

Press release

30 April 2024

Iberdrola Deutschland seals PPA with Salzgitter Flachstahl GmbH: Iberdrola's second solar park in Germany will supply more than 900 GWh of green electricity

- Iberdrola Deutschland and Salzgitter Flachstahl GmbH, a subsidiary of Salzgitter AG, seals a long-term power purchase agreement (PPA) for 15 years
- From 2025, Iberdrola Deutschland will supply a total of more than 900 gigawatt hours (GWh) of green electricity to Salzgitter Flachstahl GmbH
- The green electricity will be used to drive forward the low-CO₂ steel production of the future and the decarbonization of the industry
- Iberdrola Deutschland realizes second large-scale photovoltaic (PV) project in Germany, Saxony-Anhalt

Berlin/Salgitter, 30 April 2024 – Iberdrola Deutschland and Salzgitter Flachstahl GmbH have concluded a further power purchase agreement (PPA) for 15 years. From 2025, Iberdrola Deutschland will supply Salzgitter Flachstahl GmbH with around 60 gigawatt hours (GWh) of green electricity per year. The solar power will come from Iberdrola's second large-scale PV plant in Germany, which will be built in Saxony-Anhalt. Iberdrola Deutschland is thus further expanding its presence in the German onshore business sector.

Iberdrola's second solar park in Germany

The new PV project, which is to be built in Saxony-Anhalt, is already at an advanced stage of development with an expected commissioning date in 2025 and an expected installed capacity of 60 megawatts peak (MWp).

Press release

30 April 2024

Expansion of partnership with Salzgitter through newly signed PPA

Salzgitter and Iberdrola are strengthening their partnership with the new PPA by a further 900 GWh of green electricity. Iberdrola is hereby expanding Salzgitter's supply of renewable energies beyond the 6,500 GWh that will be supplied from the Baltic Eagle offshore wind farm in future.

The aim is to ensure the supply of electricity at competitive and stable prices for large commercial customers who are committed to an environmentally friendly and sustainable energy supply.

“The expansion of our cooperation with Iberdrola is another important component of our energy strategy. With their support, we can secure the demand for electricity generated from renewable sources for Salzgitter AG and in particular for our SALCOS® transformation program. True to our mission 'Partnering for Transformation',” says **Ulrich Grethe, CEO of Salzgitter Flachstahl**. “Establishing sustainable production and process chains is becoming increasingly important for us and our supplier and customer industries. By concluding this new power purchase agreement, we are taking a major step towards climate-neutral production.”

“We are delighted about the cooperation with Salzgitter Flachstahl GmbH. The long-term power purchase agreement (PPA) underlines our commitment to promoting renewable energies and accelerating the energy transition,” emphasizes **Felipe Montero, CEO of Iberdrola Deutschland**. “By entering into strong partnerships with industry leaders such as Salzgitter Flachstahl GmbH, we are taking another important step in our integrated growth strategy, particularly in the onshore business. Through long-term PPAs, we want to realize projects that actively contribute to the green transformation of German industry. At the same time, we are also supporting other key players with market-based solutions to help them achieve their climate targets.”

Strong partnerships for a sustainable transformation of the industry

Iberdrola Deutschland supports companies such as Salzgitter Flachstahl GmbH in their sustainable transformation. Iberdrola is a global leader in supporting the industry's decarbonization. As a pioneer in providing renewable energy solutions to industrial partners, Iberdrola was recently recognized by Pexapark as the leading European energy supplier, both in terms of the number of deals and the volume of energy sold through long-term contracts (PPAs) with industrial customers in Europe: almost 1,000 MW have been signed in 2023.

The Salzgitter Group and its subsidiaries are already partnered with the energy industry and the generation of renewable energy. Ilsenburger Grobblech GmbH (ILG), for example, has been a full-range supplier of heavy plate for the onshore wind energy sector since 1996 and has been increasingly supplying the offshore market since 2010. The Group's other products for wind turbines include HFI longitudinally welded steel tubes, precision steel tubes for the nacelle and large-diameter tubes for the substructures of offshore wind farms.

Press release

30 April 2024

Energy partnerships with leading German companies such as the Salzgitter Group are a central component of Iberdrola's integrated growth strategy in the important German core market. With strong collaborations and long-term power purchase agreements (PPAs), Iberdrola Deutschland is contributing to the green transformation of German industry and supporting the market launch of green hydrogen, among other things. In this area, the company is seeking to collaborate with other key players in the German economy to support them in achieving their climate targets with market-based solutions such as PPAs. This also includes PV solutions and cross-technology integrated solutions such as battery storage.

Iberdrola Deutschland is the largest operator of offshore wind farms in the German Baltic Sea and is engaged in the planning, construction and operation of onshore wind farms and photovoltaic projects. In addition to the Wikinger offshore wind farm, which was connected to the grid in the German Baltic Sea in 2017, two further wind farms, Baltic Eagle and Windanker, will be commissioned in the coming years.

About Salzgitter

Salzgitter Group is one of Germany's leading steel and technology groups.

As a pioneer in the circular economy, we focus on the sustainable innovation and transformation of our products and processes in the business areas of steel production, steel processing, trading and technology.

With our "Salzgitter AG 2030" strategy and the principle of "Pioneering for Circular Solutions", we are setting new standards in the industry. Our aspirations are realized through strong initiatives and programs such as SALCOS® - Salzgitter Low CO₂ Steelmaking. Through partnerships and networks, we are actively driving the further development of a circular economy.

With around 25,000 employees worldwide in 160 national and international subsidiaries and affiliated companies, we are living up to our global claim to growth, profitability and our pioneering position. In the 2023 financial year, we generated external sales of around €11 billion with a crude steel capacity of 7 million tons.

More information is available at: [Mensch, Stahl und Technologie | Salzgitter AG \(salzgitter-ag.com\)](https://www.salzgitter-ag.com)

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Press release

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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 €150 billion over the past two decades to help build a sustainable energy model, based on sound environmental, social and governance (ESG) principles.

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