

Joint Press release

Siemens Energy Ltd and SSE Thermal

UK, Wednesday, 21 October 2020

Keadby 2 Power Station to contribute over £1bn to UK economy

- ‘Powering Progress’ report from SSE Thermal and Siemens Energy highlights the socio-economic impacts of the UK’s newest and most efficient power station

SSE Thermal’s Keadby 2 Power Station in North Lincolnshire, which is currently being constructed by Siemens Energy, will contribute over £1bn to the UK economy over its lifetime, according to a new report released today.

The ‘Powering Progress’ report highlights the socio-economic impacts of Keadby 2 at a local, regional and national level, based on analysis from BiGGAR Economics. Once completed in 2022, the 893MW¹ Keadby 2 is expected to be the cleanest and most efficient gas-fired power station in Europe, helping the UK to move away from older, more carbon intensive generation in the decades ahead.

The new report shows that £51m is expected to be contributed to the local² economy during the development and construction phase, with 790 years of employment supported. Over the station’s operational lifetime³, it is estimated that £13m will be added to the local economy each year, with a total of 220 jobs supported on an annual basis.

Taking in the wider regional economy - within Yorkshire, the Humber and the East Midlands – the figure rises to £76m, with 1,170 years of employment supported during development and construction. Throughout the operational

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¹ Keadby 2 will have a Transmission Entry Capacity of 893MW – the maximum amount of power it will be able to put on the system at any one time. The turbine, manufactured by Siemens Energy Ltd., is guaranteed to provide a minimum of 830MW power.

² Local area is defined as Doncaster, East Riding of Yorkshire, Kingston upon Hull, Lincolnshire, North East Lincolnshire, North Lincolnshire and Nottinghamshire.

³ Up to the end of financial year 2046.

phase, an estimated £17m will be added to the regional economy annually, with a total of 290 jobs supported every year.

At a national level, the analysis by BiGGAR Economics shows that a total of £175m will be contributed to the UK economy during development and construction, with 2,900 years of employment supported. Once operational, the station is expected to add £36m to the national economy each year, with 550 jobs supported across the country on an annual basis. This means that over Keadby 2's lifetime, a total of over £1bn is expected to be added to the UK economy.

In addition to the station's economic contribution, the Powering Progress report also highlights local community engagement activities, including donations of £20,000 to local charities and support for Keadby with Althorpe Primary School's Greenpower Project. You can view the report in full at ssethermal.com/keadby2 and siemens-energy.com/keadby2

Steve Scrimshaw, Vice President of Siemens Energy (UK and Ireland), said:

“From the outset this project was about partnership. Partnering world-leading technology with local value add and working with SSE Thermal to deliver a project that made a lasting contribution to society.

“As one of the largest infrastructure projects in the North Lincolnshire region it was important to us that people and companies across the region were able to benefit from its construction. Through important sessions such as Meet the Buyer, we have been able to identify key local suppliers, who have provided vital services on site.”

Stephen Wheeler, Managing Director of SSE Thermal, said:

“We're very proud of the positive contribution Keadby 2 is making, particularly in the local area, and we want to ensure the project continues to deliver benefits that endure long into the future. As responsible developers, it's important the impact of our investment is felt within our neighbouring communities, from creating jobs and supporting the local supply chain, to engagement programmes with local organisations.

“As we look to build back better in the years ahead, it’s crucial that we’re delivering the energy and essential infrastructure we need in a way that stimulates local economies and supports high-quality jobs across our industrial regions.”

Building on its investment in Keadby 2, SSE Thermal is now in the early stages of developing Keadby 3, which could become the UK’s first gas-fired power station equipped with carbon capture and storage technology by the mid-2020s. The company is part of the Zero Carbon Humber partnership, which is aiming to deliver carbon capture and hydrogen infrastructure to turn the Humber into the world’s first ‘net-zero cluster’ by 2040.

This press release is available at <https://bit.ly/31rVnp3>

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Siemens Energy is one of the world’s leading energy technology companies. The company works with its customers and partners on energy systems for the future, thus supporting the transition to a more sustainable world. With its portfolio of products, solutions and services, Siemens Energy covers almost the entire energy value chain – from power generation and transmission to storage. The portfolio includes conventional and renewable energy technology, such as gas and steam turbines, hybrid power plants operated with hydrogen, and power generators and transformers. More than 50 percent of the portfolio has already been decarbonized. A majority stake in the listed company Siemens Gamesa Renewable Energy (SGRE) makes Siemens Energy a global market leader for renewable energies. An estimated one-sixth of the electricity generated worldwide is based on technologies from Siemens Energy. Siemens Energy employs 91,000 people worldwide in more than 90 countries and generated revenue of around €29 billion in fiscal year 2019. www.siemens-energy.com.

About SSE Thermal SSE Thermal, part of the FTSE-listed SSE plc, is a leading developer, owner and operator of electricity generation and energy storage assets. Its portfolio includes five of the most flexible and efficient gas-fired power stations across the UK and Ireland. SSE Thermal’s vision is to become the leading provider of flexible thermal energy in a net-zero world. As part of this ambition, it has a core focus on further decarbonising its energy generation through emerging carbon capture and hydrogen solutions. Following its investment at Keadby 2, the company is in the early stages of developing Keadby 3, which could become the UK’s first power station equipped with carbon capture and storage technology by the mid-2020s. Across the Group, SSE employs 12,000 people directly across the UK and Ireland and is proud to be a real Living Wage and Fair Tax Mark accredited company. For more, visit www.ssethermal.com.

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