

Mainstreaming renewable energy in industry

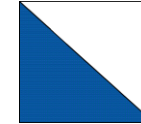
European Energy Forum

7 December 2021

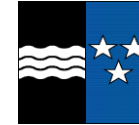
Domenico Franceschino – Head Origination West & East Europe

Axpo Group at a glance – offering strength and stability

- Swiss energy company, publicly owned by nine cantons of Northeastern Switzerland
- 5000 employees
- Produces around one-third of Switzerland's electricity
- Is a leading producer of renewable energies in Switzerland.



Canton
of Zurich



Canton
of Aargau



Canton
of Zug



Canton of
Appenzell
Innerrhoden



Canton of
Appenzell
Ausserrhoden



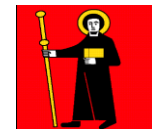
Canton
of St. Gallen



Canton
of Thurgau



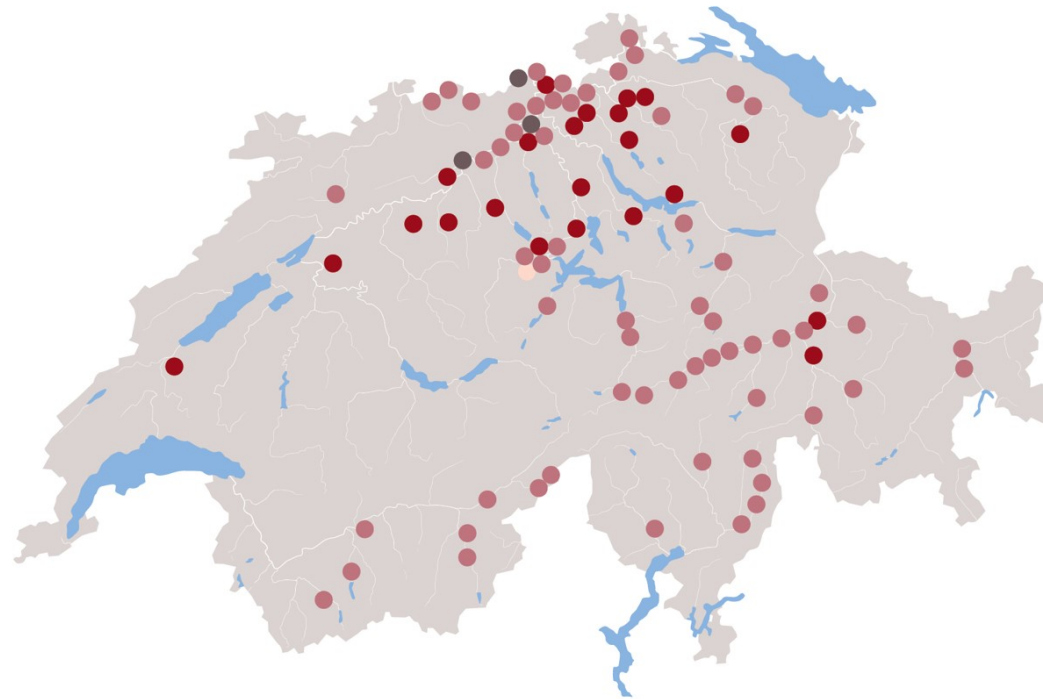
Canton
of Schaffhausen



Canton
of Glarus

Axpo power plants in Switzerland

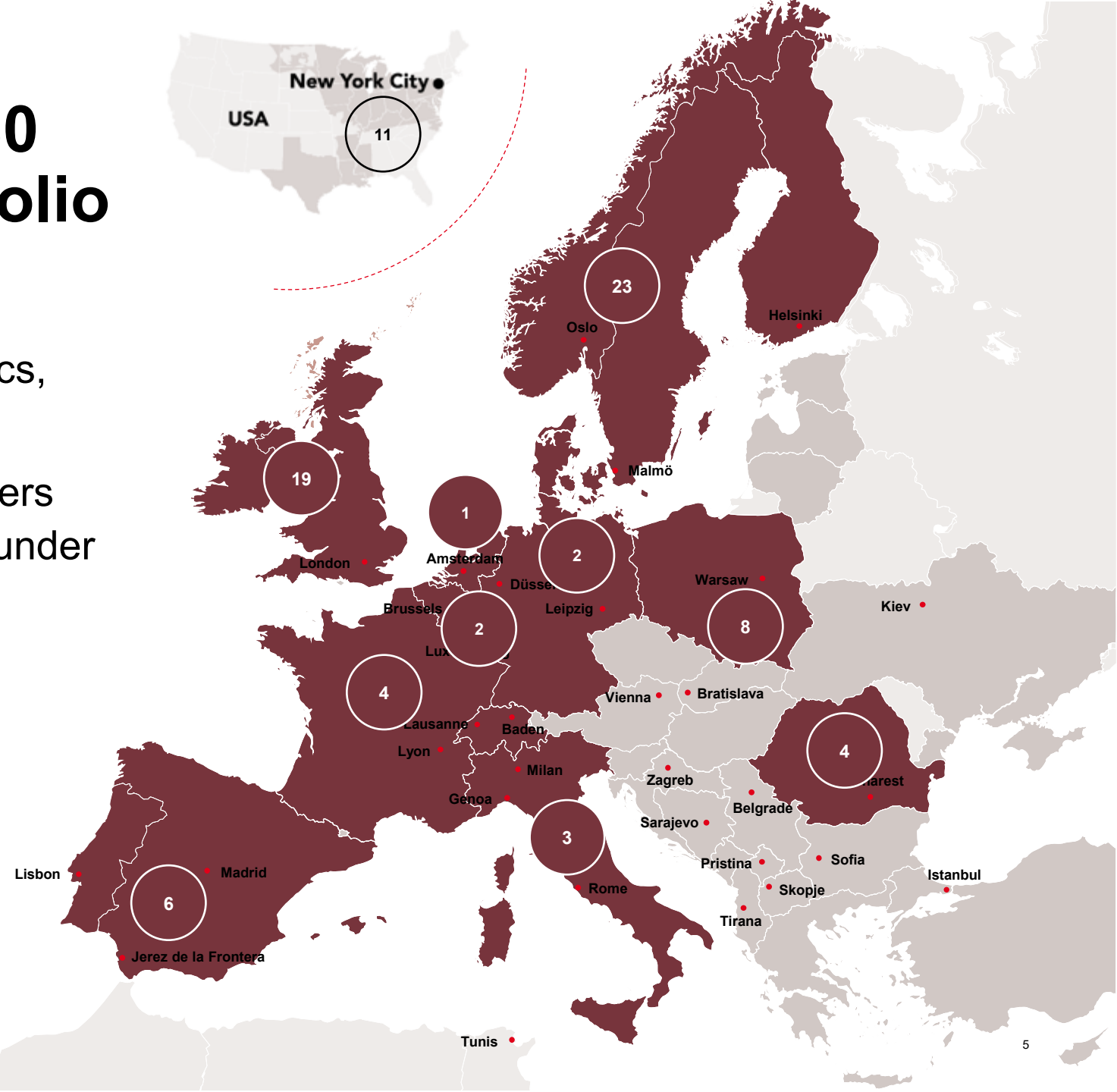
4378
MW



- Hydro power plants (incl. small-scale hydro power plants)
- Nuclear power plants
- Biomass, wood chip, photovoltaic power plants
- Wind power plants

Axpo already has over 80 TWh of PPAs in its portfolio

- Axpo manages wind energy, photovoltaics, biomass and hydro power.
- Axpo markets a large portfolio of producers of renewable energy, with over 80 TWh under contract.



■ Long-term power purchase agreements and short-term market access / portfolio management

Ⓢ TWh contracted energy

Renewable corporate PPAs - why they can be the link between the renewable power industry and large industrial energy consumers, like the chemical industry



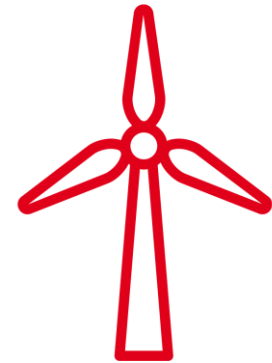
Decarbonisation:
efficient and affordable
way for companies to
progress towards carbon
reduction goals



Fix power costs which
reduces risks of market
volatility contributing to
certainty of future costs



Reduce market and
operational risks for
corporate/industrial



Recognition for renewable
electricity use shows
social awareness which
improves brand image

Challenges and Risks allocation

Renewable plant



Offtaker



Operational risk

Liquidity risk

Credit risk

Cannibalization

Profile risk

Volume risk

Price risk


Regulatory risk

Case study - Borealis, Belgium

Corporate PPA between Axpo & Borealis

- Axpo will deliver physical electricity to Borealis
- **Volume:** around 100GWh/year, both electricity & GoO's
- **Source Renewable Power:** onshore windmills in Belgium (Wallonia) within the portfolio of Axpo
- **Period:** 2022 – 2030
- **Advantage Industrial consumer (Borealis):** this deal enables guaranteed green energy from a local source, which allows Borealis to reach their corporate target of acquiring at least 50% of its electricity consumption from renewable sources
(<https://www.borealisgroup.com/news/borealis-signs-wind-farm-power-purchase-agreement-with-axpo-continuing-to-significantly-boost-share-of-renewable-energy-used-in-its-belgian-operations>)
- **Advantage Axpo:** improves diversification risk profile of its renewable portfolio



a  **po**