

Media Release

Vienna, Austria | 19 December 2022

Borealis and VERBUND sign first long-term hydropower PPA to supply Borealis operations in Schwechat, Austria as of January 2023

- **Ten-year power purchase agreement (PPA) to deliver power generated by two VERBUND hydropower plants on the Danube River**
- **Borealis moves ever closer to goal of using renewable energy to power 100% of production in Polyolefins and Hydrocarbons by 2030**
- **Borealis and VERBUND are driving decarbonisation efforts in Austria with their cross-sector partnerships in hydropower and solar energy generation and supply**

Borealis, one of the world's leading providers of advanced and sustainable polyolefin solutions, and a European front-runner in polyolefins recycling; and VERBUND, Austria's leading energy company, announce that they have signed a ten-year power purchase agreement (PPA) to supply hydropower to Borealis operations in Schwechat, Austria, starting in January of 2023. The annual supply of around 220 gigawatt hours (GWh) of electricity from renewable sources is comparable to the amount of energy required to power 50,000 Austrian households for one year. VERBUND will supply power generated from two of its own Austrian hydropower plants on the Danube River, in Aschach and Abwinden-Asten. VERBUND, as one of the largest producers of hydroelectricity in Europe, generates around 97% of its electricity from renewable energy sources, and primarily from hydro.

The long-term agreement comes on the heels of the partners' recently announced joint installation of a photovoltaic facility, also in Schwechat. The new PPA thus moves Borealis even closer to its goal of sourcing 100% renewable electricity for use in production in its major business areas of Polyolefins and Hydrocarbons by 2030. It is also a significant step towards decarbonisation: the renewable electricity generated within the framework of the new PPA will reduce Scope 2 emissions generated by Borealis at its Schwechat site by approximately 75,000 tons/year. As defined by the Greenhouse Gas Protocol, Scope 2 emissions are greenhouse gas (GHG) emissions generated on site using electricity purchased or otherwise acquired, as well as emissions generated by steam, heat, and cooling.

"The ambitious sustainability targets set forth in our Borealis Strategy 2030 are rapidly coming into reach, thanks in great part to our cross-sector partnership with VERBUND," says Thomas Gangl, Borealis CEO. "Thanks to the around 2,200 GWh to be delivered by way of this PPA to our Schwechat operations over the next ten years, we are on track to achieve our 2030 goal of using 100% of electricity from renewable sources. These efforts are core components in our aim to re-invent essentials for sustainable living."

"We are delighted to have entered into this long-term strategic agreement with Borealis. At VERBUND, our aim is to use our renewables know-how and experience to accompany our partners on the decarbonisation journey," says Michael Strugl, VERBUND CEO. "The only way to reach ambitious climate and energy targets is through innovation, close collaboration, and perseverance. Together with our partner Borealis, we are driving the energy transition in Austria and all of Europe."



Photo: VERBUND will supply power generated from two of its own Austrian hydropower plants on the Danube River, in Abwinden-Asten (photo left) and Aschach (photo right), to Borealis operations in Schwechat, Austria.
Photo: © VERBUND

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About Borealis

Borealis is one of the world's leading providers of advanced and sustainable polyolefin solutions and a European front-runner in polyolefins recycling. In Europe, we are a market leader in base chemicals and fertilizers. We leverage our polymer expertise and decades of experience to offer value adding, innovative and circular material solutions for key industries such as consumer products, energy, healthcare, infrastructure and mobility.

In re-inventing essentials for sustainable living, we build on our commitment to safety, our people, innovation and technology, and performance excellence. We are accelerating the transformation to a circular economy of polyolefins and expanding our geographical footprint to better serve our customers around the globe.

With head offices in Vienna, Austria, we employ 6,900 employees and operate in over 120 countries. In 2021, we generated total sales of EUR 12.3 billion and a net profit of EUR 1,396 million. OMV, the Austria-based international oil and gas company, owns 75% of our shares, while the remaining 25% is owned by Abu Dhabi National Oil Company, or ADNOC, based in the United Arab Emirates (UAE). We supply services and products to customers around the globe through Borealis and two important joint ventures: Borouge (with ADNOC, headquartered in the UAE); and Baystar™ (with TotalEnergies, based in the US).
www.borealisgroup.com | www.borealiseverminds.com

Borealis in Austria

The Borealis Group's largest production site is in Linz, Upper Austria. This is where the melamine and plant nutrient production, business support areas and the research and development center (Innovation Headquarters - IHQ), which opened in 2009, are located. The Borealis location in Linz is Europe's second largest manufacturer of high-quality melamine. Borealis employs around 1,300 people at its Linz location, including more than 300 international experts from 30 nations.

At its production location in Schwechat, Austria, Borealis produces polyolefins, plastic raw materials that can be melted and then molded within a certain temperature range. Borealis produces around one million tonnes of polyolefins per year at its Schwechat location, making the site one of the most modern and important plastics production locations in Europe. A total of around 500 employees are employed here in production, health, safety and environment, maintenance, purchasing, finance and controlling, quality control, logistics, IT and HR.

The Borealis Head Office is located in Vienna, Austria, in Central Europe and employs about 230 people from around 30 different nations.

Ecoplast Kunststoffrecycling GmbH, which is located in Wildon, Styria/Austria, processes waste from both domestic and industrial consumers into top quality LDPE and HDPE recyclates. Ecoplast became a member of the Borealis Group in August 2018.
www.ecoplast.com

About VERBUND

VERBUND is Austria's leading energy company and one of the largest producers of hydroelectricity in Europe. The Group generates around 97% of its electricity from renewable energy, primarily from hydropower. VERBUND trades electricity in 12 countries and generated around €874m group result and €1,579m in EBITDA in 2021 with approximately 3,200 employees. With its subsidiaries and partners, VERBUND is active in the generation of electricity, transmission and in international trading and sales. VERBUND has been quoted on the Vienna Stock Exchange since 1988 with 51% of the share capital being held by the Republic of Austria.

VERBUND is the decisive player for the success of the energy transition in Austria. The challenges that lie ahead require a new company spirit, which VERBUND is driving forward with its Mission V. The Mission V is a long-term and comprehensive transformation program and stands for the will to confront the climate crisis as a force for change. This program is based on the VERBUND Strategy 2030 with its three main pillars: Strengthening the integrated home market, expanding renewable energies in Europe and becoming a European hydrogen player. With Mission V, VERBUND is accelerating the achievement of the strategic goals 2030 and ensuring their implementation.

Further information: www.verbund.com