

# Media Release: Allianz to invest in Finnish green hydrogen and power-to-gas developer Ren-Gas

- **Allianz provides EUR 25 million funding for the Finnish green hydrogen and power-to-gas developer Nordic Ren-Gas Oy (“Ren-Gas”)**
- **Allianz will become a minority shareholder of the Company and will be entitled to invest in Ren-Gas future green power-to-gas projects in Finland**
- **Ren-Gas’ ambition is to develop and build a series of green power-to-gas projects delivering 2.5 TWh (250 million diesel liter equivalent) of renewable gas fuels resulting in expected CO<sub>2</sub> emission reduction of over 1 million tonnes per year**

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Munich, December 8, 2022

Allianz Capital Partners, on behalf of Allianz insurance companies (“Allianz”), has signed an agreement to acquire a minority stake in the Finnish project developer Ren-Gas. Ren-Gas is the leading Nordic green hydrogen and power-to-gas project developer based in Finland. The company was established in 2021 by a team with strong sector experience and execution track record, with the goal to develop a decentralized power-to-gas portfolio – first in Finland with the potential to be expanded wider in Europe. Allianz will provide funding of EUR 25 million to Ren-Gas to support the Company’s project portfolio towards execution and to accelerate the business of the Company. Allianz will become a minority shareholder in Ren-Gas with a pre-agreed framework to invest in the Ren-Gas portfolio of projects.

The main product of Ren-Gas’ plants is renewable synthetic methane, which is made from green hydrogen and captured carbon dioxide. Ren-Gas will produce green hydrogen using renewable energy from local wind farms for the electrolysis. Via subsequent methanation the green hydrogen is then combined with captured biogenic CO<sub>2</sub> from district heating plants utilizing mostly renewable fuels, while simultaneously excess process heat is provided back to the district heating network. As synthetic renewable methane’s chemical composition is similar with biomethane or natural gas it can be used as fuel by heavy-duty trucks, ships and for other industrial purposes. Overall, the process is generating renewable methane from water, wind electricity and captured CO<sub>2</sub>.

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The company's key strength lies in their approach to develop green power-to-gas plants in connection with existing power plants and district heating systems and thus effectively utilizing the value of sector coupling. Ren-Gas has already established a strong position in the fast-developing green hydrogen market with five industrial size projects under development together with local Finnish energy utilities. This sector integration approach will help to contribute to stronger energy security, competitive renewable gas and heat prices, together with significant emission reductions in the heavy road transportation sector and in the heating sector.

"We consider this a significant milestone in our commitment to invest in projects that help drive the energy transition. Ren-Gas is our second direct infrastructure investment in Finland and our first direct investment into green hydrogen underscoring Allianz's effort to support the decarbonization process through tangible infrastructure projects. We appreciate Ren-Gas' innovative approach to develop green power-to-gas plants in connection with existing power plants and district heating systems and thus effectively utilizing the value of sector coupling", says Michael Pfennig, Co-Head of Infrastructure at Allianz Capital Partners.

"Allianz has been invested in Finland since 2016 through its participation in electricity distribution company Elenia and several wind farms. We see great potential in Ren-Gas and consider it an excellent opportunity to create green solutions for the transport and energy sector in Finland and beyond. The Ren-Gas team has impressed us with regards to sector knowledge, operational experience, and commitment and managed to build a strong as well as tangible pipeline of energy transition projects which we are excited to support in the future", says Igor Lukin, Senior Portfolio Manager at Allianz Capital Partners.

"Ren-Gas has focused on an analytical, transparent, and value-based approach in development of its business with utility partners and other stakeholders. This approach has enabled Ren-Gas to create a portfolio of well-structured, financeable hydrogen and power-to-gas projects. We are extremely happy that Allianz, as one of the world's leading insurers and asset managers, recognizes the value of Ren-Gas approach to project development and becomes our partner to support the development of our hydrogen projects to execution. I am convinced that as our partner Allianz will provide a strong basis for us to develop and finance our projects and move our unique team forward", comments Saara Kujala, CEO of Nordic Ren-Gas Oy.

### For further information please contact:

Pia Gröger                      Tel. +49 89 1220 8267                      E-Mail: [pia.groeger@allianzcapitalpartners.com](mailto:pia.groeger@allianzcapitalpartners.com)

Matti Rautkivi                      Tel. +358 40 480 3743                      E-Mail: [matti.rautkivi@ren-gas.com](mailto:matti.rautkivi@ren-gas.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 59 billion euros in alternative assets for the Allianz

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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.

### 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 706 billion euros\*\* on behalf of its insurance customers. Furthermore, our asset managers PIMCO and Allianz Global Investors manage 1.7 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.

\*\* As of September 30, 2022

### Nordic Ren-Gas Oy

Nordic Ren-Gas Oy is a Finnish power-to-gas developer accelerating the cost-effective decarbonisation of the traffic and energy sector by developing a sector coupled clean power-to-gas production network in Finland. By 2030, the renewable fuels produced by Ren-Gas will cut the use of fossil-based diesel fuel in the heavy-duty traffic by some 250 million litres a year, which represents approximately a fifth of the fuel consumption of heavy-duty traffic. The renewable power-to-gas fuel will reduce carbon dioxide emission in the transport and energy sectors by more than a million tonnes per annum. Ren-Gas's energy source for its power-to-gas fuels is new Finnish wind power.

### Cautionary note regarding forward-looking statements

This document includes forward-looking statements, such as prospects or expectations, that are based on management's current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements.

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