



Executive Perspectives

As the world grapples with the wide-ranging economic and social impacts of COVID-19, our CEO, Juergen Wollschlaeger, shares an update on how the refinery has responded to the pandemic and how we are working to help our stakeholders in the region.

COVID-19: Our response and how we are looking to help those around us

COVID-19 Update

I would first like to extend my best wishes to all at this uncertain time.

Typically, I would use this platform to discuss aspects of the ever-changing hydrogen economy and provide updates on our Reallabor Westküste 100 and KEROSyN100 projects. Whilst these two projects are progressing well, I felt it more appropriate to provide an update on how our business is responding to the COVID-19 pandemic and how we are looking to support our employees and wider region during this time.

Our management team is closely monitoring current developments and we have established a steering team who are assessing the COVID-19 situation both locally and nationally and on a daily basis, so that necessary measures can be implemented.

Given our role in the provision of fuel for mobility and heating, we are a key part of Schleswig-Holstein's critical infrastructure. As such, we have a responsibility to, wherever possible, avoid any disruption to our operations. That being said, the health and safety of our employees, our families and people across our communities remains of paramount importance.

With this in mind, we've taken a number of steps to ensure that the appropriate measures are in place to see us through these challenging times. We're minimising the number of employees at our site, limiting the number of external visitors to zero. We're modifying working hours and shift models for on-site staff; providing clear instruction on hand washing, with additional disinfection dispensers installed across our site; and intensified cleaning routines in all working areas. Additionally, we have transitioned many of our employees to home working, with as many meetings as possible now taking place via video or conference call.

New uses for our ethanol

Amid the current situation, the refinery has also been exploring how we can support the wider community. Disinfectant production facilities are running at full capacity, which has created a severe shortage of key ingredients such as ethanol. To address this challenge, we have over the past few weeks put plans in place that will see the refinery redirect the delivery of its own ethanol to disinfectant producers.

We have already received a great deal of interest from companies including one of the largest drug stores in Germany who is keen to use our ethanol for this crucial cause. I am very grateful to our partner and customer, Hoyer Unternehmensgruppe for assisting with the introductions to these potential new distribution channels.

By supplying our ethanol to production facilities we are hoping to support other vital areas of the supply chain – such as our trucking partner, Johannes Martens who normally deliver our jet fuel to Hamburg Airport – at a time when demand for traditional fuels for gas stations and jet fuel for airports has fallen. This sort of coordinated and inclusive action from businesses will be vital in the ensuing months and I am proud of the efforts our refinery has made in recent weeks.

Whilst there has been a few obstacles in enabling this adjustment – such as in areas of customs and tax – it's pleasing to see that the German authorities are tentatively loosening regulations in cases where ethanol is being purchased for the (interim) production of disinfectants.

However, whilst the regulations on the purchase of untaxed ethanol for pharmacies, health clinics and the like have been loosened, the same has not yet happened for the supply of ethanol to drug stores directly. If this were to change it would have the potential to help deliver much more disinfectant directly to German households. We'll be keeping a close eye on how this regulatory situation develops in the coming weeks and hopefully there will be the opportunity for us to contribute even more.

Finally, I would like to extend a further thanks to our technicians who have been working incredibly hard to ensure that the transfer of our ethanol to local producers takes place in a safe and environmentally sound manner. As a result of all their hard work, we were able to deliver our first consignment of ethanol on Friday 3 April.

Our immediate next steps will involve finding a distributor who can deliver ethanol in smaller quantities. The refinery has a great deal of ethanol to be utilised and we are keen to ensure that as much as possible reaches businesses both large and small to help tackle this pandemic.

I look forward to providing you with a further update in due course.



About Raffinerie Heide

Raffinerie Heide GmbH is part of the Klesch Group and is one of the largest employers in Dithmarschen, Schleswig-Holstein, with around 560 employees and 40 trainees. The company has an annual processing capacity of 4.5 million tonnes of crude oil, equal to the oil demands of the entire state of Schleswig-Holstein. The refinery with a medium-sized ethos, which was founded in 2010, produces traditional petroleum products such as petrol, diesel and aviation fuel. It also produces light heating oil and base materials for the chemicals industry. Raffinerie Heide, which is one of the most complex refineries in Europe, is among the best in the continent in terms of utilisation and availability thanks to its strict standards of care in relation to maintenance.