–7.8	6.0–7.8	5.2–6.6	4.6–8.3	N/A	11.3–26.2

[1]Growth rate and cost of capital in local currency.
[2]The cost of capital reported for 2021 was applied for the event-triggered impairment tests performed during the 2022 fiscal year.
[3]A range based on the cost of capital reported for 2021 was applied for the event-triggered impairment tests performed during the 2022 fiscal year.
[4]See also the additional information in Note 4.

In addition to the growth rates and cost of capital shown in the table, the following key aspects of energy and climate policy and the regulatory environment, including related voluntary commitments, were taken into account when testing other non-current assets for impairment: specifications of the Paris climate accord, the Uniper Group’s voluntary commitments to achieve carbon neutrality and legislated coal phase-out scenarios.

Some of the coal phase-out pathways already adopted in specific countries have been considered accordingly in the impairment tests performed. In cases where Uniper sees the use of fossil energy sources ending early, this has been reflected accordingly.

No fossil-fuel power plants were modeled Group-wide after 2050.
In the European Generation segment and CGU, a 50% reduction of Scope 1 and Scope 2 emissions by 2030 (compared with 2019 levels) and climate neutrality by 2035 were applied in the modeling. In the Global Commodities segment, a 35% reduction of indirect (Scope 3) carbon emissions by 2035 (compared with 2021 levels) and climate neutrality (in terms of Scope 1 through Scope 3) from 2050 were planned and modeled.

Impairment Testing Results

Changes in Other Non-Current Assets Reversals and Impairment Charges by Segment from January 1, 2023

€ in millions	European Generation	Global Commodities	Uniper Group
Other non-current assets[1]			
Impairment charges	1,579	48	1,627
Reversals	18	11	29

[1]Other non-current assets consist of intangible assets (Note 14) and of property, plant and equipment (Note 15).

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2022

€ in millions	European Generation	Global Commodities	Russian Power Generation[2]	Uniper Group
Net carrying amount of goodwill as of January 1, 2022	**0**	**1,312**	**471**	**1,783**
Changes resulting from acquisitions and disposals	–	–	–	–
Impairment charges	–	-1,312	-546	-1,858
Exchange rate differences	–	–	75	75
Net carrying amount of goodwill as of December 31, 2022	**0**	**0**	**0**	**0**
Other non-current assets[1]				
Impairment charges	201	280	432	913
Reversals	1,587	171	173	1,931

[1]Other non-current assets consist of intangible assets (Note 14) and of property, plant and equipment (Note 15).
[2]See also the additional information in Note 4.

Goodwill Impairment Testing

All goodwill carried throughout the Uniper Group was written down to zero in the 2022 fiscal year. To enhance transparency, the results of the impairment tests performed on goodwill in the Russian Power Generation business division continue to be stated for the comparative prior-year period even though the earnings of this division for the 2022 fiscal year have been presented within income or loss from discontinued operations.

Impairment Testing Results in 2022

In the first quarter of 2022, a goodwill impairment test was performed on the Russian Power Generation CGU based on a reassessed cost of capital that reflects the current overall geopolitical situation. At the same time, probability-weighted cash flows were determined applying different cash flow scenarios. The test showed that the Russian Power Generation CGU had a recoverable amount falling short of its carrying amount. Accordingly, in addition to the impairments recognized on property, plant and equipment, the entire goodwill of the Russian Power Generation CGU was written down to zero by €405 million (adjusting for exchange rates, €546 million in the fourth quarter). Impairment testing of the Russian Power Generation CGU's goodwill was performed based on a year-specific cost of capital after taxes in local currency ranging between 11.3% and 26.2% (as of December 31, 2021: 11.3% cost of capital) and on a growth rate of 5.8% (as of December 31, 2021: 5.8% growth rate). Due to the reclassification of the Russian Power Generation business division to discontinued operations as of December 31, 2022, the effects on earnings from impairments for all reporting periods are no longer reported under depreciation and amortization, but in income or loss from discontinued operations.

Goodwill impairment testing of the Global Commodities CGU necessitated no recognition of impairment losses in the first quarter of 2022.

Given the developments in the geopolitical situation, especially the unannounced gas curtailments from Russia and the associated breach of contract by Gazprom, it again became necessary to test the goodwill of the Global Commodities CGU for impairment as of June 30, 2022. Varying scenarios were taken into account when performing this impairment test, especially in terms of the scope of future gas deliveries from Russia, the timing and the pass-through amount of the resulting added cost of procuring replacement volumes, as well as the diminished long-term growth prospects and the uncertainties regarding developments in the geopolitical situation. The outcome of this impairment test led to a write-down to zero of all the goodwill, in the amount of €1,312 million, as of June 30, 2022. This impairment test was performed based on a cost of capital of 4.8% (after taxes) and on an average growth rate of 0.5% (as of December 31, 2021: 4.8% cost of capital and 1% growth rate), which appropriately reflects the demonstrated unreliability of Gazprom as a contracting party for the Global Commodities CGU's gas portfolio.

The end result is that the entire goodwill of the Global Commodities CGU was also written down to zero in the 2022 fiscal year.

Impairment Testing of Non-Current Assets

Because impairments had been recognized on a large number of generation assets in previous years, especially in the European Generation segment, the assets involved will be particularly sensitive in subsequent years to changes in the key assumptions used to determine their recoverable amounts.

The following paragraphs show both event-triggered and regular impairment tests and their results. For event-triggered tests, the relevant dates of those tests, which are not always comparable with the corresponding prior-year test dates, are presented.

To enhance transparency, the results of the impairment tests performed on assets in the Russian Power Generation business division continue to be stated for the comparative prior-year period even though the earnings of this division for the 2022 fiscal year are presented within income or loss from discontinued operations.

Impairment Testing Results in the First Quarter of 2023

Impairment charges on property, plant and equipment totaled €862 million in the first quarter of 2023. They related to the European Generation segment.

A charge of €568 million was recognized on an asset in the Netherlands in the first quarter of 2023. The impairment test on this asset was triggered by the decline in short-to-medium-term spreads. Additional impairments related to a coal-fired power plant in the United Kingdom, at €155 million, and to the Datteln 4 hard-coal-fired power plant in Germany, at €139 million. Here, too, impairment testing was triggered by the respective declines in prices and spreads.

Impairment Testing Results in the Second Quarter of 2023

Impairment charges on property, plant and equipment totaled €18 million in the second quarter of 2023. The charges related to just one power plant in Germany held in the European Generation segment. Impairment testing was triggered by the postponement of the plant's commissioning.

Reversals of impairment charges previously recognized on one power plant amounted to €11 million in the second quarter of 2023. They related entirely to the European Generation segment. Impairment testing was triggered by the network operator's decision to return to operation a plant that had already been decommissioned.

Impairment Testing Results in the Fourth Quarter of 2023

Based on the medium-term corporate planning approved by resolution of the Board of Management, combined with the regular updates of the cost of capital and of the forecasts for market prices of commodities and emission allowances and for future electricity and gas prices in the traded markets, and considering key aspects of energy and climate policy and the regulatory environment, including related voluntary commitments, many individual event-triggered impairment charges and reversals were recognized.

Impairment charges of €733 million recognized on property, plant and equipment in the fourth quarter of 2023 related primarily to power plants held by the European Generation segment in the amount of €686 million and to storage facilities and infrastructure in the Global Commodities segment in the amount of €47 million.

Impairment reversals in the fourth quarter of 2023 totaled €19 million. They related to impairments recognized in preceding years on a generation asset outside Germany held in the European Generation segment, at an amount of €8 million, and on gas-storage infrastructure within and outside Germany held in the Global Commodities segment, at €11 million.

Full-Year Presentation for 2023

A total of roughly €1,667 million in impairments was charged to non-current assets in the 2023 fiscal year, of which €1,579 million related to the European Generation segment and €88 million to the Global Commodities segment.

The most substantial individual impairment in the 2023 fiscal year in terms of amount related to a power plant in the Netherlands, in the European Generation segment, and amounted to €858 million. This was mainly due to spread-driven adjustments that in both the first quarter of 2023 and the fourth quarter of 2023 led to planned reductions in operating hours in the context of regular medium-term corporate planning.

Also in the European Generation segment, the Datteln 4 hard-coal-fired power plant was written down by a total of €344 million in both the first quarter of 2023 and the fourth quarter of 2023. Here the positive effect from the German Federal Administrative Court's ruling of December 7, 2023, on the development plan's legitimacy is more than offset by market-related expectations of lower long-term net receipts for the plant.

A further impairment charge of €220 million in the European Generation segment related to a coal-fired power plant in the United Kingdom. This write-down resulted from spread-driven short-term adjustments in both the first quarter of 2023 and the fourth quarter of 2023 to which the asset's valuation is highly sensitive given the UK's impending exit from coal-fired power generation in 2024.

An additional power plant in the European Generation segment was written down by €49 million, triggered by the reclassification of the Hungarian power plant operating company to assets held for sale. The reclassification took place due to the sale process initiated to fulfill the conditions imposed by the EU in connection with the approval of the stabilization package.

Another power plant in Germany held in the European Generation segment was written down by €49 million. An impairment test on this plant was triggered by the postponement its commissioning, coupled with spread-driven effects.

Three further power plants in the European Generation segment within and outside Germany were written down by a total of €48 million, primarily because of spread-driven adjustments and associated planned reductions in operating hours.

In the Global Commodities segment, two storage facilities outside Germany, and one within Germany, were written down. Brought about by narrowing summer-winter spreads in the short-to-medium term, this impairment amounted to €45 million in total.

Reversals of impairments recognized in prior periods totaled €29 million in the 2023 fiscal year. Of these reversals, €18 million related to the European Generation segment, and €11 million related to the Global Commodities segment.

The most substantial reversal in the European Generation segment in terms of amount related to an impairment charge previously recognized on one power plant and amounted to €10 million. Impairment testing was triggered by the network operator's decision to return the already decommissioned plant to operation.

In addition, a grid-stabilization asset held by the European Generation segment outside Germany was written up by €8 million due to spread-driven adjustments.

Moreover, impairment charges previously recognized on one gas-storage facility within Germany and on one outside Germany were reversed by €11 million in the Global Commodities segment.

Assets in the European Generation segment for which an impairment loss was recognized or reversed during the 2023 fiscal year have a total recoverable amount of more than €0.8 billion. In the Global Commodities segment, the total recoverable amount of assets for which an impairment loss was recognized or reversed is roughly €0.2 billion.

Impairment charges on property, plant and equipment include write-downs of €11 million on right-of-use assets.

Impairment losses of €37 million were recognized in the 2023 fiscal year on companies accounted for under the equity method.

Impairment Testing Results in the First Half of 2022

Impairment charges on property, plant and equipment totaled €184 million in the first quarter. They related to the European Generation segment, at €162 million, and to the Global Commodities segment, at €21 million.

Impairments in the European Generation segment were attributable to the Datteln 4 hard-coal power plant in the amount of €79 million. The impairment test on this asset in the first quarter of 2022 was triggered by an agreement reached with the insurer concerning the boiler damage. The settlement required separate recognition in income of a corresponding receivable. Since it could be measured separately, this receivable was not included in the impairment test of the CGU, but tested as a separate receivable, which meant that the CGU's recoverable amount had to be reduced by the amount of the insurance payment.

In the United Kingdom, the results of the capacity market auctions necessitated impairment testing. Impairments were recognized on two assets: At one generation asset, the result of the capacity market auction failed to offset the reduction in gross margin that had already been realized in the first quarter of 2022 and resulted in a charge of €56 million. At another generation asset, the damage sustained by one of the units in a storm exceeded the positive result from the auction, necessitating the recognition of an impairment charge of €27 million. In the Global Commodities segment, the net present value of a storage facility was diminished mainly in connection with the gas storage optimization conducted in the first quarter, necessitating an impairment charge of €21 million.

None of the remaining impairments in the first quarter of 2022 were material either separately or in aggregate; the same is true for reversals of impairment charges previously recognized on power plants.

Impairment charges on property, plant and equipment totaled €43 million in the second quarter of 2022. These charges related entirely to the Global Commodities segment.

Reversals of impairment charges previously recognized on power plants and storage facilities amounted to €569 million in the second quarter of 2022. Of these reversals, €556 million related to the European Generation segment, and €13 million related to the Global Commodities segment.

Given the geopolitical and legislative measures, a comprehensive impairment test was performed on the Global Commodities segment's storage infrastructure in the second quarter of 2022. The test led primarily to a further impairment charge on the storage facility that had already been written down in the first quarter, and additionally to smaller positive effects at two further facilities, none of which are material either separately or in aggregate.

The most substantial individual impairment reversal in the second quarter of the 2022 fiscal year in terms of amount related to the European Generation segment's Maasvlakte 3 hard-coal power plant in the Netherlands and totaled €556 million. Owing to the geopolitical situation, the Dutch government activated the early-warning phase of its energy crisis plan and announced the withdrawal of the statutory 35% production cap for coal-fired power plants. Although the cap withdrawal is not yet implemented in law, it still triggered an impairment test. Applying a scenario-based analysis for actual implementation, the impairment reversal determined resulted primarily from prevailing market prices and spreads as of the reporting date.

Impairment tests on non-current assets are also normally based on varying scenarios that take into account the volatile market environment and the uncertainties regarding developments in the geopolitical situation. Developments observable in the future may require corresponding changes to the assumptions and scenarios to be considered when testing in the future.

The effects on earnings (first half of 2022: €360 million) resulting from impairment testing of non-current assets in the former Russian Power Generation segment are included in income or loss from discontinued operations.

Impairment Testing Results in the Second Half of 2022

Event-triggered testing in the third quarter of 2022 resulted in impairment charges totaling €109 million and impairment reversals totaling €105 million.

Impairment charges of €109 million were recognized in the Global Commodities segment. Given the events surrounding the Nord Stream 1 gas pipeline, the OPAL pipeline was tested for impairment. The pipeline is used for onward transportation of gas to the interconnection point at Brandov, on the Czech side of the German-Czech border. Based on the assumptions used, the carrying amount of the OPAL pipeline was reduced by €109 million.

The reversals related particularly to the Global Commodities segment, where a gas storage facility in Austria was written up by €89 million due to improved expectations for summer-winter spreads. A €16 million reversal was recognized in the European Generation segment. This was due to the return to the market of a coal-fired power plant in Germany on the basis of the Act on the Maintenance of Substitute Power Stations.

The regular medium-term corporate planning in the fourth quarter of 2022 is also affected by the events and uncertainties described previously. Based on the medium-term corporate planning approved by resolution of the Board of Management, combined with the regular updates of the cost of capital and of the forecasts for market prices of commodities and emission allowances and for future electricity and gas prices in the traded markets, many individual event-triggered impairment charges and reversals were recognized. Impairment charges of €147 million recognized in the fourth quarter of 2022 related primarily to power plants held by the European Generation segment and to storage facilities and infrastructure in the Global Commodities segment.

Impairment reversals in the fourth quarter of 2022 totaled €1,062 million. An amount of €994 million related primarily to impairments recognized on generation assets within and outside Germany in preceding years.

Full-Year Presentation for 2022

A total of roughly €482 million in impairments was charged to non-current assets in the 2022 fiscal year, of which €201 million related to the European Generation segment and €281 million to the Global Commodities segment. The impairment losses of €432 million recognized for the Russian Power Generation business division are presented in income or loss from discontinued operations.

The most substantial individual impairment in the European Generation segment in the 2022 fiscal year in terms of amount related to the Datteln 4 hard-coal power plant and amounted to €87 million. Aside from the spread-driven adjustments made in the context of regular medium-term corporate planning that reflected the impact of the increased cost of carbon and the costs incurred for climate neutrality, among other factors, revised regulatory and legal as well as political assessments resulted in these impairment losses at year-end.

In addition, impairments were recognized on two assets in the UK: At one generation asset, the result of the capacity market auction failed to offset the reduction in gross margin that had already been realized in the first quarter of 2022 and resulted in a charge of €56 million in the first quarter of 2022. At another generation asset, the clean-up costs for the storm damage sustained by one of the power plant units coupled with the ensuing unavailability of the unit exceeded the positive result from the regular capacity market auction, necessitating the recognition of an impairment charge of €27 million in the first quarter of 2022. In addition, an impairment charge of €6 million was recognized in the fourth quarter of 2022 on a grid-stabilization device yet to be constructed at another power plant. Moreover, an impairment reversal of €25 million recognized in the previous year on an asset outside Germany was withdrawn.

The most substantial individual impairment in the Global Commodities segment in terms of amount related to the OPAL pipeline, which was written down by a further €33 million in the fourth quarter of 2022 and thus by 142 million in total. Furthermore, gas-storage infrastructure was written down in full-year 2022 in the amount of €71 million within Germany and in the amount of €68 million outside Germany owing to reduced summer-winter spreads in the short-to-medium-term time horizon.

Reversals of impairments recognized in prior periods totaled €1,760 million in the 2022 fiscal year. The reversals related to the European Generation segment in the amount of €1,590 million and to the Global Commodities segment in the amount of €170 million. Additionally recognized in the fourth quarter were reversals of €173 million on assets in the Russian Power Generation business division, which are now presented in income or loss from discontinued operations.

The most substantial reversal in the European Generation segment in terms of amount related to an asset in the Netherlands and amounted to €810 million. The main reasons for it were the short-to-medium-term spread increases and the withdrawal of the statutory 35% production cap for coal-fired power plants, both of which benefit this asset. Another asset in the Netherlands benefited from the conclusion of a new purchase contract and added a further €14 million to reversals. In the UK, six assets benefited from the price situation at the time and contributed a total of €574 million in impairment reversals; the largest individual reversals here amounted to €217 million and €209 million. An asset in Hungary also benefited from price and spread developments and made a further positive contribution of €137 million to impairment reversals. In Germany, four assets contributed a total of €53 million as they benefit especially from the prolonged operating lives made possible by the Act on the Maintenance of Substitute Power Stations.

Impairment reversals of €170 million in the Global Commodities segment related to three gas storage facilities within Germany and one outside Germany and were due to changed price and spread forecasts in the third and fourth quarters of 2022.

Assets in the European Generation segment for which an impairment loss was recognized or reversed during the 2022 fiscal year have a total recoverable amount of more than €4.1 billion. In the Global Commodities segment, the total recoverable amount of assets for which an impairment loss was recognized or reversed is roughly €1.2 billion.

Impairment losses of €6 million were recognized in the 2022 fiscal year on companies accounted for under the equity method.

(18) Other Financial Assets

See also Note 29 for discussion of accounting policies and of material judgments and estimations made by management for other financial assets.

Associated companies and joint ventures that are not included in the Consolidated Financial Statements on materiality grounds, but are instead presented as equity investments, are accounted for outside the scope of IFRS 9 and measured at cost less any loss allowances. Inflows of shares in the earnings of these companies are immediately recognized in income.

Other Financial Assets

	December 31, 2023			December 31, 2022		
€ in millions	**Uniper Group**	**Associates**	**Joint ventures**	**Uniper Group**	**Associates**	**Joint ventures**
Equity investments	658	18	5	1,042	18	5
Non-current securities	105	–	–	95	–	–
Total	**763**	**18**	**5**	**1,137**	**18**	**5**

The amount shown for non-current securities relates mainly to fixed-income securities.

As of December 31, 2023, impairment losses on other financial assets amounted to €3 million (2022: €5 million). The carrying amount of other financial assets that were impaired during the fiscal year was €0 million (2022: €3 million).

Also included within equity investments are other equity investments for which Uniper has elected to present changes in fair value in other comprehensive income. The following table shows the corresponding equity investments and their fair values:

Other Equity Investments – Measured at Fair Value Through Other Comprehensive Income (2023)

€ in millions	**Fair value**	**Dividends**	**Equity transfer**	**Reason for equity transfer**
AS Latvijas Gaze	68	24	N/A	N/A
European Energy Exchange AG	58	1	N/A	N/A
Forsmarks Kraftgrupp AB	377	–	N/A	N/A
Holdigaz SA	7	0	N/A	N/A
Mellansvensk Kraftgrupp AB	60	–	N/A	N/A
PAO Unipro[1]	0	–	N/A	N/A
Other strategic equity investments	8	–	N/A	N/A
Total	**578**	**25**	**N/A**	**N/A**

[1]As in the previous year, the company PAO Unipro is recognized at a fair value of €1.

Other Equity Investments – Measured at Fair Value Through Other Comprehensive Income (2022)

€ in millions	Fair value	Dividends	Equity transfer	Reason for equity transfer
AS Latvijas Gaze	62	3	N/A	N/A
European Energy Exchange AG	58	1	N/A	N/A
Forsmarks Kraftgrupp AB	725	–	N/A	N/A
Holdigaz SA	7	0	N/A	N/A
Mellansvensk Kraftgrupp AB	116	–	N/A	N/A
PAO Unipro[1]	0	–	N/A	N/A
Other strategic equity investments	8	–	N/A	N/A
Total	**976**	**4**	**N/A**	**N/A**

[1]The company PAO Unipro is recognized at a fair value of €1 as of Dec. 31, 2022.

Disposal of Non-Strategic Activities

€ in millions	Reason for disposal	Fair value at the date of disposal	Cumulative fair value
2023			
Internationale Schule Hannover Region GmbH	Termination of sub-participation agreement	0.03	0.03
Total		0.03	**0.03**
2022			
Total		**–**	**–**

(19) Inventories

Inventories are measured at the lower of acquisition or production cost and net realizable value. To determine the purchase cost of inventories from physical settlement of forward transactions that are excluded from the scope of IFRS 9 (own-use transactions), contract prices, which reflect the economic character of these transactions and the contractually agreed consideration amounts, are used. If physically settled transactions are included within the scope of IFRS 9 (failed own-use transactions) and must be accounted for accordingly, the purchase cost is equal to the market price applicable at initial recognition.

The cost of raw materials, finished products and goods purchased for resale is generally determined based on the average cost method. Valuation allowances and their reversals up to the original cost of acquisition or production are recognized as necessary. Especially the net realizable value of Uniper's goods purchased for resale is highly sensitive to fluctuations in market prices. Write-downs of inventories are included in the cost of materials.

Inventories

€ in millions	December 31 2023	2022
Raw materials and supplies	551	665
Goods purchased for resale	2,482	4,014
Work in progress and finished products	57	39
Total	**3,090**	**4,718**

Raw materials and supplies include, in particular, coal, uranium and nuclear fuel rods, as well as crude oil and other raw materials and supplies. The primary reason for the decline in raw materials and supplies was the decrease in coal inventories in the power generation business, which was due to declines in both delivered prices and quantities. The main components of goods purchased for resale are gas, LNG and coal inventories. The decline in goods purchased for resale is primarily due to the decreases in commodity prices during the 2023 fiscal year and the associated lower purchase cost relative to the previous year, and also to lower net selling prices leading to potential reduced valuations. Especially the carrying amount of gas inventories declined as a result, from €3,393 million to €2,268 million. Applying the average cost method, and also due to the high storage levels during the year, the high purchase cost of gas inventories continues to be affected by the high purchase prices that had to be paid in 2022 to maintain security of supply and reach statutory minimum storage levels. At the end of 2023, however, the net selling prices relevant for valuation as of the reporting date were lower, which led to corresponding reductions of valuations in the 2023 fiscal year. Work in progress and finished products rose slightly year over year.

As in the previous year, no inventories were transferred as collateral in 2023.

(20) Receivables, Other Assets and Contract Assets

The receivables reported also include receivables from finance leases. These receivables are measured at the present value of the outstanding lease payments. They result predominantly from electricity supply contracts that must be classified as leases.

The reimbursement right from KAF shown within other financial assets is presented in accordance with the provisions of IFRIC 5, "Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds."

The recognition and measurement of all other financial assets is discussed in detail in Note 29.

Assets reported as miscellaneous operating assets include emission rights. These rights are capitalized at cost at the time of acquisition. The acquisition cost for transactions that are included within the scope of IFRS 9 (failed own-use transactions) is equal to the market price applicable at initial recognition. Contracts that are excluded from the scope of IFRS 9 (own-use transactions) are recognized with the contract price as the acquisition cost. Emission rights that are held in order to satisfy obligations relating to the Group's power-plant emissions are subsequently measured at amortized cost.

Receivables and Other Assets[1]

€ in millions	December 31, 2023 Current	Non-current	Total	December 31, 2022 Current	Non-current	Total
Receivables from finance leases	43	354	397	21	138	159
Other financial receivables and financial assets	3,158	2,650	5,808	6,401	2,556	8,956
Financial receivables and other financial assets	**3,201**	**3,004**	**6,206**	**6,422**	**2,694**	**9,116**
Trade receivables	7,995	–	7,995	9,560	–	9,560
Receivables from derivative financial instruments	14,313	6,646	20,958	36,198	40,617	76,815
Other operating assets and contract assets	1,805	106	1,911	1,587	227	1,814
Trade receivables and other operating assets	**24,112**	**6,752**	**30,864**	**47,345**	**40,844**	**88,189**
Total	**27,314**	**9,756**	**37,070**	**53,767**	**43,538**	**97,305**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Note 31 contains detailed disclosures about leases.

The increase of €310 million in non-current financial receivables, from €2,694 million to €3,004 million, is primarily attributable to the addition of new lease receivables in connection with the commissioning of the Irsching 6 gas-fired power plant.

In addition, current financial receivables include posted collateral for futures and forward transactions (margining receivables) amounting to €2,914 million (2022: €6,217 million). Non-current financial receivables include shareholder loans amounting to €493 million (2022: €465 million).

Moreover, the reimbursement right from KAF is included within other financial assets in the amount of €2,329 million (2022: €2,221 million). Of this total, €188 million (2022: €150 million) is reported under current financial assets and €2,141 million (2022: €2,071 million) under non-current financial assets. Since this asset is designated for a particular purpose, the Uniper Group's access to it is restricted (see also Note 24).

The decrease of €21,885 million in current receivables from derivative financial instruments to €14,313 million (2022: €36,198 million) is primarily attributable to the interim realization and settlement of commodity forward contracts. The values of the receivables from non-current derivative financial instruments additionally fell by €33,972 million to €6,646 million as of December 31, 2023, (2022: €40,617 million) due to lower forward prices in the commodity markets.

The increase in other operating assets and contract assets resulted mainly from the addition of emission rights from the European and the British emissions trading systems (EUAs (European Union allowances) and UKAs (United Kingdom allowances), respectively), which rose by €523 million to €673 million (2022: €150 million).

Note 5 contains disclosures about contract assets that are reported as miscellaneous operating assets.

(21) Liquid Funds

Liquid funds include cash on hand and bank balances, as well as current available-for-sale securities. Liquid funds with an original maturity of less than three months are considered to be cash and cash equivalents, unless they are restricted, in which case they are presented separately.

Liquid Funds

€ in millions	December 31 2023	2022
Current securities with an original maturity greater than 3 months	46	43
Cash and cash equivalents	4,211	4,591
Total	**4,257**	**4,634**

Cash and cash equivalents include €2,668 million (2022: €3,290 million) in cash on hand and bank balances with an original maturity of less than three months.

(22) Equity

Retained Earnings Recognized in Equity Pursuant to IFRS

Retained Earnings Recognized in Equity[1]

€ in millions	December 31 2023	2022
Statutory reserves	–	–
Other retained earnings	1,668	-19,877
Total	**1,668**	**-19,877**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Disclosure Concerning the HGB Distribution Restriction

Based on the framework agreement with the Federal Republic of Germany and on Section 29 (1a), sentence 9, EnSiG, Uniper will distribute no dividends – without the consent of the Federal Republic of Germany – until stabilization has been completed. Accordingly, there is no disclosure concerning the distribution restriction pursuant to Section 268 (8), sentence 3, in conjunction with sentence 1, HGB and Section 253 (6), sentence 2, HGB. Likewise, due to a net accumulated loss of Uniper SE under German commercial law of -€24,202 million, no disclosure of distribution-restricted retained earnings was made in the 2022 fiscal year.

Accumulated Other Comprehensive Income

Cumulative currency translation differences represent the principal component of accumulated other comprehensive income (OCI).

The share of accumulated OCI attributable to companies accounted for under the equity method is illustrated in the table below:

Share of Accumulated OCI Attributable to Companies Accounted for Under the Equity Method

€ in millions	2023	2022
Balance as of December 31 (before taxes)	**-17**	**-23**
Taxes	3	3
Balance as of December 31 (after taxes)	**-15**	**-21**

Non-Controlling Interests

Non-controlling interests by segment as of the dates indicated are shown in the following table:

Non-Controlling Interests

	December 31	
€ in millions	2023	2022
European Generation	209	194
Global Commodities	19	-
Administration/Consolidation	–	–
Total	**228**	**194**

The increase of €34 million in non-controlling interests in 2023 resulted primarily from current earnings of companies with non-controlling interests in the European Generation segment and from capital increases in companies with non-controlling interests in the Global Commodities segment.

The table below illustrates the share of accumulated OCI that is attributable to non-controlling interests:

Share of Accumulated OCI Attributable to Non-Controlling Interests

€ in millions	Cash flow hedges	Currency translation adjustments	Remeasurements of defined benefit plans	Remeasurements of equity investments
Balance as of January 1, 2022	**0**	**-600**	**2**	**0**
Changes	–	603	-2	–
Balance as of December 31, 2022	**0**	**3**	**–**	**0**
Changes	–	1	–	–
Balance as of December 31, 2023	**0**	**3**	**0**	**0**

The change in currency translation adjustments mostly reflects the translation of Swedish operations.

Uniper companies with significant non-controlling interests operate primarily in the power generation sector. Information relating to company names, registered offices and equity interests for subsidiaries with non-controlling interests can be found in the disclosures relating to the list of shareholdings (see also Note 35).

The following tables provide a summary overview of the cash flow and significant line items in the aggregated income statement and the aggregated balance sheet of OKG AB, Oskarshamn, Sweden, as the sole subsidiary with material non-controlling interests:

Subsidiaries with Material Non-Controlling Interests – Balance Sheet Data

	OKG AB	
€ in millions	**2023**	**2022**
Non-controlling interests in equity	-96	-120
Non-controlling interests in equity (in %)	45.5	45.5
Dividends paid out to non-controlling interests	0	–
Operating cash flow	-32	104
Non-current assets	2,375	2,357
Current assets	240	200
Non-current liabilities	2,614	2,646
Current liabilities	213	174

Subsidiaries with Material Non-Controlling Interests – Earnings Data

	OKG AB	
€ in millions	**2023**	**2022**
Share of earnings attributable to non-controlling interests	23	-176
Sales	271	268
Net income	51	-386
Total comprehensive income	52	-378

There are no material restrictions apart from those contained in standard legal and contractual provisions.

Information on Stockholders of Uniper SE

Uniper received no notifications concerning the existence of an ownership interest pursuant to Section 160 (1), no. 8, AktG in the 2023 fiscal year. Uniper has received the following notifications concerning the existence of ownership interests pursuant to Section 160 (1), no. 8, of the German Stock Corporation Act:

Information on Stockholders of Uniper SE (as of Dec. 31, 2023)

					Voting rights		
Stockholder	**Date of notice**	**Threshold exceeded**	**Gained voting rights on**	**Allocation**	**Percentage**	**Absolute**	**Percentages of instruments as defined by Section 38 WpHG**
Federal Republic of Germany via UBG Uniper Beteiligungsholding GmbH	Dec. 21, 2022	75%	Dec. 21, 2022	Indirect	98.56%	5,071,842,353	5.78%

Capital Stock and Capital Reductions

The capital stock of Uniper SE amounts to €416,475,332.00 (2022: €14,160,161,306.70); it is divided into 416,475,332 registered shares (no par value – notional interest in the capital stock of €1.00) and is fully paid in. Each share has one vote.

On December 8, 2023, the Extraordinary General Meeting of Uniper SE adopted the proposals in connection with the stabilization of Uniper SE conducted in December 2022 within the meaning of Section 29 of the German Energy Security Act ("EnSiG"), to reduce Uniper SE's capital stock in three steps by a total of €13,743,685,974.70, from €14,160,161,306.70 to €416,475,332.00 (the "Capital Reduction"), and to allocate the total reduction amount to Uniper SE's capital reserves in accordance with the provisions of AktG, EnSiG and WStBG.

In the first step, the Extraordinary General Meeting of December 8, 2023, adopted agenda item 1 with the required majority and resolved the reduction of the capital stock of the Company from €14,160,161,306.70 by €18.70 to €14,160,161,288.00, divided into 8,329,506,640 registered no-par-value shares with a notional interest in the capital stock of €1.70 per no-par-value share, accomplished through the cancellation of eleven (11) registered no-par-value shares with a notional interest in the capital stock of €1.70 per no-par-value share. Next, the Extraordinary General Meeting of December 8, 2023, adopted agenda item 2 with the required majority and resolved the reduction of the capital stock figure from €14,160,161,288.00 by €5,830,654,648.00 to €8,329,506,640.00, which reduced the notional interest in the capital stock to €1.00 per no-par-value share. Then, the Extraordinary General Meeting of December 8, 2023, adopted agenda item 3 with the required majority and resolved the reduction of the capital stock from €8,329,506,640.00 by €7,913,031,308.00 to €416,475,332.00 through consolidation of shares at a ratio of twenty to one (20:1).

The resolved reduction of the capital stock thus created capital reserves that Uniper can use to restore the balance sheet requirements for future distributions or accumulations. This capital-reduction measure was taken so that from the 2024 fiscal year any net income earned by Uniper SE in future reporting years could once again be presented as net income available for distribution pursuant to HGB, the appropriation of which could then in principle (within the legal framework) be decided on by shareholders once again.

The newly funded additional paid-in capital, together with the net income of Uniper SE pursuant to HGB for the 2023 fiscal year and the partial dissolution of the existing capital reserve pursuant to Section 272 (2), no. 1, HGB in the amount of €1,881,052,209.29, was used to completely eliminate as of December 31, 2023, the accumulated loss of €24,202,226,887.67 recorded in Uniper SE's annual financial statements for the year ended December 31, 2022.

The intended restoration of Uniper's on-balance-sheet ability to distribute and accumulate earnings by means of the Capital Reduction took place in view of the stabilization measures granted to Uniper by the Federal Republic of Germany pursuant to Section 29 EnSiG. The European Commission's approval under state-aid rules includes the commitment by the Federal Republic of Germany to reduce its interest in Uniper's capital stock to a maximum of 25% plus one share by the end of 2028, subject to compliance with certain further conditions, which correspondingly accomplishes the return of the granted stabilization measure within the meaning of Section 29 (1a), sentence 8, EnSiG. Based on the framework agreement on stabilization measures pursuant to EnSiG concluded with the Federal Republic of Germany on December 19, 2022, in connection with a supplementary agreement concluded on October 18, 2023, Uniper SE had been obligated to propose the reduction of the capital stock to the Extraordinary General Meeting for shareholder approval and, in the event of such shareholder approval, to implement them in order to prepare and facilitate this return and to restore its on-balance-sheet ability to distribute or accumulate earnings. The reduction of the capital stock approved by the Extraordinary General Meeting was thus connected with the stabilization that has taken place (Section 29 (2), sentence 1, no. 2, EnSiG in conjunction with Section 7(6) of the German Economic Stabilization Acceleration Act ("WStBG")).

The aforementioned measure had been preceded in the 2022 fiscal year by a capital increase that the Board of Management of Uniper SE, utilizing the 2022 Authorized Capital created by the Extraordinary General Meeting on December 19, 2022, resolved with the approval of the Supervisory Board on December 21, 2022.

The Board of Management, with the approval of the Supervisory Board, had also been authorized, in connection with the stabilization of the Company pursuant to Section 29 EnSiG, to increase the registered share capital of the Company by up to €25,000,000,000.10 on or before December 18, 2027, through one or several issues of up to 14,705,882,353 new registered no-par-value shares in aggregate against contributions in cash and/or in kind (authorized capital according to Section 29 (2), sentence 1, nos. 2, 4 and 6, (3), (5) and (6) EnSiG, in conjunction with Sections 7b, 7 (3), 7f and 9 (1) of the German Economic Stabilization Acceleration Act, "2022 Authorized Capital").

The capital stock of the Company of €8,622,132,000.10 had then been increased by €5,538,029,306.60 to €14,160,161,306.70 through the issuance of 3,257,664,298 new registered no-par-value shares ("New Shares") against cash contributions having a notional interest in the capital stock of €1.70 per New Share. The shareholders' statutory subscription rights had been excluded. The new shares from that capital increase could be subscribed exclusively by the Federal Republic of Germany or an entity mentioned in Section 29 (6) EnSiG, and the Federal Republic of Germany had exercised that right in 2022.

Capital Reserves

As of December 31, 2023, the capital reserves of Uniper SE amount to €8,944 million (2022: €10,825 million). Of this amount, €7,710 million (2022: €9,591 million), may be used to offset losses only as specified in Section 150 AktG.

Dividend

It has been agreed as part of the stabilization package between the German federal government and Uniper that Uniper will make no dividend distribution without the Federal Republic of Germany's written approval.

Authorized Capital

Pursuant to Section 3 (5) of the Articles of Association of Uniper SE, the Board of Management, with the approval of the Supervisory Board, is authorized to increase the capital stock of the Uniper SE by up to €145,112,289 on or before May 18, 2026, through one or several issues of up to 85,360,170 new registered no-par-value shares against contributions in cash and/or in kind (authorized capital according to Sections 202 et seq. of the German Stock Corporation Act, "2021 Authorized Capital"). The Board of Management may, subject to the Supervisory Board's consent, exclude the subscription right that must, in principle, be granted to shareholders. Such exclusion of subscription rights is possible if shares are issued against cash contributions in an amount of up to 10% of the capital stock at the time this authorization takes effect or, should this value be lower, at the time of the utilization of this authorization.

Subscription rights may also be excluded when shares are issued against contributions in kind, however, only to the extent that the aggregate amount of shares issued under this authorization against contributions in kind with an exclusion of the shareholders' subscription right does not exceed 10% of the capital stock at the time this authorization takes effect or, should this value be lower, at the time of the utilization of this authorization. Furthermore, shareholder subscription rights may also be excluded with regard to fractional amounts and when shares are issued to persons employed by Uniper SE or one of its affiliates.

In addition, pursuant to Section 3 (6) of the Articles of Association of Uniper SE, the Board of Management, with the approval of the Supervisory Board, is further authorized, in connection with the stabilization of the Company pursuant to Section 29 EnSiG, to increase the capital stock of the Company by up to €25,000,000,000.10 on or before December 18, 2027, through one or several issues of up to 14,705,882,353 new registered no-par-value shares in aggregate against contributions in cash and/or in kind (authorized capital according to Section 29 (2), sentence 1, nos. 2, 4 and 6, (3), (5) and (6) EnSiG, in conjunction with Sections 7b, 7 (3), 7f and 9 (1) WStBG, "2022 Authorized Capital").

The shareholders’ statutory subscription rights are excluded. The new shares from that capital increase may be subscribed exclusively by the Federal Republic of Germany or an entity mentioned in Section 29 (6) EnSiG. On December 21, 2022, the Board of Management, with the approval of the Supervisory Board, resolved to issue a capital increase utilizing the 2022 Authorized Capital created by the Extraordinary General Meeting on December 19, 2022. The capital stock of the Company of €8,622,132,000.10 was increased by €5,538,029,306.60 to €14,160,161,306.70 through the issuance of 3,257,664,298 new registered no-par-value shares (“New Shares”) against cash contributions having a notional interest in the capital stock of €1.70 per New Share. UBG Uniper Beteiligungsholding GmbH (a wholly-owned subsidiary of the Federal Republic of Germany) subscribed all of the New Shares. The remaining 2022 Authorized Capital thus amounts to €19,461,970,693.50.

Pursuant to Section 3 (6) of the Articles of Association of Uniper SE, the Board of Management, with the approval of the Supervisory Board, is further authorized, in connection with the stabilization of Uniper SE pursuant to Section 29 EnSiG, to increase the capital stock of Uniper SE by up to €25,000,000,000.10 on or before December 18, 2027, through one or several issues of up to 14,705,882,353 new registered no-par-value shares in aggregate against contributions in cash and/or in kind (authorized capital according to Section 29 (2), sentence 1, nos. 2, 4 and 6, (3), (5) and (6) EnSiG, in conjunction with Sections 7b, 7 (3), 7f and 9 (1) WStBG, “2022 Authorized Capital”).

The shareholders’ statutory subscription rights are excluded. The new shares from that capital increase may be subscribed exclusively by the Federal Republic of Germany or an entity mentioned in Section 29 (6) EnSiG. On December 21, 2022, the Board of Management, with the approval of the Supervisory Board, resolved to issue a capital increase utilizing the 2022 Authorized Capital created by the Extraordinary General Meeting on December 19, 2022. The capital stock of Uniper SE of €8,622,132,000.10 was increased by €5,538,029,306.60 to €14,160,161,306.70 through the issuance of 3,257,664,298 new registered no-par-value shares (“New Shares”) against cash contributions having a notional interest in the capital stock of €1.70 per New Share. The remaining 2022 Authorized Capital amounts to €19,461,970,693.50.

Conditional Capital

Pursuant to Section 3 (4) of the Articles of Association of Uniper SE, the Board of Management is authorized, subject to the approval of the Supervisory Board, to issue debt instruments (hereinafter “Bonds”) once or several times on or before May 18, 2026, with a total nominal amount of up to €1,000,000,000 and to grant the holders or creditors of Bonds (hereinafter “Holders”) conversion or option rights to a total of up to 85,360,170 registered no-par-value shares of Uniper SE with a proportionate amount of the capital stock of up to €145,112,289 in total in accordance with the more detailed provisions of the terms and conditions of the Bonds. The Bonds may be issued against contribution or consideration in cash or in kind. Here, too, the Board of Management is authorized, subject to the approval of the Supervisory Board, to exclude the shareholders’ subscription rights to which shareholders are entitled in principle. In connection with these convertible bonds and warrant-linked bonds, conditional capital was created by shareholder resolution. Pursuant thereto, the capital stock is conditionally increased by up to €145,112,289 through the issue of up to 85,360,170 new registered no-par-value shares with a proportionate amount of the capital stock of €1.70 per share for the purpose of granting registered no-par-value shares upon exercise of rights and obligations of conversion or purchase.

Treasury Shares

By resolution of the Annual General Meeting of May 19, 2021, Uniper SE is authorized to acquire treasury shares in an amount equivalent to up to a total of 10% of the capital stock until May 18, 2026. The shares acquired under this authorization, together with other treasury shares held by or attributable to Uniper SE pursuant to Sections 71a et seq. AktG, must not at any time account for more than 10% of the capital stock.

At the Board of Management's discretion, such purchase may take place on the stock exchange, by way of a public offer addressed to all shareholders or a public solicitation to submit offers (an "acquisition offer"), by way of a public offer or a public solicitation to submit offers for the exchange of liquid shares for shares of Uniper SE (an "exchange offer"), or through the use of derivatives (put or call options or a combination of both). The Board of Management is also authorized, subject to the Supervisory Board's consent and excluding shareholder subscription rights, to use shares of Uniper SE in a specified manner. The Board of Management is further authorized to cancel treasury shares without requiring a separate shareholder resolution to that effect. Uniper holds no treasury shares at this time.

(23) Provisions for Pensions and Similar Obligations

Provisions for pensions and similar obligations are composed of the present value of the benefit obligations under the defined benefit plans existing in the Uniper Group, reduced by the fair value of the corresponding plan assets and the effect of the asset ceiling.

The present value of the defined benefit obligations is determined using the projected unit credit method. In addition to the pension obligations and pension entitlements that are known on the reporting date, the actuarial valuation to determine present value also takes into account demographic and economic trend assumptions such as assumptions on expected employee turnover and long-term wage and salary growth rates and pension increase rates, as well as discount rates determined as of the balance sheet date.

Any net asset position that might arise from offsetting the present value of the defined benefit obligations against the corresponding fair value of plan assets is recognized taking into account the applicable asset restrictions. An economically usable asset is recognized in the "Other operating assets and contract assets" line item. For assets remaining after offsetting from which Uniper cannot derive economic benefits, an obligation in the amount of those assets is recognized when it arises (effect of the asset ceiling).

Current and past service cost, as well as gains or losses from settlements, are reported under personnel costs.

The net interest on the net liability or asset, which is reported under financial results, is essentially derived from the net defined benefit liability or asset existing at the beginning of the reporting year, adjusted for expected cash flows from benefit payments and contributions, and the discount rate determined at the beginning of the fiscal year.

In the case of a plan amendment, curtailment or settlement (each a "plan event") occurring in a defined benefit plan during an annual reporting period, the current service cost and the net interest on the net liability or asset are remeasured for the remainder of the reporting period after the plan event. The actuarial assumptions applicable as of the date of the plan event shall be used as the basis for such remeasurement.

Remeasurements of the net defined benefit liability or asset include actuarial gains and losses that may arise especially from differences between estimated and actual variations in underlying assumptions about demographic and financial variables and, additionally, from developments in these assumptions as of each reporting date. Additionally included is the difference between the actual return on plan assets and the interest income on plan assets contained in the net interest result, as well as any change in the effect of the asset ceiling, excluding amounts already included in net interest. Remeasurement results and related deferred taxes are recognized in full in the period in which they occur and are not reported within the income statement; they are instead shown in the statement of recognized income and expenses.

For pure defined contribution pension plans, regular, fixed contributions are paid to external insurers or similar institutions and recognized in income as personnel costs. Other than paying the plan contributions, Uniper has no further obligations to eligible individuals under these plans. Contributions to state pension plans are treated like payments for pure defined contribution pension plans to the extent that the obligations under these pension plans generally correspond to those under pure defined contribution pension plans. Contributions to state plans are reported mostly under social security contributions within personnel costs.

As of December 31, 2023, the present value of the defined benefit obligations, the fair value of plan assets, the effect of the asset ceiling and the resulting net defined benefit liability or asset represent a funding level of 81% (2022: 79%) and break down as shown in the following table:

Provisions for Pensions and Similar Obligations

	December 31	
€ in millions	**2023**	**2022**
Present value of defined benefit obligations		
Germany	2,186	2,120
United Kingdom	458	386
Total	**2,645**	**2,506**
Fair value of plan assets		
Germany	-1,710	-1,611
United Kingdom	-439	-381
Total	**-2,149**	**-1,992**
Effect of the asset ceiling[1]		
Germany	25	22
Total	**25**	**22**
Net defined benefit liability (+) / asset (-)		
Germany	500	531
Net liability	*501*	*532*
Net asset	*-1*	*-1*
United Kingdom	20	5
Total	**520**	**536**
Presented as provisions for pensions and similar obligations	*521*	*537*
Presented as other operating assets and contract assets[1]	*-1*	*-1*

[1]Aside from the net defined benefit assets from plans in Germany as of December 31, 2023 and December 31, 2022, which are reported on the balance sheet under "Other operating assets and contracts assets", there are other assets in Germany as of December 31, 2023, and December 31, 2022, from which Uniper cannot derive economic benefits.

Description of the Benefit Plans

In addition to their entitlements under government retirement systems and the income from private retirement planning, most active and former Uniper Group employees are also covered by occupational benefit plans. Both defined benefit plans and pure defined contribution plans are in place at Uniper. The commitments under these plans primarily involve retirement, disability and survivor benefits and are structured differently in line with the legal, tax and regulatory conditions prevailing in the respective country.

The pension plans within the Uniper Group are regularly reviewed with respect to their financial risks. Typical risk factors for defined benefit plans are longevity and changes in nominal interest rates, as well as increases in inflation and rising wages and salaries. Depending on global investment market performance, there are also risks and opportunities associated with changes in the plan assets that are in place to cover commitments under existing defined benefit plans. To avoid exposure to future risks from occupational benefit plans, newly designed pension plans in which a majority of the risk factors can be better calculated and controlled had previously been introduced at the major Uniper Group companies within and outside Germany.

Described below are the configurations of the major defined benefit and defined contribution pension plans for Uniper in Germany and in the United Kingdom.

Germany

Active employees at German Uniper companies are predominantly covered by defined contribution plans. In addition, some final-pay arrangements, and a small number of fixed-amount arrangements, still exist under individual contracts.

Most of the reported benefit obligation toward active employees is centered on the "BAS Plan," a pension unit system launched in 2001, and on the "Zukunftssicherung" plan, a variant of the "BAS Plan" that emerged from the harmonization in 2004 of numerous benefit plans granted in the past. In the "Zukunftssicherung" benefit plan, vested final-pay entitlements are considered in addition to the defined contribution pension units when determining the benefit. The plans described in the preceding normally provide for ongoing pension benefits that generally are payable upon reaching the age threshold, but also in the event of disability or death. These two plans have been closed to new hires since 2008.

The plan open to new hires since 2008 is a defined contribution plan. This plan is a "units of capital" system that provides for the alternative payout options of a prorated single payment and payments of installments in addition to the payment of a regular pension. In addition to the pension benefits paid upon reaching the age threshold, employees are also covered for disability, as are their survivors in the event of death.

Effective January 1, 2023, Uniper introduced a new occupational retirement pension system in Germany: a "pure" defined contribution plan. Unlike the defined contribution plans already described – which are actually accounted for as defined benefit plans – this new plan is a pure defined contribution plan and is accounted for accordingly. This form of occupational retirement pension commitment based on a collective bargaining agreement obligates the participating German Uniper companies only to pay contributions into the Metzler Social Partner Pension Fund (MSPF). There is no obligation on the Uniper companies to render additional benefits to participating employees. Benefit payments are remitted solely by the MSPF, and benefit amounts are not guaranteed over the entire performance period. The pure defined contribution plan exists in parallel with the existing benefit systems. When it was implemented, most existing employees covered by existing benefit plans were given the choice in the second quarter of 2023 to have future contributions paid into this pure defined contribution plan effective as of the July 1, 2023, changeover date. Employees could choose to switch plans for the employer contribution only, for the employee contribution only or for both contributions. The benefit entitlements earned by existing employees under the existing benefit plans up to the changeover date remain in those plans. For new hires, this occupational retirement benefit system is also available and given preference over the defined contribution plan open since 2008.

The benefit expense for all the defined contribution plans mentioned above and the expense for the new pure defined contribution plan are dependent on compensation and are determined at different percentage rates based on the ratio between compensation and the contribution limit in the statutory retirement pension system in Germany. Employees can additionally choose to defer compensation. In both the open defined contribution plan and the new pure defined contribution plan, compensation deferred by the employee is matched by additional employer contributions, subject to compliance with specified deferral limits and, in the case of the pure defined contribution plan, with the prerequisite that regular employer contributions must be paid into this plan.

The defined contribution plans contain different interest rate assumptions for the pension units and the units of capital, respectively. Up to and including December 31, 2018, fixed interest rate assumptions had applied for both the "BAS Plan" and the "Zukunftssicherung" plan. Since January 1, 2019, the pension units established under both the "BAS Plan" and the "Zukunftssicherung" plan have earned interest at a rate that is linked to market rates and hedged by applying guaranteed minimum interest rates. An annual review is performed, taking market developments into account, to determine whether the pension units should be formed based on the guaranteed minimum interest rates or by applying a higher rate. The interest rate can be increased to a maximum of 6.0% p.a. Pension units granted through December 31, 2018, remain unchanged by this adjusted interest calculation. The units of capital established under the defined contribution plan open as of the reporting date earn interest based on the average yield of long-term government bonds of the Federal Republic of Germany observed in the fiscal year. Interest on employer and employee contributions in the pure defined contribution plan is calculated independently in the MSPF and is based on the fund's returns.

Except in the pure defined contribution plan, future pension increases at a rate of 1% p.a. are guaranteed pursuant to the German law for the improvement of occupational retirement pensions ("BetrAVG") for a portion of the eligible individuals including, in particular, a large number of active employees. For the remaining eligible individuals, pension adjustments usually take place in a three-year cycle and are mostly aligned with the rate of inflation. Pension increases in the pure defined contribution plan are based on the returns generated in the plan.

Pension plans at the German Uniper companies are funded through designated pension vehicles that are legally distinct from the Company.

In addition to plan assets administered by German pension vehicles ("Pensionskassen"), plan assets in the form of a Contractual Trust Arrangement (CTA) were established in the past to fund a majority of the domestic defined benefit plans for most of the German Uniper companies. The plan assets of the CTA are administered by Uniper Pension Trust e. V. as trustee on the basis of the investment principles specified for it.

Furthermore, payments were made to a Group-wide pension fund, which is qualified as plan assets, when the method of occupational retirement provision for a segment of the retirement benefit commitments was changed to a pension fund commitment in the past. The assets contributed to the pension fund thus provide the funding for the obligations transferred to the pension fund.

The pension vehicles described pursue the primary objective of providing full coverage of benefit obligations at all times for the payments due under the respective benefit plans. The investment strategy and portfolio structure required to achieve this is implemented, reviewed regularly and adjusted, if necessary, using asset-liability management studies based on specified investment principles, the structure of the benefit obligations and the prevailing condition of the capital markets. Further goals of the investment strategy are to offset the changes in the defined benefit obligation partially with corresponding changes in the fair value of plan assets and to influence positively the funding level of the German pension obligations over the long term by means of investments providing returns in excess of those of fixed-rate bonds and the discount rate.

Only the "Pensionskassen" vehicles and the pension fund are subject to regulatory provisions in relation to the investment of capital and funding requirements. For the CTA, there are funding rules stipulated in a corporate agreement.

United Kingdom

In the reporting period, Uniper employees in the United Kingdom participated in one of the three existing pension plans, one being a defined contribution plan, one a final salary plan, and one a retirement balance plan. The latter two defined benefit plans make up the majority of the pension obligations reported for Uniper's former and active employees in the United Kingdom and have been closed to new hires since 2005 and 2008, respectively. Since the closure of the retirement balance plan in 2008, new hires have been joining the open defined contribution plan.

Benefit payments to the beneficiaries of the existing defined benefit pension plans are adjusted either by fixed increases or by reference to an index, as measured by the UK Retail Price Index (RPI) or the Consumer Price Index (CPI) (the increases are limited to a fixed maximum amount or can be limited at the Company's discretion).

Plan assets in the United Kingdom covering the benefit obligations under the final salary and retirement balance plans (excluding the assets covering the defined contribution plan, which are established under a contract between the employee and the provider) are administered by Uniper UK Trustees Limited in its capacity as trustee of the Uniper Group of the Electricity Supply Pensions Scheme ("Uniper Group of the ESPS"). The trustees are chosen by the members of the Uniper Group of the ESPS or appointed by Uniper UK Limited. In their capacity as such, the trustees are wholly responsible for the investment of the plan assets, and to that end they have appointed a fiduciary manager.

Within the confines of previously defined general terms, the fiduciary manager invests the plan assets with a dual purpose – to hedge a portion of the fixed-interest and inflation-linked pension liabilities using government and corporate bonds, derivatives and cash, while also seeking to achieve asset growth in excess of the growth of the liabilities over the long term by investing in a range of diversified public and private markets. The trustees monitor the percentage of the liability hedging component and the amount of the liabilities to be hedged, as well as the performance of the growth-oriented parts of the portfolio.

UK legislation requires that a valuation of the funding of pension plans in the United Kingdom be performed at least once every three years. The actuarial assumptions underlying the valuation are agreed between the trustees of the Uniper Group of the ESPS and Uniper UK Limited. They include presumed life expectancy, wage and salary growth rates, investment returns, inflationary assumptions and interest rate levels. The last valuation of the Uniper Group of the ESPS took place as of March 31, 2022, and initially showed a funding deficit of £18.8 million. Given the prevailing geopolitical situation and the associated negative impact on the British economy and on investments in the United Kingdom after the March 31, 2022, valuation date, the trustees and Uniper UK Limited revised the regulatory valuation in 2023 and determined a higher estimated regulatory funding deficit of £61.8 million. The agreed deficit repair plan provides for repair payments totaling £42.4 million between August 2023 and March 2025, of which £15.9 million was paid as due, and further conditional payments totaling up to £21.44 million to the Uniper Group of the ESPS between April 2025 and March 2026. The next valuation has a March 31, 2025, effective date.

Other Countries

The remaining benefit plans are attributable to various international activities of the Uniper Group.

The occupational benefit plans in the Netherlands, Sweden, Canada and the United States, however, are largely of minor significance from the perspective of the Uniper Group. Owing to the deconsolidation of PAO Unipro, the defined benefit and defined contribution plans in Russia as of the prior-year reporting date were no longer included in the financial reporting as of December 31, 2022. At that time, the Unipro business unit was also classified as a discontinued operation within the meaning of IFRS 5. Accordingly, the income and expenses for 2022 associated with occupational retirement benefit commitments were presented in income or loss from discontinued operations in the income statement. Further information on this is provided in Note 4.

Explanation of Figures from the Defined Benefit Pension Plans

The recognized net defined benefit liability or asset from the Uniper Group's defined benefit plans results from the difference between the present value of the defined benefit obligations and the fair value of plan assets, taking into account the effect of the asset ceiling:

Changes in Net Defined Benefit Liability / Asset

€ in millions	Defined benefit obligation	Fair value of plan assets	Effect of the asset ceiling	Net defined benefit liability (+) / asset (-)
Uniper Group				
January 1, 2023	**2,506**	**-1,992**	**22**	**536**
Net liability				*537*
Net asset				*-1*
Domestic				
January 1, 2023	**2,120**	**-1,611**	**22**	**531**
Current employer service cost	19	–	–	19
Past service cost	-6	–	–	-6
Net interest expense (+) / interest income (-)	78	-61	1	18
Remeasurements	42	-86	2	-42
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	–	–	–	–
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	*0*	–	–	*0*
Actuarial gains (-) / losses (+) arising from experience adjustments	*41*	–	–	*41*
Return on plan assets recognized in equity, not including amounts contained in the net interest expense/interest income	–	*-86*	–	*-86*
Changes in the effect of the asset ceiling, excluding amounts contained in the net interest expense/interest income	–	–	*2*	*2*
Benefit payments	-70	68	–	-1
From plan assets	*-68*	*68*	–	*0*
From the Company	*-1*	–	–	*-1*
Employer contributions	–	-21	–	-21
Changes in scope of consolidation	3	–	–	3
December 31, 2023	**2,186**	**-1,710**	**25**	**500**
Net liability				*501*
Net asset				*-1*
Foreign				
January 1, 2023	**386**	**-381**	**–**	**5**
Current employer service cost	12	–	–	12
Past service cost	23	–	–	23
Net interest expense (+) / interest income (-)	21	-20	–	0
Remeasurements	20	-3	–	17
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	*-4*	–	–	*-4*
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	*20*	–	–	*20*
Actuarial gains (-) / losses (+) arising from experience adjustments	*4*	–	–	*4*
Return on plan assets recognized in equity, not including amounts contained in the net interest expense/interest income	–	*-3*	–	*-3*
Benefit payments	-12	12	–	*0*
From plan assets	*-12*	*12*	–	*0*
From the Company	–	–	–	–
Employer contributions	–	-38	–	-38
Exchange rate differences	8	-8	–	0
December 31, 2023	**458**	**-439**	**–**	**20**
Net liability				*20*
Uniper Group				
December 31, 2023	**2,645**	**-2,149**	**25**	**520**
Net liability				*521*
Net asset				*-1*

Changes in Net Defined Benefit Liability / Asset

€ in millions	Defined benefit obligation	Fair value of plan assets	Effect of the asset ceiling	Net defined benefit liability (+) / asset (-)
Uniper Group				
January 1, 2022	**3,900**	**-2,878**	**–**	**1,022**
Net liability				*1,065*
Net asset				*-43*
Domestic				
January 1, 2022	**3,173**	**-2,122**	**–**	**1,051**
Current employer service cost	42	–	–	42
Past service cost	4	–	–	4
Net interest expense (+) / interest income (-)	38	-26	–	12
Remeasurements	-1,068	514	22	-532
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	*–*	*–*	*–*	*–*
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	*-1,105*	*–*	*–*	*-1,105*
Actuarial gains (-) / losses (+) arising from experience adjustments	*37*	*–*	*–*	*37*
Return on plan assets recognized in equity, not including amounts contained in the net interest expense/interest income	*–*	*514*	*–*	*514*
Changes in the effect of the asset ceiling, excluding amounts contained in the net interest expense/interest income	*–*	*–*	*22*	*22*
Benefit payments	-66	65	–	-1
From plan assets	*-65*	*65*	*–*	*0*
From the Company	*-1*	*–*	*–*	*-1*
Employer contributions	–	-44	–	-44
Changes in scope of consolidation	-2	2	–	0
December 31, 2022	**2,120**	**-1,611**	**22**	**531**
Net liability				*532*
Net asset				*-1*
Foreign				
January 1, 2022	**727**	**-756**	**–**	**-29**
Current employer service cost[1]	19	–	–	19
Past service cost	-3	–	–	-3
Net interest expense (+) / interest income (-)[1]	16	-17	–	-1
Remeasurements	-319	369	–	50
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	*-3*	*–*	*–*	*-3*
Actuarial gains (-) / losses (+) arising from changes in financial assumptions	*-330*	*–*	*–*	*-330*
Actuarial gains (-) / losses (+) arising from experience adjustments	*14*	*–*	*–*	*14*
Return on plan assets recognized in equity, not including amounts contained in the net interest expense/interest income	*–*	*369*	*–*	*369*
Benefit payments	-20	20	–	0
From plan assets	*-20*	*20*	*–*	*0*
From the Company	*0*	*–*	*–*	*0*
Employer contributions	–	-24	–	-24
Changes in scope of consolidation[2]	-8	1	–	-7
Exchange rate differences	-25	26	–	1
December 31, 2022	**386**	**-381**	**–**	**5**
Net liability				*5*
Uniper Group				
December 31, 2022	**2,506**	**-1,992**	**22**	**536**
Net liability				*537*
Net asset				*-1*

[1]The net periodic pension cost for the Russian Unipro business unit (€1 million) is reported in the income statement under income or loss from discontinued operations.

[2]For further information regarding changes in the scope of consolidation, see Note 4.

The present value of the defined benefit obligations and the fair value of plan assets outside Germany as of the December 31, 2023, and December 31, 2022, balance sheet dates, relate solely to the United Kingdom.

The present value of the defined benefit obligations existing as of the balance sheet date is attributable to active employees in the amount of roughly €0.9 billion (2022: €0.9 billion), to retirees and surviving dependents in the amount of roughly €1.1 billion (2022: €1.1 billion) and to former employees with vested entitlements in the amount of roughly €0.6 billion (2022: €0.5 billion).

The past service cost recognized in 2023 and 2022 resulted predominantly from plan amendments in connection with the fundamental restructuring of the Uniper Group's Engineering business and with the strategy implementation by Uniper that includes, among other things, a proactive phase-out plan for coal in Europe. The switch by existing employees from existing benefit plans to the pure defined contribution plan in the second quarter of 2023 produced additional past service cost. The net periodic pension cost of the affected plans was also remeasured during the year in connection with the issues mentioned above.

The net actuarial gains that were recognized in the 2023 fiscal year are predominantly attributable to the positive change in the fair value of plan assets in 2023. Partially offsetting effects resulted mainly from actuarial losses arising from the decline in the discount rate used in the United Kingdom to measure the defined benefit obligations existing as of December 31, 2023, as well as from adjustments in the valuation of existing relevant obligations made particularly at the German Uniper companies to reflect the cumulative impact of above-average inflation.

The net actuarial gains generated in 2022 resulted mostly from the increase in the discount rates used within the Uniper Group to measure the defined benefit obligations. A partially offsetting effect arose from the corresponding negative change in the fair value of plan assets.

The actual return on plan assets in 2023 was a gain of €171 million (2022: €841 million loss). The return on the plan assets of PAO Unipro is not included in the figure for 2022.

In addition to the total net periodic pension cost for defined benefit plans, contribution expenses of €28 million were recognized for occupational retirement benefit plans in 2023 (2022: €33 million). This amount also includes the contribution expenses arising from the pure defined contribution plan implemented at the start of the 2023 fiscal year. Contribution expenses incurred by PAO Unipro for 2022 are presented in income or loss from discontinued operations.

Contributions to state plans totaled €52 million in 2023 (2022: €50 million). Contributions by PAO Unipro for 2022 are included in income or loss from discontinued operations.

Actuarial Parameters and Sensitivities

The actuarial assumptions used to measure the defined benefit obligations and to compute the net periodic pension cost for the Uniper companies in Germany and in the United Kingdom as of the respective balance sheet dates are as follows:

Actuarial Assumptions

		December 31	January 1
Percentages	**2023**	**2022**	**2022**
Discount rate			
Germany	3.70	3.70	1.20
United Kingdom	4.60	5.00	2.00
Wage and salary growth rate			
Germany	2.25	2.25	2.25
United Kingdom	2.50	3.00	3.00
Pension increase rate			
Germany[1]	2.00	2.00	1.75
United Kingdom	2.80	2.90	3.10

[1] The pension increase rate for Germany applies to eligible individuals not subject to an agreed guarantee adjustment.

The discount rates used in the Uniper Group are essentially based on the currency-specific returns available at the end of the respective fiscal year on high-quality corporate bonds and take into account the average duration of the respective underlying obligations. The weighted-average duration of the defined benefit obligations measured within the Uniper Group as of December 31, 2023, is 18.7 years (2022: 19.2 years).

To measure the Uniper Group's occupational pension obligations for accounting purposes, the Company has employed the current versions of the biometric tables recognized in each respective country for the calculation of pension obligations:

Actuarial Assumptions (Mortality Tables)

Germany	2023: 2018 G versions of the Klaus Heubeck biometric tables (2018) 2022: 2018 G versions of the Klaus Heubeck biometric tables (2018)
United Kingdom	2023: 'S3' series base mortality tables, taking into account future changes in mortality (CMI 2022 projection table) 2022: 'S3' series base mortality tables, taking into account future changes in mortality (CMI 2021 projection table)

Changes in the actuarial assumptions described previously would lead to the following changes in the present value of the defined benefit obligations at the respective reporting dates:

Sensitivities

	Changes in the present value of the defined benefit obligations			
	December 31, 2023		December 31, 2022[1]	
Change in the discount rate by (basis points)	+50	-50	+50	-50
Change in percent	*-7.03*	*7.88*	*-7.28*	*8.26*
Change in wage and salary growth rate by (basis points)	+25	-25	+25	-25
Change in percent	*0.20*	*-0.19*	*0.37*	*-0.37*
Change in the pension increase rate by (basis points)	+25	-25	+25	-25
Change in percent	*1.05*	*-1.02*	*1.00*	*-0.92*
Change in mortality by (percent)	+10	-10	+10	-10
Change in percent	*-1.68*	*1.89*	*-1.65*	*1.85*

[1] As of December 31, 2022, sensitivities for PAO Unipro are not included.

A 10% decrease in mortality would result in a higher life expectancy of beneficiaries, depending on the age of each individual beneficiary. As of the December 31 reporting dates of 2023 and 2022, the life expectancy of a 63-year-old male Uniper retiree would increase by approximately one year if mortality were to decrease by 10%.

The sensitivities indicated are computed based on the same methods and assumptions used to determine the present value of the defined benefit obligations. If one of the actuarial assumptions is changed for the purpose of computing the sensitivity of results to changes in that assumption, all other actuarial assumptions are included in the computation unchanged. Potential correlation effects between the individual actuarial assumptions are not taken into account in the computation of sensitivities.

When considering sensitivities, it must be noted that the change in the present value of the defined benefit obligations resulting from changing multiple actuarial assumptions simultaneously is not necessarily equivalent to the cumulative effect of the individual sensitivities.

Description of Plan Assets

The individual plan asset components have been allocated to corresponding asset classes based on their substance. The plan assets thus classified break down as shown in the following table:

Classification of Plan Assets

Percentages	December 31, 2023 Uniper Group	Germany	United Kingdom	December 31, 2022 Uniper Group	Germany	United Kingdom
Plan assets listed in an active market						
Equity securities (stocks)	24	28	10	39	47	6
Debt securities	45	53	14	30	33	17
Government bonds	*23*	*28*	*2*	*17*	*21*	*2*
Corporate bonds	*22*	*25*	*13*	*13*	*12*	*15*
Other investment funds	13	4	46	14	6	48
Total listed plan assets	**82**	**85**	**70**	**82**	**85**	**70**
Plan assets not listed in an active market						
Equity securities not traded on an exchange	1	–	6	–	–	–
Debt securities	3	–	15	4	–	19
Real estate	12	15	2	11	14	–
Cash and cash equivalents	2	0	7	3	1	11
Other	–	–	–	0	0	–
Total unlisted plan assets	**18**	**15**	**30**	**18**	**15**	**30**
Total	**100**	**100**	**100**	**100**	**100**	**100**

The investment of plan assets within the Uniper Group involves the use of derivatives (e.g., interest rate swaps and inflation swaps, as well as currency hedging instruments) to facilitate the control of specific risk factors of pension liabilities. In the table above, these derivatives have been allocated, based on their substance, to the respective asset classes in which they are used.

Plan assets during the reporting period included virtually no owner-occupied real estate, and virtually no equity or debt instruments, of Uniper companies.

Presentation of Expected Contributions and Benefit Payments

For the 2024 fiscal year, it is expected that employer contributions to plan assets for the Uniper Group will amount to a total of €47 million and primarily involve the funding of new and existing benefit obligations, with an amount of €37 million attributable to Uniper companies in the UK.

Prospective benefit payments under the defined benefit plans existing in Germany and in the UK as of December 31, 2023, for the next ten years are shown in the following table:

Prospective Benefit Payments

€ in millions	Total	Germany	United Kingdom
2024	91	82	9
2025	96	85	11
2026	100	86	14
2027	109	94	15
2028	117	98	19
2029–2033	673	565	108

(24) Miscellaneous Provisions

Miscellaneous provisions are liabilities of uncertain timing or amount. They are recognized when there are legal or constructive present obligations toward third parties resulting from events that occurred in the past, it is probable that a future outflow of resources will be required to settle these obligations, and the amounts of the obligations can be measured with sufficient reliability. A provision is recognized at the present value of the expected settlement amount; future cost increases that are foreseeable and likely to occur on the balance sheet date must also be included in the measurement. The accretion amounts and the effects of changes in interest rates are generally presented within financial results. A reimbursement related to the provision that is virtually certain to be collected is capitalized as a separate asset.

Liabilities for obligations arising from the decommissioning or dismantling of property, plant and equipment that is in use are recognized at their discounted settlement amounts. The carrying amounts of the respective items of property, plant and equipment are increased by the same amounts. In subsequent periods, capitalized asset retirement costs are amortized over the expected remaining useful lives of the related items of property, plant and equipment, while the provision is accreted to its present value on an annual basis.

In the case of changes in estimates, the adjustment of provisions for the decommissioning or dismantling of property, plant and equipment for changes to estimates is generally recognized by way of a corresponding adjustment to these assets, with no effect on income. If the item of property, plant and equipment to be decommissioned has already been fully depreciated, changes in estimates that would lead to a further reduction are recognized in the income statement. Changes in estimates for all other miscellaneous provisions are recognized directly in the income statement.

Under Swedish law, Uniper is required to pay fees to the Swedish Nuclear Waste Fund ("Kärnavfallsfonden" or "KAF") for its Swedish nuclear operations. For each nuclear power plant operating company, the Swedish Radiation Safety Authority proposes the fees for disposal of high-level radioactive waste and for decommissioning on the basis of the amount of electricity produced or on a time basis, taking into account nuclear-specific inflation rates and risk premiums. The proposed fees are then submitted to government offices for approval and the corresponding payments are made by the owners of the power plant operating companies. In accordance with IFRIC 5, a right of reimbursement for asset retirement expenditure is recognized as an asset within other financial assets for payments to the KAF (see also Note 20). The KAF reimbursement right is measured specifically for each power plant operating company at the lower of the recognized asset retirement obligation and the contributor's share of the fair value of the net assets of this fund.

As of December 31, 2023, the long-term real (i.e., inflation-adjusted) discount rate used in the nuclear power sector in Sweden was 1.0% (2022: 0.6%). A change of 0.1 percentage points in the applied real interest rate leads to a change in the provision of approximately €54 million (2022: €62 million).

Provisions for losses from open transactions under onerous contracts are recognized at the lower of the excess obligation upon performance under the contract and any potential penalties or compensation arising in the event of non-performance. Obligations under an open contractual relationship are determined from a customer perspective; their measurement is thus influenced by fluctuating market prices.

Provisions for restructuring are recognized once a detailed restructuring plan has been decided on by management and publicly announced or communicated to the employees or their representatives. Only those expenses that are directly attributable to the restructuring measures are used in measuring the amount of the provision. Expenses associated with future operations are not taken into consideration.

A provision is recognized for the obligations arising from CO_2 emissions produced within the framework of the EU Emissions Trading System. The obligations are measured at the carrying amount of the emission rights held or, in the case of a shortfall, at the current fair value of the emission rights needed, and they respond correspondingly sensitively to fluctuations in the price of emission rights.
The expenses incurred for the recognition of the provision are reported under cost of materials.

The miscellaneous provision amounts relate predominantly to issues in euro-area countries, as well as in the United Kingdom and in Sweden. The interest rates used regarding these issues ranged from 1.89% to 4.88%, depending on the term (2022: 2.45% to 4.04%).

The following table lists the miscellaneous provisions as of the dates indicated:

Miscellaneous Provisions

	December 31, 2023		December 31, 2022	
€ in millions	**Current**	**Non-current**	**Current**	**Non-current**
Nuclear waste management obligations	196	3,196	157	3,267
Personnel-related obligations	85	138	100	135
Other asset retirement obligations	32	756	17	662
Supplier-related obligations	883	427	4,817	2,475
Generation-related obligations	939	559	1,692	507
Distribution-related obligations	40	139	37	155
Customer-related obligations	12	8	20	8
Environmental remediation and similar obligations	18	260	11	174
Provision relating to contractual recovery claims of the Federal Republic of Germany from the granting of state aid	–	2,238	–	–
Other	186	252	197	349
Total	**2,391**	**7,974**	**7,049**	**7,732**

The following table shows the changes in miscellaneous provisions:

Changes in Miscellaneous Provisions

€ in millions	**January 1, 2023**	**Exchange rate differences**	**Changes in scope of consolidation**	**Accretion**	**Additions**	**Utilization**	**Reclassifications**	**Reversals**	**Changes in estimates**	**December 31, 2023**
Nuclear waste management obligations	3,424	7	–	23	14	-138	–	–	64	3,392
Personnel-related obligations	235	–	4	8	79	-89	3	-15	–	223
Other asset retirement obligations	679	3	–	21	1	-3	-2	–	89	789
Supplier-related obligations	7,292	–	–	–	965	-61	1	-6,886	–	1,309
Generation-related obligations	2,200	17	-67	31	1,304	-1,771	–	-217	–	1,497
Distribution-related obligations	192	–	–	6	24	-43	–	-1	–	179
Customer-related obligations	29	–	–	–	1	–	–	-10	–	20
Environmental remediation and similar obligations	185	–	–	6	102	-13	–	-2	–	278
Provision relating to contractual recovery claims of the Federal Republic of Germany from the granting of state aid	–	–	–		2,238	–		–	–	2,238
Other	546	-1	1	7	114	-114	4	-120	–	438
Total	**14,781**	**27**	**-62**	**102**	**4,842**	**-2,233**	**5**	**-7,251**	**153**	**10,365**

The decline in supplier-related provisions is primarily due to the complete reversal of a non-current provision for anticipated losses in the gas portfolio that had been recognized in the previous year following the complete discontinuation of gas deliveries from Russia amid continuing obligations to customers and to the complete reversal of a provision for anticipated losses from electricity sales contracts for which the own-use exemption under IFRS 9 is applied. The latter provision was reversed due to lower market prices.

Additions to and utilizations of generation-related provisions relate especially to the creation (for the 2023 reporting year) and the settlement (for the preceding 2022 fiscal year) of European emissions trading obligations.

The provision for potential repayment of state aid was recognized for the first time in the 2023 fiscal year.

Provisions for Nuclear Waste Management Obligations

As of December 31, 2023, the provision based on the requirements of Swedish nuclear energy law amounted to €3.4 billion (2022: €3.4 billion). The provisions comprise all those nuclear obligations relating to the disposal of spent nuclear fuel rods and low-level nuclear waste and to the retirement and decommissioning of nuclear power plant components that are determined on the basis of external studies and cost estimates, taking into account nuclear-specific cost inflation rates and risk premiums.

The provisions recognized for nuclear asset retirement obligations include the anticipated costs of post-operation and service operation of the facility, dismantling costs, and the cost of removal and disposal of the nuclear components of the nuclear power plant.

Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2081 (2022: between 2023 and 2081).

Changes in estimates affecting provisions for the Swedish operations were recognized in the amount of €64 million (2022: €843 million). These changes in estimates are predominantly attributable to an increase in costs and to an adjustment of the discount rate that is determined based on country-specific factors. Provisions were utilized in the amount of €138 million (2022: €137 million), of which €79 million (2022: €71 million) is attributable to the decommissioned reactor units 1 and 2 of the Oskarshamn nuclear power plant and €59 million (2022: €66 million) to the decommissioned Barsebäck nuclear power plant.

The following table lists the provisions by technical specification and presents the funding situation of the nuclear waste management obligations as of the dates indicated:

Provisions for Nuclear Waste Management Obligations

	December 31	
€ in millions	**2023**	**2022**
Decommissioning	660	750
Disposal of nuclear fuel rods and operational waste	2,733	2,674
Total	**3,392**	**3,424**
Uniper's recognized interest in the Swedish Nuclear Waste Fund (see also Note 20)	**2,329**	**2,221**
Uniper's share of the fair value of the net assets of the Swedish Nuclear Waste Fund	2,329	2,221

As provided for by IFRIC 5, a reimbursement right of €2,329 million in total (2022: €2,221 million) was recognized, based on a power-plant-specific determination, within other financial assets (see also Note 20). As in the previous year, the claim against the KAF was fully eligible for capitalization. The actual claim against the KAF in the amount of €2,329 million (2022: €2,221 million) is offset by provisions amounting to €3,355 million (2022: €3,386 million). No reimbursement right from the KAF exists for provisions amounting to €38 million (2022: €37 million).

Personnel-Related Obligations

The provisions for personnel costs primarily comprise provisions for performance-based compensation components, long-service bonus obligations, in-kind obligations, restructuring (see also Note 11) and other deferred personnel costs. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2061 (2022: between 2023 and 2060).

Provisions for Other Asset Retirement Obligations

Provisions for other asset retirement obligations involve obligations for conventional and renewable-energy power plants, including the conventional plant components in the nuclear power segment, that are based on legally binding civil agreements and public regulations. Also reported here are provisions for environmental improvements at gas storage facilities and for the dismantling of installed infrastructure. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2066 (2022: between 2023 and 2066).

Supplier-Related Obligations

Provisions for supplier-related obligations include, among others, provisions for potential losses on open purchase contracts and for onerous contracts. The decline is primarily due to the complete reversal of non-current provisions for anticipated losses in the gas portfolio totaling €6.9 billion. These reversals related to a provision for anticipated losses in the gas portfolio that had been recognized in the previous year following the complete discontinuation of gas deliveries from Russia amid continuing obligations to customers and to a provision for anticipated losses from electricity sales contracts for which the own-use exemption under IFRS 9 is applied. The latter provision was reversed due to lower market prices.

Generation-Related Obligations

Generation-related provisions consist mainly of provisions in the hydropower business and of provisions for emission rights. Provisions for emission rights (carbon emissions) amount to €939 million as of the December 31, 2023, reporting date (2022: €1,692 million) and are based on emissions of 17 metric tons of CO_2 (2022: 22 metric tons of CO_2) allocable to Uniper's operations. The total amount of the obligations contained in the provision comprises both those arising from the EU ETS and, for emissions in the UK generation business, those arising from UK allowances (UKAs) under the UK ETS. The provisions for carbon emissions will be utilized in the 2024 fiscal year.
As regards the remaining obligations, Uniper assumes, based on current expectations, that the provisions for most of them will be utilized between 2025 and 2082 (2022: between 2024 and 2082).

Distribution-Related Obligations

Distribution-related provisions consist principally of provisions for onerous contracts in the areas of gas transportation and regasification. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2034 (2022: between 2023 and 2034).

Customer-Related Obligations

Provisions for customer-related obligations comprise a variety of issues that are not individually or collectively material. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2025 (2022: between 2023 and 2024).

Environmental Remediation and Similar Obligations

Provisions for environmental remediation relate primarily to redevelopment and water protection measures, as well as soil and water treatment, the rehabilitation of contaminated sites and other environmental improvement measures. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2046 (2022: between 2023 and 2046).

Provision Relating to Contractual Recovery Claims of the Federal Republic of Germany from the Granting of State Aid

The provision recognized in the 2023 fiscal year in the amount of €2,238 million (2022: N/A) relates to contractual claims for recovery by the Federal Republic of Germany from the granting of state aid.
This state aid was approved by the European Commission in December 2022, subject to certain conditions, and paid out to Uniper by the Federal Republic of Germany in the amount of around €13.5 billion by means of equity increases at Uniper SE. One of these conditions is a mechanism for the (partial) repayment of state aid in the event of overcompensation identified at the end of 2024 in favor of Uniper. A provision to this effect was also included in the framework agreement concluded between the Federal Republic of Germany and Uniper. The provision for contractual recovery claims is thus determined using IFRS earnings and IFRS equity planning through December 31, 2024. In order to settle these contractual recovery claims, Uniper is obliged, in accordance with the European Commission's decision, to make this likely payment in 2025 by way of a dividend or by other appropriate means.
At the end of the 2023 fiscal year, the Federal Republic of Germany and Uniper agreed to settle the contractual recovery claims of the Federal Republic of Germany arising from the granting of state aid by way of a public-law obligation.
The provision was discounted using an interest rate of 3.12% reflecting its term. It is also subject to estimation uncertainty, as the IFRS earnings and IFRS equity planning as of December 31, 2024, has a significant impact on the amount of the contractual recovery claims. It is expected that the provision will be remeasured regularly in the 2024 fiscal year based on revised planning assumptions.

Other

Aside from a large number of individual items, other provisions also include provisions for potential obligations arising from taxes other than income taxes. Based on current expectations, Uniper assumes that the provisions for most of the obligations will be utilized between 2024 and 2039 (2022: between 2023 and 2039).

(25) Liabilities and Contract Liabilities

See also Note 29 for discussion of accounting policies and of material judgments and estimations made by management for liabilities and contract liabilities.

Liabilities[1]

€ in millions	December 31, 2023 Current	December 31, 2023 Non-current	December 31, 2023 Total	December 31, 2022 Current	December 31, 2022 Non-current	December 31, 2022 Total
Financial liabilities and liabilities from leases	**727**	**1,119**	**1,846**	**8,948**	**2,989**	**11,937**
Trade payables	7,394	–	7,394	9,359	–	9,359
Liabilities from derivatives	14,436	7,754	22,190	30,608	45,737	76,345
Other operating liabilities and contract liabilities	608	493	1,100	848	353	1,200
Trade payables, other operating liabilities and contract liabilities	**22,438**	**8,246**	**30,684**	**40,815**	**46,090**	**86,904**
Total	**23,165**	**9,365**	**32,530**	**49,762**	**49,079**	**98,841**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Financial Liabilities

Non-current financial liabilities fell by €1,870 million, from €2,989 million to €1,119 million, primarily due to the full extinguishment of the revolving credit facility (RCF) drawing in the amount of €1,607 million. The full RCF amount of €1.8 billion has been repaid as of December 31, 2023 (December 31, 2022: €193 million current, €1,607 million non-current).

Current financial liabilities fell by €8,221 million, from €8,948 million to €727 million, primarily due to the full repayment of the €6.0 billion drawn under the KfW credit facility (2022: 6.0 billion drawn) and the reduction of €1,765 million in margin deposits received for futures and forward transactions from €1,890 million to €125 million. Furthermore, promissory notes totaling €630 million were repaid in full. The issuance of new commercial paper in the amount of €434 million as of December 31, 2023, had an offsetting effect (2022: €0 million).

Another reason for the change in financial liabilities was the repayment of lease liabilities; both current and non-current lease liabilities fell by a total of €128 million to €924 million (2022: €1,052 million).

The amount reported further includes financial liabilities to unrelated parties amounting to €340 million (2022: €329 million) and to companies in which Uniper holds an equity interest in the amount of €18 million (2022: €40 million).

Financial Liabilities by Segment and for Administration/Consolidation

Financial Liabilities by Segment as of December 31, 2023

€ in millions	Commercial paper	Bank loans / Liabilities to banks	Liabilities from leases	Other financial liabilities	Financial liabilities
European Generation	–	–	143	344	486
Global Commodities	–	–	780	125	905
Administration/Consolidation	434	5	1	14	455
Uniper Group	434	5	924	483	1,846

Financial Liabilities by Segment as of December 31, 2022[1]

€ in millions	Commercial paper	Bank loans / Liabilities to banks	Liabilities from leases	Other financial liabilities	Financial liabilities
European Generation	–	–	155	333	489
Global Commodities	–	1	894	1,890	2,785
Administration/Consolidation	–	8,626	2	35	8,663
Uniper Group	–	8,627	1,052	2,259	11,937

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Information on the commercial paper program, on liabilities to banks and on other financial liabilities is provided in Note 29, "Financial Instruments," in the section titled "Capital Structure Management."

Trade Payables, Other Operating Liabilities and Contract Liabilities

Trade payables amounted to €7,394 million as of December 31, 2023 (2022: €9,359 million).

The decrease of €16,172 million in current liabilities from derivative financial instruments to €14,436 million (2022: €30,608 million) is primarily attributable to the interim realization and settlement of commodity forward contracts.

The values of the liabilities from non-current derivative financial instruments additionally fell by €37,983 million to €7,754 million as of December 31, 2023, (2022: €45,737 million) due to lower forward prices in the commodity markets.

Other operating liabilities and contract liabilities principally comprised contract liabilities totaling €313 million (2022: €162 million) and liabilities for taxes in the amount of €84 million (2022: €189 million).

Note 5 contains disclosures about contract liabilities.

(26) Contingent Liabilities, Contingent Assets and Other Financial Obligations

As part of its business activities, the Uniper Group is subject to contingencies and other financial obligations involving a variety of underlying matters. These include, in particular, guarantees, obligations arising from litigation and claims for damages (see also Note 27), as well as short- and long-term contractual, statutory and other obligations and commitments.

Contingent Liabilities and Contingent Assets

Unless required to be recognized as part of a business combination, contingent liabilities are possible or present obligations arising from past events that are not recognized on the balance sheet, and for which an outflow of resources is probable. The amounts disclosed correspond to the potential obligations expected on the balance sheet date.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company.

The Uniper Group has issued direct and indirect guarantees to third parties and to parties outside of the Uniper Group, which require Uniper to make contingent payments based on the occurrence of certain events. They consist primarily of financial guarantees and warranties.

In addition, the Uniper Group has also entered into indemnification agreements. Along with other guarantees, these indemnification agreements are incorporated in agreements entered into by Uniper companies concerning the disposal of shareholdings and, above all, cover the customary representations and warranties, as well as environmental damage and tax contingencies. Any obligations that may exist are covered in the first instance by provisions of the companies sold before Uniper itself is required to make any payments.

Moreover, the Uniper Group has commitments under which it assumes joint and several liability arising from its interests in civil-law companies ("GbR"), non-corporate commercial partnerships and consortia in which it participates.

For the activities of the Swedish nuclear power plants, the companies of the Swedish generation units have issued guarantees to governmental authorities in accordance with Swedish law. The guarantees were issued to cover possible additional costs related to the disposal of high-level radioactive waste and to the decommissioning of nuclear power plants. These costs could arise if actual costs exceed accumulated funds. In addition, the companies of the Swedish generation unit are responsible for all costs related to the disposal of low-level radioactive waste.
The guarantees referred to above are issued by Sydkraft Nuclear Power AB, a fully consolidated subsidiary of Uniper SE.

Owners of nuclear facilities in Sweden are additionally liable under the Law Concerning Nuclear Liability for damages resulting from accidents occurring in those nuclear facilities and for accidents involving any radioactive substances connected to the operation of those facilities. On January 1, 2022, a law took effect that requires the operator of a nuclear power plant in operation to have liability insurance or other financial cover in an amount equivalent to €1.2 billion per incident. The necessary insurance for the affected nuclear power plants has been purchased by Uniper. The Swedish government requires, however, that the affected companies also post further collateral in addition to the purchased insurance coverage. Uniper posts this additional collateral through the issuance of guarantees.

The European Generation segment operates nuclear power plants exclusively in Sweden. Accordingly, there are no additional comparable contingencies beyond those mentioned above.

The total settlement amount of the Uniper Group's contingent liabilities arising from existing contingencies was €133 million as of December 31, 2023 (2022: €131 million).

The Uniper Group does not currently have any significant reimbursement rights relating to these contingent liabilities.

On June 20, 2022, in a letter from the Minister for Climate and Energy Policy to the Dutch parliament it was announced that the production cap for electricity production with coal will be withdrawn and with immediate effect no longer enforced. This means that restrictions on generation were lifted after June 20, 2022, and that the right to compensation for the affected companies operating coal-fired power plants relates only to the period in which the production cap applied. Receipt of the compensation and ultimately also its amount is subject to conditions regulated by statute, and the Dutch state announced that it would seek approval from the European Commission (state-aid clearance) in each individual instance before payment takes place. Due to the existing uncertainties, a final, reliable estimate is still not possible at present, because the formal decision by the responsible ministry in the Netherlands is not expected until March or April 2024, and also because that decision is subject to approval by the European Commission. As part of the stabilization package for Uniper, the arbitration claim against the Netherlands based on the Energy Charter Treaty has been withdrawn.

Other Financial Obligations

Other financial obligations result from unencumbered pending legal transactions, continuous obligations, public-law requirements or other economic obligations that are neither recognized as liabilities on the balance sheet nor included within contingent liabilities.

As of December 31, 2023, purchase commitments for investments in intangible assets and in property, plant and equipment amounted to €0.2 billion (2022: €0.2 billion). These relate especially to as yet outstanding investments in connection with the modernization of existing generation assets. Of the total purchase commitments mentioned above, an amount of €0.2 billion (2022: €0.2 billion) is due within one year.

Additional long-term contractual obligations in place at the Uniper Group as of the balance sheet date related primarily to the purchase of fossil fuels. Financial obligations under these purchase contracts amounted to approximately €69.5 billion on December 31, 2023 (due within one year: €13.3 billion) and to approximately €103.6 billion on December 31, 2022 (due within one year: €26.4 billion).

Gas for supplying industrial customers is usually procured by means of long-term purchase contracts with major international producers of natural gas. Such contracts are generally of a take-or-pay nature. The prices paid for natural gas are normally tied to market reference prices, as dictated by market conditions and the procurement behavior of wholesale market customers. The conditions of these long-term contracts are reviewed at certain specific intervals (usually every three years) as part of contract negotiations and may thus change accordingly. In the absence of agreement on a pricing review, a neutral board of arbitration makes a final binding decision. Financial obligations arising from these contracts are calculated based on the same principles that govern internal budgeting. Furthermore, the take-or-pay conditions in the individual contracts are also considered in the calculations.

The contractual obligations for purchases of fossil fuels registered a decline in the 2023 fiscal year compared with the previous year. The principal reason for this decline was a price-related reduction in the minimum purchase obligation for gas procurement. The aforementioned purchase obligations include contractual obligations to Gazprom, as they had in the previous year.

Contractual obligations for the purchase of electricity amounted to approximately €0.3 billion as of December 31, 2023 (due within one year: €0.2 billion) and to approximately €1.0 billion as of December 31, 2022 (due within one year: €0.8 billion), and they relate in part to purchases from resellers and energy utilities, especially those under procurement contracts in the context of trading master agreements.

Further purchase obligations amounted to approximately €1.0 billion as of December 31, 2023 (due within one year: €0.5 billion) and to approximately €0.7 billion as of December 31, 2022 (due within one year: €0.1 billion). This relates mainly to the procurement of fuel rods for use in Swedish nuclear power plants within the Uniper Group and to purchase obligations for heat and alternative fuels.

There were additional financial obligations of approximately €5.2 billion as of December 31, 2023 (due within one year: €0.8 billion) and approximately €6.3 billion as of December 31, 2022 (due within one year: €0.9 billion). A significant portion of such obligations arises especially from booked transportation, storage and regasification capacities in the Global Commodities segment.

(27) Litigation

Various court actions, arbitration proceedings and regulatory investigations and proceedings are currently pending against entities of the Uniper Group, and further actions or proceedings may be instituted or asserted in the future. In addition to disputes under public law, this in particular includes legal actions and proceedings on contract amendments and price adjustments initiated in response to market upheavals and the changed economic situation in the gas and electricity sectors (also as a consequence of the energy transition) and concerning anticompetitive and fraudulent practices, as well as requests for disclosure of information and general commercial contract disputes.

The aforementioned proceedings include several court and arbitration proceedings with major customers and major suppliers, also initiated in some instances by the Uniper Group, concerning contract amendments and price adjustments in long-term supply contracts and other disputes relating to electricity and gas. Long-term LNG and gas-procurement contracts generally include the option for producers and importers to adjust the terms in line with changed market conditions. A claim for recovery of damages arising from the halted Russian gas deliveries is being pursued in arbitration proceedings. The possibility of further legal disputes cannot be excluded.

Applying the provisions of IAS 37.92, Uniper is making no additional disclosures on the proceedings presented or on the associated risks or measures taken, particularly because such disclosure could prejudice their outcome.

Furthermore, proceedings are pending concerning the clarification of regulatory requirements.

Applying the provisions of IAS 37.92, Uniper is making no additional disclosures on the proceedings presented or on the associated risks or measures taken, particularly because such disclosure could prejudice their outcome.

Public-law disputes are pending, in particular, in connection with the operating license and the planning basis for the hard-coal power plant in Datteln.

Applying the provisions of IAS 37.92, Uniper is making no additional disclosures on the proceedings presented or on the associated risks or measures taken, particularly because such disclosure could prejudice their outcome.

(28) Supplemental Cash Flow Disclosures

The Statement of Cash Flows presents the changes in the Group's funds arising from cash flows during the fiscal year. Cash flows are classified by operating, investing and financing activities. Interest received and paid, income taxes paid and refunded, as well as dividends received are classified as operating cash flows, whereas dividends paid are classified as financing cash flows. The cash and cash equivalents exchanged in acquisitions and disposals of investments in companies are shown as cash used for or provided by investing activities if the transaction involves a change of control. In the case of transactions that do not involve a change of control, the corresponding cash flows are reported under financing activities. The effect of foreign exchange rates on cash and cash equivalents is disclosed separately.

There were no exchange and contribution transactions in 2023 and 2022.

In 2023, cash and cash equivalents totaling €88 million were divested in connection with the disposals discussed in Note 4. The asset and liability items of the activities of the United Arab Emirates-based crude oil processing and marine fuel trading business (Uniper Energy DMCC), which were held as a disposal group, included cash and cash equivalents totaling €53 million. A further €35 million in cash and cash equivalents was included in the asset and liability items of the activities of the 20% equity interest in the Netherlands-based BBL Company V.O.F. (BBL), which were also held as a disposal group. In the previous year, cash and cash equivalents of €345 million – which were not available to the Group companies outside Russia – had been derecognized in connection with the deconsolidation of PAO Unipro.

Cash provided by operating activities (operating cash flow) of continuing operations changed by €22,105 million in 2023 to a cash inflow of €6,549 million (2022: cash outflow of €15,556 million). This improvement was mainly driven by the non-recurrence of the negative cash effects from the procurement of replacement gas volumes in connection with the gas supply curtailments in 2022. In addition, price decreases in the commodity markets had a positive impact on working capital year over year, especially on inventories.

Cash provided by investing activities of continuing operations improved by €1,793 million, from a cash inflow of €1,292 million in the previous year to a cash inflow of €3,086 million in the 2023 fiscal year. This development resulted primarily from changes in collateral to be provided by Uniper for futures and forward transactions (margining receivables), which changed by €1,685 million year over year in the 2023 fiscal year. Where there had been a cash inflow of €1,628 million in the previous year, there was a cash inflow of €3,313 million in 2023. Compared with the previous year (€552 million), cash payments for investments in intangible assets, in property, plant and equipment, and in equity investments increased by €35 million, to €587 million. Cash proceeds from disposals increased by €156 million, from a cash inflow of €156 million in the previous year to a cash inflow of €312 million in the 2023 fiscal year, due especially to the sales of equity investments.

Cash provided by financing activities of continuing operations amounted to -€10,123 million in 2023 (2022: €16,001 million). The decrease in margin deposits received for futures and forward transactions led to a cash outflow of €1,776 million (2022: cash inflow of €1,111 million) and decreased margining liabilities accordingly. In the first weeks of 2023, the KfW credit facility was restructured and reduced while maintaining the guarantee provided by the Federal Republic of Germany; this was accounted for in accordance with IFRS provisions as the extinguishment of the original financial obligation and the recognition of a new one. An outflow and an inflow of roughly €6 billion in cash was therefore reported respectively for each obligation. KfW loans totaling €6,000 million were repaid later in the 2023 fiscal year, which left no loans outstanding under the KfW credit facility as of December 31, 2023. In addition, promissory notes totaling €630 million and amounts drawn under the revolving credit facility totaling €1,800 million were respectively repaid in full. At the same time, the repayment of lease liabilities in the amount of €152 million (2022: €186 million) led to a reduction of liquid funds. The reduction in current liabilities to banks led to a further cash outflow of €191 million (2022: cash outflow of €325 million). The issuance of new commercial paper produced an offsetting cash inflow of €434 million in the 2023 fiscal year (2022: cash outflow of €1,480 million due to the repayment of commercial paper).

The capital increases of €13,538 million conducted in December 2022 were a major factor in the significantly positive cash flow from financing activities of continuing operations in the 2022 fiscal year. In addition, the KfW credit facility was drawn down during the 2022 fiscal year up to an amount of €14,000 million and subsequently repaid in the amount of €8,000 million at the end of 2022. Also in the previous year, the shareholder loan provided by Fortum, of which a further €1,500 million had been utilized during the 2022 fiscal year, was fully repaid in the amount of €4,000 million in December 2022.

Reconciliation of Financial Liabilities[1 2]

€ in millions	2023	2022
Balance as of January 1	**11,937**	**9,390**
Cash proceeds from financial liabilities	6,452	16,863
Cash repayments of financial liabilities	-16,580	-14,368
Change in scope of consolidation	19	-119
Foreign currency translation	-8	61
Other non-cash changes	27	110
Balance as of December 31	**1,846**	**11,937**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.
[2]Interest on financial liabilities accrues via operating liabilities, but is substantially recognized as cash flow. Accrued accretion of interest on lease liabilities is similarly recognized under operating liabilities.

(29) Financial Instruments

Financial Assets

Financial assets other than trade receivables are measured at their fair value on the settlement date when acquired. Trade receivables are measured at their transaction price at initial recognition. For financial assets that are not subsequently measured at fair value through profit or loss, transaction costs are taken into account. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value shall use relevant observable inputs to the greatest extent possible – and minimize the use of unobservable inputs. The valuation methods used for each class of assets are disclosed in accordance with IFRS 13.

Subsequent measurement of financial assets is governed by the measurement categories defined in IFRS 9.

A financial asset is carried at amortized cost if it is held within a business model whose objective is to collect contractual cash flows and these cash flows represent solely payments of principal and interest on the principal amount outstanding. At Uniper, this relates primarily to trade receivables, liquid funds and certain individual loans to external or associated companies. Amortized cost is determined using the effective interest method.

For other equity investments that are not held for trading, Uniper has elected to present changes in fair value in other comprehensive income, and to maintain this recognition in equity even on the disposal of such investments. Fair value is determined using standard market valuation methods. Dividends from other equity investments are recognized in income.

Uniper buys and sells power from renewable sources using vehicles including power purchase agreements (PPAs) that have terms of up to 15 years. PPAs entered into for trading and optimization purposes are accounted for as derivatives and measured at fair value in accordance with IFRS 9. Physically settled PPAs used to hedge Uniper's future power generation, on the other hand, are covered by the own-use exemption in IFRS 9.

All other financial assets are measured at fair value through profit or loss. Unless they form part of an effective hedging relationship, gains and losses from changes in fair value are immediately recognized in income. At Uniper, this relates especially to derivative financial instruments (currency and commodity forwards, as well as options), embedded derivatives and securities. Changes in the fair value of derivative financial instruments subject to recognition in income are presented as other operating income or expenses. To the extent that these instruments are physically settled commodity derivatives included within the scope of IFRS 9 (failed own-use transactions) entered into for asset optimization, they are presented at the market price applicable at the time of their physical settlement as revenues, cost of materials or inventories. All realized and unrealized financial commodity derivatives relating to asset optimization are presented gross within other operating income or expenses. All realized and unrealized transactions conducted in connection with proprietary trading are presented as a net position within either other operating income or other operating expenses. Gains and losses on securities (especially investment funds, equity funds, bond funds, etc.) are reported within other financial results.

As part of fair value measurement, the counterparty risk is also taken into account for financial instruments. The counterparty risks determined are allocated to the individual financial instruments by applying the relative fair value method on a net basis.

Unrealized gains and losses resulting from the initial measurement of a derivative ("day one" gains and losses) are recognized in income only if they are supported by quoted market prices in an active market, verified by comparison with other observable current market transactions, or determined using a valuation technique that relies on observable market data. For derivatives whose fair value is determined based on valuation models, these initial-measurement effects are eliminated against the corresponding derivative assets or liabilities.

Contracts for receipt or delivery of non-financial items in accordance with the Uniper Group's anticipated purchase, sale or usage requirements are classified as own-use contracts. They are not accounted for as derivative financial instruments measured at fair value, but as open transactions. Physically settled commodity contracts entered into as part of the sales business are partially classified as own-use contracts. Upon physical settlement, these contracts are presented either as revenues or cost of materials, or as inventories at their contract prices.

Primary and derivative financial instruments are netted on the balance sheet if the Uniper Group has both an unconditional right and the intention to settle offsetting positions simultaneously or on a net basis.

Financial Liabilities

Financial liabilities are initially measured at fair value. For financial liabilities that are not subsequently measured at fair value through profit or loss, transaction costs are taken into account. Non-derivative financial liabilities, including trade payables, are subsequently measured at amortized cost, using the effective interest method.

Derivative liabilities are measured at fair value through profit or loss. The explanations concerning fair value and the presentation of derivative assets apply by analogy.

The fair value option for financial liabilities is currently not in use.

Hedging Transactions

Derivative financial instruments are entered into predominantly for hedging future cash flows in order to optimize and safeguard the Uniper portfolio (cash flow hedges). They are accounted for and presented in accordance with the aforementioned provisions. Uniper currently applies no hedge accounting pursuant to IFRS 9. In the 2021 fiscal year, Uniper had applied "all-in-one" hedge accounting for physically settled fixed-price forwards and futures for which the own-use exemption could not be applied (failed own-use contracts). This accounting was ended as planned on December 31, 2022, because the underlying forward contracts were realized. Corresponding documentation on the respective hedging relationship regarding the hedging instruments being used and the items being hedged, as well as the type of risk being hedged and the evaluation of the hedge's effectiveness, including specification of the hedge ratio, is prepared at the date of designation. A hedging relationship satisfies all effectiveness requirements if an economic relationship exists between the hedged item and the hedging instrument, if credit risk does not dominate changes in value, and if the hedge ratio corresponds to the quantities actually used for risk management. In cash flow hedges and hedges of a net investment in a foreign operation, the effective gains and losses on the hedging instrument are recognized in other comprehensive income. Reclassification to the income statement takes place when the hedged item is recognized in income. Ineffective portions of the hedging instrument are immediately recognized in income.

Uniper carries no fair value hedges in its financial statements at this time.

Measurement of Derivative Financial Instruments

The fair value of derivative financial instruments is sensitive to movements in the underlying market variables. The Uniper Group assesses and monitors the fair value of derivatives at regular intervals. The fair value to be determined for each derivative financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (exit price). Uniper also takes into account the counterparty credit risk when determining fair value. The Uniper Group determines this risk based on a portfolio valuation in a bilateral approach covering both its own credit risk (debt value adjustment) and the credit risk of the corresponding counterparty (credit value adjustment). This approach also implicitly considers the impact of the geopolitical situation. The fair values of derivative financial instruments are calculated using standard market valuation methods, with reference to market data available on the measurement date.

The following is a summary of the methods and assumptions for the valuation of utilized derivative financial instruments:

- Currency, electricity, gas, oil and coal forward contracts and swaps, and emissions-related derivatives, are valued separately at their forward rates and prices as of the balance sheet date. Whenever possible, forward rates and prices are based on market quotations, with any applicable forward premiums and discounts taken into consideration.
- Market prices for electricity and gas options are determined using standard market pricing models. The fair values of caps, floors and collars are determined using quoted market prices or on the basis of option pricing models.
- Equity forwards are valued on the basis of the stock prices of the underlying equities, taking account of time components.
- Exchange-traded futures and option contracts are valued individually at daily settlement prices determined on the futures markets that are published by their respective clearing houses. Initial margins paid are reported under other assets. Variation margins received or paid during the term of such contracts are reported under other liabilities or other assets, respectively.

- In the absence of market prices, certain long-term energy contracts and equity investments are measured by means of internal valuation models that use fundamental data and are based on long-term price assumptions.

A hypothetical 10% increase or decrease in the valuation models based on internal fundamental data and the underlying long-term price assumptions would, as of the balance sheet date, lead to a theoretical decrease in market values of €32 million (2022: €134 million) or a theoretical increase of €32 million (2022: €133 million), respectively.

Additional Disclosures on Financial Instruments

The carrying amounts of the financial instruments, their grouping into IFRS 9 measurement categories, their fair values and their measurement sources by class are presented in the following table:

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2023

€ in millions	Carrying amounts	Total carrying amounts within the scope of IFRS 7	IFRS 9 measurement category[1]	Fair value	Determined using market prices	Derived from active market prices
Other equity investments	578	578	FVOCI	578	80	59
Financial receivables and other financial assets	3,291	3,291		3,291	–	–
Receivables from finance leases	*397*	*397*	*N/A*	*397*	–	–
Financial reimbursement rights relating to asset retirement obligations	*2,329*	*2,329*	*N/A*	*2,329*	–	–
Other financial receivables and financial assets	*565*	*565*	*AmC*	*565*	–	–
Trade receivables and other operating assets	29,294	29,294		29,294	13,003	7,869
Trade receivables	*7,995*	*7,995*	*AmC*	*7,995*	–	–
Derivatives without hedge accounting	*20,958*	*20,958*	*FVTPL*	*20,958*	*13,003*	*7,865*
Other operating assets: loans and receivables	*337*	*337*	*AmC*	*337*	–	–
Other operating assets measured at fair value through profit or loss	*4*	*4*	*FVTPL*	*4*	–	*4*
Securities and fixed-term deposits measured at fair value through profit or loss	151	151	FVTPL	151	151	–
Cash and cash equivalents: loans and receivables	4,211	4,211	AmC	4,211	–	–
Assets held for sale: loans and receivables intended for sale	501	283	N/A	283	–	103
Total assets	**38,026**	**37,808**		**37,808**	**13,234**	**8,031**
Financial liabilities	1,846	1,846		1,846	–	–
Commercial paper	*434*	*434*	*AmC*	*434*	–	–
Bank loans / Liabilities to banks	*5*	*5*	*AmC*	*5*	–	–
Lease liabilities	*924*	*924*	*N/A*	*924*	–	–
Other financial liabilities	*483*	*483*	*AmC*	*483*	–	–
Trade payables and other operating liabilities	30,037	30,022		30,022	13,852	7,975
Trade payables	*7,394*	*7,394*	*AmC*	*7,394*	–	–
Derivatives without hedge accounting	*22,190*	*22,190*	*FVTPL*	*22,190*	*13,852*	*7,929*
Other liabilities intended for sale	*67*	*52*	*N/A*	*52*	–	*46*
Other operating liabilities	*386*	*386*	*AmC*	*386*	–	–
Total liabilities	**31,883**	**31,868**	**–**	**31,868**	**13,852**	**7,975**

[1]AmC: amortized cost; FVOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss. The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair value and column of the value of using market prices and the value derived from active market prices.

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2022[1]

€ in millions	Carrying amounts	Total carrying amounts within the scope of IFRS 7	IFRS 9 measure-ment category[2]	Fair value	Determined using market prices	Derived from active market prices
Other equity investments	976	976	FVOCI	976	75	59
Other equity investments IFRS 5	599	599	N/A	599	–	–
Financial receivables and other financial assets	2,899	2,899		2,899	–	–
Receivables from finance leases	*159*	*159*	*N/A*	*159*	–	–
Financial reimbursement rights relating to asset retirement obligations	*2,221*	*2,221*	*N/A*	*2,221*	–	–
Other financial receivables and financial assets	*519*	*519*	*AmC*	*519*	–	–
Trade receivables and other operating assets	86,982	86,843		86,843	34,832	41,267
Trade receivables	*9,560*	*9,560*	*AmC*	*9,560*	–	–
Derivatives without hedge accounting	*76,815*	*76,815*	*FVTPL*	*76,815*	*34,832*	*41,267*
Derivatives with hedge accounting	–	–	*N/A*	–	–	–
Other operating assets: loans and receivables	*607*	*468*	*AmC*	*468*	–	–
Other operating assets measured at fair value through profit or loss	–	–	*FVTPL*	–	–	–
Securities and fixed-term deposits	43	43	FVTPL	43	43	–
Securities and fixed-term deposits measured at fair value through profit or loss	95	95	FVTPL	95	95	–
Cash and cash equivalents: loans and receivables	4,591	4,591	AmC	4,591	–	–
Assets held for sale: loans and receivables intended for sale	40	40	N/A	40	–	–
Total assets	**96,225**	**96,086**		**96,086**	**35,045**	**41,326**
Financial liabilities	10,511	10,511		10,511	–	–
Commercial paper	–	–	*AmC*	–	–	–
Bank loans / Liabilities to banks	*8,627*	*8,627*	*AmC*	*8,627*	–	–
Lease liabilities	*1,046*	*1,046*	*N/A*	*1,046*	–	–
Other financial liabilities	*838*	*838*	*AmC*	*838*	–	–
Trade payables and other operating liabilities	86,763	86,763		86,763	33,244	42,810
Trade payables	*9,359*	*9,359*	*AmC*	*9,359*	–	–
Derivatives without hedge accounting	*76,345*	*76,345*	*FVTPL*	*76,345*	*33,244*	*42,810*
Derivatives with hedge accounting	–	–	*N/A*	–	–	–
Other liabilities intended for sale	*590*	*590*	*N/A*	*590*	–	–
Other operating liabilities	*469*	*469*	*AmC*	*469*	–	–
Total liabilities	**97,273**	**97,273**		**97,273**	**33,244**	**42,810**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.
[2]AmC: amortized cost; FVOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss. The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair value and column of the value of using market prices and the value derived from active market prices.

The carrying amounts of cash and cash equivalents and of trade receivables, as well as those of borrowings under short-term credit facilities and of trade payables, are considered reasonable estimates of their fair values because of the short maturities of these items.

Where the value of a financial instrument can be derived from an active market without the need for an adjustment, that value is used as the fair value. This is the case, for example, for equities held.

The fair value of shareholdings in unlisted companies and of financial receivables and financial liabilities that are not actively traded is determined by discounting future cash flows. Any necessary discounting takes place using current standard market interest rates over the remaining terms of the financial instruments. Shareholdings for which fair value measurement was not applied as the cash flows could not be reliably determined are not material compared with the overall position of the Uniper Group, nor were they material in the previous year.

At the end of each reporting period, Uniper assesses whether there might be grounds for reclassification between hierarchy levels. As in the previous year, there were no material reclassifications between Levels 1 and 2 of the fair value hierarchy in the 2023 fiscal year. Apart from measurement effects, the class of other equity investments did not change materially in the reporting year.

The input parameters of Level 3 of the fair value hierarchy for equity investments are specified taking into account economic developments and available industry and corporate data. In the 2022 fiscal year, the equity interest in PAO Unipro was classified at Level 3 of the fair value hierarchy after its deconsolidation. In the 2023 fiscal year, there were no reclassifications from Level 3 to Level 2 of the fair value hierarchy. The fair values determined using valuation techniques for financial instruments carried at fair value are reconciled as shown in the following table:

Fair Value Hierarchy Level 3 Reconciliation (Values Determined Using Valuation Techniques)

						Transfers			
€ in millions	**December 31, 2022**	**Purchases (including additions)**	**Sales (including disposals)**	**Settlements**	**Gains/ Losses in income statement**	**into Level 3**	**out of Level 3**	**Gains/ Losses in OCI**	**December 31, 2023**
Equity investments	841	–	–	–	–	–	–	-403	438
Derivative financial instruments (Assets)[1]	716	-13	–	–	-433	–	–	–	271
Derivative financial instruments (Liabilities)[1]	-291	4	–	92	-220	–	–	–	-415
Total	**1,266**	**-9**	**0**	**92**	**-653**	**0**	**0**	**-403**	**294**

[1]The items reported here also include derivatives held for sale.

The changes in initial-measurement effects of derivatives in Level 3 of the fair value hierarchy are shown in the following table:

Reconciliation of the Initial-Measurement Effect in Level 3 of the Fair Value Hierarchy[1]

€ in millions	**December 31, 2022**	**Purchases and sales (including additions and disposals)**	**Change in fair value during the reporting period**	**December 31, 2023**
Gross fair value	722	75	-647	150
Gain on initial measurement	-303	-12	-6	-320
Loss on initial measurement	6	21	–	27
Net fair value	**425**	**84**	**-653**	**-144**

[1]The figures also include effects from items relating to assets held for sale.

The extent to which the offsetting of financial assets and financial liabilities is covered by netting agreements is presented in the following table:

Netting Agreements for Financial Assets and Liabilities as of December 31, 2023

€ in millions	Gross amount	Conditional netting amount (netting agreements)	Financial collateral received/pledged	Net value
Financial assets				
Trade receivables	*7,995*	*4,322*	*35*	*3,638*
Interest-rate and currency derivatives	*73*		*5*	*68*
Commodity derivatives	*20,885*	*5,875*	*-295*	*15,305*
Total	**28,953**	**10,197**	**-255**	**19,011**
Financial liabilities				
Interest-rate and currency derivatives	*156*	*–*	*109*	*47*
Commodity derivatives	*22,034*	*5,875*	*162*	*15,997*
Trade payables and other operating liabilities	*7,394*	*4,322*	*–*	*3,072*
Total	**29,584**	**10,197**	**271**	**19,116**

Netting Agreements for Financial Assets and Liabilities as of December 31, 2022

€ in millions	Gross amount	Conditional netting amount (netting agreements)	Financial collateral received/pledged	Net value
Financial assets				
Trade receivables	*9,560*	*4,027*	*–*	*5,534*
Interest-rate and currency derivatives	*306*	*–*	*196*	*110*
Commodity derivatives	*76,509*	*35,924*	*-601*	*41,186*
Total	**86,375**	**39,951**	**-405**	**46,830**
Financial liabilities				
Interest-rate and currency derivatives	*97*	*–*	*6*	*90*
Commodity derivatives	*76,249*	*35,924*	*419*	*39,906*
Trade payables and other operating liabilities	*9,359*	*4,027*	*–*	*5,332*
Total	**85,705**	**39,951**	**425**	**45,328**

Transactions and business relationships resulting in the derivative financial receivables and liabilities presented are generally concluded on the basis of standard contracts that permit the netting of open transactions in the event that a counterparty becomes insolvent.

The netting agreements are derived from netting clauses contained in master agreements including those of the International Swaps and Derivatives Association (ISDA) and the European Federation of Energy Traders (EFET), as well as the German Master Agreement for Financial Derivatives Transactions (DRV) and the Financial Energy Master Agreement (FEMA). For commodity derivatives, the netting option is not presented in the accounting because the legal enforceability of netting agreements varies by country. As of December 31, 2023, other financial assets amounting to €2,914 million (2022: €6,217 million) have been deposited as collateral.

The net gains and losses from financial instruments by IFRS 9 category are shown in the following table:

Net Gains and Losses by Category

€ in millions	2023	2022
Measured at amortized cost	-180	-619
Measured at fair value through profit or loss	8,708	-6,956
Measured at fair value through other comprehensive income	-395	332
Total	**8,133**	**-7,243**

The net gains and losses in the “amortized cost” category consist primarily of changes in carrying amounts arising from differences in the applicable exchange rates of operating trade receivables and payables. These are presented under other operating expenses in the income statement. Interest income and interest expenses that can be assigned to the “amortized cost” category are presented separately in the respective line items for interest and similar income and expenses in Note 9.

The net result in the “fair value through profit or loss” category is influenced especially by the fair value measurement of commodity and currency derivatives.

Included in the “fair value through other comprehensive income” category are solely the valuation results of the other equity investments. Effects from “all-in-one” hedge accounting performed in the previous year are discussed in the Commodity Price Risk Management section of this Note.

Risk Management

Principles

The Uniper Group’s risk management system is based on centrally developed principles applicable throughout the Group.

Organizational structure, specialist expertise, systems, processes and policies are material components of the Group’s risk management system and ensure that risks are appropriately identified, analyzed, quantified, aggregated and managed.

The risk from derivative financial instruments is primarily bundled within the Group’s trading unit and managed centrally. The risk management system for derivative financial instruments is based on the fundamental principle that risks are accepted and authorized according to existing policies and mandates if they are kept within permissible limits and continuously analyzed, monitored and managed. Key to the risk management system for derivative financial instruments are the principles of managing market-price and credit risks, as well as financing activities and associated liquidity risks.

The management and control of the aforementioned risks is organized along three “lines of defense,” each of which operates separately from the other two. The first line consists of the Group’s trading operations, which decide on the assumption of risk and, as risk owners, actively manage those risks. The second line consists of risk and control units that are responsible for the processing of trades and for risk analysis and monitoring. The third line of defense is the realm of internal audit, which reviews and supervises the activities of the first and second lines.

One of the central responsibilities of Uniper SE’s Board of Management is to ensure that an effective risk management system is put in place. Functions and tasks to support and aid the operational implementation of the central risk management principles are delegated appropriately within the Uniper organization, with due consideration given to functional responsibilities.

The Risk Committee of the Uniper Group is the supreme body in charge of monitoring the risks associated with the Uniper Group's business activities. Headed by the Group's Chief Financial Officer (CFO), it further comprises the Group Chief Risk Officer (CRO), the Group Chief Commercial Officer (CCO), the Group Chief Operating Officer (COO) and the Executive Vice President for Group Finance and Investor Relations, as well as the Group General Counsel / Chief Compliance Officer. The core responsibility of the Risk Committee is to establish a governance structure and infrastructure for risk management with which to manage business risks at all organizational levels, which includes the determination of necessary risk capital and the allocation of risk limits.

1. Liquidity Risks

The Uniper Group uses derivative financial instruments to optimize the asset portfolio. Those derivative instruments are traded via exchanges and over-the-counter with selected counterparties based on bilateral margining agreements. Those ways of trading require the exchange of cash to cover credit risks (margining payments), bank guarantees or letters of credit. The amount of required cash depends on the size of the position traded via the above channels as well as the development of market prices for the respective underlying products. Considering this, Uniper is exposed to liquidity risks related to the provision of cash in case of unfavorable development of market prices (margining risk).

In addition to that, trading derivative financial instruments exposes the Uniper Group to a liquidity risk associated with having to provide rating-dependent financial collateral like liquid assets or bank guarantees. A potential downgrade of Uniper's current credit rating of BBB- would allow Uniper's counterparties to exercise their contractually agreed right to ask for additional collateral. The extent of additional collateral potentially required depends, among other things, on the value of the existing claims against Uniper and thus on the development of market prices for the underlying products.

Additional liquidity risks from derivative financial instruments arise in connection with the market risks and credit risks discussed further below.

Liquidity Risk Management

The liquidity risk associated with a potential downgrade and the margining risk are quantified separately, monitored and managed considering given limits. Limit breaches are escalated and managed applying internal rules.

To mitigate the liquidity risk associated with a downgrade of Uniper SE's rating, Uniper strives to maintain an investment-grade rating of at least BBB-. Against this background, Uniper continually observes all relevant developments affecting ratings and has regular exchanges with the rating agencies.

In order to manage the margining risk, the Uniper Group has initiated a variety of countermeasures. Those comprise, among others, the development of risk management strategies to reduce the sensitivity of Uniper's margin payments against market price developments and operating measures. The remaining liquidity needs are managed in the scope of the liquidity management of the Uniper Group.

Liquidity Management

The primary objectives of liquidity management consist of ensuring ability to pay outstanding debt, the timely satisfaction of contractual payment obligations and the optimization of funding costs within the Uniper Group.

The key components of liquidity management are central cash pooling and centralization of external financing at Uniper SE. All liquid funds are provided to the other Group companies as needed on the basis of an "in-house banking" solution.

The liquidity needs from operating activities of the Uniper Group companies are determined on the basis of short- and medium-term liquidity planning. The financing of the Uniper Group is managed and implemented centrally on a forward-looking basis in accordance with the planned liquidity needs or surplus. Relevant planning factors taken into consideration include operating cash flow, capital expenditures, divestments, margining requirements and the maturities of financial liabilities.

Uniper has a number of market-based financing instruments available to cover liquidity requirements: a €1.8 billion Euro Commercial Paper program, a €1.7 billion revolving credit facility and bilateral credit lines with Uniper's financing banks, as well as guarantee facilities with several banks to cover guarantee requirements in operations or for margin deposits.

In addition, Uniper maintains a credit facility with the state-owned KfW banking group, which was implemented in the 2022 fiscal year and restructured and reduced from €18.0 billion to €16.5 billion at the beginning of 2023 while maintaining the guarantee provided by the Federal Republic of Germany. Following the hedging of Uniper's natural gas supply obligations to customers for 2023 and 2024 during the second quarter of 2023, tranche C of the KfW credit facility with a volume of €5.0 billion was no longer needed. The facility was therefore reduced ahead of schedule from €16.5 billion to €11.5 billion as of June 30, 2023.

In addition to these traditional financing instruments, Uniper has various operating instruments such as active working capital management, for example, at its disposal to generate liquidity.

Any adjustments within the range of financing instruments in the 2024 fiscal year will be made in consideration of Uniper's future planned financing requirements. The payment to the Federal Republic of Germany in the 2025 fiscal year of the contractual recovery claims likely to arise will be made from available liquid funds.

The following tables illustrate the contractually agreed (undiscounted) cash outflows arising from the liabilities included in the scope of IFRS 7. The amount reported in the 2022 fiscal year for 2023 had included cash outflows to KfW of €6 billion.

Cash Flow Analysis as of December 31, 2023

€ in millions	**Cash outflows 2024**	**Cash outflows 2025**	**Cash outflows 2026–2028**	**Cash outflows from 2029**
Commercial paper	444	–	–	–
Bank loans / Liabilities to banks	5	–	–	–
Lease liabilities	159	147	388	718
Other financial liabilities	168	6	29	361
Cash outflows for financial liabilities	**776**	**153**	**417**	**1,078**
Trade payables	7,394	–	–	–
Derivatives	36,060	7,678	1,437	96
Other operating liabilities	388	7	9	7
Other liabilities intended for sale	28	15	20	5
Cash outflows for trade payables and other operating liabilities	**43,870**	**7,700**	**1,465**	**108**
Cash outflows for liabilities within the scope of IFRS 7	**44,646**	**7,853**	**1,882**	**1,186**

Cash Flow Analysis as of December 31, 2022

€ in millions	Cash outflows 2023	Cash outflows 2024	Cash outflows 2025–2027	Cash outflows from 2028
Bank loans / Liabilities to banks	6,870	1,758	–	–
Lease liabilities	136	117	254	746
Other financial liabilities	51	5	26	352
Cash outflows for financial liabilities	**7,057**	**1,880**	**280**	**1,099**
Trade payables	9,359	–	–	–
Derivatives	42,579	8,511	1,746	88
Other operating liabilities	380	13	74	7
Cash outflows for trade payables and other operating liabilities	**52,318**	**8,524**	**1,820**	**95**
Cash outflows for liabilities within the scope of IFRS 7	**59,375**	**10,404**	**2,100**	**1,193**

For financial liabilities that bear floating interest rates, the rates that were fixed on the balance sheet date are used to calculate future interest payments for subsequent periods as well. Financial liabilities that can be terminated at any time are assigned to the earliest maturity band in the same way as put options that are exercisable at any time.

In gross-settled derivatives (usually currency derivatives and commodity derivatives), outflows are accompanied by related inflows of funds or commodities. Derivative liabilities are recognized at their expected cash flows.

2. Market Risks

The Uniper Group is exposed to the risk of changes in prices in foreign currencies, interest rates and commodities as part of its ordinary business and its proprietary trading activities. Proprietary trading activities are conducted in compliance with tight internal and regulatory restrictions. Uniper SE has developed risk-reduction strategies to limit the resulting fluctuations in earnings, equity, indebtedness and cash flows that are applicable across the entire Uniper Group. Derivative financial instruments are used mainly for the purpose of reducing risk and optimizing earnings.

Foreign Exchange Risk Management

Uniper SE is responsible for managing the currency risks to which the Uniper Group is exposed.

Because it holds interests in businesses outside of the euro area, currency translation risks arise within the Uniper Group. Fluctuations in exchange rates produce accounting effects attributable to the translation of items in the balance sheets and income statements of the consolidated foreign Uniper companies included in the Consolidated Financial Statements. Translation risks are hedged through borrowing in the corresponding local currency, which may also include foreign currency shareholder loans. In addition, derivative and primary financial instruments are employed as needed. The Uniper Group's translation risks are reviewed at regular intervals and the level of hedging is adjusted whenever necessary.

The Uniper Group is additionally exposed to transaction risks in connection with transactions in foreign currencies. These risks arise for the Uniper Group companies primarily from physical and financial trading in commodities, from business relationships within the Uniper Group and from capital-spending projects in foreign currency. The Uniper companies are responsible for controlling their operating transaction risks. Uniper SE is responsible for the overall coordination of the companies' hedging activities and makes use of external derivative financial instruments as needed.

These derivatives are generally measured at fair value through profit or loss. As of the end of the 2023 fiscal year, Uniper no longer applies cash flow hedge accounting, as PAO Unipro is no longer controlled by Uniper. The measurement effects in OCI arising from prior periods have been included in the calculation of the loss from the deconsolidation of Unipro. As of December 31, 2021, cash flow hedges of existing foreign currency transactions had terms of up to 4 years. No material ineffectiveness resulted from these hedging relationships in the 2021 fiscal year.

Transaction risks also result from payments that arise from financial receivables and payables denominated in foreign currencies, which in turn arise both from external financing in different foreign currencies and from foreign currency shareholder loans within the Uniper Group.

Foreign exchange risks are analyzed and monitored daily by teams of specialists.

As of December 31, 2023, the one-day value-at-risk (99% confidence) from the translation of deposits and borrowings denominated in foreign currency, plus foreign exchange derivatives, was €26 million (2022: €80 million). This is a considerable increase compared with the previous year and is attributable to the increased foreign currency exposure arising from commodity price developments and to increased volatility in the foreign currency markets. Foreign currency risks continued to result primarily from the positions in British pounds, U.S. dollars and Swedish kronor.

Interest Rate Risk Management

The subsidiaries of Uniper SE primarily fund themselves using the Uniper Group's cash pooling system. Cash pooling balances bear interest at market rates specific to maturities and currencies.

At this time, Uniper SE funds itself predominantly on the basis of short- and medium-term fixed and floating-rate financial liabilities.

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

Commodity Price Risk Management

The Uniper portfolio of physical assets, long-term contracts and wholesale customer contracts is exposed to substantial risks from fluctuations in commodity prices. The commodity price risks to which Uniper is exposed relate to electricity, gas, coal, freight charters, petroleum products, liquefied natural gas and emission allowances.

The Uniper Group manages the majority of its commodity risks through a central trading function. Risk management for commodity trading activities is based on general standards in the industry for trading operations and also involves the segregation of tasks, as well as daily income and risk calculation and reporting. The objective of commodity risk management is to optimize the value of the Uniper Group's commodity portfolio while limiting associated potential losses.

The key elements of commodity price risk management are governed by the market risk policy. These key elements include the new-product process, which supports the identification of new risks, a series of key indicators to aid the quantification of the commodity risk, and a system of risk controls and limits. Commodity price risks are measured based on a value-at-risk approach with a 95% confidence interval and take into account the amount of the open position, as well as the prices, their volatility and the liquidity on the respective markets. The value-at-risk figures are supplemented by stop-loss and volume-based indicators. Where necessary, additional portfolio-specific restrictions are set.

Commodity positions are aggregated into portfolios based on internal organizational responsibilities and trading strategies. In the calculations of commodity risk, market correlations and portfolio diversification are taken into account considering given risk policies. The methods for quantifying and analyzing commodity risk are reviewed and enhanced on a regular basis to ensure that they appropriately reflect the risk positions and the resulting exposure. Commodity price risks are taken within limits approved by the Board of Management. Limit breaches get escalated and are managed in line with internal requirements.

Two complementary approaches are followed to manage commodity risks at Uniper. Viewed firstly from an economic perspective, risks are limited over the entire manageable time horizon, with market liquidity taken into account. At the same time, these risks are also limited considering accounting principles over a three-year planning horizon. The second approach supports the limitation of potential negative deviations from the targeted adjusted EBIT.

The specification and approval of commodity risk limits is embedded in the higher-level Group-wide risk-assessment procedure, in which all known obligations and quantifiable risks are incorporated.

Commodity price risks are analyzed and monitored daily by teams of specialists. Responsible management is informed daily about gains and losses associated with commodity-trading activities and about existing risks.

Based on the current Uniper portfolio, as of December 31, 2023, the calendar-year-based value-at-risk (95% confidence), which takes market liquidities into account and ignores correlations between the years, was €1,060 million for financial and physical commodity positions covering a planning horizon of three years (2022: €3,403 million). The overall risk decreased due to the lowered commodity price and volatility levels as well as reduced hedge ratios.

Commodity risk management as presented above is reflected in the internal Uniper Management reporting and also covers the derivative financial instruments within the scope of IFRS 7.

Commodity derivatives are generally measured at fair value. Beginning on October 1, 2021, Uniper applied "all-in-one" hedge accounting for physically settled fixed-price forwards and futures it used to hedge future cash flows, but for which the own-use exemption could not be applied. The goal of these hedges was to fix the price for 30 TWh of gas volumes to be delivered in 2022 and thereby eliminate the variability of payments.

As of December 31, 2022, the hedged gas volumes have been realized and the all-in-one hedge accounting has expired as scheduled. A change in fair value of -€1,620 million was recognized in the cash flow hedge valuation reserve in OCI, and €1,792 million was reclassified to revenues. There was no ineffectiveness to be recognized in income in 2022.

The following table shows the details of the hedging relationship in the previous year:

Commodity Cash Flow Hedge Accounting

Timing of nominal amount of the hedging instrument	2022
Nominal amount (€ in millions)	424
Average gas price of hedging instrument (€/MWh)	14.17
Volume (TWh)	30
Hedging instruments	
Carrying amounts (€ in millions)	-1,415
Assets	*335*
Liabilities	*-1,750*
Line item in financial statements	Receivables / liabilities from derivative financial instruments
Change in fair value of hedging instrument, used as the basis for determining hedge ineffectiveness (€ in millions)	-172
Hedged items	
Change in value of hedged item, used as the basis for determining hedge ineffectiveness (€ in millions)	172
Continuing hedge	*172*
Ended hedge accounting	–

3. Credit Risks

Uniper is exposed to credit risks associated with operating activities and the use of derivative financial instruments.

Credit risk is the risk that the Uniper Group might incur a financial loss as a consequence of the non-payment or partial payment of outstanding receivables by counterparties and from replacement risks for open transactions.

Credit Risk Management

As part of centralized credit risk management, the credit rating of business partners is systematically assessed and monitored on the basis of Group-wide minimum standards. Those minimum standards are supplemented by specific internal control procedures for business areas where most of the risks are incurred.

Uniper applies appropriate measures to manage credit risks. They include setting limits for individual counterparties and counterparty groups, for consolidated credit risks and at portfolio level, as well as for securing collateral, structuring contracts and/or transferring credit risk to third parties (such as insurers). Credit risks are continuously measured and monitored to ensure that the measures taken are in fact appropriate and that assigned limits are complied with. Limit breaches get escalated and are managed in line with internal guidelines. The Risk Committee is kept informed about material credit risks on a regular basis.

Guarantees issued by the respective parent companies or evidence of profit-and-loss-transfer agreements in combination with letters of awareness are accepted as collateral for credit risks. The Company also requires bank guarantees and deposits of cash and securities as collateral to reduce credit risk. Collateral amounting to €7,342 million (2022: €6,394 million) has been accepted in the context of risk management.

To reduce credit risk, bilateral margining agreements are entered into with selected business partners. Bilateral margining involves paying cash into a margin account to cover the credit risk (settlement and replacement risk) arising from margin-based contracts. This concept applies for Uniper's credit risk exposure to a counterparty as well as for the credit risk exposure of a counterparty to Uniper. The inherent margining and liquidity risk is linked directly to actual or potential market price movements. The resulting margining risk is measured, monitored and managed using an overall limit for the entire Uniper Group.

To further reduce credit risk, physical as well as financial transactions are generally executed on the basis of standard agreements under which the netting of all open transactions can, in principle, be agreed with individual counterparties.

Liquid funds are generally invested with counterparties with good credit ratings. Standardized credit assessment and limit-setting is complemented by monitoring of credit default swap (CDS) levels and other market-relevant information for the banks and for other significant counterparties.

Allowances for Losses on Financial Assets

Loss allowances for expected credit losses are recognized on financial assets carried at amortized cost, lease receivables and contract assets, as well as on loan commitments. Loss allowances on trade receivables and contract assets are always measured at an amount equal to lifetime expected credit losses. This applies even for those trade receivables and contract assets that contain a significant financing component. For all other financial assets within the scope of the IFRS 9 loss allowance model, 12-month expected credit losses are measured as long as the credit risk of a financial instrument has not increased significantly since initial recognition. If the credit risk of a financial asset does increase significantly, loss allowances are also recognized in an amount equal to full lifetime expected credit losses. A quarterly assessment takes place to determine whether there has been a significant increase in credit risk since initial recognition. If the credit risk is low, it is assumed not to have increased significantly. A financial asset with an investment-grade rating is assumed to have low credit risk. On the other hand, if an asset loses its investment-grade rating after initial recognition, it is assumed that the credit risk has increased significantly. For all other assets, a downgrade by two Uniper-internal ratings leads to the same assumption.

A financial asset will continue to be directly written down if there are no reasonable expectations of recovering it in its entirety or a portion of it. Such is the case, for example, if it is probable that the borrower will enter bankruptcy or other financial reorganization or if it becomes known that the borrower is in significant financial difficulty. There need not necessarily be one specific event leading to the conclusion that the asset is credit-impaired; the combined effect of several events can give rise to the same conclusion. An asset also is usually written down if contractual payments are more than 180 days past due.

Uniper calculates expected credit losses using probabilities of default, which are determined for significant financial assets within credit risk management and applied both for expected credit losses pursuant to IFRS 13 and for the purposes of IFRS 9. Whenever possible, they are derived from available market data (liquid credit default swaps or liquid debt instruments). If there are no publicly available market data, an internal credit rating is applied. This ensures that forward-looking information is sufficiently considered.

The value of collateral and other measures taken to reduce credit risk (e.g., credit default insurance) is included in the calculation of expected credit losses in the “loss given default” ratio.

The following tables provide a reconciliation of 2023 and 2022 loss allowances in line with the classifications defined in IFRS 9:

Reconciliation of Loss Allowances by Asset Class 2023

€ in millions	Accumulated loss allowances as of Jan. 1, 2023	Stage 1: 12-month ECL[1]	Stage 2: Lifetime ECL[1]	Simplified approach: Lifetime ECL[1]	Stage 3: Lifetime ECL[1]	Accumulated loss allowances as of Dec. 31, 2023
Trade receivables and contract assets	-55	–	–	-25	-22	-102
Other financial assets	-1,006	-1	–	–		-1,007
Total	**-1,061**	**-1**	**0**	**-25**	**-22**	**-1,109**

[1]Expected credit loss (ECL).

Reconciliation of Loss Allowances by Asset Class 2022

€ in millions	Accumulated loss allowances as of Jan. 1, 2022	Stage 1: 12-month ECL[1]	Stage 2: Lifetime ECL[1]	Simplified approach: Lifetime ECL[1]	Stage 3: Lifetime ECL[1]	Accumulated loss allowances as of Dec. 31, 2022
Trade receivables and contract assets	-120	–	–	-3	68	-55
Other financial assets	-3	1	–	–	-1,004	-1,006
Total	**-123**	**1**	**–**	**-3**	**-936**	**-1,061**

[1] Expected credit loss (ECL).

In the 2022 fiscal year, the loans to Nord Stream 2 AG were written down to zero by an amount of €1,003 million including accrued interest. This amount remains included in the accumulated loss allowances for 2023.

An immaterial expected credit loss – as in the previous year – was calculated for cash and cash equivalents. As in the previous year, the Uniper Group holds no financial assets that were already credit-impaired when they were purchased or originated. Lease receivables are presented under other financial assets.

Loss allowances for trade receivables and contract assets resulted from the following changes:

Loss Allowances for Trade Receivables and Contract Assets

€ in millions	2023 Stage 2	2023 Stage 3	2022 Stage 2	2022 Stage 3
Loss allowances as of January 1	**-21**	**-34**	**-19**	**-102**
Change in scope of consolidation	–	1	1	84
Impairments on currently existing receivables	-52	-28	-36	-22
Reversals/Repaid or derecognized receivables	27	4	33	14
Other[1]	–	0	–	-8
Loss allowances as of December 31	**-46**	**-56**	**-21**	**-34**

[1] "Other" includes currency translation differences.

The increase in accumulated "stage 2" loss allowances resulted primarily from higher probabilities of default coupled with a lower overall level of receivables. The increase in the accumulated "stage 3" loss allowance resulted primarily from further write-downs with respect to a single counterparty that has failed to meet its payment obligations since 2022.

As in the previous year, no financial assets or liabilities were modified in the 2023 fiscal year; accordingly, modification had no impact on the loss allowances reported.

Credit Risk Exposure

Management of credit risks within the Uniper Group is not limited to financial assets within the scope of the IFRS 9 loss allowance model, it also extends especially to credit risks from open transactions and derivative financial instruments that are, for example, measured at fair value through profit or loss.

The following table shows the gross carrying amounts by rating class for assets carried at amortized cost, for lease receivables and for loan commitments:

Gross Carrying Amounts by Rating Class 2023

€ in millions	Stage 1	Stage 2	2023 Stage 3	Loss allowance
Trade receivables and contract assets	0	8,063	43	-102
Investment-grade or comparable rating	*N/A*	*5,955*	*–*	*-38*
Non-investment-grade or comparable rating	*N/A*	*2,108*	*43*	*-64*
Other financial assets	972	0	1,004	-1,007
Investment-grade or comparable rating	*415*	*–*	*–*	*-3*
Non-investment-grade or comparable rating	*557*	*–*	*1,004*	*-1,004*
Total	**972**	**8,063**	**1,047**	**-1,109**

Gross Carrying Amounts by Rating Class 2022

€ in millions	Stage 1	Stage 2	2022 Stage 3	Loss allowance
Trade receivables and contract assets	0	9,629	26	-55
Investment-grade or comparable rating	*N/A*	*6,423*	*0*	*-14*
Non-investment-grade or comparable rating	*N/A*	*3,206*	*26*	*-41*
Other financial assets	687	0	1,004	-1,006
Investment-grade or comparable rating	*665*	*–*	*–*	
Non-investment-grade or comparable rating	*22*	*–*	*1,004*	*-1,006*
Total	**687**	**9,629**	**1,030**	**-1,061**

Uniper's receivables portfolio comprises mostly customers with investment-grade or comparable internal ratings.

Gross carrying amounts best reflect the maximum exposure of the assets to credit risk on the reporting date.

Cash and cash equivalents are generally invested with counterparties having good credit ratings. On December 31, 2023, holdings of cash and cash equivalents had a carrying amount of €4,211 million (2022: €4,591 million). 99% (2022: 99%) of this total was invested with investment-grade-rated banks.

Equity Instruments

IFRS defines equity, as distinct from debt, as the residual interest in the Uniper Group's assets after deducting all liabilities.

If shareholders of entities own statutory, non-excludable rights of termination (as in the case of German partnerships, for example), such termination rights require the reclassification of non-controlling interests in such entities held within the Group from equity into liabilities. The liability is reported at the present value of the expected settlement amount in the event of termination. The amount is recognized irrespective of the probability of termination. Changes in the value of the liability are reported within other operating income. Accretion of the liability and the non-controlling shareholders' share in net income are shown as interest expense.

Where Uniper has entered into purchase commitments to holders of non-controlling interests in subsidiaries, those non-controlling shareholders have the right to require Uniper to purchase their shares under previously specified conditions. In such a case, IAS 32 requires that a liability be recognized at the present value of the probable future exercise price. This amount is reclassified from a separate component within non-controlling interests and reported separately as a liability. The reclassification occurs irrespective of the probability of exercise. The subsequent measurement of the liability is recognized in financial results. If a purchase commitment expires unexercised, the liability reverts to non-controlling interests. Any difference between liabilities and non-controlling interests is recognized directly in Equity.

Capital Structure Management

The most significant credit agreements and the Uniper Group's bond and commercial paper issuance programs are described below.

€1.8 Billion Euro Commercial Paper Program

The Euro Commercial Paper program is a flexible instrument for the issuance of short-term debt in the form of commercial paper notes that are compliant with the STEP (Short-Term European Paper) Market Convention. As of December 31, 2023, €434 million in commercial paper was outstanding under the program (2022: no commercial paper outstanding under the program).

€2.0 Billion Debt Issuance Program

Initially launched in November 2016, the Debt Issuance Program (DIP) is a flexible instrument for issuing debt securities to investors in public, syndicated, and private placements. The volume, currencies, and maturities of the bonds to be issued depend on Uniper's financing requirements. Given the lack of capital market viability due to the consequences of Russia's war against Ukraine, in particular the stoppage of Russian gas supplies, Uniper temporarily suspended the Debt Issuance Program in 2022 and 2023. As part of its finance strategy, Uniper plans to update the program in 2024 in order to improve the Company's capital market viability.

€1.7 Billion Syndicated Bank Financing Agreement with Revolving Credit Facility

Uniper SE's syndicated bank financing is provided in the form of a revolving credit facility by a total of 15 banks at the end of 2023. The revolving credit facility was executed in September 2018 with an original amount of €1.8 billion. The occurrence of a change-of-control event in the course of the acquisition of the majority of Uniper shares by UBG Uniper Beteiligungsholding GmbH (a wholly owned subsidiary of the Federal Republic of Germany) on December 21, 2022, triggered an extraordinary termination right for the participating banks, which led to a reduction of the facility amount to €1.7 billion in 2023. The maturity date is in September 2025. The revolving credit facility serves Uniper as a general liquidity reserve. It was repaid in full at the end of July 2023 and is therefore not utilized as of December 31, 2023 (2022: utilization amounting to €1.8 billion).

€11.5 Billion Revolving Credit Facility with KfW

In addition, Uniper maintains a credit facility with the state-owned KfW banking group, which was implemented in 2022 and restructured and reduced from €18.0 billion to €16.5 billion at the beginning of 2023 while maintaining the guarantee provided by the Federal Republic of Germany. Following the hedging of Uniper's natural gas supply obligations to customers for 2023 and 2024 during the second quarter of 2023, tranche C of the KfW credit facility with a volume of €5.0 billion was no longer needed.

The facility was therefore reduced ahead of schedule from €16.5 billion to €11.5 billion as of June 30, 2023. €9.5 billion, and thus the majority of the current volume of €11.5 billion, is available to Uniper until September 30, 2026, while tranche B of the facility, with a volume of €2.0 billion, will expire on April 30, 2024. The KfW credit facility was not utilized as of December 31, 2023 (2022: utilization amounting to €6.0 billion).

Capital Reductions Pursuant to EnSiG

As resolved by the Extraordinary General Meeting on December 8, 2023, Uniper executed reductions of the Company's capital stock pursuant to the German Stock Corporation Act in several steps by a total of €13,743,685,974.70, from €14,160,161,306.70 to €416,475,332.00, through December 31, 2023. The capital reductions from capital stock to additional paid-in capital, combined with the net income for 2023 and the partial dissolution of existing capital reserves, will eliminate the accumulated loss recorded in the Company's annual financial statements under German commercial law for the 2022 fiscal year and thus restore the ability to make net income available for distribution.

The capital reductions were carried out in accordance with the provisions of the German Energy Security Act ("EnSiG") by reducing the capital stock of the Company so that the nominal amount per no-par-value share is reduced from €1.70 by €0.70 to €1.00 and by the consolidation of twenty no-par-value shares of the Company into one no-par-value share ("EnSiG Capital Reductions").

Covenants

In its financing activities, Uniper SE has agreed to enter into covenants consisting primarily of change-of-control clauses, negative pledges, and pari passu clauses, each referring to a restricted set of significant circumstances.

Additional Financing in 2023

Uniper additionally has access to further financing instruments, which were used flexibly in 2023. These include, for example, bilateral credit lines with Uniper's financing banks as well as various promissory notes. All promissory notes outstanding at the previous year's reporting date, amounting to €630 million in total, were repaid in 2023. Uniper also uses guarantee facilities with several banks to cover guarantee requirements in its operations or for margin deposits.

Capital Structure Management

Uniper measures its balance sheet stability in a debt factor that corresponds to the financial risk profile of a solid investment-grade rating. The debt factor is defined as the ratio of current economic net debt to adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA). Uniper aims to maintain a debt factor of less than or equal to 2.5. With an adjusted EBITDA in the 2023 fiscal year of €7,164 million (2022: -€10,119 million) and a net cash position of €3,058 million (2022: net debt position of €3,410 million), a calculation of the debt factor is not meaningful, yet the target level has been comfortably achieved in 2023 (2022: calculation was not meaningful and the target level was missed).

(30) Transactions with Related Parties

Related Entities

Uniper exchanges goods and services with numerous entities as part of its continuing operations. In the 2023 reporting period, these included both related entities of the Uniper Group and entities in which the Federal Republic of Germany and entities related to the Federal Republic of Germany hold direct or indirect stakes. In the prior-year period, the entities considered in the preceding were related entities of the Fortum Group prior to the change of the majority shareholder.

Until December 21, 2022, Uniper was an affiliated company of Fortum Oyj, and up to that date, Uniper had included both Fortum Oyj itself and its subsidiaries and joint ventures as related parties in its financial reporting. The same was true for the Republic of Finland – in its capacity as majority shareholder of Fortum Oyj – and the entities controlled by it.

Since December 21, 2022, UBG Uniper Beteiligungsholding GmbH has exercised control over Uniper SE. The sole shareholder of UBG Uniper Beteiligungsholding GmbH is the Federal Republic of Germany. Since the acquisition date, Uniper has included as related parties the subsidiaries of the Federal Republic of Germany and the Federal Republic of Germany's related entities in its financial reporting.

Transactions with associated companies of the Uniper Group and their subsidiaries, as well as with joint ventures of the Uniper Group, are presented separately. Transactions with subsidiaries of the Uniper Group that are not fully consolidated are presented as transactions with other related parties. As in the previous year, the share of the transactions referred to in the following section made up by transactions with other related parties is not material.

The transactions with related parties are presented in the following tables. The presentation therein does not include transactions with the Federal Republic of Germany and its related entities, since Uniper applies the simplification option to limit separate disclosure to significant transactions.

For the prior-year period, the table below includes the time-period-related disclosures for the 2022 fiscal year relating to transactions with Fortum Oyj and its subsidiaries and joint ventures as related parties. The figures shown for the balance sheet as of December 31, 2022, do not include transactions with related entities of the Fortum Group.

Related-Party Transactions – Income Statement

€ in millions	2023	2022
Income	**32**	**395**
Entities with control over Uniper (Fortum Group)[1]	–	*295*
Associates	*11*	*64*
Joint ventures	*3*	*9*
Other related parties	*18*	*27*
Expenses	**250**	**574**
Entities with control over Uniper (Fortum Group)[1]	–	*214*
Associates	*158*	*301*
Joint ventures	*58*	*31*
Other related parties	*34*	*28*

[1]Until December 21, 2022, control by the Fortum Group.

Related-Party Transactions – Balance Sheet

€ in millions	Dec. 31, 2023	Dec. 31, 2022
Receivables	**429**	**406**
Entities with control over Uniper	–	–
Associates	*362*	*354*
Joint ventures	*13*	*13*
Other related parties	*54*	*39*
Liabilities	**143**	**170**
Entities with control over Uniper	–	–
Associates	*60*	*70*
Joint ventures	*6*	*15*
Other related parties	*77*	*85*

Transactions for Goods and Services, Financing Activities and Other Financial Obligations

Transactions with the Federal Republic of Germany and Its Companies

Transactions conducted with companies owned by the Federal Republic of Germany and its related entities predominantly relate to the purchase and sale of electricity and gas and to the contractually regulated allocation of emission rights and financing measures.

As of December 31, 2023, Uniper has reported receivables from the Deutsche Bahn Group in the amount of €25 million (December 31, 2022: €191 million), and no material liabilities (December 31, 2022: €130 million), arising from electricity sales contracts concluded at market terms. The receivables generated were not past-due as of the reporting date. Uniper's revenues from sales to the Deutsche Bahn Group as of December 31, 2023, amounted to €414 million (December 31, 2022: €19 million) and were offset by expenses of €2 million (December 31, 2022: no material expenses). All activities were transacted at standard market terms.

Uniper's business relationship with the Securing Energy for Europe GmbH (SEFE) group of companies, which is also an entity of the Federal Republic of Germany, resulted in receivables amounting to €449 million as of December 31, 2023 (December 31, 2022: €99 million) and liabilities of €476 million (December 31, 2022: €64 million). Generated receivables from SEFE were not past-due as of the reporting date. Uniper's revenues from electricity and gas supplied to SEFE amounted to €3,483 million in the 2023 fiscal year (December 31, 2022: €12 million).

They were offset by expenses payable by Uniper to SEFE for electricity and gas procurement in the amount of €3,074 million (December 31, 2022: no material expenses).

In February 2023, KfW, an entity wholly owned by the Federal Republic of Germany, extended a revolving credit facility for Uniper SE in the amount of €16.5 billion as part of the stabilization measures. As a result, the facility had been reduced by Uniper to €11.5 billion as of June 30, 2023. The terms of the facility are primarily aligned with the conditions for state-aid approval. The drawing of the credit facility was repaid in full in 2023. The interest expense resulting in 2023, including the financial provision cost, amounted to €241 million at Uniper.

At the end of the 2023 fiscal year, the Federal Republic of Germany and Uniper agreed to settle the contractual recovery claims of the Federal Republic of Germany arising from the granting of state aid by way of a public-law obligation. In this context, Uniper recognized a provision for contractually agreed recovery claims in the amount of €2,238 million arising from expected overcompensation as of December 31, 2024. These claims arise as a result of the state aid granted by the Federal Republic of Germany in the 2022 fiscal year by means of capital increases at Uniper SE, which was approved by the European Commission in December 2022 subject to certain conditions and paid out to Uniper by the Federal Republic of Germany in the amount of around €13.5 billion.

The capital increases against cash contributions implemented in the 2022 fiscal year and the capital-reduction measures implemented in the 2023 fiscal year are described in detail in Note 22.

Transactions with Unconsolidated Entities of the Uniper Group

Business relationships with related entities reflected the Group-wide procurement and sales activities of Uniper Global Commodities SE, primarily in the electricity and gas business. These relationships result in extensive mutual obligations and trading relationships.

Income generated from transactions with related entities of the Uniper Group includes revenues from deliveries of electricity and gas in the amount of €3 million (2022: €10 million). The corresponding expenses from transactions with related entities of the Uniper Group consisted of material costs associated with electricity and gas procurement in the amount of €225 million (2022: €207 million). Both revenues and cost of materials result from spot and forward transactions concluded at market terms that were conducted by Uniper Global Commodities SE as part of the provision of market access for the Uniper Group's companies.

Other financial obligations to related entities amounted to €1,653 million as of December 31, 2023 (December 31, 2022: €1,799 million).

Detailed disclosures concerning the pension funds are provided in Note 23.

Transactions with the Fortum Group, including Fortum Group Companies and Fortum Oyj

In the prior-year period, the income generated from transactions with Fortum Oyj and Fortum Group companies had included especially revenues from electricity and gas deliveries amounting to €186 million. The corresponding expenses from transactions with Fortum Oyj and Fortum Group companies in 2022 had consisted especially of material costs for electricity and gas procurement amounting to €136 million. With the change of the majority shareholder effective December 21, 2022, business relationships with Fortum are no longer classified as transactions with related parties.

Following the sale of its shares by Fortum and the entrance of the Federal Republic of Germany as Uniper's new majority shareholder in December 2022, the cash line extended by Fortum Finance Ireland DAC to Uniper SE, drawn in the amount of €4 billion, was repaid in full, and the contract between Uniper and Fortum was voided. The guarantee line still had been drawn by Uniper in the amount of €1 billion as of December 31, 2022, and it expired in the 2023 fiscal year. The underlying contracts were concluded at market terms.

Hedging Transactions and Derivative Financial Instruments

Transactions with Entities of the Uniper Group

As of the reporting date and in the previous year, there were no receivables and liabilities, and no material effects on earnings, arising from the marking to market of commodity forward transactions with associated companies of the Uniper Group. As in the previous year, no loss allowances were recognized on receivables from related entities in the 2023 fiscal year.

Transactions with the Federal Republic of Germany and Its Companies

Gains from the marking to market of commodity forward transactions with the companies of the Federal Republic of Germany amounted to €2,354 million in the 2023 fiscal year; corresponding losses amounted to €2,054 million. Derivative receivables relating to the marking to market of commodity forward transactions were recognized in the amount of €688 million; corresponding derivative liabilities relating to the marking to market of commodity forward transactions were recognized in the amount of €950 million. In the 2022 fiscal year, Uniper had not entered into commodity forward transactions to any significant extent with the Federal Republic of Germany and its companies between December 21, 2022, and December 31, 2022.

Related Persons

Related persons within the Uniper Group include the members of the Board of Management and of the Supervisory Board of Uniper SE (key management personnel); they further include the Federal Minister of Finance and the state secretaries at the German Federal Ministry of Finance. As of the reporting date, there were no significant receivables and liabilities, and no effects on earnings, arising from transactions with related persons other than the compensation discussed below.

Uniper SE Board of Management Members

The expense for the 2023 fiscal year for members of Uniper's Board of Management amounted to roughly €4.1 million for short-term benefits (2022: €3.5 million). For the 2023 fiscal year, short-term benefits consist of the base salary and the expense recognized for fringe benefits. Short-term benefits additionally included a one-time payment to one newly appointed Board of Management member, in the amount of roughly €0.7 million in total, to compensate him for the loss of compensation commitments at his previous employer triggered by his transfer to Uniper SE.

Because of the stabilization package and the associated framework agreement with the Federal Republic of Germany, no performance-based compensation components may be promised or paid out, or established or promised in conditional or other form. All such compensation thus continues to be excluded for the 2023 fiscal year as well. In the 2022 fiscal year, the provisions of roughly €1.0 million previously recognized for a non-share-based Performance Cash Plan had been reversed.

The expense for termination benefits amounted to roughly €3.3 million in the 2023 fiscal year and was due to allowances payable in the context of contractually stipulated non-compete periods after termination (2022: no expense for termination benefits). The expense for post-employment benefits amounted to roughly €0.9 million (2022: €1.1 million).

The cost of post-employment benefits is equal to the service and interest cost of the provisions for pensions.

Accordingly, the total expense recognized was roughly €8.2 million (2022: €3.5 million).

Additionally taken into account in the reporting year were actuarial gains totaling roughly €0.6 million (2022: gains of €0.6 million). The present value of the defined benefit obligation was roughly €2.2 million as of December 31, 2023 (2022: €1.9 million). The defined contribution pension plan of the Board of Management members is discussed in more detail in the "Description of the Benefit Plans" section of Note 23.

Uniper SE Supervisory Board Members

The expense for short-term compensation of members of the Supervisory Board amounted to roughly €1.4 million for the 2023 fiscal year (2022: €1.3 million). Employee representatives on the Supervisory Board were granted compensation under existing employment contracts with Uniper SE and its subsidiaries totaling roughly €0.5 million (2022: €0.7 million). Reimbursements paid by Uniper SE to Supervisory Board members for outlays totaled roughly €33 thousand for the 2023 fiscal year (2022: €2 thousand).

Since the 2021 fiscal year, Supervisory Board compensation is paid out entirely as fixed compensation; there is no conversion into virtual shares. Prior to the 2021 fiscal year, Supervisory Board members had received a component of 20% of their compensation in the form of long-term variable compensation. That compensation was allocated as a right to a future payment in the form of virtual shares. Supervisory Board members serving at that time therefore still hold virtual shares. Under the provisions of the stabilization package, a right to compensation for members of the Uniper SE's Supervisory Board, advisory board or other corporate governing bodies may arise only in the form of fixed compensation. Accordingly, any payout of outstanding virtual shares to both serving Supervisory Board members and those who departed after the agreement on the stabilization package is excluded as long as at least 75% of the stabilization measure has not been repaid or, as applicable, additional EU state-aid approval conditions have not been fulfilled.

In this context, there are no provisions for the tranches of the Performance Cash Plan as of December 31, 2023 (2022: €40 thousand). The income for the 2023 fiscal year resulting from the reversal of the provisions amounted to roughly €40 thousand (2022: income of €0.4 million due to the fallen price of Uniper SE's shares).

(31) Leases

A lease arrangement is established by a contract (the lease) that conveys to the user (the lessee) the right to control the use of an identified asset for a period of time in exchange for consideration and does not give the owner a substantive right to substitute the asset throughout the period of use. A portion of an asset is an identified asset if it is physically distinct. If it is not physically distinct, the portion of an asset is not an identified asset, unless the lessee has the right to use substantially all of the capacity of the asset during the lease term.

If a contract contains more than one lease component, or a combination of leasing and selling transactions, the consideration is allocated to each of the lease and non-lease components on conclusion and on each subsequent remeasurement of the contract on the basis of their relative stand-alone selling prices.

Uniper as Lessee

For leases with terms not exceeding twelve months, and for leases of low-value assets, Uniper has exercised the optional application exemptions. The lease payments under these contracts are generally recognized on a straight-line basis over the lease term as other operating expenses.

In all other leases in which Uniper acts as the lessee, the present value of future lease payments is recognized as a financial liability. Lease payments are split into principal and interest portions, using the effective interest method.

Correspondingly, the right-of-use asset is recognized within property, plant and equipment at the present value of the liability at the commencement date of the lease, adding any directly attributable costs. Payments made before the commencement date and incentives received from the lessor are also included in the carrying amount of the right-of-use asset. The right-of-use asset is depreciated on a straight-line basis over the lease term or, if it is shorter, over the useful life of the leased asset. The provisions of IAS 36 concerning the determination and recognition of impairments of assets also apply to right-of-use assets.

If the expected lease payments change as a result of index-linked consideration, for example, or on the basis of new assessments of contractual options, the liability is remeasured. The adjustment to the new carrying amount is generally recognized with no impact on net income, by making a corresponding adjustment to the right-of-use asset.

In addition to owned assets, property, plant and equipment used by the Uniper Group also includes leased assets, which break down as follows:

Right-of-Use Assets within Property, Plant and Equipment[1]

	December 31	
€ in millions	**2023**	**2022**
Owned property, plant and equipment	6,682	8,622
Right-of-use assets	780	939
Property, plant and equipment	**7,462**	**9,561**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Capitalized right-of-use assets relate especially to gas storage facilities and cargo ships (further explanations can be found in Note 3). Right-of-use assets have been capitalized for buildings, land and motor vehicles to a marginal extent. The right-of-use assets thus capitalized for leased property, plant and equipment had the following net carrying amounts as of December 31, 2023:

Right-of-Use Assets[1]

	December 31	
€ in millions	**2023**	**2022**
Real estate and leasehold rights	33	38
Buildings	82	160
Technical equipment, plant and machinery	655	733
Other equipment, fixtures, furniture and office equipment	10	8
Total	**780**	**939**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Additions to right-of-use assets within property, plant and equipment amounted to €22 million in 2023 (2022: €104 million). This amount consists primarily of €12 million (2022: €74 million) in additions of buildings and land and of €5 million (2022: €26 million) in additions of technical equipment and machinery.

Some of the leases contain price-adjustment clauses, as well as extension, purchase and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, possible additional lease payments amounting to €499 million (2022: €487 million) were not included in the measurement of lease liabilities in the 2023 fiscal year.

The corresponding lease payment obligations are presented in the Cash Flow Analysis table in Note 29.

As of December 31, 2023, there were commitments totaling €1 million relating to leases not yet commenced as of that date (2022: €3 million).

The following amounts have been recognized in the income statement and in the cash flow statement:

Amounts Recognized in the Income Statement[1]

€ in millions	2023	2022
Depreciation of right-of-use assets	-115	-160
Impairment charges on right-of-use assets	-15	-51
Reversals of impairments on right-of-use assets	5	49
Interest expense on lease liabilities	-42	-40
Expense relating to short-term leases	-60	-91
Expense relating to leases of low-value assets, not including short-term leases	-3	-2
Income from subleasing right-of-use assets	63	78
Total	**-166**	**-217**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The depreciation expense for right-of-use assets related principally to technical equipment and machinery (€87 million; 2022: €134 million) and to buildings (€19 million; 2022: €19 million).

Amounts Recognized in the Cash Flow Statement

€ in millions	2023	2022
Cash outflow for leases	242	308

In addition to the cash payments for the interest and principal portions of recognized lease liabilities, amounts reported in the cash flow statement also include payments for unrecognized short-term leases and for leases of low-value assets. Cash payments for the principal portion (€150 million; 2022: €103 million) are reported within financing cash flow from continuing operations, and those for the interest portion (€42 million; 2022: €40 million) are reported within operating cash flow from continuing operations.

Uniper as Lessor

Leases in which Uniper acts as the lessor and substantially all the risks and rewards arising from the use of the leased asset are transferred to the lessee are classified as finance leases. In this type of lease, the present value of the minimum lease payments is recorded as a receivable. Payments by the lessee are apportioned between a reduction of the lease receivable and interest income. The interest income from such arrangements is recognized over the lease term, using the effective interest method.

There exist a small number of operating leases in which Uniper is the lessor. In these leases, the leased asset generally continues to be presented on the Uniper Group's balance sheet and the lease payments are recognized as income on a straight-line basis over the lease term.

Finance Leases

Receivables from finance leases are primarily the result of certain electricity delivery contracts that, pursuant to IFRS 16, must be treated as leases. One of the causes of the year-over-year increase in receivables from finance leases was the commissioning of a gas-fired power plant, which has been designated as a special grid-stabilization asset that will only be used to ensure system stability. The commencement of regular operation of the LNG terminal at Wilhelmshaven in January 2023 gave rise to a further increase in receivables from finance leases. The terminal is operated on behalf of a subsidiary of the Federal Republic of Germany.

The nominal and present values of the outstanding lease payments have the following due dates:

Maturity Analysis of Undiscounted Lease Payments – Finance Leases[1]

€ in millions	2023	2022
Due within 1 year	79	34
Due in 1 to 2 years	76	34
Due in 2 to 3 years	76	32
Due in 3 to 4 years	69	32
Due in 4 to 5 years	66	25
Due in more than 5 years	240	83
Total undiscounted lease payments	**607**	**239**
Interest component	209	80
Lease receivables	**397**	**159**
Current	*43*	*21*
Non-current	*354*	*138*

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Interest income from finance leases was recognized in the amount of €28 million in the 2023 fiscal year (2022: €15 million).

Operating Leases

Future lease installments receivable under operating leases are due as shown below:

Uniper as Lessor – Operating Lease

	Minimum lease payments	
€ in millions	2023	2022
Due within 1 year	23	6
Due in 1 to 5 years	88	10
Due in more than 5 years	8	11
Total	**119**	**27**

(32) Reconciliation of Income/Loss before Financial Results and Taxes to Adjusted EBIT and to Adjusted Net Income

The following information for the 2023 fiscal year and the previous year is provided on the basis of the Uniper Group's internal reporting system in order to enable an assessment to be made of the nature and financial consequences of the business activities conducted by the Uniper Group and of the economic environment in which the Group operates.

Adjusted EBIT

Adjusted EBIT, a measure of earnings before interest and taxes adjusted for non-operating effects, is used at Uniper for purposes of internal management control and as the most important indicator of a business's operating performance. This information is also used for the management of operating segments.

Unadjusted earnings before interest and taxes (EBIT) represents the Group's income/loss before financial results and taxes in accordance with IFRS, taking into account the net income/loss from equity investments.

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

€ in millions	2023	2022
Income/Loss before financial results and taxes	**6,667**	**-11,548**
Net income/loss from equity investments	7	0
EBIT	**6,674**	**-11,548**
Non-operating adjustments	-306	671
Net book gains (-) / losses (+)	*-16*	*-8*
Impact of derivative financial instruments	*-9,974*	*8,369*
Adjustments of revenue and cost of materials from physically settled commodity derivatives to the contract price	*4,628*	*-7,284*
Restructuring / Cost-management expenses (+) / income (-)[2]	*29*	*-39*
Miscellaneous other non-operating earnings	*3,381*	*-385*
Non-operating impairment charges (+) / reversals (-)[3]	*1,646*	*18*
Adjusted EBIT[4]	**6,367**	**-10,877**
For informational purposes: Economic depreciation and amortization/reversals	*797*	*758*
For informational purposes: Adjusted EBITDA	*7,164*	*-10,119*

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

[2]Expenses for (and income from) restructuring and cost management in the Global Commodities segment included depreciation and amortization of €0 million in the 2023 fiscal year (2022: €1 million).

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

[4]The incremental cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was realized in adjusted EBIT. In the 2023 fiscal year, the reduction in costs of roughly €2.3 billion was also realized here.

Owing to the adjustments made, the earnings items shown here may differ from the figures determined in accordance with IFRS.

Detailed explanations of the reconciliation of income/loss before financial results and taxes to adjusted EBIT are provided in the Combined Management Report.

Adjusted Net Income

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

Reconciliation to Adjusted Net Income[1]

€ in millions	2023	2022
Income/Loss before financial results and taxes[2]	**6,667**	**-11,548**
Net income/loss from equity investments	7	–
EBIT	**6,674**	**-11,548**
Non-operating adjustments	-306	671
Adjusted EBIT	**6,367**	**-10,877**
Interest income/expense and other financial results	*259*	*-1,482*
Non-operating interest expense and negative other financial results (+) / Non-operating interest income and positive other financial results (-)	*-450*	*1,382*
Operating interest income/expense and other financial results	-190	-100
Income taxes	*-597*	*-1,291*
Expense (+) / Income (-) resulting from income taxes on non-operating earnings	*-1,204*	*4,829*
Income taxes on operating earnings	-1,801	3,539
Less non-controlling interests in operating earnings	57	37
Adjusted net income	**4,432**	**-7,401**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

[2]The incremental cost of procuring replacement gas amounted to roughly €13.2 billion in the 2022 fiscal year and was realized in adjusted EBIT and, consequentially, in adjusted net income as well. In the 2023 fiscal year, the reduction in costs of roughly €2.3 billion was also realized here.

Detailed explanations of the reconciliation of income/loss before financial results and taxes to adjusted net income are provided in the Combined Management Report.

(33) Segment Information

Applying the management approach, the Company's operating segments are identified in line with the internal reporting structure used by the Board of Management of Uniper SE.

The internal performance measure used as the segment result is earnings before interest and taxes adjusted to exclude non-operating effects (adjusted EBIT).

IFRS 8 Operating Segments

The operating segments are reported separately, in accordance with IFRS 8, in line with the management of the Group by the Board of Management of Uniper SE in its capacity as the Group's chief operating decision maker. Additionally combined separately under Administration/Consolidation are the non-operating functions that are performed centrally across segments, as well as the consolidations required to be carried out at Group level.

European Generation

The European Generation segment comprises the various power and heat generation facilities that the Uniper Group operates in Europe. In addition to fossil-fuel power plants (coal-, gas-, oil-fired power plants; combined-cycle gas turbine power plants) and hydroelectric power plants, these generation facilities also include nuclear power plants in Sweden. Most of the energy produced is sold to the Global Commodities segment, which is responsible for the marketing and sale of energy to major customers via the traded markets and its own sales organization. A further portion of the energy generated is marketed by means of long-term electricity and heat supply contracts. In addition to the power plant business, this segment also includes the marketing of energy services, which encompass engineering and asset management, as well as operational and maintenance services.

Global Commodities

The Global Commodities segment bundles the energy trading activities and forms the commercial interface between the Uniper Group and the global traded markets for energy and the major customers. Within this segment, the fuels required for power generation (mainly coal and gas) are procured, emission allowances are traded, the electricity produced is marketed, and the portfolio is optimized by managing the use of the power plants. Uniper sells natural gas to resellers (e.g., municipal utilities), major industrial customers and power plant operators on the basis of differently structured contracts. This segment additionally includes infrastructure investments and gas storage operations.

Business Divisions in the 2022 Fiscal Year

Russian Power Generation

The Russian Power Generation business division, which is classified as a discontinued operation and consists of the majority interest in PAO Unipro, was deconsolidated as of December 31, 2022, owing to Uniper's loss of decision-making rights and inability to direct activities. It was also no longer possible for Uniper to allocate resources there or otherwise assess profitability. The Russian Power Generation business division therefore no longer qualified as an operating segment as defined in IFRS 8. Given their size and the resulting impact on the Uniper Group's assets, financial condition and earnings – as well as the fact that they qualified as an operating segment throughout most of the reporting periods – the Russian business activities are stated and discussed in relation to time-period-related measures such as the items of the income statement for the 2022 fiscal year, for example.

PAO Unipro, a company listed in Russia, is responsible for conducting all business in connection with power generation and associated activities in Russia. These include the procurement of the fuels needed for the power plants, the operation and management of the plants and the trading and sale of the energy produced.

Financial Information by Segment[1]

€ in millions	European Generation 2023	European Generation 2022	Global Commodities 2023	Global Commodities 2022	Administration/ Consolidation 2023	Administration/ Consolidation 2022	Uniper Group (continuing operations) 2023	Uniper Group (continuing operations) 2022	Russian Power Generation (discontinued operations)[3] 2023	Russian Power Generation (discontinued operations)[3] 2022
External sales	2,311	3,691	105,601	270,428	3	2	107,915	274,121	–	1,438
Intersegment sales	22,881	56,811	22,362	51,315	-45,243	-108,125	–	–	–	–
Sales	**25,192**	**60,502**	**127,963**	**321,742**	**-45,240**	**-108,124**	**107,915**	**274,121**	**–**	**1,438**
Adjusted EBIT (segment earnings)	**2,257**	**741**	**4,104**	**-11,232**	**7**	**-387**	**6,367**	**-10,877**	**–**	**451**
Equity-method earnings[2]	–	–	42	61	–	–	42	61	–	–
Operating cash flow before interest and taxes	**3,737**	**1,173**	**3,472**	**-15,592**	**-126**	**-467**	**7,083**	**-14,886**	**–**	**530**
Investments	**440**	**426**	**126**	**97**	**22**	**29**	**587**	**552**	**–**	**80**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.
[2]The income/loss from companies accounted for under the equity method presented here is generally adjusted for non-operating effects and therefore differs from the income/loss from companies accounted for under the equity method as presented in the income statement in accordance with IFRS.
[3]See also Additional Information in Note 4.

Intragroup sales between the European Generation and Global Commodities segments are mainly attributable to the transfer-pricing mechanism in effect between the power plant operating companies and the trading unit in the Global Commodities segment. For physically settled transactions that do not meet the IFRS 9 criteria and are not accounted for as derivatives (e.g., own-use transactions), contract prices (transfer prices), which reflect the economic character of these transactions and the contractually agreed consideration amounts, are generally used to determine revenues. For physically settled transactions that must be accounted for as derivatives pursuant to IFRS 9 criteria (e.g., failed own-use transactions), revenue is recognized at the market price applicable at the time of recognition. Accordingly, such contracts are presented as physical spot contracts with a financial hedge. Applying the transfer-pricing mechanism, the trading unit locks in a future selling price for the electricity expected to be generated by the power plant operating companies by entering into hedges at current market prices in the context of a portfolio management contract, so that the resulting revenues are ultimately reported directly in the European Generation segment, while the power plant operating companies show the financial effect of price hedging of their generation positions. The mechanism is also reflected in the cost of materials. The revenues attributable to the Administration/Consolidation reconciliation item also include the consolidation of the aforementioned effects, and the transfer pricing mechanism thus has no impact on the earnings, financial condition and net assets of the Uniper Group.

The investments presented in the financial information by business segment tables are the purchases of investments for continuing operations reported in the Consolidated Statement of Cash Flows. Transactions within the Uniper Group are generally executed at market prices.

The following table shows the reconciliation of operating cash flow from continuing operations to the corresponding operating cash flow before interest and taxes:

Operating Cash Flow before Interest and Taxes[1]

€ in millions	2023	2022	+/-
Operating cash flow of continuing operations	**6,549**	**-15,556**	**22,105**
Interest payments and receipts	172	324	-153
Income tax payments (+) / refunds (-)	362	345	17
Operating cash flow of continuing operations before interest and taxes	**7,083**	**-14,886**	**21,969**

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

Additional Entity-Level Disclosures

External sales by product from continuing operations break down as follows:

Sales by Segment and Product

€ in millions	European Generation 2023	European Generation 2022	Global Commodities 2023	Global Commodities 2022	Administration/ Consolidation 2023	Administration/ Consolidation 2022	Uniper Group 2023	Uniper Group 2022
Electricity	16,609	44,274	40,408	107,265	-33,353	-85,525	23,664	66,013
Gas	7,735	14,993	80,396	195,135	-9,398	-18,707	78,733	191,421
Other	848	1,236	7,160	19,343	-2,488	-3,892	5,519	16,687
Total	**25,192**	**60,502**	**127,963**	**321,742**	**-45,240**	**-108,124**	**107,915**	**274,121**

The “Other” item consists, in particular, of revenues generated from services and from other trading activities.

The following table breaks down external sales (by customer and company location), intangible assets and property, plant and equipment, as well as the carrying amounts of companies accounted for under the equity method, for continuing operations by geographic area:

Geographic Segment Information as of December 31, 2023, and for the 2023 Fiscal Year

€ in millions	Germany	United Kingdom	Sweden	Europe (other)	Other regions	Total
External sales by location of customer	39,961	42,022	340	22,232	3,360	107,915
External sales by location of seller	106,013	424	174	375	929	107,915
Intangible assets	618	6	48	4	1	677
Property, plant and equipment	3,233	1,299	2,813	116	–	7,461
Companies accounted for under the equity method	212	–	44	–	–	256

Geographic Segment Information as of December 31, 2022, and for the 2022 Fiscal Year[1]

€ in millions	Germany	United Kingdom	Sweden	Europe (other)	Other regions	Total
External sales by location of customer	81,326	82,836	467	94,500	14,992	274,121
External sales by location of seller	264,878	519	212	891	7,622	274,121
Intangible assets	629	5	49	3	2	687
Property, plant and equipment	3,838	1,598	2,823	1,301	1	9,561
Companies accounted for under the equity method	247	–	44	–	–	291

[1]Individual comparative prior-year figures have been restated. Further explanations can be found in Note 3 to the Consolidated Financial Statements.

The geographic segment information shown in the preceding tables is reported by location of the counterparty.

Uniper currently operates mainly in Europe. That aside, the Group’s customer structure has not resulted in any major concentration in any given geographical region or business area. Due to the Company’s large number of customers and the variety of its business activities, there are no customers whose business volume is material in relation to the total business volume of the Group.

(34) Other Significant Issues after the Balance Sheet Date

Disposal of the Gönyű Power Plant in Hungary

On February 14, 2024, Uniper entered into a purchase contract with Veolia Invest Hungary Zrt., a subsidiary of the French company Veolia S.A., for the acquisition of 100% of the shares in Uniper Hungary Energetikai Kft. (UHUE), the company holding the gas-fired power plant. The parties have agreed to keep the purchase price confidential. The transaction is expected to close in the second half of 2024. Divestment of the power plant is part of the remedies Uniper must fulfill pursuant to the EU's state-aid approval.

(35) Summarized List of Shareholdings

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2023)

Legal name, Registered Office	Capital share %	Equity in € million[12]	Net income in € million[12]
AB Kraftleveranser Tre, SE, Sundsvall[2]	100.00	0.0	0.0
AB Svafo, SE, Nyköping[5]	22.00	0.1	0.0
AS Latvijas Gāze, LV, Riga[6 8]	18.26	312.1	25.8
B.V. NEA, NL, Dodewaard[5]	25.00	74.6	1.5
Barsebäck Kraft AB, SE, Löddeköpinge[2]	100.00	12.4	0.0
BauMineral GmbH, DE, Herten[1 7 9]	100.00	4.6	0.0
Bergeforsens Kraftaktiebolag, SE, Bispgården[4]	40.00	3.4	0.0
Blåsjön Kraft AB, SE, Stockholm[4]	50.00	3.5	0.0
Bunde-Etzel-Pipeline Verwaltungsgesellschaft mbH, DE, Westerstede[6]	20.00	0.1	0.0
DFTG-Deutsche Flüssigerdgas Terminal Gesellschaft mit beschränkter Haftung, DE, Wilhelmshaven[1]	90.00	0.1	0.0
Donau-Wasserkraft Aktiengesellschaft, DE, Landshut[1 9]	100.00	40.9	0.0
E.ON Benelux Geothermie B.V. (in liquidation), NL, Rotterdam[2]	100.00	0.0	0.0
E.ON Ruhrgas Nigeria Limited, NG, Abuja[2 8]	100.00	-0.1	-0.1
Elektrolyse Mitteldeutschland GmbH, DE, Düsseldorf[1 11]	51.00	0.0	0.0
Energie-Pensions-Management GmbH, DE, Hanover[5]	30.00	2.7	0.4
Ergon Holdings Ltd, MT, St. Julians[1]	100.00	177.8	-0.1
Ergon Insurance Ltd, MT, St. Julians[1]	100.00	132.3	-40.8
Etzel Gas-Lager GmbH & Co. KG, DE, Friedeburg-Etzel[3]	75.22	20.0	23.1
Etzel Gas-Lager Management GmbH, DE, Friedeburg-Etzel[5]	76.11	0.0	0.0
Forsmarks Kraftgrupp AB, SE, Östhammar[6]	8.50	745.7	0.2
Freya Bunde-Etzel GmbH & Co. KG, DE, Düsseldorf[3]	59.98	2.1	1.1
Freya Bunde-Etzel Verwaltungsgesellschaft mbH, DE, Düsseldorf[5]	100.00	0.0	0.0
Gemeinschaftskraftwerk Irsching GmbH, DE, Vohburg[1]	50.20	150.2	3.5
Gemeinschaftskraftwerk Kiel Gesellschaft mit beschränkter Haftung, DE, Kiel[5]	50.00	5.2	-1.8
Grüne Quartiere GmbH, DE, Gelsenkirchen[5]	50.00	0.6	0.0
Holford Gas Storage Limited, GB, Edinburgh[1]	100.00	1.2	-12.3
Hydropower Evolutions GmbH, DE, Düsseldorf[2]	100.00	0.5	-0.2
India Uniper Power Services Private Limited, IN, Kolkata[5]	50.00	0.1	-0.3
Kärnkraftsäkerhet & Utbildning AB, SE, Nyköping[5]	33.33	19.0	0.9
Klåvbens AB, SE, Olofström[5]	50.00	0.1	0.0
Kokereigasnetz Ruhr GmbH, DE, Essen[1 7 9]	100.00	7.8	0.0
Kolbäckens Kraft KB, SE, Sundsvall[1]	100.00	1.0	0.0
Kraftwerk Buer GbR, DE, Gelsenkirchen[5]	50.00	5.1	0.0
Liqvis France SAS, FR, Paris[2]	100.00	4.3	-3.5
Liqvis GmbH, DE, Düsseldorf[1 7 9]	100.00	0.3	0.0
LNG Terminal Wilhelmshaven GmbH, DE, Düsseldorf[1 7 9]	100.00	0.0	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company (for reasons of immateriality valued at cost).

[3]Joint ventures pursuant to IFRS 11.

[4]Associated company (valued using the equity method).

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality).

[6]Other companies in which share investments are held.

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b.

[8]IFRS figures.

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling).

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling).

[11]Company was founded in 2023 and therefore no financial statements are available.

[12]Based on the last available annual statement.

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2023)

Legal name, Registered Office	Capital share %	Equity in € million[12]	Net income in € million[12]
Lubmin-Brandov Gastransport GmbH, DE, Essen[1 9]	100.00	150.1	0.0
Mainkraftwerk Schweinfurt Gesellschaft mit beschränkter Haftung, DE, Landshut[2 9]	75.00	0.3	0.0
Mellansvensk Kraftgrupp AB, SE, Stockholm[6]	5.35	7.2	0.0
METHA-Methanhandel GmbH, DE, Düsseldorf[1 9]	100.00	0.0	0.0
Mittlere Donau Kraftwerke Aktiengesellschaft, DE, Landshut[2 9]	60.00	5.1	0.0
Obere Donau Kraftwerke Aktiengesellschaft, DE, Landshut[2 9]	60.00	3.2	0.0
OKG AB, SE, Oskarshamn[1]	54.50	222.8	0.7
PAO Unipro, RU, Surgut[6]	83.73	1,257.0	225.4
RAG-Beteiligungs-Aktiengesellschaft, AT, Maria Enzersdorf[4]	29.98	407.2	50.0
RGE Holding GmbH, DE, Düsseldorf[2 9]	100.00	0.1	0.0
Rhein-Main-Donau GmbH, DE, Landshut[1]	77.49	110.1	0.0
Ringhals AB, SE, Väröbacka[4]	29.56	393.5	7.4
RuhrEnergie GmbH, EVR, DE, Gelsenkirchen[1 9]	100.00	12.8	0.0
Salviken SWE REN 601 AB, SE, Malmö[2 11]	100.00	0.0	0.0
SOCAR-UNIPER LLC, AZ, Sumgait[5 8]	49.00	19.0	0.5
SQC Swedish Qualification Centre AB, SE, Täby[5]	33.33	0.5	0.0
Stensjön Kraft AB, SE, Stockholm[4]	50.00	2.7	0.0
Svensk Kärnbränslehantering AB, SE, Solna[5]	34.00	0.0	0.0
Swedish Modular Reactors AB, SE, Sundsvall[5]	50.00	0.4	0.0
Sydkraft AB, SE, Malmö[1]	100.00	2,328.7	3.6
Sydkraft Försäkring AB, SE, Malmö[1]	100.00	78.5	0.0
Sydkraft Hydrogen AB, SE, Malmö[1]	100.00	0.0	0.0
Sydkraft Hydropower AB, SE, Sundsvall[1]	100.00	479.3	-0.4
Sydkraft Nuclear Power AB, SE, Malmö[1]	100.00	361.0	-8.3
Sydkraft Nuclear Services AB, SE, Malmö[2]	100.00	2.6	0.2
Sydkraft Thermal Power AB, SE, Karlshamn[1]	100.00	5.3	-0.7
Turn2X Asset Co I GmbH, DE, Munich[5 11]	20.00	0.0	0.0
Uniper 1. Beteiligungsholding GmbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper Anlagenservice GmbH, DE, Gelsenkirchen[1 9]	100.00	41.1	0.0
Uniper Benelux Holding B.V., NL, Rotterdam[1]	100.00	63.3	1,636.7
Uniper Benelux N.V., NL, Rotterdam[1]	100.00	516.7	1,582.7
Uniper Beschäftigungs- und Qualifizierungsgesellschaft mbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper Beteiligungs GmbH, DE, Düsseldorf[1 7 9]	100.00	14,098.8	0.0
Uniper BioMethan GmbH, DE, Düsseldorf[2]	100.00	-0.5	-0.6
Uniper Energy Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper Energy Sales GmbH, DE, Düsseldorf[1 9]	100.00	2,596.3	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company (for reasons of immateriality valued at cost).

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[4]Associated company (valued using the equity method).

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality).

[6]Other companies in which share investments are held.

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b.

[8]IFRS figures.

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling).

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling).

[11]Company was founded in 2023 and therefore no financial statements are available.

[12]Based on the last available annual statement.

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2023)

Legal name, Registered Office	Capital share %	Equity in € million[12]	Net income in € million[12]
Uniper Energy Services MENA DMCC, AE, Dubai[2 8]	100.00	0.7	0.0
Uniper Energy Southern Africa (Pty) Ltd., ZA, Johannesburg (Sandton)[2 8]	100.00	0.0	-0.4
Uniper Energy Storage GmbH, DE, Düsseldorf[1 9]	100.00	261.3	0.0
Uniper Energy Trading NL Staff Company B.V., NL, Rotterdam[2]	100.00	1.1	0.2
Uniper Energy Trading UK Staff Company Limited, GB, Birmingham[1]	100.00	0.9	0.0
Uniper Enerji Anonim Şirketi, TR, Besiktas / Istanbul[2 11]	100.00	0.0	0.0
Uniper Financial Services GmbH, DE, Regensburg[1 7 9]	100.00	0.0	0.0
Uniper Gas Transportation and Finance B.V., NL, Rotterdam[1]	100.00	-963.2	-1,073.1
Uniper Global Commodities Canada Inc., CA, Toronto[2 8]	100.00	0.3	0.0
Uniper Global Commodities London Ltd., GB, Birmingham[1]	100.00	3.0	0.7
Uniper Global Commodities North America LLC, US, Chicago[1 8]	100.00	203.0	78.2
Uniper Global Commodities SE, DE, Düsseldorf[1 9]	100.00	4,022.6	0.0
Uniper Global Commodities UK Limited, GB, Birmingham[1]	100.00	70.2	4.8
Uniper Holding GmbH, DE, Düsseldorf[1 7 9]	100.00	11,458.0	0.0
Uniper HR Services Hannover GmbH, DE, Hanover[1 7 9]	100.00	7.3	0.0
Uniper HUN Solar Aton 305 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper HUN Solar Atreusz 302 Kft., HU, Budapest[2]	100.00	0.0	0.0
Uniper HUN Solar Medon 307 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper HUN Solar Néreusz 303 Kft., HU, Budapest[2]	100.00	0.0	0.0
Uniper HUN Solar Tantalos 304 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper HUN Solar Tisza 310 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper HUN Solar Tulip 308 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper HUN Solar Turul 309 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper HUN Solar Varuna 306 Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper Hungary Energetikai Kft., HU, Budapest[1]	100.00	91.8	33.4
Uniper Hydrogen GmbH, DE, Düsseldorf[1 7 9]	100.00	0.0	0.0
Uniper Hydrogen Netherlands B.V., NL, Rotterdam[1]	100.00	-2.8	-2.5
Uniper Hydrogen UK Limited, GB, Birmingham[1]	100.00	-4.2	-2.5
Uniper India Private Ltd., IN, Noida[2]	100.00	0.6	0.0
Uniper Infrastructure Asset Management B.V., NL, Rotterdam[1]	100.00	77.0	-969.7
Uniper International Holding GmbH, DE, Düsseldorf[1 7 9]	100.00	3,350.2	0.0
Uniper IT GmbH, DE, Düsseldorf[1 7 9]	100.00	10.0	0.0
Uniper Kraftwerke GmbH, DE, Düsseldorf[1 9]	100.00	6,023.9	0.0
Uniper Market Solutions GmbH, DE, Düsseldorf[2 9]	100.00	5.3	0.0
Uniper Nuclear Services GmbH, DE, Gelsenkirchen[2 9]	100.00	2.0	0.0
Uniper POL REN 401 Sp.zo.o., PL, Szczecin[2 11]	100.00	0.0	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company (for reasons of immateriality valued at cost).

[3]Joint ventures pursuant to IFRS 11.

[4]Associated company (valued using the equity method).

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality).

[6]Other companies in which share investments are held.

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b.

[8]IFRS figures.

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling).

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[12]Based on the last available annual statement.

Summarized list of shareholdings pursuant to Sec. 285 No. 11 and Sec. 313 (2) HGB (as of Dec. 31, 2023)

Legal name, Registered Office	Capital share %	Equity in € million[12]	Net income in € million[12]
Uniper POL REN 402 Sp.zo.o., PL, Szczecin[2 11]	100.00	0.0	0.0
Uniper POL REN 403 Sp.zo.o., PL, Szczecin[2 11]	100.00	0.0	0.0
Uniper Renewables France S.A.S., FR, Paris[2 11]	100.00	0.0	0.0
Uniper Renewables GmbH, DE, Düsseldorf[1 7 9]	100.00	0.0	0.0
Uniper Renewables Hungary Kft., HU, Budapest[2 11]	100.00	0.0	0.0
Uniper Renewables Italy S.r.l., IT, Turin[2]	100.00	0.0	0.3
Uniper Renewables Poland sp. z o.o., PL, Warsaw[2]	100.00	0.0	0.0
Uniper RES Solar 30 GmbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper RES Solar 31 GmbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper RES Solar 32 GmbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper Risk Consulting GmbH, DE, Düsseldorf[1 7 9]	100.00	16.9	0.0
Uniper Ruhrgas International GmbH, DE, Essen[1 7 9]	100.00	2,214.6	0.0
Uniper Solar 1 WHV GmbH, DE, Düsseldorf[2 9]	100.00	0.0	0.0
Uniper Solar 30 Korlátolt Felelősségű Társaság, HU, Budapest[2]	100.00	0.0	0.0
Uniper Solar II GmbH, DE, Düsseldorf[2]	100.00	0.0	0.0
Uniper Systemstabilität GmbH, DE, Düsseldorf[1 9]	100.00	0.0	0.0
Uniper Technologies B.V., NL, Rotterdam[2]	100.00	1.6	-1.9
Uniper Technologies GmbH, DE, Gelsenkirchen[1 9]	100.00	76.6	0.0
Uniper Technologies Limited, GB, Birmingham[1]	100.00	12.0	2.9
Uniper Trading Canada Ltd., CA, Toronto[1 8]	100.00	-91.7	-56.0
Uniper UK Corby Limited, GB, Birmingham[1]	100.00	0.1	0.0
Uniper UK Cottam Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper UK Gas Limited, GB, Birmingham[1]	100.00	29.4	4.8
Uniper UK Gas Limited, GB, Birmingham[1]	100.00	29.4	4.8
Uniper UK Ironbridge Limited, GB, Birmingham[1]	100.00	25.0	0.1
Uniper UK Limited, GB, Birmingham[1]	100.00	1,808.9	1,749.9
Uniper UK Renewables 030 Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper UK Renewables 202 Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper UK Trustees Limited, GB, Birmingham[2]	100.00	0.0	0.0
Uniper Wärme GmbH, DE, Gelsenkirchen[1 9]	100.00	18.8	0.0
Untere Iller GmbH, DE, Landshut[2]	60.00	1.1	0.0
Utilities Center Maasvlakte Leftbank b.v., NL, Rotterdam[1]	100.00	112.1	22.7
Vaultige AB, SE, Stockholm[5]	50.00	0.0	0.0

[1]Consolidated affiliated company.

[2]Non-consolidated affiliated company (for reasons of immateriality valued at cost).

[3]Joint ventures pursuant to IFRS 11.

[4]Associated company (valued using the equity method).

[5]Joint venture or associated company (accounted for at cost for reasons of immateriality).

[6]Other companies in which share investments are held.

[7]This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b.

[8]IFRS figures.

[9]Company has a profit and loss pooling agreement with a company of Uniper Group (earnings after pooling).

[10]Company has a profit and loss pooling agreement with a company which is not part of Uniper group (earnings after pooling).

[11]Company was founded in 2023 and therefore no financial statements are available.

[12]Based on the last available annual statement.

Supervisory Board (including Information on Other Directorships Held by Supervisory Board Members)

The Supervisory Board has the following members:

Supervisory Board

Name	Position	External mandates in other governing bodies	Board member
Thomas Blades (Chairman of the Supervisory Board, Uniper SE)		Voith GmbH & Co. KGaA Polygon International AB North-Star Shipping Ltd., Chairman	since December 22, 2022
Harald Seegatz (Deputy Chairman of the Supervisory Board, Uniper SE)	Chairman of the Group Employee Council, Uniper SE	Uniper Kraftwerke GmbH	since April 14, 2016
Prof. Dr. Ines Zenke (Deputy Chairwoman of the Supervisory Board, Uniper SE)	Lawyer, Partner and Co-Owner, Becker Büttner Held	Frischli Milchwerke GmbH (since 03/23)	since December 22, 2022
Prof. Dr. Werner Brinker	Independent Energy Consultant	Heinrich Gräper Holding GmbH & Co. KG, Chairman	since April 17, 2020
Judith Buss	Self-employed Management Consultant	Ignitis Grupė AB HELLA GmbH & Co. KGaA	since May 19, 2021
Dr. Jutta A. Dönges	Member of the Board of Management, Chief Financial Officer, Uniper SE (since 03/23)	Commerzbank AG TUI AG Rock Tech Lithium Inc. (until 02/23)	until February 28, 2023
Dr. Gerhard Holtmeier	Lawyer, Chairman of the Management Board at Dortmunder Energie and Wasserversorgung GmbH, Managing Director UBG Uniper Beteiligungsholding GmbH	REDTREE GmbH	since March 21, 2023
Holger Grzella	Chairman of the General Works Council, Uniper Kraftwerke GmbH	Uniper Kraftwerke GmbH	since May 18, 2022
Diana Kirschner	Financial Accounting Clerk, Uniper Financial Services GmbH		since May 18, 2022
Victoria Kulambi	Scientist, Uniper Technologies Limited		since May 19, 2021
Magnus Notini	Member of the European Works Council, Uniper SE	Sydkraft AB	since May 18, 2022
Dr. Marcus Schenck	Managing Director, Co-Head of Investment Banking for the DACH region and Member of the Global Management Committee for Financial Advisory, Lazard & Co. GmbH	Encavis AG	since December 22, 2022
Immo Schlepper	Head of Regional Department, ver.di	EWE AG	since June 8, 2017

Board of Management (including Information on Other Directorships Held by the Board of Management Members)

The Board of Management has the following members:

Board of Management

Name	Position	Other directorships	Board member
Michael Lewis	Chairman of the Board of Management, Chief Executive Officer	Uniper Global Commodities SE, Chairman (since 06/23) Uniper Kraftwerke GmbH, Chairman (since 06/23) United Utilities Group PLC (since 05/23)	since June 1, 2023
Dr. Jutta A. Dönges	Member of the Board of Management, Chief Financial Officer	Commerzbank AG TUI AG Rock Tech Lithium Inc. (until 02/23)	since March 1, 2023
Holger Kreetz	Member of the Board of Management, Chief Operating Officer	Sydkraft AB (until 02/23)	since March 1, 2023
Dr. Carsten Poppinga	Member of the Board of Management, Chief Commercial Officer		since August 1, 2023
Prof. Dr. Klaus-Dieter Maubach	Chairman of the Board of Management, Chief Executive Officer	Uniper Global Commodities SE, Chairman (until 02/23) Uniper Kraftwerke GmbH, Chairman (until 02/23)	until February 28, 2023
David Bryson	Member of the Board of Management, Chief Operating Officer		until February 28, 2023
Niek den Hollander	Member of the Board of Management, Chief Commercial Officer		until July 31, 2023
Tiina Tuomela	Member of the Board of Management, Chief Financial Officer	Wärtsilä Oyj Abp Teollisuuden Voima Oyj TÜV Rheinland AG, Cologne (since 04/23)	until February 28, 2023

Düsseldorf, February 26, 2024

The Board of Management

Michael Lewis

Dr. Jutta A. Dönges

Holger Kreetz

Dr. Carsten Poppinga

Declaration of the Board of Management

To the best of our knowledge, we declare that, in accordance with applicable financial reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and that the Group Management Report, which is combined with the management report of Uniper SE, provides a fair review of the development and performance of the business and the position of the Uniper Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Düsseldorf, February 26, 2024

The Board of Management

Michael Lewis

Dr. Jutta A. Dönges

Holger Kreetz

Dr. Carsten Poppinga

Independent Auditor's Report

To Uniper SE, Düsseldorf

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Uniper SE, Düsseldorf, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated the income statement, consolidated statement of recognized income and expenses as part of equity, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year from 1 January to 31 December 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Uniper SE, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2023. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f HGB [Handelsgesetzbuch: German Commercial Code] and § 315d HGB.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. [paragraph] 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

1 **Recoverability of power plants and gas storage facilities**
2 **Energy trading**
3 **Provision Relating to Contractual Recovery Claims of the Federal Republic of Germany from the Granting of State Aid**

Our presentation of these key audit matters has been structured in each case as follows:

a Matter and issue
b Audit approach and findings
c Reference to further information

Hereinafter we present the key audit matters:

1 **Recoverability of power plants and gas storage facilities**

a In the Company's consolidated financial statements, property, plant, and equipment and rights of use amounting in total to € 7.5 billion (representing 14 % of total assets and 72 % of equity) are reported. Most of the carrying amount of the property, plant, and equipment and rights of use relates to power stations and gas storage facilities. The power stations and gas storage facilities are tested for impairment by the Company whenever there are indications of impairment to determine any possible need for write-downs. The impairment test is performed at the level of the cash-generating unit in accordance with IAS 36. The carrying amount of the relevant cash-generating unit is compared with the corresponding recoverable amount for the purposes of the impairment test. The recoverable amount is mainly calculated on the basis of the value in use. The present value of the future cash flows from the respective cash-generating unit normally serves as the basis of measurement. The present values are calculated using discounted cash flow models. The starting point is the adopted Group medium-term business plan. This also takes into account expectations about future market developments and energy policy developments in countries relevant to Uniper and assumptions about the development of other macroeconomic influencing factors as well as the requirements resulting from climate change. The discount rate used is the weighted average cost of capital for the relevant cash-generating unit. As a result of the impairment test, impairments totaling € 1,568 million and reversals totaling € 18 million were recognized for power plants in the Netherlands, Germany and the UK. Similarly, impairment losses totaling € 45 million and reversals of impairment losses totaling € 11 million were recognized for gas storage facilities. In addition, the OPAL pipeline was impaired by € 2 million.

The outcome of this valuation exercise is dependent to a large extent on the estimates made by the executive directors with respect to the future cash inflows from the respective cash-generating unit, the discount rate used, and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

b As part of our audit, with the involvement of our internal specialists from the "Valuation, Modelling & Analytics" department, we assessed, among other things, the methodology employed for the purposes of performing the impairment test and tested the company's essential control for this purpose. After matching the future cash inflows used for the calculation against the adopted Group medium-term business plan, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations as well as energy policy developments. In this connection, we also evaluated the assessment of the executive directors regarding the war in the Ukraine and of the requirements resulting from climate change on the business activities of the Group and examined how they were taken into account in determining the future cash flows. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the respective recoverable amount calculated using this method, we focused our testing in particular on the parameters used to determine the discount rate applied, and evaluated the measurement model. In addition, we formed independent quantitative expected values and compared these with the quantitative values according to Uniper's calculation scheme. In order to reflect the uncertainty inherent in the projections, we assessed the sensitivity analyses performed by the Company. Overall, the measurement inputs and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

c The Company's disclosures on property, plant, and equipment and on impairment testing in accordance with IAS 36 are contained in notes 15 and 17 of the notes to the consolidated financial statements.

2 Energy trading

a Within the Uniper Group, a large number of physically settled and financially settled contracts are primarily entered into by the subsidiary Uniper Global Commodities SE (hereinafter referred to as "UGC") for the Group companies for the optimization of the electricity and gas portfolio (including the existing long-term physical supply agreements, in particular for gas procurement), as well as to ensure the gas storage and gas transport infrastructure and for the efficient control of the commodity price risks. In this respect, UGC is active on the spot and forward markets for electricity, gas, coal, freight, oil, LNG and emission rights on various exchanges as well as on the "over the counter" market.
Individual long-term contracts often stipulate the possibility for the contracting partners to adjust contractual terms and conditions (particularly price formulae) at specific time intervals to altered market conditions (so-called price revision clauses). Insofar as no commercial agreement has been reached between the parties in this respect, clarification is often achieved before a court of law or arbitration tribunal.
In the case of energy trading contracts, these consist of derivative financial instruments or contracts for the purchase or sale of non-financial items. These transactions are generally either measured at fair value through profit or loss or treated as a pending transaction because of the future receipt or the future supply of the contractual object as part of the expected purchase, sale or usage requirement of the company (so-called "own use exemption"). The measurement of contracts classified as derivative is carried out on the basis of price notations on the future markets or on the basis of valuation models irrespective of whether the contracts have to be recognized on the balance sheet at market value or whether the measurement is necessary for the purpose of identification of anticipated losses.
Financial instruments that do not fall in the scope of IFRS 9 because of the "own use exemption" and are not recognized at market value are combined into portfolios in accordance with the stipulations of the Group's risk management and, as such, subjected to an examination for anticipated losses in accordance with IAS 37. The accounting treatment for physically settled contracts within the scope of IFRS 9 is determined on the basis of the risk management of UGC which assigns these derivative financial instruments from a Group point of view to the respective purpose and therefore the respective accounting treatment. In accordance with this, physically settled derivative financial instruments that do not serve the expected purchasing, sale or usage requirement as well as all financially settled derivative financial instruments are measured at the fair value through profit or loss.

The energy trading operations are supported by energy trading systems. This is where handling takes place of the process chain of recording of commercial transactions, position determination and valuation, confirmation of the commercial transactions and risk management. Separation of the transactions (own use vs. recognition with effect on income at fair value) is guaranteed in the individual trading systems by a book structure. Adherence to the book structure is monitored on a regular basis and is subject to respective internal controls.

Due to the large trade volume and the complexity of the accounting treatment of derivatives pursuant to IFRS 9 and measurement in accordance with IFRS 13, as well as the accounting regulations for provisions for contingent losses pursuant to IAS 37, considerable uncertainties and margins for discretion in the measurement of individual instruments exist. Against this background, and due to the significant effect on the assets, liabilities, and financial position and the financial performance, this business area is of particular significance for the consolidated financial statements and the performance of our audit.

b Within the scope of our audit and under inclusion of our internal specialists from the "Corporate Treasury Solutions" division, we initially gained an understanding of the trading strategies within the Group and the related transaction streams and evaluated the risk management strategy employed within the Group. In addition to this, we also assessed the appropriateness of the implemented accounting related internal control system for the conclusion, handling and measurement of energy trade transactions including the trading systems employed in this respect. In the course of our audit of the internal control system we also assessed the effectiveness of the controls implemented by the Company on a sample basis.

Furthermore, we also evaluated the internal action guidelines and requirements of risk management as well as the stipulated responsibilities and measures for their monitoring and to ensure that the trade data is up to date. We analyzed the methodology for determination of the fair value of derivative financial instruments with regard to compliance with IFRS 13 and assessed the adequacy of the market-based input factors as well as the underlying valuation models.

We assessed the logic and integrity of the applied valuation models, as well as the consideration of contractual terms and conditions and assumptions. We have reconciled observable input data with externally available information. In the case of non-observable input data, we assessed the derivation of relevant assumptions and expectations and evaluated the adequacy thereof. Insofar as such assumptions relate to the outcome of ongoing price negotiations and arbitration proceedings we also obtained and utilized assessments from the lawyers involved.

With regard to the accounting for the contracts outside the application area of IFRS 9, we assessed the application of the "Own Use Exemption" for the physically settled transactions on the basis of the implemented processes within the Group and the appropriate application of the "Own Use Exemption". In addition, we assessed the result of the examination of those transactions which are recognized without effect on income because of the "Own Use Exemption" with regard to anticipated losses and the necessity for the recognition of provisions for contingent losses as well as their evaluation pursuant to IAS 37.

In our view, the accounting and measurement policies applied by the executive directors and the methodology for accounting for energy trade transactions are appropriate overall.

c The Company's disclosures on energy trading and its effects on the consolidated financial statements are contained in the notes to the consolidated financial statements, in particular in notes 29 as well as 3, 5, 7 and 8.

3 Provision Relating to Contractual Recovery Claims of the Federal Republic of Germany from the Granting of State Aid

a In the consolidated financial statements of Uniper SE as of 31 December 2023, an amount of € 2.2 billion is reported under the balance sheet item "Other provisions" for contractual recovery claims of the Federal Republic of Germany from the granting of state aid. The state aid was approved by the EU Commission subject to certain conditions. Among other things, the conditions provide for a mechanism for the (partial) repayment of state aid in the event of overcompensation identified at the end of 2024 in favor of Uniper SE. A provision to this effect has also been agreed in the framework agreement concluded between the Federal Republic of Germany and Uniper SE. The provision is calculated using IFRS earnings planning up to and the expected IFRS equity position as of 31 December 2024. In 2025, Uniper SE is obliged to repay this probable amount via a dividend or other suitable measure as a means of repayment. A fundamental agreement was reached with the German government at the end of December 2023 that the repayment can only be made by other suitable means, in this case by way of a public law obligation. The recognition and, in particular, the measurement of the provision are based to a large extent on estimates and assumptions made by the executive directors. The assumptions primarily include estimates of the expected equity as at 31 December 2024, the date on which the provision is expected to be utilised and the interest rate used for discounting. Against this background, and due to the material impact on the assets, liabilities, financial position and financial performance, we considered this matter to be of particular significance for our audit.

b In the knowledge that the recognition and, in particular, the measurement of the provision is based primarily on estimates made by the executive directors and that these have a material impact on the consolidated profit or loss, we assessed the reliability of the data used and the appropriateness of the assumptions applied in the measurement in addition to auditing the recognition criteria. As part of our audit of the provision for contractual recovery claims of the Federal Republic of Germany from the granting of state aid, we examined, among other things, the IFRS earnings planning and the expected IFRS equity position as of 31 December 2024. Furthermore, we assessed the expected utilisation of the provision over time by the management board of Uniper SE and the appropriate derivation of the interest rate for discounting the provision with a matching maturity. We assessed the calculation scheme of the provision on the basis of the detailed measurement parameters, including discounting. We were able to satisfy ourselves that the estimates and assumptions made by the executive directors were sufficiently substantiated for the recognition and measurement of the provision. Overall, we were able to verify the measurement parameters and assumptions applied by the executive directors and that they were appropriately taken into account in the calculation of the provision.

c The company's disclosures on the provision for contractual recovery claims of the Federal Republic of Germany from the granting of state aid and its impact on the consolidated financial statements are contained in the notes to the consolidated financial statements, in particular in notes 7, 24, and 30.

Other Information

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to § 289f HGB and § 315d HGB as an unaudited part of the group management report.

The other information comprises further

- the separate non-financial group report to comply with §§ 315b to 315c HGB
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file UniperSE_IFRS_Konzern-abschluss_2023.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above. In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 24 May 2023. We were engaged by the supervisory board on 30 October 2023. We have been the group auditor of the Uniper SE, Düsseldorf, without interruption since the Company first met the requirements as a public interest entity within the meaning of § 316a Satz 2 Nr. 1 HGB in the financial year 2016.
We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

REFERENCE TO SUPPLEMENTARY AUDIT

We issue this auditor's report on the consolidated financial statements and the group management report as well as on the rendering of the consolidated financial statements and the group management report submitted for audit for the first time, contained in the file UniperSE_IFRS_Konzernabschluss_2023.zip and prepared for publication purposes on the basis of our audit, duly completed as at 26 February 2024 and our supplementary audit completed as at 14 March 2024, which related to the initial submission of the ESEF documents.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Aissata Touré.

For the financial statement audit: Düsseldorf, 26 February 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

(sgd.) Aissata Touré
Wirtschaftsprüferin
(German Public Auditor)

(sgd.) Frank Schemann
Wirtschaftsprüfer
(German Public Auditor)

Limited to the initial submission of the ESEF documents stated in the „Reference to Supplementary Audit" section above: Düsseldorf, 14 March 2024.

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

(sgd.) Aissata Touré
Wirtschaftsprüferin
(German Public Auditor)

(sgd.) Björn Seidel
Wirtschaftsprüfer
(German Public Auditor)

Financial Calendar

May 7, 2024
Quarterly Statement: January–March 2024

May 15, 2024
2024 Annual General Meeting (Düsseldorf)

August 6, 2024
Half-Year Interim Report: January–June 2024

November 5, 2024
Quarterly Statement: January–September 2024

Further Information

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