



PRESS RELEASE

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Iberdrola supports decarbonisation by supplying offshore wind energy to SHS - Stahl Holding Saar in Germany

- *Iberdrola Deutschland and SHS - Stahl Holding Saar GmbH & Co. KGaA conclude 15-year power supply agreement (PPA)*
- *Around 50 MW from the Baltic Eagle offshore wind farm will allow SHS to cover 200 GWh of annual consumption*
- *Going forward, green electricity will be used in the production of low-CO₂ steel in the Saarland steel industry*
- *Further opportunities for cooperation in the fields of onshore, hydrogen and "circularity" (offshore wind) are being examined by both companies*

Berlin, 20th June 2023. – Iberdrola Deutschland and SHS -Stahl Holding Saar GmbH & Co. KGaA have concluded a long-term power supply agreement (PPA). The cooperation between the two companies is set for 15 years and covers an annual consumption of 200 GWh.

The deal's green energy production is equivalent to some 50 MW offshore wind capacity, to be supplied by Iberdrola's Baltic Eagle offshore wind project being built in the Baltic Sea. This will enable SHS to sustainably transform the business activities of its Saarstahl and Dillinger companies while reducing its own steel production CO₂ emissions in the future. This is the first of several PPAs planned by the two companies for the coming years.

Sustainable industrial transition

With this PPA, Iberdrola and SHS underpin their respective strategies to actively promote the energy transition in Germany. In addition to this long-term partnership, other opportunities for cooperation are being explored, such as on-site renewable energy and the production of green hydrogen.

The Baltic Eagle offshore wind farm is the second of three large-scale Iberdrola projects in Germany, alongside the Wikinger and Windanker wind farms. Baltic Eagle will be commissioned at the end of 2024 with a total capacity of 476 megawatts, enough to supply green energy to 475,000 private households while saving 800,000 tonnes of CO₂ per year.

"We are very pleased to support SHS in its ambitious climate goals," says **Felipe Montero, CEO of Iberdrola Germany**. "As part of our growth in the strategic German market we are paying particular



attention to partnering with energy-intensive companies. In doing so, we are contributing to the sustainable transformation of the economy."

"With the conclusion of this PPA, we are taking a big step towards our goal of climate-neutral steel production. Our cooperation with Iberdrola helps us to secure renewable electricity for the transformation process of our companies Saarstahl and Dillinger. Currently, our production is still based on classic blast furnace technology. From 2030 onwards, we want to produce 3.5 million tonnes, about 70% of our steel, with lower emissions, and by 2045 we want to achieve production that is as CO₂-neutral as possible," says **Dr Karl-Ulrich Köhler, Chairman of the Management Board of SHS - Stahl-Holding Saar and Chairman of the Management Boards of Dillinger and Saarstahl**, explaining the upcoming transformation process.

About Iberdrola

[Iberdrola](#), Europe's largest electricity utility by market capitalization and one of the world's top three electricity companies, is a leader in renewables, spearheading the energy transition to a low carbon economy. The group supplies energy to almost 100 million people in dozens of countries. With a focus on renewable energy, smart networks and smart solutions for customers, Iberdrola's main markets include Europe (Spain, the United Kingdom, Portugal, France, Germany, Italy and Greece), the United States, Brazil, Mexico and Australia. The company is also present in growth markets such as Japan, Taiwan, Ireland, Sweden and Poland, among others.

The company has a workforce of over 40,600 and assets in excess of €154.6 billion. In 2022, Iberdrola posted revenues of nearly €54 billion, net profit of €4.34 billion, with €7.5 billion paid in tax contributions in the countries where it operates. The company helps to support more than 400,000 jobs in communities across its supply chain, and global supplier purchases topped €17.8 billion in 2022. A benchmark in the fight against climate change, Iberdrola has invested more than €130 billion over the past two decades to help build a sustainable energy model, based on sound environmental, social and governance (ESG) principles.

In Germany, Iberdrola has brought all its business activities under the wholly owned subsidiary, Iberdrola Deutschland. The company, headquartered in Berlin, is the largest operator of offshore wind farms in the German Baltic Sea. With its Offshore and Onshore business divisions, Iberdrola Deutschland is active in the planning, construction and operation of offshore and onshore wind farms as well as photovoltaic projects. The company offers its industrial and commercial customers tailor-made solutions for the supply of green energy, from the classic supply of electricity including portfolio management services, to long-term PPA contracts linked to Iberdrola's own renewable energy plants, to PV solutions for on-site self-consumption. Iberdrola Deutschland also provides cross-technology integrated solutions, such as battery storage or green hydrogen production for industrial use.

Contact:

Fabian Fastabend

fabian.fastabend@kreab.com

+49 176 7078 9312

About SHS – Stahl-Holding-Saar GmbH & Co. KGaA

SHS - Stahl-Holding-Saar GmbH & Co. KGaA is an operational management holding which actively assumes tasks for the two major Saarland steel companies Aktien-Gesellschaft der Dillinger Hüttenwerke (Dillinger) and Saarstahl. In this way, the two companies can work more closely together beyond existing cooperations and appear stronger on their markets. They are working together to



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grow, become more flexible and expand their competitiveness on their respective markets. The SHS Group (parent company of Saarstahl) is wholly owned by the private-law industrial foundation Montan-Stiftung-Saar, whose aim is to strengthen and safeguard the two major steel companies on the Saar.

Further information: www.stahl-holding-saar.de

Contact SHS:

Martin Reinicke, Tel.: +49 6898 / 10 2211, E-Mail: martin.reinicke@stahl-holding-saar.de

Juliane Wernet, Tel. 49 6898 / 10 2234, E-Mail: juliane.wernet@stahl-holding-saar.de