Annual General Meeting »
Speech by Georg Stamatelopoulos

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[Slide 1: Intro]

EnBW shareholders,
Ladies and Gentlemen,

Welcome on behalf of the entire EnBW Board of Management team to this year's Annual General Meeting.

We are very pleased to be able to look back with you on a successful 2024. The film just now has already shown various milestones:

[Slide 2: Stable course despite challenges]

EnBW remains on a stable course – but the transformation of the energy system is still underway. It involves challenges, and there is also some need for corrections. This is shown not least by a study that we, as EnBW, presented a few weeks ago with Aurora Energy Research and Consentec. According to that study, if we make adjustments in the right places, Germany can achieve its 2045 net zero target much more cost-effectively. It shows potential savings for the German energy system of up to 700 billion euros by 2045. At EnBW, we are working to ensure that affordability, the climate and security of supply are given equal weight at all levels of the value chain. We are already contributing significantly here as a company and will continue to do so in the future.

[Slide 3: Good business performance in 2024 thanks to integrated portfolio]

Thanks to our integrated portfolio, we keep all three aspects in focus – affordability, the climate and security of supply – as well as the energy system as a whole. We understand all elements of the value chain and are involved in almost every facet of the energy industry. This enables us to react flexibly to market changes and external challenges.

It is this broad portfolio that makes us successful. In the 2024 financial year, we generated an operating result of 4.9 billion euros. This is a robust result that enables us to continue our investment program. It is down to the hard work of the EnBW team. For this, I would like to express my sincere thanks to my colleagues. In Karlsruhe, Stuttgart, Biberach, Hamburg and our other sites nationally and internationally, they all contribute to EnBW's continued success. This is not to say that the challenges are getting any easier. That's why we continue to need the passion, energy and, not least, the expertise of our workforce.

Ladies and Gentlemen, we will be investing at least 40 billion euros by 2030, and most of this investment is already decided. However, additional investment needs are also emerging that could increase the total to around 50 billion euros. Our investment mainly relates to the expansion of the transmission and distribution grids, the construction of new wind and solar

farms, hydrogen-ready gas-fired power plants, the planned hydrogen core network and the further expansion of electric mobility. The resulting above-average need for capital cannot be covered by operating earnings, partnerships or borrowing alone. We are therefore considering a capital increase, and have already held various discussions in this regard. Today's Annual General Meeting will therefore be voting on a proposal for authorized capital. The authorized capital makes it possible for us to increase the capital base in a flexible and timely manner, taking into account the prevailing capital market situation.

[Slide 4: Good Group operating earnings in line with expectations]

First, however, I am pleased to present the main financial results. The earnings trend we predicted for 2024 has been confirmed. With adjusted EBITDA of 4.9 billion euros, compared to 6.4 billion euros in the previous year, our Group operating earnings are in the middle of the forecast range of 4.6 to 5.2 billion euros, which is fully in line with our expectations.

As expected, our Group operating earnings also reflect the normalization of wholesale electricity and gas prices from the exceptionally high levels seen in 2022 and 2023.

In line with adjusted EBITDA, the adjusted Group net profit attributable to the shareholders of EnBW AG amounted to 1.5 billion euros in the past financial year, compared to 2.8 billion euros in the previous year.

[Slide 5: Sustainable Generation Infrastructure: Renewable Energies]

Let's take a look at the individual segments, starting with our generation infrastructure.

2024 was a good year for renewable energy, even though there was neither particularly much wind nor particularly much sun. Nationally, the renewables share of electricity consumption was exceptionally high at around 55%. EnBW has also increased its share of renewables. We added almost 300 megawatts of renewable energy last year. We now have a total of 6.6 gigawatts of renewable capacity in our portfolio – more than our conventional generation. 59 percent renewables is a real milestone for us, and we achieved it a year earlier than planned.

We have many new projects under construction. Since last May, we have been building Germany's largest offshore wind farm to date – He Dreiht – without government subsidies. More than half of the electricity to be generated is already secured under long-term power purchase agreements. With an installed capacity of 960 megawatts, He Dreiht will theoretically provide enough electricity for 1.1 million households. And as our fifth offshore wind farm, it will almost double our offshore wind portfolio. It uses a new generation of wind turbines. A single turn of a He Dreiht rotor can theoretically supply four households with electricity for a whole day. This is just a hypothetical calculation, but it shows the technological progress we have seen in offshore wind in recent years.

And it makes us optimistic about future projects. Last year, we won the tender for a new site in the North Sea. This is the site of the Dreekant offshore wind farm to be built by 2031. Our team is currently working on the approval documents and we expect a decision in 2027.

Another large project in southern Germany has already been approved. Last year, we held the groundbreaking ceremony for Baden-Württemberg's largest solar park in Langenenslingen. We are building it without government subsidies. If you are a developer of renewable energy projects, you will be no stranger to oppositional debate. Langenenslingen

was different. The local council and residents were behind the project from early on. That gives us further grounds for optimism. Langenenslingen shows that we can implement major energy projects in Baden-Württemberg.

He Dreiht, Dreekant and Langenenslingen are just three prominent examples. We currently have 1.7 gigawatts of renewable energy under construction. Our project pipeline is full.

[Slide 6: Sustainable Generation Infrastructure: Thermal Generation & Trading]

Let's now turn to conventional generation and trading.

Our coal-fired power plants made an important contribution to the energy supply in 2024. However, their generation volume fell compared to the previous year, and this trend is set to continue. Coal plant operating hours will continue to decline with the ongoing growth of renewables. We will also see further market-driven retirements – just as we did last year, when we transferred Unit 7 of our Rhinehafen steam power plant in Karlsruhe to the grid reserve. This remains available in the event of a shortfall, but is no longer regularly active in the market. So EnBW continues to follow its clear decarbonization pathway.

This also means that we need flexible, dispatchable capacity – not tomorrow, but today. Specifically, it means we need to build gas-fired power plants. There are currently three gigawatts under construction nationwide. Half of this is being built by EnBW. We have already completed construction at Stuttgart-Münster, where our gas-fired power plant went into operation just a few weeks ago. And Stuttgart-Münster only marks the beginning for our fuel switch power plants. Two further sites – Altbach/Deizisau and Heilbronn – are scheduled to follow in late 2026/early 2027. Stuttgart, the state capital of Baden-Württemberg, will be one of the first major cities in Germany to be coal-free by 2026[1], and we are paving the way for decarbonization of the Stuttgart-Heilbronn region from 2027.

Ladies and Gentlemen, we need natural gas for the transition; gas has low carbon emissions and is easier to decarbonize. We therefore further diversified our LNG supply chains last year. At the same time, we are preparing for the switch to green gases. EnBW has taken the precaution of reserving capacity at the Stade LNG terminal in Lower Saxony. This is being built to be ammonia-ready. In the form of ammonia, large quantities of hydrogen can be transported relatively easily. So the terminal in Stade can help us meet future demand for hydrogen.

[Slide 7: System Critical Infrastructure: Grids]

Let's move on now to our grids.

TransnetBW celebrated two major construction successes last year. The southernmost section of the ULTRANET project has been partially completed and the converter station in Philippsburg is already in operation. This is an important milestone for TransnetBW, as the converter is already stabilizing the electricity grid, and it is the first of its kind in Germany. In September, we were also able to finally celebrate the start of construction on SuedLink. After many years of planning, major progress is now being made here to connect Baden-Württemberg with windy northern Germany from 2028.

[1] Gas/coal in parallel until 03/26

Substantial expansion work is also needed at the level of the distribution grid. Our subsidiary Netze BW connected numerous renewable energy systems to the grid last year. More than 64,000 applications were received for photovoltaic systems alone. On top of these come nearly 2,000 battery storage units. More and more people are converting their homes to renewable energy. And more and more people have digital electricity meters in their basements. Last year, Netze BW installed the 100,000th smart meter. The roll-out has now passed the 140,000 mark.

To involve local authorities in the grid expansion, we first launched the "EnBW vernetzt" investment model five years ago. Due to the positive response, we presented a second round last year. I am pleased to announce that, as of today, around 220 local authorities have opted for a partnership with EnBW and will be investing with us. This, Ladies and Gentlemen, is factual proof of local authorities' longstanding and profound trust in EnBW.

There is also progress to report in terms of the gas grid. We had the groundbreaking ceremony for SEL, the South German Natural Gas Pipeline. Despite the name, this pipeline is one hundred percent hydrogen-ready. The first section, from Heilbronn to Löchgau, has been in operation since December. From the early 2030s, SEL will be part of the hydrogen core network and supply consumption centers in Baden-Württemberg with hydrogen.

We are also involved in the hydrogen core network in central Germany. VNG subsidiary ONTRAS is going to develop hydrogen pipelines in central Germany. To be clear, no other European country is as far advanced in developing its hydrogen infrastructure as Germany, although we do still need clarity on financing issues and further development steps.

[Slide 8: Infrastructure for Customers]

Let us now turn to infrastructure for our customers.

We reached a new milestone in 2024: 6,000 EnBW fast charging points in Germany. In the EnBW Hypernetz, our customers also have access to more than 800,000 charging points in 17 countries. The infrastructure for electromobility is in place. Recently, however, the number of electric vehicles on German roads has been growing more slowly. We are monitoring developments very closely and adjusting our goals accordingly. However, we continue to expect electric vehicle numbers to grow significantly in the long term. Looking ahead, therefore, we want to maintain and where appropriate extend our good market position in this segment.

Energy prices were a big issue last year and will be for some time to come. I am pleased to report that we have recently been able to pass on modest reductions in retail electricity prices to customers. Gas prices have also remained stable over the winter heating period. This is not a given. In the case of electricity, EnBW directly controls less than half of the price components. The affordability of energy will decide in the future whether the energy transition loses public acceptance or people support the climate-friendly transformation of the energy system. This is why, where possible, we pass on price reductions directly to our customers. In general, however, we must succeed in making the transformation of the energy system as cost-effective as possible. If we fail to do this, energy prices will rise further.

[Slide 8: HEMS]

Digitalization and AI are revolutionizing the energy world for tomorrow, and we are currently working hard to make the possibilities created by new technologies available to our customers. Among other things, our "connected energy world" includes the new dynamic tariff we have offered since last year. With the roll-out of smart meters, demand for these kinds of tariff models is increasing. This also includes our Home Energy Management System, or HEMS, which we plan to launch on the market in the course of this year. As part of our Connected Energy World, we are planning an all-round package for customers that goes beyond individual products, bringing the personal energy transition directly to people's homes.

[Slide 9: High level of investment in the transformation of the energy system]

Now that I have given you a full round-up of our current projects, let's move on to our investment spending in the 2024 financial year.

Our gross investment totaled some 6.2 billion euros last year, marking a significant year-on-year increase of around 27%. This shows that we are currently in a phase of high and increasing investment. In the media, I therefore like to characterize EnBW as an "investment machine." There is no better way of saying it. Accordingly, 85% of our total gross investment related to growth projects, above all in the Grids and Renewable Energies segments.

The taxonomy-aligned share of our investment – meaning investment that is classified as sustainable under the EU Taxonomy – is 89%.

Allow me to take a brief look at the individual segments in terms of investment:

We invested around 2.2 billion euros in the segment Sustainable Generation Infrastructure in 2024. This corresponds to 35 percent of our total gross investment.

The majority of this amount – around 1.4 billion euros – was spent on renewable energy, mainly on offshore wind power with investment in our wind farms currently in the planning stage in the UK and our He Dreiht wind farm in the North Sea, which is under construction and scheduled to go into operation in 2025.

In total, we invested around 230 million euros more in renewables than in the previous year.

Our investment in Thermal Generation and Trading amounted to around 790 million euros. That is almost 180 million euros more than in the previous year.

Most of this was invested in the construction of our new flexibly dispatchable, hydrogen-ready gas-fired power plants at three existing power plant sites in Baden-Württemberg.

Around 3.4 billion euros was invested in System-Critical Infrastructure – in the transmission and distribution grids for electricity and gas. This accounts for more than half of our total gross investment.

The increase was mainly due to significantly higher investment by our transmission grid subsidiary TransnetBW as part of the national electricity network development plan.

The start of construction on SuedLink plays a major role here. We expect this project alone to require investment in the high single-digit billions of euros. This is one of the largest single projects in the transformation of Germany's energy infrastructure.

Finally, the segment Smart Infrastructure for Customers.

Following around 380 million euros in 2023, investment here in the past 2024 financial year amounted to some 650 million euros.

This includes one-off effects in connection with the insolvency proceedings for bmp greengas. Investment in electromobility was also higher than in the previous year.

Ladies and Gentlemen,

In light of this high level of investment, I would also like to emphasize the need for efficiency measures.

Our clear goal is to increase our operational efficiency. That means cost optimization and making sure that we invest every euro in the right place for the growth of EnBW and the transformation of the energy system in Germany.

The Performance in Growth program has enabled us to deliver sustained improvements in earnings over recent years. We have recently expanded the program with the objective of achieving a sustainable improvement in earnings of 500 million euros per year by 2028 through the implementation of both existing and new efficiency measures.

Over and above this, we need to maintain and expand our skilled workforce at EnBW across all segments. The Group will be short of up to 8,000 employees by 2027 alone. The skills shortage is exacerbated by demographic change. At EnBW, as at other companies, thousands of employees will be leaving in the coming years as they reach retirement age.

More than ten years ago, we entered into agreements that date back to a time when EnBW was in poor financial shape and reductions in the workforce were on the agenda. Today, we are on a growth trajectory and in the midst of transforming the energy system, and we need all the people available to us.

To that end, we are exploring various solutions and options to better utilize our existing workforce and retain people longer. As a result, we are reviewing, and where necessary will be revising, some of our current policies such as partial retirement and the current 36-hour workweek. The goal is to return to the standard 38-hour workweek in the private energy sector in Baden-Württemberg, ending the special arrangement that EnBW companies have had since 2011.

However, we are still at an early stage in this process. No decisions have yet been made. We will work on finding solutions together with the heads of the central works council and representatives of our union, ver.di.

[Slide 10: Green financing with largest issue volume to date]

Let's turn to the subject of financing. In the past financial year, we extended our Green Financing Framework to include electricity transmission grids and hydropower as additional categories. This means that we can now use "green" finance for all renewable energy sources and electricity grids.

And we were extremely successful on the capital market in the 2024 financial year.

We were able to launch bond issues totaling around four billion euros.

Green bonds accounted for almost 3.3 billion euros of this total. This is the largest volume of sustainable financing instruments that we have ever issued in a single financial year.

In addition, about half of the bonds issued in 2024 – around two billion euros – are earmarked to pre-finance our investment in the current 2025 financial year.

We have also expanded our investor base and successfully further diversified our markets.

For example, we are now the first German energy supplier to have issued bonds on the Australian capital market. The successful issues with strong investor interest and favorable conditions once again confirm the attractiveness of our robust business model.

[Slide 11: Dividend proposal]

I would now like to come to the dividend proposal for the 2024 financial year.

Today, in light of our good results in the 2024 financial year, we are proposing a dividend of one euro and 60 cents per eligible share for your approval. This represents a seven percent increase in the dividend distribution compared to the previous year.

The dividend ratio for the 2024 financial year is therefore a moderate 29%, in line with the large investment needs.

[Slide 12: Forecast for current 2025 financial year]

Ladies and Gentlemen,

Allow me to present our guidance for the 2025 financial year.

We expect adjusted EBITDA in the segment Sustainable Generation Infrastructure to be between 2.4 and 2.7 billion euros in 2025, placing earnings on the same level as the previous year.

In the segment System Critical Infrastructure, adjusted EBITDA is expected to be above the previous year at between 2.3 and 2.6 billion euros. This is mainly accounted for by grid revenues as a result of the high levels of investment.

For the segment Smart Infrastructure for Customers, we expect adjusted EBITDA to be between 250 and 350 million euros. This is mainly due to strong competition in electricity and gas commodity business, the continued growth of electric mobility, and the development of the energy solutions business.

For the EnBW Group as a whole, we therefore expect adjusted EBITDA of between 4.8 and 5.3 billion euros in 2025.

[Slide 13: Secure and affordable energy in a decarbonized world]

Finally, I would like to give you an outlook on the coming months and our work ahead.

At the beginning, I showed a slide with the energy policy triangle: affordability, security of supply, climate. All three are equally important to us. EnBW's climate targets are in line with

the Paris targets. We are sticking to our climate neutrality target for 2035. To this end, we have retired or put into reserve a total of ten coal, oil and gas plants since 2013[2].

All of the coal-fired power plants in Baden-Württemberg that EnBW has taken out of service were classified as systemically important, meaning that security of supply is at risk without them. For the transformation of the energy system to succeed, we therefore urgently need new enabling conditions.

Since the day before yesterday, Germany has had a new chancellor and thus a new government, which is now setting to work. As EnBW, we very much welcome the fact that the transition period following the elections is now over and hope that the new government will quickly get down to business, make decisions and forge ahead with legislative initiatives. In these challenging times, it is an important sign that the will is there to make a fresh start.

Earlier on, I mentioned the need to build gas-fired power plants. The entire industry is waiting for clarity on the German Power Plant Security Act. The coalition agreement makes a good start, including with regard to the capacity market. I have spoken in the past in favor of a centralized model, because I believe this is well proven and can be quickly implemented. We must not make things too complicated for ourselves, or we will merely lose time that we don't have. Realistic assumptions as to the development of electricity consumption in the years and decades ahead are also essential as the basis for dimensioning the necessary infrastructure.

[Slide 14: Strategic outlook]

I am so insistent in calling for these enabling conditions because I know how much we will be investing over the next few years: At least 40 billion euros by 2030. 60 percent of this in our grids, 30 percent in generation and 10 percent in customer solutions. We have a clear target and aim to have up to 80 percent renewables in our portfolio by 2030. To this end, we are working on numerous projects, large and small. He Dreiht is one. SuedLink is another. And there will be more to come. In order for the transformation to succeed, we have to reduce costs wherever possible. And optimize our own performance.

It is important to me that we transform the energy system intelligently and in line with demand. Adjustments may be needed along the way. They have to be made in good time to take effect.

And with this in mind, I would like to draw to a conclusion. Expectations are high, not only for the new German government, but also for us at EnBW. We want to meet those expectations every day with energy and commitment.

Ladies and Gentlemen, as you can see, we have already achieved a great deal. At the same time, the coming years will place great demands on our country and on us as an energy provider. At EnBW, we are well positioned and ready to take on the challenges ahead.

Thank you for your attention. I now look forward to your questions.

[Switch to slide 15 – Thank you]

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[2] RDK4S, RDK7, HLB5, HLB6, Wal1, Wal2, Mar GT2, Mar GT3, HKW1, GT16 in Münster