

## Media Release: Allianz invests in first ever German-British energy link NeuConnect

- **The EUR 2.8 billion NeuConnect project, which will create a vital new energy link between two of Europe's largest energy markets, reached financial close today**
- **Work on the new interconnector, which will link Germany's and the UK's power grids for the first time, is to begin later this year**
- **NeuConnect could deliver a net reduction in carbon emissions of over 13 Mt of CO<sub>2</sub> over 25 years and power up to 1.5 million households**

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Munich, July 21, 2022

NeuConnect, led by Allianz Capital Partners on behalf of the Allianz insurance companies in a consortium with Meridiam and Kansai Electric Power, today reached financial close with a consortium of international banks and financial institutions for the EUR 2.8 billion (GBP 2.4 billion) project. NeuConnect is a privately-financed interconnector, which will connect Germany's and the UK's energy power grids for the first time.

With today's financial close and a series of major contracts recently awarded, NeuConnect will begin early works on the project later this year on what will become one of the world's largest interconnector projects at 725km in length. NeuConnect will be operational by 2028, helping to deliver:

- **Energy resilience and security of supply:** NeuConnect will build an "invisible energy highway" with subsea cables that will allow up to 1.4 GW of electricity to flow in either direction between Germany and the UK, enough to power up to 1.5 million homes over the life of the project. It will help to deliver a more secure and resilient energy supply.
- **A significant reduction in CO<sub>2</sub> supporting net zero goals:** by integrating renewable energy sources in Germany and the UK, independent analysis\* shows that the project could deliver a net reduction in carbon emissions of over 13MtCO<sub>2</sub> over 25 years.
- **The largest single German-British infrastructure project** and an important symbolic link: Along with creating an important new piece of energy infrastructure, NeuConnect will represent an important symbolic link between the British and German economies.

The NeuConnect interconnector will see two new substations built in the region around Wilhelmshaven in Lower Saxonia and on the Isle of Grain in Kent, England. Works will start on site in Germany and the UK later this year, with major construction to lay subsea cables and build substations starting in 2023.

**Christoph Holzer, Managing Director at Allianz Capital Partners, said:**

"In view of the continued strong expansion of renewable energies in the future and the associated need to strengthen the grid infrastructure, NeuConnect is making a very significant contribution to the success of the energy transition. As one of the world's largest infrastructure investors, we are particularly delighted to have helped develop the project from the outset on behalf of our insurance customers and now, after four years, to bring it to a successful implementation. As a sustainable project that once again underlines the cohesion in Europe regardless of its borders, it will contribute to securing the future energy supply of millions of people with renewable energies."

**Julia Prescott, Chair of NeuConnect's board of directors and a partner at Meridiam, said:**

"NeuConnect will create a vital new energy link at a time when sustainable, resilient connections across Europe have never been more important. Delivering innovative, highly complex projects is in our DNA at Meridiam, so as NeuConnect's lead investor, we are proud to reach Financial Close on one of the world's largest interconnector projects - a significant milestone that brings the first direct energy link between the UK and Germany an important step closer."

**Mikio Matsumura, Senior Executive Vice President of Kansai Electric Power Co, said:**

"NeuConnect is an iconic project that will significantly contribute to the de-carbonization of electric power while ensuring security of supply. We are pleased to be working with such strong partners and are committed to supporting the project with our own technological expertise cultivated over a long history as a major power utility in Japan. As an organization, Kansai has set clear and proactive goals, such as those detailed in our 'Zero Carbon 2050' strategy and our 'Medium-term Management Plan', in order to help lead the global shift toward clean energy and a zero-carbon society. For us, the NeuConnect project represents an invaluable part of this long-term commitment."

NeuConnect Britain Ltd was first established in 2018 and in just four years, has progressed from a newly set-up company to reaching Financial Close on one of the world's largest interconnector projects.

\*<https://www.ofgem.gov.uk/sites/default/files/2022-06/NeuConnect%20response%20Appendix%20B1%20to%20NeuConnect%20FPA1656513741506.pdf>

### Notes to Editors:

For more information about the NeuConnect project, visit [www.neuconnect-interconnector.com](http://www.neuconnect-interconnector.com)

A summary of NeuConnect's key milestones can be found [here](#).

### For further information please contact:

Pia Gröger

Tel. +49 89 1220 8267

E-Mail:

[pia.groeger@allianzcapitalpartners.com](mailto:pia.groeger@allianzcapitalpartners.com)

### About Allianz Capital Partners

Allianz Capital Partners is one of the Allianz Group's asset managers for alternative equity investments and part of Allianz Global Investors. Allianz Capital Partners manages over 52 billion euros in alternative assets for the Allianz Group and third-party investors\*. Our investment focus is on private equity, infrastructure and renewable energy. Our investment strategy aims to generate attractive, long-term and stable returns for our clients.

\*Data as at March 30, 2022

### About Allianz

The Allianz Group is one of the world's leading insurers and asset managers with more than 126 million\* private and corporate customers in more than 70 countries. Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life and health insurance to assistance services to credit insurance and global business insurance. Allianz is one of the world's largest investors, managing around 809 billion euros on behalf of its insurance customers. Furthermore, our asset managers PIMCO and Allianz Global Investors manage 2.0 trillion euros of third-party assets. Thanks to our systematic integration of ecological and social criteria in our business processes and investment decisions, we are among the leaders in the insurance industry in the Dow Jones Sustainability Index. In 2021, over 155,000 employees achieved total revenues of 148.5 billion euros and an operating profit of 13.4 billion euros for the group.

These assessments are, as always, subject to the disclaimer provided below.

\* Including non-consolidated entities with Allianz customers.

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