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MEDIA VIDEO CALL - MARIO MEHREN STATEMENT

WINTERSHALL DEA Q2 2022 MEDIA VIDEO CALL

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Good morning, and thank you for joining us on this call.

Extremely tense – that is the situation on the energy market – and, most importantly, regarding the gas supply.

At the “alert level” – or right below the “emergency level” – that’s where Germany’s Minister of Economics has put the country’s Emergency Plan for Gas.

The Russian government’s war of aggression against the people of Ukraine marks a **turning point**.

- For politics globally.
- For energy policy.
- For the energy industry.
- For Wintershall Dea.
- For me personally.

European policymakers are facing a Herculean task.

And I have great respect for how the German government has responded to these challenges so far.

We are facing a serious dilemma.

- As societies, we must confront Russia’s aggression with resolve and courage.
- At the same time, we must continue to safeguard the energy supply for households and businesses.



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Striking a balance in this dilemma is the responsibility of European policymakers. And assisting in these efforts is the responsibility of the energy industry.

During our last Media Call, in April, I spoke about how Wintershall Dea is taking a stance in this crisis and how we are **responding to it in terms of our corporate strategy**:

- We are **strengthening our portfolio outside Russia**.
- We are **investing** in key technologies of the future – namely, in **carbon management and hydrogen**.
- In short: **through diversification and decarbonisation**.

In recent weeks, we have **delivered** on what we stated in April **with concrete actions**.

And that's what I would like to talk about today.

Let's start with the diversification of our production outside Russia.

To strengthen our gas portfolio outside of Russia, we should look first and foremost to those countries with which we already have strong partnerships and where we have functioning infrastructures: **Norway and Algeria**.

That's exactly where Wintershall Dea is investing!

Norway has been the second most important exporter of gas to the EU.

- Wintershall Dea is excellently positioned there.
- Just since the merger in 2019, we have invested 2.8 billion euros in Norway.

We are strategically expanding our activities on the Norwegian shelf.

We are planning three **production launches** there this year: with the start-up of the **Nova, Dvalin and Njord** projects.



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We aim to produce up to **additional 80,000 barrels of oil equivalent** per day – more than a half of which will be **urgently needed gas**.

Together with our partners, we have also made **additional discoveries** in our key focus areas, such as in Storjo or in Hamlet, following our strategy of participating in exploration wells **near existing Wintershall Dea-owned infrastructure**.

As part of our ongoing portfolio optimisation, we have divested our shares in the Brage oil field to OKEA. This will allow us to focus as an operator on developing and managing subsea-tie-backs.

We will continue to **strengthen our energy partnership with Norway**. And this holds true not only for additional gas and oil projects, but also for carbon management projects, in particular CCS – which will further solidify **Norway's status as a hub in the energy transition**.

We have already submitted one of **several planned applications for CO₂ storage** on the Norwegian Continental Shelf.

This should give you a little sample of our **future plans** in Norway alone.

Looking at our commitment in North Africa, I would like to highlight Algeria.

Algeria currently ranks as the third-largest exporter of gas to the EU. And it is also Africa's largest gas producer.

We are investing there, as well!

For example, in the **Reggane Nord** project.

- We want to boost our involvement there – and continue to grow.
- To do so, we are planning to increase our share in the project and have signed respective agreements to buy parts of Edison's stake in the field. We are now securing the necessary approvals by authorities and partners to close the transaction.



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However, we must not only talk about diversification, **we must also again place greater emphasis on domestic production.**

We must wisely and responsibly play the trump cards that we have been holding for a long time: **by producing as much natural gas – as well as oil – as possible right here in Germany.**

We recently commissioned **Civey** to conduct a **survey** on this issue in Schleswig-Holstein, where our Mittelplate field is located.

The result:

- **A clear majority – or 60% – of residents are of the opinion that it is important to continue producing natural gas and oil in Germany.**

If we want to reduce our dependence on imports, production within the EU is a **must**. In terms of our energy-related economic policies, the equation is as simple as that.

Even if some people may find it difficult at first to step out of their comfort zone and accept this consequence of the current crisis:

We need more domestic production again!

Wintershall Dea is therefore analysing **all options to increase the production from our German fields** as quickly as possible.

In addition to diversification of production, the second key strategic issue for us is: **carbon management and hydrogen.**

We already started out on this path well before the Russia crisis.

We set up the necessary team and structures.

We are now reaping the rewards of that work.

And we are stepping up the pace of that work, too.

When Wintershall and Dea merged back in 2019, we positioned ourselves as:



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Europe's leading independent gas and oil company.

That was already our clear commitment back then: gas had top priority, and then oil.

Now we are systematically and resolutely taking this to the next level: By putting a clear focus on decarbonisation and energy transition.

This is a **new strategy for our company.** A strategy that is a logical evolution of what we are, what we can do and what we want.

Our work will focus on the safe **storage of CO₂** and the production of **hydrogen from natural gas**

We see huge market potential here.

By 2040

- up to 20 billion euros per annum for CCS
- and up to 40 billion euros for low-carbon hydrogen.

Wintershall Dea is ideally positioned to succeed in these markets.

We have

- the necessary **natural gas reserves**
- the **technological know-how**
- and **depleted reservoirs** that we can use to store CO₂ – especially in **Northern Europe.**

We are working on a carbon-management and hydrogen business that will be able to reduce CO₂ emissions by **20 to 30 million tonnes** a year by 2040.

- And that's precisely how we will make a major contribution to Europe's energy transition and the goal of **net zero!**

Let's begin with **CCS.**

To achieve greenhouse gas neutrality, we will need safe carbon capture and storage.

- That's the view of the International Energy Agency.



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- And it's supported in Germany by leading think tanks – **including** Agora Energiewende, the Öko-Institut and the Potsdam Institute for Climate Impact Research.

CCS will make it possible for us

- to capture unavoidable CO₂ – for example, from industry – before it enters the atmosphere.
- But also, in the medium to long term, to remove CO₂ from the air – in other words, to achieve negative emissions.

Studies assume that the volume of CO₂ that can be stored under the North Sea alone is 50 times greater than the EU's total emissions in 2020.

However, in order to leverage this potential to protect the climate, some of us will have to leave our ideological comfort zone regarding the issue of CCS.

- As part of the energy transition, a country like Germany must not “barricade itself in” when it comes to the range of available technologies and ignore key potential solutions!

That applies to civil society.

And that applies to policymakers, too.

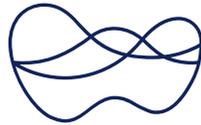
Policymakers must create a reliable framework that will enable companies to deepen their involvement with CCS.

Working together with its partners in the Greensand project in the Danish North Sea, Wintershall Dea is demonstrating how CCS will work in practice and what potential it holds.

We are working at full speed on it. The first offshore CO₂ injection is planned for early next year!!

As part of these efforts, we aim to store up to **8 million tonnes of CO₂** per year under the floor of the North Sea.

The second important pillar in our contribution to decarbonisation is: hydrogen.



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We are doing **pioneering work** with pilot projects – like **BlueHyNow**.

We are analysing the feasibility of this blue hydrogen project in Wilhelmshaven, on Germany's North Sea coast. As an **international energy hub**, Wilhelmshaven already boasts a strong, networked infrastructure. We are taking advantage of this set-up – and strengthening it.

With our BlueHyNow project, we could potentially already start obtaining eco-friendly hydrogen from natural gas as early as 2028.

With a capacity of more than 200,000 cubic metres an hour!

We plan on feeding the hydrogen into the existing pipeline network to supply **industrial customers**.

And we analyse the safe storage of the CO₂ captured during hydrogen production in reservoirs in Norway or Denmark – or even in Germany. Therefore, legislation has to finally support the energy transition and be open towards all potential technologies.

Yes!

Ladies and Gentlemen,

Our future energy supply will require renewables.

Yet they alone will not be enough to ensure the success of the energy transition while at the same time safeguarding the prosperity of our societies.

What we need is:

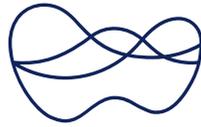
**Natural gas and oil,
plus CCS,
plus natural gas-based hydrogen.**

This formula makes sense in view of our climate goals.

And this formula makes sense for us as a company.

As you can see:

- We are setting ourselves ambitious and forward-looking goals.



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- And we are pursuing them systematically and resolutely:
We **aren't** making empty promises; instead, we are taking **clear and strong steps**.

That is what we at #teamwintershalldea stand for.

Our team play has a lot of important dimensions.

Such as how we interact, how we promote diversity, and how we live our values.

A good example of this is the **Equal-Salary certification** that we were recently awarded.

- We are committed to: **equal pay for equal work**.
- And to equal opportunities – regardless of gender.
- That should be a fact in all companies.

Yet our strong team play is also reflected in

- how we are responding – quickly, resolutely and boldly – to current challenges,
- how we are **strategically realigning ourselves**,
- and how much **progress we have made in recent months in terms of our projects and our strategic setup**.

Today, I'm able to say:

We are on track, when it comes to diversification and decarbonisation.

Before I hand over to Paul Smith to present our second quarter results, I'd like to say one thing in advance: We have achieved solid results for the second quarter, and we will continue to even further strengthen our good financial foundation.

This basis will allow us to continue investing – in diversification and decarbonisation – in order to **stay** on track.

And, with that, I will now hand over to Paul Smith.